

# VII. ADVERTISING AND PROMOTION

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The tobacco industry engages in many types of promotional activities, i.e., media spots, point-of-purchase advertising, sponsorship of auto racing and high profile events such as the Virginia Slims tennis tournament, Spring Break festivities and others. As might be expected, the western theme is an important component in Texas marketing.

"In order to create consumer involvement and generate extra carton sales, Marlboro sponsored an on-carton belt buckle promotion in selected markets. (All other markets placements are tentatively scheduled for mid-1988.) With every carton purchase, the consumer will receive a Marlboro Longhorn Buckle, made of solid brass."  
[promotions/marlboro\_promo.PDF/p.1]]

From a Philip Morris 1988 inter-office correspondence titled, "Marlboro Country Music," we begin to understand how important music, and particularly country music is to the Marlboro brand image. As we look back historically, keeping in mind Marlboro is the most popular brand with underage youth, we can properly interpret the company's use of the term, "key target group."

"In the face of increasing competition, reaching Marlboro's key target group in exciting new ways is a priority for us. We must constantly look for new ways to extend the Marlboro image to smokers.

Through the selective use of programming, radio can be a very effective and efficient medium to reach Marlboro's target.

Today's young adults reach more to music and images than print. Music is their language and source of ideas and trends. It gets their attention and has universal appeal which transcends cultural boundaries.

Every day our target is turning to the FM dial. In all major markets radio penetration is upwards of 90% and is often higher than TV.

Marlboro has two unique music properties that can be leveraged in radio: the Magnificent Seven theme and our heritage in American Country & Western music...

They have brought the image of Marlboro, created in cinema and print, to life on the radio. Focusing on the romantic, aspirational qualities of Marlboro, these spots are distinctive and memorable and will stand apart from the competition as well as the programming environment they are played in.

On each spot there is the tag line announcement, 'Come to where the flavor is, Come to Marlboro Country' to reinforce Marlboro's promise of flavor."  
[promotions/marlboro\_country\_music\_plan.PDF/p.1-2]

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There has been a consistent movement in Texas as well as across the nation to limit tobacco advertising. In 1969, U.S. Senator Frank E. Moss requested *The Dallas Morning News*, advertised as Texas' Leading Newspaper, to restrict its tobacco advertising. We uncovered the response by Dick West, Editorial Director for the *Morning News*:

"In response to your recent letter with respect to The Dallas News' official policy on cigarette advertising:

This newspaper's policy, as stated in its rule book, is that: "all legitimate advertisements are acceptable." [promotions/promo.3/p.1]

The tobacco industry responds to criticisms of advertising claiming advertising does not attract new smokers. They point to the distinction between "new" and "mature" product environments.

"Tobacco advertising does not cause people to smoke... 'There is little evidence that advertising results in additional smoking. As with many products, [cigarette' advertising mainly shifts consumers among brands.

The contention that advertising does influence people to smoke overlooks the distinction between advertising in a 'mature' product and advertising in a 'new' product market.

When proponents of cigarette advertising bans suggest that advertising influences people to smoke, they are both overestimating the power of advertising and underestimating the intelligence and free will of consumers.

Disseminating commercial messages does not guarantee that they will be noticed; even when noticed, the messages will not necessarily be retained; even when the message is memorable, the brand will not necessarily be recalled; there is no guarantee there was any interest in purchasing brand or product category." [promotions/promo.4/p.1-2]

As with many tobacco industry statements, their response is not a completely true. From a 1988 Philip Morris report on their "current business situation," we are able to obtain figures on the effectiveness of advertising. One third of their in-switchers were new smokers.

"Total Marlboro drew 33% of its in-switchers from new smokers in 1988 as in previous years. Switching within the brand remained at 23%, most of it moving down in tar to lights. Outswitching decreased slightly compared to last year. Marlboro lost its 'fair share' of 20% to Price Value, about even with last year. Switching to Winston and Camel remained constant, while losses to Merit decreased for the second year in a row." [p.2]

"Marlboro's profile depicts a primarily young and male brand, with a high proportion of Hispanic smokers and a low proportion of Black smokers." [p.14]

"Marlboro posted share increases among total smokers and most of its key segments: men, woman, and age groups up to age 44. The fastest growing segments continue to be the younger smokers... Qualitative research is underway to investigate Hispanic attitudes toward Marlboro, particularly among the young segments." [p.15]

"Marlboro's biggest source of smokers continues to be smokers with 'no previous brand,' roughly half of whom are starting smokers. In 1987 this group contributed 33% of Marlboro in-switchers. Internal Marlboro switching is the second largest component [23%]." [p.19] [promotions/brand\_performance\_88.PDF]

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## A. Advertising and Point-of-Purchase Strategies

There is frequently great variation between the verbal expressions by industry representatives, and their corresponding actions. We observe this again using a 1976 RJ Reynolds report on Austin, Texas. This document provides an important perspective on the industry's underlying purpose for advertising. In the memo, executives discuss current population figures and projected population growth. By 1976, tobacco in general enjoyed a "mature" market environment. The emphasis on population, rather than the subsection of smokers, suggests RJ Reynolds plans to do more than persuade smokers from competitor brands to switch to their products. Clearly, they are interested in the universe of rapidly expanding consumers in Austin. Their interest in the UT student population supports this conclusion.

