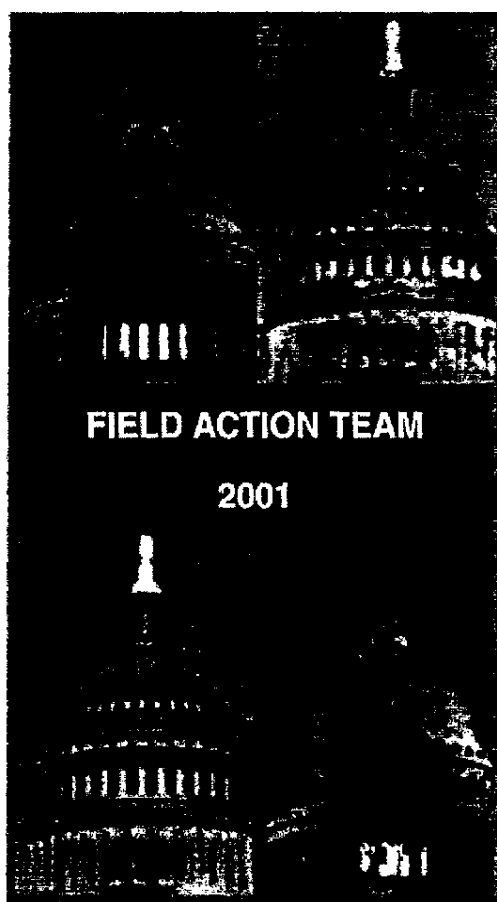


**Philip Morris Field Action Team**

**FDA Education Campaign**  
**Stakeholder Briefing Report**



**Volume I**  
**May 24, 2001**

2081294907

*ProActive Communications*



## Philip Morris Field Action Team

# FDA Education Campaign – Stakeholder Briefing Report

*May 24, 2001*

The PM USA Field Action Team (FAT) was activated in early May 2001 on the FDA Education Campaign. The primary mission of the campaign was to inform and educate stakeholders throughout the country about the Philip Morris position on FDA regulation. To date, over 210 FDA Education Campaign stakeholder briefings have taken place since the outset of this initiative.

While action in the field will continue, we have compiled this report to offer a snapshot view of the results of this education campaign to date. The field work that has been conducted on behalf of Philip Morris has revealed the broad support that exists across the country for FDA regulation, as well as the challenge involved in securing better support from some organizations.

Thank you.

**Mark V. Serrano**

2081294908

# Philip Morris Field Action Team

## FDA Education Campaign Stakeholder Briefings

As of May 24, 2001

State	Region	State Coordinator	Organization	Date	Status	Follow-Up
AK	West	Lyford	Alaska Cabaret Restaurant & Retailers Association	05/08/01	2B	SFR
AK	West		Alaska Distributors	05/09/01	3	
AL	South	Swatek	Alabama Grocers Association	05/04/01	2A	
AL	South		Alabama Wholesale Distributors Association	05/04/01	2A	
AL	South		Business Council of Alabama	05/11/01	2B	
AR	South	Hale	Arkansas Grocers & Retail Merchants	05/04/01	2B	
AR	South		Arkansas Wholesale Distributors Association	05/12/01	3	SFR
AZ	Mountain Plains	Hart	Arizona Candy & Tobacco Association	05/07/01	1	
AZ	Mountain Plains		Tosco Corporation	05/07/01	3	
AZ	Mountain Plains		Arizona Food Marketing Alliance	05/07/01	2B	
AZ	Mountain Plains		Arizona Petroleum Marketers Association	05/07/01	3	
AZ	Mountain Plains		Cigar Association of America, Arizona	05/09/01	5	
AZ	Mountain Plains		Arizona Retailers Association	05/09/01	3	
AZ	Mountain Plains		Arizona Restaurant Association	05/09/01	3	
AZ	Mountain Plains		Turf Paradise	05/09/01	1	
AZ	Mountain Plains		Arizona Association of Industries	05/09/01	1	
AZ	Mountain Plains		Arizona Licensed Beverage Association	05/09/01	3	
AZ	Mountain Plains		Phoenix Chamber of Commerce	05/10/01	2B	
CA	West	Litchman	California Beverage Merchants	05/04/01	2B	
CA	West		California Independent Grocers Association	05/11/01	1	
CA 2	West	Davis	California Grocers Association	04/30/01	2B	
CA 2	West		California Cigar Association	05/08/01	1	
CA 2	West		Southern California Business Association	05/09/01	1	
CO	Mountain Plains	Fox	Colorado Retail Council	05/03/01	2B	
CO	Mountain Plains		Colorado Petroleum Marketers Association	05/03/01	3	
CO	Mountain Plains		Colorado State Bowling Proprietors Association	05/04/01	2B	
CO	Mountain Plains		Colorado Association of Distributors	05/04/01	2B	
CO	Mountain Plains		Colorado Hotel & Lodging Association	05/04/01	2B	
CT	Northeast	Malone	Connecticut Food Association	05/01/01	3	
CT	Northeast		Connecticut Package Store Association	05/01/01	3	
CT	Northeast		Gasoline and Automobile Service Dealers of America	05/07/01	2A	
DE	Mid-Atlantic	Petrilli	Delaware Tobacco Retailers	05/09/01	2A	
DE	Mid-Atlantic		Delaware Chamber of Commerce	05/10/01	3	
FL	South	Coletti	Florida Farm Bureau Federation	05/04/01	2B	
FL	South		Florida Retail Federation	05/10/01	2B	SFR
FL	South		Florida Citizens for a Sound Economy	05/11/01	5	
GA	South	Chance	Southeastern Legal Foundation	05/08/01	1	
GA	South		Georgia Agribusiness Council	05/10/01	3	
HI	West	Miyamoto	Hawaii Hotel Association	05/04/01	3	
HI	West		Hawaii Farm Bureau Federation	05/04/01	1	
HI	West		Landscape Federation of Hawaii	05/04/01	1	
HI	West		Hawaii Restaurant Association	05/04/01	1	
HI	West		Zanzarbar Night Club	05/08/01	1	
HI	West		Sons of the American Revolution, Hawaii Chapter	05/11/01	1	
HI	West		Kauai Chamber of Commerce	05/15/01	2B	
HI	West		Maui Chamber of Commerce	05/16/01	2B	
IA	Great Lakes North	Schwarm	Kum & Go Convenience Stores	05/02/01	2A	
IA	Great Lakes North		Iowa Motor Truck Association	05/02/01	2B	
IA	Great Lakes North		Iowa Retail Association	05/02/01	2A	
IA	Great Lakes North		Iowa Chain Drug Stores	05/02/01	2A	
IA	Great Lakes North		Iowa Citizens for Sound Economy	05/02/01	3	SFR
IA	Great Lakes North		Iowa Association of Candy and Tobacco Distributors	05/02/01	2B	
ID	West	Smyser	Idaho Wholesale Marketers Association	05/03/01	3	
ID	West		Idaho Licensed Beverage Association	05/07/01	2B	
ID	West		National Federation of Independent Business	05/07/01	1	
ID	West		Idaho Retailers Association	05/07/01	3	
ID	West		Idaho Petroleum Marketers Association	05/08/01	3	
ID	West		Idaho Liability Reform Coalition	05/11/01	4	
ID	West		Idaho Grape Growers & Wine Producers Commission	05/14/01	3	
IL	Great Lakes North	McPherson	Illinois Association of Manufacturers	05/09/01	3	CC
IL	Great Lakes North		Illinois State Chamber of Commerce	05/11/01	1	
IL	Great Lakes North		Illinois Licensed Beverage Association	05/11/01	1	CC
IL	Great Lakes North		Bowling Proprietors of Illinois	05/11/01	3	
IL	Great Lakes North		Illinois Restaurant Association	05/11/01	3	
IL	Great Lakes North		Hotel & Lodging Association of Illinois	05/11/01	1	CC

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# Philip Morris Field Action Team

## FDA Education Campaign Stakeholder Briefings

As of May 24, 2001

State	Region	State Coordinator	Organization	Date	Status	Follow-Up
IL	Great Lakes North	McPherson	Metropolitan Pier & Exposition Authority	05/11/01	3	SFR
IL	Great Lakes North		Chicagoland Chamber of Commerce	05/11/01	1	CC/SFR
IN	Great Lakes North	Simmons	Indiana Grocery and Convenience Store Association	05/08/01	2B	
IN	Great Lakes North		Indiana Retail Council	05/08/01	2B	
IN	Great Lakes North		Indiana Petroleum Council	05/08/01	3	
KS	South	Friesen	Kansas Petroleum Marketes/Conveince Stores Association	05/03/01	?	
KS	South		Kansas Chamber of Commerce & Industry	05/03/01	3	
KY	Mid-Atlantic	Shea	Kentucky Farm Bureau Federation	05/10/01	3	
KY	Mid-Atlantic		Kentucky Tobacco & Candy Association	05/11/01	3	
KY	Mid-Atlantic		Kentucky Petroleum Marketers Association	05/17/01	3	
KY	Mid-Atlantic		Kentucky Retail Federation	05/17/01	3	
KY	Mid-Atlantic		Kentucky Chain Drug Stores Association	05/17/01	3	
LA	South	Tatman	Louisiana Restaurant Association	05/03/01	2B	
LA	South		Louisiana Wholesale Food & Tobacco Distributors Association	05/07/01	3	
MA	Northeast	Brenann	Associated Industries of Massachusetts	05/17/01	1	
MA	Northeast		Retailers Association of Massachusetts	05/17/01	3	
MD	Mid-Atlantic	Simpson	Maryland Retailers Association	05/02/01	3	
MD	Mid-Atlantic		7-Eleven Inc.	05/07/01	2B	
MD	Mid-Atlantic		Mid Atlantic Petroleum Dealers Association	05/11/01	1	
ME	Northeast	Mitchell	Maine Oil Dealers Association	04/30/01	1	CC
ME	Northeast		Maine Restaurant Association	05/02/01	1	
ME	Northeast		Maine Tourism Association	05/07/01	3	
MI	Great Lakes North	Reed	Michigan Retailers Association	05/09/01	3	
MI	Great Lakes North		Convenience Store Association of Michigan	05/10/01	3	
MI	Great Lakes North		Michigan Truck Stop Operators Association	05/10/01	3	
MN	Great Lakes North	Hill	Citizens Against Government Waste	05/09/01	1	CC
MN	Great Lakes North		Minnesota Retailers Association	05/11/01	3	
MO	South	O'Connor	Missouri Chamber of Commerce	05/01/01	3	
MO	South		Missouri Retailers Association	05/01/01	3	
MO	South		Mid-American Grocers Association	05/02/01	2B	
MS	South	Swatek	Mississippi Wholesale Distributors Association	05/09/01	3	
MS	South		Mississippi Grocers Association	05/09/01	3	
MT	West	Browning	Montana Taxpayers Association	05/09/01	3	
MT	West		Montana Innkeepers Association	05/09/01	3	
MT	West		Montana Veterans of Foreign Wars	05/15/01	1	CC
NC	Mid-Atlantic	Davis	North Carolina Tobacco Growers Association	05/07/01	2A	
NC	Mid-Atlantic		North Carolina Farm Bureau	05/07/01	3	
ND	Great Lakes North	Hanson	North Dakota Council of Clubs	04/27/01	3	
ND	Great Lakes North		North Dakota Retailers Association	04/30/01	3	
ND	Great Lakes North		North Dakota Hospitality Association	04/30/01	3	
ND	Great Lakes North		North Dakota Grocers Association	04/30/01	3	
ND	Great Lakes North		North Dakota Bowling Proprietors Association	05/01/01	1	
ND	Great Lakes North		National Federation of Independent Business	05/07/01	2B	
ND	Great Lakes North		North Dakota Tobacco Wholesalers Association	05/09/01	3	SFR
NE	Mountain Plains	Young	Nebraska Farm Bureau	05/01/01	3	SFR
NE	Mountain Plains		Nebraska Grain and Feed Dealers	05/07/01	1	
NE	Mountain Plains		Nebraska Restaurant Association	05/10/01	2B	
NE	Mountain Plains		Nebraska State Chamber of Commerce	05/10/10	1	
NE	Mountain Plains		Nebraska Grocery Association *	05/14/01	3	
NE	Mountain Plains		Nebraska Petroleum Marketers Association *	05/14/01	3	
NE	Mountain Plains		Nebraska Retail Federation *	05/14/01	3	
NE	Mountain Plains		Nebraska Chain Drug Store Association *	05/14/01	3	
NE	Mountain Plains		Nebraska Association of Manufactures *	05/14/01	3	
NE	Mountain Plains		National Federation of Independent Business, Nebraska	05/14/01	3	
NH	Northeast	Carney	National Federation of Independent Business	04/25/01	1	
NH	Northeast		New Hampshire Retail Grocers Association	04/30/01	3	
NH	Northeast		New Hampshire Retail Merchants	05/01/01	3	
NH	Northeast		New Hampshire Homeowners Association	05/08/01	1	
NH	Northeast		New Hampshire Lodging and Restaurant Association	05/14/01	3	
NJ	Northeast	Stearns	New Jersey Licensed Beverage Association	05/07/01	3	
NJ	Northeast		New Jersey Restaurant Association	05/08/01	3	
NJ	Northeast		New Jersey Petroleum Council	05/09/01	2B	
NJ	Northeast		New Jersey Chamber of Commerce	05/09/01	3	
NJ	Northeast		New Jersey Business & Industry Association	05/18/01	1	
NM	Mountain Plains	Turner	African American Economic Development Council	05/04/01	2B	CC
NM	Mountain Plains		New Mexico Home Builders Association	05/04/01	2B	
NM	Mountain Plains		New Mexico Petroleum Marketers	05/04/01	2B	
NM	Mountain Plains		National Federation of Independent Business	05/04/01	5	
NM	Mountain Plains		New Mexico Association of Commerce and Industry	05/09/01	3	
NM	Mountain Plains		New Mexico Oil and Gas	05/10/01	2B	
NM	Mountain Plains		New Mexico Tobacco and Candy Wholesalers Association	05/10/01	3	

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# Philip Morris Field Action Team

## FDA Education Campaign Stakeholder Briefings

As of May 24, 2001

<u>State</u>	<u>Region</u>	<u>State Coordinator</u>	<u>Organization</u>	<u>Date</u>	<u>Status</u>	<u>Follow-Up</u>
NM	Mountain Plains		New Mexico Restaurant Association	05/11/01	1	CC
NV	West	McMullen	Nevada Retail Association	04/26/01	1	
NV	West		Las Vegas Chamber of Commerce	04/26/01	3	
NY	Northeast	Kremer	New York Gasoline Retailers	04/30/01	3	
NY	Northeast		New York Association of Convenience Stores	04/30/01	3	
NY	Northeast		New York State Bowling Proprietors	05/14/01	3	
NY	Northeast		New York State Restaurant and Tavern Association	05/14/01	3	
NY	Northeast		Food Industries Alliance of New York	05/14/01	2B	
OH	Great Lakes North	McKee	Ohio Coin Machine Operators	05/02/01	1	
OH	Great Lakes North		Ohio Bowling Centers Organizations	05/02/01	1	
OH	Great Lakes North		Ohio Taxpayers Association	05/03/01	2B	
OH	Great Lakes North		Wholesale Beer and Wine Association of Ohio	05/11/01	3	
OK	Mountain Plains	Frank	Greater Tulsa Hispanic Chamber of Commerce	04/22/01	3	
OK	Mountain Plains		Oklahoma Association of Convenience Stores	04/30/01	3	CC
OK	Mountain Plains		Oklahoma Junior Chamber of Commerce	05/07/01	2B	CC
OK	Mountain Plains		Oklahoma Hotel & Lodging Association	05/08/01	2B	CC
OK	Mountain Plains		Tulsa Society of Association Executives	05/08/01	2B	
OK	Mountain Plains		Tulsa Metro Chamber of Commerce	05/14/01	2B	
OK	Mountain Plains		Greenwood Chamber of Commerce	05/16/01	1	CC
OR	West	Larson	The Southland Corporation	05/07/01	3	
OR	West		Korean-American Grocers of Oregon	05/07/01	3	
PA	Mid-Atlantic	Stewart	Pennsylvania Distributors Association	05/03/01	2B	
PA	Mid-Atlantic		Pennsylvania Petroleum Marketers	05/03/01	2B	
PA	Mid-Atlantic		Pennsylvania Convenience Store Council	05/04/01	2B	
PA	Mid-Atlantic		Pennsylvania Retailers Association	05/07/01	2B	
PA	Mid-Atlantic		Pennsylvania Food Merchants Association	05/09/01	2B	
RI	Northeast	Rosati	Rhode Island Liquor Stores Association	04/28/01	3	
RI	Northeast		Beverage Retailers Association of Rhode Island	04/28/01	3	
RI	Northeast		New England Convenience Store Association	05/01/01	3	
RI	Northeast		Rhode Island Hospitality Association	05/17/01	5	
RI	Northeast		Rhode Island Restaurant Association	05/17/01	3	
SC	Mid-Atlantic	Denny	South Carolina Petroleum Marketers Association	05/07/01	2A	
SC	Mid-Atlantic		South Carolina Association Convenience Stores	05/10/01	3	
SC	Mid-Atlantic		South Carolina Merchants Association	05/14/01	3	
SD	Great Lakes North	Dougherty	South Dakota Retailers Association	05/04/01	3	
SD	Great Lakes North		Music and Vending Association of South Dakota	05/04/01	3	
SD	Great Lakes North		Association of Great Lakes of South Dakota	05/04/01	3	
SD	Great Lakes North		South Dakota Retail Liquor Dealers Association	05/07/01	3	
TN	South	Morris	Tennesseans for Commonsense Accountability and Reform	05/10/01	3	
TN	South		Tennessee Council of Retail Merchants	05/11/01	3	
TN	South		Tennessee Farm Bureau	05/11/01	3	
TX	Mountain Plains	Casselberry	Texas Association of Wholesale Distributors	05/02/01	1	
TX	Mountain Plains		Texas Food Industry Association	05/02/01	3	
TX	Mountain Plains		Texas Licensed Beverage Association	05/02/01	1	CC
TX	Mountain Plains		Texas Petroleum Marketers and Convenience Store Association	05/03/01	3	SFR
TX	Mountain Plains		Texas Hotel & Motel Association	05/04/01	1	
TX 2	Mountain Plains	Benson	7-11, Inc.	05/04/01	2A	
TX 2	Mountain Plains		Dallas/Fort Worth Grocers Association	05/04/01	2B	SFR
TX 2	Mountain Plains		Arlington Chamber of Commerce	05/08/01	3	
TX 2	Mountain Plains		Greater Dallas Restaurant Association	05/09/01	3	
TX 2	Mountain Plains		National Association of Chain Drug Stores, SW Regional Office	05/10/01	3	
TX 2	Mountain Plains		Hotel & Motel Association of Greater Dallas	05/10/01	3	
TX 2	Mountain Plains		Dallas Chamber of Commerce	05/11/01	3	
TX 2	Mountain Plains		US Chamber of Commerce, SW Regional Office	05/11/01	3	

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# Philip Morris Field Action Team

## FDA Education Campaign Stakeholder Briefings

As of May 24, 2001

<u>State</u>	<u>Region</u>	<u>State Coordinator</u>	<u>Organization</u>	<u>Date</u>	<u>Status</u>	<u>Follow-Up</u>
UT	Mountain Plains	Ferry	Utah Pharmaceutical Association	04/28/01	3	
UT	Mountain Plains		Utah Softdrink Association	04/28/01	3	
UT	Mountain Plains		Utah Autodealers Association	04/28/01	3	
UT	Mountain Plains		Utah Bankers Association	04/30/01	3	
UT	Mountain Plains		Utah Association of Convenience Stores	05/01/01	2B	
UT	Mountain Plains		Utah Nurses Association	05/01/01	3	
UT	Mountain Plains		Utah Food Industry Association	05/01/01	2B	
UT	Mountain Plains		Utah Association of Chain Drug Stores	05/01/01	2B	
UT	Mountain Plains		Utah Mining Association	05/04/01	2B	
UT	Mountain Plains		Utah Hotel & Lodging Association	05/04/01	1	CC
UT	Mountain Plains		Utah Bed & Breakfast Association	05/04/01	1	CC
UT	Mountain Plains		Utah Tourism Industry Association	05/04/01	1	CC
UT	Mountain Plains		Utah Taxpayers Association	05/08/01	1	
UT	Mountain Plains		Utah Motor Transport Association	05/08/01	2B	
UT	Mountain Plains		Utah Petroleum Marketers and Retailers Association	05/08/01	2B	
UT	Mountain Plains		Utah Heating and Air Conditioner Contractors Association	05/08/01	2B	
VA	Mid-Atlantic	Buckley	Virginia Food Dealers Association	05/10/01	2B	SFR
VA	Mid-Atlantic		Virginia Farm Business Council	05/11/01	3	
VT	Northeast	Banfield	Vermont Grocers Association	05/01/01	2A	
VT	Northeast		Associated Industries of Vermont	05/11/01	3	
WA	West	Garr	Washington Food Industry	05/08/01	2B	
WA	West		Washington Association of Neighborhood Stores	05/11/01	3	
WI	Great Lakes North	Sicula	Wisconsin Merchants Federation	05/02/01	1	
WI	Great Lakes North		Wisconsin Grocers Association	05/02/01	1	
WI	Great Lakes North		Wisconsin Licensed Beverage Association	05/09/01	1	
WI	Great Lakes North		Wisconsin Manufacturers & Commerce Association	05/09/01	2B	
WV	Mid-Atlantic	Starcher	West Virginia Wholesalers Association	05/03/01	2B	
WV	Mid-Atlantic		West Virginia Tobacco Growers Association	05/03/01	2B	
WV	Mid-Atlantic		West Virginia Retailers Association	05/03/01	2B	
WV	Mid-Atlantic		West Virginia Oil Marketers & Grocers Association	05/03/01	2B	
WV	Mid-Atlantic		West Virginia Farm Bureau	05/04/01	2B	
WV	Mid-Atlantic		West Virginia Licensed Beverage Association	05/10/01	1	
WV	Mid-Atlantic		Marion County Chamber of Commerce	05/10/01	3	
WY	Mountain Plains	Picard	Wyoming Agri-Business	05/09/01	1	
WY	Mountain Plains		Wyoming Coalition for Free Enterprise	05/09/01	3	
WY	Mountain Plains		Wyoming Retail Merchants Association	05/09/01	3	
WY	Mountain Plains		Wyoming State Liquor Association	05/09/01	1	
WY	Mountain Plains		Wyoming Lodging and Restaurant Association	05/09/01	3	
WY	Mountain Plains		Wyoming Wholesale Coin Operators	05/09/01	3	
WY	Mountain Plains		National Federation of Independent Business	05/09/01	3	

Status Key:

- o 1. The stakeholder supports the PM position on the issue.
- o 2A. The position of the stakeholder is pending and requires specific follow-up.
- o 2B. The position of the stakeholder is pending based on a board meeting or other executive decision.
- o 3. The stakeholder is open to further discussions, but is uncommitted or neutral about the PM position.
- o 4. The stakeholder is uncommitted and expressed no further interest in the issue.
- o 5. The stakeholder is opposed to the PM position on the issue.

Follow-Up:

- o CC - The stakeholder is willing to initiate congressional contact(s) in support of the PM position on FDA regulation.
- o SFR - Specific follow-up was requested by the stakeholder, such as a presentation to board of directors, executive director, or some other association.

2081294912

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001 *State Coordinator:* Willis Lyford

*State:* Alaska *Regional Coordinator:* Fred Karger

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*Issue(s):* FDA Education Campaign

*Attendance:* Anchorage Cabaret Restaurant & Retailers Association

**Summary:** Mr. Willis Lyford, Alaska State Coordinator met with Anchorage Cabaret Restaurant & Retailers Association President Frank Dahl on May 8 to review the FDA regulation issue. Mr. Lyford reviewed key points of the FDA White Paper and related media stories with Mr. Dahl, outlining Philip Morris' rationale for pushing for FDA regulation at this time.

Mr. Dahl seemed very sympathetic to the need for Philip Morris to establish a more stable business environment in which to operate in the future. Mr. Dahl also expressed support for striking a deal on FDA regulation when the political climate was favorable in Washington, D.C. Mr. Dahl suggested that taking steps to get ahead of strong public anti-tobacco sentiment would be a wise strategy for Philip Morris. However, he worried about the industry's ability to control the direction of any legislation once the issue was actively under consideration in Congress.

Mr. Dahl believed that his organization might be able to help when it came to communicating about FDA regulation to the state's Congressional delegation. However, he requested that Mr. Lyford make a presentation on the issue to his group's executive board before any such decision was made.

2081294913

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001 *State Coordinator:* Willis Lyford

*State:* Alaska *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Alaska Distributors

*Summary:* Mr. Willis Lyford, Alaska State Coordinator met with Mr. Robert Bailey of Alaska Distributors on May 9 to discuss the issue of FDA regulation. Mr. Bailey is a well-known leader in the state's beverage industry and is influential in numerous business organizations in Alaska.

Mr. Bailey expressed surprise that Philip Morris would believe it wise to invite federal government regulation of the tobacco industry. He worried about what might happen in the fine print of any measure to regulate the industry, and whether this proposal would open the door to more stringent regulation in the future. However, Mr. Bailey expressed support for the notion that the industry could not continue to live from one election to the next, and that the current administration in Washington would be inclined toward reasonable regulation that would not strangle the industry for the long term. Mr. Bailey also encouraged strong language on youth smoking be included as part of any attempt to regulate tobacco.

Mr. Bailey promised to review the FDA materials and get back to Mr. Lyford with any additional feedback. He said he anticipated being able to help on the issue, but wanted more time to think and review the matter in detail.

2081294914



# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Dax Swatek

**State:** Alabama                      **Regional Coordinator:** Jay Morgan

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**Issue(s) :** FDA Education Campaign

**Attendance:** Alabama Grocers Association  
Alabama Wholesale Distributors Association

**Summary:** Dax Swatek, Alabama State Coordinator, briefed Mr. Jim Smotherman, Executive Director of the Alabama Wholesale Distributors and the Alabama Grocers Associations, about the Philip Morris plan to pass FDA legislation. Mr. Smotherman also sits on the board and executive committees for the Food Marketing Institute, the wholesale distributors and the grocers associations.

First, Mr. Smotherman wanted to know if the wholesalers would have any "reporting" requirements put on them by FDA. In other words, would FDA force them to account for where each and every cigarette goes. Right now there are little reporting requirements and he said that the Alabama Wholesalers would have that as their number one concern. He said that they are also concerned about taxes, but dismissed that because Mr. Swatek had already explained that Philip Morris opposes any and all tax increases.

