STATE OF MINNESOTA
COUNTY OF RAMSEY
SECOND JUDICIAL DISTRICT

THE STATE OF MINNESOTA, BY HUBERT H. HUMPHREY, III, ITS ATTORNEY GENERAL,

and

BLUE CROSS AND BLUE SHIELD OF MINNESOTA,
Plaintiffs,

v.

PHILIP MORRIS INCORPORATED, R.J. REYNOLDS TOBACCO COMPANY, BROWN & WILLIAMSON TOBACCO CORPORATION, B.A.T. INDUSTRIES PLC, LORILLARD TOBACCO COMPANY, THE AMERICAN TOBACCO COMPANY, LIGGETT GROUP, INC., THE COUNCIL FOR TOBACCO RESEARCH - U.S.A., INC., and THE TOBACCO INSTITUTE, INC.,
Defendants.

Court File No. C1-94-8565

EXCERPTS FROM PLAINTIFFS' REPLY IN SUPPORT OF PLAINTIFFS' MOTIONS TO COMPEL DISCOVERY AND FOR A PROTECTIVE ORDER TO BE HEARD OCTOBER 8TH, 1996

AND

LIST OF DESTROYED DOCUMENTS

AND

CONFIDENTIAL MEMO OF BATCO LIMITED, DATED MAY 16, 1980

AND

CONFIDENTIAL INDUSTRY MEMORANDUM DATED OCTOBER, 1964

[Beginning of excerpt]

Written policies on destruction: Defendants propose to evade this discovery by exempting documents destroyed "consistent with written document retention and destruction policies." However, it appears that a significant number of smoking and health documents destroyed by the defendants may have been, in fact, destroyed pursuant to "written policies."

Moreover, documents destroyed pursuant to written policies may well be, for some defendants, among the easiest to identify. For example, a document recently produced by RJR demonstrated that *RJR has certain detailed records or the titles and authors of documents apparently destroyed pursuant to written policies.* Exhibit B to Gordon Aff. II. This document summarizes the 1963 Research Department Memoranda "destroyed," listing such titles as:

> The Smoking and Health Problem--A Critical and Objective Appraisal;
>
> Radioactivity of Tobacco…A Study of Burley Tobacco;
>
> The Analysis of Cigarette Smoke Condensate…Polycyclic Hydrocarbons in Lark Cigarette Smoke; and
>
> Counteracting Tobacco Additives.

Id. Since RJR has access to information related to these documents, and access to many of the authors, RJR is in the best position to review its own records and Answer plaintiff' interrogatories with substantive responses.

Persons who must be inquired of: Defendants attempt to limit their inquiry to persons "who might reasonably be expected to have new or additional responsive information." As with the notion of what might be "readily available," persons who might "reasonably be expected" to have additional responsive knowledge is a highly subjective standard.

In addition, defendants seek to limit the inquiry to "current" in-house and outside counsel. Plaintiffs' proposed order would not obligate defendants to identify and track down every single lawyer who ever represented the defendants, but instead only attorneys past and present involved in smoking and health litigation.

Documents not "retained" by defendants: Defendants object to including the issue of documents not "retained." However, whether a document was destroyed or purposefully shielded by a third party, the result may be the same: the document may be eliminated from production. Defendants' own documents already point to this practice. Indeed, it

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was the recent production of these documents, cited in plaintiffs; initial memorandum, that led to plaintiffs first notifying defendants, in prior correspondence, that this would be encompassed in the document destruction issue.[1]

D. Evidence of Destruction

In support of this motion, plaintiffs provided to the Court numerous documents from the defendants' own files evidencing a disturbing pattern of document destruction. This demonstrates both the substantial basis for plaintiffs' concerns and the resources available to defendants for obtaining responsive information.

In response, defendants go to great lengths to distort the content of the documents, explanations which simply fly in the face of the clear and explicit language of the documents themselves. Moreover, the documents presented in plaintiffs' initial memorandum are not the only evidence of document destruction uncovered to date.

1. Philip Morris

Philip Morris Incorporated ("Philip Morris") discusses at length its contention that it has produced more than half a million pages of documents from INBIFO, its research facility in Germany. However, the production of certain INBIFO documents misses the point: the issue is not what has been *produced*, but what has been *destroyed*.[2]

Indeed, the documents attached to plaintiffs' initial motion evidence the destruction of crucial research documents. The handwritten notes of Philip Morris Research Director Thomas Osdene, for example, chronicle a system to exchange sensitive research material between Philip Morris and INBIFO, and to "destroy" -- Osdene's words -- the documents. Exhibit 7 to Gordon Aff. I. It is these destroyed documents to which plaintiffs' discovery is directed, not the reams of marginally relevant documents that Philip Morris has produced thus far.

Similarly, Philip Morris congratulates itself for producing the William Dunn memo evidencing an intent to "bury" unfavorable results of research on nicotine addiction and a copy of the research proposal itself. The proposal, however, is not what Dunn suggests would be buried but, rather, the *results* of the research. Exhibit 10 to Gordon Aff. I.

In fact, it now appears that the results were either not summarized in the standard Philip Morris research report format or the research report itself was destroyed. In response to plaintiffs' recent inquiries, Philip Morris acknowledged that it had not produced any such results, but would produce the lab notebooks containing the raw data from the study itself. Defendants' opposition, at p. 10, n. 6. Evidently, the results were indeed "buried."[3]

Moreover, another Philip Morris document -- not cited in plaintiffs' initial memorandum -- also indicates that document destruction was an ever-present thought among Philip Morris scientists. Thus, this handwritten memo, dated February 23, 1982, from J. L. Charles, a senior Philip Morris research and development scientist, to Research Director Osdene, state at the outset:

> *you may shred this document*, have it typed as is, incorporate the suggestions in a position paper for upper management, or use the document in any way you see fit.

Exhibit D to Gordon Aff. II, at 1003171563 (emphasis added).

This is not an ordinary or insignificant memo. The memo states:

> The comments below are those of a concerned employee with a 20-year association with PM R&D, of which the past 10 years have been directly involved with smoking and health related research.
>
> This company is in trouble. The

[1] Plaintiffs have been attempting to crack these related issues for more than 15 months. Plaintiffs' first set of interrogatories, served in June 1995, requested information on document transfers, Exhibit C to Gordon Aff. II. The recently disclosed documents indicate that perhaps the word "transfer" was not, in defendants' view, the proper terminology. Now defendants claim that "destruction" does not adequately describe this practice either. Clearly, there should be no need to endlessly engage in this game of semantics.

[6] The vast majority of the INBIFO documents produced to date are marginally relevant documents, not the type of long-term cancer and addiciton research that Philip Morris is suspected of having conducted through INBIFO.

[3] By agreement, Philip Morris has not been producing lab notebooks and other raw data of research studies. Until this evidence of destruction came to light, however, plaintiffs believed that it was Philip Morris' practice to summarize the results of its studies. Apparently, where the results of research are unfavorable, Philip Morris either did not prepare a report, or unfavorable reports were destroyed. This is precisely the type of informaiton sought by plaintiffs' document destruction interrogatories.

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cigarette industry is in trouble.

Let's face the facts:

1. Cigarette smoke *is* biologically active.

a. Nicotine is a potent pharmacological agent…

d. Oxides of nitrogen are important in nitrosamine formation. Nitrosamines as a class are potent carcinogens.

e. Tobacco-specific nonvolatile nitrosamines are present in significant amounts in cigarette smoke.

i. We do not know enough about the biological activity of additives which have been in use for a number of years.

Id., at 1003171563-64, 66-67.

Strangely, the document appears to end mid-stream, with the listing of point number 1, above, but no point number 2 or any conclusion. In addition, although the memo states at the outset that it will provide "suggestions as to how to approach the solution to some of the problems, " *id*. at 1003171563-64, no such suggestions or solutions are to be found in the copy produced in this litigation. In response to plaintiffs' inquiries, Philip Morris has stated that this copy is all it can find. Exhibit E to Gordon Aff. II.

2. RJR

RJR urges the Court to disregard the obvious implications of the titles of the index entries cited by plaintiffs by arguing that, at some point in the future, it will show that "many of those documents are not what plaintiffs claim them to be." Defendants' Opposition, at p. 10. If, in fact, there has been no document destruction, RJR can clear the record by answering the interrogatories at issue.

However, the evidence of destruction continues to mount. In fact, evidence produced by RJR demonstrates that its tentacles of document destruction reached to its advertising agencies. For example, one newly-produced document from a vice president at Young & Rubicam, an advertising agency in New York, to a senior manager at RJR, describes numerous documents related to the "Joe Camel" campaign that "will be destroyed." Exhibit F to Gordon Aff. II. Inexplicably, RJR has redacted the copy of the memo produced in this litigation for "privileged material." *Id*. The redactions appear to include the titles of certain documents listed for destruction. *Id*.[4]

A handwritten note attached to this memo leaves little doubt about the motive for the proposed destruction of these Joe Camel documents:

> Ned -- As we discussed… This is what I'm going to destroy -- none of this material is required to do future work -- Also, *under our current scrutiny, a wise move to rid ourselves of developmental work!*

Id. (emphasis added). The "current scrutiny," of course, arose amid the growing controversy surrounding the astounding success of the Joe Camel marketing campaign in attracting children as smokers.

3. Brown & Williamson

Brown & Williamson Tobacco Company ("Brown & Williamson") acknowledges that numerous documents were destroyed pursuant to document destruction policies and that the destructions were "carefully recorded, and that record preserved…" Defendants' Opposition, at p. 12. Therefore, it should be a simple matter for Brown & Williamson to review those records and obtain responsive information regarding documents relating to smoking and health and marketing.

II.

INDUSTRY AGREEMENTS RELATING TO PRODUCT STANDARDS

In what can only be described as a 20-page avalanche of verbiage, defendants demonstrate the impossibility of resolving discovery disputes through "genuine 'give and take' discussions to address the parties' concerns." Defendants; Memorandum in Opposition to Plaintiffs' Motion to Compel Discovery Concerning Product Standards, Etc. ("Defendants' Memorandum"), at p. 3. (end of excerpt)

LIST OF DESTROYED DOCUMENTS

RDM, 1963, Nos. 1-98 DESTROYED

[4] Plaintiffs are unaware of the existence of a privilege shielding the identity of destroyed information of an advertising agency-client privilege under Minnesota law.

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(except as noted)