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### "Recommendation

This recommends that we add Austin, Texas to our out-of-home program beginning in 1977 at a #75 showing level.

### Background

Austin is the fifth largest market in the state with a population of 342.6M. This reflects a 16% increase in population from 1970. Austin population is projected to increase by 28% in 1975 to 438.3M. As you are aware, the University of Texas is located in Austin with a young adult population approaching 50M." [promotions/promo.8/p.1]

The following comes from a 1992 presentation by the Leo Burnett ad agency, apparently to Philip Morris executives. The report covers Point-of-Purchase promotions – one type of advertising nearly impossible "not to notice." The activities associated with P-O-P promotions include signs, displays and associated advertisements located near checkout stands in grocery stores and that blanket convenience stores.

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"One powerful contact point is in-store... where two-thirds of all purchase decisions are made. Point-of-Purchase materials (P-O-P) play an important role in influencing those in-store purchase decisions... especially when they are synergistically linked with a brand's advertising and positioning (brand merit)." [promotions/pop\_special\_report.PDF/p.3]

### "LEADING SUB-CATEGORIES

POPAI measures 45 sub-categories within the 9 major categories. The following top 4 categories accounted for \$6.4 billion in P-O-P spending in 1990... 43.2% of the total industry." [promotions/pop\_special\_report.PDF/p.10]

#### TOP P-O-P SUB-CATEGORIES – 1992

|                            | \$ Billions | % Total Industry |
|----------------------------|-------------|------------------|
| Tobacco                    | \$2.2       | 14.9%            |
| Passenger Cars             | 1.9         | 12.8%            |
| Beer                       | 1.3         | 8.8%             |
| Stationary/Cards/Gift Wrap | <u>1.0</u>  | <u>6.7%</u>      |
| TOTAL                      | \$6.4       | 43.2%            |

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## B. Strategic Impact of Music

In a 1992 document titled, “Marlboro Music Promotion,” Philip Morris executives elaborate their strategy for captivating young males. It is important to keep in mind the industry is aware fully of the political consequences associated with underage smoking and advertising that may attract younger teens. By the mid-1980s, industry executives are careful to use terms such as “young adults” or “young adult smokers” in their communications. The industry is so remarkably consistent in the practice that they essentially create a “missing generation.” Officials never mention the under 18 age cohort – as if these consumers, or potential consumers, do not exist. We know promotional activities and advertising impact the under 18 crowd. When examining tobacco industry documents, one learns the tobacco industry has caused this segment of society to conveniently “disappear.”

If the tobacco industry is convinced a particular strategy is effective with 18-19 year olds, then it likely has a similar, if not greater, impact on 16-17 year olds. The burden of disproving this assumption should rest with the tobacco industry.

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### “BACKGROUND

Music is a top priority for Young Adult Male Smokers as an interest or passion in their lives.

- Music provides entertainment value with more than 50% of males aged 18-24 rating listening to music as a ‘very important’ part of their lives...

Music would provide an opportunity for positive brand contact points with the target for Marlboro

- Music promotions could be implemented via numerous vehicles at all levels of marketing support (national programs to grass roots efforts as well as direct marketing).

However, Marlboro must associate itself with music in a way that is unique/proprietary and extends the brand’s equity.

- Marlboro must go beyond less-specific popular Rock & Roll music.”  
[promotions/promo.1/p.1]

Philip Morris also sponsors numerous musical events that target minorities. For the predominantly Black/African American audience, they sponsor the Houston Jazz Festival in many Texas locations:

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### “Houston Jazz Festival

Held in Houston, Dallas, Beaumont, Port Arthur, San Antonio, Austin, Fort Worth, Amarillo, Lubbock, Waco, Wichita Falls.” [promotions/jazz\_festivals\_TX.PDF/p.1]

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In a 1988 memo, Philip Morris executives note the importance of music to the Hispanic culture. San Antonio and Dallas are of great interest to the manufacturers of Marlboro.

**“Latin Music Tour Test Program**

The most effective way to reach the hispanic [*sic*] consumer is through entertainment. A latin music test program will aid Marlboro in its reach to all segments of the Hispanic universe.

A latin music program will give Marlboro a sole presence versus participation in hispanic [*sic*] events with many other corporate sponsors. The objectives set for a Latin Music Program are as follows:

Reinforce leadership position in Hispanic markets through a program that reinforces brand image.

Create high impact music program to effectively reach young adults.

Create community awareness of Marlboro involvement in Hispanic Market through highly visible public relations. [promotions/PM\_soccer\_plans.PDF/p.4]

To enhance their efforts, Philip Morris involved local retailers in a “tie-in” program.

