

PART VII

Final Thoughts

Into the Lion's Den



In 1994, I attended the Tabexpo 94 exhibition in Vienna, Austria. This exhibition, *Toward 2000 — Challenges of Changing Markets*, was the tobacco industry's international equivalent of the World Conference on Tobacco and Health. Organizers promoted Tabexpo 94 as "by far the largest tobacco exhibition and congress ever held!" This was a chance to view the industry from the inside.

At least 6 000 people came to see what 366 companies from around the world had to offer. The whole exhibition, with 205 display booths, occupied more than 19 000 square metres.^[390] Large indeed! I meandered about as unobtrusively as possible, feeling like a lamb in the lion's den. The exhibition hall was packed with booths set up by the tobacco manufacturers. Also well represented were the suppliers of related products: raw leaf tobacco, rolling papers, filters, glue, flavouring, packaging, cellophane tear tapes, testing equipment, tobacco publications, matches and lighters, reconstituted tobacco, and more. The whole tobacco "family" was there. In fact, there were so many exhibitors that conference organizers needed a second hall. Some equipment manufacturers had monstrous machines actually producing cigarettes on site.

The congress itself attracted 867 delegates. It began on Tuesday morning, 25 October, with a keynote address by James W. Johnston, the Chairman and CEO of R.J. Reynolds

Worldwide. When the tall American was being introduced, he was commended for his “outstanding” performance before a US Congressional subcommittee earlier in the year. At this hearing, Johnston and other CEOs had faced an onslaught of hostile questions from Congressmen.

It was soon clear from the attentiveness of the audience that Johnston was widely respected by these delegates. His basic message was a call to action. It was time for all sectors of the industry to fight the antitobacco movement, to “stand up and make our voices heard,” he said, perhaps amazingly, given that the industry had been making itself heard for a long time now.

He described the “antis” as formidable adversaries who were smart, sophisticated, well organized, and well funded, and who learned from their counterparts in other countries. “All of us need to take their efforts very seriously.” He also noted with concern that the attacks against the industry were spreading into new countries.

Johnston told the story of a US warship traveling to one of the world’s hotspots. A blip appeared on the radar. The ship was heading straight for the blip, so the control room radioed ahead telling the other ship to change its course 15 degrees. The reply was immediate: “Change **your** course by fifteen degrees.” The control room radioed back “This is a US aircraft carrier. Change your course 15 degrees.” Again, the reply came “Change **your** course 15 degrees.” The Admiral, hearing this exchange, grabbed the radio and barked “I am an Admiral in the United States Navy, and I order you to change your course immediately.” There was a pause. And then came the reply. “I am a lighthouse. I suggest that you change your course.”

The point of this story was that the industry was facing a lot of lighthouses these days, and it was the industry that would have to change its course. At one time, the industry could count on having a relatively easy time getting its own way, but no more.

Johnston lamented the industry’s lack of commitment to addressing emerging issues. “If we do nothing, we can watch our revenues dwindle,” he warned. “They will succeed unless we fight back, and fight back hard.” He said that in the United States, the industry has begun to fight back and has become far more aggressive. He suggested that the tobacco industry “leverage” the tobacco-tax rollback in Canada to prevent tax increases worldwide. Canada’s experience with contraband could be used to deter other countries from adopting a high-tax strategy. Johnson said that in the past couple of years, his company had spent “millions of dollars on programs designed to fight antismoking efforts. It’s going to take a similar commitment from every company in this room for our industry to be effective on a worldwide basis.”

On the evening of the first day, there was a glittering gala dinner at the opulent and historic Hofburg Palace for a cost of US \$125 for those who chose to go. Dinner was preceded by a cocktail reception sponsored by R.J. Reynolds.

At Tabexpo, one point that continually came through was how much people in the industry had rationalized away any notion of the harm they were causing. There was no apparent comprehension of the impact on public health. Throughout the entire 3 days, I

heard “cancer” only once, and that was when someone derided the claim that ETS caused lung cancer. One person who worked for a supplier to the industry said that the “industry is horrible, but the money is great and the people are nice.”

