



Unfair Advertising Practices
Alleged

FTC Takes On Joe Camel

ABCNEWS.com

The Federal Trade Commission today charged R.J. Reynolds with unfair advertising practices, alleging that its Joe Camel campaign targets children.

The accusation against the nation's second-largest cigarette maker comes after investigators uncovered new information that was not available when the FTC initially exonerated Joe Camel three years ago.

Jodie Bernstein, the FTC's director of consumer trade protection, had recommended bringing the charges several months ago.

FTC officials would not immediately provide details or the commission's vote.

Defending Joe Camel

RJR spokeswoman Peggy Carter did not immediately return a phone call, but the company has continued to defend Joe Camel, the "cool" cartoon character in his dark sunglasses who lounges on billboards and in magazine ads nationwide.

In 1994, the FTC commissioners voted 3-2 not to sue RJR over the Camel campaign, but the FTC staff reopened the investigation last summer after a bipartisan petition from 67 House members.

Joe Camel was a big part of the Food and Drug Administration's own tobacco investigation that culminated in the agency taking steps to curtail sales of tobacco, with its addictive nicotine, to minors.

The FDA had passed documents to the FTC, which separately regulates advertising, including government statistics showing that



A boy wearing a Joe Camel T-shirt
(Publisher's Depot)

"The earlier you get them, the more likely they are to get addicted."

—John Banzhaf, executive director, Action on Smoking and Health

RELATED STORIES

[Marketing
Experts: Grow
Up, Joe Camel](#)

[Urgency in
Tobacco Talks](#)

the Camel brand's share of the youth market jumped substantially after the popular ad campaign began.

The documents also included an RJR survey showing that 86 percent of children ages 10 to 17 recognize Joe Camel and 95 percent of those children know the character is selling cigarettes.

Why They Target Children

RJR has argued that Joe Camel is no more improper for cigarette advertising than is the Energizer Bunny and other cartoon characters that sell other products.

Cigarette companies target children for the same reason that bank robber Willie Sutton targeted banks, critics say.

"That's where the money is—where the kids are," says John Banzhaf, executive director of Action on Smoking and Health, or ASH. "It's a very long, careful and deliberate campaign."

Target: Kids As Young As 14

In March the Liggett Group Inc., the smallest of the country's five leading cigarette makers, agreed to acknowledge publicly that tobacco companies have for decades actively marketed cigarettes to teenagers as young as 14.

"They're mostly interested in the kids," Banzhaf says, "because 85 percent of all people who start smoking are under the age of 18. Also, kids who start at the age of 8 or 10 are much more likely to become addicted to nicotine. The earlier you get them, the more likely they are to get addicted. And the earlier you get someone interested in your brand, the more loyal they will be as a customer."

Even if tobacco companies did try to tailor their advertising to an older group, 18- to 24-year-olds for example, "there's no way you can draw a sharp distinction between 18 and 17 or even 18 and 16," he says. "Things which appeal to 18-year-olds naturally appeal to 17-, 16- and 15-year-olds, because the younger kids emulate the older kids."

The Associated Press contributed to this report.

How Tobacco Companies Get to Kids



(Publisher's
Depot)

CONCERTS “Look at the kind of concerts they sponsor. It ain’t the golden oldies,” says John Banzhaf, executive director of Action on Smoking and Health. players speed past billboards that advertise cigarettes.

PRODUCT PLACEMENT They sponsor many popular movies, including *Superman II* (Marlboro) and *Supergirl* (Eve).

WEB SITES Although they do not maintain Web sites to advertise their products, they do sponsor sites that appeal to teens.

PRODUCT GIVEAWAYS Giving jackets, posters and other items in exchange for cigarette packages is particularly effective, Banzhaf says, citing a pair of beach sandals that leave tracks shaped like camel hoofprints as an example clearly targeted at kids.

VIDEO GAMES In many games, particularly driving-type games,

Copyright 1997 ABCNews and Starwave Corporation. All rights reserved.