**“Retail Tie-Ins**

It is recommended that Marlboro work National Accounts to offer a special retail program where we highlight our participation in the market. Tie-ins with M.A.G.A (Mexican American Grocers Association) in the West Coast, Fiesta in Texas, Metro Spanish in New York, and other major chains will enhance Marlboro’s awareness in the Hispanic community. [promotions/PM\_soccer\_plans.PDF/p.5]

The Marlboro Music Festival receives tremendous publicity and warm critical review. Included in the Philip Morris report are some of the comments from local media. One headline reads, “Marlboro Music ’90 Searchers for the Music Stars of Tomorrow” [p.10]. One can easily replace “Music Stars” with the the word, “Customers.” In another article, the caption states, “Concert series aims to reach out to new listeners” [p.9]. Here, one can substitute “new customers” for “new listeners”. Philip Morris, as we know, is not in the music business. They use musical promotions to market their tobacco products. The segments below demonstrate the effectiveness of this advertising strategy.

**Marlboro Music Festival** [promotions/music\_festival.PDF]

Houston, Texas  
July 1990

“During the month of July, Marlboro Music presented a series of concerts in Houston emphasizing ‘Country music like you’ve never heard it before.’ The goal of the Marlboro Music Festival was to broaden Marlboro’s music audience beyond country music by presenting a variety of music styles stemming from country roots, without losing our equity in country music. The objectives of the Festival were...

B. To reinforce Marlboro as an innovative leader in music.

C. To broaden our ‘scope’ of music events to reach a wider audience.” [p.3]  
[continued]

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"The aim of the Marlboro Music Festival was to have a continued presence in the Houston market during the entire month of July. This 'blitz' was achieved by Marlboro Music through 3 types of events...

The musicians performed in front of a backdrop with the Marlboro Music logo which covered the entire back wall of the stage. Marlboro Music banners and posters were placed around the clubs. Electronic message centers with programmed concert information were placed at each venue for the entire month of July..." [p.3]

"The Sales Force distributed Festival and TRU brochures and posters to all participating clubs and at retail...

Local press coverage for the Marlboro Music Festival was phenomenal. The press turned out in full force to do advance features, calendar listings and reviews of the concerts. Columnists were pleased with the artist and venue selections and in general, the felt the Festival was an event not to be missed.

Included in the coverage were a substantial number of color covers, feature spreads and reviews. The *Chronicle* sent reviewers to every show and in most cases, a photographer was on hand. Other major papers, *The Post* and *The Press*, sent reviewers and photographers on all but two nights – the guitar workshop/concert and the blues show. In addition, major dailies as far away as Austin wrote pieces on the Festival." [p.4]

"Television shows, *Good Morning Houston* and *Viva Houston*, aired three interviews... Spanish TV and radio stations also covered the Tex-Mex night thoroughly. Both country radio stations reported on the events.

Trade publications also jumped on the bandwagon to write advance pieces. Included were *Billboard*, *Amusement Business*, *Radio and Records*, and *Performance*.

Instead of holding a press conference to announce the Marlboro Music Festival, we secured advance publicity by hosting intimate lunches and dinners with major print and broadcast journalists. Because the format of the program is new, we wanted to talk directly to the media to assure them that we were not turning our backs on country music, country artists or the roots of our successful seven-year venture with the Country Music Tour. Thus, we held four media get-togethers – two in Houston and two in Nashville...

Print ads for the Marlboro Music TRU and Marlboro Music Festival ran weekly in the *Houston Chronicle*, *Houston Press*, *Houston Post* and *Public News*..." [p.5]

"The excellent press received on the Festival generated favorable publicity for Marlboro and reinforced our visibility in Houston in July. By expanding the range of concerts we were able to reach Pop, Rock and Hispanic critics in addition to country press." [p.6]

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## C. Benson & Hedges Blues & Rhythm Program

Not only does Philip Morris use music, in this case blues and rhythm, to stimulate the sales of their products, they sponsor concerts featuring talented artists. Philip Morris uses these opportunities to court high-powered executives and other leaders.

### **"New Media Kits/Preliminary Evaluation**

Below is a brief description of R&B Music Entertainment Monthly and my recommendation as to whether or not this publication is of interest to Philip Morris...

Description: A bi-monthly black publication featuring music, fashion, artist profiles and movie reviews. The circulation is projected at 400 M and the average age of the reader is 30.

Recommendation: This would be a good vehicle for Benson & Hedges and Virginia Slims Menthol. It adds diversity to the black publications that are on the brands' schedule by focusing on the black music industry. This publication may reach an audience not covered in other publications." [promotions/promo.2/p.1]

From a June 1991 correspondence, we get a glimpse at the Benson & Hedges Blues Attendance List. Philip Morris provides tickets to the event that played at the Starplex in Dallas. The list of names is quite long. While most recipients appear to be the owners or representative of tobacco dealerships, the list includes political figures:

|                     |              |
|---------------------|--------------|
| Verna Thomas Melton | City Council |
| Arthur Ray Melton   | City Council |

[promotions/promo.8/p.1-3]

Author's note: Of interest are the seven names listed as associated with the Museum of African American.