Companies went to Tabexpo to do business and to make deals. At the back of each exhibitor’s display booth, there was usually a separate, enclosed work area where a private meeting could be held. Many booths offered free alcoholic beverages as a way to entice attendees in for a chat to hear more about the host company. Some booths offered food. Cigarette companies routinely had free cigarettes available. Some firms, like Rothmans, had “cigarette girls” offering samples to passers-by.

The Ontario Flue-Cured Tobacco Growers’ Marketing Board had a booth at the exhibition. An official from the Ontario Ministry of Agriculture and Food was one of the booth personnel promoting tobacco sales.

The Aluminum Company of Canada, better known as Alcan, had a booth at which its European subsidiaries promoted sales of foil inner wrap. A sign in the booth boasted that Alcan was a “Partner to the Tobacco Industry.” Lawson Mardon Packaging, which started in London, Ontario, but is now based in England, gave out promotional souvenirs featuring a cute, fuzzy critter holding up a banner that proclaimed, “Supporting the tobacco industry worldwide.”

At the R.J. Reynolds booth, several televisions repeatedly played commercials for cigarettes. Some featured the Camel man in daring jungle and adventure situations, relaxing afterward with a Camel cigarette. Others featured sponsorship of rock concerts or Salem vacations in Malaysia. Philip Morris sponsored the Central and Eastern European Lounge, where refreshments were served.

The various session topics covered China, Eastern Europe, technology, the emerging importance of flavourings, and voluntary advertising codes as an alternative to regulation. At a session on leaf tobacco, optimism was bubbling all around the room because of growing world demand and solid future prospects.

A session entitled “Cowboys and Camels: Cigarette Branding Today and Tomorrow” was led by Spencer Plavoukos, President of Lintas Worldwide, a major advertising agency that does work for R.J. Reynolds. Plavoukos gave an insightful presentation, noting that the tobacco industry had been responsible for most of the innovations in the field of marketing. He described a European campaign his firm was doing for Winston to attract smokers 18–24 years old. This “Myths and Symbols” campaign built on Winston’s existing American image. The slogan “The Genuine Taste of America” was used with such recognizable American icons as the Lone Ranger, Fifth Avenue, and Alcatraz. The ads were said to position Winston “as a brand at ease with itself in today’s world where values of freedom, confidence, informality, and fun are pre-eminent.”

Another campaign, dubbed the “Success” campaign, was doing well in Poland, Russia, and the Middle East. It involved a series of TV commercials in soap-opera style: the man — the “Winston hero” — meets the woman and they fall in love. The commercials

produced astonishing recall levels and were described as entertaining, convincing, and relevant to 18–35 year olds.

Plavoukos told how in various countries sales volume increased by 25% during a promotion offering a chance to win trips to the United States to see World Cup Soccer, Disney World, and car racing. In Lebanon alone, 400 000 entries were received. Plavoukos compared cigarette marketing with hockey star Wayne Gretzky. Gretzky knows that scoring a lot of goals means knowing not only where the puck is, but where the puck **will be**. Noting that increasing advertising restrictions were expected to come about, Plavoukos said that “it makes sense to maximize investment in brand building today, using all appropriate tools, while they are still available, while we develop new brand-building tools for tomorrow.”

One of the most insightful sessions, held on the last day of the congress, was a panel discussion, “Tolerance and Common Sense — How to Tackle the Information Battle.” The panel featured leading tobacco lobbyists from the United States, United Kingdom, Germany, Sweden, and Austria. The panel discussed how to counter the “antismoking industry.” All agreed that tobacco manufacturers had never before been under so much pressure.

Bo Aulin, Vice-President Legal and Public Affairs of the Swedish Tobacco Company, said that

the anti-tobacco forces are by now so well coordinated, trained and goal-oriented and in such a strong position that I don't think they can be stopped by merely political activities, PR-activities, and with facts and arguments regardless of the strength in them. ... This coordination, this global strategy, the international network, the professionalism and the fundings are factors that I think justify the term: the anti-tobacco industry. ... It is an industry that is effecting the biggest and most powerful lobbying campaigns that the world has ever seen.

