

**APPENDIX G**

**Strategy of Anti-Smoking Groups**

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## **Strategy of Anti-Smoking Groups**

### **A. Introduction**

PM USA loses far more consumers through quitting than it does through switching to competitors' brands. Though it cannot be definitively proven, it is a reasonable assumption that a significant cause for individuals to quit is the anti-smoking movement. As a consequence, these groups must be considered competitors. It is therefore important to attempt to understand the broad strategies of these groups in order to determine those threats or opportunities which may exist through their future actions that are of relevance to PM USA R&D. Unlike our other competitors, anti-smoking groups are more than willing to share their strategic plans with the public. A request was made to the PM USA Corporate Affairs Department, and strategic plans from five anti-smoking organizations were received. Two of these are state government agency reports - one from the 1989 Michigan Tobacco Reduction Task Force and one from the California Tobacco Education Oversight Committee. Two are from publicly supported anti-smoking groups - STAT (Stop Teenage Addiction to Tobacco) and the American Cancer Society. The last is from the Advocacy Institute, a non-profit center for the study, analysis, and teaching of advocacy strategies and skills for use by non-profit and citizens groups to effect public policy change. Each of these will be discussed below.

### **B. State Government Agency Reports**

#### **1. Michigan Tobacco Reduction Task Force**

The Michigan Tobacco Reduction Task Force, Michigan Department of Public Health, issued a report in 1989 describing a six-part strategy to reduce the incidence of smoking in the state of Michigan by at least 50% in the year 2000. The first strategy is that, "Aggressive measures must be taken to prevent children and adolescents from gaining access to cigarettes, smokeless tobacco, and other tobacco products." Tactics to accomplish this objective include licensing of tobacco retailers, prohibiting sales through vending machines, significantly increasing excise taxes to discourage smoking, prohibiting distribution of free or discounted tobacco products, and prohibiting billboards and other signs advertising tobacco products.

The second strategy requires that, "Stronger efforts must be made to protect Michigan residents from the adverse health effects of environmental tobacco smoke and from fires caused by smoking materials." Tactics in support of this strategy include extending the Michigan Clean Indoor Air Act to the private sector, requiring that at least 50% of restaurant seats be designated as non-smoking, providing totally smoke-free

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travel on intrastate and local public conveyances, setting state-wide air quality standards for ETS, and setting fire safety standards.

"Tobacco users must be offered information, assistance, and continued support for quitting and remaining tobacco-free. Special attention must be given to minorities, persons with low income, and other groups with high levels of use," is the third strategy. It is interesting to note that a key aspect of all anti-smoking plans involves the targeting of certain groups who are deemed more likely to smoke. These groups include women, blacks, Hispanics, individuals with low incomes, and individuals with low educational levels. Tactics to accomplish this strategy include enlisting the assistance of the "health" community; making tobacco cessation services available; providing access to tobacco cessation services through insurance reimbursement; and requiring employers, unions, and insurers to work cooperatively to develop incentives for reducing tobacco use among workers.

The fourth strategy is, "More vigorous efforts must be made to instill a tobacco-free lifestyle in the Michigan population." Tactics include expanding the Michigan Department of Health's anti-tobacco media campaign; strengthening school-based anti-tobacco programs; ensuring that all school buildings and grounds are tobacco-free; prohibiting the use and sale of tobacco products in health care facilities; and, most importantly, enacting a law that prohibits Michigan from manufacturing, selling or promoting tobacco products, and from profiting from investments in firms that manufacture tobacco products.

The last major strategy is, "The Michigan Congressional Delegation should support strengthened federal anti-tobacco policies and programs. Michigan's US Senators and Representatives should be urged to introduce or support legislation consistent with the intent of this report..." Such legislation includes increasing federal tobacco excise taxes; making federal funding available for large, ongoing anti-tobacco media campaigns managed by the states; empowering the FCC to require the broadcast media to provide free air time for anti-tobacco public service messages as a condition of licensing; giving the FDA jurisdiction for the regulation of tobacco and other nicotine-bearing products; banning smoking on all interstate public conveyances; opposing the use of trade sanctions intended to encourage the export of US tobacco products to foreign markets; establishing fire safety standards; providing Medicare coverage for tobacco cessation services; prohibiting advertising; and eliminating federal income tax deductions for advertising of tobacco products.

