

labor

# Nonsmoking hazardous to union

By James Warren

A MAJOR American labor union has determined that nonsmoking is hazardous to its health, and is trying to gain sympathy for its members tied to the tobacco industry.

Readers of five national magazines are stumbling upon a full-page pitch by the largest union in the tobacco industry, the Bakery, Confectionery and Tobacco Workers International, which has joined forces with management to pump the product and humanize the industry's image.

Three Philip Morris workers in Richmond, Va., are pictured, surrounded by six paragraphs that underline the union's commitment to social progress and then get to the main point:

"We want you to know our industry is threatened, not by foreign competition or old-fashioned technology, but by well-meaning people who haven't stopped to consider how their actions might affect others.

"Everyone knows there is a controversy over smoking. What everyone doesn't know . . . and should . . . is that attacks on the tobacco industry threaten the livelihoods of working Americans who have marched, worked and struggled for causes we all believe in. The tobacco industry creates jobs, which for many of us make the difference between poverty and dignity. It means a lot to us."

ROUGHLY 23,000 members of a 155,000-member union work for five of the six major tobacco companies: Philip Morris, Brown and Williamson, Liggett and Myers, Lorillard and American Tobacco (the sixth, R.J. Reynolds is famously non-union).

However, 6,000 union jobs have been lost in the last five years because of sales slumps, union spokesman Ray Scannell says, partly reflecting big hikes in federal and state excise taxes. The real culprit, he maintains, hasn't been "the normal ebb and flow of supply and demand" but what the industry deems to be antismoking zealots "out to create a smokeless society through coercion."

The union rebels at laws and ordinances that limit or prohibit smoking because it says smoking is "a matter of personal choice."

"If, in the teeth of all the information out there, people choose to smoke, then that's their right," Scannell said.

The ads are placed in publications with readerships generally sympathetic to the union movement. New Republic, Chicago-based in

# We're the tobacco industry, too.

In 1983, our members and others marched in Washington honoring the memory of Dr. Martin Luther King. We worked for passage of the Voting Rights Act. We marched in the nation's capital to support health care for the elderly. In 1968, we rallied in support of Social Security. We were part of the historic Solidarity Day March. And again and again, we have fought to save the food Stamp program.

You may be surprised to know we also work for the tobacco industry.

We are proud members of the Bakery, Confectionery and Tobacco Workers International Union. And we care about the same things working people all over the country care about—jobs, equality, social justice, economic democracy, peace. We also care about the wages and benefits we have won for ourselves and our



Members of The Bakery, Confectionery and Tobacco Workers International Union stand at a

factory while working in the tobacco industry. We want you to know our industry is threatened—not by foreign competition or old-fashioned technology—but by well-meaning people who haven't stopped to consider how their actions might affect others.

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Sponsored by The Tobacco Industry Labor/Management Committee

Three Philip Morris workers are depicted in the full-page ad being run in five magazines

These Times, Nation, Progressive and Commentary.

THE UNION says it wants to remind natural allies that, despite the industry's association with people the union strongly dislikes, notably Sen. Jesse Helms (R., N.C.), the industry is ultimately "flesh and blood" in the form of working people.

Tobacco workers are well paid, earning about \$11 an hour in base wages. They've stayed ahead of inflation over the last decade and, since they are found in low-wage states such as Georgia,

for the Bakery, Confectionery and Tobacco Workers International Union.

North Carolina and Virginia, make well above the average for those areas.

It may be notable that some tobacco industry unions have not yet joined the bakery union in the newly formed Tobacco Industry Labor Management Committee. Surely, some unionists may find such cooperation a bit hard to take, given the nature of the product.

Then again, one might also note that the leader of working America, AFL-CIO President Lane Kirkland, is a notorious, irrepressible chain smoker.

MEDIA SCHEDULE

"We're the tobacco industry, too"

<u>Publication</u>	<u>Cover Date</u>	<u>Closing Date</u>
The New Republic	10/22/84 10/29/84	10/1/84 10/1/84
In These Times	10/17/84 10/31/84	10/5/84 10/19/84
The Nation	10/27/84	10/5/84
Commentary	December	10/19/84
The Progressive	December January	10/23/84 11/20/84

The Tobacco Industry Labor/Management Committee  
September 27, 1984

TCAL0056265

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*Members of The Bakery, Confectionery and Tobacco Workers International Union Local 203 T*

families while working in the tobacco industry.

