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SCIENTIFIC AFFAIRS

I. Background and Assumptions

- o Anti-smoking activists continue to use the 1986 reports by the Surgeon General and the National Academy of Sciences to drive scientific, media and public opinion of the ETS controversy and to fuel legislative activity.

 - o The ETS risk assessment and workplace policy guide prepared by the Environmental Protection Agency (EPA), released in draft form in May 1990 and due for final release in 1992, are likely to become additional catalysts for federal, state, local and private smoking restrictions and legislation.

 - o Publicity regarding the Occupational Safety and Health Administration (OSHA) request for information on indoor air quality also may fuel state and local restrictions.
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However, OSHA activity also may provide an opportunity for the industry to discourage hasty adoption of unwarranted smoking restriction legislation pending issuance of a final Agency rule. ¹

Legislation is pending in Congress that would empower the Environmental Protection Agency (EPA) to research and issue health advisories on components of indoor air, including ETS; authorize EPA to issue labeling regulations for product emissions and to implement a ventilation standard for the workplace; and direct OSHA to consider development of an indoor air quality standard for the workplace. The legislation could lead to EPA regulation of individual indoor air substances, although there is question as to whether this additional authority would have any impact on EPA activity with regard to ETS. ²

- o Substantial progress has been made in recent years. But it is difficult for scientists with alternative viewpoints on ETS science to express themselves within the scientific community. A network of anti-smokers in leadership positions continues to silence those with opposing views; publication of articles with such views remains difficult.

- o Media coverage of ETS has shifted away from portraying ETS as a controversial scientific issue and toward portraying it as

an "established hazard." Journalists often have failed to apply standards of objectivity when reporting on claims of chronic disease in nonsmokers associated with reported exposure to ETS.

- o Although the broader issue of indoor air quality has received increased public attention, ETS continues to be viewed as a separate and distinct issue.

- o Renewed efforts, utilizing reforms currently being promoted with respect to risk assessment and policy driven science on a variety of issues apart from ETS and indoor air, are necessary to promote scientific objectivity with respect to the role of ETS in indoor air quality. While allies can be helpful on indoor air quality issues, it remains The Institute's role to serve as advocate for the industry perspective on ETS.

II. Objectives

The overall objectives of The Institute's scientific affairs programs are:

To objectively discuss the question of ETS and disease in nonsmokers within the scientific community.

To explain to legislative and regulatory authorities, the media and the public that claims regarding chronic health effects of ETS are not supported by the totality of the scientific data.

To increase awareness among the scientific community, legislative and regulatory authorities, the media and the general public that breakdowns in the scientific process -- encompassing bias, error, scientific limitations of risk assessment and misuse of risk assessment in policy formulation -- are leading to distorted perceptions of risk and flawed policies.

III. Strategies, Goals & Tactics

Strategy I: Continue efforts to focus greater attention on the inconclusive nature of the scientific data regarding the alleged chronic health effects of ETS. Increase awareness of the need for more and better research on the reported relationship between ETS and disease.

Goals and Tactics:

1. Continue to maintain an up-to-date scientific consultant team, capable of conducting briefings on ETS research with

state and local public policymakers, of testifying before state and local legislative bodies, and of conducting media tours on scientific issues.

2. Continue to encourage consulting scientists to write ETS-science op-eds for submission to regional newspapers.
3. Continue to maintain a group of consulting academic scientists able to review ETS literature for scientific journals, respond to ETS research published in the scientific media, and conduct briefings and present testimony before Congress as well as federal and state regulatory agencies.
4. Encourage during 1992 publication in scientific journals of major analyses of the reported relationship between ETS and disease, including those prepared in response to federal agency initiatives. Encourage at a minimum publication of:
 - A. Additional analyses of the EPA draft ETS risk assessment, focusing particularly on its discrepancy with the guidelines for carcinogen risk assessment and comparisons with more objective Agency risk assessments.
 - B. Updated meta analyses of the literature on ETS and lung cancer.

- C. Additional analyses of ETS and cardiovascular disease, incorporating the epidemiologic literature and questions of biological plausibility.
 - D. Analyses of epidemiologic studies of ETS exposure in the workplace.
 - E. Analyses of data on ETS levels in the office workplace.
 - F. Analyses of ETS exposure among supposedly susceptible populations.²
- 5. Continue to encourage participation of Institute scientific consultants in national and international symposia on the alleged relationship between ETS and disease in nonsmokers.
 - 6. As appropriate and subject to availability of funds, conduct detailed analyses of ETS research and aggressively criticize -- via briefings, publications, letters-to-editors -- any shortcomings and failures in ETS research.
 - 7. As appropriate, update "white papers" on ETS research, reflecting new studies and critiques and providing updates on federal ETS activities. Distribute to and brief legislators and other public and private decision makers. As additional information on and critiques of shortcomings regarding ETS

research becomes available, incorporate into briefings to legislators and other public and private decision makers.

8. With assistance from academic and other scientific consultants, review and submit comments on proposed federal government research and regulatory activities on ETS.
9. Encourage independent analysis of the costs of potential solutions to indoor air quality problems.
 - A. Encourage submission of the analysis for publication in an appropriate peer reviewed journal.
 - B. Encourage submission of op-eds based on the analysis in business publications, publications targeted toward legislative and regulatory authorities and the popular media.
10. Through Federal Relations Division staff, continue to encourage Congressional appropriations and oversight committees to raise questions about the validity of current federal research programs on ETS.

Strategy II: Provide reporters with information and data that will foster a better understanding of the nature and findings of scientific research on ETS, with particular focus on the EPA's draft ETS risk assessment, to encourage more balanced and accurate media coverage of the ETS issue. Rebut and clarify news reports on ETS that are inaccurate or that do not include a balance of viewpoints.

Goals and Tactics:

1. Continue to provide reporters with up to date information on the scientific literature on ETS. Follow up activities pursued during the public comment period and Science Advisory Board review of the draft ETS risk assessment. ²
2. Update reporters as additional studies or reviews are published. As appropriate, place new information in the context of the literature reviewed by EPA.
3. As appropriate and subject to availability of funds, encourage academic consultant briefings of editorial board members and other media representatives in major markets and tobacco producing states, with particular focus on the draft ETS risk assessment and on new studies and reviews as they appear in the scientific literature. ¹

Strategy III: Encourage continued participation in efforts that objectively assess ETS in the context of all indoor air quality factors. Focus greater attention on the need for improved ventilation systems or more efficient use of existing systems. Illustrate that improved ventilation is technologically and economically feasible.

Goals and Tactics:

1. Continue to encourage scientific consultants and allies to publish in trade publications and the popular media articles that objectively assess ETS in the context of all indoor air quality factors.

2. Encourage publication in the scientific literature of articles that objectively assess the role of ETS in indoor air quality, the advantages of improved ventilation and the technological and economic feasibility of improving indoor air quality. Specifically encourage:
 - A. Analyses of data on levels of ETS and other indoor air constituents in the office workplace.

- B. Analyses of the relationship between ventilation and indoor air quality, and between indoor air quality and worker productivity.
 - C. An analysis of the capability of U.S. building stock to perform to the ASHRAE ventilation standard.
 - D. Assessments of the costs of increasing ventilation to meet minimum recommended standards.¹
3. Through placement of articles in IAQ trade publications, and through Institute publications and presentations to affected groups, increase awareness and acceptance of ASHRAE ventilation standard 62-89 as one means of addressing indoor air quality problems. Target information to all groups potentially interested in adoption of the standard, including health and environmental groups; employee organizations; building owners, managers and engineers; architects and interior designers. Encourage consultants to participate in conferences, workshops and seminars, to prepare articles for trade publications, and to engage in other educational activities as appropriate.
4. Encourage continued and expanded participation by scientific consultants on committees of organizations studying indoor

air quality.

5. Support the 1989 ASHRAE ventilation standard (62-89).
Encourage states and localities to adopt the standard.
Oppose any unwarranted reconsideration of the standard
prompted by the EPA risk assessment and EPA representation on
the ASHRAE standards committee.

6. Identify and promote in print and at indoor air quality
briefings positive case studies where indoor air quality was
improved through changes in air handling systems and without
restricting smoking.

