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Tobacco Packs Consultation
Department of Health
7th Floor Wellington House
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Philip Morris Limited welcomes this opportunity to respond to the Department of Health's Consultation on standardised packaging of tobacco products. While our submission does not respond to each of the Consultation questions individually, information responsive to those questions can be found in the following sections:

The Department of Health ("DH") cannot establish the evidence to support plain packaging. The DH has stated that it requires *"strong and convincing evidence showing the health benefits of"* plain packaging, principally that plain packaging would *"improve public health by reducing the use of tobacco"* and in particular *"deter young people from starting to smoke."* The DH itself has repeatedly stated that no such evidence exists, and the DH-commissioned Stirling Review in fact proves this point. With no support in the studies, the DH creates a biased and unprincipled "subjective judgment elicitation" process whereby plain packaging advocates (who the DH admits have personal and financial interest in the outcome) will provide opinions (not data) on the impact of plain packaging on smoking prevalence. This process flies in the face of Better Regulation Principles and this Government's commitment to meet "tougher tests of evidence and evaluation." This discussion can be found in Section II of our submission, and responds to questions 2, 3, 4, 11, and 14.

Plain packaging will not reduce and is likely to increase the number of young people who start smoking. Experts agree and experience shows that social factors such as peer and familial influences cause young people to start smoking, not branding and packaging. Further denormalisation of smoking through plain packaging may in fact cause more young people to start smoking as an act of rebellion, as the DH warned in 2008. At the same time, price sensitive young people may take advantage of reduced prices as plain packaging commoditises the tobacco market and forces the industry to compete on price alone. This discussion can be found in Section III of our submission, and responds to question 3, 4, 5, 7, and 11.

Plain packaging will not make it easier to quit smoking. Experts and even tobacco control advocates now agree that plain packaging will not help existing smokers quit. Quite simply, there is no link between branding and quitting. This discussion can be found in Section IV of our submission, and responds to questions 3 and 4.

Plain packaging will increase the levels of illicit tobacco in the UK, open the floodgates to "illicit whites," and make cheap unregulated tobacco easily accessible to children. Law enforcement experts warn that plain packaging will cause an increase in the illicit tobacco trade, making cheap illicit products sold without age verification even more accessible. Organised crime and terrorist groups will exploit their monopoly on branded products whilst simultaneously taking advantage of the new, easy to counterfeit plain packs to expand their illicit product portfolios. Already overburdened and under-resourced UK law enforcement will not be able to keep pace with the exploding illicit tobacco trade, which will deprive the UK of ever more tax



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revenue and harm legitimate businesses in this time of financial crisis. This discussion can be found in Section V of our submission, and responds to questions 2, 3, 4, 5, 7, 8, 9, 10, 11, and 13.

Plain packaging will cost UK taxpayers billions of pounds. Plain packaging violates national and international law. In particular, as confirmed by Lord Hoffmann in his legal opinion, it amounts to the expropriation of the tobacco industry's valuable intellectual property rights and will require the UK government to pay tobacco companies billions of pounds of compensation. UK taxpayers will have to foot this bill. This discussion can be found in Section VI of our submission, and responds to questions 5, 6, 7, and 11.

Education and tobacco access controls, not plain packaging, will reduce youth smoking. Experience shows, and the Institute of Education's researchers agree, that measures which limit access to tobacco, especially in social situations as well as at retail, are effective ways to reduce youth smoking. Countries that have been successful in this area also rely on educational programs designed to empower young people to make informed decisions, not draconian packaging regulations. This discussion can be found in Section VII of our submission, and responds to questions 3, 4, and 15.

For the above reasons, in response to Consultation question 1, the DH should reject plain packaging, should "maintain the status quo for tobacco packaging," and should focus its resources on proven effective alternatives.

I have enclosed 4 copies of our submission for your reference. I have also emailed this to:
tobaccopacks@dh.gsi.gov.uk

Yours sincerely,

Director of Corporate Affairs UK & Ireland
Philip Morris Limited