

SMOKING AND HEALTH PROPOSAL

FVB  
C.M.  
What we want to do this morning is to take a summary look at the smoking and health question and then make a proposal to you for a B&W project to counter the anti-cigarette forces. T

JV  
This is a chronological table of smoking and health activities. Not all the activities by any means. We have been selective in making up this chart -- just picked those events that caused headlines to be made and probably left strong impressions with the public. As we look at it I believe we can see how we became an harassed and restricted industry and how we came to conflict with the awesome forces of the federal government.

It is also a sort of key to the characteristics and processes involved in the smoking and health question. Looking at the individual elements we see ... (comment).

To summarize the anti-cigarette activities I think we can say that:

First - They have managed to bring us from a simple conflict of attitudes to a state of condemnation and severe restriction.

Second - Their efforts have been aggressive while ours have been defensive.

Third - The anti activities are rather orderly -- almost as if they had a plan working for them.

630010951

Fourth - Their activities are accelerating and becoming more damaging to us all the time.

Over the past three weeks I have been reading vast amounts of material from Mr. Yeaman's and John Blalock's files and it has given me a picture of what the anti-cigarette forces are like and what the pro-cigarette forces are like. I think the anti-cigarette forces can be characterized as dedicated opportunists. They are quick to act and seem to be totally unprincipled in the type of information they use to attack the industry.

The pro forces, on the other hand, and I'm speaking primarily of the Tobacco Institute, seem to be slow to act, mainly defensive, and rather narrow in the area of defense. The Tobacco Institute has probably done a good job for us in the area of politics and as an industry we also seem to have done very well in turning out scientific information to counter the anti-smoking claims. There is no question, though, that we have been inept in getting our side of the story, good though it may be, across to the news media and to the public. I am convinced that the nature of the institute, the way it is organized and the way it operates, makes it practically impossible for the Tobacco Institute to speak effectively to the news media. It has no personality and is not famous. It just can't compete with the anti-cigarette forces who can make their pronouncements through Emerson Foote or the Surgeon General. Those men have news value just on the basis of their names.

690010952

This whole problem of getting our story across to the mass public provokes this question: "Should B&W take some independent and unilateral action to counter the anti-cigarette forces?" And "Can we afford it?"

What is the justification for taking unilateral action? Here is a chart that I think justifies such a program. It says we are losing our commercial freedom. We are restricted in terms of ability to sell -- in colleges and in vending machines. Our products are branded with a warning label. Our ability to advertise has been attacked on all fronts and has consistently deteriorated. First there were restrictions on health advertising imposed by the Cigarette Advertising Code and the N. A. B. Code. These codes also included restrictions regarding television time and program selection. We have been classified as a public menace by the F. C. C. and are obliged to suffer public condemnation along with litter bugs and forest fires. In the near future we will withdraw from the broadcast medium and already pressures are growing to limit our advertising activities in print. Additionally, nearly every state in the Union is ready to pounce on us with restrictive legislation as soon as Congress opens the door on this possibility.

In thinking over what we might do to improve the case for cigarettes, I have looked at the problem somewhat like the marketing of a new brand. Here is a chart where I have defined the basic marketing elements which I see in the smoking and health problem. Our consumer I have defined

630010953

as the mass public, our product as doubt, our message as truth -- well stated, and our competition as the body of anti-cigarette fact that exists in the public mind.

We have chosen the mass public as our consumer for several reasons:

- This is where the misinformation about smoking and health has been focused.
- The Congress and federal agencies are already being dealt with -- and perhaps as effectively as possible -- by the Tobacco Institute.
- It is a group with little exposure to the positive side of smoking and health.
- It is the prime force in influencing Congress and federal agencies -- without public support little effort would be given to a crusade against cigarettes.

