

**PRESS
RELEASE**

Americans for Democratic Action

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IMMEDIATE RELEASE

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ADA URGES PRESIDENT JOHNSON TO VETO HOUSE VERSION OF CIGARETTE LABELING BILL

Leon Shull, National Director of Americans for Democratic Action, in a letter to President Johnson, charged today that the House version of the Federal Cigarette Labeling and Advertising Act "jeopardizes the health of American citizens and represents a clear and present threat to the independence of the regulatory agencies."

The liberal organization stated that the Senate version of the Federal Cigarette Labeling and Advertising Act "is at least tolerable in comparison to the House bill."

The crucial difference between the bills is that the Senate bill prohibits the Federal Trade Commission for three years from requiring any cautionary statement on cigarette advertising suggesting that cigarette smoking may be a health hazard. The House bill permanently prohibits the FTC from requiring cautionary statements in cigarette advertising.

ADA suggested President Johnson veto legislation unless Congress adopts the Senate bill.

Only the threat of a Presidential veto "will halt the cigarette industry in its attempt to remain permanently above public regulation." Shull, citing opposition to the House passed bill in the Health, Education and Welfare and Commerce departments, asserted that "failure to oppose the permanent prohibition of the FTC's authority to require health hazard warnings of cigarette advertising is an open invitation for other regulated industries to follow the tobacco industry in undermining the integrity of Federal regulatory legislation."

In releasing the letter to President Johnson, Shull charged that the cigarette lobby blew a smoke screen of deceit to ram the bill through the House. The bill was called up without notice when its chief House opponent, Congressman Moss (D., Cal.), was out of the country on official business.

Text of letter follows:

June 24, 1965

The President
The White House
Washington, D.C.

Dear Mr. President:

In your January 7th Health Message to Congress you enunciated a national goal that deserves the support of all Americans. The message stated that: "Today, at this point in our history, we are privileged to contemplate new horizons of national advance and achievement in many sectors. But it is imperative that we give first attention to our opportunities -- and our obligations -- for advancing the nation's health. For the health of our people is, inescapably, the foundation for fulfillment of all our aspirations."

The Surgeon General's Advisory Committee on Smoking and Health unanimously concluded on January 11, 1964 that "Cigarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action." The Committee's report stated that "Cigarette smoking contributes substantially to mortality for certain specific diseases and to the overall death rate." In particular, cigarette smoking is causally related to lung cancer, chronic bronchitis, emphysema, cardiovascular diseases and cancer of the larynx. The report further observed that those who stopped smoking even for periods of 3 - 5 years, improved their chances tremendously for not incurring such diseases. The Advisory Committee consisted of ten outstanding physicians and scientists selected by the Surgeon General with the approval of the cigarette industry.

On June 16th and June 22nd the Senate and House respectively approved the Federal Cigarette Labeling and Advertising Act which now must be resolved in conference. The legislation requires that cigarette packages contain the statement: "Caution: Cigarette Smoking May Be Hazardous to Your Health." The Senate bill prohibits the Federal Trade Commission for three years from requiring cigarette advertising to contain any cautionary statement suggesting that cigarette smoking may be a health hazard. The House bill permanently prohibits the Federal Trade Commission from requiring cautionary statements in cigarette advertising.

While we believe that the three-year moratorium is unwise, it is at least tolerable in comparison to the House bill. The House version of the bill places the cigarette industry on a pedestal beyond the reach of the public interest. Its enactment jeopardizes the health of American citizens and represents a clear and present threat to the independence of the regulatory agencies.

Mr. President, we strongly urge you to announce that you will veto the Federal Cigarette Labeling and Advertising Act unless the moratorium on the FTC's authority to regulate cigarette advertising is limited to just 3 years and the Senate bill is ultimately adopted. Only an announcement before the conferees meet will halt the cigarette industry in its attempt to remain permanently above public regulation.

