

Hungry for Hungary: examples of tobacco industry's expansionism

Authors:

Tibor Szilágyi, Simon Chapman

Department of Public Health & Community Medicine

University of Sydney 2006

Correspondence:

Dr. Tibor Szilágyi

CEO

Health 21 Hungarian Foundation

65 Áfonya st

Érd

H-2030 Hungary

Phone/fax: +36 23 371299

Email: h21hf@axelero.hu

Hungry for Hungary: examples of tobacco industry's expansionism

Abstract

Objective: To give an overview of available internal tobacco industry documents on the transnational tobacco companies' (TTCs) efforts to enter the new market of the emerging democracy of Hungary and how it developed allies in its efforts at resisting tobacco control regulations.

Method: Internal tobacco industry documents relevant to Hungary, available on the World Wide Web, were searched between 26 July and 30 November 2001.

Documents on the identification of Central and Eastern Europe (CEE) as a great market potential have been reviewed; another set of reviewed documents are of particular relevance to Hungary, as they indicate who the main partners of the industry are.

Conclusions: TTCs not only invaded the markets of the fragile new CEE democracies by making their product widely available, but also introduced sophisticated lobbying and marketing tactics. TTCs will try to shape the country's regulatory framework in a manner to help increase their profits. The fiercer the reaction of TTCs against a planned regulatory measure is, the more impact on the health of the population could be expected from the introduction and enforcement of that measure.

Keywords: transnational tobacco companies, Central and Eastern Europe, Hungary, internal tobacco industry documents.

Introduction

The Master Settlement Agreement (MSA) (1) required in part that companies place an estimated 40 million pages of their formerly private internal documents on the World Wide Web (2). The documents provide a keyhole view of the industry itself, of their tactics and strategies aimed at increasing their profits, maintaining the social acceptability of smoking and of their plans to attract new consumers to tobacco use. They also highlight sharp differences between the public declarations of industry officials and the discourses in which they participated within the companies when they had no reason to believe that their words would ever be made public. Since the documents have become available, a large and growing amount of scholarship has analyzed their content and highlighted the TTCs' behaviour with regard to various aspects of tobacco control. These analyses have mostly focused on nations with the world's most advanced tobacco control policies (e.g. the US, the UK and Australia). To date, no reviews of the documents have been published which provide insight into the industry's behaviour in any Central European nation.

With sales in excess of 845 billion cigarettes a year CEE is today the second largest cigarette-consuming region in the world. (3) Every year tobacco accounts for more than 700,000 deaths in this region, two thirds of which occur in the economically active people of middle age. (4) About 148 million people smoke in countries of the CEE, and tobacco consumption rose by 20% between 1993 and 1999. (2)

Consequently, the TTCs were extremely interested in conquering this market.

This paper reviews industry documents on the perceived importance of the markets of the CEE and Hungary, in particular, to the industry. It also highlights industry strategies applied in Hungary during the privatisation of the state tobacco monopoly,

including attempts to build new alliances and partnerships for impeding tobacco control legislation.

Methodology

The documents cited in this paper were located from the company sites of Philip Morris (PM, <http://www.pmdocs.com>), British American Tobacco (BAT, <http://www.bw.aalatg.com/public.asp>, <http://www.cctc.ca>, http://www.hlth.gov.bc.ca/guildford_search.cgi) and the Council for Tobacco Research, USA (<http://www.ctr-usa.org/ctr>), but all sites accessible through <http://www.tobaccoarchives.com/> were searched. The searches of the documents were undertaken between 26 July and 30 November 2001. The following search strings were used to locate documents: 'hungar*', 'budapest' and 'magyar'. Further searches on names thus located were then conducted.

TTCs and the new democracies in Central and Eastern Europe

The 1962 report of the Royal College of Physicians of London (5) and the 1964 Surgeon General report on smoking (6) created a momentum in tobacco control in some developed countries by starting an intensive public debate on the negative health effects of smoking and ways to combat it. These reports gave impetus to the development of a wide range of tobacco control activities and mobilized the medical community to address tobacco use. They also helped mobilize decision makers to introduce regulatory and legislative measures aimed at decreasing the harms and social costs related to smoking.

