

THE TOBACCO WARS

Richard Seaborn's case against R.J. Reynolds Tobacco Company will be tried starting during the week of October 23rd. Mr. Seaborn, who has lung cancer, is suing R.J. Reynolds in a civil action for money damages.

There have been a number of occurrences over the years that emphasize the tremendous power of the tobacco companies in this country. In 1954, the tobacco industry faced their first liability lawsuit by a lung cancer victim. After 13 long years, the person suing dropped the lawsuit. In 1964, the Surgeon General released a report concluding that smoking causes lung cancer. Some two years later, federally mandated warnings were placed on cigarette packs for the first time. Very little happened publicly of any significance during the years between the late 1960s and the early 1990s. In 1992, the U.S. Supreme Court ruled that smokers have a right to file lawsuits alleging cigarette-makers hid health dangers of tobacco. Interestingly, in April of 1994, the executives of the major tobacco companies swore under oath in congressional testimony that nicotine is not addictive. A significant occurrence took place in May of that same year. A disclosure of internal Brown & Williamson documents revealed the tobacco industry's knowledge of smoking risks. The State of Mississippi became the first state to sue to recover public costs of treating sick smokers. In March of 1996, the Liggett Group settled their claims with five states and then started out to help those states go after other tobacco companies. In August of 1996, the Federal Drug Administration announced a landmark effort to regulate tobacco for the first time. In June of 1997, a proposed settlement of all of the state lawsuits calling for tough restrictions on cigarettes leaked out to the public. This deal ultimately fell

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apart. However, one month later, the State of Mississippi settled its lawsuit against the tobacco companies for \$3.6 Billion. Lawsuits by Florida, Texas, and Minnesota were settled in subsequent months.

In October of 1998, the now-famous Engle Class Action trial began in Florida. One month later, 46 states agreed to settle their claims against the tobacco companies for \$206 Billion.

In July of 1999, the Engle jury found the major tobacco companies had engaged in “extreme and outrageous conduct.”

In September of 1999, the U.S. Justice Department sued the tobacco industry for billions of dollars spent on smoking-related healthcare.

In March of 2000, the U.S. Supreme Court ruled in a 5 to 4 decision that the Federal Drug Administration lacks the authority to regulate tobacco, which came as great news to the tobacco industry.

This past April the Engle jury in Florida awarded a total of \$12.7 Million in compensatory damages to three plaintiffs as class representatives in the class action lawsuit. The jury subsequently in July awarded a record \$144.97 Billion against the tobacco companies in punitive damages.

On September 28th, the U.S. Supreme Court ruled that the Justice Department could proceed to trial against the tobacco industry. A trial date has been set for January 2003.

There are a number of class actions and what are referred to as third-party claims pending around the country against the tobacco industry. There have been several trials by individuals in personal lawsuits against the tobacco companies. The industry lost a major round when a San Francisco jury awarded \$21.7 Million in damages to a smoker and her husband. The defendants in that case were R.J. Reynolds and Philip Morris Tobacco Company. At present, there are a number of multi-million dollar verdicts against the tobacco industry, which are on appeal. The tobacco companies have won a few cases in the past year or so in state courts around the country.

This is the first case to go to trial in an Alabama court involving an individual suing a tobacco company for money damages to our knowledge.