

NEW YORK
1999 STATE PLAN

DEFENSIVE

1. EXCISE TAX Increases - Beer & Tobacco

<i>Tactics</i>	<i>Responsibility</i>	<i>Time Frame</i>
Coalition	Portnoy - State Consultants Beer & Tobacco	Ongoing
Cross Border Study	Dunham/Winegarden	January '99
Mobilizations	Cryan/Kiley	Jan - June '99

2. THIRD PARTY LIABILITY

<i>Tactics</i>	<i>Responsibility</i>	<i>Time Frame</i>
Coalition	Portnoy - State Consultants	Ongoing
Legal - briefings, national updates	Portnoy - Teel	Sept '98 - June '99
Media Outreach	Man/Media Affairs	Jan '99 - June '99

3. SMOKING BANS State and Local

<i>Tactics</i>	<i>Responsibility</i>	<i>Time Frame</i>
Coalition	Portnoy - State and Local Consultants	Local - Ongoing State - Jan/June '99
Reasonable Alternatives Accommodation/Ventilation	Culley/Ostern/Lattanzio	Local - Ongoing

4. DAIRY COMPACT

<i>Tactics</i>	<i>Responsibility</i>	<i>Time Frame</i>
Coalition	Portnoy - State Consultants	Jan '99
White Papers	Kraft DC and Legal	Jan '99

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PROACTIVE

1. Youth Access Tobacco

<i>Tactics</i>	<i>Responsibility</i>	<i>Time Frame</i>
Coalition	Portnoy - State and Local Consultants	Local - Ongoing State - Jan '99
Legal	Portnoy - DSPP/USA Legal	Ongoing
Training	Portnoy - Chaikin/CRTR	Ongoing

2. Reasonable Accommodation State and Local

<i>Tactics</i>	<i>Responsibility</i>	<i>Time Frame</i>
Coalition	Portnoy - State and Local Consultants	Local - Ongoing State - Jan '99
Accommodation/Ventilation	Culley/Ostern Lattanzio	Local - Ongoing State - Dec '99

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Draft for Discussion Purposes 8/25/98

Region 3 - NEW YORK 1999 Plan

I. OBJECTIVES

- Positive Scenario

- An environment where reasonable state wide and local solutions can be advanced in critical areas - tax, marketing/advertising, product use and production for all PM Companies.
- An environment where PM Companies role as a source of reasonable solutions, an employer, tax payer, and overall contributing corporate partner with the public sector is positively advanced.

II. ISSUE/STRATEGIES AND ACTION PLAN with TIME LINE

FOOD

1. Pass Data Access & Standards Legislation - Work with other interested groups to support legislation introduced in 1998 during 1999 NYS legislative session. Work with other interested parties to assure that meetings are arranged that address the concerns raised in 1998 early in the 1999 session. Assure that scientific background and information is provided as needed.
2. Promote Alternatives to Dairy Compact - Work with other interested groups to advance the dialogue surrounding concerns about small dairy farmers to investigate other means of addressing these concerns. i.e. forward contracting. 1999 legislative session.
3. Support Reasonable Environmental Measures - recycling, packaging & labeling, emission/waste disposal, working with the broad based business community.
4. Support Reasonable Expansion of Economic Development Areas by supporting efforts of the broad based business community. Meet with Headquarters and Plant managers prior to January 1999. DSPPs to assist in arranging meetings.
5. Support Tort Reform - Work with the Broad Based business community to advance legislation to take steps to modify the anti business tort laws in the region. The environment in NY has been particularly unresponsive to such changes and no changes are expected during 1999 which will significantly change this environment. The strategy is to advance the alternative dialogue and work with the broad based business community to assure that no negative changes to the tort law are enacted. Broad based business community meeting, August 1998, efforts ongoing during remainder of year.

BEER

1. Proactive effort to lower excise tax - support efforts of wholesalers and distributors. 1999 NYS Legislative session

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2. Support reasonable measures to address underage use and irresponsible use of product - work with other interested parties to take independent steps to provide training as well as support reasonable legislative measures.

3. Support Reasonable Sales and Marketing Measures - In addition to working with broad based business and trade groups also proactively work with Miller sales & marketing to make necessary changes to regulations and legislation which will advance business goals.

4. Support Reasonable Environmental Measures - Work with broad based business groups, trade groups to support a reasonable approach to recycling, packaging & labeling issues.

