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PHILIP MORRIS
I N T E R N A T I O N A L



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Philip Morris is a holding company, which engages in manufacturing and sale of cigarettes, tobacco and nicotine-containing products.

About the Company

General Info

It operates through the following geographical segments: European Union, Eastern Europe, Middles East & Africa, South & Southeast Asia, East Asia & Australia and Latin America & Canada.

It owns brands like Marlboro, Virginia Slims, Benson & Hedges, Merit, Parliament, Alpine, Basic, Cambridge, Bucks, Dave's, Chesterfield, Collector's Choice, Commander, Lark, L&M, Players. As of the 27th of December 2018, Philip Morris also owns a minority stake in JUUL.

History and timeline

1847 – Philip Morris opens a tobacco and cigarette shop in London. Morris' son, Leopold Morris, established "Philip Morris & Company and Grunbaum Ltd" with Joseph Grunbaum. In 1885, the company changed its name to "Philip Morris & Co. Ltd."

1902- The company is incorporated in NY. 1919 – It's acquired and incorporated as "Philip Morris & Co. Ltd., Inc." in Virginia.

1987- Philip Morris International (PMI) is incorporated as an operating company of Philip Morris Companies Inc.

2001- The operations center of the company is transferred from New York to Switzerland

January 27, 2003 - Philip Morris Companies Inc. formally changed its name to The Altria group

March 2008 - Philip Morris International was spun off from Altria.

September 2017 – Announcement of the establishment of the foundation for a Smoke-Free World July

2021 - Philip Morris International buys Vectura for £1 billion.

Philip Morris lobbying

- Philip Morris : One of the biggest lobby in the tobacco industry

Why ? Tobacco is a major health issue.

Objectives → Tobacco industries like Philip Morris want to be able to protect their successful industry from taxes, from anti-tobacco campaigns that could decrease their turnover.

PMI is doing lobbying for different interests like :

- Agriculture
- Industry
- Public health

Lobbying budget (2021) : €1,000,000 - €1,249,999

Meetings

Comission representative	Portfolio	Date	Location	Subject
Alessio Nardi, Cabinet member of Oliver Varhelyi	Neighbourhood and Enlargement	11/09/2020	Rome	Breakfast with institutional and economic stakeholders organised by Rep and Comin & partners
Juraj nociar Cabinet member of Maris Sefcovic	Interinstitutional Relations and Foresight	23/01/2020	Brussels	Working priorities of the new European Commission
Eduard Hulicius, Cabinet member of Vera Jourova	Justice, Consumers and Gender Equality	09/11/2017	Brussels	new technologies diminishing harm to tobacco user
Stephen Quest, Director General	Acting Director- General of Taxation and Customs Union (TAXUD)	06/03/2017	Brussels	Update on Excise & Customs clarification of tobacco products
Lubomira Hromkova, Cabinet member of Maros Sefcovic	Energy Union	26/01/2017	Brussels	Occasion of the Slovak New Year Concert



In-house lobbying of PMI

Used during their campaign against the
global anti-smoking treaty

Definition

In-house Lobbyist is an employee whose lobbying activity is a significant part of their duties.

July 13, 2017 – New Dheli

World Health Organization's global tobacco treaty conference is being hold, designed to curb smoking and combat the influence of the cigarette industry.

While several other tobacco companies were present for that conference, no representative of PMI attended.

However, unknown to treaty organizers, they were staying at a hotel an hour from the convention centre, working from an operations room there.

PMI started holding secret meetings with delegates from the government of Vietnam and other treaty members.

The object of these clandestine activities: the WHO's Framework Convention on Tobacco Control a treaty.

- **Total €950,000**
(2021)

Consultancy Companies	€ Amount
Rud Pedersen Public Affairs	150,000
Acquis EU Law & Policy	250,000
Transatlantic Public Affairs	250,000
MP-Public Affairs	75,000
Must & Partners	75,000
Friends of the Countryside Services	75,000
Servicios Intergrados Lasker	75,000

The Tobacco Products Directive and the response of Philip Morris Int.

