

Smoke & Mirrors: Healthcare Company Retirement Plans Are Addicted to Tobacco

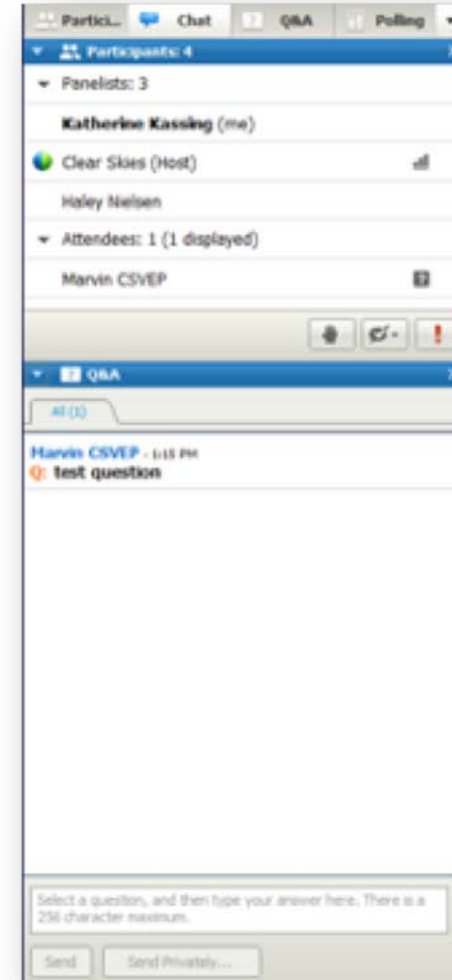


Smoke & Mirrors Report Webinar
Wednesday, October 28, 2020



General Information

- Use the Q&A window to send us your questions
- After the webinar, you will receive an email link to the recording.





Meet the Panelists



**Dr. Phillip
Gardiner**

Co-Chair, African
American Tobacco
Control Leadership
Council



Jono Polansky

Advisor, University
of California, San
Francisco,
Smokefree Movies



David Shugar

Report Author



**Catherine
Rowan**

Director, Socially
Responsible
Investments, Trinity
Health



**Dr. Bronwyn
King**

CEO, Tobacco Free
Portfolios



**MODERATOR
Danielle Fugere**

President,
As You Sow



Dr. Phillip Gardiner

Co-Chair, African American Tobacco Control Leadership Council



Dr. Phillip Gardiner is a public health activist, administrator, evaluator and researcher. For the past 25 years, he has worked on studies ranging from Hypertension, Multiculturalism and AIDS, to Breast Cancer, Prostate Cancer, Diabetes and Smoking. For the past 20 years, Dr. Gardiner has lectured around the country on African American health disparities generally and menthol smoking in the Black Community, particularly. Dr. Gardiner recently retired as the Senior Program Officer for the Tobacco Related Disease Research Program (TRDRP), University of California Office of the President, a position he had been in since 1997. Dr. Gardiner is currently the Co-Chair of the African American Tobacco Control Leadership Council (AATCLC), a group of Black professionals dedicated to fighting the scourge of tobacco impacting African American communities both in California and Nationally.

What's Menthol Got To Do With It? Everything!

Phillip S. Gardiner, Dr. P. H.

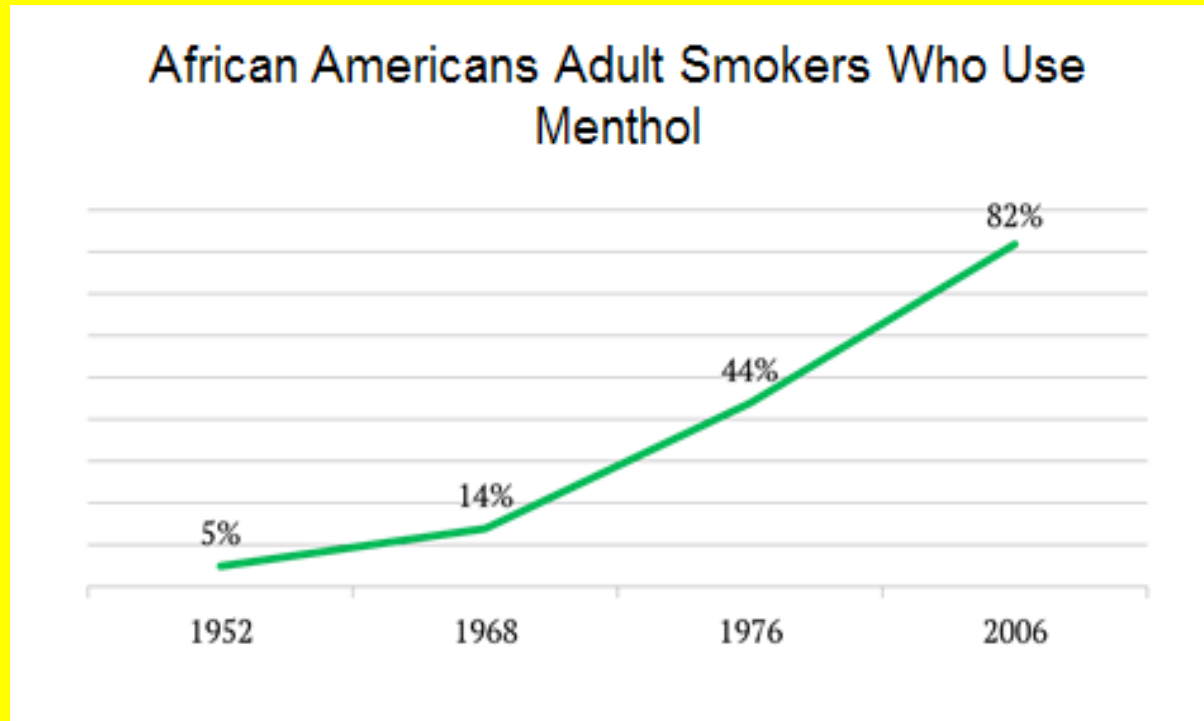
Co-Chair African American Tobacco Control Leadership Council (**AATCLC**) and
Senior Program Officer, Tobacco Related Disease Research Program (**TRDRP**)
University of California Office of the President (Retired)

Smoke & Mirrors

Webinar

October 28, 2020

African American Menthol Use Skyrockets!



- Roper, B.W. (1953). A Study of People's Cigarette Smoking Habits and Attitudes Volume I. Philip Morris, Bates No. 2022239249. MSA, Inc. (1978) The Growth of Menthols, 1933 -1977. Brown & Williamson, Bates No. 670586709-785. NSDUH, 2004-2008.

Tobacco Industry's Assault on the African American Community (1960s & 70s)

- 91% of Advertising Budget for TV (B&W)
- Use of Male Actors with more Black features
 - Tripled Cigarette Advertising in Ebony
 - “Menthols got a brand-new bag”
 - Cool Jazz; Cool Lexicon
 - Philanthropy

(Gardiner, 2004)

N. Y. YANKEE STAR ELSTON HOWARD FLASHES THE SIGN:

"YOUR CIGARETTE'S NOT TASTING COOL ENOUGH
TILL YOU *Come Up to KOOL*"



"Feel extra coolness in your throat.."

says *Elston Howard*

"Extra coolness no other cigarette can offer. Taste a new freshness that lasts all through the day . . . Kool after Kool after Kool. Believe me," says Yankee Star Elston Howard, "I know!"

Take Elston Howard's advice: "Try just one carton of Kool. You'll never go back to those hot and dry-tasting cigarettes again!"

Box: 17 mg. "tar", 1.1 mg. nicotine; 100's: 19 mg. "tar", 1.3 mg. nicotine av. per cigarette, FTC Report Nov. 1975.

