

CAMPAIGN for TOBACCO-FREE Kids®

PHILIP MORRIS HAS NOT MADE FUNDAMENTAL CHANGES IN HOW IT MARKETS, PROMOTES AND ADVERTISES ITS PRODUCTS AND CONTINUES TO USE THE SAME TACTICS THAT HAVE BEEN EFFECTIVE WITH CHILDREN FOR DECADES

Philip Morris claims that the November 1998 Multistate Settlement “fundamentally changed how tobacco is marketed, promoted and advertised”. This statement is false. The November 1998 settlement prompted only minimal marketing changes, leaving the tobacco companies with major marketing tools that they have used to attract children. A comparison of the marketing provisions of the November 1998 Settlement with those in their June 1997 agreement with the state attorneys general demonstrates just how little has changed in comparison to what the companies promised only three years ago. If Philip Morris and the other cigarette companies were really serious about reducing youth smoking, they would stop just talking about it and start doing what they agreed to do in June 1997.

Restrictions on Marketing to Children	June 1997 Agreement Between the Tobacco Companies and the States (Not Active)	November 1998 Multistate Settlement Agreement (Active)
Print Ads	Limits ads in newspapers and magazines with large youth readership to black and white text only.	Not Addressed.
In-Store Advertising	Black and white text only with limits on number and size.	Not Addressed.
Internet Tobacco Ads	Banned.	Not Addressed.
Outdoor & Transit Ads	Bans all outdoor and transit ads.	Allows signs of up to 14 sq. feet on any buildings or property where tobacco products are sold, including those near schools and playgrounds. Bans other billboards and transit ads.
Cartoons & Human Images in Tobacco Marketing	Bans all cartoons and human images, including the Marlboro Man.	Allows human images, such as the Marlboro Man. Bans cartoons.
Tobacco Brand-Name Merchandise	Bans all tobacco brand name merchandise.	Allows brand-name merchandise at tobacco-sponsored events. Bans other brand-name merchandise.
Offers of Non-Tobacco Gifts Based on Proof of Tobacco Purchase	Banned.	Banned for children. Allowed for adults.
Brand Name Sponsorships	Banned.	Each company allowed one brand-name sponsorship of an event or series of events, such as Winston Cup racing. Prohibited for concerts, football, baseball, soccer, hockey, or events with contestants under 18 (but B&W also allowed to sponsor the Kool Jazz Festival or GPC Country Music Festival).

Multistate Settlement vs. Prior Tobacco Industry Agreement / 2

Restrictions on Marketing to Children	June 1997 Agreement Between the Tobacco Companies and the States (Not Active)	November 1998 Multistate Settlement Agreement (Active)
Use of non-tobacco brand name on tobacco products	Banned.	Banned.
Tobacco Product Placement in Movies & TV	Banned.	Banned.

Youth Access Restrictions	June 1997 Agreement Between the Tobacco Companies and the States (Not Active)	November 1998 Multistate Settlement Agreement (Active)
Proof of Age	Requires proof of age for tobacco purchases.	<i>Not Addressed.</i>
Comprehensive Enforcement of Minimum Age Laws	Comprehensive enforcement plan established.	<i>Not Addressed.</i>
Vending Machines	Limits vending Machines to adult only facilities.	<i>Not Addressed.</i>
Self Service Displays	Banned.	<i>Not Addressed.</i>
Free Samples	Banned.	<i>Free Sampling allowed in adult-only facilities, banned elsewhere.</i>
Retailer Licensing	Licenses retailers.	<i>Not Addressed.</i>
“Kiddie Packs”	Bans sales in packs of less than 20.	<i>Temporary ban on sales in packs of less than 20.</i>

Other Provisions	June 1997 Agreement Between the Tobacco Companies and the States (Not Active)	November 1998 Multistate Settlement Agreement (Active)
Health Warnings	New stronger, more visible health warnings on cigarette and smokeless tobacco packages and ads.	<i>Not Addressed.</i>
Authority of the FDA over tobacco products	FDA given extensive authority over the manufacturing and marketing of tobacco products.	<i>Not Addressed.</i>
Youth Tobacco Use Reduction Targets	Requires youth tobacco use reduction targets with industry-wide penalties if targets not met.	<i>Not Addressed.</i>