Increasing public anti-tobacco sentiments and proliferating regulatory barriers have resulted in stagnation of the American and some Western markets as Furman Selz Inc, advisor to PM, put it in 1992:

„Domestic tobacco – Running hard to stay even Philip Morris’ domestic tobacco business operates against a difficult backdrop. Total industry units have been declining..., reflecting well publicised concerns about smoking and health, societal mores that are making smoking less acceptable, and a steady stream of new federal and state taxes. We see no signs of this downtrend reversing.” (7)

BAT has given high priority to international market expansion. A market analysis, commissioned by the company in the early 1990s explained:

„... to continue to increase the size of the business into the next century the tobacco companies must seek new customers to replace those being lost in the West.” (8)

During these challenging times for TTCs, major political changes erupted in the CEE. New democracies emerged, new markets opened, and countries shaking off the barriers of their past political systems were hunting foreign investors. The TTCs were warmly welcomed in the region and Stuart Watterton, a Director of BAT, relished the opportunities that lay ahead:

”In the new markets BAT seek to have a factory with a BAT flag flying over it in every country.” (8)

The BAT commissioned strategic analysis (8) indicates that the CEE with 12% of global cigarette consumption, offered greater market potential than the US (10%) and Western Europe (6%). „*The market is huge*”, confirmed Philip Morris (7), which anticipated adding „*one-half to one share point annually by...penetrating new markets.*”

„*These are very exciting times for a company such as BAT...*”, exclaimed the producers of Lucky Strike, while PM considered it had the poll position over its competitors in the region:

“Much has been accomplished in Eastern Europe. We enjoyed a head start over our competitors because of our historical presence in these markets and because we have Marlboro. The task ahead monumental... Investments in these [Central and Eastern European] countries are mandatory if we are to effectively exploit the potential... I am confident that we will achieve these objectives and that the aggressive growth targets we have set for this part of the World will be met in the years ahead.” (9)

The TTCs were well aware that “*there is a great desire for western cigarettes* (7) and that citizens were “*starved for American-blend cigarettes*” (5), which were seen as embodying the personal, economic and social aspirations of people:

“... Marlboro’s vitality and momentum is unmatched in this area. It has a prestigious aura that is difficult to find elsewhere as in many ways it symbolises the aspirations of the newly liberated consumers in the east. Our duty therefore is to sustain its appeal and fuel its momentum.”(8)

The TTCs were keen to introduce their brands quickly to ensure the profitability of the new markets as rapidly as possible:

“... returns from new markets can be significant providing that brands are built quickly and that competition is limited... the philosophy should be to do as much as possible as quickly as possible... for new markets speed of penetration will be crucial: the use of IT and the knowledge gained from BAT’s extensive distribution system may allow it to better penetrate new markets.” (7)

Case study: Hungry for Hungary

PM had had its sights on Hungary as early as 1966. One of their representatives, touring the country, pointed out that *“Generally, American cigarettes are hard to find here and especially our Marlboro which seemed to be in short supply.” (10)*

In the socialist era, when the Hungarian tobacco monopoly was entirely state-owned, PM aimed at concluding a license agreement for the production of Marlboro in Hungary. This strategic move would have been given the promise of PM’s early participation in any privatisation in after years. Contacting a former Hungarian who took refuge in the US after the 1956 Hungarian uprising, and using his personal connections with bureaucrats in key positions in Hungary proved to be an effective tactic. Helmut Wakeham, vice-president of the R&D department of PM, explained this opportunity as follows:

„I have recently read reports about PM Europe extending its business interests into other East European countries. In this connection you should know we have in R&D a number of talented Hungarians who fled after the

1956 uprising. One of these in particular, Mr Andrew Lendvay, ... is personally acquainted with a number of university and government officials in fairly high places, people who were schoolmates and associates before 1956, and who have now risen to positions on influence and power. Mr Lendvay has been with us since 1967. He is a US citizen and a loyal employee of PM.... If you should need a person like Andy Lendvay in your dealings in Hungary, I am sure you will find him an excellent companion and associate.” (11)

