

301 115

COMMENTS OF SAMUEL D. CHILCOTE, JR.

DINNER GROUP MEETING

JUNE 23, 1982

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

**TIMN 278684**

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

THANK YOU, ED. GOOD MORNING.

WE HAVE A LONG AGENDA... IT IS BEFORE YOU. YOU HAVE RECEIVED MOST OF THIS MATERIAL OVER THE PAST FEW WEEKS AND I TRUST YOU ARE FAMILIAR WITH IT.

THEREFORE, LET US MOVE IMMEDIATELY INTO THE AGENDA... LET US "SET THE STAGE" FOR EACH PROGRAM AREA AND THEN DISCUSS EACH ONE THOROUGHLY.

PROGRAM ONE: IN SUPPORT OF FIRE SAFETY AND FIREFIGHTERS.

AS ISSUES GO, THIS ONE IS APPROACHING LIKE A RUNAWAY FREIGHT TRAIN. FIVE YEARS AGO, THE IDEA OF A "SELF-EXTINGUISHING" CIGARETTE WOULD HAVE BEEN LAUGHABLE. RIGHT NOW WE ARE MONITORING BILLS IN CONGRESS AND A HANDFUL OF STATES. PROPOSED CIGARETTE EXCISE TAX INCREASES IN TWO STATES WOULD EARMARK FUNDS FOR FIREFIGHTING.

**TIMN 278685**

JOURNALISTS ARE TREATING THE ISSUE  
LIKE A NEW TOY...

THE LATEST... BUT NOT THE LAST...  
NEWS IS THAT ABC TELEVISION IS PREPARING A  
SHOW ON FIRES CAUSED BY CIGARETTES.

GENTLEMEN, THIS IS AN UGLY ISSUE. IT  
INVOLVES MORE THAN ANTI-SMOKERS... THERE  
ARE ANY NUMBER OF BRIGHT, WELL-MEANING  
FIREFIGHTERS OUT THERE WHO BELIEVE THAT  
WE ARE STANDING IN THE WAY OF A SOLUTION...  
IT IS AN ISSUE THAT PRODUCES VICTIMS...  
HORRIBLY DISFIGURED AND TOTALLY CAPABLE OF  
DOMINATING A LEGISLATIVE HEARING OR A  
TELEVISION SHOW.

WE KNOW THAT THE COALITION OF ANTI-  
SMOKERS HAS IDENTIFIED "ACCIDENTAL FIRES"  
AS ONE OF OUR WEAKEST AREAS.

FOR THE ANTI-SMOKERS, IT HAS ALL OF THE MAKINGS... HUMAN SUFFERING, AN "UNCARING" INDUSTRY, GREAT HEROISM, GREAT DESTRUCTION... AND A POPULAR SCAPEGOAT.

AND, I CAN SAY FROM EXPERIENCE, THAT I AM NOT BEING OVERLY DRAMATIC.

LET ME PROVIDE SOME HIGHLIGHTS:

- OUR OBJECTIVE IS TO PLACE THIS ISSUE IN ITS PROPER PERSPECTIVE... TO DISCOURAGE THIS CONCENTRATION ON "SELF-EXTINGUISHING" CIGARETTES AS A SOLUTION TO ACCIDENTAL FIRES.
- WE SUGGEST TWO BASIC STRATEGIES:
  1. WE WISH TO WORK WITH A PROMINENT NATIONAL FIREFIGHTERS ORGANIZATION TO PROMOTE CERTAIN TYPES OF RESEARCH AND PROGRAM DEVELOPMENT.

2. WE WANT TO WORK WITH LOCAL FIRE DEPARTMENTS -- ESPECIALLY THOSE IN AREAS CONSIDERING SELF-EXTINGUISHING LEGISLATION -- IN THE AREAS OF FIRE SAFETY AND VOLUNTEER RECRUITMENT.
- IT WOULD BE OUR INTENT TO PUBLICIZE... IN A GRACIOUS WAY... THE FACT THAT THE INDUSTRY IS PART OF THE SOLUTION TO THE ACCIDENTAL FIRE PROBLEM. THOUGH WE WOULD PUBLICIZE OUR EFFORTS NATIONALLY, OUR FIRST AND MOST IMPORTANT AUDIENCE WILL BE FIREFIGHTERS.

GENTLEMEN... YOU ALL HAVE READ THE PROPOSAL. LET US DISCUSS IT...

