STOP. STOPPING TOBACCO
ORGANIZATIONS & PRODUCTS

ADDICTION AT ANY COST

Philip Morris International Uncovered

Executive Summary

What is this report about?

In January 2018, Philip Morris International (PMI) announced its goal "to give up cigarettes" and create a "smoke-free future." It said it would end the sale of combustible cigarettes entirely, and instead offer smokers alternatives, notably heated tobacco products (HTPs) that PMI claims are less harmful than smoking. PMI subsequently launched a comprehensive global PR campaign, seeking conversations with regulators to enable HTPs to be introduced into key markets, and trying to persuade stakeholders that the company is now the solution to the tobacco epidemic.

Yet the tobacco industry's long history of denial and disingenuity – as a means of selling as many of its deadly tobacco products as possible – raises questions over whether this smoke-free "transformation" is legitimate. Are they genuinely stopping selling cigarettes? Should governments trust them? Have they transformed?

To shed light on these vital questions, this report analyzes historical tobacco industry documents, industry sales data, and findings from tobacco industry monitoring undertaken by the University of Bath, a partner in global tobacco industry watchdog STOP (Stopping Tobacco Products and Organizations) and collaborators.

expose
tobacco
.org

What did we do and what did we find?

In **Chapter 1**, we examine chronologically the tobacco industry's attempts to develop and market "safer" tobacco products, and their motivations for doing so. We conclude that the tobacco industry has never been genuinely interested in reducing harm. Instead they have repeatedly invested in and developed new "safer" products as a response to the threat of decreasing cigarette sales – in another words, to prevent smokers from quitting entirely and to attract new users. Despite this being their real motive, product launches were accompanied by claims the industry was committed to harm reduction, and tobacco companies used "safer" products to rehabilitate their tarnished reputation, weaken tobacco control and attempt to divide the public health community. The rest of the report shows how these tactics are being repeated.

Chapter 2 builds on **Chapter 1** and uses recent industry data to further understand the context in which the major tobacco companies introduced HTPs. We report that the tobacco industry launched HTPs at a time when their ability to continue to profit long-term from cigarettes and other combustible products was seriously challenged. Given the particular importance of HTPs to PMI (it has just a 0.3% share in the global e-cigarette market but is the market leader in HTPs), we focus on PMI and its HTP brand IQOS. We find that PMI has primarily launched IQOS in higher income countries, where cigarette sales are already falling. This suggests the company's priority is boosting sales and profit in stagnating markets, rather than genuine harm reduction.

Together the evidence from **Chapters 1 and 2** suggests novel nicotine products are increasing the pool of nicotine consumers, rather than acting as alternatives to the combustible cigarette.

In **Chapter 3**, we compare PMI's public statements about going "smoke-free" to their private strategies and marketing activities. We present evidence that PMI's "smoke-free" rhetoric is a calculated corporate affairs strategy to renormalize their company brand. We show that instead of supporting public health goals, PMI continues to contest and challenge evidence-based tobacco control measures, heavily market cigarettes, introduce new cigarette brands and acquire new cigarette companies. We also report recent examples of PMI's youth-oriented marketing, both of IQOS and their combustible cigarettes, and argue that their IQOS social media promotion breaches their own marketing standards. In short, we lay bare the false logic in PMI's "smoke-free" narrative.

Chapters 4 and 5 focus on the PMI-funded Foundation for a Smoke-Free World. We consider the Foundation's claims of independence and show it is instead wholly dependent on PMI, apparently coordinates work with PMI, and hires agencies with long-standing tobacco industry links. We examine its claimed focus on science and show that the amount spent by the Foundation on science thus far has been less than that spent on PR. This and its other activities suggest the Foundation is effectively operating as a public relations and lobbying arm of PMI. We explore its so-called support for tobacco control and show how its staff and those it funds have pushed against evidence-based tobacco control measures. Finally, we show that PMI has a history of creating similar organizations to show its cigarettes were "safe." Robust science certainly is needed on heated tobacco products, but history and the Foundation's conduct to date suggests that neither the Foundation nor its grantees should be the ones making this scientific contribution. **Chapter 5** presents evidence which might alarm PMI's shareholders—that, despite pledging nearly a billion U.S. dollars over 12 years, the venture may be failing.

What does this all mean?

PMI's claim that it wants "to give up cigarettes" and create a "smoke-free future" are illogical, highly disingenuous and dangerous for public health.

PMI has not transformed. Delivering on its claims would put it out of business:

- PMI has not stopped selling cigarettes. Instead it continues to make extensive efforts to drive up smoking where there is still scope to do so.
- Where its ability to drive up cigarette sales and profits is now limited, it is launching – or trying to launch – HTPs, creating a new epidemic.
- PMI is not supporting effective evidence-based tobacco control measures. Instead it continues to actively oppose them.

PMI's claims are a massive PR exercise intended to enable it to access the policy circles from which it had been excluded, and to design future policies in its own interests.

The Foundation for a Smoke-Free World is a PMI front group created to assist PMI in these efforts. PMI and the Foundation cannot and should not be trusted, and we must remain highly skeptical of their scientific claims, and of studies they fund.

Whatever position countries wish to take on harm reduction, the tobacco industry and its front groups such as the Foundation for a Smoke-Free World should play no role in policymaking.

What this report does not do

This report does not intend, and nor should it be used, to examine evidence for or against the role of harm reduction approaches including e-cigarettes as part of comprehensive tobacco control policies.