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Revealed: tobacco giant's secret plans to see off plain cigarette packets

Internal documents show how Philip Morris International identified key officials in the battle to protect its brand name

- [Jamie Doward](#)
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Tory election strategist Lynton Crosby, who has been hired by Philip Morris. Photograph: Stuart Clarke/Rex Features

Confidential documents leaked to the *Observer* reveal how the world's largest tobacco company sought to kill the government's plans to introduce standard packs for cigarettes, using a sophisticated [lobbying](#) campaign that targeted key politicians and civil servants who it believed were supportive of its views.

Documents circulated within [Philip Morris International](#) (PMI) last February and March, marked "for internal discussion and illustration purposes only", show how the owner of the Marlboro brand drew up an astonishingly detailed attack plan to "ensure that PP [plain packaging] is not adopted in the UK".

This goal explicitly contradicts big tobacco's public position, presented to the government, that there was a need to assess [how the measure had been received in Australia](#), where unbranded packs were introduced last year, before a decision was made on whether it should be copied in the UK.

The tobacco lobby fears that if the UK were to introduce plain packaging, other countries would not be far behind, and it has spent millions of pounds seeking to derail the proposal. PMI's role in lobbying government is now under acute scrutiny after it emerged that last November that it hired the Conservative party's election strategist,

[Lynton Crosby, who has extensive tobacco industry connections](#), to help it make its case against plain packaging. Crosby has denied having any conversations with the prime minister about plain packaging.

The PMI documents reveal that, in a bid to swamp the Department of Health's consultation exercise on plain packs with supporting arguments, the company boasted that it had the "potential" to help generate more than 18,000 responses, including 6,000 from its recruited group of smokers, 950 from industry, 10,050 from its "retail group", 40 from think-tanks and 1,000 from a trade union, believed to be Unite.

The internal documents reveal how, over the past year, PMI sketched out a timeline for rolling out its key messages. These included the claim that plain packs would make the illicit trade in tobacco worse and the need for the UK government to "wait and see what happens in Australia [for two or three years] before walking into the unknown with no evidence it will reduce smoking".

The latter message was echoed by the government when it announced that it was abandoning the plan to introduce plain packs. The Department of Health's statement said: "The government has decided to wait until the emerging impact of the decision in Australia can be measured before we make a final decision."

The company appointed polling agency Populus to ask 1,000 voters in each of the Tories' 19 most marginal seats for their views on government policies. Voters in constituencies such as Lincoln, Dumfriesshire and Enfield North were given a list of issues and asked to prioritise the three the government should focus on. Most suggested the economy, education and unemployment. Only 3% went for action on smoking.

The voters were also asked: "When it comes to reducing smoking rates in the UK, where should the government focus its effort?" Almost two-thirds – 62% – said "better education", while less than one in four – 24% – suggested introducing plain packaging.

The exercise helped the tobacco company to work out what claims would play well with the public and the government. PMI's assessment of the results notes: "The data supports the narrative that there are bigger problems in the UK to focus on than plain packaging, but if focused on smoking issues, there are other initiatives that would more effectively reduce smoking rates."

PMI drew up an extraordinarily detailed spreadsheet listing the position it believed every single MP, special adviser and cabinet minister, as well as several strategically important civil servants, held on the issue of plain packs. Whether PMI or its advisers had any inside knowledge of their thinking is unknown. The company declined to comment on the documents on the grounds that

the *Observer*, protecting its source, refused to hand them over. However, the spreadsheet, believed to have been produced in 2011, lists a number of definite positions, which suggests that PMI was confident it knew the thinking of some key policymakers.

[Steve Hilton](#), who resigned as the prime minister's director of strategy in 2012, was recorded as being supportive of plain packaging. So, too, was Rohan Silva – until recently Cameron's special adviser.

But Graeme Sandell, a civil servant in the Department for Business, Innovation and Skills (BIS), was recorded as being against the plan, as was Tony Pedrotti, head of the government's regulatory policy committee, and John Cridland, a member of the government's better regulation executive. Several advisers in the Treasury were also listed as "likely to be against".

PMI also produced an assessment of which way MPs would vote if the proposal went before parliament. It concluded that 214 would oppose the measure, and 303 would back it, while 107 were listed as waverers.

In one internal PowerPoint slide, several Tory MPs, including Mark Prisk, Sir Edward Garnier and Graham Brady, as well as health minister Earl Howe, were identified by PMI as being "influencers" in the plain packaging debate.

But with a parliament broadly in favour of the plan, PMI and the tobacco lobby were aware of the need to ensure that the measure never made it beyond the consultation stage. The internal documents show how PMI intended to push the "one in, one out" argument when lobbying the BIS. Under this approach, "no new UK legislation which imposes costs on business or civil society organisations can be brought in without the identification of existing regulations of an equivalent value that can be removed".

To bolster its arguments, PMI discussed bringing in third parties such as the Institute of Economic Affairs, the Transcrime think-tank and the Taxpayers' Alliance. Law firm DLA Piper, a lobbying consultancy called Pepper Media, and the blue-chip PR firm Finsbury were also employed to make PMI's case, and it was suggested that a number of "go-to reporters" also be targeted.

Independent research attacking the evidence base for plain packaging was commissioned, while PMI pledged support for the Hands off Our Packs campaign, which presented itself as a grassroots initiative organised by smoking enthusiasts.

Intriguingly, another spreadsheet lists third parties PMI believed it could count on for support. Among those listed as being against the plan were the Advertising Association, Sainsbury's and Tesco. PMI also listed another key supporter: the American Legislative Exchange Council, the hugely influential lobbying organisation that has close links to the Tea Party movement and funds climate change sceptics.

Many of PMI's allies accepted the argument that plain packs would encourage counterfeiting, something that would cost the Treasury millions of pounds. An internal PMI spreadsheet details

how more than 100 MPs were targeted with the key message. Some, such as Tory MPs Philip Davies and Priti Patel, were given a formal briefing. PMI recorded that both were against introducing plain packaging.

Others were recorded as having been engaged in conversation at industry events, while several MPs attended a reception given by the Tobacco Manufacturers' Association at the Conservative party conference.

But the claims appear to be unfounded, say experts. Appearing before a parliamentary committee last week, Nicholas Ilett, director of investigations at the EU anti-fraud watchdog Olaf, explained that it was already extremely easy to produce very high-quality counterfeit packs: "We are not convinced that these proposals will increase the opportunities."

And Andrew Leggett, deputy director for tobacco and alcohol strategy at HMRC, agreed: "Our view is that there is no evidence that the risk [of increasing the illicit trade] would materialise to any great or significant degree."

Health campaigners said the documents revealed the industry's true agenda and confirmed that it was not interested in studying the evidence on whether plain packs would help deter young people from smoking.

"These documents show Philip Morris and the [tobacco industry](#) plotting to delay a decision on standard packs for two to three years, with the excuse of waiting for more evidence from Australia," said Deborah Arnett, chief executive of health charity, Ash.

"Shamefully, the government has given in to this pressure. Up to 500,000 children could start to smoke before a final decision is made. Many will go on to a lifetime of addiction, serious illness and premature death. Parliament must be given the chance to vote on standard packs without further delay."