Strategy IV: Examine and promote public discussion of issues affecting risk assessment and risk communication, including research reporting biases, weaknesses in the risk assessment process, scientific dishonesty and the failure of journalists to cover controversial scientific issues in an accurate and balanced fashion. Examine and promote discussion of the consequences of policy based on faulty science and perception based on flawed reporting. ²

Goals and Tactics:

1. Based upon published research by an independent social scientific consultant, aggressively promote findings on the hypothesis that the social beliefs, values and ideology of allegedly objective investigators appear to have influenced the results, and the interpretation of the results, they offer about the alleged health effects of ETS.
 - A. Prepare briefing packages outlining highlights of the findings for distribution to editorial board members, science writers and other key media representatives.
 - B. Conduct media tours and pursue specialized media opportunities as appropriate.
 - C. Encourage submission of op-eds based on the published findings in the general media.
 - D. Pursue presentation opportunities at meetings of scientific and social scientific professional organizations, and encourage local media coverage of the presentations. ¹

2. Develop additional arguments that highlight the lack of reliable risk assessment data.

3. Identify authors and spokespersons who are prepared to review materials and write articles for national and major market media as well as meet with the media on different aspects of the issue of risk and scientific fraud.
 - A. Encourage consulting scientists to write and talk about the limits of science and risk analysis.
 - B. Encourage consulting economists to write and submit articles on the economic impact of this issue.
 - C. Where appropriate, conduct media tours with consulting spokespersons.
 - D. Identify and develop opportunities for consulting spokespersons to meet with editorial boards.
 - E. Publicize messages through "paid" media opportunities such as matte services and video news releases.
4. Attempt to develop coalitions with groups impacted by quantitative risk analysis.
5. Distribute materials to staff, consultants and member companies; utilize when working with media and decision makers.

6. Develop materials to make the case that some scientific studies are carried with factual errors or without perspective to the public through the media.

7. Promote independent research findings illustrating bias in major media coverage of the ETS issue.
 - A. Encourage submission of the analysis in social scientific or journalism review publications.

 - B. Encourage op-eds based on the research for more general distribution. ¹

8. Distribute materials to staff and to consulting scientists and economists; utilize when working with the media.

IV. Resources

A. Tobacco Institute Staff

1. Public Affairs: Packett, other issues staff, Media Relations, Information Center and Production Services Staff.
2. State Activities: Woodson, Avedon
3. Federal Relations: Lewis, White, Vinovich

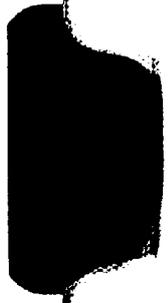
B. Consultants

1. Scientific and technical experts
2. Public relations counsel
3. Legal consultants
4. Economists

C. Materials

1. ETS science publications, including revised ETS brochures and McGill Symposium materials.

2. Indoor air quality publications and videos.
3. ASHRAE standards publication.
4. Fact sheets and status reports on Environmental Protection Agency and Occupational Safety and Health Administration ETS initiatives.
5. Media briefing materials.
6. Other "white papers," including allied publications on "sick building syndrome" and the costs of increasing ventilation.
7. Published articles and op-eds.



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PUBLIC SMOKING

I. Background and Assumptions

o Federal, state, local and private smoking restriction activity continues. Since the first public smoking legislation was passed in 1973, some 46 states and more than 500 localities have restricted smoking in public places. Of these, 17 states restrict smoking in the private workplace and 39 states address smoking in government offices. In addition, more than 300 localities restrict smoking in the workplace.

o The "freedom of choice" argument for smoking in public places has become increasingly less compelling because anti-smokers have used a parallel argument -- "freedom to breathe smoke-free air." Many anti-smokers may support ventilation standards, although not in lieu of existing smoking regulations. The concept of "indoor air quality" (with an emphasis on scientific and technical issues) attracts a wider audience, including building managers, labor organizations and business executives.

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o Anti-smokers are pressuring legislators to severely restrict or ban smoking in all public places. In 1991 a number of communities in California attempted, some successfully, to ban smoking in bars and restaurants.

o Most smoking restrictions and smoking restriction legislation are based on the alleged health effects of environmental tobacco smoke (ETS) on the nonsmoker. The 1986 reports by the Surgeon General and by the National Academy of Sciences fueled legislative activity in the past. The draft ETS risk assessment prepared by the Environmental Protection Agency and possible OSHA workplace guidelines will reinvigorate the proponents of smoking restrictions and bans.

o While some private employers who regulate smoking attempt to accommodate smokers and nonsmokers, others feel it necessary to implement smoking bans and discriminatory hiring policies. They are receiving substantial pressure from anti-smoking organizations to severely restrict smoking supposedly for the protection of the public health and, at the same time, to save on insurance costs, reduce absenteeism and thereby increase profits. In addition, nonsmoking employees are beginning to exert similar pressure and are demanding that management accommodate them.

o As legislative and organizational measures restricting smoking in public places and the workplace have proliferated, a

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climate has been created that encourages public and private actions that discriminate against and harass smokers.

o Many smokers also face discrimination as a result of voluntary restrictions imposed by private employers. Such discrimination takes a variety of forms -- refusing to hire smokers, giving smokers undesirable work assignments or work spaces, discriminating against smokers in promotion or actually firing employees who smoke. The Americans with Disabilities Act, which became law in 1990 and becomes enforceable in July 1992, may provide legal recourse against employers who refuse to hire smokers. Both discriminatory and anti-discriminatory employment legislation and policies have been considered at state and local levels. Since 1989, more than 20 states have passed smokers' rights legislation that prohibits employment discrimination based on an individual's off-the-job activities.

o Smokers continue to contact The Institute and its member companies for information and support in opposition to legislated and private smoking restrictions and potentially corresponding discrimination.

II. Objectives

To support the defeat of unwarranted mandatory and voluntary smoking restrictions.

To discourage unfair discrimination against smokers.¹

III. Strategies, Goals & Tactics

Strategy I: Continue to work with allies and expert consultants to publicize arguments that ETS be considered in the context of all indoor air quality factors. Promote ventilation solutions, air filtration/cleaning technology and more efficient use of existing systems as options for public officials, employers and business owners considering smoking restrictions.

Goals and Tactics:

1. Publicize the argument that cleaning up the indoor air results in savings to the employer, rather than expense.
2. Through articles, presentations to affected groups and Institute publications, increase awareness and acceptance of the ASHRAE ventilation standard 62-1989 as a means of addressing indoor air quality problems. Publicize information to all groups potentially interested in adoption of the standard, including health and environmental groups; employee organizations; building owners, managers and engineers; architects and interior designers. Encourage consultant availability to participate in conferences, workshops and seminars, to prepare articles for trade publications and to engage in other educational activities as appropriate.

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3. Continue support of indoor air allies and business coalitions that promote ventilation solutions through the building systems approach.
4. Identify and support an expert witness panel that will be available to testify before state and local legislative and regulatory bodies, brief public officials, participate in interviews and make presentations to business groups.¹
5. Seek opportunities, in conjunction with the State Activities Division, to encourage allies and consultants to deliver messages on energy and ventilation to state and local business groups.¹
6. Through the Tobacco Industry Labor Management Committee (TILMC), encourage interested labor organizations to develop position statements and corresponding materials in support of broad indoor air quality standards and regulations.
7. Through the TILMC, continue to identify opportunities to conduct building ventilation studies in areas or among employers considering smoking restrictions. Support efforts to promote indoor air quality awareness.
8. Through the TILMC, encourage state and local labor councils/international unions to negotiate during contract

talks for reasonable accommodation of workers who smoke, and to view smoking restrictions in the broader context of indoor air quality. Develop model indoor air quality and accommodation contract language.

9. Call upon state LMC counsel to generate indoor air quality briefings of labor organizations and other liberal organizations. These consultants also would represent the TILMC in other coalition efforts with organized labor/liberal groups.
10. Encourage IAQ testimony on legislation regarding indoor air and ventilation standards. Encourage media activity in conjunction with legislative efforts. As appropriate and subject to availability of funds, identify additional spokespersons at the national and regional levels.
11. Seek opportunities to support through the TILMC indoor air quality seminars in targeted areas sponsored by independent groups. Promote as appropriate.
12. Continue to support through the TILMC indoor air quality exhibition booths at trade shows, conventions and other meetings as a means of promoting indoor air quality videos and other materials.

13. Work through the TILMC to encourage articles on indoor air quality as a workplace issue for submission to union publications. Promote reprints as appropriate.

Strategy II: Seek opportunities to broaden the concept of smokers' rights and provide assistance to individual smokers in appropriate circumstances.

Goals and Tactics:

1. Review pertinent publications (such as newspapers and employment law reports) for incidents of discrimination or harassment involving smokers, particularly in states that have employment discrimination laws. Work with legal counsel to assist in such cases.²
2. Work with legal counsel to notify newspapers, employers and employment agencies in the states that have smoker privacy laws of their duties and responsibilities under those laws.¹
3. Continue to seek opportunities for John Fox and other legal counsel to make employment discrimination and privacy presentations at conferences and seminars.¹
4. Through the TILMC seek labor support for privacy legislation at the state level.