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## 2. California Tobacco Education Oversight Committee

The California Tobacco Education Oversight Committee submitted a report, "Toward a Tobacco-Free California: A Master Plan to Reduce Californians' Use of Tobacco," to the state Legislature on January 1, 1991. The objective of this report is to determine a strategy to reduce the use of tobacco products within the state of California by 75% in the year 1999. The plan outlines three main strategies - media intervention, policy development, and program services.

The primary goals of the master plan's media intervention strategy in a comprehensive tobacco prevention and control effort are to support non-use of tobacco, increase motivation among users to quit using tobacco, and enhance public support for policy changes that support tobacco control. Tactics include continuing the current statewide media campaign; targeted media intervention, that is providing media coverage with cultural and language-appropriate messages to reach certain groups such as blacks and Hispanics; and the expansion of local media campaigns.

It is interesting to note that the state of California is claiming great success for the California anti-smoking media program. For instance, an October, 1990, press release claimed that "Research Data Shows Significant Drop in Tobacco Usage Since Enactment of California's Tobacco Education Campaign." Claims have been made that the media campaign is responsible for a 13% decline in smoking in the state. An article in the Wall Street Journal (August 5, 1991) points out, however, that this decline occurred before the media campaign started and can be attributed to the large excise tax increase. In actuality Californians bought 1% more packs of cigarettes in 1990 than in 1989 even though the media campaign was initiated in April, 1990. Nevertheless, California has been able to tout the program as a major success, and other states are thinking about similar endeavors.

Policy development goals include reducing access to tobacco and protection from second-hand smoke. Tactics to reduce access to tobacco include prohibiting the sale of tobacco through vending machines; prohibiting distribution of free or discounted tobacco products; requiring annual licensing fees from retailers; and prohibiting the sale of tobacco products in all state and local government owned, funded and leased buildings. Tactics with respect to protection from second-hand smoke are promoting tobacco-free workplaces and public places through general fiscal incentives to promote smoke-free commercial buildings, and extending the California Indoor Air Act to the private sector without preempting stronger local ordinances.

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Program services are those services which support individuals in making the behavioral changes necessary for them to quit smoking. The plan defines three main types of services in a comprehensive tobacco control effort; namely, prevention services, school and non-school based; cessation resources, such as self-help strategies; and tobacco information and education. School based prevention services include ensuring that all educational institutions, school campuses, and school-sponsored events are tobacco free; and providing County Offices of Education and local school districts with the necessary training in integrated tobacco curricula and model programs. Community based prevention services include providing tobacco prevention education to high-risk youth through a variety of settings; and creating or adapting tobacco use prevention materials, media, and programs that are sensitive to culture, ethnicity, language, and literacy mode.

Cessation resources include attempting to enlist as many channels as possible to reach populations with high tobacco usage such as trade and vocational schools and work sites, as well as physicians, dentists, pharmacists, and substance abuse counselors; and continuing to target women and their families as well as pregnant women in order to provide them multiple and varied educational opportunities where they meet, work, and live.

Tobacco Information and Education efforts include ensuring that the statewide media campaign provides information to the public regarding facts and issues related to tobacco in order to generate public support for tobacco reduction policies; providing educational programs at the state and local level that correctly portray tobacco use as a public health problem; and educating and training influential health care providers, school representatives, and business and community leaders to serve as local tobacco cessation advocates and community resources.

### **3. Similarities Between the Two Reports**

The manifold similarities between these two plans - from two different states and written two years apart - are quite evident even from reading the brief write-up above. When reading the actual documents themselves, the similarities are even more striking. In many cases passages are actually verbatim. Two possible reasons can be advanced to explain this. The first is that the California committee utilized the Michigan report as its chief source document. The more likely explanation, however, is that there is an anti-smoking advocacy group which had already drawn up a general blueprint for a massive government intervention effort to eliminate smoking. Both states, in turn, drew generously from this document. This would suggest that most state and local governments will be presented with essentially identical programs which will advocate

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essentially the same actions. Consequently, PM USA should have an excellent idea of what to expect with regard to government anti-smoking programs.

