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**PUBLIC AFFAIRS  
MANAGEMENT PLAN PROGRESS REPORT**

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**July 1992**

**CONFIDENTIAL:  
MINNESOTA TOBACCO LITIGATION**

**TIMN 419412**

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**SCIENTIFIC AFFAIRS**  
**July 1992**

**Issue Manager: Kay Packett / Martin Gleason**

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In July, Institute staff and consultants prepared for and participated in the EPA Science Advisory Board's public hearing on the revised ETS risk assessment.

**Project and Activity Status**

**EPA**

- The Institute and eleven consulting scientists submitted written comments to the Science Advisory Board's Indoor Air Quality/Total Human Exposure Committee critiquing the revised ETS risk assessment. All comments were coordinated with company representatives on the EPA/OSHA Task Force.
- Institute staff and consultants met to plan oral presentations during the Committee's public hearing, and reviewed The Institute's recommendations with members of the EPA/OSHA Task Force by conference call.
- Eight scientific consultants gave presentations during the SAB's public hearing on the risk assessment. Institute staff participated in preparations for the two-day hearing, and attended and reported on the committee's activity.

**General**

- **Publications/Responses to Publications**

Lieberman Project: We received and reviewed a draft report on the Lieberman study of bias in ETS research, and discussed publication and promotion options with Covington & Burling representatives. We agreed to request proposals from Lieberman to produce a draft shortened version of the report and a draft oral presentation.

- **Conferences, Meetings and Presentations**

-- A consulting scientist gave a presentation on "The Environmental Tobacco Smoke Experience" during a session on "Weak Epidemiological Associations and the Limitations of Meta Analysis," sponsored by the Toxicology Forum during its summer meeting. A transcript of the session should be available in August.

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**Needs Attention Next Month**

Plan follow-up on EPA ETS risk assessment.

Begin coordinating communications with OSHA representatives to assess status of draft IAQ standard.

Authorize or resolve problems with additional research needed for OSHA purposes, including research on cross-contamination of nonsmoking areas, an analysis of the cost of a standard requiring separate exhaust for smoking areas and research on possible benefits of a ventilation standard.

**Public Affairs Division Variance Analysis**

Scientific Affairs  
**Cost Center Name**

1302  
**Cost Center Number**

July 1992  
**Month**

Packett/Gleason  
**Cost Center Manager**

<b>Account#/Description</b>	<b>Year-to-date Expenses</b>	<b>Year-to-date Budget</b>	<b>Amount Over (Under) Budget</b>	<b>Projected Amt. Over (Under) Budget at Dec. 31, 1991</b>	<b>Explanation</b>
5201/Repro., Printing and Drafting	1,007	2,919	(1,912)	0	
5801/Legal Fees	47,431	154,584	(107,153)	(100,000)	Continued focus on EPA & OSHA scientific activities, supervision of which is billed to FRD, likely will keep this cost center under budget through the end of the year.
7301/Professional Fees	682,305	1,798,425	(1,116,120)	(919,000)	Current and projected budget variances reflect reconsideration of the likelihood that 3 programs w/ significant 1992 budgets will be undertaken as planned this

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TJMN 419418

**Public Affairs Division Variance Analysis**

Scientific Affairs (cont'd)  
**Cost Center Name**

1302  
**Cost Center Number**

July 1992  
**Month**

Packett/Gleason  
**Cost Center Manager**

Account#/ Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1991	Explanation
<b>TIMN 419419</b>					year: OSHA activities, which have been reevaluated due to the completeness of the OSHA RFI record and to OSHA's lack of significant progress on the RFI; Risk Assessment briefings, which have not been undertaken due to continued focus to date this year on EPA & OSHA projects; and the Lieberman project, for which the projected publication date has been delayed. An expected overage in the budget for database enhancement is included in the projected year-end variance.
<b>Totals</b>	730,743	1,955,928	(1,225,185)	(1,019,000)	

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**Media Relations  
July 1992**

**Brennan M. Dawson**

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The EPA's Science Advisory Board's public hearing on the draft ETS risk assessment was held late in July. Preparation for the public hearing accounted for the majority of Media Relations staff time in July. Additionally, we continued to promote the industry's youth initiatives, provide assistance to State Activities and respond to issues on other fronts.

**Project and Activity Status**

**Youth Initiatives**

- Media tours featuring Jolly Ann Davidson and TI speakers were conducted in Portland, OR (3 radio and 1 television interview) and Seattle, WA (4 radio, 2 television and 1 print interview).
- Work progresses on developing additional public service advertisements with the Family COURSE Consortium. In July, a quantitative test method was developed and fielded.