Alive with pleasure!
Newport

*After all, if
smoking isn't
a pleasure,
why bother?*



Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

SURGEON GENERAL'S WARNING: Cigarette
Smoke Contains Carbon Monoxide.

**FiRe
iT UP!**

**Newport
pleasure!**



© Lorillard 2002

Lights Box: 9 mg. "tar," 0.8 mg. nicotine; Medium Box: 12 mg. "tar," 0.9 mg. nicotine; Box: 16 mg. "tar," 1.3 mg. nicotine av. per cigarette by FTC method.

Focus vs. Non-Focus Communities

(Wright, 2009)

▶ **Focus Communities: Inner-city, Colored and Poor**

- Less expensive, more desirable promotions
 - Buy 1, Get X Free
 - Summer/ Holidays

▶ **Non-focus Communities: Upscale, suburban, rural and white**

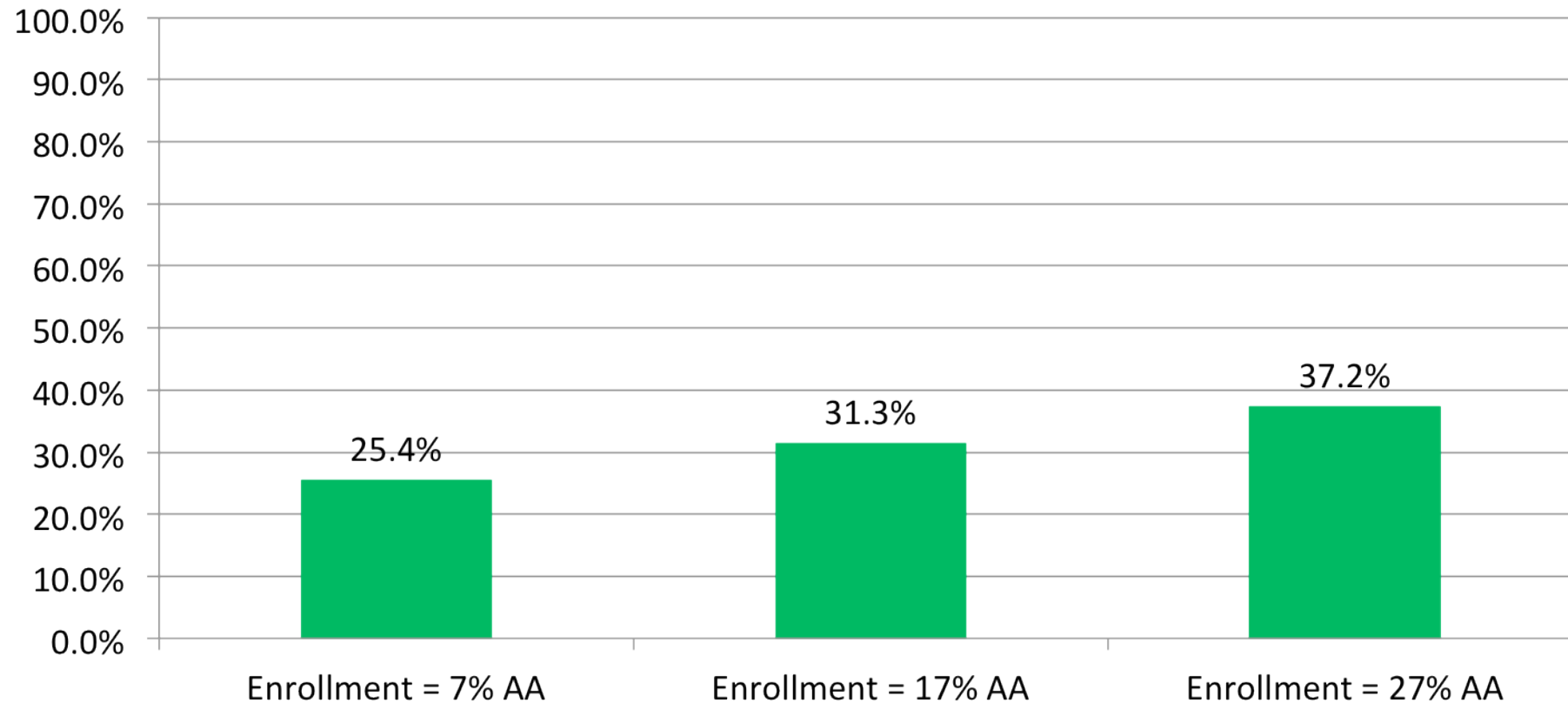
- More expensive, less desirable promotions
 - Buy 2, Get X Free
 - Buy 3, Get X Free

▶ **Menthol Cigarettes Cheaper**

- Non-focus- 50 cents off/ pack (\$5.00 off/ ctn)
- Focus- \$1.00-\$1.50 off/ pack (\$10.00-15.00 off/ ctn)

Predatory Marketing Patterns (Henriksen, 2011)

As the % African American students increased, proportion menthol ads increased:



Menthol Cigarettes: Cheaper for African Americans

- For each 10% increase in the proportion of African American students:
 - Newport discount 1.5 times greater
 - The proportion of menthol advertising increased by 5.9%
 - Newport promotion were 42% higher
 - The cost of Newport was 12 cents lower

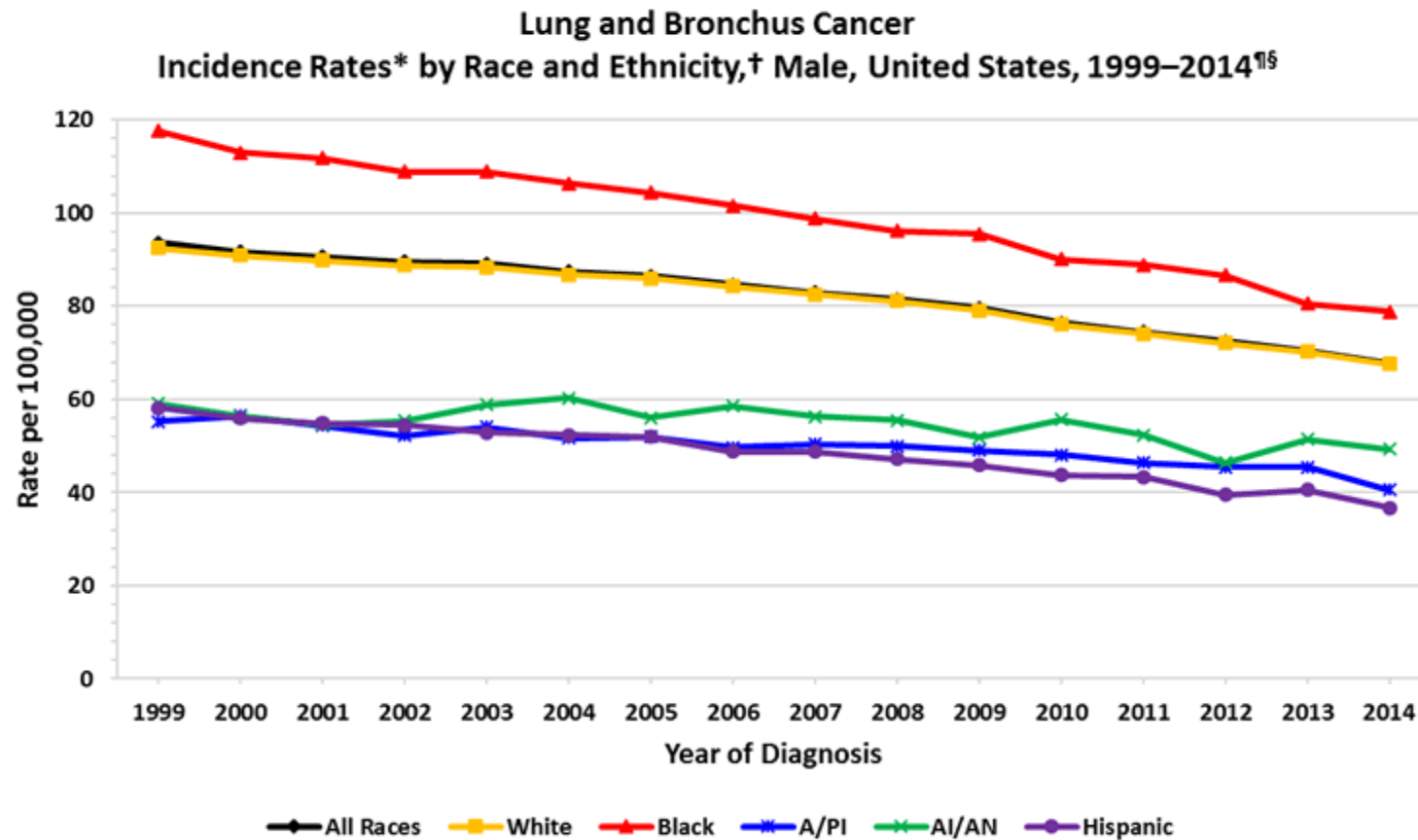
(Henriksen, et al., 2011)

