National Smokers Alliance EXPOSED

A Report on the Activities of Philip Morris’ #1 Front Group
Get the Facts, Expose the Fiction

The goal of this piece is to reveal the origins, modus operandi, and game plan of the National Smokers Alliance, a "smokers' rights" front group created and funded by Big Tobacco to protect its profits. Join us as we follow the money trail, expose internal documents, reveal the cast of characters, and learn from case studies across the nation.

About Us

Americans for Nonsmokers' Rights (ANR) is a non-profit public interest group formed in 1976 to protect the rights of nonsmokers to smoke-free air. ANR pursues an action-oriented program of policy and legislation.

ANR's activities began with efforts to enact legislation to protect nonsmokers in the workplace and enclosed public places. From humble beginnings with the passage of a few local ordinances in the early 80s, by 1996 ANR had promoted the enactment of hundreds of city and county ordinances across the U.S.

ANR has become a national resource on the issues of nonsmokers' rights, secondhand smoke, and tobacco and has aided officials and activists nationwide. Successes include a campaign to eliminate airline smoking, contributions to smoking prevention curriculum for children, production of a film on harmful effects of passive smoking, and development of youth social action programs.

ANR and its educational arm, American Nonsmokers' Rights Foundation (ANRF) maintain a national Information Center providing information to government agencies, local advocates, and the media.

For information contact American Nonsmokers’ Rights Foundation (510) 841-3032
"What, if anything, can be done to turn around or slow down the erosion in the public acceptability of smoking?"
—Hamish Maxwell, Chairman and CEO of Philip Morris Companies Inc. to Harold Burson, Chairman and CEO of PR firm Burson-Marsteller

"Financial impact of smoking bans will be tremendous - Three to five fewer cigarettes per day per smoker will reduce annual manufacturer profits a billion dollars plus per year."
—Smokers' Alliance Draft, July 1, 1993

NSA Origins

The solution to Big Tobacco's image problem?

Hire a PR firm to create the National Smokers Alliance — a front group in the guise of a grassroots smokers' rights organization.

Responding to the increasing number of local smokefree ordinances, the NSA was invented by Big Tobacco in 1993. ANR has assembled evidence that NSA was launched by public relations giant Burson-Marsteller — funded by an estimated $4 million in Philip Morris seed money, with help from Brown & Williamson, Lorillard and some fifty smaller tobacco industry players.

Burson-Marsteller, one of the largest PR firms in the U.S., has a history of spinning bad corporate practices into positive puff pieces. The Burson-Marsteller web site touts their expertise in creating "grassroots" organizations. (Find the site at: http://www.bm.com)

Burson-Marsteller also has a hand in another tobacco industry advocacy group: The Tobacco Institute.

Internal documents on the Philip Morris web site eliminate any doubt that Big Tobacco and Burson-Marsteller are the sophisticated, invisible puppeteers behind NSA's well-funded efforts. Litigation has forced Philip Morris to make these documents available to the public. As early as 1986, a marketing plan from Burson-Marsteller to Philip Morris details the intimate relationship the two would come to have.

Even NSA's former Advisory Board Member Morton Downey, Jr. called the NSA a "total front" for the tobacco industry.

Read the documents at:
http://www.philipmorriss.com/getallimg.asp?DOCID=2047897334/7347

The notion that Philip Morris cares about smokers' rights is a chilling fallacy. Philip Morris knowingly addicts children to a product which kills them — and then does its best to make sure they keep buying their product. They oppose clean indoor air ordinances because smokefree policies encourage people to quit smoking. Philip Morris cares about money, not smokers.

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If your city has a smokefree ordinance up for vote you can expect the NSA to blow into town with their vast array of tactics:

- Recruiting allies from unsuspecting business owners.
- Forming a new NSA front group, such as “Businesses United for Fairness,” or co-opting a pre-existing group like a state or local restaurant association.
- Distributing flawed economic impact studies.
- Mounting a media outreach program.
- Inundating local legislators with pre-printed postcards and form letters from the NSA “constituency.”
- Hiring telemarketing firms to identify the few opposed to a proposed ordinance; patching them directly to an elected official’s office.

“Action Team Leaders...the most important positions...would be filled by Burson-Marsteller professionals...The NSA should not leave the creation and operation of a local effort to the locals.”

