

Public Smoking

Events which influenced the public smoking issue during the first quarter include:

1. The Jan. 29 hearing before the National Academy of Sciences panel examining "passive smoking," under a contract from EPA and OSH.
2. Legislative deadlines in Florida and New Jersey for companies developing workplace policies to comply with clean indoor air acts.
3. Mayor Koch's appointment of a panel -- headed by Joe Califano -- to develop tough workplace smoking restrictions for New York City.

Results for the first quarter include:

1. We are about 30 percent toward this year's goal of 35 briefings on the broader issue of indoor air quality. Highlights include an ASHRAE meeting in Crystal City, the American Legislative Exchange Council in Rosslyn, the New Jersey Clean Indoor Air Committee and the NAS committee on passive smoking.
2. We are 35 percent toward our goal of 120 workplace smoking issue briefings. Highlights include General Mills, Coca Cola, the Pa. Dept. of Labor and Industry and the Detroit Free Press.
3. We are 55 percent toward our goal of 20 workplace presentations. Highlights include the U.S., Michigan, Florida, New Jersey, Maine, Vermont, New Hampshire and Louisiana chambers of commerce and the Washington, D.C., Board of Trade.
4. We have responded to 175 requests for assistance. Follow up is continuing as staff time and resources permit.
5. We are 90 percent toward our goal of briefing 20 officials from labor, Hispanic, veterans and affirmative action groups on smoking restrictions. The bulk of these briefings have been in the labor area.
6. Our consultant scientists continue to brief other scientists involved in the indoor air quality issue on their reviews of the literature.
7. We prepared materials counseling reasonable accommodation of

smokers and nonsmokers and they were mailed to members by the N.J. Restaurant Assn., as well as chambers of commerce in N.J., Vt., N.H., Fla. and Maine.

8. Without direct encouragement the AFL-CIO executive committee in February approved a resolution opposing smoker hiring bans and legislated workplace restrictions, calling instead for voluntary policies developed as part of the collective bargaining process.
9. The Communications Workers of America -- long hostile to the workplace smoking issue -- are asking for and getting our help with their current contract negotiations with AT&T.
10. Paul, Hastings, Janofsky & Walker consultants are responding weekly to requests from clients and/or other law firms on smoking restrictions. Most of these contacts have resulted from the Employee Relations Law Journal article, which we commissioned, written by Denny Vaughn and Lawrence Ashe, of that firm.

Major negatives in first quarter include:

1. Demand continues to exceed resources. Staff cannot keep up with current requests for assistance, much less follow up on previous mailings. We have sought and been authorized a new position to relieve the backlog.
2. Reporting on field staff use of resources has not been timely.

Excise Taxes

Events which influenced the issue in the first quarter include:

1. Senator Packwood's tax reform proposal.
2. The Bradley/Stark bills on the tax deductibility of tobacco advertising.
3. Secretary Weinberger decision on commissary sales.

Planned results for first quarter include:

1. We generated op-ed articles on Chase study results in ten media markets, including mention of our position on the excise tax issue.
2. We generated a second series of op-ed articles in 19 Senate Finance Committee states opposing plan to deny the deductibility of excise taxes.
3. We sponsored three studies, which have been completed, on topics supportive of our general position on excise taxes. Subjects are:
 - o Regressivity.
 - o Impact on minorities.
 - o Distributional effect.
4. National Black Caucus of State Legislators Excise Tax Booklet, which we help prepare, was a significant publication and evidence of coalition support.
5. With our planning and support, Citizens for Tax Justice produced several exceptional publications and activities, including:
 - o Early public opposition to Packwood tax increase.
 - o Public Opinion Survey showing overwhelming Packwood opposition.
 - o Washington Post advocacy advertisement.
6. We participated in and aided development of organizational support for the Coalition Against Regressive Taxation (CART), a group of business interests opposing federal excise increase.
7. We developed and encouraged the active opposition of media, advertising agency and advertiser interest groups to legislation denying the tax deductibility of cigarette advertising. Six organizations have signed a letter to the

Senate opposing Bradley/Stark legislation. We published a C&B legal memorandum; all very helpful in positioning the issue as a non-tobacco issue.

