

MEMORANDUM TO: Messrs. ~~Hill~~ ✓
Goss
Darrow
Hoyt
Dakin
Thompson

Attached is some good basic data which I copied during a visit, this morning by Mr. Hill and myself with Dr. E. L. Deckinger, Director of Research of the Biow Company (Philip Morris).


Basil R. Littin

1/8/54

Cigaret Advertising - Budget Allocation by Media

(1953)

	<u>Magazine</u>	<u>Comic</u>	<u>Newspaper</u>	<u>Radio</u>	<u>TV</u>
Camel	13%	5%	13%	13%	50%
Chesterfield	9%		11%	23%	52%
Lucky	12%		8%	17%	52%
Old Gold	13%		19%	23%	44%
Pall Mall	15%		15%	9%	47%
Philip Morris	9%		20%	12%	55%

(Difference from 100% represents supplements, spot,
and outdoor ads. Radio & TV shown is network.)

(Source: Biow Company - Dr. E. L. Deckinger) January 1953

Sales Trend

(1947-1953)

	<u>1947</u>	<u>% of Market</u>	<u>1953</u>	<u>% of Market</u>
	<u>Sales</u> (Billions of Cigs)		<u>Sales</u> (Billions of Cigs)	
Philip Morris	23	6.8	35	9
Pall Mall	11.5	3.4	48	12.4
Winston	100	29.5	99	25.6
Lucky	101	29.8	65	16.8
Chesterfield	71.5	21	62	16
Old Gold	14.5	4	23	5.9

(From Blow Company chart - Source WOOTTEN)

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MR. HILL:

Here are some of the ideas we talked about on the phone regarding the possible discussion with the R. J. Reynolds Tobacco Company.

Obviously, there has been no opportunity to research the subject. I have attached suggested source data which should be analyzed prior to any discussion with the Company.

One point of background which might be useful in discussion with Company officials would be the question of their survey, the basis of a claim by the Company that more doctors use Camels than any other cigarette.

My understanding from outside sources is that the claim is not a valid one. At the time of undertaking the survey, interviewers attempted unsuccessfully to talk with doctors inside the Grand Central Palace during a medical meeting. When this possibility was ruled out, the interviewers stationed themselves outside the entrance and questioned doctors as they entered.

The form of the questionnaire was routine - that is, doctors were asked: How did you travel to New York - by plane, train, etc.? Did your family come with you, etc.? Buried in the questionnaire was the key question which ran something like this: Doctor, do you smoke cigarettes? If the answer was positive: Would you mind telling us what kind you smoke? Is that the kind you have with you? A large number apparently did have Camel cigarettes on their person.

Unbeknownst to the people who read the ads based on these claims, was the fact that the interviewers had placed in the doctors' hotel rooms on their arrival cartons of Camel cigarettes. The chances are that the doctors ran out of cigarettes on arrival, and conveniently put a pack of Camels into their own pockets.

Obviously, this story has been retold many times, and in countless ways. But it certainly proves the point that it is not the most effective way to build cordial relations with a group whose support is almost required.

Should a meeting with the Company transpire, I can get actual facts and dates on the story, as well as the reaction of the medical profession.

J.J.D.

JJD/pdb

Att.

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SUGGESTED APPROACH AND COMMENTS
REGARDING ATTACKS ON USE OF CIGARETTES

This memorandum discusses the question, "What can or should the R. J. Reynolds Tobacco Company, Winston-Salem, N.C., do in view of mounting public attacks on its products by the medical profession and others?"

The memorandum seeks to provide the basis for discussion within Hill and Knowlton, Inc., prior to a meeting with Company officials on this question. It suggests possible approaches and activities and raises certain questions which must be clarified prior to development of specific program recommendations.

I. NATURE OF ATTACKS.

There has not been time to analyze and interpret the nature and extent of the attacks. However, from recent public statements it appears that there is probably a more serious issue involved here than solely charges concerning the harmful effects of cigarettes. These charges could well raise in the minds of the public the integrity of the manufacturers producing cigarettes.

