

## **Camel Cigarettes: A Long History of Targeting Kids**

## "Realistically, if our company is to survive and prosper, over the long term, we must get our share of the youth market."

—1973 R.J. Reynolds document "Some Thoughts about New Brands of Cigarettes for the Youth Market"

The R.J. Reynolds Tobacco Company this year is celebrating the 100<sup>th</sup> birthday of its Camel cigarettes. But a century of death and disease is nothing to celebrate. And neither is Camel's long history of marketing to kids.

Here are just a few reasons why Camel's 100<sup>th</sup> birthday is nothing to celebrate:

- Cigarette smoking is the No. 1 cause of preventable death in the United States. It kills 443,000 Americans and costs \$96 billion in health care bills each year.<sup>1</sup>
- 90 percent of adult smokers began at or before age 18, and another 3,500 U.S. kids try their first cigarette each day.<sup>2</sup>
- The Camel brand has a long history of marketing cigarettes to kids and getting in trouble for it.
   From 1988 to 1997, Camel targeted kids with a hip cartoon character, Joe Camel, that significantly boosted the brand's market share among youth smokers and became nearly as recognizable to six-year-olds as Mickey Mouse.<sup>3</sup>
- Camel is one of the three most popular cigarette brands among youth smokers, with 15.1 percent preferring Camel, according to the 2011 National Survey on Drug Use and Health.<sup>4</sup>
- R.J. Reynolds' pursuit of young people, particularly with the Camel brand, has brought numerous lawsuits, judgments against the company and new laws, as well as promises to change its practices that it quickly abandoned.<sup>5</sup>

## **Repositioning Camel to Attract Younger Smokers**

R.J. Reynolds' once-secret internal documents show that attracting underage smokers has long been a top corporate objective.

In one 1973 memo that foreshadowed Joe Camel, an R.J. Reynolds official wrote, "In view of the need to reverse the preference for Marlboros among younger smokers, I wonder whether comic strip-type copy might get a much higher readership among younger people than any other type of copy." A 1976 company document warned, "Evidence is now available to indicate that the 14-to-18- year-old group is an increasing segment of the smoking population. RJR-T must soon establish a successful new brand in this market if our position in the industry is to be maintained over the long term." And another memo read, "To ensure increased and longer-term growth for Camel Filter, the brand must increase its share penetration among the 14-24 age group which have a new set of more liberal values and which represent tomorrow's cigarette business."

The Federal Trade Commission (FTC), in a 1997 unfair practice complaint against R.J. Reynolds, and U.S. District Court Judge Gladys Kessler, in a 2006 judgment that R.J. Reynolds and other tobacco companies violated civil racketeering laws, both concluded that the company's perceived need to attract more of the youth market led to the launch of the Joe Camel campaign in 1988. Their conclusions:

• The FTC: "The purpose of the Joe Camel campaign was to reposition the Camel brand to make it attractive to younger smokers." The FTC also charged that the Joe Camel campaign was successful

in achieving this goal and R.J. Reynolds knew or should have known that the campaign would have substantial appeal to youth.<sup>9</sup>

Judge Kessler: "The development of Joe Camel... highlights Defendants' efforts to market to youth."
 She also wrote, "Advertisements often showed the cartoon character Joe Camel hanging out at bars, visiting casinos, riding motorcycles, or driving cars; Joe Camel was also portrayed as cool, rebellious and adventurous, all themes with great appeal to teenagers."

Starting with the Joe Camel campaign, here is a review of R.J. Reynolds' marketing of Camel cigarettes to kids over just the past 25 years:

1988

**Joe Camel.** In the summer of 1988, R.J. Reynolds introduced the Joe Camel cartoon character as part of an extensive campaign to celebrate the 75<sup>th</sup> anniversary of the Camel brand and capture a larger segment of the youth and young adult market. For the next nine years, R.J. Reynolds featured Joe Camel in marketing that included magazine and point-of-sale ads, billboards, direct mail and branded items such as hats and t-shirts.

Studies show that Camel's share of the youth cigarette market soared after the campaign began. According to R.J. Reynolds' internal documents, Camel had only 2.4 percent of the 14-17 year-old market in 1979; by 1993, Camel's share of the teenage market had jumped to 13.3 percent. Studies published in 1991 in the Journal of the American Medical Association found that Joe Camel was nearly as recognizable to 6-year-olds as Mickey Mouse and that Joe Camel ads "are far more successful at marketing Camel cigarettes to children than to adults." R.J. Reynolds finally ended the Joe Camel campaign in 1997 in the face of lawsuits, Congressional scrutiny, the FTC complaint and public outrage.

