



Tobacco Institute Newsletter

INFORMING THE INDUSTRY OF NEWSWORTHY DEVELOPMENTS

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Taxes

DEFICIT REDUCTION moves to a House-Senate conference after Senate passage of a 2-year tax package. An extension of a 3% telephone levy is the only excise now being considered.

Senate panel members had considered then discarded a cigarette tax increase, reported the Christian Science Monitor. The Kiplinger Letter, which has steadily predicted a tobacco excise hike, no longer lists it among prospects.

CALIFORNIA HEALTH COALITION got the state's green light to circulate petitions for 595,485 valid signatures by May 2 to place a constitutional amendment on the November 1988 ballot.

It would raise \$650 million a year for research on diseases said to be smoke-related, education, fire prevention, environmental conservation, and damage restoration programs by hiking cigarette taxes from 10 to 35 cents per pack and imposing an equivalent levy on other tobacco products (NL 434).

WYOMING GOVERNOR Mike Sullivan said he misspoke in calling for a 20-cent cigarette tax hike in 1988. He meant a 12-cent increase to bring the tax to 20 cents a pack.

FLORIDA LEGISLATURE repealed an unpopular service tax and added a penny to the 5% sales tax. Earlier, a house committee cancelled a hearing on a 10-cent cigarette tax increase.

ALABAMA'S Sumter and Greene counties joined Lowndes County in adopting 5-cent local cigarette taxes under new state legislative authority.

Airline Smoking

BRITT AIRWAYS, a Continental subsidiary in Terre Haute, Ind., operating under the name of Continental Express in the Midwest and South, has banned smoking on all flights beginning Dec. 1, the Indianapolis Star reported.

AIR CANADA designated its domestic and U.S. flights of 2 hours or less as non-smoking Dec. 5 to comply with a Canadian government rule effective Dec. 9 (NL 432). The airline, in news reports, said the ban applies to 65% of North American flights with another 16% offering one nonsmoking leg.

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Public Smoking Issues

EMPLOYERS WITH smoking policies increased 50% in a national survey of 2,132 firms by the Bureau of National Affairs and the American Society for Personnel Admin. Response rate was only 29%.

The findings: 54% of responding firms have policies, 4% will implement policies by the end of 1988, 21% are considering such policies, and 22% have no policy and none being considered.

TABLED: Duluth firefighters union has requested its lawsuit against the city's proposed tobacco ban for new firefighters be put on hold because of positive out-of-court negotiations. Trial was to begin Dec. 28.

LOCAL SMOKING RESTRICTIONS: CALIFORNIA: Los Angeles ordinance bans or limits smoking in some public places and requires restaurants with 50 or more seats to designate 50% of service area as nonsmoking. A total restaurant ban had failed by one vote.

COLORADO: Greenwood Village repealed ordinance after complaints over confusing and unenforceable provisions. Council ordered staff to draft new measure. Jefferson County commission approved business ordinance in unincorporated areas. Telluride business interests successfully watered down stringent rules passed in June. New rules set no size for restaurant nonsmoking sections and exempt businesses with fewer than 7 employees--in effect most firms.

NEW YORK: City Council committee approved broad bill to limit, not prohibit, smoking. Restaurants with fewer than 50 seats and smaller stores would be exempt. A final vote is scheduled Dec. 23. Erie County legislature passed limits on smoking in government facilities. Metropolitan Transit Authority has tabled action on reducing smoking cars on Metro North and Long Island Railroad. Issue is to be considered Jan. 15.

LACK OF APPROVAL by personnel officials in North Carolina has scuttled a work area ban by the Division of Health Services, the first such ban proposed by a state agency, AP reported.

PENNSYLVANIA: After 9 years of trying, house approved workplace, public place rules, which were then rejected by state senate in voice vote to nonconcur. Disputed rules are in measure going to conference committee. Many exemptions will result in little coverage under Pittsburgh's broad measure requiring smoke-free work areas for nonsmoking employees and restaurants with more than 30 seats to designate half of space as nonsmoking.

