



American Brands, Inc.

245 PARK AVENUE, NEW YORK, NEW YORK 10017

US v. L (FTC)

OFFICE OF THE
SENIOR VICE PRESIDENT
AND GENERAL COUNSEL

May 11, 1976

Mr. Eric Rubin
Assistant Director of Compliance
Federal Trade Commission
Washington, D.C. 20580

Dear Mr. Rubin:

This will confirm for the record my offer during the negotiation session of May 7, 1976 with regard to the warning statement on billboards. On behalf of American Brands, Inc. I told you that this Company would be willing to adopt a single line warning statement format for 24 and 30 sheet billboards running across the bottom and utilizing Helvetica Medium Condensed type in capitals and lower case, the capital letters to be 4 inches high, with a one inch space above the capital "W" in "Warning" and one inch space below the descending tail of the lower case "g" in "Warning" and with a border line separating the warning statement from the rest of the billboard equal in width to the width of the vertical stroke of the capital letter "T" in Helvetica Medium Condensed type. The rendition pursuant to this offer is black type against white background.

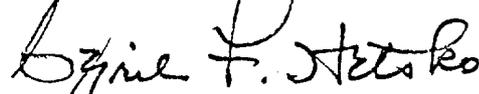
By mutual consent, typography, transit and larger size billboards have not been discussed in detail and these would remain for resolution in future discussions. However, the position taken on such issues by this Company in its letter to the Commission dated February 2, 1976 stands. In this connection, I can tell you that we would be willing to consider increasing the size of the warning statement on rotary and spectacular billboards beyond the 4" size being offered for 24 and 30 sheet billboards.

All of the foregoing is, of course, contingent upon satisfactory procedural disposition of the problem created by the fact that our offer is beyond the terms of the present Order under any construction thereof.

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The foregoing is not to be taken as an admission of any violation of the 1972 Consent Order, does not constitute a change in the 1972 Consent Order by American, nor a waiver of any of American's rights thereunder.

Very truly yours,



Cyril F. Hetsko
Senior Vice President
and General Counsel

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