

ISSUE STRATEGY BACKGROUND

I. DEVELOP COORDINATED INDUSTRY EFFORT TO DEVELOP POWERFUL "GRASS ROOTS" POLITICAL FORCE AND DEVELOP PROGRAM TO ENSURE THAT GROWERS, TRADE AND NON-TOBACCO ALLIES ARE ENLISTED IN FIGHTING ANTI-TOBACCO ISSUES

A. Issue

There are about 50 million smokers in the U.S. Right now, the only thing that ties these people together is the fact that they smoke. Both RJR and PM are working to organize smokers into a vocal group, although RJR is much further along. The Tobacco Institute does not at present have such a program. What is needed is a way to effectively bring RJR, PM, and other industry resources together and develop industry programs to mobilize smokers.

B. Current Activities

1. RJR

RJR has developed and is executing a major program to create a "grass roots" force through the "Partisan" program.

- Partisan project is a program of ongoing communication with seven million identified smokers designed to educate, motivate, and generate action in the form of contacting/petitioning legislators, writing letters to media on issues of interest to smokers. Covers all 50 states.
- Partisan Movement program is an effort to generate independent grass roots groups in every major locality. Brings together individual smokers to group meetings, identifies leaders, and maintains dialogue with group leaders to educate them on the issues and motivate them to expand their groups and take specific action as a group. Objective is to get the group leaders to provide the initiative and organization to ensure action is taken by the group.

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SR
Excise TAXES
state/local

- Also involves Partisan Allied Force program to identify others with vested interests and stimulate them to take action. Potential allies include:
 - Retail trade and trade associations
 - Wholesale trade
 - Suppliers
 - Leaf associations
 - Non-industry groups (National Liquor Store Association, National Licensed Beverage Association, American Hotel and Motel Association, etc.)

2. Philip Morris

PM's approach is somewhat less complex than RJR's. They are also interested in smokers' rights groups, but their approach has been to bring pre-existing rights together and encourage formation of what has become The Smokers' Alliance, which appears to be quite independent of PM.

They also have a mailing list of smokers (7 to 8 million) which receives their PM magazine, and they communicate intermittently with these people on issues through a mailing called "(State) Smoker."

II. MORE EFFECTIVELY UTILIZE INDUSTRY RESOURCES TO RESIST UNFAIR TAX INCREASES, SMOKING RESTRICTIONS, AND RESTRICTIONS ON ADVERTISING

A. Issue

Governments at all levels (federal, state, local), faced with mounting costs and reluctant to increase general taxes, frequently turn to cigarette tax increases as one of the less painful ways of increasing revenues.

Smoking restrictions are being proposed/legislated by countless local political subdivisions across the country, largely stimulated by the antis who recognize that such a brushfire approach overtaxes the industry's resources.

Increasing pressure is developing for federal, state and local intervention to restrict the ability of tobacco companies to advertise and promote their products.

B. Current Activities

The key RJR Partisan program, directed primarily at smokers, has been described earlier, as have the less extensive PM efforts. In addition, extensive lobbying resources are maintained separately by RJR, PM and The Institute across the country.

When major tobacco-related issues arise (tax or restriction bills or initiatives, etc.), the industry works together through ad hoc committees formed to resist the actions. Can involve distribution of political contacts among RJR, PM, TI lobbyists, letter-generating mailings to smokers, advertising and PR campaigns to voters, and a number of other activities.

Issue here is to decide how to improve the integration of the smoker contact and lobbying resources of the various industry members in order to develop their full potential.

III. ENACTMENT OF PREEMPTION LAWS

A. Issue

The anti-smoking zealots are implementing a program of thousands of local initiatives/ordinances to restrict smoking in one way or another. They realize that the industry does not have the resources to fight these on a locality-by-locality basis, and so they are pushing for the most restrictive laws they can get. This has resulted in very different restrictions across a state and a lot of confusion for the citizens. The industry's objective is to enact state laws across the states to preempt local authority in establishing such restrictions.

B. Current Activities

The industry, working through The Tobacco Institute, has determined a number of states as key targets for preemption laws in 1990:

AL, AZ, AR, CA, CT, IL, IA, KY, LA, MS, MO, NE, NJ, OH, VA.

In addition, a number of other localities, which have workplace restriction laws, are targeted for establishment of statewide indoor air quality ventilation standards as a means of mitigating the restrictions:

DC, ID, ME, MA, NH, VT, WI.