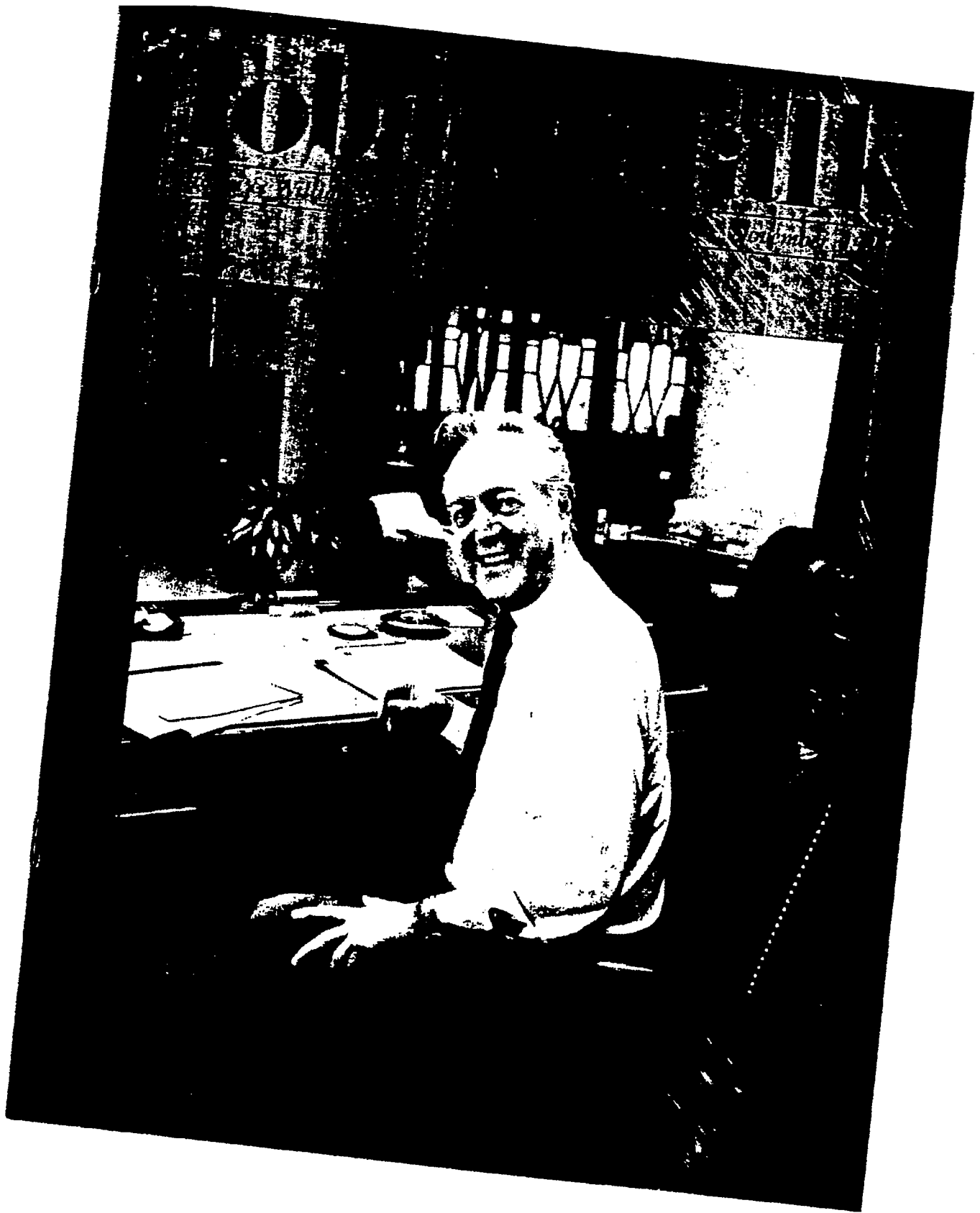
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Jersey woman who is asking unspecified punitive damages against three cigarette manufacturers (B&W is not one of them). The defendants may appeal the ruling.

**Anti-smoking**

The American Cancer Society's eighth "Great American Smoke-out" is Nov. 15. As part of this year's campaign, the society's north Virginia branch is sending letters to area personnel directors urging companies to begin company-run "stop smoking" clinics.

The American Association of Oral and Maxillofacial Surgeons is urging the U.S. Surgeon General to require the warning "Chewing tobacco and snuff can pose a serious health risk to users" on smokeless tobacco product packs.

The American Lung Association recently presented Rocky Mountain Airways with an award for voluntarily banning smoking on all its flights.

**Health**

A Swedish court has ruled that the effects of "passive smoking" can be classified as on-the-job injury in the case of a woman who died of lung cancer after working for 18 years in a room with smokers.