Lendvay was sent to Hungary „... *to find the right people at higher level ... and convince them...*” that a license agreement for Marlboro „*is of more value in long term than what they have to pay for*” (11) He first successfully identified the key Hungarian stakeholders in tobacco manufacturing and trade, including their key representatives. Hungarians warmly welcomed him and during consequent meetings with the government representatives the terms of an agreement was outlined with conditions favourable for PM:

„In two meetings with representatives of highest level of the Hungarian Foreign Trade and of the Hungarian Tobacco Industry and Trade, they finally expressed willingness to sign a licence agreement based in principle on the terms as offered by PME and, without the requirement of barter trade in wine, food or cigarettes.” (12)

Thirteen years later, freed from the bonds of the socialism, Hungary offered excellent conditions for investments in its tobacco industry. First, at the beginning of the 1990s Hungarians ranked fourth among the heaviest smokers in the world (13) This, along with a rising smoking prevalence figures among women (women’s smoking rose by

more than one third between 1986 and 2000 (14,15)) and youth (smoking prevalence increased by 25% among secondary school students between 1995-99 (16)) made the „26 billion unit Hungarian domestic market” very attractive (17). Second, Hungary offered *”the most attractive investment climate in Central Europe”* (17) for tobacco companies and also the prospect of rapid economic development and a consequent rise in the disposable incomes of Hungarians that might be spent on cigarettes:

”Hungary has embarked upon a major program of economic reform, and is moving toward becoming a market economy. Successful implementation of these policies will have several important results. Demand will replace supply as the driving force behind consumption. Consumers will have more disposable income, and will seek to purchase higher quality and a more diverse range of products as Hungarian lifestyles change.” (18)

Third, successive Hungarian governments portrayed themselves as partners in a “constructive dialogue” with the industry over foreign investment:

„Sir Patrick [Sheehy, chairman of BAT Industries] said that Hungary in among the most progressive countries in Eastern Europe and provides an excellent environment for investment. We have also been impressed by the encouragement and support for foreign investment which has been expressed by the Hungarian authorities...” (19)

Fourth, Hungary, having been at the forefront of successfully managing the transition to the market economy and being geographically located between the West and the East, could play a potentially important regional role. The Hungarian tobacco industry would increasingly be able to *„boost the export of tobacco leaf and of tobacco*

products into the region” (20). Accordingly, an investment in Hungary “ will open opportunities to trade in Central and Eastern Europe and the USSR.” (9) RJ Reynolds (RJR) acquired a factory in the northeastern part of Hungary and was also well positioned to supply the neighboring “large and undersupplied Ukrainian market” (21). All of these reasons coalesced to make the factories of the former state-owned Hungarian tobacco monopoly become the first properties to be taken over by foreign investors in the early 1990s (22). PM summarized its Hungarian prospects thus:

“Philip Morris is able to and desirous to making such investments in Hungary... Such an investment and development program in Hungary would be wholly consistent with Philip Morris’ philosophy to invest in those markets which:

- have demonstrated a consumer preference for its products in the past, and offer opportunities for future growth, and*
- possess, or are in the process of developing, a favorable investment climate, devoid of discrimination and restrictions which would diminish opportunities to generate a fair and sustainable financial return on its investment.” (18)*

Following a negotiation period, BAT acquired the Tobacco Factory of Pécs in early 1992. Commenting on this acquisition the BAT chairman pointed out:

„I consider this a significant investment for the BAT Group and an integral part of our strategy of establishing BAT in Central Europe.” (19)

Early in the acquisition process PM noted tension between different government-based agencies involved in the privatization process:

„Furthermore we have obtained the full support of both the Ministry of Agriculture and the Ministry of Finance. In fact indications are that the State Property Agency has received instructions to conclude the proposed transaction as rapidly as possible. This intervention reportedly has irritated some officials within the agency.” (9)

PM speculated about brinkmanship tactics it might consider should the troublesome Hungarian State Property Agency throw the Egri privatisation open to tender:

