

PREPARED STATEMENT  
of  
FEDERAL TRADE COMMISSION  
on  
CIGARETTE TAR AND NICOTINE TESTING

Before the  
SUBCOMMITTEE ON TRANSPORTATION, TOURISM  
AND HAZARDOUS MATERIALS

U.S. HOUSE OF REPRESENTATIVES

MAY 7, 1987

presented by: Oliver, Daniel

I am happy to be here today to present the Commission's statement regarding its decision to terminate its in-house cigarette testing program. The Commission staff's review of the continuing need for our facilities began in 1982. During its review, staff consulted with representatives from the Surgeon General's Office, the Office of Smoking and Health, the National Cancer Institute, the major health groups, the tobacco industry and Congressional staff members.

The Commission unanimously voted to close the Cigarette Testing Laboratory on February 13, 1987. That decision was based not only on the present costs of running the laboratory and the additional funds that would be required in order to update and maintain the laboratory, but on the fact that those costs would be incurred even though the same information is currently being generated by the cigarette industry and can be obtained from it at little additional cost to the government. On February 19, the Commission sent letters to the Chairmen of the Senate and House Appropriations Committees notifying them of its decision. On March 27, the Senate Appropriations Committee orally notified the Commission that it had no objections to the closing of the laboratory. By letter of April 9, the Chairman of the House Appropriations Committee notified the Commission that he also had

no objections. After receiving these approvals, the Commission formally announced the closing of the laboratory on April 15, 1987.

In 1966, the Commission initiated several actions for the purpose of encouraging cigarette manufacturers to provide consumers with accurate comparative information concerning the tar and nicotine content of the cigarettes that they smoke. In that year, the Commission ended a six year ban on tar and nicotine advertising, adopted a uniform testing system measuring tar and nicotine content, and sent a letter to the domestic manufacturers approving their dissemination of tar and nicotine claims, if such claims were supported by tests conducted in accordance with the approved method. In 1966, the Commission also created the Cigarette Testing Laboratory to facilitate the dissemination of tar and nicotine information pursuant to this uniform testing standard, and began to provide the results of its testing periodically to Congress. Since 1971, the cigarette industry has included tar and nicotine ratings in all advertising as a result of a voluntary agreement among the major cigarette companies. The current voluntary agreement among the companies requires the companies to test new and reformulated cigarettes

for tar and nicotine between Commission testing periods using the Commission standards. In addition, the companies often test each others brands for accuracy.

Each of the major cigarette companies either has a laboratory of its own or has access to a laboratory to do tar and nicotine assays. In addition, the Tobacco Institute Testing Laboratory (TITL), a private laboratory run by the cigarette industry, does tar and nicotine testing. The methodology, procedures and processes that the companies and TITL use are identical to those that the Commission has followed. The equipment used by TITL is practically identical to the equipment that the Commission has used, except that in many cases the equipment is newer or is automated.

I wish to emphasize that the closing of our in-house facilities will not significantly affect our ability to ensure the accuracy of tar and nicotine claims. Indeed, the Commission has only recently completed a vigorously contested litigation involving the accuracy of tar and nicotine claims made by a major manufacturer. Importantly, that case arose not as a result of Commission testing or monitoring but because of a competitor's complaint. The Commission will continue to monitor advertising

for deceptive tar and nicotine claims and bring appropriate enforcement actions. Because tar and nicotine ratings are an area of intense competition within the industry, we expect that if a company were to publish incorrect ratings, we will hear quickly from its competitors. In addition, we will continue in the future to collect tar and nicotine ratings from the companies and report that information to Congress. As with all data that we collect from the cigarette companies, we will scrutinize the ratings for accuracy and reliability. If we should have a question about any individual rating, we have access to testing facilities at Oak Ridge National Laboratory.

In sum, the Commission established its laboratory in order to facilitate the use of a standardized methodology for the testing of the tar and nicotine content of cigarettes. In this regard, we have been highly successful, for the procedure followed by all the companies is the one used by the Commission and is in fact called the "FTC method." Having established the Commission's methodology as a uniform testing standard, the Commission concluded that there was no longer a need for the federal government to duplicate the testing program already being conducted in the private sector, which provides the same information. We have every expectation that accurate tar and

nicotine information will continue to be provided to consumers without the unnecessary expense of governmentally supported testing. If for any reason that expectation proves incorrect, we are prepared to take vigorous corrective action.

Thank you.