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TO: R. Nelson Beane

DATE: October 9, 1989

FROM Thomas Borelli ¹⁰

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SUBJECT

EPA Strategy

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Our EPA consultants have recommended that Phillip Morris establish a dialogue between a senior executive and the EPA Administrator as part of a strategy designed to improve relations. In order for such a meeting to be successful, it is crucial that PM identify areas of corporate support of environmental issues and more importantly, specific programs dedicated to resolve the ETS issue.

Through corporate contributions PM has generously supported environmental groups such as the Conservation Foundation and the Wildlife Fund. Importantly, the present Administrator was President of the Conservation Foundation before his appointment at the EPA.

Regarding research programs, the Center for Indoor Air Research (CIAR) represents a significant investment and commitment by PM to address ETS through basic research. Furthermore, PM R&D has initiated a significant research program to resolve the ETS issue through improved ventilation systems.

To further demonstrate the company's commitment to indoor air quality, PM could propose a joint PM/EPA ventilation project to resolve the sick building syndrome. Even the most anti-smoking elements of the EPA recognize that banning smoking does not solve the sick building syndrome. In fact, the EPA headquarters' building, which does not allow smoking, has been plagued by building illness complaints.

As part of the Pittsburgh accommodation program, Les Zuke has been negotiating a PM grant to support a ventilation project for a new university building that would allow for smoking throughout the entire building. Including the EPA in such a project could provide a visible step to resolve the sick building syndrome while improving our relationship with the EPA. Of course there are many technical barriers that the ventilation system would have to overcome, such as the efficient removal of smoke (both gases and particles) and design and maintenance costs. Also, an agreement on a definition of acceptable levels of various components present in indoor air would be required. However, including PM in the EPA's research program could be a strategic way to participate in the inevitable decision on how to improve indoor air quality.

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