1-7-65

RESEARCH DEPARTMENT MEMORANDUM-RDM-1963

No.	Date	Title	Author(s)
1	1/3/63	The Smoking and Health Problem-A Critical and Objective Appraisal	Rodgman
2	1/7/63	Establishment of a Colony of Fruit Flies to be Used as Test Insects in Screening Compounds for Insecticidal and Larvacidal Activity	Blackwell
3	1/7/63	G-7 and Total Contents of Cigarettes-Competitive Brands (A Semiannual Report for July-November 1962)	Pitts & Keaton
4	1/7/63	A Critical and Objective Appraisal of the Smoking and Health Problem	Rodgman
5	1/8/63	Adsorption of Phenol Vapor by Untreated Estron	Laurene
6	1/8/63	Evaluation of Triacetate B as a Cigarette Filter Material	Laurene
7	1/10/63	Competitive Brand Cigarettes Miscellaneous Analyses	Crutchfield
8	1/11/63	Assay For Bacillus Macerans Amylase Activity	Blackwell
9	1/24/63	Summary of Competitive Brand Analyses for 1962 Smoking Tobaccos	Crutchfield
10	1/25/63	Quantitative Procedures for Nitrogen, Phosphorus, Calcium, and Magnesium in Small Quantities of Tobacco, Nutriculture Solutions, and Bacteria	Bellin
11	2/1/63	Competitive Brands Blend Analysis-1962	Musselwhite
12	2/5/63	Competitive Brand Cigarettes Miscellaneous Analyses	Crutchfield
13	2/5/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
14	2/5/63	G-7 and Total Stem Contents of Cigarettes-Competitive Brands January 1963	Fitts & Keaton
15	2/6/63	Summary of Competitive Brand Analyses for 1962 (Local Market)	Crutchfield
16	2/6/63	Summary of Competitive Brand Analyses for 1962 (Out of State)	Crutchfield
17	2/19/63	Phenol Content in Smoke as a Function of the Age of a Cigarette	Laurene-Young Lyerly
18	2/27/63	Addition of Sodium Glycinate to Filter Tips. Effect on Aldehyde and Nicotine Content of Smoke	Ashburn
19	2/27/63	Report to the Intl. Symp. On Advances in Gas Chromatography. January, 1963 - Univ. of Houston.	Newell
20	2/28/63	Radioactivity of Tobacco. I. A Study of Burley Tobacco	Latimer
21	2/28/63	Some Syntheses in the Bicyclic Diterpene Series	Giles
22	3/1/63	Competitive Brand Cigarettes Miscellaneous Analyses	Crutchfield
23	3/5/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
24	3/6/63	Competitive Brand Smoking Tobaccos	Crutchfield
25	3/12/63	Chemical Evaluation of the Smoking Quality of Burley and Blended Tobaccos	Harrell
26	3/14/63	Determination of Sugar Content of Leafcoat	Cundiff
27	3/18/63	Abbreviated Procedures for Determination of Alkaloid Content in Tobacco	Cundiff
28	3/25/63	Biosynthesis of Flavorants in Tobacco Plants. I. Large Differences in in Content of Five-Carbon and Six-Carbon Branched Chain Acids in Turkish Tobacco Plants Grown Under Different Conditions	Nystrom & Siremore
29	4/3/63	Competitive Brand Cigarettes Miscellaneous Analyses	Crutchfield
30	4/3/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
31	4/4/63	G-7 and Total Stem Content of Cigarettes-Competitive Brands March 1963	Fitts & Keaton
32	5/2/63	Components Reported in Tobacco Smoke, Supplement I Components Reported From May 1962 to April 1963	Rodgman & Konstantir
33	5/6/63	Interferences in the Flame Photometric Determination of Potassium in Fertilizer Eluates	Dobbins
34	5/8/63	Tests of phosphorylated and Carboxymethylated Parchment as Ion Exchangers for Removal of Nicotine from Flue-Cured Tobacco Aqueous Extracts	Neel
35	5/9/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
36	5/7/63	Competitive Brand Smoking Tobaccos	Crutchfield
37	5/13/63	The Analysis of Cigarette Smoke Condensate. XXXIII. Polycyclic Hydrocarbons in Lark Cigarette Smoke	Rodgman
38	5/14/63	Gas Chromatographic Analysis of the Volatile Essential Oils of Tobacco & Evaluation of the 1962 Experimental Burley Tobaccos	Latimer & Moser
39	5/14/63	Competitive Brand Cigarettes Miscellaneous Analyses	Crutchfield
40	5/27/63	Determination of Sclareol Content of Single Spikes of Clary Sage	Cundiff
41	6/4/63	Meeting of Analytical Methods Committee, T.C.R.C.	Cundiff-Harr
42	6/5/63	G-7 & Total Stem Content of Cigarettes-Comp. Brands, May 1963	Fitts-Keaton
43	6/6/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
44	6/7/63	Papers Presented at the 54th Annual Meeting of the American Assoc. For Cancer Research, Toronto, Ontario, Canada May 23-25, 1963	Rodgman
45	6/12/63	Competitive Brand Chewing Tobaccos	Crutchfield
46	6/13/63	Competitive Brand Cigarettes Miscellaneous Analyses	Crutchfield
47	6/17/63	Test no. 1361- C-9 Blend - Strip Size vs. Cigarette Quality	Fitts-Keaton
48	6/17/63	Counteracting Tobacco Additives	Colby
49	6/27/63	Study of Methods for the Determination of Nicotine and Particulate Matter in Cigarette Smoke	Harrell & Sullivan
50	6/28/63	The Analysis of Primed Bulk-Cured Burley Tobacco vs. Stalk-Cut, Air-Cured Burley Tobacco. Smoking Flavor Results	Wenger
51	7/2/63	G-7 & Total Stem Contents of Cigarettes-Comp. Brands-January-May, 1963	Fitts-Keaton
52	7/3/63	Competitive Brand Smoking Tobaccos	Crutchfield
53	7/5/63	Competitive Brand Cigarettes-Miscellaneous Analysis	Crutchfield
54	7/5/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
55	8/2/63	Competitive Brand Cigarettes-Miscellaneous Analysis	Crutchfield
56	8/5/63	G-7 and Total Stem Contents of Cigarettes (C.B.) July 1963	Fitts-Keaton
57	8/7/63	Analysis of Smoke of Competitive Brand Cigarettes	Sullivan
58	8/21/63	Report on Inspection Trip of Burley in Virginia & Tennessee	Wenger-Spri
59	8/21/63	Summary of Observations of Flue-Cured Tobacco in Middle and Old Belt-North Carolina and Virginia	Wenger-Spri*
60	8/21/63	Inspection of Burley Tobacco in Kentucky	Wenger-Spri*
61	8/23/63	Insecticidal Activity of Compounds Against Green Peach Aphid, Part II	Bellin
62	8/23/63	Insecticidal Activity of Dust Preparations of Water Insoluble Compound Against the green Peach Aphid	Bellin
63	9/9/63	Competitive Brand Smoking Tobaccos	Crutchfield
64	9/12/63	Competitive Brand Cigarettes-Miscellaneous Analyses	Crutchfield
65	9/16/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
66	9/16/63	Effect of a Charcoal Filter on the Transfer of menthol to The Mainstream Smoke	Newell-Lati*

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67	9/16/63	Addendum to the Report on Fate of the Flavorants of Tobacco in Smoke. I. Sclareolide	Newell
68	9/17/63	Standard Strains of Microorganisms Carried in the Stock Culture Collection of R.J. Reynolds Tobacco Company	Long, Marg*
69	9/20/63	A Report on Portions of the 145th Meeting of the A.C.S.	Mims
70	9/20/63	Detection of Sclareol and Sclareolide on Filter Paper	James, W.B.
71	9/25/63	American Chemical Society Meeting, New York, Sept. 9-11, 1963	Rowland
72	9/27/63	145th National Meeting of the A.C.S., New York, Sept. 8-13, 1963	Konstantin
73	9/30/63	Detection and Determination of Phosphorus in Striking Surface Material for Self-Lighting Cigarette (DECA) (**destroyed 5/10/66)	Harrell
74	10/2/63	Competitive Brand Cigarettes-Miscellaneous Analyses	Crutchfield
75	10/3/63	Trip to 17th Tobacco Chemists Research Conference, Montreal Quebec, Canada-Sept. 22-25, 1963	Fitts
76	10/3/63	17th Tobacco Chemists Research Conference	Cundiff
77	10/4/63	Potential for Commercial Development of Dimethylmaleic Anhydride	Mims
78	10/9/63	17th Tobacco Chemists' Research Conference-Sept. 22-25, 1963	Rodgman-& Latimer
79	10/17/63	Investigation of a Colorimetric Method For Determination of Acrolein	Cundiff
80	10/31/63	G-7 and Total Stem Contents of Cigarettes (C.B.) October 1963	Fitts-Keaton
81	11/4/63	Analysis of Smoke of Competitive Brand Cigarettes	Sullivan
82	11/5/63	Drying K-24 Smoking Tobacco-Test of Apron Dryers Versus Air-Heated Rotary Dryers	Neel
83	11/6/63	Competitive Brand Cigarettes-Miscellaneous Analyses	Crutchfield
84	11/6/63	Competitive Brand Smoking Tobaccos	Crutchfield
85	11/12/63	Migration of Propylene Glycol Humectant From Tobacco to Filter Media	Cundiff
86	11/13/63	Tobacco Dust Separation From Sand; Evaluation of the Simon-Carter Type S Purifier	Wagner
87	11/19/63	Total Bases in Smoke of Competitive Brand cigarettes, Summary 1963	Sullivan
88	11/25/63	Test No. 1370 - K-4 Blend-Strip Size vs. Cigarette Quality	Fitts-Keaton
89	12/6/63	G-7 and total Stem Contents of C.B. Cigarettes, November 1963	Fitts-Keaton
90	12/6/63	Effect of Cultural Practices on Quality and Yield of the 1962 Burley Crops	Ness
91	12/10/63	G-7 and Total Stem Contents of Cigarettes-Competitive Brands (A Semi-annual Report July-November, 1963)	Fitts-Keaton
92	12/11/63	G-7 and Total Stem Contents of Cigarettes-Competitive Brands (An Annual Report for January-November 1963)	Fitts-Keaton
93	12/12/63	Analysis of the Smoke of Competitive Brand Cigarettes	Sullivan
94	12/12/63	Competitive Brand Chewing Tobaccos	Crutchfield
95	12/18/63	Report on the "Conference on Recent Advances I Odor: Theory Measurement, and Control"	Colby
96	12/26/63	Total Solids (mg./Cigarette) in the Smoke of Competitive Brand Cigarettes-1963	Sullivan
97	12/26/63	Nicotine (Mg./Cigarette) in the Smoke of Competitive Brand Cigarettes-1963	Sullivan
98	12/11/63	Competitive Brand Cigarettes-Miscellaneous Analyses	Crutchfield

BATCO MEMORANDUM

DRAFT NO. 3

STRICTLY PRIVATE AND CONFIDENTIAL

A NEW COMPANY APPROACH TO THE SMOKING AND HEALTH ISSUE

1. CAUSATION

We now accept that the smoking of tobacco products, combined with other factors such as genetic pre-disposition, air pollution and psychological temperament is dangerous to the health of a small minority of smokers and can be a cause of lung cancer, emphysema and other respiratory and coronary diseases, many of which are fatal.

2. ACCEPTANCE OF RISK

Smoking is just one of the many additional risks taken by people in order to gain certain benefits in their daily, stressful lives and can be likened to indulging in dangerous sports, using fast transportation and drinking alcohol, all of which, for a minority of people, are additional lethal risks. People who indulge in those activities have a clear awareness of the additional risks involved and accept them for the additional benefits they bring in a stressful world. In the western world this same awareness applies to smoking and it must therefore not be our policy to deny or negate any reasonable warnings by government and other bodies in any part of the world regarding the additional risks involved in smoking tobacco products. Indeed, we should go further and voluntarily alert our consumers to the additional risk involved when this has not been done by other parties. This can be done through a pack warning clause and in certain advertising material.

3. ADDICTION/HABITUATION

This is another aspect of the smoking and health issue which cannot be overlooked. Unlike dangerous sports and other high risk activities (except the drinking of alcohol) smoking is addictive/habituative in addition to being an additional risk and many smokers would like to give up the habit if they could. This does not mean that we must contribute to health education or to "quitting clinics" but it does mean that we have to act even more responsibly than if the consumption of our products were purely involving a minority of consumers in an additional risk.

APPRECIATION

1. AIM

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To become stronger in tobacco, as a sound basis for further diversification.

2. FACTORS AFFECTING THE AIM

a) In developed countries in which we trade, the markets have plateaued due to a combination of economic and social pressures, of which the increasingly well orchestrated movement against smoking is the chief underlying cause.

b) In developed countries substantial growth of the total market in future is unlikely.

c) There are several key growth markets in developing countries, such as Brazil and Indonesia, where anti-smoking pressures are at the moment minimal.

d) The war against smoking is becoming worldwide, due to the recent commitment made by the WHO to prevent what they see as "Tomorrow's Epidemic" in the Third World.

e) The attack on smoking has shifted emphasis from primary health arguments, to that which seeks to make smoking a socially unacceptable habit, manifesting itself in increasing restrictions on smoking in public places, based on the implied harmful effect of ambient smoke on the non-smoker.

f) Of our 51 areas of operation overseas, 32 could be defined as Third World countries, which in themselves present a new dimension for the anti-smoking attack.

g) We are perceived to be a multi-national, in a world conditioned to suspect us of exploitive practices simply because we are such and organisation.

h) We want -- and need -- to be stronger in a contentious product, which we sell in and look for growth in a contentious grouping of countries, and are organised in a manner which is in itself contentious, in order to do so.

j) We are in direct competition in many areas with R.J. Reynolds, Philip Morris and Rothmans, whose aims regarding tobacco are probably shorter-term than our own because they have nothing like the investment in tobacco worldwide that we have to protect.

k) In the minds of the anti-smoking forces, we are vulnerable to attack for our varying delivery levels, the use of advertising and promotion methods effectively banned in most developed countries, and for not warning consumers unless constrained by governments to do so.

l) We have three pending legal suits against Brown and Williamson in the USA, and US lawyers are waiting for an opportunity to demonstrate that the industry accepts causation in order to succeed in their suits.

m) The company's position on causation is simply not believed by the overwhelming majority of independent observers, scientists and doctors.

n) There is a likely tendency among young people coming into industry to see working for a tobacco company as, to some extent, socially unacceptable.

o) The industry is unable to argue satisfactorily for its own continues existence, because all arguments eventually lead back to the primary issue of causation, and on this point our position is unacceptable.

p) There are substantial and telling arguments that we could put for the existence of our industry if we were believed on the primary issue of causation, in respect of social acceptability, public smoking, freedom of choice.

q) Third parties can never argue as convincingly on our behalf as we could on our own behalf.

r) The population projections are that between 1975 and 2000 Africa will double, Asia and Latin America will nearly double, whilst the more developed countries will increase only by one seventh.

s) The result of a one sided 'debate' over the last few years is an illusion in the minds of most people that all smoking harms all smokers.

