

===== **CONFIDENTIAL** =====

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS  
DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR  
DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

January 29, 1987

MEMORANDUM

TO: Samuel D. Chilcote, Jr.  
FROM: Bill Kloepper  
RE: Resource Evaluation

Thanks for the opportunity you gave us in your January 22 memo to comment on the evaluation of some of the resources available to the State Activities Division as presented to you by Roger Mozingo January 20.

Mozingo's memorandum points up the continuing difficulty, in our highly specialized operations, of assessing public relations needs through the eyes of legislative staff, and vice versa.

All too often, when a legislative proposal is under active consideration, it is too late for successful preventive application of any resources. The goal that the Public Affairs Division has tried to meet is prevention of the need for active consideration of legislative proposals.

Having said this, we of course recognize that legislative assemblies are our last line of defense and consequently we have devoted the major and growing share of our division's resources to that defense.

In keeping with this, it is surprising to read that projects relating to youth smoking, fire prevention and voluntary solutions to workplace and restaurant smoking have little or no value. We judge these to be examples of the bona fides of the cigarette industry in its urgings of private rather than public policy solutions to major issues. Our files contain innumerable communications in support of this view.

Responsible Living: Ironically, the only legislative resolutions of commendation ever earned by The Institute, so far as we know, refer to this project. It is a further irony that the project stemmed from repeated urgings by a U.S. Senator.

The project, until now, has been endorsed by the State Activities Division at meetings of the Communications Committee. Rare evidence of actual use of the material has been made available to us despite the many sampling and advertising restriction bills opposed by SAD.

TI DN 0016871

===== **CONFIDENTIAL** =====

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS  
DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR  
DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

January 29, 1987

MEMORANDUM

TO: Samuel D. Chilcote, Jr.  
FROM: Bill Kloepper  
RE: Resource Evaluation

Thanks for the opportunity you gave us in your January 22 memo to comment on the evaluation of some of the resources available to the State Activities Division as presented to you by Roger Mozingo January 20.

Mozingo's memorandum points up the continuing difficulty, in our highly specialized operations, of assessing public relations needs through the eyes of legislative staff, and vice versa.

All too often, when a legislative proposal is under active consideration, it is too late for successful preventive application of any resources. The goal that the Public Affairs Division has tried to meet is prevention of the need for active consideration of legislative proposals.

Having said this, we of course recognize that legislative assemblies are our last line of defense and consequently we have devoted the major and growing share of our division's resources to that defense.

In keeping with this, it is surprising to read that projects relating to youth smoking, fire prevention and voluntary solutions to workplace and restaurant smoking have little or no value. We judge these to be examples of the bona fides of the cigarette industry in its urgings of private rather than public policy solutions to major issues. Our files contain innumerable communications in support of this view.

Responsible Living: Ironically, the only legislative resolutions of commendation ever earned by The Institute, so far as we know, refer to this project. It is a further irony that the project stemmed from repeated urgings by a U.S. Senator.

The project, until now, has been endorsed by the State Activities Division at meetings of the Communications Committee. Rare evidence of actual use of the material has been made available to us despite the many sampling and advertising restriction bills opposed by SAD.

TI DN 0016871

===== **CONFIDENTIAL** =====

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

Fire Prevention Education: Since passage of the federal study bill, State Activities has had little pressure in the self-extinguishing cigarette area. From the beginning, it has been our hope that this public service project would have the additional effects of gaining support for our position from the fire services. That hope has materialized--evidenced again just this week in Illinois.

Roger's request for particulars of our fire community support projects to be forwarded to the field offices was in fact met last December 19 when we notified each office of the towns in its area in which we have established contacts. They were advised that Susan Stuntz would answer questions to identify the individuals involved if requested.

It is possible that the SAD staff does not fully understand the scope of our fire prevention-education project, and that a more detailed briefing would be feasible. We would be happy to provide it.

Voluntary Workplace Project: Two years ago the State Activities Policy Committee advised the staff to take steps to mitigate the increasing smoking restrictions ordered by employers or required by workplace legislation. Last year alone, PAD handled more than 500 referrals, many of them requiring followups, relieving the field staff of this responsibility. We believe SAD should advise the committee now of its view of the legislative usefulness of this resource, and we are ready to discontinue the project if that is satisfactory to The Institute's members.

Voluntary Restaurant Project: During the past year SAD requested and obtained our help with the "smokers welcome" effort in 13 states. While we feel that this work has been a good-will builder, we regret that those requests may have been unnecessary and will discontinue the project if you wish.

Roger has made some observations with which we heartily agree: As examples, the growing vexation over member company use of Mr. Robertson's time; the need for Covington & Burling recruitment of more scientists to the IAPAG group; and the testing of regional domicile of staff spokespersons.

