

WHEREAS, Philip Morris International (PMI) has developed standards for marketing its products, backed by four core principles, and on its website provides examples of how their standards are applied; <https://www.pmi.com/our-business/about-us/standards/marketing-standards> The first of these core principles is “We market and sell our products to adult smokers”

Nine public health and medical organizations have petitioned the Federal Trade Commission to “take prompt investigative and enforcement action” against PMI and three other multinational tobacco companies. The petitioners state that these companies “deceptively use social media channels to promote tobacco use and smoking to a near-unlimited audience of young people” through the use of social media influencers who upload images, hashtags and videos to social media platforms such as Facebook, Twitter and Instagram. <<https://www.takepart.org/wheretheressmoke/wp-content/uploads/2018/08/FTCPetition-Full.pdf>>

The petitioners document deceptive advertising of PMI’s *Marlboro*, *L&M*, *Ice Ball* and *Chesterfield* brands in a total of 27 countries, with examples of hashtags and slogans such as “You Decide”, “Red Is Here”, “Don’t be a Maybe”, “Marlboro Your Move”, “Best Night Ever” and “Make Your Move” being used on social media platforms.

In addition, according to the petitioners, PMI’s social media campaign for *Marlboro* “hosted parties with brand ambassadors” and “concerts that are used as vehicles for generating social media content.”

The petitioners present an example of their social media data analysis of one of PMI’s campaigns: “The #Idecideto campaign promoting *Marlboro* cigarettes was viewed 31 million times globally, with 4,238 views in the United States on Twitter alone.” Another *Marlboro* campaign “#Jakartamovers, was viewed 42 million times globally, with 14,000 views in the United States on Twitter alone.”

Petitioners claim that because these images enter the US market and “appear to target young American consumers”, the companies are “operating their online influencer marketing campaigns in direct violation of the FTC’s Endorsement Guides and should therefore be found by the FTC to violate Section 5 of the FTC Act.”

**RESOLVED:** That shareholders request the Board of Directors to review worldwide corporate adherence to Philip Morris’ own policies aimed at discouraging smoking among young people, and report the results of that review to shareholders by November 2019.

**SUPPORTING STATEMENT:** We believe that the actions described in the FTC petition create regulatory risk for PMI. Board oversight is necessary to ensure its practices are aligned with its principles.

