

UW Career Fair // February 13, 2013 // UW Husky Union Building

*Parentheses indicate where I couldn't make out the exact words, but paraphrased what was said. Ellipses indicate where information is missing because I couldn't hear.*

Kate: Hi, I'm Kate, nice to meet you.

Altria: ...And what are you interested in?

Kate: Um, internships, specifically in communications, marketing.

Altria: Tell me about what your background is in.

Kate: Yeah, I'm especially interested in health communications. So, one of the things I wanted to ask you about, I know you guys do some sort of youth education marketing campaigns, so that's something I'd be interested in. But, also, marketing and promotions in general. I've done some programming and PR work for various, both non-profits and for-profit organizations, so that's something I'm interested in.

Altria: Great. Do you know much about our company? You know about our youth tobacco prevention program.

Kate: Yeah, I know a little bit about that, but I'd love to hear the overview.

Altria: We're here looking for sales internships. We sell tobacco products – Marlboro, Skoal, Black and Mild. We operate in a very challenging industry. You would never see a Marlboro ad in the newspaper or on TV... We market behind the counter, and we also have direct-mail, which is actually in our marketing department. Our company is based in Blacksburg, VA, so a lot of the opportunities are based there, however with the internship... interns manage about \$50 (??) million of revenue, and it's all about... work with customers, but also analyze our business model and implement a plan to measure their performance, and then present on it at the end of the summer.

We model our internship on what it's like to work at the company. We pick the right people – sometimes it doesn't work out – but most of the time it does. Eric {colleague who is with her} was an intern a year ago, I was an intern five years ago. Training, the people, we promote mostly from within, so the CEO (knows what it's like to be on the ground). I've been moved four times in the five years I've worked here – they paid for my MBA, which I'm getting currently. You have the opportunity to be promoted laterally as well as vertically.

If you go to our website it will tell you more about the jobs themselves. This {hands me flyer} is for a mock interview – perspectives on what we're looking for. I'm going to be interviewed by Eric.

Kate: Do the interns get to work on any of the tobacco prevention, youth education projects?

Altria: Oh, I'm sorry, I didn't tell you about those. So, basically, no... There is a department in headquarters that runs that project, so you're not going to be.... However, what I would say, is that could be something – you're still required to go to your accounts and analyze them, volume and the sales, but it could also be a component of that.

We're very responsible in how we market our product. And, something you might have seen is "We Card" tobacco prevention. We put it on the front of the door, it's white and it says "We Card". We .... The government hasn't asked us to do that, but that's one thing. Have you studied the history of the tobacco industry? The Master Settlement Agreement was in the eighties, I think? Was that it? And after that – it's like in *Thank You For Smoking*. It's not exactly completely accurate, but descriptive, where the tobacco companies said, "Okay, you're right, tobacco's bad for you, we'll put that on the packs. We'll give a certain percentage of the [tobacco money to prevention]. After that point, our company, we have number one share of the market, we've gone over and above what our competitors have to be overly responsible. So, we've got programs (for prevention) we spend over five billion dollars a year –

Kate: Billion, with a 'b'? Wow.

Altria: Yeah, on making sure youth are not smoking... And also we spend I think about four or five million dollars a year on helping people with cessation, as well.

Kate: Oh really, I hadn't heard about that program.

Altria: It's adult cessation and youth tobacco prevention. If you want to (go online) and get more facts about it. But, basically, it shows that our consumer base is only adult tobacco consumers.

I've never tried the product, I never will.

Kate: Really?

Altria: A lot of people are like that. I'm a runner! I'm healthy! But, you know, obviously, I made a choice out of college. I said: You know what? I want to work for a company that I know I'm not personally [going to buy from], but has a lot of great benefits. I love the people, I love the benefits – they're great. But, I also can get behind, because tobacco companies didn't benefit -- and I think, like, I would rather help [unintelligible] be more responsible in the way we do the market. Like, if you go on our website, Marlboro.com, and you register, you have to provide your social security number to verify that you're eighteen years old. We truly, only market to

those who are 18 and above. I mean, even like on the counter, when you go into a store, we will not [put our logo on their storefront] if they have tobacco products or signage on the counter, because we don't want um little kids to be able to access it. We want to make sure we support our customers – our retailers – for complying. And that's a really big thing. ...in our business, it's not worrying about the *what* we achieve, but about *how* we achieve it.

