

# NEW YORK



# T O B A C C O

A CHAPTER IN AMERICA'S INDUSTRIAL GROWTH

04162290



From its colonial inception to today, New York has outpaced other areas of the country in many commercial and industrial fields. The tobacco industry is an important example.

In 1976 more than 133,800 retail outlets sold over \$1.3 billion in tobacco products in New York State. Of this, the vast majority was cigarettes. Taxes on cigarettes alone added about \$338.7 million to the state's treasury.

New York contains headquarters for about 100 of the nation's top 500 industrial firms, including several which are in the tobacco business. About 20 firms manufacture tobacco products, 15 export such products, and there are eight tobacco trade associations and a number of leaf merchants. Other tobacco-related industries such as machine manufacturers, advertising agencies and many more operate out of New York.

Both as a major consumer outlet for tobacco products and as a major business and manufacturing center, New York has served and will continue to serve in proportions that have been unequalled in magnitude by most other areas of the country.

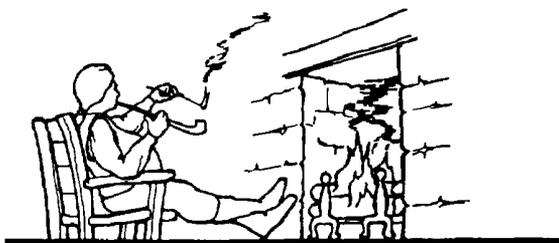
Tobacco History Series  
Second Edition



THE TOBACCO INSTITUTE  
1776 K Street, N.W., Washington, D. C. 20006  
1977

04162291

# New York & Tobacco



WHEN THE USE OF LEAF TOBACCO was beginning in England in 1590, Hollanders were already smoking tobacco in clay pipes and growing the plant on a large scale. And when many of these Hollanders came to the "New World" they brought their pipe smoking custom with them. By the time New Amsterdam was settled in 1625, pipe smoking had become common in the area which George Washington later referred to as the "seat of empire" — New York.

# The Importance of Tobacco to New York Today

AT ONE TIME tobacco was a major agricultural crop in the state. Today virtually none is grown in New York, but tobacco products are very important to the state's economy.



Courtesy of the New York Convention & Visitors Bureau

## Growing Cigar Leaf

The introduction of tobacco in New York state agriculture occurred around 1845 near Syracuse in Onondaga County. By 1849, 83,000 pounds of cigar leaf were produced there and tobacco growth began to spread to neighboring counties. Ten years later, New York's tobacco yield amounted to 5,754,000 pounds.

From 1862 to 1864, New York tobacco brought a good price, selling for as much as 30 cents a pound. By 1879, the crop amounted to about 6,480,000 pounds. Production climbed again by 1899 to almost 14 million pounds.

After the turn of the century, with the exception of occasional spurts, production dwindled. For example, United States Department of Agriculture figures for 1976 showed Cayuga County had one designated tobacco allotment totaling .38 acre and Oswego County had two farms with allotments totaling 3.59 acres.

## Buttressing the Economy

But the role of the tobacco industry in New York is a major one in the state's economy. According to *Fortune* magazine, about 100 of the nation's top 500 businesses have headquarters in New York. This includes many of the tobacco companies, their suppliers, advertisers, printers and related industries.

New York is also a leading manufacturing state based on employment reported by the United States Census of Manufactures. Over 38,300 manufacturing establishments—about twelve percent of the nation's total—are located in the state. Her manufacturing industries rank second in value added by manufacture.

With a total population of over 18 million, according to the latest estimates of the United States Bureau of the Census, retail sales in New York are huge—about \$39 billion yearly. Tobacco and tobacco products account for a good portion. In 1976, there were over 133,800 retail outlets in the state selling tobacco products. The estimated wholesale value of these products and other smokers' articles came to around \$934.5 million.



Courtesy of The Port Authority of New York & New Jersey

Containerized cargo being readied for shipment abroad.

The state's transportation network is one of the most refined in the world. There is a 1,450-mile interstate highway system connecting all regions of the state. Within two days trucking distance of New York is 59 percent of the population of the United States and Canada.

Additional freight movement capacity is provided by the state's barge canal system, commercial airports and railroads.

The state's three custom districts -- Buffalo, New York City and Ogdensburg -- moved exports and imports valued at over one quarter of the total merchandise trade of the United States.

