

# The tobacco industry campaign on plain packs cannot be trusted



The tobacco industry is spending [millions of pounds](#) opposing the introduction of plain, standardised packaging for tobacco in the UK, and [millions more](#) at EU level. Tobacco companies, and the groups who speak on their behalf, lead with a message that introducing plain packs will not work and will simply drive smokers to the illicit market. So can we trust [tobacco industry campaigning](#)?

## A Uniquely Bad Reputation:

There is such [strong evidence](#) of the tobacco industry engaging in manipulative and deceptive opposition to health policies that an international treaty, signed by 177 countries including the UK, explicitly [states that](#) there is “a fundamental and irreconcilable conflict between the tobacco industry’s interests and public health policy”. This [Framework Convention on Tobacco Control](#) also sets out that “in setting and implementing their public health policies with respect to tobacco control, Parties shall act to protect these policies from commercial and other vested interests of the tobacco industry.” No other industry (whether arms, mining, alcohol.....) has necessitated such a response from the international community. Concerns over biased research and data manipulation are such that the British Medical Journal [recently announced](#) that it would no longer publish research partly or wholly funded by tobacco companies.

The tobacco companies are not trusted, but they are wealthy and so they generally recruit or create other voices to front their campaigns. They do this through funding their own support groups ([FOREST](#), [Hands Off Our Packs](#), [Tobacco Manufacturers Association](#), [Tobacco Retailers Alliance](#)....), through ties with organisations they provide funding to ([Scottish Grocers Federation](#), [Scottish Wholesale Association](#), [Institute for Economic Affairs](#), [Adam Smith Institute](#)....) by commissioning reports from consultancies ([KPMG](#), [CEBR](#)....) and by hiring PR consultants to promote their views (in Scotland most recently [Halogen](#)). Where are the independent opponents of plain packs, who are not tarnished by tobacco industry money?

In a YouGov survey of Scottish adults carried out for ASH Scotland in February 2013, 5% of adults agreed that “Tobacco companies can be trusted to tell the truth” while just 2% agreed that “Tobacco companies behave ethically”. At the same time 64% supported and only 10% opposed standard packs.

## A History of Questionable Claims:

A favoured tactic of the tobacco companies is to claim that attempts to regulate the legal market in tobacco will merely act to boost the illicit trade. This argument was used to oppose legislation to ban [retail tobacco displays](#), resurfaces whenever tobacco [tax increases](#) are mooted and is playing a central part in industry [efforts to undermine](#) Government action on plain, standardised packaging. The tobacco industry also [complains](#) about taxes on cigarettes and suggests that higher prices fuel the illicit market. Yet tobacco companies have a [long and shameful history](#) of their own engagement with, and profit from, smuggled cigarettes. Recent analysis also indicates that nearly [50% of recent price increases](#) in the UK stem from the companies themselves rather than from the Treasury. The industry has failed to gain the support of independent experts for its claims. Asked by a Westminster Committee whether it was a risk that standard packs would make counterfeiting easier, Andrew Leggett from HMRC replied “[Our assessment is that it is probably not](#)”. In oral evidence to an All Party Parliamentary Group [enquiry](#) “police, trading standards and OLAF representatives agreed..... the introduction of standardised packaging would be likely to have little or no significant impact on the level of the illicit trade”.

The industry and its allies variously claim that there is “[no evidence](#)”, “[no proof](#)” or “[no reliable evidence](#)” that plain, standardised packs will reduce youth uptake of smoking. By this they

presumably mean that this is a new idea, only up and running in one country, Australia. Yet over [50 different tests and studies](#) have been carried out – studies rigorous enough to be published in peer-reviewed academic journals (where the methodology used must be clearly set out and open to scrutiny and challenge). These studies consistently show that plain packs make tobacco products less appealing, particularly to young people. The industry promises that it wants to prevent young people taking up smoking and proposes other measures such as [education and banning proxy purchasing](#) (where an adult buys tobacco to give to a child). This leaves them open to charges of inconsistency, as while these are aims anyone would want to support they cannot point to studies or research supporting either of these approaches. In fact there is some evidence that industry-supported youth prevention education programmes do [more harm than good](#). One educational approach which does have good evidence behind it is [ASSIST](#), but for some reason tobacco interests never promote that.

Their desperate campaign against plain packs has brought tobacco companies out of the shadows and into the public gaze for the first time in years. Japan Tobacco International alone has spent £2million on a series of [full-page adverts](#) in leading UK newspapers. This tactic has not gone too well, with the series being ruled unsubstantiated and misleading by the Advertising Standards Authority not [once](#), not [twice](#), but [three times](#) (to date).