„Failing a mutually acceptable agreement, the State Property Agency will in all likelihood issue an international tender. This will clearly be used as a threat with claims that Reemtsma, Rothmans and/or JTI are prepared to offer more than us. However, the threat is largely mitigated by the fact that Marlboro alone accouts for close to 70% of Egri’s income from operations and the licence can be terminated immediately upon any change in the control of Egri.” (9)

Searching for allies and creating partnerships

The TTCs were keen to influence the direction of development of tobacco control policies and to prevent decision-makers from being influenced by anti-smoking activists („antis”). As part of these attempts, the TTCs developed and nurtured relationships with parliamentarians, key decision-makers in ministries, the media and with other profit-oriented interest groups. The key ministries where the tobacco industry needed influential supporters were Agriculture (MoA) and Trade and

Industry (MoTI). As shown above, PM obtained the help of both in the early stage of acquisition of the Egri Tobacco Factory.

The most active ally of the Hungarian tobacco industry is the MoA, which maintains a coherently anti-health position in tobacco and health issues. (The latest manifestation of this position is the five-year derogation requested by Hungary for the introduction of the European Union regulation of the maximum nicotine and tar levels of cigarettes in 1999.) Officials of the MoA and other ministries, endorsing the position of the tobacco industry, have repeatedly stated that their concerns are motivated by a desire to protect Hungarian tobacco growing. (23) This, however, seems to have only a minor importance within the overall capacities of the Hungarian agriculture, as only 0.2% of all arable land is used for tobacco growing in the country (24).

The MoA was pivotal in helping capacity building efforts of the industry, by promoting communication between the different pro-tobacco sectors:

„The Ministry of Agriculture has agreed to establish a working group with our NMA [National Manufacturers’ Association, in this case the Hungarian Association of Tobacco Manufacturers (HATM)] and the alcohol industry to negotiate the development of a decree which will serve as a more practical interpretation of the Trade Law. Efforts are underway to coordinate with the alcohol industry.” (25)

Not only could companies interfere with the development of the Hungarian regulatory framework on tobacco, but occasionally they were also invited to prepare draft regulations themselves. This was the case with the decree on cigarette contents.

MoA’s offer was considered by TTCs to be a “*unique opportunity*” (26). A meeting of representatives of the four Hungarian companies (BAT, Philip Morris, Reemtsma

and RJR) and technical advisors from outside the country was convened in Budapest to consider the draft decree. Participants were alerted to presenting a clear and united view and cautious with the formulation of the draft as *„it will clearly be difficult for the industry to argue for subsequent deletion of a clause which it has itself proposed”* (26).

The MoA was also responsible for the submission of the draft to the Parliament. The industry's main objective was to make the MoA accept all the FEMA GRAS [the list on additives 'generally recognized as safe' of the Flavor and Extract Manufacturers' Association's] listed additives, instead of the shorter and stricter Hungarian list. The documents reveal a collusion of RJR's and MoA's representatives on how *„to avoid the complicated procedure of permission”* (27) for the additives the industry wished to use in Hungary:

„In the break of the meeting I told separately the representative of Agricultural Ministry about „technological aids”. His answer has been that not mentioning these materials will make no problem, nobody will look for them, or test their presence. Otherwise to bring up this question again will disturb the process of realising Decree.” (28)

An RJR letter also indicates that as early as 1996 the MoA declared that it opposed any „premature” decrease of the nicotine and tar content of cigarettes sold in Hungary. The MoA was also opposed to any further increase in the size of the health warnings on cigarette packages.

„As indicated earlier, the meetings with the representatives of Agricultural and Welfare Ministries... brought up the following questions:

*1. There were some intention to speed up the timing to decrease tar contents of
cigs to 12 mg/cig, and finish the process until the end of 2000... In case of
getting to 12 mg/cig tar target the Agricultural Ministry will back our original
proposal, it would mean no speeding up...*

*4. The surface to write up these figures, and that of health warnings would be
doubled... Agricultural Ministry will oppose any increasing of surface for the
mentioned writings.” (28)*

