

FOR IMMEDIATE RELEASE

Contact: Dolly Colby  
212-878-2144

**CARTER VERDICT AN ABERRATION, SAYS PHILIP MORRIS U.S.A.**

NEW YORK, August 9, 1996 -- The verdict in *Carter v. American Tobacco* is certainly disappointing, but we believe it to be an aberration that runs contrary to all but one previous verdict in smoking and health cases, and that verdict (for \$400,000) was later reversed on appeal. Indeed, it follows many recent positive developments in tobacco litigation, including the decertification of the *Castano* class, the dismissal of several individual smoking and health cases in Florida, and the decision by the Legal Aid Board in London not to fund a class action case against the industry in Great Britain.

Jurors in past smoking and health cases have traditionally used their common sense in weighing the evidence, and deciding not to award money damages to plaintiffs who made the decision to smoke.

We expect American to appeal, and we look forward to a thorough appellate review. It is worth recalling that, in the 1988 *Cipollone* case, the jury's verdict against one of the defendants was later reversed by a higher court.

The *Carter* verdict sets no legal precedent, especially since each case must be tried on its own facts and is based on the unique circumstances of each individual smoker.

# # #

2073177057