

**Campaign In Opposition
To Proposed Cigarette
Tax Initiative**

**Prepared By
Public Affairs Counsel**

October 28, 1991

TIMN 0022791

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INTRODUCTION

The Oregon Medical Association, lung, heart and cancer associations are preparing an initiative petition to increase Oregon's taxes on cigarettes and other tobacco products.

Mark Nelson and Public Affairs Counsel have been selected to manage and direct the campaign subject to final approval by the National Executive Committee. The enclosed represents the preliminary campaign plan for Phase I (November 1 - December 31), Phase II (January 1 - July 31) and Phase III (August 1 - November 15).

The actual initiative has not been filed with the Secretary of State so the exact amount of the tax is unknown.

It is rumored to be in the range of 20-25 cents per pack. Part of the proceeds may be dedicated to pay for health care for an expanded medicaid population. Commonly known as the Oregon Health Care Prioritization Program, it embodies a controversial approach to rationing of health care. Setting aside the anti-smoking zealot doctors, the OMA is also involved because the Health Care Prioritization legislation expands coverage to 120,000 more people and guarantees physicians and hospital medicaid payments at 100% of customary and usual as opposed to the current 58% of customary and usual.

In addition to the medicaid health care program, it is rumored that tax funds will be committed to smoking cessation programs including advertising. This could lead to abuses similar to those that occurred in California.

In addition to the tax, the proponents are also considering a tobacco licensing initiative. It would require all retailers to be licensed and set out penalties for license suspension or revocation if the retailer sold tobacco products to minors. The Health

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Division would be empowered to enforce the measure.

The licensing initiative could be a separate measure or incorporated into the tax initiative. Single subject requirements may be avoided if part of the tax was dedicated to funding enforcement of the licensing provisions.

Once the initiative(s) have been filed, the Oregon Executive Committee (current committee) will file comments, if applicable, on one subject violations. This will preserve the Committee's right to initiate legal action in the future. The Committee will also review the proposed ballot title and submit comments. If ballot title corrections are not made, the consultants will recommend a legal challenge both for the purpose of changing the title as well as delaying the signature gathering process.

In addition to the potential legal challenges, the Committee needs to complete some preliminary tasks so that it is ready to come out swinging when the initiative petition(s) are filed. Oregon legislators need to be contacted to prevent endorsement of the initiative and to secure legislative criticism at the time of filing.

This includes cataloging abuses in California in anticipation that distribution of the tax proceeds may be similar to that state. These abuses under Proposition 99 have been researched by the tobacco institute and the various companies. The Oregon campaign needs to spend considerable time in reviewing and understanding the full implications of this research. In addition to this effort, further research needs to be conducted into other potential sources of distribution, i.e. medicaid and physician fraud and abuse.

An analysis needs to be prepared analyzing existing cigarette tax distribution in order to argue that existing taxes are just fattening local and state government's general funds. Finally initial contact needs to be made with retailers and wholesalers regarding both the licensing and tax initiatives. If proponents give enough time before they file, retailers can also be organized to make public opposition statements at the time of filing.

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The tax issue, on the surface, is fairly straightforward. The distribution of the tax may become very intertwined in other issues. The ramifications of these other issues are more complicated and may or may not hold part of the solution to defeating the measure.

It is extremely important that campaign themes are selected that are very simple and straightforward. This plan has been developed without the benefit of survey research. Once the initial benchmark survey is completed, adjustments will be made to the plan.

Electronic media, personalized direct mail, radio and print media will be the principal tools used during the campaign.

Listed below are the various discussions of work to be performed, survey research, campaign elements and strategy, campaign organization, budgets and timelines. As always, the timeline and budget tables and their implementation are extremely critical. The campaign messages and strategies that are developed will be meaningless if the campaign fails to mesh the various elements together in proper sequence.

The plan must be absolutely followed with some obvious room for adjustments to permit ongoing performance evaluation as well as input of survey research data.

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BACKGROUND OF FIRMS

PUBLIC AFFAIRS COUNSEL (PAC)

Public Affairs Counsel is a small but diverse corporation specializing in campaign management, legislative representation and public opinion survey research.