Second, Mr. Smotherman said that his retail members would be concerned about marketing restrictions and the money that they get in return for promotional efforts.

Mr. Smotherman said that assuming the above mentioned concerns were addressed in any legislation that Philip Morris supports, he would be happy to work with the national wholesalers and grocers. He said he has relationships with "many, many" other states and would be willing to help Philip Morris in any way he could in any state where Philip Morris was not having success with grocers and wholesalers.

2081294915

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001 *State Coordinator:* Dax Swatek

*State:* Alabama *Regional Coordinator:* Jay Morgan

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*Issue(s):* FDA Education Campaign

*Attendance:* Business Council of Alabama

*Summary:* Dax Swatek, Alabama State Coordinator met with the Business Council of Alabama concerning FDA, tobacco, and the support of the Philip Morris FDA White Paper. The meeting took place in Montgomery, Alabama on May 11, 2001 with Bill O'Connor, President.

The BCA makes up the State Chamber of Commerce and the Alabama Manufacturers Association and is the largest interest group in the state along with the farmers association.

Mr. O'Connor did not ask many questions. He simply listened and expressed a need to go back and read through the FDA White Paper and speak with board members and other members of the BCA about their feelings toward such a step.

Mr. O'Connor did offer that the BCA is not "fond" of imposing regulations on any industry, especially the manufacturers. However, he said he would keep an open mind and let the other board members take a look at the issue and voice their concerns. He said he would be happy to attend a meeting in early June to discuss the issue further.

2081294916

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Don Hale  
*State:* Arkansas                              *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arkansas Grocers & Retail Merchants Association

*Summary:* Don Hale, Arkansas State Coordinator met with Polly Martin, Executive Director of the Arkansas Grocers and Retail Merchants Association to discuss Philip Morris' direction on FDA regulation. Mr. Hale presented the slides from the stakeholders presentation and explained why Philip Morris is supporting FDA regulation.

Following the presentation Ms. Martin stated that it all made perfect sense to her and she wanted to know if it would be alright if she approached her contacts with RJR about their position. Mr. Hale assured her that it would and encouraged her to contact other members and associates regarding this proposed regulation. Mr. Hale stated the need for broad based and open dialogue to further the process. He restated the position of "common ground" and encouraged Ms. Martin to begin discussions with her members as soon as possible.

Ms. Martin's attention turned to the effects the regulations would have on retailers. Ms. Martin stated her concerns that retailers will have with taking the proposed regulation past the manufacturing process and into the retail outlets licensing. Ms. Martin stated she would like to discuss FDA regulation with members. She further express the need to have Mr. Hale and Ms. McDade present the same information to her association's leadership.

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/12/2001                      *State Coordinator:* Don Hale  
*State:* Arkansas                              *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arkansas Wholesale Marketers Association

*Summary:* Don Hale, Arkansas State Coordinator met via conference call with John Hauge of Tom Fitts Tobacco and Howell Shmidt of Southern Distributors . Mr. Shmidt serves as the President of the Arkansas Wholesalers Association and Mr. Hauge is the associations treasurer.

The participants on the conference call had been sent a copy of the FDA White Paper. Mr. Hale summarized the document and presented the points made in the stakeholders slide presentation. Both men were understanding of PM's position and supported the efforts to add stability to their industry. John Hauge responded first by stating, "I think that it's a good idea that they (FDA) get involved in this issue, I mean, they are the experts in it. " Mr. Hauge went on to say that, "if they don't get involved in this, it is probably going to be a lot tougher, like it was three years ago." He further stated that other countries were operating at a much lower cost and added, "I'm all for it. From the standpoint of staying in business and offering stability, I think it is a good idea." Howell Schmidt responded by asking Mr. Hale, "What do you need from us. Would you be willing to come to one of our meetings and discuss with our organization what you have told us today?" Mr. Hale stated that he would appreciate the opportunity to share this information to their organization.

2081294918

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/07/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arizona Candy & Tobacco Association

*Summary:* Trish Hart, Arizona State Coordinator met with the Arizona Candy & Tobacco Association (ACTA) on May 7, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

ACTA noted they feel confident that Philip Morris has given FDA regulation much thought, and stated that some regulation is fine, but it must be workable. They do not believe the government should be able to put a company out of business because it does not like the product. They indicated they feel this is a better political climate to pursue FDA regulation.

The Arizona Candy and Tobacco Association expressed their support of reasonable FDA regulation, but are concerned that the issue might get out of hand.

2081294919

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Tosco Corporation

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Tosco Corporation on May 7, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

Tosco indicated they thought this sounds like a positive PR move for Philip Morris. Although, as it is presented the FDA White Papper appears reasonable, but the ramifications it could have on the industry could be severe. They currently carry other products that are heavily regulated by the government and any new regulation would be burdensome. Cigarette sales are a big part of the convenient store business and they are concerned about any further regulation.

Tosco Corporation currently does not have a formal position on FDA regulation. However, they indicated it is an issue they are concerned about and will continue to monitor it as it moves along.

2081294920

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arizona Food Marketing Alliance

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Arizona Food Marketing Alliance (AFMA) on May 7, 2001 to discuss FDA regulation. Ms. Hart provided the Philip Morris FDA White Paper and the Steve Parrish editorial for their review.

AFMA indicated they are concerned that this could open the door to more regulation and possible unintended consequences. AFMA asked if there were any specific problems that might arise from FDA regulation that would negatively affect retailers.

AFMA does not have a position on FDA regulation at this time. However, the issue will be presented to their legislative committee for review and consideration. AFMA explained that they understand the environment that Philip Morris is currently doing business in and commended them for taking such a bold step forward, but they believe it may unfortunately open the door to other problems.

2081294921

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arizona Petroleum Marketers Association

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Arizona Petroleum Marketers Association (APMA) on May 7, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

APMA stated some kind of regulation is most likely needed. As presented, FDA regulation sounds reasonable and it most likely would not bother its members. APMA has questions relating to marketing restrictions. What would the warning labels look like? How would the marketing restriction affect retailers?

APMA does not see any major problems with FDA regulation at this point in time and will most likely support it.

2081294922



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/07/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Cigar Association of America, Arizona

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Arizona chapter of the Cigar Association of America on May 9, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

The Arizona chapter of the Cigar Association of America at this time believes that this is not a wise decision and that it does not seem to have total tobacco industry support. In summary, Ms. Hart was advised that the Arizona CAA will oppose the FDA regulation.

2081294923

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/09/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arizona Retailers Association

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Arizona Retailers Association (ARA) on May 9, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

ARA views this as mostly a manufacturing issue and thinks it will not affect the majority of its members. ARA asked questions concerning tobacco specialty stores in relation to marketing and access restrictions.

At this time ARA does not have an official position on FDA regulation. ARA indicated that they will present this issue to their membership for the review and consideration.

2081294924

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001                      **State Coordinator:** Trish Hart  
**State:** Arizona                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Arizona Restaurant Association

**Summary:** Ms. Trish Hart, Arizona State Coordinator met with the Arizona Restaurant Association (ARA) on May 9, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

The ARA indicated that FDA regulation is not an issue that has generated much discussion amongst its members. Ms. Hart indicated the ARA might want to check with members who have cigar rooms or sell cigarettes to see if they have any specific concerns. The ARA indicated they would review the materials presented and discuss it with their membership.

At this time the ARA does not have a position on FDA regulation. However, they noted that the issue will be presented to the membership for their comments and consideration.

2081294925

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Turf Paradise Race Track

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with Turf Paradise on May 9, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

Turf Paradise indicated that this issue does not directly affect their business but they feel seeking government regulation could be risky. Turf Paradise noted that the proposed legislation sounds fine but they are concerned that the final outcome may not be as reasonable.

Turf Paradise Race Track does not have any specific problems with this issue and indicated it most likely will not have any major implications on their business. They indicated they would support the proposed regulation.

2081294926

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/09/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arizona Association of Industries

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Arizona Association of Industries (AAI) on May 10, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

The AAI stated this issue does not impact their members directly and generally they do not support government regulation. However, AAI noted this regulation would bring uniformity to the industry. AAI does not have any problems with FDA regulation as long as it stays within reasonable standards. The AAI did inquire why the FDA was chosen as the body to regulate cigarettes. In addition, they asked if cigarettes were going to be classified as a drug or medical device. Lastly, AAI cautioned that seeking regulation may open the door to other problems.

AAI noted the business community does not typically support regulation, but if Philip Morris believes it is necessary they would support FDA regulation.

2081294927

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/09/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Arizona Licensed Beverage Association

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Arizona Licensed Beverage Association on May 9, 2001 to discuss FDA regulation. Ms. Hart provided the FDA White Paper and the Steve Parrish editorial for their review.

ALBA was unsure as to what affect FDA regulation would have on their membership. ALBA noted that they did not know a lot about the issue but stated they would review the materials presented. ALBA also indicated they would contact the NLBA to see if they have a position on this issue.

At the present time ALBA does not have a position on FDA regulation. ALBA indicated they would study the issue further and get back to Ms. Hart with any comments or concerns.

2081294928

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/10/2001                      *State Coordinator:* Trish Hart  
*State:* Arizona                              *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Phoenix Chamber of Commerce

*Summary:* Ms. Trish Hart, Arizona State Coordinator met with the Phoenix Chamber of Commerce (PCC) on May 10, 2001 to discuss FDA regulation. Ms. Hart provided the Philip Morris FDA White Paper and the Steve Parrish editorial for their review.

The PCC stated that seeking FDA regulation is a noble move, however, they believe it is a huge mistake. The Chamber indicated FDA regulation could be a slippery slope resulting in other types of regulation. In addition, the Chamber conceptually has a hard time with the idea of cigarettes falling under the same umbrella as prescription drugs. The PCC stated they thought it would be more beneficial to put money into existing public relations programs than to seek regulation by the government. The PCC asked why the other tobacco companies were not supporting this legislation. Lastly, they believe regulation provides additional opportunities for others to seek further restrictions on the industry.

The Phoenix Chamber of Commerce believes this is a good faith effort by Philip Morris, but indicated they felt that it was not a wise decision. The PCC does not have a position on FDA regulation. The issue must be presented to the board for their review before a position can be taken.

2081294929

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Marc Becerra-Litchman

**State:** California                      **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** California Beverage Merchants

**Summary:** Marc Becerra-Litchman, California State Coordinator met with Judy Ashley, Executive Director of the California Beverage Merchants on Friday, May 4 in Sacramento, California.

After a thorough review of the FDA White Paper, Ms. Ashley questioned if this issue, "is a middleman issue at all?" She anticipated her membership would have concerns about new fees, licenses, or costs imposed by the FDA to fund regulatory activities. Because of ongoing activity in California regarding tobacco licensing in general, Ms. Ashley also expressed concern that FDA regulation might provide a nexus for regulating and licensing tobacco and alcohol under the same roof, and the subsequent delegation of enforcement to local authorities, a concept with which she has grave concerns.

Ms. Ashley was generally supportive and offered to distribute the FDA White Paper to her board members to bring them up to speed on this issue and to gauge their willingness to become involved.

2081294930



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001 *State Coordinator:* Marc Becerra-Litchman

*State:* California *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* California Independent Grocers Association

*Summary:* Marc Becerra-Litchman, California State Coordinator met with John Handley, Director of Government Affairs for the California Independent Grocers Association on Friday, May 11 in Sacramento, California.

After a thorough review of the FDA White Paper Mr. Handley expressed strong reservations about any form of national licensing and new regulation. After a further discussion of how thoughtful FDA regulation will lead to stability, certainty, and uniformity, Mr. Handley stated that he fully understood our position and would work with us to find common ground and ways in which we could work together, specifically to provide merchants with available age-verification technology to reduce illegal sales to minors.

Mr. Handley pledged to conduct informal briefings with key members of his organization and requested that he be provided with updates on this important issue on a timely basis.

2081294931

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/30/2001                      **State Coordinator:** Joanne Davis

**State:** California 2                      **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** California Grocers Association

**Summary:** Joanne Davis, California State Coordinator met with Gilbert Canizale, Director of Local Government Affairs for the California Grocer's Association on April 3 to discuss FDA regulation. Mr. Canizales was given a briefing book that included the educational materials that Philip Morris had presented publicly on this issue.

Mr. Canizales was interested, and somewhat surprised, that Philip Morris was pursuing FDA regulation, but by the end of the meeting he understood why the company was moving forward with this.

It was discussed that the issue of licensing was not addressed specifically in the FDA White Paper, but that the company encouraged all parties to be participants in discussions around that and other issues. Ms. Davis felt that there was no immediate opposition, but that this must be taken to a higher person in the organization for any further action or official position.

2081294932

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/08/2001                      **State Coordinator:** Joanne Davis

**State:** California 2                      **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** California Cigar Association

**Summary:** Joanne Davis, California State Coordinator held a teleconference on May 8 with Michael Sowers, Executive Director of the California Cigar Association, and Jason Pitkin, Communications Director of the California Cigar Association regarding FDA and tobacco.

Ms. Davis gave background information as to why Philip Morris was supporting legislation calling for FDA regulation this Congress. The cigar association was in complete agreement concerning the need for stability and consistency in operations for the company. The association actually applauded the company for its foresight in this matter and equated this position to real leadership in the industry. Ms. Davis explained that other tobacco companies had not yet come to an agreement on support of this issue. Mr. Sowers and Mr. Pitkin expressed strong support for Philip Morris and its efforts. The cigar association is in full support for Philip Morris on this issue.

2081294933

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001                      **State Coordinator:** Joanne Davis

**State:** California 2                      **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** Southern California Business Association

**Summary:** Joanne Davis, California State Coordinator met with Les Benson, President of Southern California Business Association and the Los Angeles Hotel & Motel Group, on May 9 regarding FDA regulation. Mr. Benson is a stalwart ally and has been a great supporter of Philip Morris.

Ms. Davis brought a briefing book on FDA regulation which included all the materials distributed to the State Coordinators in New Orleans, minus the polling information and the stakeholder presentation.

Mr. Benson is very "anti-regulatory." He understands why this is important to Philip Morris and why the company is ultimately pursuing legislation calling for FDA regulation. However, his concern is that once you give the government the opportunity to regulate, they will "go at it" and encroach on more than just what Philip Morris is interested in.

Mr. Benson is supportive of the Philip Morris position and will be helpful when called upon.

2081294934

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/03/2001                      **State Coordinator:** Will Fox  
**State:** Colorado                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Colorado Retail Council

**Summary:** Will Fox, Colorado State Coordinator met with Joanne Groff, Executive Director of the Colorado Retail Council on Thursday, May 3, 2001 and presented the FDA Stakeholder Presentation. The meeting started off by Ms. Groff stating that she was very surprised that Philip Morris was now asking to be regulated. Mr. Fox then proceeded to go over the prepared presentation and give the reasoning for such action. Once Mr. Fox was done with the presentation, Ms. Groff understood the rationale.

Ms. Groff asked where are the other tobacco companies and why are they not supporting such an effort? She also wanted to know if there was any licensing involved with this proposal.

Ms. Groff stated that she will bring this issue up with her board members and get their feed back as to what their position may or may not be. Ms. Groff understands the general reasoning of Philip Morris' position, but she is not sure her group would go along with them should the legislation require licensing.

2081294935

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/03/2001                      **State Coordinator:** Will Fox  
**State:** Colorado                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Colorado Petroleum Marketers Association

**Summary:** Will Fox, Colorado State Coordinator met with Roy Turner, Executive Director of the Colorado Petroleum Marketers Association on Thursday, May 3, 2001 and presented the FDA Stakeholder Presentation. At the onset of the meeting, Mr. Turner said his organization was not interested in any more regulations, particularly when it came to the selling of a legal product. Once Mr. Fox was able to make his presentation, Mr. Turner began to understand the global thinking that surrounds the FDA regulation concept; he was more tolerable of the big picture concept than the actual fine details.

Mr. Turner was extremely adamant about Philip Morris not telling his industry how to sell their products. The meeting ended by Mr. Turner stating, " We don't tell you how to manufacture your cigarettes, so don't tell us how to sell our products."

2081294936

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/04/2001                      **State Coordinator:** Will Fox  
**State:** Colorado                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Colorado State Bowling Proprietors Association

**Summary:** Will Fox, Colorado State Coordinator met with Jules Kutner, Executive Director of the Colorado State Bowling Proprietors Association on Friday, May 4, 2001 and presented the FDA Stakeholder Presentation.

Mr. Kutner thought the rationale for such action was warranted by Philip Morris, even though he also thought the whole idea was suspect, and was just another way for Philip Morris to sell more cigarettes.

The FDA Stakeholder Presentation by Mr. Fox was very well received by Mr. Kutner. He thought it was very well done and appreciated being briefed on this issue. Mr. Kutner will bring the FDA Regulation issue up at his next board meeting and will allow his individual members to support this issue if they so desire.

2081294937

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Will Fox  
*State:* Colorado                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Colorado Association of Distributors

*Summary:* Will Fox, Colorado State Coordinator met with Wilson Croom, Executive Director of the Colorado Association of Distributors on Friday, May 4, 2001 and presented the Stakeholder Presentation. Mr. Croom understood the global thinking that Philip Morris was advancing with FDA regulation and thought it was a good idea in concept.

Mr. Croom asked the following question, "How do the other tobacco companies feel about this proposal?" He also stated that the FDA was not the most credible organization to be dealing with this issue. Mr. Croom thought Mr. Foxes presentation was very thorough. Mr. Croom indicated he will present the information to his board within the next week and appreciated the fact that Philip Morris was asking for their input.

2081294938



# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Will Fox  
**State:** Colorado                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Colorado Hotel & Lodging Association

**Summary:** Will Fox, Colorado State Coordinator met with Eileen Kamsler, Executive Director of the Colorado Hotel & Lodging Association on Friday, May 4, 2001 and presented the FDA Stakeholder Presentation.

Ms. Kamsler appreciated the fact that Philip Morris was seeking their organization's input. She thought the presentation was professionally done and very comprehensive.

Ms. Kamsler understands the position that Philip Morris has taken in regards to the proposed FDA regulations. However, Ms. Kamsler told Mr. Fox that the Colorado Hotel and Lodging Association is only interested in ventilation and accommodation issues in relation to smoking, but indicated she would take this up with her board, not knowing whether they will take a position or not.

2081294939

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/01/2001                      **State Coordinator:** Judi Malone  
**State:** Connecticut                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** Connecticut Food Association  
Connecticut Package Store Association

**Summary:** Judi Malone, Connecticut State Coordinator met with Grace Nome, President of the Connecticut Food Association and Jean Cronin, Executive Director of the Connecticut Package Store Association on May 1, 2001 to discuss the Philip Morris FDA regulation proposal.

Ms. Malone distributed the FDA White Paper and discussed the company's reasons for moving in this direction.

Ms. Nome stated that the FDA has never had jurisdiction over the industry and the company is now opening the door, and once that door is opened it will be hard to control. She does not think that Philip Morris should make it easy for them and that as long as you have groups like Tobacco Free Kids and Attorney Generals like Richard Blumenthal, these issues are not going away.

Jean Cronin was concerned that this could lead to additional regulator issues such as licensing for sellers of the product.

Both agreed to read the document and follow up with Ms. Malone, however both were adamant that Philip Morris should not give on this one.

2081294940

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001                      *State Coordinator:* Judi Malone  
*State:* Connecticut                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s):* FDA Education Campaign

*Attendance:* Gasoline and Automotive Service Dealers of America

*Summary:* Judi Malone, Connecticut State Coordinator met with Mr. Mike Fox, President of the Gasoline & Automotive Service Dealers of America to discuss the Philip Morris FDA regulation proposal. Ms. Malone distributed the FDA White Paper and discussed the company's reasons for moving in this direction.

Mr. Fox indicated that this proposal sounded reasonable and that he would like to host a meeting with his members for them to understand the proposal. Ms. Malone will have that meeting within the next week.

2081294941

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001 **State Coordinator:** Joe Petrilli

**State:** Delaware **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Delaware Tobacco Retailers

**Summary:** Joe Petrilli, Delaware State Coordinator, met with tobacco retailers Andy Somers and Ron Kennedy to discuss Philip Morris' position on FDA regulation. The basic principles by which Philip Morris would support such regulation were outlined. Mr. Somers and Mr. Kennedy were quite surprised as to the depth of regulation Philip Morris was willing to support. They also asked where the other tobacco companies stood on this issue. Mr. Petrilli indicated that this was Philip Morris' position only, but they were working with all stakeholders on this issue.

The retailers expressed concern about how advertising restrictions and potential licensing requirements may impact them as well as regulations that would reduce customer volume such as product identity, product taste, and higher costs.

These retailers were appreciative of the briefing, but said they wanted to wait to see a better defined piece of legislation before they would make any commitments.

2081294942

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/10/2001                      **State Coordinator:** Joe Petrilli  
**State:** Delaware                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Delaware State Chamber of Commerce

**Summary:** Joe Petrilli, Delaware State Coordinator met with Richard Heffron Vice President of the Delaware State Chamber on May 9th to review Philip Morris' position on FDA regulation. The basic principles by which Philip Morris would support such regulations was discussed as well. Mr. Heffron had some understanding of Philip Morris' position from conversations at previous summit meetings. From a political perspective, he questioned why Philip Morris would expose themselves on this issue before a piece of legislation was actually introduced.

Mr. Heffron said that the chamber has contacted the Delaware Congressional Delegation on a number of occasions regarding some of Philip Morris' issues, but FDA regulation legislation needs to be better defined before the State Chamber would consider any position.

2081294943

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Bill Coletti  
**State:** Florida                              **Regional Coordinator:** Jay Morgan

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**Issue(s):** FDA Education Campaign

**Attendance:** Florida Farm Bureau Federation

**Summary:** Bill Coletti, Florida State Coordinator met with Director of the Farm Bureau's Tobacco Issues Committee Kevin Morgan. Mr. Morgan is interested in participating in the Philip Morris FDA education process and gathering more information for the Farm Bureau and his committee about FDA regulation. At this point, the Farm Bureau has a stated written policy - "We oppose the FDA regulating tobacco and tobacco products."

However, Mr. Morgan stressed that this position was in direct response to Philip Morris and others actions in the past relating to FDA regulation. Mr. Morgan continued by explaining the politics, timing, and process for changing that policy position and expressed anecdotally "the committee would want to learn more and would be very interested in the issue." On August 23, the committee will be meeting and have asked the Florida Field Action Team State Coordinator Bill Coletti to participate and present the Philip Morris position. At the outset Mr. Morgan believes the committee is 50/50 on the issue and have been anticipating that the issue would come up this year. A number of key Farm Bureau committee members have been participating in the "Presidents Tobacco Commission."

Following the FDA education presentation, Mr. Morgan suggested a meeting with the Florida Tobacco Growers Association, which is for the most part made up of Farm Bureau Tobacco Policy committee members. This meeting would open the door to a more grassroots less policy oriented constituency.

2081294944

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/10/2001                      **State Coordinator:** Bill Coletti  
**State:** Florida                              **Regional Coordinator:** Jay Morgan

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**Issue(s) :** FDA Education Campaign

**Attendance:** Florida Retail Federation

**Summary:** Bill Coletti, Florida State Coordinator and John Rogers, Florida Retail Federation held a telephone conference about FDA education on Wednesday, May 9. The retail federation is a key Philip Morris ally in Florida and will continue to remain engaged and participate as needed with Philip Morris and the Florida coalition. However, the federation's interest in the FDA process and for that matter all federal issues is very low even after a thorough review of the FDA White Paper and discussion about government regulation in general.

Mr. Rogers, while very aware of the FDA issue and its potential impact on his members, is planning to defer all action and specific comment until one or all four of the national associations that they are members of take a position(s) on the issue.

2081294945

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001                      *State Coordinator:* Bill Coletti  
*State:* Florida                              *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Citizens for a Sound Economy, Florida

*Summary:* Bill Coletti, Florida State Coordinator met with Slade O'Brien, State Director for Citizens for a Sound Economy, regarding FDA education on Friday, May 11.

Mr. O'Brien was not aware of the FDA issue but was open to discussion and exchange of ideas on this issue. Mr. Coletti discussed with Mr. O'Brien the FDA White Paper and stressed the importance for feedback from Philip Morris' Allies regarding this issue. Mr. O'Brien deferred CSE's level of support to their Chief Economist in Washington, D.C., Mr. Wayne Brough. Mr. O'Brien felt that this would be a difficult issue for his organization to support for several reasons. The reasons Mr. O'Brien listed were that this is a "product issue" and could be construed as a public relations battle rather than a policy initiative. Mr. O'Brien did suggest focusing the argument on a pro-business and anti-litigation aspect as a way to garner possible support from his organization both locally and nationally.

Mr. O'Brien requested the FDA White Paper be e-mailed Monday morning and he would forward it on to Mr. Brough. Per Mr. O'Brien's request, Lori Taylor e-mailed the information. Mr. Brough and CSE's response was as follows: "We can't support this because it expands the scope of regulation."

Due to the above stated objection from CSE in Florida, they will not be an ally on the FDA issue.

2081294946



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/08/2001                      *State Coordinator:* Ronnie Chance  
*State:* Georgia                              *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Southeastern Legal Foundation

*Summary:* Ronnie Chance, Georgia State Coordinator met with Eric Dial, Director of Development for the Southeastern Legal Foundation regarding the issue of FDA regulation. After discussing the Philip Morris position on FDA regulation, Mr. Dial commented that he was surprised, but that his organization "would likely maintain support of the company and its stance on the issue." Mr. Dial went on to say, "this may give us (SELF) an opportunity down the road to issue an op/ed pointing out the fact that many companies are prepared to face regulation as opposed to the many individual frivolous lawsuits that continue to crop up. We know how the tobacco industry has been hit by such suits and this position could give us ammunition as we focus on tort reform down the road."

Mr. Dial also used the opportunity to discuss the associations new president, Phil Kent, and his background. Mr. Kent, former editor of the Augusta Chronicle, is also Chairman of the board of the Editorial Information Network, a nationwide group of conservative editors/columnists.

2081294947

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/10/2001 *State Coordinator:* Ronnie Chance

*State:* Georgia *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Georgia Agribusiness Council

*Summary:* Ronnie Chance, Georgia State Coordinator spoke with Gary Black, President of Georgia Agribusiness Council, to discuss FDA regulation. After an initial background discussion Mr. Chance reviewed the Philip Morris position with Mr. Black and pointed out specific positions as detailed in the FDA White Paper. Mr. Black said his members, specifically the farmers, would "have a very difficult time supporting FDA regulation based on their past experiences." "I understand the position from a large company's perspective, but the tobacco farmer in south Georgia still has visions of FDA inspectors tramping through his fields and shutting down his farm."