Storefront Cigarette Advertising Differs by Racial/Ethnic Community

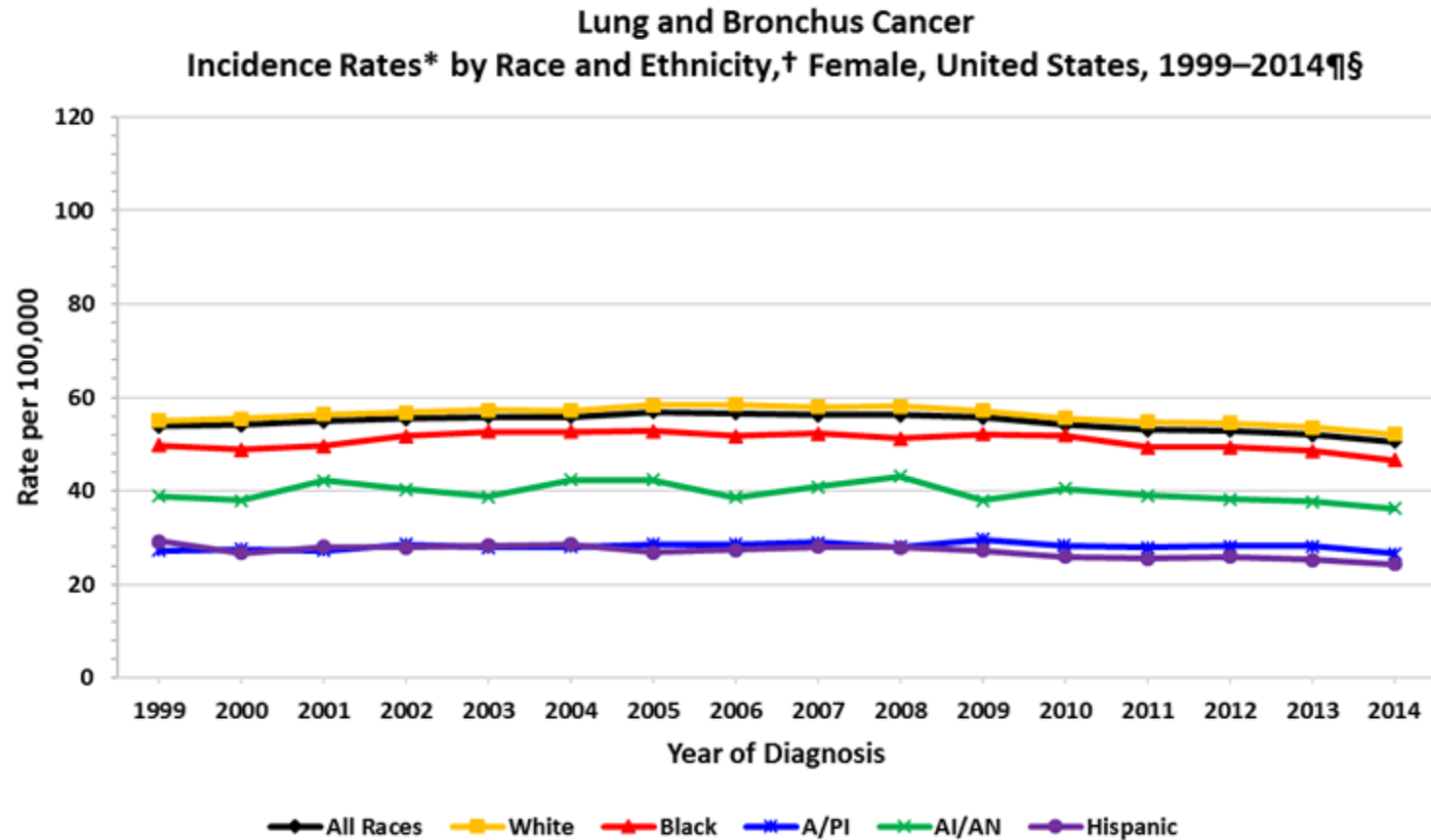
	Brookline	Dorchester	<i>p-value</i>
	n= 42	56	
	%	%	
• Retailer w/ Ads	42.9	85.7	<0.001
• Small Ads	56.8	20.1	“
• Large Ads	2.0	23.7	“
• Menthol Ads	17.9	53.9	“
• Average Price	\$4.94	\$4.55	“

(Seidenberg, et al., 2010)