Several speakers referred to the lack of credibility that tobacco manufacturers had because of their position denying the health consequences of smoking, a position taken to defend against product-liability lawsuits in the United States. Germany's Harald Konig, Secretary-General of Verband der Cigarettenindustrie, commented that it would not be much of a victory if “we win the last litigation case and the last smoker has just quit smoking.”

Clive Turner, Executive Director of Industry Affairs for Britain's Tobacco Manufacturers Association, emphasized how important it was that companies get together and have a common position on each issue and to stand behind it. “It can take a lot of time and effort, but it is worth it.” He said that in the United Kingdom, 31 such issues have been identified, the most important of which is ETS.

According to Turner, the industry should never run away from an issue, and spokespersons should “never, never, never get angry.” He recounted how recently he had participated in a radio phone-in show. One caller said, “You are a slug. You should be stepped on. You are in a disgraceful business. You are a ... murderer, and you are a scumbag.”

Turner's suggested response in such circumstances is to say "Just a minute. I hear what you say but that is an opinion. Now here are the facts 1, 2, 3." Turner noted how Britain's Tobacco Manufacturers Association had a policy of responding immediately to every adverse media story.

Turner derided antismoking lobbyists:

I call them the shower adjusters. I think if they could get into your bathroom they would adjust the temperature of the water because they know what is good for you. The antis are quite extraordinary people. They have a sort of missionary glint in the eye. ... They think that they have a monopoly on wisdom. They are self-righteous. I think they are seized with a need to tell everybody else how to run their affairs and how to run their lives.

Turner added that "anytime the words 'passive smoking' are said, I think they have an orgasm. I really do. They get all hot and flush and quite excited by it all." He said the industry has to respond with facts to the misinformation presented by the other side. "Many people believe the doctors. Many people believe the antitobacco careerists."

Aulin had a more moderate view. "There are fanatics," he said, "but they are not all fanatics. There are a lot of credible, caring, good people. There is valid, solid support for action against tobacco — we must respect that."

Turner replied that "not everyone is a fanatic, but the problem is that the single-issue fanatics get more media attention."

Added Walker Merryman, Vice-President of the Tobacco Institute, "In the United States, if there are reasonable people, I have not met them. The leaders of the antis are fanatics."

Turner deplored the complacency in the industry and urged listeners to respond to Johnston's call to action:

The antis in some places of the world that I have been to are just over the hill. They have assembled all their troops there, all their armament. Everything is ready. Sometimes, in some parts of the world, at the bottom of the hill, there we are. We have no foot soldiers ready, no armament, no ammunition, and we are complacent.

To illustrate this, Turner mentioned talking with someone from a tobacco company in Indonesia who said that nothing would happen there for 25 years. But within a few months the issue of constituent labeling came up, and the Indonesian tobacco industry was screaming for help.

Konig said that "we must keep up smoking as socially acceptable" but that so far in Germany this was not as big an issue as in the United States. "We have to follow developments in the United States, Canada, Australia, New Zealand because we get spillover and it has an impact on us."

Merryman commented that the political will for a tax increase in the United States was not there,

in large part because of activities undertaken by the tobacco industry. Other factors were involved, to be sure, but we put up an extraordinary, vigorous, cohesive campaign.

Without our opposition, there certainly would have been an extraordinary increase in the tax [in 1994].

In this session and others, the industry seemed most concerned about taxation, ETS, and advertising bans, a sure sign that health advocates working on these issues have been on the right track.

Where the Future Lies



The tobacco epidemic cannot be prevented. It is already here. All we can hope to do is slow it down. Canada has made tremendous progress in reducing smoking, but the high rates of disease and death caused by smoking will persist for years to come.

Smoking will be around for decades. The rate of smoking will decline in the future, but the speed of that decline will directly depend on how soon and how effectively governments implement tobacco-control measures. Even with a very successful tobacco-control strategy, though, the smoking rate will decline slowly. A tremendous but unlikely accomplishment would see Canada's smoking rate fall from 31% to 20% by the year 2005, a decline of about 1% per year. If smoking drops to 10% of the Canadian population by the year 2015, that will be an incredible and even more unlikely victory for public health.