3. DEDUCTIONS

a) If we are to strengthen our position in tobacco, we must recognise the anti-smoking movement in all its shades and underlying motivations as that which will prevent us ultimately from achieving our aim, by making our product socially unacceptable.

b) It is unsafe to assume continued substantial growth in the developing countries in the light of the rapid escalation of international pressure on governments and consumers from the anti-smoking

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bodies.

c) We cannot rely on third parties to argue a case on our behalf, because they will amount only to a "still small voice of reason" in the face of anti-smoking tide which will swamp them.

d) The tobacco industry is the only organisation or group of organisations which have the motivation, potential communications expertise, and financial resources to mount a campaign to redress the balance which is central to long term survival.

e) No individual can argue successfully unless his integrity is unquestionable. In the view of the forces ranged against us, our integrity is seriously in question over our position on causation.

f) Our position on causation, which we have maintained for some twenty years in order to defend our industry is in danger of becoming the very factor which inhibits our long term viability.

g) It could be that a re-evaluation has to be made of what we could lose in the short term through court action in the USA, against what we will certainly lose in the long term if we do not defend ourselves credibly on social unacceptably.

h) Our lack of credibility on smoking further undermines the arguments we can make on our position as a multi-national operating in the Third World. It makes us vulnerable to an unnecessary degree.

j) We cannot become stronger in tobacco without maintaining a high standard or management. It is likely that potentially excellent young people are being lost to the industry because of the weight of anti-smoking feeling against such a career.

k) Short term competition in the developing countries leads to excesses in promotion methods (direct appeals to the young in Costa Rica, glamour in Brazil) which positively excite frenzy on the part of the anti-smokers, and serve to accelerate adverse pressures quite unnecessarily.

In many countries we have manufacturing facilities and consequently an investment to protect and our international competition does not. Philip Morris and R.J. Reynolds, working on shorter term goals than ourselves, can positively create serious anti-smoking feeling, leading to restrictions and social unacceptability, by virtue of unscrupulous and ill-considered marketing methods, fully in the knowledge that they can withdraw at minimal cost to themselves should the need arise, leaving BAT with a substantial investment to protect in a seriously eroded business climate. We cannot afford to allow this tendency to continue.

l) If we are to maximise growth in the long term in the developing countries, we must strive to neutralise anti-smoking pressure by being perceived as:

a) Behaving responsibly in the light of the overwhelming views regarding the health effects of smoking.

b) Gearing our marketing methods to demonstrate that responsibility.

c) Being an acceptable guest in the host country where our presence brings substantial economic benefits.

d) Contributory, rather than exploitive.

4. COURSES OPEN TO US

a) We can continue to maintain our present position on causation.

Advantages

Our legal position in the USA will remain intact, as far as we have been advised.

The cost of a major communications exercise will be avoided.

Relations with our peers in the industry will continue as they are.

A 'quiet life' in the short term.

Disadvantages

We shall not be able to argue as a company or an industry with credibility on such vital matters as social unacceptability, public smoking, etc.

We will continue to be met with incredulity whenever we make the statement.

There will be an increasing tendency on the part of employees to feel uncomfortable and unbelieving.

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Recruitment of key people at university level will be seriously undermined.

Our apparent intransigence will excite further excesses on the part of the anti-smokers.

Our future will tend to be decided without our full participation in the debate, as anti-smoking pressures work on our consumers.

If the above assumptions are correct, we shall see the markets in the developed world gradually decline at an increasing rate over the next ten years, and our growth markets reach "premature maturity" and be static or declining by the end of that period.

b) We can move our position on causation to one which acknowledges the probability that smoking is harmful to a small percentage of heavy smokers

Advantages

Credibility will be restored to the industry.

We will be able to participate fully in the debate, and defend ourselves on the issues of social acceptability from the firm base that credibility will ensure.

We will come to be judged alongside the liquor industry as being socially responsible, in that we acknowledge our products can be harmful in excess, and we show due care in warning against excess.

We will be in a position to correct the balance of opinion which now appears to be that all smoking is harmful to all smokers, and show that the vast majority of smokers are unaffected.

We will be able to promote lower delivery products on an implied "health" advantage.

We will be able credibly to put arguments in favour of smoking, based on forthcoming research on the benefits of the habit.

We will be able to take on the anti-smokers directly, refute their extreme claims, reveal their propagandist methods, and if necessary their political and ideological undercurrents without being justifiably accused of 'muckraking'.

We will be able to check the inevitable drift towards the eradication of smoking, by arguing on the dose/disease relationship, explaining that smoking can be reduced to an infinitesimal risk, which all but the most entrenched anti-smokers will find acceptable.

We will be able to argue credibly for the right to advertise in order to communicate low delivery products.

The notion of a 'safer' cigarette will greatly assist us in tapping the projected population growth of less developed countries by the year 2000.

We could confidently predict, in the year 2000, very large numbers of people in the developing countries smoking 'safe' cigarette largely in moderation, and the anti- smokers being isolated by a prevailing mood of common sense.

Disadvantages

If the predictions of the US lawyers are correct, we could lose a cancer suit, and this could lead to a new 'industry' in America and elsewhere, that of suing tobacco companies, costing a lot of money.

It will require substantial organisation and communications effort to 'sell' the new concept to the company and the industry, and to manage its effects.

It could prevent us from achieving any further industrial unity on smoking issues.

A resultant division within the industry would provide an ideal opportunity for the anti-smokers to exploit.

NEW STRATEGY

On balance, it is the opinion of this department that the analysis of advantages and disadvantages suggests that we should now move to

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position B, namely, that we acknowledge "the probability that smoking is harmful to a small percentage of heavy smokers."

Any strategy has to cover various aspects of our activities. The main ones are basically:

(a) What we say when questioned by government, press and others about smoking and health.

(b) What we say to our consumers about their smoking habit.

(c) What product modifications we introduce to meet either popular demand or scientific and governmental pressures.

(d) What advertising methods we use.

(e) What warnings we give on packets and elsewhere about risks of smoking.

(f) What research we need to undertake.

We believe it is not possible to have one element of our strategy incompatible with others. It is therefore important that all that we say and do leads to a consistent as well as a credible image. This is the background to the recommendations which are made below on each element of the strategy.

5. (A). WHAT WE SAY WHEN QUESTIONED BY GOVERNMENT, PRESS AND OTHERS ABOUT SMOKING AND HEALTH.

We have developed a number of possible approaches to this and they may be found as Appendices A1, A2, and A3. They will necessarily need to be discussed with Lawyers on both sides of the Atlantic. It is important to realise that in the past we have tended to ask our Lawyers to let us know how we may defend our position and avoid losing cases. We believe we should now ask our Lawyers how we may attack our detractors and win cases. The danger in the defensive position is that while we may not lose in any legal cases we are likely to suffer severely in the market place

(i) because the public and even the consumer begin to find our position not credible and

(ii) because government regulations on advertising, tax, where one may smoke, etc., will gradually strangle the industry.

Our public face therefore has to be seen not purely as a technical legal statement but as a managerial position in the survival strategy of the industry. It is with this in mind that the various different alternatives at Appendices A1, a2, and A3 are offered for consideration.

5. (B) WHAT WE SAY TO OUR CONSUMERS ABOUT THEIR SMOKING HABIT.

As has been said previously by several members of this company, the consumer is under extreme pressure. His image, formerly was manly and successful etc. It is now dirty and anti-social. Like other members of the public he is also in doubt about his habit and its health implications. With this in mind, we recommend that moderation in various forms be promoted as the correct attitude to smoking. We know that some of our competitors have doubts about this position and we know that it has legal implications. Nevertheless we believe that at least two steps can be taken and these are:

(i) In countries which have not yet suffered the attacks that most European countries and the United States have undergone, the moderation campaign analogous to moderation in drinking and other life habits should be promoted.

(ii) In countries where there is legal difficulty the campaign of moderation with commonsense or just commonsense should be promoted. There seems to be no particular reason why the industry should not indicate its apprehension about people who smoke more than say 20 cigarettes a day and its confidence about those who wish to smoke less than this amount. This would be in line with Gori's findings providing deliveries were correct.

5. (C) WHAT PRODUCT MODIFICATIONS WE INTRODUCE TO MEET EITHER POPULAR DEMAND OR SCIENTIFIC AND GOVERNMENTAL PRESSURES.

We can be severely criticised and indeed are frequently attacked because in certain developing countries the deliveries of our products are much higher than they are in Europe and the United States. In guidelines we have consistently over the past 10 years tried to encourage associated companies to reduce their deliveries. We must now go further and monitor regularly and with increasing pressure the

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deliveries of our brands. At Appendix B is attached a table showing the deliveries in various countries. (This is extracted from total lists covering some 100 pages which are available in Public Affairs Department if needed).

If necessary, we must do research into what differences in delivery can in fact be detected, since the impression is that with any high delivery cigarettes, quite substantial reduction can be made without the consumer rejecting the product.

In Europe and the United States, while we must resist government direction and precise legislation about deliveries, we should continue to reduce deliveries and show ourselves to be quite prepared to do so.

5. (D) WHAT ADVERTISING METHODS WE USE.

We can be criticised for our advertising in the Third World because it is not in line with standards in Europe and the United States. At the same time each individual country in Europe has different standards and therefore an obvious question is which standard from Europe should be offered to which country in the Third World. Too much interference would suggest neo colonialism and could easily be resented. Nevertheless we should carefully consider as Brazil has already done, the reduction of the more obviously objectionable styles of advertising, particularly those portraying glamour and wealth. There may be a case for reducing advertising in countries where we already have a virtual monopoly since it will make it more difficult for competition to enter. Self-imposed discipline and regulations, as has been shown in Denmark and Germany, definitely help to stave off government interference.

Certain principles which we could establish as company policy are:

(i) No advertising or promotional material should contain any appeal whatsoever to anyone under the age of 18.

(ii) No material should contain any appeal to non-smokers to take up the habit.

(iii) No material should contain any appeal to induce people to smoke more.

(iv) Glamour and sexual appeal should be severely curtailed if not eliminated.

5. (E) WHAT WARNINGS WE GIVE ON PACKETS AND ELSEWHERE ABOUT RISKS OF SMOKING.

With the advent of strict liability and other changes in liability laws around the world we may be well advised voluntarily to put warning clauses on cigarettes in all countries. Naturally this will have to be treated with caution since we would still need to have, at this stage anyway, the attribution clause. Nevertheless consideration should be given to approaching governments with the suggestion that it might be to their advantage to introduce warning clauses. The reason for this is that governments are meeting with increasing pressure from WHO and other international agencies to do something about smoking and health. In many cases they do not understand the problem fully and even where they do, they do not necessarily consider it to be of prime importance. However it will immediately become important to them if international agencies withdraw or reduce funds for other activities until such time as smoking control is introduced.

5. (F) WHAT RESEARCH WE NEED TO UNDERTAKE.

At present we are spending considerable sums on medical research and these are probably adequate. However the public is not aware of much of the research that we are doing and we should consider publicising a little more how much money we spend and perhaps, in some cases, indicating what we are doing.

Other research that we could spend rather more money on is in the agricultural area. This could either take the direct form of researching into the more effective growing of food, or the indirect form of endowing Chairs at University in tropical agriculture with specific reference to the growth of food. Perhaps such Chairs ought to be endowed in three places, for instance:

an advanced country

an intermediate technology country

a country which is still quite a long way behind.

6. COMPETITION

It is realised that there is little that we can do unilaterally if our competitors continue to flaunt the normally accepted standards. Nevertheless it may be

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possible gradually to introduce the changes outlined above in places where we do not have the majority of the market and to introduce them more rapidly in those countries where we do.

CONCLUSION

The ideas suggested above are in some cases a radical departure from our current practice although nearly all of them have echoes in our overall policy and attitudes. The problem to date has been the severe constraint of the American legal position. This problem has made us seem to lack credibility in the eyes of the ordinary man in the street. Somehow we must regain this credibility. By giving a little we may gain a lot. By giving nothing we stand to lose everything. A recent article by Daube on how to organise a pressure group emphasized the point that a target was most vulnerable when it showed intransigence. This is the one mistake we must avoid.

REPORTS ON POLICY ASPECTS OF THE SMOKING AND HEALTH SITUATIONS IN U.S.A.

CONFIDENTIAL MEMO

P.J.R. October 1964

G.F.T.

This is a transcript of the 1964 confidential memo referenced in the Wall Street Journal and the Boston Globe on October 1, 1996. This rendering of the document is based on the version published on the Wall Street Journal's web site (https://interactive3.wsj.com/edition/resources/documents/tobacc64.htm -- a subscriber service). Typographical errors from original are left intact.