Years of experience have resulted in an impressive record of managing statewide ballot measure campaigns. The campaigns have always been uphill, complex and emotional. Some have been won by the narrowest of margins. Public Affairs Counsel's attention to detail and data - plus plain hard work - are the basis for its success.

Mark Nelson is the President and owner of Public Affairs Counsel. Former Executive Assistant to Oregon's State Treasurer and Attorney General, Nelson has served as a campaign and public opinion consultant since 1980. Nelson will serve as campaign director.

THE SCHMIDT, WESTERDAHL GROUP (SWG)

Public Affairs Counsel is considering selecting the newly reorganized Schmidt, Westerdahl Group once again to handle advertising and public relations for the campaign. At the request of industry representatives, certain details of SWG participation are currently being discussed with the firm's principals.

The Schmidt, Westerdahl Group (SWG) is a full service advertising and public relations agency which specializes in issues management. SWG offers its clients the complete spectrum of communication services from a single source - including strategic planning and management in development of results oriented campaigns; creative and production departments to develop and produce compelling, targeted messages; and a media department to ensure those messages receive the most effective placement in terms of both

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cost and impact.

The SWG account team assigned to this ballot measure will be led by SWG Executive Vice President Ron Schmidt. SWG President Ed Westerdahl will be directly involved in strategic planning and the development and review of campaign advertising.

Schmidt has nearly three decades of political and campaign experience in Oregon, including service to every Oregon governor since 1962. Following service as Executive Assistant to Governor Tom McCall, Schmidt co-founded PSW.

Background information on other members of the PSW account team is available on request.

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CAMPAIGN EXPERIENCE

Public Affairs Counsel and The Schmidt, Westerdahl Group (previously PSW) have singly or jointly managed and provided advertising/public relations services to the following campaigns:

- Defeat of Packaging Ban, Recycling Measure -- 1990 (PAC,PSW)
- Defeat of Property Tax Limitation (Passed) -- 1990 (PAC,PSW)
- Passage of Measure to Ban Log Exports from State Lands -- 1989 (PAC,PSW)
- Defeat of Measure to Ban Smoking -- 1988 (PAC,PSW)
- Defeat of Measure to Tax Beer & Wine for College Athletics -- 1988 (PAC,PSW)
- Defeat of Measure re: Columbia River PUD Annexation (for PGE) -- 1987 (PSW)
- Passage of Oregon Convention Center Measure -- 1986 (PSW)
- Defeat of 1 1/2% Property Tax Limitation -- 1986 (PAC,PSW)
- Passage of Measure Enacting Sales Tax (failed) -- 1986 (PAC,PSW)
- Defeat of Measure re: Radioactive Waste Disposal -- 1986 (PAC)
- Defeat of Measure re: Emerald PUD Annexation (for PP&L) -- 1985 (PSW)
- Defeat of 1 1/2% Property Tax Limitation Measure -- 1984 (PAC,PSW)
- Defeat of Anti-Hydro Measure in Klamath County -- 1984 (PAC,PSW)
- Approval of Measure re: \$40 million in Bonds for Terminal Two (for Port of Portland) -- 1984 (PAC,PSW)
- Approval of Legislatively Referred Sales Tax (Measure removed from ballot by Supreme Court) -- 1984 (PAC,PSW)
- Defeat of 1 1/2% Property Tax Limitation Measure -- 1982 (PAC,PSW)
- Re-Elect Governor Atiyeh Campaign -- 1982 (PSW)
- Defeat of 1% Property Tax Limitation Measure -- 1980 (PAC)
- Defeat of Measure to Form Benton County PUD (for PP&L) -- 1980 (PSW)
- Defeat of Measure to Form Gleneden Beach PUD (for PP&L) -- 1978 (PSW)
- Election of Attorney General Candidate Jim Redden -- 1976 (PAC)

Others: Miscellaneous Local Levy and Annexation Elections. Information available on request.