Over 99 percent of all leaf tobacco exported is shipped from the east coast. In 1976 the port facilities around New York alone handled 8,416 tons of unmanufactured tobacco exports, valued at more than \$39.5 million, by ocean, and another 117 tons, worth \$274,475, by air.

This customs port also handled by ocean freight 3,870 tons of unmanufactured tobacco imports, valued at more than \$9.8 million, and, by air, 12 tons, valued at \$13,769, in the same year.

The port authority also reported ocean exports of manufactured tobacco products at 7,627 tons, valued at about \$40.3 million, and airborne export shipments of 1,319 tons, valued at \$7.1 million, the same year.

There were 2,849 tons of imported manufactured tobacco, valued at \$12.6 million, by ocean and another 504 tons of such products, worth \$7.2 million arriving by air.

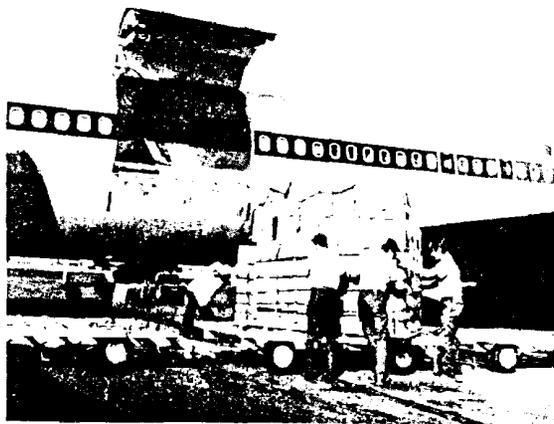
Critical economic and industrial data for New York extend through the tobacco industry to countless other industries adding up to billions of dollars in business. Manufacture, corporate headquarters, advertising, transportation and other major business factions all make the tobacco industry truly big business in New York.

## The Tax Burden

Since the inception of the tobacco excise, just over a hundred years ago, about \$66.5 billion in tobacco taxes have been added to the United States Treasury. The current federal rate on each package of cigarettes was "temporarily" raised from seven to eight cents in 1952 and has remained at that rate since then.

As the second most populous state in the country, New York cigarette smokers pay a huge sum to federal, state and local treasuries. In fiscal 1976, over 2.2 billion packs were taxed bringing over \$180.6 million to the federal government and \$338.6 million to the state. The state cigarette excise, now at 15 cents, was first enacted in 1939. It was increased to its present rate from twelve cents in 1972.

Along with the state's excise, New York City cigarette smokers must pay an additional municipal tax of eight cents per pack. This tax grossed more than \$51 million for the city in fiscal 1976.



Courtesy of The Port Authority of New York & New Jersey

Export shipment is prepared for charter flight.

## Reflections of the Twenties —Cigarette Bootlegging

On June 30, 1971, New York City put an additional city tax ordinance into effect which taxed—on a graduated basis—the “tar” and nicotine yield of each brand of cigarettes.

There was an immediate uproar from wholesalers, retailers, consumers and the press. New York cigarette prices made bootlegging a major problem. In New York City, for instance, it was estimated that one-half the cigarettes being sold had been brought in illegally for tax avoidance. The financially astute criminal had found a racket that raised his profits with each tax increase.

The graduated tax was dropped in January, 1976 in favor of a flat eight-cent tax.

While authorities continue to give close attention to the problem of tax-rate disparities between states, the widespread distribution of untaxed cigarettes by criminal elements continues to threaten the legitimate distribution system as well as causing losses of much needed tax revenues of state and local governments.

Because consumption figures within states are based on tax records, and because so many cigarettes are sold in but not taxed by New York State, accurate consumption data for that state are not available.

## A History of Prosperity

IN SEPTEMBER of 1609, Henry Hudson, an Englishman under the employ of the Dutch East India Company, brought his ship, the *Half Moon*, into what later became New York Harbor. Hudson was in search of a northwest passage to the East Indies and thought he might find one through the American northeast. He cruised up the river subsequently named for him, but gave up his search by the time he reached what is now the Albany area.

