


February 23, 1988

**MEMORANDUM**

TO: Samuel D. Chilcote, Jr.

FR: Peter G. Sparber 

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Attached for your review are opening remarks for your use at the March 2 meeting on Operation Downunder.

Please note in this draft:

o **Emphasis on resolving the policy question first**

Although we must assume that all participants will be prepared to deal with this policy question, we thought it would be wise to have the arguments -- pro and con -- laid out before the discussion begins.

Our preferred approach to this would be to have this division argue in favor and state activities against the change in policy. Another approach would be to have representatives of member companies handle that assignment: possibly Guy Smith and Tom Ogburn.

o **Majority rule**

We would prefer a unanimous recommendation from the group. If the discussion appears to be going nowhere, we recommend that you ask for a resolution and a majority vote.

o **Remainder of the agenda**

Regardless of how the policy question is resolved, Institute staff should be prepared to respond to the questions raised by the agenda.

The memoranda from State Activities and Public Affairs divisions respond directly to items 3.A., 3.C., and 3.D.

Since The Institute has not conducted extensive smoker opinion research in the past few years, we will not have much to contribute to item 3.B. We would hope that Philip Morris and Reynolds staff will share their research in this area, or that there will be agreement on the need for quick research to fill this gap.

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Items 2 and 4 would appear to have the same answer: We believe that our indoor air quality strategy will produce the best results and the fewest liabilities over time. This approach has helped us with the news media, with coalitions and has frustrated the anti-smokers. The Institute does not yet have a legislative IAQ strategy to capitalize on our public affairs activity. We think it is important that someone be prepared to address this shortcoming.

/mms