

RESPONSE FROM PHILIP MORRIS INTERNATIONAL

1. **The Kentucky burley tobacco farmers we interviewed for the documentary told us that they feel abandoned because less tobacco is being purchased from them and contracts are increasingly being cancelled. What is your response?**

Philip Morris International (PMI) establishes contracts on a case-by-case basis, based on a variety of factors, including projected demand and ability to supply leaf. As with any other agricultural product, these factors can vary from year to year. Kentucky tobacco growers are renowned around the globe for the excellent quality leaf tobacco they produce and the good agricultural practices they follow. PMI will continue to look to Kentucky as a source of high-quality leaf for its products.

2. **The World Lung Foundation has been critical of your marketing push in places with lax smoking regulations and unsophisticated populations. Among other things, Dr. Neil Schluger says, "In the developing world, these populations are, in a sense, much more defenseless than populations in the United States. There's much less government regulation. The populations there (emerging markets) are much more vulnerable to what the tobacco companies are trying to do." How do you respond?**

A misperception exists that there is much less tobacco control regulation in developing countries compared to the United States, and this is not the case. In most countries where PMI does business, including in developing countries, the regulatory environment for tobacco is stricter than that in the United States. This includes areas such as marketing, public place smoking, tax and price measures, health warnings and brand descriptors.

To name just a few examples, Thailand and Vietnam both require graphic health warnings that cover 50% of both the front and back of the cigarette pack and also ban all tobacco advertising. Turkey has strict public place smoking restrictions, graphic health warnings, and also bans all advertising. Malaysia has a 40% and 60% front and back graphic health warning and Guatemala has in place an extensive public smoking ban including most outdoor terraces.

It is important to point out that wherever we do business, we advocate for the introduction of laws banning sales of tobacco products to minors in countries. We also have been, and continue to be, a strong advocate for regulations that restrict the advertising and promotion of tobacco products, including complete bans on television, radio, and billboards.

3. **What is your response to critics who believe images of smoking in movies and television contribute to youth smoking.**

PMI does not pay, directly or indirectly, for product placement (e.g., payment to have its brands or any tobacco products used in movies or television). This has been PMI's

policy for many years, and we support legislation that would prohibit any tobacco company from doing so. In fact, we reject requests from film producers to use our brands in their films. Ultimately, however, the depiction of smoking in films, or on television, is one that must be decided by governments and the entertainment industry. But we would encourage the entertainment industry to exercise restraint, and, at the very least, not to use tobacco products or depict smoking in youth rated films or television programs.

We don't want minors to smoke and there are many steps that can, and should, be taken to ensure children don't have access to cigarettes, including education campaigns and bans on selling tobacco products to minors that are strictly enforced. (Please see response to question five for PMI's youth smoking prevention efforts)

4. **According to the National Survey on Drug Use and Health, 80% of smokers try their first cigarette before age 18 and nearly 90% begin before age 20. The Office of Applied Studies states that 73% of youth smokers begin smoking before age 14. What about the assertion, by critics, that you are marketing to children?**

We do not want children to smoke and we do not market to children. Most countries ban advertising but for those where some communication is still allowed we do not use any images or content that might appeal to minors. We do not use cartoons, youth-oriented celebrities, or models under age 25 in our advertising. We do not advertise on the front or back cover of any print publications for general circulation. We do not engage in product placement in movies or on television—in fact, we routinely decline all such requests. We do not place the names or logos of our cigarette brands on any promotional items that are likely to be used by minors. We don't want children to smoke and there are many steps that can, and should, be taken to ensure minors don't have access to cigarettes (see response to question five for PMI efforts in this area)

5. **How do you characterize your efforts to curb smoking in young people?**

We actively advocate for regulations across the globe that will help prevent youth smoking. For example, where minimum age laws do not exist we are advocating for governments to adopt them, such as in Indonesia, Senegal and South Africa. We actively encourage all governments to strictly enforce minimum age laws, arguing that in order to be effective there must be a tangible impact on retailers who flout them. We also support other measures such as licensing of retailers and penalties for adults who buy or provide cigarettes to kids.

We train retailers by informing them about the law, their responsibilities, and how best to prevent sales to children. In line with Article 16 of the Framework Convention on Tobacco Control, we also give retailers signage to indicate that selling to minors is illegal.

Although we are not education experts and won't be found in classrooms, we do give financial support to the youth smoking prevention efforts of teachers, community groups, and other specialists around the world.

While we do not have any input on content of the educational programs we fund, it is our hope that children are taught to: understand that smoking is addictive and causes serious, life-threatening diseases; think independently and resist peer pressure; and decide against smoking.