

Existing Industries
Proposal 24
The Tobacco Industry

“Finally ‘Dealing’ with the Deadliest Drug Industry”

Issue/Problem

It is only the *slow, often agonizing deaths* of approximately 500,000 Americans every year (fully 8 Vietnam Wars worth of kills each year). And then there are the millions of family members left behind.

The Plain Truth of this situation is that the U.S. government is allowing and sponsoring the manufacture and distribution of the nation’s most addictive and regularly used drug – *nicotine*. And all to “keep alive” an industry that has officially been known for over 40 years to be killing not only its active drug users, but innocent bystanders such as non-smoking family members by way of second-hand smoke and decreasing the general health of many others.

If it were only 450,000 per year (51 per hour!) since 1968, that is 18,000,000 dead Americans! Again the LKF – Legislative Kill Factor shows itself again. If you recall the birth year tables earlier in CS2, the average was about 4 million babies born each year. So that’s 4 million births and more than 450, 000 deaths each year just due to cigarettes. Over that same 40-year period marijuana killed zero (0) Americans. And the government easily arrests over 500,000 Americans a year simply for possession. Two of the more outrageous examples of the negative public power the lobbyists exercise over Congress, *common sense*, and our lives.

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And just why have “our” federal and state governments worked for decades to protect and perpetuate this assault on reason and public health?

First, caving into Tobacco state and industry lobbyists and gladly accepting their campaign donations. A close second is due to the huge amount of taxes that are raised from cigarette addicts regularly feeding their habit. Third is the predictable flow of customers into the Medical Industry – all those sick people equal profits and a steady income stream... Consider that the American Medical System is still structured to repair and manage illnesses — it does not work to prevent illnesses. Where would be the profit in that? The Dark Side of Capitalism.

And lastly, although the point was never really brought out in public until some

years ago when one of the major tobacco companies was caught making a marketing pitch to a foreign country — trying to expand their international sales base. The tobacco company’s report told that government that building up tobacco use and sales would generate revenue. It went on to say that tobacco use would also decrease the life span of those that smoked, and therefore would help to reduce that government’s long term costs related to social and medical services! Needless to say the subject tobacco corporation took real heat when that gem went public. That really happened and you can put your own label on it!

This is the type of real life, public scenario I am talking about when I say that — sometimes it feels like We are living in a *grim fairy tale*.

Recommended Viewing

“*Thank You for Not Smoking*” is an interesting and well done film about the Tobacco Industry lobby. It takes a humorous approach to dealing with the issue of an industry that sells the “most used” addictive substance in the world.

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Perspectives

The text of next two short pieces is courtesy of the folks at Wikipedia.com.

Yes, that King James – Authorized what we call the *King James Bible* in 1604; published 1611._

First Piece

As the use of tobacco became popular in Europe, some people became concerned about its possible ill effects on the health of its users. One of the first was King James I of Great Britain, he wrote *A Counterblaste to Tobacco* in which he asked his subjects,

You have not reason then to be ashamed, and to forbear this filthy noveltie, so basely grounded, so foolishly received and so grossly mistaken in the right use thereof? In your abuse thereof sinning against God, harming your selves both in persons and goods, and raking also thereby the marks and notes of vanitie upon you: by the custome thereof making your selves to be wondered at by all forraine civil Nations, and by all strangers that come among you, to be scorned and contemned. A custom loathsome to the eye, hateful to the Nose, harmful to the brain, dangerous to the Lungs, and in the blacke stinking fume thereof, nearest resembling the horrible Stigian smoke of the pit that is bottomelesse.

Second Piece

In Summary

Tobacco smoking is the act of burning the dried or cured leaves of the tobacco plant and inhaling the smoke for pleasure, for ritualistic or social purposes, self-medication, or simply to satisfy physical dependence. Tobacco use by Native Americans throughout North and South America dates back to 2000 BC and there are depictions of ancient Mayans smoking a crude cigar. The practice was brought back to Europe by the crew of Christopher Columbus. Tobacco Smoking took hold in Spain and was introduced to the rest of the world, via trade.

Tobacco smoke contains nicotine, an addictive stimulant and Euphoriant. The effect of nicotine in first time or irregular users is an increase in alertness and memory, and mild euphoria. In chronic users, nicotine simply relieves the symptoms of nicotine withdrawal: confusion, restlessness, anxiety, insomnia, and dysphoria. Withdrawal symptoms in chronic users begin to appear approximately 30 minutes after every dose. Nicotine also disturbs metabolism and suppresses appetite. This is because nicotine, like many stimulants, increases blood sugar.

