

W/TI

**PHILIP MORRIS COMPANIES INC. INTER-OFFICE CORRESPONDENCE**  
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To: Craig Fuller  
Kathleen Linehan

Date: April 8, 1993

From: David Nicoli *DN*

Subject: TI Coordination Project

*Copy to Campbell  
Parish  
memo - should you  
be interested!*

Jay Poole, Randy Tompson, and I met with Bob McAdams yesterday at TI for the second time on the TI Coordination Project. McAdams presented us with the attached materials, which he referred to as TI "resource reports." These materials cover, in a skeletal fashion, some of the FET-related projects TI has underway. We questioned McAdams concerning these materials and other projects for roughly three hours. We gave him extensive suggestions on what further information PM/RJR needed, and McAdams will attempt to provide us with that information at our next weekly meeting on April 14.

*Buff  
OK  
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McAdams was very candid during our meeting, and informed us of several points that I think are important for you to know about.

- Sam Chilcote was adamant that McAdams only provide us with information on TI FET projects, and not ETS projects as well. We told McAdams that PM/RJR wanted him to inform us of ETS projects too, and that Craig and/or Griscom would speak to Chilcote on the subject.
- Chilcote informed McAdams that he wanted to sit in on our weekly meetings. McAdams is thoroughly opposed to the idea, and believes his ability to function with us would be greatly inhibited. He said he will attempt to convince Chilcote that this course of action should not be pursued. We told McAdams that we were in total agreement that Chilcote should not sit in, and that he should instead speak with Craig and/or Griscom on any issues of concern.
- McAdams continues to have trouble garnering information for us on various FET activities under the supervision of Susan Stuntz. In gathering information for us, McAdams said that Stuntz specifically told him last Friday: "I will not tell you certain things because you will tell them [PM & RJR]." McAdams also said that Stuntz told him that she "does not want the companies to touch CTJ [Citizens for Tax Justice]." McAdams has been continuously sending us a strong message that Stuntz has an "us against them" attitude, and will make it difficult, if not impossible, for McAdams to provide us with all the information we need.

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C. Fuller

K. Linehan

- McAdams sees the principal problem at TI on all fronts of the FET battle as being that TI has no "strategic plan" and that its personnel are not engaging in "strategic thinking." He told us that based upon his knowledge, TI is almost totally in a reactive mode. He said that part of the problem in putting together the attached materials was that TI personnel have not planned ahead so that they know what course of actions they will pursue in both the short and long term under the different major scenarios that could unfold in the health care reform debate. He made specific reference to TI's media plan and its agricultural community resources in this regard, but noted that his critique had general applicability.
- McAdams told us that political resources he directs in California could be brought to bear in the FET fight. Jay and I will pursue this further with him and report back to you.
- TI has been reviewing FET ads the Citizens Tax Alliance (CTA) may consider running. Focus groups in four cities have been held, and the results will be reported to the TI Executive Committee on Thursday. TI media consultants have been asked to look at the results and come back in several weeks with recommendations on how to proceed.
- There is a two-day TI meeting set in Washington beginning April 22 where TI regional vice presidents will report on their progress in the field on FET and attempt to develop new ideas for the use of state level resources. McAdams said that it is important for him to know what sorts of messages they should carry back into the states. PM/RJR may wish to have significant input into this meeting.

The above described items were the most significant points to arise from the meeting. Please let Jay or me know if you need further information.

cc: Jay Poole

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