Kate: OK. So, just so play, uh, devil's advocate, I assume smoking is decreasing right now?

Altria: It's decreasing 3 – 4 percent every year.

Kate: And, so, how does that affect your business, and the company in the long term?

Altria: That's a good question. The company has been changing over time and the reason is we've been able to acquire many other companies since then. If you look at our chart here: that's today – it used to be solely Philip Morris, and Philip Morris International. And for a time we had Kraft and Miller (??). Now we have an investment in Miller. But, currently – [there's a reduction in smokers] this is a very predictable, the same, timeline every year. The reason that is is because the government continues to increase the tax. Washington has one of the highest taxes in the nation. We drive to a store here and you're going to see \$9 prices, and you drive over the border to Oregon and you're going to see \$5 prices. So, that makes a big different to the consumers.

What we are seeing – we bought Black and Mild cigars, which are growing. Their timeline is going up, year after year. Our revenue stream – 99% of it, 4 years ago - came from cigarettes, now it's 75, because that other 25 is coming from what other companies are providing. So, our company, our CEO has said, our strategy is to have the best brands, and the best people. We want to send the people in to sell the whole tobacco category, and not just a specific brand. And yeah, [smoking is going down]. A lot of people, society, just doesn't agree with it, you know? And there's a lot of reasons why -- we've seen smoking bans over the years. A lot of reasons why... Some people go from cigarettes to other tobacco items – probably most. And some people choose not to use tobacco at all, and great for them. Does this answer your question?

Kate: Yeah, yeah, you're shifting from one product to another product.

Altria: Right. I mean, I wouldn't be surprised if we – don't quote me on this – I wouldn't be surprised if we bought Frito Lay, or Pepsi. Something where we align with our... The same in our... {I think she's saying products that are sold in the same places as tobacco, but not sure}.

Kate: Yeah, that makes sense.

Altria: It's a very interesting company, and they're very financially disciplined, where, you know... reward the people who are here, have been here for years.

Kate: And, you made it sound like the internships are all based out of Virginia?

Altria: No, they're here. I'm sorry I didn't make that clear. What I was saying was that if you want to go specifically go into marketing – there's a team, for tobacco prevention – and that team is based out of Virginia.

Kate: I see, I see.

Altria: These internships are all in Seattle. I'm looking for five to eight strong interns for this summer, more or less depending on the quality. And, that would be Seattle, and we also offer Portland, and in the past, if we've had a lot more than that, then we also offer Boise, Idaho.

Kate: Oh, that's where I'm from originally!

Altria: OK, great!

Kate: And so, the internship that we're talking about specifically, for creating the marketing plan, does that involve going out into the field and doing research and doing marketing in the field, or is it mostly in the office?

Altria: I would say it's mostly in the field because you need to understand it on a market level and a store level to understand what's going on in the data. So, in a five day week – it depends on what you're working on – but, maybe in a five day week you could spend one or two days in the office to analyze your business and come up with the right PowerPoint presentation and everything that you want to go do, how you're going to sell it. Then, the rest of the week is in the field, interacting with clients.

Kate: Exciting! So, there's direct sales?

Altria: Well, business to business. I'm selling 7-11 on bringing in 200 cartons of Marlboro because we have a 7.50 cent price promotion on it, so that's why there's an incentive to them, to lower the price, but they're going to sell it. *We* never sell directly to the consumer.

Kate: Yeah, yeah. {Laughter} We're not going to be selling cigarettes out of our trunk.

Altria: {Laughs} Oh no. Maybe back in the day, but no, not now.

Kate: What about in terms of promotions. I think they used to do promotions at fraternities, and stuff like that, I don't know if that's still going on.