**Environmental Tobacco Smoke**

- Drafting and updating materials to be used for the SAB hearing was completed. In advance of the SAB hearing, media kits were distributed to key D.C.-based media and reporters who had covered the EPA process in the past.
- A press briefing was held the day prior to the SAB's hearing. The briefing drew a very sizable crowd of 35 reporters. On hand to hear presentations from The Institute and consulting scientists Maurice LeVois and Gary Flamm were television cameras from CBS, a pool camera (filming for ABC, NBC, CBS and CNN), MacNeil Lehrer, C-Span, Cox Television and Conus Communications. Radio coverage included ABC Radio and NBC Radio/Mutual Broadcasting. Print reporters from the Associated Press, United Press International, Medill News Service, Knight Ridder, Gannett News Service and the Winston Salem Journal also attended.

The Institute and consulting scientists noted that EPA had ignored conflicting data and manipulated science in an attempt to maintain its recommendation that ETS be classified a Group A carcinogen. Reporters responded well and asked a series of thoughtful questions that kept the briefing going for well over an hour.

Media Relations  
July 1992  
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- During the two-day SAB hearing, Media Relations staff provided on-site response coordination and media response. Media interest in the proceeding was light.

In other activities, Media Relations staff:

- Welcomed a new speaker to the Media Relations staff and began training;
- Participated in the State Activities Regional Meeting in Seattle;
- Wrote an article for the West Virginia Wholesaler Association; and
- Revised the draft Media Relations 1993 plan and commenced the budget process for next year.

Overall in July, 55 broadcast and 98 print interviews were conducted, 363 information requests (98 from the media) were filled and 19 media relations contacts were made.

#### **Next Month's Goals**

- 1) Continue training of the new speaker
- 2) Distribute quantitative test results and recommendations for new PSAs to member companies
- 3) Distribute second wave of PSAs to television stations
- 4) Finalize 1993 plan and submit 1993 budget
- 5) Begin preparation for responses to the 1993 Surgeon General's report on youth smoking

Public Affairs Division Variance Analysis

Media Relations

Cost Center Name

1301

July 1992

Brennan M. Dawson

Cost Center Number

Month

Cost Center Manager

Account#/Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt Over (Under) Budget at Dec. 31, 1991	Explanation
3901/Travel	57.1	80.0	(22.9)	(30.0)	Travel slow in early months to plan for PSA release and with a spokesperson vacancy. Now on track.
5101/Post. & Delivery	6.8	14.5	(7.7)	0.0	Earlier projects postponed. Should occur in third and fourth quarters.
5201/Repro. Print & Draft	1.5	11.0	(9.5)	(10.0)	Early needs covered by printing in '91 -- this should change in summer as add'l projects begin.
5401/Other Office	27.5	55.5	(27.9)	(25.0)	Lower costs for clips & transcripts in early months.
7301/Prof. Fees	23.4	102.5	(79.1)	(50.0)	New projects not yet initiated, or are being covered under retainers. This will change in upcoming months.
<b>TOTALS</b>	<b>118.9</b>	<b>263.5</b>	<b>(144.6)</b>	<b>(115.0)</b>	

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TIMIN 419422

**INFORMATION CENTER  
JULY 1992**

**Manager: Maureen Booth**

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Sunaina Virenda of Philip Morris, International visited the TI Information Center and was provided with studies on the effect of excise taxes on the purchasing of tobacco products by minors. Ms. Virenda also visited with Carol Hrycaj to discuss the Family C.O.U.R.S.E. program.

- Sophie Hanson of Philip Morris USA requested the date of the extension of banning tobacco smoke on domestic airlines.
- Brennan Dawson requested articles by Dave Goerlitz on tobacco issues and news coverage of the press release from the Coalition on Smoking OR Health on environmental tobacco smoke.
- Marty Gleason asked the Information Center to check if David Linowes, professor of political economy and public policy at University of Illinois and author of books on privacy protection, is also the former chairman of the presidential commissions on privatization, national energy resources and federal coal leasing as well as the U.S. Privacy Protection Commission. Dr. Linowes has chaired all these commissions.
- Karen Fernicola Suhr asked for background information on the Chicago "Clean Indoor Air Ordinance," banning smoking in enclosed public places.
- Jada Smith asked the Information Center to secure a copy of a column about the Democratic Leadership Council, by Jerry Brown, former Democratic presidential candidate, from the Los Angeles Times.
- Philip Gordon of the Canadian Tobacco Manufacturers' Council requested the quit-rates of smokers in the United States.
- Carol Hrycaj asked for assistance in obtaining the Gotestam study of "Smoking and Attitudes Towards Smoking in Norway." A translation of the study was obtained from C&B. Carol also requested and received articles on youth and smoking from the Children's Research Unit.