### C. Stop Teenage Addiction To Smoking (STAT)

STAT is a private, non-profit anti-smoking group located in Springfield, Massachusetts. It has an annual budget of about \$125,000, and publishes a newsletter, *The Tobacco and Youth Reporter*, which has a circulation of about 100,000. The STAT six-year Progress Report (1985-1991) outlines its mission; namely, to "stop teenage addiction to tobacco by: 1) eliminating the sale of tobacco to young people; 2) preventing tobacco companies from promoting tobacco addiction among our youth; and 3) generating direct social and economic pressure on tobacco companies to force them to stop unethical campaigns to promote smoking.

STAT's agenda for the 1990's is to: 1) eliminate tobacco sales to minors through merchant licensure, elimination of sampling, elimination of vending machines, and establishing a minimum legal age of 21 for the purchase of cigarettes; 2) end tobacco advertising and promotion including the elimination of brand identities by the year 2000; protect children from ETS; exert social and economic pressure on the nicotine (note the word nicotine) industry including an already existing boycott of Nabisco and Kraft; 5) train and equip activists to be effective pro-health change agents; 6) participate in coalitions and network with other pro-health organizations; and 7) reach out to assist pro-health organizations fighting against tobacco addiction in other countries.

Although STAT professes to be concerned only with teenage smoking, its agenda clearly goes beyond this. As was noted above they deliver a strong message that smoking is addictive, and that the real evil is nicotine. Lastly, it should be noted that as a private organization, they can take at least one action that cannot be taken by a governmental organization; i.e. a boycott. STAT called for a boycott of both Nabisco and Kraft in 1990, and it intends to continue this boycott.

### D. American Cancer Society

The American Cancer Society issued "A Global Plan to Resist Aggression by the Transnational Tobacco Companies," a report from the Trade for Life summit held in Washington, D.C., January 6-8, 1990. This document is extremely militant, and has as its central theme the prevention of tobacco and tobacco product exports. The plan outlines three major objectives: "To take action in exporting countries to reduce world trade in tobacco products and curb the marketing aggression of Transnational Tobacco Companies through a *Trade for Life* campaign; to place tobacco control at the top of the agenda of international governmental and non-governmental health and development organizations; [and] to bolster national resistance to

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the Transnational Tobacco Companies, particularly in newly targeted and potential target countries."

The Report specifies a number of priorities for each of these objectives and a number of tasks to accomplish each priority. For each task, a list of "principal actors" is given consisting of a variety of anti-smoking groups. The total number of anti-smoking groups in the Report is quite large. The first two priorities for objective number 1 are to secure the passage of legislation to end the US government's support for US cigarette exporters to gain access to overseas markets, and to persuade the US government to seek no further action against Thailand and to accept no future tobacco cases. Tasks in support of these priorities are to mobilize public support; broaden support beyond health groups to include consumers, women's groups, and churches; to gain Congressional support; and to directly lobby the Administration to drop the Thailand case and its support for tobacco exports. The third priority is to lobby the General Agreement on Tariffs and Trade (GATT) to recognize the unique unfitness of tobacco for normal trade considerations and to ensure that national governments retain the power to place restrictions on the import, distribution and marketing of tobacco products in their countries. Tasks in support of this priority include coordination of evidence to the GATT expert panel on the impact of tobacco companies in targeted markets; ensuring the passage of a resolution in support of Thailand at the 7th World Conference on Tobacco and Health in Perth, Australia; lobbying governments worldwide to support GATT recognition of tobacco trade restrictions as justifiable on health grounds; and lobbying the US Congress to express continued opposition to the US Government's efforts on behalf of tobacco companies. Priority four would require transnational tobacco exporters to adhere to labelling requirements and advertising restrictions at least as stringent as those in force in their home country. (This priority is particularly annoying since it would place the US at a considerable disadvantage versus Japan.) Priority five would place tobacco on the United Nations list of goods whose sale or distribution has been banned or severely restricted. Priority number six would be to persuade the UN to apply its consumer guidelines to tobacco and adopt a marketing code for tobacco companies. Priority seven is to remove all export assistance to tobacco manufacturers and producers. The tasks outlined for this priority are interesting in that they are to first identify all sources of support for tobacco exports in each exporting country and then lobby governments to remove all sources of government support for tobacco exports. The last priority is particularly important in that it is to undertake shareholder education campaigns and take measures to hold those with stakes in tobacco companies accountable for the activities of their companies. The two tasks outlined for this priority are to identify shareholders in tobacco companies and encourage them to dispose of their shareholdings in protest against tobacco company abuses, and take measures to hold tobacco company executives accountable for tobacco company marketing abuses.

