

A periodic update of political developments important to Philip Morris employees and the tobacco industry.

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OPPOSITION TO PROPOSED NEW CAB REGS NEARLY 2 - 1

Whenever the tobacco industry is faced with an immediate crisis, PM's TAP-TAN volunteers enthusiastically rise to the occasion. This was true last fall in California during the Prop. 5 campaign; it was true again in Dade County, Florida earlier this year; in fact, it's been true whenever help is needed by the industry. The latest example is the tremendous response shown by members of the PM family, including many from PM Industrial, who took the time to make their views known to the Civil Aeronautics Board on a series of proposed new regulations that would further restrict smoking on commercial airlines.

While we can't list all the names of the hundreds of TAPers who made their opinions known to the CAB, we thought you might want to read what a few had to say:

Don Martin (Plainwell Paper Co., MI): "Personally, I feel that any additional regulations would be grossly unfair... They are unwarranted..., and should not be adopted in any manner or form."

Bill Verdun (ILL.): "I feel the current regulations concerning smoking on commercial flights are already too stringent. On a recent flight I and a number of other smokers were denied seats in the 'smoking section.' We had to keep switching seats with other smokers who were lucky enough to get seats in that section."

George Mueller (Wisconsin Tissue Mills): "As a veteran air traveler, I have sat next to many different kinds of people during more than 35 years of national and international flying. In all those many flights I have never felt inconvenienced if my seat neighbor smoked. I oppose further smoking restrictions on commercial airlines.''

In addition to writing letters of their own, some PM TAPers were busy urging others to do the same. Among the many who helped coordinate PM's participation in TAN phone banks and in other CAB-related TAN activities were:

- Jim Kuhiman in Northern California
- Ted O'Hirok in Southern California
- Larry Scanlon in Illinois
- Ed Van Dyke in Massachusetts
- Larry Glennie in Texas
- Bill Deloney in Pennsylvania
- Peter Gregorio in New York

As of August 20, the closing date for public comments on the CAB issue, opposition to the proposed regulations was running nearly 2-1. More than 6,000 letters urged no further restrictions on smokers who use commercial airlines; some 3,000 letters demanded increased regulations. Currently, the CAB has not scheduled a vote on the proposed regulations. When a vote is taken, we'll let you know. Again, thanks to all who helped out!

TAP-TAN RECRUITMENT UPDATE

Hundreds of PM people and their spouses, including a significant number of employees from PM Industrial, are the latest members of TAP-TAN. The enthusiastic support these new volunteers give our effort is best demonstrated by the comments of one new member, Jeri Robertson (wife of Robbie Robertson, New York Office): "Yes, yes, a thousand times yes! I shall be glad to help...not because I am a member of the PM family; not because I am a smoker...but, because I am angry enough to fight and you have supplied me the arena and the gloves."

Well said, and we won't argue.

The Philip Morris U.S.A. Tobacco Action Program (TAP) is our Company's vehicle for participating in the Tobacco Action Network (TAN), the organization that has brought together all elements of the U.S. tobacco family in support of freedom of choice on tobacco issues. TAP lends additional support by keeping PM employees current on issues affecting our industry and encourages involvement in the political process.

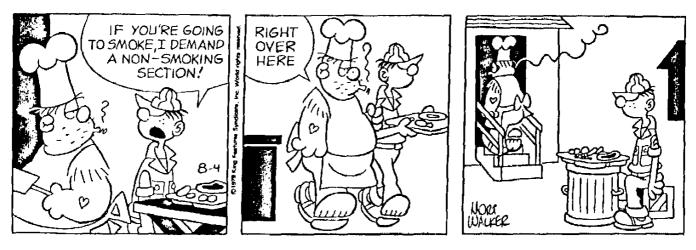
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LEGISLATIVE UPDATE

OREGON · NEW INITIATIVE IN THE WORKS-

After seeing anti-smoking legislation he co-sponsored turned down for the third time, Oregon State Representative **Rod Monroe** (D-12th District, Portland), filed papers with the Secretary of State to qualify the measure for the November, 1980 ballot. The measure, which would prohibit smoking in most enclosed work areas and other public places also carries with it a fine of up

to \$100. If this initiative measure is to appear on the general election ballot in November of next year, proponents will have to submit 54,669 valid signatures by July 3, 1980. Bob Eberling, PM's representative on the Oregon State TAN Advisory Committee and other PM employees in the state, are continuing to keep us posted on developments. As they do, we'll report them to you.



