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[1] -----
Date: 15-Feb-2002
Source: US Newswire
Carried by: US Newswire
Title: Taxpayer Group Applauds Bloomberg's Spending Restraint While
Warning Against Regressive Tax Increase
ProductCode: NWSTAX
Service: B&W
Abstract Title:
NY: NTU Opposes Cigarette Tax Hike
Location: New York
Subject: Effects on Revenues
Effects on Smuggling
Manufacturers Price Increase/Decrease
Sector: All Sectors
Product: Cigarettes

The National Taxpayers Union (NTU), the nation's oldest and largest taxpayer advocacy group, today announced its support for the budget cuts contained in Mayor Bloomberg's budget, but warned against returning to a failed tax policy that hurts the poor, does nothing to decrease smoking, and likely won't increase revenues. The group, with 335,000 members nationwide and over 23,000 members in New York state, specifically opposes the Mayor's proposal to raise the city's cigarette tax by \$1.42 a pack. Stating his group's intention to oppose the tax increase, NTU Director of Congressional Relations Eric V. Schlecht noted that "the arguments regarding cigarette taxes have been rehashed several times in the past few years, thanks in large part to consistent demands for higher and higher taxes on this legal, yet politically incorrect product. Each time the subject is broached, the facts point to the same conclusions -- cigarette taxes are an ineffective deterrent to smoking, inherently unfair, regressive, and a further burden on an already overtaxed citizenry."

Schlecht noted that the claims that tax hikes are needed to offset the costs to society caused by smoking is a ruse. "The Congressional Research Service and Harvard University have shown that tobacco taxes are already so high that they more than pay for the costs that smoking imposes on society."

"Furthermore, the Mayor's quest for more and more revenue at the cost of a politically incorrect segment of the community may actually backfire," Schlecht stated. "The fact is, excessive tobacco taxes can actually reduce revenues."

Schlecht pointed out that in the 1980s Canada began a series of massive tax increases on cigarettes. By 1994, the price of a carton of cigarettes was \$46. The sharp increase in taxes triggered an equally alarming increase in smuggling and the black market.

"After the massive tax increase, nearly one-third of the cigarette market in Canada was contraband -- unregulated and untaxed. In 1993 alone, smuggling cost the Canadian federal and provincial governments \$2 billion."

"The Mayor should be applauded for continuing Mayor Giuliani's spending restraint, but he apparently still has much to learn from the Big Apple's last Mayor when it comes to tax policy," remarked Schlecht. "Mayor Giuliani kick-started New York City's economy, created new jobs and increased revenues by cutting taxes, not raising

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them. New Yorkers are overtaxed, not undertaxed and this tax hike proposal should be defeated."

[2] -----
Date: 15-Feb-2002
Source: Baton Rouge Advocate
Carried by: Baton Rouge Advocate
Title: Tobacco Fee Challenge Dropped
ProductCode:NWSPRL
Service: B&W
Abstract Title:
LA: Lawsuit Challenging Tobacco Fee Dropped
Location: Louisiana
Subject: State Allocation of Funds
Legal Fees
Sector: All Sectors
Product: All Products

A Loyola University law professor has dropped his challenge of \$575 million in legal fees private lawyers received for representing Louisiana's interests in a national tobacco settlement.

Loyola's Dane Ciolino pulled the plug on his challenge after reaching a secret agreement with the lawyers who benefited from the tobacco settlement.

"We settled all claims," said Ciolino, who has vigorously challenged the tobacco legal fees.

Neither Ciolino nor lawyers representing Louisiana firms who benefited from the tobacco settlement would discuss the terms when contacted Thursday.

However, Ciolino said he is not personally benefiting from the settlement.

"I'm not getting anything at all," Ciolino said. "All I can say is that it was in the public's interest that I settle."

The tobacco lawyers' spokesman Raphael Bermudez said "all pending matters were settled and under terms of the settlement, they are confidential."

Lawyers involved in the settlement did not return phone calls seeking comment.

The unexpected turn of events came to light in documents filed with the Louisiana Supreme Court.

Ciolino and attorneys representing the tobacco lawyers sought dismissal of an appeal of a 1st Circuit Court of Appeal decision allowing Ciolino to continue his challenge of the \$575 million the lawyers received.

The Supreme Court granted those motions.

At the same time, it rejected a Louisiana Board of Ethics plea to keep the challenge alive to settle another issue involving who can go

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to court and contest ethics board consent settlements.

Ciolino first filed a complaint with the ethics board challenging the legality of the payments. But he didn't like the settlement agreement struck between the ethics board and tobacco lawyers in May 2001. Ciolino appealed it to the Court of Appeal.

The ethics board claimed he did not have standing and fought the appeal alongside tobacco lawyers.

"What bothers me is Ciolino and the tobacco lawyers entered into some kind of deal or settlement, but it leaves unresolved whether someone off the street can challenge one of our consent opinions," said ethics chief lawyer Gray Sexton.

As a result of the ethics board settlement, the tobacco lawyers paid the state \$650,000 for "unintentionally" violating state ethics law by accepting money from a prohibited source.

The board found an ethics violation occurred, but said it was unintentional, and the law firms got no "illegal gains."

Ciolino wanted the lawyers to turn over the \$575 million they would receive from tobacco interests and negotiate more modest legal fees.

Ciolino contended the lawyers had become government employees and therefore could not receive compensation from a third party - the tobacco companies.

Under the national tobacco settlement, the tobacco companies paid attorneys representing the states involved.

Under the agreement, Louisiana is supposed to get more than \$4 billion over the next 25 years.

When they signed on to represent the state, the lawyers from 13 different firms became Louisiana assistant attorneys general. The lawyers claimed they acted as independent contractors, not government employees.

[3] -----
Date: 15-Feb-2002
Source: CBNET
Carried by: CBNET
Title: Tobacco Firms Aim To Light Up Sales
ProductCode: NWSBEF
Service: ISI
Abstract Title:
China: STMA Calls For Focus On Tobacco Marketing
Location: China
Subject: Sales/Earnings/Profits
Redistribution of land/farms
Counterfeiting/Infringement
Draw Quality or Resistance
Joint Ventures
Sector: Manufacturers
Product: Cigarettes

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& Characteristics - Redistribution of land/farms

The tobacco industry will not increase production this year but will stress building its sales network and standardizing the market, according to the State Tobacco Monopoly Administration.

According to the overall plan, the country's tobacco-growing area will total 922,600 hectares in 2002. Over 1.77 million tons of tobacco are expected to be produced nationwide. The areas for tobacco growing and production are nearly the same as last year's.

In 2001, the tobacco industry made 115 billion yuan (US\$13.86 billion) in pre-tax profits. This was about 10 billion yuan (US\$1.2 billion) more than the previous year. Cigarette exports were worth US\$367 million in 2001.

The industry succeeded in a nationwide campaign to fight against the production and sale of counterfeit and shoddy tobacco products, according to the administration.

The campaign is expected to run until the end of March. To tackle the problem at its root, the manufacturers as well as the sellers are being targeted. Punishments have been meted out to producers and to those who help them by providing production sites, capital, storage and other services.

The efforts have paid off. So far, over 530,000 cases of counterfeit cigarettes have been found and confiscated, and 2,303 illegal factories have been closed.

This year, tobacco enterprises are required to control their production and increase their efficiency, according to the administration.

Eight legal tobacco factories were closed due to their low efficiency and four have filed for bankruptcy.

The industry, as a whole, is expected to reach a new level this year. Small and inefficient tobacco producers will be closed to improve the product quality and increase the market share of big enterprises, the administration said.

The tobacco industry has still to solve problems such as random development and low quality, and the production and sale of counterfeit and low-quality products have damaged the tobacco market, said Ni Yijin, director of the State Tobacco Monopoly Administration.

China's membership of the World Trade Organization means that tariffs on leaf tobacco will be slashed from 40 per cent to 10 per cent by 2004 and on cigarettes from 36 per cent to 25 per cent.

Foreign cigarette-makers such as British American Tobacco and Philip Morris, which export their brands to China, are poised to make inroads into the world's largest cigarette market.

At present, only a handful of brands, such as Camel and Winston, are made in China.

It is said that some foreign cigarette giants are in talks with Chinese departments and enterprises to set up joint ventures in China's large cities.

However, both the Chinese and foreign governments and business partners declined to comment on any such plans.

[4] -----

Date: 15-Feb-2002
Source: Daily News - Sarke
Carried by: Daily News - Sarke
Title: Tobacco Manufacturer Demands New Preferences
ProductCode: NWSMAN
Service: ISI
Abstract Title:
Georgia: Tobacco Manufactory Calls For Extra Time
Location: Georgia
Subject: State Controlled Guidelines
Tar Reduction
Filters and Filtration (includes porosit
Sector: Manufacturers
Product: Cigarettes

Georgian Tobacco Manufactory does not intend to resume work so far despite the consent of the Ministry of Health, Labor and Social welfare to postpone to September 1 the introduction of ban on production and import of cigarettes containing more than 12 milligrams of tar.

Avtandil Tsereteli, the manager of the tobacco enterprise, motivating the decision said the Ministry had not yet officially confirmed the fact. Besides, according to Tsereteli, the time granted by the Ministry is not sufficient for the reorganization of the local production and serves rather to importers' interests.

Introduction of the ban is to be postponed to the end of the year, Tsereteli told Sarke. According to him, one more year will be needed to dispose of resources of already released cigarettes.

The businessman stressed also necessity to extend extra tax concession for local manufacturers. Although presently in regard to Georgian cigarettes tax preferred treatment is still operating - 0.2 Lari for per package of filter-cigarette (import excise amounts to 0.4 Lari).

[5] -----

Date: 15-Feb-2002
Source: Bulgarian News Agency
Carried by: Bulgarian News Agency
Title: Three Times More Farmers Are Willing To Grow Burley Tobacco In
ProductCode: NWSAGR
Service: ISI
Abstract Title:
Bulgaria: More Farmers Willing To Grow Tobacco
Location: Bulgaria
Subject: Production/Overproduction
Quotas
Redistribution of land/farms

Sector: Agriculture/Growers
Product: Burley

Three Times More Farmers Are Willing to Grow Burley Tobacco in Silistra Municipality The number of farmers willing to grow tobacco in Silistra municipality now is three times larger than last year, said Galina Daskalova, chief expert in the problems of agriculture at the municipality. There are conditions to produce about 360 tonnes of Burley tobacco in the municipality but its quota is set at 60 t. Mayor Ivo Andonov has sent a letter to the director of the joint-stock company Isperih BT, asking the company to guarantee to the Tobacco Fund and Bulgartabac Holding that it can purchase the additional 300 t. Burley tobacco has been grown in Silistra municipality since 1998, and local farmers have already gained enough knowledge and experience in its production, the letter says. The tobacco producers who have filed applications to grow Burley are already preparing the land for the new crop. In many local villages unemployment is as high as 90 per cent, and tobacco is people's only way to earn their bread. Last year, the quota of the municipality was 100 t. The tobacco was purchased by Doulovo Bulgartabac of Doulovo but the farmers have not been paid for it yet.

[6] -----
Date: 15-Feb-2002
Source: Campaign
Carried by: Campaign
Title: Walker Benefits As Gallaher Drops Cdp From Pounds 5m Account
Author: Jeremy Lee
ProductCode:NWSBEF
Service: Lexis-Nexis
Abstract Title:
UK: Gallaher Shifts Media Account
Location: United Kingdom
Subject: Stock Activities/Dividends
New Brands (Introductions)
Sector: Distributors
Product: All Products

Gallaher Tobacco has centralised its media account, worth more than pounds 5 million, into Walker Media.

The tobacco manufacturer behind the brands Silk Cut, Benson & Hedges, Hamlet cigars and Samson tobacco, has been tipped to increase its media budget considerably this year.

This is the first time that Gallaher has centralised its account into one agency. It previously used both CDP Media and Walker Media to handle its media buying. The loss will come as a bitter blow to CDP as it was one of its largest clients.

In December, Gallaher relaunched its Hamlet Miniatures brand with a controversial campaign featuring dwarves through CDP. The campaign's aim was to compete more directly with Henri Winterman's Cafe Creme.

Gallaher is the second-largest cigarette manufacturer in the UK, with a 39 per cent share of the market by volume. Imperial Tobacco leads with 41 per cent, having won the five-year distribution rights for the market-leading Marlboro Lights from Philip Morris last year.

This has led to speculation that Gallaher will step up its marketing to protect its Silk Cut brand.

No-one at Walker Media was available for comment as Campaign went to press.

[7] -----
Date: 15-Feb-2002
Source: Associated Press - AP
Carried by: Associated Press - AP
Title: Governor Says State Should Keep Exploring Tobacco-Bonding Plan
Author: Chet Brokaw
ProductCode:NWSPRL
Service: Lexis-Nexis
Abstract Title:
SD: Janklow Considering Securitization
Location: South Dakota
Subject: Securitization (Gov't Bonds)
State Sales Tax
Sales/Earnings/Profits
Sector: All Sectors
Product: All Products

South Dakota should continue looking at whether to trade its annual tobacco-settlement payments for a lump sum, Gov. Bill Janklow said Friday.

South Dakota's payments from its share of the national tobacco settlement continue to decline, and their future is uncertain, Janklow said. The state would shift the risk to private investors if it sold bonds to get an upfront payment in exchange for the annual payments, he said.

Janklow said he or the next governor might set up a bond sale if financial conditions are right.

"We need to have that tool in the toolbag if we ever need to do it," the governor said.