The second objective which is to place tobacco control at the top of the agenda for international health and development organizations has six priorities. The first priority is to

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organize a UN resolution and mobilize support from member nations on the need for countries to recognize the public health threat posed by tobacco and to implement effective anti-tobacco measures. The second priority is to raise the priority given to tobacco control by the World Health Organization (WHO). It should be noted that "Tobacco or Health" became an official WHO program in January, 1990. This program outlined a seven-year plan of action covering the years 1988-1995 with three principal objectives: 1) the promotion of national tobacco control programs to prevent and reduce tobacco use; 2) the promotion of the concept of tobacco-free societies and the establishment of the non-use of tobacco as normal social behavior through advocacy and public information campaigns; and 3) the establishment of an information clearinghouse. This program has been funded, but the level of funding is only about 1% of WHO's total budget. The American Cancer Society Report recommends that this level of funding be significantly increased. The next three priorities involve the lobbying of three international organizations - the United Nations Development Program, the United Nations Environmental Program, and the Food and Agricultural Organization - to increase their involvement in the control of tobacco and tobacco products. The last priority is to seek greater funds from the World Bank, the Regional Development Banks, and from other donor agencies for tobacco control projects in developing countries.

The last objective, bolstering national resistance to the tobacco companies, has seven priorities. The first priority is interesting in that it is to secure the adoption of more stringent anti-tobacco measures by the industrialized economies. It is clear that there was some internal disagreement about this priority in that concern was expressed that if sales declined in the industrialized nations, more pressure would be placed on exporting tobacco products to the developing nations. However, the real issue with all US-based anti-smoking groups is to eliminate the tobacco industry, so this priority remained. The US was targeted as a particular "local point for action" since it has "limited anti-tobacco restrictions and low excise taxes at the federal level." Priority two is to secure more stringent tobacco control policies in target countries. Priority number three is to enhance information flow worldwide on successful tobacco control strategies and provide an early warning system for new tobacco company and government actions. The tasks in support of this priority are to develop an American Cancer Society GLOBALink database, regional networks and information and action alert systems, and to recruit members to GLOBALink. GLOBALink is a computer-based communications system. Priority four is to increase data available to tobacco control advocates in target countries. The American Cancer Society sponsors a Third World Atlas which provides a compilation of existing data on smoking prevalence, mortality and morbidity, tobacco agriculture, excise yields, and the structure of the tobacco industry in many developed countries. The goal is to improve both the quality and quantity of data included in this Atlas. Priority five is to develop new educational materials both in target and exporting countries. Priority six is to develop and broaden the tobacco control coalition in target countries. Interestingly, this priority actually is an attempt to involve more women in the tobacco control coalition as can be seen by the tasks in support of

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this priority: 1) identify women working in tobacco control and compile a directory of women activists; 2) create an international network of women working in the tobacco control area; 3) survey the priority given to women and smoking by the international health non-government organizations and international governmental agencies; and 4) persuade WHO to sponsor a "Women and Tobacco" conference. The last priority is to provide training for national control leaders in target countries.

Clearly, the major thrust of this plan is focused on eliminating US exports of tobacco products abroad. At this time, there seems to be little probability of the success of this plan. Nevertheless, should there be limitations on export of cigarettes from the US in the future, the impact on PM USA would be severe. We are projecting the export of 132 billion units by 1996. If cigarettes could not be exported from the US, they would have to be made elsewhere, most likely Europe. This would lead to a severe under-utilization problem within the US and a severe capacity problem in PM factories elsewhere.

#### **E. The Advocacy Institute**

A proposal to establish a Smoking Control Advocacy Resource Center (SCARC) was issued by the Advocacy Institute in July, 1987. The Advocacy Institute is a non-profit center for the study, analysis, and teaching of advocacy strategies and skills for use by non-profit and citizen groups to effect public policy change. It was founded in Washington, D.C., in 1984, and has been involved in a number of issues besides smoking control including nuclear arms limitation and assurance of citizen access to essential information. The proposed SCARC would have three goals: 1) strengthening the disparate forces engaged in smoking control advocacy by enhancing cooperation among them; 2) systematically tracking and dispassionately analyzing the tobacco industry's organized resistance to public education about the hazards of smoking; and 3) enabling smoking control advocates to optimize opportunities for advancing smoking control initiatives through effective use of the mass media. To accomplish these goals, SCARC would provide a number of resources outlined below.