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STATEMENT OF WORK TO BE PERFORMED

Public Affairs Counsel (PAC) will provide campaign management necessary for a full service campaign. **Mark Nelson** will be the overall campaign director. Public Affairs Counsel staff will be responsible for the coordination, management and implementation of the campaign.

Under the direction of Mark Nelson and the Oregon Executive Committee, advertising and public relations services may be provided by **Ron Schmidt** and Schmidt, Westerdahl Group (SWG) if agreement can be reached on several industry issues. As mentioned earlier SWG participation is subject to further discussions and agreements between PAC and SWG.

Work to be performed will include, but is not limited to, the following items:

1. Overall supervision management responsibilities for the campaign;
2. Development of final campaign plan and timeline;
3. Selection, supervision and funding of all staff;
4. Review and approval, with the Oregon Executive Committee, of all advertising/public relations matters;
5. Development of entire advertising package to include strategies, copy, collateral material, production and media purchases;
6. Direction, staffing and coordination of all research;
7. Review and approval of all public opinion survey research;
8. Implementation, supervision and coordination of all volunteer efforts, direct mail, printing, speaker's bureau, local coalitions, etc.;
9. Contact and source for all media inquiries and press releases; development and assimilation of all press packets and materials;

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10. Perform all bookkeeping functions, including weekly finance reports, detailed campaign ledger, banking, accounts payable and receivable, campaign receipts, contribution and expenditure reports, etc. (all to be reviewed and approved by a Certified Public Accountant);
11. Management and coordination of all regular steering committee meetings, including agenda, financial statements and progress reports;
12. Funding for all staff expenses;
13. Funding for all Salem office space, phones, supplies and equipment. The Salem office costs and staffing are part of Public Affairs Counsel's fee;
14. Funding for normal photocopying and postage necessary to communicate with steering committee members, agendas, correspondence, news clips, reports, etc. (and to reply to public inquiries for information);
15. Assistance and support for fund-raising efforts.

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CAMPAIGN ORGANIZATION

Organizationally there will be two primary committees with additional ad hoc groups appointed as needed.

A **steering committee** will have overall responsibility for coordination of the campaign and consultants on a day to day basis. It should be comprised of key principles and be empowered to make final decisions. Members will include, but not be limited to, Mark Nelson, Ron Schmidt, Bob McAdam, Richard Kosesan, Jim Gardner, Steve Buckner, Jim O'Malley and Paul Jacobson.

Public Affairs Counsel and The Schmidt, Westerdahl Group strongly believe in constant communication between their offices and the steering committee. To that end, between January 1, 1992 and August 1, 1992 the steering committee will meet every two weeks at the same time and place. From August 1, 1992 until November 2, 1992 the committee will meet on a weekly basis.

Staff will prepare proposed agendas and provide financial and progress updates. This committee will also serve as research and advertising committees.

This approach will allow constant evaluation of the campaign's progress and effectiveness of staff. Decisions will be made on a timely basis with full information in hand.

Time is of the essence. Work will begin immediately.

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PUBLIC OPINION SURVEY RESEARCH

Public Affairs Counsel and The Schmidt, Westerdahl Group develop and implement campaign plans and strategies from a data base. Quantitative and qualitative public opinion survey research is an absolute necessity to a ballot measure campaign.

Oregonians are issue schizophrenic. On one hand they reject the "moneyed" interests such as the bottle industry and the Oregon Dental Association when they approved Oregon's container deposit bill and denturism ballot measures. On the other hand, they have sided with the tobacco industry and packaging industries to defeat anti-smoking and packaging ban measures.

Finding that window in the voters schizophrenia is what public opinion research is all about.

