



Charles M. Harper
Chairman
and
Chief Executive Officer

NOTE: Charles M. (Mike) Harper, RJR Nabisco's chairman and chief executive officer, sent the following letter to all RJR employees on June 10, 1994.

Dear Colleague:

Earlier this week, the Federal Trade Commission announced that it has closed a long investigation of whether Reynolds Tobacco Company uses its Camel advertising to target youngsters. After reviewing more than 30,000 pages of documents and files provided by the company, the commission voted not to issue a complaint and released a statement from a majority of commissioners that clearly explains the reasons for the favorable decision. The commissioners are much more eloquent than I could ever be on this subject, so I thought you might like to read what they actually said:

***Joint Statement of Commissioners Mary L. Azcuenaga,
Deborah K. Owen, and Roscoe B. Starek, III
In R.J. Reynolds, File No. 932-3162***

Today, the Commission closes its investigation of the Joe Camel advertising campaign after voting not to issue a complaint. Although it is unusual to comment on our reasons for taking such action, we have decided to explain our decision in light of the statements of our dissenting colleagues and the widespread public interest the matter has generated.

Although it may seem intuitive to some that the Joe Camel advertising campaign would lead more children to smoke or lead children to smoke more, the evidence to support that intuition is not there. Our responsibility as commissioners is not to make decisions based on intuition but to evaluate the evidence and determine whether there is reason to believe that a proposed respondent violated the law. The Commission has spent a great deal of time and effort reviewing the difficult factual and legal questions raised by this case, including a comprehensive review of relevant studies and statistics. Because the evidence in the record does not provide reason to believe that the law has been violated, we cannot issue a complaint.

If intuition and concern for children's health were a sufficient basis under the law for bringing a case, we have no doubt that a unanimous Commission would have taken that action long ago. The dispositive issue here, however, was whether the record showed a link between the Joe Camel advertising campaign and increased smoking among children, not whether smoking has an effect on children or whether the health of children is important. Indeed, our concern about the health of children led us to consider every possible avenue to a lawsuit before reaching today's decision.

Our colleagues at Reynolds Tobacco have said all along that the campaign does not target youngsters and also said that if the campaign did encourage youngsters to smoke, they would pull the advertising immediately. They haven't done so because the campaign is directed at adult smokers. The commission's vote – taken after a comprehensive review of all the relevant studies and statistics as well as the 30,000 pages of documents and files from Reynolds – confirmed that fact.

I have a suggestion for every employee of RJR Nabisco: Take your copy of this statement home with you and share it with your families and neighbors. The next time someone asks you how you can work for a company that sells tobacco to children, just give the person a copy of what the government's own regulators said on the issue.

This is a major victory for our colleagues at Reynolds Tobacco Company. I know you join me in congratulating them for standing up for what they believe in, standing by the facts – and prevailing because right was on their side.

A handwritten signature in black ink, appearing to read "Charles M. Harper". The signature is fluid and cursive, with a large initial "C" and "H".

Charles M. Harper