Over the past 45 years, Canada's tobacco war has increased in intensity. In the 1950s there were just skirmishes, but by the late 1980s and 1990s confrontations had escalated to full-scale battles. Now the industry is under attack on many fronts.

The war will continue. Forthcoming battles include the fight to again ban tobacco advertising and to defend the ban in court, to implement plain packaging, to eliminate sponsorship promotions, and to ensure that tobacco taxes are as high as they can reasonably go.

By 2005, if not earlier, it is probable that smoking will be prohibited in almost all workplaces and public places in Canada, including bars and restaurants. This will be brought about by a combination of voluntary action, legislation, and legal proceedings.

Over time, many of the measures recommended in this book will be implemented. Governments in Canada will begin to start controlling design of the cigarette itself. If the industry continues to earn wildly exorbitant profits — and without intervention, it will — governments will have no choice but to regulate profits by controlling manufacturer prices.

By 2025, comprehensive tobacco-control legislation not only will be in place in Canada but also will enjoy tremendous public approval. Measures that today are so widely contested by the industry will have such widespread acceptance in Canada that people will wonder what took previous generations so long to get the measures adopted.

Worldwide, the factors that have already led to higher global smoking rates will push rates up further. Tragically, predictions of a dramatically increased death toll from smoking will be realized. On the bright side, the current trend of increasing regulation around the world will also continue. As more countries ban advertising, restrict smoking, and legislate other measures, other countries will be motivated to do likewise. The pace at which governments take action will directly affect global smoking rates. In time, there will be an international treaty on the control of tobacco.

In Canada and other DCs, the tobacco industry will continue to do whatever it can to maintain sales. Sales mean profits, and the industry has no desire to give up its profits. The tobacco industry has repeatedly shown that it has the ability to overcome obstacles, and it will continue to use its traditional tactics to delay, weaken, defeat, or overturn legislation. Without a doubt, the industry has the resources necessary to fight in the tobacco war.

The best thing the industry has going for it is the addictiveness of tobacco. Nicotine is the single biggest factor preventing a rapid demise of the tobacco industry. The development of a highly effective, nontobacco nicotine-delivery device or a satisfactory nonaddictive substitute for nicotine would speed the downfall of the tobacco industry.

If manufacturers start losing product-liability lawsuits, this would speed up the downfall even more. Although the companies have successfully defended all cases to date (except for one out-of-court settlement in 1996), the winning streak will not last forever. The breakthrough will probably come in the United States because of the number of cases already before the courts there. A flood of successful cases, or even one or two major class-action successes, would financially cripple or even bankrupt the companies. From such a weakened position, the industry would not be able to oppose the unprecedented level of regulatory control that would be sure to follow.

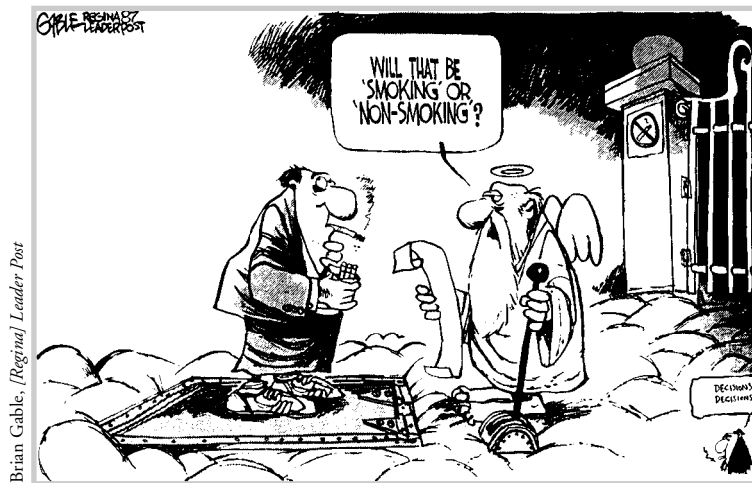
Act now

Millions have suffered needlessly or died prematurely because of the actions of tobacco companies. The tragedy has been monumental. As a society we have been lamentably slow to respond, surely a sign of the industry's power. What else would explain the credence given to the cigarette, a toxic, carcinogenic product that can be lethal when used exactly as intended but that has little or no socially redeeming value?