5. Through the TILMC encourage national allied group efforts to promote research and focus attention on privacy issues.¹

IV. RESOURCES

A. Staff

1. Public Affairs: Fernicola Suhr, other issues staff, Media Relations, Information Center and Production Services staff.
2. State Activities: Woodson, Avedon.
3. Federal Relations: Lewis, White, Vinovich.

B. Consultants

1. Scientific and technical experts.
2. Labor experts.
3. Public relations counsel.
4. Legal consultants.
5. Economists.

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C. Coalition Groups

1. Tobacco Industry Labor Management Committee.
2. Trade and other business organizations.
3. Business indoor air quality groups.

D. Materials

1. Labor kit and video.
2. General public smoking materials and brochures.
3. ETS science publications, including the McGill Symposium materials.
4. ASHRAE standards publication.

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TAXES

I. Background and Assumptions

Through 1991, the public affairs tax program aggressively maintained the anti-consumer excise tax environment among tobacco family members and those with whom we have formed alliances. Existing and new relationships were strengthened and expanded. The successful argument that excises are regressive and unfair to low- and middle-income families was our primary message.

At the federal level, a new "pay-as-you-go" system for financing entitlement or mandatory programs requires that any increases be offset by a spending cut in another entitlement program or by a tax increase.¹ On this front, a myriad of proposals emerged, especially in the area of health care reform, which could be financed, in part, with cigarette excise hikes. Public Affairs launched a new, concerted effort to counter attempts to dedicate or earmark excise taxes.

At the state level, the 1990-91 recession, coupled with on-going structural problems, brought massive budget deficits and prolonged budget battles.² Tobacco excise increases were seen as

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part of the solution in most cases. The trend towards proposing excise hikes to finance health and other social programs grew.

o Cigarette excise taxes are proposed at the federal, state and local levels to raise general revenue, to deter smoking -- especially youth smoking by increasing its cost -- and to compensate for the alleged "social cost" smoking imposes on society. Concern over federal and state budget deficits, resulting in funding cuts at all levels of government, and aggressive lobbying by anti-smoking groups together foster a political environment conducive to increases in cigarette excise taxes.

o Consumer excise taxes are regressive, whether the revenue goes into the general fund or is earmarked for a specific program. They are imposed on consumers regardless of their ability to pay. According to a Congressional Budget Office study, tobacco excise taxes are the most regressive of all consumer excise taxes.

o Independent research shows that almost all state and local tax systems are regressive.¹ States and localities rely heavily on sales taxes, property taxes and consumer excises, which have been shown to be highly regressive. Many state tax systems have actually become more regressive since 1986.¹

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o Labor/liberal, tax reform, minority, business and industry groups embrace the regressivity issue and can effectively lobby against proposals to increase excise taxes.² Independent research is available to demonstrate the extent to which select groups, including working women, minorities, senior citizens and rural Americans, are adversely affected by consumer excise taxes.

o Research demonstrates that people embrace middle income tax relief and are most likely to support a progressive tax strategy where it can be shown that specific tax policies disproportionately benefit upper income individuals and groups.¹

o Independent research further shows that the public is particularly concerned about job losses during and after a national or local recession and are hostile to government policies which can be shown to cause job losses in the economy.¹ Border studies have been one way to demonstrate such losses.

o Tobacco excises receive overwhelming public support when subjected to an up or down vote. However, when people are reminded that it is the consumer who pays the cigarette excise tax, they are more likely to oppose this regressive form of taxation.

o The principle of earmarking is a legitimate element of a tax system. (The terms "earmarked" taxes and "dedicated" taxes are

often used interchangeably.) "User fees" are one form of dedicated or earmarked taxes. A true "user fee" operates under the logical principle that those being taxed receive a direct benefit. However, earmarking cigarette excise taxes violates this principle of public finance because those paying the tax do not receive the direct and exclusive benefit of the taxation.

o Increasing demands for health care reform, children's programs and other social services at the federal and state levels are leading to heated battles on earmarking tobacco taxes to fund these initiatives. The battle against consumer excise taxes is more challenging when the proposed excise tax is dedicated to a program which is perceived as "good."

o Earmarking consumer excise taxes, except in the case of a true "user fee," goes against every principle of fairness in public financing, the objective of which is to fund programs with revenues raised in an equitable manner. This type of earmarking does not have support from knowledgeable economists and public finance experts.¹

o Nonetheless, many legislators see dedicated consumer excise taxes as an easy solution to raise needed revenues. However, earmarked cigarette excise taxes are not a reliable source of revenue because they do not raise enough money over time to fund the programs to which they are dedicated. In addition, anti-

tobacco forces want to use the tax to both finance anti-smoking education and drive down consumption, thus adding to the unreliability of the revenue source.¹

o Labor/liberal groups, state fair tax coalitions, business organizations and public finance experts recognize that cigarette excise taxes are not "user fees," but regressive taxes. They oppose attempts to increase or earmark excises on this basis.

o Increased federal, state and local tobacco excise taxes in any form are detrimental to the tobacco economy and the economy as a whole. All components of the tobacco industry and the Congressional/state/local tobacco family can effectively oppose any increased excise tax.

II. Objective

To discourage and reduce reliance on tobacco excise taxes to meet social and economic objectives by demonstrating that consumer excise taxes are regressive, inconsistent with fair taxation, and detrimental to the economy.

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III. Strategies, Goals and Tactics

Strategy I: Demonstrate that consumer excise taxes are regressive and are an unacceptable solution to the problem of financing government and reducing deficits.

Goals and Tactics:

1. Encourage op-ed pieces and letters to the editor in 1992 from consulting economists as a part of a targeted media campaign in 6 to 10 states to oppose excise hikes or support rollbacks. Provide articles to other Institute divisions for promotion to appropriate policymakers. Call on TAN and field staff network to support distribution efforts.
2. Encourage presentations by consulting economists on the excise tax issue before Congressional and state legislative committees; national, regional and state tax policy conferences; and business organizations. Promote appearances to the general and specialized media as appropriate.
3. Working through the Tobacco Industry Labor Management Committee (TILMC), support labor/liberal and tax reform organizations and their efforts to promote tax fairness and oppose excise taxes. Strengthen and expand existing relationships; intensify efforts in 6 to 10 selected states

by launching year-long media/public education fair tax campaigns, which lay the groundwork for formation of state Consumer Tax Alliance coalitions.¹ Specifically, continue to support:

- o State fair tax coalitions and their member organizations in selected states/congressional districts.² Provide leadership training and state specific research on tax fairness and particular tax policies which disproportionately benefit the wealthy.¹
- o Organizations representing the interests of senior citizens, women, Blacks, Hispanics and other minority groups. Wherever possible, integrate their efforts with those of fair tax coalitions and media/public education campaigns.²
- o Agriculture/farm groups, and their efforts to oppose any excise tax increase through targeted media and public education campaigns.

4. Working through the TILMC, continue to conduct briefings on economic policy with labor and/or liberal audiences, using video and print materials developed by the TILMC expressly for this program; wherever possible integrate with 3. above.

5. Working through the TILMC, continue to aggressively promote allied group studies (and updates) on the excise tax issue through briefings in selected congressional districts and states, demonstrating the impact of consumer excises on working women, Blacks, Hispanics, senior citizens and rural Americans; wherever possible, integrate with 3. above.²

6. As a major trade association in the United States, work with and support:

- o Business organizations, e.g., the U.S. Chamber of Commerce and the National Association of Manufacturers, and their efforts to oppose any tax increase;
- o Industry groups, e.g., the Coalition Against Regressive Taxation (CART), and their efforts to oppose all excise taxes.
- o Consumer Tax Alliance (CTA) at national level as appropriate.

Strategy II: Demonstrate that most earmarked consumer excise taxes are unfair to those who pay them and are not true "user fees"; that "sin" taxes on selected products to fund "good" programs are inappropriate; and that tax fairness requires that the focus be on those paying the tax and not on the taxed product.¹

Goals and Tactics:

1. Complete research begun in 1991 on trends in earmarked taxes. Disseminate findings to policymakers, labor/liberal groups, other allies and the general public.²

2. Continue efforts to encourage allies to analyze federal budget and revenue trends, examining the negative impact of the tax system on low- and middle-income groups, including women, rural Americans, Blacks, Hispanics, and senior citizens.

