

IV. COMMUNITY INVOLVEMENT

The tobacco industry figures prominently in the social calendar of many cities across America. Documents highlighted in this section demonstrate the industry uses these community programs to promote their corporate image and further the sales of their products. In section one, we cover a debate between Philip Morris executives as they consider economic and political ramifications of boycotting ten of twelve Texas cities scheduled for a company cultural exhibit. The exhibit celebrates the 150th birthday of the State of Texas, and Philip Morris executives want to use the event to get their political “message across to elected officials.”

In section two, Philip Morris executives acknowledge that the mounting social pressure concerning their dangerous products will soon overwhelm their ability to remain ahead in the public relations game. The executives note that from a short term perspective, their propaganda efforts will successfully secure a relatively friendly political environment. They speculate the extended future will grow increasingly hostile. The planners therefore direct the company’s outreach programs toward Hispanics, Blacks and women, which they recognize as important cohorts for the marketing of their products.

A. Cultural Affairs and Political Football

In a 1986 Philip Morris document, executives disclose the true purpose of the company’s community programs such as art exhibits and cultural displays. From a series of internal conversations, we learn how Philip Morris retaliates against community leaders and local residents for furthering progressive policies intended to restrict public smoking. The company purports to “punish” political leaders and communities who have “been hostile to the industry that has tried to bring culture to this area.”

“As you know, Cultural Affairs is planning to conduct an exhibit throughout Texas over the next year in celebration of the state’s 150th birthday. About two months ago, Guy [Smith] signed a memo indicating our concerns about Philip Morris support in cities that are considering restrictive smoking measures.

...effectively, we agreed to avoid cities that are actively pursuing this type of legislation. Twelve Texas cities are in this situation. Cultural Affairs has already booked the exhibit in two of those cities – Corpus Christie and El Paso. At this time, we will not cancel the arrangements, but we will make the final decision based on the legislative outcome.

An engagement in Dallas will be avoided at all costs. Although Dallas has already enacted their ordinance, we expect attempts to toughen the law to occur in the next several months. It might be well to arrange an extensive agenda for the exhibit throughout Texas. A well crafted media campaign could then explain why we have to cancel these engagements – ‘It would be difficult for Philip Morris to host/sponsor an exhibit in a city that has been hostile to the industry that has tried to bring culture to this area.’

By boycotting certain cities, we get our message across to the elected officials. However, the public either will not know of our effort or they certainly will not understand. That is why it is something we probably need to take to the streets. It certainly would generate controversy but, at lease, the public would understand why we would be cancelling [sic] major events I their cities.” [Community.1/p.1]

Stanley Scott, Philip Morris, responds to Guy Smith regarding the proposal to restrict cultural activities in Texas.

"The frustration that we are going through as a result of increasing restrictive smoking activities is understandable, but boycotting cities may not be the answer. The real and present danger here is that by waging a public campaign and boycotting cities whose elected officials and anti-smoking groups have been hostile to our industry, we leave ourselves vulnerable to retaliatory action by the millions of inhabitants of those cities we rely on to purchase and consume our products, including groceries and beer. Even many of those who purchase and enjoy our cigarettes – I believe – would label our cultural affairs program a political football and eventually dismiss our other community programs as being solely politically expedient, thus reversing our well-earned reputation as a thoughtful and socially responsible corporation.

It would seem to me that we need to try and effectively use cultural affairs – wherever and whenever possible – as a position platform to help tell our industry position on the cigarette smoking issue and to gain access to our friends and even our enemies.

...We need to work creatively to make our tobacco industry associations more responsive to being out front on issues to serve as a buffer for our company and preclude Philip Morris and its products from taking unwarranted negative hits from our detractors."
[Community.2/p.1-2]

B. Banking Good Will

As documented in the previous section, the tobacco industry, and in particular Philip Morris, engages in community activities to further social and political goals. In 1984, Stanley S. Scott addresses the Board of Directors for Philip Morris Incorporated. His speech provides a rare glimpse of the declining morale within the company. Scott's remarks also highlight the company's strategy to counter the growing opposition to their products.

"The rainy days are here. For years Philip Morris has been banking reserves of good will, knowing that in the short term we were well-served in perceptions of our products and our company, but knowing also that we would someday draw upon that good will in major public policy battles.

To counter these pressures, Corporate Affairs is first, more carefully targeting its outside activities to affect those people who may be supportive, second, compiling information on issues and possible supporters in a form where it can be swiftly utilized to marshal an alliance, and third, sensitizing key constituencies to the probability that we will turn to them for support." [Affairs.3/p.1]

"Corporate Information Systems has designed, to our specifications, an Integrated Information System, linking a variety of computer programs so we may identify what resources may be available to address any particular legislative problems...

Beginning with the Vatican Collections exhibit which concluded in 1984, cultural activities are targeted toward issue and product support. Increasing numbers of tobacco and beverage business associates are included in the guest lists for events connected with shows and performances. Many activities are chosen for their potential target...

The press and financial communities are being sensitized to Philip Morris issues before developments turn issues into news...

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Outreach programs are increasingly directed toward groups which tend to be supportive – Hispanics, Blacks, women, for instance – groups which are also important as marketing targets for our products. Activities with such organizations are becoming more substantive, with fellowships and basic support, rather than just hospitality.

Corporate Contributions are likewise being directed where there is the greatest likelihood of positive response to our issues and products...

Similarly, audiences are being chosen for speeches or publications on particular issues, rather than always waiting for invitations." [Community.3/p.2]

"In 1985, Cultural Affairs will have its major exhibit 'Primitivism in 20th Century Art' in Detroit and Dallas, where we can capitalize on our relationship with the minority community, and on our beer and cigarette promotion opportunities. A new show, featuring Southern folk art, will give us increased opportunities to reinforce our Southern coalition. Benefits from sponsorship of the Lou Harris survey on support for the arts are building, and the underwriting of the publication on 'Museums in the 21st Century' reminds the arts and academic communities of our value to them...

In communications, the trust is toward the 'second-tier' contacts, whose attitudes in turn affect decision-makers. These contacts – press, financial contacts, speech audiences, etc. – help to offset the customary din from our opponents in society." [Community.3/p.3]

C. SummerFest

We uncovered an excellent example how the tobacco industry uses community activities to violate the spirit of the ban on television advertising. This document also reveals the importance of such events to corporate sponsors, in this case, Philip Morris. In 1994, Philip Morris hosted the Fort Bliss Marlboro Summerfest. From the corporate *Marketing After-Action Report*, we are able to determine the extent of the promotional campaign. From the list of vendors we see this is not an "adult-only" affair, i.e., Austin High School, Face Painting, Game Booths and Gyro Ride [p.8-9].

The greatest benefit to the company comes from the extensive media coverage. The document provides summaries for billboard advertising, posters/flyers, state national statement stuffers, newspaper articles/ads [p.12-13]. Broadcast media gave significant air time to the event as well. The report states, "overall media coverage was substantial, and in most cases the broadcast media delivered more than was required in the sponsorship agreements" [p.16]. The report notes some of the broadcasters provided this coverage free of charge. In a section titled, "What Worked," the report highlights that:

"The El Paso broadcast media were very receptive to our event and supported it whole-heartedly. The TV stations were much easier to work with than expected; they were able to deliver production of ads within a very short time-frame, and did so without complaint. Even more surprising was the ease with which we got live interviews with the TV stations; all we had to do was call and set-up a time – it wasn't even necessary to 'sell' the event!" [p.17]. [Community.4/ft_bliss.PDF]