



Protecting, maintaining and improving the health of all Minnesotans

June 8, 2001

Office of the Secretary
Federal Trade Commission, Room 159
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Sir/Madam:

I am writing in support of the Federal Trade Commission's (FTC) Tobacco Industry Marketing Report with the hope that the FTC continues the data collection, analysis, and publication of this important annual document. Minnesota Department of Health staff, particularly those in our Tobacco Prevention & Control Section and our Center for Health Statistics, value the report because the data helps to more appropriately focus health programming and build support for tobacco control activities among decision makers and the people of Minnesota.

The FTC Industry Marketing Report is an authoritative report on tobacco industry marketing that any state or local level agency or organization would be hard pressed to produce. The authority of the FTC compels the kind of comprehensive public disclosure from the tobacco industry that would be nearly impossible for an organization on any other level.

Over the years these reports have been key resources in developing public policy at the local, state, and national level. Nationally, the Tobacco Industry Marketing Report's combination of marketing and tobacco sales statistics has chronicled the role of advertising and promotion in the industry's efforts to maintain market share. The Centers for Disease Prevention & Control (CDC) report that tobacco use is related to an estimated 430,000 deaths annually and generates \$50-70 billion in health care costs. Data compiled in the Tobacco Industry Marketing Report has helped identify industry marketing as a central challenge in reducing those human and economic consequences. The CDC has identified counter-marketing as a central component of effective tobacco control programs and the data provided by the FTC helps state and national level researchers and policy makers develop a full understanding of challenges they face from industry marketing and promotion.

Specifically here in Minnesota, where 6,100 Minnesotans each year die from tobacco related illnesses at a cost of over \$1.3 billion dollars, the report on industry marketing has helped us target our efforts. The most recent report published in 2001 noted substantial increases in industry marketing through magazine advertisements, retail tobacco placements (slotting fees), and sampling. Noting those trends identified in the Report, our counter-marketing campaign has focused attention on the industry's targeting of youth through magazine advertisements with high youth readership. A future focus of the campaign, again motivated by what the Tobacco Industry Marketing Report has revealed, will be on store advertising and product placements.

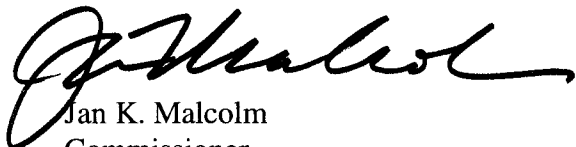
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The FTC's Tobacco Industry Marketing Report also helps build support for tobacco control initiatives. By highlighting the magnitude of industry marketing efforts, the Report demonstrates the need for substantial investments in tobacco control and its challenges. The most recent Tobacco Industry Marketing Report demonstrates a 23% increase in the industry's marketing investment after marketing restrictions imposed by individual state settlements and the Multi-Settlement Agreement (MSA). If the public and policy makers thought that the tobacco industry was made less effective or less capable at marketing its product by these settlements, the Tobacco Industry Marketing Report corrects that misconception. That report also revealed the industry spends \$22 million dollars a day marketing tobacco products nationally. Pointing out to legislators and other policy makers that \$22 million dollars a day is more than the state of Minnesota spends on tobacco control annually demonstrates the desperate need for a commitment to well funded tobacco control efforts.

There can be no doubt that the Tobacco Industry Marketing Report is a valuable tool in understanding the nature of tobacco use and developing national, state, and local level programming that addresses that use to decrease the human and economic costs of tobacco use. On behalf of the Minnesota Department of Health and the people we serve, I strongly urge you to continue issuing these annual reports.

If you have any questions about my comments or our department's use of the FTC's Tobacco Industry Marketing Report please feel free to contact Randy Kirkendall, the Manager of MDH's Tobacco Prevention and Control Section (651.281.9790) and/or John Oswald in our Center for Health Statistics (612.676.5187). Thank you for your time and consideration.

Sincerely,



Jan K. Malcolm
Commissioner
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