The campaign management team proposes the following survey instruments:

Approximate Cost

- | | | |
|----|--|-----------------|
| 1. | Benchmark Survey (January, 1992)
700 face-to-face interviews
30-minute questionnaire
8 open-ended
Design, report and analysis | \$26,250 |
|----|--|-----------------|

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2.	Mini-Benchmark and Tracking Survey (August, 1992) 700 telephone interviews 15-minute questionnaire 5 open-ended Design, report and analysis	\$13,650
3.	Advertising Check (September, 1992) 700 telephone interviews 10-minute questionnaire 5 open-ended Design, report and analysis Focus Groups (optional)	\$9,100
4.	Thirteen Tracking Surveys (six, four, two weeks, then daily into election) Sample size: 750-2000 Who's ahead with key demographics \$811 per read-out	\$10,550

TOTAL SURVEY RESEARCH: **\$59,550**

The benchmark survey should be in the field no later than January 20, 1992. The mini-benchmark is set for July, 1992 to be in the field immediately following certification by the Secretary of State. As indicated above the Committee may wish to substitute focus groups for the general population advertising check. If this course is taken, it is anticipated that there would be multiple focus groups by geographical areas.

All four survey components are vital to the development of the strategies and the ultimate success of the campaign.

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COALITION BUILDING -- GRASSROOTS COMMUNICATIONS

Some groups are logical allies in any campaign aimed at cigarette smokers. They need to be activated and informed to be effective in helping defeat the proposed cigarette tax increase. These expected allies include smokers' rights groups, retailers, wholesalers and tobacco company sales personnel.

Traditionally Oregon retailers and wholesalers have not been much help in defeating anti-tobacco ballot measures. The campaign, however, must drive home the economic impact of the tax on both groups. Specific efforts will be made to maximize participation by every member of the tobacco grassroots family.

The consultants do not expect much help out of the large retailers (Fred Meyer, Safeway, etc.). The convenience store chains such as 7-11, Circle K, Plaid Pantry and AM-PM should be major players. Cigarette sales account for about 25% of all sales in these stores.

Messages must be carefully developed and presented to potential coalition participants. Effective collateral materials to support our allies in the coalition must be produced and distributed. Point of sale material such as posters, tear offs, table tents and bag stuffers need to be produced.

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**CAMPAIGN ADVERTISING
ELEMENTS AND STRATEGY**

INTRODUCTION

Defeating a "sin tax" aimed at tobacco products will require a sharply focused, effectively executed advertising campaign to overcome what previous research has shown to be a strong public willingness to support such a tax.

Currently we don't know whether proponents in the medical community will succeed in gathering the required signatures to place a measure on the ballot in November, 1992.

Consequently, we have constructed our advertising and public relations budget strategy in three phases. The first phase begins November 15 and runs through December 31. The second phase runs from January 1, 1992 until July 31, 1992. Finally, if sufficient signatures are gathered to qualify a tobacco tax measure for the ballot, the third phase will begin August 1 and run through November 15.

During Phase I, we will review impact information from the California initiative and prepare for media reaction to any announcement or discussion of filing a tobacco tax initiative. In Phase II we will prepare for a full campaign. That will include developing and printing necessary collateral materials, meeting with the steering committee, planning, handling media relations and organizing the pre-production of media messages and materials for Phase III.

Through all three phases, the retainer for public relations and advertising services provided by SWG will be \$4,000 per month. The retainer covers all account management and agency administrative costs in the strategic planning, development of advertising concepts, oversight of creative work on copy and design, and major special event public

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relations support. We will be reimbursed for normal out-of-pocket expenses (long distance phone costs, faxes, postage and shipping, mileage, etc.) incurred on behalf of the campaign. Major expenses, such as out-of-state travel, must be approved in advance.

Art services, copyrighting, illustrations, photography and other production services provided by subcontractors will be rebilled to the campaign at the net cost with no mark up. We will be compensated for our media planning and placement services at the standard agency commission rate of 15% on all media purchased.

Total anticipated charges for communication services during Phase I will be \$6,750, including retainer and estimated expenses. Phase II costs include the retainer and expenses, plus a budget for collateral materials, out-of-state travel, and some creative expenses in preparation for media to be produced in Phase III. Total Phase II estimate for communications is \$67,000.

Phases I and II are prudent preparation time. During that time the content and broad outline of the advertising plan to defeat the measure will be crafted.

To persuade Oregonians to reject the idea of heaping huge taxes on smokers, we must help voters learn more about why the idea won't work -- and what they stand to lose. The specifics of the messages will be derived directly from survey research data, and tested through further research. To win, the Phase III campaign must communicate its messages and dispel the "knee jerk" support for a measure which seems to put a big chunk of the tax burden on somebody else.