(FIRE SAFETY PROPOSAL DISCUSSION)

I BELIEVE WE ARE READY TO DISCUSS  
PROGRAM NUMBER TWO: RESPONSIBLE LIVING  
FOR TEENAGERS.

MOST BLUNTLY STATED, THIS ISSUE INVOLVES  
THE ALLEGATION THAT THE TOBACCO INDUSTRY  
ACTIVELY MARKETS CIGARETTES TO CHILDREN.

UNLIKE THE ACCIDENTAL FIRE ISSUE, THE  
TEENAGE SMOKING ISSUE IS NOT EXPLOSIVE.  
BUT IT IS ALWAYS THERE... IT COMES UP AGAIN  
AND AGAIN LIKE A FESTERING SORE.

OUR POSITION HAS BEEN TO DENY THE  
ALLEGATION. IT HAS BEEN TO ABIDE BY THE  
INDUSTRY'S ADVERTISING AND SAMPLING CODES.  
IT HAS BEEN TO SAY, "NO, WE DO NOT WANT  
CHILDREN TO SMOKE."

BUT WHAT WE HAVE DONE HAS NOT BEEN  
ENOUGH. AND THAT IS BECAUSE AMERICANS NEED  
MORE THAN WORDS... MORE THAN OUR WORDS,  
CERTAINLY... TO BE CONVINCED.

PROGRAM TWO PRESENTS A PROGRAM TO HELP ADULTS DEAL DIRECTLY WITH YOUNGSTERS' IMPATIENCE WITH GROWING UP.

OUR OBJECTIVE IN THIS AREA IS RATHER SIMPLE: WE WANT TO DEFUSE THE TEENAGE SMOKING ISSUE BY DEMONSTRATING THAT THE INDUSTRY IS DEALING WITH IT IN A RESPONSIBLE FASHION.

LET ME HIGHLIGHT THE PROPOSED STRATEGIES:

1. WE WOULD DESIGN A PROGRAM THAT PLACES TEENAGE SMOKING IN A MUCH LARGER CONTEXT... AS A SMALL PIECE OF THE PROBLEM CAUSED BY YOUNGSTERS' IMPATIENCE WITH GROWING UP.

2. ALL PROGRAM ELEMENTS WOULD BE AIMED AT ADULTS... PARENTS, EDUCATORS, YOUTH GROUP LEADERS AND OTHERS WHO ARE IN A POSITION TO COUNSEL YOUNGSTERS. WE DO NOT WANT TO BE ACCUSED OF COMMUNICATING DIRECTLY WITH CHILDREN EVEN IN THIS POSITIVE WAY.
  
3. THE PROGRAM WOULD BEGIN WITH THE CREATION OF A BOOKLET... A MANUAL OF SORTS AIMED AT HELPING ADULTS DEAL WITH THE TOUGH QUESTIONS KIDS ASK. THE BOOKLET WOULD BE PROMOTED FOR A SHORT WHILE THROUGH ADVERTISEMENTS PLACED IN MAGAZINES READ BY PARENTS AND EDUCATORS.



4. IF ALL WENT WELL... IF THE PUBLIC REACTION WAS GOOD... IF WE WERE TO GET THE ENDORSEMENT OF KEY PUBLIC OFFICIALS... THEN WE WOULD MOVE AWAY FROM ADVERTISING AND BEGIN DEVELOPING PROGRAMS FOR USE LOCALLY. POSSIBLY TAN WOULD HAVE A ROLE WORKING WITH LOCAL PTAs. PERHAPS, WE WOULD PRODUCE MATERIALS AND COSPONSOR THEIR DISTRIBUTION WITH YOUTH-ORIENTED GROUPS.

GENTLEMEN... YOUR REACTIONS.

NOTE: HERE IS WHERE THE SPEECH BREAKS AND CONTINUES LATER.

THERE ARE TWO ITEMS REMAINING ON OUR AGENDA. BOTH WERE REVIEWED AT LENGTH BY OUR NEW STATE ACTIVITIES POLICY COMMITTEE. CHARLIE TUCKER IS CHAIRMAN OF THAT GROUP AND AFTER I PROVIDE A BRIEF INTRODUCTION OF EACH OF THESE TWO PROPOSALS, PERHAPS TUCKER WOULD LIKE TO ADD HIS COMMENTS.

ITEM ONE: INDUSTRY OPPOSITION TO NEW FEDERAL AND STATE CIGARETTE EXCISE TAXES.

