



THE MSA MARKETING RESTRICTIONS ARE MUCH NARROWER THAN THOSE THE CIGARETTE COMPANIES HAD PREVIOUSLY ACCEPTED

Philip Morris and other major U.S. cigarette companies claim that the November 1998 Master Settlement Agreement (MSA) has “fundamentally changed how tobacco is marketed, promoted and advertised.” That statement is false. The MSA has required or prompted only minimal marketing changes, leaving the tobacco companies with major marketing tools that they can and have used to attract children. In fact, the marketing restrictions in the MSA are far less extensive than those restrictions the cigarette companies had earlier agreed to in their June 1997 agreement with the state attorneys general. If Philip Morris and the other cigarette companies were really serious about reducing youth smoking, they would stop just talking about it and at least start doing what they agreed to do in June 1997.

Restrictions on Marketing to Children	June 1997 Agreement Between the Tobacco Companies and the States (Not Active)	November 1998 Master Settlement Agreement (Active)
Print Ads	Limits ads in newspapers and magazines with large youth readership to black and white text only.	Not Addressed.
In-Store Advertising	Black and white text only with limits on number and size.	Not Addressed.
Internet Tobacco Ads	Banned.	Not Addressed.
Outdoor & Transit Ads	Bans all outdoor and transit ads.	Allows signs of up to 14 sq. feet on any buildings or property where tobacco products are sold, including those near schools and playgrounds. Bans other billboards and transit ads.
Cartoons & Human Images in Tobacco Marketing	Bans all cartoons and human images, including the Marlboro Man.	Allows human images, such as the Marlboro Man. Bans cartoons.
Tobacco Brand-Name Merchandise	Bans all tobacco brand name merchandise.	Allows brand-name merchandise at tobacco-sponsored events. Bans other brand-name merchandise.
Offers of Non-Tobacco Gifts Based on Proof of Tobacco Purchase	Banned.	Allowed for adults. Banned only for children.
Brand Name Sponsorships	Banned.	Each company allowed one brand-name sponsorship of an event or series of events, such as Winston Cup racing. Prohibited for concerts, football, baseball, soccer, hockey, or events with contestants under 18 (but B&W also allowed to sponsor the Kool Jazz Festival or GPC Country Music Festival).

* The marketing restrictions in the June 1997 Agreement (which was designed to settle all of the state lawsuits against the cigarette companies) never went into effect. After the Agreement was reached, its marketing restrictions were incorporated into U.S. Senate Bill 1415, the Comprehensive Tobacco Legislation or McCain bill, which the cigarette companies also supported. After the McCain bill was amended and then killed by the full Senate in June 1998, the state attorneys general and the cigarette companies resumed their settlement negotiations, which resulted in the MSA.

Restrictions on Marketing to Children	June 1997 Agreement Between the Tobacco Companies and the States (Not Active)	November 1998 Master Settlement Agreement (Active)
Use of non-tobacco brand name on tobacco products	Banned.	Banned.
Tobacco Product Placement in Movies & TV	Banned.	Banned.
Youth Access Restrictions		
Proof of Age	Requires proof of age for tobacco purchases.	Not Addressed.
Comprehensive Enforcement of Minimum Age Laws	Comprehensive enforcement plan established.	Not Addressed.
Vending Machines	Limits vending machines to adult only facilities.	Not Addressed.
Self Service Displays	Banned.	Not Addressed.
Free Samples	Banned.	Free Sampling allowed in adult-only facilities, banned elsewhere.
Retailer Licensing	Licenses retailers.	Not Addressed.
“Kiddie Packs”	Bans sales in packs of less than 20.	Temporary ban on sales in packs of less than 20.
Other Provisions		
Health Warnings	New stronger, more visible health warnings on cigarette and smokeless tobacco packages and ads.	Not Addressed.
Authority of the FDA over tobacco products	FDA given extensive authority over the manufacturing and marketing of tobacco products.	Not Addressed.
Youth Tobacco Use Reduction Targets	Requires youth tobacco use reduction targets with industry-wide penalties if targets not met.	Not Addressed.

The Campaign for Tobacco-Free Kids, October 23, 2003

More information on the Master Settlement Agreement is available at [http://www.tobaccofreekids.org/facts issues/fact sheets/policies/settlements us state/](http://www.tobaccofreekids.org/facts_issues/fact_sheets/policies/settlements_us_state/).