PHILIP MORRIS INTERNATIONAL INC.

CC: M.H. Bring
F.S. Newman
L. Pollak
INTER-OFFICE CORRESPONDENCE
120 PARK AVENUE, NEW YORK, N.Y. 10017

DATE: May 26, 1988

to:

FROM:

Andrew Whis

W.H. Webb

Trip Report - London, Lausanne - May 22-24

STRICTLY CONFIDENTIAL

On Sunday morning, I met with Wayne Reid to discuss how we can control the Latin/American Chapter of the International Confederation of Sports. Later this year or early next, we intend to run a seminar in Latin America to defend the right of Sports Organizations to chose their sponsors and advertise their products - without facing government sanctions.

During this meeting, we also discussed the need to do likewise in Europe, and a separate meeting is being arranged to organize this, discussing funding required and so on. Wayne is the Chairman of the Confederation (which I started), and is more than willing to cooperate. This will now go forward just as soon as we can - we have done so successfully in the U.K. and elsewhere. The Duke of Edinburgh is the patron of the organization, which now has 42 million members globally. It is the second largest sporting body after the Olympic Committee, which will not cooperate with us in any way.

On Sunday afternoon, I met with Lord Nathan, a lawyer who is the head of the U.K. AECA Trust to inform him that Alain Morvan had resigned as Director-General of AECA International, to become Managing-Director of the New York Stock Exchange in Europe. I wanted Lord Nathan to agree to Alain's successor, James Elles, Conservative MEP, who heads our chapter in the European Parliament (we now have 38 active members).

Later that afternoon, I met with Martin Peach, who came across from Brussels to put final touches on Lord Cockfield's visit this week. Peach is Cockfield's personal aide. In the evening, I met with James Elles, to give him his marching orders.

On Monday morning, I met with Sir David Nicholson and Alain Morvan to wind up Alain's affairs before going on to Lausanne for a meeting with all the participants in our ETS program in Europe and elsewhere. There is an <u>urgent</u> need to increase the flow of scientific refutations and increase our cadre of scientists (our memo to R.W. Murray of May 24 refers) E. F.

The following individuals participated in the discussions:

Outside counsels

J. Newsome - " "

D. Hoel - Shook Hardy & Bacon

J. Rupp - Covington & Burling

<u>PM</u>

- J. Besques
- B. Brooks
- U. Crettaz
- S. Darrah
- F. Dulles
- H. Gaisch
- M. Horst
- P. Maglione
- R. Pantet
- M. Pottorff
- B. Robinson
- K. Ware
- A. Whist

The group came to agreements on four areas of responsibililty:

PM will develop a coordinated ETS program for both Regions, with M. Horst and B. Robinson responsible for directing PM's ETS efforts in their respective Regions. Dr. Gaisch will review all PM supported ETS research and consult with outside counsel on the identification of independent scientific consultants. K. Ware will assist in formulating strategic plans.

Covington and Burling will be responsible for recruitment, development and utilization of independent scientific ETS consultants. C&B also will expand the involvement of NMAs and other manufacturers. To facilitate these activities, it is recommended that C&B be encouraged to establish an office in Europe.

As a result of concerns expressed about product liability developments in Europe, it is recommended that additional outside counsel, presumably Shook, Hardy & Bacon, be provided to PM Europe on this issue. SH&B will continue to organize and coordinate ETS symposia in which they are involved. We could discuss this at your leisure.

Overall impetus for the global program will continue under our direction. Recruitment efforts and symposia activities will quickly be expanded to include Australia, Asia and Latin America. Mary Pottorff will continue to act as the day-to-day coordinator.

It is important to note that we have, for the first time, found a large number of scientists who can honestly challenge conventional wisdom on ETS. This has given our operators a real boost of confidence, and will now be translated to public awareness via a constant stream of publications, books, advertisements, etc. None of this would be possible without first establishing the critical mass we now possess. Following the ETS Meeting, I also met with the people who are working with us on Barclay/ISO matters and informed them that we believe we have turned the U.S. situation around i.e., that the U.S. might now for the first time vote for us, and against B.A.T.

I'll be happy to comment on any point you feel needs further clarification.

cc: G.C. Bible

UAW:ggn

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