The Senate State Affairs Committee voted 8-1 Friday to approve Janklow's suggestion for making a few changes in the tobacco-bonding bill passed by last year's Legislature. That bill allowed only the sale of tax-exempt bonds, HB1294 also would allow the sale of taxable bonds, which would give the state more flexibility as it explores whether to do such a deal.

South Dakota was expected to get about \$700 million in the first 25 years as its share of the settlement that major tobacco companies reached with 46 states. Those payments would be \$25 million or more a year, and in theory could continue forever.

However, the payments have been falling short of projections because cigarette sales have been dropping nationally. Since the payments started a few years ago, total payments have fallen \$7 million short of original projections, Janklow said.

At Janklow's urging, the Republican-dominated Legislature last year

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approved a bonding plan that officials said could get the state a lump sum exceeding \$200 million. Democrats generally have opposed the plan.

Last year's law would let the state sell bonds to get a lump-sum payment in exchange for its annual payments from the national tobacco settlement. The state then could invest the money it receives, and the investment earnings could be used for education programs.

Janklow has said he believes the major tobacco companies may go broke because fewer people will smoke and more individual smokers will sue the companies.

The governor believes the tobacco companies eventually will fail to make payments to South Dakota and other states in the settlement. The bonding plan, called a "securitization," would shift the risk to investors who bought the bonds.

This year's bill would change the law so not only tax-exempt bonds but also taxable bonds could be sold in a tobacco deal. That would yield a lower initial return, but the state could earn a higher return on its investment of that money because it would have more flexibility in how the money was invested, officials have said.

Any money obtained in a bonding deal still would go into an education trust fund, and the Legislature would decide how to spend it. The use of taxable bonds would give the state more leeway in the kinds of education projects that could be financed from bond proceeds.

Janklow said he does not know and would not speculate whether financial conditions will be right to do a bonding deal this year.

But he said falling interest rates at one point would have allowed him to do a deal that would have raised about \$12 million more than estimated a year ago. He said he did not make the deal because he thought conditions could get better.

At Friday's committee hearing, Senate Republican Leader Barb Everist of Sioux Falls said any money raised in tobacco bonding would be protected in the education trust fund. "It has absolutely no potential for abuse."

But Senate Democratic Leader Jim Hutmacher of Oacoma voted against the bonding measure, saying he thinks the state should continue to take the annual payments from tobacco companies. Investors would not buy bonds if they thought tobacco companies would be unable to make payments, he said.

[8] -----
Date: 15-Feb-2002
Source: AAP Information Services
Carried by: AAP Information Services
Title: Fed: Tobacco Industry Turns Over New Leaf
Author: Vera Devai
ProductCode: NWSAGR
Service: Lexis-Nexis
Abstract Title:
Australia: Tobacco Could Turn Into A Much Sought After Crop

Location: Australia
Subject: Gene Therapy Research
Genetically Altered/Re-engineered Crops
Production/Overproduction
Sector: Agriculture/Growers
Product: Leaf Tobacco

The tobacco industry may be turning over a new leaf - transforming the plant that has been blamed for millions of deaths each year into life-saving medicine.

Researchers at the Queensland University of Technology (QUT) have developed and patented technology that allows healing antibodies and vaccines to be custom grown through tobacco crops.

QUT science research director Professor James Dale said today the discovery would mean a cost-effective method of developing insulin and human growth hormones for medical use.

Professor Dale said tobacco crops were ideal for the project with no risk of the proteins finding their way into the food chain.

Molecular farming, first developed in the United States, could signal the start of a multi-million dollar commercial industry for Queensland, Professor Dale said.

He said local primary industries would benefit, particularly tobacco farming, which had been on the decline.

But Queensland Tobacco Marketing Co-op chairman Remzi Mulla said it may be too late for the growers in the far north Queensland town of Mareeba, which was once Australia's largest producer.

"I am cautiously optimistic because I do not want to give my growers a false impression until down the track when everything fits into place," Mr Mulla said.

"A lot of people have been promoting things in the area in the last 10 years and we were very optimistic, the farmers went into it head-long and went bankrupt with this type of thing."

The Mareeba tobacco industry has been on the brink of collapse since one of Australia's two cigarette manufacturers, British American Tobacco, indicated it no longer wanted to buy tobacco from the region last year.

However, Mr Mulla admitted a change in image for tobacco would be a positive step for the industry, which was the most heavily taxed in Australia.

"It's one of the most versatile plants in the world and lends itself to genetic modifications and manipulations," Mr Mulla said.

The proteins harvested in crops would be identical to those traditionally grown in animal cells and at up to one-hundredth of the cost, Professor Dale said.

"This technology allows us to produce proteins where and when we want them and in large amounts," he said.

"You can expand production very easily and quickly just by growing

more acres."

In the light of concerns surrounding genetic engineering, Professor Dale said the crops would be grown in isolation to ensure "genetic containment".

[9] -----
Date: 15-Feb-2002
Source: Arkansas Democrat Gazette
Carried by: Arkansas Democrat Gazette
Title: Won't Change Medicaid Plan, Huckabee Says Governor Doesn't
Expect Pryor To Call Tobacco-Funds Shift Illegal
Author: Seth Blomeley
ProductCode: NWSPL
Service: Lexis-Nexis
Abstract Title:
AR: Huckabee Not To Change Stance
Location: Arkansas
Subject: State Allocation of Funds
Class-Action Suit
Health Movement/Issues
Sector: All Sectors
Product: All Products

Gov. Mike Huckabee said Thursday he won't change his plan to shift some tobacco settlement dollars to help cover budget cuts, even if Attorney General Mark Pryor opines that the shift would be illegal.

"I frankly don't expect the attorney general to [say the plan is illegal]," Huckabee said. "If he does, the decision we would face on the mere basis of an attorney's opinion [would be] should we quit offering services to medically needy 30,000 Arkansas citizens? I don't think so."

Huckabee could erase any legal question by calling the Legislature into special session and getting the lawmakers to approve the plan. But he rejected that idea.

"Why would we do that when we don't have to?" Huckabee said.

The governor's comments didn't sit well with the lawmaker who asked Pryor to study the fund shift plan.

"I wish we could develop a cooperative working relationship between the governor's office and the Legislature," said Sen. Jim Argue, D-Little Rock. "At present it seems far too adversarial. [Huckabee] seems to be bound and determined to avoid a special session at all costs regardless of the [Pryor's] opinion."

Sen. Bill Gwatney, D-Jacksonville, said Huckabee's probably worried that legislators would pursue different agendas. But Gwatney, a frequent critic of the governor, said he'd commit to a quick one-goal special legislative session to approve the \$ 3 million transfer.

"We in government shouldn't do things that fly in the face of attorney general's opinions," Gwatney said.

"[Huckabee] himself has made the case that the tobacco funds were

passed by the people and shouldn't be touched. That's been his whole argument all along. But yet he's going to go in there and change it, and he doesn't see anything wrong with that. But if someone else does it, that's not all right. That seems to be to be a little bit of hypocrisy."

Huckabee's comments to reporters Thursday came a day after a meeting with key players in the development of the tobacco spending plan, passed by voters in 2000. Rumors of the meeting led some to speculate about Huckabee changing his mind about a special session.

Sen. Jim Hill, D-Nashville, said he studied the layout at the Old Supreme Court Room in case the Senate had to meet there, given ongoing renovations in the Senate chamber.

But participants in the meeting Thursday, without giving many details, said they're convinced Huckabee won't call a special session.

Hill speculated that Huckabee called the meeting to assure supporters of the tobacco plan, worth about \$ 60 million a year, that their programs won't be cut.

In addition to Huckabee's plan to spend \$ 3 million of tobacco money to cover Medicaid cuts, some legislators have suggested trimming more dollars from the tobacco settlement to keep from cutting Medicaid programs.

But Huckabee again refused Thursday to discuss what happened in the meeting. The meeting came five days after Dr. Joe Thompson of Little Rock, the lead author of the initiated act approving the tobacco settlement spending plan, said Huckabee's shift violated the intent of the act.

"You know, Joe's a great doctor, but I don't know that he's got a law degree," Huckabee said.

Thompson said the money in the tobacco settlement meant for Medicaid was supposed to go toward a Medicaid "expansion." Thompson said the money was to set up a new health insurance program for low-income adults.

Huckabee administration officials have said they plan to start that new program next year. But since the money was not being used this year, administration officials plan to apply it toward the cuts.

The "medically needy" category of Medicaid pays large hospital bills for those with catastrophic injuries or illnesses.

Department of Human Services officials said they weren't certain the plan was legal. But they later justified it by saying that since the medically needy program was slated for cuts, adding tobacco money qualifies as an "expansion."

By this rationale, Huckabee officials say they didn't illegally change the initiated act on their own. Amending an initiated act requires a two-thirds vote of the Legislature.

"We don't think there's a question about the legality of the plan," Huckabee said. "All [Pryor] can do is render an opinion. We don't want to eliminate the service in the medically needy [Medicaid] category."

Argue asked Pryor to issue an opinion, which is nonbinding. A lawsuit would be needed to force Huckabee not to use tobacco money. Hill said that by the time the lawsuit wound its way through the courts, the money probably would have already been spent.

Huckabee said he'd consider a special session if enough legislators commit to voting for a specific plan for "something positive."

Senate President Pro Tempore Mike Beebe, D-Searcy, said there's enough votes in the Senate to use \$ 12.8 million in tobacco dollars a year to cover Medicaid cuts.

Senate Republican Leader John Brown, R-Siloam Springs, and Rep. Bill Stovall, D-Quitman, are working on a plan to shave a percentage from all tobacco settlement programs and use the money for Medicaid cuts.

[10] -----
Date: 15-Feb-2002
Source: Associated Press - AP
Carried by: Associated Press - AP
Title: House Gives Preliminary Approval To Doubling Of Tobacco Tax
ProductCode:NWSTAX
Service: Lexis-Nexis
Abstract Title:
HI: House Okays Bill To Raise State Cigarette Tax
Location: Honolulu, Hawaii
Subject: State/Provincial/Local Tobacco Tax
Effects on Consumption
Anti-Tobacco Movement/Issues
Health Movement/Issues
Sector: All Sectors
Product: Cigarettes

A bill which would double the state's tobacco tax to \$2 per pack has been approved on the second of three required votes in the state House of Representatives.

If the bill becomes law, Hawaii would have the highest tobacco tax in the nation.

House Health Committee chairman Dennis Arakaki, D-Kalihi Valley-Kamehameha Heights, said the bill would discourage teen-agers from smoking by making cigarettes more expensive. He says it also would raise \$35 million to \$40 million a year to help balance the state budget.

The bill would require that about \$5 million a year of the extra tobacco tax money be used to help pay for anti-smoking educational program for youngsters.

Rep. Bob McDermott, R-Salt Lake-Aliamanu-Aiea, said the bill amounts to a regressive tax increase that will hurt the poor. He said he doesn't smoke and doesn't like smoking, but said the bill is a "money grab."

He also questioned the need for additional educational programs, arguing that people are "brain dead" if they don't know smoking

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causes cancer and other health problems.

Hawaii and Alaska have the second-highest tobacco taxes in the nation at \$1 per pack. New York has the highest at \$1.11 per pack, but will raise its tax to \$1.50 per pack in April.

[11] -----
Date: 15-Feb-2002
Source: Caller-Times
Carried by: Caller-Times
Title: Tobacco Cash Cut Hurts Health Plan Of City And County Money
Was To Fund Programs After County Took Them Over Money Was To
Fund Programs After County Took Them Over
Author: Neal Falgoust
ProductCode: NWS PRL
Service: Lexis-Nexis
Abstract Title:
TX: Stalemate Over County Spending Plan For City
Location: Texas
Subject: State Allocation of Funds
Health Movement/Issues
Sector: All Sectors
Product: All Products

Smaller payments from the state's tobacco settlement to the county could jeopardize a deal that would save the city about \$1.1 million.

City and county officials still have not reached an agreement on whether to consolidate the Corpus Christi-Nueces County Health Department, more than seven months after Nueces County commissioners rejected a deal to take over the city's portion of the department. But whatever the decision, officials say they want to avoid cutting health services.

Without consolidation, the city would have to pay for the public health services offered by the health department - the Women, Infant and Children programs and sexually transmitted disease prevention services. City officials said the county is better equipped to provide those services with financing available through the state's settlement with the tobacco industry.

If it becomes apparent that an agreement can't be reached, "then I think the discussion will then focus on the budget issues," said Assistant City Manager Jorge Cruz-Aedo.

"No one wants to curtail essential services. I don't think anybody wants to reduce public health."

Last July, just days before the City Council was set to approve a \$141 million budget, talks between the city and the county broke down.

The two sides were discussing whether the county would take over the district's public health section, which is run by the city, at a cost of roughly \$1.1 million.

The stalemate delayed approval of the city's budget and forced budget officials to consider cuts in staff pay raises, park maintenance and public works. But at the last minute, the county commissioners agreed

to take over for just one year.

"There never was a commitment made by the commissioners or the hospital district to take over funding for the city," said Nueces County Hospital District Administrator Jonny Hipp.

The county had planned to defray the costs by applying for additional money from the state's legal settlement with the tobacco industry. Cities cannot receive money from that state pool.

But since the first \$5.1 tobacco payment in 1999, revenues have steadily fallen, officials said.

In 2000, the county got \$2.3 million and last year it got \$1.5 million.

Budget projections for the coming year predict payments of roughly \$700,000.

"We are concerned that there is not going to be enough tobacco funds to help the city," Hipp said.

Unable to set up a meeting

City officials said Thursday that there have been several attempts to arrange meetings with the county, but all the meetings were cancelled because of conflicts on both sides.