SOUTH CAROLINA: Charleston County council gave first reading OK to smoking limits for county buildings; hearing is scheduled Jan. 5. Last month, council banned smoking on 3rd floor of county courthouse after employee petition. Greenville became state's first city to approve broad measure with fines up to \$200. South Carolina Mental Health Dept., state's 2nd largest agency, started a restrictive smoking policy the day of the Great American Smokeout.

THE NEW YORK Court of Appeals upheld 2 lower court decisions in overturning state anti-smoking rules and ending a 9-month legal battle that cannot be appealed in federal courts.

The 6-1 decision found the state Public Health Council "exceeded its legislative mandate" and usurped legislative functions in its efforts to balance health concerns, cost, and privacy interests.

PUBLIC DISCLOSURE of tobacco company documents before a product liability lawsuit next month has been made possible by the U.S. Supreme Court's refusal to upset a ruling by the 3rd U.S. Circuit Court to allow limited release of materials collected in pretrial discovery (NL 428).

A U.S. DISTRICT JUDGE has dismissed a product liability suit against the Liggett Group by the estate of Joseph Palmer and others. Liability Week said the dismissal followed a federal appeals court ruling that limited the plaintiffs' case (NL 432).

GASP LAWSUIT challenging Florida's preemption of local smoking restriction ordinances was rejected in Palm Beach County Circuit Court. An appeal was expected (NL 431).

Industry

LONGTIME ANTI-SMOKING ACTIVIST Ronald Davis Office of Smoking and Health director, claimed an RJR attorney admitted at a Health and Human Services Dept. meeting that smoking causes illness. But, according to the Atlanta Constitution, no other HHS official present at the meeting, including Surgeon General Koop, was willing to back Davis' allegation.

Davis' charge was in a memo to his boss at HHS. Richard Daynard, head of the Tobacco Liability Project, admitted it was written at his request. RJR rejected it as inaccurate, misstating facts, and misrepresenting positions.

Tobacco stocks, which declined in anticipation of a damaging announcement, gained in trading following it, the Wall Street Journal reported.

LOAN RECEIPTS totaled 3.27% of 1987 total marketings, declining from last year's 7.5% for the lowest figure since 1974, Flue-Cured Tobacco Cooperative Stabilization Corp. said. Effective market price also increased \$6.88 per cwt. over 1986.

The flue-cured tobacco quota, which must be announced by Dec. 15, is expected to contain a substantial increase, reflecting rise in manufacturers' intended purchases.

CIGARETTE EXPORTS to Japan are up fourfold in the first 9 months of 1987, the Agriculture Dept. said in a Reuters report. The value of the cigarette trade with Japan reached \$376 million through September, up from \$88 million.

TOBACCO INSTITUTE ANNUAL MEETING: American Tobacco, Consolidated Cigar, General Cigar Division of Culbro and Helme Tobacco were elected to membership. RJR's Gerald Long leads executive committee, and Charles Mullen and Paul Randour of American join it.

And sorrowful word comes of death Dec. 6 in Kentucky of Joseph Edens, former TI executive committee chairman and retired first CEO of BATUS.

Federal Legislation

SENATE COMMERCE COMMITTEE reported a Consumer Product Safety Commission bill, sponsored by Senator Gore (D-Tenn.), that would require action on indoor air pollution. S 1882, however, doesn't include the tobacco issues raised by California Democrats Bates and Waxman in the House.

Earlier, a House subcommittee, in approving HR 3343 to reauthorize the commission, rejected 2 anti-tobacco bills. Waxman's call for a fire-safe cigarette standard in a year failed 8-6. Bates's amendment to place tobacco products under CPSC jurisdiction died 9-5.

BANNING THE SALE of tobacco products to anyone under 18 and supporting this by banning cigarette vending machines within a year of enactment are goals of bill by Rep. Atkins (D-Mass.).

Miscellany

AUSTRALIAN COUNCIL on Smoking and Health has produced a glossy black and gold "alternative tobacco company report" that records deaths instead of dollars, Lancet advises.

VENDING MACHINES BACK at Fort Bragg: The commander of this N.C. garrison has advised the post exchange manager that the machines can be replaced "as soon as possible," AP reports, to settle a dispute with civilian employees who filed an unfair labor practices complaint over their removal (NL 432).