I

INTRODUCTION

We were in U.S.A. from 10th September to 15th October, 1964, and had discussions with:

The Presidents of the six main cigarette firms in U.S.A., one ex-President and several Directors.

The Legal Advisors of four of the firms and another lawyer advising two of the firms, The Directors of Research and other scientists of five of the firms, Mr. J.M. Gregory and Mr. D.L. Coulson of the Imperial Tobacco Co. (Of Great Britain and Ireland) Ltd., The Administrator of the U.S. Cigarette Advertising Code(Governor Robert B. Mayner).

Senator J. Sherman Cooper (Republican, Ky.).

The American Medical Association - Senior Executives, and the Chairman and two other members of the A.M.A. Committee for Research on Tobacco and Health, The Council for Tobacco Research- U.S.A. and its Scientific Advisory Board, Mr. George Allen and Mr. DeHart of the Tobacco Institute.

Hill and Knowlton, New York, Two senior members of the National Cancer Institute and two of the National Heart Institute, Dr. E. L. Wynder and his senior staff, Dr. E.C. Kassand, Dr. Y. Weiss, Dr. J. Berkson, Dr. R. Barnfeld, Dr. C.C. Seltzer.

The complete list of people with whom we had discussions is given in Appendix I.

This report deals only with policy aspects of smoking and health problems in the U.S.A. A separate report on research aspects has been prepared.

This report may be clearer if we record at the outset that Mr. Bowman Gray (Reynolds), Mr. Walker (A.T.Co) and Mr. Finch (B.&W.) firmly and sincerely believe that it has not been proved that smoking is harmful to health. On this important point, however, Mr. Cullman (Philip Morris), Mr. Harrington (L.&.M.) and Mr. Cramer (Lorillard) would hedge a little.

Of the six Presidents, Mr. Gray, by virtue of his personality, experience and his Company's share of the trade, is undoubtedly the leading personality. Mr. Walker is primarily a salesman and an advocate of the "hit-back" aggressive type of policy in smoking and health. Mr. Cullman has stopped assuring his stockholders annually that he is confident that smoking will eventually be exhonorated. Mr. Cramer is distinguished among the Presidents by thinking highly of Dr. Wynder. Mr. Harrington has come up on the leaf side of Liggett & Myers, and he learned about the smoking and health side of the business only after he had become President. Mr. Finch, like Mssrs. Walker, Harrington & Cramer, has only recently been appointed

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President, but Mr. Bowman Gray has already appreciated Mr. Finch's contributions to discussions of smoking and health problems.

Our reception everywhere was most friendly, Mr. Bowman Gray, in particular, expressed appreciation that we had taken the trouble to go to Winston-Salem to see him.

II

LEGAL MATTERS

Differences between U.S. and U.K.

We should perhaps first emphasize, despite the obvious similarities between the smoking and health situations in the U.S. A. and U.K., there are major fundamental differences which are major fundamental differences which prevent the two countries ever having anything like a complete identity of view. We emphasize this point because we found these differences under-appreciated by the cigarette manufactures in U.S.A.

In the U.S., by far the most important factor conditioning action by the manufacturers is the law suit situation and the danger of costly damages being awarded against the manufacturers in a flood of cases. Not so long ago the drug industry was faced with some 300 law suits with claims totaling $50-60,000,000, almost all of which in the end were settled out of Court, so this type of danger is real. The leadership in the U.S. smoking and health situation therefore lies with the powerful Policy Committee of senior lawyers advising the industry, and their policy, very understandably, in effect is "don't take any chances." It is a situation that does not encourage constructive or bold approaches to smoking and health problems, and it also means that the Policy Committee of lawyers exercises close control over all aspects of the problems.

Lawsuits can be brought against the U.S. manufacturers by smokers developing one of the diseases associated with smoking (or by their widows, by substitution) on the basis of breech of express warranty (e.g. manufacturer advertised the cigarettes to be free from harm), breech of implied warranty (e.g. failure to meet standards implied by State laws) or negligence. It is relatively difficult to base a case on negligence so that the U.S. law suits are usually based primarily on breech of warranty. In addition, they are usually financed on a contingency fee basis, the plaintiff's counsel financing the case for an agreed parentage of the damages (e.g. 40% or 60%) if successful. The cases in U.S.A. are usually heard before juries, to whom highly emotional appeals can be directed and full use made of the convenience to plaintiffs of the U.S. rules regarding introduction of evidence.

By contrast, we understand that in the U.K., any suit against a manufacturer would almost have to be based on alleged negligence by the manufacturer (as long as the manufacturer's advertising was free from expressing a warranty), would most likely be heard before a judge and not a jury, and would have to be financed by the plaintiff, with the risk of costs being awarded against him if he lost. It would therefore be very much more difficult for a plaintiff to win against a manufacturer in Britain, and of course TRC's research programs takes into account the need for the manufacturer not being negligent in research.

In the U.K., the prime need is for objective and effective research and the most important factor external to TRC'S research policy that conditions their action in smoking and health matters is the necessity of avoiding clashes with the "medical establishment" - i.e. the Ministry of Health, The Medical Research Council, the Royal College of Physicians, leaders of medical opinion, etc. The power of the medical establishment in the U.K. was particularly seen in the incident of Sir Cecil Wakely and the humiliating recantation forced on him. In U.S.A. by contrast, the Department of Health, Education and Welfare has much less public status than the Ministry of Health; the equivalent in U.S.A. of the Medical Research Council (viz. the National Institute of Health) has much less power and standing; there are a number of doctors who dissent from the evaluations of the Surgeon General's Advisory Committee and are prepared to say so; the A.M.A. appears more concerned with safeguarding the financial interests of doctors through political lobbying than with the doctor's patients; and there are hundreds of thousands of tobacco growers whose future votes silently influence the outcome of smoking and health issues with political aspects. The U.S. manufacturers naturally do not disregard medical opinion, but this opinion has relatively less weight in smoking and health matters than U.K. medical opinion.

Law Suites Pending

Some 30-35 law suits have been moving recently, including some which have been discussed. Of these 30-35, 15 have been filed since publication of the S.G.A.C. report. Reynolds have been served with 9 suits in 8 months; A.T. Co. have had about the same. The future of the law suits largely depends on the outcome of the Green case, the re-hearing of which is due to start in Florida on 9th November and which we discuss below.

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The cases pending are mainly based on lung cancer, though there are now two cases in which the plaintiff has emphysema. Emphysema and heart disease cases could become worse than lung cancer; for one thing they are more common, and for another the plaintiff does not die so soon, and death of the plaintiff limits the maximum damages in some states. Lorillard had a case against them in Illinois, where the maximum damages for causing unlawful death are $30,000. When the plaintiff in this case died and the lawyer financing it saw what the expenses were likely to be, he dropped the case.

The first case due to come up is a case against Lorillard in Mississippi but it is likely to be postponed. The first major case will therefore be the re-hearing of the Green against A.T.Co. in Miami, Florida. This is regarded by all the lawyers with great seriousness. In the original hearing of the case in Florida, the judge of the District Court had put certain questions to the jury and these, with the verdicts by the jury were:

1. Did Green have lung Cancer? - Yes

2. Did lung Cancer cause Green's death? -Yes

3. Was Green's lung cancer caused by smoking of Lucky Strike cigarettes ? -Yes

4. Could the manufacturer, at the time it sold the cigarettes which Green smoked, have known by the exercise of reasonable skill and foresight that its Lucky Strike cigarettes might cause cancer? -No

The plaintiff received no damages and appealed on the grounds that the answer to question (4) ought not set to affect his right under a law of Florida to recover damages. In considering the appeal, the Appeal Court put a question to the Supreme Court of Florida, as could be done under Florida law, asking for an interpretation of a law of Florida about the implied condition of goods marketed in Florida. The Florida Supreme Court gave an Opinion as requested but in effect said at the same time that the Appeal Court had asked them the wrong question. The Appeal Court has ordered a re-trial by the District Court of the question only of A.T. Co.'s liability for damages, but in view of the complications of the situation, no lawyer knows the precise wording of the question that had to be re-tried , Mr. Ramm (R.J.R.) expects the jury to be asked whether the cigarettes were "reasonably fit and wholesome" for their intended use, and a basic consideration in determining this is likely to be the proportion of smokers who develop lung cancer. It is also felt that an argument that the defense will use is that cases could be brought on a similar basis against many other things sold in Florida - whiskey, butter, cars, The difficulty is that, under the relevant Florida State law it is no defense that, at the time the cigarettes were smoked, A.T. Co. could not have known they might be harmful; the warranty imposed by the Act is unqualified.

There is a general feeling that A.T. Co. may well lose the case, indeed, one lawyer thought A.T. Co. Had handled it badly. Mr. Russell (Lorillard) was more optimistic than the others; he felt that while juries are anti-big business, they also feel that it is unreasonable of people to smoke recklessly and then seek damages. The case is expected to last about two weeks.

If A.T. Co. lose, the lawyers financing the law suit -- e.g. Mssrs. Belli, Bloomfield, McCardle --may feel re-encouraged, after they had been concluding that there were more profitable fields elsewhere for claims. There is then likely to be a flood of new cases, not only in Florida. On the other hand, A.T. Co. are almost certain to appeal against an adverse verdict -- which will hold off some new cases -- and the Green case may not do much damage as a precedent, because the legal issues are so narrow. The claim that smoking caused the disease has to be re-proved in every case, because of course it has to be proved that the particular plaintiff's lung cancer (or other disease) was due to smoking. While previous verdicts on this point are a psychological advantage to the plaintiff, they are not a legal precedent.

It is impossible to guess what the damages would be if A.T. Co. lose the case, The damages can turn on very personal, emotional, and irrelevant factors in the appeal to the jury. When pressed by us, one lawyer guessed $120,000 and another $250,000.

Two of the other cases pending have unusual variations. A.M. Fine of New York has accuses Philip Morris of breech of express and implied warranty and negligence, and accused Hill & Knowlton and C.T.R. of conspiracy. The plaintiff, however, may well not succeed in stating sufficient causes of action against H&K and C.T.R.. Lorillard have a case against them in Michigan in which the plaintiff is claiming damages of $9,999. A claim of $10,000 would take it to the jurisdiction of the State Courts into the Federal Courts.

Mr. Blunt told us that the defense of the Pritchard case in Pittsburgh, involving two trials, had cost Liggett & Myers over $1,000,000. The plaintiff in the Lartigue case against Liggett & Myers and R.J.

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Reynolds in New Orleans has asked leave to appeal.

It is, of course, the practice of the defending companies to retain private agents to investigate the private lives and backgrounds of the plaintiffs. Mr. Ramm made the interesting point that quite a number of the plaintiffs are alcoholics. The extent to which liver damage may affect metabolism of carcinogens and an individual's liability (sic) to develop lung cancer has not been studied, but some animal experiments by Katin & Falk suggest that it may be worth investigating.

Visit of U.K. Observers to the Green Case

Mr. Jacob suggested that T.R.C. might find it worthwhile to send an observer to attend the Green case. He thought that in consequence of the narrowing of the issues to the reasonable fitness of the product -- i.e. should the product not have been put on the market -- the issues came closer to the issue of negligence likely to be important in any English case. We see no objection to Mr. Jacob's proposal but we are not in a position to judge the relevance of the Green case to possible law suits in the U.K.

Influence of the Lawyers

In consequence of the importance of the lawsuits, the main power on the smoking and health situation undoubtedly rest with the lawyers, and more particularly with the Policy Committee of Lawyers. The members of this Committee are:

> Henry Ramm (Reynolds) (Chairman) Cy. Hetsko (A.T. Co.) Add. Yeaman (Brown & Williamson) Paul Smith (P.M.) Fred Haas (L.&M.) John Russell (Lorillard)

This Committee is extremely powerful, it determines the high policy of the industry on all smoking and health matters -- research and public relations matters, for example, as well as legal matters -- and it reports directly to the Presidents. The Committee is particularly concerned with possible Congressional legislation and it drew up the Cigarette Advertising Code. We understand that the Code was largely the work of Mr. Haas. As Chairman of this Committee and the representative of the largest manufacturer, Mr. Ramm is probably the most influential member of the U.S. tobacco industry, apart from the Presidents, in forming industry policy in the field of smoking and health.

The policy Committee set up another Committee of lawyers, known as the Ad Hoc Group, to assist them. The members of the Ad Hoc Group are:

> Dave Hardy (PM) (Chairman) J---- Brown (A.T. Co.) Ed Cook (RJR) Mr. Jacob (RJR & B&W) John Russell (Lorillard) Fred Haas (L&W) Alex Holsman (PM)

The Ad Hoc Group is concerned with -

(1) Medical- legal matters

(2) Scrutinizing proposed action by other tobacco organizations

(3) Clearing papers (e.g. Dr. Little's annual report).

