



## SPENDING vs. TOBACCO COMPANY MARKETING<sup>1</sup>

[All amounts are annual and in millions of dollars per year, except where otherwise indicated]

With only a few exceptions, the states are still failing to invest the amounts recommended by the U.S. Centers for Disease Control and Prevention (CDC) to prevent and reduce tobacco use and related health harms and costs – and a number of states have been cutting back their tobacco prevention spending. At the same time, the tobacco industry continues to spend overwhelming amounts to market their products, despite the limited restrictions on its marketing activities contained in the November 1998 Master Settlement Agreement (MSA) with the states. From 1998 to 2005, the major tobacco companies have increased their spending to promote their deadly products by more than 90 percent.

As a result, the states are being massively outspent, with state tobacco prevention efforts amounting to only a small fraction of tobacco industry marketing. In Alabama, for example, the tobacco industry spends more than \$115 to promote its deadly products for every single dollar the state spends to prevent and reduce tobacco use and its harms. To look at it another way, Alabama's tobacco prevention spending amounts to just 0.9 percent of the tobacco industry's marketing expenditures in the state. Nationwide, the tobacco industry is outspending the states by nearly 19 to 1.<sup>1</sup>

State	Annual Smoking Costs in State	FY2009 Total Tobacco Prevention Spending	2005 Tobacco Company Marketing in State	Percentage of Tobacco Company Marketing that State Spends on Tobacco Prevention	Ratio of Tobacco Company Marketing to State Tobacco Prevention Spending
<b>Total</b>	<b>\$95.9 bill.</b>	<b>\$718.1</b>	<b>\$13.4 bill.</b>	<b>5.4%</b>	<b>18.7 to 1</b>
Alabama	\$1.49 bill.	\$2.3	\$265.0	0.9%	115.2 to 1
Alaska	\$169	\$9.2	\$28.1	32.5%	3.1 to 1
Arizona	\$1.3 bill.	\$21.3	\$172.5	12.4%	8.1 to 1
Arkansas	\$812	\$16.9	\$160.5	10.5%	9.5 to 1
California	\$9.14 bill.	\$78.1	\$843.8	9.3%	10.8 to 1
Colorado	\$1.31 bill.	\$27.5	\$189.3	14.5%	6.9 to 1
Connecticut	\$1.63 bill.	\$8.3	\$124.1	6.7%	15.0 to 1
Delaware	\$284	\$11.3	\$105.5	10.7%	9.3 to 1
DC	\$243	\$4.0	\$14.7	27.4%	3.7 to 1
Florida	\$6.32 bill.	\$60.2	\$930.4	6.5%	15.5 to 1
Georgia	\$2.25 bill.	\$3.2	\$444.8	0.7%	139.0 to 1
Hawaii	\$336	\$11.3	\$42.2	26.7%	3.7 to 1
Idaho	\$319	\$2.6	\$57.8	4.6%	22.2 to 1
Illinois	\$4.10 bill.	\$9.5	\$471.4	2.0%	49.6 to 1
Indiana	\$2.08 bill.	\$16.0	\$425.1	3.8%	26.6 to 1
Iowa	\$1.01 bill.	\$11.2	\$176.0	6.4%	15.7 to 1
Kansas	\$927	\$2.0	\$106.7	1.9%	53.4 to 1
Kentucky	\$1.50 bill.	\$3.7	\$535.3	0.7%	144.7 to 1
Louisiana	\$1.47 bill.	\$8.5	\$291.5	2.9%	34.3 to 1
Maine	\$602	\$11.7	\$66.8	17.5%	5.7 to 1
Maryland	\$1.96 bill.	\$20.6	\$192.7	10.7%	9.4 to 1
Massachusetts	\$3.54 bill.	\$13.5	\$194.7	6.9%	14.4 to 1
Michigan	\$3.40 bill.	\$5.1	\$415.9	1.2%	81.5 to 1
Minnesota	\$2.06 bill.	\$21.5	\$237.9	9.0%	11.1 to 1
Mississippi	\$719	\$10.7	\$183.0	5.9%	17.1 to 1
Missouri	\$2.13 bill.	\$2.7	\$423.5	0.6%	156.9
Montana	\$277	\$9.3	\$41.8	22.2%	4.5 to 1
Nebraska	\$537	\$4.0	\$75.8	5.3%	19.0 to 1

<sup>1</sup> These ratios are based on state and federal tobacco prevention expenditures in FY2009 versus tobacco industry marketing expenditures in 2005 (the most recent year for which data is available).