3. Encourage allied groups' membership communications and public information campaigns using above analyses and promoting tax fairness in the funding of social initiatives such as comprehensive health care reform.²

4. Continue to promote the earmarking/"user fee" book, Charging for Government: User Charges and Earmarked Taxes in Principle and Practice. Encourage speaking opportunities before governance associations, business groups and other forums in key states.

5. Encourage economic consultants to counter the portrayal of excise taxes as legitimate "user fees" through testimony, briefings, op-eds and letters-to-the-editor, as appropriate.

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Strategy III. Demonstrate that the inadequacies, complexity and skyrocketing costs of the American health care system require comprehensive, long-term reforms, and that incremental "band-aid" approaches to funding of health care reform are both bad public policy and deceptive to health care consumers and providers.² Demonstrate the availability of cost containment measures and alternative, broad-based revenue sources to fund health care.²

Goals and Tactics:

1. Work with organizations that are committed to comprehensive health care reform and are opposed to incremental efforts to address the issue (e.g., National Consumers League and the National Council of Senior Citizens). Encourage and assist those groups in taking advantage of media and public attention to health care reform in the 1992 election season through convening conferences, issuing conference reports and other publications, and providing specialized information materials to their members.²
2. In consultation with national allies, identify and assist affiliates in key states to support comprehensive, national solutions to financing health care reform.²
3. Aggressively promote research which demonstrates that excise taxes are inadequate and unreliable sources of revenue over time for comprehensive health care reform.²

4. Identify and support on-going research that examines existing government health care programs and identifies additional cost controls within those programs to obviate the necessity of funding rising costs through increased consumer excise taxes.²

5. Encourage analyses of politically viable alternative revenue sources, consistent with tax fairness, and strong cost containment measures (to hold provider expenditures down) as the primary means to fund government health care reform. Encourage allies to support both cost containment and broad-based revenue options and to oppose earmarked consumer excise increases.²

6. Monitor legislative debate on health care and other government programs that are vulnerable to incremental reform and funding solutions and that some lawmakers may seek to finance through earmarked consumer excises. Encourage allies to identify and promote cost controls and alternative revenues for such programs.²

Strategy IV: Demonstrate that smokers as a group do not disproportionately utilize the publicly financed health care system.

1. Encourage research examining which groups are the highest users of the publicly financed health care system and which components account for the greatest proportions of rising costs.

Promote the findings to policymakers and other interests to reinforce arguments that consumer excises cannot be termed "user fees."²

2. Encourage economists to rebut claims that smokers use the health care system more than do nonsmokers, through op-ed pieces, letters-to-the-editor and media tours.

Strategy V: Reinforce the negative effect of cigarette excise taxes on the tobacco economy and the economy as a whole among the tobacco industry family and to federal, state and local policymakers.

Goals and Tactics:

1. Commission study on potential retail sales and job losses in selected state legislative districts and key congressional districts which would result from given levels of consumer excise increases. Promote findings to affected legislators and voters through relationships with allies and consultants.¹ Make findings available to FRD and SAD staffs and consultants.

2. Aggressively promote findings of a state-oriented cigarette "bootlegging" study. Encourage economists to write and publish op-eds and to conduct briefings on the issue.²

3. Release and aggressively promote the 1992 edition of the Price Waterhouse study, "The Economic Impact of the Tobacco Industry on the United States Economy." Further maintain up-to-date information on the economic impact of tobacco on the nation's economy and the potential effect of excise tax increase proposals. As appropriate, provide to other Institute divisions for distribution to Members of Congress, state and local legislators and allied groups to oppose excise tax increases. As requested by SAD, prepare and promote economic impact studies on specific states.

4. Provide excise tax information kits upon request to Federal Relations Division for distribution to new Members of Congress and Congressional staff, and distribute to tobacco family.

5. Support and strengthen efforts of tobacco family groups (e.g., National Tobacco Council and National Candy Wholesalers Association) in communicating opposition to consumer excise taxes.

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IV. Resources

A. Staff

1. Management:

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2. Division staff:

Issues staff, Production Services, Media Relations, Information Center.

3. Other staff:

Federal Relations and State Activities headquarters and appropriate field staff.

B. Consultants

1. Economists

2. Public Relations Counsel

3. Legislative Counsel

4. Survey research firms

C. Allies

1. Tobacco Industry Labor Management Committee and labor/liberal, women's, seniors', minority and other groups.

2. Coalition Against Regressive Taxation (CART)

3. National Chamber Foundation (NCF)

D. Materials

1. Videos
2. Data Cards
3. Topic Brochures
4. Print materials from coalitions and third party organizations.
5. Earmarking/"user fee" book
6. TI-generated publications and studies

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"SOCIAL COSTS"

I. Background and Assumptions

The "social cost" issue impacts all of The Institute's issues. Social cost arguments are being used increasingly and with greater intensity by anti-smoking groups. In 1991, federal and state policymakers attempted to justify anti-tobacco legislation by continuing to promote a 1990 U.S. Department of Health and Human Services (HHS) report, which claimed smokers "cost" society \$52 billion annually. The HHS "findings," used in whole or in discrete elements, fueled efforts to increase cigarette excise taxes, restrict or ban smoking, ban advertising and promotion of the product and provide insurance premium discounts to nonsmokers. Further debate surrounding the "cost" issue is expected as Members of Congress and state legislators address health care issues.

The Institute's efforts to address the "social cost" issue include the aggressive use of social cost economic consultants, media tours and the promotion of "social cost" research. In

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1991, the program also maintained and increased the visibility of a social cost coalition comprising industries concerned about excessive government regulation and the misuse of economic principles.

o Anti-smoking activists increasingly argue that the smokers' alleged "cost" to society, e.g., increased job absences, lower worker productivity, higher public medical expenses and accidental fires, justifies increasing cigarette excise taxes, public smoking bans or restrictions, bans on cigarette advertising, and elimination of the tobacco farm program. "Social cost" arguments promoted by anti-smoking groups add to the perception that tobacco use is socially unacceptable.

o Independent economists have said that "social cost" concepts and computations used by anti-smokers do not withstand credible economic scrutiny. Anti-smokers' estimates of "social cost" presume that most costs they perceive to be associated with smoking represent a financial burden on society as a whole.

o The Surgeon General's assertions and U.S. government agencies' draft reports (e.g., the Environmental Protection Agency) that environmental tobacco smoke is a health hazard to the nonsmoker, and that smoking is an addiction, can be expected to escalate future "social cost" estimates.

o The "social cost" debate historically has been largely between the anti-smoking lobby, including some Members of Congress, and the tobacco industry, with public policymakers as the primary audience. In 1991, the issue continued to expand into the public and private sectors, with a growing number of insurance companies aggressively marketing premium discounts for nonsmokers and/or limiting coverage for smokers. Additionally, policymakers at the state level increasingly relied on "social cost" arguments to further anti-tobacco objectives and legislation.

o Some actuarial and health care economic discussions which rebut anti-smoker claims have not been widely distributed or publicized. Moreover, other industries and the consumers of other products and services, such as dairy, meat, alcohol, chemical, hazardous waste management and small aircraft, are vulnerable to similar "social cost" attacks.

o Thus, the general public is not familiar with all aspects of the issue and, if they were, might be less sympathetic to "social cost" economics as a justification for restricting lifestyle choices or for excessive government regulation.

o "Social cost" arguments have been utilized by anti-smoking groups to counter efforts by the tobacco industry to demonstrate the positive economic impact of tobacco on the nation's economy.

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Anti-smokers assert that economic impact studies do not deal with "social cost" arguments.

II. Objective

To respond to anti-smokers' "social cost" arguments.

III. Strategies, Goals and Tactics

Strategy I: Aggressively counter "social cost" research with credible, independent economic studies.

Goals and Tactics:

1. Continue to develop pro-active plans, complete with well-defined media strategy, to counter release of questionable state-specific "social cost" reports. If it is not possible to anticipate a given report, react to such reports once they are made available. Encourage Institute spokespersons or others to challenge "social cost" arguments through media tours, op-eds and editorial board briefings. Prepare state-specific reports or "white papers" and use the material as the basis for issue briefings for select audiences. |

Activate media "quick response" mechanism, when appropriate.²

2. Commission a study (or identify an independent sponsor who is willing to do so) to assess the actuarial justification of insurance industry practices which discriminate against smokers based on "cost" arguments and promote the results through activist groups concerned with discrimination practices against their constituencies.
3. Encourage economic consultants familiar with the "social cost" issue to review and maintain literature, to conduct research, to prepare articles, legislative testimony, letters to editors and op-ed pieces. When possible, work with existing tax issue economists' network. Conduct periodic meetings in central location.
4. Publicize economic reviews of "social cost" arguments and encourage publication in newspapers, economic journals and economic conference proceedings.
5. Aggressively promote the results of "social cost" research completed in 1988 and 1989 and published in 1990 and 1991.² Continue to develop materials, based on the research findings, appropriate for general audiences. Utilize TAN and field staff network to support distribution efforts.

