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MEMORANDUM

To: Ops

From: RRP

20 Feb 1995

Re: Communications Campaign: Elements of a Strategy

As discussed last week, the following outlines my views of where we are, what options are open to us, and what process is necessary.

It recognizes, as always, that Board decisions are involved for overall direction of the campaign, preparation costs and estimates of execution costs, and again required for approval of final material and actual expenditures.

End of paragraph asterisks {**} identify points for discussion at Ops tomorrow AM.

The first question is whether an on-going communications campaign, multi-year and of relatively high visibility, is necessary at all.

My conclusion, taking into account the government ad campaign, the opinion tracking relating to it, the mushrooming demands for wider consumption bans, and the various views of virtually all industry executives consulted, is that this question has essentially been answered. While intensified, longer term communications efforts may not reverse or even halt the erosion of supportive public opinion, continued erosion is close to guaranteed in the absence of such a campaign. I believe it is not only urgent that we do it, but urgent that we do it soon. {**}

The second question is who the sponsor should be, CTMC or individual companies. We will be attempting to research this, but it is difficult to obtain definitive results. The general advice so far from research consultants here and in the United States is that industry groups are more favourably regarded, relative to individual companies, in Canada than in the U.S. The clearly expressed preference from our members, so far, is that CTMC undertake this. {**}

For now, we are proceeding on that basis, with two caveats. The first is an obvious one and it relates to resources. CTMC will need to retain outside agencies and advisers in order to design and execute such a campaign. Even getting it to the decision point will require significant expenditures. As quickly as these can be accurately estimated, a request will be submitted for Board approval.

The second caveat has to do with time and substance. As discussed recently, the inevitable result of an association initiative is delay for the compromise decision making process, and watering down of themes to accommodate different views. Some of this is normal and acceptable; at some ill-defined point it becomes counter-productive.

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I would therefore propose at the outset that we give ourselves the discipline of a deadline. This is completely arbitrary: three months from now is May 20. If the industry is to undertake this campaign, the first publicly visible manifestations of it should be underway on or before that date. If that date slips, and the more it slips, the stronger the case that CTMC should leave this process to the member companies. {**}

The U.S. campaigns have taken similar routes, based on similar reasoning. The trigger was ETS - in their case, the EPA classification. The strategy was a communications campaign aimed at persuading the public that problems related to ETS could be best handled through reasonable accommodation of the preferences of smokers and non-smokers, without government regulation.

In both cases, the campaign began with a focus on the substance of ETS science - criticism of the EPA methodology, actual exposure information, and the expression of reasonableness on exposure issues. The most striking of these was a statement along the lines "Common sense would indicate that very young children should not be exposed to large volumes of second hand tobacco smoke".

Having provided a response on the scientific substance, the campaigns then began to focus on accommodation, vs. draconian bans, as a method of dealing with the conflicting preferences.

While advertising was the most visible centrepiece, paid media was buttressed by targeted media relations and direct mail, and by a number of existing initiatives such as the HVAC and accommodation programs already running.

While we will shortly be commissioning research aimed at assisting us in defining messages, (see separate memorandum from Mary Trudelle on behalf of the Research Committee) it is highly likely that a broadly similar campaign can be effective in Canada.

In the interests of time, unless and until we have research indications of a preferable alternate direction and set of messages, we should operate on the above assumption - that is, that the national campaign will be centred on paid advertising, begin by discussing the substance of ETS and then evolving to accommodation, support the paid advertising with direct mail, media and government relations, and be surrounded by a selected number of stand alone initiatives. (see attached Appendix) {**}

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PROCESS - FIRST STEPS

It will take 4 to 6 weeks to complete the initial research outlined in the Trudelle memorandum. By that time, we should have finalized the goal, and the central message; we can then begin developing specific messages and executions for use in advertising, and parallel media relations, government relations and direct mail communications on the same themes.

Even while Ops members and CTMC staff are preparing and evaluating the "shopping list" I want to assume for the moment that the corollary programs with the greatest potential utility are those relating to ETS science (exposure measurements, media tour) an accommodation program (hotels, bars, restaurants), and an HVAC program. All of these are necessary, probably essential, if the communications program is to have both credibility and effect on public opinion.

We should therefore begin immediately to identify and talk to potential suppliers (Hill and Knowlton, CIAR, Burson Marsteller, ASHRAE, etc. For cost reasons, where possible we need to identify competitive suppliers, and ask for detailed, costed proposals.

I recognize that this appears to pre-empt Ops discussions on the "Possible Initiatives" list. The purpose is rather to anticipate that process, and to at least initiate conversations with potential suppliers this week rather than next week or the week following. { }

Following discussion of this note and the research memorandum by Ops, I will prepare a memorandum for the Directors. In addition to a precis of the above, it should:

- a) Provide estimates of the costs of the initial research
- b) Provide estimates of the planning costs for potential outside suppliers to design and cost a national accommodation program, a national HVAC program, and an ETS exposure measurement program. (and/or others as recommended by Ops)
- c) Provide estimates of the planning and research costs to design a national advertising program on the above lines with recommended media costs and rationale, and the same for related communications Initiatives - direct mail, media relations and government relations.