8. At our urging, six Hispanic groups have joined the growing ranks of the public opposition to the Senate Finance Committee proposal.
9. Our liaison with Rev. Leon Sullivan's group, Opportunities Industrialization Centers (OIC) brings a new dimension to the opposition to excise taxes.
10. On the commissary front, we helped develop a new coalition of service personnel, active duty and retired, joining forces with major veterans organizations to convert this from a smoking issue to a military benefits issue.

Major unplanned results for first quarter:

1. Indigent Health Care: We successfully negotiated agreement with Hospital Corporation of America and the National Council of State Legislators to reshoot film and redo book eliminating the excise tax option as a practical way to finance this program.
2. Legislative Support: We developed close and cooperative working relations with the Federal Relations Division as a result of our access to civil rights, first amendment, labor and other non-tobacco groups. This is manifested in the Packwood, Bradley/Stark and commissary issues.
3. Coalition Building: We are in close touch with the Hispanic Congressional Caucus Legislative Seminar. This new project looks very promising.

Major negatives in first quarter:

1. Unanticipated expense of responding to Packwood legislation.
2. Unsatisfactory progress in developing relations with health care cost experts in blacks and women's groups.

Advertising Restrictions

Events which influenced the issue in the first quarter include:

1. Failure of the American Medical Association ad ban bill to be introduced, and implying general acceptance of the industry's First Amendment position.
2. Endorsement, by 30-plus voluntary health and other associations and some 50 Members of Congress, of the Bradley and Stark proposals to deny tobacco product manufacturers the standard tax deduction of advertising/promotion costs.
3. Renewed public call by the American Cancer Society for elimination of illustrations and unspecified text in tobacco product advertising and termination of sponsorships and other promotions.

Planned results for first quarter include:

1. We obtained Federal Relations Division approval of our preliminary ad hearings support plan.
2. We encouraged agreement of Infotab and the International Advertising Association to update the 1983 IAA 16-country cigarette consumption study, now due end of April.
3. We strengthened our alliance with the advertising and ad media industry groups to fight proposed encroachment on First Amendment rights.
4. We identified source for a needed backgrounder on corporate special events sponsorship and obtained her agreement to submit a proposal by April 11.
5. We obtained approval by member companies of first half "Helping Youth Decide" (HYD) ad schedule.
6. We reached agreement with NASBE for use of past president Jolly Ann Davidson with state legislators and, through reallocation of some HYD ad dollars for HYD PR, assigned a consultant to design a model program plan and manage promotions in selected localities.
7. We won agreement of LULAC to endorse the Spanish version of HYD, "Decidiendo Juntos," and to use the booklet in its family programs.
8. We marked progress by NASBE on two 1985 projects: the HYD workshop guide (combined with the 1985 conversation starter card project) and the HYD evaluation survey.

Accidental Fire

Events that influenced this issue in the first quarter include:

The effects of Gramm-Rudman budget cuts on federal fire programs and the opportunities this issue presented for further cooperation and assistance within the fire community.

Planned results for first quarter include:

1. We are more than halfway toward our goal of 200 working relationships within the fire community. Once FireCare is available for the planned distribution, we expect the number of relationships will increase rapidly.
2. We reached agreement from the Washington Area Council of Governments to proceed with a model fire service program to place TI-sponsored fire prevention education materials in departments served by COG.
3. We obtained agreement from California State Fire Marshal's office to assist in development of and field test the fire safety program for the disabled.
4. We improved relations with International Association of Fire Chiefs, to the extent that IAFC will work with our consultants, TriData, on the 1986 study of U.S. fire education programs and shows strong interest in distributing FireCare nationally.
5. Our efforts in cooperation with fire service groups to save the U.S. Fire Administration have been well accepted by the fire community.
6. We have sponsored seven rural smoke detector seminars which have been conducted with positive results. Follow-up will include distribution of the ISFSI program guide and promotional materials.
7. We stimulated publicity on the fire program through a number of articles in national fire journals and state association newsletters.

Media Relations

Events which influenced the media relations section during the first quarter include:

1. The American Medical Association's continued call for an end to advertising and promotion.
2. The Bradley/Stark proposal to eliminate the deductibility of advertising.
3. Tax legislation at the federal and state levels.
4. Continued proposals for smoking restrictions.