Objective of the Tobacco products Directive (TPD) proposed by the EU:

make cigarettes less attractive to children and women, and force packs to carry larger health warnings.

Under this Directive, cigarette companies would be forced to include large pictorial health warnings on tobacco products covering 75% of the front and back of packs. There would also be a ban on all flavoured tobacco products.



The response of Philip Morris International:

Philip Morris International (PMI), the producers of the Marlboros wanted to “push” (for example removing elements from the directive) or “delay” the directive and therefore they formed a tobacco lobby. A company spreadsheet reveals that:

- it used 161 employees and consultants in lobbying
- in the year 2012, the meetings between the lobbyist and the Members of the European Parliament costed more than £1.25m
- by 22 June of 2012, 233 MEPs – 31% of the total – had been met by PMI at least once.

They eventually succeed in delaying the directive. A very valuable help came from Lynton Crosby, who was employed by David Cameron’s – prime minister of the UK from 2010 until 2016 – as election strategist.



The leaked documents

The tobacco giant maintained lists of every single Member of European Parliament (MEP) and their views on tobacco regulation, featuring explanatory comments by MEP's names such as: "Very supportive - receptive to nanny state arguments", or, "wishes not to meet PMB [*Philip Morris Benelux*] but is supportive of PM views".

This allows Philip Morris International to build up a comprehensive picture of the political support they enjoy, as well as to target specific MEPs to apply tactical pressure.