6. Continue to aggressively promote the updated "social cost" book, The Economics of Smoking, through a program of media tours, op-eds, and editorial board briefings in states identified by State Activities Division. As appropriate, conduct issue briefings with select federal and state legislators and policymakers.²

7. Continue to aggressively promote consulting economists' in-depth analytical critique of the U.S. Department of Health and Human Services' (HHS) "social cost" methodology to policymakers, the media and other interests. Repackage specific elements of the critique to counter state studies using HHS-generated social cost estimates. Promote to media, select policymakers and other interests.²

8. Encourage independent sponsor to organize, publish and promote proceedings of a symposium on the "social cost" issue.

9. Encourage consulting economists to disseminate "social cost" research findings to economic and academic peers to increase skepticism of applying social cost theory to smoking by making presentations at economic conferences such as American Economic Association, Southern Economic Association, Western Economic Association and Atlantic Economic Association, as appropriate.

10. Coordinate with State Activities economic consultant "social cost" briefings of economic and policy staffs of organizations such as American Legislative Exchange Council, National Conference of State Legislators, Council of State Governments and National Governors Association; encourage these groups to address the issue as a serious public policy concern. Seek publication and speaking/seminar opportunities.

11. Encourage economic consultants to conduct issue briefings with relevant staff of business organizations such as the Business Roundtable and local chambers of commerce.¹

Strategy II: Educate the constituents of other industries potentially affected by "social cost" claims as well as the general public about the misuse of the "social cost" argument, which may result in increased and undue regulation. Direct existing popular opposition to excessive government regulation, and the misuse of public policy, to form a "get off my back" or "enough is enough" movement.¹

Goals and Tactics:

1. Continue to strengthen the National Chamber Foundation's social cost program. Support as appropriate. Encourage the

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coalition to commission, publish and promote findings of economic research.

2. Identify appropriate spokesperson (or independent group(s)) concerned about government intervention and excessive regulation issues. Seek opportunities to discuss the issue with the media and to conduct issue briefings with policymakers.²

Strategy III: Expand outreach to employers to provide new information on employment issues. This new information will cover the expressed concerns of employers about EPA's draft risk assessment and workplace policy guideline documents and the implication for employers.¹

Goals and Tactics:

1. Develop and incorporate into existing workplace materials new information reflecting the concerns of employers and employees on employment discrimination issues.
2. Promote and distribute information materials to smokers and others who contact The Institute for assistance in employment actions.

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3. Develop information that illustrates and discourages the anti-smoking practices of the insurance industry by raising awareness of the discriminatory nature of nonsmoker discounts. Through a spokesperson, establish relations with insurance reform groups to provide support for and encourage research into the insurance industry's discriminatory practices. Develop position papers on insurance reform. Submit articles, guest editorials and op-eds on insurance discrimination and reform to insurance trade, consumer and public news media.²

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IV. Resources

A. Staff

1. Management: George
2. Division staff: Issues staff, Media Relations, Production Services, Information Center
3. Other staff: Federal Relations and State Activities headquarters divisions, State Activities field staff and legislative counsel

B. Consultants

1. Economists
2. Public relations counsel
3. Insurance consultant
4. Private research firms
5. Legislative counsel
6. Tobacco family allies and counsel

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C. Materials

1. Tollison/Wagner book (The Economics of Smoking)
2. Economists' research (eight papers)
3. Information materials on employment actions
4. Social cost journal and other related materials
5. Brochures, reprints, seminar proceedings
and other printed materials

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ADVERTISING RESTRICTIONS

I. Background and Assumptions

o Anti-smoking activists argue that advertising and promotion of tobacco products is designed to create and increase demand for cigarettes. Such advertising and promotion, they claim, particularly targets young people, women, minorities and less educated blue-collar workers and encourages them to smoke. The anti-smoking activists see their mission as protecting "vulnerable" population groups from the industry's "predatory" marketing practices.

o As of July 1, 1991, seven bills had been introduced in Congress that would curtail cigarette advertising under the guise of protecting children and other "vulnerable" groups. These bills would:

-- disallow the deduction for advertising and other promotion expenses;

-- provide incentive grants to states that enact legislation aimed at limiting youth access to cigarettes;

Note: Items footnoted with a "1" indicate items that have been added since last year's plan; items footnoted with a "2" indicate items that have been significantly expanded since last year's plan.

- amend the Drug Free Schools and Communities Act to provide education on the problems associated with the use of tobacco;
- make exports of cigarettes and the advertising of cigarettes abroad subject to the same restrictions on labeling and advertising as in the U.S.;
- restrict activities of U.S. companies regarding foreign laws regulating the marketing of tobacco products;
- impose an annual \$500 tax on cigarette vending machines and use that revenue to fund reduced tobacco use programs and
- establish a center for tobacco education, further examine and enhance the "effectiveness" of warning labels and fund tobacco health and education campaigns.

Federal Drug Czar Bob Martinez has also called for tobacco and alcohol to be included in the Administration's strategies to curb drug abuse.

In addition, a myriad of legislative proposals introduced at the state and local level would:

- restrict outdoor advertising
- earmark tobacco tax revenues for anti-smoking campaigns
- restrict sales of cigarettes through vending machines
- further curtail cigarette sampling

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-- limit tobacco advertising in transit systems and near schools and churches

-- eliminate brand-name sponsorship of sporting events.

o The industry's advertising and civil liberties allies continue to perceive our opponents' tactics as "ad bans in sheep's clothing" and will continue to fight content control, deductibility restrictions, counter-advertising proposals and repeals of state preemption on First Amendment grounds.

o As an alternative to a complete ban, anti-smoking advocates and their Congressional allies have called for "tombstone" or "text-only" ads. But more recently the thrust of the anti-smokers seems to be "protecting youth" from tobacco marketing.

o In an effort to expand upon past initiatives by the industry to discourage youth smoking, TI in late 1990 launched a major youth program that helps parents talk to their kids about saying "no" to smoking, provides retailers with signs stating "It's the Law: We Do Not Sell Tobacco Products to Persons Under 18 (or 19, depending on applicable law)," encourages states that do not have a state minimum age law for the purchase of tobacco products to institute one or raise their current age to 18, supports legislation for the supervision of vending machines and strengthens the industry's advertising and promotion code.

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This multi-faceted youth program has helped the industry not only demonstrate its commitment against youth smoking, but also promote its pro-active approach to the problem. The positive reception the program has received from legislators, the media and the general public has put our critics on the defensive and kept them from mounting serious opposition to it. The program has also encouraged tens of thousands of parents and adult role models better communicate with kids about smoking and other tough issues, and helped thousands of retailers adhere to state laws and not sell cigarettes to those under the age of 18 (or 19). Ultimately, minors' access to cigarettes depends on the retailers' willingness to observe state laws. Absent such willingness to observe these laws, anti-smokers conduct "stings" to catch and publicize those retail establishments in violation of state laws.

The industry now must keep up the momentum of the program. Our challenge is to implement new and creative ideas to discourage youth smoking that will keep our efforts fresh in the public mind.

o Encouraged by Health and Human Services Secretary Louis Sullivan's attack on tobacco company sponsorship of sporting events, and in an effort to seize upon a new issue as a means of

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deflecting attention from the industry's youth initiatives, industry critics are turning increased attention to sponsorship issues.

II. Objective

To discourage unnecessary and unfair restrictions that, directly or indirectly, adversely affect the legitimate and truthful brand advertising, promotional and marketing practices of the tobacco industry.

III. Strategies, Goals and Tactics

Strategy I: Increase legislative, media and public awareness that the right to advertise is protected by the First Amendment of the U.S. Constitution, and that content control, deductibility restrictions, counter-advertising proposals and repeals of state preemption are tantamount to an unconstitutional ban on advertising.

Goals and Tactics:

1. Continue to encourage legal and constitutional analyses on each legislative proposal that impacts commercial speech. These documents will be provided to allies and to the press and produced in "lay" versions to use as leave-behinds by allies, TI and company representatives in Hill and media visits.

