

THE TOBACCO INSTITUTE, INC.  
Suite 1017, Barr Building  
910 Seventeenth Street, N.W.  
Washington 6, D.C.



June 18, 1958.

TO: Board of Directors, The Tobacco Institute, Inc.  
FROM: James P. Richards, President and Executive Director  
SUBJECT: Progress Report

As midyear draws near, it is proper that a report be made to the Board of Directors, showing progress made and some of the problems confronted.

The members of the Board of Directors have already been informed that we have acquired 2,676 square feet of office space at reasonable rental, and set up offices including a Conference Room which may be used by the Institute itself or others in the industry who might wish to use it from time to time, on the tenth floor of the Barr Building, 910-17th Street, N.W., Washington 6, D.C.

In addition to the President, we have the following officers and employees:

Edward F. Ragland, Vice President and Secretary;  
Dorothy M. Atkins, Administrative Assistant;  
Kathryn R. Golden, Secretary to Mr. Richards; and  
Hazel E. McCurdy, Secretary to Mr. Ragland.

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We have also been authorized by the Board to employ one individual as a public relations officer, but as yet we have made no selection for the position, since we wanted to look over the field of available candidates carefully, and also to more fully acquaint ourselves with our needs in that field. Our relations with Hill and Knowlton, public relations counsel for the Institute, have been cordial and cooperative both with the New York office and with the Washington office of that firm. It is thought, however, at this writing that some well-qualified man here in the Institute offices as a constant contact with Hill and Knowlton, public relations counsel for both the Institute and T.I.R.C.; with individual public relations counsel for member companies; with the Congress and government departments; and with the executives and representatives of the various intra-tobacco industry associations, would best further the purposes and work of the Institute.

In perfecting our organization, we have planned to move slowly, but surely. Our first aim has been to gain the confidence of the different segments of the tobacco industry from the field to the retail store, as well as the public itself. We have engaged in no public controversy and sponsored no legislation, but we have sought to cultivate influential contacts in Washington and to discuss with them the problems of the tobacco industry.

It is clearly set forth in the original statement of the purposes of the Institute that we are in no way to become involved in questions relating to the purchase, manufacture, transportation, advertising, pricing or marketing of tobacco or tobacco products. We have studiously followed this admonition.

We have also recognized that in the field of health we should be very careful not to intrude on the province of the Tobacco Industry Research Committee. At the same time, whenever it appeared expedient and wise, we have drawn on the advice and findings of the T.I.R.C. in speeches and public statements to combat unproven and untrue charges against tobacco in the field of health. Our relations with the officials of T.I.R.C. have been cordial and helpful.

We have made special effort to keep track of proposed legislation, both in Washington and the several states, concerning tobacco, particularly in the fields of health and taxes. Attached hereto is a statement of the present status of bills in the Congress. (See Exhibit A.)

Whenever unfair attacks have been made on tobacco or the tobacco industry in the CONGRESSIONAL RECORD, we have been instrumental in the placing of rebuttal testimony therein.

It seems that some members of the Institute are desirous of making an effort, either through the Institute or through the individual companies, to reduce from 10¢ to 4¢

per pound the Federal excise tax on manufactured tobacco. Here is the situation confronting us; Already the House of Representatives by passage of the Tax Bill has extended all excise taxes for another year, and the Finance Committee of the Senate has recommended the extension almost unanimously. The Bill, at this writing, is before the Senate for debate and it is probably that floor amendments will be offered. Apparently they will have rough sailing in view of the announced opposition of both the majority and minority Leaders, as well as Senator Byrd, chairman of the Finance Committee.

As to securing a change from seven days to one month in the return system, there is more chance of this being adopted by amending H.R.7125. Opinion among our members seems to be divided as to whether or not the Institute, as such, should sponsor such an amendment this year.

We have begun to assemble an Institute library to contain information and materials related to the tobacco industry. Included in material now being assembled are: documents and other pertinent material released by federal and state agencies; issues of the CONGRESSIONAL RECORD containing data pertaining to tobacco; special reports of trade associations; information concerning proposed legislation, federal and state; and periodicals, articles and books on different phases of the industry. Our staff peruses and clips, from tobacco trade journals, magazines, and newspapers, articles and comment on every phase of the tobacco industry. Miss Atkins of our staff is formulating an alphabetized reference system for this material.

Both the President and the Vice President have attended meetings of the following organizations connected with the tobacco industry: the President attended and addressed the Burley Auction Warehouse Association Convention held at Cumberland Falls, Kentucky, on May 25, 26, and 27. The Vice President attended legislative hearings on tobacco labeling bills in Boston, Massachusetts, on March 4; the meeting of the National Association of Tobacco Distributors in Florida on April 15 to 19; and the Eastern Regional meeting of the National Tobacco Tax Association in Hartford, Connecticut, on May 25 and 26. On June 10 he attended and addressed a meeting of the Growers, Warehousemen and Leaf Dealer Leaders at Raleigh, North Carolina. Both the President and the Vice President will attend the meeting of the Tobacco Association of the United States convention at White Sulphur Springs, West Virginia, June 22 through 25. The President will address the meeting of the Bright Belt Warehouse Association on July 1 at Myrtle Beach, South Carolina.

The Institute has welcomed the opportunity to render many small services to the members of the Institute such as securing passports, hotel reservations, travel reservations, and making engagements and arranging conferences with representatives of the government in Washington.

Upon the request of the Charles County, Maryland, Tercentenary Celebration Committee, the Institute has cooperated

with that organization in planning for the tercentenary celebration this year. Our aid has been in the form of advice and planning, and has not called for any financial contribution nor has any been made. It is thought that this aid may well prove helpful to the tobacco industry.

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