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

June 6, 2001

Dear Commissioners:

I am writing on behalf of the Atlanta Chapter of Women's Action for New Directions to give public comment regarding the FTC report on cigarette and smokeless tobacco advertising. Part of the WAND mission is to reduce violence toward women and children. WAND feels marketing of tobacco products to women and children is a subtle form of violence and that our nation bears an excessive burden regarding tobacco use. Presently in the United States, lung cancer is the leading cause of cancer-related death among women and over 3,000 children become regular tobacco users every day. Subsequently, those children overwhelmingly smoke the top three most advertised brands of cigarettes. Tobacco marketing and children's addiction to certain brands is not coincidence.

WAND feels the FTC report provides a valuable watchdog service to agencies charged with protecting the health of the communities and populations they serve. Tobacco-related illness is the number one preventable cause of death in our nation, and any available information on the practices of tobacco companies should be shared with the public.

Please find below a response to each of the seven questions asked by your agency for public comment:

1. Who uses the cigarette and smokeless tobacco reports? For what purposes do they use them?

Response: Tobacco use prevention advocates at the local level use these reports to mobilize groups and individuals into action to reduce the toll of tobacco use in their communities. It is a shocking and sobering statistic that approximately \$146 million is spent on tobacco advertising in Georgia each year. These data inspire youth and adults to work to counter this level of influence. These data are also very helpful when educating our state and U.S. representatives and senators as to why tobacco use prevention programs need adequate funding.

Website:
www.wand.org

2. What are the costs to the industries to provide the FTC with the data included in the cigarette and smokeless tobacco reports?

Response: The tobacco companies already compile this information for their internal strategic planning and for tax purposes. It is neither costly nor burdensome for these data to be provided to the FTC as it is already gathered. The benefits to the public far outweigh the minimal costs to the industries to forward this information to the FTC.

3. Should the FTC continue to collect and publish data regarding cigarette and smokeless tobacco sales, advertising and promotion? Why or why not?

Response: The FTC should continue to collect and publish these data. It is the ONLY source of information that the tobacco industry is compelled to report AND that is shared with the public.

For example, without the FTC reports, we would not be able to estimate (based on population) what the tobacco industry spends in each state to promote its deadly products. Without the most recent FTC reports, we would not know that the industry spent more than \$8.2 billion (\$22.5 million per day) nationwide on marketing cigarettes in 1999, which dwarfs state and federal spending on tobacco prevention. Nor would we know that the cigarette companies increased their marketing expenditures by more than 22% since 1998, when they signed onto the Master Settlement Agreement that they say has significantly restricted their marketing activities.

4. What data or other information contained in the reports are useful and should be continued in any future reports? Why? What data or other information in previous reports are of little or no use, and could be omitted in future reports? Why?

Response: Data on increases and decreases of particular expenditures are useful. For example, the most recent FTC Cigarette report showed a spending increase of 133.5% in giving free cigarette samples to the public from 1998 to 1999. This astonishing figure lends the question of where and how free samples are distributed in our communities. Subsequently, surveillance activities may be planned to assess this question.

Another example: the FTC's Cigarette Report for 1999 showed that tobacco advertising has significantly increased despite the stipulations stated in the Master Settlement Agreement. Due to this report, tobacco prevention advocates can look into contacting the National Association of Attorneys General about this issue.

All data in these reports are useful and should be continued.

5. Is there information about cigarette and smokeless tobacco sales, advertising and promotion that has not been included in the reports, but that would be of use? If so, what additional information would be of use, and why would it be useful?

Response: The following information would be of use to our community and state efforts in planning effective prevention programs:

- Include a state-by-state breakdown of the reported marketing expenditures;
- Include company-specific or even brand-specific marketing expenditure data;
- Provide subtotals for marketing expenditures for regular versus "reduced-risk" tobacco products;
- Include a breakdown of the different types of expenditures the companies make within the existing promotional-allowance and retail-value-added expenditure categories (which account for the vast majority of all promotional spending by the companies).

6. If the FTC decides to continue issuing reports, how frequently should they be issued (e.g., annually, biennially)? Why?

Response: These reports should be issued annually. The 1998 Master Settlement Agreement outlined specific restrictions on tobacco industry advertising, and it is useful and helpful to have a yearly report that assesses such information as tobacco advertising expenditures.

7. What other information should the FTC consider in deciding whether to continue reporting on the sales and advertising and promotion of cigarettes and smokeless tobacco products? If the FTC decides to issue future reports, what formats would be useful?

Response: Tobacco-related illness accounts for hundreds of thousands of premature deaths each year in the United States. The public should be aware to the greatest extent possible of the business practices of these companies. Microsoft Word and Adobe Acrobat are useful formats for report distribution.

Sincerely,



Mary E. Terrell
Board President