Grassroots Imagemaking
NSA execs say they turn everything over to the locals. Interestingly, a Philip Morris internal action plan paints a different picture. It recommends co-opting local organizations as front groups and sending in outside staffers from PR firm Burson-Marsteller:

“A local effort must be run as a lean, hard-nosed political operation with clear targets and tactics.”

“Identify, recruit and educate allies who have a direct interest in individual and smokers’ rights: convenience stores, restaurants, bars/taverns, bowling alleys.”

Read the documents at:

It’s not a coincidence that so-called “grassroots” campaigns use identical printed materials. These are pre-printed postcards addressed to legislators in Maine, Texas, and West Virginia.

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NSA Sound Bites

Whether at a council meeting, using the media, or recruiting small business owners, NSA reps like Mike Hambrick use their pre-packaged sound bites to reframe the ordinance debate.

DURING ORDINANCE DEBATE

**Tactic**

Advocate for ventilation solutions.

Introduce Red Light-Green Light "accommodation" policies requiring businesses post signs indicating smoking is allowed, restricted, or prohibited.

Downplay the health issue by reframing the debate; make tobacco control advocates look unreasonable and irrational.

Attack government action on a public health problem.

Argue against too much government regulation.

Attack the science of secondhand smoke, including the EPA report classifying secondhand smoke as a Class A carcinogen.

Discredit legitimate economic impact studies (and their authors, promote tobacco industry-backed junk science).

**Sound Bite**

‘Accommodation and common courtesy can solve this problem.’

‘This is a civil/personal liberty issue, not a health issue. What’s next — red meat, caffeine, perfume?’

‘Businesses should have the right to choose.’

‘EPA’s methodology is flawed — so flawed that the conclusion simply cannot be supported.’

‘Smokefree ordinances will lead to economic devastation of the community.’

AFTER ORDINANCE PASSES

**Tactic**

Focus media attention on isolated violations or tobacco industry-backed civil disobedience. Don't acknowledge high rates of compliance. Run around like Chicken Little, warning the "sky will fall."

Threaten and file legal challenges.

Attempt to repeal a newly enacted smokefree ordinance by master-minding and funding efforts to place a ballot measure before voters.

**Sound Bite**

‘This will be an enforcement nightmare.’

‘These laws are unconstitutional.’

‘Voters can end the business-busting ban. If our members, other smokers and businesses want our help, it will be provided.’
Media Blitz

NSA makes a concerted effort to get their PR puff messages out: by utilizing local newspapers, television and radio; by targeting bar and restaurant owners; and by creating a front group to discredit a respected health researcher.

A Complex PR Campaign
Philip Morris internal documents reveal the orchestration of a complex public relations campaign utilizing many facets of the media:

"...create a media program to focus on all media outlets in the state, no matter how small, and generate editorials, columns and news articles... [with] local, on-site political analysis to be conducted by a political team directed by Burson-Marsteller..."8

Targeting Restaurant Owners
The NSA took out a glossy 4-page advertisement in a national restaurant publication promoting their PR puff messages, including:
(1) that the NSA wants to help restaurateurs fight for their rights, and
(2) that restaurants lose business when smoking ordinances go into effect.

National Smokers Alliance
Restaurant Intelligence
Bulletin
Helping Restaurateurs Fight for Their Rights

NSA's "programs to help restaurateurs" include: awareness campaigns, grassroots mobilization, posters and store displays, organization with local leaders, campaigning, business ideas and legal help.9

Attack the Science:
The Battle with Dr. Glantz

When you can't attack the science, what do you do?
Attack the researcher. CSI, Californians for Scientific Integrity, is a tobacco-backed group created for the purpose of "discrediting" respected University of California, San Francisco, School of Medicine professor Dr. Stanton Glantz, author of an American Journal of Public Health article which disproved the tobacco industry claim that smokefree restaurant ordinances harm restaurant sales.

A memo from NSA President Thomas Humber to his membership documents the formation of CSI. And because all the NSA wants is a list of names, CSI members do nothing: "You won't have to write letters, make phone calls or attend meetings. You may request anonymity, if you so desire. You will receive periodic progress reports."10

Read the PR document at: http://www.philipmorris.com/allimg.asp?DOCID=2023203153/3158

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Membership

So where did "millions" of NSA members come from? Big Tobacco simply created them.

