

**FOR IMMEDIATE RELEASE: June 28, 2010**  
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**U.S. Supreme Court Upholds Verdict that Tobacco Companies Conspired  
To Deceive American Public and Addict Children**  
**Statement of Matthew L. Myers**  
**President, Campaign for Tobacco-Free Kids**

**Washington, D.C. (June 28, 2010)** -- The U.S. Supreme Court today declined to hear appeals in the federal government's civil racketeering lawsuit against cigarette manufacturers. Today's decision upholds the trial court's historic verdict that the cigarette manufacturers are racketeers and have engaged in a decades-long conspiracy to deceive the American public and target children with their deadly and addictive products. That verdict is now final and undeniable: The cigarette manufacturers have been found guilty of engaging in a deadly fraud that is unprecedented in our nation's history.

The case before the Supreme Court stemmed from U.S. District Court Judge Gladys Kessler's landmark 1,683-page opinion issued in 2006 that found the major cigarette manufacturers guilty of violating civil provisions of the Racketeer Influenced and Corrupt Organizations Act (RICO). Judge Kessler found that the cigarette manufacturers had acted illegally when they "lied, misrepresented and deceived the American public, including smokers and the young people they avidly sought as 'replacement' smokers, about the devastating health effects of smoking and environmental tobacco smoke."

However, Judge Kessler also determined that she was constrained in the types of penalties she could impose on the industry because of a prior controversial appeals court ruling that restricted financial remedies under civil RICO.

It is disappointing that the Supreme Court also denied appeals by the government and public health organizations that sought stronger remedies in the case. These remedies included requiring the tobacco companies to fund public education and smoking cessation campaigns and to forfeit illegal profits.

It is now critical that the trial court move forward with strongly enforcing the remedies that it did order. These include requiring the tobacco companies to make corrective statements about the health risks of smoking and secondhand smoke and their deceptive practices through newspaper and television advertising, on their web sites and on cigarette packaging. The trial court also ordered the tobacco companies to report marketing data annually to the government, extended and expanded current requirements that the cigarette manufacturers make public their internal documents produced in litigation, and prohibited the companies from committing acts of racketeering or making false, misleading or deceptive statements about cigarettes and their health risks in the future. The court also banned deceptive cigarette labels such as "light" and "low-tar," a ban that has already taken effect as a result of a new federal law granting the U.S. Food and Drug Administration authority over tobacco products.

Today's ruling also puts the responsibility squarely on elected officials at all levels to eliminate the harmful and deceptive influence of the tobacco industry and take effective action to protect the nation's health. Congress and the Obama Administration should fund a national public education and smoking cessation campaign, and the FDA must effectively exercise its new authority to regulate the manufacturing, marketing and sale of tobacco products. State officials must redouble efforts to implement proven measures, including higher tobacco taxes, comprehensive smoke-free workplace laws and well-funded tobacco prevention and cessation programs.

Tobacco use is the nation's leading cause of preventable death, claiming more than 400,000 lives and costing \$96 billion in health care expenditures each year.

The six public health organizations that are formal parties to the case are the American Cancer Society, American Heart Association, American Lung Association, Americans for Nonsmokers' Rights, the National African American Tobacco Prevention Network and the Tobacco-Free Kids Action Fund (a 501(c)4 affiliate of the Campaign for Tobacco-Free Kids).

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