Mr. Black said he would like more information on the issue and is open to working with Mr. Chance to help educate members and other allies. Mr. Chance is planning on inviting Mr. Black and some of his executives to the next Georgia Summit Meeting.

2081294948

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Craig Miyamoto

**State:** Hawaii                              **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** Hawaii Hotel Association

**Summary:** Craig Miyamoto, Hawaii State Coordinator met with Murray Towill, President of the Hawaii Hotel Association on May 4, 2001 to discuss Philip Morris' views on Food & Drug Administration regulation of the tobacco industry.

A packet of information was given to Mr. Towill, and he was "walked through" Mr. Parrish's op-ed piece, several news articles, the Philip Morris FDA White Paper, the statement to the Tobacco Commission, and the side-by-side of FDA tobacco jurisdiction legislation in the 107th Congress.

Further discussion centered around the "whys" of Philip Morris' change in position. Mr. Towill fully understood the logic behind seeking FDA regulation before the end of 2002. He expressed his gratitude at being consulted about his opinion.

He promised to read the FDA White Paper and to contact Mr. Miyamoto if he had any questions or needed clarification on any points contained therein.

2081294949

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Craig Miyamoto

**State:** Hawaii                              **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** Landscape Industry Council of Hawaii  
Farm Bureau Federation of Hawaii

**Summary:** Craig Miyamoto, Hawaii State Coordinator met with James Kuroiwa Jr., Executive Director of the Landscape Industry Council of Hawaii, and member of the Commodity Advisory Group of the Farm Bureau Federation of Hawaii. Philip Morris' positions, and hand-out material on FDA regulation of the tobacco industry was discussed.

As a businessman and a political activist in Hawaii, Mr. Kuroiwa has always lent a sympathetic ear to tobacco and business issues. He agrees with Philip Morris that the time for legislation establishing FDA regulation is now and agrees with all points of the argument in favor of the legislation.

Mr. Kuroiwa said the Landscape Industry Council of Hawaii will support tough but reasonable FDA regulation. He also will present this material to the Commodity Advisory Group during its meeting in late May 2001.

2081294950

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/04/2001 *State Coordinator:* Craig Miyamoto

*State:* Hawaii *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Hawaii Restaurant Association

*Summary:* Craig Miyamoto, Hawaii State Coordinator met with Patrick McCain, President of the Hawaii Restaurant Association on May 4, 2001 to discuss Philip Morris' views on FDA regulation of the tobacco industry.

An extensive discussion ensued on why Philip Morris has changed its position. Mr. McCain is fully cognizant of the good business reasons behind the push for regulation now. His response was very positive, and he supports Philip Morris' efforts.

Mr. McCain will be attending the March 18-21, 2001 convention of the International Association of Restaurant Association Executives, and will be consulting with his colleagues to feel out their position and obtain feedback. He promised to relay his findings to Mr. Miyamoto and in essence will support FDA regulation.

2081294951

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/08/2001                      **State Coordinator:** Craig Miyamoto

**State:** Hawaii                              **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** Zanzabar Night Club

**Summary:** Craig Miyamoto, Hawaii State Coordinator met with Jim Boersema, part-owner of the Zanzabar Night Club in Honolulu. Mr. Boersema has been involved in tobacco issues in Hawaii for a number of years, and his business has been highly supportive of Philip Morris activities.

Although not a high-priority ally because the Zanzabar is a privately owned single club in Hawaii, it was deemed prudent to update Mr. Boersema on Philip Morris' FDA activities, especially since an unscheduled opportunity arose. Mr. Boersema has provided excellent counsel in the past.

Mr. Boersema indicated his complete understanding of Philip Morris' position on FDA regulation, saying that the points of emphasis mentioned during the presentation made good business sense. He agreed that FDA is the right agency to regulate the tobacco industry, and that he would do what he can to support any Philip Morris activities. He did express some concern that the industry was not united behind the issue, and indicated that he hoped some sort of accord will be reached soon, if only to silence the critics who are sure to come forth and mention the "split" when the bills are debated.

2081294952

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001                      **State Coordinator:** Craig Miyamoto  
**State:** Hawaii                              **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** Hawaii Society, Sons of the American Revolution

**Summary:** Craig Miyamoto, Hawaii State Coordinator met with Col. Lou Torraca, US Air Force retired, who is president of the Hawaii Society, Sons of the American Revolution. The Hawaii SAR has a membership of approximately 80 retired officers from the various branches of the military.

Col. Torraca has been extremely supportive of Philip Morris' positions, and has been involved with the Hawaii Coalition since Congress' attempts to fund the Federal Lawsuit against the tobacco companies through diversion of Veteran's Administration funding. Following the FDA education briefing, he committed the Hawaii Society, Sons of the American Revolution's support of Philip Morris as it moves toward congressional legislation that will enable FDA regulation of the tobacco industry.

The only concerns voiced by Col. Torraca involved (1) the details of language in the legislation, and (2) the need for the industry to "pull together." His view was that "It all depends on how the legislation ends up." Col. Torraca believes that if the tobacco companies can live with the language, it should be all right. But if they are pulling in different directions, it will be difficult to support.

2081294953

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/15/2001                      **State Coordinator:** Craig Miyamoto

**State:** Hawaii                              **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** Kauai Chamber of Commerce

**Summary:** Craig Miyamoto, Hawaii State Coordinator met with Mamo Cummings, President of the Kauai Chamber of Commerce, which has a membership of approximately 650 businesses on the Island of Kauai.

Ms. Cummings maintained a somewhat non-committal attitude throughout the briefing about supporting Philip Morris' positions in seeking FDA regulation, but after listening to the educational presentation, she agreed fully with the philosophy and reasoning for needing regulation.

As the presentation continued, she expressed some concern at first about Philip Morris not wanting nicotine classified as a drug, but after hearing Mr. Miyamoto through, softened her position on this issue. She said she supported the Philip Morris position against classifying cigarettes as "delivery devices."

As noted earlier, she will confer with her board of directors as to the direction they wish to take.

2081294954



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/16/2001 *State Coordinator:* Craig Miyamoto

*State:* Hawaii *Regional Coordinator:* Fred Karger

*Issue(s) :* FDA Education Campaign

*Attendance:* Maui Chamber of Commerce

*Summary:* Craig Miyamoto, Hawaii State Coordinator met with Lynne Woods, President of the Maui Chamber of Commerce, which has a membership of approximately 1,200 businesses on the island of Maui.

Although Ms. Woods expressed what she called "some personal prejudice" against the health hazards of tobacco, she was able to maintain a professional attitude about the business aspects of the industry. She fully understood the reasons behind Philip Morris' seeking FDA regulation. There are business issues, and there are health issues. She believes that if the business issues are taken care of via FDA regulation, the health issues will naturally follow along.

Ms. Woods noted that the Maui Chamber of Commerce does not always take stands on issues such as this, unless the business aspect is so overpowering that "to stand aside would not be in our best interests." The Maui Chamber is generally anti-taxation.

She promised to read the material, digest it for her board of directors, and seek their direction.

2081294955

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/02/2001 *State Coordinator:* Richard Schwarm

*State:* Iowa *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Kum & Go Convenience Stores

**Summary:** Richard Schwarm, Iowa State Coordinator met with Scott Weiser, State Government Affairs Lobbyist for Kum & Go Convenience Stores, to discuss Philip Morris' position on reasonable FDA regulation of the tobacco industry. Mr. Schwarm related the information contained in the "FDA Regulation, Philip Morris and You" slide presentation.

Mr. Schwarm informed Mr. Weiser that Derek Crawford, State Government Affairs Director, Cal Hultman and Kim Ludwig, Iowa State Government Affairs Lobbyists, and he were hoping to meet to meet with Kum & Go top officials at their corporate office on May 21, 2001.

Mr. Weiser stated he would deliver the FDA White Paper to the company and give them a briefing on the points covered by Mr. Schwarm.

2081294956

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/02/2001                      **State Coordinator:** Richard Schwarm

**State:** Iowa                              **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Iowa Motor Truck Association

**Summary:** Richard Schwarm, Iowa State Coordinator met with Scott Weiser, Director of the Iowa Motor Truck Association to discuss Philip Morris' position of reasonable FDA regulation of the tobacco industry. Mr. Schwarm related the information contained in the "FDA Regulation, Philip Morris USA and You" slide presentation.

Mr. Weiser stated that he was happy to receive this information. He stated that the trucking industry has had to deal with the same question of accepting limited government regulation in certain areas or trying to block any government regulation.

Mr. Weiser stated he would share the information with his board. He did not anticipate that they would take a position. He had not been contacted by any one else on this issue.

2081294957

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/02/2001 *State Coordinator:* Richard Schwarm

*State:* Iowa *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* Iowa Retail Association

*Summary:* Richard Schwarm, Iowa State Coordinator met with Jim Henter, Director of the Iowa Retail Federation to discuss Philip Morris' position on reasonable FDA regulation of the tobacco industry. Mr. Schwarm related the information contained in the "FDA Regulation, Philip Morris USA and You" slide presentation.

Mr. Henter asked if there was a consensus among the leading cigarette companies on how to proceed. He stated it would be helpful if a consensus could be reached.

Mr. Henter state he appreciated the fact that Philip Morris was requesting input from retailers. He stated he would pass on the information to his members and report back their comments.

2081294958

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/02/2001 *State Coordinator:* Richard Schwarm

*State:* Iowa *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Iowa Chain Drug Stores

*Summary:* Richard Schwarm, Iowa State Coordinator met with Jim Henter, of the Iowa Chain Drug Stores to discuss Philip Morris' position on reasonable FDA regulation of the tobacco industry. Mr. Schwarm related the information contained in the "FDA Regulation, Philip Morris USA and You" slide presentation.

Mr. Henter stated he was happy to receive the information, as no one had previously contacted him on this issue. Mr. Henter asked if there was a consensus among the leading cigarette companies on how to proceed and how it would be helpful if a consensus could be reached.

Mr. Henter stated he appreciated the fact that Philip Morris was requesting input from retailers. He stated he would pass on the information to his members and report back their comments.

2081294959

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/02/2001                      **State Coordinator:** Richard Schwarm  
**State:** Iowa                              **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Iowa Citizens for a Sound Economy

**Summary:** Richard Schwarm, Iowa State Coordinator met with Jason Gross, Executive Director for Iowa Citizens for a Sound Economy to discuss Philip Morris' position on reasonable FDA regulation of the tobacco industry. Mr. Schwarm related the information contained in the "FDA Regulation, Philip Morris USA and You" slide presentation.

Mr. Goss said he would pass the FDA White Paper on to the national office along with a summary of Mr. Schwarm's comments. Mr. Gross said he would report back their reaction to Mr. Schwarm.

Mr. Gross said he doubted if his organization would take a position. Mr. Schwarm emphasized that Philip Morris is looking for input even if an organization does not take a position.

2081294960

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/02/2001 *State Coordinator:* Richard Schwarm

*State:* Iowa *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* Iowa Association of Candy and Tobacco Distributors

*Summary:* Richard Schwarm, Iowa State Coordinator met with George Wilson, Executive Director of the Iowa Association of Candy and Tobacco Distributors to discuss Philip Morris' position on reasonable FDA regulation of the tobacco industry. Mr. Schwarm related the information contained in the "FDA Regulation, Philip Morris USA and You" slide presentation.

Mr. Wilson agreed to visit with the key members of his organization about the issue after the Iowa Legislative session ended. This should be in the next week or so.

Mr. Wilson agreed to inform Mr. Schwarz of his members' thoughts on the issue. No one had contacted him on this issue.

2081294961

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/03/2001                      *State Coordinator:* Skip Smyser  
*State:* Idaho                              *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Idaho Wholesale Marketers Association

*Summary:* Skip Smyser, Idaho State Coordinator met with Karleane Allen of the Idaho Wholesale Marketers Association to discuss the Philip Morris FDA regulation proposal. Ms. Allen's reaction was one of surprise in the fact that Philip Morris, as the tobacco industry leader, was proposing FDA regulation over tobacco.

Mr. Smyser was the first to approach Ms. Allen on the issue of FDA regulation, as her prior knowledge of the FDA issue had come solely from the media. After Mr. Smyser reviewed the FDA White Paper with her, Ms. Allen reacted with skepticism. Ms. Allen was concerned that Philip Morris proposal regarding disclosure of cigarette ingredients and constituent testing would "cause serious problems with other members of the tobacco industry". She wanted to know why Philip Morris was the only tobacco company leading the charge on this issue.

While Ms. Allen appreciated Philip Morris' dedication to informing those affected by potential FDA regulation she had concerns regarding the motives of Philip Morris on the FDA matter. Ms. Allen said she would like to further review the Philip Morris proposal and discuss the matter at later meetings. Mr. Smyser will continue to work with Ms. Allen and the Idaho Wholesale Marketers Association and report progress in the following weeks.

2081294962



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/07/2001                      **State Coordinator:** Skip Smyser

**State:** Idaho                              **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** Idaho Licensed Beverage Association

**Summary:** Skip Smyser, Idaho State Coordinator briefed Lyle Walker of the Idaho Licensed Beverage Association regarding the Philip Morris FDA proposal. Mr. Lodge was the first to discuss the FDA issue with Mr. Walker.

Mr. Walker was supportive of Philip Morris' efforts to propose FDA regulation. While Mr. Walker would prefer tobacco smokers taking responsibility for their own actions, he believes that prudent FDA oversight may be the only alternative for the troubled tobacco industry. Mr. Walker did ask what the other members of the tobacco industry thought of being regulated by the FDA, and was concerned that there was not a uniform industry position.

Mr. Walker is meeting with members of the Idaho Licensed beverage Association on May 8th, 2001 and will discuss the FDA matter with his membership.

2081294963

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/07/2001                      **State Coordinator:** Skip Smyser

**State:** Idaho                              **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** National Federation of Independent Business, Idaho

**Summary:** Skip Smyser, Idaho State Coordinator met with Pete Skamser of the National Federation of Independent Business (NFIB) to discuss the Philip Morris FDA regulation proposal. This meeting was the first contact Mr. Skamser had received regarding the FDA proposal.

After reviewing the FDA White Paper, Mr. Skamser commented that he felt the FDA regulations being proposed by Philip Morris were logical given the continuous environment surrounding the tobacco industry. Mr. Skamser believed, however, that Philip Morris would be much better off if it had the support of other members of the tobacco industry.

While Mr. Skamser was supportive of Philip Morris' actions towards FDA regulation, he was candid in adding that FDA regulation of tobacco would not have a profound affect on most of the members of the National Federation of Independent Business.

Mr. Skamser has agreed to inform us of any feedback he receives from members. Any reaction will be forwarded to Philip Morris immediately.

2081294964

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/07/2001                      **State Coordinator:** Skip Smyser

**State:** Idaho                              **Regional Coordinator:** Fred Karger

**Issue(s) :** FDA Education Campaign

**Attendance:** Idaho Retailers Association

**Summary:** Skip Smyser, Idaho State Coordinator had a very positive meeting with Pam Eaton of the Idaho Retailers Association. Ms. Eaton was familiar with prior FDA regulation considerations of the past, but this was the first time she has been exposed to the Philip Morris proposal.

Mr. Smyser reviewed the FDA White Paper with Ms. Eaton and she was very receptive to the FDA regulation being proposed by Philip Morris. Ms. Eaton spoke highly of Philip Morris' efforts to reach out to industries that may be affected by FDA regulation to gather feedback. Ms. Eaton understands and appreciates the proactive approach and hoped that other tobacco industry members would also lend their support for appropriate FDA oversight of the tobacco industry.

Ms. Eaton will thoroughly review the FDA White Paper to see if there are any issues with the Philip Morris proposal that could conflict with retailers in the State of Idaho.

2081294965

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/08/2001 *State Coordinator:* Skip Smyser

*State:* Idaho *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Idaho Petroleum Marketers Association

*Summary:* Skip Smyser, Idaho State Coordinator met with Vicky Patterson of the Idaho Petroleum Marketers Association to brief her on Philip Morris' proposal for FDA Regulation. The luncheon meeting was cordial and gave Mr. Smyser the opportunity to thank Ms. Patterson for her support in past grassroots efforts for Philip Morris. Ms. Patterson was skeptical of the FDA proposal and was concerned that the entire industry was not involved in a united effort.

Ms. Patterson indicated that she would maintain an open mind and give a fair review to the issue. Mr. Smyser was able to go through the Philip Morris FDA White Paper and answer many of the questions that were posed by Ms. Patterson on behalf of her clients, Idaho Petroleum Marketers Association. As the meeting went forward and more information was provided, Ms. Patterson's skepticism was noticeably reduced. She had not received information on this proposal from her national organizations and would be meeting with them in the month of June.

2081294966

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001 *State Coordinator:* Skip Smyser

*State:* Idaho *Regional Coordinator:* Fred Karger

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*Issue(s):* FDA Education Campaign

*Attendance:* Idaho Liability Reform Coalition

*Summary:* Skip Smyser, Idaho State Coordinator met with Ken McClure of the Idaho Liability Reform Coalition to brief him on Philip Morris' proposal for FDA Regulation. Mr. McClure indicated that his group would have little or no interest in this issue, but offered his opinion that without the support of the industry, Philip Morris would be in for a very difficult time in seeing this passed. Mr. McClure indicated that it sounded to him like the company is doing this for positive public relations without a realistic expectation for success. Mr. Smyser assured Mr. McClure that the company was serious in seeing this through and felt that it could be done in a much more positive light with Republican administration Republican Congress than if the tables turned in the next election cycle.

2081294967

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/14/2001                      **State Coordinator:** Skip Smyser

**State:** Idaho                              **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** Idaho Grape Growers & Wine Producers Commission

**Summary:** Skip Smyser, Idaho State Coordinator discussed Philip Morris' FDA proposal with Robert Corbell of the Idaho Grape Growers & Wine Producers Commission. Mr. Corbell was vaguely familiar with the FDA proposal as a result of information presented during Philip Morris stock market watch reports.

Mr. Corbell was very interested in the Philip Morris FDA proposal. He was understanding of Philip Morris' desire to bring reform regulation to the tobacco industry. Mr. Corbell asked if Philip Morris was really looking for FDA regulation or publicity, especially since Philip Morris was the only tobacco company leading the charge on this effort. After walking through the FDA White Paper, Mr. Corbell suggested other interests that may be appropriate to educate on the FDA proposal.

2081294968

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/09/2001                      *State Coordinator:* Scott McPherson  
*State:* Illinois                              *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* National Association of Manufacturers, Regional Office

*Summary:* Scott McPherson, Illinois State Coordinator met with Brian McGuire, Regional Manager for the National Association of Manufacturers regarding FDA regulation of tobacco products.

Mr. McGuire was curious as to why Philip Morris would want to subject themselves to FDA regulation. Mr. McPherson responded that it would provide stability, consistency, and uniformity for the product. Mr. McGuire agreed that sometimes it is good to have certain standards for industries to abide by as long as the ground rules don't change in mid-stream.

Mr. McGuire was unsure if the National Association of Manufacturers had taken a position on the issue. He said he would check with his boss in Washington, DC. If they are not opposed, and he didn't see why they would be, he would be happy to contact members of Congress at the appropriate time.

2081294969

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/11/2001 *State Coordinator:* Scott McPherson

*State:* Illinois *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Illinois State Chamber of Commerce

*Summary:* Scott McPherson, Illinois State Coordinator met with Todd Maisch, Executive Director of the Illinois State Chamber of Commerce.

Mr. Maisch was aware that Philip Morris supports passage of legislation granting FDA regulation over tobacco products. He praised Philip Morris for getting out in front of the issue. Mr. McPherson went over the FDA White Paper point by point. Mr. Maisch felt that the state chamber would likely be able to support the issue, but that they were in a search for a new president at this time and that might slow down their approval process.

2081294970



# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001                      **State Coordinator:** Scott McPherson

**State:** Illinois                              **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Illinois Licensed Beverage Association

**Summary:** Scott McPherson, Illinois State Coordinator met with Steve Riedl, Executive Director of the Illinois Licensed Beverage Association to discuss FDA regulation of tobacco products. Mr. Riedl was very familiar with the issue and strongly support the Philip Morris position.

Mr. McPherson asked Mr. Riedl if there was any concern out there from other tobacco companies. Mr. Riedl replied that he wasn't aware of any but that he didn't care what the other companies, RJR in particular, are doing because they don't support his organization the way Philip Morris does. He went on to say that he would do anything Philip Morris asked on this issue.

Mr. Riedl mentioned that he has been seeing the Chiefs of Staffs for all the Republican Members of the Illinois Congressional Delegation at re-districting meetings in Springfield almost weekly. He offered to bring up the subject of FDA regulation with them .Mr. McPherson asked him to hold off for the time being.

2081294971

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001                      **State Coordinator:** Scott McPherson

**State:** Illinois                              **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Bowling Proprietors of Illinois

**Summary:** Scott McPherson, Illinois State Coordinator met with Bill Duff, Executive Director of the Bowling Proprietors of Illinois to discuss FDA regulation of tobacco products. Mr. Duff was not aware that Philip Morris supports FDA regulation of tobacco products. Mr. McPherson went over the FDA White Paper, point by point with Mr. Duff. Mr. Duff understood the reasoning behind the Philip Morris position and agreed that given the current climate in Washington it was a good time to try to move this issue forward.

Mr. Duff mentioned the Bowling Proprietors of America are having their six-state regional convention in Rochester, Minnesota on July 9-12. This would be a good opportunity to perhaps distribute FDA regulation information to a large group of bowling center owners from Illinois, Iowa, Minnesota, Wisconsin, North Dakota, and South Dakota.

2081294972

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/11/2001 *State Coordinator:* Scott McPherson

*State:* Illinois *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Illinois Restaurant Association

*Summary:* Scott McPherson, Illinois State Coordinator met with Colleen McShane and Rob Biederman from the Illinois Restaurant Association to discuss FDA regulation of tobacco products. Ms. McShane, Executive Director, was aware of the issue and offered the restaurant association's assistance wherever possible. Mr. McPherson asked if they had received any feedback from their restaurant owners on the issue, and they replied that thus far they had not. Mr. McPherson discussed the FDA White Paper in detail and asked if they had any questions. Ms. McShane asked Mr. McPherson to work directly with Mr. Biederman on the issue and to let him know when it was time to engage.

2081294973

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001                      **State Coordinator:** Scott McPherson

**State:** Illinois                              **Regional Coordinator:** Phil Craig

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**Issue(s):** FDA Education Campaign

**Attendance:** Hotel & Lodging Association of Illinois

**Summary:** Scott McPherson, Illinois State Coordinator met with Marc Gordon, Executive Director of the Hotel & Lodging Association of Illinois (formerly the Hotel Motel Association of Illinois). The purpose of the meeting was to discuss FDA regulation of the tobacco industry. Mr. Gordon had heard something about the industry seeking some sort of regulation, but was unclear on the specifics. Mr. McPherson went over the FDA White Paper in detail and provided Mr. Gordon with a copy.

Mr. Gordon said although this would not be a priority item for his association, he would be glad to be of help when the proper time comes to reach out to the Illinois Delegation. He said to contact his communications director, Peter Gallagher.

2081294974

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001 **State Coordinator:** Scott McPherson

**State:** Illinois **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Metropolitan Pier & Exposition Authority

**Summary:** Scott McPherson, Illinois State Coordinator met with Kimberly McCullough, Government & Community Relations Liaison for the Metropolitan Pier and Exposition Authority.

Ms. McCullough was not aware of the FDA regulation issue, but stated that a significant percentage of convention attendees, vendors, and exhibitors are smokers. She further stated that both Navy Pier and McCormick Place have several venues where cigarettes are sold.

Mr. McPherson gave a brief overview of the FDA White Paper and presented Ms. McCullough with a copy. She offered to pass the information along to her boss, Metropolitan Pier and Exposition Authority Director Scott Fawell (former Chief of Staff to Secretary of State, now Governor, George Ryan). Ms. McCullough asked to be invited to the next Illinois Summit Meeting, as she thought it made sense for her organization. The Metropolitan Pier and Exposition Authority will represent a new addition to the FAT Illinois coalition.

2081294975

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/11/2001                      **State Coordinator:** Scott McPherson

**State:** Illinois                              **Regional Coordinator:** Phil Craig

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**Issue(s):** FDA Education Campaign

**Attendance:** Chicagoland Chamber of Commerce

**Summary:** Scott McPherson, Illinois State Coordinator met with Kathy Konieczny, Government Relations Assistant with the Chicagoland Chamber of Commerce to discuss FDA Regulation of Tobacco Products. The Chicagoland Chamber of Commerce represents a new addition to the FAT coalition in Illinois. Ms. Konieczny asked that she and her boss, Amy Anderson Day, be invited to the FAT Second Quarter Summit Meeting.

Mr. McPherson addressed the FDA regulation issue in detail and presented Ms. Konieczny with the FDA White Paper. She agreed to raise the issue with Ms. Anderson Day and chamber President Jerry Roper. The Chicagoland Chamber may be able to help with members of Congress who represent Chicago, including Representatives Jackson, Rush, Blagojevich, Schakowsky, Lipinski, Davis, and Gutierrez

2081294976

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/08/2001 *State Coordinator:* Doug Simmons

*State:* Indiana *Regional Coordinator:* Phil Craig

*Issue(s) :* FDA Education Campaign

*Attendance:* Indiana Grocery and Convenience Store Association

*Summary:* Doug Simmons, Indiana State Coordinator and SGA Regional Director Derek Crawford met with Mr. Joe Lackey, President, Indiana Grocery and Convenience Store Association. Mr. Simmons reviewed the FDA White Paper with Mr. Lackey. Mr. Lackey was very concerned initially about the prospect of retail licensing. Mr. Lackey was assured by Mr. Crawford that Philip Morris is really concentrating on the regulation of the manufacturing process and it has not taken a position on retail licensing.

Mr. Lackey noted that word out of the Food Marketing Institute (FMI) and the Michigan Grocery Association is that the Philip Morris effort includes retail licensing. He said efforts should be made quickly to correct this misunderstanding. Mr. Lackey indicated that the Food Marketing Institute had not yet taken a position on FDA regulation, but thought that was only because their board had not met. The FMI board is meeting this week in Chicago.

Mr. Lackey indicated that his board would probably be OK with the FDA regulation, if it only addressed the manufacturing process. He noted that marketing and sales should be the responsibility of the states and strongly opposes retail licensing and other government restrictions on marketing and sales.