There are ongoing attempts to arrange a meeting within the next week, Cruz-Aedo said.

Neither side has a plan on how to proceed.

"We're really not in a position to talk right now because we're not sure that are enough tobacco funds available," Hipp said.

Deputy City Manager Skip Noe said budget planning is still in the early stages, so one of the key discussions will be how much of the health department's costs the city can absorb., "Most of the issues are budget issues," Noe said. "We'll have to make a decision about what we'll want to assume of that \$1.1 million."

[12] -----
Date: 15-Feb-2002
Source: Ventura County Star
Carried by: Ventura County Star
Title: Briefs: Simi Rotary Seeks Ambassadors Teens Set To Talk About Tobacco
ProductCode: NWSCIR
Service: Lexis-Nexis
Abstract Title:
CA: Press Meet On ETS
Location: California
Subject: Age
Environmental Tobacco Smoke (ETS)
Methods/Products
Sector: All Sectors
Product: All Products

52630 3226

Simi Rotary seeks ambassadors

Simi Sunrise Rotary Club is seeking applicants for its Ambassadorial Program. The program provides an opportunity for students to study in a foreign country, while supporting the Rotary Foundation's mission to further international understanding and world peace.

The scholarship is for one regular academic year of full-time study at an institution assigned by the Rotary Foundation trustees. Because the scholarship is primarily ambassadorial and limited to one academic year, recipients may not be able to earn degrees or diplomas during the study period.

Funding is provided to cover round-trip transportation, one month of intensive language training, course fees, room and board, and some educational supplies. Awards typically range between \$13,000 and \$25,000.

The deadline for applications is Friday, March 8.

For more information, call Mike McCaffrey at 520-4120.

Teens set to talk about tobacco

The fourth annual Teens Kick Ash student press conference will be held from 8:30 a.m. to 1 p.m. Thursday at the Simi Valley Council Chambers, 2929 Tapo Canyon Road.

This year's theme is Secondhand Smoke.

More than 150 teen-agers from five school districts are expected to attend. Those districts are Oxnard, Moorpark, Ventura, Simi Valley and Conejo Valley.

Seven guest speakers are scheduled to talk about pressing tobacco issues facing today's teens. Students will have an opportunity to ask questions and participate in a journalism contest.

The American Cancer Society and the Simi Valley Unified School District Tobacco Use Prevention Education Program, through a grant from the Tri-County Regional Team funded by Proposition 99 Tobacco Tax, sponsor the conference.

For more information, call 527-5360.

[13] -----
Date: 15-Feb-2002
Source: Coventry Evening Telegraph
Carried by: Coventry Evening Telegraph
Title: Two Robbed Of Pounds 900 In Cigarettes Scam
ProductCode:NWSITR
Service: Lexis-Nexis
Abstract Title:
UK: Two Duped Of £ 900 In Cigarette Scam
Location: United Kingdom
Subject: Gray Market Products: Effects on Taxatio
Bootlegging/Smuggling/Crime

Sector: All Sectors
Product: All Products

TWO men were robbed of pounds 900 at knifepoint after arranging to meet someone to buy cheap cigarettes.

Police fear the scam could be more widespread, with victims too afraid to say they were going to buy black-market tobacco.

Det Con Nick Watson said the two victims were working in the Windmill Road area of Longford last Friday when they were approached by a man who said he was selling cigarettes on the cheap.

They arranged to meet at McDonalds in Walsgrave, for the exchange.

Det Con Watson said the two withdraw the money and met the man - possibly named Sam - and another man in the car park.

But the pair suddenly threatened them, holding a knife to one of the victim's throats, and forced them to hand over the cash.

They sped off in a car leaving the victims with two boxes containing bits of old carpet.

Both men spoke with Irish accents and were in a silver Vauxhall car. "Sam", aged about 40, stocky, with short, thinning reddish hair and a thin-cut reddish beard, was driving a red Cavalier earlier.

Anyone with information can phone, in confidence, Det Con Nick Watson on 024 7653 9485, or Crimestoppers on 0800 555 111.

[14] -----
Date: 15-Feb-2002
Source: NewsQuest
Carried by: NewsQuest
Title: Officers Seize 3.5m Cigarettes
Author: Murray Walker
ProductCode:NWSRWD
Service: Lexis-Nexis
Abstract Title:
UK: Huge Haul Of Cigarettes At Furniture Warehouse
Location: United Kingdom
Subject: Barriers/Restrictions/Bans
Bootlegging/Smuggling
Sector: All Sectors
Product: Cigarettes

FOUR men have been released on bail after Customs and Excise officers swooped at a village mill and uncovered 3.5 million cigarettes.

The warehouse, used by furniture company Downshire House Reproductions, Abbey Mills, Abbey Village, was raided by officers who seized the haul valued at around GBP 750,000.

Four men were taken to Leyland Police station for questioning by the officers after the raid last Friday at 9am.

An eyewitness, who did not want to be named, told The Citizen: "There

were around 20 officers who came and a vehicle was impounded."

The four, three from Oldham and one from Burnley, have been bailed until April 12 pending investigations. No charges have been made.

The company has trade links throughout the world including Indonesia and the United States. Stan Glassbrook, warehouse manager at the company, said: "Following Friday morning's events internal investigations are under way to ascertain who has been using the company name for unauthorised imports. We are working in close co-operation with Customs and Excise to resolve the matter."

A Customs and Excise spokesman said there was a possibility that the cigarettes would have been sold locally at car boot sales, from the backs of vans and possibly outside school gates.

This latest raid is part of a continuous crackdown by Customs and Excise on tax-evading smugglers. Last year a total of 115 million cigarettes were seized in Lancashire with one single haul of 24 million.

[15]

Date: 15-Feb-2002
Source: Associated Press - AP
Carried by: Associated Press - AP
Title: Second Poll Finds Support For Cigarette Tax Increase
ProductCode: NWSTAX
Service: BBS
Abstract Title:
CT: Poll Reveals Support For Cigarette Tax Hike
Location: Connecticut
Subject: Effects on Consumption
Public Places
Referendum (includes ballot issues)
Questionnaires & Surveys
Sector: All Sectors
Product: All Products

A Quinnipiac University poll shows that while many Connecticut residents think a cigarette tax increase is unfair, even more support the 61-cent per pack proposal.

The poll, released Friday, found that 71 percent of those surveyed consider the tax increase proposed by Gov. John G. Rowland a good idea, even though 53 percent of those questioned say the tax is unfair to smokers.

The poll is the second recent survey indicating that state residents support the governor's proposal to raise cigarette taxes to \$1.11.

A poll released last week by the Center for Survey Research and Analysis at the University of Connecticut showed that 73 percent of those surveyed backed the tax hike.

In contrast, a general increase in taxes received only 27 percent approval, according to the UConn poll.

A slim 51 percent majority in the Quinnipiac poll say some portion of

the money from the increased tax should be used for anti-smoking programs while 43 percent said all the money should be used to reduce the state deficit.

"Voters seem to be saying that it is OK for the government to pick on smokers since smoking is harmful and a cigarette tax hike is a good way to reduce the deficit," Douglas Schwartz, the poll director said.

On the issue of local control, 63 percent said towns and cities should have the authority to regulate smoking and 72 percent say smoking should be banned in restaurants.

Forty-four percent say smoking should be banned in bars while 48 percent oppose such a ban.

The survey of 1,216 Connecticut registered voters has a margin of error of 3 percentage points.

[16] -----

Date: 15-Feb-2002
Source: UniSci
Carried by: UniSci
Title: Ruling Out R-Rated Movies Lowers Kids' Smoking Rate
ProductCode: NWSCIR
Service: BBS
Abstract Title:
MA: Children Watching R-rated Movies Smoke More, Says Study
Location: Massachusetts
Subject: Age
Parental Smoking
Substance Abuse
Questionnaires & Surveys
Sector: All Sectors
Product: All Products

Researchers have identified a new strategy for parents who don't want their children to smoke or drink: don't let them watch R-rated movies.

The strategy emerges from work done at the Norris Cotton Cancer Center at Dartmouth-Hitchcock Medical Center, Dartmouth Medical School and Dartmouth College.

A new paper in the January/February 2002 issue of Effective Clinical Practice states that children who are not restricted from watching R-rated movies are three times more likely to smoke or drink alcohol compared to those who are never allowed to watch them.

"Most parents underestimate the impact movies have on their children. This study clearly shows that adolescents are much more likely to smoke or drink if their parents let them watch R-rated movies," said Madeline Dalton, the lead author on this paper and an assistant professor in the Department of Pediatrics at Dartmouth Medical School.

Dalton said that restricting R movies is associated with lower rates of adolescent alcohol and tobacco use, regardless of how strict parents are in other ways.

The study found that while one third of the children with unrestricted viewing privileges had tried smoking, only two percent of those who were never allowed to watch R movies had tried it.

The figures are similar for trying alcohol. Forty-six percent of the kids with no movie restrictions had tried alcohol, while four percent of those with complete restrictions had tried it.

As videos, DVDs and cable and satellite television become more and more accessible, it's much easier for children to watch R-rated movies. The researchers surveyed about 4,500 students in grades five through eight in New Hampshire and Vermont. Although 90 percent of the students surveyed were younger than 14 years old, only 16 percent said they were never allowed to watch R-rated movies.

The movie rating system in place since 1968 provides parents with information to help determine whether their children should see a movie. The rating system is sponsored by the Motion Picture Association of America and the National Association of Theatre Owners.

An R rating indicates that the film is restricted for people under the age of 17. According to this website, "an R may be assigned due to, among other things, a film's use of language, theme, violence, sex or its portrayal of drug use."

"Our children are influenced by their friends, their parents and the media," said Mike Beach, Associate Professor of Family and Community Medicine at Dartmouth Medical School. "Even parents who give their child a clear message that smoking is not acceptable run the risk of having that message undermined if they allow their child to see R-rated movies with a lot of smoking."

This group, which includes researchers from Dartmouth's Department of Psychological and Brain Sciences, will continue their adolescent smoking studies with an additional \$3.6 million grant from the National Cancer Institute. The award will fund research to further clarify the connection between exposure to movies and teenage smoking and to understand parents' role in restricting this exposure.

Dalton and Beach are part of a prolific research group at Dartmouth dedicated to understanding adolescent smoking and drinking. The team has published numerous studies, each connecting mass media to these risky behaviors in different ways.

In January 2001, this research team reported that actor endorsement of cigarette brands in movies was increasing. In March 2001, the team released findings that adolescents whose favorite movie stars smoke on-screen are more likely to be smokers themselves. In December 2001, they published a paper stating that children are less likely to smoke if their parents disapprove. In another article published in December 2001, the researchers revealed that as adolescents see more smoking in movies, it's more likely to entice them to try smoking.

[17]

Date: 15-Feb-2002
Source: Kentucky Post
Carried by: Kentucky Post
Title: Draud: Raise Tax On Smokes

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Author: Courtney Kinney
ProductCode: NWSTAX
Service: BBS
Abstract Title:
KY: Cigarette Tax Hike Proposed
Location: Kentucky
Subject: Tax Increase/Decrease
Age
Excise Tax
Quotas
Sector: All Sectors
Product: Cigarettes

Northern Kentucky Rep. Jon Draud and a handful of other state lawmakers want smokers to pay 44 cents more a pack for cigarettes, a move they say will curb teen smoking and also generate enough money to give raises to teachers.

"I'm not interested in trying to reform adults. But kids are very vulnerable," said Draud, R-Crestview Hills, on Thursday just before heading to a rally at the Capitol, where 400 high school students cheered on the increase.

Rep. Mary Lou Marzian, D-Louisville, is also a primary sponsor of the bill, which would target not only cigarettes but also other tobacco products, including chewing tobacco and snuff.

Kentucky has the highest percentage of middle school smokers in the country. Besides cutting down on youth smoking, the measure would also generate \$200 million in new revenues, which the state could use for teacher raises, mental health initiatives and other issues that may not get funded in these tight budget times.

"We're really at a crossroads in education again because we don't have any money," said Draud, a former local school superintendent. "This would resolve that problem."

But many other legislators are saying it's unlikely such a measure could pass the legislature, which remains a strong supporter of tobacco farmers.

"At this time, I don't see the bill having a lot of support," said Rep. Tom McKee, D-Cynthiana, who is also a tobacco farmer.

Proposed tax increases have found little support in the General Assembly of late. The Senate, controlled by Republicans, has repeatedly expressed its disinterest in raising taxes.

The governor has also stayed away from the issue. First Lady Judi Patton spoke against youth smoking at the rally, but didn't speak for or against raising the excise tax. Gov. Paul Patton hasn't taken a position.

But Draud and the other lawmakers sponsoring the bill say raising the tax would only tax smokers, not the general public, and would limit kids' access to tobacco products.

"This is a tax, but it's only a tax that comes out of smokers' pockets," said Rep. Ira Branham, D-Pikeville. Kentucky's cigarette tax is the second-lowest in the country at 3 cents per pack.

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The bill, which was filed Thursday, would raise it to 47 cents per pack. That's just above the national average of 45.4 cents per pack.

In Kentucky, a pack of cigarettes now costs about \$3.50.

McKee said raising the tax would further hurt an already struggling industry.

Tobacco farmers have seen their quotas slashed in recent years and most are turning to other crops to make their livings.

'It seems like just another slap on the face to the tobacco industry, from the farmer to the (tobacco) company to the consumer,' he said.