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2. Monitor advertising ban legislation in foreign countries, particularly Canada, the European Community, New Zealand and Australia and counter the momentum that ad ban legislation in the U.S. may receive if an ad ban is passed and survives legal challenges in one or more of these countries. Encourage allies to dissuade Congress from taking similar action since it infringes upon freedoms guaranteed citizens of the United States by their Constitution -- a protection not available in most other countries -- by engaging in briefings with legislators, writing op-ed pieces and participating in debates with anti-smokers.¹

3. Publicize statistics that show the incidence of smoking in countries with an advertising ban equals or exceeds that of countries with limited or no ad restrictions through one-on-one briefings, newsletters, op-ed pieces and editorials.

4. Encourage allies to promote their opposition to ad bans and other infringements on commercial speech. Assist these groups as appropriate in promoting their message to their members, the media and state and federal legislators through newsletters, op-ed pieces, letters to the editor, testimony at public hearings and other means.²

Strategy II: Demonstrate to public officials, at the federal, state and local levels, other policy-makers and the media that the industry does not want children to smoke and is taking active

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and aggressive steps to discourage youth smoking. (Federal Relations and State Activities Division priority areas are listed in Appendix A.)²

Goals and Tactics:

1. Continue to provide briefings for public officials as requested by Federal Relations and State Activities Division on the youth initiatives through one-on-one meetings, news releases, letters and telephone conversations.¹

2. Promote expanded industry advertising code and support supervision of vending machine legislation through op-eds, one-on-one briefings, mailings and personal contacts.

3. Communicate the successes of the program to policy-makers, the news media, companies, cosponsors, other TI divisions and field staff and allies.¹

4. Continue national advertising of the youth initiatives in the following media:

- general interest magazines
- publications read by minority populations
- national and regional retail and trade show publications and programs
- education journals and publications.

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-- through advertising and other outlets, distribute 500,000 (including those distributed in 1991) T:HYSN booklets.¹

5. Encourage Hispanic and other minority allies to endorse and distribute both Spanish language "It's the Law" and "Tobacco: Helping Youth Say No" materials to tobacco retailers and parents respectively. Develop materials in English/Spanish together if appropriate.¹

6. Encourage appropriate organizations (such as church, parent/teacher, community) to endorse and distribute "Tobacco: Helping Youth Say No." Distribute at least 100,000 booklets through these channels.¹

7. Support, as appropriate, the Family C.O.U.R.S.E. Consortium. Seek opportunities to reinforce active involvement of The Institute in the Consortium's activities. Activities for 1992 will include:²

a. Encourage media tours for Jolly Ann Davidson on behalf of the Consortium to describe and promote new facets of the youth program such as materials designed for minority or single parent households. Media tours will continue at a rate of two per month with sites selected on the basis of Federal Relations and State

Activities priorities. Editorial board briefings, letters to the editor and one-on-one briefings will be held in conjunction with media tours. Examine the feasibility of using Consortium members for media tours in their home states.¹

b. Working through the Consortium's speakers bureau - a group of Consortium representatives who put on workshops and deliver speeches devoted to peer pressure and family communication issues for parents and other adults -- participate in at least one speaking engagement a month as a way to discourage youth smoking.¹

c. Promote public service announcements sponsored by the Consortium giving parenting tips and providing information on how to order T:HYSN. Match print advertisements planned for 1992 with themes and characters used in the PSAs to ensure consistency of the message.¹

d. Working through the Consortium's professional relations subcommittee, promote The Institute's youth program to professionals in the child welfare field -- such as peer counselors, family therapists, and special

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education teachers -- through workshops, advertisements and personal contact.¹

e. Support projects of individual Consortium members as appropriate, including but not limited to Classroom Connections' self-esteem magazine, Council of the Great City Schools' programs and the New York City Job and Career Center booth -- in developing and improving the quality of life for America's young people.¹

f. Support at least four workshops around the country sponsored by the Consortium and conducted by a member of the speakers bureau and/or the Consortium as well as a local sponsor that would bring together representatives of law enforcement organizations, retail organizations, chambers of commerce, parents' groups, educational and community groups to explain the various facets of the youth initiatives and encourage the participants to distribute T:HYSN booklets and recruit retailers to participate in "It's the Law." Promote these workshops as appropriate to recruit participants and generate awareness of the youth initiatives.¹

g. Encourage Family C.O.U.R.S.E. Consortium op-ed articles about discouraging youth smoking in targeted

media markets with a goal of two per month. Use matte mailings to publicize the availability of T:HYSN.¹

h. Survey parents and other adults who have used "Tobacco: Helping Youth Say No" to receive feedback on its content and suggestions for future publications. Use results to refine program as appropriate and develop additional materials.¹

i. Examine the feasibility of making a video of the parenting tips included in "Tobacco: Helping Youth Say No."¹

8. Continue promotion of "It's the Law" materials in retail outlets. Activities to support the "It's the Law" program will include the following:²

a. Promote the "It's the Law" program by highlighting states that have instituted or increased their age limit for the purchase of cigarettes to 18 with a press release on the date of enactment and a press conference on the effective date showcasing the state cosponsors. The total available universe for this as of July 1, 1991, was eight states. Possible states include: Georgia, Kentucky, Louisiana, Montana, New Mexico, Delaware, Missouri and North Carolina.¹

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b. Audit retail establishments to measure their participation in "It's the Law" and promote results as appropriate. Develop a plan to fill in areas with low participation rates.¹

c. Encourage endorsements by law enforcement organizations. Demonstrate that unless retailers voluntarily observe minimum age laws, economic consequences -- such as fines and lost business -- could result.

d. Goals for 1992 should include 1 million pieces of ItL materials distributed (including that distributed in 1991); 50% of company-assigned chain stores as participants and 25% of all U.S. cigarette retailers.¹

e. Encourage existing "It's the Law" allies including state cosponsoring organizations to cultivate new allies such as law enforcement groups. Offer one-on-one briefings, written materials, mailing and verbal communication, to reach goals of "It's the Law" retail participation listed above.¹

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IV. Resources

A. Staff

1. Management: Hrycaj
2. Division Staff: Issues staff, Media Relations,
Production Services and Information
Services
3. Other Staff: State Activities and Federal
Relations

B. Consultants

1. Education Consultants
2. Public Relations Counsel
3. First Amendment Consultants

C. Materials

Brochures, "Tobacco: Helping Youth Say No," Spanish-version "Tobacco: Helping Youth Say No," "It's the Law," Spanish language "It's the Law," news releases, video news releases, video footage, academic research papers and ally publications.

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FIRE SAFETY

I. Background and Assumptions

o Fire data and statistics have always fueled the political and technical aspects of the fire safety issue. Although data on the relationship between careless use of smoking materials and fire deaths are unreliable, the designation in national data records of careless use of smoking materials as the leading attributed cause of fire deaths in the United States has been unchallenged. However, this designation is beginning to change.

The number of fire deaths attributed to careless smoking has been trending downward over the past decade. For 25 of the 42 states participating in the National Fire Incident Reporting System (NFIRS), careless smoking was not the leading cause of fire deaths in 1989. According to data trends, arson may overtake careless smoking as the overall leading cause of fire deaths by the mid-1990s.

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o There is general agreement within the fire service that no single solution to the residential fire problem exists. The smoke detector, sprinkler, home builder, insurance and furniture industries are among those responding to pressures from the fire service and legislators to become involved in developing solutions to reduce fire deaths, injuries and dollar losses.

o In 1990, the 101st Congress passed the "Fire-Safe Cigarette Act of 1990," which authorizes the Consumer Product Safety Commission (CPSC) to carry out most of the 1987 recommendations of the Technical Study Group on Cigarette and Little Cigar Fire Safety (TSG). The National Institute of Standards and Technology's Building and Fire Research Laboratory (BFRL) and a Technical Advisory Group (TAG) of representatives from government, industry (including tobacco), fire service and health authorities will assist the CPSC in conducting the research. The CPSC and BFRL are under great political and time pressures to produce a standard test method to determine cigarette ignition propensity by or before the due date of August 1993 specified in the Act.

o While most states will wait for the federal work on "fire-safe" cigarette development to be completed, the fire service and consumer activists in some states -- including Minnesota, New York, Pennsylvania, Wisconsin and possibly others -- may attempt to pass more stringent cigarette fire safety legislation while

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the federal effort is pending. We may see state bills in 1992 calling for "fire-safe" cigarette standards that will trigger upon completion of the federal study.

- o State-level "fire-safe" cigarette bills tend to call for "quick fix" measures and give implementation responsibility and enforcement authority to the state fire marshal. The state fire marshal, often appointed by the governor, formally advises on and determines state, and sometimes influences local, fire policy.