Later, in 1614, Adrian Block, also employed by the Dutch East India Company, received a three-year contract from the parliament of the Netherlands permitting the company to trade with the New World. During this time scattered settlements in the area of New Netherlands were spreading and growing. With the arrival of Dutch migrant families, Manhattan Island was formally colonized in the summer of 1626, when Peter Minuit, director-general of the colony, made one of the most famous contracts in history by purchasing it from the Indians.

## The First "Smoke-in"

By the mid-17th century, New Amsterdam, as York City was then called, had become a growing and bustling town. Tobacco was common in the area, as the Dutch families had been familiar with its use for years. But in 1639, William Kieft, then director-general, issued an arbitrary ban on a socially entrenched habit which he found annoying — pipe smoking. The first "smoke-in" occurred when the edict went into effect. The majority of the town's male population smoked pipes and strongly opposed the wishes of the director-general. Washington Irving's splendid portrayal of life in old New Amsterdam was typified when he wrote:

*... the most important of the innumerable laws enacted by the governor, is one framed in an unlucky moment, to prohibit the universal practice of smoking . . . he could not have struck more closely, upon the sensibilities of the million. The populace were in as violent a turmoil as the constitutional gravity of their deportment would permit—a mob of factious citizens had even the hardihood to assemble around the little governor's house, where settling themselves resolutely down, like a besieging army before a fortress, they one and all fell to smoking with a determined perseverance, that plainly evinced it was their intention to funk him into terms . . .*

They eventually decided to extinguish their pipes, and promised to use in the future only small,



William the Testy, director-general of New Amsterdam, was the target of a "smoke-in" by the town's pipe smokers, who refused to abide by a ban on smoking.

two-inch pipes that would not cause the irritation with which the governor said he had to cope. But, as Irving noted:

*Upon the accession of Peter Stuyvesant to the governor's chair he replaced the factious cabinet of William the Testy with counselors from somniferous, respectable families, restored to them the fair, long pipes and admonished them to smoke, eat and sleep for the good of the nation.*

## From New Amsterdam to New York

Dutch commercialism began to rival Britain so much that increasing difficulties over trade and boundaries were inevitable. British mercantilism in colonial days was based on rigid monopolies. The Crown allowed no colonial manufacture in any of her holdings. Raw materials were shipped to England for manufacture and finished products later returned as consumer items. Britain tightened the ropes on foreign trade by raising a duty on tobacco that made it too expensive for the colonists to use economically.

Disputes came to a head and culminated on September 8, 1664 when Peter Stuyvesant, director-general, was forced to give up New Amsterdam to an English fleet under the command of Colonel Richard Nicolls. The names New Amsterdam and New Netherlands were soon changed to New York after James, Duke of York and Albany. The Dutch recaptured New York in 1673, but it was returned to the English by the Treaty of Westminster, February 19, 1674.

## The Long Road to Success

Tobacco manufacture got its start in New York in 1760 when Pierre Lorillard, a French Huguenot, established a tobacco business on the high road to Boston on Chatham Street near Tryon Row. Lorillard owned one of the only two pre-revolutionary snuff mills in the colonies to survive British opposition to colonial manufacture. Following the Treaty of Paris, Lorillard built his snuff mill on the Bronx River. It was later expanded to include workmen's

cottages, a warehouse, facilities for packing smoking tobacco and the family mansion. The original mill was replaced in 1840 by a granite structure still standing in the Bronx Botanical Gardens.

### “Send Tobacco”

By the eve of the Revolution, tobacco's growth was flourishing throughout the colonies. Though New York did not participate yet as a tobacco growing area, the port served as a major shipping area of colonial tobacco to European markets. In 1776, when George Washington lost New York to the British, he appealed to his countrymen for economic assistance and said, “If you can't send money, send tobacco.” In 1777 Ben Franklin drew two million livres on a French loan against a contract to deliver 5,000 hogsheads of tobacco to France. British ships seized about 34 million pounds,

South Street, in New York City, was a busy commercial district in 1829.