The tobacco industry has perpetrated the largest consumer deception the world has ever seen. Death upon death has been the result, but the industry has never apologized to or compensated the family of any victim. Instead, the industry has denied responsibility and advertised its products in a way that attracts teenage recruits to replace dead customers.

Enough is enough. The global harm caused by tobacco use is the leading health issue of our day. The case for tobacco control is overwhelming. The excuses used to justify inaction or delay are simply unacceptable. Decisive and comprehensive measures are needed now. The future health of a generation of youngsters hangs in the balance.

Postscript



The campaign for new federal legislation

By the end of August 1996, the federal government had still not announced the content of new tobacco legislation. The long delay was causing much anxiety among health groups. Nevertheless, the government was getting closer to completing its legislation, with a bill expected to be introduced in the fall parliamentary sitting.

The most contentious issue will be that of sponsorships, as was the case in 1987–88 during the Bill C-51 campaign. “There must be a total ban on sponsorship advertising,” says Nancy Roberts of the Lung Association. Adds NSRA lawyer Eric LeGresley “the Supreme Court endorsed a ban on lifestyle advertising, and sponsorship promotions are lifestyle advertising: 100% imagery.” Recipients of arts and sports sponsorship money, however, will be vocal in resisting any sponsorship restrictions.

The battle over new tobacco legislation will be a vigorous dogfight, with the tobacco industry in a position to spearhead opposition. On the health side, it may be that the three key success factors leading to effective tobacco control measures are present: Minister Dingwall is personally very committed to strong antitobacco legislation; there is tobacco control expertise and support at the bureaucratic level inside Health Canada; and the health lobby is larger and far better organized than in 1987–88 during the Bill C-51 campaign.

Tobacco advertising resumed in February, 1996 with RBH advertising its Canadian Classics brand using the slogan “Pure Canadian Classics” and depicting such scenes as

hockey gloves on the ice, the shadow of a moose, and a toque on snow. Almost immediately afterwards, RJR-Macdonald advertised Export “A” Smooth cigarettes in an ad depicting an electric guitar and an acoustic guitar, together with the slogan “Either you like it or you don’t.” This prompted criticism that the ad was attractive to young people. “Electric guitars are not exactly targeted at senior citizens,” said NSRA’s Heather Selin. Health Minister David Dingwall rebuked the industry. “I’m pissed off at the manufacturers in terms of what they’ve done,” he said. “It seems to me they’re focusing on young people when they’ve indicated previously they weren’t going to do that.” One ad was located directly across the street from a high school in Hull, Quebec, in violation of the voluntary code. This received media attention and was quickly taken down.

On 25 April, the Canadian Cancer Society filed a lengthy list of complaints with the Tobacco Advertising Supervisory Committee, set up by the industry to enforce the voluntary code. On 4 June, the Committee confirmed that most of the complaints were indeed violations, including 31 examples of placing ads inside stores located within 200 metres of schools. The tobacco industry responded to this by promptly weakening its code to allow such ads to continue. This industry move was comparable to an environmental polluter being convicted, having no fine to pay, and then being allowed to rewrite the law to continue polluting all it wants. The Committee also ruled that point of sale ads had been erected without the required health warnings.

On 9 July, the Heart and Stroke Foundation of Canada, the Canadian Cancer Society, and the Lung Association released an Environics poll showing strong public support for tobacco control measures. Fully 71% supported a ban on advertising, 68% supported plain packaging, 61% agreed that tobacco products should not be visible until a purchase is made, and 93% supported mandatory listing on the package of all product ingredients. But only 44% supported a ban on tobacco sponsorships.

The federal government received a major boost on 23 August when US President Bill Clinton announced new regulations adopted by the Food and Drug Administration. Nicotine is now regulated in the United States as an addictive drug, and cigarettes and smokeless tobacco are now treated as drug-delivery devices. The regulations ban all forms of sponsorship promotions, impose significant restrictions on advertising, prohibit the use of tobacco trademarks on nontobacco goods, and create national measures to curb youth access, such as a minimum age of 18 and banning vending machines except in locations where teenagers are denied entry.