(4) Watching the Inter-State and Foreign Commerce Committee of the House of Representatives.

(5) Making certain that no assurances of any kind relating to the safety of smoking are given by any manufactures (e.g. in advertisements).

In addition, there are two other Committees of lawyers -- one for dealing with Federal Trade Commission matters and a Litigation Committee consisting of New York Counsels of the larger Companies -- e.g. Mr. Chandler Cook (R.J.R.) Mr. Coleman , Mr. Jacob and about 14 others.

The lawyers are thus the most powerful group in the smoking and health situation. It is uncertain, however, whether the Presidents of the three smaller Companies are fully in agreement with this situation, considering the lawyers to be too restrictive and to dominant generally in the industry. They, are however, neither powerful enough not sufficiently sure of themselves to do anything about it.

Implied Admission

Implied admissions that cigarettes may be harmful, when made by any manufacturer, are immediately criticized by their competitors as capable of being damaging in law suits. Such admissions, we were told, may affect decisions by juries on weather smoking caused the disease of the plaintiff and whether the defending manufacturer was aware that his cigarette might be harmful.

The main criticism of TRC's research programs was that the bio-assay research at Harrogate was an implied admission that cigarettes are harmful. This was

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the first point raised by Mr. Hetsko in our meeting with Mr. Walker . It was the main point made by Mr. Bowman Gray who referred to Mr. Ramm's discussion of the subject with us last year. B&W consider that TRC's research policy might be particularly prejudicial to them through their association with B.A.T.

We agreed that Harrogate bio-assay research could be represented as implied admission, but we made the point that T.R.C. constantly bore in mind the possible repercussions of its actions in U.S.A. and that T.R.C. research was based on the needs of the situation in the U.K., including a need from the legal point of view to give as no grounds for in accusation of negligence against the manufacturers. P.J.R. felt that Mr. Bowman Gray was less critical in this matter than he had been on his 1963 visit, and indeed Mr. Gray specifically stated at the end of the meeting that he was not trying to make us change our minds. The important thing, Mr. Gray felt, was that we were in touch with each other and could discuss these matters.

In reply to Mr. Hetsko's criticism, G.F.T. suggested that publication of tar and nicotine contents on the package of Carlton was an implied admission that these constituents of smoke were harmful. Mr. Hetsko replied that publication of tar and nicotine figures was " a bridge they had to cross". A.T. Co. had done it because publication of tar and nicotine figures by Readers Digest, etc., had created public demand for cigarettes low in those. A.T. Co. did not claim health advantages for Carlton, and a disclaimer, such as Reynolds and the Tempo packets, would probably be printed on the packet when the Cigarette Advertising Code came into effect. (Governor Meyner's remarks later to us on the subject of disclaimers were interesting.)

Mr. Hetsko also said that the A.T. Co. did not go along with experiments that the U.S. Department of Agriculture was proposing that might lead to modified cigarettes.

There was some difference of opinion among the lawyers as to whether what TRC was doing in bio-assay research could actually be introduced in evidence in a case against a U.S. manufacturer, under U.S. rules about evidence.

Mr. Russell (Lorillard) said it would help considerably to offset the implied admission involved in TRC's bio-assay program if TRC also supported some research projects designed to answer the basic question: "does smoking cause lung cancer?"

To put these comments on TRC's research programs into perspective, it should be added that every one of the six main U.S. cigarette manufacturers has been accused by his competitors of making implied admissions and/or implied health claims. Advertisements by B& W for Life cigarettes, on its re-introduction as a low tar and low nicotine cigarette five years ago, were an implied admission. More recently, Lorillard issued a press release that Kent's reduced phenols reduced the ciliastatic effect of cigarette smoke. A.T.Co. have made implied admissions and implied health claims by publishing tar and nicotine figures on the packets of Carlton and Montclair. Mr. Cullman had quoted to Philip Morris stockholders the beneficial effects of smoking described in the S.G.A.C. report, leaving uncertain how far he accepted the rest of the report. Liggett & Myers are considered to have made implied admissions and health claims for Lark in the paper in The New England Journal of Medicine by K-nsler and Battista, and the subsequent local publicity and canvassing campaigns to exploit the statement about Lark made by Dr. Kieser at the Press conference on the Surgeon General's report. Reynolds so-called "disclaimer" on Tempo packets is regarded as a major health claim by Mr. Cramer, Mr. Harrington and others. The administrator of the Cigarette Advertising Code also criticized this disclaimer to us. Indeed, as Mr. Yeaman put it, a disclaimer cannot purge a claim. We understand that all members of the Policy Committee which prepared the Cigarette Advertising Code were dissatisfied with the provision about health disclaimers in the Codes but it was the best they could do. Mr. Bowman Gray told us that, in addition to his competitors, some of his own colleagues had objected to the disclaimer on the Tempo packet.

Liggett & Myers have also contracted with A.D. Little in the past to carry out mouse skin painting experiments, and Bio-Research Inc. have carried out a similar type of experiment for The Council for Tobacco Research - U.S.A.

Mr. Bowman Gray was reported as having said that if a cigarette smoke could be developed whose condensate did not cause skin cancer in mice, Reynolds would adopt it. Mr. Finch said the same, though Mr. Yeaman expressed doubts.

Indices of Scientific Literature for Litigation Purposes

Mr. Jacob keeps an index of medical and scientific literature for litigation purposes by subject and author. A supervisor and three girls are required for abstracting and cataloguing current literature.

Mr. Ramm keeps a similar index, perhaps on an even larger scale. A review of all the relevant literature, running into 7 or 8 volumes, was prepared for Reynolds

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defence in the Lurtigue case. They have ever 20,000 papers in their records.

Litigation indices are also kept by Miss Brown (A.T.Co.) and Mr. Holms ----(PM). In addition, there is the index kept by C.T.R.. The C.T.R.. staff for this purpose consists of Mr. Austin , an assistant, and about three others. They also produce the "Current Digest" of C.T.R., Health Claims in U.K.

The informal agreement between TRC members not to make health claims was explained to Philip Morris. Mr. Weisman said that he was not prepared to bind himself and had to reserve freedom of action as there was no definition of what constituted a "health claim." He would not agree, for example, that a reference to a filter was a health claim. Assuming a reasonable definition of health claims, he would subscribe to the spirit of not making health claims in the U.K. As a summary of the position, Mr. Cullman said that Philip Morris stood on their past record of not making health claims.

III

WARNING ON PACKETS AND IN ADVERTISEMENTS

It will be recalled that on January 18th, 1964 the Federal Trade Commission issued a proposed set of Trade Regulation Rules as follows:

> Rule 1. Every cigarette advertisement and pack, box, carton or other container to carry a warning, such as "Caution: cigarettes smoking is dangerous to health. It may cause death from cancer and other diseases."
>
> Rule 2. Ban on use of certain themes in advertisements.
>
> Rule 3. Statements as to quality of any cigarette smoke ingredients prohibited if not verified in accordance with a procedure approved by the F.T.C.

On June 22nd, 1964, the F.T.C. directed that the warning on packets etc., should become effective on January 1st, 1965, (later changed to July 1st, 1965) and the warning in advertisements on July 1st, 1965. The F.T.C. dropped Rule 2 and 3 in view of the industry's announced intentions to draw up its own cigarette Advertising Code but stated that they would watch to see if the Code operated effectively. The dangers to the industry in the present situation are not only the damage that the warnings will do to trade -- and the advertising warning is likely to make spot TV advertisements impossible -- but the danger that States and even municipalities will start prescribing their own warnings. About 20 states are expected to pass their own laws on the subject, if free to do so, and the Commissioner of Health for New York State (Mr. James) has already been agitating for New York to require all cigarette packets marked in the State to have a skull and crossbones printed on them.

To prevent this chaos, the only hope for the tobacco industry is, as Senator Cooper and all Company Presidents informed us, for Congress to pass a bill requiring packets to be labeled with a formula decided by Congress and pre-empting legislation by States or municipalities. In order to preempt legislation by others, the Act passed by Congress has specifically to forbid legislation on the subject by any other legislature. If another legislature feels sufficiently strongly on the subject, it can ignore the pre-empting clause, and then it would be up to the Supreme Court to decide whether the subject was one in which Congress could pre-empt legislation by States. It is generally expected, however, that a pre-empting clause in the Congressional Act would prove effective.

Similarly, if warnings in advertisements are thought by Congress to be unnecessary, it would have to say so specifically in the Act and also prohibit warning legislation being passed by States. Congress, however, is not likely to do this; it is being asked, for example, why should the tobacco industry be given a blanket protection like this for an indefinite future period? The industry's hope , in regard to the threat of having to include warnings in advertisements, is that Congress will decide, though not passing pre-empting legislation, that such warnings are not necessary and that State legislatures and the Federal Trade Commission will be guided accordingly. The industry had had the support of advertising organizations and even of Printer's Ink (hitherto anti-smoking) in their opposition to warnings in cigarette advertisements.

Some representatives of the tobacco industry were confident that they should get Congress to pass an Act requiring warnings on packets in terms that the industry could accept. The formulas for packet warnings that the industry felt they could accept were along the lines:

> 1. "Excessive use of this product may be harmful (or dangerous to health) (or a hazard to health)
>
> 2. "Excessive use may be harmful to some people. (or susceptible persons)

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At a recent meeting, however, the lawyers felt that both suggestions were unrealistic. "Excessive" was difficult to define and apparently had dangerous implications for law suits. The phrase "to susceptible persons" was discarded by the lawyers for the sake of simplicity. The American Cancer Society has argued that it is not a question of susceptibility but of the product being inherently capable of causing lung cancer.

The procedure is that any proposed legislation has to be passed by both the House of Representatives and the senate. Bills are referred in each house to the appropriate Committee, and the Bill as reported out by each committee is then considered by its House and passed as thought fit. If the versions of the Bill passed by the two Houses are not the same, a Joint Committee of both Houses meets to discuss the differences and to make a joint recommendation to the two Houses. The appropriate committee to consider the labeling Bills in the House is the Committee on Interstate and Foreign Commerce (Chairman: Rep. Gov. Or -- Harris), and the appropriate Committee of the Senate is the Committee on Health, Education and Welfare(Chairman: Sen. Hill of Alabama).

Some 10 or 11 bills dealing with aspects of the tobacco problems have been introduced into the House. Several Bills deal with labeling; two would give the F.T.C. authority to do what it wished to do. Others deal with other aspects of the problem, such as anti-smoking education. The ISFC Committee started to consider those Bills. Before it adjourned for the election (to be held on 3rd November) Rep. Harris, on the urging of Rep. Horace Kornegay (North Carolina), had persuaded the F.T.C. (reluctantly) to postpone the effective date of the packet labeling Rule to July 1st 1965, in order to give Congress time to consider the subject.

The Tobacco Institute had encouraged the ISFC Committee to hold hearings on the Bills as it gave the Institute an opportunity to provide six witnesses to present the case for the industry. Representatives of the industry felt that the evidence given by Dr. Burford on "why single out cigarettes?" before the Committee had made a favorable impression, and that this important Committee was now better disposed towards the industry. The ISFC Committee has now suspended its hearings and a new Committee will be formed in January from the new Congress. The Tobacco Institute hopes that the new committee will make the proceedings of the old Committee (which have not yet been published) part of its record, so that the Institute will not have to ask its witnesses to appear again. It has in fact been reported that Rep. Harris proposes to reconvene the ISFC Committee as soon as possible and not later that 15th January. The membership of the Committee is not expected to be changed too much by the elections on 3rd November. Rep. Harris also wishes to incorporate the first hearing in the record of the second hearing. The anti-smoking school are expected to improve the presentation of their case in the second hearings, but so will the industry.

The Senate H.E.W. Committee has not yet held any hearings on the Bills introduced into the Senate. Senator Neuberger (who has now re-married) has been written off by some of our informants as no longer a factor in the situation but Dr. Kotin, who is close to Sen. Neuberger, told us that she may well introduce a Bill requiring specification of substances in cigarette smoke, since Carlton and Montclair have shown that this can be done.

The Tobacco Institute is confident that favorable Bills will be reported out to their respective Houses by the two Committees and that they will be passed without any major amendment. It seemed to us however, that Senator Cooper was less optimistic, and he may well be right. The newly elected Congressmen and Senators may include new anti-smoking people. There is a widespread desire in USA by parents not to see their children starting to smoke, and attacks on smoking are good vote-getters. The tobacco trade has been over-optimistic in the past and may be again.