A survey of more than 10,000 visitors at Florida's Epcot Center revealed that 85% of those polled said smoking "definitely or probably causes cancer" and 75% thought hazard of smoke to nonsmokers is "at least somewhat serious."

**Foreign**

An International Perspective on Smoking notes cigarette smoking is a national pastime for Chinese males; that Moscow curbs film scenes with smoking; and in Singapore, smoking is banned at functions where the nonsmoking Prime Minister is in attendance.

In a related story, Sydney Harris revealed in a syndicated column in the *Macon Telegraph and News* that smoking an American cigarette in South Korea can bring a fine up to \$1,250 plus imprisonment. (South Koreans spend roughly \$1 1/2 billion annually on cigarettes and are allowed to smoke only brands made by the government's tobacco monopoly.)

**Industry**

Tobacco industry analyst John C. Maxwell, Jr. told a group of newspaper advertising executives in late September that "I think, basically, we've probably seen the highs in smoking in this country." He explained that the cigarette companies are suffering from a health-conscious public, a hungry government and their own pricing.

One bright spot, he contends, is the economy brands, such as B&W's generics and Richland cigarettes, which now account for more than 6% of industry sales. Maxwell says the category will grow, but not at the fast rate of the last two years and he predicts more major cigarette manufacturers will be introducing brands to compete in this segment.

**We're the tobacco industry, too.**

*[Small text on the left side of the photo:]*  
The man in the foreground is Philip Morris, Inc. The woman behind him is a tobacco worker. The man in the background is a tobacco worker. The woman in the background is a tobacco worker.

*[Small text on the right side of the photo:]*  
The man in the foreground is Philip Morris, Inc. The woman behind him is a tobacco worker. The man in the background is a tobacco worker. The woman in the background is a tobacco worker.

*[Caption below the photo:]*  
Philip Morris, Inc. Tobacco workers in the ad are from Philip Morris, Inc.'s plant in Richmond, Va.

**Ads stress importance of tobacco jobs**

The Tobacco Industry Labor Management Committee began running the above ads in several national magazines last month. The committee, composed of labor and industry representatives, placed the ads to stress the fact that without tobacco jobs, thousands of workers would have no chance to achieve the American dream.

"We want people to know that tobacco jobs are in the mainstream of working class life," says Wallace Mergler, chairman of the committee and vice president of the Bakery, Confectionery and Tobacco Workers International Union (BC&TWIU). "Tobacco jobs provide real income. They do, literally, make the difference between poverty and dignity for us," he says.

The tobacco workers in the ad all are from Philip Morris, Inc.'s plant in Richmond, Va. **tt**

# Call News

A monthly publication for Philip Morris Incorporated employees and their families.

November 1984

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Members of The Bakery, Confectionery and Tobacco Workers International Union Local 2037

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## 'We're Proud to Be in Tobacco,' Say PMers

**W**hen members of the tobacco industry decided it was time to let people know how important tobacco jobs are to this country's development, they chose three PMers to help get the point across.

A photo of Charles Pearce, Clifford Jones, and Phyllis Krug appears in a full-page ad, sponsored by the Tobacco Industry Labor/Management Committee.

The ad, which will run in several political magazines, describes the role of unionized tobacco workers in America's social movements and stresses the importance of the jobs as a force in organized labor.

Pearce, Jones, and Krug, all from PM's Richmond Manufacturing Center, have more than 60 years of service among them. As union members, they have actively supported issues like the Voting Rights Act and Social Security.

Pearce, who joined PM in 1956 as a miscellaneous employee, is a fixer and president of the Bakery, Confectionery, and Tobacco Workers International Union Local 2037. Jones, a 45-year veteran, was an officer in the Processing Department until he retired in 1983. Krug, a 20-year veteran, is an Inspector.

"I'm proud to have been in the ad," Krug says. "And when I read the words written on each side, I'm even prouder."

"We care about the same things working people all over the country care about," adds Pearce. "We want them to know our industry is threatened, not by foreign competition or old-fashioned technology, but by well-meaning people who haven't stopped to consider how their actions affect others." ■

4 From left, PM employees Clifford Jones, Phyllis Krug, and Charles Pearce help this Tobacco Industry Labor/Management Committee-sponsored ad make a point.

# Duty-Free Seminar Boosts Sales

About an hour north of Grand Forks, North Dakota, Mary Ellen Roberts pulled her rented car into the parking lot of Pembina's only motel, the Red Roost. She took her bag to the kitchen of the owner's residence, where she registered. Later, she checked the meeting-room facilities in the town's only restaurant, The Station, and had dinner.