Thursday, May 24, 2001

ProActive Communications

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# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001 *State Coordinator:* Doug Simmons

*State:* Indiana *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* Indiana Retail Council

*Summary:* Doug Simmons, Indiana State Coordinator and SGA Regional Director Derek Crawford met with Mr. Grant Monahan, President, Indiana Retail Council. Mr. Simmons reviewed the FDA White Paper with Mr. Monahan. Mr. Monahan expressed concern about the prospect of retail licensing as an outcome of FDA regulation. The Indiana Retail Council would oppose any federal mandatory legislation or regulation requiring retail licensure or restrictions to sales such as mandated behind the counter displays of cigarettes. For example, if behind the counter displays are required by agreement between Philip Morris and individual retailers that would be OK as long as there are no federal mandates.

Mr. Monahan was assured by Mr. Crawford that Philip Morris is really concentrating on the regulation of the manufacturing process and it has not taken a position on retail licensing.

Mr. Monahan expressed concern that the FDA regulation might attempt to get into the area of youth smoking prevention. He was concerned about further "sting operations" and other federal programs that prove ineffective in the battle against youth smoking. He thinks youth smoking prevention can be best handled at the state level.

Mr. Monahan indicated that his board would probably be OK with FDA regulation of tobacco, if it only addressed the manufacturing process. The manufacturing portion is "your" industry and if Philip Morris wants FDA regulation of that process, he feels his members would not oppose it. He noted that marketing and sales should also be the responsibility of the states.

2081294977



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/08/2001 *State Coordinator:* Doug Simmons

*State:* Indiana *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Indiana Petroleum Council

*Summary:* Doug Simmons, Indiana State Coordinator and SGA Regional Director Derek Crawford met with Mr. Stan Pinegar, Executive Director, Indiana Petroleum Council. Mr. Simmons reviewed the FDA White Paper with Mr. Pinegar. Mr. Pinegar, who represents a highly regulated industry, expressed concern about FDA regulation and the prospect of retail licensing.

Mr. Pinegar agreed that the current make-up of Congress would make this initiative easier to achieve in a form that is more likely to have wide-spread support from a variety of stakeholders. A less friendly Congress could force some solutions on the industry that are unacceptable.

Mr. Pinegar agreed to review the FDA White Paper in greater detail. At this point, he does not have a position on the issue, but seems receptive to FDA regulation if it is limited to the manufacturing process. He pledged to be in contact with us as the proposals and options become more clear.

2081294978

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/03/2001                      **State Coordinator:** Janis Friesen  
**State:** Kansas                              **Regional Coordinator:** Jay Morgan

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**Issue(s) :** FDA Education Campaign

**Attendance:** Petroleum Marketers & Convenience Store Association of Kansas

**Summary:** Janis Friesen, Kansas State Coordinator met for an hour with Tom Palace, Executive Director of the Petroleum Marketers & Convenience Store Association of Kansas.

Going through the FDA White Paper, Mr. Palace had major concern about asking the Kansas delegation to support FDA regulation, after he "used chits" the past five years asking them to oppose FDA, and has done so at Philip Morris's request. "Sen. Brown back and Rep. Moran were opposed to giving FDA more authority, and I think they'll be tough to sell now. My members aren't going to feel strongly either way, but if the other companies aren't behind this, my board will not want me actively supporting it."

2081294979

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/03/2001                      *State Coordinator:* Janis Friesen  
*State:* Kansas                              *Regional Coordinator:* Jay Morgan

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*Issue(s):* FDA Education Campaign

*Attendance:* Kansas Chamber of Commerce & Industry

*Summary:* Janis Friesen, Kansas State Coordinator had a 40-minute meeting with John Fowler, President the Kansas Chamber of Commerce. Mr. Fowler was "astonished" about Philip Morris' position, seeing it as a "capitulation" by Philip Morris. "How do you rationalize this when alcohol and bioengineer foods are struggling with regulatory issues and will clearly be next?"

Ms. Friesen responded that FDA regulation would give Philip Morris the stability, certainty, and uniformity needed within the tobacco unit, and that would provide a more stable environment for the beer and food units.

"We've been your ally in principle, not because we love tobacco but because we're concerned about where regulation could lead," Fowler said. "Philip Morris is the industry leader. Why don't they voluntarily put this on the package, rather than ask for regulation?" Ms. Friesen said the government should issue the warning language for it to have any credibility with consumers. Further, FDA regulation could require such warnings should be uniformly applied to all tobacco products and manufacturers.

"We're not inclined to stand in your way, but it won't be a raging issue for us, either."

2081294980

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/10/2001 *State Coordinator:* Mike Shear

*State:* Kentucky *Regional Coordinator:* Jim Martha

*Issue(s):* FDA Education Campaign

*Attendance:* Kentucky Farm Bureau Federation

*Summary:* Mike Shear, Kentucky State Coordinator met with Sam Crawford, Director of Local Affairs and Policy Development, and Patrick Jennings, Director, Public Affairs Division, of the Kentucky Farm Bureau Federation on May 10, 2001 to discuss the Philip Morris FDA regulation proposal.

Mr. Crawford was asked by Mike Shear about the recent decision by the Farm Bureau to "dies-invite" Philip Morris to their board meeting. Mr. Crawford stated that the cancellation was a staff decision based on the fact that the atmosphere was already charged because of the "grading controversy", as he put it. They decided that it might be better to wait until emotions had subsided.

Both Mr. Crawford and Mr. Jennings were somewhat aware of the Philip Morris FDA regulation proposal. Mr. Jennings was concerned that the current make up of the committees in Washington, DC might cause FDA legislation to be far different in outcome than originally intended.

Both gentlemen stated that the farm bureau had not taken a position on the FDA proposal, but would study the FDA White Paper and discuss it with federation members and give Mr. Shear whatever feedback they encountered.

2081294981

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001 *State Coordinator:* Mike Shear

*State:* Kentucky *Regional Coordinator:* Jim Martha

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*Issue(s) :* FDA Education Campaign

*Attendance:* Kentucky Tobacco & Candy Association

*Summary:* Mike Shear, Kentucky State Coordinator met with Marvin Gray, Executive Director of the Kentucky Tobacco & Candy Association on May 11, 2001 to discuss the Philip Morris FDA regulation proposal. Mike Shear utilized the presentation outline supplied by Philip Morris and delivered a copy of the Philip Morris FDA White Paper.

Mr. Gray was unfamiliar with any details of the issue and expressed appreciation that Philip Morris was opening discussions with stakeholders early in the process. He also said that the typical reaction among his members to any proposal made by Philip Morris was negative, because they felt that the company typically did whatever they wanted to do, no matter what, and "ran over" the wholesalers.

Mr. Gray stated that "gray market" was still his association's primary concern, because they felt that despite federal legislation and soon-to-be-implemented state legislation, there was virtually no enforcement activity and "duty-free zone" exporters were still sending cartons by the truckload to vendors in Kentucky, enabling those vendors to sell Marlboros for less than wholesalers could purchase them from Philip Morris.

Mr. Gray was pleased with the information and the FDA White Paper and promised to discuss it with his membership and report back with their reaction.

2081294982

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/17/2001                      **State Coordinator:** Mike Shear  
**State:** Kentucky                      **Regional Coordinator:** Jim Martha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Kentucky Petroleum Marketers Association

**Summary:** Mike Shear, Kentucky State Coordinator met with Richard Macedon, President of the Kentucky Petroleum Marketers' Association on May 17, 2001, in Frankfort, KY, to discuss the Philip Morris FDA regulation proposal. Mike Shear utilized the presentation outline supplied by Philip Morris and delivered a copy of the FDA White Paper to Mr. Macedon.

Mr. Macedon said that he was very familiar with the issue. He said that many of his members would be leery of such a proposal because, in his words, "they feel like they got screwed" the last time (MSA).

Mr. Macedon said that his organization may not ever endorse the FDA proposal, nor would they be likely to formally oppose it. He said that they would be very interested in continuing the dialogue with Philip Morris on this topic, and to that end, invited Philip Morris to send someone to speak for 15 to 20 minutes at their July 13 convention.

Mr. Macedon said he sincerely appreciated Philip Morris' effort to contact organizations like his early, so they could get involved in shaping the final product.

2081294983

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/17/2001                      **State Coordinator:** Mike Shear  
**State:** Kentucky                      **Regional Coordinator:** Jim Martha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Kentucky Retail Federation  
Kentucky Chain Drug Store Association

**Summary:** Mike Shear, Kentucky State Coordinator met with Gay Dwyer and Dale Gould of the Kentucky Retail Federation and the Kentucky Chain Drug Store Association on May 17, 2001, in Frankfort, KY, to discuss the Philip Morris FDA regulation proposal. Mike Shear utilized the presentation outline supplied by Philip Morris and delivered a copy of the FDA White Paper.

Neither Ms. Dwyer nor Mr. Gould were familiar with the proposal. They voiced several concerns. First, they were concerned about whether the proposal would be preemptive of state legislation, because state regulation on top of FDA regulation could become oppressive.

Further, they suggested that the proposal needs to be precise, so as to deter broad interpretation of its rules. They were concerned that the legislation might further restrict sales, suggesting that requiring cigarettes to be sold only by certified personnel, or in certain stores or in certain parts of certain stores would be devastating to many of the small business they represent who depend upon cigarette sales.

2081294984

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/03/2001 *State Coordinator:* David Tat man

*State:* Louisiana *Regional Coordinator:* Jay Morgan

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*Issue(s):* FDA Education Campaign

*Attendance:* Louisiana Restaurant Association

*Summary:* David Tat man, Louisiana State Coordinator met with Eric Sandstorm of the Louisiana Restaurant Association to discuss the proposed FDA regulation of tobacco on May 3. Mr. Tat man reviewed the FDA White Paper with Mr. Sandstorm and highlighted areas that would be covered under FDA regulation such as new warning labels on cigarette packages.

Mr. Sandstorm stated that he thought it was a good thing that Philip Morris was being proactive since it appeared that something was going to happen according to statements by the new Bush Administration. Mr. Sandstorm compared this effort for regulation to the lead that the Restaurant Association took on Sanitation Regulation, and how important and advantageous it was that the industry took part in developing that regulation.

Mr. Sandstorm noted that he would need to review this information with his members to get their response to the proposed regulation by the FDA, and thought it was also important that Philip Morris was talking to coalition members to get their reaction about this proposed regulation.

2081294985



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/07/2001 **State Coordinator:** David Tatman

**State:** Louisiana **Regional Coordinator:** Jay Morgan

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**Issue(s) :** FDA Education Campaign

**Attendance:** Louisiana Wholesale Food & Tobacco Distributors Association

**Summary:** David Tatman, Louisiana State Coordinator met with Sarah Whalen, Executive Director of the Louisiana Wholesale Food & Tobacco Distributors Association, to review the FDA proposed regulation. After Mr. Tatman summarized the effort, Ms. Whalen stated that this was dangerous territory. She wanted to know why Philip Morris was doing this after having fought FDA regulation for years, and was now looking to encourage and promote this regulation. Mr. Tatman explained the differences in the proposed FDA regulation and reviewed the details as outlined in the FDA White Paper. Ms. Whalen stated that she was curious as to how the members of the association would react to FDA regulation of tobacco, and would certainly address this issue with the board members. Ms. Whalen expressed concern about whether Philip Morris could control what was in an actual bill. Ms. Whalen pointed out that the association members would be really concerned if any restrictions were placed on store displays.

Ms. Whalen stated that she felt that the wholesalers would not support behind the counter displays. Ms. Whalen stated that she would have to see the actual bill before she could agree to help support FDA regulation of tobacco.

2081294986

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/17/2001                      **State Coordinator:** Jack Brennan  
**State:** Massachusetts                      **Regional Coordinator:** Brendan Kennedy  
**Issue(s) :** FDA Education Campaign  
**Attendance:** Associated Industries of Massachusetts

**Summary:** Dan O'Brien, Massachusetts State Coordinator met with Executive Vice President, Government Affairs Robert Ruddock of the Associated Industries of Massachusetts (AIM) to provide an overview of the Philip Morris proposal on FDA regulation of cigarettes.

There was also discussion on why Philip Morris wants to have regulations enacted and a review of the FDA White Paper.

AIM is interested in receiving more information on this matter as it develops and indicated that they would be willing to assist us in our efforts.

2081294987

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/17/2001                      *State Coordinator:* Jack Brennan  
*State:* Massachusetts                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* Retailers Association of Massachusetts

*Summary:* Dan O'Brien, Massachusetts State Coordinator met with Jon Hurst, President of the Retailers Association of Massachusetts and presented the outline of the proposed FDA regulations.

The Retailers Association of Massachusetts has a lot of members that sell tobacco products and they are very interested in this issue. The Retailers Association of Massachusetts wanted to know why regulations were necessary. There was discussion of general cigarette and tobacco issues that the Retailers get involved in.

They are interested in receiving more information on this matter and would be willing to get involved as the issue moves forward.

2081294988

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/02/2001                      **State Coordinator:** Jim Simpson

**State:** Maryland                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Maryland Retailers Association

**Summary:** Jim Simpson, Maryland State Coordinator met with Jeff Zellmer and Tom Saquella, President, of the Maryland Retailers Association. The subject matter was the FDA White Paper on FDA regulation of the tobacco industry. The Maryland Retailers Association is broad based in that it represents retailers such as Hecht's, Macy's, and Wal-Mart, but the association also represents the major grocery chains, convenience stores, suppliers, independent grocers as well as chain drug stores on retail issues.

After discussion about the FDA White Paper and the Philip Morris position regarding FDA regulation, Mr. Saquella voiced concern about the positions of the other tobacco companies on the FDA issue. Mr. Saquella's concern arises from the fact that the members of the Maryland Retailers Association and the association itself has relationships with the other manufacturers.

After a brief review of the FDA White Paper, Mr. Saquella and Mr. Zellmer agreed to review the FDA White Paper thoroughly, as well as the side by side comparison of the current legislation. Mr. Saquella and Mr. Zellmer both agreed that now is probably the right time to pursue this legislation.

Mid-Atlantic Food Dealers Association, which is a sub-group of Maryland Retailers, is having a board meeting in early June. Mr. Saquella stated that the issue will be placed on the agenda to determine if the board would like to be briefed on the subject. At this point in time, further discussions with the Maryland Retailers Association will need to happen before any position will be taken.

2081294989

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001 *State Coordinator:* Jim Simpson

*State:* Maryland *Regional Coordinator:* Jim Murtha

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*Issue(s):* FDA Education Campaign

*Attendance:* 7-Eleven Inc.

*Summary:* Jim Simpson, Maryland State Coordinator met with Ellen Valentino who represents 7-Eleven Inc. in Maryland. Ms. Valentino questioned the reasoning of Philip Morris in advocating FDA regulation. When the concepts of stability, certainty, and uniformity were explained, Ms. Valentino stated that it made sense that a company would want to know what kind of future awaited them.

Ms. Valentino stated that in her opinion, 7-Eleven Inc. could support a uniform 18-year-old purchasing law, but asked to what extent Philip Morris would pursue retail licensing and revocation of business licenses upon a selling violation. Ms. Valentino also expressed concern that the retailers had been left out in the MSA negotiations and was appreciative of the outreach that is being conducted regarding the FDA issue. Any provisions in any FDA legislation that would link under age sales penalties to revocation of basic business permits would certainly be strongly opposed by 7-Eleven Inc.

2081294990

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001                      **State Coordinator:** Jim Simpson

**State:** Maryland                      **Regional Coordinator:** Jim Murtha

**Issue(s) :** FDA Education Campaign

**Attendance:** Mid-Atlantic Petroleum Dealers Association

**Summary:** Jim Simpson, Maryland State Coordinator met with Pete Horrigan of the Mid-Atlantic Petroleum Dealers Association (MAPDA) regarding the FDA regulation legislation. The Philip Morris FDA White Paper was presented and discussed. Mr. Horrigan expressed that the current tactic by Philip Morris of having proactive strategies and playing offense was a good thing.

After the FDA White Paper was discussed, Mr. Horrigan stated that MAPDA was supportive of a uniform 18-year-old purchasing age. Additionally, it was Mr. Horrigan's sentiment that MAPDA would likely assist in passage of FDA legislation, as long as the legislation did not contain provisions for a federal licensing scheme and setting up federal sting operations and penalties. Mr. Horrigan also asked that if the legislative effort were enjoined, MAPDA would look to Philip Morris for direction.

2081294991

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 04/30/2001 *State Coordinator:* C. Wayne Mitchell

*State:* Maine *Regional Coordinator:* Brendan Kennedy

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*Issue(s):* FDA Education Campaign

*Attendance:* Maine Oil Dealers Association

*Summary:* Wayne Mitchell, Maine State Coordinator met with Eugene Guilford, President and Chief Executive Officer for the Maine Oil Dealers Association. The Maine Oil Dealers Association represents hundreds of companies in Maine that operate fuel oil distributorships and convenience stores.

Mr. Mitchell shared our position regarding FDA and covered the key points of the FDA White Paper with Mr. Guilford. He had several questions about our change in position regarding this issue.

Mr. Guilford indicated that he is supportive of our clients position and will work with us to help achieve our goals.

2081294992

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/02/2001                      **State Coordinator:** C. Wayne Mitchell  
**State:** Maine                              **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** Maine Restaurant Association

**Summary:** Wayne Mitchell, Maine State Coordinator met with Richard Grotton, Executive Vice President of the Maine Restaurant Association on May 2. Mr. Mitchell provided Mr. Grotton with an overview of the FDA White Paper and responded to his questions. Mr. Grotton indicated support for our efforts and said that he will await instructions from us on a role for his association to play.

2081294993



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/07/2001                      **State Coordinator:** C. Wayne Mitchell

**State:** Maine                              **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** Maine Tourism Association

**Summary:** Wayne Mitchell, Maine State Coordinator briefed Vaughn Stinson, Executive Director of the Maine Tourism Association about Philip Morris's position regarding FDA regulation.

Mr. Stinson asked if the industry had ever been regulated in the past and what motivated this change in position. Mr. Mitchell reviewed the key points of the FDA White Paper with him and responded to his questions.

Mr. Stinson indicated he understood that this could help provide stability in the future for the industry. Mr. Mitchell sensed that Mr. Stinson is interested in this issue and would be willing to assist where appropriate.

2081294994

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Gary Reed

**State:** Michigan                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Michigan Retailers Association

**Summary:** Gary Reed, Michigan State Coordinator met with Eric Rule, Director of Governmental Relations for the Michigan Retailers Association on Wednesday, May 9, 2001. Gary Reed stated that Philip Morris is pursuing sensible FDA regulations on the manufacturing of tobacco products and wanted to inform the Michigan Retailers on the issue. Mr. Rule's initial response was that of concern of the other tobacco manufacturers. Mr. Rule stated that the other tobacco manufacturers are concerned that Philip Morris is attempting to solidify their market share by imposing the new FDA regulations. However, Mr. Rule recognized Philip Morris as an industry leader in Governmental Affairs and was pleased that we discussed Philip Morris' proposal.

Mr. Rule stated that the Michigan Retailers Association has not taken a position on the issue and would review the FDA White Paper and looks forward to discussing the issue at our next summit meeting.

2081294995

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/10/2001                      *State Coordinator:* Gary Reed  
*State:* Michigan                      *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* Convenience Store Association of Michigan

*Summary:* Gary Reed, Michigan State Coordinator met with Steve Scofes, Executive Director of the Convenience Stores Association of Michigan on May 10, 2001, to discuss FDA regulation. Gary Reed indicated that the regulations that Philip Morris was attempting to have implemented were needed to create a business atmosphere that would have certainty, stability, and uniformity. He also stated that the FDA regulations that Philip Morris is pursuing are intended to regulate the manufacturing of tobacco products.

Mr. Scofes was very concerned on a number of points that are outlined in the FDA White Paper. Mr. Scofes stated "New regulations often equal more violations for our members which translates into less dollars in their pockets." Mr. Scofes was concerned that by requesting FDA regulations would go farther than just the manufacturing of tobacco products.

Mr. Scofes is pleased that we discussed the issue in a proactive manner and stated that the association has not taken a position, and looks forward to working with Philip Morris on the FDA issue.

2081294996

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/10/2001                      **State Coordinator:** Gary Reed

**State:** Michigan                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Michigan Truck Stop Operators Association

**Summary:** Gary Reed, Michigan State Coordinator met with Jim Ryan, Executive Director of the Michigan Truck Stop Operators on May 10, 2001, to discuss the FDA regulation proposal. Mr. Reed reviewed the FDA White Paper with Mr. Ryan and pointed out that many of the regulations that Philip Morris is pursuing will create a business climate that has stability, certainty, and uniformity.

Mr. Ryan expressed his concerns of additional regulations on his members' businesses. He believes that any more regulations on retail establishments would create "a higher cost of doing business." Mr. Ryan stated that any additional regulations on signage and counter space restrictions would hurt the sale of tobacco products. Mr. Reed pointed out that neither of these issues are in Philip Morris' FDA White Paper. He encouraged the Truck Stop Operators of Michigan to become engaged on the issue so that their concerns can be heard as the issue moves through Congress.

Mr. Reed thanked the association for their continued involvement and asked that they review the Philip Morris FDA White Paper in detail and continue discussions on the issue. Jim Ryan indicated that the Truck Stop Operators of Michigan can not take a position on the FDA issue at this time.

2081294997

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/08/2001                      **State Coordinator:** Todd Hill  
**State:** Minnesota                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Citizens Against Government Waste, Minnesota

**Summary:** Todd Hill, Minnesota State Coordinator met with Jean Hayes, the Minnesota State Chair of Citizens Against Government Waste on May 8, 2001 to discuss FDA regulation. The Minnesota Chapter of Citizens Against Government Waste has over 20,000 members. Todd Hill pointed out that one reason Philip Morris is supporting FDA regulation is to eliminate the state-by-state approach to regulation. Jean Hayes felt this reason alone should encourage her organization to be supportive of our efforts.

Jean Hayes had not heard from her organization's national leadership on the issue, but volunteered to present the FDA White Paper to the national organization and review with the organization the reasons we are pushing for FDA regulation.

Jean Hayes volunteered to help support our efforts in anyway possible. Jean Hayes is willing to send letters to members of Congress on our behalf and would be willing to solicit additional support from her Minnesota membership.

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# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Todd Hill

**State:** Minnesota                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Minnesota Retailers Association

**Summary:** Todd Hill, Minnesota State Coordinator met with Matt Lemke, Director of Government Affairs for the Minnesota Retailers Association on May 10, 2001, to discuss the Philip Morris FDA regulation proposal. Todd Hill reviewed the FDA White Paper and highlighted the areas of focus regarding FDA regulation.

At this time, Mr. Lemke has not discussed this issue with the National Retail Federation. Following the completion of the Minnesota Legislature on May 21, Mr. Lemke will further research the position and possible concerns of his retail membership. The association has not heard from any opponents to this issue or other tobacco companies who are also members of his association.

The Minnesota Retailers Association has not taken a formal position regarding FDA regulation. Further education will be necessary as we move forward on the issue.

2081294999

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/01/2001 *State Coordinator:* Ron O'Connor

*State:* Missouri *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Missouri Chamber of Commerce

*Summary:* Ron O'Connor, Missouri State Coordinator met with Mr. Kelly Gillespie, Vice President of the Missouri Chamber of Commerce, on May 1, 2001, and discussed the Philip Morris proposal for FDA regulation.

Mr. Gillespie understood the need for "stability, certainty, and uniformity" but voiced one concern. "Wouldn't such regulation be a step down the slippery slope?" Ron O'Connor stressed to Kelly Gillespie that FDA regulation is coming sooner or later and that business groups must make their voices heard now in order to assure that their concerns and positions are considered.

Kelly Gillespie said he had not been contacted by anyone else about this issue. He asked if the other major tobacco companies concur with the Philip Morris position and Ron O'Connor said that neither of the other major domestic companies have yet supported the Philip Morris position, but that there are continuing talks about the issue.

The Missouri Chamber of Commerce has not taken a position on FDA regulation and will require additional information and dialogue.

2081295000

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/01/2001 *State Coordinator:* Ron O'Connor

*State:* Missouri *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Missouri Retailers Association

*Summary:* Ron O'Connor, Missouri State Coordinator met with Dave Overfelt, Executive Director of the Missouri Retailers Association, on May 1 and discussed the Philip Morris proposal for FDA regulation.

Mr. Overfelt understood and agreed with the need for "stability, certainty, and uniformity" but voiced two prime concerns. "If the national retailers or grocers groups or the FMI or the NACS groups come out against FDA regulation, there's no way we can support it. What are their positions?" he asked. Ron O'Connor assured Dave Overfelt that we will keep him apprised of the positions of the national organizations. Second, "How can we be assured that this won't be a step toward retail licensure?" he asked. Ron O'Connor stressed that FDA regulation is coming sooner or later and that business groups must make their voices heard now to assure that their concerns and positions and recommendations are factored into the federal process.

The Missouri Retailers Association has not taken a position on FDA regulation and will require additional dialogue.

2081295001



# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/02/2001 *State Coordinator:* Ron O'Connor

*State:* Missouri *Regional Coordinator:* Jay Morgan

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*Issue(s):* FDA Education Campaign

*Attendance:* Mid-America Grocers Association

*Summary:* Ron O'Connor, Missouri State Coordinator met with Mid-America Grocers Association Executive Dan Shaul. Mr. Shaul believes his board of directors most likely will not tell him to oppose Philip Morris' efforts to support FDA regulation of tobacco, but he is uncertain if the board would agree to actively and fully support such regulation at this time.

"My board members might tell me not to go out of my way to be visible on this issue, but I don't see any reason that they'll tell me to be neutral or not to support it. If FDA regulation is coming, and it's only a matter of time, the grocers and convenience stores we represent must be involved in the discussions," Mr. Shaul said.

Without being prompted, Mr. Shaul indicated that he likely would be willing to offer his support on this issue if and when we approach elected federal officials.

2081295002

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001                      *State Coordinator:* Dax Swatek  
*State:* Mississippi                      *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Mississippi Wholesale Distributors Association  
Mississippi Grocers Association

*Summary:* Dax Swatek, Mississippi State Coordinator met with Margaret Conner, Education Director of the Mississippi Wholesale Distributors Association and Mississippi Grocers Association. The purpose of the meeting was to determine what kind of reaction the wholesalers would have to the proposed FDA regulations supported by Philip Morris.

Ms. Conner also expressed the immediate reaction that this legislation might have an effect on the retail industry through additional marketing restrictions. She said that that will be one of the biggest points of contention amongst the retailers.

In addition to her concerns on specific issues, Ms. Conner expressed some question as to how supportive her members would be if RJR was not in favor of the legislation. Mr. Swatek explained that as of right now they are not part of the effort to push forward on this specific summary of issues, but that they had indicated a support for "reasonable regulations" in some news accounts. Mr. Swatek then offered her a copy of the April 11, 2001, WSJ article where they did say that they support "reasonable regulations."