HERE IN WASHINGTON, WE DON'T THINK IT'S A QUESTION OF "WHETHER" THERE WILL BE NEW EXCISE TAXES PROPOSED... IT'S MORE A QUESTION OF WHEN... WHERE... AND HOW MUCH.

AND THOUGH I AM SURE ALL OF US WOULD LIKE TO SEE GOVERNMENTS BALANCE THEIR BUDGETS... WE HAVE REASON TO OPPOSE NEW TAXES.

I HAVE BEEN TOLD THAT CIGARETTE CONSUMPTION DROPS OFF TEMPORARILY FOLLOWING THE TYPICAL SMALL EXCISE INCREASES WE HAVE SEEN OVER THE YEAR.

TIMN 278693

HOWEVER... IF WE CAN LEARN FROM OUR BRITISH BROTHERS... A LARGE, SUDDEN INCREASE CAN HAVE A LONGSTANDING IMPACT. AND COMBINATIONS OF INCREASES AT THREE LEVELS OF GOVERNMENT... ALL CONCEIVABLY WITHIN A MONTH OR TWO... COULD HAVE THAT EFFECT.

OUR PROPOSAL... WHICH YOU HAVE SEEN... OUTLINES THREE BASIC PHASES... LEVELS OF READINESS ACTUALLY.

PHASE I INVOLVES PREVENTIVE LOBBYING... KEEPING THE BILLS FROM BEING PROPOSED.

PHASE II INVOLVES ACTIVE LOBBYING... WORKING TO KEEP THE BILLS IN COMMITTEE AFTER THEY'VE BEEN PROPOSED.

AND PHASE III INVOLVES PUBLIC LOBBYING, PUBLIC RELATIONS AND ADVERTISING... AN ALL OUT EFFORT TO DEFEAT A BILL THAT'S READY TO LEAVE COMMITTEE.

I BELIEVE THIS IS A WELL-THOUGHT-OUT PLAN. WE HAD THE HELP OF OUR FRIEND MARTIN HALEY IN PUTTING IT TOGETHER...

TUCK, DO YOU HAVE ANYTHING YOU WOULD LIKE TO ADD?

(DISCUSSION OF PROPOSAL)

THANK YOU. OUR SECOND AND LAST ITEM RECOMMENDS THAT THE INSTITUTE BEGIN MAKING CONTRIBUTIONS TO LOCAL POLITICAL CAMPAIGNS IN THE 30 STATES WHERE THAT IS LEGAL.

THE STATE ACTIVITIES POLICY COMMITTEE HAS REVIEWED THE PROPOSAL AND RECOMMENDS THAT IT BE ACCEPTED AS POLICY. FURTHERMORE, IT HAS BEEN SUGGESTED WE SPEND BETWEEN \$150,000 AND \$200,000 IN THE REMAINDER OF THIS YEAR ON LOCAL CAMPAIGNS. 1983 EXPENDITURES WILL BE PROPOSED AS PART OF THE OVERALL INSTITUTE BUDGET.

I WOULD ENCOURAGE YOU TO ACCEPT THE POLICY COMMITTEE'S RECOMMENDATION. WE HAVE THREE THINGS TO GAIN:

1. CONTRIBUTIONS TO LOCAL CAMPAIGNS ARE PERHAPS THE MOST BASIC WAY OF ATTAINING AND MAINTAINING LOCAL INFLUENCE.
2. HAVING INCREASED LOCAL INFLUENCE WILL SUPPLEMENT OUR EFFORTS ON THE HILL... AS OUR POLITICALLY ACTIVE LOCAL FRIENDS CONTACT THEIR CONGRESSMEN ON OUR BEHALF.
3. FINALLY, WE STAND TO HELP POLITICIANS ON THEIR WAY UP THE LADDER. WHILE WE MAY NOT MAKE CONTRIBUTIONS TO CONGRESSMEN... WE MAY BE MAKING THEM TO FUTURE CONGRESSMEN.

TUCK, WOULD YOU ADD ANYTHING TO WHAT  
I'VE JUST SAID?

(CONTRIBUTIONS PROGRAM IS DISCUSSED)

THANK YOU ALL VERY MUCH.

YOUR RECOMMENDATIONS FROM TODAY'S  
MEETING WILL BE DULY REPORTED TO THE  
EXECUTIVE COMMITTEE TOMORROW.

ONCE AGAIN, THANK YOU FOR YOUR HARD  
WORK. GOOD NIGHT.