II. FACTORS BEARING ON THESE CHARGES.

A. If unanswered or left unchallenged, these charges could cause loss of sale in the immediate future as well as damage to the Company's reputation.

B. Extent of the Problem. These charges have been published in various media reaching the medical and dental professions, employee groups, the financial community and the public at large. The extent of the impact of the message on the credibility is not known.

C. Scientific Data Available. In any consideration of the public relations approach or program to such a problem, basic facts are required. In this particular case serious charges and/or implications have been levelled against the use of cigarettes by professional men who apparently have stature and reputation in their field. The American Medical Association has barred cigarette advertising from its professional journals.

To counteract this situation, any public relations program must have either equally valid findings or new scientific data which discount or refute the facts already presented to the public by the medical profession.

In any program designed to convince the medical profession or the public about the validity of the use of the product, independent and scientific research and clinical testing are absolute basic requirements.

D. Present Advertising. The public probably is already irritated by existing cigarette advertising, as witness the ridicule resulting from claims and counterclaims of the various manufacturers. This attitude will have some bearing on the type of public relations activities to be undertaken.

E. Reader's Digest Article. The December 1953 issue carries an article "Can the Poisons in Cigarettes Be Avoided", by Clarence W. Lieb, M.D. The opening paragraph gives some indication as to the complexity of the public relations approach in counteracting such charges: "Tobacco, though a poison, relaxes the weary body and oppressed mind. When used temperately, it may fill a real human need." The article cites certain scientific studies which seem quite convincing, and concludes: "Tobacco contains as nice a collection of poisons as you will find anywhere in one small package. The least you can do out of respect for the only body you will ever have is to use these poisons, if use them you must, in moderation."

III. In consideration of any activities, the objectives should be in terms of the following:

A. Immediate. In protecting good will, the Company should consider a reply in some form to the recent charges and statements made against cigarettes.

B. Long range. At the same time the Company should undertake certain positive measures now toward the long-range building of good will. Such a program is aimed to create better public understanding and acceptance of the product over a period of time.

IV. SUGGESTED ACTIVITIES FOR IMMEDIATE SHORT-RANGE PROGRAM.

A. Statement Answering Attacks. Several cigarette companies have already answered recent public attacks on the product. The best of these seems to have been the statement issued by the President of the American Tobacco Company.

If the R. J. Reynolds Tobacco Company has not yet put out such a statement, it should consider one making some of the following points:

1. That the Company is honestly concerned with the public welfare.
2. That it knowingly would never market a product which is in any way harmful or proven to be so. It is issuing this statement to set the record straight as to the facts.
3. That they welcome working with medical and research groups on the problem of research.
4. A listing of what research they are now doing in the Company, in universities and elsewhere, together with costs involved.
5. Suggest that if anyone in the medical profession or elsewhere has information which can add to this body of scientific knowledge, they are most anxious to learn about it, and would meet anywhere to discuss it.
6. That until such scientific data is available the Company itself is doing everything humanly possible to develop a better product.
7. That there is no scientific proof that cigarettes are the cause of cancer.
8. Conclusion: If the Company felt that its product were now causing cancer or any other disease, it would immediately cease production of it. Even if it did not do so, in these conditions, the government would. Until such time as these charges or irresponsible statements are ever proven, the Company will continue to produce and market cigarettes. In the event there is any question about this, a person should consult with his family physician.

B. Communicating This Statement. There is no information available as to what kind of distribution other companies gave to their statements. It would appear, however, that this was limited solely to newspaper reports and normal communications. The public generally may not be aware of these previous statements, and therefore the R. J. Reynolds Tobacco Company could consider the following approaches to the use of the statement:

1. Until new scientific data or facts are available that the Company could tell the public about, it would seem that they will have only a variation of the above message to communicate.

2. If wide readership and a dramatic approach is in order, consideration should be given to the use of full-page ads in the major newspapers throughout the country. These would be signed by the President of the Company.