Mrs. Conner said that she had passed around the "white paper" to her "legislative review panel" and that they were taking a look at it over the next seven days. One week from this meeting, the wholesalers are having their quarterly board meeting and would discuss the white paper at that time. She invite Mr. Swatek to attend that meeting and discuss the FDA issue with the entire board.

2081295003

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001                      **State Coordinator:** Steve Browning

**State:** Montana                              **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** Montana Taxpayers Association

**Summary:** Steve Browning, Montana State Coordinator met by phone with Mary Whittinghill, President of the Montana Taxpayers Association on May 9, 2001, to discuss the Philip Morris FDA regulation proposal.

Ms. Whittinghill said that she was grateful for the opportunity to learn more about Philip Morris' willingness to be regulated by FDA. Ms. Whittinghill said that she has been watching closely how the tobacco settlement monies have been used in Montana, and she believes that there has been progress made on the prevention of youth smoking, or at least greater public awareness of that issue. Ms. Whittinghill was most interested in learning what the cost of the proposed FDA regulation might be and who would be expected to pay for that cost. Ms. Whittinghill said that she assumes that the proposal supported by Philip Morris could cause new and expensive "layers of federal bureaucracy" and she wondered whether the public would be taxed for that.

It did not appear to Mr. Browning that the Montana Taxpayers Association has any formal position on the subject of FDA regulation of tobacco.

2081295004

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Steve Browning

**State:** Montana                      **Regional Coordinator:** Fred Karger

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**Issue(s):** FDA Education Campaign

**Attendance:** Montana Innkeepers Association

**Summary:** Steve Browning, Montana State Coordinator met by phone with Stuart Doggett, Executive Director of the Montana Innkeepers Association on May 9, 2001, to discuss the Philip Morris FDA regulation proposal.

Mr. Doggett's initial response to the briefing was that it was a "pre-emptive strike" by Philip Morris and is a "gutsy move." Mr. Doggett agreed that there has been much accomplished by the MSA on youth smoking prevention.

Mr. Doggett asked about the status of the fire safe cigarette legislation that had been the subject of a recent meeting in Montana, and Mr. Browning indicated that there had been no further action. Mr. Doggett also indicated that he had been involved recently in a local effort by businesses to oppose a smoking ban that had been proposed by the City of Helena.

2081295005

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/15/2001                      *State Coordinator:* Steve Browning  
*State:* Montana                              *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Montana Veterans of Foreign Wars

*Summary:* Steve Browning, Montana State Coordinator met with the Department of Montana Veterans of Foreign Wars Adjutant/Quartermaster Larry Longfellow. Mr. Longfellow is taking the position to support FDA regulation of tobacco, but is uncertain on the position of the National Veterans of Foreign Wars. Mr. Longfellow is making contacts to gain more understanding of the National VFW position.

Following an initial discussion about Philip Morris' position of FDA regulation, Mr. Longfellow encouraged Philip Morris to continue to negotiate for fair regulation of cigarettes and that cigarettes are a unique consumer product. As such, he supports regulation as a cigarette and not as a food or a medical device, and offered assistance on this issue if and when we approach elected federal officials.

2081295006

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/07/2001                      **State Coordinator:** Mike Davis  
**State:** North Carolina                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Tobacco Growers Association of North Carolina

**Summary:** Mike Davis, North Carolina State Coordinator met with Graham Boyd, Executive Director, and Jimmy Hill, member of the board of the Tobacco Growers Association of North Carolina, on May 7 in Raleigh to discuss FDA regulation in the 107th Congress.

Both Mr. Boyd and Mr. Hill were familiar with the FDA White Paper. Mr. Boyd had had numerous discussions with Philip Morris people about the company's position on FDA regulations.

Tobacco growers in this state are apprehensive about the unknowns of opening the FDA regulation issue. "We're concerned," said Boyd, "if the FDA is in, can they run all the way to the farm." Mr. Boyd and Mr. Hill also said that tobacco growers, "would reserve the right to discuss this further until we see how Philip Morris responds to other issues such as the quota buyout proposal from the Presidential Commission."

Both Mr. Boyd and Mr. Hill were less subtle than the N.C. Farm Bureau in making it clear that any grower support of FDA regulation of tobacco products would be contingent upon Philip Morris's support, "or at least neutrality," on the buyout proposal and the excise tax increase that would be used to pay for it.

"We will be looking for Philip Morris to have an open mind on the Presidential Commission report, and in turn," said Mr. Boyd, "we will have an open mind on the issue of the FDA."

2081295007

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/07/2001 *State Coordinator:* Mike Davis

*State:* North Carolina *Regional Coordinator:* Jim Murtha

*Issue(s) :* FDA Education Campaign

*Attendance:* North Carolina Farm Bureau

*Summary:* Mike Davis, North Carolina State Coordinator met with Larry Wooten, Peter Daniel, and Fred Fox of the North Carolina Farm Bureau at the Farm Bureau offices in Raleigh on May 7, 2001, to discuss FDA regulation in the 107th Congress. Mr. Wooten and Mr. Daniel had met the previous Monday in Raleigh with Greg Scott and several other Philip Morris people and had discussed the FDA regulation issue at that time.

The farm bureau is particularly concerned about how the Philip Morris initiative on FDA regulation fits in with the Presidential Commission's report that will be unveiled May 14th. There is great concern that the tobacco companies will be leveraged to support on the proposed quota buyout, and the additional 17 cents per pack excise tax, in order to get growers' support for some FDA regulation.

The farm bureau is very wary of any effort to have FDA regulation on tobacco or tobacco products. They are also concerned that "there is no consensus within the industry. Tell Philip Morris not to kill the tobacco leadership in the cross fire," Mr. Wooten told Mr. Davis. It is also clear that the farm bureau is still upset that farmers were not "at the table" when decisions on the MSA were made that affected farmers, and don't want that to happen on the FDA negotiations.

The North Carolina Farm Bureau has not taken an official position on FDA regulation and will be open to hear more from Philip Morris on the topic, but at this point is not likely to be supportive. It is important to note that this position could change substantially in the next few weeks after the Presidential Commission report is out and growers increasingly push for the quota buyout.

2081295008

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/27/2001                      **State Coordinator:** Bob Hanson

**State:** North Dakota                      **Regional Coordinator:** Phil Craig

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**Issue(s):** FDA Education Campaign

**Attendance:** North Dakota Council of Clubs

**Summary:** Bob Hanson, North Dakota State Coordinator met with the North Dakota Council of Clubs Secretary Treasurer Vicki Wagner the afternoon of Friday, April 27, 2001, to review Philip Morris' position relative to FDA.

The Council of Clubs represents the American Legion, AMVETS, Veterans of Foreign Wars, Eagles, Elks, Moose and numerous other fraternal and charitable organizations who have clubs in the state.

Mr. Hanson presented Ms. Wagner with a copy of the March 22, 2001, FDA White Paper. Ms. Wagner indicated that she had no concerns at this time. She felt Philip Morris' approach was reasonable. She also invited Mr. Hanson to make this presentation to the local, Bismarck-Mandan Council of Clubs on Monday evening, April 30, 2001. Mr. Hanson accepted the invitation.

2081295009



# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/30/2001                      *State Coordinator:* Bob Hanson  
*State:* North Dakota                      *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* North Dakota Retail Association  
North Dakota Petroleum Marketers Association  
North Dakota Association of Convenience Stores  
North Dakota Association of Chain Drugstores  
North Dakota Truck Stop Operators

*Summary:* Bob Hanson, North Dakota State Coordinator met with Mr. Russ Hanson, Executive Director of the North Dakota Retailers Association and North Dakota Petroleum Marketers Association. His members also include the North Dakota Convenience Stores, North Dakota Truck Stop Operators, and Chain Drugstores in North Dakota.

Bob Hanson briefed him on the FDA issue by both providing him with a copy of the FDA White Paper and a briefing.

Mr. Russ Hanson asked where the members of the tobacco industry were on this issue, specifically RJR. He indicated that he was concerned about RJR not being on board and did not know how that would affect his groups.

Mr. Russ Hanson did say he thought Philip Morris was doing the right thing by being proactive, rather than reactive. He thought the entire program proposed by Philip Morris was responsible and made sense, especially the part about a separate section in the law to deal with tobacco, cigarettes, nicotine, and not making cigarettes medical devices.

Mr. Russ Hanson did relay that the National Association of Convenience Stores has not said anything to him or his organization about this issue.

2081295010

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 04/30/2001                      *State Coordinator:* Bob Hanson  
*State:* North Dakota                      *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* North Dakota Hospitality Association

*Summary:* Bob Hanson, North Dakota State Coordinator had a meeting with Ms. Patty Lewis, the new Executive Director of the North Dakota Hospitality Association on Monday afternoon, April 30, 2001. Her members include the state North Dakota Restaurant Association, the North Dakota Hotel and Motel Association, the alcohol beverage package store owners, the alcohol beverage bar and tavern owners and other members of the state's hospitality industry.

Ms. Lewis has been in her position for only about two weeks, yet she took time to meet with Mr. Hanson regarding the FDA issue. In addition to providing her with a presentation on Philip Morris USA's FDA position, Mr. Hanson also gave her a copy of the FDA White Paper to review.

While new to the job and not committing herself to any position on the issue, Ms. Lewis seemed to grasp the facts at hand. She asked about positions of other companies and expressed concerns about not having them on board. Mr. Hanson told her Philip Morris had met with them and will continue to try and get them on board.

Ms. Lewis expressed concern about trying to legislatively deal with this issue now. She said she felt putting it in law would make it harder to change, if so needed, in the future.

She agreed to take a more in depth look at the FDA issue a little later. She did say she would like to be kept up to date on any developments with the FDA issue.

2081295011

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/30/2001                      *State Coordinator:* Bob Hanson

*State:* North Dakota                      *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* North Dakota Grocers Association

*Summary:* Bob Hanson, North Dakota State Coordinator met with Mr. Tom Woodmansee, President of the North Dakota Grocers Association on Monday, April 30, 2001.

Mr. Hanson briefed Mr. Woodmansee on Philip Morris' position on FDA regulation and gave him a copy of the FDA White Paper.

Mr. Woodmansee was positive about what Philip Morris is doing regarding this issue. However, he asked where the other tobacco companies were on the issue, especially RJR. Mr. Hanson told him Philip Morris had met with the other companies, including RJR, but none had agreed to join us at this time.

Mr. Woodmansee said he saw no reason why the state grocers association would not support our efforts, with the exception that not having other tobacco companies on board could cause problems.

2081295012

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/01/2001                      **State Coordinator:** Bob Hanson  
**State:** North Dakota                      **Regional Coordinator:** Phil Craig

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**Issue(s):** FDA Education Campaign

**Attendance:** North Dakota Bowling Proprietors Association

**Summary:** Bob Hanson, North Dakota State Coordinator met with Mr. Jim Mellon, member of the Board of Directors of the North Dakota Bowling Proprietors Association, Tuesday, May 1, 2001.

Mr. Hanson gave Mr. Mellon a copy of the FDA White Paper and briefed him on Philip Morris' approach to FDA regulation of tobacco.

Mr. Mellon was very receptive to what Philip Morris is doing. He said he was "amazed" that Philip Morris would not "duck" or "slide around" issues such as this, but instead was "proactive" and met the issues "head on" in a "positive" manner. He asked about where the other tobacco companies were on the issue. Mr. Hanson told him Philip Morris, USA has met with them, but as of now none are on board, but Philip Morris, USA is still trying to work with them. He volunteered that he thought the reason why they were not on board was they didn't want the industry leader to get credit for doing this.

While Mr. Hanson told him Philip Morris, at this time, only wanted to share their position with him and his organization, he seemed to be extremely favorable towards Philip Morris, but wanted to review the FDA White Paper more in-depth. Mr. Hanson believes this organization will be a strong advocate.

2081295013

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/07/2001 *State Coordinator:* Bob Hanson

*State:* North Dakota *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* National Federation of Business, North Dakota

*Summary:* Bob Hanson, North Dakota State Coordinator met with Bill Butcher, State Director of the North Dakota National Federation of Independent Business, Monday, May 5, 2001.

Mr. Hanson presented Mr. Butcher with a copy of the FDA White Paper and also gave him a briefing on the issue.

Mr. Butcher was extremely supportive of Philip Morris's position. He stated he agreed with Philip Morris' position of being proactive, of wanting continuity, stability, and uniformity. He asked about other tobacco companies support and could not understand why they were not supportive of Philip Morris's efforts on this issue.

Mr. Butcher also indicated he did not think the national NFIB would take a stand on this issue. However, he did want to help us as much as he could in North Dakota. He said his state organization could not take a stand on an issue unless it was voted on by his members.

Therefore, he offered to ask his board if he could put a question on this issue in their next statewide questionnaire.

2081295014

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Bob Hanson  
**State:** North Dakota                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** North Dakota Tobacco Wholesalers Association

**Summary:** Bob Hanson, North Dakota State Coordinator met with Mr. John Job, manager of AMCON, Inc., a tobacco and other merchandise wholesaler and de facto leader of the North Dakota Tobacco Wholesalers Association.

Mr. Hanson gave Mr. Job a copy of the FDA White Paper and also discussed Philip Morris' position on the issue with him.

Mr. Job expressed concern about why this is being done at all. After explaining Philip Morris' reasons, he then responded that it made sense to go forward to get as close to what we want, rather than to have someone else give us what we do not want.

Mr. Job was concerned about foreign cigarettes coming into the country without having to meet the same standards as American made cigarettes. He related a situation where a foreign individual had set up shop in Texas, imported cheap cigarettes into Texas, repackaged them and then sold them over the Internet for substantially less than American brand cigarettes. Mr. Hanson asked him if he would check into whether or not the foreign cigarettes would have to meet the same standards as American cigarettes under PM's proposal.

Overall, Mr. Job was supportive of the proposal, but wanted some time to review it in more depth. Mr. Job suggested that Mr. Hanson meet with the other tobacco wholesalers individually on this issue as he is not comfortable speaking for the others on this issue.

2081295015

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/01/2001                      **State Coordinator:** Philip Young  
**State:** Nebraska                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Nebraska Farm Bureau

**Summary:** Phil Young, Nebraska State Coordinator met with Rob Robertson, V.P. for Government Affairs for Nebraska Farm Bureau, to present FDA Stakeholder slide presentation. Mr. Robertson was very favorable to our arguments and saw many similarities between this issue and what his industry is facing with genetically modified foods and other food-related issues.

Mr. Robertson said he would like for me to do the same presentation to the farm bureau's policy committee. He said tobacco was not "at the top of our legislative list," but that they could get involved because of the "crossover nature" of the issue.

2081295016

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/07/2001                      *State Coordinator:* Philip Young  
*State:* Nebraska                      *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Nebraska Grain and Feed Dealers

*Summary:* Phil Young, Nebraska State Coordinator met with Pat Ptacek, Executive Director of the Nebraska Grain and Feed Dealers, to present FDA Stakeholder presentation. Mr. Ptacek was the former Deputy Director of the State Agriculture Department when now Senator Ben Nelson was governor, and he was the agriculture legislative assistant in Washington for Congressman Doug Bereuter.

Mr. Ptacek was very favorable to Philip Morris' arguments, and understood the political implications. Similar to the farm bureau, Mr. Ptacek saw many similarities between this issue and what his industry is facing with genetically modified feeds. Mr. Ptacek said he would be willing to write a letter when called upon on behalf of his organization.

2081295017



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/10/2001                      *State Coordinator:* Philip Young  
*State:* Nebraska                      *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Nebraska Restaurant Association

*Summary:* Phil Young, Nebraska State Coordinator met with Richard Lutz, Executive Director for the Nebraska Restaurant Association, to present the FDA Stakeholder presentation.

Mr. Lutz felt that if the tobacco companies could get some kind of regulation, it would be beneficial to not only the tobacco industry, but also the restaurant industry. He thinks FDA regulation would remove some of the public pressure for more smoking bans and other regulation, and that the public would support it. Mr. Lutz also thought Philip Morris' goals and reasons for supporting FDA regulation were very well thought-out and very reasonable. Mr. Lutz said he would bring this issue up at his June board meeting, and if the board wanted more information, would invite Phil Young to the July meeting to make the same presentation.

2081295018

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/10/2001                      **State Coordinator:** Philip Young  
**State:** Nebraska                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Nebraska State Chamber of Commerce

**Summary:** Phil Young, Nebraska State Coordinator met with Don Mihovk, V.P. Public Affairs for the Nebraska State Chamber of Commerce, to present FDA Stakeholder presentation.

Mr. Mihovk said that it was not normally a chamber of commerce position to support increased government regulation, but he understood the unique circumstances of Philip Morris and they industry in this situation. He understood why they would want uniform federal legislation rather than 50 different state laws. Mr. Mihovk also understood the concerns over achieving stability and certainty for Philip Morris' business and products. He also said the Chamber would be willing to write letters to Nebraska's federal delegation at the appropriate time.

2081295019

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/14/2001                      *State Coordinator:* Philip Young  
*State:* Nebraska                      *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Nebraska Grocery Industry Association

*Summary:* Phil Young, Nebraska State Coordinator met with Kathy Siefken, Executive Director and state lobbyist for the Nebraska Grocery Association, to present Philip Morris' FDA Stakeholder slide presentation. Ms. Siefken listened to the presentation and reviewed Philip Morris' FDA White Paper and had several questions.

Ms. Siefken said she was concerned about the self-service and clerk certification issues. She indicated her membership would be very opposed to those requirements if they were in proposed FDA legislation. Ms. Siefken said she had worked hard to oppose similar mandates at the state level with the help of Philip Morris' own state lobbyists.

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/14/2001                      **State Coordinator:** Philip Young  
**State:** Nebraska                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Nebraska Petroleum Marketers Association

**Summary:** Phil Young, Nebraska State Coordinator met with Tim Keigher, Executive Director for the Nebraska Petroleum Marketers Association, to present Philip Morris' FDA Stakeholder slide presentation.

Mr. Keigher had concerns about the self-service and clerk certification positions Philip Morris took in the FDA White Paper. Mr. Keigher said his members already felt like they "were the police" when it comes to enforcement of access laws, and his members "don't want to be the police any more than we are now."

2081295021

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/14/2001                      **State Coordinator:** Philip Young  
**State:** Nebraska                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Nebraska Retail Federation & Chain Drug Stores Association

**Summary:** Phil Young, Nebraska State Coordinator met with Carey Potter, Executive Director and state lobbyist for the Nebraska Retail Federation and the Nebraska Chain Drug Stores Association, to present Philip Morris' FDA Stakeholder slide presentation. Ms. Potter indicated she understood why the type of FDA regulation discussed in the presentation would be good for Philip Morris's business goals.

Ms. Potter expressed concerns about the self-service and clerk certification issues mentioned in Philip Morris' White Paper. Ms. Potter said she had opposed similar state legislation with the help of Philip Morris's state lobbyists, and that a state senator who opposes us on this issue could use Philip Morris' own words to support legislative mandates in these areas. Ms. Potter said that if Philip Morris supports FDA regulation with this type of mandatory provision on retailers, then she feels as if Philip Morris is "hanging us (retailers) out to dry."

2081295022

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/14/2001                      **State Coordinator:** Philip Young  
**State:** Nebraska                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** National Association of Manufacturers, Nebraska Chapter

**Summary:** Phil Young, Nebraska State Coordinator met with Barry Kennedy, President of the Nebraska Chapter of the National Association of Manufacturers, to present Philip Morris' FDA Stakeholder slide presentation. Mr. Kennedy indicated he understood Philip Morris' business reasons for wanting FDA regulation. He said it made sense to want one federal standard instead of several different state standards. Mr. Kennedy also agreed with our arguments regarding wanting more stability and certainty in our business.

Mr. Kennedy agreed to review the FDA White Paper and stay in touch on the issue.

2081295023

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/14/2001                      **State Coordinator:** Philip Young  
**State:** Nebraska                      **Regional Coordinator:** Weldon Denman

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**Issue(s):** FDA Education Campaign

**Attendance:** National Federation of Independent Business, Nebraska

**Summary:** Phil Young, Nebraska State Coordinator met with Bob Hallstrom, Executive Director for the Nebraska Chapter of the National Federation of Independent Business, to present Philip Morris' FDA Stakeholder slide presentation. Mr. Hallstrom said he was surprised at Philip Morris's new position on FDA regulation, but understood their reasons for supporting the kind of regulation discussed in the presentation.

Mr. Hallstrom agreed to review the FDA White Paper and get back in touch with Mr. Young.

2081295024

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/05/2001                      **State Coordinator:** Lauren Carney  
**State:** New Hampshire                      **Regional Coordinator:** Bendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Hampshire National Federation of Independent Businesses

**Summary:** Ms. Carney, New Hampshire State Coordinator met with Norman L'Italien, a member of the New Hampshire National Federation Of Independent Businesses, to discuss FDA regulation.

Mr. L'Italien indicated that he understood and appreciated the position of Philip Morris in the marketplace and the stability, certainty, and uniformity sought. His overall position regarding smoking was that individuals should be responsible for their own actions.

M. L'Italien hoped Philip Morris would be successful in their effort of FDA regulation. However, he did not want to become involved at this point. In conclusion, he was receptive to the Philip Morris position and would not oppose such legislation. Mr. L'Italien was also willing to be updated regarding future FDA activities.

2081295025



# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/30/2001                      *State Coordinator:* Lauren Carney  
*State:* New Hampshire                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s):* FDA Education Campaign

*Attendance:* New Hampshire Retail Grocers Association

*Summary:* Ms. Carney, New Hampshire State Coordinator conducted a stakeholder educational meeting with John Dumais, President of the New Hampshire Retail Grocers Association (NHRGA).

Mr. Dumais understood and appreciated the position Philip Morris is taking regarding the FDA and Tobacco. He appreciates the current conditions within the Congress and Administration.

His concerns were with licensure and enforcement. Currently in New Hampshire, all tobacco sales are regulated through the New Hampshire Liquor Commission. In light of some enforcement practices by the state and local officials, the NHRGA is leery of what regulations and procedures are set into place. Heavy fines, suspension of licenses and possible jail sentencing for storeowners as the result of "sting operations" has created a heated debate between business owners and the New Hampshire Liquor Commission. Thus, Mr. Dumais would like to see uniform enforcements and penalties across state lines. He is hoping that there would be a vehicle in the legislation that would preempt state and local licensing and enforcement regulations and rules.

Mr. Dumais wanted Philip Morris to remember past positions retailers took, and not to dictate to retailers their role in selling cigarettes. Thus he appreciated the fact that Philip Morris was not currently taking a position regarding licensing and enforcement.

Mr. Dumais said he would share this information with others in his organization, plus speak with the national organizations.

2081295026

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/01/2001                      **State Coordinator:** Lauren Carney  
**State:** New Hampshire                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Hampshire Retail Merchants Association

**Summary:** Ms. Carney, New Hampshire State Coordinator conducted a stakeholder educational meeting with Ms. Nancy Kyle, Executive Director of the New Hampshire Retail Merchants Association (NHRMA). NHRMA has never been very supportive of our ally activities.

Ms. Carney gave a brief history of the Philip Morris, the MSA, and FDA. Ms. Kyle thought that the position Philip Morris was taking was reasonable and prudent. She did not have great deal of personal knowledge of licensure and enforcement problems her members have had in the past. Ms. Kyle showed concern as to what her larger members such as Hannaford and Wal-Mart might think of this legislation.

Ms. Kyle appreciated being kept informed on this issue and wants to be more actively included in the future.

2081295027

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001 *State Coordinator:* Brendan Kennedy

*State:* New Hampshire *Regional Coordinator:* Lauren Carney

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Hampshire Homeowners

*Summary:* Ms. Carney, New Hampshire State Coordinator conducted an FDA educational meeting with Dick Strome, President of the New Hampshire Homeowners/Main Street Alliance (NHH/MSA).

Mr. Strome was not involved in past FDA issues with Philip Morris. Ms. Carney discussed the history of FDA and the tobacco industry along with some aspects of the MSA. The belief that it is no longer a question of if there will be FDA regulation over tobacco products, but rather when there will be FDA regulation over tobacco products, was discussed extensively.

Mr. Strome understood the importance of stability, certainty, and uniformity in the business. He wanted to know what Philip Morris wanted the NHH/MSA to do. He was sure that if asked he would be able to convince the board members to take action.

2081295028

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/14/2001                      **State Coordinator:** Lauren Carney  
**State:** New Hampshire                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s):** FDA Education Campaign

**Attendance:** New Hampshire Lodging and Restaurant Association

**Summary:** Ms. Carney, New Hampshire State Coordinator conducted an FDA educational discussion with Paul Hartgen, Executive Director of the New Hampshire Lodging and Restaurant Association.

Mr. Hartgen appreciated the position Philip Morris is taking. He was unsure of what action his organization would take on the issue. NHLRA has a good relationship with Philip Morris. He would need more specific information such as a draft bill before he would be able to take it to his board of directors.

Mr. Hartgen did mention that he would be at an industry meeting later this week and would talk with some of the Philip Morris representatives at the meeting in Chicago.

2081295029

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/07/2001                      **State Coordinator:** Christine Stearns  
**State:** New Jersey                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Jersey Licensed Beverage Association

**Summary:** Christine Stearns, New Jersey State Coordinator met with Bill Cleary, Executive Director of the New Jersey Licensed Beverage Association on May 7, 2001, as part of Philip Morris's FDA Outreach Campaign.

Mr. Cleary indicated that he had not heard anything specific about Philip Morris's position on FDA regulation, other than what had been reported in the media. Therefore, the briefing was helpful in bringing him up to speed on the issue.

The New Jersey Licensed Beverage Association has not taken any position on the issue, nor has the national association contacted them on this issue. Mr. Cleary did not expect that the NJLBA would take a position on FDA regulation, unless the federal legislation would require his membership to obtain an additional license in order to sell tobacco. New Jersey bars are currently required to obtain a variety of licenses, including one to sell tobacco.

2081295030

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Christine Stearns  
**State:** New Jersey                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Jersey Restaurant Association

**Summary:** Christine Stearns, New Jersey State Coordinator met with Debra Dowdell, Executive Vice President of the New Jersey Restaurant Association on May 9, 2001, as part of Philip Morris's FDA Outreach Campaign.

Ms. Dowdell indicated that the briefing was helpful in bringing her up to speed on the issue.

The New Jersey Restaurant Association has not taken any position on the issue, nor has the national association contacted them on this issue. Ms. Dowdell agreed to read the FDA White Paper and share it with the association's Government Affairs Committee at its next meeting.