Beating this measure on election day will require a major advertising campaign involving every medium at our disposal: broadcast (both TV and radio), print and direct mail -- even point of sale. Direct mail and TV will be asked to carry the heaviest share of our campaign's communications.

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Television

In this campaign TV is the medium which will deliver the most powerful and thought-provoking messages to voters, and we have made it a major method of paid communication.

In order to establish the dialogue about the measure in our terms, television will be used early, beginning with an intensive 750 GRPs in the week of September 14, and 500 GRPs the following week. During the weeks of September 28 and October 5, as the radio schedule supporting the campaign begins, the television schedule will take a hiatus. Then we will return to TV for two weeks at 500 GRPs, finishing the final week of the campaign with 750 GRPs. This pulsing pattern places a heavy hit up front, establishing the campaign, uses radio to effectively keep the campaign present during a two-week TV hiatus, then returns with a strong finish in the final three weeks.

The television placements will emphasize spots in peak viewing periods with the bulk of the investment in the Portland TV market. Spots also will be purchased on stations in Eugene, Medford and Bend, and on cable television systems in appropriate markets.

The proposed budget anticipates producing four 30-second TV spots at an estimated cost of \$100,000. Cost of the 3,000 GRP television schedule is estimated at \$550,000.

Radio

The variety of formats in radio makes the medium capable of more precise targeting and offers relatively moderate costs. It's especially important in this campaign as a reinforcement for the television schedule, and to provide continuity during the TV hiatus. We plan to produce five 60-second radio spots.

The radio schedule will begin the week of September 28 and run through November 2. The number of spots running per week on the radio will increase in the final weeks of

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the campaign. We expect to use 50 to 55 stations statewide running 24 spots per week on each station for the first three weeks. In the final weeks, we'll increase the intensity to 30 spots per week. Total estimated cost for radio time is \$200,000. Production is \$15,000.

Newspaper

Newspaper is the medium best suited to "think pieces" --messages which deliver a good deal of information and require a format that allows the audience to linger and reflect at their own pace.

The newspaper strategy calls for statewide penetration using key dailies and a very few select weekly publications. All the ads would be page-dominant (more than half a page). We expect to produce four different ads with a total of eight different insertions for a total cost estimated at \$170,000 including production.

Direct Mail

Targeted personalized direct mail enables the campaign to literally deliver into the hands of the voter our own free-standing message. These letters have even greater impact when authored and signed by a respected opinion leader.

The budget allows for varying degrees of penetration through a combination of mailings including at least one statewide, targeted geographical, targeted group membership and a last minute "popover." Each would consist of a personalized hand-signed letter received in a typed address and return envelope with a bulk postage stamp affixed. Direct mail cost would be approximately \$782,400 and would include the cost of processing and handling 1.6 million letters.

The industry has used this type of personalized direct mail on two previous Oregon ballot measures. In 1988 the Oregon Executive Committee defeated Ballot Measure 6, the

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Indoor Clean Air Act. A principle weapon used in that campaign was the Betty Roberts letter which ripped 14% off the yes vote. In the 1990 packaging ban initiative, the Hanneman letter accounted for a 17% drop in the yes vote.

Collateral Materials

Collateral materials are important to every campaign. Brochures are used to communicate detailed information and they serve as a useful take-away piece from public forums. Media kit folders holding backgrounders and news releases are commonly used for media relations. And in this campaign, some retailers and distributors may be willing to use collateral designed especially to use as point-of-sale materials. We have budgeted \$20,000 for collateral in Phase II and \$45,000 more in Phase III.

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CAMPAIGN PUBLIC RELATIONS ELEMENTS

Public relations - media relations - will play an important role throughout the campaign. Working in tandem on the management of the campaign and the campaign's advertising and communications strategies, Public Affairs Counsel and SWG will each handle different aspects of media relations.

As the campaign managers, Public Affairs Counsel will be responsible for day to day media relations, such as handling press inquiries, issuing news releases and handling the speaker's bureau. SWG will be responsible for developing the broad positioning platform, and communications materials such as "white papers" and issue backgrounders. In addition, SWG will arrange major activities such as editorial board visits and news conferences.