### **Philip Morris Ethnic-Marketing Initiatives**

Philip Morris managed a sophisticated Black consumer market ethnic-marketing program. They consulted with FraserSmith, an ethnic marketing agency, and continued their relationship with the firm to "explore ideas surrounding a more brand-specific, ethnic-marketing development needs." [promotions/PM\_frasersmith.PDF]

It appears the FraserSmith proposal centered on using "motor sports as a [*sic*] image/positioning instrument." [promotions/PM\_frasersmith1.PDF]

Philip Morris held a workshop with FraserSmith in March 1987to "finalize the arrangements to begin a Situation Analysis assignment" for their brands. FraserSmith provided the corporate executives with a presentation on their capabilities and promotional programs related to both Benson & Hedges and Virginia Slims. [promotions/PM\_frasersmith2.PDF]

The proposal shows the budget for this initial work approximated \$65,000. [promotions/PM\_frasersmith\_proposal.PDF]

Three years after staging the Marlboro Music Festival, Philip Morris executives notified staff they had cancelled the Benson & Hedges Blues & Rhythm program for 1993. This change affected many tobacco markets in Texas.

**“Minority Advertising Changes**

As you know, the Benson & Hedges Blues & Rhythm program has been cancelled for 1993. Therefore, the Black and Hispanic placement dollars for that event are not being reallocated to other programs, as outlined below. Please advise the agencies so that media schedules can be updated." [promotions/promo.5/p.1-6]

**Virginia Slims Tennis**

(Original '93 Budgets:   Black \$100,000;           Hispanic \$80,000)  
 (New '93 Budgets:       Black \$130,000;           Hispanic \$120,000)

**Benson & Hedges (Community Marketing Programs)**

(Original '93 Budgets:   Black \$75,000;           Hispanic \$30,000)  
 (New '93 Budgets:       Black \$150,000;       Hispanic – Reallocated...)

| Market  | Event              | Date     | Demographics |
|---------|--------------------|----------|--------------|
| Houston | Black Expo USA (4) | 5/26     | B            |
| Dallas  | Black Expo USA     | 10/30-31 | B            |

**Marlboro (Hispanic ROP only)**

Community Marketing – Original Budget \$100,000; New Budget: \$157,5000  
 San Antonio   Alamodome Baile           6/6           Marlboro Music  
                   Tejano Concert                                   Concert

The tobacco industry has never denied they intend to addict all people, regardless of race, creed, color, national origin or background. Clearly, the industry is an equal opportunity opportunist. Related to advertising intended to target minorities, we found additional Philip Morris communications regarding their funding for Hispanic-oriented marketing.

**“Marlboro '94 Festivals Plan**

FYI: The Revised 1994 Marlboro Hispanic Festivals Plan dated April 12, 1994 has been approved.

The only event that has not received approval was using the \$5.4M resulting from the CPE being under budget to partially fund the estimated \$15.0M production associated with increasing the size of Hispanic Events Auto Racing ad to a full page. Originally \$5.0M was allocated to production for Hispanic Auto Racing; the additional \$5.4M would have left \$4.6M to be funded from Brand’s production budget (\$15.0M - \$10.4M = \$4.6M)...

Note that Events will be providing me with the ticket on-sale dates for Perfect Combination and Alamodome Baile Tejano so that we can schedule advertising around those events.”  
 [promotions/promo.6/p.1]

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## D. Targeting the Hispanic Community

In an undated tobacco industry propaganda piece, representatives respond to public criticism regarding “Cigarette Advertising and Targeting.” This press release answers directly to the charge the industry targets both women and minorities. Specifically:

“Proponents of tobacco advertising bans claim that cigarette advertising is improperly ‘targeted’ at racial minorities, woman and Third World populations...”

Not only is this attitude patronizing and paternalistic, it is not supported by data...

Patterns and trends in smoking among Hispanics do not suggest that Hispanics are ‘vulnerable’ to cigarette advertising... Rogers and Cranks study: ‘Hispanic males are as likely to smoke as anglo males, but consume few cigarettes. Hispanic females seldom smoke compared to anglo females.’ [promotions/about\_ads\_4\_minorities.PDF/p.1]

The record shows the industry engaged in sophisticated psychological research to assist their efforts to capture individuals with Hispanic backgrounds. Texas represents one of the largest Hispanic markets in the country. RJ Reynolds and Philip Morris, makers of Camel and Marlboro respectively, continue to wage an intense battle for market share within this population.