**Information Center  
July 1992  
page 2**

- Kurt Malmgren asked that Mary Ann Preskul-Ricca, of the Committee Against Unfair Taxes in Massachusetts, receive the daily clippings package, until March, 1993.
- A copy of the State-Legislated Actions on Tobacco Issues was requested and received from the Coalition on Smoking OR Health. A copy was put in the Information Center Collection and copies were given to Cathey Yoe in State Activities.
- Ron Tully of the Tobacco Document Centre (TDC) was sent articles that appeared in the Los Angeles Times about smoking restrictions in Singapore for the TDC database.
- Tazeen Kanagasbai of TDC received information on two House Bills (HR 3698 and HR 4600) as well as material about the Public Citizen's Health Research Group.
- Tobacco Document Centre (TDC) asked for information on the compilation and distribution of United States Consumer Price Index and the Retail Price Index. This information was sent to them through Marty Gleason.
- Lindsey Wilson of TDC requested data on market shares of cigarettes with specific tar ratings. A copy of the FTC report on tar and nicotine levels and some market share information was sent via mail, as the figures could not be sent by facsimile and be legible.
- Maureen Beerdon of the Congressional Research Center was given the name of the manufacturer of Bloodhound Chewing Tobacco.
- Carl McNicol of Trade Corporation International requested information on how to subscribe to Tobacco International.

**Number of Requests to the Information Center:**

Staff - 20, Companies - 1, Tobacco Related Organizations - 9,  
Lawyers - 4, Public - 9. Total = 43.

**Public Affairs Division Variance Analysis**

INFORMATION CENTER  
**Cost Center Name**

1304  
**Cost Center Number**

JULY 1992  
**Month**

MAUREEN BOOTH  
**Cost Center Manager**

<b>Account#/ Description</b>	<b>Year-to-Date Expenses</b>	<b>Year-to-Date Budget</b>	<b>Amount Over (Under) Budget</b>	<b>Projected Amt. Over (Under) Budget at Dec. 31, 1992</b>	<b>Explanation</b>
4800 BOOKS AND SUBSCRIPTIONS	24,777	22,096	2,681	0	Will be on target. New invoicing procedures are in place to correct variance differences.
8030 PURCHASED COM- PUTER SERVICES	28,649	39,675	(11,026)	(2,000)	Computer costs do not yet reflect use by new database users.
OTHER	534	1,600	(1,066)	0	\$75.00 was mis-coded to 1304-5500 for membership fees. It has been re-coded to 1301-5500.

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**Public Affairs Division Variance Analysis  
(Continued)**

INFORMATION CENTER  
Cost Center Name

1304  
Cost Center Number

JULY 1992  
Month

MAUREEN BOOTH  
Cost Center Manager

Account#/ Description	Year-to-Date Expenses	Year-to-Date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1992	Explanation
TOTALS	53,960	63,371	(9,411)	(2,000)	

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TIMIN 419426

**TAXES**  
**July, 1992**

**Issue Manager: Calvin H. George**

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In July, tax issue staff began implementation of the open seats project, a multi-faceted campaign to carry the fair tax and equitable financing messages to congressional candidates and, in the post-election phase, to new members of the 103rd Congress.

Coupled with long-range developments on the health care reform front, as well as initiative and referenda activities in both New Jersey and Arkansas, this proved to be a particularly busy month.

Highlights of these and other efforts in each major area of work follow.

**Labor Management Committee (LMC) work with allies**

- Worked with consultants to delineate tasks and timeframes for implementation of the open seats project; arranged and conducted briefing for company legislative representatives (as well as separate discussions with Federal Relations and State Activities staffs) on open seats undertaking to assure coordination and avoid potential conflicts.

Met with consultants to scope-out Consumer Tax Alliance (CTA) component for open seats project; establish conceptual framework and timeframes for radio and tv script development, production, targeting of congressional districts and/or media markets, and potential involvement of CART to finance airing of spots.

- Worked with consultants to assist LMC ally, New Jersey Citizen Action, release its report "Initiative and Referendum: It's Not the Answer." This study appears to provide both useful data and a conceptual framework which can be used by appropriate LMC allies in other states in 1993.
- Worked with consultants to identify potential allies and strategies for mounting a campaign to oppose a likely cigarette tax initiative in Arkansas. Preliminary proposal developed in July and may be revised based on feedback from State Activities initiatives office.
- Worked with consultants to explore potential for enhanced LMC undertaking with allies in Pennsylvania, including a more broadly-based fair tax coalition and a Citizens for Tax Justice study in that state in 1993. A proposal for such an effort may be developed in August or September.

- Worked with consultants and production services staff to finalize Hispanic tax study for publication and release by the Labor Council for Latin American Advancement in conjunction with its national membership meeting August 12-15 in Miami, Florida.