It has been determined that all forms of tobacco use are addictive.

Medical research has determined that chronic tobacco smoking can lead to many health problems, particularly lung cancer, emphysema, and cardiovascular disease.

My thanks again to those at Wikipedia.com.

About Addiction

In good old Mr. Webster's own words, *addiction* is defined as:

1. The quality or state of being addicted.
2. Compulsive need for and use of a habit-forming substance (as heroin, nicotine, or alcohol) characterized by tolerance and by well-defined physiological symptoms upon withdrawal; broadly : persistent compulsive use of a substance known by the user to be harmful.

A person I know, has battled alcohol and cigarette use over many years. She long ago conquered the drinking, but the fight against nicotine goes on. She attended countless AA meetings over the years and has knows many folks in that community. She very interestingly summed up the situation one time sharing that people with those problems want very much to get off and stay off alcohol,

however they do not want to give up their cigarettes. They just like it that much. It is called addition.

Another person I heard about recently gets up every morning and has only one (1) cigarette! Then, just slaps on a 21-milligram Nicotine Patch to get through the rest of the day.

The typical Patch regimen to ‘help’ someone quit smoking is:

- Weeks 1 thru 6 – 21mg level; each box has 14 one-a-day patches.
- Weeks 7 thru 8 – 14mg level; each box has 14 one-a-day patches.
- Weeks 9 thru 10 – 7mg level; each box has 14 one-a-day patches.
- A total of five (5) boxes at an average price of \$41. per box. Pharmacies keep these in locked cabinets that are not located behind the counter. If not locked up they are high theft items.
- There are no guarantees of success.

Aren’t legalized drugs just wonderful?

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The People’s Sense

Let’s face it folks, there simply is not a lot more to say here. If we could wave a magic wand, there would be no more cigarettes smoked in the United States of America or the cancers and other avoidable illnesses it produces. Sad to say, but our magic wand will never have that level of power — so what can We do?

Our “PLAN B”

To address this situation We have two (2) groups of people to consider – those that are currently smoking and addicted, as well as those that have not yet that started down that road.

For the Existing Smoking Population

The American Tobacco Producers will begin a mandatory process of decreasing the level of the addictive ingredients contained in their cigarettes. Those ingredients were first added to make them “inhale-able” — that is why people do not inhale cigars; others to make the taste more appealing; and others, primarily nicotine to deliberately (and of their corporate *free will*) make it rapidly addictive to a person’s body and brain – it is the “kick of the nic.”

The logical main focus will be on cutting the level of nicotine and other addictive properties contained in cigarettes over only a few years — for example cutting

nicotine down to possibly a quarter of what it is today. As the volatile ‘discussion’ ramps up over the reduction process, We will work out the details of reducing nicotine content, as well as any other addictive ingredients cigarettes now contain.

In the future access to Nicotine Patch ‘could’ require a doctor’s prescription to obtain as part of an overall health recovery process under the new national HCI program. The nicotine drug content in Nicotine Patches (and similar products) will be reduced from the current of 21mg, 14mg, 7mg levels — the 21mg patch will be eliminated first and then the 14mg product as the program progresses.

And any foreign produced cigarettes wishing to continue selling their products in this country will reduce their content mix accordingly.

For the Potential Smoking Population – Our Youth

Since 18 years old is the age when a person is supposed to be able to make their own decisions and is legally accountable for their actions under the law — that will necessarily become the nationally acknowledged age of civil responsibility with *regard to smoking in public!* To increase the smoking age to 21 years of age would be flatly impractical and totally foolish.

Our national goals here are the exact opposite of what the Tobacco Industry strives for today. Our first goal is to minimize the number of our youth that try smoking in the first place. Secondly, for those that do try it, that they will be inhaling a far less addictive ingredient mix — thus reducing the number to that will get addicted to it in their first pack! Especially targeting those that are under 18 years old! Again, please see the movie, *Thank You for Not Smoking* – with your kid(s).