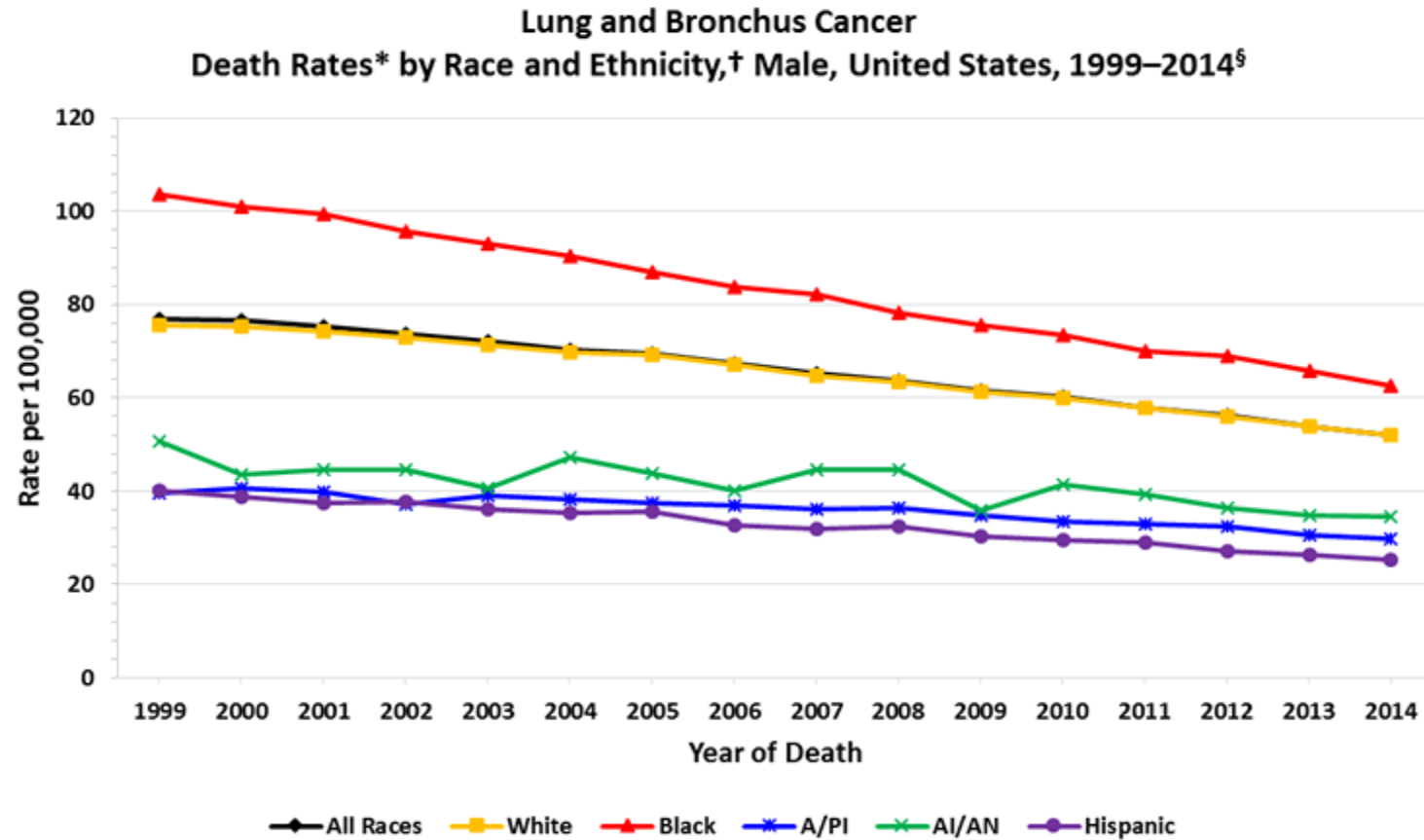
Lung Cancer Incidence Rates by Race/Ethnicity and Sex (Male)



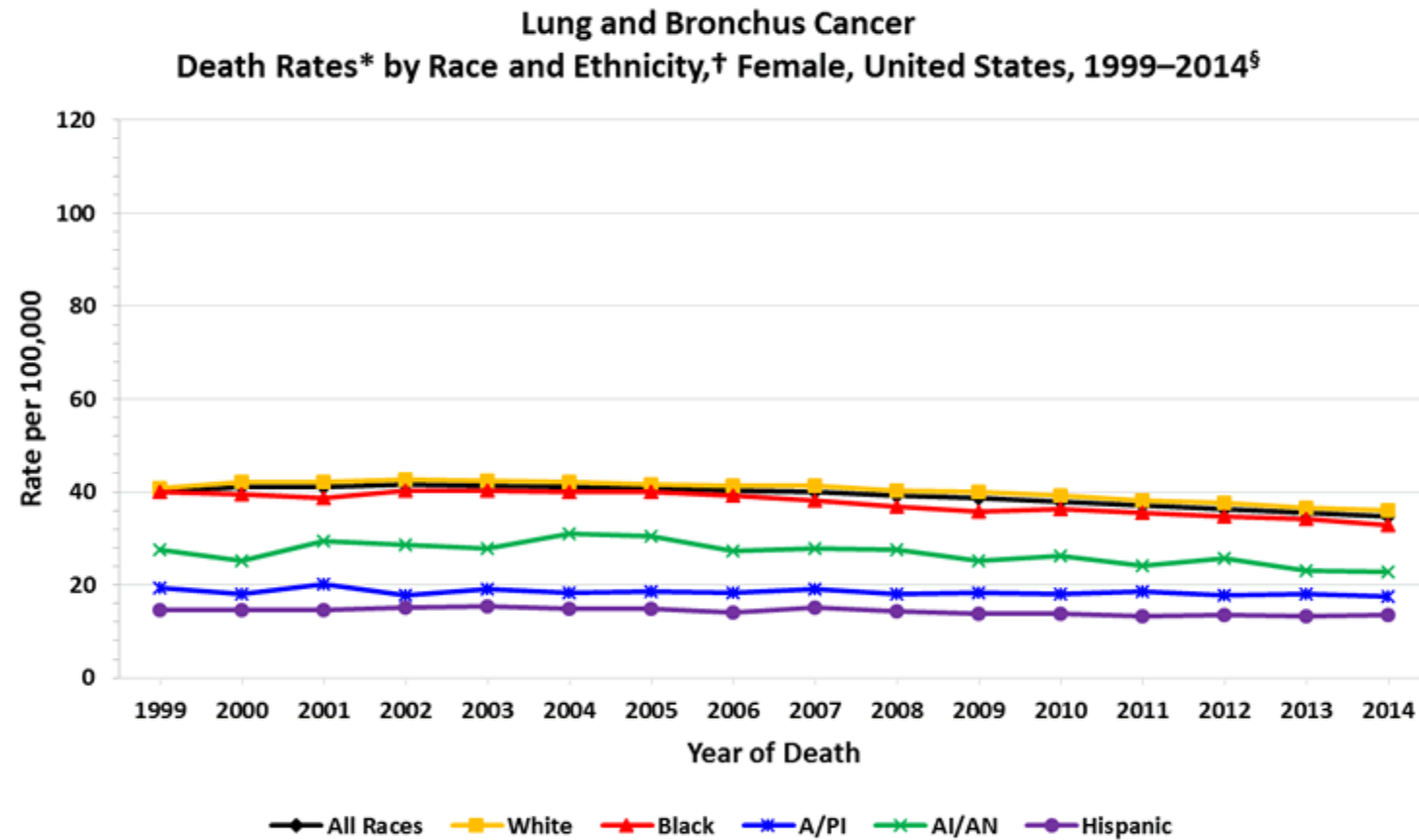
Lung Cancer Incidence Rates by Race/Ethnicity and Sex (Female)



Lung Cancer Death Rates by Race Ethnicity and Sex (Male)

