

*Keter Sparken*


# THE TOBACCO INSTITUTE

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ROGER L. MOZINGO  
Senior Vice President-  
State Activities

MEMORANDUM

May 27, 1987

To: Samuel D. Chilcote, Jr.  
From: Roger L. Mozingo   
Subject: National Tobacco Council

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## BACKGROUND/PURPOSE

For a number of years the Institute has sought the opportunity to expand federal, state and local legislative support among agricultural and related groups. The National Tobacco Council offers an opportunity to help pursue that goal.

By endeavoring to build an initial base among agricultural and other allies in tobacco-producing states, we believe the NTC can be a vehicle to identify, communicate with and, we hope, motivate a new and sturdy, if limited, industry support network.

## SITUATION TO DATE

NTC president Bill Balden has made progress with the program, and NTC administrator Ann Gordon brings expertise to day-to-day operations. The NTC, for example, is now working contacts in an effort to generate correspondence in opposition to increases in the federal cigarette excise tax. We will monitor this effort closely.

The "pilot" state for the NTC program is Kentucky. Using his Kentucky contact base, Balden has enlisted 60 organizations in the state and identified an additional 60 groups that have expressed some interest in tobacco issues. These groups, if worked properly, could assist in an outreach to related organizations across the country. At this point NTC coordinators have been identified in 24 other states.

In seven of those states -- North Carolina, Ohio, Indiana, Iowa, Illinois, Missouri, South Carolina -- NTC state coordinators have furnished lists of potential allied groups. In the remaining 17 states, NTC coordinators are now compiling allied lists.

By July, Bill Balden should have the Kentucky NTC program in good order. At this time, the 60 organizations enlisted are being screened and categorized by general dependability and political clout.

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**TOBACCO INSTITUTE INVOLVEMENT**

It should continue to be noted and understood that The Institute provides support services, as requested and as can be provided, to the NTC. The program must not be construed either privately or publicly as a TI or manufacturers' program.

The Institute is providing support in several ways:

- . Ron Morris and Ann Gordon are available to consult with and advise Balden on practical approaches to use in building the NTC and providing use of the TI office in Louisville.
- . Ann Gordon is providing administrative services of all types including mailings, organization contacts, personal visits and meeting attendance. She shares a weekly activity report with Bill Balden and Ron Morris.
- . Part time help is being provided as needed for typing, mailings, list processing, address corrections and clerical back up.
- . Ann Duffin is assisting by providing various materials needed for NTC communications.

**BUDGET**

The NTC has no budget of its own. Any work performed, aside from Bill Balden's personal telephoning and letter writing, will have to be done through the support being provided by The Institute. We have listed below a minimal budget to allow a solid test for NTC activity during 1987:

|                                      | <u>1987</u><br><u>Annual</u> |
|--------------------------------------|------------------------------|
| Staff Retainer                       | 40,000                       |
| Travel                               | 10,000                       |
| Office Supplies                      | 600                          |
| Reproduction, printing<br>& drafting | 65,000*                      |
| Postage & delivery                   | 3,000                        |
| Telephone & telecopy                 | 2,000                        |
| Memberships                          | 500                          |
| Secretary (part time)                | <u>10,000</u>                |
| TOTAL                                | 131,100**                    |

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\* According to Pete Sparber, \$50,000 was spent as start up costs to provide printed materials, video tapes, etc.

\*\* Other office expenses, furniture and miscellaneous expenses will be absorbed by State Activities.

cc: William Kloepfer Jr.  
M. Hurst Marshall  
Daniel A. Milway  
Ronald C. Morris  
Peter G. Sparber