A few points to be made here:

- Going forward some of our youth under 18 years of age will still be exposed to cigarettes and some will always try it for various reasons just as they do with alcohol, marijuana, and other “adult” activities legal or not. That has always been life in America and We must begin living in reality!
- With the decrease in nicotine and other addictive ingredients, the *cancer sticks* will at least become “less” addictive for first time users – it is a good start.
- We will nationally prohibit public cigarette smoking by anyone under 18 years old. That will be a big one. This will not stop people from smoking, which We cannot do anymore than We have stopped some 20-plus million Americans from smoking pot regularly. However, it will work to decrease those that initially try the *coffin nails* in their early teens when the cigarette ‘pushing’ companies most want to hook them on nicotine.

- We must always remember that many of the people that get addicted to nicotine are unfortunately pre-disposed to being addicted to something in their life, simply by genetics – they factually inherited the trait. Alcohol, tobacco, prescription drugs, and food are just the easy points of satisfaction for them in our society. There is unfortunately a real chance that they will become addicted to something that could be physically damaging to their own health during their life and it usually starts in their teens and twenties.
- If it is not already the case everywhere, smoking will be prohibited on all public school grounds. Special smoking areas for students will not be allowed and it will not be allowed in high school parking lots very much longer, either!
- With the re-introduction of physical education in the public school system mentioned earlier, our youth will be taught what it takes to get and keep body in good condition to have better health. Such knowledge and the fact that they are in good physical condition will cause some of them to personally decide not to damage their health with tobacco. Bingo!

Overall, We will very quickly work to decrease the addictive properties of cigarettes. First it will help the existing cigarette addicts, even though it is acknowledged that many will not appreciate it. I know because I have bounced this proposal off numerous smokers – and had some very open and intense conversations at times to be sure. Their positions run from “I will dam well smoke cigarettes until the day I die if I want to” to acknowledging that it might help them to quit down the road.

Second, through public advertising We will aggressively attack the appeal — both social and chemical — of cigarettes to our under 18 year old youth population.

In early December of 2007, I asked one of my co-workers that is a longtime smoker (in his 50’s) and knows about CS2, how he felt about me confronting the Tobacco Industry. His instant response was “Don’t take my cigarettes away.” A few weeks later I asked him how he felt about lowering the nicotine content of cigarettes to make them less addictive. He said that was OK — that he was trying to quit (again) because those things were killing him!

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American Industry Re-Structuring (AIR) Program

The Tobacco Industry

Overall Re-Structuring Approach

The American Tobacco Industry will experience the full force of the AIR Program Re-Structuring program. Any questions?

Right up front it is acknowledged, that the production and distribution of tobacco products specifically cigarettes and chewing tobacco, cannot not be totally eliminated — at least not for many years to come. However, over the next few years, tobacco’s addictive properties will be dramatically reduced. Further, the profitability to be made from their sale will be controlled and redirected to better purposes. All corporate entities wishing to continue doing business in the U.S. will comply with this involuntary Tobacco Industry re-organization. It will not be a negotiation.

There is no need to repeat the points that were made under the People’s Sense section a few pages ago. Overall we will aggressively advertise to our youth under 18 years old not to start smoking cigarettes n the first place, as well as mandating the steady decrease in nicotine content and other addictive “ingredients” that are to be found in cigarettes as of 1-1-08. Again, not rocket science!

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The remainder of this proposal shall simply overview the AIR Program’s application to the existing American Tobacco Industry. If you read the previous two proposals this follows a similar pattern. And since the Tobacco Industry is a “totally redundant” operation from corporation-to-corporation, and the farming, production, and distribution are very straight-forward — this will actually be the easiest of the six Existing Industry restructurings to facilitate. And the Plain Truth is that the majority of American society has grown more and more against their products and their physically, destructive properties.

The Initial List of Industry

This is the initial list of primary Tobacco corporations and companies to be included in the AIR Program Re-Structuring of the Tobacco (most deadly drug) Industry:

Altria Group
Reynolds American
Universal
Alliance One International
UST

Although the names are not what We might think about when it comes to the Tobacco Industry suffice it to say that all corporations that produce the cigarettes brands you see at the typical American retail outlet such as, grocery and convenience stores will find their onto this list.

This initial, working list of corporate entities may very well be refined as 2008 progresses and the November 2008 National Election draws near.

By deliberate, united vote on that historic day, *We the People* can freely declare that such practical and prudent Change to the National System for the Common Good of us all — will be made.

