PHILIP MORRIS COMPANIES INC.

INTER-OFFICE CORRESPONDENCE 120 PARK AVENUE, NEW YORK, NY 10017

то: To All Philip Morris Employees

DATE: March 21, 1996

FROM: Geoffrey C. Bible

SUBJECT: Nationwide Ad Campaign

I am pleased to tell you that Philip Morris U.S.A. has begun placing the attached full-page ad in newspapers nationwide to let people know once again that we reject the charge that we "manipulate" nicotine in cigarettes.

There is nothing mysterious or newsworthy about the "tar" and nicotine content of cigarettes; the ratings appear in all cigarette ads. We work hard to make sure our products are consistently the finest available, and that means we emphasize quality control in the manufacturing process. As our ad says, quality control is not "manipulation."

I am delighted by the strong spirit I see in our organization. Let me repeat that despite a week of sensational headlines, our commitment to the company, its employees and our strategies has not changed. Nor has our approach to our critics. We will set the record straight and we intend to prevail in the courts of law.

Chose