Written by [Raven Clabough](#) on November 15, 2010

Cigarette Companies Face Global Pressures

Apparently, tobacco companies are facing stricter marketing restrictions not only in the United States, but on the global scale as well. However, in an effort to increase sales in developing nations, as well as combat the efforts of public health officials from 171 nations who are working to enforce a global anti-smoking treaty, known as the Framework Convention on Tobacco Control, cigarette companies are prepared to go down fighting.

The *New York Times* reports, "Companies like Philip Morris International and British American Tobacco are contesting limits on ads in Britain, bigger health warnings in South America and higher cigarette taxes in the Philippines and Mexico."

It adds, "They are also spending billions on lobbying and marketing campaigns in Africa and Asia, and in one case provided undisclosed financing on TV commercials in Australia."

The government of Uruguay seemingly imposed the fiercest regulations of all, which mandates that health warnings must cover a whopping 80 percent of cigarette packages, as opposed to the 50-percent mandate imposed in the United States. Likewise, as written by the *New York Times*, "[Uruguay] also limits each brand, like Marlboro, to one package design, so that alternate designs don't mislead smokers into believing the products inside are less harmful."

Philip Morris USA, a division of Altria Group, has been compliant with the rules mandated by the United States Food and Drug Administration and, in fact, helped to negotiate the anti-smoking legislation passed by Congress last year. Likewise, it did not join the lawsuit filed by R. J. Reynolds, Lorrilard, and other tobacco companies against the FDA to overturn the 2009 American law that called for graphic warning label requirements.

Philip Morris International, however, a company spun out of the Altria Group in 2008, has responded more aggressively to overseas restrictions. For example, it reacted to the harsh regulations in Uruguay by pursuing a lawsuit against the Uruguay government this year through the World Bank affiliate in Washington. The lawsuit seeks unspecified damages for lost profits.

According to the *New York Times*, Philip Morris International is also suing Brazil, "arguing that images the government wants to put on cigarette packages do not accurately depict the health effects of smoking and 'vilify' tobacco companies." The images in question "depict more grotesque health effects than the smaller labels recommended in the United States, including one showing a fetus with the warning that smoking can cause spontaneous abortion."

Additionally, Philip Morris International is suing Ireland and Norway over prohibitions on store displays.

The World Health Organization contends that the lawsuits are an example of intimidation tactics against Uruguay, Brazil, Ireland, and Norway, as well as the other nations in attendance at the conference that are in consideration of stricter marketing requirements.

As Uruguay's gross domestic produce is half the size of Philip Morris' sales profits, Dr. Douglas Bettcher, head of the World Health Organization's Tobacco Free Initiative, states, "They're using litigation to threaten low- and middle-income countries."

In its defense, Philip Morris asserts that it has been accommodating with every nation's marketing laws, but that the lawsuit is in response to "excessive regulations." Ultimately, the company needs to protect its trademark and commercial property rights.

A spokesman for Philip Morris explained the company's lawsuit against Uruguay: "The packages definitely need health warnings, but they've got to be a reasonable size. We thought 50 percent was reasonable. Once you take it up to 80 percent, there's no space for trademarks to be shown. We thought that was going too far."

In Australia, where the government has mandated that cigarettes be sold in only plain brown or white packaging in order to make them less attractive to buyers, Philip Morris directed an opposition media campaign. An Australian news program, *Lateline*, intercepted a number of e-mails and documents outlining the campaign efforts. The documents incriminated Philip Morris as the leader of the campaign, which cost nearly $5 million, as well as two other tobacco giants: British American and Imperial Tobacco.

Dr. Bettcher continues to assert that cigarette companies are employing predatory tactics in developing nations to acquire new customers as replacements for those in the United States who have either quit smoking or died from smoking-related diseases. He cites evidence that smoking rates have fallen in the U.S. while they have increased by two percent worldwide.

Not all nations share the same anti-cigarette company mentalities as that seen in the World Health Organization, however. For example, in Indonesia, where there are limited regulations on tobacco companies, tobacco is a leading market and helps drive the country's economy. Indonesian officials assert that their economy relies upon tobacco jobs as well as the revenue generated from excise taxes on cigarettes.

It appears, however, that the cigarette companies may be fighting a losing battle, as the World Health Organization has made them a prime target. Likewise, the W.H.O. treaty, which has been ratified by 171 nations since 2003, recommends that governments and individuals continue to take action against cigarette companies and will eventually mandate that countries inflict stricter regulations on tobacco ingredients, marketing, packaging, as well as expand programs to help smokers quit, raise taxes on cigarettes, and increase the number of smoke-free spaces.

Tobacco companies believe that the treaty will ultimately lead to the elimination of tobacco production.

President George W. Bush signed the treaty in 2004, but never submitted it to the Senate for ratification. According to a White House official, however, President Obama plans to complete the task by submitting it to the Senate for approval next year.

The *New York Times* concludes, "The number of countries adopting tougher rules, as well as the global treaty, underscore the breadth of the battleground between tobacco and public health interests in legal and political arenas from Latin America to Africa to Asia."