617-864-5370

Thos Dr. Davis - is old Brush place. approached 1 hour House. Rep lousy. We need $ - you're elected.

Call Jim Fulton

Ran into Keefer 3 wks ago - wanted to have lunch.

Retired. One of Eisenhower's advisers - pst penicillin. Conservative. Heath scares overplayed. Objective.

Brush Clinic - lousy name - changed. Never heard of Lange.

T.I. 3/10
All counsel
Austern - Tembo
Shinn
Earle

Warning Notice!

In '65 House stated type fnt. Senate deleted it. We used one ~~size~~ point larger than House stated, but narrow. (universe 47) (57 spaces v. 91) (5 more words). Question never raised in conference.

↦ GET each our brands. Some have red white red - small space. Winston already 4 lines Salem

→ ↦ TRY our phges with present type font.

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3/10

2

Preemption & Warning both require repeal to change. Our Senate position not strong. House Committee is our bulwark.

Mtg at FTC 3/26.

Elman's term up 9/27. Successor could be appointed at any time to assure retirement. Maggy wants Elman.

on approp. comm. - midwest Rep. & Rep. Sens.

Our battle will be in FTC - probably will move as soon as bill is passed ("tar" & nicotine; certain gas phase) components). Will argue §5 of our Act does not prevent it - also that advg negates Warning. Could be v. us + then trade regulation rule.

want tar + nic in all adv - + high & low on list. (No one brand is ↑ in both.)

Fatima 32 tar but low on nic. & Vals 2.5 nic

July 22 '65 Guidelines re label, Type, etc

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Lemko

1) I.C.C - FHA (bus) / Safety

Charles A. Webb National Assn Motor Bus Owners (NAMBO). Represents 90% of inter city bus lines. Will file 3/16. Independents won't. Webb a former I.C.C. member. Feels confident. May need help re carbon monoxide impact on drivers.

prob not take J.

Amer Airlines - 100 cpts a day re no smoking section.

2) Airlines. Mtg with Schaefer coming up thurs. FAA. would like to shrug it off. Most airlines doing O re FAA. Going separate ways re CAA. No formal requests for comments yet. We may well be asked to file, in which event we can go into ventilation.

Chemosol

"peculiarly & uniquely stalled"

Smoking Patterns: distribution when get a bill — to those who pay for it

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3/10 4.

Review what's on back burners

FTC now on 7th market sample. 5 & 6th samples, 2 labs swapped data — examined data. 42 calc errors over .2 of mg. Lack of lab data seems to indicate lack of integrity. Arkin now has data on 6th run.

Yurushalmy: Israel - stats dont jibe. New census coming in Israel. Full project $240,000. Give $10,000 Bur ~~[illegible]~~ of Statistics of State of Israel. SAB not interested. For feasibility study re including meaningful questions on smoking, stress, etc. (Yurushalmy may be able to find out why 1967 study not published, possibility of confining questions to Israeli twins.

1967 study WHO

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5.

Federal Tax in lieu of state excises; rebates to states.

Tob. Tax Council does not favor single federal tax — recently.

There was an investigation in Congress 20 or more years ago — Long report — wasn't limited to cigs.

Earle: no evidence of any real interest. Wilbur Mills & John Burns + White House support if needed.

problem compact with states

Must originate in House.

Can Congress preempt states? (Welch thinks so), but others think Long Report concluded to the contrary.

If had overall 20¢ tax, all but 4 states would net more, & leakage would be stopped. Also $64,000,000 in state adm. expense.

Will hold fed rate down?

Realistically, we can expect higher excises in States until it effects a reduction in revenue. And all tax admrs & jobbers will oppose. Oil & liquor in same boat — [redacted] their attitude important.

Will get ↑ in fed 8¢ tax (coming next year)

This would be financed by industry on a base 2½ x present 8¢ rate.

Effect on sales?

Win or lose in 1 place — not in 50.

Congress not dir. concerned with local taxation — if fed tax — they would be.

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6

3/10

Puerto Rico

Dalahm Goldhammer (PM)

Baker not interested in proceed further with 1968 document re gaps in knowledge.

Earle would like to find "an honest broker" in HEW — not "Smoke House"

Finch exposed to possibility of "gas phase" task force last Dec. Originated from Magnuson (Pertschuk to Horn)

Staff of Smoke House has nearly completed study on "gas phase" — expected to be condemnatory. Secy's staff expects it will be submitted to "kept" grantees for endorsement. Secy ~~may~~ has chance of insisting on type of person who should evaluate Horn's report.

Do we have any suggestions. Kirkland on carb. monox.

Horn — Pertschuck — Tenney

PM has a 1/14 request. (Test mkt only.)

Prob. be no published report w/o Secy's knowledge.

Ad Council (re controversy) — Lewis — Secy

"Congress has worked its w

→ P.R. re President's Signature. Will comply — but we offered to go off promptly

DON'T MAKE IT OUR VICTORY!

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