She did not expect that the New Jersey Restaurant Association would be adverse to this concept, unless the federal legislation would require restaurant owners to obtain an additional license in order to sell tobacco or move the location where cigarettes are stored (i.e. out of view of the public).

2081295031

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/09/2001                      *State Coordinator:* Christine Stearns  
*State:* New Jersey                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Jersey Petroleum Council

*Summary:* Christine Stearns, New Jersey State Coordinator met with John Maxwell of the New Jersey Petroleum Council on May 9, 2001, to discuss FDA regulation.

Mr. Maxwell indicated that the New Jersey Petroleum Council generally takes its cue from their national office on federal legislative issues. To date he has not heard from his national and will look into their position on the issue.

He does not expect that the New Jersey Petroleum Council would take a active role on FDA regulation issue, since tobacco is generally not a top priority for his members.

2081295032

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001                      *State Coordinator:* Christine Stearns  
*State:* New Jersey                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Jersey State Chamber of Commerce

*Summary:* Christine Stearns, New Jersey State Coordinator met with Michael Egenton, Assistant Vice President of Government Affairs for the New Jersey State Chamber of Commerce on May 9, 2001, as part of Philip Morris's FDA Outreach Campaign.

Mr. Egenton had not heard about Philip Morris' position on FDA regulation. In fact he was surprised that they were supportive of FDA regulation. He said that it was the first time a business actually wanted to be regulated.

Mr. Egenton was very interested to know whether Philip Morris had approached the U.S. Chamber on this proposal and, if so, what the position of the U.S. Chamber will be.

Mr. Egenton would be hard pressed to take a position on a tobacco issue where the industry was not united. In that case, the New Jersey Chamber would probably just be neutral on the issue.

2081295033



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/18/2001                      **State Coordinator:** Christine Stearns  
**State:** New Jersey                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Jersey Business and Industry Association

**Summary:** Christine Stearns, New Jersey State Coordinator met with Bryan Markowitz, Vice President of the New Jersey Business and Industry Association on May 18, 2001, as part of Philip Morris's FDA Outreach Campaign.

Prior to the meeting, Mr. Markowitz was not aware of Philip Morris' position on FDA regulation. He indicated that he would read the FDA White Paper to learn more about the details, but that he was very supportive of the leadership position that Philip Morris was taking on the issue.

Mr. Markowitz indicated that Philip Morris was a long-time member of the New Jersey Business and Industry Association and that he would be happy to be helpful in any way, including writing letters or having meetings with the New Jersey Congressional delegation. Mr. Markowitz is interested in hearing more about the issue as it develops.

2081295034

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Doug Turner  
*State:* New Mexico                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* African American Economic Development Council

*Summary:* Mr. Doug Turner, New Mexico State Coordinator had a meeting with Mr. Gene Grant of the African American Economic Development Council and presented Philip Morris' FDA Stakeholder presentation and provided him a copy of the FDA White Paper.

Mr. Grant noted, "this is something that will be in the future and it is better to be prepared for it. FDA regulation is coming and African American business owners need to be a part of the discussion." Mr. Grant stated during the conversation that he would help approach federal elected officials when called, upon and would take the issue to his board for further discussion and get their official position.

2081295035

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Doug Turner  
*State:* New Mexico                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Mexico Home Builders Association

*Summary:* Mr. Doug Turner, New Mexico State Coordinator met with Mr. Max Wade, Home Builders Association Green Builder Committee Chair and presented Philip Morris' FDA Stakeholder presentation and provided him a copy of the FDA White Paper.

Mr. Wade noted, "you are inviting the government to make decisions about your business. As a homebuilder this is very risky because people who make regulations do not understand my business and it costs me money." Mr. Wade stated during the conversation that he understands and respects the company's decision to try and work with the FDA, but feels that the company will end up regretting this. He did agree to go back to the board and go over the information with them.

2081295036

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Doug Turner  
*State:* New Mexico                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Mexico Petroleum Marketers

*Summary:* Mr. Doug Turner, New Mexico State Coordinator had a meeting with Mr. Reuben Baca Executive Director of the New Mexico Petroleum Marketers and presented Philip Morris' FDA Stakeholder presentation and provided him the FDA White Paper.

Mr. Baca noted, "that Philip Morris has been very good to the association through the years and I will do what I can to help but I do not like the idea of federal regulation. I am not sold on the idea that this is the way to go because once you invite the government in you get more than you hoped for. The company needs to be prepared for that."

Mr. Baca stated during the conversation that he would like to know how other groups feel about this issue, and would take the issue to his board for further discussion and get their official position.

2081295037

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Doug Turner  
*State:* New Mexico                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* National Federation of Independent Business, New Mexico

*Summary:* Mr. Doug Turner, New Mexico State Coordinator met with Mr. Garth Simms, New Mexico Director of the National Federation of Independent Businesses and presented Philip Morris' FDA Stakeholder presentation.

Although Mr. Simms understood this issue, he indicated that he does not think this is a good idea. "This is opening a door and once you open it you cannot shut it, you are inviting the government in to control your business."

Mr. Simms stated during the conversation that he would not be supporting this issue but said that he would keep an open mind. "I recognize that this is a Philip Morris business decision and I respect that, but I think they are crazy, if you give the government an inch and they will take a mile."

2081295038

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001                      *State Coordinator:* Doug Turner  
*State:* New Mexico                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Mexico Association of Commerce & Industry

*Summary:* Mr. Doug Turner, New Mexico State Coordinator had a meeting with Mr. John Carey President of the Association of Commerce & Industry and presented Philip Morris' FDA Stakeholder presentation and provided him a copy of the FDA White Paper.

Mr. Carey noted, "I understand that this may be the time to try and work with the government, but I also understand the lack of support that many business leaders will have regulation is not seen as a positive in the business community." Mr. Carey stated during the conversation that he would reserve judgment until the FDA and Philip Morris come to an agreement.

2081295039

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/10/2001                      **State Coordinator:** Doug Turner  
**State:** New Mexico                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Mexico Oil and Gas Association

**Summary:** Mr. Doug Turner, New Mexico State Coordinator had a meeting with Mr. Robert Gallagher, New Mexico Oil and Gas Association and presented Philip Morris' FDA Stakeholder presentation and provided him a copy of the Philip Morris FDA White Paper. The association represents Chevron, Texaco, Phillips 66, and smaller producers.

Mr. Gallagher noted, "it is better to have a seat at the table and be involved in the decision making process than trying to fight the system. This will be a very positive move for the company." Mr. Gallagher stated during the conversation that he would help approach federal elected officials when called upon, and would take the issue to his board for further discussion and get their official position.

2081295040

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/10/2001                      *State Coordinator:* Doug Turner  
*State:* New Mexico                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* New Mexico Tobacco and Candy Wholesalers Association

*Summary:* Mr. Doug Turner, New Mexico State Coordinator had a meeting with Mr. Tom Barrett, President of the New Mexico Tobacco and Candy Wholesale Distributors Association and presented Philip Morris' FDA Stakeholder presentation and provided him a copy of the FDA White Paper.

Mr. Barrett noted, "this is the right time to start this process and I think the company is going in the right direction." Mr. Barrett appreciated being told about Philip Morris' plans. He mentioned that there may be concern among vendors, but that he would wait to see any possible proposals.

2081295041



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/11/2001                      **State Coordinator:** Doug Turner  
**State:** New Mexico                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** New Mexico Restaurant Association

**Summary:** Mr. Doug Turner, New Mexico State Coordinator had a meeting with Mr. Maurice Zeck, Executive Director to the New Mexico Restaurant Association and presented Philip Morris' FDA Stakeholder presentation and provided him a copy of the FDA White Paper.

Mr. Zeck noted, "I believe that this is a very smart move on the company's part , but in my opinion the company needs to go in very slowly. I will be there to help Philip Morris out anyway I can." Mr. Zeck stated during the conversation that he would help approach federal elected officials when called upon and would take the issue to his board for further discussion and get their official position.

2081295042

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/26/2001                      *State Coordinator:* Josh Griffin  
*State:* Nevada                              *Regional Coordinator:* Fred Karger

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*Issue(s):* FDA Education Campaign

*Attendance:* Retail Association of Nevada

*Summary:* Josh Griffin, Nevada State Coordinator met with Mary Lau, Executive Director of the Retail Association of Nevada.

Ms. Lau and the Retail Association of Nevada have traditionally been very supportive of Philip Morris' issues. Ms. Lau was very open and receptive to the briefing, but her association has expressed concerns about how FDA regulation that could impact retailers in displays, personnel, and other concerns regarding increased regulation.

Ms. Lau did agree that there is a very high likelihood that Congress would authorize the FDA to regulate tobacco soon. She was supportive of Philip Morris' efforts to be proactive on this issue. She also left open the possibility of addressing her board on this topic.

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/26/2001                      *State Coordinator:* Josh Griffin  
*State:* Nevada                              *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Las Vegas Chamber of Commerce

*Summary:* Josh Griffin, Nevada State Coordinator met with the Las Vegas Chamber of Commerce Government Affairs Director Kami Dempsey on April 26, 2001. Ms. Dempsey does not believe the chamber would object to Philip Morris' position on FDA regulation of tobacco. However, she did caution that the board would make that final determination and was uncertain how active, if at all, the board would get.

Ms. Dempsey did agree, however, that if FDA regulation is inevitable, it is best for business, at the very least the most affected business, to actively participate in creating such regulation. In that context, she said the chamber may be more willing to get involved in supporting this cause.

Philip Morris' position on FDA regulation was generally viewed favorably by Ms. Dempsey, and she would let Mr. Griffin know if and when a board meeting could be scheduled to allow the chamber an opportunity to discuss this issue further.

2081295044

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/30/2001                      **State Coordinator:** Arthur J. Kremer  
**State:** New York                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New York State Gasoline Retailers

**Summary:** Arthur J. Kremer, New York State Coordinator met with the New York State Gasoline Retailer, which was represented by Michael Trunzo, to discuss FDA regulation. Mr. Trunzo felt it might "backfire" if we wound up with regulations we didn't want. He wanted to know specifically if this will result in more restrictions on advertising and product promotion.

Mr. Trunzo was skeptical as to whether Congress will support this effort. His organization is open to consider the issue and feels he will have a better idea of their position later in May.

2081295045

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/30/2001                      **State Coordinator:** Arthur J. Kremer  
**State:** New York                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** New York State Association of Convenience Stores

**Summary:** Arthur J. Kremer, New York State Coordinator met with the New York State Association of Convenience Store which was represented by James Calvin, to discuss FDA regulation. The association is aware of the issue from their national representatives. Mr. Calvin indicated they were concerned about federal regulation of in-store advertising and restrictions on sale, and wanted to know what might happen if the FDA took control.

They will consult with their national representatives, but they were very non-committal. It is believed they will rely heavily on their national offices.

2081295046

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/14/2001                      *State Coordinator:* Arthur J. Kremer  
*State:* New York                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* New York State Bowling Proprietors Association

*Summary:* Arthur J. Kremer, New York State Coordinator met with Kerry Marsh, Legislative Director of the New York State Bowling Proprietors Association. They have had a chance to review the FDA White Paper given to them in advance.

Mr. Marsh reviewed the contents of the paper and the areas that would go under federal jurisdiction. He commended Philip Morris for being aggressive on the issue and felt that getting FDA control now made good business sense. He was curious as to the views of the two U.S. Senators from New York State on this issue. Mr. Kremer advised him that at this point, their position was not known. He assumed the company was aware of the risks of submitting to FDA jurisdiction and that it was prepared to face such a possibility. He said he could support the proposal, but needed to go to his board to get a more formal opinion.

2081295047

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/14/2001                      *State Coordinator:* Arthur J. Kremer  
*State:* New York                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* New York State Restaurant and Tavern Association

*Summary:* Arthur J. Kremer, New York State Coordinator met with Alfredo Vidal representing the New York State Restaurant and Tavern Association. They have already had one briefing on the issue of the FDA regulation.

Mr. Vidal stated that most of the key restaurant members that were polled did not have any concern about the plan. They felt that there was no likelihood that the federal government would enact any smoking restrictions stronger than those now in effect in New York State.

His members also felt that it would be better to get rid of the issue now rather than wait a few years when the climate might be worse. There was also a desire to put the tobacco issues to rest and if FDA control was the answer, they could live with it.

Mr. Vidal stated that they didn't want tobacco to become a prescription drug and only sold in pharmacies. Mr. Kremer described some of the bills now pending in Washington and indicated that we would be seeking support for only those bills that prevented tobacco from becoming a prescription drug.

2081295048

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/14/2001                      *State Coordinator:* Arthur J. Kremer  
*State:* New York                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* Food Industry Alliance of New York State

*Summary:* Arthur J. Kremer, New York State Coordinator met with Michael Rosen, Executive Director of the Food Industry Alliance of New York State, to discuss FDA regulation. They are the key food store organization in the state.

Mr. Kremer explained the FDA White Paper and its contents to Mr. Rosen. Mr. Rosen's initial reaction was that most of what was in the Master Settlement Agreement appears to be in the FDA proposal. He did not find any of the possible areas to be under federal control to be of concern.

He felt that it would be better to have federal control over a whole series of issues than be faced with actions by individual states. He is familiar with the effort to get a national fire-safe cigarette law and applauds it. Overall Mr. Rosen felt that the company's approach was "very smart" and he personally saw no objections to the plan. Mr. Kremer asked if he would discuss this with his board so that we could get their reaction.

He agreed to bring it up at a board meeting in the near future. His members could be very influential on this issue as they represent all of the large New York supermarket chains.

2081295049



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/02/2001                      **State Coordinator:** Molly McKee

**State:** Ohio                              **Regional Coordinator:** Phil Craig

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**Issue(s):** FDA Education Campaign

**Attendance:** Ohio Coin Machine Association  
Ohio Bowling Centers Organization

**Summary:** Molly McKee, Ohio State Coordinator met with David Corey, who serves as Executive Director for both the coin vendors and the bowling center associations in Ohio.

Ms. McKee provided Mr. Corey with both the Philip Morris FDA White Paper and the side-by-side of the federal bills. He agreed to review the information provided and discuss it with the boards of both of his associations. He said that he had heard that Philip Morris was in support of FDA regulation.

Mr. Corey said that on face value, it looked as though his organizations would not have a problem supporting FDA regulation. They discussed the issue of access locks being required for all cigarette machines. He said that he did not anticipate this being much of a problem to his members, because it would take some of the liability out of the hands of his members.

2081295050

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/03/2001                      **State Coordinator:** Molly McKee

**State:** Ohio                                **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Ohio Taxpayers Association

**Summary:** Molly McKee, Ohio State Coordinator met with Scott Pullins of the Ohio Taxpayers Association to discuss Philip Morris' support for FDA regulation. Ms. McKee provided him with the FDA White Paper and a side-by-side of prior legislation.

Mr. Pullins told Ms. McKee that this is the kind of issue that he would have to take before his members before making any kind of decision on it. He said that he would be glad to review the materials and then forward them to the appropriate members.

2081295051

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/11/2001                      *State Coordinator:* Molly McKee  
*State:* Ohio                                *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* Wholesale Beer and Wine Association of Ohio

*Summary:* Molly McKee, Ohio State Coordinator met with Tim Bechtold, Executive Director of the Wholesale Beer and Wine Association of Ohio. Ms. McKee provided him with the Philip Morris FDA White Paper, the FDA bill side-by-side, and copies of news articles that were approved for distribution.

Mr. Bechtold said that he was already aware that Philip Morris had announced that the company is in support of FDA regulation. He said that he was originally surprised by the move, but the company is probably right about regulation being an inevitability. He said that although he could not come out formally in support of regulation without the approval of his board, he did not anticipate that gaining their approval would be a problem.

2081295052

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/27/2001                      *State Coordinator:* Becky Frank  
*State:* Oklahoma                      *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Greater Tulsa Hispanic Chamber of Commerce

*Summary:* Becky Frank, Oklahoma State Coordinator held a face-to-face meeting with Kevin Vossen, a member of the Greater Tulsa Hispanic Chamber of Commerce Board of Directors. Ms. Frank presented the FDA education presentation to Mr. Vossen.

Questions from Mr. Vossen included an inquiry as to who currently regulates the tobacco industry and the goal of stability within the industry as a realistic outcome of regulation. Mr. Vossen asked about the direct effect of the tobacco industry on the members of his organization. Mr. Vossen stated he would review the materials provided and make them available to other members of his organization's board, and would consider further support.

2081295053

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/30/2001                      **State Coordinator:** Becky J. Frank  
**State:** Oklahoma                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Oklahoma Association of Convenience Stores

**Summary:** Becky Frank, Oklahoma State Coordinator held a face to face meeting with Mike Thornbrough, a member of the Oklahoma Association of Convenience Stores. Ms. Frank presented the FDA education presentation to Mr. Thornbrough.

Questions from Mr. Thornbrough included inquiries as to the proposed regulation's effect on convenience store advertising of tobacco products and a request for further explanation regarding the reasons for support of regulation by Philip Morris.

Mr. Thornbrough stated he would review the materials provided and would consider further support if the proposed regulation does not limit advertising of tobacco products on convenience store property, and if the other tobacco companies also support FDA legislation.

2081295054

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001                      *State Coordinator:* Becky J. Frank  
*State:* Oklahoma                      *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* United States Junior Chamber of Commerce

*Summary:* Becky Frank, Oklahoma State Coordinator held a face to face meeting with Ron Hart, Public Relations Manager with the United States Junior Chamber of Commerce (USJCC). Ms. Frank presented the FDA education presentation to Mr. Hart.

Mr. Hart stated that the USJCC is a strong advocate of youth smoking prevention and was interested in reviewing the information. Mr. Hart expressed concern as to how regulation would be funded but, indicated support for legislation depending on the FDA's interpretation of regulation. Mr. Hart said that more generic regulation would provide more latitude to the tobacco companies.

Mr. Hart requested that Philip Morris provide the USJCC with a draft resolution that they can present to their board for approval. Mr. Hart indicated that their board would be more likely to support the concept of regulation and not a specific bill. The USJCC board would then be willing to contact elected officials.

2081295055

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001                      *State Coordinator:* Becky J. Frank  
*State:* Oklahoma                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Oklahoma Hotel & Lodging Association

*Summary:* Becky Frank, Oklahoma State Coordinator held a face to face meeting with Jon Davidson, board member of the Oklahoma Hotel and Lodging Association (OHLA). Ms. Frank presented the FDA education presentation to Mr. Davidson.

Mr. Davidson indicated a strong interest in the legislative actions of OHLA as they relate to tobacco. Mr. Davidson noted that the selling of tobacco via on-site vending machines or gift shops is an important business concern.

Mr. Davidson will be meeting with the officers of the OHLA board in the next quarter and will share this information with them. Pending the outcome of that meeting, Mr. Davidson stated he would be willing to contact his elected officials.

2081295056

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001                      *State Coordinator:* Becky J. Frank  
*State:* Oklahoma                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Tulsa Society of Association Executives

*Summary:* Becky Frank, Oklahoma State Coordinator held a face-to-face meeting with Ann Turner, President of the Tulsa Society of Association Executives' board. Ms. Frank presented the FDA education presentation to Ms. Turner.

Ms. Turner asked who currently regulates tobacco and also recommended that the public health community be advised at the grassroots level of Philip Morris' support of regulation. Ms. Turner said it makes good sense for Philip Morris to pursue regulation now.

Ms. Turner will be meeting with the officers of her board this week and will share this information with them. Ms. Turner will support regulation and has agreed to contact her elected officials.

2081295057



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/14/2001                      **State Coordinator:** Becky J. Frank  
**State:** Oklahoma                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Tulsa Metro Chamber of Commerce

**Summary:** Becky Frank, Oklahoma State Coordinator held a face-to-face meeting with Richard Hedgecock, Vice President of Government Affairs for the Tulsa Metro Chamber of Commerce. Ms. Frank presented the FDA education presentation to Mr. Hedgecock.

Mr. Hedgecock indicated that the chamber had no previous participation in tobacco related issues, but said they may have some interest in the proposed Frist bill as it relates to the business interests of their members. Mr. Hedgecock will review the material by the end of the month and, if he deems appropriate, will propose a task force be formed on this issue to further explore FDA regulation of tobacco, and forward a position to their board for approval. If approved, they will then focus on contacting elected officials when called upon.

2081295058

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/16/2001                      *State Coordinator:* Becky J. Frank  
*State:* Oklahoma                      *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Greenwood Chamber of Commerce

*Summary:* Becky Frank, Oklahoma State Coordinator held a face-to-face meeting with Reuben Gant, Executive Director of the Greenwood Chamber of Commerce. The Greenwood Chamber is a suburban chamber of commerce in the Tulsa metropolitan area and is a member of the National Association of African-American Chambers of Commerce. Ms. Frank presented the FDA education presentation to Mr. Gant.

Mr. Gant indicated that the chamber had no previous participation in tobacco related issues, but he appreciated being informed on the FDA issue. Mr. Gant was supportive of Philip Morris' position, and he agreed to review the information and said he would be willing to contact elected officials at the appropriate time.

2081295059

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/07/2001                      **State Coordinator:** Cleve Larson

**State:** Oregon                              **Regional Coordinator:** Fred Karger

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**Issue(s) :** FDA Education Campaign

**Attendance:** The Southland Corporation  
Korean-American Grocers of Oregon

**Summary:** Cleve Larson, Oregon State Coordinator held FDA briefings with Grant Allen, Market Manager for the Southland Corporation-Northwest Division, John Kim, President of the Korean-American Grocers of Oregon, and Jin Park, Korean American Grocer's Association's executive director. After Western Viewpoint, Inc. presented the executive summary contained in the FDA White Paper related to FDA and tobacco, Mr. Allen asked several questions he felt were pertinent to the discussion. Specifically, how would retail be impacted by the total package of potential FDA regulation? Would the FDA regulation promotional allowances, in-store merchandising, or any facet of the business related to sales? How would granting FDA authority to regulate tobacco product redefine the local and federal tax structure currently in place?

Mr. Kim asked if FDA regulation would include pricing authority and/or licensing of retail that would restrict a retailer's ability to market tobacco?

All the allies expressed their concern that the FDA would ultimately produce a package of regulation that would be problematic to retail because of the various enforcement realities that might punitively impact a retailer's free choice to manage his own business regulations. They appreciated the chance to constructively engage in dialogue now in the hopes of positively affecting the core of issues that emerge in the lengthy process of granting FDA regulatory authority over tobacco products.

2081295060

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/03/2001                      **State Coordinator:** Bill Stewart  
**State:** Pennsylvania                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Pennsylvania Distributors Association

**Summary:** Bill Stewart, Pennsylvania State Coordinator met with Gerry Kupris, Executive Director of the Pennsylvania Distributors Association and discussed the FDA regulation issue in depth. The Philip Morris White Paper and side by side bill comparison were reviewed. While Mr. Kupris is philosophically aligned with the Philip Morris position, he expressed several areas of concern.

Product placement issues are an area of extreme importance to his members. He said that any further restrictions on product placement would not be palatable to his members. Most of his member distributors also deal in cigars. Any extension of cigarette regulation into cigars would be a deal breaker for him.

Finally, they would be very opposed to any licensing requirement. They could probably live with fees, surcharges, and stamps, but a federal FDA license is very troubling.

Mr. Kupris is going to make this a board agenda item for their next meeting. He will keep Mr. Stewart apprised of any further concerns. It appears that the Pennsylvania Distributors Association is predisposed to be of assistance and is appreciative of the education materials and request for their input.

2081295061

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/03/2001 *State Coordinator:* Bill Stewart

*State:* Pennsylvania *Regional Coordinator:* Jim Murtha

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*Issue(s):* FDA Education Campaign

*Attendance:* Pennsylvania Petroleum Marketers

*Summary:* Bill Stewart, Pennsylvania State Coordinator met with John Kulik, Executive Director of the Pennsylvania Petroleum Marketers to discuss the FDA tobacco regulation issue.

Mr. Kulik was very happy that Philip Morris was reaching out to educate stakeholders. He said that he has had several inquiries from his membership and was in the process of preparing a report to his executive committee. The FDA White Paper and side by side bill comparisons will be very helpful.

Mr. Kulik has not heard much from his members other than general questions about the proposal. He indicated that it will be a board agenda item at their next meeting and will inform Mr. Stewart of the details of that discussion.

Mr. Kulik was generally supportive of the concept, but indicated that he would need a board discussion before he could go further.

2081295062

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/04/2001                      **State Coordinator:** Bill Stewart  
**State:** Pennsylvania                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Pennsylvania Convenience Store Council

**Summary:** Bill Stewart, Pennsylvania State Coordinator met with Dave McCorkle, Executive Director of the Pennsylvania Convenience Store Council and discussed the FDA regulation issue.

The FDA White Paper was reviewed along with the other background materials. Mr. McCorkle said that his board has been discussing this issue on and off for a couple of months. He said they are watching the developments, and he appreciated the additional Philip Morris information.

Mr. McCorkle said that their ultimate position on FDA regulation would have to "bubble up" from his retail members. He strongly suggested that the Philip Morris sales force be involved in the education process with individual retailers. On the other end, he said that although the Pennsylvania Council is not bound by the national (NACS), his board will certainly ask about their position.

Product placement issues and aversion to any Federal license requirements are some of the concerns he has heard thus far. He has also heard from his Northern Pennsylvania members expressing concern that Indian Reservations in New York could once again be exempt from any Federal rules and place them at a competitive disadvantage. He also thought that Philip Morris might help the cause by extending an offer to help retailers comply should FDA regulation become a reality.

The meeting was positive and the issue will be a board agenda item for their next meeting. Mr. McCorkle promised to keep Mr. Stewart informed.

2081295063

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/07/2001 *State Coordinator:* Bill Stewart

*State:* Pennsylvania *Regional Coordinator:* Jim Murtha

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*Issue(s) :* FDA Education Campaign

*Attendance:* Pennsylvania Retailers Association

*Summary:* Bill Stewart, Pennsylvania State Coordinator met with Brian Rider, President of the Pennsylvania Retailers, and discussed the FDA regulation issue in depth. Mr. Rider received information on the FDA White Paper, as well as the Philip Morris outreach strategy. He has not discussed the issue with his board, but will at the next meeting.

Mr. Rider said that the national office of K-Mart has told the National Retailers Federation to "do nothing" on this issue. He is attempting to clarify, and will follow up with Mr. Stewart. Wal-Mart is one of his members, but is not a member of the national so he has not gotten any word on their position. Mr. Rider will talk with his Wal-Mart board member and follow-up with Mr. Stewart.

