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THE TOBACCO INDUSTRY DOCUMENTS: WHAT DO THEY TELL US

ABOUT THE INDUSTRY IN BRAZIL?

This work was commissioned by the Pan American Health Organization as part of a multi-phase project to analyze the tobacco industry and tobacco control in Brazil. This preliminary report represents Phase I of the project

Executive Summary

- This report builds on a previously published Pan American Health Organization report and presents preliminary results of a multi-phase project to map out the roles of the tobacco industry and of the tobacco control movement in Brazil.
- This initial phase was developed to document the strategies and operations of the tobacco industry in Brazil as it can be determined from the tobacco industry documents publicly available after the settlement of legal cases of 46 states and territories of the United States with the US-based tobacco companies.
- Brazil is an important tobacco market: its large, young, population appeal to tobacco companies searching to expand and it has a large tobacco growing, manufacturing and export business.
- Despite the role of tobacco in the Brazilian economy, Brazil has been a world leader in implementing a regulatory framework in which the tobacco industry operates. Overall adult smoking prevalence seems to be in decline, but youth smoking remains high in certain areas of the country.

- The main cigarette companies operating in the country are Souza Cruz, a subsidiary of British American Tobacco, with approximately 75% share of market; and Philip Morris Brazil, part of Philip Morris International, with approximately 15% of the market.
- Preliminary results showed a few themes that appear to be of high level concern for tobacco companies: regulation, litigation and public acceptance of smoking. Tobacco companies always seem to anticipate, and prepare, for tobacco control measures, using arguments that are similar to the arguments used by tobacco companies worldwide: cigarettes are legal, adults have a choice, smokers and non-smokers can share the same environment.
- It is apparent that the creation of the National Surveillance Agency (known by its Brazilian acronym, Anvisa), generated a high level of activity, as tobacco companies tried to develop the best strategies to operate in an increasingly regulated environment.
- For decades the tobacco companies have denied the health risk of exposure to tobacco smoke, funding scientists and consultants to question the overwhelming scientific evidence showing that second hand smoke is toxic.
- In addition to consultants and scientists, the tobacco companies engaged in a campaign to promote “courtesy” and “harmony”, in partnership with hospitality associations. The intent was to convince the public and policymakers that there is no need to strengthen legislation promoting clean indoor air, that these voluntary accommodation strategies, which have no public health benefit, would suffice.

- Product liability litigation developments in Brazil seemed to be a matter managed both locally and at headquarters. Luminaries of the legal community were often hired by the companies to assist in the development of their defense. There are some indications that in some cases, Souza Cruz and Philip Morris developed joint strategies to ensure that litigation in Brazil remained unsuccessful to the plaintiff. The class action moved by Adesf on behalf of smokers seemed to have been of particular concern to the companies.
- The industry courted the media through the promotion of special events and workshops in order to tell journalists their side of the “controversy” (when no controversy exists about the harmful effects of tobacco).
- The International Tobacco Growers’ Association in Brazil, i.e. the Brazilian Tobacco Growers’ Association (Afubra), seemed to be a significant partner in the tobacco companies’ policy and legislative efforts. This was particularly significant during the discussion for the ratification of the WHO Framework Convention on Tobacco Control.
- Partly in response to the increasingly regulatory environment, tobacco companies increasingly engaged in “corporate social responsibility” efforts in order to promote a positive public perception of the industry and avoid additional regulations.

Recommendations

- Develop and disseminate the additional phases of this project, updating the searches of the industry documents and triangulating the information with archival data (both from media outlets and other available sources) as well as

interviews with key players. A final product will then offer an overview of the multiple stakeholders in the tobacco control movement in Brazil and offer suggestions for future developments.

- Tobacco control policy needs to continue to be based on scientific evidence and focus particularly in the areas that the companies see as bigger threats to profits: regulation, marketing restrictions, and smoke free environments
- With a context of comprehensive tobacco control and implementation of the WHO FCTC, Anvisa needs to continue and strengthen its tobacco regulatory efforts in order to maximize the translation of the benefits of its actions into better health of the population.
- When pursuing litigation, Brazilian lawyers need to be educated and aware of the existing public internal tobacco companies' documents, as well overseas judge's opinions, in order to more effectively counter the industry's strategies in the denial of liability. Adesf's arguments and judgment, as well as the industry's reaction to the case, could be publicized more widely.
- It is essential that in the debate to promote smoke free environment, public, advocates and policy makers be educated about the decades-long campaign the tobacco companies have waged to thwart the efforts to promote clean indoor air policies. The scientific evidence is uncontroversial in affirming that exposure to tobacco smoke is serious health hazard.
- Further, policy makers, the public and advocates need to be prepare to counter the claims of tobacco companies, and its front groups in the hospitality industry, that accommodation of smokers and non-smokers in the same environment is a safe

alternative. Tobacco smoke can not be safely removed through existing ventilation technology. Furthermore, it is important to be cognizant that experience has shown that smoke free environments are enforceable and good for businesses.

- Last but not least, governmental and non-governmental agencies, as well as academia, should refrain from supporting or partnering with industry sponsored programs that are developed under the guise of Corporate Social Responsibility. These educational and philanthropic programs were create with the ultimate intent of preventing additional regulations in the tobacco business.