The Facts

- The NSA's annual reports to the Internal Revenue Service for the first three years indicate that less than 1% of its earnings came from membership dues. Ninety-six percent (96%) of funds came from Philip Morris alone.16

- According to IRS documents nearly all of the first $7 million funneled to the NSA after its founding in August 1993 was from Philip Morris Cos.17

- According to Minnesota's Charities Database, for fiscal year ending 1996, total revenue for the NSA was $9,011,351. Membership dues accounted for less than .9% of total revenues, or $73,596.18

Desperate for Members

After a disappointing initial membership campaign, NSA ran full-page ads and paid people to sign up in bars, bingo parlors and bowling alleys across the country.12 People were counted as members whether or not they paid dues, and at least some were given cigarette lighters in exchange for signing.13 In a desperate attempt to pump up their membership rolls, the NSA considered drafting Philip Morris employees, as noted in this internal document posted on their web site:

"...[they] have suggested that we extend membership in NSA to all PM LSA employees...that we do a special letter...indicating that PM is a supporter of the organization and because of its financial support, is offering PM employees a free six-month membership...we will follow-up with a request for dues at the end of that period."14

Read the document at:

The numbers just don't add up:

"...3 million people it claims as members...contributed just $74,000...enough dues for 7,400 members."15

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Cast of Characters

Who’s pulling the strings? A closer look at the backgrounds of current NSA leadership says a lot about the organization and its loyalties. In addition to the chief executives, NSA employs dozens of “action team leaders” and state and national board members.

Thomas Humber
President and CEO
Former Senior Vice President of Burson-Marsteller in charge of Philip Morris Account (1990). Former Public Affairs Director, Philip Morris (prior to 1990). Earned a salary of $450,000 in 1996.¹⁹

Gary Auxier
Senior Vice President
After a series of major newspaper articles exposing the Big Tobacco-NSA funding link, the NSA no longer denies being a front for the tobacco industry.²⁰ Auxier, a former Burson-Marsteller staffer on the PM account, says: “We’d like to get more [money] from each of them. After all, we are representing their customers... We prefer to get involved with businesses and work that way. It’s more effective from our viewpoint.”¹³

Mike Hambrick
Senior Vice President
Veteran television journalist with 30 years of experience. On tobacco industry backing: “We have 51 contributors — and three of them are tobacco companies. I really don’t know how much the tobacco companies contribute. I’m not trying to be evasive — I just don’t deal with those things.”²²

Eric Schippers
Vice President
In January 1997, he said: “We try not to be the outsiders coming in...[we try to] get our members to do it. We think it makes much more compelling testimony.”

But Schippers’ actions speak louder than words. Just months later he traveled from Alexandria, VA to testify against a proposed ordinance at a City Council meeting in Sierra Vista, Arizona, pop. 30,000.²³

In Monongalia (Mon) County, West Virginia, Schippers boasted about NSA co-opting tactics on the community level, commenting that it was difficult to say how much money had been spent fighting the Mon County ban because “this is what we do — come into a community and organize the opposition.”²⁴

The Names May Change...
But tobacco industry front group tactics remain the same. When the Tobacco Institute was threatened with closure, VP Walker Merryman cynically responded: "All we’re going to do is change the name on the door...We’re going to continue to do what we’ve always done."²⁵
Case Studies

Follow the money trail, and anti-ordinance campaigns lead back to one place: Alexandria, Virginia, the heart of Big Tobacco country and headquarters of the National Smokers Alliance.

Mesa, Arizona
Mesa keeps its local ordinance intact despite an NSA-supported referendum campaign.

State of California
The NSA uses a full court press in an attempt to stall and dismantle the state's smokefree bar law, in effect since January 1, 1998.

Montrose, Colorado
The NSA sends three full-time organizers into a town of 11,000.

Portland, Maine
Despite an NSA media blitz and organizing campaign, the city council passes a strong local smokefree ordinance.

Marquette, Michigan
City commissioners vote in favor of Michigan's first 100% smokefree ordinance; NSA leaves town in defeat.

Corvallis, Oregon
NSA fails to overturn Oregon's first smokefree air ordinance. After a lawsuit is filed against the ordinance, a Circuit Court ruling rejects tobacco industry claims of preemption in Oregon.

Monongalia County, West Virginia
An NSA media blitz pressures the Board of Health to rescind an ordinance amendment.

