

Draft  
Employee Desk Drop/Worldwide/All Operating Companies  
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The verdict in Carter v. American Tobacco, while disappointing, is not without precedent. We should all remember that the jury returned a verdict against Liggett (in the amount of \$400,000) in the 1988 Cipollone trial but the verdict was later reversed on appeal.

The verdict against American Tobacco is an aberration. It defies common sense and runs contrary to all but one verdict in prior smoking and health cases. Jury after jury has agreed that people who are aware of the alleged risks of smoking and choose to smoke are responsible for their decisions.

The Carter verdict sets no legal precedent. It should not have any legal effect on future cases. Each case must be tried on its own facts and is based on the circumstances of each individual smoker. The verdict follows on the heels of 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.

American Tobacco is expected to appeal this decision.

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