Return to the [Gabriel Media Studies Center News Page](#)



Return to the [Gabriel Media Studies Center Home Page](#)



Cigarette Mascot Faces His Critics

Grow Up, Joe Camel

"Smoking is a rebellious act, so the controversy makes the brand more alluring."

—Steven Addis, Addis Group



R.J. Reynolds' famous spokescamel is drawing fire from government regulators, who allege the cartoon creature encourages youngsters to light up. (PNI)

By Ian Hodder
ABCNEWS.com

An RJR study in 1993 found that 86 percent of all 10- to 17-year-olds recognized Joe Camel. Of those who recognized the character, 95 percent knew he sold cigarettes.

The Federal Trade Commission is breathing down Joe Camel's neck, charging cigarette-maker R.J. Reynolds Tobacco Co. with unfair advertising practices. What's a smoke-inducing dromedary to do?

Marketing experts agree RJR, owned by [RJR Nabisco Holdings Corp.](#), would be wise to change the advertising strategy behind the popular brand. The only question is how far should they go.

Give old Joe the heave-ho, advocates marketing professor Eugene Fram of Rochester Institute of Technology. The political squabbles surrounding the product hurt RJR's ability to reach

RELATED STORIES

[FTC Targets Joe Camel](#)

[Urgency in Tobacco Talks](#)

consumers.

The FTC alleged Wednesday the nation's second-largest tobacco company unfairly advertises to children. The agency seeks to ban Joe Camel from certain forms of advertising that reach minors.

Researchers asked children who knew Joe Camel how they heard about him

Billboard ads	51 percent
Magazine ads	45 percent
In-store ads	32 percent
T-shirts	22 percent

During the first years of the Joe Camel campaign (1987-93), Camel's share of the high school senior market increased from 4 percent to 13 percent.

Camel Makeover

"It's a distraction," Fram says. "You have enough trouble getting your message across under normal conditions." The FTC challenge will only aggravate the problem. "It raises bad questions in people's minds."

Steven Addis, president of the brand-identity firm Addis Group in Berkeley, Calif., says RJR should keep the camel but strip away his appeal to kids.

"It would be difficult for them to lose such important equity," Addis explains. Instead of dropping the campaign, he suggests RJR submit Joe to a marketing makeover. If the camel were less cartoon-like and hung out in more adult settings, any appeal to children would decrease.

Despite the free advice, the Winston-Salem, N.C.-based RJR vows not to change its marketing strategy. "Joe Camel has become the government's scapegoat for issues our society has been unable to resolve," the company said in a statement. "We will vigorously defend this complaint, and we fully expect to prevail."

New Strategies

Ironically, Addis, whose company does not accept tobacco-selling clients, speculates that in the short term, the FTC's actions might actually boost sales of Camel cigarettes.

"Smoking is a rebellious act, so the controversy makes the brand more alluring," he says. "Joe Camel becomes James Dean."

In the long term, regardless of whether its much-maligned mascot stays or goes, RJR should create a campaign that excludes any hint of youth appeal. Instead, the company—and other tobacco firms that face advertising curbs—should concentrate on adult-focused marketing programs.

The catalogs through which frequent smokers can purchase branded merchandise are prime examples of the industry's push toward more age-specific promotions. Expect cigarette companies to fortify point-of-sale and on-package marketing, as well.

Investor Reaction

Long desensitized to the tobacco industry's continual legal setbacks, Wall Street pundits expressed little concern regarding Wednesday's FTC announcement.

A government wrist-slap won't damage the 84-year-old Camel brand, says tobacco analyst Jack Maxwell of Wheat First Butcher Singer in Richmond, Va.

"From an investment standpoint, I couldn't care less," Maxwell said. "They'll find a way to advertise one way or the other—whether it's Joe Camel or not."

Copyright 1997 ABCNews and Starwave Corporation.
All rights reserved.



Return to the [Gabriel Media Studies Center News Page](#)



Return to the [Gabriel Media Studies Center Home Page](#)