On June 22, 1964 the Federal Trade Commission issued its trade regulation rules for the prevention of unfair and deceptive advertising and labeling of cigarettes. These regulations were based on the findings of the Surgeon General's Committee. Before the regulations were issued the FTC made an exhaustive study of cigarette advertising. The purpose of the FTC regulation was to inform consumers about the health hazards of smoking. Initially the FTC required that each cigarette package bear a warning statement by January 1, 1965. If by that time the industry had failed to change the circumstances which led to the Commission's findings, the warning statement would apply by July 1, 1965 on cigarette advertising. On May 13, 1965 the FTC stated that: "The cigarette advertising code, under which the industry has been operating for some months, now has produced no material improvements in cigarette advertising." Thus the need for the FTC regulations remains.

The FTC had acted pursuant to existing statutory authority on regulating advertising. The tobacco industry has successfully influenced the House to strip the FTC of such authority.

The hearings in the House and Senate demonstrated that a mere warning statement on the cigarette pack will not act as deterrent to smoking. The tobacco industry has a vested interest in seeking a permanent or lengthy ban on the FTC's authority to require that cigarette advertising contain information that smoking is a health hazard.

The FTC must retain authority to require health hazard warnings in cigarette advertising. Our young people are influenced by mass advertising which portrays smoking as sophisticated and virile. Many young people are acquiring a habit they may never be able to break.

Studies by the Federal Trade Commission show that between 1952 and 1962 \$2 billion was spent on cigarette advertising by the six leading cigarette manufacturers. From 1950 to 1960 the advertising of the cigarette industry increased by 179%. In 1964 advertising expenditures in the cigarette industry for television, magazines, newspapers, farm papers, supplements and radio totaled nearly \$260 million. In contrast to this massive advertising campaign, the Department of Health, Education and Welfare is conducting an informal education program for which the House appropriated \$2 million for 1966.

In its study of advertising in the cigarette industry the FTC has documented how cigarette advertising misrepresents and conceals the health hazards of cigarette smoking. Many current advertisements falsely state or give the false impression that cigarette smoking promotes health or physical well being. The Commission believes that much current advertising suggests or portrays cigarette smoking as being pleasurable and desirable, or indispensable to full personal development and social success. The advertisements suggest these positive factors without at the same time reminding the consumer of the serious health hazard of cigarette smoking. Such advertising has great impact among many young people.

Ample precedent exists for the FTC regulations. The FTC has required warnings and advertisements for many products which have been dangerous to health. For example, it has required warnings for laxatives, hearing aids and ozone generators.

The very independence of the regulatory agencies is threatened by the House-passed bill. Regulatory agencies can only be effective if men of ability and independent judgment are appointed to them. Mr. President, the men you have appointed to these agencies have made the public interest paramount. They have been unafraid to regulate the industry and segments of the economy with which they are concerned.

Failure to oppose a permanent prohibition on the FTC's authority to require health hazard warnings in cigarette advertisements is an open invitation for other regulated industries to follow the tobacco industry in undermining the integrity of Federal regulatory legislation.

Within the Executive Branch strong opposition to the House-passed bill exists. Secretary Celebrezze stated that: "We believe that regulation - whether voluntary or statutory, should extend both to labeling...and to advertising (other than labeling) in its various forms." Secretary Celebrezze further stated that "such regulation over the advertising of cigarettes as may be needed should, we believe, continue to be exercised by the Federal Trade Commission..." Robert Giles, General Counsel of the Commerce Department, stated: "We are unable to endorse legislation which would effectively deprive the Commission of regulatory authority in the field of cigarette advertising."

The Federal Trade Commission sought to regulate the tobacco industry in the public interest. Its actions were supported by the Department of Health, Education and Welfare and the Department of Commerce. Protection of public health and support for independent and effective regulatory agencies requires your public support at this crucial time for the Senate bill. Unless the Senate bill is adopted, we respectfully believe, the Federal Cigarette Labeling and Advertising Act should be vetoed.

Respectfully yours,

Leon Shull
National Director