### He Who Pays the Piper:

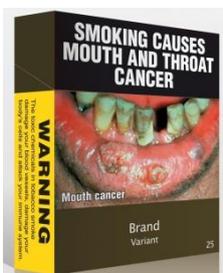
The Scottish Wholesale Association ran a “plain nonsense” campaign on its website, and placed a prominent full-page advert in Holyrood magazine opposing plain packs. The campaign was [paid for](#) by Imperial Tobacco and the advert by Japan Tobacco International.

Despite being a member of the Scottish Government’s Ministerial Working Group on Tobacco Control (“a forum for the development of policy to reduce the impact of tobacco on Scotland’s health”) the Scottish Grocers Federation has been a prominent voice in opposition to standard packs, regularly providing [media quotes](#) in support of tobacco industry stories. The SGF has a variety of tobacco industry links, receiving [membership fees](#), and profiling [industry speakers](#) at its events.



Andrew Helm of British American Tobacco [receives the SGF golf shield](#) from the SGF’s John Drummond

In the run up to the September 2013 Scottish Government announcement that it would proceed with legislation to introduce plain, standardised packs for tobacco in the 2014/15 legislative programme there was a marked increase in tobacco company funded work attacking the idea.



Not “a single plain colour”

In August 2013 the Tobacco Retailers Association [promoted a story](#) claiming that 1 in 10 corner shops in Scotland is threatened with closure due to the impact of illicit tobacco, and using this as a hook to attack plans for plain packs. The TRA is [paid for](#) by three tobacco companies. All ten of the news releases on the front of their [website](#) attack regulation of tobacco sales. Its website [misleadingly](#) tells retailers that standard packs would “all be a single plain colour” – while presumably being aware that they would retain picture warnings and other features. “Plain packs” are not plain !

[Analysis](#) of the “research” behind the 1 in 10 headline shows that the figure was drawn from a survey in which only 9 retailers across Scotland indicated this was a threat. The TRA spokesperson claimed that the problem of illicit tobacco “continues to worsen” –

studiously ignoring the figures from Her Majesty’s Revenue and Customs which show that it does not. Interestingly the TRA are aware that the most popular action [called for by their members](#) is to increase penalties for those caught selling illicit – but ignore this in favour of the second most popular call, the low tax, anti-regulation agenda favoured by their industry funders. While stressing their desire to reduce youth smoking the TRA and SGF do not seem keen to discuss the [SALSUS survey results](#) that 46% of 13 year old and 54% of 15 year old regular smokers buy cigarettes directly from shops.

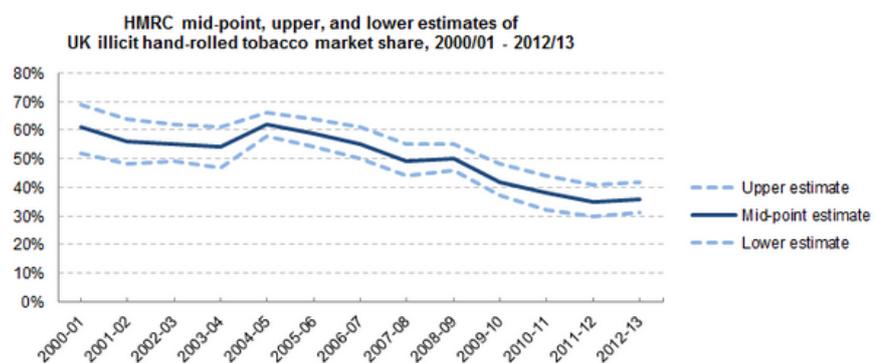
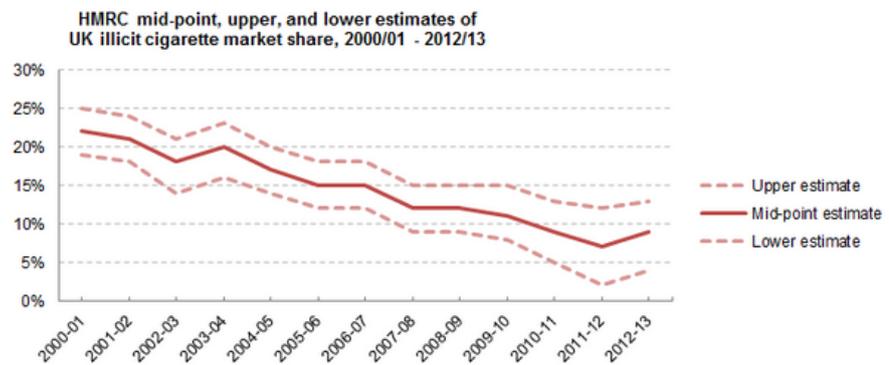
The TRA appeared at 2013 party conferences with a key message that “The UK is the EU’s hotspot for the illicit trade” – ignoring the fact that countries such as Poland, Romania and Bulgaria with the cheaper, less regulated tobacco markets the TRA call for, actually have [higher levels of illicit tobacco](#).