[18] -----
Date: 15-Feb-2002
Source: Kingsport Times-News
Carried by: Kingsport Times-News
Title: Tobacco Agreement Securitization Bill Passes Virginia House,
Senate
Author: Walter Littrell
ProductCode: NWSPRL
Service: BBS
Abstract Title:
VA: House Approves Settlement Securitization Bill
Location: Virginia
Subject: Securitization (Gov't Bonds)
Effect on Farmers/Growers
Effects on growers/farms, gov't
Sector: Agriculture/Growers
Product: All Products

A bill to allow the securitization of Virginia's share of funds from the Master Settlement Agreement with cigarette companies passed the Virginia House of Delegates Wednesday on a 78-22 vote.

The bill was co-patroned by Delegate Terry Kilgore, R-Gate City, who also serves as vice chairman of the Virginia Tobacco Indemnification and Community Revitalization Commission.

Kilgore said a companion bill in the Senate, sponsored by Sen. Charles Hawkins, R-Chatham, passed 38-0 earlier this week. Hawkins serves as chairman of the Tobacco Commission.

Sen. William C. Wampler Jr., R-Bristol, served on a subcommittee this summer to help write the Senate bill.

Kilgore said the two bills will go next to committees, where any differences will be worked out before they are submitted to the governor for his signature.

The legislation authorizes the governor to sell up to 50 percent of the commonwealth's allocation under the Master Settlement Agreement and directs all the proceeds into an endowment fund to secure future tobacco revenues for a region's long-term betterment.

A foundation will determine how the funds will be invested, Kilgore

said, and predicted the money will be invested similarly to the way Virginia Retirement System funds are handled.

Interest earnings may be deposited with the commission fund on an annual basis. The securitization of these funds from the commission will guarantee indemnification payments to the tobacco growers and quota holders as required in the settlement's enabling legislation.

It will also allow the commission to make long-term commitments for major economic development and infrastructure projects as the commission's approved second goal, Kilgore said.

He explained the commission will avoid potential litigation risk and declines in domestic consumption, which could reduce or eliminate future Master Settlement Agreement payments.

"This will guarantee that indemnification payments to tobacco growers and quota holders will extend into the future, reducing the risk of future diversions of these funds for other uses. This bill was recommended by the full Tobacco Commission by unanimous vote," Kilgore said.

"This is a regional bill to benefit Southside and Southwest Virginia. This only affects the Tobacco Commission's allocation of the 50 percent of the proceeds of the Master Settlement Agreement, which is used to help our quota owners for economic development for our tobacco-producing area," he added.

Kilgore said some concerns reflected in the House vote could have been that some delegates may have wanted a share of the funding for other projects, as it would go to the state's general fund.

"We were afraid there might be a move at some time to do that," he said.

[19] -----
Date: 15-Feb-2002
Source: Nunatsiaq News
Carried by: Nunatsiaq News
Title: City Consults Business Owners On Smoking Bylaw
Author: Miriam Hill
ProductCode: NWSCIR
Service: BBS
Abstract Title:
Canada: Iqaluit Businesses Discuss Anti-Smoking Bylaw
Location: Canada
Subject: Methods/Products
Government Facilities (includes military
Health Effects
Sector: All Sectors
Product: All Products

Restaurants generally receptive to gradual introduction of ban

Non-smokers in Iqaluit may soon get a breath of fresh air when they go out to eat or have a coffee.

The city is researching anti-smoking bylaws in other municipalities

in the hope of drafting one to suit its needs.

At a consultation meeting with about 12 restaurant and bar owners last week, Mayor John Matthews heard the concerns and wishes of the city's service industry players.

Iqaluit has no smoking bylaw in its books other than one that makes it illegal to smoke in municipal buildings and taxis.

Hundreds of municipalities in the South are moving toward 100 per cent smoke-free public areas. Sarah MacRury, executive assistant to the city's chief administrative officer, said Iqaluit has a higher percentage of smokers than many cities in the South - so the issue should be taken even more seriously here.

About 64 per cent of people across the territory smoke. Among people aged 15 to 19, the number rises to 75 per cent.

Inuit women have among the highest rates of lung cancer in the world and respiratory illness among Inuit children on Baffin Island has reached epidemic proportions.

The bylaw, she told the assembled group of business owners, is not a tool to make people quit smoking, but a way to protect the health of non-smokers and those who are too young to decide for themselves.

There are no smoke-free restaurants in Iqaluit. Some offer non-smoking tables, but there are none offering a truly separated environment.

"We must go slowly"

Rainer Launhardt, the general manager of the Frobisher Inn, said there has been some progress on the non-smoking front. When he arrived a few years ago, the inn had 50 rooms, three of which were designated as non-smoking. Now there are 95 rooms, 45 of which are non-smoking.

The inn's dining room went completely non-smoking for one day just before Christmas, and then began offering non-smoking tables as demand increased.

The hotel also has a coffee bar in its lobby catering mostly to government employees working next door. There is a division between smoking and non-smoking tables, but the smoke moves freely throughout the corridor.

"For now, we cater to the smokers," he said, because that's who most of his clients are. That may change down the road when the area is renovated and it's possible to install a truly separate smoking section.

"We must go slowly," he told city officials. The sentiment was echoed by many around the table.

Gilles Lacroix, co-owner of The Snack, said his restaurant used to see 300 people passing through its doors each day for a coffee and a smoke. That, too, has changed.

About four months ago, he said, management decided to ban loiterers from smoking in the restaurant. Coffee sales dropped dramatically, he

admits, but the restaurant smells much better and more families have been coming in for meals. They had stopped coming, he said, because it was just too smoky.

"We'll do it," he said, referring to adhering to a smoking bylaw, "but we'll do it slowly." Lacroix said management is working toward having one-quarter of The Snack designated non-smoking.

Not any time soon

What needs to be decided is just how encompassing an anti-smoking bylaw will be. Some Southern cities such as Victoria, B.C., and Ottawa boast 100 per cent smoke-free bars and restaurants. In September, Yellowknife banned smoking in all businesses except bars.

A number of bar owners at the meeting expressed concern that a ban on smoking in bars would have a negative impact on their sales and even cause problems outside the establishments, where hordes would huddle to smoke. Launhardt said management tried a non-smoking night at The Frobisher Inn's Tulugaq Bar. It was well received, but lasted only one night.

"I don't recommend changing that any time soon," Launhardt said. "There is a problem with sending people outside to smoke because they end up in line again. The bar scene will have to come much later."

Issues such as enforcement, percentage of floor space designated non-smoking and the definition of a non-smoking area still need to be discussed and hammered out.

Business owners at the meeting requested time to read the sample bylaws from other municipalities provided by MacRury before coming to any consensus.

A second consultation meeting with possible bylaw models will be held in coming months.

[20] -----

Date: 15-Feb-2002
Source: Allentown Morning Call
Carried by: Allentown Morning Call
Title: Carbon County Seeks Millions For Smokers' Care
Author: Bob Laylo
ProductCode: NWSPRL
Service: BBS
Abstract Title:
PA: Carbon County Seeks Money From Cigarette Companies
Location: Pennsylvania
Subject: State Allocation of Funds
Class-Action Suit
Sector: All Sectors
Product: All Products

Law firm will go after tobacco companies or state settlement.

Carbon County says it deserves millions for taking care of people with smoking-related illnesses, and on Thursday hired a law firm to pursue money from tobacco companies or Pennsylvania's \$11.3 billion

settlement with the industry.

Attorney Lawrence D. Levin of Shor, Levin & DeRita said Carbon is due money because people with tobacco-related illnesses were treated at the county's prison, home for the aged and two hospitals, and Medicare did not cover all their expenses. Taxpayers had to make up the difference, he said.

Levin's firm in Jenkintown, Montgomery County, has been making tobacco-suit presentations across the state, said Doug Hill, executive director of the County Commissioners Association of Pennsylvania. Hill said he knows of no counties other than Carbon that are suing.

The lawsuit would be a localized version of states' suits nationwide that led to a \$206 billion settlement the tobacco industry must pay over 25 years.

Wayne Nothstein, chairman of the Carbon commissioners, said the county has yet to receive any money from that settlement. The Carbon-Monroe-Pike Drug and Alcohol Commission should get \$136,000, and some social service agencies should get some money, he said, but it's not enough.

"It's a drop in the bucket compared to what we are supposed to get," Nothstein said.

Levin said he plans to file suit at the end of the month, and hopes to get other counties to join the action. But officials in Lehigh, Monroe and Schuylkill counties said Thursday that they won't sue.

Sean Connolly, spokesman for state Attorney General Mike Fisher, said Carbon shouldn't, either.

"The county would be better served by asking their state representatives to allocate money we already won for Pennsylvania," Connolly said.

He said that while Carbon sues, the county or agencies there that could have gotten part of the state's settlement, such as hospitals, will not get any money.

"We won't allow counties to double-dip," Connolly said, and any money the county wins would be deducted from the state's \$11.3 billion.

"The county is free to pursue this litigation, but the county should know it is very complex and likely to take several years and unlikely to be successful," Connolly said.

If Carbon wins, it would pay the law firm 20 percent of any money it receives.

To negotiate its settlement, the state paid two law firms a total of \$50 million - 0.004 of a percent of its settlement. And that \$50 million did not come out of the state's \$11.3 billion.

Gov. Mark Schweiker has proposed using \$182 million of the state's share to pay for tax cuts and new spending.

[21] -----
Date: 16-Feb-2002
Source: New Zealand Herald
Carried by: New Zealand Herald
Title: Tobacco Case Needs Work: High Court
Author: Irene Chapple
ProductCode: NWSPL
Service: BBS
Abstract Title:
New Zealand: BAT, Rothmans Case Incomplete, Says High Court
Location: New Zealand
Subject: Litigation (Civil/Criminal Court)
Subsidiaries
Monitoring and Enforcement
Sector: All Sectors
Product: All Products

The Commerce Commission has scurried back to the drawing board after the Auckland High Court said its preliminary arguments to crack down on British American Tobacco NZ's market dominance were unlikely to succeed.

The commission and defendant tobacco companies had locked horns in a highly technical argument over the capacity for a charge under the Commerce Act. The judgment rejected an initial attempt to strike out the claim, but dampened the commission's mood by suggesting that the arguments needed a major spruce-up.

In its present form, said Justice Hugh Williams, "the claim is incomplete or at least is unlikely to be able to succeed".

Barrister Jim Farmer QC, for British American Tobacco NZ, had suggested that the claim was not only brought against the wrong corporate entities, but over the wrong merger documents, which were signed by overseas parent companies. And, even if the claim were made against the correct parties, it would not come under the New Zealand legislation.

Alan Galbraith QC, for the commission, countered that the importance of the case was such the court should take a "purposive" approach to avoid no-go areas of enforceability, such as the effect an overseas signed document had on its New Zealand subsidiaries.

Striking out the claim, he argued, was inappropriate.

The case was a result of a 1999 global merger of multinationals British American Tobacco and Rothmans International.

British American Tobacco was traded in New Zealand through Wills NZ and Rothmans International through Rothmans NZ.

Despite the original merger document not considering the effect on its Australasian subsidiaries, the anti-competitive position the company would hold was eventually recognised.

Arrangements were made between the local subsidiaries to maintain competition, and the commission was appeased. But a month after receiving the commission's go-ahead, Rothmans NZ took full control of its previous competitor Wills, and the commission issued proceedings for an alleged breach of the Commerce Act.

The court, mulling over the faults in the commission's pleadings, suggested - for a start - it add British American Tobacco to its hitlist, as the UK company was a party to the original merger. It also saw problems with enforceability, limitation and relief if the case went ahead. "But those are matters," mused Justice Williams, "that can be dealt with if and when they arise."

First, said Justice Williams, the commission needed the opportunity to cure the defects in its arguments.

[22] -----
Date: 17-Feb-2002
Source: Sunday Business
Carried by: Sunday Business
Title: New Measures To Fight The Menace Of "A Tobacco Epidemic" Will Be Announced By The European Commission On Tuesday
Author: Tim King
ProductCode: NWSAGR
Service: Lexis-Nexis
Abstract Title:
Europe: EU To Announce New Anti-Tobacco Measure February 19th
Location: Europe
Subject: Export Credits/Subsidies
Inspection & Grading/Quality
Total Ban
Environmental Tobacco Smoke (ETS)
Sector: Agriculture/Growers
Product: All Products

New measures to fight the menace of "a tobacco epidemic" will be announced by the European Commission on Tuesday, which will accuse cigarette companies of using Europe's children as "expendable profit-fodder".

However, 24 hours earlier, agriculture commissioner Franz Fischler is to propose to EU farm ministers a plan to continue subsidies for tobacco farmers at a rate of almost elbn (GBP 600m) a year for the next three years.

On Tuesday, David Byrne, the Brussels commissioner for health and consumer safety, will attend a ministerial meeting in Warsaw organised by the World Health Organisation (WHO) to set out proposals to rid Europe of what he calls "the killer scourge" of tobacco. He wants the WHO framework convention on tobacco to ban advertising and take a tough line on passive smoking.

Byrne's objective, before he leaves office in 2005, is an EU-wide law to control cigarette ingredients and outlaw addictive additives. He also intends to issue a commission recommendation this summer on curbing indirect advertising, such as the use of tobacco brand names, like Camel and Dunhill, on clothing and luxury goods.

But on Monday, national governments from the EU will support continuing subsidies for tobacco farmers. Growers in Italy, Greece, Spain, Portugal, France, Germany, Belgium and Austria all stand to receive subsidies for the next three years. In 2001, the EU had a budget of e987m (GBP 616m) for tobacco subsidies. Annual savings are

projected to be only e31.4m (GBP 19.6m). The British government is calling for faster reform of the tobacco regime.