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NEW YORK - PRESSURE GROWS FOR PASSAGE OF NY TAX REDUCTION BILL—

In a recent press conference sponsored by the Wholesale Tobacco Distributors of New York, Inc., former Chairman of the State Commission of Investigation, Paul J. Curran, appealed to Governor Hugh Carey to initiate executive action in support of cigarette tax reduction legislation now pending in Albany. Declaring that the wholesale tobacco industry in New York was being driven out of business by organized crime, Curran, who interrupted his current investigation of the Carter peanut business, urged that the state enact legislation removing the 8¢ per pack NYC tax on cigarettes. Such a move would establish a uniform state tax of 15¢ and is ultimately expected to generate increased revenues for the state. "Organized crime should be hit right where it hurts the most," added Curran, referring to the present profit incentives for bootlegging caused by the wide disparity in tax rates between places like North Carolina (2¢ tax) and New York City (23¢ combined State and City). A few days after the press conference, an editorial in support of the tax reduction measure appeared in the New York Times: ... "The potential price of the state inaction is too high. The time to act is now, before organized crime further infects the whole cigarette industry."

TAP HAPPENINGS

KEEPING US POSTED—on tobacco news in their areas were:

- * Dave Mulvey and Anne Eichwald in New York
- * Conrad Strohl and Joe Chaump In New Jersey
- * Alan Poulson in Idaho
- ★ John Clary, Jr. in Kansas
- ★ Paul DeAngelis and Jim Lombardo in Rhode Island
- * Jim Asmuth (Wisconsin Tissue Mills) in Wisconsin
- **+** Frances Oehlberg in Illinois

EDUCATING THE PUBLIC—by distributing Tobacco Institute brochures in Missouri were:

- ★ Jim Mace
- * Tony Damico

LETTERS TO THE EDITOR: Among those who've had their letters to the editor printed were: Joyce Coplin (Minnesota), Richard Oteri (New Hampshire), John Moore (North Carolina), and Walter Joyce (New York Office). 50000 0507

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In a letter to the Washington Star, Joyce took issue with statements made by former Surgeon General Luther Terry accusing smokers of inflicting "pain and costs" on society due to alleged smoking-related illnesses: "Indeed! To make sense, Dr. Terry would have to establish that non-smokers do not die and do not collect Medicare and Social Security in their lifetimes. When he does that, I may feel guilty about smoking..."

SPEAKING OUT IN SUPPORT OF THE INDUSTRY

Dr. Paul Eichorn (R&D) addresed an audience of some 200 tobacco farmers, agricultural researchers, extension agents and visitors from foreign countries on PM's commitment to working with the rest of the tobacco industry to oppose the anti-smoking lobby. Eichorn was invited by Professor Furney Todd, Philip Morris Extension specialist at North Carolina State University, to introduce Fred Bond, General Manager of the Flue-Cured Tobacco Price Stabilization Cooperative. Eichorn told the audience: "The formation of such programs as PM's TAP, the industry's TAN, together with a new assertiveness on the part of the industry evidenced by the Tobacco Institute ads and stepped-up activities of its public spokespeople are beginning to change preconceived attitudes toward smoking and the role of lobacco in our economy."

Sidney Wood (Florida), arranged for Sandi Walters, Florida State TAN Director, to present a program on public smoking at the monthly meeting of the Orlando Chapter of Optimists International on August 14. (Wood,



Sidney Wood and Sandi Walters

who coordinated the arrangements through the PM USA Public Affairs Department, also introduced Ms. Walters at the meeting.) She explained the basic issues involved in the controversy and showed the new TAN sound-slide program, "Public Smoking: The Annoyance Issue." Following the filmstrip, Ms. Walters passed out copies of various TI brochures, including "Science and Smoke" and fielded questions from a group of about 35 people, the majority of whom, according to Wood, were non-smokers. During the discussion period, one member of the club, a former Minnesota resident, talked about the problems that state has had trying to enforce its "Clean Indoor Air Act," enacted in 1975. An increasing number of state lawmakers, he said were beginning to "explore avenues to repeal the law,"

Ed Van Dyke, PM's representative on the Massachusetts TAN Advisory Committee, arranged for TI Vice President Bill Dwyer to address a group of PM sales force members. Dwyer, a member of the TI's traveling Speakers Bureau, told the group: "We don't have so many enemies as it might appear. We have, rather, a public that isn't so well informed. If we'll take the time, if we'll devote ourselves as energetically and as enthusiastically as possible, we can change that."