AIR Program – The Entity Re-Structuring Levels (ERL) Overview

The Tobacco Industry

ERL 1 – Operational Reorganization

A newly formed Board of Directors will comprise the first level of the ATC Organization Chart.

The existing American Tobacco Industry (ATI) corporations will effectively become operating Divisions of the newly formed, Non-Profit American Tobacco Consortium (ATC) – the Industry Management Consortium established for the restructured ATI.

Further any existing Tobacco corporations that are currently part of a larger corporation will be transferred from the existing corporate entity to become operating Divisions of the ATC. They will not be purchased or bought out initially just because they are a stock held corporation. Those Divisions will form the second level of the new ATC Organization Chart. This corporate reorganization will not be optional.

As with the previous industry reorganizations, the operational and administrative offices of each of the existing Tobacco corporations would be systematically and efficiently be consolidated over a few years. Such consolidation always happens when corporations merge, we have all seen it. In the case of the Tobacco corporations where their entire operations are extremely redundant, there will be more opportunity for administrative cost savings — with some a natural reduction in employment.

On a positive note, the coming commercial legalization of Hemp and cannabis will provide the opportunity for some other employment in those same geographic areas. Also, some current tobacco farmers will probably transition and become independent of the Tobacco companies.

The short and long term plan will be to deliberately reduce the number of teenage Americans that begin smoking in the first place. This will be accomplished by making cigarettes a less addictive product and by enforcing the 18 year old age limit on cigarette purchase. The result will be a steady drop in annual unit sales of cigarettes over the next decade, as well as less smoking related illnesses and deaths in the future.

Note: Although the Consortiums are set-up as Non-Profit corporations, these organizations will pay taxes.

ERL 2 – Existing Management Retirement

Existing Senior Management

The same scenario as before.

- Any member of senior management with Golden Parachute will be retired by May 30, 2009. Any and all stock options in their package will be eliminated.
- No more Golden Parachutes will be offered to future management, ever.
- Any remaining member of management with a base salary in excess of one (1) million dollars per year will have it cut to that amount as of July 1, 2009.
- All stock options for 2009 will be eliminated.
- All 2009 bonuses will be reviewed by the ATC group and may be reduced.

And if a given person does not like those Changes – they know where the door is...

Remember: The one-time offer to hold current and prior management and employees harmless from lawsuit will be presented and I believe will be accepted. This offer will be made to the current and prior members of the Boards of Directors, as well.

Existing Boards of Directors (BOD)

The existing BOD would be relieved of their positions by May 30, 2009. By law most, if not all corporations are required to have some form of BOD whether it is actually functional to the operation or just ornamental. The future form and function of the BOD of the new Non-Profit American Tobacco Consortium (ATC) will be reviewed.

ERL 3 – New Management Structure and Charter

The Industry Management Consortium Requirement

With the consolidation of the existing Tobacco corporate entities We will be merging a group of businesses that have all but, pure operational redundancy. Each of these corporate entities will become operating Divisions in the ATC Non-Profit organizational structure.

Therefore, a single Board of Directors “entity” is all that will be needed and they will not be simply ornamental. The overhead costs that were associated with all of the former corporate Boards are thus eliminated and will go back into the operation.

The ATC's Board will be responsible to the American public for implementing, administering, strictly overseeing, and refining the new Charter of Operations. They will not manage the day-to-day operation within the Divisions. The management that remains after the existing senior people are retired will be given an opportunity to take charge of the day-to-day operation, but working under a new charter.

The AIR Program re-structuring of the Tobacco Industry will be unique in that We are not talking about maintaining a necessary industry, such as Health Care Insurance. Instead the ATC's long term goal will be to plan and manage the decades, long almost total shutdown of the American Tobacco Industry. That will be the hoped for end game strategy. No smoke and mirrors here – just the Plain Truth!

With the severe reduction in the addictive properties of cigarettes and chewing tobacco; with fewer new smokers as the rules on young teenage smokers are supported in communities; as some percentage of current smokers are able to free themselves from less additive cigarette content; as the American Medical System begins to practice preventive medicine and good health; and, unfortunately as many of the current smoking population die mostly from Tobacco related illnesses – the Tobacco business will in time, wind down to practically nothing.

That is our very achievable future. Believe it!