Mr. George Allen informed us that Dr. C--n of the Italian Monopoly had recently visited him and had told him that if U.S. Congress passed a packet warning law, he would have to introduce warnings on packets in Italy within 48 hours. From talks he had had with representatives of other countries, Mr. Allen had concluded that it was unlikely that Japan would introduce packet warnings but that Denmark probably would. We also understand that if Congress passes an Act requiring warnings on packets, Germany is expected to follow suit within 60 days.

Mr. Allen also told us that it was unlikely that the Committee would report out a Bill before 1st April 1965 or that Congress would pass it before 1st July 1965, as long as the House has taken some action, it is likely to compel Dixon (Chairman of FTC) to postpone again the effective date of the FTC Rule. Dixon has already offended Congress by not offering voluntarily to stay the effective date of the FTC Rule; indeed he insisted on a formal letter from Rep. Harris requesting a stay of the Order. If, however, the Rule should come into operation before an Act is passed, the manufacturers will move for an injunction.

We were told that a voluntary agreement by the industry on a packet warning would not solve the

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problem. Firstly, it would be an admission by the industry that cigarettes were harmful. Secondly, if the warning was specific enough to give the industry protection in law suits, its wording would be most damaging to future trade. Thirdly, of course, a voluntary warning would not prevent separate legislation by States. An Act of Congress is essential to the industry. Mr. Russell (Lorillard) thought that a general warning on packets, though it would not be specific enough to safeguard the manufacturers against future law suits, would make it more difficult for plaintiffs to establish a claim for damages.

In her book on the cigarettes "Smoke Screen," Senator Neuberger had recommended that the legislation should include a limit for damages in law suits against the manufacturers. Mr. Jacob informed us that fixing damages for torts was a matter for States, Congress could not interfere. (We also learned confidentially that Senator Neuberger had not written a line of her book: it had been written by Drs. Shubik, Kotin and another whose name we did not catch.

IV

SMOKING AND HEALTH RESEARCH IN U.S.A.

Smoking and health research is carried out or supported in U.S.A. by tobacco manufactures in their own laboratories and under contract with outside research firms, by The Council for Tobacco Research - U.S.A., by the American Medical Association, by the National Cancer Institute of the Department of Health, Education and Welfare, by the American Cancer Society, by Dr. E.L. Wynder and his Division of the Sloan-Kettering Institute, and by Dr. Book and Moore at the Boswell Park Institute of New York State Department of Health.

A separate report on our discussion with U.S. research workers has been prepared. The purpose of this section of our report is to summarize -

(a) The smoking and health research policy of the U.S. cigarette manufacturers

(b) Their comments on TRC research policy

(c) The position regarding a search in U.S.A. for a cigarette smoke with less long term activity.

A. Smoking and Health Research by U.S. Manufacturers

Smoking and health research by U.S. manufacturers is largely conditioned by two factors:

1. The personal beliefs of the Presidents that nothing against smoking has been proved, as mentioned in the Introduction to this report.

2. The dilemma posed by the law suits. The manufacturers have to choose between -

(a) Doing no smoking and health research and being represented in law suits as negligent (although "to meet public concern" they finance C.T.R. and AMA research)

(b) Doing smoking and health research and being forced to admit in law suits that their experiments have caused cancer in animals and yet that they have made no changes in tobacco smoke to eliminate the tumors.

The manufactures have chosen (a), except for L&M's research through A.D. Little Co., but competition has forced them to adopt some short term forms of health research.

All the manufacturers are doing chemical research. Most of it is for commercial and quality purposes. Nevertheless, some of it is for smoking and health purposes - e.g. to enable them to alter quickly the constituents of the smoke if this should be required.

All the manufacturers are also believed to be doing some biological research in relation to their own products. It must be added that no one actually knows of any such research by Reynolds, but it is generally believed that Reynolds must be doing some. The only positive evidence about this is a statement by Wyndar to G.F.T. that Reynolds used Battelle for biological research, but Wyndar can frequently get such things wrong. While a remark said to us implied that one manufacturer might be doing some biological research in his own laboratory, the practice is to contract out this work. The following arrangements are believed to have been made:

American Tobacco Co. Dr. Larson (Medical School of Virginia) Philip Morris Food & Drug

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Research Inc., of Long Island, and another firm. Liggett & Myers A.D. Little Co., Boston Lorillard Bio-Research Inc., Boston, and Dr. Dalh--- (Stockholm). Dr. Wyndar also informed G.F.T. that the Armour Research Foundation was doing biological research for some cigarette manufacturer.

The basic point is, however, that the biological research, except possibly for some work by A.D. Little Co. for L&M, is short-term and not cancer research, primarily for the legal reasons mentioned above. The short term biological research is designed to produce a smoke that:

1. has minimum response in a test (e.g. for ciliastasis) that can be related in some theoretical way to a human reaction to smoking without actually involving cancer.

2. that will carry medical or scientific support from private individuals (e.g. Fisser, Kensler) in a form that can be exploited to build sales.

Basically, therefore, the search is for a successor to Lark.

The different Companies have different ideas as to the broad characteristics of the successor to Lark that they are seeking. Mr. Herringbone thought that the flavor of Lark had been an important factor in its success; he said that Lark also had relatively high tar and nicotine content, and he thought it important to keep the nicotine up. Mr. Walker, in Carlton, had followed Dr. Wynder's idea of a low tar, low nicotine cigarette. Dr. Seevers informed us that he had specifically told Dr. R------, Director of Research of AT. Co., that it was important to keep up the nicotine content of the smoke, while reducing anything that ought to be reduced. Dr. Seevers' recommendation was that AT. Co. should add nicotine in cut tobacco and then reduce both nicotine and tar by filter and porous paper as in Carlton. Dr. Wakeham described Philip Morris' objective as a "high flavour/low delivery" cigarette, but it was low delivery of some smoke constituent that contributed largely to a biological reaction in some short term test. Mr. Galloway (RJR) thought that a reasonable amount of nicotine was necessary in a cigarette. Mr. Blunt firmly held the view that people smoked because of the nicotine.

U.S. Opinion of TRC Research

We outlined our research objectives and programs to all the Presidents and Directors of Research that we met. There should now be a such wider knowledge and understanding of our research.

RJR, A.T. Co. and B&W criticized our approach to bio-assay research on three grounds:

1. It constituted an implied admission that tobacco contained health hazards, and this could be damaging in law suits in U.S.A. This has been discussed in the earlier Section of our report on Law Suits.

2. Mouse skin painting with smoke condensate, according to Dr. Little, was scientifically unsound and based on a fallacy (though C.T.R. had contracted with Bio-Research Inc. for research of this type).

Against this, both L&M and Lorillard scientists told us quite bluntly that they considered TRC research was on the correct basis and C.T.R.'s largely without value. It is unlikely that Company scientists would speak so frankly unless they were pretty sure their principals held views not greatly dissimilar.

3. It could present the U.S. manufacturers in a bad light to the U.S. public since they could be represented by hostile writers as being negligent of public health in comparison with U.K. manufacturers.

We pointed out that we kept the possible reactions in U.S.A. continuously in mind, and further that Dr. Wyndar had contended that U.K. manufactures. We pointed out that we kept the possible reactions in U.S.A. continuously in mind, and further that Dr. Wyndar had contended that U.K. manufacturers were dragging their feet compared with U.S. manufacturers.

There was particular interest in and approval by Messrs. Gray, Cullman and Cramer of research into the characteristics of the susceptible minorities being carried out for TRC by Prof. D.D. Reid and Dr. D.M. Kiss--. Mr. Gray said that obviously there were some people who should not smoke -- e.g. those with emphysema.

Mr. Cullman, Mr. Cramer and others remarked that there was much more firm direction and push behind TRC's research programs than C.T.R.'s.

The only criticisms in detail about TRC

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research were that TRC was years behind the U.S. manufacturers in research into ----- flow and ciliastasis, and that TRC was possibly neglecting virus research. Mr. Gray thought that "viral activity might well explain the statistics".

C. The Search for a Cigarette with Less Long Term Activity

We were naturally interested, since so much of TRC biological research had long term objectives, to find out what research in U.S.A. was being carried out to reduce the long term activity of cigarette smoke.

Only Liggett & Myers, through A.D. Little Co., have worked on smoke carcinogenesis. Some of their past work in this field is detailed in our report on research aspects of smoking and health, but we do not know whether they are still carrying out work in this field. Dr. Darkis (L&M) believes (contrary to the views of Dr. Wyndar and some others) that a large part of the mouse skin carcinogenic effect of cigarette smoke condense can be found to be concentrated in the higher polynuclears. L&M would remove these polynuclears from cigarette smoke if they conveniently could. They have worked on this problem for a number of years without success and state that they have run out of ideas. They would like to find a precursor of the polycyclics in some particularly abundant compound in unsmoked leaf, but consider this very unlikely, as some polynuclears arise on pyrolysis of any organic material and are not specific to tobacco smoke. Dr. Darkis is not particularly optimistic about being able to produce a cigarette that is satisfactory to smoke and will not produce cancer on the back of a mouse.

In short, therefore, the U.S. cigarette manufacturers are not looking for means to reduce the long term activity of cigarettes.

Council for Tobacco Research

Dr. A.B. Andervent of the National Cancer Institute, editor of the Institute's Journal, and a distinguished cancer research worker, had recently been persuaded by Dr. C.C. Little to join C.T.R.'s Scientific Advisory Board. He is the only person to have accepted an invitation to join the Board in recent years. Dr. Andervent told G.F.T that he had expected C.T.R. to be seeking a "safer cigarette", as he described it, as a matter of first priority. As we know, C.T.R. supports only fundamental research of little relevance to present day problems.

American Medical Association

The Board of Trustees (which is the governing body) of the American Medical Association drew up a "Charge" to be used by the Scientific Activities Division of the AMA and by the committee for Research on Tobacco and Health in administering the research fund of which the $10,000,000 being contributed by the tobacco companies is the main part. Before being passed to the House of Delegates for approval, this charge was considered on behalf of the House of Delegates by a Reference Committee. The Charge was amended by the Reference Committee and approved by the House of Delegates, and reads as follows:

> "The Board (of Trustees) envisions a study devoted primarily to determining which significant human ailments may be caused or aggravated by smoking, how they may be caused, the particular element or elements in smoke that may be the casual or aggravating agent and methods for the elimination of such agent."

The phrase "and methods for the elimination of such agent" had not been included in the draft Charge prepared by the Board of Trustees but was added by the Reference Committee.

Dr. Blasingame (Executive Vice President of the AMA) and Dr. Seevers (Chairman of the Committee for Research on Tobacco and Health) object to the decision that the AMA should carry out a search for "methods for the elimination of such agent." Indeed, Dr. Seevers considers that his Committee should not support research in fields in which tobacco manufacturers have greater competence, such as the constituents of cigarette smoke, how to modify them, how to treat tobacco in the field or factory. To date, the AMA has not agreed to support any research project in the cancer field, but this is because the AMA Committee has not received any application that it considered worth supporting probably owing to the volume of funds already available in U.S.A. for cancer research. Whatever the House of Delegates may have resolved, the AMA is not supporting research aimed directly to result in cigarettes with less long term activity.

National Cancer Institute

Dr. Kotin informed us that the National Cancer Institute, as the appropriate division of the Department of H.E.W., was prepared to undertake research with a view to eliminating the long term activity of cigarette smoke. But he added that -

1. N.C.I. would not be rushed into

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early action. They would want time, for example, first to consider the recommendations for future research made by the sub-committee that had recently visited Europe, including TRC.

2. Their program would form part of a comprehensive program by H.E.W. that would include anti-smoking education as well as research.

3. It would be a long term multi-million dollar program.

4. Funds would have to be identified (so that other Government Departments could not appropriate any of them).

5. State laboratories would have no place in the program.

Until the time is ripe for this program to go forward, Dr. Kotin is remaining aloof as far as possible from research in the field of long term activity of cigarette smoke. Indeed, he recently called off some projects planned in this field. The National Cancer Institute does not view with favour the involvement of the Department of Agriculture in the field of smoking and health research but this is something that the N.C.I. has to live and co-operate with for the time being.

Congress and the University of Kentucky

A recent report (--- --387) by the Committee on Appropriations (Dept. of Agriculture Sub-Committee) of the House of Representatives contained the following paragraphs:

The Tobacco Problem

"Tobacco has been a major agricultural commodity through the years. It is produced in 21 States and is the fifth largest income-producing crop to farmers. It is an $8 billion industry with growers receiving about $1.2 billion per year. It pays some $3.3 billion each year in taxes to our Federal, State and local governments.