The plans include development/use of:

- Economic impact fact sheet
- Legal memoranda
- Expert witnesses
- Coalition allies
- Grass roots mobilization
- Media activities

IV. FREEDOM OF CHOICE

A. Issue

Freedom is a fundamental tenet of American life and society, and most Americans tend to resist imposing their own values on others, even when they do not approve of the behavior. Therefore, the "freedom of choice" concept should have appeal to non-smokers as well as smokers. Among smokers, it is a concept around which they can rally in defense of their right to smoke and their right to avoid unfair taxes.

B. Current Activities

Public Issues uses the concept in their communications and to motivate smokers to take direct action regarding smoking restrictions and taxation. However, aside from these efforts, there are no programs for utilizing the idea further among smokers or non-smokers.

V. ENACTMENT OF ANTI-DISCRIMINATION LAWS

A. Issue

An important anti-smoking effort is the attempt to get employees to avoid hiring smokers or, in some cases (e.g., fire departments, etc.) insisting that smokers stop smoking as a condition of keeping their jobs. While employers are recognized as having rights to restrict on-the-job smoking, it is a violation of personal freedom to impose control on legal, non-job activities.

B. Current Activities

The industry, working through The Tobacco Institute, has determined a number of states as key targets for implementation of smoker non-discrimination laws in 1990. These include:

AZ, CT, DE, FL, KY, ME, MD, MA, MO, NE NJ, NY, OK, SC, UT, VT, WA.

The plans include development/use of:

- Economic impact fact sheet
- Legal memoranda
- Expert witnesses
- Coalition allies
- Grass roots mobilization
- Media activities

VI. WORKPLACE SMOKING

A. Issue

As a result of the success of the anti-smokers in conveying the perception that ETS is a clear and present danger to non-smokers, there has been a rapid expansion of efforts on the part of businesses, initiated either by management or by individual employees, to impose smoking restrictions/bans on smoking in the workplace.

As an industry, we need to enhance the focus on workplace smoking programs by expanding resources and establishing contact teams to effectively communicate ETS facts and realistic model workplace guidelines to targeted business associations and corporations.

B. Current Activities

1. RJR

- In 1986, Public Issues developed a brochure on fairness and mailed it to several hundred corporate CEO's and personnel directors.
- Public Issues provides spokespeople to address trade associations and others who have an interest in workplace smoking restrictions and related issues.
- Public Issues provides upon request practical information to organizations that have expressed an intention to institute smoking restrictions. Public Issues helps these organizations achieve solutions most equitable to smokers and non-smokers alike.

2. The Tobacco Institute

TI has a number of tactical programs to encourage reasonable employer response to employee demands for smoking restrictions.

- Targeted mailings of offers to provide assistance to employees in states or localities facing workplace legislation or where a lot of discussion about workplace smoking is occurring, and provide materials upon request.
- Promote reasonable accommodation of smokers and non-smokers by providing materials to employees considering restrictions.

Materials include:

- Materials to employers (examples of policies in other companies, ETS data, legal considerations, productivity issues, etc.).
- Personal briefings by TI staff and consultants re ETS, indoor air quality, effective ventilation.
- Workplace smoking kit to smokers employed by company considering restrictions.
- Get consultants to write articles giving examples of reasonable workplace guidelines and criticize articles giving unreasonable solutions.
- Promote development of employer guides (from chambers of commerce, etc.) which will give information on how to comply with the law and be fair to all parties.
- Conduct legal media tours on workplace legal issue (to counter antis' claims).

VII. YOUTH SMOKING

A. Issue

RJR makes no attempt, through advertising, promotion, or any other means, to persuade young people under 18 to buy its products, nor for this matter does the Company make any attempt to get people of any age to start smoking. Despite that fact, and our many statements in support of it, however, anti-smokers refuse to believe that we are not engaged in continuing efforts to stimulate smoking among young people, and they consistently make such claims in support of further restrictions on our marketing activities.

Therefore, we want to make it clear that we do not support smoking among people under the age of 28 and be proactive in communicating that viewpoint to the public and particularly to young people. This may consist of both enhancing Tobacco Institute programs or executing RJR-specific programs.

B. Current Activities

1. RJR

RJR has no current program in this area.

2. The Tobacco Institute

- The Tobacco Institute has developed, in conjunction with the National Association of State Boards of Education (NASBE), a program directed at parents/teachers/other leaders called "Helping Youth Decide."

This program is directed at helping adults teach youth how to make decisions and how to resist peer pressure in a number of personal situations and consists of four four-color brochures provided free to educational systems and others who request it.