TOBACCO

1. Defeat increases in state & local excise taxes

2. Defeat Third Party Medicaid Liability Legislation.

3. Support reasonable measures to address youth access and possession

4. Work with other interested parties to support reasonable accommodation legislation, with ventilation options at the local level. As local legislatures act on a year round basis these efforts are ongoing as well.

5. Support reasonable marketing and advertising regulations and oppose unreasonable restrictions.

6. Work with interested parties to support and advance , statewide, reasonable accommodation legislation, with ventilation options at the state level during the 1999 NYS Legislative Session. Support trade groups where they exist and support efforts of the business community to organize to deal with these issues, remainder of 1998 and continuing on an ongoing basis.

7. Support state and local efforts to limit the influence of unelected bodies of regulation, i.e., require that all regulations passed by an unelected body be approved by an elected body. During the 1999 state legislative session in region.

8. Work with other interested parties to promote legislation to address the actions of unelected boards -- for example:

- require that prior to the enactment of any legislation or regulation that impacts a business community that appropriate notice and opportunity for comment must be provided.

- require that local boards of health provide a cost benefit analysis of proposed regulation prior to enactment's

9. Support reasonable tort reform and oppose unreasonable changes. See above food.

10. Support reasonable ingredient disclosure requirements

III. TACTICS

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Tactics are ongoing and continuous. They are designed to support the overall objective which will promote an environment where specific strategies can be advanced. They advance the objectives across operating company lines. Relationships with third party groups and opportunities to work with them are advanced with an eye towards participation by all operating companies as appropriate. Participation is sought for all operating companies. Consultants are charged, regardless of their primary responsibility, to monitor issues of concern to corporation as a whole as well as individual operating companies and to identify opportunities for participation, relationship building and creating better environments.

Coordination/Communication

In order to fully utilize all the resources of the PM Companies in advancing the strategies improved client communication is essential.

- Communicate on an ongoing basis with DSPPs of each operating company to assure that there is common understanding of issues and argumentation. That direction of strategies are in keeping with current policy and that there is "buy in" on the specific approach. This is also an opportunity to assure that all resources are being effectively utilized.

An example of this is to obtain for USA internal marketing approved talking points on self service displays that can be provided to the sales force, trade groups and customers. Additionally, the sales force has requested direction in how to respond to customers concerns about stings. A proactive response which encourages compliance with the law and increased retailer training and is supported internally in needed and has not be promptly forthcoming. Action these two items has already been requested during 1998.

A comprehensive review should be conducted as part of the 1999 planning process and be completed and agreed to prior to the start of the 1999 legislative sessions, however as the environment is in ongoing change ongoing communication should be required.

Improve Client Understanding

- Improve the ability to identify and therefore work with the sales forces, plant managers and customers of all operating companies. In order to maximize use of opportunities both internal and external. This process is in different stages of development for each of the companies.

During the remainder of 1998 and by mid 1999 meet with the sales force of all operating companies (DSPP for food in process of identifying appropriate individuals).

PMUSA - Visit all SS offices to reacquaint sales force with SGA, local and state consultants, and opportunities at the state and local level to work together both on legislation, regulation and relationship and community opportunities..

Miller - Complete visits to all regional offices, identify field marketing representatives and ascertain marketing plans that may require legislative and or regulatory action. Complete visits to all distributors in the region.

Kraft - Complete visits to all plants. Have met with all plant managers and have ongoing efforts underway to assist in their efforts with governmental agencies (i.e. Power for Jobs). Efforts to contact the Kraft Sales Force have begun however if would be helpful if DSPP for Food to facilitate that effort.

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During meetings and on an ongoing basis:

- Communicate SGA resources to operating companies, plants in region and sales forces of all companies.
- Identify the needs of the operating companies, plants and sales forces and utilize SGA resources to advance those goals.
- Bring Corporate Affairs programs to these internal audiences companies wide. These can be specific responses to legislative or regulatory measures, needs of plants or sales groups to support local charities, trade groups or events. Examples, RD and Consultants are working with Kraft Plant Managers to identify low cost electric services which will result in cost reductions to plants, in addition meeting have been arranged for plant managers to meet with appropriate regulatory officials to proactively deal with waste disposal issues.
- Assess the ability/ appropriateness of company reps to sit on boards of external groups.