State	Annual Smoking Caused Health Costs in State	FY2009 Total Tobacco Prevention Spending	2005 Tobacco Company Marketing in State	Percentage of Tobacco Company Marketing that State Spends on Tobacco Prevention	Ratio of Tobacco Company Marketing to State Tobacco Prevention Spending
Nevada	\$565	\$4.1	\$115.6	3.6%	28.2 to 1
New Hampshire	\$564	\$1.1	\$128.0	0.8%	116.4 to 1
New Jersey	\$3.17 bill.	\$10.2	\$231.2	4.4%	22.7 to 1
New Mexico	\$461	\$10.5	\$48.0	21.9%	4.6 to 1
New York	\$8.17 bill.	\$81.9	\$443.8	18.5%	5.4 to 1
North Carolina	\$2.46 bill.	\$18.5	\$569.3	3.2%	30.8 to 1
North Dakota	\$247	\$4.1	\$29.9	13.6%	7.3 to 1
Ohio	\$4.37 bill.	\$7.1	\$724.0	1.0%	102.0 to 1
Oklahoma	\$1.16 bill.	\$19.1	\$245.8	7.8%	12.9 to 1
Oregon	\$1.11 bill.	\$9.1	\$135.9	6.7%	14.9 to 1
Pennsylvania	\$5.19 bill.	\$33.2	\$553.5	6.0%	16.7 to 1
Rhode Island	\$506	\$1.9	\$38.0	4.9%	20.0 to 1
South Carolina	\$1.09 bill.	\$1.0	\$280.3	0.4%	280.3 to 1
South Dakota	\$274	\$5.8	\$37.7	15.4%	6.5 to 1
Tennessee	\$2.16 bill.	\$6.1	\$406.3	1.5%	66.6 to 1
Texas	\$5.83 bill.	\$12.6	\$884.7	1.4%	70.2 to 1
Utah	\$345	\$8.2	\$57.9	14.2%	7.1 to 1
Vermont	\$233	\$6.1	\$28.2	21.8%	4.6 to 1
Virginia	\$2.08 bill.	\$13.6	\$438.5	3.1%	32.2 to 1
Washington	\$1.95 bill.	\$28.4	\$164.6	17.2%	5.8 to 1
West Virginia	\$690	\$6.7	\$132.0	5.0%	19.7 to 1
Wisconsin	\$2.02 bill.	\$16.3	\$276.1	5.9%	16.9 to 1
Wyoming	\$136	\$6.9	\$27.4	25.0%	4.0 to 1

*Campaign for Tobacco-Free Kids, November 6, 2008/Meg Riordan*

**For more information on tobacco company marketing see the Campaign’s website at:**

<http://tobaccofreekids.org/research/factsheets/index.php?CategoryID=23>

**For more state information relating to tobacco use, see the Campaign’s website at:**

<http://tobaccofreekids.org/research/factsheets>

**Sources:**

CDC, *State Highlights 2006*, [and underlying CDC data and estimates]. See, also, CDC, "Annual Smoking-Attributable Mortality, Years of Potential Life Lost, and Economic Costs -- United States 2000-2004," *MMWR* 57(45), November 14, 2008. U.S. General Accounting Office (GAO), "CDC's April 2002 Report on Smoking: Estimates of Selected Health Consequences of Cigarette Smoking Were Reasonable," letter to U.S. Rep. Richard Burr, July 16, 2003, <http://www.gao.gov/new.items/d03942r.pdf>.

Campaign for Tobacco-Free Kids, et al., *A Decade of Broken Promises: The 1998 State Tobacco Settlement Ten Years Later*, 2008, <http://www.tobaccofreekids.org/reports/settlements/>.

CDC, *Best Practices for Comprehensive Tobacco Control*, October 2007. [http://www.cdc.gov/tobacco/tobacco\\_control\\_programs/stateandcommunity/best\\_practices/index.htm](http://www.cdc.gov/tobacco/tobacco_control_programs/stateandcommunity/best_practices/index.htm)

U.S. Federal Trade Commission (FTC), *Cigarette Report for 2004 and 2005*, 2007 [data for top five manufacturers only], <http://www.ftc.gov/reports/tobacco/2007cigarette2004-2005.pdf>; FTC, *Federal Trade Commission Smokeless Tobacco Report for the Years 2004 and 2005*, 2007. [top five manufacturers] <http://www.ftc.gov/reports/tobacco/02-05smokeless0623105.pdf>. State total is a prorated estimate based on cigarette pack sales in the state.