FURNITURE FIRE CODE will be introduced in Britain in stages, beginning in 1989 and not be fully in force until 1992. But Economist reports that's too soon for the furniture industry and totally inadequate for fire experts who also find code shortcomings.

The new code prevents sale of items that will catch fire from a smoldering cigarette but, lacking a standard test, allows combustible fillings.

PART OF THE RESTRUCTURING of Russian society focuses on poor health practices. Data on declining life expectancy includes the climb of lung cancer from 26 deaths per 100,000 in 1961 to 74 in 1982 and large number of deaths from heart-related diseases, blamed in part on heavy-smoking/heavy-drinking behavior, Economist reports.

LONG-TERM, PAID ADS stressing cost, smelly clothes, bad breath, and addiction will be used to coax Minnesota teens not to light up. The

state health dept. will spend \$600,000 in 9-month, radio and TV campaign that won't mention smoking is harmful to health.

People

JUDGING THE JUDGE: "Commercial speech is not exempt from First Amendment protection" are words of U.S. Supreme Court nominee Anthony M. Kennedy, cited by Advertising Age.

DIET CAUSES more cancers than smoking, according to Sir Richard Doll, expert on medical statistics, and Oxford colleague Dr. J. Peto in South Wales article cited by Great Britain's Tobacco Advisory Council.

Health Organizations

SOME 19.6 MILLION joined this year's Great American Smokeout and 5.8 million stayed off cigarettes for 24 hours, according to Gallup estimates in an AP report.

THAT SAME DAY anti-smoking groups began sponsoring radio and TV ads produced by political media specialist Tony Schwartz in which Patrick Reynolds, grandson of R.J. Reynolds, describes the ill health effects of smoking on his clan.

AN 8-MINUTE subliminal message repeating "don't smoke" was carried on a Dallas AM-FM station as part of the Great American Smokeout.

AP reported the station advised listeners of the message beforehand and had attorneys check its legality. The local cancer spokesperson didn't endorse the subliminal aspect but saw no problem running with it.

AMA IS DISTRIBUTING a guide for physicians who want to stamp out smoking at their job sites and in society. American Medical News said the physician-leadership kit contains specific strategies and a model anti-smoking bill for legislators.

SMOKERS TAKING A HINT? A poll for American Lung Assn., reported in USA Today, found 64% of them say they shouldn't light up near nonsmokers, up from 55% in 1983.

Research

TEEN SONS OF SMOKERS had thicker heart walls stiffer aortas, and 22% lower levels of the "good" cholesterol--making the heart work harder and increasing risk of narrowed arteries--according to Medical College of Virginia research.

Dr. William B. Moskowitz, in an American Heart Assn. report, concluded secondhand smoke may damage children's long-term health, AP reported.

MEDICAL COLLEGE of Georgia survey, carried by AP, found 96% of first-year medical students in 7 schools don't smoke, although 90% drink and more than half use illegal drugs.

"SMOKING IS A GENUINE CAUSAL FACTOR" for penile cancer, the most common male cancer in some parts of the world, Swedish researchers conclude in the British Medical Journal (Nov. 21).

AN ESTIMATED 640,000 cases of low back pain are related to cigarette smoking, with the risk of such pain for 3-pack-a-day smokers 2.6 times that of nonsmokers, a Washington medical researcher reported in Internal Medicine News (July 15-31).

Dr. Richard A. Deyo said smoking along with obesity and sedentary life style may account for a fourth of all lower back pain cases.

ALTHOUGH THE EVIDENCE is preliminary, smoking appears to be a risk factor for leukemia, particularly a fatal variety, Dr. Stuart Berger reported in the New York Post.

TEENS IN 4 Southeastern states are more likely to use smokeless tobacco because a friend or relative recommended it than because they saw an ad, according to a Medical College of Georgia survey in AP.

NATURAL SOURCES account for more than 80% of the radiation exposure for most Americans, with radon, radioactive gas that can cause cancer, the largest fraction, advises the National Council on Radiation Protection & Measurements. Its new report concludes Americans as a whole aren't exposed to radiation levels that would justify public concern or regulatory action, said the Cancer Letter.