REMARKS BY STEVE PARRISH PHILIP MORRIS/UST PRESS CONFERENCE

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Welcome and thank you for coming. I'm Steve Parrish, Senior Vice President, Corporate Affairs, Philip Morris Companies Inc. With me is Richard Verheij, Executive Vice President and General Counsel, UST, Inc.

Last week, President Clinton spoke to a group of high school students in Woodbridge, New Jersey about tobacco. The President directed some of his comments to the tobacco industry, saying "do not stay outside of and apart from this debate." And he went on to say, "Join with us. Do the right thing."

Today, Philip Morris U.S.A. and United States Tobacco Company, the largest manufacturers of cigarettes and smokeless tobacco products in this country, accept the President's challenge. Together, we are proposing far-reaching and unprecedented <u>federal</u> legislation on the issue of underage use of tobacco. And we will be actively seeking support for this initiative.

For our companies, this initiative builds on our fundamental commitment to the propositions that minors should not use – or even have access to – tobacco products. Anyone who violates these principles should feel the full weight of the law.

We offer this comprehensive plan in the hope that all sides in the debate will set aside the hostility of the past and work together so that kids will not use tobacco products. We need to act on this issue <u>now</u>, not just continue the debate about it.

Most of us agree on the central issues. Everyone agrees that kids shouldn't use tobacco. And all reasonable people agree that adults should be able to smoke or use smokeless tobacco if they want to.

The President has said that we have a right to market our products to adults. He has also said he would welcome Congressional action instead