Due to the implications of the Surgeon General's report, it is essential that we find the answers through research. In this effort we must have the co-operation of the Department of Agriculture, the Department of Health, Education, and Welfare, and private industry, to determine the properties of tobacco which may affect the health of smokes and to develop a means to eliminate any harmful substances found.

It is extremely important that this research begin immediately. The answers to this problem must be found just as rapidly as possible to prevent economic ruin for growers, substantial losses of revenue to the federal and local governments, and possible injury to the public health.

The Committee hearings disclose that the University of Kentucky has a Tobacco Research Laboratory built with $4.5 million of State funds which is now available and has been offered to the Department of Agriculture by University and State officials for such research. It is located adjacent to the New Medical Research Center at this University and is ideally situated for a co-ordinated agricultural-medical research problem of this nature. Accordingly, the Committee has included $1,500,000 of Section 32 funds in the bill for 1965 to enable the Department to immediately initiate tobacco research at this location in collaboration with the State University, State agencies, the Department of Health, Education and Welfare and other public and private organizations which can contribute to a concerted approach to this urgent research need."

The background to this is that Dr. Oswald, President of the University of Kentucky, Lexington, with the co-operation of the Governor of Kentucky and other politicians, ---- opportunity of obtaining some Federal funds.

The Department of Agriculture (Dean: Dr. --- Seay) had built a laboratory which was carrying out research into corn and other crops grown in Kentucky. It was planned to devote some space to tobacco but a start had not yet been made. Following the Surgeon General's Report, Dr. Oswald has offered to pledge the resources of the University to the smoking and health problem, including the facilities of the chemistry and physics departments and of a new $12 1/2 million Medical Centre, if Congress would foot the bill. The research would cover everything from seed bed to smoke, including product research, and some medical

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biological assay systems have already been prepared by the Medical Faculty towards a solution of the problem.

In the meantime, a fight for control of the research program of the laboratory and of any Federal money has developed:

1. A section of the Dept of Agriculture, with Heggestat, Stedgan and ------, is trying to control the program of the Lexington laboratory.

2. A group from the American Cancer Society - Davies, Auerbach, Nelson - are around this particular honey pot, trying to influence its affairs, though in what precise direction is not clear.

3. The Dept. of H.E.W, instructed by the Appropriations Committee to co-operate has nominated Dr. Kotin, who is reluctantly obeying and hoping that the whole Kentucky project will fold up. As reported above, he believes that smoking and health research is a matter for H.E.W. alone.

4. Representatives of the cigarette manufacturers attended an organizing meeting, with their lawyers, on 6-7th October, to offer Dr. Oswald their co-operation if the research was to be limited to the question whether smoking caused lung cancer.

5. Dr. Hockett of C.T.R. was present at this meeting, to advise on the programme on the express invitation of the Governor of Kentucky, but Dr. Little intends that C.T.R. should not be involved in the Kentucky project.

6. Dr. Oswald intends that he and he alone will control the research programme.

The odds are that, after much ado, the so-called Tobacco Research Laboratory at the University of Kentucky will achieve very little in the field of research into the long term activity of cigarette smoke.

Other U.S. Research

We know that Dr. Wyndar is aiming to produce a cigarette whose smoke has minimum long term activity, though that is not how he would describe his objective. His research, however, is being carried out without regard to the appeal of the resulting product to smokers.

There is some research being carried out in U.S.A. on fundamental problems in the field of smoking and lung cancer, but nothing as far as we know, directly applicable to our problems.

Conclusion

The main conclusion that we draw is that the U.S. research will not achieve very much at least in the near future, in meeting the objective of the House Appropriations Committee "to determine the properties of tobacco which may affect the health of smokers and to develop means to eliminate any harmful substances found." On the other hand, this is a very powerful Committee. It was recently written by Mr. Frank Smith, in his autobiography, "Congressman form Mississippi" -

> "The Appropriations Sub-committee of both Houses are good examples of subcommittee power. The reports of the sub-committees are often more important than statutory law, because the Agencies whose funds they appropriate often operate with those reports as a literal bible.
>
> The reports are not subject to amendment on the floor, and they frequently do not reflect majority opinion."

The objective expressed in the Appropriations Committee report quoted above reflects the interest of hundreds of thousands of tobacco growers, and the Senators and Representatives representing these interests in Congress are unlikely to be deflected in the long run from their research objective by law suits facing the tobacco manufacturers. If this objective holds, then the National Cancer Institute may come to have its way.

V.

POOLING OF RESEARCH INFORMATION

Mr. Walker said that if A.T. Co. scientists found the cause of cancer, they would make it available to the other manufactures: indeed, legal cases relating to other industries suggested that they could not keep information of this nature for themselves. But A.T. Co. were strongly opposed to pooling any discovery below this level.

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Mr. Bowman Gray said that Reynolds would pool the information if they found something in cigarette smoke that really caused cancer. Mr. Finch said that at a meeting of the manufacturers, Mr. Gray had said a remark to the effect that his Company would pool information of the type that would end the industry's problems as far as cancer was concerned, but there had not been any real response by the others. Mr. Finch did not think that information would come about in this way.

Mr. Cullman told us that Philip Morris would be willing to exchange "breakthrough information" with the other U.S. manufacturers, but not information about "normal product development". Mr. Cullman added that he could not say when breakthrough information would be pooled -- e.g. they might want to use it first themselves in their markets including the U.K.

Mr. Cramer said that Lorillard was willing to exchange information about "important" developments with other U.S. manufacturers.

Mr. Harrington said that L&M had already shown willingness to pool information and referred to the paper by Kensler and Battista (New England Journal of Medicine) disclosing the effects of Lark cigarettes. (The real purpose of this paper, however, had been to show that scientists supported the charcoal filter used in Lark). Mr. Harrington added that whether L&M would disclose more detail, and if so, whether free or for a royalty, was uncertain.

Mr. Finch said that even if the A.M.A. required information from all the manufacturers for research purposes, they would probably supply it through an intermediary.

This means in effect that U.S. cigarette manufacturers are not going to pool research results, and that these will be published in the main only when there is expected to be a trading advantage in doing so -- e.g. by showing that there is medical and scientific support for the new development. This is disappointing following the start that Mr. Bowman Gray seemed to be initiating when P.J.R. visited him last year.

VI.

ADVERTISING

Cigarette Advertising Code

Governor Robert B. Mayner, administrator of the Cigarette Advertising Code and already known as "the Tar Czar," has not yet decided when he will bring the Code into operation. The industry's expectation is 1st January.

Governor Mayner gave us the impression that he would administer the code firmly but fairly and in a consultative rather dictatorial manner. The main points that emerged in our discussion of the Code with him were:

1. The key word in the Code, Gov. Mayner emphasized, is "representation" -- which we took to mean, all that can be said to be represented or implied by the advertisement.

2. Gov. Mayner gave us the impression that he might take a very much stronger line about Carlton's tar and nicotine figures and about Reynolds' health claims disclaimer on Tempo than those two companies expected. Mayner was critical of the disclaimer on the Tempo packet and he said that a disclaimer could in fact be a claim. Whether or not a disclaimer was required was up to him to decide and he could also decide what the wording of any disclaimer should be.

3. Gov. Mayner was critical of the U.S. manufacturers for refusing to accept that smoking contributed to disease. He himself is a cigarette smoker but said that he held no brief for the industry, and added "I've got a contract." The industry may therefore receive some surprises.

We had a very friendly reception from Gov. Mayner, who asked many questions about the situation in the U.S. We agreed to keep in touch with each other.

Advertising Expenditure

The latest Maxwell report (Printers Ink., Sept. 11th, 1964) estimated expenditure as cigarette advertising as follows for the first 6 months of 1964, with the percentage changes compared with the first 6 months of 1965:

	General &
SPOT	
Network	Magazines
T.V.	T.V.
$ Millions	% Change

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A.T. Co.		2.8	-30%
6.0		+125%	
8.5 +44%	B&W	1.2	+31%
2.5 -63%		7.0	
+25%	L&M	3.1	-3%
3.0 -36%		6.1	
+8%	Lor.	3.2	-6%
3.1 -48%		6.0	
+4%	PM	1.2	-33%
1.6 -46%		6.6	
-26%	RJR	3.0	+14%
6.2		+31%	
10.4 -14%			

In Spot T.V. billings for the second quarter of 1964, Reynolds was 9th highest spender in the U.S. and A.T. Co. 15th.

Reynolds is estimated to be currently spending on Tempo (all forms of advertising) at a rate of about $25 million per year.

G.F.T. was informed by the Advertising Manager of Hearst Magazine (Mr. R.K. Tilt) that Mr. Walker had discontinued some advertising, particularly in magazines, for Pall Mall. This had presumably been to offset the expense of launching Carlton. Sales of Pall Mall had dropped and Carlton had not taken on. Mr. Walker was now trying to get back pall Mall's franchises for the best space, but these had already been sold to A.T. Co.'s competitors.

Advertising Themes on T.V., end-Sept., 1964

Camel -- "Camel time is pleasure time for you"

Lark -- "The charcoal filter cigarette with the natural taste of tobacco. Filtered through charcoal granules fortified for flavour."

L&M -- "Are you for a filter and a rich flavour too?- a Logical Move is L&M"

Lucky Strike -- "With people who are big on taste nothing measures up to a Lucky."

Marlboro -- "The flavour brand. Get smoothness through the selective filter." -- Multifilter -- "Uses the rare coconut charcoal filter exclusively."

Old Gold -- "Old Gold spun filters - spins the smoke - most taste in a filter cigarette."

Pall Mall -- "Be particular. Buy famous Pall Mall."

Salem -- "Salem softness freshens your taste. Salem special paper breathes in fresh air with every puff."

Tempo -- "Far more charcoal. First bonded charcoal filter. No health claim is made for Tempo - only the promise of easier draw, a smoother taste."

Viceroy -- "The Deep-Weave Filter for the taste that's right."

Life Assurance

In an advertisement, the State Mutual Life Assurance Co. of America, Worcester, Mass., offered lower insurance rates to men and women who "haven't smoked a cigarette in a year (cigars and pipes are quite permissible)."

VII.

THE LEVEL OF THE CIGARETTE TRADE IN U.S.A.

The latest Maxwell report estimated the shares of the U.S. cigarette trade for the first half of 1954 as follows:

Company	%
R.J. Reynolds	36
American Tobacco	23
Brown & Williamson	11
Liggett & Myers	10
P. Lorillard	10
Philip Morris	10
U.S. Tobacco Co.	__
Larus & Bro.	0.3
Stephane Bros.	__
	=====
	100
	=====

According to the Maxwell report, B&W were

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the only firm who had increased their share of the market in the last six months. Kool containing more menthol than any other cigarette, and Solair, a light menthol cigarette by B&W, were the fastest-growing cigarettes on the market. On the other hand. Dr. Wakeham (PM) told us that Philip Morris had recently crept into fourth place and were "going after" B&W.

All manufacturers agreed that the level of the cigarette trade was much higher at this time, about nine months after publication of the S.G.A.C. report, than they had expected. It was estimated generally that sales were currently about 2% down compared with the same period of 1964 (or about 5%) down compared with forecasts on the basis of population increase) and that sales would be about back to pre-S.G.A.C. report level by the end of the year.

The trade was currently divided between the different types of cigarettes as follows:

	%
Filters - non-menthol, non-charc.	38
Filters - menthol	17
Filters - Charcoal	7
---	62
Non-filter	38
	====
	100

The main feature was the increase in the charcoal filters' share of the trade from 23% pre-S.G.A.C. report to 7% (and 10% in Los Angeles, but this is a freak area). Charcoal filters had --- leveled off, if not started to decline. The leader was still Tarryton, with 3 1/4% of the cigarette market, though it had never previously been considered as a charcoal filter cigarette and its charcoal had little effect on the smoke. Lark had about 2% of the market and its current sales, at a rate equivalent to 8 billion a year, had passed the minimum rate of 5 billion a year (--% of the market) which had to be reached if a brand was going to be successfully established. Apart from these two, Multifilter (PM) was considered by several people in the industry to be the most pleasant charcoal filter cigarette to smoke. Tempo, whose sales are lower than those of any brand in the news except Carlton, has no added flavour and is said to be bitter after the first puff. One smoker said that smoking tempo is the same as giving up smoking. The Lucky Strike filter is being test-marketed is in two forms -- a regular filter and a charcoal filter ("two way charcoal filter"). Both forms have almost identical dark red packets, with a ----- circle in the centre than the regular Lucky Strike packet.

Almost every Company has its problems. Although Reynolds have one-third of the trade, they are mainly dependent on Winston, their largest brand. Their second largest brand, Camel, declines with the decline of non-filter cigarettes. Their last three introductions have been or look like being flops. These include two attempts to challenge Pall Mall (A.T. Co.), which is in the king-size non-filter market and is the largest seller in U.S.A. The failures were Cavalier and, more recently, Brandon. The third failure is likely to be Tempo, despite all its advertising.