This effort could be supplemented with a message from the President of the Company on a major TV network for 15 minutes. This would be a talk to people in their homes, and certainly it would be a very effective way for the message to reach other people.

Both of these techniques could give people something to do. For example, the ads and the TV program could offer to listeners or readers printed facts books and/or data. Some of these would be simple booklets along these lines:

- a. What you should know about cigarette smoking.
- b. The truth about cigarette smoking.
- c. What kind of smoker are you?
- d. Are cigarettes harmful - these are the facts.

3. Additional Uses for Basic Statement. The basic statement as well as the suggested book or booklets could be used as a basic communications tool to reach in various forms the other public concerned with this problem, i.e., employees, shareholders, dealers, salesmen, the financial community, doctors, dentists, etc.

As an ad it could be adapted for insertion in medical publications other than the AMA. It is my understanding that "General Practitioner" and other state and regional publications within the medical field will still take cigarette advertising.

4. Reaching Doctors and Dentists. Using this same basic statement and/or booklets, a visual graphic folder and/or reprint could be prepared for distribution to the homes of general practitioners, aiming the message in a way that would generate discussion with the doctor's wife. As one of a group who was emancipated from social abhorrence of smoke only a few years ago, the Company has a basic ally in the doctor's wife.

5. Speaking Activities. In addition to the basic message, principal Company officials could make a few important talks using the same theme. These could be made, for example, before the Security Analysts

in New York, before a shareholders' meeting and before a university group. In this latter category they could probably get their scientific research director and/or a university scientist whose research they sponsor to give a series of talks within his own area of influence.

6. Communications to Dealers and Suppliers. Probably one of the most urgent and immediate tasks at hand is to insure that the dealers, salesmen, etc., understand well the basic position of the Company as outlined in this statement. The informal discussion at the point of sale should be a reflection of the attitude of the Company which probably now it is not.

C. Public and Professional Opinion Surveys. Questions raised here as to whether or not the Company has available research data which indicates the opinion of doctors and the public at large. In addition to what is being done, the Company should consider, if it already has not, the use of depth motivation studies to determine the effect of recent attacks on consumer attitudes. Analyzing these attitudes could well provide sound approaches to the overall public relations job.

D. Press, Radio and Magazine Effort. In view of the recent attacks it is probable that these media have in the works articles and/or programs built around the general question.

Hill and Knowlton, Inc., could investigate immediately in New York, Washington, Chicago and Los Angeles what is being done in these areas and to insure that the statement of the Company is used in any general discussion.

For example, an editorial round-up in Life Magazine or the Saturday Evening Post should include this basic statement. On television the probabilities are that Ed Murrow's show "See It Now" is considering a special show on the subject. If Murrow is not considering such a program, there would be an opportunity to interest him in a well-balanced discussion of the entire subject, use Company ideas and/or personnel.

This is particularly important, and perhaps this^{is}/one single activity which now could neutralize loose talk on the subject. This was proven by Murrow recently in two instances of national significance.

The first involved Lt. Milo Radulovich of the Air Force; the second involved the case of the American Civil Liberties Union in Indianapolis, Indiana.

In both instances Murrow's objective presentation of the cases had such a dramatic impact that public attitudes were actually formed, and loose talk stopped. As you know, from the Air Force case, Murrow reversed thinking created by Secretary of Defense Charles Wilson, the public attitude created by Senate investigating committees and others. Radulovich was reinstated.

In the second instance, the American Civil Liberties Union was being opposed in the rental of a hall by the top officials of the American Legion. The Murrow show completely discredited the position of the American Legion.

Checks could be made also with "Meet the Press", "The Big Issue" and other forum-type programs, both on radio and television.

The basic statement could be distributed to science writers, feature syndicates and in special form to editorial writers.

V. POSSIBLE ACTION FOR CONSIDERATION AFTER ISSUANCE OF BASIC STATEMENT.

The initial statement, if properly handled, should have considerable impact.