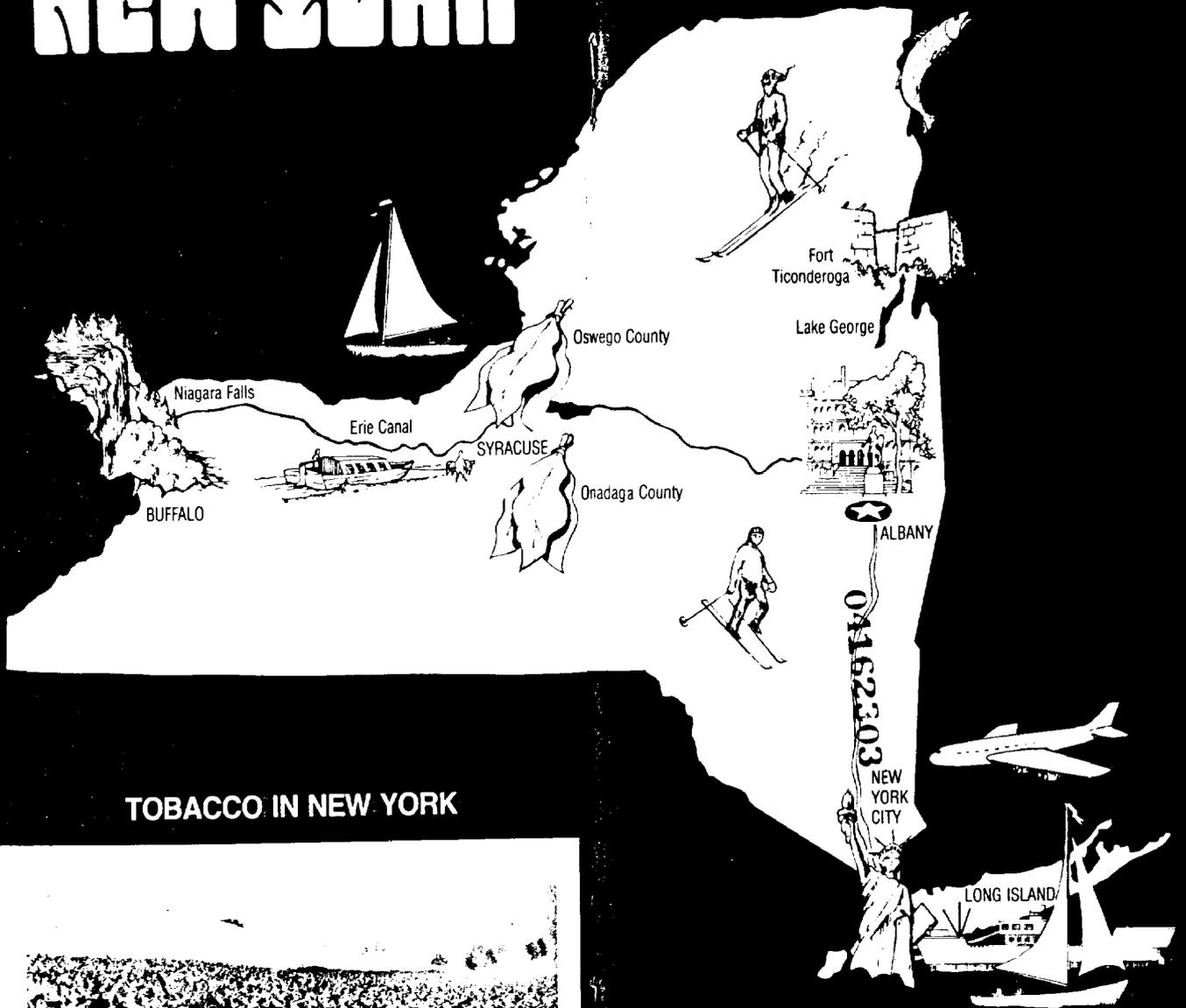
but an additional 53 million reached overseas markets.

Manufacturing of many kinds of products in the colonies increased tremendously with the exit of Crown influence. Ten years after the Treaty of Paris, one Samuel Russell of New York City, went on record with information on behalf of the city's manufacturers:

*The price of tobacco by the hogshead, in New York, is four pence one farthing per pound. . . . This is cash; no credit ever being given on leaf tobacco in any part of America. The expense of work is two pence three farthings per pound, on what is called spun or plug tobacco—only two-thirds of the leaf, on an average, can be made into this kind of tobacco. The loss in stems and dirt will amount to one penny per pound. Every pound of good plug tobacco,*



# NEW YORK



## TOBACCO IN NEW YORK



Bureau of Agricultural Economics photo in the National Archives  
Tobacco field in Chemung County in 1912.

therefore, costs the manufacturer eight-pence per pound; and the general selling price is nine-pence. . . . This leaves a profit to the manufacturer of twelve and a half per cent out of which he must pay shop-rent and be supported. The remaining one-third is made into the coarser kinds. . . . The profits on this part are not far from thirteen per cent.