The price of tobacco products has a critical influence on consumption. The tobacco industry documents have repeatedly shown the importance the industry places on maintaining low tobacco tax as a means of maximizing sales: *“The price of cigarettes has, and always will be, the single most critical variable effecting the direction of overall market sales, brand shares, and company profitability”* (29). As the quality of Hungarian grown tobacco is considered inferior to American blends, it is important for companies to lower import duties. This strategy threatens to wreck local tobacco growing, but is also an instrument in keeping cigarettes affordable for Hungarian smokers. The MoA was again fully supportive of the strategy of PM aimed at lowering import duties on tobacco:

„The main impediment to meeting our objective is the issue of local tobacco growing, however, we have had encouraging discussions with Ministry of Finance officials in Hungary. Even the Ministry of Agriculture is prepared to support a phased reduction in import duties over a three-year period. In fact we are aware that the Minister of Finance has instructed the Customs Department with whom we are in constructive dialogue to recommend a revision of tobacco duties.” (9)

Tobacco advertising was banned in Hungary until 1997 and, after their arrival, companies became alerted „*to amend obsolete tobacco advertising legislation which restricts communication with consumers.*” (30) The ban, however, did not deter the industry from launching advertising campaigns well before 1997. BAT led these violations of the law by mailing cigarette packs to children. PM was concerned this practice would negatively impact its lobbying efforts in removing the total ban and introducing their favored voluntary agreement:

“... these packs had been sent directly to children. BAT acknowledged this, blaming “administrative mistakes”. This campaign has clearly damaged industry credibility and may make further negotiations with the government impossible.” (31)

These developments, however, did not prevent high-level government officials from continuing negotiations with the industry:

“Despite the damage done by the BAT’s direct main campaign..., Deputy Secretary of State Schagrin agreed to go ahead with a December 3rd meeting to discuss a constructive solution to the problems with interpretation of existing legislation on tobacco advertising.” (31)

Subsequently, PM joined BAT in ignoring the advertising regulation, choosing to interpret the ban liberally:

„... competition has taken a very liberal approach in interpreting the law and has conducted massive billboard and similar campaigns. ... some of our marketing activities have been investigated and resulted in a \$200,000 fine...

so far there were no apparent problems with the authorities, although we understand that their activities are now being challenged.” (32)

The industry's allies were also useful in echoing its internationally tested repertoire of arguments against the advertising ban (freedom of commercial speech, consumers' information on low tar and nicotine products). The sphere of main allies included the HATM, parliamentarians loyal to the industry, and the advertising, alcohol and hospitality industries: „*In Hungary, we will seek through direct lobbying and action with third party allies to amend obsolete tobacco advertising legislation...*” (30). The tobacco industry's efforts bore fruit in 1997. A very liberal advertising law was passed by the Parliament, which allowed outdoor, cinema and print advertisements. It was not until this regulation has been adopted that the Hungarian tobacco control community woke up. Following sustained advocacy efforts these provisions were overturned and a total ban on direct and indirect tobacco advertising was again reinstated in January 2002 (33).

Conclusions

Formerly private tobacco industry documents provide a keyhole view into the impelling forces behind the eastward movement of the TTCs. While anti-smoking sentiments seemed to prevail in developed countries, the prospect of market expansion, and consequent increase in profits better explain the industry's ravenous appetite for entering the markets of the newly emerged democracies of the CEE countries. The factories of the former Hungarian tobacco monopoly were among the first companies to be privatized in the country. While the process of privatization

started in Hungary in 1991 and concluded in 1999, all four Hungarian tobacco manufacturing plants were sold by the end of 1992. The documents also provide insights into the strategies Philip Morris used to assure its presence in Hungary. The exploitation of personal acquaintances of those who fled Hungary in 1956 started well before the privatisation.

Moreover, the profitability of the industry is dependent upon its corporate ability to resist governments' plans to regulate tobacco. The Hungarian experience indicates TTCs were not only in a hurry to better establish themselves, but also to search for new partners in and outside government to publicize and promote their interests. The focus of their efforts included government portfolios (mainly agriculture, finance, trade and industry), well-defined access points (key persons) to these ministries, parliamentarians and other industries (advertising, hospitality). TTCs views and interests were often represented by the HATM, a powerful lobby group established by the industry in 1994, with its office only a stone's throw away from the MoA and the Hungarian Parliament, main targets of its lobbying efforts.