The first of these, the intelligence gathering network, deserves some discussion. The purpose of this network is to "establish and maintain an interactive network of key intelligence gatherers and industry analysts. Through this network, individuals who have shown skill and persistence in tracking the activities of the tobacco industry can be provided modest support for such activities and, in turn, contribute to a central, shared intelligence pool. Each member of this Intelligence Gathering Network will take special responsibility for monitoring and mapping one or more discrete areas of tobacco industry behavior." The rationale for the creation of such a network is to be able to anticipate the tobacco industry's response to smoking control measures. To quote the prospectus once again, "At each stage of the development of smoking control methods throughout the world the industry has reacted dynamically, altering its strategies and

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redeploying its resources to anticipate and meet the challenge...While the smoking control forces have no ready response to these efforts, they will remain at a severe disadvantage." The threat of such a network should not be taken lightly, and every effort should be made to protect information generated by PM USA R&D from falling into such hands. Other information networks which are recommended are a spark plug network - 50 to 75 of the nation's most effective regional and local smoking control advocates, and a network of international smoking control experts.

Special population networks are proposed to target specific at-risk groups. The three networks proposed are a women's network, outreach to blacks, and outreach to youths and Hispanics. The description of the outreach to black network demonstrates the type of tactics that the Advocacy Institute is willing to sink to. "A first requirement in serving the Black community is the development of a symbolic framework for smoking control issues that resonates with the important values of Black leaders. For example, tobacco promotion to Blacks can be viewed as a form of exploitative colonialism (what cannot be sold to industrialized white communities is 'dumped' on Blacks). It might also be effective to emphasize the racial implications of tobacco marketing strategies..young Blacks are targeted for tobacco addiction."

The prospectus recommends the establishment of a SCARC Library and Information Clearinghouse, and a Media Resource Center. The media resource center would consist of: 1) media strategy development with the objective of establishing effective strategies for accessing and using the mass media for public education; 2) media materials development and dissemination with the objective of creating, adapting, reproducing, and distributing smoking control media and media training materials; and 3) media research, monitoring, and networking with the objective of increasing the responsiveness of tobacco control advocates to changes in media coverage of smoking related issues.

Strategic planners and consultants would be made available. An example of strategic planning is instructive. "Excessive zeal by anti-smoking advocates directed toward smokers rather than the tobacco industry could threaten the smoking control cause by polarizing and galvanizing smokers. The tobacco industry has already tried to capitalize on this possibility by organizing a smokers' backlash to the American Cancer Society's annual Great American Smoke-Out." Consultants would in general be tactical or media consultants. In addition advocacy and media training would be provided.

A number of special projects are proposed. These are 1) a special population demonstration project, specifically the women's network; 2) a volunteer project for a smoke-free indoors; 3) the Smoking Control Advocate's Media Handbook and the Coalition Building Guide which will serve the need for community organizing and mobilization insights and strategies.

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Lastly, information and resource dissemination will be formalized through the smoking control computer bulletin board, action alerts, and the SCARC Newsletter.

#### **F. Conclusions**

There are at least three key conclusions that can be drawn from this analysis relative to PM USA R&D. The first is that **PM USA must actively continue to grow the business.** As long as PM USA continues to provide a significant portion of PM Companies' profits and cash flow, attacks on shareholders and threats to boycott Kraft will have a minimal or zero effect. The second point is that **any products viewed by our consumers and our non-smoking supporters as a positive development should be pursued with considerable resources.** Such products would specifically provide a benefit to our consumers and would be more socially acceptable than our present product line. To successfully carry out such a strategy we must be sure that we know how our consumers view our products. Such products would considerably weaken the current arguments of the anti-smoking forces. The last point is that the US anti-smoking movement has absolutely no interest in having the industry provide an allegedly "safer cigarette." Their objective is to eliminate smoking. Consequently, **research conducted at PM USA R&D to provide benefits should be targeted by what our consumers want rather than attempting to placate anti-smoking forces.**

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