#### Earmarked taxes and health care reform

- Worked with consultants to flesh-out plans for a video on national health care reform for the National Council of Senior Citizens (NCSC), based on CTA focus group research and NCSC's previous policy statements supporting broad-based, progressive financing of health care reform.

Draft of video "treatment," including themes, structure and a "rough script," was developed and reviewed by health care reform working group subcommittee. Based on the "treatment," a video "preview" was produced and shown at NCSC's national legislative meeting on July 22.

The "preview" consisted of historical stock footage (e.g., Presidents Truman and Kennedy calling for national health care) and edited footage of an NCSC rally in Lafayette Square shot on the day the "preview" was shown. The "preview" was received enthusiastically and laid solid groundwork for widespread use of the video later this year and in 1993.

The "treatment" and a revised budget will be finalized in mid-August.

- Reviewed proposal from the Committee for a Responsible Federal Budget (CRFB) for establishment of a health care cost containment coalition and in-depth research on cost containment. Recommended TI participation and financial support, which was approved. Briefed health care reform working group on this effort.

#### Needs Attention Next Month

Revise 1993 tax plan.

Do first draft of 1993 budget.

Public Relations Division Variance Analysis

Excise Taxes  
 Cost Center Name  
 1305  
 Cost Center Number

July 1992  
 Month

Calvin H. George  
 Cost Center Manager

Account#/Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1992	Explanation
5101/Postage & Delivery	\$ 1,506	\$ 2,000	\$ (494)	\$ 0	
5201/Repro. Printing & Drafting	21,699	106,000	(84,301)	(25,000)	Price-Waterhouse update will be used primarily as an internal document saving 23K. APRI and LCLAA tax studies printed in June/July; NCSC in Fall.
7301/Prof. fees	238,547	289,000	(50,453)	(3,000)	Promotion of LCLAA, NCSC and Rural studies will occur in late Summer/early Fall.
7501/Support Tob. & Other Organizations	692,843	881,000	(188,157)	(40,000)	Payment for excise tax elasticity study being held until completed. Other state studies for fair tax coalitions are being planned. Cost savings will be achieved by postponing a smokers' use of health system study and lower expectations for CART in 1992.
<b>CONFIDENTIAL: MINNESOTA TOBACCO LITIGATION</b>					
Open seats project	0	0	0	200,000	Project implementation began in July; first expense will be paid in August.
<b>TOTAL</b>	<b>\$ 954,595</b>	<b>\$1,278,000</b>	<b>\$ (323,405)</b>	<b>\$ 132,000</b>	

TIMIN 419429

**FIRE SAFETY**  
**July 1992**

**Issue Manager: Karen Fernicola Suhr**

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The National Association of State Fire Marshals submitted a petition to the Consumer Product Safety Commission (CPSC) requesting that the CPSC initiate rulemaking proceedings to establish federal upholstered furniture flammability regulations.

We held several interviews with candidates for the vacant secretarial position.

**Project and Activity Status**

- Fire safety issue plan for 1993: will submit revised plan reflecting new format in early August.
- Notable Fire Safety Education Program activity: The National Fire Academy formally requested waiving of copyright protection to allow the Academy to reproduce sections from Proving Public Fire Education Works and International Concepts in Fire Protection in a required reading manual being prepared for a fire prevention course. The Academy will make 3,000 copies of the manual.
- Presentations, meetings and briefings: Institute staff and consultants participated in conferences of the Western Fire Chiefs Association, Texas A&M Firemen's Training School and the Firehouse Magazine Exposition. In addition, we visited fire officials in Rep. Rick Boucher's district, who were interested in learning about TI's Fire Safety Education Program; and consultant Phil Schaenman participated in an Emergency Educational Network teleconference on Leadership in Public Fire Education.
- International Association of Arson Investigators (IAAI) press event highlighting arson: Plans continue for a press briefing highlighting introduction of major arson legislation in early September.
- TriData's report on Reaching the Hard to Reach: Nearly 35 solid case studies have been collected, and research continues. We will explore the possibility of including in the report programs being conducted by the members of the Family C.O.U.R.S.E. Consortium.
- TriData's latest International Concepts in Fire Protection report: We will meet with representatives of R.J. Reynolds Tobacco in mid-August to discuss printing and dissemination of the report, as well as interim report on "Community-Based Fire Prevention."

Fire Safety Issue July Status Report  
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- Informal advisory group: We have proposed that the group be formed as a task force of fire service officials whose mission is to persuade public and private officials of the importance of supporting public fire safety education. The initial meeting of the group would be held in mid-September at the International Association of Fire Chiefs conference to determine the interest of the proposed participants and possible activities.
- Video featuring TI's fire program: May be a good project for the task force mentioned above.
- Fire safety high school curriculum: in need of heavy editing before production can begin. We hope production will be completed this year, but other projects have taken priority lately.

