Exhibit 7

HILL AND KNOWLTON, INC.

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PUBLIC RELATIONS REPORT
AND RECOMMENDATIONS FOR
TOBACCO INDUSTRY RESEARCH COMMITTEE

(As discussed and approved on June 10 by a group of Public Relations people representing a number of Company members of the Tobacco Industry Research Committee. This group meets at intervals with Public Relations Counsel, to discuss TIRC Public Relations problems.)

Early in the life of the Tobacco Industry Research Committee, it was accepted as a basic principle that every effort should be made to avoid stimulating more adverse publicity and controversy on the subject of tobacco and health.

That principle has been and will continue to be carefully adhered to in the work carried on for the Committee. Nevertheless attacks on the industry recurrently stimulated by various individuals and groups antagonistic to tobacco, have been increasing, and some elements of the press are continuing to feature unfavorable aspects of any medical report bearing on tobacco.

On its part, the Committee properly has refrained from engaging in any direct controversy with the industry's critics. It has stood upon the basic statement of January 4 and upon the symposium of views of 36 scientists issued by the Committee in booklet form in April. Both of these statements received wide and favorable comment in the press.

- 1. That there is no proof that smoking is a cause of lung cancer;
- 2. That an impartial and independent Board of scientists, doctors and educators is advising the TIRC, as a public service, on all aspects of tobacco use and health;
- 3. That the TIRC is determined, through a long-range program, to make every possible effort to help get the facts through laboratory and statistical research;
- 4. That initial funds for research have been appropriated and more will be provided as warranted to help in getting the answers by scientific means;
- 5. That all the laboratory research recommended by the Advisory

 Board and financed by the TIRC will be carried on by recognized

 and independent laboratories, institutions and hospitals.

As background for the recommendations which follow, certain active and continuing projects are briefly summarized:

Press Conference - First formal announcement of the appointment of Dr. Clarence Cook Little as Director of Research was made at a Press Conference, June 15, in New York City. A transcript of the conference has been sent to all TIRC members. Press, radio and television coverage was extensive.

TIRC as a Source of Information - Committee headquarters is steadily gaining recognition as a source of authoritative information on the subject of tobacco and health. The result is that news and magazine writers, columnists and commentators are turning to the Committee and its public relations counsel more and more for information. This will increase as the Advisory Board gets into action and more material is released.

As part of this service, bibliographic files are being developed for two purposes, (a) public relations reference; and (b) technical reference.

Clippings have been sifted for significant stories and ten publicity reports have been made to the TIRC.

Misstatements Corrected - Reports and statements appearing in the press, radio, television and newsreels are carefully monitored. Whenever misstatements are made steps are taken to correct the record. This has been done by personal contact and letters to the editor.

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Coverage of Medical Meetings - With the cooperation of the AMA, the American Cancer Society, the New York Medical Society and industry people, close check is kept on medical meetings. A calendar of coming events having to do with tobacco and health is being maintained. The important ones are personally covered through New York staff or field offices and reports are being sent to the TIRC, its Scientific Advisory Board and Industry Technical Committee. Where possible, abstracts or texts of important papers are obtained for TIRC distribution.

Foreign Surveys - As proposed in the January 15 program, and approved by the Main Committee, surveys on the cigarette controversy have been conducted in European countries. Reports have been made on Switzerland, Belgium and the Netherlands, and detailed reports are in preparation on France and England.

Rill and Knowlton, Inc. overseas associates will continue to watch developments in these countries, particularly in Great Britain, where the government has taken an official position.

Correspondence and Callers - A large volume of public relations correspondence, which at times has topped over 100 letters a week, continues from lay press, trade press and the industry. Individual letters have been sent to a large number of doctors who wrote detailed comments on the "Scientific Perspective" booklet. Personal and phone calls of the same type are increasing.

In keeping with the objectives outlined on page one of this memorandum, the following recommendations are presented:

Reserve Fund - It is suggested that when the present fund of \$500,000 for research is exhausted, or before, the Committee give consideration to setting up a substantially larger reserve fund for research over a period of two or three years. This will keep before the public a more accurate view of the magnitude of the job the industry has undertaken, and the sincerity of its purpose.

Releases - As developments warrant, and subject to approval of the Scientific Advisory Board, information on the work of the Board should be released to the public. Three such announcements have been made. As grants are made the essential facts of each should be released to the press. It seems probable that the Advisory Board will come forth with some new and intriguing ideas for fields of research. Dr. Little would be the logical spokesman for the Board in connection with such reports or any other statements to be made to the press, on the air, or before groups. Various opportunities for television appearances for Dr. Little will be explored.

Results of medical statistical research to be authorized by the TIRC should provide valuable information bearing upon tobacco use and health. It should be in order, subject to clearance in each case with the TIRC, to release some of this information to the press.

Background Memo and Booklet on TIRC and its Advisory Board - A brief editorial memo giving the facts about TIRC and its medical board is proposed as a follow-up to the press conference. This would be distributed to special press such as science writers, medical press and organizations; also to columnists, editorial writers and Sunday editors.

The material in this editorial memo could be developed into a dignified and effective booklet for wider public distribution to doctors, etc., as a follow-up to the "Scientific Perspective" booklet which was issued in April.

Editorial Contact Project - A program of informal contacts is being developed to enable Dr. Little to better inform important elements of the publishing field, and scientific and editorial writers, regarding the constructive aims and policies of the Tobacco Industry Research Committee and its Scientific Advisory Board. This activity will be centered in the important publishing center of New York.

In addition, public relations staff members should wisit publishers, editorial writers and commentators in other principal cities.

In addition, research should be carried forth on (c) current scientific opinion holding that no case has been proved against tobacco; (d) the many theories about cancer causes; and (e) the psychology of how the public is carried away by over-simplified reading of scientific experiments.

All the material resulting from this research would be made available to interested writers for magazines, newspapers, columns, radio and television. None of this would be for sponsorship or release by TIRC.