PRO-TOBACCO RESOLUTIONS

Two more organizations have taken strong positions in support of the tobacco industry:

The Young Democrats of America introduced and passed a resolution at their August convention urging the "full continuance of the federal government's tobacco production and price support programs." The resolution went on to say that "tobacco income is vital to the economic welfare of thousands of American farm families. The U.S. tobacco industry contributes annually, both directly and indirectly, some 50 billion dollars to the national economy, including over \$6 billion annually to state, local, and federal treasuries in the form of tax payments."

Speaking before the General Executive Board of the Bakery Confectionery & Tobacco Workers International Union on September 7, in New Orleans, John DeConcini, President of the BGTWIU, introduced, and the Board endorsed, the following resolution, to be submitted to the Food and Beverage Trades and Union Label & Service Trades Departments AFL-CIO, and the AFL-CIO conventions, which in part reads:

"... be it resolved that this department (this federation) goes on record in opposition to the ongoing demogogic anti-smoking campaign that is based on fear and misinformation and opposes all proposed ordinances and management attempts to restrict smoking and segregate smokers..."

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QUOTE OF THE MONTH

'... In most of the country, excise taxes on cigarettes have reached the point of diminishing return. The outstanding example of this, of course, is New York City, where the total tax—federal, state, local, state sales, and local sales—adds up to thirty-five cents a pack. As a direct consequence, cigarette sales in 1978 were down some thirty percent from what they were in 1965. Even worse, organized crime has been able to add a new and lucrative illegal business to supply capital for its traditional specialties of loan-sharking, prostitution, drug traffic and extortion."

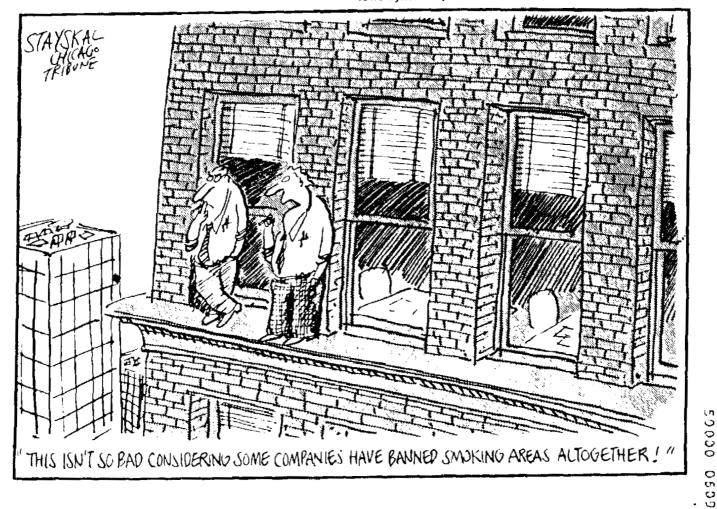
Jim Bowling, Sr. Vice President and assistant to the Chairman, Philip Morris Inc., to a large gathering of industry leaders upon receiving the RTDA (Retail Tobacco Dealers America) Recognition Award on August 24, 1979

EDITOR'S NOTE

With this issue of the TAPGRAM, we are providing a copy of the recently published Tobacco Institute brochure, "Tobacco: From Seed to Smoke... Amid Controversy." For additional copies of this highly informative piece, write the PM USA Public Affairs Department.

IDEAS WANTED!

During the past year, the success of TAP has been largely due to the willingness of members of the PM family to share their thoughts and ideas with us. We're always looking for new ways to communicate our message and there's no better source for new ideas than our own people. Because cartoons are one of the most effective ways of telling our side of the story, we're particularly interested in receiving any original ideas you may have. If you think of one, send it in! We'll try to print it.



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