The program was developed in 1986. However, the Coalition recently persuaded NASBE to separate itself from the Institute and provided a \$500,000 stipend for NASBE to develop its own program. Therefore, the former educational link no longer exists. While the former Executive Director of NASBE has been retained as a consultant and takes part in media interviews, the program is currently inactive.

- The Institute has commissioned studies and compiled statistics which show that advertising does not have an important impact on getting young people to start smoking and that the primary motivator is "peer pressure," the same as it is for a number of other behaviors.
- The Institute has not developed any programs targeted to young people themselves, preferring to work through adults.

Currently, there is little industry activity regarding youth smoking aside from ensuring that spokesmen/witnesses who can attest in hearings, etc., as to what actually motivates and does not motivate youth to smoke.

3. External Affairs is developing a recommendation for The Tobacco Institute, to include:
 - Develop clear policy statement.
 - Media/PR plan to communicate policy.
 - Issue advertising to communicate policy.
 - Issue advertising directed to young people re non-smoking/peer pressure resistance.
 - Video presentation program for use by PTA groups, scout leaders, etc.
 - Trade program to point out importance of respecting age restrictions, including brochures, signage.

VIII. ENVIRONMENTAL TOBACCO SMOKE

A. Issue

Anti-smokers have used the environmental tobacco smoke (ETS) issue and its alleged effects on non-smokers as a means of enlisting non-smokers in the fight against smoking. This has proved to be an effective wedge to drive between smokers and non-smokers, and the result has been a further decrease in social acceptability of smoking and a dramatic increase in support of restrictive legislation re public smoking, including smoking in the workplace.

A considerable effort on ETS is going on in a variety of places, including RJR, The Tobacco Institute and Philip Morris, which is detailed below. A literature review has been compiled by Covington and Burling.

There is clearly not an absence of effort in the ETS area. What seems to be lacking is a coordinated effort and a clear direction. Also, we will be looking for directions that no one is pursuing at present. Whether we should work with the member companies to revitalize the Tobacco Institute effort, or whether we should operate our own programs, work together with PM, or whether some combination is more appropriate will need to be decided.

B. Current Activities

1. RJR R&D

The RJR ETS group engages in:

- Developing methodologies and equipment to accurately determine amount of ETS in the air.
- Conducting and communicating studies of exposure to ETS in real-life environments (airlines, taverns, restaurants, etc.).
- Studying sensory/irritancy aspects of ETS to better understand the annoyance issue and provide product direction.
- Assisting in the development of claim substantiation for new cigarettes designed to address ETS issues.

R&D's work involves a large number of research projects, particularly in the first three areas above. Much of the learning from this effort is exposed to the ETS scientific community. In the past two and a half years:

- There have been about 35 studies submitted (14 environmental journals) and about 40 presentations (at indoor air quality conferences and tobacco chemist meetings).
- Guy Oldaker has been serving as ETS spokesman and has been involved in 10-12 media or hearings activities in the U.S. and eight in Hong Kong.

Additionally, R&D works with AOAC (Association of Official Analytical Chemists) and CHORESTA (International Tobacco Research Institute) to ensure that correct and precise ETS methodologies are adapted.

- R&D also works closely with other companies on the board of the CIAR (Council on Indoor Air Research).

The RJR scientific effort is perhaps the strongest in the industry, probably as a result of PREMIER, and it is the main thing we can bring to the industry table.

Despite this and the efforts described above, however, the public impression of ETS science, as seen in the media and the bills in Congress, is that it is a large and serious air pollution issue.

2. Other RJR

Public Issues works with smokers to ensure awareness of indoor air quality issues. The Public Issues publication "CHOICE" periodically includes information on indoor air quality and ETS.

Public Issues also publishes and distributes materials to inform target audiences of the facts concerning indoor air quality and ETS (e.g., the department recently sent a restaurant smoking packet to 26,000 members of the National Licensed Beverage Association).

Federal Government Relations focuses primarily on restrictions as well as on preventing federal government agencies from taking official positions contrary to the existing body of credible scientific evidence concerning ETS.

3. The Tobacco Institute

The Institute has a rather extensive program regarding indoor air quality. Their approach, however, has been not to deal with ETS in a direct way but instead try to make ETS only a small, perhaps insignificant, part of a much larger indoor air quality issue. Their focus is on poor building ventilation and the "sick building" syndrome.

Specific programs include the following:

- Two groups of experts/consultants have been developed and trained for congressional hearings, media, speaking opportunities.
- The experts are also used for:
 - Research and publication of articles that assess ETS in the context of all indoor air factors.
 - Participation on committees of organizations studying indoor air quality.