**Needs Attention Next Month**

- Complete revision of 1993 issue plan and develop budget for 1993.
- Catch up on requests for information and materials that have been accumulating since the departure of the secretary.
- Begin drafting article on fundraising for Firefighter News magazine.
- Continue editing draft of high school curriculum.

**Public Affairs Division Variance Analysis**

Fire Safety  
Cost Center Name

1306  
Cost Center Number

July 1992  
Month

Fernicola Suhr  
Cost Center Manager

Account#/Description	Year-to-Date Expenses	Year-to-Date Budget	Amount Over (Under) Budget	Projected Amt Over (Under) Budget at Dec 31, 1992	Explanation
5200/ Repro., Print. and Draft.	16,549	14,000	2,549	5,000	We have had to reprint more than expected.
7300/ Professional Fees	247,162	265,000	(17,838)	(5,000)	We may not use all funds budgeted for witnesses at state hearings.
7500/ Support Tobacco and Other Orgs.	94,994	80,000	14,994	0	More requests than anticipated were processed in July. We will be back on track in August.
<b>TOTALS</b>	358,705	359,000	(295)	0	

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TIMIN 419432

**Public Relations Division Variance Analysis**

General Coalitions  
**Cost Center Name**

1307  
**Cost Center Number**

July 1992  
**Month**

Stuntz/Gleason  
**Cost Center Manager**

Account#/Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1992	Explanation
5200 / Repro., Print. & Draft	2,030	18,000	(15,970)	0	Several reprints scheduled for last quarter.
7300 / Professional Fees	2,101	60,000	(57,899)	(40,000)	Under budget because requests for professional support to allies running below expectations and because certain consultants are on leave to work on presidential campaigns.
7500 / Support Tobacco & other orgs.	955,767	1,323,400	(367,633)	(50,000)	Under budget because contributions from companies for MA initiative project have been used to pay monthly LMC operating expenses. This is correcting itself as the Mass. project moves forward.
<b>TOTALS</b>	<b>959,898</b>	<b>1,401,400</b>	<b>(441,502)</b>	<b>(90,000)</b>	

MINNESOTA TOBACCO LITIGATION  
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**ADVERTISING**  
**July 1992**  
**Issue Manager: Carol Hrycaj**

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We completed initial production of the new television public service announcements, which will be released in 1993. Qualitative testing of four rough cuts of the spots was underway at month's end.

**Project and Activity Status**

- Produced new television public service announcements (PSAs). "Parent to Parent" features an African-American couple; "Growing Up" was filmed using an Hispanic boy in one version and an Hispanic girl in the other. Rough cuts of the spots were sent to members of a Consortium Ad Hoc Committee for review and comment.
- Qualitative testing of the new PSAs, which will gauge peoples' reaction to the spots, was conducted at the end of the month. Four of the spots were shown to hundreds of individuals in "mall intercepts." Participants evaluated the ads based on relevance, being true to life and having something important to say. We reviewed and commented on the survey instrument. Results are expected in early August.
- Began preliminary preparation for the distribution of the second set of PSAs. The target release date is late August.
- A TI representative and a member of the Family C.O.U.R.S.E. Consortium discussed the youth initiatives and the Consortium's PSAs with reporters in Portland, Oregon, and Seattle/Tacoma, Washington. The Salt Lake City and Las Vegas media tour was postponed; it will now be conducted in September.
- Reviewed mechanicals of the Spanish version of "Tobacco: Helping Youth Say No." The blueline is expected early next month.
- Met with consultant to discuss follow up on Consortium projects; i.e., Speakers' Bureau opportunities and new projects. Additionally, reviewed and edited the minutes of the group's June meeting. The document will be finalized and distributed in August.
- Prepared testimony for Family C.O.U.R.S.E. Consortium member Alan Irgang to present before a New York City Council Health Committee hearing on ad bans. The draft remarks update the

Committee on the Consortium's efforts to discourage youth smoking. The hearing was postponed and may be rescheduled for mid-August. In the interim, we will prepare a letter from Irgang to Councilmember Vallone, the sponsor of the anti-tobacco bill, apprising him of the Consortium's recent endeavors.