Dr Michael Goodyear of the Hamilton Regional Cancer Centre said that seeing what the United States has done gives momentum to the Canadian campaign. Adds Melodie Tilson of the Heart and Stroke Foundation, “If the Americans can ban sponsorship promotions, a bold step, so can we.”

Clinton emphasized that his objective was to prevent smoking among young people. Health Minister David Dingwall can be expected to convey a similar message when trying to garner support for Canadian legislation.

Optimism in Quebec

Persistently high smoking rates in Quebec have long frustrated members of the health community. Not only are smoking rates higher than anywhere else in Canada but also, according to at least one survey, the prevalence of smoking among adult women (38%) is higher than any country in the world. Smoking retains substantial cultural acceptance in Quebec. And the province is home to three of four of the country's main cigarette factories. But now there are some encouraging signs.

The province's Health Minister, Dr Jean Rochon, who previously worked for the World Health Organization, has spoken out strongly against tobacco. He said that he intends to introduce strong provincial antitobacco legislation in the fall of 1996. Support for a tough antitobacco effort is also growing within the public service and within regional health units. "The opportunity for progress in Quebec has never been so good," says Maurice Gingues of the Canadian Cancer Society.

On the ground, the antismoking forces have been bolstered by a new coalition and by the addition of full-time staff. Louis Gauvin (previously with the public health system) and Heidi Rathjen (formerly of the Coalition for Gun Control) head the Quebec Coalition for Tobacco Control. Launched on 6 June 1996, the coalition is made up of 40 member organizations. François Damphousse now heads the Quebec Office of the Non-Smokers' Rights Association, which opened in 1995.

Local Bylaw Campaigns Heat Up

In 1995, Guelph, Ontario became the first municipality in Canada to ban smoking in restaurants, but the ban was being phased in and would not be fully in place until the year 2000. Still, the development was significant in that Guelph is home to an Imperial Tobacco cigarette factory.

1996 has seen vigorous local campaigns seeking to ban smoking in restaurants and bars. Campaigns are particularly visible in British Columbia and Ontario. The city of Vaughan, Ontario, located just north of Metropolitan Toronto, became the first municipality with a bylaw in force banning smoking in all restaurants. In Vancouver, City Council banned smoking in all restaurants. Several other municipalities in the Greater Vancouver Regional District have followed, or are planning to follow, with their own bylaws banning smoking in all restaurants. In BC's Capital Regional District, which includes Victoria, a new bylaw banned smoking in all restaurants and bars effective in 1998. Toronto adopted a widely publicized bylaw banning smoking in all restaurants and bars. The Toronto bylaw has been the subject of so much controversy that it might be reconsidered before the scheduled implementation date of 1 January 1997.

Litigation activity increases

In the United States, the tobacco industry suffered a significant lawsuit defeat on 9 August 1996 when a jury in Jacksonville, Florida, ordered Brown and Williamson to pay US \$750 000 to Grady Carter and his wife Millie Carter. Mr Carter had smoked for 44 years before contracting lung cancer. Some jury members explained that a key factor in their decision was the fact that the company publicly denied that cigarettes were addictive while internal company documents explicitly said the opposite. The verdict, which the industry is appealing, sent US tobacco industry shares sharply downward.

Andreas Seibert of Sommers and Roth, the law firm that filed the proposed class action in Ontario, commented that “We have always known that the industry can be beaten. The *Carter* verdict just spreads that message a little wider.”

A more significant US development is the growing number of state governments filing lawsuits against the industry to recover health-care expenditures attributable to smoking. By the end of August, the total had risen to 14: Arizona, Connecticut, Florida, Kansas, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Oklahoma, Texas, West Virginia, and Washington. Los Angeles County and San Francisco have also filed suit, and more states and municipalities are expected to do likewise. The total amount of money being sought is in the tens of billions of dollars. While tobacco companies are fully capable of putting up a vigorous defence, the industry has never before faced such a large legal assault. More lawsuits from individual plaintiffs are scheduled to go to trial in the fall of 1996, with the first trial in a state lawsuit slated for 1997.