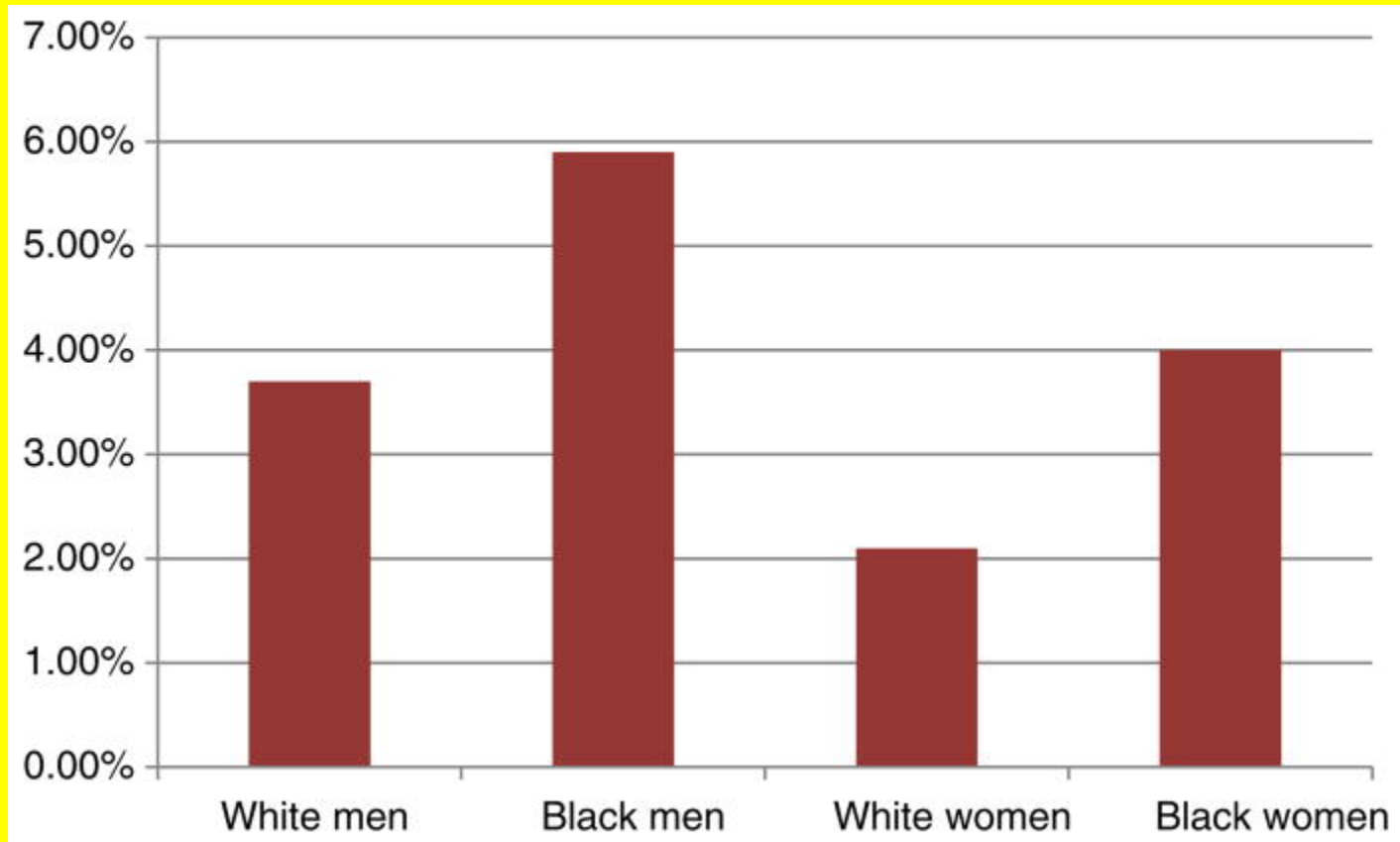


Lung Cancer Death Rates by Race Ethnicity and Sex (Female)

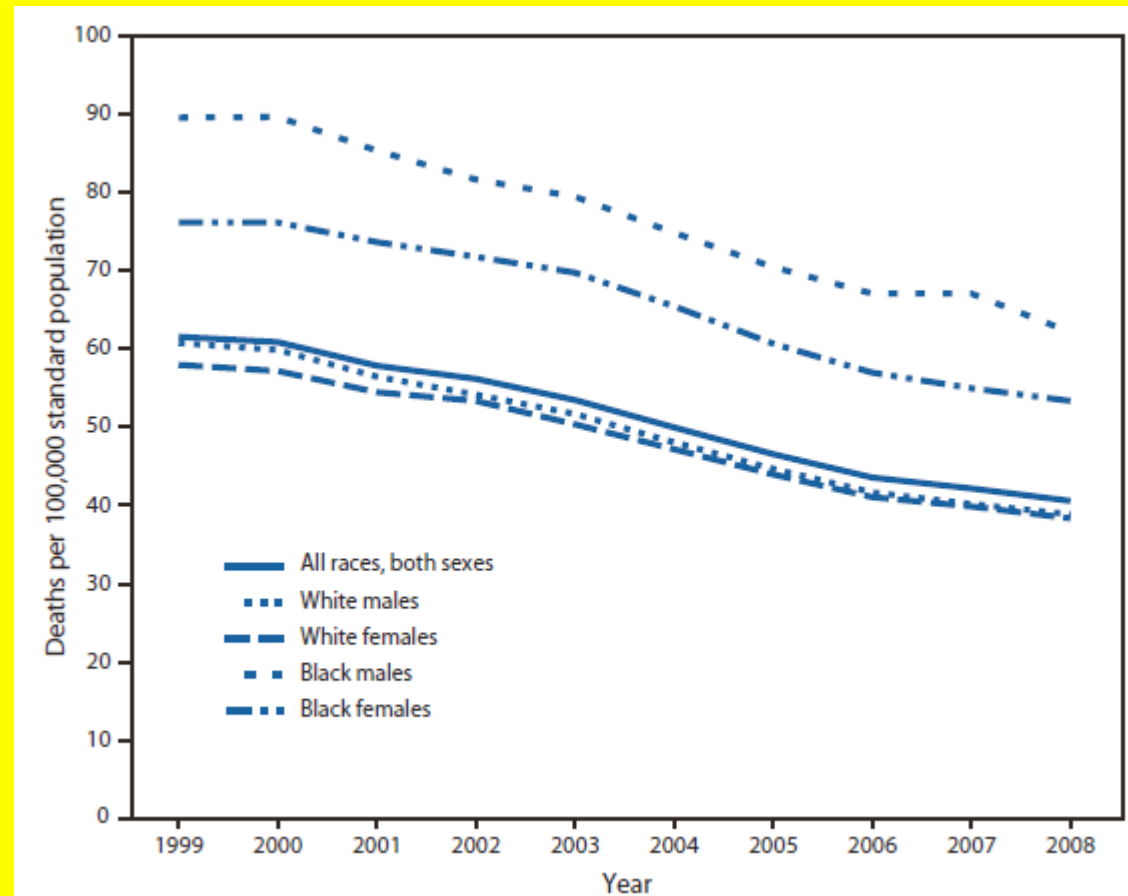


MI or Fatal CHD Incidence Rates by Sex and Race

(Leigh et al., 2016)



Cerebrovascular Disparities



Take Home Message: Menthol is a Social Justice Issue!

- The disproportionate marketing and targeting candy-flavored poison to African Americans and other specially oppressed sectors of our society, is out-right discriminatory and genocidal.
- Poorest; least informed; fewest resources; indeed the definition of preying on the most vulnerable sections of our society.

If Menthol Were Banned 100,000s of Lives Would Be Saved

2010 – 2050

All Menthol Smokers

Black Menthol Smokers

10%

323,107

91,744

20%

478,154

164,465

30%

633,252

237,317

(Levy, et al., 2011)

What's at Stake?



Thank You!

Phillip Gardiner, Dr. P.H.

gmoney.gardiner@gamil.com

AATCLC

Saving Black Lives

www.savingblacklives.org



Jono Polansky

Advisor, University of California, San Francisco, Smokefree Movies



Jono Polansky has played research, strategic and creative roles in some 200 policy advocacy campaigns in a dozen countries on environmental, public health and social equity issues. He was the creative director of San Francisco's Public Media Center before starting Onbeyond LLC. Since 2002, among other projects, Polansky has worked with health and medical groups, public health agencies and other stakeholders in University of California, San Francisco's [Smokefree Movies](#) campaign, which aims to prevent millions of tobacco deaths in this generation. Funders for projects in which Mr. Polansky has been engaged include the California Wellness Foundation, The Ford Foundation, Richard & Rhoda Goldman Fund, Henry J. Kaiser Family Foundation, Levi Strauss Foundation, The Pew Charitable Trusts, Robert Wood Johnson Foundation, Truth Initiative and Turner Foundation, and local, state and national governments.

WHAT IS HOLLYWOOD HIDING?

Entertainment companies have a long, documented history of promoting tobacco.

How it started.

How you can stop them.



First, the historical evidence. Much of it from tobacco industry's own files.