- Attended the National Conference of State Legislatures annual meeting in Cincinnati, Ohio. The Institute sponsored an exhibit showcasing the industry's youth program, specifically "Tobacco: Helping Youth Say No" (THYSN) and "It's the Law" (ItL) efforts.
- Prepared a response from The Institute to Maryland Governor Schaeffer, rebutting his contention that the youth program "neglect[s] to mention the role that advertising plays in recruiting new smokers."
- Pursuant to a U.S. Department of Agriculture request, prepared an Institute response to the International Conference on Nutrition (ICN) draft Plan of Action. The ICN statement addresses issues of world hunger and malnutrition; it also recommends banning tobacco advertising and restricting smoking in public places. A final version of the ICN statement will become an official World Health Organization document later this year and will be signed by representatives of several countries, including the United States. We also worked with State Activities and coordinated comments from growers groups.
- We continue to receive requests for bulk orders of THYSN. The Buffalo Housing Authority has requested thousands of copies of THYSN to distribute to low-income families in the Buffalo area. New York City Police Department citizen volunteers have requested hundreds of copies of the booklet for distribution to parents in New York.
- Completed printing of the Kentucky ItL brochure. With the new Kentucky age-18 law effective mid-July, we have received inquiries from many organizations in the state for the retail program materials.
- At Federal Relations' request, alerted FAC members to potential witnesses (and focus of testimony) for the Senate Consumer Subcommittee hearing on Federal Trade Commission authorization. Also provided allies with briefing documents on issues that could be raised at the hearing.

**Advertising**  
**July 1992**  
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- Investigated and resolved the issue of national billboard and poster bonus payments for the models appearing on the cover of THYSN.
- Revised the speech on the youth initiatives for a tobacco company executive's presentation before the Colorado Association of Tobacco and Candy Distributors.
- Began revising first draft of the 1993 advertising issue plan.

**Needs Attention Next Month**

- Refine 1993 advertising issue plan.
- Prepare materials for distribution of the second set of TI/Consortium PSAs.

**Public Affairs Division Variance Analysis**

Youth Initiatives

**Cost Center Name**

1501

**Cost Center Number**

July 1992

**Month**

Carol Hrycaj

**Cost Center Manager**

Account#/ Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1992	Explanation
5101 / Postage & Delivery	\$ 81,405	\$ 220,000	\$(138,595)	\$ (135,000)	Demand for youth initiatives publications is expected to remain steady.
5201 / Repro. Print & Draft	(655)	350,000	(350,655)	(355,000)	Reproduction of THYSN and ItL will take place in 2nd and 3rd quarters.
6201 / Adv. Space & Promo.	1,254,475	1,519,272	(264,797)	0	Spanish THYSN will be promoted this fall. Production costs for new PSAs will be paid from this account.
7301 / Prof. Fees	140,797	206,750	(65,953)	(46,000)	Account will be under budget since video monitoring service will not be used.
7501 / Support Tob. & Other	104,527	169,000	(64,473)	0	Consortium activity continues to increase. Account will be on target.
<b>TOTAL</b>	<b>\$1,580,548</b>	<b>\$2,465,022</b>	<b>\$(884,474)</b>	<b>\$ (536,000)</b>	

MINNESOTA TOBACCO LITIGATION

CONFIDENTIAL:

TJMN 419437

**Public Affairs Division Variance Analysis**

Advertising  
**Cost Center Name**

1308  
**Cost Center Number**

July 1992  
**Month**

Carol Hrycaj  
**Cost Center Manager**

Account#/ Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1992	Explanation
5201 / Repr. Print & Draft	\$ 645	\$ 9,000	(8,355)	\$ 0	Publication stock will be reprinted later in the year.
7301 / Prof. Fees	39,268	75,420	(36,152)	(20,000)	Despite possible activity at the federal level this fall, we anticipate being under budget at year's end.
7501 / Support Tob. & Other	13,860	20,000	(6,140)	0	On target.
<b>TOTAL</b>	<b>\$ 53,773</b>	<b>\$104,420</b>	<b>\$ (50,647)</b>	<b>\$ (20,000)</b>	

**PUBLIC SMOKING  
July 1992**

**Issue Manager: Karen Fernicola Suhr**

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The Oregon Department of Insurance and Finance, which houses Oregon OSHA, denied a petition to rule on workplace smoking in July. Meanwhile, the Washington Department of Labor and Industries revived a draft workplace IAQ proposal. We are working with State Activities and LMC consultants to determine the best response.

We encouraged allies and consultants to monitor and, in some cases, respond at an open forum planned in early August by the Environmental Safety Council's (ESC) IAQ model law task force on model state legislation. We also are attempting to learn more about the ESC.

We attended the State Activities Region VII planning meeting and prepared a report on what was discussed. We also held several interviews with candidates for the vacant secretarial position.