Also in August 2013 the Centre for Economics and Business Research (CEBR) produced a report claiming that [3,000 jobs](#) would be lost in Scotland if plain packs were introduced due to increased illicit trade and increased transaction times and longer queues in small shops so that consumers move from smaller to larger shops. [The report](#) was funded by tobacco giant Philip Morris Ltd. The main assumptions underlying the analysis were taken from other tobacco industry funded reports, as assumed-correct inputs. The assumption that plain packs would result in queues and delays in small shops, for example, is still used despite being flatly contradicted by the [real-life experience](#) of plain packs in Australia. The authors also used a model where 37% of cigarette customers chose the illicit option, which can be contrasted with the 10% in real-life HMRC estimates. Little detail is given as to how the analysis was carried out but we know that it involved the kind of real-life scenario testing which tobacco companies deny any validity to when [such studies](#) suggest standard packs [will work](#). Whatever the method, with flawed assumptions being input we must be extremely sceptical as to the end results being claimed.

In November 2013 KPMG published [a report](#) claiming that illicit tobacco use is growing in Australia and pointing the finger at the introduction of standard packaging in December 2012. The report was [paid for](#) by several tobacco companies and, as is often the case, provides little

information on the methodology used (compare this with the peer-reviewed papers providing evidence for standard packs). While highlighting that the proportion of illicit tobacco was estimated



to have increased, the promotion of the report did not mention that the trend for increasing illicit in Australia began in 2007, which could hardly be blamed on standard pack introduction at the end of 2012. There is an inherent risk in drawing conclusions from a trend where the measure in question was only in place for one half of the last year for which there are figures. KPMG themselves included a detailed disclaimer at the beginning of the report noting that the work “was performed to meet specific terms of reference” and “The report should not therefore be regarded as suitable to be used or relied on by any other person or for any other purpose”. Guidance that the tobacco industry, and the PR consultants they have commissioned, have completely ignored. Repeated promotion of the study claims never mention that the amount of illicit tobacco is not predicted to have increased, only the proportion of an overall declining tobacco market – this is a crucial difference.

“Former Scotland Yard Detective” Will O’Reilly has been employed by Philip Morris [since 2011](#) to go around Scotland trying to access illicit tobacco. Not surprisingly he has been able to do so, and he is now being promoted to local newspapers around Scotland with a story that illicit tobacco is a serious threat which will be made worse by standardised packaging. Nobody should be surprised that an ex-cop could access illicit tobacco – HMRC estimates that the illicit market covers 10% of cigarette sales and much more for hand rolling tobacco. Yet the leap of faith between this and the suggestion that the illicit trade is growing and/or will be made worse by standardised packs remains unstated for a very good reason – the illicit market has been in decline, and the tobacco companies cannot demonstrate any link to plain packs. Nothing in his work supports the oft-repeated claim that the illicit market is getting worse.

#### **The Last Word:**

Through all this feverish (and expensive) activity one question remains. If the tobacco companies really believe that plain, standardised packs will not work, or could even [increase smoking](#) as they sometimes say, why are cost-conscious tobacco industry executives signing off millions of pounds to spend on opposing it?

#### **Which groups support introducing standard packs?**

Children in Scotland, British Heart Foundation, ASH Scotland, Scottish Youth Parliament, Barnardo’s, British Lung Foundation, Scotland’s Commissioner for Children and Young People, British Medical Association, Cancer Research UK, Royal College of Physicians Edinburgh, Youthlink Scotland.....

#### **Which groups oppose introducing standard packs?**

FOREST, Scottish Grocers’ Federation, Scottish Wholesale Association, Tobacco Manufacturers Association, Tobacco Retailers Alliance.....

#### **Which groups with no financial links to tobacco companies oppose introducing standard packs?**

Well, we would be interested to know.

#### **For further information:**

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