This will be an outline of the costs of researching and planning a campaign - what it will cost to get to the specific approval of content and execution budgets. Proposed time frame for decision by the Directors on this point is on or before March 20. { }

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One month after that, two months from now, (April 20) Ops should have in its hands for discussion and recommendation, support communications and corollary initiative proposals. Development and research testing of specific advertisements will be beginning. By May 20, we will aim to assemble a complete, costed package for presentation to the Directors; some elements (HVAC for example) might be presented and approved sooner, where these are not dependent on a positive decision on other elements. Execution (e.g., in the case of advertising, the buying of space and time) would begin immediately following this overall go/no go decision.

For discussion.

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APPENDIX

POSSIBLE INITIATIVES

The following is a shopping list of possibilities as constituent parts of a sustained communications program, not including and not dependent upon, advertising. Others can be added to it. If we compare the Canadian industry's situation vis-a-vis that in the U.S. (where many of these programs have been established for some years) it becomes obvious that we have to be restrained in our choices. It simply is not possible to effectively launch a significant number of the following more or less simultaneously, and particularly so if most or all were to be done through CTMC.

These are in random order. They are "stand alone" in that doing any one does not depend on doing any others, and does not depend on paid media advertising.

1. **INTENSIFIED "NO SALES TO MINORS" CAMPAIGN** The planned existing campaign will be launched within a month. This can be extended through the summer and fall with follow-up mailings, surveys, etc. We have already added some limited advertisements in retail trade publications, and will intensify media discussions of what we are doing and why.
2. **ACCOMMODATION PROGRAMS** We could launch, with hotel, restaurant and other trade associations, programs similar in intent to those used in the U.S. There are a number of these. It is probably not possible in the short term to do more than one. Fastest route would be to retain one of the large PR companies already involved in the U.S. to design and oversee a version for Canada.
3. **HVAC PROGRAMS** Again, replication of U.S. approaches. Elements could include sample retrofits to demonstrate the impact, provision of technical advice and pamphlets, coalition building with equipment manufacturers and unions, PR and direct mail efforts aimed at business managers (you can have smoking and non smoking areas without subjecting either group of customers to unreasonable demands from the other, and at reasonable cost)
4. **ETS EXPOSURE STUDIES IN CANADA** Through CIAR, or CTMC, independent studies on actual exposure levels at typical locations in Canada (workplace/home, bars, restaurants, bowling alleys, smoking lounges, etc) could be obtained and released, and publicized.
5. **ETS SCIENTISTS MEDIA TOUR** Using tobacco manufacturer company scientists and/or independent authorities, either by physical tour or through satellite hook-ups, publicize the facts on the science, the actual exposure levels, and the relative health risks.

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6. **PARENTS TALK TO THEIR CHILDREN ABOUT SMOKING** Canadian version of U.S. programs - brochures, videos, etc distributed through schools, PTA associations, etc.
7. **ANTI TOBACCO ACTIVISTS MISLEAD THE PUBLIC** A much more aggressive campaign using brochures, op-ed pieces and media interviews to directly accuse the antis of lying, presenting for example chronology of public surveys and statements by antis, and speculating on motivation - to maintain their public sector funding. This might include, if possible, legal action by us on the grounds that they are publishing false and misleading information (deceptive advertising).
8. **THE BENEFITS OF SPONSORSHIP** Using the new analysis of economic benefits, create a pro-active campaign on the benefits and benign nature of tobacco company sponsorship of cultural and sporting events.
9. **TOBACCO SMUGGLING AND HIGH TAXES** Using the new KPMG study, and international information, escalate the fight against contraband, province by province as well as nationally - report regularly and visibly on continuing levels of contraband, using Mr Inkster and his colleagues. Build a large and continuing national coalition of anti-smuggling interest groups.
10. **IS TOBACCO ADDICTIVE?** Publicize both the conflicting scientific definitions, and the actual quit experience statistics; justify and communicate the "no it isn't" statements by CEOs in the U.S. industry.
11. **THE TOBACCO FILE** Intensify the focus on ETS related issues, and aggressive direct mail targeting of opinion leaders, municipal politicians, etc.
12. **DIRECT MAIL TO SMOKERS** Assemble an integrated mailing list of smokers, adding to it through retailer or even product coupons; distribute excerpts from the Tobacco File and other sources, or develop a newsletter specifically for smokers; use it to "spread the word" about the real science on ETS, support accommodation by smokers of non-smokers, etc.
13. **GOVERNMENT RELATIONS** Develop an aggressive calling program by company and CTMC, with allies where possible, to push "accommodation" as a legitimate approach to public sector tobacco policy.

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