

Lawsuit Alleges Collaboration Between Philip Morris International and the Supposedly Independent Foundation for a Smoke-Free World

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Statement of Campaign for Tobacco-Free Kids and STOP

WASHINGTON D.C. AND NEW YORK – A lawsuit filed earlier this week by a former employee of the Foundation for a Smoke-Free World (the Foundation) alleges that—far from being the independent, health-focused organization it claims to be—the Foundation coordinates its activities with some of the world’s biggest tobacco companies including Philip Morris International (PMI) and Altria. Further, the lawsuit alleges that the Foundation goes so far as to promote the tobacco companies’ addictive products such as electronic cigarettes and reinforces the tobacco companies’ marketing themes. For these reasons the plaintiff alleges the Foundation violates the conditions of its tax-exempt status in the United States, and that she was wrongfully fired from the Foundation when she questioned these activities.

If proven to be true, the former employee’s allegations are consistent with what health authorities and tobacco control advocates around the world have claimed since the Foundation was first announced by global tobacco company Philip Morris International, its sole funder: The Foundation for a Smoke-free World is nothing more than a smokescreen to promote the company’s products and its misleading claims to be concerned with health.

The lawsuit was filed on January 13, 2021 in U.S. District Court in Manhattan.

The Foundation’s former Director of Digital and Social Media bringing the case, Ms. Lourdes Liz, alleges in her complaint that the Foundation downplayed the health risks of electronic cigarettes and even promoted them through programs aimed at teens. Ms. Liz also asserts that the Foundation’s president, Derek Yach, and the Foundation’s advertising agency proposed, but did not carry out, social media marketing “that used Instagram influencers and personalities who performed vaping and e-cigarette related tricks (such as blowing circular ‘vape’ bubbles after inhaling from an e-cigarette).”

“If ultimately proved true, the pattern of close communication and cooperation between the Foundation and Philip Morris along with the efforts to minimize the risks of e-cigarettes outlined in the lawsuit will destroy any myth that the Foundation is anything other than an arm of Big Tobacco,” said Matthew L. Myers, president of the Campaign for Tobacco-Free Kids.

“The allegations contained in the suit, if determined to be true, will add to growing evidence that the Foundation for a Smoke-Free World may be acting as a front group for Philip Morris International,” said Sandra Mullin, Senior Vice President, Vital Strategies, and a Partner in STOP. “If found to be true, this lawsuit should make it clear to anyone considering working with or accepting funding from this organization: The Foundation is part of the tobacco industry, and you risk undermining your goals and reputation by working with it.”

Collaboration between the Foundation for a Smoke-Free World and U.S. tobacco company Altria is also alleged in the lawsuit. Altria is a significant owner of Juul Labs, the company behind an explosion of youth e-cigarette use in the United States.

The allegations of improper coordination between the Foundation and some of the world’s biggest tobacco companies come just weeks after the Foundation watered down its own pledge agreement, making it clear that communication with Philip Morris is not prohibited.

The lawsuit contains a number of allegations that could decisively undermine the Foundation’s already controversial reputation with policy makers, schools of public health, research institutes and health and youth advocates around the world. These allegations include:

- In an email to Ms. Liz, Derek Yach “confirmed that he, the Foundation’s President, was holding strategy sessions with the Big Tobacco industry” and “that he was willing to take the tobacco industry’s direction about the Foundation’s own efforts, spending, and messaging, which was unquestionably violative of the Foundation’s legal obligations as a 501(c)(3) tax-exempt organization.”
- “The Foundation claims that it operates entirely independent from the tobacco industry. However, the Foundation actually works to advance PMI’s and Altria’s goals, and not the Foundation’s publicly stated mission. PMI and Altria also use the Foundation as a conduit to engage in activities, such as advertising, in which PMI and Altria are restricted from participating.”
- Liz alleged that “the Foundation planned to fly the United States-based Conrad Challenge contest winners to Catania, Italy to visit the Foundation’s Centre of Excellence there, whose Founder and Director, Riccardo Polosa, had previously accepted a €1 million grant from PMI to investigate PMI’s heated tobacco products. It was clear to Ms. Liz that was yet another attempt by the Foundation to further align itself and its messaging with PMI by propagating a pro-vaping message aimed at teens...”
- Liz alleged that “PMI had published a sustainability report documenting its efforts in Malawi aimed at encouraging the diversification of crops beyond tobacco, such as maize and soybeans. This report *completely mirrored and sounded identical* to the Foundation’s own ‘Agricultural Transformation Initiative.’ This was a blatant example of the Foundation’s collusion with the tobacco industry, in contravention of its purportedly independent, non-profit tax-exempt status.”

- “PMI and the Foundation, at the direction of Mr. Yach, would also later coordinate open letters to the executive leadership of the World Health Organization in January 2019.”

Hundreds of public health organizations around the world, including universities, civil society organizations, research institutions and scientific journals have already rejected the Foundation and its science because of its financial links to PMI.

The Foundation has 21 days from when first served with a summons to respond to the lawsuit.