**Project and Activity Status**

- **ASSIST:** We met with Philip Morris and State Activities representatives to discuss "coordination" of ASSIST-related activities. A Task Force was subsequently appointed with representation from SAD, PAD and the companies. We expect another response to our Freedom of Information Act request from the National Cancer Institute in August.
- **1993 issue plan:** Will submit revised plan reflecting the new format and other suggestions in early August.
- **Privacy plan:** Will be incorporated into 1993 issue plan.
- **Privacy issues:** John Fox article on privacy in the workplace and his chapter on the ADA's relationship to other laws are in review.
- **LMC activity:** LMC consultants registered concerns with the International Association of Fire Fighters (IAFF) over proposed resolutions that would have promoted the hiring of nonsmokers into the fire service so as not to jeopardize presumptive heart, lung and cancer laws. The resolutions were defeated at the IAFF's annual conference.
- **Grier/Wagner draft of "Workplace Efficiency: A Market-Based Assessment":** Draft reviewed by legal counsel and comments sent to authors.

Public Smoking Issue July Status Report  
Page 2

- BCIA activity: BCIA participated in a roundtable discussion on government activity in indoor air quality sponsored by the National Air Duct Cleaners Association. The Council proposes to host a seminar in September on the status and significance of an OSHA IAQ regulation as part of a marketing and membership campaign.
- Philip Morris request for NEMI to participate in a clearinghouse for smoking-related questions: NEMI's draft proposal is still being revised. We hope to have a final proposal in August.
- AFGE survey: We hope to have survey results in August.
- NEMI News: Reviewed draft articles for summer issue. Expect to see layout in August.
- NEMI marketing materials: Two brochures were produced on a short timetable to be printed for a Sheet Metal Workers meeting in early August. The remainder of the materials will be produced by September.
- Review of IAQ contract language: Legal counsel's concerns have been shared with Forscey. Waiting to hear back from him before we decide how to proceed.
- Prison smoking ban: Leads need to be reviewed and followed up.

**Needs Attention Next Month**

- Complete revisions to 1993 issue plan and develop 1993 budget.
- Monitor Washington OSHA draft IAQ proposal.
- Work with NEMI to complete proposal for Philip Morris.

**Public Affairs Division Variance Analysis**

Public Smoking  
Cost Center Name

1309  
Cost Center Number

July 1992  
Month

Fernicola Suhr  
Cost Center Manager

Account#/ Description	Year-to-Date Expenses	Year-to-Date Budget	Amount Over (Under) Budget	Projected Amt Over (Under) Budget at Dec 31, 1992	Explanation
5200/ Repro., Print. and Draft.	303	10,000	(9,697)	0	Brochure reprints should put us back on target in the second half of the year.
7300/ Professional Fees	522,226	533,706	(11,480)	(50,000)	Projected Center for Policy Research unspent funds.
7500/ Support Tobacco and Other Orgs.	568,128	578,000	(9,872)	0	On target.
<b>TOTALS</b>	<b>1,090,657</b>	<b>1,121,706</b>	<b>(31,049)</b>	<b>(50,000)</b>	

MINNESOTA TOBACCO LITIGATION

CONFIDENTIAL:

TIMIN 419441

**"SOCIAL COSTS"**  
July 1992

**Issue Manager: Calvin H. George**

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In July, issue staff tracked developments in health care reform at both the federal and state levels. Anti-smokers' misapplication of "social cost" theory to the rising costs of health care and other reform issues continues to be the focus of our efforts.

Highlights of our work follow.

**Message development and media strategies**

- Convened meeting of consultants to explore potential messages and strategies for countering a possible media campaign by anti-smoking advocates featuring former Surgeon General Koop in support of a cigarette tax initiative. In preparation for meeting, reviewed recent polling data from Massachusetts on the current cigarette excise tax initiative threat in that state and earlier Consumer Tax Alliance (CTA) focus group research on earmarking taxes.

Devised strategy which would depict Koop as a well-meaning outsider, "poorly-informed on specific state issues." Strategy would further reposition the issue as one of "trust in state government officials to do what they say they are going to do" and would tap negative public feelings about specific, recent government "scandals" or incidents where promises have been broken.

As a first step in creating a framework or pilot project to test such a strategy, consultants and TI staff will conduct informal research in August to identify 7 or 8 specific incidents in Massachusetts over the last 18-24 months which meet these general criteria. Factual descriptions of each incident will be developed based on newspaper accounts and statements by respected individuals and independent organizations.

These descriptions will serve as the basis for development of a proposal to do focus group research to identify the 2 or 3 incidents which are the most powerful among a demographic segment of likely, but undecided, voters.

The focus group research will also explore alternative messenger credibility (e.g., economist, business leader, former elected official, male or female) with respect to the dedicated tax issue, though the consensus is that sponsorship of such a campaign would probably require a new entity or would utilize the industry established committee.

The focus group research proposal will be developed by the end of August.