From this report, it is obvious that at the time, plug tobacco, which could be used for smoking or chewing, was becoming more popular and snuff was declining in importance.

Meanwhile, Pierre Lorillard II and his brother George formed a tobacco company – P&G Lorillard. The business expanded rapidly. In 1843 Pierre III took over and changed the name of the company to P. Lorillard. Principal products manufactured were smoking and chewing tobacco. P. Lorillard's company was to become one of several giant firms involved in some of the fiercest business competition American commerce has ever known.

## A Sophisticated Commercial Network

Charles Maurice de Talleyrand-Perigord, who later became Napoleon's foreign minister, cast an objective eye on the potentials of New York City in the late 18th century. His projections for commercial success for the city were proven true beyond his belief:

*Its good and convenient harbor, which is never closed by ice, its central position to which large rivers bring the products of the whole country, appear to me to be decisive advantages. Philadelphia is too buried in the land and especially too inaccessible to wood of all sorts. Boston is too much at the extremity of the country, does not have enough flour, and has not a large enough outlet for the commodities of the West Indies, except molasses.*

But if anything acted like a catalyst to further insure commercial preeminence of the state, it was the opening of the Erie Canal in 1826. New York City became the immediate outlet for upstate produce and for goods coming from all the Great Lakes border states. It was to the Canal that New York in

great part owed its commercial victory over Philadelphia. Dewitt Clinton was the major force in the drive for the canal. Clinton, who was governor while the canal was under construction, went as far as devoting his personal funds to help build the 363-mile canal between Buffalo and Albany. The canal, which some referred to as "Clinton's Ditch," was still under construction when Clinton died—\$6,000 in debt. But he did not pass on unrecognized. In 1876 his image was selected for the then new federal tobacco tax stamp and was part of every package of cigarettes for the next 82 years.

By 1850, New York City was distributing one-half of all the tobacco produced in North Carolina and Virginia. On the eve of the Civil War, the principal manufacturing centers for tobacco were Richmond, Petersburg, Lynchburg and Danville, Virginia; New York City; Clarksville, Tennessee; Louisville and Henderson, Kentucky; Fayette, Missouri; Milton, North Carolina and St. Louis.

### Shipping Turns South

With the emergence of Hampton Roads, Virginia, as a major shipping area after 1900, the popularity of New York Harbor for shipment of tobacco products began to decline. In 1893, the editor of the *Southern Tobacco Journal* had commented:

*Thousands of hogsheads of tobacco are annually shipped from the Carolinas and Virginia to New York and thence by steamer to their destination on the other side of the Atlantic. But there is likely to be a change in this method of shipping in the near future. The Chesapeake and Ohio Railroad people have just launched their splendid boats at Newport News and are now sending freight direct from Virginia to foreign ports. . . . Hence we now have a new line over which to send our tobacco abroad, saving, at least, the coast wise shipping expense from Norfolk to New York. Let our tobacco men rally to the support of this splendid line of steam.*

By 1929, 71.01 percent of all tobacco exported from the United States left from Hampton Roads. Overland and coastal shipping of southern tobacco to New York for export had become an anachronism.

## Cigars Take the Lead

At the time of the War of 1812, cigars had appeared on the American market. By the outbreak of the Civil War, Philadelphia was still the leading manufacturing city with a slight advantage over New York in value of output—\$1.2 million as against \$1.1 million. In 1860, \$9 million worth of cigars and \$21 million in chewing tobacco were made in the United States. Forty years later, cigars were grossing more than \$160 million yearly, and pipe and chewing tobacco and snuff came to about \$90 million. Although these latter amounts included a federal excise of about \$50 million, the increases were still staggering.

Cigar manufacture was typically a northern industry. In 1860 the ten leading cigar manufacturing areas were Philadelphia; New York; Baltimore;



**PRIME TOBACCO.**

Cincinnati; Hartford; St. Louis; Hampton County, Massachusetts; Newark; Albany and New Orleans. And when the Confederacy was organized in February of 1861, not a single "tobacco state" was represented. But as the Civil War progressed, tobacco was divided with Virginia, North Carolina and Tennessee joining the South, and Maryland, Kentucky and Missouri with the North.