Full Members of ENVI								
MEP	Country	Group	GP	EHW	IB	POSDB	NGP	SNUS
Karin Kadenbach	Austria	S & D	0	0	0	0		
Richard Seiber	Austria	EPP	0	0	0	0		
Anne Delvaux	Belgium	EPP	0	0	0	0		
Frederique Ries	Belgium	ALDE	0	0	0	0	0	0
Antonyia Parvanova	Bulgaria	ALDE	0	0	0	0		
Vladko Panayotov	Bulgaria	ALDE	0	0	0	0		
Milan Cabrnoch	Czech Republic	ECR	0	0	0	0		0
Miroslav Duzky	Czech Republic	ECR	0	0	0	0		0
Pavel Poc	Czech Republic	S & D	0	0	0	0	0	0
Anna Rosbach	Denmark	ECR	0	0	0	0	0	0
Dan Jorgensen	Denmark	S & D	0	0	0	0	0	0
Eija Riitta Kohola	Finland	EPP	0	0	0	0		
Satu Hassi	Finland	Greens	0	0	0	0		
Corinne Lepage	France	ALDE	0	0	0	0		
Francoise Gressetote	France	EPP	0	0	0	0		
Gilles Parnieux	France	S & D	0	0	0	0		
Sandrine Bellor	France	Greens	0	0	0	0		
Sophie Auconie	France	EPP	0	0	0	0		
Yves Cochet	France	Greens	0	0	0	0		
Holger Krahmer	Germany	ALDE	0	0	0	0		
Anja Weisgerber	Germany	EPP	0	0	0	0		
Christa Klau	Germany	EPP	0	0	0	0		
Horst Schnellhardt	Germany	EPP	0	0	0	0		
Karl-Heinz Florenz	Germany	EPP	0	0	0	0	0	0
Peter Liese	Germany	EPP	0	0	0	0		
Sabine Wils	Germany	GUE	0	0	0	0		
Dagmar Roth Behrendt	Germany	S & D	0	0	0	0		
Jo Leinen	Germany	S & D	0	0	0	0		
Matthias Groote	Germany	S & D	0	0	0	0		
Kriton Arsenis	Greece	S & D	0	0	0	0	0	0
Theodoros Skylakakis	Greece	ALDE	0	0	0	0		
Thomas Ulmer	Germany	EPP	0	0	0	0		
Lajos Bokros	Hungary	ECR	0	0	0	0		
Nessa Childers	Ireland	S & D	0	0	0	0		
Eric Banki	Hungary	EPP	0	0	0	0		
Mario Pirillo	Italy	S & D	0	0	0	0		
Oreste Rossi	Italy	EPP	0	0	0	0		
Elisabetta Gardini	Italy	EPP	0	0	0	0		
Paolo Bartolozzi	Italy	EPP	0	0	0	0		
Salvatore Tatarella	Italy	EPP	0	0	0	0		
Segio Buriato	Italy	EPP	0	0	0	0		
Karlis Sadurskis	Latvia	EPP	0	0	0	0		
Bas Eickhout	Netherlands	Greens	0	0	0	0		
Radwa Morounaito	Lithuania	EPP	0	0	0	0		
Gerben-Jan Gerbrandy	Netherlands	ALDE	0	0	0	0		
Kartika Tamara Liotard	Netherlands	GUE	0	0	0	0		
Esther de Lange	Netherlands	EPP	0	0	0	0		
Boguslaw Sonik	Poland	EPP	0	0	0	0		
Tadeusz Cymanski	Poland	EPP	0	0	0	0		
Edite Estrela	Portugal	S & D	0	0	0	0		
Claudia Tanasescu	Romania	S & D	0	0	0	0		
Daciana Sorbu	Romania	S & D	0	0	0	0		
Jolanta Emilia Hibner	Poland	EPP	0	0	0	0		
Elena Oana Antonescu	Romania	EPP	0	0	0	0		
Andres Perello Rodriguez	Spain	S & D	0	0	0	0	0	0
Zofia Mazej Kukovic	Slovenia	EPP	0	0	0	0		
Cristina Gutierrez-Cortines	Spain	EPP	0	0	0	0		
Ana Westlund	Sweden	S & D	0	0	0	0		
Carl Schlyter	Sweden	Greens	0	0	0	0		
Martina Anderson	United Kingdom	GUE	0	0	0	0		
Chris Davis	United Kingdom	ALDE	0	0	0	0		
Glenn Willmott	United Kingdom	S & D	0	0	0	0	0	0
Jill Evans	United Kingdom	Greens	0	0	0	0		
Linda McAvon	United Kingdom	S & D	0	0	0	0	0	0
Marina Yannakoudakis	United Kingdom	ECR	0	0	0	0		
Martin Callanan	United Kingdom	NI	0	0	0	0		
Nick Griffin	United Kingdom	NI	0	0	0	0		
Paul Nuttall	United Kingdom	EPP	0	0	0	0		
Pilar Ayuso	Spain	EPP	0	0	0	0		

Results

Main goal was to delay or completely derail the TPD (Tobacco Products Directive)

- Ideally, delay until the new year, as Greece (Anti-TPD) would take over the EU council from Lithuania (Pro-TPD)

Voting was delayed from August to September, good news for PMI.

Result

- Lobbying delayed the regulations from 2012 to 2016
 - 4 extra years of profits (Net Revenue 2014 - €30 Billion)
- However they got some aspects of the TPD changed:
 - The size of health warnings on the packaging was reduced (75%-50%)
 - The ban on misleading 'slim' cigarettes was cancelled
- The revised TPD came into affect in May 2016, in order to increase awareness on the health risks of tobacco products. However many terms were altered due to the Tobacco Industries lobbying tactics

References

- <https://www.lefigaro.fr/societes/2013/09/21/20005-20130921ARTFIG00321-philip-morris-epingle-pour-ses-pratiques-de-lobbying.php>
- <https://philipmorrisinternational.gcs-web.com/static-files/c50b4f02-102d-4499-a2d0-13173beee890>
- <https://corporateeurope.org/en/power-lobbies/2014/05/looking-back-tobacco-lobbying-battle-philip-morris-allies-european-parliament>