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From: Andrew Halverson

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LOCAL SMOKING BANS BACKFIRE, HURT RESTAURANTS

In city after city, the anti-smoking movement is pushing for smoking bans. And in some places, they're succeeding. Their goal is healthier populations — a tobacco-free society. Without actually prohibiting smoking, they want to make it virtually impossible for people to smoke anywhere. And to further this laudable goal, they raise only one side of the "second-hand smoke" issue. (See our discussion of this issue in the Fall Peaceful Times.)

Often it works. Government officials care in the program and pass legislation that would have been unworkable just a few years ago. In the process, they denigrate local businesses, particularly restaurants.

Smokers simply take their business to cafes in nearby towns that still permit smoking. Restaurants in the "smoke-free" locales lose thousands of dollars in sales. And, in a low-margin business like food service, these losses matter. To survive, many restaurants lay off staff. Even then, some don't make it.

The speaker: The business community

advice, jobless rolls grow, and the city or county loses sales-tax revenue.

Case Histories from California

The Golden State's "smoke-free" cities show how harmful bans can be:

- In 1987, when Beverly Hills banned smoking, restaurants reported sales losses of 30 to 40 percent. Within seven months, the Beverly Hills City Council unanimously repealed the ban.
- In 1991, when San Jose passed Proposition 57, which banned smoking, restaurant sales fell by \$725,000 in just one quarter, according to State Board of Equalization figures. At the same time, sales in nearby Chico shot up by \$1,999,000. Prop 57's loss was Chico's gain, as food-up smokers crossed the town line in quest of restaurants where they could light up in peace.

Redditors, Leah and Sam Luis Obispo

also saw some sales losses due to smoking laws. Redditors, the Beverly Hills, even responded by filing an ordinance.

But perhaps the most dramatic "case study" is Los Angeles, which banned smoking in all city restaurants in June 1993. Results: LA smokers flocked to restaurants in San Diego, Beverly Hills, Other City, West Hollywood, Inglewood and Torrance.

According to LA restaurateur Vic Mui, his Pacific Dining Car restaurant lost \$45,000 to \$50,000 a month since the law took effect. He had to lay off seven of his 56 employees.

This March, Edai Singh took. Talking up with the Southern California Business Association, he sponsored a survey of 300 L.A. eateries by the Chamber of Commerce, an independent polling firm.

The results were eye-opening. One half the respondents said they'd lost business because of the ban. Losers averaged more than \$11,000 a month — nearly 25 percent of the restaurant's pre-ban sales. And one out of six restaurant owners said their losses had forced them to lay workers.

Local Sporting Bars Face It, But Restaurants (Continued from page 1)

Despite optimism, statewide law passes.

Unfortunately, these optimistic statistics made little impact on the California General Assembly. Recently state lawmakers passed AB 13, a radical statewide smoking ban. And over lawmakers' protest, Gov. Pete Wilson signed the bill into law.

It's too soon to tell how much damage AB 13 will do. But experts already predict that the state's hotel and restaurant trade will suffer. And if U.S. legislators in any public, the statewide ban could be huge.

Nevertheless, optimism records in other states.

In April, the Oakland Group completed another survey. This time polling 800 restaurant owners and managers in multi-city offices and areas in California, Colorado, Massachusetts and Texas. The results:

• One-third of bars and restaurants said local smoking laws have affected their

business volume. (According to nationwide surveys, other owners/managers said they're ignoring the law or they're unsure the law are even in effect.)

• Among those who claim an impact on business, 75 percent said sales had gone down. And 18 percent of all owners/managers surveyed said they knew of another local restaurant that had lost business through the law.

• Among the 75 percent regarding business, the average has equaled 18 percent of total revenues, or \$23,336 per month.

• Twenty-one percent of restaurants reporting losses have had to lay off employees.

Will you be the next?

As we go to press, restaurant smoking ban endorsements are pouring in from, among others, New York City and in Washington, D.C. Will your town be the next? Will your town be the next? Will your town be the next? Will your town be the next?

CLUBS LEARN PLAN BUSINESS IN PAIS, YET EMPLOYEES MEMBERS STILL FRET OVER RESTAURANT OWNERS

President Obama's massive health-care plan is rapidly gaining ground. According to a July 25-26 poll by NBC/Real Street Journal, 48 percent of respondents now oppose "ObamaCare," while only 41 percent favor it. Sixty-one percent say Congress should wait at least a year to pass any health bill at all.