This brought about a tremendous tobacco trade increase in New York. Because of the Union blockade of southern ports, New York City became a greater export market for tobacco products and headquarters for European buyers, most of whom had done their previous buying in New Orleans.

Shortly after the end of the War, when normal trade resumed, New York was receiving half the tobacco grown in Virginia and North Carolina for redistribution to wholesalers throughout the nation. Both foreign and western United States trade settled in the New York area. Just after the War, more than 80,000 hogsheads of tobacco per year were shipped to New York City for wholesale and retail use.

## **Cigar Making — Historically Independent**

Cigar making throughout the 19th and much of the 20th centuries was limited to the old hand rolling method, and for years New York was the center of this trade.

Early types of cigars popular in the United States were called "short sixties." Also popular were "long nines" and "supers." Around the time of the War of 1812 "short sixties" were distributed gratis in taverns and grogshops to steady customers—strangers could buy them at two for a cent. Another saloon type was the German or Belgian cigar. By mid-century import duties were paid on over 100 million of this type in a single year. The premium cigars of the day were Cuban and imported in tremendous quantity, especially in the latter part of the 19th century.

In 1880, New York City had 14,500 people working in small cigar factories. In all of New England the number of persons making cigars

came to only 2,300. New York state made six times as many cigars as did all New England combined. By the latter part of the century New York was producing more than a fifth of the nation's cigars.

Jose Marti, head of the Cuban revolutionary movement against Spain, maintained headquarters in New York. As the Cuban handrollers worked at making cigars, a reader would apprise them of contemporary events in Cuba. From these "pulpits of liberty," as they were referred to, 10 percent of the rollers' wages were donated toward the revolution.

### Cigar Making—An Impoverished Profession

But life for most of the rollers was scarcely comfortable. Conditions were deplorable. Most shops were small and dirty. Whole families were crowded into small rooms where they ate, slept and toiled. Teddy Roosevelt, who as a New York Assemblyman became interested in improving these working conditions, commented on an experience he had while visiting one such cigar making shop:

*I have always remembered one room in which two families were living. On my inquiry as to who the third adult male was I was told that he was a boarder with one of the families. There were several children, three men and two women in this room. The tobacco was stowed about everywhere, alongside the foul bedding, and in a corner where there were scraps of food. The men, women and children in this room worked by day and far into the evening, and they slept and ate there. They were Bohemians, unable to speak English, except that one of the children knew enough to act as an interpreter.*

Together with Samuel Gompers, who had been head of the Cigar Makers International Union of America and who later was to become head of the American Federation of Labor, Roosevelt drafted and introduced a bill in the New York legislature to help clean up the conditions. Passed in 1884, the bill was declared unconstitutional in 1885 by the New York State Court of Appeals which said, "It cannot be perceived how the cigar maker is to be

improved in his health or his morals by forcing him from his home and its hallowed associations and beneficent influences, to ply his trade elsewhere."

Roosevelt said publicly that the judges "knew nothing whatever of tenement house conditions." Later, when Roosevelt became the state's governor, he helped clean up the situation, but it was really technology that helped end the deplorable tenement conditions of the 19th century cigar makers. In 1900, the New York State Tenement House Commission said:

*Through the invention of a machine called the suction table, the manufacture of cigars is being gradually removed into factories; and it is the opinion of those best acquainted with the trade that it will soon disappear from the tenement houses.*

## Cigarettes Get Their Start

The only cigarettes in the U. S. market prior to the Civil War were manufactured in Cuba from mild Havana leaf, with some minor cigarette importation from England. Around the close of the War, about 20 million cigarettes were manufactured in New York City.

F. S. Kinney was one of the first firms to engage in cigarette manufacture. In 1869, the company imported craftsmen from Europe to instruct women employees in the art of hand rolling cigarettes. The Kinney firm expanded rapidly and in 1877 opened storehouses in Danville, Virginia. Due to the financial panic of 1873, imported cigarettes began to lose favor and were virtually driven from the U. S. market, thus serving to further bolster the security of the American cigarette manufacturers.