Current reform is limited to switching subsidies away from poorer quality tobacco, for which there is little demand in Europe. Most of Europe's high-tar tobacco is exported to the third world.

[23] -----

Date: 17-Feb-2002
Source: Calgary Herald
Carried by: Calgary Herald
Title: Ministers Split Over Tobacco Tax Use
Author: Tom Olsen
ProductCode: NWSTAX
Service: Lexis-Nexis
Abstract Title:
Canada: Lawmakers Divided Over Tobacco Tax Fund Use
Location: Canada
Subject: Effects on Consumption
Methods/Products
Anti-Tobacco Movement/Issues
Sector: All Sectors
Product: Cigarettes

Ralph Klein has been pilloried in some quarters for leaving the country while Alberta teachers were on strike, but he might have wanted to stick around to ride herd on a different issue -- tobacco taxes and who gets the money.

In its response to the report from the Premier's Advisory Council on Health Care, the province made a show of accepting all 44 recommendations in its commitment to revitalizing the system for the 21st century.

The key theme of Don Mazankowski's report was to change perceptions of health delivery, to move away from a focus on treating the ill to a commitment to keeping people well.

To that end, Maz and Co. recommended tobacco taxes be raised, with the money going into two pots: one for smoking prevention and cessation, the second addressing all other aspects of healthy living.

It appears, however, government doesn't intend to follow Maz's suggestion on where the dough should go, and that has all kinds of health-care types jumping up and down.

The health department's plans for tobacco tax proceeds had been scheduled to be reviewed by the Tories' health policy committee for vetting on the way to final approval.

But the matter was suddenly kicked back for a second look this Tuesday by the powerful agenda and priorities committee -- a body that includes Klein and Finance Minister Pat Nelson, and has the power to spike or greatly alter any initiative.

It's not exactly a tale of intrigue -- some cabinet ministers' backs are up over the notion of committing upward of \$250 million to wellness, when the province's main revenue streams, oil and gas, are

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sputtering.

Alberta has delayed building hospitals and roads, dropped hundreds of millions in planned program spending this year, and Nelson is loathe to give up cash that will help bail her out in 2002-2003.

Publicly, Health Minister Gary Mar defers to treasury board, sunnily predicting that whatever decision it makes will be the right one.

"Our job is to ask for an appropriate amount of money," Mar says. "The allocation of tobacco taxes is entirely the decision of treasury board."

Mar is committed to building a fund. If new money isn't forthcoming, he'll look at cancelling programs to free up some cash.

"Our direction in government is to examine every program to ensure we get the best value out of the dollars we spend."

He is seen by some as leading the good fight to protect Albertans' health. The public persona, however, belies the simmering tension behind closed doors, because just as the notion of hiking tobacco taxes in the first place rankled some conservatives, the dispute has now moved to a broader front.

"I don't think we need to establish a whole new bureaucracy devoted to wellness, when we have enough on our plate now trying to deliver the services people expect," says one Calgary MLA. "This is something for when revenues normalize, or we're back at surpluses."

There's another side: "It's documented that providing people with more and better information on healthy lifestyles, then giving them opportunities to make those changes, has huge payoffs in the long term," says another MLA. "Revenues are down, but we have to bite the bullet now if health-care sustainability and a healthier population is really our goal."

In general, Albertans despise the notion of governments mortgaging the future to maintain the status quo. That's why using tobacco taxes for core program spending will be politically saleable -- it's a tax grab most people will forgive.

But after the Tories' zealous pledge to take Mazankowski to heart, is it honest?

[24] -----
Date: 17-Feb-2002
Source: Associated Press - AP
Carried by: Associated Press - AP
Title: Question It: Senator Scrutinizes Funds For Anti-Smoking Group
Author: Emily Wagster
ProductCode: NWSMAR
Service: Lexis-Nexis
Abstract Title:
MI: Chaney Questions Partnership Funding
Location: Mississippi
Subject: Anti-Tobacco Activity/Campaigns
Broadcast/Restrictions

State Allocation of Funds
Class-Action Suit
Methods/Products
Sector: All Sectors
Product: All Products

A Vicksburg lawmaker is raising constitutional questions about \$20 million a year that, by court order, is routed to Partnership for a Healthy Mississippi.

The Partnership is a private, nonprofit group that uses TV ads, song-and-dance groups, anti-smoking rallies and other techniques to fight tobacco use among young people.

The \$20 million comes off the top of annual payments Mississippi receives under settlement of a lawsuit against tobacco companies. After that money is taken, the rest of each payment - until now, over \$100 million annually - goes into a health care trust fund.

Sen. Mike Chaney, R-Vicksburg, said the Partnership's goals may be admirable, but its funding is questionable.

"This is just about as basic as you can get with government," Chaney said last week. "The attorney general cannot be the chief legal officer for the state of Mississippi, hold a fiduciary responsibility to protect the trust fund and at the same time file a motion in a chancery court to get part of it."

Attorney General Mike Moore is chairman of the Partnership's board.

Moore said the program is upholding the goals of a tobacco lawsuit he filed in 1994 and settled in 1997. The lawsuit was to recover public costs of treating sick smokers.

Moore said because of the Partnership's efforts, fewer young people are starting to smoke and Mississippi could save untold amounts of money on health care later.

"They can argue all they want to about this thing, but it's done by court order. Plus it's done with the consent of the legislative leadership," Moore said of the Partnership's annual funding.

The Partnership was created in 1998 with \$62 million that tobacco companies gave Mississippi for a two-year, anti-smoking pilot program. The \$62 million was related to, but technically separate from, the larger lawsuit settlement Moore negotiated with cigarette makers.

The settlement is expected to bring Mississippi \$4 billion over the first 25 years, with payments continuing as long as tobacco companies are in business.

When the Partnership's \$62 million was running out in late 2000, Moore met with House Speaker Tim Ford and other top lawmakers.

Ford, D-Baldwyn, said Moore asked whether legislators would pay for anti-smoking programs from the state budget.

"I said 'I can't promise that,'" Ford recalled last week. "I said, 'If you want to spend it the way you have been spending it, I would advise getting a court order.'"

That's what Moore did.

In December 2000, he persuaded Jackson County Chancery Judge Jaye Bradley to sign an order directing \$20 million a year to the Partnership.

According to Bradley's order, the Partnership's diversion was to start with settlement payments made in December 2000 and January 2001 and to continue "each year thereafter."

The Partnership files annual reports outlining its activities. In an order filed this January, Bradley approved the 2001 report.

"The court is most impressed with the continued reductions in tobacco use among Mississippi's children," she wrote.

Chaney said the original court order gives the attorney general a power the constitution reserves for the House and Senate - the power to appropriate public money.

"What's to prevent Mike Chaney from forming a group, going to a friendly chancery judge and getting me \$20 million off the top? Nothing," Chaney said.

The Partnership has helped pay for other services related to anti-smoking efforts, including school nurses and law enforcement programs that include checks of tobacco sales to minors. Some of these things were funded at the request of legislators, who were stretching state budgets to cover other services.

Ford said there's some debate about when the tobacco collections become public money. He said one theory is that it's public property "as soon as it leaves the tobacco company building."

"But you've got to remember this is not tax money," Ford said. "The (other) theory is it's there by court order and it's not the state's money until the state receives it."

Chaney tried unsuccessfully last week to persuade his colleagues to take the Partnership's money and put it in Mississippi's ailing Medicaid program.

Medicaid, a federal-state program that provides health coverage for the needy, aged, blind and disabled, is running a \$158 million deficit for the budget year ending June 30. Officials say Mississippi Medicaid could be broke by the end of this month, and lawmakers are scrambling to save the program.

Chaney said it would make sense to direct the Partnership money into Medicaid, where the state could draw three federal dollars for every one state dollar put into the program.

Moore was not on the Senate floor when debate on Chaney's proposal started, but he showed up before the Senate voted 37-13 against taking money from the Partnership.

Moore said Chaney is mistaken about what Medicaid will cover. The program won't pay for smoking prevention or cessation programs, the attorney general said.

Chaney also said Moore is using the Partnership, with its goodwill programs for children and their parents, "for what I consider to be political purposes. And it is wrong."

Moore laughed at that.

"There's nothing attached to this program that has any advertising for Mike Moore on it," Moore said. "That's just a bogus claim."

[25] -----

Date: 16-Feb-2002
Source: New York Daily News
Carried by: New York Daily News
Title: NYPD Urged Not To Cop A Smoke
Author: Frank Lombardi
ProductCode: NWSCIR
Service: Lexis-Nexis
Abstract Title:
NY: Cops Urged Not To Violate No-Smoking Policy
Location: New York
Subject: Prisons/Jails
Health Effects
Effects on Revenues
Environmental Tobacco Smoke (ETS)
Sector: All Sectors
Product: All Products

Police Detective Richard Tamayo found an unexpected supporter yesterday for his complaints about cops smoking inside police stations.

As Mayor Bloomberg left City Hall for a dental appointment, he spotted Tamayo holding a news conference on the steps, saying no-smoking rules were widely ignored.

"I think that smoking kills people," Bloomberg said after stopping to chat with the group. "I think anybody that smokes is crazy."

Bloomberg has proposed raising the city's cigarette tax to \$1.50 a pack from 8 cents to help reduce a \$4.8 billion budget deficit.

The mayor told Tamayo he would speak to Police Commissioner Raymond Kelly about the matter.

Later, police spokesman Michael O'Looney said Kelly reached out to his commanders "to remind them of the department's no-smoking policy."

"We take the issue seriously, and we want to ensure a safe and healthy working environment for all our employees," O'Looney said.

[26] -----

Date: 16-Feb-2002
Source: Hamilton Spectator
Carried by: Hamilton Spectator
Title: Advocacy Workshop Is Element Of Teen Tobacco Summit Sessions

ProductCode:NWSCIR

Service: Lexis-Nexis

Abstract Title:

Canada: Hamilton's Teen Tobacco Summit To Start February 19th

Location: Canada

Subject: Educational Facilities

Education

Methods/Products

Sector: All Sectors

Product: All Products

Educational Facilities

Hamilton's second Teen Tobacco Summit is set for Tuesday at Redeemer University College.

The summit aims to help young people reduce smoking in their schools and the community.

All area high schools and agencies that serve youth have been invited to attend.

"We know that well supported, youth-driven activities are one of the best ways to lower youth smoking rates," said Cathy McNally, a member of the planning committee.

After last year's sessions, some participants and groups went on to organize various anti-smoking activities.

Last year's summit attracted about 150 participants from 13 schools and youth groups.

Organizers expect 250 participants from 20 schools and groups this year. The event will feature a keynote address by 19-year-old Odaine Davidson, a former member of the Youth Advisory Council to Health Canada.

There will also be workshops dealing with education, advocacy and action.

Participation in the Teen Tobacco Summit is free.

The sessions are sponsored and organized by six community agencies and both the public and Catholic school boards.

The supporting agencies include Hamilton Social and Public Health Services, the Hamilton Council on Smoking and Health, the Centre for Addiction and Mental Health, Heart Health Hamilton-Wentworth, the Asset Building Coalition of Hamilton, Hamilton East Kiwanis Boys and Girls Club.

Call 546-2778 for more details.

[27]

Date: 16-Feb-2002

Source: New Straits Times

Carried by: New Straits Times

Title: 161 Cartons Of Cigarettes Seized

ProductCode:NWSITR
Service: Lexis-Nexis
Abstract Title:
Malaysia: Police Seize Contraband Cigarettes
Location: Malaysia
Subject: Barriers/Restrictions/Bans
Smuggling
Sector: All Sectors
Product: Cigarettes

Police seized 161 cartons of smuggled cigarettes of various brands worth about RM6,600 after raiding two shops in Taman Subang Perdana and Kampung Melayu Subang yesterday.

Police also detained a 39-year-old man, believed to be the owner of both shops, for questioning.

The raid which was conducted between 4.30pm and 6pm, was a follow-up operation following the seizure of RM500,000 worth of imitation and smuggled cigarettes early this month.

Federal Criminal Investigation Department deputy director Datuk Musa Hassan said following the success earlier this month, a police team led by Assistant Commissioner Abu Bakar Mustaffa raided the shops and seized 45 cartons of kreteks and 116 cartons of other brands of cigarettes.

He said initial investigation revealed that all the cigarettes were imitations.

[28] -----
Date: 16-Feb-2002
Source: Omaha World Herald
Carried by: Omaha World Herald
Title: Tobacco Sales To Minors Decline
ProductCode:NWSRWD
Service: Lexis-Nexis
Abstract Title:
IA: Compliance Rates Improve
Location: Iowa
Subject: Enforcement
Forms of ID
Retailers & Retail Industry
Sector: Distributors
Product: Cigarettes

A recent check of tobacco retailers has made the city's underage-sales compliance rate better than the state average.

Checks conducted by Council Bluffs police between October and the end of January found that 13 percent of 105 retailers sold tobacco to minors. The state average is 18 percent, said Lt. Monte Montagne.

A round of checks in 2000 found that nearly 30 percent of retailers sold to minors.

During the checks, minors entered stores and tried to buy tobacco products. Montagne said most of the violations occurred because

clerks did not properly read identification cards, not because they failed to ask for identification.

"They just didn't read them, basically," Montagne said.

Montagne said police were pleased with the drop in underage sales. -
Dave Morantz

United Way salutes 227 organizations

More than 227 area federal organizations were recognized Thursday in Omaha during a United Way Heart of the Midlands luncheon for their part in setting a fund-raising record.

