

12/8/65

SPEECH for 12/22/65

PHILIP MORRIS - Yesterday and Tomorrow -
The last 10 years - the next 10

Gentlemen, it is always a pleasure for me to speak to you about Philip Morris. I'm sorry that we have no space here at 100 Park Avenue large enough to accommodate every one who works here and hence we have to limit our attendance. This message is intended just as much for all Philip Morris employees as it is for those of you here, because I feel with great conviction that our progress in the past and our optimism for the future is based on the unusual combination we have at Philip Morris of people, their talents and their attitudes towards their work and their company.

In December 1964, I discussed with you the problems we had faced as we approached 1964 and how we fared during the critical year of 1964. You all recall how the cigarette industry rebounded from the low point of January/February of 1964 to end the year on a relatively strong trend. I could report to you today on preliminary results for 1965 and tell you that 1965 will be a fine year for Philip Morris with sales and earnings at new highs, significantly ahead of both 1964 and 1963, although still disappointing in profits as a per cent of sales, but instead today, I plan to talk about Philip Morris - Yesterday and Tomorrow - to look at the past ten years at Philip Morris and the next ten as I see them. I will be both retrospective and prospective. The last ten years have been turbulent, troubled and mostly triumphant, and I expect the same adjectives may be used to describe the next ten.

The cigarette industry and Philip Morris have faced over the past ten years some of the most difficult problems ever experienced by an important American industry and an important company. The health problem, the filter

20112580103

- more -