Certain assertions in Roger's memorandum deserve clarification. Among these, there appear to be differing assessments in the remarks he has prepared for the forthcoming board meeting with respect to economic impact studies, voter surveys, the Chase study and media relations activities.

TI DN 0016872

===== **CONFIDENTIAL** =====

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

Fire Prevention Education: Since passage of the federal study bill, State Activities has had little pressure in the self-extinguishing cigarette area. From the beginning, it has been our hope that this public service project would have the additional effects of gaining support for our position from the fire services. That hope has materialized--evidenced again just this week in Illinois.

Roger's request for particulars of our fire community support projects to be forwarded to the field offices was in fact met last December 19 when we notified each office of the towns in its area in which we have established contacts. They were advised that Susan Stuntz would answer questions to identify the individuals involved if requested.

It is possible that the SAD staff does not fully understand the scope of our fire prevention-education project, and that a more detailed briefing would be feasible. We would be happy to provide it.

Voluntary Workplace Project: Two years ago the State Activities Policy Committee advised the staff to take steps to mitigate the increasing smoking restrictions ordered by employers or required by workplace legislation. Last year alone, PAD handled more than 500 referrals, many of them requiring followups, relieving the field staff of this responsibility. We believe SAD should advise the committee now of its view of the legislative usefulness of this resource, and we are ready to discontinue the project if that is satisfactory to The Institute's members.

Voluntary Restaurant Project: During the past year SAD requested and obtained our help with the "smokers welcome" effort in 13 states. While we feel that this work has been a good-will builder, we regret that those requests may have been unnecessary and will discontinue the project if you wish.

Roger has made some observations with which we heartily agree: As examples, the growing vexation over member company use of Mr. Robertson's time; the need for Covington & Burling recruitment of more scientists to the IAPAG group; and the testing of regional domicile of staff spokespersons.

Certain assertions in Roger's memorandum deserve clarification. Among these, there appear to be differing assessments in the remarks he has prepared for the forthcoming board meeting with respect to economic impact studies, voter surveys, the Chase study and media relations activities.

TI DN 0016872

===== CONFIDENTIAL =====

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS  
DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR  
DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

At a work session of SAD field staff and PAD issue managers last November, there was agreement to suspend economic studies and voter surveys pending advice from SAD as to how to improve them. We await that advice now.

Regarding the Chase study, we question whether SAD has made sufficient use of the material to develop a judgment either way on its usefulness. Recently, in making a presentation of the study results to SAD's legislative consultants, an Institute spokesman found that several had not heard of it previously. Access to any specifics of SAD use of Chase would enable us to respond better to the current assessment of it.

Quite possibly our media relations activity can be, as Roger suggests, more helpful to our state and local legislative goals. To achieve this, three steps would be helpful: 1) Diminish rather than increase our short-handed media relations team's assignments to testify at legislative hearings, and increase field staff testimony; 2) test the regional domicile idea for a spokesperson, as both divisions wish to do; and 3) centralize retention of regional public relations firms in the Public Affairs Division so as to continue their coalition-building assistance and augment their media relations roles.

Resources given high marks in Roger's prepared speech for the winter meeting but not mentioned in the memorandum are legal analyses developed by our division consultants, our excise regressivity studies and publications, our 53-page "Scientific Integrity at the Crossroads" response to the 1986 Surgeon General's report and our work with the ACLU.

The memorandum does not comment on the role of the four-member research and writing team in the State Activities Division, other than remarking that the division has on occasion had to develop its own short briefing materials for legislators, implying a deficient response by the Public Affairs staff. We had assumed this to be the responsibility of SAD. Clarification of this would be helpful.

Your memorandum asked us to address improvements in development and use of resources, and to offer ideas for new resources and/or revisions in existing programs. Although their benefits to the legislative operations may be questionable, we believe the public relations requirements of the cigarette industry include establishment of a well-funded indoor air research organization with public communications responsibilities; continuing collection and publication of economic data; and development of a continuing public communications effort on smoking courtesy.

TI DN 0016873

===== CONFIDENTIAL =====

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS  
DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR  
DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

At a work session of SAD field staff and PAD issue managers last November, there was agreement to suspend economic studies and voter surveys pending advice from SAD as to how to improve them. We await that advice now.

Regarding the Chase study, we question whether SAD has made sufficient use of the material to develop a judgment either way on its usefulness. Recently, in making a presentation of the study results to SAD's legislative consultants, an Institute spokesman found that several had not heard of it previously. Access to any specifics of SAD use of Chase would enable us to respond better to the current assessment of it.

Quite possibly our media relations activity can be, as Roger suggests, more helpful to our state and local legislative goals. To achieve this, three steps would be helpful: 1) Diminish rather than increase our short-handed media relations team's assignments to testify at legislative hearings, and increase field staff testimony; 2) test the regional domicile idea for a spokesperson, as both divisions wish to do; and 3) centralize retention of regional public relations firms in the Public Affairs Division so as to continue their coalition-building assistance and augment their media relations roles.

