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STATEMENT

MASSACHUSETTS CIGARETTE DISCLOSURE LAW
HIGHLIGHTS NEED FOR NATIONAL, UNIFORM STANDARD

BOSTON, December 15, 1997 -- The following statement was issued on behalf of Brown & Williamson Tobacco Corporation, Lorillard Tobacco Company, Philip Morris Incorporated, and R.J. Reynolds Tobacco Company:

We enthusiastically support the publication of nicotine yield information, and indeed have been doing so in our advertising in cooperation with the Federal Trade Commission (FTC) since 19XX. We also agree that cigarette ingredients should be evaluated by the federal government and have submitted the identities of all ingredients added to tobacco to the federal Department of Health and Human Services since 1986. We believe that such information should be handled by the federal government in a manner that is rational and fair, and that there should be national, uniform standards of evaluation in these areas that consumers across the country can understand and rely upon.

That is why we are not advocate maintaining the status quo, rather we urge all those interested in these issues to support the proposed national resolution announced in June by State Attorneys General, including Massachusetts Attorney General Harschbarger. Under the terms of the proposed resolution, the Food and Drug Administration (FDA) would be granted explicit regulatory authority over the dissemination of information relating to all smoke constituents. Moreover, FDA would be empowered to evaluate all cigarette additives, disapprove of any it finds hazardous as used, and disclose information to consumers to the same degree that the identities of food ingredients are made available.

Our problem with the plan that the Commonwealth is mandating is that Massachusetts will be publishing nicotine yield information for our best selling brands that will appear to be substantially different from the yields as measured under the FTC method. Unfortunately, this conflicting information may cause confusion among adults who choose to smoke. This is because the Commonwealth has devised a measurement system that is different from the one utilized in connection with the federal system.

As the FTC indicated in 19XX when it began testing nicotine yields, the value of these tests is to provide a relative ranking of the various brand styles using standardized measurements rather than predicting how much actual nicotine a given smoker will get on a given day. In fact, this is much the same way that the national car gas mileage ratings provide relative data for different brands of cars.

In addition, what continues to trouble us about the Massachusetts law is that it permits the Commonwealth to publicly disclose valuable trade secrets which could enable competing companies -- both foreign and domestic -- to attempt to copy our most popular and valuable brands. We intend to continue to do everything we can to address the concerns of our consumers and protect our trade secrets.

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