The analysis of the industry behaviour in Hungary also provides lessons for tobacco control advocates from the region or developing countries, which could also expect TTCs entering their markets. Focusing tobacco control advocacy efforts on bureaucrats in health ministries is far from being enough to achieve success. The main targets of the tobacco industry in Hungary were and remain the agriculture, industry and trade and finance portfolios. These are usually more powerful ministries in shaping and influencing government policies than the health portfolio. There is a need to shift tobacco control advocates' attention to creating working relationships with key representatives of ministries other than health. Here, being armed with solid

economic arguments and well-defined solutions in arguing the tobacco control case would be a great asset to advocates.

The timing and focus of tobacco control efforts varies substantially according to the schedule of the governments' legislative processes. The Hungarian experience affirms that tobacco companies are able to mobilize themselves very quickly when the need emerges, confirmed by the case of the preparation of the Hungarian tobacco decree. When they were offered the opportunity to prepare the draft decree themselves they were not only ready to develop a harmonized position of the four Hungarian companies, but to also turn their previous international experience to advantage in the field. This means tobacco control advocates should have an eye on both the tobacco industry behaviour in other countries in similar circumstances (for example, by reviewing relevant tobacco industry documents on which tactics the industry used in western European or other CEE countries) and how these industry tactics were or were not counterbalanced by efforts of tobacco control advocates. Experiences of countries with more advanced tobacco control policies on the introduction and lobbying for such policies, as well as the review of successful advocacy efforts in promoting these policies could also assist.

Acknowledgement

The research program of Dr. Tibor Szilagyi was supported by the Australian Government through the Australian-European Scholarships of IDP Education Australia. The work on tobacco industry documents of Prof. Simon Chapman is supported by the US National Institutes of Health grant R01 CA87110-01A1.

References:

1. Master Settlement Agreement. <http://www.naag.org/tobaccopublic/library.cfm>
(accessed December 6, 2001)
2. See <http://www.tobaccodocuments.org> (Accessed May 27, 2002)
3. Economics of tobacco for the Europe and Central Asia (ECA) region. The World Bank, May 2001. <http://www1.worldbank.org/tobacco/countrybrief.asp> (Accessed April 12, 2002)
4. Haglund M. Regional summary for the European Region. In: Corrao MA et al. Tobacco Control Country Profiles, American Cancer Society, Atlanta, GA 2000, p.32.
5. Royal College of Physicians of London. Smoking and Health. London: Pitman Medical, 1962.
6. Report of the Advisory Committee to the Surgeon General of the Public Health Service: Reducing the Health Consequences of Smoking. US Department on Health, Education and Welfare, Public Health Service, 1964.
http://www.cdc.gov/tobacco/sgr/sgr_1964/sgr64.htm (Accessed May 8, 2002)
7. Report of Furman Selz Inc for Philip Morris. June 1, 1992. Bates No: 2031652388/2398. URL
<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2031652388/2398>
(Accessed May 8, 2002)
8. BAT, A Strategic Analysis of BAT's Tobacco Business, undated (expectedly early nineties), Bates No: 601030113-28.
9. Philip Morris. 1991 Revised Forecast. June 6, 1991, Bates Nr: 2500058044-90.
<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2500058044/8090>
(Accessed May 8, 2002)