#### **Legislative strategy and alliances**

- Worked with consultants to identify alternative revenue sources at the state level which can overcome problems resulting from recent court decisions on provider and insurer taxes which affect ERISA regulated employers. Reviewed concept paper proposing a "claims processing" tax developed for use with State Activities state planning meetings in July. Will get feedback from State Activities staff and determine the need for appropriate revisions in August, including exploring the utility of this concept with potential allies.
- Worked with consultants and company legislative representatives on the health care reform working group to monitor developments with the Conservative Democratic Forum's (CDF) "managed competition" proposal, including moves by both House and Senate leaders to persuade CDF leaders that some form of a cost containment/"global budgeting" approach could offset the need for additional revenue sources. Next meeting of the health care reform working group will be convened in early September.

#### **Needs Attention Next Month**

Revise 1993 "social costs" plan

Do first draft of 1993 "social costs" budget

**Public Relations Division Variance Analysis**

"Social Costs"  
Cost Center Name

1311  
Cost Center Number

July 1992  
Month

Calvin H. George  
Cost Center Manager

Account#/Description	Year-to-date Expenses	Year-to-date Budget	Amount Over (Under) Budget	Projected Amt. Over (Under) Budget at Dec. 31, 1992	Explanation
5201/Repro. Printing & Drafting	\$ 0	\$ 23,000	\$ (23,000)	\$ 0	Publication of SAMMEC critique is behind schedule due to contractor delays; postponed to fall.
7301/Prof. fees	51,025	137,000	(85,975)	0	Promotion of social cost materials is running behind schedule due to contractor delays; postponed to fall.
7501/Support Tob. & Other Organizations	52,500	52,500	0	0	On target.
<b>TOTAL</b>	<b>\$ 103,525</b>	<b>\$ 212,500</b>	<b>\$(108,975)</b>	<b>\$ 0</b>	

TIMN 419444

**CONFIDENTIAL:**  
**MINNESOTA TOBACCO LITIGATION**

**PRODUCTION SERVICES**  
**July 1992**

**Director of Production Services: Anne Cannell**

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As part of the coalition process, Production Services continues to provide project management to our allied organizations. This month we have several projects in production.

**Public Affairs:**

- Tabaco: Ayundando A La Juventud A Decir No, our Spanish version of Tobacco: Helping Youth Say No is at the printer. Blueline will be ready for review the first week of August.
- The Kentucky "It's The Law" brochure is available. Nebraska is in production while Delaware and Missouri are being cleared by counsel.
- Our "It's The Law" traveling booth was refurbished just in time for the National Council of State Legislatures convention. The booth was cleaned and missing parts were replaced for a nominal fee.
- We produced two new ads this month, one for the USO Newcomers Guide to Washington and the other for the Utah Congressional Challenge. Both relate to our "Youth" campaign.
- Camera-ready art for "Hispanics and Taxes: A Study in Inequality" is at the printer. Our plan is to have copies of the study available for The Labor Council for Latin American Advancement's (LCLAA) national membership meeting in early August.

In addition to the study, we have updated LCLAA's voter registration posters. We plan to print large quantities, in both English and Spanish, and have them ready for distribution after their national membership meeting.

- Maura Keenan began typesetting the updated Tobacco Industry Profile 1992. Maureen Booth is reviewing the first proofs. We plan to distribute in September if we can collect the data needed by August.
- We took part in the review of the National Energy Management Institute's corporate package. We researched design and printing estimates for comparisons plus plan to review all comps and bluelines.
- Staff responded to 38 requests for publications this month. In addition we continue compiling additional materials for Institute counsel.

### **State Activities**

- We produced a slide presentation and had video ads duplicated for Bob McAdam's presentation to the Management Committee. We also arranged an attractive montage of CA specific materials in the boardroom.
- We updated the State Cigarette Excise Tax map for reproduction in StateLine.
- Region VI requested our help in designing and producing 600 "Designated Smoking Area" signs for the Jefferson Community College. The signs will be available by the opening of school.
- For Region IV, we updated and produced camera-ready art for a chart: Minnesota Indian Reservations: Cigarette Sales in Cartons. We completed the chart in two hours.
- Production of new "Enough Is Enough" caps are in the making for upcoming meetings.

### **Federal Relations**

- We reprinted and delivered TIPAC letterhead.
- For the Bob Michel Charity Golf Tournament, we produced 16 posters at the request of Ralph Vinovich.
- Buttons and posters are designed and in production for the upcoming Republican National Convention.

### **Administration**

- Staff produced 12 orders for letterhead and stationery this month.
- Baskets are on order, wrapping samples and estimates are in review for our 1992 Christmas.

### **Needs attention next month**

- Materials for State Activities Lobbyist meeting and the RTNDA convention.
- Provide staff with budget estimates on 5101 and 5201 accounts.