

American Cancer Society Cancer Action Network 555 11th Street, NW Suite 300 Washington, DC 20004 202.661.5700 www.acscan.org

May 23, 2012

Mr. Martin J. Barrington Chairman and Chief Executive Officer Altria Group, Inc. 6601 W. Broad Street Richmond, VA 23230

Dear Mr. Barrington:

As the President of the American Cancer Society Cancer Action Network (ACS CAN), I took notice of your recent "Recognizing Our Responsibilities" advertising campaign. ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, works to eliminate death and suffering from cancer by supporting state and federal policies that encourage research, disease prevention and access to health care. Ever since the link between tobacco use and premature death was established more than half a century ago, the Society has worked tirelessly to educate the public about the proven hazards of smoking. ACS CAN works in every state, every community and at the federal level in support of strong tobacco control policies that prevent kids from starting to smoke and help adults to quit.

Our decades of experience in tobacco education and control lead us to doubt your claims of being a responsible corporate citizen. In light of the tobacco industry's long history of defrauding the public, we are interested in knowing if you can substantiate those claims with independently verifiable proof of meaningful efforts to market your products responsibly, and evidence of the effectiveness of those efforts.

As the parent company of Philip Morris USA, U.S. Smokeless Tobacco Company and John Middleton, Altria is the leading manufacturer of tobacco products in the United States. Your company and your industry bear no small responsibility for the toll of disease and death caused by tobacco in this country. You indeed have a moral responsibility to be clear and transparent about how your products are marketed and the horrific damage they cause in the form of human casualties, which exceed 440,000 per year in this country, and untold billions of dollars in health care costs, lost productivity and related expenditures borne by families, businesses, and state governments.

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¹ US v. Philip Morris Inc. et al, 449 F Supp. 2d (D.D.C. 2006).

Your recent "Recognizing Our Responsibilities" advertisement states that:

- "Our companies' products are intended for adult consumers."
- The company has, "processes in place to verify they reach consumers 21 and older."
- "Our tobacco companies...work with retailers to restrict in-store display materials and product access ... to help reduce underage tobacco use."
- "Our tobacco companies...communicate about the health effects of their tobacco products."
- "we [Altria] take our responsibilities seriously."

To be frank, the ad ignores Philip Morris' massive advertising and promotional expenditures to perpetuate the habit of smoking, as well as the company's ongoing efforts to oppose anti-smoking public health initiatives across the country while obfuscating its role in such efforts. Consider the facts:

- Half of all smokers of cigarettes manufactured by Altria will die from diseases directly attributable to your products.²
- 88 percent of adult smokers start when they are under 18, and youth exposure to tobacco product advertising and promotion increases the likelihood that they will start smoking.³
- Cigarettes are so addictive that children become hooked before they know it and then find the craving for nicotine so incessant that quitting is extremely difficult. About three out of four teen smokers keep smoking as adults, even if they intend to quit after a few years.⁴
- Philip Morris USA is an ardent opponent of local, state and federal public health initiatives to control tobacco use, including efforts to raise tobacco taxes⁵ that are proven effective in reducing consumption among children,⁶ and efforts to pass or expand smoke-free laws to protect workers and business patrons from exposure to second-hand smoke. Yet, your company makes every effort to disguise from the public its direct role in financing and advocating against these campaigns. Your massive financial support of the effort to defeat Prop 29 in California while remaining unidentified within the opposition coalition is only your most recent effort in this regard.⁷

² Peto E. et al. Mortality from Smoking in Developed Countries, 1950-2000. Oxford University Press, New York, NY: 1994

³ U.S. Department of Health and Human Services. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General. Atlanta, GA 2012. 1

⁵ Tobacco Industry Raises Millions to Fight Proposition 29, CBS News San Francisco, May 8, 2012. http://sanfrancisco.cbslocal.com/2012/05/08/tobacco-industry-raises-millions-to-fight-proposition-29/

⁶ Chaloupka, F.J. "Contextual Factors and Youth Tobacco Use: Policy Linkages." Addiction, 98 (2003): 147-150.

No on 29, About Us. http://www.noon29.com/about-us

- Altria and the other four major U.S. cigarette companies spent nearly \$10 billion in 2008 marketing cigarettes in the United States.⁸
- As U.S. District Court Judge Gladys Kessler found in U.S. v. Philip Morris, Inc., "substantial evidence establishes that Defendants have engaged in and executed and continue to engage in and execute a massive 50-year scheme to defraud the public, including consumers of cigarettes, in violation of RICO [the Racketeer Influenced and Corrupt Organizations Act]."

These are documented facts about the harm of tobacco products and the continuing practices of Atria and its tobacco product subsidiaries, which call into question the veracity of the company's claim of corporate responsibility. Accordingly, we would appreciate your answering the following questions about the claims made in your advertising campaign.

- What is Altria's "one-to-one" marketing effort? How does Altria proactively ensure that its direct mail, e-mail and especially the company's promotional events reach only consumers age 21 and older? What assurances are in place to achieve this goal? Why does the industry spend 71 percent of its marketing and advertising dollars on cigarette price discounts ¹⁰ if not to make cigarettes more affordable to low budget consumers like kids?
- How does Altria work with retailers "to restrict in-store display materials ...to help reduce
 underage tobacco use?" Please explain specifically what Altria allegedly does to "support"
 the "We Card" program, and how such efforts are effective in reducing underage use of
 tobacco.
- Beyond the bare minimum needed to comply with the law, what specific activity is Altria
 undertaking to responsibly "communicate about the health effects of their tobacco products?"
 Please provide information as to whom those communications are being directed, by what
 medium and with what frequency those communications are being made.
- What factual basis exists to support your claim, "we take our responsibilities seriously?"

"Recognizing Our Responsibilities" is a slogan that rings hollow to the 440,000 people in the United States who lose their lives to tobacco related illnesses every year, and to the millions of American families who have seen loved ones sickened and killed by tobacco-caused disease. Please help people with cancer and their families understand exactly what Altria does to substantiate this dubious claim. We look forward to hearing from you.

Sincerely,

Christopher W. Hansen

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President

⁸ U.S. Department of Health and Human Services. Report of the Surgeon General. 488

⁹ US v. Philip Morris Inc. et al, 2d (D.D.C. 2006).

¹⁰ U.S. Federal Trade Commission, Cigarette Report for 2007 and 2008. Issued 2011