[29] -----
Date: 17-Feb-2002
Source: Jordan Times
Carried by: Jordan Times
Title: Tobacco Commercials Target Kids, Says Anti-Smoking Group
ProductCode:NWSMAR
Service: BBS
Abstract Title:
Jordan: Tobacco Ads Target Minors By Offering Prizes
Location: Jordan
Subject: Health Warnings
Pro-Industry Ads
Slogans/Logos
Sector: All Sectors
Product: All Products

The head of the anti-smoking committee in Karak is warning against tobacco commercials designed to attract child smokers.

In the ads, children collect coupons found in cigarette packets to win prizes from the tobacco companies. Scores of children are seen roaming the streets and digging into garbage bins near cafés and wedding halls looking for the companies' prizes, said Abdul Majid Dmour, head of the Karak branch of the Society to Combating Smoking.

One of the children in the commercial says that none of his family members smokes, but that he is searching for the cigarette packets to find a coupon and win a prize.

Dmour said promotion for the sale of tobacco has been going on for some time, and carried out at the expense of people's health and household income.

Dmour said his office was mainly targeting schools and universities, and is assisted by charitable organisations and youth clubs.

Smokers annually spend an estimated JD250 million on tobacco, of which JD7 million is being spent in the Karak Governorate alone, according to Dmour.

Pointing out that some stores have been promoting the sale of their tobacco brands through posters and commercials, Dmour said such activities constitute a flagrant violation of a law banning tobacco promotions in Jordan.

52630 3247

[30] -----
Date: 17-Feb-2002
Source: Duluth News Tribune
Carried by: Duluth News Tribune
Title: County Attorney Won't Investigate Anti-Smoking Groups' Use Of
Money
Author: Chris Havens
ProductCode: NWSMAR
Service: BBS
Abstract Title:
MN: County Lawyer Refuses To Investigate Allegations Against
MPAAT
Location: Minnesota
Subject: State Allocation of Funds
Public Places
Methods/Products
Sector: All Sectors
Product: All Products

The St. Louis County attorney said he will not investigate local anti-smoking groups for alleged misuse of tobacco settlement money to win approval for Duluth's smoke-free law.

In a letter dated Feb. 13, County Attorney Alan Mitchell wrote that the county would not begin a criminal investigation of the Minnesota Partnership for Action Against Tobacco.

In January, six Duluth restaurant and bar owners said in a letter to Mitchell requesting an investigation that the local chapters of the American Lung Association, the American Cancer Society and other groups misused state tobacco settlement money to sway voters in November.

The restaurant owners' request outlined 15 allegations against MPAAT and local anti-smoking groups that ranged from misuse of tobacco settlement money to blatant conflicts of interest and incomplete reporting of grants used for the campaign.

Duluth voters on Nov. 6, 2001, approved a ban that prohibits smoking in restaurants, including those with bars, and gives police authority to cite restaurant owners who allow smoking.

In January, state Attorney General Mike Hatch asked the nonprofit MPAAT, which gave more than \$75,000 to smoking ban supporters in Duluth, to stop giving money to smoking ban campaigns and to devote more resources to helping smokers quit. The agency was created in 1998 with \$202 million in public money from the state's court settlement against the tobacco industry.

"Quite simply the allegations are that MPAAT is using the tobacco settlement funds for purposes unrelated to or in contravention of its Articles of Incorporation and its original purposes. Even if that is true, it does not constitute a criminal violation," Mitchell wrote.

The letter also said that the county does not have authority over MPAAT or any of the organizations funded by or in partnership with it.

52630 3248

"We knew that we didn't do anything wrong, so we were relieved," said Kristin Hedges, a spokeswoman for the American Lung Association in Duluth, which got about \$49,000 from MPAAT.

Al Terwey, owner of Mr. D's Bar and Grill and one of the six who filed the request with the county, said Saturday that he did not want to comment on the letter.

The five other restaurant and bar owners could not be reached for comment.

[31] -----
Date: 17-Feb-2002
Source: Bowling Green Daily News
Carried by: Bowling Green Daily News
Title: Smoke Tax Proposed To Hamper Teen Users Bill Looks Unlikely
To Pass The House, Legislators Say
Author: Margo Rivers
ProductCode: NWSTAX
Service: BBS
Abstract Title:
KY: Bill To Increase Cigarette Tax By 44¢
Location: Kentucky
Subject: Minors-Possession & Use
Discount/Outlet Stores
Methods/Products
Effects on Consumption
Excise Tax
Parental Smoking
Sector: All Sectors
Product: Cigarettes

Tobacco Shoppe manager Regina Priddy tries to do her part to curb underage smoking.

Since many tobacco products entice teens using the sweet smells of strawberry, cherry, peach and apple cider, Priddy said she makes sure that all customers are carded before they purchase any tobacco product.

"If I catch an employee not carding a person ... and the person is underage, I fire the employee on the spot," said Priddy as she stood behind a register, prominently displaying a "We Card" sign. "That's how serious I'm about stopping teen smoking."

Priddy has been waging her own stand against teen smoking for the five years she has managed the discount tobacco store, but she realizes that it hasn't stopped.

"They'll find a way (to get cigarettes)," Priddy said.

She also doesn't think that new legislation - proposed this week, calling for an 44-cent excise tax increase in cigarettes and 3-cent tax on smokeless tobacco and cigars - will stop most teens from smoking.

"All it's going to do is make the adult consumers angry," Priddy said. "And it won't stop teens from smoking."

Introduced by state Reps. Jon Draud, R-Crestview, and Mary Lou Marzian, D-Louisville, on Thursday, the bill would be the first tax increase in 30 years. It also would be the first tax covering the entire gamut of tobacco products. With Kentucky charging only a 3-cent tax per pack, the bill also would put the state closer to the national average of 45 cents per pack. Kentucky has the second-lowest excise tax in the nation.

"We must do something about youth smoking in our state," Draud said. "Additionally, we know that Kentucky is approximately \$530 million in debt, which jeopardizes needed programs and services."

The state would use the tax revenue - an estimated \$200 million - for tobacco prevention, quit-smoking programs and educational, mental health, substance abuse and child dental services, Marzian said.

However, southcentral Kentucky legislators say the bill is unlikely to pass the House.

"I don't see any real movement toward passage of that bill at this point," House Speaker Jody Richards, D-Bowling Green, said. "It's hard for me to believe that any tax will be raised this session."

Any increase in the cigarette excise tax would be more likely to gain acceptance if passed as part of a comprehensive tax reform bill, and no such legislation

is likely to be introduced to the House before the General Assembly ends its session next month, Richards said.

While any tax legislation must originate in the House, according to the state Constitution, one is unlikely to gain much support if it were to pass the House and be sent on to the Senate, Sen. Brett Guthrie, R-Bowling Green, said.

"I haven't heard much about it, and I don't see any movement toward a bill like that coming to the Senate, anyway," Guthrie said.

Cigarettes cost an average of \$3 a pack. With the increase, they will cost nearly \$4 a pack.

And while that may be a lot for a pack of cigarettes, it's not going to stop Orvil Clark, 24, or Chris Strode, 19, from smoking.

"I went to California where the cigarettes are \$2 more than here, but I still bought them," said Clark, lighting one of his Marlboros.

Strode agreed.

"It's like telling the teens not to smoke," he said. "They're going to do it anyway."

The price of cigarettes has already risen by about \$4 a carton since tobacco companies settled a lawsuit filed by several states, including Kentucky, two years ago for more than \$300 billion, Rep. Rob Wilkey, D-Franklin, said.

"That is essentially a cigarette tax that is being passed on to the consumers, and no one seems to be taking that into account," Wilkey said. "The state is getting more than \$280 million a year from the

companies through that settlement, and there's just no interest in raising the excise tax on cigarettes."

Warren County Magistrate and tobacco farmer Robert Donoho, on the other hand, doesn't have a problem with the higher tax, but agrees with Strode and Clark.

"Other states have a higher tobacco tax, so I don't have any problems with the increase," Donoho said. "But I don't think it will convince a teen to not smoke."

Donoho also believes that the bill will not negatively affect the industry as a whole because cigarettes are mostly comprised of fillers and additives like vanilla extract and chocolate flavor, he said.

"Plus these companies are so powerful - they have other entities - that tobacco is just a sideline," Donoho said.

Kentucky Health Investment for Kids chairman Mike Kuntz hailed the bill, noting that the low tax has contributed to Kentucky having one of the highest rates of teen smoking.

"At current rates, 88,000 Kentucky kids will die prematurely from their addiction to cigarettes," Kuntz said. "This tax increase on cigarettes will definitely save the lives of our children and is a great start for our campaign to protect kids from tobacco."

In recent years, cigarette smoking has decreased annually in local schoolchildren of all grades, according to a recent PRIDE survey conducted by Bowling Green and Warren County school systems.

Using the 2000 Kentucky Youth Tobacco Survey, KHIK organizers estimated that 37 percent of Kentucky's high school students smoke, compared to 28 percent of their counterparts nationally. Moreover, 21 percent of the state's middle school pupils smoke - the highest percentage nationally, where the average is 9 percent.

"We are absolutely convinced by national research that increasing the price of cigarettes will cut the tragic toll of youth smoking," said Julie Adams, a member of both the American Cancer Society of Kentucky and KHIK.

Adams cited a recent University of Illinois-Chicago study, which showed that a 44-cent per pack raise would reduce Kentucky youth smoking by 10.5 percent and adult smoking by nearly 3 percent.

Priddy and many of her customers think the proposed law will have little effect, since many teens took their first puff outside their parents' sight - often with their parents' cigarettes.

"Parents are buying the cigarettes by the cartons and they're not paying attention to how many packs they're smoking," Priddy said. "Kids would sneak cigarettes from their parents. They would go behind the barn and do it. I hear stories about it all the time."

Western Kentucky University freshman Emily Johnson, 18, sneaked her first cigarette.

"I started at 16," Johnson said. "I had been sneaking (cigarettes) from them for two years. They now know that I smoke and said, 'We

know you smoke. You can do whatever you want, but we won't support you.' "

Priddy said she believes parents are usually in denial over their children's habit, saying "they can smell it on their clothes."

Priddy later conducted an impromptu poll of nearly 15 customers, asking them if they sneaked their first cigarettes. While a few said they got their first cigarette from a neighbor or a parent bought it for them, most agreed.

"They will complain," Priddy said. "But they'll still buy it."

[32] -----
Date: 15-Feb-2002
Source: Worcester Telegram & Gazette
Carried by: Worcester Telegram & Gazette
Title: Smoking Limits Supported In Survey
Author: Linda Bock
ProductCode: NWSCIR
Service: BBS
Abstract Title:
MA: Uxbridge Residents Support Smoke-Free Workplaces, Says
Survey
Location: Massachusetts
Subject: Environmental Tobacco Smoke (ETS)
Public Places
Education
Health Effects
Sector: All Sectors
Product: All Products

In the results of a survey to be presented to the Board of Health this afternoon, several high school students found that 82 percent of adults surveyed in town would support a regulation to limit exposure to second-hand smoke in indoor public places such as restaurants.

Yolanda J. DeGaetano, the town's health agent, said several members of SADD (Students Against Destructive Decisions) conducted surveys related to cigarette smoking over the past couple of months. She said the students received an unusually high response to the survey conducted on Saturday afternoons and weekday evenings, and she attributed that to their professionalism and commitment throughout the process.

"Uxbridge is lucky to have such a large chunk of the population be involved," Ms. DeGaetano said.

"Almost 10 percent of the adult population took time to respond to the students' survey." Of 9,500 adults in town, there were 958 responses.

Brittany L. Cambridge, 15, and Lisa M. Kilburn, 16, said one of the reasons that explains the great response to the survey is that the students were patient and polite. If someone said they were too busy, the students made arrangements to call back at a more convenient time.

The SADD students asked people they surveyed how old they were, what

would they prefer to see in restaurants, bars and the workplace as far as smoking restrictions, do they believe second-hand smoke is a health hazard, and would the respondent support a ban of smoking in restaurants in town?

The students were not surprised to learn that 93 percent of adults surveyed believe second-hand smoke causes health problems, and 82 percent of adults surveyed prefer to work in a smoke-free environment.

"I definitely like to sit in nonsmoking," said Amanda DiBattista, 15. "The smell of smoke makes me cough. It makes me gag."

Jamie L. Heron, 14, said a lot of people she surveyed said that even if they themselves smoked, they preferred to have nonsmoking sections in restaurants.

Although people they reached hung up on them plenty of times while they conducted the survey, the students agreed the overwhelming response to their survey questions was positive from the people in town.

"Most people were very receptive," said Laura L. Benoit, 17. "I found people very generous in sharing from their personal lives. One woman said my husband has emphysema, and another told me she had emphysema. Someone even said they had terminal lung cancer, and still took time to answer my questions."

However, the students found a number of residents who did not care for smoking themselves, but were reluctant to impose restrictions on private businesses such as restaurants.

Justine E. Grenier, 17, said she talked to a waitress in town who doesn't smoke, but felt uncomfortable oppressing someone else's right to smoke. Another SADD member, Brittany L. Cambridge, 15, said while she understands smoking restrictions might be difficult for some businesses, she found most people surveyed were clear that they would definitely prefer some sort of regulations.

While none of the students smoke, a few of their mothers do. The students said their mothers already go outside for a cigarette when they go out to eat. All of the students said they prefer to have nonsmoking seating in restaurants, however, Justine said, "If the restaurant's really busy, I'll take first-available seating."