Altria: We've had Marlboro bar nights before. It's a third-party company we use, so it's not actually us. Although we all wish it was us, we think that'd be fun!

Kate: Yeah! {laughter}

Altria: You know, interacting with consumers. But they go and promote to adult tobacco consumers. If they find out they smoke they'll give them, you know, a hat. You know, you want to be able to reward your customers. So, they do that at bars. They actually do that a lot here near the university, on Thursday and Friday nights.

Kate: Oh, what bars?

Altria: Um... I can't remember. Come to the info session and I'll tell you. I'll have to do some research for you.

Kate: Cool!

Altria: So, do you think you'd be interested? You told me a little about your background. Did I help shed light on the intersection with a tobacco company? Do you think you could ever see yourself working for a tobacco company?

Kate: Yeah, I think it sounds really interesting. I mean, I do think it would be something I'd have to think about – the social responsibility aspect is something that's important to me.

Altria: Yeah, that's important.

Kate: Knowing that you're not a smoker – I'm not a smoker, either, so, hearing that that's not the culture there, necessarily, is good. I don't know, what do you think?

Patricia: Yeah, it's interesting

Altria: You have to think about it. That's something we look at in the interview process. Obviously, I'm sure you're not going to have the answer right now, I'm just curious –

Kate: No, no --

Altria: Because it is something we try to weed out. Even in the final steps of the interview, because, you know, you want a long-term career, and we want a long-term employee. So, you've got to make that decision early on, to know what's right for you. But, for me anyway, the more that I've learned about this company, the more I love it. And, you know, I never grew up thinking I was going to be a manager of a tobacco company, but I always knew what I wanted, you know, personally and financially, and I've done really well. I've gotten a lot of training and I've had a lot of

roles within this company. You know, I haven't said 'no' yet. I haven't even thought of looking. I've been here for five years, and I've never been bored. It's a balance here... I think it's really important when you go to work for a company that you meet more than one person. Because think about the people who a business is going to send here. They look good in a suit, they communicate well, or they're local, you know, whatever reason, they're here. The more people you get exposure to, the better perspective you're going to get on it. And that's something that I think our company...

Kate: I didn't catch – are you based out of Seattle?

Altria: I am based out of Seattle. I cover, I manage a quarter of the state. About 90 million dollars in revenue. I report to my boss, who oversees Washington and Alaska. It's about twelve managers and five tiers in the Pacific Northwest. I'm originally from Texas, went to school in Arizona, and I've been moved all across the west coast since then. I definitely want to stop. I can say, "You know, I'm really happy where I'm at. You can stop moving me!"

Kate: Yeah, that's cool you...

Altria: I don't know if I showed you yet, let's get your contact information so we can contact you. {Directs us to computer for entering contact info.}

Kate: Yeah, thank you.

Altria: You know what I was thinking? Is there any class you have, like an Ethics class you've been part of? One thing we've done before on other campuses is we've had our rep come in and talk about the ethics of tobacco. Not to sell our company, but just to have a discussion. It's a really interesting topic, you know? Like, to talk about basic rights. And, you know, like, we are not selling marijuana, but that's a question we get a lot.

Kate: Is that something you're considering, in terms of diversification?

Altria: We would never do something that's not ethical, that's not legal. It's not legal nationally, so we would never consider it. So, it's not in our future, for sure, but I bet some of our competitors might.

So, with that change... it brings up questions about ethics. So, my question is, do you have one of those sorts of classes?

Kate: What sort of classes have you been in? I'm not in an ethics class.

Altria: I mean, something where it would be applicable to talk about the tobacco industry, where that could come in.

Kate: I'm trying to think of classes I'm in. Public health classes?

Altria: If you think of any -- I'll email you a reminder, email me back...

That's the benefit of being a student, on campus, this is the only time in life when companies come to you, you know? But, take advantage! It's great. I think the more perspectives you can get, about any company -- there's more ethical questions out there.

Patricia: Right.

Kate: Thank you for taking so much time with us.

Altria: It's been great talking to both of you. Come to the informational session on Tuesday.