

7/11
HGS
File

INDUSTRY COMMENTS
SEPTEMBER 16, 1987

- Rate of consumption is declining at approximately 2%.
- The federal survey published by the Centers for Disease Control appears to significantly overstate the industry decline.

Reasoning: Given their incidence numbers of 30.4% of adults in 1985 versus 26.5% in 1986 -- this would indicate a consumption decline in excess of 10%. Industry volume is running at a much stronger rate than that.

We feel incidence is closer to 1 in 3 adults than to 26.5%.

Why did the NCHS Study report 26.5%? We believe that their method of data collection must contain some systematic error which is understating adult smoking incidence.

2044927694