Some restaurants in town are already nonsmoking, including the Cocke'N Kettle Restaurant on South Main Street, and Mom's Breakfast and Lunch on North Main Street. Amanda M. Smaltz, 17, works at Mom's and said even though the owner smokes, he made it a nonsmoking restaurant and she said it seems to be working out very well.

Carole Weldon, a bookkeeper at the landmark Cocke'N Kettle, said the restaurant voluntarily went smoke-free in December.

"Some people aren't thrilled," she said. "But for the most part, we haven't heard many complaints."

Lisa A. Mottola, director of the Blackstone Valley Tobacco Control Program, said it has already become the social norm not to smoke. And in the valley, several towns have already enacted Environmental Tobacco Smoke (ETS) regulations in restaurants. Mendon is set to officially begin March 1, and Millville and Northbridge started

enacting regulations last year. Hopedale has regulations enforced by the local Board of Health, and while Upton hasn't passed ETS regulations for restaurants, they have passed regulations limiting youth access to tobacco products.

Some of the SADD students will attend a meeting at 3 p.m. today at Town Hall at which a proposed set of regulations will be presented to the Board of Health. Scheduled to attend, Ms. Mottola said, are Barbara Grimes-Smith of Tobacco Free Partners in Milford, Ms. DeGaetano, Pam DiBattista, SADD adviser, and Mark Boldt, regional field director for the Board of Health's tobacco control program.

Ms. Mottola said towns can pick and choose what regulations will work best for them. If the local Board of Health decides to move forward with enacting smoking regulations in town, she said there would be a public hearing.

[33] -----
Date: 17-Feb-2002
Source: Edmonton Journal
Carried by: Edmonton Journal
Title: Gzowski's Death Likely Pushed Some Canadian Smokers To Quit
Says Health Experts
Author: James McCarten
ProductCode: NWSCIR
Service: BBS
Abstract Title:
Canada: Gzowski's Death May Have Motivated Many To Quit, Say
Health Experts
Location: Canada
Subject: Methods/Products
Health Effects
Sector: All Sectors
Product: All Products

Call it a testament to the power of Peter Gzowski: even in death, the chain-smoking CBC Radio luminary is probably helping countless Canadians to kick the habit that killed him, experts say.

It may never be clear to what extent Gzowski's death, coming as it did last month in the midst of National Non-Smoking Week and Health Canada's latest anti-smoking campaign, persuaded others to try to quit.

But there are already anecdotal signs that Gzowski, who died Jan. 24 of chronic obstructive pulmonary disease despite kicking his three-pack-a-day habit in 1999, has proved a powerful incentive.

"You can hear statistics about the number of people that die of smoking and the health consequences, but that still is rather abstract," said Barbara Kaminsky of the Canadian Cancer Society's B.C. and Yukon division.

"When you see a high-profile, quintessentially Canadian person that's been affected, it really does drive it home and makes it very real."

Several people who called the society's toll-free smoker's helpline in Ontario the day after Gzowski's death cited the tragedy as

motivation, said Ontario spokeswoman Christine Koserski.

"A lot of callers said that they found all the tributes very touching, and that hearing and reading the tributes to Peter Gzowski made them want to quit," Koserski said.

"There was one caller who said that Gzowski had said, 'If you are a smoker, quit,' and just hearing that made that person call to find out if they could get help quitting."

Gzowski was a prolific author, broadcaster and columnist, but Canadians knew him best from CBC Radio's Morningside, a daily three-hour showcase of unique nationalism that Gzowski hosted from 1982 to 1997.

Just how much of an inspiration he proves to be for smokers may never be fully known, said Paul McDonald, a smoking cessation expert at the University of Guelph.

New Year's always makes January the most popular month to quit, which is why major anti-smoking ad campaigns and National Non-Smoking Week usually fall in that month.

That, coupled with the usual January surge in sales of stop-smoking aids and calls to smoker's helplines, make it difficult to say just how many people were moved to quit by Gzowski's death, McDonald said.

But his passing will almost certainly have a lasting impact, he added.

"I think there will be an immediate effect, but I think there will be a longer-term effect, too," McDonald said.

"People like Peter Gzowski will not disappear from the radar screen of Canadians anytime soon, because of his multiple and long-term contributions to this nation."

One of the leading reasons cited by helpline callers for their decision to quit is family and friends, Koserski said.

To countless fans of Morningside, Gzowski was both.

"They felt like they knew him because they listened to him every single day, and followed his career over many years," said McDonald, who met the man during a radio interview about quitting smoking four years ago.

"It was as if he was a family member or a friend."

Gzowski wasn't the only prominent smoker to die recently; Princess Margaret, who died of a stroke last week at the age of 71, was also a notoriously heavy smoker who suffered a host of health problems late in life.

Late last year, Gzowski used his profile to record video footage for an anti-smoking campaign for the Canadian Lung Association which was set to air in March.

But the family has not yet decided whether or not they want the footage used, said the cancer society's Kaminsky.

"Understandably, they need some time to think this through and get

over their own shock."

Gzowski had the most common form of chronic obstructive pulmonary disease, a combination of chronic bronchitis and emphysema. The Canadian Lung Association estimates about 15 to 20 per cent of all smokers eventually contract the disease.

His thoughts on quitting were published in a 2001 essay entitled How to Quit Smoking in 50 Years or Less, which appeared in the book Addicted: Notes From the Belly of the Beast.

"You can spend thousands on personal therapy and professional guidance, or you can stick a carrot in your ear and whistle Four Strong Winds - if you have enough breath," Gzowski wrote.

"The method makes no difference. If you've decided to quit, you will. If you haven't, you should get your affairs in order."

Joanna Kotsopoulos, a publicist for publisher Douglas & McIntyre, said bookstores experienced a run on the book in the days following Gzowski's death.

"Bookstores had people coming in and asking them about it," Kotsopoulos said. "One of the last things he had published was about his smoking, and that in the end is what contributed to his demise."

A look at chronic obstructive pulmonary disease, the lung condition that killed Peter Gzowski at the age of 67 last month:

What is it? COPD can be several different things, all of which culminate in a blocking of the airways in the lungs; most common form is a combination of chronic bronchitis and emphysema.

How serious is it? Permanent and incurable.

Chronic Bronchitis: A narrowing and clogging of the lung airways; indicated by the presence of cough and sputum for more than three months for two consecutive years.

Emphysema: Enlargement and destruction of the alveoli, or air sacs, deep in the lungs, causing surrounding airways to collapse.

Cause: Between 80 and 90 per cent of all emphysema and chronic bronchitis cases are caused by smoking.

[34] -----
Date: 17-Feb-2002
Source: Edmonton Journal
Carried by: Edmonton Journal
Title: Anti-Smokers Rail At 'Covert' Tobacco Strategy
Author: Rick Pedersen
ProductCode:NWSMAR
Service: BBS
Abstract Title:
Canada: ASH Cautions Against "Covert" Tobacco Strategy
Location: Canada
Subject: Anti-Tobacco Activity/Campaigns
Pro-Industry Ads

Methods/Products
 Effects on Consumption
 Lobbying
 Sector: All Sectors
 Product: All Products

The anti-smoking group ASH wants Health Minister Gary Mar to ignore a pro-tobacco lobby against higher cigarette taxes, after a leaked memo exposed what ASH is calling a "covert" industry strategy.

"We are very concerned that the tobacco industry may have an inside track with the Alberta government," says the Saturday letter to Mar from Les Hagen, executive director of ASH (Action on Smoking and Health).

ASH obtained a memo written by a consultant to the tobacco industry, dealing with a section of Alberta's recent Mazankowski Report on health reform which calls for higher tobacco taxes to help reduce smoking.

The mysterious memo revealed details of Alberta's still-secret tobacco-reduction strategy, developed by an interdepartmental Alberta government committee.

"Here are some unsettling highlights," the memo says, indicating the Alberta government would:

- Prohibit all promotional practices by manufacturers and retailers, including media advertising sponsorships, retail displays, price discounts and starter cigarettes.
- Prohibit youth under 18 from using, possessing or selling tobacco.
- Prohibit tobacco use in all enclosed public areas.
- Provide AADAC (the Alberta Alcohol and Drug Abuse Commission) with \$20 million per year to co-ordinate the reduction strategy.

Tobacco manufacturers, distributors and retailers have formed an ad-hoc group, says the memo, signed only with the name Jock.

Jock Osler, the Calgary-based head of Osler Communications, confirmed Saturday that he signed the memo. However, he refused further comment.

ASH's Hagen denounced what he called a "covert" and "underhanded plot" to undermine the proposed Alberta tobacco reduction strategy. "Jock Osler is believed to be the primary tobacco lobbyist in Alberta and he is known as a veteran Tory organizer," says Hagen's letter to Mar. Hagen also accuses the province of leaking its strategy to the tobacco industry before giving details to the public.

Alberta Health officials were not available for comment Saturday.

[35] -----
 Date: 17-Feb-2002
 Source: Dawn - Pakistan
 Carried by: Dawn - Pakistan
 Title: Mansehra: Law Against Cigarette Sale To Children Likely

ProductCode:NWSRWD

Service: BBS

Abstract Title:

Pakistan: Government Proposes New Anti-Smoking Regulations

Location: Pakistan

Subject: Prohibition to Minors

Broadcast/Restrictions

Print/Restrictions

Health Effects

Monitoring and Enforcement

Sector: Distributors

Product: Cigarettes

The government intends to bring in a new law to be called Smokers Health Ordinance to ban the sale of cigarettes to under-age people and advertisements of tobacco products in print and electronic media , sources have told Dawn.

The law, when enforced, will ensure that no kiosk or shop selling cigarettes and other tobacco products is set up near schools or colleges.

No one differs on the hazardous and injurious effects of smoking on human health, but despite warnings like 'smoking is injurious to health', 'smoking causes lungs cancer', 'smoking when pregnant harms your baby' etc, more and more people, particularly teenagers, are taking to smoking.

According to the sources, the manufacturers and distributors of cigarettes, however, have reservations about the proposed ordinance, which is likely to be promulgated soon throughout the country.

Sheraz Mahmood Qureshi, president of an association of distributors, Hazara division, told Dawn that "we have no objection to the steps being taken by the government to curb the menace of smoking but the fact remains that 0.5 million people of the country earn their livelihood through the business of cigarettes and other tobacco-related products."

He said the government received Rs20 billion per year in forms of different taxes from the cigarette industry and 25 per cent excise duty was also shared by cigarette manufacturing companies.

At present, more than one million people were associated with the cigarette industry and providing them with jobs was a moral duty of the government.

Mr Qureshi urged the government to ensure that before the promulgation of the proposed law, it would hear the cigarette manufacturers and the people related to the sale and distribution of the cigarettes, else the ordinance would yield no positive results as had happened in the past.

A ban was imposed on smoking at public places, including offices, bus-stands, airports, hospitals and railway stations, during the second tenure of Nawaz Sharif as prime minister. The ban, however, could not be properly implemented.

[36] -----
Date: 17-Feb-2002
Source: Reuters
Carried by: Reuters
Title: British Tobacco Smuggling Suspect Held
ProductCode: NWSITR
Service: BBS
Abstract Title:
UK/Spain: British Tobacco Smuggler Held in Spain
Location: United Kingdom
Location: Spain
Subject: Smuggling
Tax Evasion
Litigation (Civil/Criminal Court)
Sector: All Sectors
Product: All Products

A Briton accused of being the head of a major tobacco smuggling ring was arrested over the weekend in the southern Spanish province of Malaga and now faces possible extradition to Britain, police said.

Malaga police said on Sunday that its Marbella organised crime section had detained the 41-year-old man -- identified only as "Andrew G.C." -- who is wanted in Britain for large scale tobacco smuggling, money laundering and tax evasion.

The man, who if found guilty faces up to 21 years in jail, was living in a villa in the village of Monda in Malaga -- dubbed the "Costa del Crime" because so many fugitives from British justice have fled to the sunny Mediterranean region.

Police said the suspect has been handed over to judicial authorities and the Spanish high court in Madrid has been informed of his arrest. Extradition proceedings would not begin before Monday, court sources in Madrid told Reuters.

Several members of the same smuggling group have already been arrested in Britain and are serving jail sentences, police added in a statement.

The British Embassy in Madrid was not able to comment on the man's arrest or his identity. The Foreign Office in London confirmed a British citizen had been detained and was being held in Malaga, but declined further comment.

Last year, Britain and Spain agreed a new fast-track extradition treaty aimed at bringing suspected criminals to court quickly with a single court hearing, rather than a long-winded extradition process.

Until recently almost one in three extradition requests from Britain to Spain were reported to be unsuccessful, with many criminals using legal technicalities to drag the proceedings out and ultimately evading court.

[37] -----
Date: 17-Feb-2002
Source: Seattle Times
Carried by: Seattle Times

Title: Smoke Out: UW Students Fight The (Marlboro) Man
Author: Mark D. Fefer
ProductCode: NWSCIR
Service: BBS
Abstract Title:
WA: UW Students Demand Retirement of 'Marlboro Man'
Location: Washington
Subject: Methods/Products
Minors-Possession & Use
Age
Sector: All Sectors
Product: All Products

FIRST JOE CAMEL got shot down. Now anti-smoking forces are training their guns on the Marlboro Man.

In protests this week at the University of Washington, where Marlboro maker Philip Morris was recruiting students for summer jobs, a small group of demonstrators called on the company to retire the chain-smoking cowboy. Activists have been pressuring local grocery stores as well, asking managers, with some success, to remove the offending icon from in-store displays.