Industry documents uncovered in tobacco lawsuits trace decades of covert collaboration between Hollywood and Big Tobacco.

Tobacco's Hollywood timeline stretches 100 years

STUDIO ERA CROSS-PROMOS

Stars smoke in films.
Studios broker millions
in stars' ad fees.
Tobacco companies
pay for studios'
national ads.

MADISON AVENUE ADS

Tobacco
companies
own TV shows
or control
program
content as
sponsors.

PRODUCT PLACEMENT

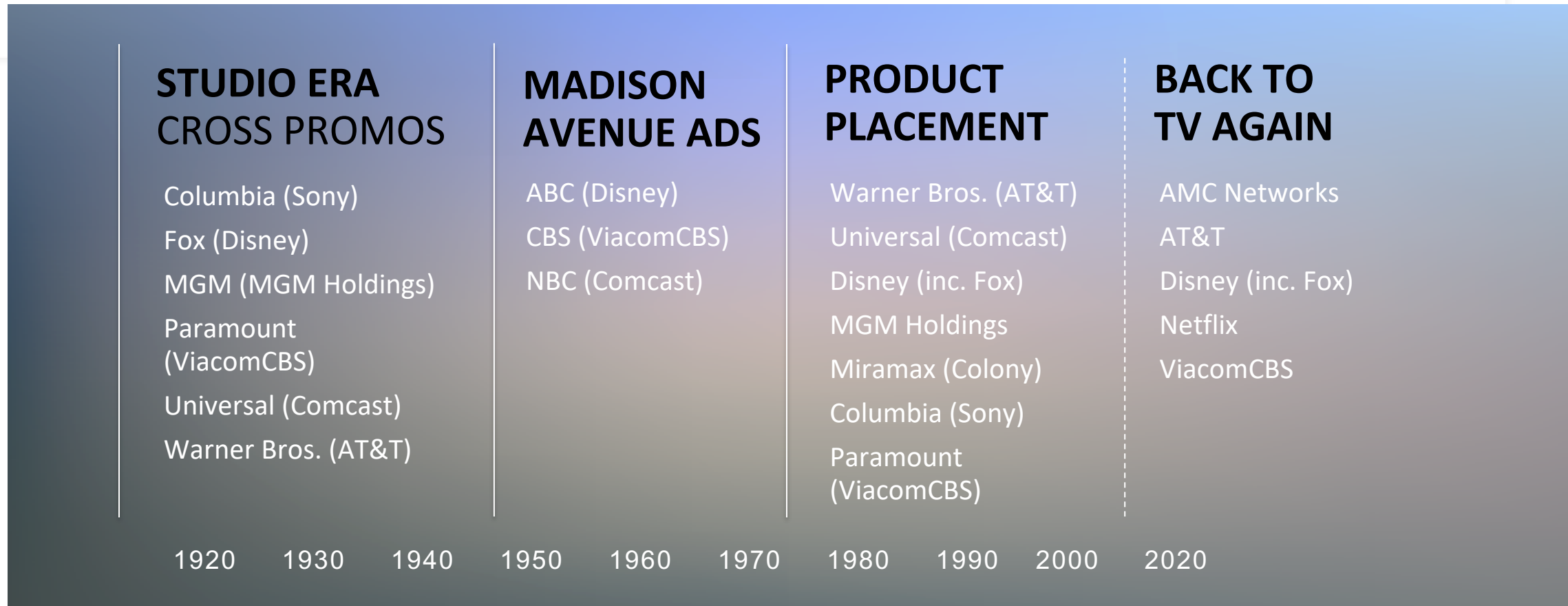
Banned from
TV/radio in
1970, Big
Tobacco
pursues
placement in
600+ movies.

BACK TO TV AGAIN






Smoking in
R-rated films
peaks and
smoking jumps
on streaming
channels.

1920 1930 1940 1950 1960 1970 1980 1990 2000 2020

The same studios are still in business, still putting tobacco on screen



Media company shares of tobacco exposure, 2002-March 2020

Companies	Films	With smoking	Tobacco incidents	Percent of total	In-theater impressions (billions)	Percent of total
 AT&T	411	53%	8,363	16%	79.4	21%
 COMCAST	360	56%	8,367	16%	57.0	15%
 WALT DISNEY	567	41%	6,514	13%	56.9	15%
 SONY	348	61%	7,568	15%	64.9	17%
 VIACOMCBS	242	58%	4,500	9%	42.6	11%
Independents	667	66%	15,820	31%	72.2	19%
	2,595	56%	51,132	100%	373.1	100%



AT&T includes WarnerMedia. Disney includes its Twentieth Century Studio division, formerly Fox. Comcast includes Universal and ViacomCBS includes Paramount. Tobacco impressions = Incidents X Paid admissions. Lower-budget indie films average smaller audiences than major studio films.

New Hollywood players have fallen into the tobacco promotion rut

NETFLIX

55% of all Netflix original scripted shows have featured smoking since 2012.

Stranger Things S3 (Netflix, 2019, TV-14) watched by tens of millions



Second, the conclusive scientific evidence, worldwide

- U.S. Surgeon General's conclusion (2012)

“The evidence is sufficient to conclude that there is a **causal relationship** between depictions of smoking in the movies and the initiation of smoking among young people.”

Screen smoking recruits 37% of all new, young tobacco users in the U.S.

U.S. CDC projects...

On-screen smoking will recruit **6.4 million** new young smokers in this generation.

2 million of whom will die from tobacco-caused cancer, heart and lung diseases.

UCSF estimated medical and productivity costs = **\$118.4 billion**



Estimated on calculated medical costs of \$67.1 billion and proportional productivity losses.

Global risks: Hollywood earns 70% of its revenue and delivers 80% of its tobacco exposure outside the U.S.



WHO Framework Convention on Tobacco Control, Article 13

Examples:



China



India



Nigeria

- Have first screen smoking regs in place
- Have their own large film/video industries
- Total 40% of world's population outside U.S.



World Health Organization | Internationally-distributed poster from World No Tobacco Day 2020.
For Article 13 implementation guidelines, see www.who.int/fctc/guidelines/article_13.pdf.

Five evidence-based, forward-looking policies for media companies, backed by the public and policymakers

- 1 Rate *future* films and TV shows with smoking R / TV-MA
- 2 Add anti-tobacco spots and advance warnings in plain language
- 3 Credited producers certify no tobacco pay-offs
- 4 No more tobacco brand display on screen
- 5 End public subsidies for future productions with smoking

WHAT IS HOLLYWOOD HIDING?