Some of the management and other employees from the Divisions will be transferred into first level ATC organization that will centralize certain key administrative functions such as pricing and public advertising. With the number of qualified people in Divisions there will be little if any need to hire from outside staff for key positions – promotion from within will be the rule. Some of the employees will be good candidates to work in Hemp agriculture!

Recommended ATC Charter of Operations

The first level of the ATC will provide oversight and administrative control over the entire operation. The majority of the Tobacco business of farming, production, and distribution of tobacco products will of course be performed in the Operating Divisions. The ATC Board of Directors and staff will administer the overall operation and act as the primary contact point for all state-level agencies, and the U.S. Congress. It will be a working Board of Directors.

Simply stated the ATC's Inaugural Operational Charter will include:

1. Oversight of the consolidation of all existing Tobacco corporations into the new ATC organizational structure.
2. Oversee the full public disclosure of the ingredients in cigarettes and

- chewing tobacco by brand.
3. Oversee the staged decrease in the addictive ingredients in cigarettes and chewing tobacco over the next few years, with full public disclosure.
 4. Oversee the complete reversal of advertising into a campaign stressing that teenagers should not take their first poof and that cigarettes will no longer have the 'kick' they did before 2009!
 5. To work with state and federal agencies regarding the eventual decrease in cigarette tax revenue. Their tax revenue stream will be partially if not totally replaced by cannabis taxes. Isn't life strange?

The initial Charter will be amended as the AIR Program progresses, and with full public disclosure.

ERL 4 – Stock, Profitability, and Pricing Controls

As is repeated in these six proposals — the following scenarios will begin taking effect as soon as possible in 2009 and will likely be applied retro-actively when the required legislation is passed by the **new** U.S. Congress.

While We can always hope, there is probably little chance that the existing Congress and White House will move on this proposal before the November Election. These six Industry proposals need to be the **hottest topics** in the country during 2008. The electorate must bring these and the other American Agenda Proposals to the campaigns! We can do this.

Stock Trading Control

Stock trading in the Tobacco stocks will be in a state of virtual suspense. The stock will be initially frozen at its 1-1-2008 share price. Any negotiation and eventual buy-back activity will start at that price or lower possibly adjusted by the individual stock-holder's buy-in share price.

The Markets would be intensely watched (by the SEC and others) in the run-up to the 1-1-09 AIR Program Effective Date for any selling or other game playing. Violators will be severely dealt with including fines and/or prison time in a State run facility. Again, no Federal playpens anymore.

Profitability Control

Annual profitability of the formerly publicly traded corporations, now Divisions of the non-profit ATC will be capped effective 1-1-09 at no more than four percent (4%) for physical year 2009 and more importantly quarterly/annual stockholder dividend pay outs will be appropriately capped or fixed.

The profits in excess of that will be put to practical uses such as:

- covering the initial re-organization costs
- help pay the premiums for some of those currently without HCI coverage — An excellent development!
- set aside for stock dividends pay-outs in future years until the buy-back process is complete
- used for the stock buy-back process

Pricing Control

There could be a flat 2% to 3% product pricing increase for 2009 while the system is sorting itself out. Again, part of the excess revenues in the early years would be funneled directly to the ATC. We will see how this all develops.

ERL 5 – Conversion of IGE Model

The AIR Re-structuring of the Tobacco Industry also offers another opportunity to transition the American Tobacco Consortium (ATC) into an Income Generating Entity (IGE).

Consolidation of existing American Tobacco corporations into the non-profit ATC will lead the way to their becoming eventually being converted to a pure IGE within the National System. Over a period of years, all existing Tobacco stockholders will be bought out. The stock amounts involved and how the stockholders will be compensated for their share value will be worked as a AIR Program implementation of the ATC progresses.

Again, this is not avoiding discussing the hard dollars involved. The numbers are what the numbers are, and they will only continue to grow worse the longer We delay this Change of Necessity to our National System.

However, unlike the Special Interest lobbyists for the other five industries in question, I predict that the Tobacco Industry will know that their time has come and will quickly realize that the public will not be alarmed by their slowly fading in American history. The senior executives and existing Boards will collect their exit payments and go away quietly.

And a larger and larger part of their revenues will *righteously* go toward funding – Health Care Insurance for ALL American citizens starting in 2009. Those who have the last laugh, never quit!

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That is all.

Next, a brief Intermission!

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