"It's an ad campaign specifically designed to addict kids," asserts Patti Lynn of Infact, a Boston-based organization that helped stage the UW protest and is campaigning against the cowboy nationwide. Similar charges of targeting underage smokers were leveled against Joe Camel, the penis-faced cartoon character who was killed off by its master, R.J. Reynolds, in 1997 after a decade of controversy.

Raising a ruckus against companies when they come to recruit is not a familiar tactic on the UW campus. Susan Terry, director of the UW's Center for Career Services, said she had not seen any such activity in the five years she'd been with the office. Bob Roseth of UW Media Services said, "I haven't seen anyone picket since I was in college. DuPont was the big one in the '60s; that was because of napalm."

According to Terry, Philip Morris hires "quite a few" UW grads, though it isn't one of the top 10 employers, and generally visits campus a couple times a year. She said this time the tobacco company was looking to fill sales internship positions at its Bellevue office as well as hire a territory sales manager. In the job description provided to UW students, the company nowhere mentions the word "cigarette" but says it manufactures and markets "consumer products for adults."

Philip Morris recruiters were also looking to hire students for the company's Kraft Foods subsidiary, which activists have targeted for a boycott.

Meantime, Infact operatives have been working to boot the Marlboro Man out of retail establishments. Infact's Katie Miele and her group have been approaching managers at Safeway and Albertson's, where Miele says she will often see one or more 12-inch-tall Marlboro Man ads above the cigarette cases. Miele says she wants it all gone--from "horseshoes [and] cowboy hats to the actual guy on the horse."

She hasn't gotten much response from Albertson's, but Miele claims victory with Safeway. Cherie Myers, director of public affairs for Safeway's Northwest region, confirms that she has asked Philip Morris to expedite the removal of Marlboro Man ads from the 204 Safeway

52630 3260

stores in Washington, Alaska, Montana, and Idaho. "We want this done now," she says. But Myers maintains that Philip Morris was already planning to remove the particular images.

Philip Morris spokesperson Tom Ryan says the signage in question, which was red with the black silhouette of a cowboy, "was coming out of rotation." He says the company has no plans to stop using the Marlboro Man (which Advertising Age named the top ad icon of the 20th century). And Myers affirms that Safeway has made no policy decision to permanently bar the Marlboro Man; if such images reappear, "we'd have to revisit it again," she says. "We haven't instituted anything."

Philip Morris is generally lowering its advertising profile, according to Ryan. "If you were to turn back the clock and look at a convenience store three to four years ago, it was very different," he says.

In its merchandising program with retailers, "we don't require exterior signage," says Ryan. "We're keeping the advertising focused on adult consumers."

[38] -----
Date: 15-Feb-2002
Source: Reuters
Carried by: Reuters
Title: Smoking Ups Heart Risks Despite Low Cholesterol
ProductCode:NWSCIR
Service: BBS
Abstract Title:
US: Low Cholesterol Levels Do Not Counter Effects Of Smoking
Location: United States
Subject: Health Effects
Age
Questionnaires & Surveys
Sector: All Sectors
Product: All Products

Low cholesterol levels are no protection against the heart risks caused by smoking, according to findings from a study of middle-aged American men.

Experts have known for years that both smoking and high blood levels of cholesterol are strong contributors to cardiovascular disease. In the US, smoking and high-fat, high-cholesterol diets often go hand in hand, raising heart risks in a synergistic way.

While few studies have examined the link between smoking and heart disease in people with more favorable cholesterol levels, some have suggested that low blood cholesterol levels might help to counter the negative effects of smoking on the cardiovascular system.

However, many of the studies tended to be small and didn't follow patients for many years, according to the authors of the new study, led by Dr. Lucila Blanco-Cedres of Northwestern University in Chicago, Illinois.

Blanco-Cedres and her team examined medical records that contained the cholesterol levels, smoking patterns and health histories of more

than 8,800 middle-aged men. The men's health was followed-up over 25 years.

About 41% of the men were current smokers, and 37% had a total cholesterol level less than 200 milligrams per deciliter, a level considered desirable under current guidelines.

Among smokers, the risk of developing coronary heart disease or any cardiovascular disease was of the same magnitude for all cholesterol levels, according to the report in the current issue of the American Journal of Epidemiology.

In addition, the investigators found that risk of death in men who had never smoked was substantially lower compared with smokers with low cholesterol.

The researchers did find good news for men who quit smoking, no matter what their cholesterol levels were. Their risk of dying from cardiovascular disease--and indeed all causes of death--was attenuated to almost the same level as that of men who never smoked.

Worldwide, about 3 million deaths a year are attributed to smoking, and it is estimated that this number will rise to more than 10 million by the year 2025, the study authors note.

[39] -----
Date: 14-Feb-2002
Source: Reuters
Carried by: Reuters
Title: Viewing Own Clogged Arteries Spurs Smokers To Quit
Author: Melissa Schorr
ProductCode: NWSCIR
Service: BBS
Abstract Title:
Switzerland: Viewing Clogged Arteries Motivates Smokers To Quit
Location: Switzerland
Subject: Methods/Products
Health Effects
Scientific Research/Reports
Sector: All Sectors
Product: All Products

Smokers who were forced to look at images of their own hardened arteries are nearly four times more likely to quit smoking than those who simply received counseling to quit, Swiss researchers report.

In the study, smokers were shown ultrasound photographs of the fatty plaques in their blood vessels.

"Showing a smoker evidence of a health problem which relates importantly to his or her smoking makes him or her realize the danger of smoking," study author Dr. Pascal Bovet, a senior lecturer at the University Institute of Social and Preventive Medicine in Lausanne, Switzerland, told Reuters Health. "It is possible that this increases the motivation to quit smoking."

The researchers selected 153 smokers living on the Seychelles islands

who had received counseling to quit smoking from their physicians. Bovet and colleagues randomly assigned half to undergo ultrasonography, a screening method growing in popularity that can show fatty plaques in the carotid arteries in the neck and the femoral arteries in the upper thigh. Such lesions indicate that the arteries of the heart are probably partially blocked as well, increasing the risk of heart attack.

"Because this investigation can be done quickly (in 10 minutes), is non-invasive and is not costly (about \$40), this investigation has a large potential to help classify patients at high risk of having a heart problem," Bovet said.

The patients who had developed more than one plaque on their artery wall were shown two photos of that thickening of the artery wall. It was also explained to the patient how that damage could lead to a heart attack or a need for bypass surgery.

"It is easy for the patient to see the problem on the photograph," Bovet noted. "A plaque really looks like a starting obstruction and this can be explained within a minute. Patients show a real understanding and interest of this. Smoking becomes then not just a remote and hypothetical hazard but a current health problem."

Six months later, the researchers tracked down the patients and asked them whether they had quit smoking. According to the findings, published in the February issue of the journal Preventive Medicine, only 6% of patients who had not seen an image of their arteries reported that they had quit smoking, while 22% of those who had viewed an image of their hardened arteries said they had quit.

This finding suggests that use of scans could be cost-effective if it helps motivate smokers to quit, potentially reducing the high cost of treating later health problems associated with smoking, Bovet noted.

"We propose that whenever this investigation is done to assess the risk of a patient, we do not miss the opportunity to use the results, when positive, to help smokers to quit smoking," he said.

"Considering the huge hazard of smoking, this intervention can potentially be very cost effective."

However, for those who were informed that an arterial scan had turned up no signs of plaque, there seemed to be no increased motivation to stop smoking, with only 5% reporting they had quit 6 months later.

[40] -----

Date: 18-Feb-2002

Source: Pari Daily

Carried by: Pari Daily

Title: Itf Keeps Interest In Bulgartabac

ProductCode: NWSBEF

Service: ISI

Abstract Title:

Bulgaria: Soyuzcontract-Tabac Still Interested In
Bulgartabac, Says Company President

Location: Bulgaria

Subject: Privatization
Quotas

52630 3263

Sector: Manufacturers
Product: All Products

LAST week the president of Soyuzcontract-Tabac, which holds 25% of International Tobacco Fund /ITF/, was on a visit to Bulgaria. Garik Gevondyan confirmed for the PARI daily the company preserved its interest in the privatisation of Bulgartabac Holding.

According to Gevondyan, if ITF acquires up to 60% of the Bulgarian holding, it will guarantee extremely favourable conditions for both tobacco producers in Bulgaria and for the sale of Bulgarian cigarette brands on the Russian markets. This includes continuing the operation of all Bulgarian tobacco factories and preserving the number of workers. In addition, Gevondyan said ITF was ready to guarantee production of tobacco to the amount of the quota given by the European Union to Bulgaria: 70,000 tonnes a year. Gevondyan believes if the privatisation deal on Bulgartabac is successful his company will be able to triple the sales of Bulgarian cigarettes in the CIS.

The only issue which Garik Gevondyan declined to comment was the price ITF is ready to pay for the holding. A few months ago the price of USD 150 million was mentioned, Gevondyan said but added they would wait to see the company's audit results and acquaint themselves with the privatisation strategy, due to be discussed by parliament.

[41] -----
Date: 17-Feb-2002
Source: CNNfn
Carried by: Associated Press - AP
Title: Biotech Tobacco Poised For Approval
ProductCode: NWSAGR
Service: Globalink
Abstract Title:
WA: Vector Launching Biotech Cigarettes
Location: Washington
Subject: Genetically Altered/Re-engineered Crops
Nicotine Reduction
Hazardous Substance
Sector: Agriculture/Growers
Product: Leaf Tobacco

From cereal to corn chips, Americans consume a variety of products made from genetically engineered crops. They can soon add cigarettes to the list -- new smokes are due this spring with tobacco genetically altered to be very low in nicotine.

A new Agriculture Department study confirmed the low levels of nicotine, the chemical that gets smokers hooked, in the biotech tobacco and found that the crop poses little risk to the environment.

Tobacco from crops grown on department-supervised test plots last summer is going into the cigarettes made by Vector Group, parent company of cigarette maker Liggett Group.

The company has asked the Agriculture Department to remove restrictions on where and how the tobacco can be grown, and the agency probably will go along. The tobacco was genetically altered to block the production of nicotine in the plant's roots.

"This thing could be a home run and it could flop. We think the odds are that it is going to be a successful product," said Donald Trott, an analyst with the brokerage firm Jefferies and Company Inc.

Vector, which makes Eve-brand cigarettes as well as various generic and discount lines, has not said where it will sell the biotech cigarettes beginning in the spring or what they will be called.

Trott said people who have tried the cigarettes say they light, smoke and taste like ordinary cigarettes.

Government approval would make the tobacco one of the first biotech crops to have a consumer use. Gene-altered soy, the most common biotech crop, can be sprayed with weed killer without killing it. Other crops resist pests or diseases.

Critics fear more smoking Tobacco industry critics fear low-nicotine cigarettes could encourage more smoking. "A nicotine-free free cigarette could still deliver very high levels of harmful toxic substances," said Matthew Meyers, president of the Campaign for Tobacco-Free Kids.

Many tobacco farmers and Vector's rival cigarette manufacturers are concerned about the product, too. Growers say the biotech tobacco could get mixed with conventional leaf and jeopardize U.S. exports.

"It is a big issue. It has the potential to change tobacco and tobacco production and the production controls that we have had on tobacco for many years," said Larry Wooten, a partner in a tobacco farm and president of the North Carolina Farm Bureau. "Many of our farmers are not, I would say, aware of the serious implications that this has."

The government traditionally has controlled tobacco prices and production through the use of quotas, which entitle the owners to market a given amount of leaf each year.

Penalties on nonquota tobacco make it uneconomical to grow in the handful of states that have quotas, such as North Carolina and Kentucky, so Vector is setting up production elsewhere.

The company grew the crop on 5,200 acres in Pennsylvania, Illinois, Mississippi, Louisiana, Iowa and Hawaii. About two-thirds of the crop was grown on several dozen Amish and Mennonite farms in Pennsylvania that traditionally grow the conventional leaf.

Company officials say there is no danger of contaminating conventional tobacco because the biotech version is grown and handled separately from conventional crops.

The tobacco "always remained in Vector's direct control, all the way through to final production," Vector spokeswoman Carrie Bloom said.

The Agriculture Department tests found small amounts of nicotine in the Vector tobacco of about 400 to 1,000 parts per million. Conventional tobacco has 20,000 to 30,000 parts per million.

During last summer's test, the tobacco fields had to be isolated from conventional tobacco and flowers were removed from the plants to prevent them from cross-pollination. The department says there is

little chance the biotech crops could become weeds or otherwise damage the environment.

The Vector tobacco is more susceptible to insect damage because of the smaller amount of nicotine, which serves as a pesticide in conventional plants, said Jim White, a scientist for the department's Animal and Plant Health Inspection Service.

The department will take comments from the tobacco industry and other interested groups before deciding to release the tobacco from regulation.

[42]

Date: 16-Feb-2002
Source: Tobacco India Reporter
Carried by: TMA Abstract
Title: SLS Leaf Finds No Takers
ProductCode: NWSAGR
Service: n/a
Abstract Title:
India: SLS Leaf Finds No Takers
Location: India
Subject: Auction/Warehouses
Pricing (Supports/Controls)
Sector: Agriculture/Growers
Product: Leaf Tobacco

Auctions of southern light soils (SLS) tobacco began February 14th but traders have not shown interest in the leaf so far. The average price of this year's SLS leaf is lower than the rate notified in 2000 with nominal transactions reported in the first two days of the bidding process this year. Auctions of southern light soils (SLS) tobacco began February 14th but traders have not shown interest in the leaf so far. The average price of this year's SLS leaf is lower than the rate notified in 2000 with nominal transactions reported in the first two days of the bidding process this year.