



The Intentional Deception of Tobacco Companies About the Health Hazards of Smoking Tobacco

These documents were excerpted from a more extensive web site regarding the Master Tobacco Settlement of 1998. The web site was written by Frontline, a division of the Public Broadcasting System (<http://www.pbs.org/wgbh/pages/frontline/shows/settlement/>).

A. The Deception

On April 14, 1994 these seven executives of tobacco companies testified that they did not believe that tobacco use was addictive.

William Campbell, President & CEO, Philip Morris, USA
James W. Johnston, Chairman and CEO, RJR Tobacco Company
Joseph Taddeo, President, U.S. Tobacco Company
Andrew H. Tisch, Chairman and CEO, Lorillard Tobacco Company
Edward A. Horigan, Chairman and CEO, Liggett Group Inc.
Thomas E. Sandefur, Chairman and CEO, Brown and Williamson Tobacco Corp.
Donald S. Johnston, President and CEO, American Tobacco Company

B. The Facts

Internal documents show that tobacco companies had sound evidence for nearly three decades that tobacco use was addictive and caused cancer in laboratory animals.

These four documents were released as a result of the ongoing state Medicaid lawsuits. From these and many other documents, lawyers in the Medicaid suits have developed various theories to show the tobacco industry committed a fraud against the American public. The documents have contributed to the idea that the tobacco industry lawyers controlled scientific research in an attempt to hide data that was damaging to the industry. In other words, they covered-up evidence that smoking is addictive and causes diseases. They also used or "misused" the attorney/client privilege to try to keep this evidence from the public.

1. [The Auerbach Dog Study](#)

This document shows that as early as 1970 cigarette companies had medical evidence that smoking causes lung cancer in animals.

2. [The Addison Yeaman Memo](#)

This document written by Brown & Williamson's General Counsel is critically important because it indicates that tobacco industry executives knew about the dangers of smoking in the early 1960's but continued to deny them for over thirty years.

3. Youth Smoking Documents

This 1981 Philip Morris document clearly shows that Philip Morris knew that teenagers used their product; that they studied this rather extensively; and that they were worried about decreases in youth smoking since it would affect their future customers.

4. Committee of Council Notes

These are notes from a 1981 meeting of the Committee of Counsel, a group of tobacco industry lawyers who met regularly to discuss legal issues of interest to the tobacco industry. According to a federal prosecutor, the group controlled industry scientific research. The notes clearly show the group discussed scientific projects ("Special Projects") which were designed to promote the idea that smoking does not cause disease.

C. The Master Tobacco Settlement

The Master Settlement Agreement (MSA) is an agreement originally negotiated between the four largest tobacco companies and 46 U.S. States and 6 U.S. Territories reached in 1998. The negotiations addressed the potential liability of the tobacco industry for an alleged cover-up of tobacco-related health problems and ultimately exempted the companies from tort liability from state governments in exchange for a combination of yearly payments to the states and voluntary restrictions on advertising and marketing of tobacco products. The agreement was meant to provide state governments with compensation for smoking related medical costs and to help reduce smoking in the United States.

The MSA was originally signed in November, 1998 by the four largest tobacco companies, Philip Morris USA, R.J. Reynolds Tobacco Company, Brown & Williamson Tobacco Corp., and Lorillard Tobacco Company. The agreement was later joined by over 40 other tobacco companies. Every U.S. State and 6 U.S. Territories signed the agreement. Florida, Minnesota, Texas and Mississippi had already reached individual agreements with the tobacco industry.

The \$368.5 Billion MSA was the largest civil settlement in United States history.