- o Ongoing turnover in national fire service leadership and the decentralized nature of the U.S. fire service suggest that the fire service is just as strong, if not stronger, at the state and local levels as at the national level.

- o The fire service has very few sources of information on technical matters. On the "fire-safe" cigarette issue, The Tobacco Institute is among the few accurate sources of information. The Institute is the only source of information on the voluntary "fire-safe" cigarette research being conducted by the tobacco industry independent of the federally funded work. The fire trade press and consumer advocates often inaccurately report that the current federal work will produce a "fire-safe" cigarette standard, as opposed to a standard test for cigarette ignition propensity.

o The Institute's Fire Safety Education Program has consistently built and strengthened its relationships with key fire service officials in almost all 50 states and in most major cities from the departmental level to the state and national levels. The Institute has become a well-recognized and respected source of support for -- and participant in -- fire prevention and education programs and research in the United States. Since 1990 alone, The Institute has responded to more than 1,000 requests for funding and public education materials from fire departments.

o Fire service hostility to the tobacco industry has subsided somewhat, but continued negative publicity the industry receives on almost all issues makes it difficult for some departments and individuals to accept industry support. In addition, issues such as smoking restrictions, taxation and fire departments' increasing refusal to hire smokers put the fire service at odds with the tobacco industry in many areas.

II. Objectives

To increase the awareness of and acceptance by key public officials and fire service leaders that the tobacco industry acts voluntarily and responsibly to help decrease accidental fires through fire prevention and fire safety education programs.

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To increase the awareness of and acceptance by key public officials and fire service leaders of the ongoing research efforts in the cigarette fire safety area and the difficulties of producing and regulating a commercially acceptable "fire-safe" cigarette.

III. Strategies, Goals and Tactics

Strategy I: Work with fire officials and, where desirable, other public officials at the national, state and/or local levels to improve the quality and increase the availability of education and prevention programs for fire departments.

Goals and Tactics:

1. Strengthen the positive working relationships that have been established with fire service officials over the past decade of The Institute's Fire Safety Education Program. A working relationship is signified by (1) a TI-sponsored project in place; (2) TI staff contact with the local fire service; and (3) awareness or involvement of fire officials or other public officials in The Institute's programs.
2. Produce and promote video featuring The Institute's fire safety education materials at fire service conferences and

legislative briefings as appropriate. Encourage the video to be shown at conferences as an introduction to more extensive discussions of TI's Fire Safety Education Program.²

3. Administer The Institute's Fire Safety Education Program as follows:

A. Continue to support fire safety education programs of at least 20 individual fire departments, concentrating on those with whom working relationships already have been established in priority regions. Offer to review prevention activities of at least 10 key departments and ask how they can be improved or supplemented with TI assistance.

B. Continue grants to state, regional and national fire service organizations for fire prevention education programs, awarding at least 7 such grants in 1992. In presentations at their conferences, update their members on new public education resources available from The Institute.

C. Work with at least three state fire marshals to coordinate grants in their states; encourage them to involve public officials in the presentation of grants.

D. Follow up with fire officials who have contributed information to the TI-sponsored report, Proving Public Fire Education Works -- and with those who did not contribute, but have asked to be included in future reports on the subject.

E. Follow up on all requests for assistance from fire service and public officials that have received grants from TI and whose programs have been productive. Award at least 200 grants of free public fire education materials.

F. Provide funding to enable organizations or departments to format existing programs into packaged products for wider distribution, as opportunities arise.

4. Seek opportunities to become members of fire service organization public education committees and sections and sit on advisory boards as appropriate, to contribute to the development of public education activities and policies.
5. Identify and consult an informal group of respected fire officials to help advise on TI's Fire Safety Education Program priorities. The group will convene 1-2 times per year and consist of chiefs, public educators and other fire service representatives known for their commitment to public fire education.¹

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6. Begin a new research project on public fire safety education and prevention to ensure that the fire service is aware that the industry is maintaining its significant level of commitment to fire safety in 1993, when the project would be completed.¹

Strategy II: Maintain and increase fire service awareness of the fire prevention and fire safety education resources available to them through The Institute's Fire Safety Education Program.

Goals and Tactics:

1. Conduct at least 7 one-on-one briefings as part of visits to departments, conferences and other meetings.
2. Maintain and improve relations with key fire trade journalists on the state and national levels. Offer to provide information or articles on subjects important to them and their readers.
3. Appear on the programs of at least four national and three regional fire service conferences in 1992. Attend at least five other conferences to promote privately industry programs. Maintain and improve relations with individuals responsible for planning major conferences.

4. Promote the the new high school fire safety curriculum "Challenge for Life" (available in 1992) through personal letters, articles in fire service publications and announcements at fire service conferences.
5. Implement additional fire safety programs in regions of the country as requested by Federal Relations and/or State Activities staffs.

Strategy III: Encourage discussion among fire service leaders and concerned public officials about the need for thoughtful and effective fire prevention methods.

Goals and Tactics:

1. Continue to seek opportunities to address the boards of directors of state, regional and national fire service organizations to brief them on the "fire-safe" cigarette issue and the status of federal ignition test research.
2. Brief new chief officers in fire departments of at least 5 key cities on the "fire-safe" cigarette issue and the status of federal ignition test research.¹
3. Work with Federal Relations staff to develop, maintain and strengthen relationships with key officials in regulatory

agencies that have an interest in "fire-safe" cigarette technology and development.

4. Publicize and promote new industry-sponsored research (available in 1992) on international concepts in fire protection, through personal letters and presentations at fire service organization conferences.¹
 - o Publish findings and publicize the availability of the study in state and national fire service publications.¹
 - o Encourage fire service officials to comment on the study in articles, speeches and correspondence with public officials.¹
5. Continue Institute participation in Consumer Product Safety Commission's National Smoke Detector Project, contributing ideas and resources as appropriate.¹
6. Through the CPSC's National Smoke Detector Project, attempt to build relationships with representatives of other industries that have demonstrated interest in fire safety (such as the residential sprinkler, lodging and single-family home building industries). Explore interest in cooperative educational projects aimed at reducing accidental fires.²

7. Help increase the ability of fire officials to use fire data and statistics to develop and promote more effective fire prevention programs. Provide key officials with analyses of local, state and regional trends in fire data.¹
8. Encourage fire officials from other countries to travel to the United States to tell their U.S. counterparts about fire protection practices abroad, and how they can be applied successfully in this country.¹
9. Seek additional opportunities to assist key fire service organizations and their divisions, sections and committees, with programs and projects aimed at fire prevention.
10. Encourage and assist Federal Relations and State Activities Divisions in arranging briefings on fire prevention issues between elected officials and representatives of the fire service.

Strategy IV: Encourage fire service contacts to support our efforts in issues other than the "fire-safe" cigarette issue, for example:¹

1. On hiring discrimination:

Help the fire service explore the implications of privacy legislation on hiring practices of the fire service through

articles in the fire press and presentations at fire conferences.

2. On cigarette excise taxes earmarked for fire prevention:

Encourage the fire service to adopt positions calling for progressive means of funding for fire and emergency services. Encourage Tobacco Industry Labor Management Committee members to approach the International Association of Fire Fighters and state firefighter unions about endorsing the AFL-CIO's resolution on progressive tax policy.