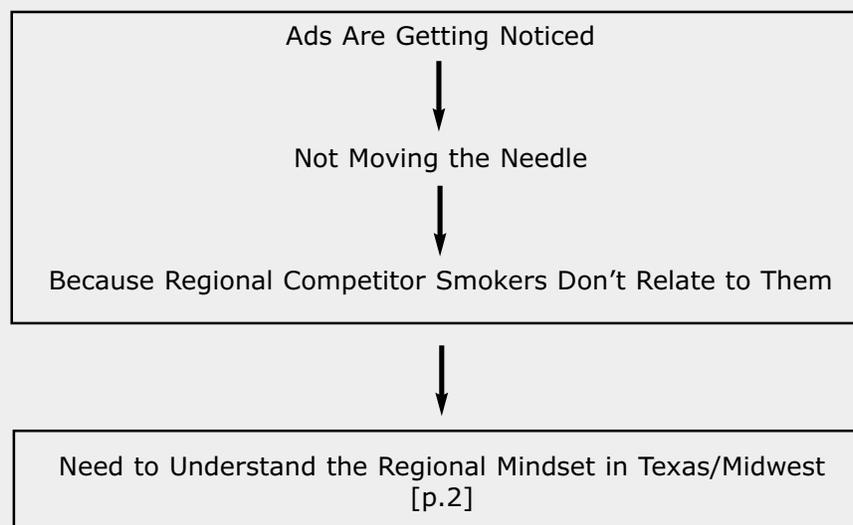
**CAMEL IN TEXAS/MIDWEST** [promotions/promo.9]

Big Need to Win            Marlboro Gaining

Big Opportunity            Market Growing

Can Advertising and Promotion Solve the Problem?

### The Advertising Record



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Based on this outline, RJ Reynolds compiled a formal study on persons of Hispanic heritage. They established two broad categories: *Nacionales* and *Chicanos*. They further divided these classifications into four small groups: Traditional Fatalists, Recent Seekers, Young Strivers and Established Adapters. Their research suggests that Recent Seekers and Young Strivers are “Camellanos,” apparently most likely to prefer their products. RJ Reynolds finds these groups to be “younger, more open to new influences and not stuck in ‘establishment mindset” [p.7]. As this is a relatively long document, we encourage readers to review the report in its entirety. We highlight their regional information on the youth market:

**San Antonio:** “This is a young market approximately 41% of the San Antonio Hispanic population is under 18 years of age...” [p.8]

**The Valley:** “Thirty-eight percent of the population is under the age of 18 years...” [p.9]

**El Paso:** “Of all Hispanics in the El Paso area, 43% are under 18 years of age...” [p.10]

**Corpus Christi:** “Forty percent [sic] of the Corpus Christi ADI is under 18 years of age...” [p.12]

[promotions/promo.9]

From a 1994 Hispanic Media Recommendation for Marlboro prepared by the Leo Burnett U.S.A. agency:

“NONETHELESS, WE CANNOT IGNORE HIGHER INCOME, ENGLISH-DOMINANT HISPANICS, AS THEY ARE CONSIDERABLY MORE LIKELY TO BE HEAVY HISPANIC SMOKERS.”  
(capitals and emphasis in original)  
[promotions/94\_hispanic\_plan.PDF/p.6]

This document also provides additional evidence the tobacco industry engages in advertising to attract new smokers, not just retain current consumers as they claim publicly; and, that the industry implements strategies designed to encourage underage minors to begin smoking. The Burnett agency comments:

“EMPHASIS WILL BE PLACED AGAINST SPANISH-DOMINANT AND BI-LINGUAL HISPANICS  
REPRESENT THE MAJORITY OF HISPANIC SMOKERS  
ALSO REPRESENT THE BULK OF NEW IMMIGRANTS  
IMPORTANT TO REACH THEM EARLY AS THEY SHAPE THEIR BRAND PREFERENCES IN THE  
U.S.  
(capitals in original)  
[promotions/94\_hispanic\_plan.PDF/p.5]

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Finally, this document illustrates the importance of Hispanic men and women to the Philip Morris business:

"WILL PLACE PRIMARY SUPPORT ON AUDIENCE OF HISPANIC MALE SMOKERS LA-24

HISPANIC MALES SIGNIFICANTLY MORE LIKELY TO SMOKE IN GENERAL THAN THEIR FEMALE COUNTERPARTS

71% OF MARLBORO HISPANIC FRANCHISE IS MALE

IMPORTANT TO EMPHASISE LA-24 SEGMENT TO PROTECT FUTURE OF MARLBORO HISPANIC FRANCHISE" (capitals in original) [94\_hispanic\_plan.PDF/p.3]

"WILL PLACE TERTIARY SUPPORT ON HISPANIC FEMALE SMOKERS LA-34

DO NOT WANT TO IGNORE THE YOUNGER HISPANIC WOMAN WHO COMPRISE UP TO 30% OF MARLBORO'S HISPANIC BUSINESS."

(capitals in original)

[promotions/94\_hispanic\_plan.PDF/p.4]

In a subsequent 1992 document, Philip Morris executive Michelle Salzman summarizes findings from a major study comparing Hispanic and White attitudes and behavior. Once again, we see tobacco industry practice differs greatly from tobacco industry propaganda:

"As Hispanics are one of the fastest growing segments in the United States (up 53% in 1990 vs. 1980 as reported by the Bureau of the Census), and represent approximately 9% of the United States population, there are clearly opportunities for Marlboro within this group. To better understand this increasingly important segment, the following profile of Marlboro's Hispanic franchise has been developed...

#### KEY FINDINGS

Marlboro's Hispanic smokers tend to skew more male (65% male) vs. Marlboro's White smokers and Total Hispanic smokers (58% and 57% respectively).