By 1880, cigarettes were big business. Cigarette sales in units amounted to 400 million. New York-Jersey City, Rochester, Baltimore and Richmond accounted for about 75 percent of total U. S. cigarette manufacture at the time. Cigarettes, though, were still more or less a novelty item. The major manufacturers, Kimball in Rochester, Allen and Ginter of Richmond, Marburg and Felgner in Baltimore, and Kinney and Goodwin in New York, produced 44 of the 94 important brands. Typically, they used foreign and exotic names. Although

these domestic cigarettes were very inexpensive, the manufacturing process remained time consuming and cumbersome.

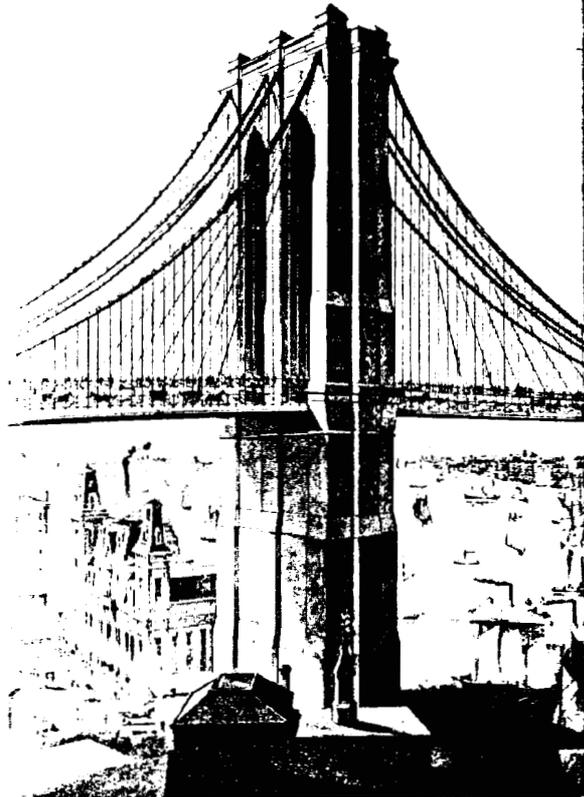
The census of 1880 credited New York City with \$4,320,972 in manufactured tobacco—or eight percent of the national total. Cigars and cigarettes, then hand-rolled, accounted for \$18,347,108 or nearly 30 percent of the national output. The city listed 17 tobacco manufacturing plants and 761 cigar makers.

### Duke Enters the Scene

In 1881, James B. Duke of Durham, North Carolina, son of Washington Duke, entered the cigarette business by hiring 125 immigrant New Yorkers to do hand rolling. The Duke company, already an

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This lithograph, published in 1874 by Currier and Ives, depicts part of New York City's busy industrial harbor and what was then called the Great East River Suspension Bridge between Manhattan and Brooklyn.



established tobacco business, turned out 9.8 million cigarettes that year, which represented 1.5 percent of the industry total.

James Albert Bonsack, a young inventor, had designed and built a cigarette making machine but was having little luck selling it to the manufacturers. After seeing the machine, Duke had his own mechanics look at it, and after some minor alterations, he put the machine to work. By 1888, in its fifth year of operation, the machine was turning out 774 million cigarettes yearly for Duke. After this, Duke captured 40 percent of the nation's cigarette business, and for the first time, the South moved ahead of the North in tobacco manufacturing. After it was perfected, Bonsack's machine could make 120,000 cigarettes daily – more than 50 times the capability of one hand roller.



## Competition Through Advertising

Realizing that urban areas provided the best cigarette markets, Duke opened a New York City office. He set up a loft factory on Riverton Street—not far from the Bowery—and began what was regarded as a daring advertising and marketing campaign. Major Lewis Ginter, of Allen and Ginter, was the advertising genius of the time—his reputation was world-wide. Rival manufacturers had put puzzles, pictures of world rulers, flags, actors and actresses and other attractive displays in cigarette packages. Allen and Ginter had been distributing a fancy premium booklet portraying various types of world architecture. But the Temple of *Kom Omboo* hardly had the appeal of the folding color album entitled "Sporting Girls," distributed by W. Duke Sons and Company in exchange for 75 boxes of cigarettes.