Doubt is our product since it is the best means of competing with the "body of fact" that exists in the mind of the general public. It is also the means of establishing a controversy. Within the business we recognize that a controversy exists. However, with the general public the consensus is that cigarettes are in some way harmful to the health. If we are successful in establishing a controversy at the public level, then there is an opportunity to put across the real facts about smoking and health. Doubt is also the limit of our "product". Unfortunately,

690010954

we cannot take a position directly opposing the anti-cigarette forces and say that cigarettes are a contributor to good health. No information that we have supports such a claim.

Truth is our message because of its power to withstand a conflict and sustain a controversy. If in our pro-cigarette efforts we stick to well documented fact, we can dominate a controversy and operate with the confidence of justifiable self-interest.

Now, how can we get started on an independent program of action? Here is one idea. It is tentative and sketchy but it is a starting place. I don't even have a time element in this but that comes later when a thorough study of this subject is made and a detailed plan developed around this idea ... (comment on plan).

We have seen research this morning which indicates that there is at least a potential for using our own ads to communicate the other side of the cigarette story. Before putting this type effort into practice, however, we would want to be absolutely certain that there is no damage to our advertising or to the consumer acceptance of our brands. So the first step for the immediate future would be research. We are recommending basic research to unearth specific problems in smoking and health that we can deal directly with.

Corny Muije will describe the type of research we think is needed ...  
(Corny Muije).

690010955

What was shown today specifically demonstrates what happened when a certain type of information was supplied with the KOOL Adios II ad.

Indications are that the KOOL copy effectiveness was enhanced. We need more evidence that this is true. Furthermore, we need to establish whether this solely hinges on the Adios II ad and the specific body copy used.

Also, is this an effective approach when the information is supplied with ads for VICEROY, RALEIGH, and BELAIR?

For these reasons we are proposing what I will call Phase I of this research program ... (Chart I and comment).

Since we, at this time, do not know which RALEIGH and BELAIR advertising copy will be in future use -- KOOL and VICEROY testing should precede RALEIGH and BELAIR testing.

The testing cost of Phase I should not exceed \$60,000. It would be substantially less if results on KOOL and VICEROY were unfavorable and we therefore cancelled the RALEIGH and BELAIR portion.

Success in Phase I should lead to Phase II ... (Chart II and comment).

It is essential that we ascertain which type of anti-cigarette information has most affected the smoking public. What claimed health hazards are currently accepted by the general public.

A general survey with detailed questioning should establish this.

690010956

During Phase II we should also investigate consumer reaction to at least three distinct anti-cigarette approaches. In addition, consumer reactions to maybe a dozen specific anti-cigarette claims could be probed.

The purpose of Phase II is to establish which past information and which current anti-cigarette claims are most damaging. From this we should learn which information should be of greatest interest to the public. We could then tailor our efforts more precisely to achieve the greatest effect.

Without specific detail the cost of Phase II cannot be estimated accurately. But, assuming a general survey of 1,000 respondents, copy research on three commercials and copy claim research on twelve claims, the costs for Phase II should not exceed \$40,000.

Successful completion of Phases I and II leads us to Phase III -- test market or test markets ... (Chart III and comment).

None of the research, up to this point, will have let us know the effect of sustained repeated exposure of B&W cigarette ads with body copy of different content.

Prior to a nation-wide commitment, one or more test markets would be called for.

At this point it is impossible to say whether one or more test markets would be desirable.

690010957

Regardless, in each instance we recommend that a consumer survey be conducted prior to the start of the test market and another one at the end of the test market.

A comparison of the pre and post surveys will enable us to evaluate the effect of the total campaign.

We would like to have the Executive Committee's approval to initiate the research program that Corny has just explained and at the same time to start a task force study of the smoking and health question and develop a detailed plan of action for B&W.

Such a plan would cover:

- Sources of information about smoking and health.
- The selection and clearance of information to be used by B&W.
- The development of new information about smoking and health.
- Means of anticipating and countering the release of misinformation.
- Channels other than our own advertising for getting messages to the public.
- Ways to use and perhaps focus industry efforts in support of our own program.

690010958

- Agency participation in the program.
- Internal administration and implementation of the program.
- Thorough evaluation of potential advantages and disadvantages of public action on B&W and its brands.

630010959