It might very well call for the need of a second statement. The opposition might attempt to discredit the original statement. In a second statement the Company should not invite an open controversy with the medical profession. However, if necessary, it might well raise the point, along these lines -- If cigarettes are injurious to public health, why has not the Government taken them off the market? The Company welcomes any opportunity to discuss this subject in a public hearing, or before any Government group. (In such an instance, that is where an open forum is concerned, it would appear that the Company officials would have the added advantage of having a public platform, in this case the Government.) As the matter now stands, the medical profession and others are making charges from their own platform without an opportunity for reply. In addition, the Company people could handle themselves better in this type discussion than could professional men.

VI. ADDITIONAL ACTIVITIES FOR CONSIDERATION.

There is no question but that the problem will not be solved by a single short-range effort.

Regardless of what happens in the immediate situation, the Company should consider a basic long-range program. This would call for integration of new efforts with existing programs of communications with opinion leaders and the public at large.

Such a program should be designed to increase public confidence in the Company, as well as acceptance of its products. In some instances this will call for a dramatic approach.

But in any event it will call for a possible realignment of existing Company policy and perhaps the development of a new public relations policy for guidance throughout the entire Company.

It might call for additional scientific research, the basis of any future communications program. On the integrity and public service aspects of the Company, data should be gathered to show the Company has contributed to plant communities. How are cigarette taxes being used, that is with schools, public projects. How the Company's growth has benefitted universities by contributions to scholarships, research.

A. There should be a review and study of the need for an institutional advertising campaign, a public relations motion picture, a program to reach women's clubs, etc.

B. From the standpoint of creating more acceptability of the product itself, there are many ideas which lend themselves to this approach. For example, the Company could set up a consumer smoking research center which would be the promotional arm of the Company itself. It would produce useful booklets and information of the product.

C. Based on its research and the problem of the attacks, the Company could consider development of a new slogan or theme taking into account all factors. Here are just a few suggestions:

- a. It helps me. What about you?
- b. It is right for me.
- c. Smoke and enjoy it.
- d. For those who know.
- e. For those who need it.
- f. Smoke for fun.

D. Other promotional approaches. Material could be developed which would be useful in many publicity ways. For example, cigarettes have been the symbol of America to all lands wherever our troops have been stationed in World War II and since.

By athletes and other public figures.

As an emergency ration. For example, cigarettes are standard equipment in all emergency kits put out by the Defense Department. If they are harmful, they should not be used for military personnel.

Does the current controversy suggest any parallels with previous attacks? For example, not too many years ago, old wives' tales said in effect that any pregnant woman who smoked would lose the child.

We are and have been in a period of world tension. How do cigarettes fill needs as a way of releasing these pressures? What do social scientists say about this?

Does the Company now have any publications which lend themselves to a dramatization of the public responsibility in terms of its products?

SOURCES

Here are just a few sources that should be checked before there is any definitive discussion or evaluation of the problem:

1. Readers Guide - on all material written in the last few years.
2. Sales and Use Statistics.
3. Information on Dr. Clarence W. Lieb - author of Reader's Digest article.
4. Insurance company data - and reports of medical advisors.
5. Current textbooks and popular books on subject.
6. Industrial medical directors.
7. Legal journals or opinions.
8. Pharmacists publications and association statements.
9. Public reaction to cigarette advertising - 1953 survey by American Tobacco Company or Chicago Tribune. (Possibly others.)
10. Copies of AMA resolution banning cigarette ads.
11. Books on smoking:
 - a. Safer Smoking - 1953 by Clarence W. Lieb, Exposition Press, New York.
 - b. How to Stop Smoking - Herb Brean - 1950 (Brean is associate editor of Life Magazine whose opinion should be obtained.)
 - c. Others.
12. Financial Data on Company.
13. Recent Statement by President, American Tobacco Company, and other industry officials.
14. T.-J. Ross (for American Tobacco Companies).
15. Milt Biow (Phillip Morris).