These public relations activities are included in the respective campaign fees of the two firms.

**CAMPAIGN
BUDGETS**

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CAMPAIGN MANAGEMENT BUDGET

PHASE I

(November 15, 1991 - December 31, 1991)

Personnel

Senior Field Coordinator	\$ 2,500
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Services, Supplies & Expenses

Telephone	200
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Postage, Copies, Freight, Office Supplies	50
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Travel/Mileage (in/out-of-state - staff)	350
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Lodging	250
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Meals	<u>180</u>
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PERSONNEL, SERVICES AND EXPENSES SUBTOTAL \$ 3,530

<u>Campaign Director Fee (1.5 months)</u>	\$ 1,000
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(Includes Mark Nelson's time as director, 7.0 PAC permanent staff as needed, Salem office, Salem office equipment, Salem office utilities, campaign bookkeeping, contribution and expenditure reports and profit.)

SUBTOTAL CAMPAIGN MANAGEMENT

FEE - PHASE I *	\$ 4,530
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*To be paid in one installment of \$4,530 no later than December 31, 1991.

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CAMPAIGN MANAGEMENT BUDGET

PHASE II

(January 1, 1992 - July 31, 1992)

Personnel

Senior Field Coordinator
(\$2,500 x 7.0 months)

\$ 17,500

Campaign Administrative Assistant
(\$1,800 x 7.0 months)

12,600

SUBTOTAL

\$ 30,100

Other Payroll Expenses

(OPE - Social Security, unemployment, workers' comp.,
medical - 20%)

6,020

PERSONNEL/PAYROLL SUBTOTAL

\$ 36,120

Services, Supplies & Expenses

Telephone

\$ 2,550

Postage, Copies, Freight, Fax, Office Supplies

3,150

Travel/Mileage (in/out-of-state - staff)

6,200

Lodging

1,800

Meals

950

Miscellaneous

800

SERVICES, SUPPLIES & EXPENSES SUBTOTAL

\$ 15,450

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Campaign Director Fee (7.0 months)

\$ 56,750

(Includes Mark Nelson's time as campaign director, 7.0 PAC staff as needed in Salem office, Salem office equipment, Salem office utilities, campaign bookkeeping, contribution and expenditure reports and profit.)

SUBTOTAL CAMPAIGN MANAGEMENT FEE - PHASE II \$108,320 *

(January 1, 1992 - August 1, 1992)

***To be paid in fourteen equal installments of \$7,737 every two weeks commencing January 13, 1992 and terminating July 13, 1992.**

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CAMPAIGN MANAGEMENT BUDGET

PHASE III

(August 1, 1992 - November 15, 1992)

Personnel

Senior Field Coordinator (\$3,000 x 3.5 months)	\$ 10,500
Campaign Administrative Assistant (\$1,800 x 3.5 months)	6,300
Downstate Coordinator (\$2,300 x 3.5 months)	8,050
Downstate Assistant (\$1,600 x 3.5 months)	<u>5,600</u>
SUBTOTAL	\$ 30,450

Other Payroll Expenses

(OPE - Social Security, unemployment, workers compensation, medical - 20%)	<u>6,090</u>
PERSONNEL/PAYROLL SUBTOTAL	\$ 36,540

Services, Supplies, & Expenses

Telephone	\$ 3,250
Postage, Copies, Freight, Fax, Office Supplies	4,225
Travel/Mileage (in/out-of-state - staff)	10,700
Lodging	2,550
Meals	1,750
Miscellaneous Printing	4,300
Miscellaneous	<u>950</u>
SERVICES, SUPPLIES & EXPENSES SUBTOTAL	\$ 27,725

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Campaign Director Fee (3.5 months) \$ 30,625

(Includes Mark Nelson's time as campaign director, 7.0 permanent PAC staff as needed, PAC Salem office, equipment, utilities, campaign bookkeeping, contribution and expenditures reports and profit.)

