## Mickey Mouse and the Marlboro Man

Disney and Philip Morris USA share the same ad agency. Not that it means anything.

OF ALL MAJOR STUDIOS, Disney would appear to have the most brand equity to lose by pushing tobacco at kids.

Perhaps that's why The Disney Company was the first major media company to announce a policy on tobacco in film, in late 2004.

Unfortunately, Disney's policy seems more intent on protecting the Disney brand than protecting Disney's audience.

For example, the company pledges to reduce tobacco content in *Disney-branded* movies—almost all G/PG-rated and contributing little to kids' total exposure to tobacco on screen. But it makes

PHILIP MORRIS (ALIAS ALTRIA) NO STRANGER TO OTHER MEDIA GIANTS





Time Warner CEO RICHARD PARSONS
[L] sat on Philip Morris' board for ten years.
Since 1999, Warner Bros. has delivered an
estimated 10 billion tobacco impressions to
U.S. theater audiences alone. News Corp.
CEO RUPERT MURDOCH [R] served on Philip
Morris' board and PM's ex-chairman
GEOFFREY BIBLE sat on News Corp.'s.

only nebulous promises about its prolific PG-15 film labels: Touchstone and Miramax.

Disney's policy has been in effect for more than a year, time enough to see how well it works.



Results: The percentage of Disney's live-action releases with tobacco shows no sub-stantial change

since Disney adopted its tobacco policy.

Bottom-line: Since 1999, tobacco incidents in Disney films have recruited an estimated average of 66,000 new teen smokers, annually, worth \$690 million in lifetime sales revenue (NPV) to Philip Morris and other tobacco giants.

Put another way, for every \$1 Disney Studio Entertainment generated in 2005

operating income, it also generated about 72¢ in profit for Big Tobacco.

What can other film companies and their corporate parents learn from Disney's Mickey Mouse effort?

Mickey and Marlboro are owned by Disney and Altria (Philip Morris), respectively. Has Disney ever asked Altria for permission to use Marlboros on screen, the way studios clear all other intellectual property? And how often has Disney displayed a competing brand? [Answer in box]

1] When you make corporate policy on tobacco in film, follow the basic management rule: the policy must be concrete and verifiable. Vague terms and waffling language provide neither internal guidance nor external reassurance.

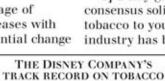
2] Delay gains nothing. Global consensus solidly opposes promoting tobacco to young people. The film industry has big enough challenges

> without acting like Big Tobacco's sidekick. You're going to have to do the right thing some time. Who goes first gets the most credit.

5] Using the industry's existing rating system to discourage tobacco in G, PG and PG-15 movies breaks no new ground. Creative freedom is unimpaired.

4] Just get

tobacco out of kid-rated movies. It's really that simple.



89 percent of the tobacco brands displayed in Disney films 1991-2004 were Philip Morris brands; 78 percent were Martboro % or FILMS WITH TOBACCO 1999-2005

BRAND DISPLAY (TOP-GROSSING FILMS)

	Charles Control		<u> OkubabaGDDGSG</u>	
BATING I		DISNEY	INDU	STRY AVG.
G/PG		40%		44%
PG-13		84%		74%
R-rat	ed	93%		85%
% WITH	TOBACCO	UNDER	ANNOUNG	ED POLICY
G/PG	(2004)	44%	(2005)	43%
PG-13		73%		71%
R-rateo	1	100%		100%

The Disney Company has one of the worst records on tobacco in the industry. Its announced policy on tobacco in movies has yet to reduce adolescent exposure.



## View all studio track records at SmokeFreeMovies.ucsf.edu

The R-rating, among other Smoke Free Movies policy proposals, is endorsed by the World Health Organization, American Medical Association, American Academy of Pediatrics, American Heart Association, American Lung Association, American Legacy Foundation, Campaign for Tobacco-Free Kids, National Parent Teacher Association (PTA), Society for Adolescent Medicine, L.A. County Dept. of Health Services, and others. This project is supported by the Arimathea Fund of the Tides Foundation and other donors. To explore this critical health issue, visit our web site or write: Smoke Free Movies, UCSF School of Medicine, San Francisco, CA 94143-1590. 'Methodology at http://www.smokefreemovies.ucsf.edu/problem/new\_smokers.html