Marlboro's Hispanic smokers are younger (35% aged 18-24) than both Marlboro's White smokers and Total Hispanic smokers, (29% and 21% respectively).

38% of Marlboro's Hispanic consumers reside in Region 5. This is driven by large Hispanic populations in California, Arizona, New Mexico, and Colorado. Region 5 is the least populated geography by Marlboro's White smokers.

55% of Marlboro's Hispanic consumers purchase exclusively by the pack vs 29% of Marlboro's White consumers. This stronger preference for pack vs carton purchases may be attributed to lower disposable income levels which makes purchasing cartons prohibitive..." [promotions/hispanics&marlboro.PDF/p.1]

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## "IMPLICATIONS FOR TEXAS HISPANIC PROMOTIONAL PLAN

### LANGUAGE

A decision must be made as to whether Spanish, English or both languages should be utilized in all promotional/advertising materials produced for the Texas program. Based on a recent Hispanic seminar I attended, Spanish copy was deemed essential in all marketing efforts made to Hispanics...

### TYPES OF PROMOTIONAL OFFERS

What will the mix between price, product and incentive promotions be? With minimal marketing support, Marlboro has achieved more than a third of the Hispanic smoker share. This clearly indicates Hispanic consumers have bought into the Marlboro Brand image in a 'big way.' As such, value added incentives and product offers, which support Marlboro's premium positioning should be the core of our Hispanic retail promotional strategy. Price promotions, which tend to denigrate brand imagery may be the wrong approach to take with image conscious Hispanic smokers..." [hispanics&marlboro.PDF/p.3]

"Past experience with the Marlboro soccer T-shirt, which was offered as a bounceback to the Hispanic soccer socks promotion, suggests that continuity offers do not perform well with Hispanics...

Continuity offer for T-shirt was written in English and therefore, may not have been read by many Hispanic smokers.

Offer was not compelling (i.e. Mexicans in Texas are not particularly interested in soccer and therefore, would not be interested in a soccer T-shirt).

### EVENTS SPONSORSHIPS

...The events sponsored should be relevant to the Hispanic market (i.e. Texano [*sic*] music in Texas). Additionally, we may want to consider tieing [*sic*] our events into local charities (i.e. donating a percentage of each tickets [*sic*] sold at the events to a community organization). [handwritten marginalia] We should consider a Marlboro Music Tejano concert tour at [unreadable] festivals. Moreover, we should address the talent round program as well. Winners would open for headliners." [hispanics&marlboro.PDF/p.4]

"Increased advertising support should also be considered as an element of the Hispanic promotional plan. If existing creative is utilized, it is recommended that focus groups be held to help determine which of our ads have the most appeal to Hispanic smokers... Additionally, as the copy on Hispanic advertising has been a contentious issue (due to the many different Spanish dialects), consideration should be given to featuring minimal or no copy at all on Marlboro's Hispanic advertisements...

### TEST MARKET SITE(S)

While the current Hispanic promotional plan is being developed for Texas, we may want to consider expanding the test program to markets in California such as Los Angeles and San Francisco. In addition to being strong Marlboro markets with large Hispanic populations, California maintains the highest Hispanic population growth rate in the nation (+69% from 1980 to 1990)." [promotions/hispanics&marlboro.PDF/p.4]

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From a 1988 Philip Morris marketing plan, we learn about the objectives of the industry relative to Hispanic consumers. Philip Morris considers San Antonio a major Hispanic opportunity. They found their Charreada (Mexican Rodeos) failed to produce the results they wanted in the Dallas area.

“Marlboro’s involvement within the Hispanic community started in the late 1970’s with participation in Hispanic Festivals. Over the years, Marlboro has increased the scope of its involvement in Hispanic programs by adding amateur hispanic baseball & soccer, mexican rodeos, and a national soccer event.” [promotions/PM\_soccer\_plans.PDF/p.1]

Their goals as stated for 1988 included:

“Development of a major soccer promotion which will enhance Marlboro’s leadership position.

Test a Latin Music Tour program in major Hispanic markets.

Develop publicity program to extend reach of Marlboro Hispanic sponsorships.” [promotions/PM\_soccer\_plans.PDF/p.2]

Soccer presents an important opportunity for the tobacco industry. Philip Morris acknowledges that approximately 10 million people play soccer. We realize the greatest portion of this group are kids and young teens.

“Soccer in the United States over the last two decades has become a true American sport, which is played regularly by nearly ten million people. This American attachment to the game which, added to the overwhelming ethnic interest, produces a huge market base within the United States. The participation is vast, both in the native American sense and the ethnic sense with nearly every resident ethnic group claiming soccer as their sport, particularly among Hispanics.

The Marlboro Soccer Cup will provide the brand with excellent visibility, awareness and involvement in the Hispanic Community”. [PM\_soccer\_plans.PDF/p.3]

The Leo Burnett advertising agency provided Philip Morris with an evaluation of the major U.S. Hispanic Community newspapers. One of importance to the Houston area is *VIVA!* This 1992 document further illustrates PM’s interest in the Hispanic culture.

