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Off the boards



Howard Castleberry / Chronicle

Motorists file past the 3M billboard overlooking the Southwest Freeway at Fannin Thursday afternoon. The company announced that

it will not accept advertisements for tobacco products, like Doral cigarettes above, after this year and stop running ads by the end of 1998.

3M Media to stop running tobacco ads on outdoor signs

By CHARLES BOISSEAU
Houston Chronicle

3M Media, one of the nation's largest billboard companies, said Thursday it will stop accepting tobacco ads, becoming the first outdoor ad company to do so.

3M, the second-largest publicly held billboard owner after Gannett Co., said it partly agreed to withdraw from the business because of the "mixed message" that it was making money on tobacco ads on the one hand and health care products on the other.

Groups such as the Houston-based physician anti-smoking group Doctors Ought to Care have been pressuring 3M to resolve the conflict of interest.

"That wasn't a good message to send, and it is important for us to be consistent," said Mary Auvin, spokeswoman with St.

'They have done something no other media company has done. It's a major first step.'

The Rev. Michael Crosby

Paul, Minn.-based Minnesota Mining & Manufacturing Co. The company, in addition to making Scotch brand tape and Post-It Notes, has a \$2 billion health care business that makes everything from surgical gowns to heart/lung machines.

Specifically, 3M said its outdoor media operation would not accept additional contracts for tobacco advertising after Dec. 31, and would withdraw completely from the business by

Dec. 31, 1998.

3M won praise from President Clinton, who last year ordered a crackdown on smoking by teens and asked the Food and Drug Administration to regulate tobacco.

"I applaud 3M Media for accepting responsibility for the impact billboards have," Clinton said in a statement. "We must all work together to protect our children from the lures of tobacco."

3M's move is expected to heighten the pressure on its rival billboard companies and even publishers — among the few media outlets that accept tobacco ads — to follow suit.

3M's move is part of an agreement with the Interfaith Center on Corporate Responsibility, a coalition of Protestant, Catholic and Jewish institutional investors that use their \$50 billion

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in investments to raise social issues with corporations.

"They have done something no other media company has done. It's a major first step," said the Rev. Michael Crosby, tobacco coordinator of ICCR.

Since 1990, 3M has been reducing the number of tobacco ads in response to a shareholder resolution from ICCR.

Among those also claiming victory was Alan Blum, founder of Doctors Ought to Care, who has negotiated along with ICCR.

"Here's a company that advertises itself as a major contributor to health care ... and they're out there on (U.S.) 59 promoting Marlboro and Camel," Blum said. "To my mind, we've been able to expose this and the company in effect said, 'You're right.'"

During the past five years, 3M said it has reduced tobacco ads by more than 60 percent, and today tobacco ads account for only about 2 percent of 3M Media's revenues.

Then in November, Interfaith members met with 3M to get the company to go further and ban the ads altogether, but an apparent agreement temporarily fell through.

Members of ICCR threatened to bring up the issue as a resolution at 3M's upcoming board of directors meeting later this month. Meanwhile, Blum applied pressure on different medical facilities.

Some Catholic health care systems, including Incarnate Word Healthcare Systems in Houston, talked about whether to boycott purchase of 3M products, Crosby said.

Finally, 3M in mid-March agreed to ban the ads, but it didn't make the announcement public until it had a chance to explain the move to ad agencies.

"Should we have done it sooner? Maybe," 3M's Auvin said. "We have to balance a lot of things in this decision. We knew we were moving in this direction."

"There was a lot of fear there would be a reaction from companies that buy space on their billboards," Crosby said.

For instance, 3M executives worried that companies that place ads for Philip Morris Co., maker of Marlboro, in retaliation could pull all ads, including those for its Kraft and General Foods products, he said.

Interfaith plans to pressure other companies. Next week, it plans to support a resolution at the shareholder meeting of Gannett to ban tobacco ads on its billboards, Crosby said.

Blum, a 3M shareholder since his father gave him stock on his bar

mitzvah more than 30 years ago, said 3M's decision shows they faced up to the "hypocrisy" of having a major health care operation while making money off tobacco ads.

3M's Auvin said, "I know Dr. Blum wants us to move more quickly on this, and in hindsight he probably was right. This is the path that makes the most sense for us given the contractual relationships and legal obligations we had made."

But Blum said the list "goes on and on" of companies that have interests in both health care and tobacco. He cited among others Hoechst Celanese, which makes treatments for congestive heart failure and a nicotine patch but also is a leading maker of cigarette filters.

"The public is not aware that pharmaceutical companies have had long and deep ties to the tobacco industry. So they get them coming and going," said Blum, who also is an associate professor of family medicine at Baylor College of Medicine.

But shareholder pressure is causing some companies to bail out of their tobacco interests. Kodak, which makes radiology imaging equipment and X-ray film, recently sold its cigarette filter division. And, last year Kimberly-Clark Corp. of Dallas, the largest producer of cigarette paper, spun off its tobacco interests.