In an earlier poll, 55 percent of Americans said Congress should deal with health-care reform "gradually," not in a rush.

Alerted by these statistics, many members of Congress are reeling scared from the prospect of what the Senate for

has proposed - or to fight one that's already pending?

First, get involved with your local restaurant association. Remember, there's strength in numbers. Politicians pay heed to interest groups.

Second, contact your local officials: your city council, county supervisors, and/or board of health. Find out where they stand on the smoking-ban issue. If they're undecided or if they're leaning toward laws, tell them such rules could hurt your business. Or the survey results above to show how laws drive away customers. Tell them you don't need government interference in your private business decisions. Remind them that you already provide smoking and non-smoking sections. They don't need to adopt the kind of policy - a reasonable rule that accommodates smokers and non-smokers alike.

Remember, in many areas, restaurant owners have successfully stopped smoking-ban dreams. You can, too, but you must be prepared to speak out now - before it's too late.

colleagues feel they can't overhaul the public law supporting the vital "Obama Care."

But if so, it's not working. As we go to press, moderate House Democrats are denouncing themselves from Congress's bill. They are looking up behind a bipartisan alternative introduced earlier this year by Rep. Ray Bonior (D-Cal.) and Michael Michalek (R-Ill.).

In an August 3 news conference, even President Obama himself seemed to shy away from the House bill - and from the usual LBJO press plan.

Still, Senate leaders are lobbying hard for

And they could prevail. If they do, all employees will have to pay 80 percent of their employer's health coverage, up to a total of 75 percent of payroll. Small businesses will get subsidies, but only temporarily.

This requirement would hit restaurants hard. They provide no health insurance or offer only limited coverage, simply because they can't afford any premiums. An 80-percent mandate would hike their bills 3- to 5-percent on average. "In fact," says business reporter Stephen L. Blumenthal, president of the National Restaurant Association, "the ban would amount to a typical restaurant would pay for standard health insurance would cost up half its profit."

Such laws could devastate restaurant survival, hardly they'd have to cut and

And the federal paid workers would be hit to go.

In all, 2 to 3 million jobs could vanish in low-wage industries like food service, according to groups ranging from the International Union of Foodworkers to the Independent Politics Institute.

What will call your members of Congress now. Let them know a mandate is a mandate, even when it's disguised as a "trigger" (as in George Mitchell's Senate bill). Tell them senators will hurt the restaurant industry especially people like you. Say that you're against radical "reform" that would wreck one-third of the U.S. economy (i.e., government and public spending on health care). Instead, recommend more modest changes, such as

OSHA PROPOSES UPDATE

Last time, we told you about the sweeping nationwide smoking ban proposed by OSHA - the U.S. Labor Department's Occupational Safety and Health Administration. As you may recall, there's widespread business concern about a no-smoking rule in virtually all enclosed workplaces, including restaurants and bars.

Such a rule would take many from some of your decision-making powers. And it could take down your ribs.

In recent congressional testimony, U.S. health commissioner Andy Cole, head of Restaurants for a Smokeable Voluntary Policy (RSVP), made the point well. "Some have claimed it's unworkable smoking law" would impose a level playing field," he said. "That idea ignores the American fact that many smokers simply would choose to eat and entertain in bars."

Presidey. That's why the OSHA plan poses such a big threat - both to your business and to your freedom. So, if you haven't already written to OSHA, do so today.

NOTE: OSHA has extended its deadline for written comments to August 15, 1994.

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insurance portability and anti-precoice reform. You can reach your U.S. representative and two senators at:

The Senateable (Obama)
U.S. House of Representatives
Washington, DC 20515
Phone: 202-225-3121

The Senateable (Obama)
U.S. Senate
Washington, DC 20510
Phone: 202-224-3121

If you don't know your officials' names, call 1-800-852-5355 to find out.

heard. But hurry! While a short, simple letter describing your opposition to the OSHA ban, proposed. Then make three copies. Mail your original plus the copies - four letters in all - to:

The Docket Office
Docket No. B-122
Room B-3635
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

And don't forget to contact Congress to prevent HR 3134, the nationwide smoking ban proposed by California Rep. Henry Waxman. This bill would have much the same negative impact as OSHA's proposal. Urge your lawmakers to vote against it!

NOTE: OSHA's deadline for written comments is August 15, 1994.