- Analysis of anti-smoking ETS research and criticism of all shoddy research via briefings, publications, letters to editor.
- Conducting one indoor air quality consultant and two ETS truth squad media tours a month, including one media tour in unionized areas of the country.
- Writing articles which are used for op-ed pieces.
- TI is initiating a program of bringing foreign ETS scientists/experts to appropriate scientific conferences for presentation of papers and, while they are here, get them to speak to U.S. media on research facts, misrepresentation. Would include editorial board briefings as well as media interviews.

Also, commission series of ETS science op-ed pieces for placement in regional newspapers.

- TI also plans to:
 - Identify experts who can discuss examples of health scares based on exaggeration of science (e.g., Alar, cyclamates, cranberries, etc.), publicize their assessments (shortcomings in science/peer review, funding process, etc.).
 - Develop and distribute media ETS briefing book which will clarify the science on ETS, and distribute to key journalists.
 - Assess and communicate the way journalists cover controversial scientific issues, especially ETS:
 - Include "white paper" re faulty reporting.
 - Find a columnist or professor of journalism to write articles on poor quality of scientific journalism.
 - Work with a professional journalism group to sponsor seminar on coverage of science in the media.

- Find respected expert consultant to write and place papers on operation and limitations of the peer review system, and carry message to key media.
- Continue to develop relationships with organizations and individuals interested in indoor air quality, especially labor unions.

4. Philip Morris

So far as is known, PM communicates on ETS issues through their Smoker Alliance group as well as their "(State) Smoker" program described earlier.

Among PM's most ambitious efforts is the Accommodation Program, a \$1.5 million (1989 funding) pilot program that began in June in Pittsburgh. The program focuses on working with local businesses and business leaders, including restaurateurs, to change attitudes and perceptions concerning smoking and ETS. Among the tactics are PM subsidies of restaurant ads that include a special Accommodation Program logo letting potential patrons know that smokers and non-smokers are welcome at the establishment. PM is funding a "smokers' lounge" at a local performing arts facility. The company is also running ads stating that accommodation and courtesy are the best approach to public smoking issues.

IX. ANTI-SMOKING ACTIVISTS' UNFAIR BEHAVIOR

A. Issue

The anti-smoking activists have cloaked themselves in the mantle of altruism and have convinced the media and others that they are simple purists with noble motives fighting an uneven battle with the mighty force of the tobacco lobby to reduce smoking in America.

In fact, their goal, unrealistic though it may be, is to totally eliminate smoking in America, and a primary focus of their effort is the total destruction of the U.S. tobacco industry by whatever means they can identify.

In this effort, they:

- Have developed detailed plans to attack every aspect of tobacco company activities, particularly marketing, and to influence the media to carry the message for them, including instructions for utilizing "creative epidemiology."
- Publicly utilize the results of poorly conducted "research" to support their claims, especially ETS research.
- Are quite willing to make misleading or even specifically false statements for their impact, as evidenced in their unprecedented attacks on PREMIER.

We need to directly challenge their behavior and agenda and put them in a position of having to defend their actions.

B. Current Activities

1. The Tobacco Institute

The Tobacco Institute is pursuing a new strategy of publicizing the financial, for-profit interests of the anti-tobacco scientific community that can lead to tainted scientific results. They plan to research the funding of anti-tobacco community grants, identify the relationship between scientific abuses and financial interests, and publicize the findings to and through the media.

The Institute is also developing a program designed to promote the position that the general public is being overwhelmed with conflicting information about reasonableness of behavior and factors of risk. This is not specifically directed against anti-smokers but against all extremists who excite the public based on questionable science (e.g., Alar).

2. RJR

No current programs have been developed, but possible approaches are:

- Develop a pamphlet/brochure showing how the antis manipulate the media by drawing examples from their own materials illustrating:
 - Use of creative epidemiology.

- Staging events, creating controversy.
- Use of "sound bites" as a substitute for substance.
- Attempts to discredit tobacco companies in the eyes of the media.

This information would be conveyed to key members of the media via editorial board meetings, informal discussions with reporters, etc., and the brochure would be provided as a reminder.

- Focus on efforts to get anti-smoking organizations to defend themselves, e.g.:
 - Initiative on state ballot(s) to prohibit any political lobbying by tax-exempt organizations.
 - Initiative on state ballot(s) to have all tax-exempt organizations file a public source and use of funds statement annually.
 - Initiative on state ballot(s) requiring any M.D. who receives payments from Medicare or other welfare organizations funded by the taxpayers to donate under state direction a number of hours to charitable health care to help reduce the burden of high medical costs.