

"BANDING" AND "NUMBERS"

1. The 1981 BAT Board Strategies on Smoking Issues state:

"1.3 Companies, although acceding to pack warning clauses, should continue to resist demands for these to contain reference to tar and/or nicotine deliveries, other constituents or "banding".

2.1 ... The form of publication of any league table needs careful consideration on whether it should be in alphabetical order, descending or ascending order of deliveries or in "bands" or groupings ...

4.1 We should resist for as long as possible any requirements to put figures for the deliveries of smoke constituents or tar groups/bands on packs or in our advertising but such requirements are preferable to restrictions on advertising. In any case, before any concession entailing the printing of figures or groups/bands on packets or advertising is made, Public Affairs Dept., Millbank should be consulted."

2. It is felt that more precise guidance must now be given to companies facing the imposition by governments of printing the constituents on packs and in advertising.

3. The demands by governments for the declaration of constituents is usually for the printing on packets of the tar, nicotine and, occasionally, carbon monoxide delivery per cigarette expressed in milligrams (mgs). Single index composite numbers should be strongly resisted (Strategy 2.8) as should be the mention of constituents in advertising.

4. Medical authorities, particularly in the Western World, have stressed the dangers of high tar cigarettes and, as a result of the publicity given to these statements, consumer demand is changing to cigarettes of lower tar delivery. Whilst the industry does not accept the basis for the claims made by these medical authorities it has nevertheless responded to this changing pattern of demand and tar deliveries are being constantly lowered by all companies. This process will continue for many years.

5. If numbers are to be printed on packs, then governments, authorities, the media and public in general will be slow to discern the considerable changes being effected and we will fail to gain recognition for the product development policies which are so important for the credibility and good reputation of our company. A cigarette of 29 mgs. tar delivery today at the top of the tar scale is considered as a "Dangerous High Tar cigarette" by our detractors. In a few years' time this same cigarette will have a lowered tar delivery of, say, 17 mgs but, as it will be still at the top of the tar scale it will be seen by our opponents

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as well as by governments, authorities, the media and the public, to be still a "Dangerous High Tar Cigarette".

6. If, on the other hand, we accept the banding system, brands will gradually move down the 'band-scale' and brands in today's "High Tar Band" will be in tomorrow's "Middle Tar Band" and so on. Eventually the High Tar and Middle Tar brands will be vacated and the need will arise for the creation of new bands e.g. "Ultra Low Tar", "Super Low Tar" etc. The P.A. benefits of such a programme are obvious.
7. It is therefore recommended that we advise companies that, when faced with demands by governments for inclusion of constituents on packs and in advertising, they endeavour to persuade the authorities to accept the "banding" system as used in the UK. Later, as deliveries continue to fall, they should resist demands for lowering the bands in parallel and should insist on the established bands remaining as initially defined even though the "High Tar" and "Middle Tar" bands might well be vacated completely. Additionally, they should press for the creation of new bands at the lower end of the scale.
8. This recommended policy would not preclude the use of "numbers" in the marketing of our brands where considerable commercial advantage can be gained. Our preference for "banding" is in respect of government demands for the printing of constituents on packs and in advertising in conjunction with or without a warning clause.
9. It is recommended that a new strategy be written and sent out as an addition to the 1981 BAT Board Strategies on Smoking issues as follows:

"When faced with demands by government authorities for the printing of constituents on packs and in advertising, companies should endeavour to persuade those responsible to accept the UK-type "banding" system on packs only. This can be in conjunction with a warning clause if so desired. Companies should press for the bands to be based on the UK limits as follows:

High Tar	29 mg and over
Middle to High Tar	23-28 mg
Middle Tar	17-22 mg
Low to Middle Tar	11-16 mg
Low Tar	0-10 mg

Later, demands for re-defining these limits (i.e. lowering the bands in parallel with the lowering of deliveries) should be strongly resisted even if the "High Tar" and, subsequently "Middle Tar" bands become completely vacated. Companies should then press for the creation of new bands in the low tar sector (e.g. "Super Low Tar", "Ultra Low Tar" etc.).

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The advantages in Public Affairs terms of such a policy are obvious when companies are faced with criticism for selling High Tar cigarettes and for not undertaking sufficient product development. Much of this activity would go unnoticed if numbers were to be used and, additionally, those brands at the top of the tar scale would still be considered by our detractors as being "High Tar".

It should be noted that this policy does not preclude the use of "numbers" in the marketing of our brands where considerable commercial advantage can be gained."

JJJM/SEM
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