SUBTOTAL CAMPAIGN MANAGEMENT FEE - PHASE III \$ 94,890 *

**TOTAL CAMPAIGN MANAGEMENT FEE
PHASE I, II, AND III \$207,740**

*To be paid in seven equal installments of \$13,555 every two weeks commencing on July 27, 1992 and terminating October 19, 1992.

COMMUNICATIONS BUDGET ALLOCATION SUMMARY

Phase I (*November 15 through December 31*)

● Retainer	\$ 6,000	
● Reimbursable expenses	750	
	Phase I Total	\$ 6,750

Phase II (*January 1 through July 31*)

● Retainer (\$4,000/month for 7 months)	\$ 28,000	
● Reimbursable expenses	4,000	
● Travel/Miscellaneous	5,000	
● Collateral	20,000	
● Pre-Production	10,000	
	Phase II Total	\$ 67,000

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COMMUNICATIONS BUDGET ALLOCATION SUMMARY

Phase III (August 1 through November 15)

● Retainer (\$4,000/month for 3.5 months)	\$ 14,000
● Reimbursable expenses	3,000
● Travel/Miscellaneous	10,000
● Television Production	100,000
● Television Time	550,000
● Radio Production	15,000
● Radio Time	200,000
● Newspaper Production	20,000
● Newspaper Space	150,000
● Direct Mail	782,400
● Collateral	40,000
Phase III Total	\$ 1,884,400
Total Communications Budget	\$ 1,958,150

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MISCELLANEOUS BUDGET

PHASE I

(November 15, 1991 - December 31, 1991)

Legal Fees/Ballot Title Challenge (Gardner)	\$ 15,000 *
Overall Budget Contingency	<u>4,000</u>
SUBTOTAL MISCELLANEOUS - PHASE I	\$ 19,000

* May be reallocated to Phase II.

PHASE II

(January 1, 1992 - July 31, 1992)

Legal Fees/Retainer (Gardner) (\$6,000 x 7.0 months)	\$ 42,000
Legal Fees/Retainer (Covington) (7,000 x 7.0 months)	49,000
Legal - Travel (out-of-state)	2,400
Printing (Printing over and above traditional campaign brochures: Fact sheet, Q&A, Fund-Raising, etc.)	6,200
Miscellaneous (Accountant, Check Charges)	2,500
Internal Coalition Coordinator (Wholesalers, Sales, Retailers) (2,500 x 7.0 months)	17,500
Contingency	<u>32,500</u>
SUBTOTAL MISCELLANEOUS - PHASE II	\$152,100

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MISCELLANEOUS BUDGET

PHASE III

(August 1, 1992 - November 15, 1992)

Legal Fees/Retainer (Gardner) (6,000 x 3.5)	\$ 21,000
Legal Fees/Retainer (Covington) (7,000 x 3.5)	24,500
Legal Travel	2,000
Printing (Over & Above Traditional Campaign Brochures: Fact Sheets, Q&A, etc.)	2,300
Miscellaneous (Voter Pamphlet, Accountant, etc.)	5,000
Internal Coalition Coordinator (Wholesalers, Sales, Retailers) (2,500 x 3.5)	8,750
Contingency	<u>51,250</u>
SUBTOTAL PHASE III	\$114,800
TOTAL MISCELLANEOUS BUDGET PHASES I, II AND III	\$285,900

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RECAP

CAMPAIGN BUDGET

PHASE I

(November 15, 1991 - December 31, 1991)

CAMPAIGN MANAGEMENT	\$ 4,530
SURVEY RESEARCH	0
ADVERTISING/PUBLIC RELATIONS	6,750
MISCELLANEOUS (LEGAL, CONTINGENCY)	<u>19,000 *</u>
SUBTOTAL - PHASE I	\$ 30,280

PHASE II

(January 1, 1992 - July 31, 1992)

CAMPAIGN MANAGEMENT	\$108,320
SURVEY RESEARCH	26,250
ADVERTISING/PUBLIC RELATIONS	67,000
MISCELLANEOUS (LEGAL, CONTINGENCY)	<u>152,100</u>
SUBTOTAL - PHASE II	\$353,670

*\$15,000 for ballot title challenge will probably be carried over until Phase II.