Download or share this slide deck

Please go to

bit.ly/sfm_ays102820





David Shugar

Smoke & Mirrors Report Author



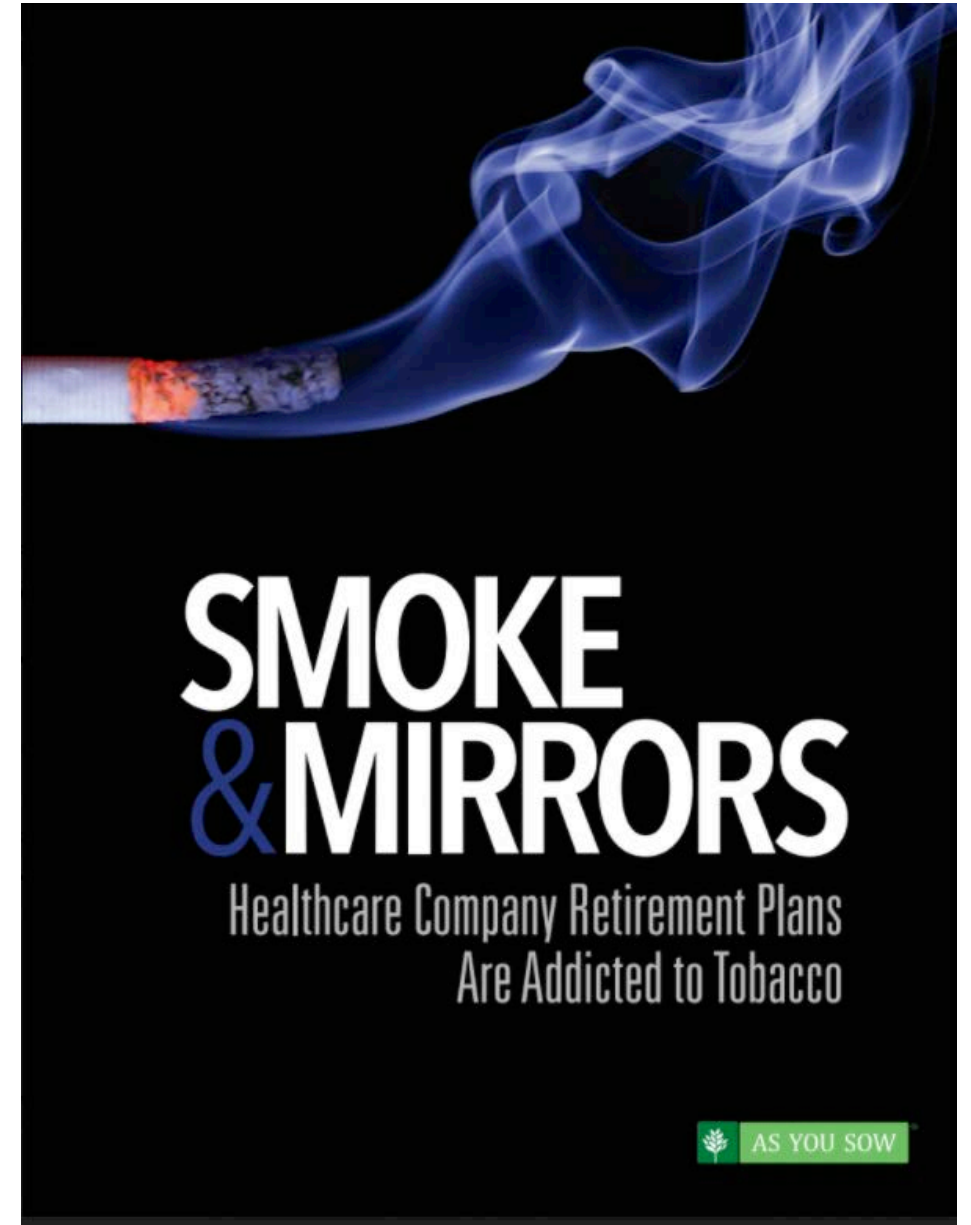
David Shugar works as a Sustainable Finance Consultant to improve the social and environmental responsibility of financial systems. He has an M.B.A. from Presidio Graduate School and a B.S. in Applied Physics from the University of California, Santa Cruz. Before consulting, David was the Energy Program Associate at *As You Sow* and the Director of Digital Solutions & Impact Investing Analytics at *HIP Investor*.

Smoke & Mirrors

Objective: Assess tobacco exposure of common retirement funds and healthcare company retirement plans

Key Findings:

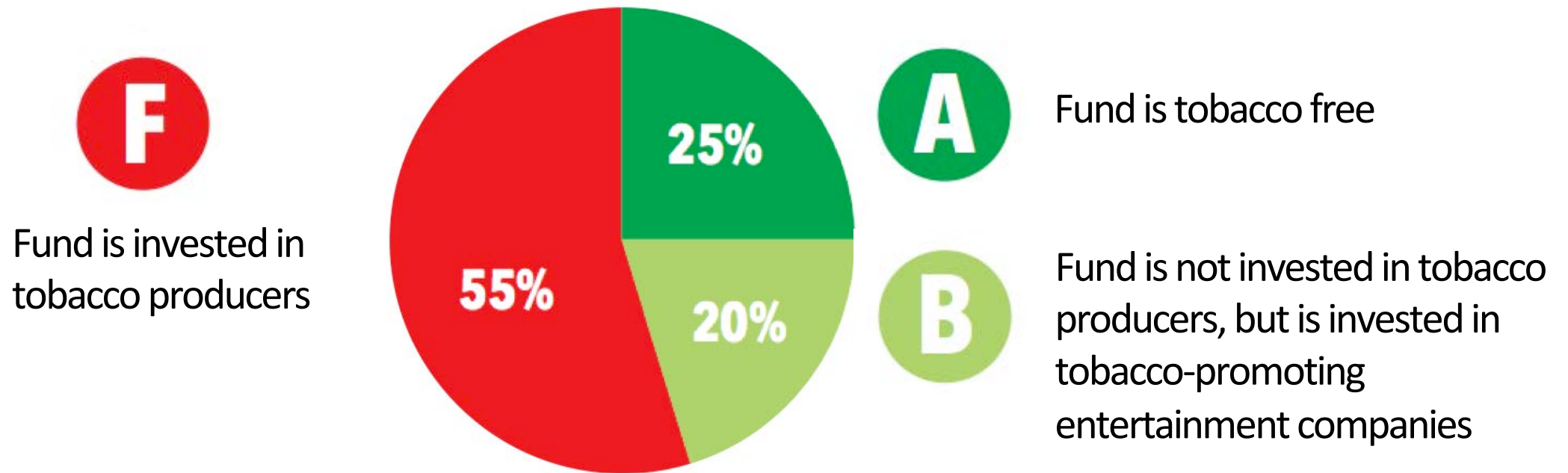
- 75% of top retirement funds have tobacco investments
- Tobacco free funds outperform funds with tobacco exposure
- 100% of the healthcare companies considered have tobacco investments



Tobacco Exposure of Top Retirement Funds

Key Result: 75% of the most common retirement funds invest in tobacco producers or tobacco-promoting entertainment companies

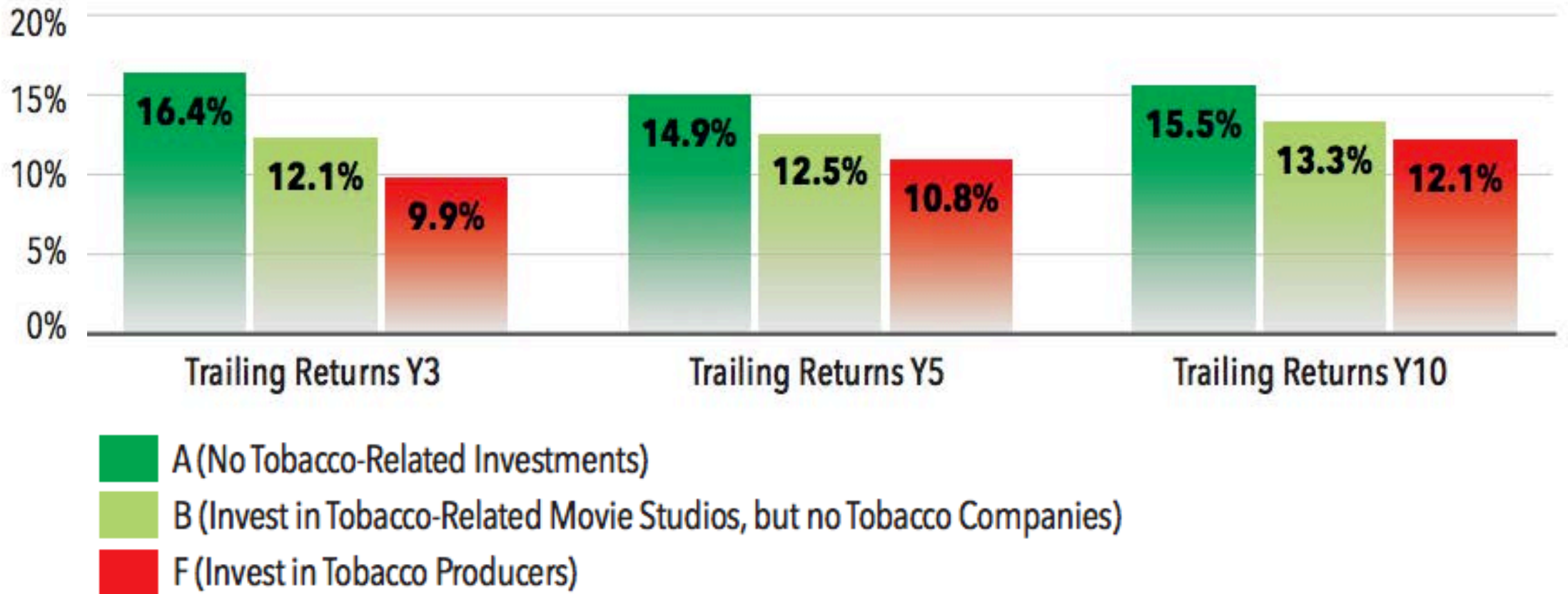
Tobacco Exposure of 100 Most Popular Mutual Funds in Retirement Plans