10. Philip Morris. Trip report of J.F. Cullman, October 31, 1966, Bates Nr:
2012580159/0161.
<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2012580159/0161>
(Accessed May 8, 2002)
11. Philip Morris. H. Wakeham's letter to A. Gemblé. November 4, 1976, Bates Nr:
1000215201
<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=1000215201> (Accessed
May 8, 2002)
12. Philip Morris. A. Lendvai. Trip Report. June 6, 1977, Bates Nr: 1003372988.
<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=1003372988/2990>
(Accessed May 8, 2002)
13. Per capita consumption of cigarettes in the population aged 15 years and over,
selected countries. In: Miller M, Draper G: Statistics on Drug Use in Australia 2000,
Australian Institute of Health and Welfare, Canberra, May
2001. www.aihw.gov.au/publications/phe/sdua00/sdua00.pdf (accessed May 6, 2002)
14. Central Statistical Office: Health Behaviour Survey, 1986.
15. Health Development Research Institute: Report on the National Health Behaviour
Survey, April 2001. <http://www.gallup.hu/olef/gyors.html> (in Hungarian).
16. Prevalence of Cigarette Smoking Among Secondary School Students - Budapest,
Hungary, 1995 and 1999. Morbidity and Mortality Weekly Report, May 26,
2000/49(20);438-441
17. Philip Morris. Draft presentation for the Board meeting, 1990, Bates Nr:
2500101393.
<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2500101390/1400>
(Accessed May 8, 2002)

18. Philip Morris. Egri tobacco factory privatisation plan. Executive summary.

January 31, 1991. Bates number: 2501048963.

<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2501048954/9007>

(Accessed May 8, 2002)

19. BAT, Sir Patrick Sheehy, BAT Industries chairman's comments in a press release, December 16, 1991, Bates Nr: 201776485.

20. Hungary: an economic analysis. PricewaterhouseCoopers, Economic Studies and Strategies Unit, Canberra, Australia, November 2000.

<http://www.batmalaysia.com/CorporateInformation/InvestorRelations/TheTobaccoIndustry/> (accessed May 6,2002)

21. Denton, N. RJR Nabisco Expands into Hungary. Financial Times, June 30, 1992. Bates Nr: 2500030369A.

<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2500030369A> (Accessed May 8, 2002)

22. Füstölő dohányipar. Árnövelő adóemelés (Smoldering tobacco companies. Price-lifting tax rise.) (in Hungarian). http://www.cegnet.hu/cv/9911/cv177_179.htm (accessed May 6,2002)

23. Átalakuló dohánytermesztés (Tobacco growing in transformation.) (in Hungarian). http://www.cegnet.hu/cv/9902/cv174_176.htm (accessed May 6,2002)

24. Tobacco or Health: A Global Status Report.

<http://cdc.gov/tobacco/who/hungary.htm> (accessed May 6,2002)

25. Philip Morris. Corporate affairs highlights, September 27 – October 1, 1993, Bates Nr: 2025496531/6533.

<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2025496531/6533>

(Accessed May 8, 2002)

26. BAT Southampton. Note on meeting to consider draft Tobacco Decree, Budapest, 23 June 1993. Bates Nr: 503250482.

27. RJ Reynolds. Letter from I. Lengyel to C. Rees, March 6, 1996. Bates Nr: 515304603 -4603.

http://www.rjrtdocs.com/rjrtdocs/image_viewer.dms?PS=7&DOC_RANGE=515304603+-4603&SEARCH=241&CAMEFROM=7

28. RJ Reynolds. Letter from I. Lengyel to C. Rees, June 10, 1996. Bates Nr: 515304542 -4543.

http://www.rjrtdocs.com/rjrtdocs/image_viewer.dms?PS=2&DOC_RANGE=515304542+-4543&SEARCH=230&CAMEFROM=2

29. Brown&Williamson. Analysis of price and value for money in the cigarette market. April 1984. Bates Nr: 538011320/1397

30. Philip Morris. Three-Year Plan, 1994-1996, Regional Corporate Affairs, 1994, Bates No: 2500070154.

<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2500070154/0218>

(Accessed May 8, 2002)

31. Philip Morris. Notes on International Marketing&Regulatory Issues from a Variety of Sources, November 1992, Bates Nr: 2063617881.

<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2063617873/7889>

(Accessed May 8, 2002)

32. Philip Morris. 1994 OB Presentation on Central Europe, New York, November 17, 1993, Bates No: 2500108030,

<http://www.pmdocs.com/getallimg.asp?if=avpidx&DOCID=2500107969/8065> (p.31.)

(Accessed May 8, 2002)

33. Szilagyi T. Hungary introduces a total ban on tobacco advertising. Tobacco Control 2002;11:79-81.