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RECAP

PHASE III

(August 1, 1992 - November 15, 1992)

CAMPAIGN MANAGEMENT	\$ 94,890
SURVEY RESEARCH	33,300
ADVERTISING/PUBLIC RELATIONS	1,884,400
MISCELLANEOUS (LEGAL, CONTINGENCY)	<u>114,800</u>
SUBTOTAL PHASE III	\$2,127,390
TOTAL CAMPAIGN BUDGET	
PHASES I, II, AND III	\$2,511,340

CAMPAIGN BUDGET/TIMELINE

Two Week Beginning	Phase I 11/15-12/31	Phase II 12/31	1/13	1/27	2/10	2/24	3/9	3/23	4/6	4/20	5/4	5/18
Campaign Management Fee	4530		7737	7737	7737	7737	7737	7737	7737	7737	7737	7737
Advertising Fee	6000			4000		4000		4000		4000		
Survey Research					26,250							
Production								PRE 2500		PRE 2500		
Television												
Radio												
Newspaper												
Direct Mail												
Collateral						2000		2000		2000		2000
Travel/Misc. - PSW	750			300		2400		500		500	1000	
Outdoor												
Misc.						Print 2000	Misc 400		Misc 400	Print 2000	Misc 400	
Legal	15,000			13,000		14,200		13,000		13,000		
Contingencies	4000											
Internal Coordinator			2500		2500		2500		2500		2500	
TOTALS	30,280		10,237	25,037	36,487	32,337	10,637	29,737	10,637	31,737	11,637	9737

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CAMPAIGN BUDGET/TIMELINE

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Two Week Beginning	6/1	6/15	6/29	7/13	SUB TOTAL	Phase III 7/27	8/10	8/24	9/7	9/14	9/21	9/28
Campaign Management Fee	7737	7737	7737	7739	112,850	13,555	13,555	13,555	13,555		13,555	
Advertising Fee	4000		4000	4000	34,000			4000				4000
Survey Research					26,250	13,650		9100		6550		
Production			PRE 2500	PRE 2500	10,000			TV 50,000		RADIO 6000	NEWS 10,000	TV 25,000
Television					0			137,000	91,000		91,000	91,000
Radio					0					40,000	40,000	
Newspaper					0							37,000
Direct Mail					0	110,000	110,000	106,000	100,000	145,000	50,000	50,000
Collateral	3000	4000	5000		20,000		5000	5000	5000	10,000		15,000
Travel/Misc. - PSW	750		2750	800	9750			2500				3750
Outdoor					0							
Misc.	MISC 400		PRINT 2200	MISC 900	8700		VOTERS 3000	PRINT 500	MISC 400		MISC 400	PRINT 500
Legal	13,000		14,200	13,000	108,400			14,000				14000
Contingencies				32,500	36,500							
Internal Coordinator	2500		2500		17,500	2500			2500			
TOTALS	31,387	11,737	40,887	61,439	383,950	139,705	131,555	341,655	212,455	207,550	204,955	240,250

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CAMPAIGN BUDGET/TIMELINE

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	10/5	10/12	10/19	10/26	11/2	11/9				TOTAL
Two Week Beginning										
Campaign Management Fee	13,555		13,560							207,740
Advertising Fee				4000		2000				48,000
Survey Research	4000									59,550
Production	RADIO 6000	TV 25,000	RADIO 3000	NEWS 10,000						145,000
Television	140,000									550,000
Radio	40,000	40,000	40,000							200,000
Newspaper	37,000	37,000	39,000							150,000
Direct Mail	50,000		61,400							782,400
Collateral										60,000
Travel/Misc. - PSW				4000		2750				22,750
Outdoor										0
Misc.		MISC 400	PRINT 500		PRINT 800	MISC 800				16,000
Legal				13,000		6500				155,900
Contingencies					51,250					87,750
Internal Coordinator	2500				1250					26,250
TOTALS	293,055	102,400	157,460	31,000	53,300	12,050				2,511,340

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