2081295064

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001                      **State Coordinator:** Bill Stewart

**State:** Pennsylvania                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** Pennsylvania Food Merchants Association

**Summary:** Bill Stewart, Pennsylvania State Coordinator met with Jennifer Walker and Randy St. John of the Pennsylvania Food Merchants Association and discussed the FDA regulation issue.

The Philip Morris FDA White Paper and the side by side bill comparison were reviewed. Both were aware of the Philip Morris move toward regulation from press accounts, but had no information beyond that. They were appreciative of the information provided at the meeting.

The PFMA is affiliated with the National Grocers Association and the National Food Marketing Institute. Mr. St. John said that he has gotten a few inquiries from members. The only specific concern he has heard so far is a fear of federal licensing. They have recently come away from a battle in Pittsburgh over licensing. The council there had proposed revocation of a store's health license if found to be selling tobacco to underage customers. The health license is required to sell food and has nothing to do with tobacco. However, it points out the slippery slope problem once government has it's "foot in the door".

Ms. Walker said that this will be a board discussion item and will keep Mr. Stewart informed. The meeting was positive, but it will be some time until the PFMA takes a formal position.

2081295065



# *Field Action Team*

## *Ally Meeting Report*

**Date:** 04/28/2001                      **State Coordinator:** Brian Adae  
**State:** Rhode Island                      **Regional Coordinator:** Brendan J. Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** Rhode Island Liquor Stores Association  
Beverage Retailers Association of Rhode Island

**Summary:** Brian Adae, Rhode Island State Coordinator met with Frank Fede representing the Rhode Island Liquor Stores Association and Frank Faubert representing the Beverage Retailers Association of Rhode Island for an educational briefing on the Philip Morris position on FDA regulation.

They were highly receptive to the issue and, while not particularly happy about further regulatory controls, are in complete agreement that regulation will occur and that now is the appropriate time to commence discussions regarding regulation. Further, they are eager to be involved in the process.

The initial reaction was concern over funding sources for FDA regulation and enforcement issues, as well as possible access and marketing provisions. It is evident that they needed additional time to review and digest all of the particulars involved in the FDA White Paper." They specifically requested to be kept informed of further progress of the bills presented in the side by side comparison and to continue meeting and discussing these issues.

While both groups have not taken a formalized position on the issue as of yet, it is clear that they are generally supportive of the direction and means that are currently being employed.

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/01/2001                      *State Coordinator:* Brian Adae  
*State:* Rhode Island                      *Regional Coordinator:* Brendan J. Kennedy

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*Issue(s):* FDA Education Campaign

*Attendance:* New England Convenience Store Association

*Summary:* Brian Adae, Rhode Island State Coordinator met with the Legislative Director for New England Convenience Store Association (NECSA) for an educational briefing on the Philip Morris position on FDA regulation of cigarettes.

NECSA expressed approval and delight over being included at the outset of the process, rather than later on as the situation had apparently been on earlier occasions with other issues. NECSA is in complete agreement that now is the appropriate time to become involved in the regulation issue and that it is in everyone's best interest to be at the forefront, actively participating in the discussions on possible regulatory schemes.

The first concern raised was over whether Philip Morris was agreeing that cigarettes should be regulated as a drug or drug delivery device. When that point was clarified and the historical perspective placed on the Philip Morris position on regulation, it was agreed that Philip Morris is generally headed in the right direction.

Following a review of the FDA White Paper and the side by side legislative analysis, it was agreed that more information and discussion was both needed and desired to begin the path to progress on the FDA regulation issue. It is apparent that while NECSA has yet to take a formal position that they are generally supportive of the direction of the discussions and type of legislation that Philip Morris is in favor of.

2081295067

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/17/2001                      **State Coordinator:** Rick Rosati  
**State:** Rhode Island                      **Regional Coordinator:** Brendan J. Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** Rhode Island Hospitality Association  
Rhode Island Restaurant Association

**Summary:** Brian Adae, Rhode Island State Coordinator met with Dale Venturini, President & CEO of the Rhode Island Hospitality Association and Rhode Island Restaurant Association was contacted regarding the FDA regulation issue while several associations, including the Main Street Business Coalition (TM) were attending a briefing at the Providence Chamber of Commerce. The purpose of our contact was to set up an appointment to discuss FDA regulation and provide educational materials and information to members of her association. We also planned to solicit input from her association on the federal regulation of cigarettes issue.

Specifically, her primary response to our request was, "I'm limited with what I can do for TOBACCO" (emphasis on "tobacco"). Ms. Venturini's response to our contact was an unequivocal rebuke. Unfortunately, her remarks were openly broadcast to association executives and other individuals standing nearby, and strongly suggested that "tobacco" was a problem. It must further be suggested that any future contact on our issues with these associations present yesterday must be considered prejudiced because of what she said and the manner in which she acted.

2081295068

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/07/2001                      **State Coordinator:** Tony Denny

**State:** South Carolina                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** South Carolina Petroleum Marketers Association

**Summary:** Tony Denny, South Carolina State Coordinator met with South Carolina Petroleum Marketers Executive Director Sims Floyd for 90 minutes on May 7th to discuss FDA regulation. Mr. Floyd has not seen any communications from his national association this year on FDA, and has not been following the subject closely.

He was generally supportive of the concept, and understood both the reasons behind our decision to push forward on this issue and why the political timing is right. Absent any strong opposition from the national association, there is a good chance his state organization will assist with congressional contacts at the right time.

Mr. Floyd was particularly interested in the FDA White Paper section dealing with teen smoking prevention and was favorably inclined toward the possibility of a national policy against underage smoking.

Mr. Floyd agreed to keep Tony Denny informed of any communications his office receives from their national association on FDA. Finally, the national director of the association is set to speak to their annual state meeting, and Mr. Floyd expects this topic to come up.

2081295069

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/10/2001                      *State Coordinator:* Tony Denny  
*State:* South Carolina                      *Regional Coordinator:* Jim Murtha

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*Issue(s):* FDA Education Campaign

*Attendance:* South Carolina Association of Convenience Stores

*Summary:* Tony Denny, South Carolina State Coordinator met with Shannon Bruning, the Legislative Director for the South Carolina Association of Convenience Stores.

Ms. Bruning was very open to our point of view, and our positions on ingredient disclosure, brand descriptors, and marketing of reduced risk cigarettes seemed logical to her. It is not surprising that she had the most questions in the area of in-store displays and national standards for underage purchases. While not a major issue, further restricting access to cigarette vending machines would be seen as a positive move by convenience store owners.

Ms. Bruning invited Tony Denny to the association's annual meeting in July, and mentioned the possibility of him, or someone from Philip Morris, speaking to the membership on the FDA issue. This association has the potential to be an effective ally on the FDA effort.

2081295070

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/14/2001                      *State Coordinator:* Tony Denny  
*State:* South Carolina                      *Regional Coordinator:* Jim Murtha

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*Issue(s) :* FDA Education Campaign

*Attendance:* South Carolina Merchants Association

*Summary:* Tony Denny, South Carolina State Coordinator met with South Carolina Merchants Association President Jim Hatchell on May 14th to discuss FDA regulation. While Mr. Hatchell has not yet committed to work for our position, he now understands the company's reasons for leading on this issue and believes our reasoning is sound.

This briefing was his first information on the topic in over a year, and he indicated a willingness to read the FDA White Paper and follow the developments. The company's position on brand descriptors, ingredient disclosure, and standards for the marketing of reduced risk cigarettes seemed very logical and appealing to Mr. Hatchell. Tony Denny pointed out that the issue is complex and there are areas that affect retailers, and that the merchants should engage in those areas.

Mr. Hatchell indicated that he expects most of his communications from Washington on this issue will come from the Food Marketing Institute (FMI). He is not aware of any related information from them to date, but he will be on the lookout.

Historically, he has refrained from weighing in on fights that don't directly affect a majority of his members. However, as a veteran association manager and a keen political observer, Mr. Hatchell's counsel and input will be useful as this issue develops. Finally, when he chooses to use it, he has solid credibility with Senator Hollings' Office.

2081295071

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Tim Dougherty  
*State:* South Dakota                      *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* South Dakota Retailers Association

*Summary:* Tim Dougherty, South Dakota State Coordinator met with Jerry Wheeler, the Executive Director of the South Dakota Retailers Association, in his office in Pierre, South Dakota. Mr. Dougherty briefed him on Philip Morris' position on FDA regulation using the stakeholder presentation.

Mr. Wheeler asked whether or not the other tobacco companies shared Philip Morris' position, and Mr. Dougherty told him that at this time the other tobacco companies were either opposed to the current proposals to provide FDA regulation or they have not taken a position on the matter. In particular, Mr. Dougherty informed him that RJ Reynolds is actively opposing FDA legislation even though the company has made public statements supporting the concept of such regulation. Mr. Dougherty also told him that the smokeless tobacco companies have not yet staked a position, but there is some optimism that they may join the effort to support regulation.

After they discussed these issues, Mr. Wheeler told Mr. Dougherty that his organization would probably remain neutral on FDA legislation unless the legislation contained provisions that adversely affected retailers.

2081295072

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/04/2001                      **State Coordinator:** Tim Dougherty  
**State:** South Dakota                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Music & Vending Association of South Dakota

**Summary:** Tim Dougherty, South Dakota State Coordinator met with Bob Hartford, Executive Director of Music & Vending Association of South Dakota, at his office in Pierre to brief him on Philip Morris' position on FDA regulation.

Mr. Dougherty reviewed the Philip Morris FDA White Paper with him and then answered his questions. Mr. Hartford did not indicate whether his association would support or oppose Philip Morris' position on FDA regulation.

2081295073



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/04/2001                      **State Coordinator:** Tim Dougherty  
**State:** South Dakota                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Association of Great Lakes of South Dakota, Inc.

**Summary:** Tim Dougherty, South Dakota State Coordinator met with Kathy Zander, Executive Director of the Association of Great Lakes of South Dakota, in her office in Pierre, SD. The association represents businesses that are involved in the tourism industry in South Dakota.

Mr. Dougherty briefed her on Philip Morris's position on FDA regulation and provided Ms. Zander with the FDA White Paper regarding regulation. Ms. Zander did not indicate whether or not her organization would support Philip Morris' position.

2081295074

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/07/2001                      **State Coordinator:** Tim Dougherty  
**State:** South Dakota                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** South Dakota Retail Liquor Dealers Association

**Summary:** Tim Dougherty, South Dakota State Coordinator met with the board of directors of the South Dakota Retail Liquor Dealers Association in Deadwood, South Dakota. He briefed the board members on Philip Morris' position on FDA regulation. The board members seemed to understand the importance of our efforts to take a proactive approach to this issue, but they did not take any formal action on the matter. They did not indicate whether or not they would support the Philip Morris position.

2081295075

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/10/2001                      **State Coordinator:** Darren Morris

**State:** Tennessee                      **Regional Coordinator:** Jay Morgan

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**Issue(s) :** FDA Education Campaign

**Attendance:** Tennesseans for Commonsense Accountability and Reform

**Summary:** Darren Morris, Tennessee State Coordinator met with Jack Goodner of Tennesseans for Commonsense Accountability and Reform on May 10 to discuss FDA regulation of the tobacco industry.

Mr. Morris met with this non-traditional ally group early in the process due to their strong relationship with members of Congress, their strong involvement in the coalition, and their base of support in rural areas populated with tobacco growers. Mr. Morris briefed Mr. Goodner on the position of Philip Morris on FDA regulation, providing him with the FDA White Paper on the issue.

Mr. Goodner told Mr. Morris that they understood from a business perspective why this was a good move for Philip Morris. He also told Mr. Morris that many people who he had talked with since it was made public that Philip Morris was open to FDA regulation were, "generally opposed to the move and thought the issue would blow up to the point of too much government in our tobacco fields and products."

Mr. Goodner told Mr. Morris that he would keep an open mind on the subject and would keep TCAR members informed on the issue. He said that he "doubted they would actively oppose Philip Morris on the issue, but that they may not get too involved to support Philip Morris either."

2081295076

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001 *State Coordinator:* Darren Morris

*State:* Tennessee *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Tennessee Council of Retail Merchants

*Summary:* Darren Morris, Tennessee State Coordinator met with Josh Ellis of the Tennessee Council of Retail Merchants on May 11, 2001 to discuss FDA regulation of the tobacco industry. Mr. Morris briefed Mr. Ellis on the position of Philip Morris on FDA regulation, providing him with the FDA White Paper on the issue.

Mr. Ellis told Mr. Morris that they were, "obviously concerned with where this might go once the ball gets rolling, "and that his members, "would be opposed if it meant a burden to them or if it made the cost of cigarettes increase too much." Mr. Ellis told Mr. Morris that at this point, they had taken no position on the issue and that they would wait to see what the National Retail Association did first.

2081295077

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001                      *State Coordinator:* Darren Morris  
*State:* Tennessee                      *Regional Coordinator:* Jay Morgan

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*Issue(s) :* FDA Education Campaign

*Attendance:* Tennessee Farm Bureau

*Summary:* Darren Morris, Tennessee State Coordinator met with Joe Pearson of the Tennessee Farm Bureau on May 11 to discuss FDA regulation of the tobacco industry. Mr. Morris briefed Mr. Pearson on the position of Philip Morris on FDA regulation, providing him with the FDA White Paper on the issue.

Mr. Pearson stated that they knew this issue was coming up and that they were generally opposed to FDA "getting involved in the tobacco business." Mr. Pearson said that many growers still remember the "FDA Off the Farm" campaign of a few years ago, and that selling them on the idea that FDA regulation would not directly effect them would be difficult.

Mr. Pearson stated that they would keep an open mind on the issue and that they had made no decisions this early in the process. He asked that Mr. Morris keep him informed on developments and appreciated Philip Morris reaching out to them this early in the process.

2081295078

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/02/2001                      **State Coordinator:** Craig Casselberry  
**State:** Texas                              **Regional Coordinator:** Weldon Denman

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**Issue(s):** FDA Education Campaign

**Attendance:** Texas Association of Wholesale Distributors

**Summary:** Craig Casselberry, Texas State Coordinator briefed Joe Ratcliff, President, Texas Association of Wholesale Distributors (TAWD) regarding Philip Morris's position on the issue of FDA regulation. Mr. Casselberry reviewed with Mr. Ratcliff the FDA White Paper and provided a briefing, stressing the key tenets of stability, certainty, and uniformity.

Mr. Ratcliff also expressed concern about any such legislation growing beyond its original intent (like McCain in 1997), and added that TAWD opposes prohibition and supports adult choice and the freedom to market a legal product.

In closing, Mr. Ratcliff stated that a federal standard is better than state-by-state standards. TAWD would like to be part of the solution, and that he and TAWD "would be supportive" of our efforts.

2081295079

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/02/2001                      **State Coordinator:** Craig Casselberry

**State:** Texas                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Texas Food Industry Association

**Summary:** Craig Casselberry, Texas State Coordinator briefed Rick Johnson, President of the Texas Food Industry Association (TFIA) regarding Philip Morris's position on the issue of FDA regulation. Mr. Casselberry reviewed with Mr. Johnson the FDA White Paper and provided a briefing, stressing the key tenets of stability, certainty, and uniformity.

Mr. Johnson noted that he can understand our position and is anxious to review the document more closely to ascertain how it would affect wholesalers and retailers. Mr. Johnson noted that uniformity is not necessarily an improvement for his members since most operate in Texas only. Mr. Johnson asked to stay informed on the issue's progress.

2081295080

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/02/2001                      **State Coordinator:** Craig Casselberry

**State:** Texas                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Texas Licensed Beverage Association

**Summary:** Craig Casselberry, Texas State Coordinator briefed Kath Gilliam, Executive Director of Texas Licensed Beverage Association (TLBA) regarding Philip Morris' position on the issue of FDA regulation. Mr. Casselberry reviewed with Ms. Gilliam the FDA White Paper and provided a briefing, stressing the key tenets of stability, certainty, and uniformity.

Ms. Gilliam stated that the briefing helped her understand Philip Morris' rationale, and that TLBA's support "won't be a problem." Ms. Gilliam offered to write letters of support or whatever else was needed. Mr. Casselberry committed to keep Ms. Gilliam apprised of legislative developments.

2081295081



# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/03/2001                      **State Coordinator:** Craig Casselberry

**State:** Texas                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Texas Petroleum Marketers and Convenience Store Association

**Summary:** Craig Casselberry, Texas State Coordinator briefed Lynton Allred, Executive Vice President, and Doug DuBois of the Texas Petroleum Marketers and Convenience Store Association (TPCA) regarding Philip Morris's position on the issue of FDA regulation. Mr. Casselberry reviewed with Mr. Allred and Mr. DuBois the FDA White Paper and provided a briefing, stressing the key tenets of stability, certainty, and uniformity.

Mr. Allred wondered aloud why Philip Morris would agree to let a hostile agency like FDA regulate the industry, and noted the bureaucracy can often make their own rules. Mr. Allred stated that TPCA would be neutral for now. Mr. DuBois stated that he saw no reason to oppose our position at this time. Mr. Casselberry offered to brief the TPCA board members as needed and to keep TPCA apprised of legislative developments.

2081295082

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/04/2001                      *State Coordinator:* Craig Casselberry  
*State:* Texas                              *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Texas Hotel & Motel Association

*Summary:* Craig Casselberry, Texas State Coordinator briefed Scott Joslove, President & CEO, Texas Hotel & Motel Association (THMA) regarding Philip Morris's position on the issue of FDA regulation. Mr. Casselberry provided a briefing of the FDA White Paper, stressing the key tenets of stability, certainty, and uniformity.

Mr. Joslove inquired as to what THMA could do to help the effort and to "let us know." Mr. Joslove added that he has excellent contacts within the Metro 8 (major metro Chambers of Commerce) and with most mayors and local elected officials throughout the state via his past work for the Texas Municipal League, should we need such support.

2081295083

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Ken Benson  
**State:** Texas 2                              **Regional Coordinator:** Weldon Denman

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**Issue(s):** FDA Education Campaign

**Attendance:** 7-11, Inc.

**Summary:** Ken Benson, Texas State Coordinator met with Ronnie Volkening, Government Affairs Director for 7-11, Inc. on May 4, 2001, to discuss FDA regulation. Mr. Benson provided Mr. Volkening the FDA White Paper, the side by side comparison of FDA related legislation, several news articles, and presented the FDA Stakeholder presentation.

Mr. Volkening indicated that 7-11 is very interested in the issue and will be following it closely. Mr. Volkening indicated that while 7-11 has yet to take a position, if asked today, the company would be leaning against FDA regulating tobacco products. Mr. Volkening was very concerned about the impact FDA regulation would have on 7-11's and the retail community's ability to sell tobacco products. He specifically mentioned allowing the FDA to put conditions on marketing tobacco products that could eventually lead to tobacco products being sold in adult only venues. He also mentioned that increasing federal regulation over tobacco products would almost certainly lead to more attempted state regulation over tobacco sales as well.

Mr. Volkening accepted the general reasoning behind the Philip Morris position, but felt there was more upside for tobacco manufacturers than retailers from the Philip Morris FDA proposal. Mr. Volkening gave no timetable on when the company would be making a decision, but indicated no decision would be made until they had more information on how FDA regulation would impact the company. Mr. Volkening would like to be kept informed on the issue. On another point, Mr. Volkening sits on the National Association of Convenience Stores Government Affairs committee, which has its next meeting on June 5th. Mr. Volkening expects FDA regulation over tobacco products will be discussed at that meeting.

2081295084

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/04/2001                      **State Coordinator:** Ken Benson  
**State:** Texas 2                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Dallas & Fort Worth Grocers Association

**Summary:** Ken Benson, Texas State Coordinator met with Valerie Schenewerk, Executive Director of the Dallas/Fort Worth Grocers Association, on May 4, 2001, to FDA regulation. Mr. Benson provided Ms. Schenewerk the FDA White Paper, several news articles and presented the FDA Stakeholder presentation.

Ms. Schenewerk indicated Mr. Benson was the first to contact her on the issue and appreciated the effort being made by Philip Morris to keep her and the association informed. Ms. Schenewerk said the association's board or membership has not discussed the issue of FDA regulation over tobacco products and the association has no position on the proposal at the present time.

Ms. Schenewerk indicated the major concern she saw being expressed by association membership would center on any marketing restrictions associated with the proposal. Ms. Schenewerk indicated she would review the FDA White Paper in more detail and held open the possibility of Mr. Benson making a presentation to the DFW Grocers Association board later in the summer.

2081295085

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001                      *State Coordinator:* Ken Benson  
*State:* Texas 2                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Arlington Chamber of Commerce

*Summary:* Ken Benson, Texas State Coordinator met with Kay Kamm, Government Affairs Director of the Arlington Chamber of Commerce, on May 8, 2001 to discuss FDA regulation. Mr. Benson provide Ms. Kamm the FDA White Paper, several news articles, and presented the FDA Stakeholder presentation.

The Arlington Chamber has no position at the present time on FDA regulation of tobacco products. According to Ms. Kamm, Mr. Benson's presentation was the first time the issue had been brought to the chamber's attention. Ms. Kamm expressed a general interest in the issue, but did not raise any specific concerns. Ms. Kamm would like to be kept informed and updated on the issue, as she believes the general issues of business regulation and the potential impact to the chamber's retail members will be of interest to the chamber. Ms. Kamm indicated that she would read the FDA White Paper for more detail on the proposal and probably bring it up before the chamber's policy committee in an informal manner sometime in the near future.

2081295086

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001                      *State Coordinator:* Ken Benson  
*State:* Texas 2                              *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Greater Dallas Restaurant Association

*Summary:* Ken Benson, Texas State Coordinator met with Ms. Tracey Evers, Executive Director of the Greater Dallas Restaurant Association, on May 9, 2001, to discuss FDA regulation. Mr. Benson provided Ms. Evers the Philip Morris FDA White Paper, several news articles and presented the FDA Stakeholder presentation.

Ms. Evers indicated the Greater Dallas Restaurant Association has no position at the present time on FDA regulation of tobacco products. Mr. Benson's presentation was the first time someone had contacted the association on the issue according to Ms. Evers. The primary concern of association membership, Ms. Evers said, will focus on possible FDA regulations that could limit the use and sale of tobacco products. She specifically mentioned the possibility of the FDA issuing regulations that could limit or ban the use of tobacco products in venues where children under 18 might be present. She was also wondered whether a restaurant's cigar sales, cigar rooms or cigar nights could be impacted. Ms. Evers asked to be kept informed on the issue. She did not expect the restaurant association to take a position until the issue was further along in Congress.

2081295087

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/10/2001                      **State Coordinator:** Ken Benson  
**State:** Texas 2                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** National Association of Chain Drug Stores, SW Regional Office

**Summary:** Ken Benson, Texas State Coordinator met with Mary Staples, Southwest Regional Government Affairs Director of the National Association of Chain Drugs Stores (NACDS), on May 10, 2001, to discuss FDA regulation. Mr. Benson provided Ms. Staples the FDA White Paper, several news articles, and presented the FDA Stakeholder Presentation.

Ms. Staples indicated NACDS has not taken a position on FDA regulation tobacco products. Ms. Staples said Mr. Benson's presentation was the first she had heard on the proposal. Ms. Staples indicated that the national NACDS office had not discussed the issue with her, nor has the issue been a topic of discussion among NACDS membership in Texas.

Ms. Staples said the primary legislative focus of NACDS is on health related issues now before Congress, but anticipated that FDA regulation over marketing and sales of tobacco products would be the main concerns among Texas NACDS membership. She asked to be kept informed on the issue and suggested that Philip Morris representatives attend the Texas Retailers Association convention to be held mid-summer and the Western Retail Association meeting to be held in Arizona later this summer to discuss the issue with more retail and drug store outlets.

2081295088

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/10/2001                      **State Coordinator:** Ken Benson  
**State:** Texas 2                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Hotel & Motel Association of Greater Dallas

**Summary:** Ken Benson, Texas State Coordinator met with Ms. Sandy Bailey, Executive Director of the Hotel & Motel Association of Greater Dallas (HMAGD), on May 10, 2001, to discuss FDA regulation. Mr. Benson provided Ms. Bailey the Philip Morris FDA White Paper, several news articles, and presented the FDA Stakeholder presentation.

Ms. Bailey thanked Mr. Benson for bringing her up to date on the issue and indicated the HMAGD had not taken a position on FDA regulation of tobacco products. Ms. Bailey indicated Mr. Benson's presentation was the first time the HMAGD had been contacted on the issue.

According to Ms. Bailey, the HMAGD's main concerns with granting FDA regulatory authority over tobacco products would center on the possibility of marketing, sales, and user regulations that could impact a hotel's ability to sell tobacco products to guests, or limit the use of tobacco products within hotel dining and bar areas. Ms. Bailey asked to be kept informed and updated on the issue as it moves through Congress.

2081295089



# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/11/2001                      **State Coordinator:** Ken Benson  
**State:** Texas 2                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Dallas Chamber of Commerce

**Summary:** Ken Benson, Texas State Coordinator met with Amanda Oneacre, Government Affairs Director for the Dallas Chamber of Commerce, on May 11, 2001, to discuss FDA regulation. Mr. Benson provided Ms. Oneacre the Philip Morris FDA White Paper, several news articles, and presented the FDA Stakeholders presentation.

Ms. Oneacre indicated that Mr. Benson's presentation was the first time the Dallas Chamber had been contacted on the issue. Ms. Oneacre expressed a general interest in the issue and acknowledged Philip Morris' desire as a consumer products company to operate in a more stable, uniform, and certain environment.

Ms. Oneacre said the Dallas Chamber had no position on the proposal at present, but would like to be kept updated and informed as the issue moved through Congress. She indicated that currently the main legislative interest of the chamber is on the Texas legislative session which ends June 1st.

Ms. Oneacre said the chamber would need more information on the potential impacts before it would consider making an endorsement of the proposal. Ms. Oneacre anticipated the primary concerns of the Dallas Chamber would be on the impact to chamber members and what legislative form the proposal took in Congress.

2081295090

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/11/2001                      **State Coordinator:** Ken Benson  
**State:** Texas 2                              **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** United States Chamber of Commerce, Southwest Regional Office

**Summary:** Ken Benson, Texas State Coordinator met with Marrison Anchia, Manager of Government and Public Affairs for the Southwest Regional Office of the United States Chamber of Commerce, on May 11, 2001, to discuss the Philip Morris FDA regulation proposal. Mr. Benson provided Ms. Anchia the Philip Morris FDA White Paper, several news articles, and presented the FDA Stakeholders presentation.

Mr. Benson's presentation was the first time the issue had been brought to Ms. Anchia's attention. Ms. Anchia did not believe the U.S. Chamber had yet taken a position on the issue. According to Ms. Anchia, the chamber's national office had not yet brought up the issue with regional offices, nor had the issue come up in her regular meetings with Texas Chambers of Commerce.