1998

**Master Settlement Agreement (MSA)**. The major U.S. tobacco companies, including R.J. Reynolds, reached a legal settlement with 46 states. In addition to requiring the companies to pay hundreds of billions of dollars to cover tobacco-related health care costs, the settlement prohibited direct or indirect marketing to youth and any use of cartoons in cigarette advertising. <sup>13</sup>

2001

**California Sues.** California's attorney general sued R.J. Reynolds, alleging that the company's placement of cigarette ads in magazines with large numbers of teen readers violated the MSA's prohibition on targeting youth. In 2002, a California judge found R.J. Reynolds liable, a ruling upheld by a California Court of Appeal. Under a 2004 settlement of the case, R.J. Reynolds agreed not to advertise in magazines with large teen readerships and paid \$17.25 million in penalties and costs.<sup>14</sup>

2004

Camel Candy Store. Camel aggressively marketed a kaleidoscope of flavored cigarettes, with names like Kauai Kolada, Twista Lime, Warm Winter Toffee and Winter MochaMint. Ads ran in magazines with large youth readership. In October 2006, R.J. Reynolds signed a settlement with 39 state attorneys general in which it agreed to stop marketing candy, fruit and alcohol-flavored cigarettes. The Just seven months later, R.J. Reynolds launched new Camel flavors – Robust, Mellow, Frost and Infused. Its website described Robust as "similar to notes found on cocoa and espresso"; Mellow as "accented with toasted honey"; Frost as "Fine Asian Mint... while the creamy finish delivers a smooth, buttery aftertaste"; and Infused as offering "notes of Citrus" and "a sweet apple-like flavor." A 2009 federal law, the Family Smoking Prevention and Tobacco Control Act, banned candy and fruit-flavored cigarettes. 16

2005

**Doing Shots.** Under pressure from state attorneys general, R.J. Reynolds ended a promotion called "Drinks on Us" in which young adults celebrating their birthdays received coasters from the company that were imprinted with recipes for cocktails with high alcohol content. The mailings encouraged excessive drinking with slogans such as

"Layer it on, go 'til daybreak." Alcoholic beverage companies also complained. The Associated Press wrote, "The Distilled Spirits Council of the United States said the promotion was 'apparently directed to individuals aged 18 and older,' with wording promoting excessive and irresponsible consumption of alcohol." 17

2006

**Guilty of Racketeering.** In a landmark federal court ruling, Judge Kessler found R.J. Reynolds and other tobacco companies guilty of violating civil racketeering laws and engaging in a decades-long fraud to deceive the American public about the health risks of smoking and their marketing to children. Highlighting the Joe Camel campaign, she found that from the 1950s to the present, R.J. Reynolds and the other tobacco company defendants "have intentionally marketed to young people under the age of twenty-one in order to recruit 'replacement smokers' to ensure the economic future of the tobacco industry." <sup>18</sup>

In her opinion, Judge Kessler cited R.J. Reynolds' repeated end-runs on pledges it made in signing the MSA. "Even in the core area of youth marketing, RJR did nothing to change its magazine placement policies after signing the MSA in November 1998 until the day that the California attorney general filed suit against it in March 2001... Indeed, the appellate court affirmed the trial court's determination that RJR "studiously avoided' measuring its advertising exposure to youth, probably because [it] 'knew the likely result of such analysis." Judge Kessler also cited evidence that when the FTC was investigating the Joe Camel campaign, Reynolds officials ordered employees at its advertising agency to destroy related documents "with the intent to prevent the documents from being available for use in the FTC's proceedings." "

2007

**Targeting Teen Girls.** R.J. Reynolds faced strong criticism from public health and women's organizations, members of Congress and newspaper editorials after it introduced Camel No. 9 cigarettes targeted to teenaged girls with advertising in fashion magazines. One congresswoman called Camel No. 9 "the pink version of Joe Camel." A 2010 study published in the journal *Pediatrics* found "credible evidence that the Camel No. 9 cigarette advertising campaign has targeted under-aged girls. These findings suggest that the Camel No. 9 campaign may have been similar to the Joe Camel campaign in its targeting of under-aged youth."