Resources given high marks in Roger's prepared speech for the winter meeting but not mentioned in the memorandum are legal analyses developed by our division consultants, our excise regressivity studies and publications, our 53-page "Scientific Integrity at the Crossroads" response to the 1986 Surgeon General's report and our work with the ACLU.

The memorandum does not comment on the role of the four-member research and writing team in the State Activities Division, other than remarking that the division has on occasion had to develop its own short briefing materials for legislators, implying a deficient response by the Public Affairs staff. We had assumed this to be the responsibility of SAD. Clarification of this would be helpful.

Your memorandum asked us to address improvements in development and use of resources, and to offer ideas for new resources and/or revisions in existing programs. Although their benefits to the legislative operations may be questionable, we believe the public relations requirements of the cigarette industry include establishment of a well-funded indoor air research organization with public communications responsibilities; continuing collection and publication of economic data; and development of a continuing public communications effort on smoking courtesy.

TI DN 0016873

~~CONFIDENTIAL~~

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS  
DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR  
DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

SAD does not rate TAN as to its usefulness, but we would like to note that it has had none in the public relations area. Although TAN was organized as an industry-wide resource, our expressed interests in encouraging its volunteers to write letters to editors (a major public forum) have been unheeded throughout the decade. We believe TAN volunteers have responded well to "action alerts" in legislative situations, and we know they did in expressing views to the Civil Aeronautics Board and the General Services Administration on recent occasions. TAN should be more fully developed.

Another resource to be developed is use of the generally good relationships between SAD and state distributor organizations to build additional coalitions, especially with retailers such as convenience stores who are not cigarette company direct accounts.

Perhaps least among our priorities is continuing devotion of staff time and production resources in the area of tobacco "heritage"--something not mentioned at all in Roger's evaluation--as having little or no influence on either public or legislative regard for the industry.

Finally, to comment on resource use improvement: As we have urged so many times, we need constant, anecdotal "feedback" on the outcome of any attempts to use resources created by our division.

And we agree with Roger that centralizing the costs of our economic consultants in one division could improve their use and effectiveness. We would be happy to accept a transfer of budgeted SAD funds to achieve that. We also suggest transfer of The Institute's staff economist to the Information Center, helping to assure greater coordination of that area of our activities.

We reiterate the need for timely requests for resources from the field. Bearing in mind the need to avoid legislation, as well as to defeat it, we think early application of resources is less expensive than late application.

In summary, while we differ in certain views because of our different goals, we are as always prepared to accept your direction on our priorities in the overall interest of The Institute's members.

K

cc: Roger Mozingo  
Pete Sparber  
Susan Stuntz

TI DN 0016874

~~CONFIDENTIAL~~

THIS DOCUMENT IS SUBJECT TO A COURT ORDER AND THIS  
DOCUMENT AND ITS CONTENTS SHALL NOT BE USED, SHOWN OR  
DISTRIBUTED EXCEPT AS PROVIDED IN THE COURT'S ORDER

SAD does not rate TAN as to its usefulness, but we would like to note that it has had none in the public relations area. Although TAN was organized as an industry-wide resource, our expressed interests in encouraging its volunteers to write letters to editors (a major public forum) have been unheeded throughout the decade. We believe TAN volunteers have responded well to "action alerts" in legislative situations, and we know they did in expressing views to the Civil Aeronautics Board and the General Services Administration on recent occasions. TAN should be more fully developed.

Another resource to be developed is use of the generally good relationships between SAD and state distributor organizations to build additional coalitions, especially with retailers such as convenience stores who are not cigarette company direct accounts.

Perhaps least among our priorities is continuing devotion of staff time and production resources in the area of tobacco "heritage"--something not mentioned at all in Roger's evaluation--as having little or no influence on either public or legislative regard for the industry.

Finally, to comment on resource use improvement: As we have urged so many times, we need constant, anecdotal "feedback" on the outcome of any attempts to use resources created by our division.

And we agree with Roger that centralizing the costs of our economic consultants in one division could improve their use and effectiveness. We would be happy to accept a transfer of budgeted SAD funds to achieve that. We also suggest transfer of The Institute's staff economist to the Information Center, helping to assure greater coordination of that area of our activities.

We reiterate the need for timely requests for resources from the field. Bearing in mind the need to avoid legislation, as well as to defeat it, we think early application of resources is less expensive than late application.

In summary, while we differ in certain views because of our different goals, we are as always prepared to accept your direction on our priorities in the overall interest of The Institute's members.

K

cc: Roger Mozingo  
Pete Sparber  
Susan Stuntz

TI DN 0016874