NSA used the same tactics in dozens of other communities, including:

Sierra Vista, Arizona
Boulder, Colorado
Fayette County, Georgia
Richmond County, Georgia
Arlington Heights, Illinois
Howard County, Maryland
Montgomery County, Maryland
Mount Pleasant, Michigan

Erie County, New York
New York, New York
Fort Worth, Texas
Houston, Texas
Piano, Texas
San Antonio, Texas
LaCrosse, Wisconsin

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Case Studies
A Full Report

In communities coast to coast, NSA activities are strikingly familiar. Here we’ve documented smokefree ordinance battles in six states—many more communities are experiencing the very same NSA tactics.

- **State of California**
  - **July 1994:** CA smokefree workplace law is signed.
  - **January 1996:** Ken Putnam, member of the NSA California Board of Directors, sends a form letter to California bar owners alerting them that bars will be smokefree in 1997, and includes bar coaster “petitions.”
  - **June 1996:** The NSA newsletter notes support of AB 3037 which would extend the phase-in date for bars.
  - **December 1996:** The NSA runs an advertising insert in Nation’s Restaurant News crediting the bar coaster campaign in CA with helping in the passage of legislation postponing smokefree bars an additional year.
  - **January 1, 1998:** Smokefree bar provisions take effect.
  - **January 5, 1998:** Just five days into the implementation of the smokefree bar provisions, bar owners receive NSA packet encouraging them to communicate with their legislator about the “severe economic impact the law is having on their business.”
  - **January 1998:** The NSA launches the “Prohibition News Update,” a series of press releases which bash the ban and promote its repeal.
  - **January 1998:** The California Licensed Food and Beverage Association and the Northern California Tavern and Restaurant Association promote toll-free numbers to call legislators to register opposition to the bar law. The NSA used this same strategy in New York.

**Postscript:** The smokefree bar provision is still in effect in California, despite ongoing tobacco industry attempts to dismantle the law.

The NSA uses bar coasters and stickers to portray themselves as a smokers’ rights organization. Identical materials have appeared in communities across the nation.
Case Studies Continued

Marquette, Michigan

- June 1997: After a year of community education and mobilization on the issue of smokefree public places and workplaces, an ordinance is introduced and public hearings are scheduled by the Marquette City Commission.33

- Three NSA representatives show up in town, join forces with the Michigan Restaurant Association and distribute tobacco industry-sponsored studies claiming smokefree ordinances hurt restaurant sales.34

- The Coalition responds immediately by sending out information on the NSA to the local media and City Commissioners.15

- The local American Lung Association testifies at a hearing about the history and tobacco industry funding of the NSA.36

- Coalition members send letters to the editor of the local newspaper alerting the community that the Marlboro men are in town.37

- July 27, 1997: The Marquette City Commissioners vote in favor of Michigan’s first 100% smokefree ordinance, thanks to Coalition efforts to educate them on tobacco industry tactics well in advance.38

Postscript: The NSA left town in defeat, but not before offering financial support to the businesses for a legal challenge. In December 1998, the Michigan Restaurant Association and 5 restaurant owners filed a lawsuit charging that Michigan state law preempted the Marquette ordinance.39

Mesa, Arizona

- March 1996: Mesa voters enact a local smokefree ordinance.40

- The NSA helps three “members” pay for a lawsuit filed against the Mesa’s new smokefree ordinance.41 A total of eight nuisance lawsuits are filed; all are thrown out of court.

- The NSA provides funding to front group Valley Business Owners and Concerned Citizens Inc. (VBO). VBO initially denies any connections. VBO’s attorney, Jack LaSota, is a paid lobbyist for the NSA.42

- VBO spends $6,180 on gathering signatures for a ballot initiative to repeal the smokefree ordinance. A campaign finance statement filed in May 1997 shows that of the $6,793 raised by VBO in the last six months of 1996, $6,039 was donated by the NSA.43

- The NSA conducts a telephone push poll of Mesa residents, framing the ordinance and Mayor Wayne Brown in a disparaging light. The mayor is threatened with a recall attempt.44

- The NSA distributes flawed economic impact studies, conducted by a firm contracted by the city of Mesa, to other communities considering smokefree ordinances throughout the U.S.45

- March 1998: Voters choose to keep the ordinance in place.46

Postscript: Since the ordinance took effect, sales tax revenue from restaurants is up 8.2% and 30 new restaurants have opened in Mesa.
Case Studies Continued

• April 6, 1998: As the vote comes down 7-2 in favor, "Hambrick, who watched stone faced from the front row with his 'operative... was not a happy man.'"