Ms. Anchia indicated the current legislative priorities of the southwest regional office have been health care reform and preparing for the introduction of free trade legislation into Congress. Ms. Anchia expressed a general understanding of the proposal and acknowledged the importance of the issue to Philip Morris. She indicated there was a growing possibility that redistricting of Texas House Congressional Districts could be delayed by the Texas Legislature to a special summer session. Should that happen, she anticipated the Texas U.S. House members might show little or no interest on the issue until late summer or early fall.

Ms. Anchia said that while a formal position on the proposal from the U.S. Chamber would come from the national office, she would like to be kept informed on the issue for its potential impacts on Texas.

2081295091

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 04/28/2001                      *State Coordinator:* Sue Ferry  
*State:* Utah                                *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Utah Pharmaceutical Association

*Summary:* Sue Ferry, Utah State Coordinator met with Utah Business Coalition ally Neil Jensen, Executive Director of the Utah Pharmaceutical Association on April 27, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholder presentation.

Mr. Jensen asked if Philip Morris knew what they were getting into dealing with the FDA. He pointed out the problems the pharmaceutical industry experiences, but agreed that the Philip Morris reasoning was sound.

2081295092

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/28/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Dennman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Utah Soft Drink Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition member Tom Bingham, Executive Director of the Utah Soft Drink Association on April 28, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholder presentation.

Mr. Bingham was very receptive, but indicated concern of the "slippery slope" situation as it could apply to non-alcohol beverages being regulated next.

Thursday, May 24, 2001

ProActive Communications

2081295093

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 04/28/2001                      *State Coordinator:* Sue Ferry  
*State:* Utah                                *Regional Coordinator:* Weldon Denman

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*Issue(s):* FDA Education Campaign

*Attendance:* Utah Auto Dealers Association

*Summary:* Sue Ferry, Utah State Coordinator met with Utah Business Coalition ally member Craig Bickmore, Executive Director of the Utah Auto Dealers Association on April 28, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholder presentation.

Mr. Bickmore understood Philip Morris' need for stability, predictability, and uniformity. In time Ms. Ferry believes that Mr. Bickmore will be supportive.

2081295094

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 04/30/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s):** FDA Education Campaign

**Attendance:** Utah Bankers Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition ally member Beckie Wilkes, Executive Assistant of the Utah Bankers Association on April 30, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholder presentation.

Ms. Wilkes was very receptive and she could see Philip Morris's need to have stability, predictability, and uniformity. Ms. Wilkes was very impressed with the efforts Philip Morris is making in changing their image, and asked to be kept updated on the issue.

2081295095

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/01/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Utah Chain Drug Stores Association  
Utah Convenience Stores Association  
Utah Food Industry Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition member Jim Olsen, Executive Director of the Utah Food Industry Association, the Utah Association of Convenience Stores, and the Utah Chain Drug Stores Association on May 1, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholders presentation.

Mr. Olsen was impressed with the materials and effort put into the presentation. He commented on Philip Morris' "push to change its image." Mr. Olsen has empathy with the need Philip Morris has for stability, predictability, and uniformity, but feels that the company is not being sensitive to the problems that FDA over-sight creates for his associations.

Mr. Olsen stated that at this time he has been instructed by his board to actively oppose any efforts to give FDA regulation of tobacco. Ms. Ferry asked him if his board would be supportive if the Frist Bill was amended to create a separate division within the FDA that denies FDA authority over sales and marketing beyond the MSA. He said that he thought it would make a big difference with his board's position on the issue.

2081295096

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/01/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Utah Nurses Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition Member Becky Richards of the Utah Nurses Association on May 2, 2001. Ms. Ferry shared the FDA White Paper the Steve Parrish editorial, and presented the FDA Stakeholder presentation.

Ms. Richards was pleased to receive the information. She had read several news paper articles about Philip Morris' decision to seek FDA over-sight, stating, "it is very responsible of the company to take such action." Ms. Richards was impressed with the extent of the presentation and handout. She said that what the company was doing was right, but felt that her association would have a hard time "bucking" the AMA.

2081295097



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/04/2001                      *State Coordinator:* Sue Ferry  
*State:* Utah                                *Regional Coordinator:* Weldon Denman

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*Issue(s) :* FDA Education Campaign

*Attendance:* Utah Mining Association

*Summary:* Sue Ferry, Utah State Coordinator met with Utah Business Coalition member Greg Freede, Executive Director of the Utah Mining Association on May 4, 2001. Ms. Ferry shared the FDA White paper, the Steve Parrish editorial, the Frist Bill, and the FDA Stakeholders presentation.

Mr. Freede said that he was not surprised that Philip Morris was stepping out front in asking for FDA oversight at this opportune time. He said that he has always been impressed with Philip Morris' aptness for detail, stating, "Philip Morris has always had the foresight to recognize the problem that exists, and find the profitable solution." Mr. Freede will recommend to his board that they do whatever they can to help.

2081295098

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/04/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Utah Hotel Lodging Association  
Utah Bed & Breakfast Association  
Utah Tourism Industry Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition member Ann Gambrino, Executive Director who represents the Utah Hotel & Lodging Association, the Utah Bed & Breakfast Association, and the Utah Tourism Association, May 4, 2001. Ms. Ferry shared the FDA White Paper, the Parrish editorial, the Frist Bill and presented the FDA Stakeholders presentation.

Ms. Gambrino was very receptive to the presentation. She fully understands Philip Morris' need to establish business normalcy to the tobacco industry. She is appalled by the action of the trial bar. Ms. Gambrino said, "I am willing to write letters, make phone calls, or personally talk to government officials, if it will help."

2081295099

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/08/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s):** FDA Education Campaign

**Attendance:** Utah Tax Payers Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition member Howard Stevenson, Executive Director of the Utah Tax Payers Association on May 8, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist, and presented the FDA Stakeholder presentation.

Mr. Stevenson was impressed with the preparation Philip Morris had put into the presentation. He said, "I wish all tax payers had the business integrity Philip Morris has." Mr. Stevenson said that it was his experience with the company that they do not go "half-cocked" in making business decisions, and that if Philip Morris feels FDA over-sight will give them stability, predictability, and uniformity, he would be in full support.

2081295100

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/08/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Utah Motor Transport Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition member Dave Greer and Terry Smith, Executive Director and Assessment Director of the Utah Motor Transport Association on May 9, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholders presentation.

Mr. Greer and Mr. Smith were not aware of the push by Philip Morris to gain FDA over-sight. They were very interested in the presentation and materials prepared. Mr. Greer commented that he was impressed with Philip Morris' efforts to change the image of the company. Both men were sympathetic to Philip Morris' need for predictability and stability.

Mr. Greer said that the board had not discussed the FDA issue. He said that if the legislation was written to exclude sales ad marketing, his board would most likely vote to support the issue.

2081295101

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/08/2001                      **State Coordinator:** Sue Ferry  
**State:** Utah                                **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Utah Petroleum Marketers and Retailers Association  
Utah Heating and Air Conditioning Contractors Association

**Summary:** Sue Ferry, Utah State Coordinator met with Utah Business Coalition member John Hill, Executive Director who represents both the Utah Petroleum Marketers and Retailers Association and the Utah Heating and Air Conditioning Contractors Association on May 8, 2001. Ms. Ferry shared the FDA White Paper, the Steve Parrish editorial, the Frist Bill, and presented the FDA Stakeholder presentation.

Mr. Hill had not been contacted by his national association though he was aware of the push by Philip Morris to gain FDA oversight through reading newspaper articles. However, Mr. Hill was relieved to find from the presentation that Philip Morris was not crazy, but as usual, "on top of the issue".

Mr. Hill stated that his boards had not taken a position on the efforts for FDA oversight by Philip Morris. He will recommend support if the legislation is amended to exclude sales and marketing.

2081295102

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/10/2001 *State Coordinator:* Pat Buckley

*State:* Virginia *Regional Coordinator:* Jim Murtha

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*Issue(s):* FDA Education Campaign

*Attendance:* Virginia Food Dealers Association

*Summary:* Pat Buckley, Virginia State Coordinator met with Barry Hawkins, who is the President of the Virginia Food Dealers Association on May 10, 2001, in Richmond, Virginia. The purpose of the meeting was to discuss the FDA and its possible role in the regulation of tobacco products.

Mr. Buckley began to explain some of the details of the FDA White Paper and was stopped very quickly and politely by Mr. Hawkins as he raised the issue of licensing. This issue is one which Mr. Hawkins and his organization strongly oppose. He mentioned that Philip Morris has in the past supported measures in Virginia which included licensing for retailers and the association fought successfully against them. This issue did cause great concern with Mr. Hawkins on another front also. He expressed reservations that funding the new FDA regulations would have to come from somewhere and he thought it would be unfair to have licensing fees pay for the proposal.

However, after this input from Mr. Hawkins, Mr. Buckley continued with the presentation and Mr. Hawkins seemed quite understanding of the position taken by Philip Morris. He stated that he was "not surprised" that Philip Morris was moving in this direction and stated that he was pleased that we reached out to him prior to moving forward on the proposal. He thought that, "properly put together and tailored, it would show real responsibility by the company."

Mr. Hawkins considers himself "open-minded" on this issue at the present time. He was kind enough to extend an invitation for someone from Philip Morris to address his board of directors meeting on June 24, 2001, in Virginia Beach, on the FDA topic.

2081295103

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/11/2001                      *State Coordinator:* Pat Buckley  
*State:* Virginia                      *Regional Coordinator:* Jim Murtha

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*Issue(s) :* FDA Education Campaign

*Attendance:* Virginia Farm Business Council

*Summary:* Pat Buckley, Virginia State Coordinator met with Ken Boehm, who is the Director of the Farm Business Council on May 11, 2001, in Falls Church, Virginia. The purpose of this meeting was to discuss the FDA and its possible role in the regulation of tobacco products.

Mr. Buckley gave the presentation and the FDA White Paper to Mr. Boehm. After hearing the entire presentation, Mr. Boehm expressed concern over "trusting" the FDA to manage any program properly. He stated that he was "very skeptical" on giving the federal anymore power than it already has.

Mr. Buckley did get him to agree to read the FDA White Paper and Mr. Boehm also agreed that, at least for now, the Farm Business Council would not speak to the subject.

At this point it appears that this organization would not be supportive. However, Mr. Boehm was pleased that he was made fully aware of the subject matter and, despite his misgivings, he is willing to continue to have an open dialogue.

Mr. Buckley will meet with Mr. Boehm in the weeks ahead in order to see what reaction Mr. Boehm has regarding the FDA White Paper.

2081295104

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/01/2001                      *State Coordinator:* Shawn Banfield  
*State:* Vermont                      *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign  
*Attendance:* Vermont Grocers Association

*Summary:* Shawn Banfield, Vermont State Coordinator met with Jim Harrison, President of the Vermont Grocers Association on May 1, 2001, to discuss FDA regulation. Shawn Banfield pointed out that most of the individual issues contained in the FDA White Paper have already been dealt with to some extent through Vermont statutory changes over the last ten years or so.

Mr. Harrison was very concerned at the outset of the meeting about the opposition to this proposal from other members of the industry. Ms. Banfield pointed out that this is not the first time Philip Morris has taken the lead on an issue, which he is well aware of from working with Philip Morris in the past. Toward the end of the meeting, these concerns seemed to be more of a reaction to what he may have heard or read in terms of media coverage to date.

Ms. Banfield reviewed the FDA White Paper with Mr. Harrison, and he agreed to read the document and then follow-up with specific comments. He also said that he has not been contacted by anyone else on the issue to date and was impressed that Philip Morris was trying to work with allies, rather than moving forward without seeking input, as Philip Morris has in the past.

The Vermont Grocers Association, at this point, has not taken a position on FDA regulation and will need further dialogue.

2081295105



# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/11/2001                      **State Coordinator:** Shawn Banfield  
**State:** Vermont                      **Regional Coordinator:** Brendan Kennedy

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**Issue(s) :** FDA Education Campaign

**Attendance:** Associated Industries of Vermont

**Summary:** Shawn Banfield, Vermont State Coordinator met with Bill Gillam, Vice President of Government Affairs for Associated Industries of Vermont on May 11, 2001, to discuss FDA regulation. Ms. Banfield pointed out that many of the issues addressed in this proposal have already been legislated in Vermont over the last ten years.

Mr. Gillam was unaware of the issue, obviously not having read the media accounts to date on this subject. Ms. Banfield used the opportunity to describe the contents of the FDA White Paper, stressing the importance of stability and predictability for the industry, not unlike what members of Associated Industries of Vermont might like to have.

Ms. Banfield provided Mr. Gillam with a copy of the FDA White Paper. Mr. Gillam agreed to read it and has tentatively scheduled to meet again with Ms. Banfield and the President of Associated Industries of Vermont, Sandra Dragon on May 16, 2001.

Associated Industries of Vermont, at this point, has not taken a position on FDA regulation and will need further dialogue.

2081295106

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/17/2001                      *State Coordinator:* Shawn Banfield  
*State:* Vermont                              *Regional Coordinator:* Brendan Kennedy

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*Issue(s) :* FDA Education Campaign

*Attendance:* Associated Industries of Vermont

*Summary:* Shawn Banfield, Vermont State Coordinator and Joanne McCarthy, Director for Philip Morris State Government Affairs met with Bill Gillam, Vice President of Associated Industries of Vermont to discuss the potential for the tobacco industry to be regulated by FDA.

Mr. Gillam was much more aware of the issue than he had been during the May 11, 2001 meeting with Ms. Banfield. He said that he had skimmed the FDA White Paper and agreed that most of what Philip Morris was looking to do was already legislated in Vermont. He is concerned that this type of proposal could spin out of control and the industry might get something that they do not want. He wondered why Philip Morris would ask to be regulated when it seems that the industry is in pretty good shape in terms of more regulation coming down, at least for the foreseeable future.

Mr. Gillam suggested that he would assist Ms. Banfield in getting a meeting scheduled with him and Sandra Dragon to further discuss this issue, but a meeting prior to the first week of July was unlikely.

2081295107

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/08/2001                      *State Coordinator:* Tom Gurr  
*State:* Washington                      *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Washington Food Industry

*Summary:* Tom Gurr, Washington State Coordinator met with Washington Food Industry Director of Public Affairs, Amy Brackenbury. Ms. Brackenbury believes that her members, the grocers of Washington, would not oppose FDA regulation. She felt that the resistance would likely come from smaller stores. According to her, the grocers like "whitehat issues" and steer away from anything controversial. Opposing FDA regulation would not be an issue they would take on. However, they usually don't support any product restriction legislation. She did mention that in this last legislative session, they had supported a similar type of "preemptive legislation" on something they typically oppose. Once they understood the value, they were wholeheartedly behind it.

Without prompting, she expressed her biggest fear as what this would look like in five to ten years. Mr. Gurr explained the best way to control what we end up with would be to get the association at the table early. This way they could help craft something they can live with.

Ms. Brackenbury saw the value of stability, certainty and uniformity in FDA regulation, and said she would begin to poll her members for reaction and interest.

2081295108

# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/11/2001                      *State Coordinator:* Tom Gurr  
*State:* Washington                      *Regional Coordinator:* Fred Karger

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*Issue(s) :* FDA Education Campaign

*Attendance:* Washington Association of Neighborhood Stores

*Summary:* Tom Gurr, Washington State Coordinator met with Washington Association of Neighborhood Stores board member and convenience store owner Hank Hertz. Mr. Hertz had some reservations about FDA regulation. He felt like it could be something that his organization could eventually get behind, but he had several questions.

First, he was very concerned about extra licensing and or training that may be required at his own expense. He also felt that face-to-face sales requirements would be unenforceable.

Mr. Gurr explained that this will provide a context of stability and predictability to do business in. Mr. Hertz agreed that we needed to do something and applauded Philip Morris for their forward thinking, and asked that he be kept up to date as the issue develops.

2081295109

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/02/2001                      *State Coordinator:* Paul Sicula  
*State:* Wisconsin                      *Regional Coordinator:* Phil Craig

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*Issue(s) :* FDA Education Campaign

*Attendance:* Wisconsin Merchants Federation

*Summary:* Paul Sicula, Wisconsin State Coordinator met with Chris Tackett, Executive Director, and Doug Johnson, Legal Counsel of the Wisconsin Merchants Federation on May 2, 2001. They were, at first, surprised that Philip Morris would actually be embracing some form of FDA regulation. Mr. Sicula provided Mr. Tackett FDA White Paper. Mr. Johnson agreed almost immediately that this was the exact right time to seek regulation. After Mr. Sicula's presentation, and with Mr. Johnson's agreement, Mr. Tackett said that they would absolutely support Philip Morris' position.

2081295110

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/02/2001 *State Coordinator:* Paul Sicula

*State:* Wisconsin *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Wisconsin Grocers Association

*Summary:* Paul Sicula, Wisconsin State Coordinator met with Brandon Scholz, Executive Director of the Wisconsin Grocers Association on May 2, 2001 to discuss the Philip Morris FDA regulation proposal. Mr. Sicula presented the FDA White Paper to Mr. Scholz. Mr. Scholz had previously requested information about Philip Morris' stance on FDA regulation. Mr. Sicula had already provided him with the Steve Parrish op-ed.

Mr. Sicula was pleased to find that Mr. Scholz agreed wholeheartedly with this legislative strategy. In fact Mr. Scholz said this is the exact right time to go to Congress on touchy legislation such as this, regardless of the industry. Mr. Sicula reviewed the FDA White Paper with Mr. Scholz. Mr. Scholz felt that the grocers association would be extremely supportive, however, he would have to have his board's approval before formally supporting the issue.

2081295111

# *Field Action Team*

## *Ally Meeting Report*

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*Date:* 05/09/2001 *State Coordinator:* Paul Sicola

*State:* Wisconsin *Regional Coordinator:* Phil Craig

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*Issue(s):* FDA Education Campaign

*Attendance:* Licensed Beverage Association of Wisconsin

*Summary:* Paul Sicola, Wisconsin State Coordinator met with Mike Brozek of the Licensed Beverage Association of Wisconsin regarding FDA regulation of tobacco. Mr. Brozek agreed wholeheartedly with the Philip Morris strategy and expressed willingness to actively help in any way necessary.

Mr. Brozek also indicated that he would be pleased to contact Tommy Thompson, Secretary of Health & Human Services, on the issue. He is already working with Mr. Thompson and the Department of HHS on behalf of some other clients.

# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001                      **State Coordinator:** Paul Sicula  
**State:** Wisconsin                      **Regional Coordinator:** Phil Craig

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**Issue(s) :** FDA Education Campaign

**Attendance:** Wisconsin Manufacturers & Commerce Association

**Summary:** Paul Sicula, Wisconsin State Coordinator met with Jim Haney of the Wisconsin Manufacturers & Commerce Association on May 9 to discuss FDA regulation of tobacco.

Mr. Haney told Mr. Sicula that he believed Philip Morris was employing a solid strategy. He said that he thought the company's approach to regulation made sense. Mr. Haney was especially impressed by the argument FDA regulation creating an environment of stability and certainty in contrast to the current environment of lawsuits and state by state patchwork legislation.

Mr. Haney said that he will have to get his board's approval before providing a formal position of support.

2081295113



# *Field Action Team*

## *Ally Meeting Report*

*Date:* 05/03/2001 *State Coordinator:* Cody Starcher

*State:* West Virginia *Regional Coordinator:* Jim Murtha

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*Issue(s):* FDA Education Campaign

*Attendance:* West Virginia Wholesalers Association  
West Virginia Tobacco Growers Association

*Summary:* Cody Starcher, West Virginia State Coordinator met with John Hodges, Executive Director of the West Virginia Wholesalers Association, and Christina Bright, a representative of the Tobacco Growers Association. The meeting purpose was to discuss FDA regulation. Mr. Starcher distributed the FDA White Paper and explained the proposal to have the FDA regulate tobacco.

Ms. Bright expressed concerns about the FDA regulating the tobacco growers since the growers had strongly protested a similar move several years ago. Both organizations were surprised to learn of Philip Morris' position, thinking it was a bold move. Mr. Starcher explained that Philip Morris believed this was in the tobacco manufacturers best interest for their long-term viability.

Neither organization could take an official position on FDA plans at this time. They said the matter will be discussed at their next board meeting and they will get back in touch after those meetings had occurred.

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/03/2001                      **State Coordinator:** Cody Starcher  
**State:** West Virginia                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** West Virginia Retailers Association  
West Virginia Oil Marketers & Grocers Association

**Summary:** Cody Starcher, West Virginia State Coordinator met with West Virginia Retailers Association Executive Director, Paul McKown, and Janet Vineyard of the Oil Marketers and Grocers Association. Mr. Starcher led the discussion about FDA regulation.

Mr. McKown, after a thorough look at the FDA White Paper, had no problem supporting the Philip Morris position. He also said that he understood that the other tobacco companies have not agreed with the Philip Morris position. Mr. McKown acknowledged he would write letters of support or engage in other activities on behalf of Philip Morris, if requested.

Ms. Vineyard was fairly sure her group would support Philip Morris' position. However, protocol requires her to check with her organization before making a final decision on a position. Ms. Vineyard said she would let Mr. Starcher know their position after her May 15th meeting.

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/04/2001                      **State Coordinator:** Cody Starcher

**State:** West Virginia                      **Regional Coordinator:** Jim Murtha

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**Issue(s) :** FDA Education Campaign

**Attendance:** West Virginia Farm Bureau Inc.

**Summary:** Cody Starcher, West Virginia State Coordinator met with Les Shoemaker from the Farm Bureau Inc., West Virginia, to discuss FDA regulation. At the meeting Mr. Shoemaker was presented a copy of the Philip Morris background paper on the FDA.

After reviewing the document, Mr. Shoemaker expressed concern that the FDA would try to regulate tobacco growers as well as the manufacturers. He indicated he was unable to give his organization's support without first speaking with his board of directors. Mr. Shoemaker said that he would bring the matter up at the next meeting and report what, if any, position the group may have relative to FDA regulations.

2081295116

Thursday, May 24, 2001

ProActive Communications

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/10/2001                      **State Coordinator:** Cody Starcher

**State:** West Virginia                      **Regional Coordinator:** Jim Murtha

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**Issue(s):** FDA Education Campaign

**Attendance:** West Virginia Licensed Beverage Association  
Marion County Chamber of Commerce

**Summary:** Cody Starcher, West Virginia State Coordinator met with Dave Rees of the West Virginia Licensed Beverage Association and Charlie Reese, Executive Director of the Marion County Chamber of Commerce to discuss possible regulation by the FDA. Mr. Starcher distributed the Philip Morris background piece and explained Philip Morris's proposal to have the FDA regulate the tobacco industry.

Mr. Rees gave full support to Philip Morris' position on behalf of the West Virginia Licensed Beverage Association. Mr. Rees indicated he had worked on numerous issues for Philip Morris and realizes regulation of tobacco manufacturers is inevitable. Mr. Rees felt Philip Morris was smart to be proactive regarding regulation.

Mr. Reese indicated that the Marion County Chamber of Commerce may or may not take a position on this issue. He said he would need to discuss the matter with his board of directors. Although he could not give an official position for his organization, he personally believed it was a positive step for Philip Morris to take.

2081295117

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Dave Picard  
**State:** Wyoming                      **Regional Coordinator:** Weldon Denman.

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**Issue(s) :** FDA Education Campaign

**Attendance:** Wyoming Agri-Business Association  
Coalition for Free Enterprise

**Summary:** Dave Picard, Wyoming State Coordinator met with Jeff Lundberg of the Wyoming Agri-Business Association and the Wyoming Coalition for Free Enterprise on May 9 to brief him on Philip Morris' FDA regulation position.

Mr. Lundberg indicated support for FDA regulation from the Wyoming Agri-Business Association and agreed with Philip Morris' assertion that the time is right for this type of legislation, and understood why it is being pursued.

Mr. Lundberg advised that the Coalition for Free Enterprise will not actively oppose FDA legislation, but at this time will not sign on as an advocate. Mr. Lundberg said that the coalition does not want to be vocal on a regulatory proposal when its overall purpose is to oppose additional regulatory burdens in the market place. Mr. Lundberg was appreciative of the briefing and the proactive approach that Philip Morris is taking on the issue.

2081295118

# *Field Action Team*

## *Ally Meeting Report*

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**Date:** 05/09/2001                      **State Coordinator:** Dave Picard  
**State:** Wyoming                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Wyoming Retail Merchants Association  
Wyoming State Liquor Association  
Wyoming Lodging and Restaurant Association

**Summary:** Dave Picard, Wyoming State Coordinator met with Lynn Birleffi, Executive Director of the Wyoming Retail Merchants Association, the Wyoming State Liquor Association, and the Wyoming Lodging and Restaurant Association on May 9.

Ms. Birleffi was receptive to the idea of FDA regulation as proposed by Philip Morris. Ms. Birleffi indicated that the Wyoming Retail Merchants would likely support regulation and work on behalf of the issue. She did have concern that other industry members are not on board, but she did not see this as a stumbling block for her members. Ms. Birleffi said that the Wyoming Restaurant and Lodging Association would likely be neutral on the issue.

The Wyoming State Liquor Association does not have a position at this time. Ms. Birleffi will talk to the board and requested that Mr. Picard provide the board with a briefing at their next meeting in June. Ms. Birleffi was pleased with Philip Morris' outreach to stakeholders, especially the "open" dialogue approach.

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# *Field Action Team*

## *Ally Meeting Report*

**Date:** 05/09/2001                      **State Coordinator:** Dave Picard  
**State:** Wyoming                      **Regional Coordinator:** Weldon Denman

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**Issue(s) :** FDA Education Campaign

**Attendance:** Wyoming Wholesale and Coin Operators Association  
National Federation of Independent Business, Wyoming

**Summary:** Dave Picard, Wyoming State Coordinator met with Tom Jones, Executive Director of the Wyoming Wholesale and Coin Operators Association and National Federation of Independent Business, Wyoming on May 9.

Mr. Jones totally agreed with Philip Morris' desire to have meaningful FDA regulation legislation passed this session and said, "we should have done this twenty years ago to avoid what we have now."

Mr. Jones was provided with packets for his board members to review and comment on. Although he personally agrees with the direction of Philip Morris he asked that follow up occur in the next couple of weeks to obtain a formal position from the Wyoming Wholesalers and Coin Operators Association.

From an NFIB standpoint, Mr. Jones said, "the issue of regulation and tobacco in general is too divisive for the Wyoming members of NFIB to take a position." Mr. Jones was impressed with the presentation and collateral materials and expressed thanks to Philip Morris for including stakeholders in the discussion.

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