Roberts, who is manager of trade relations of Philip Morris International's Duty Free Sales (PM DFS), goes to great lengths to sell cigarettes or, to be precise, to teach others how to sell PM's brands.

Her job takes her anywhere from JFK International Airport to border towns like Pembina (population 740) to conduct training sessions for the salespeople in duty-free shops. In Pembina, which services hundreds of thousands of customers each year as they cross the U.S.-Canadian border, the duty-free shop is the town's largest commercial enterprise. Its salespeople spent two days learning the finer points of salesmanship.

PM DFS regards the duty-free salesperson as one of its most important marketing tools—as long as he or she has the skills and knowledge to educate consumers about all the products sold in the store.

"Most duty-free shops do not have enough space for large, supermarket type merchandising," Roberts explains. "The customer makes purchases from counter catalogues and a limited assortment of display products. The 'live' merchandise is stored in a bonded warehouse and delivered as the customer passes the customs checkpoint. Because the cus-

tomers usually can't handle any of the merchandise, they rely on the sales person to describe the products."

Since the average shopper spends less than 10 minutes shopping in a duty-free store, the program is designed to help salespeople sell quickly as well as effectively. The program is provided free of charge to duty-free stores at airports and land border crossings across the country.

Because the duty-free environment is so different from the domestic market and regular export business, PM DFS has its own in-house marketing department. Neil Devitt, manager of advertising and promotions, and Nancy Washer, production coordinator, work with Roberts to ad-

dress the special needs of the duty-free marketplace. The training program is part of an overall strategy that also includes the development of shop design and merchandising concepts, international duty-free awareness campaigns, advertising plans, production of point-of-purchase materials, and a market-research data bank.

"All our marketing programs are designed to help us maintain our reputation as a company that is committed to supporting the duty-free industry overall, not just a supplier of cigarettes," says Hal Quick, duty-free sales director. "Our training program helps us achieve this goal."

What do the salespeople learn? "For one thing, because customers usually cannot handle duty-free merchandise themselves, salespeople learn how to use their verbal skills to make a consumer 'feel' a product," says Roberts.

"The seminar teaches basic sales techniques, using PM products as examples. About one third of the program is devoted to tobacco products. The balance is devoted to other duty-free items, but we continue to keep our products highly visible. By taking this total marketing approach rather than just a PM product approach, we are able to spend two whole days with salespeople. During these two days, we keep our products highly visible."

Roberts also gives students information about buying habits and product availabilities in different countries. They learn, for example, that the Japanese favor mild, charcoal-filtered American cigarettes like Lark and Parliament and that Marlboros



Roberts reviews a questionnaire on tobacco products with "students."

are not available in Canada.

"The salespeople are hungry for information," Roberts says. "Even if they've had retail experience before, they find that selling at duty-free shops is much more demanding. They are working at all hours of the day and night with people of different nationalities, and they deal with an unusually wide range of products. Often when they take this course they get their first chance to actually sample the products they sell."

After two years of running the seminars, Roberts has found sales and morale going up in every store where the course was given.

"The enthusiasm displayed by our staff during the seminar and in the following weeks is unprecedented," writes Susan Steckhouse, the manager of Bonanni Exports duty free store in Tampa, Florida.

And David Pantzer, duty-free manager for Host International at Seattle-Tacoma International Airport, says, "I can't tell you the number of times salespeople told me how they were able to build or switch a sale because of your training program."

"We were able to dramatically increase American cigarette sales among our Japanese customers because of what you taught us about Japanese import laws: that Japanese residents who purchase one carton of Japanese cigarettes are permitted to buy an additional carton of American cigarettes."

Roberts adds that PM sales representatives also appreciate the program, because it creates a better sales climate for them and gives them extra opportunities for follow-up. "We give them class photos to present to participants, and we sponsor a reunion six months after the class has been held," she says. "These are perfect opportunities for them to mention any new promotions."

"Philip Morris has always been known as number one in duty free," says Quick. "This program helps keep us number one. It is not only increasing our volume and market share, but it reinforces our image with the trade and enhances the reputation of our sales representatives."

Roberts' next stop? Madwasha, Maine. "It's about twice as large as Pembina," she says.



Roberts discusses an upcoming duty-free sales seminar with Sales Assistant Diane Ruffina at the Fenton Hill duty-free shop at JFK International Airport in New York.



Mary Ellen Roberts (3rd from l) with PM DFS Assistant Division Manager Ron Johas (c), Host Duty-Free Manager David Pantzer (r), and salespeople at the Host Marriott duty-free shop at Seattle-Tacoma International airport.