Results for the first quarter include:

1. Our major promotional effort on Chase Econometrics Study resulting in positive coverage in several major markets and national media.
2. Our design of plan to improve use of scientific witnesses with media.
3. Major debates between our spokesmen and AMA representatives in selected situations resulting in positive press coverage.
4. Expansion of the range of contacts of the spokespersons.
5. Major organizational efforts, including an annual detailed calendar of news events and projects, total computerization of contacts, news media outlets and personnel into a data base management system, and standardization of response policies and methods.
6. Bringing the department to full strength, including hiring and training a new spokesperson.

Coalitions

Events that influenced this function in the first quarter:

Although the event occurred on December 16, 1985, reaction to the Surgeon General's report on smoking in the workplace continued to affect our coalition building efforts with organized labor during the first quarter of 1986. The AFL-CIO continued to push for retraction; reaction enabled us to build on our existing relations with organized labor, and reach unions that heretofore had been hostile.

Planned results for the first quarter include:

1. Two columns produced by staff for trade publications -- first on smoking restrictions, the second on Chase results.
2. Our restaurant manual was complete save for strategy development.
3. We developed an extremely close relationship with the NRA, to the extent that they are proposing joint surveys (joint even to the point of paying half the cost!), and are asking our assistance in producing materials for their members.
4. We worked with officers of the National Newspaper Publishers Assn. to arrange meetings between TI staff and community leaders in Portland, Ore.
5. Aided tobacco labor-management committee with first issue of Tobacco Bulletin, produced and mailed.
6. Dates and topics have been scheduled for Tobacco College and labor issues seminar.
7. Communications Workers of America has asked the labor management committee to help it in its contract negotiations with AT&T. We are exploring other joint ventures this this previously hostile union.
8. We contacted and discussed issues with a number of unions outside the tobacco industry during the February AFL-CIO meeting in Bal Harbour. These include the airline pilots, the flight attendants, auto workers, service employees, clothing and textile workers, food and commercial workers, government employees, letter carriers, teachers and firefighters.
9. At labor's request, we were able to generate Congressional support for rehiring of air traffic controllers fired during the PATCO strike several years ago; we also were able to generate support for anti-polygraph legislation among southern House members.

Major negatives during the quarter include:

1. No progress to date on building relationships with retail food industry associations and chains. The grocery store manual continues to need revision and updating.
2. Little progress to date on building an effective working relationship with women's organizations.
3. No progress on coordination with member companies regarding suppliers contact program for corporate outreach, or in coordination of coalition outreach.

OTHER ACTIVITIES

Events which influenced other activities during the first quarter include:

1. Although published last year, the OTA Staff Memo remained the predominant anti-smokers' reference on "social costs" of smoking.
2. Tobacco companies planned to support preparation of reception rooms for the Secretary of State.
3. WHO's strongest anti-tobacco resolution to date was placed on the World Health Assembly agenda for May.

Results for the first quarter include:

1. New publications inventory and maintenance procedures developed with issue manager responsibilities. Staff drafting of certain materials continued.
2. Began planning PR/media relations use of out-of-town PR consultants currently retained for other purposes.
3. Initiated contact with Lexington Books regarding promotion/review of newly published "Smoking and Society."
4. Developed SOP to assure greater flow of TI letters-to-editors.
5. Developed, obtained approval for and began execution of research and publicity plans on "social costs" issue.
6. Compiled and edited staff reports to Executive Committee on Senate tax reform excise projects.
7. Combined the staff positions of Newsletter editor and Tobacco Observer editor and recruited one person for the job.
8. Developed proposals for joint activities with NATD, pending their approval.

April 16, 1986

MEMORANDUM

TO: William Kloepfer, Jr.

FROM: Peter G. Sparber

The following pages contain first quarter highlights for:

- o the public smoking, excise tax, advertising restriction and accidental fire issues; and
- o the media relations and general coalition functions of the division.

These brief reports attempt to summarize major events which affected the industry in the first quarter, as well as our results in that same period. Negative performance is reported where appropriate.

It should be noted that these summaries represent several hundred individual projects which are described in detail in our monthly reports.

Taken as a whole, this report reflects a great deal of well-focused, productive work.

cc: Craig Barnes
Meg Buckley
Anne Duffin
Fred Panzer
Susan M. Stuntz

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