**Cartoons Redux.** In November 2007, R.J. Reynolds again faced criticism, this time for a large Camel ad in *Rolling Stone* that was wrapped around a cartoon insert. Nine states sued the company, alleging it violated the MSA's prohibition on the use of cartoons in tobacco advertising.<sup>22</sup> Amidst the controversy, Reynolds announced in late 2007 that it would suspend its cigarette advertising in magazines.<sup>23</sup>

2010

**Traveling Circus.** R.J. Reynolds launched a marketing campaign, the "Break Free Adventure," that associated the Camel brand with the names and images of 10 trendy U.S. destinations. Some local public officials protested, and the National Association of Attorneys General urged Reynolds to stop the campaign, charging it was "using aspects of popular culture, including independent music, art, motor sports, and 'hip' or countercultural attitudes, to advertise Camel cigarettes in a way that is appealing to young people's psychological needs for rebelliousness, sensation-seeking, and risk-taking."<sup>24</sup>

2013

**Back in Kid-Popular Magazines.** In April 2013, after a five-year hiatus, R.J. Reynolds resumed placing cigarette advertisements in magazines, including several with large teen readerships such as *ESPN the Magazine, Sports Illustrated* and *People*. Teen readership (12-17 years old) totaled 12.9 million for just nine of the 23 magazines that carried these ads, according to GfK MRI data. The ads were for Camel Crush cigarettes.<sup>25</sup>

<sup>2</sup> Substance Abuse and Mental Health Services Administration (SAMHSA), HHS, *Results from the 2011 National Survey on Drug Use and Health, NSDUH: Summary of National Findings*, 2012. <a href="http://www.samhsa.gov/data/NSDUH/2k11Results/NSDUHresults2011.htm">http://www.samhsa.gov/data/NSDUH/2k11Results/NSDUHresults2011.htm</a>. Percent of adult smokers calculated based on data in 2011 National Survey on Drug Use and Health, <a href="http://www.icpsr.umich.edu/icpsrweb/SAMHDA/">http://www.icpsr.umich.edu/icpsrweb/SAMHDA/</a>.
<sup>3</sup> DiFranza, JR, "RJR Nabisco's Cartoon Camel Promotes Camel Cigarettes to Children," *Journal of the American Medical Association* 

266:3149-3153, 1991. Fischer, PM, et al., "Brand Logo Recognition by Children Aged 3 to 6 Years; Mickey Mouse and Old Joe the Camel," *Journal of the American Medical Association* 266:3145-3148, 1991.

- <sup>4</sup> Calculated based on data from the 2011 National Survey on Drug Use and Health.
- <sup>5</sup> See Campaign for Tobacco-Free Kids fact sheet "Is R.J. Reynolds Tobacco Company a Good Corporate Citizen? Recent History Says No," at <a href="http://www.tobaccofreekids.org/research/factsheets/pdf/0124.pdf">http://www.tobaccofreekids.org/research/factsheets/pdf/0124.pdf</a>.
- <sup>6</sup> RJR marketing memo, "The Following are the Principle Thoughts Which I Had..." April 12, 1973, Bates No. 500165434 -5439.
- <sup>7</sup> RJR, "Planning Assumptions and Forecast for the Period 1977-1986 for RJR Company," March 15, 1976, Bates No. 501630928-501630947.
- <sup>8</sup> RJR memo from Mr. C.A. Tucker, January 23, 1975, Bates No. 505775557-5557.
- <sup>9</sup> Federal Trade Commission, *In the Matter of R.J. Reynolds Tobacco Company, a corporation.* Docket No. 9285. May 28, 1997, http://www.ftc.gov/os/1997/05/d9285cmp.htm.
- <sup>10</sup> *U.S. V. Philip Morris USA, Inc., et al.*, No. 99-CV-02496GK (U.S. Dist. Ct., D.C.), Final Opinion, August 17, 2006, http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf.
- 11 U.S. V. Philip Morris USA, Inc., et al., No. 99-CV-02496GK (U.S. Dist. Ct., D.C.), Final Opinion, August 17, 2006, <a href="http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf">http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf</a>. See also, Cohen, J, "Playing to Win: Marketing and Public Policy at Odds over Joe Camel," Journal of Public Policy & Marketing, 19(2):155-167, 2000.
- <sup>12</sup> DiFranza, JR, "RJR Nabisco's Cartoon Camel Promotes Camel Cigarettes to Children," Journal of the American Medical Association 266:3149-3153, 1991. Fischer, PM, et al., "Brand Logo Recognition by Children Aged 3 to 6 Years; Mickey Mouse and Old Joe the Camel," Journal of the American Medical Association 266:3145-3148, 1991.
- <sup>13</sup> National Association of Attorneys General, http://www.naag.org/tobacco.php.
- 14 People v. RJ Reynolds Print Ads Case No. GIC 764118, August 23, 2002, <a href="http://caag.state.ca.us/tobacco/pdf/judgment.pdf">http://caag.state.ca.us/tobacco/pdf/judgment.pdf</a>. For other rulings against RJR in CA regarding marketing in magazines, see the following: Appeals court ruling, <a href="http://ag.ca.gov/tobacco/pdf/tobacco\_litigation\_file\_43.pdf">http://ag.ca.gov/tobacco/pdf/tobacco\_litigation\_file\_43.pdf</a>; Settlement agreement is at

http://ag.ca.gov/newsalerts/release.php?id=852&year=2004&month=12; Original lower court ruling against RJ Reynolds, http://ag.ca.gov/newsalerts/release.php?id=863&year=2002&month=6.