• NSA Vice President Eric Schippers comes to Mon County, organizes bar and restaurant owners and wages a media campaign via newspaper, radio and television. Campaign slogans of 'Repeal Prohibition' and 'You Are Being Targeted' appear on t-shirts, caps, bar coasters and bumper stickers.

• Schippers discloses to the Dominion Post that the NSA has been spending most of its time and money in California and Mon County, and given an unnamed group $1,000.

• Mon County attorney Andrew Fusco holds a news conference on behalf of a "local business group," threatening a lawsuit if the amendment is not repealed.

• January 19, 1998: Responding to the intense pressure, the Board of Health votes to rescind all the 100% smokefree amendments, maintaining the original regulation.

• TEAM submits a revised set of amendments to the Board of Health that exempts free-standing bars and some bingo parlors. On June 17, 1998, attorney Fusco proposes an alternative proposal to the Board: a Red Light-Green Light signage requirement.

• July 21, 1998: Instead of taking action on either proposal, the Board of Health establishes a task force to study all aspects of tobacco use.

Postscript: Andrew Fusco is named to the tobacco task force. At its first meeting in August, 1998, Fusco announces that he is now a member of the NSA’s Board of Advisors.
Case Studies Continued

Montrose, Colorado

- **February 1998:** City Council of Montrose (population 11,000) presents a proposal for a clean indoor air ordinance covering public places and restaurants.56

  - John Merritt and two other NSA operatives fly in from Alexandria, VA to organize Montrose restaurant owners, providing them with resources and a strategy to defeat the proposed ordinance.57

- At the City Council meeting, restaurant owners argue that the ordinance is being “railroaded through.” The Council is convinced to drop the ordinance and instead sends an advisory question to voters asking if the city should study the matter.58

- Forces opposing the ordinance use a debate organized by the League of Women Voters to redirect the focus from public health to negative economic impact and big government.59

- **April 6, 1998:** Montrose voters defeated the advisory measure in a vote of 1,442 to 1,252.60

**Postscript:** Angered and energized by the NSA’s intrusion into their community, local tobacco control advocates are campaigning to ensure a strong smokefree ordinance is enacted in Montrose.61

Corvallis, Oregon

- **August 1997:** Oregon’s first 100% smokefree ordinance is up for City Council vote. NSA representatives arrive in Corvallis and join forces with the Oregon Restaurant Association (ORA).62

  - The ORA distributes bar coaster “petition” slips that urge smokers, after filling in their name and number, to stand up to the “lifestyle police.”63 NSA sets up phone banks appealing to individuals to write to Council members and testify at the upcoming hearing.64

- **August 12, 1997:** The ORA gives the City Council the same flawed economic impact studies from Massachusetts and Arizona pushed by the NSA elsewhere. The following day ORA lawyers threaten the mayor and Council with legal action.65

  - Meanwhile, the Tobacco Free Coalition of Benton County makes an immediate link between the NSA, ORA and Philip Morris, publishing an opinion piece in the local paper.66

- **August 18, 1997:** Thanks to Coalition efforts to educate the community, elected officials and business owners see through tobacco industry tactics. A unanimous second vote enacts the ordinance.67

**Postscript:** In March 1998, a Circuit Court judge ruled against an ORA lawsuit that claimed the Corvallis ordinance was preempted by the state clean indoor air law. Soon after enough signatures were gathered to qualify a referendum to revoke the bar provisions of the ordinance. Despite heavy tobacco industry contributions to the repeal campaign, 57% of Corvallis voters upheld Oregon’s first smokefree ordinance in November 1998.68
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53. Ibid.


Acknowledgments

Special thanks to:
James Harrington, Marquette
County (MI) Health Department;
Tom Engle, formerly with Benton
County (OR) Health Department;
Jessica Pope, American Heart
Association-Southwest Affiliate;
Charles Thayer, formerly with
West Virginia Tobacco Control
Program; Robert Anderson,
Tobacco Education & Awareness
Monongalia County; Phyllis Wolfe,
Portland (ME) Public Health
Department; Barbara White Melin,
American Cancer Society-
Colorado Affiliate.
This publication was made possible in part by funds from the Tobacco Tax Health Protection Act of 1988 - Proposition 99, under Grant Number 94-20945 with the California Department of Health Services, Tobacco Control Section.

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Updated January 1999