**“NEWSPAPER: VIVA!**

Distributed through the Houston Post in high-density Hispanic areas...

TARGET: Houston Hispanic Adults 18-45 years. Middle income who read both English and Spanish.

EDITORIAL: ...Informative and entertaining editorial; promotes the advancement of Hispanics and pride and preservation of the Hispanic culture and traditions... High circulation, reaches about 25% of all Houston Hispanics.” [promotions/media\_review2.PDF/p.1]

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Philip Morris sponsored in part the *Fiesta de las Flores* in El Paso, Texas in September 1994. While the company supports many local community activities, this documents provides a perspective about the event from Philip Morris executives.

“As the exclusive tobacco sponsor, Marlboro will have a major presence at this event and receive the following: [selected items only]

The right to operate on 10’ x 22’ tent and two kiosks in order to conduct on-site store sales, in a high traffic location;

The right to hang banners and signage on and around the exhibit booth and at other locations at the site of the Event;

The right of recognition in advertisement placed in connection with the Event and to approve in advance all materials and announcements prepared by Promoter that mention Philip Morris or Marlboro.” [promotions/fiesta\_de\_flores.PDF/p.1]

## E. Tejano Music

The Tejano music connection represents a unique opportunity for the tobacco industry. Most Americans are unfamiliar with this genre of music, yet it is extremely popular with many cultures in Texas and throughout the southwest. Many people learned about tejano music because of the movie, *Selena*. This music is highly popular with young people, particularly Hispanic teens. We followed the tejano thread to see what information we could uncover on this topic.

In a January 1992 memo from the White House, President George Bush sent the following note:

“I am pleased to send greetings to my fellow Texans who are gathered in San Antonio for the 12th Annual Tejano Music Awards Show...” [promotions/pres\_tejano.PDF/p.1]

The State of Texas House of Representatives also sent a resolution in 1992:

“WHEREAS, The Texas Talent Musicians Association (TTMA) has made, numerous significant efforts to preserve and promote Tejano music...” [promotions/house\_tejano.PDF/p.1]

The Office of the Governor for the State of Texas also issued an Official Memorandum:

“The Texas Talent Musicians Association (TTMA) has made many significant contributions toward preserving and promoting Tejano music... Widely known as he single most important national music event in the Hispanic market...” [promotions/gov\_tejano.PDF/p.1]

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As documented earlier, the tobacco industry seeks ways to participate in cultural activities and establish “leadership” in the Hispanic community. Philip Morris is well aware the benefits accruing from the sponsorship of musical and cultural events as well as from donating to worthwhile community programs. In 1992 Delmiro Garcia Productions submitted a proposal to Philip Morris that fit these marketing criteria. The organization titled the proposal, “Sumarization of the ‘1992 Tejano Thursdays’ Concert Series to Benefit the Delmiro Garcia Scholarship Foundation.”

“‘Tejano Thursdays’ continues to bring the best in Tejano Music on a weekly basis. Every Thursday at Rosedale park, General McMullen at Dartmouth, San Antonio, Texas, Delmiro Garcia Productions features three (3) Tejano Groups...

Every [unreadable] Delmiro Garcia Productions has proven to be successful by record numbers attendees at these events. The Tejano Thursdays series runs March through August with a few weekend events in the later months as well. Each event focuses directly in a ‘family’ orientated atmosphere, in the Delmiro Garcia Productions presenting each Tejano Thursday with groups that attract both the young and the old. This is a weekly event which a child, a grandparent and everyone else in between can attend.”  
[promotions/hispanic\_promo.PDF/p.1]

While we were unable to confirm whether Philip Morris ultimately funded the proposal from Delmiro Garcia Productions, Philip Morris committed their support to the Miller Lite Tejano Concerts. These were held in Dallas, San Antonio and Houston in the summer of 1995. [promotions/street\_scene.PDF/p.1]

## **F. Women’s Issues**

### 1. Virginia Slims Tennis

Philip Morris works hard to tie their products for women to the message, “You’ve come a long way, baby.” Even the contracted PR firm, primarily staffed by women executives, uses the Virginia Slims cigarette tag line in their communications with Philip Morris. The 1992 promotional guide for the Virginia Slims of Houston Tennis Tournament illustrates the underlying reasons why Philip Morris sponsors this women’s sporting event.

“1992 will mark the twenty-second anniversary of the Virginia Slims of Houston and the emergence of women’s professional tennis. The Virginia Slims and women’s professional tennis have indeed ‘come a long way’ since those early days, and Houston has played a significant role in its evolution...