- National Association of Attorneys General, "Forty-One Attorneys General and R.J. Reynolds Reach Historic Settlement to End the Sale of Flavored," October 11, 2006, <a href="http://www.naag.org/flavored.php">http://www.naag.org/flavored.php</a>.
   U.S.C. 387G (2009)
- <sup>17</sup> Gott, N., "Attorneys general urge R.J. Reynolds to stop drinking promotion," *The Florida Times-Union*, December 13, 2005. See also, State of California Department of Justice, Office of the Attorney General, "Attorney General Lockyer Calls on R.J. Reynolds to End Direct Mail Birthday Promotion that Encourages Irresponsible Drinking," December 13, 2005, <a href="http://oag.ca.gov/news/press-releases/attorney-general-lockyer-calls-rj-reynolds-end-direct-mail-birthday-promotion.">http://oag.ca.gov/news/press-releases/attorney-general-lockyer-calls-rj-reynolds-end-direct-mail-birthday-promotion.</a>
  <sup>18</sup> U.S. V. Philip Marcie U.S.A. Inc., et al., No. 2016 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 2016 2016 (1) 10. 20
- <sup>18</sup> U.S. V. Philip Morris USA, Inc., et al., No. 99-CV-02496GK (U.S. Dist. Ct., D.C.), Final Opinion, August 17, 2006, <a href="http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf">http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf</a>.
- <sup>19</sup> *U.S. V. Philip Morris USA, Inc., et al.*, No. 99-CV-02496GK (U.S. Dist. Ct., D.C.), Final Opinion, August 17, 2006, <a href="http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf">http://www.tobaccofreekids.org/reports/doj/FinalOpinion.pdf</a>.
- <sup>20</sup> Marlantes, L, and Giusto, T, "Critics Say Cigarette Aimed at Young Girls," *ABC News*, June 10, 2007, <a href="http://abcnews.go.com/WN/Health/story?id=3262480&page=1#.UcC9Spw8-E8">http://abcnews.go.com/WN/Health/story?id=3262480&page=1#.UcC9Spw8-E8</a>. See also, Campaign for Tobacco-Free Kids report, "Deadly in Pink; Big Tobacco Steps Up Its Targeting of Women and Girls," February 18, 2009, <a href="http://www.tobaccofreekids.org/content/what\_we\_do/industry\_watch/deadly\_in\_pink/deadlyinpink\_02182009\_FINAL.pdf">http://www.tobaccofreekids.org/content/what\_we\_do/industry\_watch/deadly\_in\_pink/deadlyinpink\_02182009\_FINAL.pdf</a>.
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- <sup>23</sup> Peters, M, "Reynolds Suspending Campaign," *The Courant,* December 18, 2007, <a href="http://articles.courant.com/2007-12-18/business/0712170481\_1\_rj-rolling-stone-camel-farm">http://articles.courant.com/2007-12-18/business/0712170481\_1\_rj-rolling-stone-camel-farm</a>.
- <sup>24</sup> Felberbaum, M, "State AGs ask RJ Reynolds to stop cigarette promo," *The San Diego Union-Tribune*, December 1, 2010, <a href="http://www.utsandiego.com/news/2010/dec/01/state-ags-ask-rj-reynolds-to-stop-cigarette-promo/all/?print">http://www.utsandiego.com/news/2010/dec/01/state-ags-ask-rj-reynolds-to-stop-cigarette-promo/all/?print</a>.
- <sup>25</sup> Campaign for Tobacco-Free Kids, "Leading Health Groups Urge State AGs to Investigate R.J. Reynolds' New Magazine Ads for Camel Cigarettes," May 30, 2013, <a href="http://www.tobaccofreekids.org/content/press">http://www.tobaccofreekids.org/content/press</a> office/2013/camel ads ag letter/RJR%20ads%20-%20letter%20to%20AGs%20-%20final%205-28-13.pdf.

<sup>&</sup>lt;sup>1</sup> CDC, "Annual Smoking-Attributable Mortality, Years of Potential Life Lost, and Productivity Losses—United States 2000-2004," *MMWR* 57(45), November 14, 2008 <a href="https://www.cdc.gov/mmwr/preview/mmwr/html/mm5745a3.htm">http://www.cdc.gov/mmwr/preview/mmwr/preview/mmwr/html/mm5745a3.htm</a>.