IV. Resources

A. Staff

1. Public Affairs: Fernicola Suhr, Issues Staff, Media Relations, Information Services, Production Services
2. State Activities: Yoe, appropriate field staff
3. Federal Relations: Lewis, Whitley, Vinovich, White, DeWitt, McGovern

B. Consultants

1. Fire experts: TriData Corporation; Sparber and Associates
2. Appropriate legislative consultants
3. Public relations counsel

C. Materials

1. New Tools for Volunteer Fire Fighters
2. Challenge for Life secondary school curriculum

3. FireCare: Fire Safety for Senior Citizens
4. Fire Safety Education Evaluation Survey
5. FireSense: Fire Safety for the Deaf and Hearing Impaired
6. TriData's research reports
7. Project L.I.F.E. elementary school curricula
8. Chinese-language smoke detector television public service announcement
9. Burn Concerns, Inc., Juvenile Firesetters Workshops
10. "How Fast It Burned," University of Georgia college dormitory fire safety video
11. Reprints of appropriate articles

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MEDIA RELATIONS

I. Background and Assumptions

Tobacco-related issues and debates are regularly and intensely covered in the news media. Whether it is a federal hearing, a charge made by an anti-smoking activist or a proposal by a local politician, the media is inclined to provide ample room in the news for anti-smoking positions -- often in headline and lead positions. Levels of media coverage for national and local tobacco issues continue to break records.

o Anti-smokers show no signs of reducing their attacks on the industry. In fact, their creativity in making allegations and sophistication in communicating messages has grown. Thus, The Institute must continue to act as an aggressive source of perspective, information, and experts to pre-empt or respond to these assaults.

o Anti-smoking initiatives, and the arguments used to justify them, have grown increasingly shrill. Colorful language from the anti-smoking community is the norm. Media coverage reflects this shrillness. Vigorous efforts on the part of The Institute are necessary to provide a counter-balance.

o Tobacco issues debated in the media generally have industry-wide implications. The Tobacco Institute, as the representative of the entire industry, can and should provide the coordinated media response, and act as the lightning-rod against attacks by anti-smokers as well as in promoting pro-active industry campaigns.

o The Institute media team is active and aggressive. In 1991, it is estimated that the media relations team participated in over 800 broadcast interviews and 1,300 print interviews, filled over 6,600 information requests (almost half from the media) and made personal contact with some 600 journalists. Press briefings, press conferences, personal contact, media tours, op-eds, letters to the editor and other activities by expert consultants and the media team bring the industry's message to a wide audience.

o The media will continue to cover tobacco issues, including excise taxes, marketing, smoking restrictions and other related matters. On all levels, our political and press strategies of incorporating coalition members and allies where available and appropriate, works well, and should continue.

o Carefully planned media strategies, using strong arguments, allies and consultants will gain the industry the most ground. To that end, arranging preemptive media activities; continued development of resources and arguments to be used in media responses -- in close coordination with the issues staff and legislative consultabts of The Institute; staff visits with editorial boards and reporters, consultant media work, mailing of targeted materials to all levels of media and developing a base of contacts and information; and using satellite transmissions in the form of video news releases and one-on-one interviews all can be expected to enhance and encourage frequent media coverage of industry positions.

II. Objectives

To encourage fair coverage and editorial balance of key tobacco issues in the media.

To broaden the potential audiences and the reach of the industry's messages.

To provide to the media and the general public information about the positive programs and impact of the industry.

III. Strategies, Goals and Tactics

Strategy I: Increase the level of media outreach activities, counterattack and pro-active press strategies. Aggressively promote TI's availability and media appearances to assure industry representation.²

Goals and Tactics:

1. Working closely with other TI staff, monitor closely anti-smoking activities, developing information and press strategies to respond and operate pro-actively. Develop Institute response to all anti-smoker initiatives, ensuring that The Institute remains in the lead to the extent possible. Where possible and as appropriate:
 - A. Conduct pre-emptive media conferences and personal or targeted mail briefings.
 - B. Alert the media to TI availability and position. Where possible and appropriate, encourage experts and allies to respond in national and/or local wire service stories.
 - C. Distribute position papers, press releases and other materials.

- D. Produce TV and radio satellite packages for targeted or blanket feeds.
 - E. Use satellite interviews to increase availability of TI and/or experts to the media.
2. Continue aggressive media tour promotion and scheduling of TI speakers on issues of timely and/or local concerns.
- A. Using media tours as an outlet, promote industry views in specifically targeted areas for joint legislative/public affairs efforts.
 - B. Conduct at least two media tours per month by TI speakers on issues of general industry concern (e.g., positive economic impact of the industry).²
 - 1. Coordinating with the issue managers and field staff, designate site and content for the event or media tour.
 - 2. No fewer than five interviews will be conducted on each visit to a major media market.

- C. Determine, on a monthly basis with issue managers and field staff, additional opportunities for media tours and messages.
3. Increase and broaden the level of media contact through targeted mailings and media visits.²
- A. Conduct no fewer than two mailings per quarter, using distribution of favorable clippings, transcripts, editorials, statements, etc.
 - B. Incorporate speakers' contacts into mailing lists, updating and refining the lists each quarter.
 - C. Conduct two media contact tours per month in the top 100 media markets, in cooperation with the field staff.
4. As appropriate, schedule and promote news-making events, utilizing satellite transmissions and allies wherever possible to generate maximum exposure. Opportunities include:
- A. Industry related announcements (e.g. youth initiatives, economic impact studies or legislative activity).

- B. Speeches on tobacco issues to appropriate groups (e.g. on advertising bans to ad clubs or public relations groups).
 - B. Press briefings on topical concerns.
 - C. Polls of public attitudes.
 - D. Coalition groups speaking out on key concerns.
5. Formalize the ongoing "media fairness" efforts that include letters to the editor, personal follow-up with reporters and contacts with key editors and producers.²
- A. On a monthly basis, assign one speaker to be responsible for identifying media coverage requiring response, and drafting and dispatching the appropriate response.
 - B. Through a centralized file, make materials available to other media staff, for use in media relations tours and pitches.

Strategy II: Expand the use of consultants with the media on tobacco related-issues.²

Goals and Tactics:

1. Increase the visibility of industry consulting experts on tobacco related issues. (NOTE: more detail on specifics can be found in the appropriate issues plans.)

A. On the public smoking issue:

1. Continue to encourage consulting scientific witnesses to respond in the media through special projects, media tours, op-eds, and letters to the editor.
2. Continue to encourage ventilation experts' to provide perspective on the role of ETS in indoor air quality issues.
3. Promote other activities, special projects and consultants as appropriate.

B. For the excise tax and "social cost" issue:

1. Encourage editorial board visits and op-ed publication by economists on the regressivity, unfairness and unwise policy implications of excise taxes.

2. Publicize, via media tours, editorial board visits, op-ed placements, and other activities, rebuttals to the "social cost" issue.

C. On the advertising restriction issue:

1. Encourage allies to speak out and generate editorials.

2. Conduct media tours and other activities to create awareness of the industry's positions and initiatives on the youth smoking issue.

2. Broaden the press and public perception of opposition to anti-smoking measures.²

A. To the greatest extent possible, use coverage of consultants, allies and other experts in mass-mailings.

B. In conjunction with legislative appearances of scientific and other expert witnesses, encourage these witnesses make presentation to the media as appropriate.

C. Increase the exposure of expert consultants via satellite deliveries where possible.

3. Work with issue managers to increase the number of expert consultants available to make media presentations.

4. Support local public relations counsel on issues identified jointly by the State Activities and Public Affairs Divisions.

Strategy III: Improve the management and coordination of the media relations efforts.²

Goals and Tactics:

1. Encourage continued coordination among Public Affairs issue managers, Federal Relations and State Activities personnel, to provide for strategic planning as well as the most thoughtful and advantageous positions taken with the media.
2. For key and/or developing issues, work with issue managers, field and other staff to maintain up-to-date agenda points for speakers' use with the media.
3. Continue strategic and coordinated planning -- combining long-range efforts with detailed mapping of all media activities. This will include:
 - A. Advance targeting of locations for media activity with State Activities.
 - B. Selection of the appropriate solo consultant or speaker/consultant team for each market.

- C. Monthly and/or bi-monthly calendar planning of specific media tours with consultants, speakers' media contact tours, media tours and other activities. Each month's plans for each traveling speaker will include:
1. At least one media tour on a selected topical issue.
 2. At least one media contact tour -- which may include participation in a media conference.
4. Raise the standard of quality of the media team's activities. Assess improvement on a regular basis, including monthly comprehensive review sessions of video tapes and newspaper clips among the media relations team.
5. Provide the speaker team with clear goals, standards and expectations.²
- A. Increase by 15 percent over 1991 the speaker team's quantitative performance (e.g. number of interviews).
 - B. For media contact and media tours, at least five interviews or contacts will be required for each trip.

- C. Monthly minimum standards for the media team will include no fewer than 15 broadcast interviews, no fewer than 15 print interviews, no fewer than 5 letters to the editor and no fewer than 5 media relations contacts.

IV. Resources

A. Staff

1. Management: Dawson
Media Relations staff: Merryman, Lauria, 2 speakers
TBD, Smith and Cronan
2. Other Public Affairs: Issue management staff,
Information Center and Production Services
3. Other TI Staff: Federal Relations, State Activities
and Data Processing
4. Consultants: Public Relations counsel, expert
consultants, PRAids, TV and radio satellite services

B. Materials

1. Press releases
2. Statements
3. Advisories
4. Fact Sheets, "FYI" and Tobacco Updates
5. Daybook/calendar items
6. Videos
7. In-house and external mailing lists
8. Poll documents
9. Economic impact materials
10. Scientific reports
11. Print clips and broadcast monitoring services
12. TI Publications

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