PHILIP MORRIS MANAGEMENT CORP. INTER-OFFICE CORRESPONDENCE

P. O. BOX 26603, RICHMOND, VA 23261

TO: John Graham **DATE:** March 11, 1992

FROM: Mayada Logue

RE: Thomas Schelling Article

The only thing factually wrong in the two paragraphs on page 432 is that it was the Food and Drug Administration--not the Federal Trade Commission--that was petitioned by the Coalition on Smoking and Health to declare jurisdiction over Premier. (Hearings were held before Rep. Waxman's subcommitee in the summer of 1988 on this.)

Characterizing Premier as "an almost pre nicotine delivery device" is what the "antis" said. RJR always claimed that the nicotine in Premier smoke was all delivered by heating the tobacco/tobacco extract contained in the "flavor cap[sule" inside the "cigarette".

2025534580