Examples -

1. If a particular locality is attempting to advance onerous marketing and or advertising restrictions the Coalition for Responsible Tobacco Retailing can meet with local officials and develop a program for retailer training and instruction which will address the real problem of youth access. In addition a media program on WE CARD can be developed and advanced.
2. Tips Training can be provided as a reasonable means of addressing irresponsible use of alcohol products.
3. SGA support for state or local state fair which illustrates the role of the PM Plant in the agricultural/economic base of the community.

Relationships

The environment that impacts PM companies ability to operate and grow its businesses also impacts other companies. Partnering with these companies and the groups they belong to is the basis for a comprehensive external relationship program. The key is working with those businesses and groups, consistently, whether a specific PM goal is the agenda or not.

Reinforce existing relationship and identify and grow new relationships. Particular attention towards utilizing the expertise and relationships of the body of consultants available across operating companies at the state and local level. Timing is continuous and on going.

- Legislative and administrative branches and staffs
- Statewide trade and business associations -
- Local chambers of commerce and hospitality groups
- Trade groups for all operating companies - in many cases the "traditional" trade groups do not properly reflect the customer base of PM Companies. Working with the DSPPs identify sales relationships with the "real" customer base, utilizing these relationships identify trade groups seek to participate with trade groups that represent this "real" customers base. Identify their needs, support their efforts and work with them on issues of

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Common Concern. Utilize relationships to advance the business objectives of all operating companies.

- Explore possible new trade relationships that can be developed with representatives of companies that participate in State & National Business/Legislative Groups

Identify memberships currently maintained by other departments i.e., Public Programs, Corporate Contributions, Media, Issues Management, Sales, Marketing, Plants, Distributors and seek opportunities to work with these groups in areas of common concern.

Seek method by which SGA representative or designees can participate in the work of these groups on an ongoing basis rather than just when a PM Companies issues arises. i.e. corporate tax rep on the tax committee of the Chamber of Commerce. This will enhance the opportunity to be at the table in order to advance reasonable solutions as an inherent goal of the groups rather than just a response to an onerous proposal.

Provide appropriate support to these groups to advance their goals.

Local Capabilities

- Arrange for local consultants to meet with Plant Managers and Sales Force Members of all companies.

- Local Consultants have been responsible for maintaining contact with USA sales force members; during the remainder of 1998 and into 1999 that practice will be extended to all companies.

- Utilize local consultants to work with Sales Force members to assist them in becoming involved and visible locally. This will not only assist in monitoring of local legislation and regulation but will promote Corporate Identity building.

- Identify localities that have been and are expected to be active and identify, through local consultants and sales force and plant managers, chambers of commerce and similar groups that company people can work with and SGA can support, on an ongoing basis on issues of common concern.

Corporate ID building/ focus on PM economic and charitable presence.

During the remainder of 1998 and 1999 provide opportunities for decision makers to visit plants and meet with sales force members.

Continue program of Corporate Identity Events at the state and local level. This serves to illustrate the role of PM Companies in the state or locality including economic impact, corporate diversity and charitable contributions. Highlights current relationships and provides opportunities to develop new relationships.

Continue working with corporate contributions at corporate to create opportunities for check presentations. Invite local decision makers and PM Companies employees, across companies, in the area to attend. During the remainder of 1998 and into 1999 DSPP to attempt to create similar opportunities with contributions made by operating companies.

Continue bringing opportunities to corporate contributions that fit with focused giving practices.

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Continue hosting events with cultural affairs that decision makers can attend in order to showcase PM support of the arts. Late 1998 and into 1999 utilize opportunities provided by cultural affairs to host events that are designed to combine arts and hunger programs jointly.
bus

Continue practice of distributing corporate presence brochure with each political/charitable contribution.

During 1998 a MAN consultant will be retained. Their responsibilities will include:

- Identification of opportunities for paid advertising to illustrate corporate support for reasonable solutions.
- Identification of opportunities for paid advertising to illustrate corporate diversity
- Identification of opportunities for paid advertising to illustrate corporate economic presence
- Identification of opportunities to illustrate PM Companies charitable presence
- Identification of opportunities for earned media outlets to support above.

Utilize opportunities to advertise in the journals of groups that we work with to illustrate Corporate identify, economic presence, diversity and support for reasonable solutions.

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