Tobacco Free Funds Outperform

Financial Performance of 100 Most Popular Retirement Funds

(As of August 31, 2020)



Healthcare Company Exposure to Tobacco

All of the healthcare company retirement plans considered have investments in both tobacco producers and tobacco promoters

COMPANY	PERCENT OF ASSETS RATED	TOBACCO PRODUCERS INVESTMENTS (AT LEAST)	TOBACCO-PROMOTERS INVESTMENTS (AT LEAST)	TOBACCO SCREENING GRADE
Abbott Laboratories	69.7%	12	20	F
Becton Dickinson	18.4%	3	8	F
Community Health Systems*	0.0%	NA	NA	NA
CVS Health	87.5%	36	21	F
DaVita	26.4%	21	10	F
HCA Healthcare	50.5%	10	14	F
Johnson & Johnson	98.1%	2	4	F
Pfizer	49.8%	4	5	F
Tenet Healthcare	33.6%	5	17	F
UnitedHealth Group	33.4%	9	20	F

Tobacco Free Funds Demonstration

www.tobaccofreefunds.org

Are your savings going up in smoke?

Find mutual funds and ETFs that avoid investments in tobacco companies and entertainment companies that promote smoking

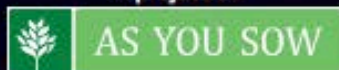
[Top-scoring funds »](#)

Search for funds from your 401(k), retirement plan, or personal portfolio

Search funds by name, ticker, or manager



A project of





Cathy Rowan

Director of Socially Responsible Investments for Trinity Health



Since 2003, **Cathy Rowan** has been the Director of Socially Responsible Investments for Trinity Health, one of the largest Catholic health care systems in the nation and a member of the Interfaith Center on Corporate Responsibility. Cathy leads Trinity Health's shareholder advocacy work on health equity, food and nutrition, tobacco control, environmental health and gun violence issues. She also serves as a consultant for the Maryknoll Sisters, representing them in shareholder engagements on issues such as global health, climate change, responsible lending, water and eliminating child sexual exploitation online.

From 1987-2002, Cathy was a Maryknoll Lay Missioner, living in Sao Paulo, Brazil for six of those years with her husband and two children, and working on a diocesan human rights team, a community-based child nutrition program, and with women's organizations and a lay ministry formation teams. She has a BA in Religion from Barnard College and an MS in Rehabilitation Counseling from Virginia Commonwealth University. She and her husband Tom live in Bronx, NY.



Shareholder action to eliminate tobacco depictions in youth-rated films

Long-time shareholder engagement with the parent companies of the major movie studios.

- ▶ **AT&T/WarnerMedia**
- ▶ **Comcast**
- ▶ **Disney/Fox**
- ▶ **Sony**
- ▶ **ViacomCBS**

Efforts began in 2003

Lionsgate added to engagement list in 2019

Shareholder actions include letter-writing (including investor sign-on letters) and regular shareholder dialogues with the companies.

The advocacy of shareholders and public health organizations led to all major studios adopting tobacco policies, with Disney's as the most comprehensive so far.

Tobacco depictions decreased by nearly half in 2010, but have remained flat since then ---- why?

- ▶ Loopholes in company policies
- ▶ Inconsistent implementation of the policies
- ▶ Exemptions for studio-distributed films produced by 3rd party, with a co-production partner or outside the U.S.

U.S. Centers for Disease Control & Prevention:

“Individual company policies alone have not been shown to be efficient in minimizing smoking in movies.”

2020 initiative: investor letter calls on media companies to address tobacco depictions in streaming content

- ▶ 35 investor signatories representing \$67.4 B in AUM.
- ▶ Letters sent to 8 companies (**Apple, Amazon, AT&T, Comcast, Disney, Lionsgate, Netflix, ViacomCBS**) in July. “Asks” included:
 - ▶ End tobacco depictions in new media products aimed at young people
 - ▶ End tobacco brand display in new media products
 - ▶ Use anti-tobacco public service announcements
- ▶ Responses so far:
 - ▶ Dialogues with Disney, ViacomCBS, AT&T/WarnerMedia
 - ▶ Written responses from Apple, Amazon
 - ▶ No response from Comcast and Netflix
- ▶ Next steps: Follow-up with non-respondents, schedule dialogues and continue engagements.

New resource: The business case for smokefree media lays out reputation, legal & regulatory risks

BUSINESS CASE PACKAGE

From SFM and shareholder partners



The right thing is the smart thing.

The business case against promoting tobacco to kids in movies and TV shows

 **SMOKE FREE MOVIES**
SmokeFreeMovies.ucsf.edu

University of California, San Francisco, Center for Tobacco Control Research and Education | July 2020

<https://bit.ly/sfm-casebook2020>



Dr. Bronwyn King

CEO, Tobacco Free Portfolios



Dr. Bronwyn King AO is a social entrepreneur, movement maker, company director, medical specialist and humanitarian on a mission to inspire and transform organizations into purpose driven, sustainable businesses. She is the Founder and CEO of Tobacco Free Portfolios, an NGO she established after her uncomfortable discovery that her own hospital's pension plan was investing her money in Big Tobacco. Alongside an accomplished team of medical doctors, ethics experts and sustainable finance professionals, her engagement across the global corporate, finance, health and diplomatic sectors led to the launch of the Tobacco-Free Finance Pledge at United Nations' Headquarters in 2018. This initiative — backed by President Macron and former Australian Prime Minister Turnbull — now has 145 Signatories with combined AUM of US\$10.9 trillion. Dr. King's 2017 TEDx Sydney talk has been viewed more than 3 million times.

A former elite swimmer who represented Australia and for ten years worked as Team Doctor for the Australian Swimming Team, Dr. King is also an Australia Day Ambassador and an Ambassador for Big Brothers Big Sisters Australia. In 2019 Dr. King was awarded an Order of Australia (AO) for distinguished service to community health. She is the reigning Melburnian of the Year, an award bestowed by the City of Melbourne.

Questions and Answers

- For technical support call 1-855-888-6094
- Use the Q&A window to send us your questions



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Wednesday, October 28, 2020



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