The end result of this enhanced exposure will be expanded demographics; increased attendance; broader exposure for the tournament and its sponsor, and a sense of anticipation for other Philip Morris-sponsored events.” [promotions/vslims\_houston.PDF/p.3]

“DPW PR [Dancie Perugini Ware Public Relations] proposes a series of ancillary events to be developed and promoted, both before and during the tournament, to generate widespread visibility and interest in the tournament, in women’s professional sports, and in the sponsor. Ticketron sales are to be enhanced by fliers and banner displays at area Randall’s supermarkets, Foley’s department stores, Oshman’s SuperSports USA and selected tennis and fitness clubs.” [promotions/vslims\_houston.PDF/p.7]

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## 2. The Virginia Slims Legends Tour

In the promotional guide for the Philip Morris Virginia Slims Legends Tour, another tennis event held in Houston, we observe how the company uses women's sports to enhance the image of their cigarette product. This 78-page promotional guide also includes advertisements from some of the most prestigious companies in the area.

"Virginia Slims Legends celebrates women's tennis. Women have been playing tennis since the game was invented but it wasn't until 1970 that the ladies truly made a name for themselves. Since then, women's tennis has become one of the most popular sports of this or any other era." [promotions/v\_slims\_promo.PDF/p.34]

Ironically, while smoking is a leading cause of illness, disease and cancer among women, Philip Morris includes the following in their Virginia Slims promotion:

"For the second consecutive year, Virginia Slims Legends will team with the National AIDS Fund in the ongoing fight against HIV/AIDS. Last year, the Fund raise more than \$120,000 for participating communities in the Legends markets. This year, the National AIDS Fund will again identify local AIDS organizations which will benefit from the weekend activities." [promotions/v\_slims\_promo.PDF/p.34]

Philip Morris solicited the support of some of the largest names in women's tennis to assist in promoting this event. Some of the stars include: [promotions/v\_slims\_promo.PDF/p.35-38]

|                       |                  |
|-----------------------|------------------|
| Billy Jean King       | Evonne Goolagong |
| Martina Navratilova   | Virginia Wade    |
| Pam Shriver           | Rosie Casals     |
| Zina Garrison Jackson | Wendy Turnbull   |
| Hana Mandlikova       |                  |

## 3. Virginia Slimshop/PM USA

Philip Morris links the Virginia Slims sporting event to other promotions. This document illustrates the link to the Virginia Slimshop. Research recently revealed young teen girls who are concerned about weight gain are more likely to smoke cigarettes. Such a revelation demonstrates the potential of the Philip Morris "slim" campaign.

"A unique collection of specially designed clothing and sports gear has been offered to the consumer via national magazines in the June issue [1986] of such publications such as *Harper's Bazaar*, *Vogue*, *Cosmopolitan*, *People*, etc. The ad reprint which is attached will reach over 22 million adult women.

In addition to the magazine ad, a ten page brochure (also attached) featuring the complete line of Slimswear and Slimsgear will be available on the July Slimsak carton promotion...

Primarily used as a self liquidator, this promotion not only extends the brand image but serves as an interrupter inviting the consumer to spend more time with Virginia Slims than just a regular mainline ad." [promotions/v\_slims\_in\_cosmo.PDF/p.1]

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## G. Miscellaneous Promotion and Marketing Issues

### 1. Lubbock

From a 1979 Philip Morris inter-office memo, we learn about the importance of the Lubbock/Amarillo region to the Marlboro market.

“In light of the fact that Lubbock/Amarillo market is the strongest Marlboro market in Region V, I would like to recommend deeper penetration of newspaper advertising in this entire market area, as I understand outdoor advertising in this market is more expensive than the normal rate. As you know, we have no outdoor billboards in the entire Lubbock, Texas area.”  
[promotions/lubbock\_market.PDF/p.1]

A 1994 Hispanic Media Recommendation for Marlboro prepared by the Leo Burnett U.S.A. agency provides additional background regarding the importance of the Lubbock market to Philip Morris:

“Also recommend focusing on five additional Hispanic markets that have a Hispanic population concentration greater than 30%.

Hispanics likely impacting Marlboro volume/share changes.

Salinas, Laredo, Odessa-Midland, El Centro and Lubbock.

Account for an additional 3% of total Hispanic population.”  
[promotions/94\_hispanic\_plan.PDF/p.11]

### 2. NBA Advertising

As Texas has three professional basketball teams, the Houston Rockets, San Antonio Spurs and the Dallas Mavericks, the NBA is a major advertising outlet for the tobacco industry. We found a summary of an advertising package for *HOOP* magazine, touted as the “official magazine of the National Basketball Association.” The promotional publication adds, “*HOOP* is sold at every regular season and NBA Playoff game, plus the NBA All-Star Game.” The NBA offered Philip Morris the following promotional package:

“Full-page, four-color (or black and white) advertising in all 15 action-packed issues, consisting of 7 arena and 7 newsstand editions, plus a special summer newsstand edition, published from October through the NBA Finals in June (newsstand sustains through September.” [promotions/hoop\_promo.PDF/p.2]

*HOOP* staff also provide Philip Morris with a demographic summary about the people who attend NBA games. As pointed out earlier in this report, they do not provide information on the under 18 cohort.  
[promotions/hoop\_promo.PDF/p.2]

Basketball followers know many kids treasure and collect copies of *HOOP*. It is not uncommon to see young teens searching through the stands at the end of a game to find leftover copies of *HOOP*. Philip Morris reaches many young people through this promotional activity.