American Tobacco Co. have no good standard filter-tipped cigarette. Hit Parade is still remembers as an expensive failure; Carlton is hardly selling. Their recent introduction, Half and Half, called after one of their pipe tobaccos, is an attempt to exploit the finding by the S.G.A.C. that pipe smokers have lower lung cancer rates (without saying so). The distribution pipe-line has now been filled but despite heavy advertising, sales of Half and Half have leveled off at a low level.

Philip Morris, if they are now in fourth place, owe their improvement to Marlboro, greatly helped by the flip-top box.

Thanks to Lark, L & M sales are about what they were a year ago, but the sales of Lark have now leveled off.

Lorillard have been worst hit by the public reaction to the S.G.A.C. report. Kent forms about 70% of their trade, but their customers are largely nervous smokers who switched to Kent on the basis of the low tar and nicotine figures published in the Readers' Digest. As a result of their nervousness about smoking and health, many Kent smokers have now given up cigarette smoking and many others have switched to other brands especially Lark. Lorillard's other main brands - Newport and Old Gold filters - have declined to about equal proportion. Lorillard profits for the second quarter of 1964 were down by about 50% - not an easy time for their relatively new President.

There was more anti-smoking propaganda in the Schools but no sign of it being effective. The percentage of smokers in the 16-24 age group had not declined.

VIII.

THE COUNCIL FOR TOBACCO RESEARCH - U.S.A.

C.T.R. continues, as before, to confine its

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research to the diseases with which smoking is statistically associated but not to support research into the product. Pharmacological research into the effects of nicotine is about as close as the research comes to a cigarette.

The Scientific Advisory Board of C.T.R. continue to meet and decide on applications for grants to carry out research on what appeared to us to be projects of no more than remote relevance to current problems. (Members of the S.A.B. receive an honorarium and expenses). Applicants for grants are now asking for larger sums of money for longer periods, perhaps as a result of the increasing research funds available elsewhere, and the manufacturers are trying to limit C.T.R.'s expenditure.

There was either no interest in or indeed mention of C.T.R. research amongst the companies or active criticism of varying degrees. Although L & M have now joined C.T.R., this was solely in order to present a united front, and L & M's scientific staff are as highly critical of C.T.R.'s research policy as ever.

We were told that C.T.R. was now prepared to try and stimulate research in desired fields, but this policy had not yet been widely pursued.

The recent Annual Report by Dr. Little was severely criticized by the U.S. Surgeon General at a Washington press conference. Dr. Kotin was also highly critical of it and talks privately of resigning from the S.A.B. if another report of the same nature is going to be published next year, Mr. Hoyt was very pleased with the press coverage, frequently with misleading headlines, that the reports received.

While C.T.R. is supposed to be relegated to a back room role, the lawyers' Policy Committee recently decided that Dr. Little should act on behalf of the industry in dealing with requests from the U.S. Dept. of Agriculture (Dr. T-o) for information about b--------, etc., in cigarette smoke.

Dr. Little continues to be critical and rather bitter about T.R.C.'s in painting experiments at Harrogate - "a bigger Wynder" is his typical comment. In fairness to Dr. Little, however, it has to be remembered that he has long been engaged in intensive in-fighting with Dr. Wyndar and his skin painting experiments, on what he feels are genuine scientific grounds, so that he must regard that Harrogate experiments as a letting-down of his side. This of course, has not prevented C.T.R. commissioning Bio-research Inc. to do mouse skin painting experiments.

IX.

TOBACCO INSTITUTE

There is a need for a voice to speak on behalf of the industry on all matters _ not merely those of health _ and T.I. is that voice, but its activities are minimal. The impression that we obtained is that T.I. is largely a voice at the end of a telephone line from the lawyers, and speaks only when and as directed.

Mr. Allen recently gave evidence before a House Appropriations Sub-Committee. Surgeon General Terry had asked for a supplemental budget of $1.9 million, presumed to be for anti-smoking activities, but the only detail available was that it included $150,000 for a survey based on a 64 page questionnaire (drawn up by Dr. Horn at the National Health institute) with "loaded questions". Mr. Allen opposed the supplemental budget on the grounds of insufficient information about its purpose and because other Departments, which had originally been described as going to participate in Phase II, had not been brought in. (The original Phase II idea is now dead.) There was also strong opposition by tobacco State Congressmen and the $1.9 million was deleted. This, however, merely means postponement, as Dr. Terry will doubtless include the projects in his departmental budget for the fiscal year from 1st July, 1965. Mr. Allen said that this particular episode had led to more criticism of the tobacco industry and had not improved the Institute's public image; indeed, he was uncertain whether T.I. should have acted at all in this matter.

Mr. Allen is against the policy of the industry commenting on the research work of outside scientists.

X.

PUBLIC RELATIONS POLICY

There is a general feeling that the policy since the S.G.A.C. report of NOT making public statements, unless these are really necessary, has proved much more satisfactory than the previous policy. As Mr. Cramer said, TIRC had spoken far too much in the past, and this had merely stimulated adverse medical comment. Mr. Cullman also thought that TIRC's past public relations policy had done the industry great harm. There is no real regret that C.T.R. did not publish a reply to the S.G.A.C. report, except by Mr. Walker. Mr. Walker wants the industry to take paid press space to advertise "the industry's case", he has to be repeatedly dissuaded by strong pressure from the other manufacturers.

In place of public statements on behalf of

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C.T.R., there has been an increase in the lobbying of members of Congress -- a well established American principle. Despite strenuous efforts, we could not meet T.I.'s chief lobbyist, Senator Earle C. Clements. Nor were we able to meet Mr. Abe Fortis, the other lobbyist. Both were traveling in areas which we could not fit in with our itinerary. Senator Clements is really close to President Johnson; he was Deputy Leader of the Democratic party in the Senate when Pres. Johnson was Leader, and he is Chairman of the Kentucky delegation to the Democratic Convention for nominating the Democratic candidate for President. Nevertheless, Johnson would not hesitate to drop Clements if this ever became politically expedient. The lobbyists are opposed to campaigns by Hill and Knowlton on Congressional matters affecting the industry and want action left to them.

It is, or course, not difficult to reach or entertain Senators and Representatives from the tobacco States, and, as we have reported, we had the pleasure of seeing Sen. Cooper of Kentucky. It is considered that Congress should not feel the industry is recalcitrant.

The direction of PR policy is essentially in the hands of the lawyers' Policy Committee. The lawyers are anxious to provide House and Senate Committee with witnesses favourable to their case, and generally to encourage statements by scientists attacking the S.G.A.C. report and its supporting evidence. Mr. Jacob is encouraging Dr. Sartori of Milan to hold a Conference in summer 1965 at which such statements can be made. Mr. Yeaman (B & W) said that he did not quarrel with TRC's decision not to comment on causation, but this was not the right policy for U.S.A.

Hill and Knowlton have been sidebrushed; they have very little to do and know little of what is going on. They have not seen a President of a Company for a long time and are now responsible to the Policy Committee of the lawyers.

XI.

AMERICAN MEDICAL ASSOCIATION

Research by the American Medical Association is being dealt with in more detail in our report on research. The policy adopted by the staff of the A.M.A. and the Committee for Research on tobacco and Health, set up by the A.M.A. to operate the Research Fund to which the U.S. Cigarette manufacturers are contributing $10 million, is as follows:

1. The A.M.A. has no intention of itself conducting research. It is building a Bio-medical Laboratory but no direct research will be done on tobacco.

2. The A.M.A. intends to act only as a fund-holding and disbursing centre. It aims to allocate funds to approved grantees, arrange research on a contract basis when this is necessary to get projects carried out that it wishes to see done, and will try to get more good workers to carry out research in the field of smoking and health.

3. The Committee for Research on Tobacco and Health has no intention of carrying out research in fields that it believes the industry should cover. This applies to means of eliminating harmful substances from cigarette smoke, and it may mean that support of research designed to identify harmful constituents may not be particularly comprehensive.

4. The A.M.A. will support research workers located anywhere, including the U.K. They have agreed to inform T.R.C. of any reset work they support in the U.K., after their Committee has acted. They saw no reason why a research worker should not draw his funds from several sources.

Appendix I

LIST OF PEOPLE WITH WHOM WE HAD DISCUSSIONS

R.J. REYNOLDS

Mr. Bowman Gray, Chairman of the Board
Mr. Alex. Galloway, President
Mr. Henry H. Ramm, Counsel
Vice-President and General Counsel
Mr. T.M. Wade, Vice-President, Research & Development
Dr. R. B. Griffith, Director of Research

PHILIP MORRIS

Mr. Joe Cullman III, President
Mr. George Weissman, President, Philip Morris International
Mr. Jim Bowling, Vice-President
Dr. Helmut H. Wakeham, Vice-President and Director of Research & Development

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Dr. Haveley, Research Center
Mr. Harvey M. Wilkinson, Director (President of State Planters Bank, Richmond)

LIGGETT & MYERS

Mr. Milton Harrington, President
Mr. John Old, Vice-President & Asst. to President
Mr. Wm. Blunt, Ex-President
Dr. Fred R. Darkis, Scientific Consultant
Mr. Wm. W. Bates, Director of Research
Mr. Max Sanfield, i/e Research Department
Mr. Jim Moore, i/e analytical work

LORILLARD

Mr. Morgan Cramer, President
Mr. Manny Yellen, Advertising
Dr. Parmales, Director of Research
Mr. John Russell, General Counsel of Lorillard, Partner in Perkins, Daniels & Metorsack Carell, Medinger, Forsyth & Decker
Mr. Ed J. Jacob, Lawyer, assisting defense of law suits

Cigarette Advertising Code, Inc.

Governor Robert B. Meyner, Administrator
Mr. Heffsen

U.S. Senate

Senator J. Sherman Cooper, Republican, Kentucky

American Medical Association

Executive Staff

Dr. J.E. Blasingame, Executive Vice- President
Dr. C.C. Edwards, Asst. Director, Environmental Medicine and Medical Sciences Division
Dr. F.V. Hoin, Director, Dept. of Community Health & Health Education
Dr. S. --. Schor, Statistician
Dr. H.M. Hussey, Director, Scientific Activities Division
Dr. John Ballin, Asst. Director Scientific Activities Division
Mr. B. Asbell, Director, Dept. of International Health

Committee for Research on Tobacco & Health

Dr. M.H. Gasvers, Chairman
Prof. Richard J. Bing, Member
Prof. Paul Larson, Member

The Council For Tobacco Research - U.S.A

Mr. T. F. Hertnett
Dr. C. C. Little
Mr. W. T. Hoyt
Dr. R. C. Hockett
Dr. J. Morrison Brady
Mr. S. O'Shea
Mr. Ken Austin

Scientific Advisory Board

Tobacco Institute

Mr. George V. Allen
Mr. Ed. DeMart
Mr. J. True
Kill & Knowlton Inc., New York
Mr. John W. Hill
Mr. Bert Goss
Mr. R. W. Darrow
Mr. Carl Thompson

National Institutes of Health

National Cancer Institute

Dr. P. Kotin, Associate Director of Field Studies
Mr. Wm. Haenszal, Chief, Biometry Branch

National Heart Institute

Dr. W. J. Zukel, Associate Director of Collaborative Studies

Mr. Jerry M. Cornfield, Acting Chief, Biometrics Research Branch

Sloan-Kettering Institute

Dr. Ernst L. Wyndar, Head, Section of Epidemiology
Dr. Dietrich Hoffmann, Chemist
Dr. Else Hoffmann, Chemist
Dr. Patchett, Statistician

American Cancer Society

Dr. E. C. Hansond, Director Statistical Research Section Medical Affairs Dept.

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Philadelphia Pulmonary Neoplasm Research Project

Dr. Wm. Weiss, Director P.P.N.R.P.

Nato Clinic Rochester, Minn.

Dr. Joe Berkson, Formerly Chief, Division of Biometry and Medical Statistics

Bio-Research Institute, Boston

Dr. Peter Bernfeld, Vice-President

Harvard University School of Public Health Dept. of Nutrition, Boston

Dr. Carl C. Seltzer, Header in Anthropology

The Imperial Tobacco Co. (of Gt. Britain & Ireland) Ltd., Richmond, Va.

Mr. J. M. Gregory, Resident Director
Mr. D. A. Coulson

The Imperial Tobacco Co., of Canada Ltd.

Mr. J. M. Keith, President
Mr. Leo C. Laporta, Vice-President
Mr. Norman A. Dann, Manager, Public Relations

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