## "If You Can't Beat 'Em— Join 'Em"

In 1889, Duke was spending close to a million dollars in advertising. In 1890, knowing that they could no longer compete with Duke, other major tobacco companies merged with him and formed the American Tobacco Company, incorporated in New Jersey. Under the leadership of Duke as president, the company introduced a rigid system of cost accounting, jobbers' profits were reduced, and leaf was purchased directly from the growers rather than through dealers. Earnings for the first year exceeded \$2.5 million. The new company controlled 90 percent of the nation's cigarette industry.

By the turn of the century, cigarette volume had tripled and cigarette smoking gained a wide acceptance geographically—no longer limited to urbanites. There were now 2,100 brands of cigarettes, cigarros and cheroots, along with 9,000 plugs and twists, 3,600 fine cuts, both used mostly for chewing, and 7,000 smoking tobaccos and 3,600 snuff brands.

## Trust Busting

But the depressions of 1893 and 1907 caused many to blame economic misfortunes on big busi-

ness—and the government took aim at tobacco as a prime target. Between 1901 and 1909, Teddy Roosevelt, the “trust-buster,” brought suit against 44 trusts and conglomerates—among them the tobacco combine. By the time of the suit, most of the nation’s prominent tobacco firms had joined the Duke combine: Lorillard and McAlpin of New York; Mayo, Wright and Patterson of Richmond; Reynolds, Hanes and Brown of Winston; Beck of Chicago; Scotten of Detroit; Bollman of San Francisco; Sorg of Middletown; Finzer of Louisville, and others. By 1910 the group accounted for the vast majority of the tobacco business. The original tobacco action was started in 1907 and in its 1908 verdict, the U. S. Circuit Court of New York stated:

*The record . . . does not indicate that there has been any increase in the price of tobacco products to the consumer. There is an absence of persuasive evidence that by unfair competition or improper practices independent dealers have been dragooned into . . . selling out. . . . The price of leaf tobacco . . . has steadily increased until it has nearly doubled, while at the same time 150,000 additional acres have been devoted to tobacco crops . . . new markets have been opened in India, China and elsewhere.*

But in the end, the combination was judged to have restrained competition in violation of the Sherman Anti-Trust Act and following a Supreme Court confirmation in 1911, it was divided into four



A street full of commerce in New York City, about 1906.

major companies—the American Tobacco Company, R. J. Reynolds and Co., Liggett and Myers Tobacco Company and P. Lorillard Company. Although the overall effect on the tobacco business was slight, the increase in competition caused the cost of selling and advertising to increase from \$18.1 million in 1910 to \$32.4 million in 1913.

### **Cigarettes Become a Steadfast Custom**

Throughout the early and middle parts of the 20th century cigarettes gained and maintained popularity over all other forms of tobacco. During World War I, two 30-car freight trains a month carrying a total of 11 million sacks of tobacco for “roll-your-own” cigarettes with which American Doughboys would “smoke out the Kaiser” were sent from Durham, North Carolina, for shipment to the troops overseas.

As consumption increased, so did advertising expenditures. By 1976, total advertising expenditures by cigarette manufacturers alone were in excess of \$390 million.

Tobacco advertising is big business and much of it is conducted in New York City—the advertising capital of the world.

Current data on the tobacco industry in New York have been supplied by the United States Department of Agriculture; the United States Department of the Treasury's Bureau of Alcohol, Tobacco and Firearms; State of New York Department of Commerce; and The Port Authority of New York & New Jersey.

Other data on the current industry are derived from the publication of the National Association of Tobacco Distributors, New York City, and the Tobacco Tax Council, Richmond, Virginia as well as *Advertising Age* and *Fortune*.

*Tobacco and Americans*, Robert K. Heimann (1960) and *The Story of Tobacco in America* by Joseph C. Robert (1967) were both invaluable sources for various accounts in this booklet relating to tobacco histories and biographies. Other reference works used were *The Mighty Leaf*, Jerome E. Brooks (1952); and *The Bright Tobacco Industry*, Nannie May Tillie (1948).

The quotations on pages 8 and 9 are from *A History of New York*, Washington Irving (1809) and found in the Arents Collections, New York Public Library, Astor, Lenox and Tilden Foundations; the Samuel Russell quote beginning on page 11 is from Heimann as is the quote on page 15 and the Circuit Court quote on page 23; Roosevelt's quote, found on page 18 is from Robert as is the Tenement House Commission quotation on page 19.

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