

WILLIAM ESTY AND COMPANY
Incorporated

ADVERTISING

100 East 42nd Street
New York City

February 16, 1938

Arthur Selwyn-Brown v.
R. J. Reynolds Tobacco
Company

*Mr. W. C. Esty's
statement!*

Mr. P. Frank Hanes
R. J. Reynolds Tobacco Company
Winston-Salem, North Carolina

Dear Mr. Hanes:

As I understand it, Dr. Arthur Selwyn-Brown submitted to R. J. Reynolds Tobacco Company sometime during 1932, a memorandum headed "New Advertising Principle for Tobacco Products."

As a routine matter, this memorandum was passed along, presumably with all other advertising suggestions received, to your then advertising agency, Erwin Wasey & Company, New York. All this was, of course, prior to my having any business connection with R. J. Reynolds Tobacco Company.

Up to the time that Dr. Selwyn-Brown filed suit against your company, I had never heard of the gentleman, nor had the contents of his communication to you been referred to in any way.

No member of R. J. Reynolds Tobacco Company has ever discussed with the writer or any member of this organization, the material contained in Dr. Selwyn-Brown's memorandum, up to the time suit was brought. No member of Erwin Wasey & Company ever divulged or discussed with any member of this organization any of the material contained in the memorandum.

Furthermore, none of the campaigns you have used to advertise CAMEL Cigarettes since we became your advertising agency have been suggested by or initiated by any member of R. J. Reynolds Tobacco Company. They were campaigns originated by William Esty and Company and presented for consideration to R. J. Reynolds Tobacco Company.

No member of the Erwin Wasey organization has ever been employed by William Esty and Company.

Dr. Selwyn-Brown's first suggestion is that "tobacco advertisements should be positive and not negative." To the best of my knowledge and belief, all of the advertising done on tobacco products by R. J. Reynolds Tobacco Company up to the time the memorandum was received by you from Dr. Selwyn-Brown was positive and not negative.

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Not only was your advertising not negative, but it was always characterized by presenting the zest, fun, enjoyment and pleasure to be derived from smoking your products. This positive, dynamic enthusiasm was characterized by such phrases as "CAMEL -- the better cigarette," "I'd walk a mile for a CAMEL," "PRINCE ALBERT -- the national joy smoke," etc., etc.

Dr. Selwyn-Brown's suggestion that "the good effects of smoking should be presented instead of apologies for the bad effects" was precisely the principle which characterized all of R. J. Reynolds Tobacco Company advertising up to the time that Dr. Selwyn-Brown wrote his memorandum.

William Esty and Company have been preparing the advertising of R. J. Reynolds Tobacco Company since January 1st, 1933. Since that time, we have prepared and published for you a number of campaigns, some of them along lines consistent with the memorandum of Dr. Selwyn-Brown. The reason we have done this is that it has been a fixed policy of mine to use scientific research as a basis for advertising at least as far back as the year 1922.

In 1922 I was vice-president and creative head of the Corman Company, New York advertising agency. At that time I was struck with the dearth of real scientific basis for advertising, compared to the amount of research being done and published in scientific journals.

At that time there was in the employ of the Corman Company, a young man with a penchant for reading medical, chemical and other scientific journals. His name was Frank T. Kimball. I asked him to stop reading these scientific journals aimlessly, but rather to keep his eye out for items which might be used both for our own clients and for other advertisers whose business we might secure if we produced some absolutely new copy themes.

When this work was begun, I was impressed by the possibilities of scientific research in advertising and asked Mr. Kimball to establish contacts with the leading biochemists, colloid chemists, medical specialists and physiologists.

In 1925 I joined J. Walter Thompson Company, New York advertising agency. I began to preach the possibilities inherent in scientific research as the basis for powerful advertising. In 1927 I brought about the employment of Mr. Kimball by that agency for purposes of bringing scientific minds and scientific research into advertising.

For more and more clients, we secured outstanding research men to produce material for advertising. Among the scientific men employed in this endeavor was Dr. John A. Killian, Chief of Biochemistry in the Post Graduate Hospital, New York. He and other brilliant research men brought forth ideas which changed the whole course of advertising strategy, not only for J. Walter Thompson clients, but eventually for all advertising.

Among the ideas produced by scientific men which were used in J. Walter Thompson advertising were the following:

1) Research which led to making Fleischmann's Yeast more palatable and introducing the sunshine vitamin into it.

- 2) Discovery that stale coffee contains "rancid oil" causing sleeplessness, headaches, etc., evolving into the whole Chase & Sanborn "dated coffee" campaigns.
- 3) Discovery of bad features in alum baking powders which put a powerful weapon in the hands of Royal Baking Powder, a cream of tartar product.
- 4) Scientific study on sleep conducted by Mellon Institute for Simmons Beds and Beautyrest Mattresses. This study is still the standard work on the phenomenon of sleep.
- 5) Introduction of additional collestreol into Lux Toilet Soap, making possible the claim "This soap contains the very element which nature puts into the skin to make it soft, supple, young."
- 6) Change in formula of Lux Flakes, making them practical for washing fabrics, even with fugitive dyes, making it possible to say "Anything safe in water alone is safe in Lux."
- 7) Original research on pineapple juice showing it to be even superior to orange juice and tomato juice as a healthy breakfast beverage.
- 8) Studies leading to the introduction of vitamins into Pond's Creams in such form that the skin could actually absorb them, making possible a dramatic advertising story.

Please note that all of the foregoing researches and resulting advertising campaigns initiated by me were done prior to the year 1932.

In 1930 and 1931 my work in bringing scientific research into advertising had proved so successful for American clients of J. Walter Thompson, that they sent Mr. Frank Kimball to both their London and Paris offices to build up a service of English and French scientific researches for their clients in those countries.

In Dr. Selwyn-Brown's memorandum he mentions the effect of smoking on the nerves. In 1929 and 1930 while with J. Walter Thompson Company, I conducted an advertising campaign for Tareyton Cigarettes with the central theme "steady nerves." This is conclusive proof both that I had considered the relationship of cigarettes and nerves years previous to Dr. Selwyn-Brown's memorandum and that the whole philosophy in Dr. Selwyn-Brown's memorandum was well known to me and a basic part of my advertising viewpoint.

Long before I undertook to secure the Reynolds advertising account and before meeting any member of the Reynolds organization, I was aware of the vast literature on tobacco and its beneficial aspects. (I furnished you before a partial list of the innumerable references to the benefits of tobacco extending back 200 years.)

CAMEL CAMPAIGNS

The approximate dates of various CAMEL campaigns run since we undertook Reynolds advertising are as follows:

Magic -- January, 1933 to June, 1933

"Healthy Nerves" -- June, 1933 to June, 1934

"Jangled Nerves" -- April, 1934 to June, 1934

"Get A Lift With A CAMEL" -- June, 1934 to April, 1935

"They Don't Get Your Wind, Athletes Say" -- May, 1935 to November, 1935

"For Digestion's Sake, Smoke CAMELS" -- February, 1936 to May, 1937

The genesis of the various campaigns mentioned above was as follows:

"HEALTHY NERVES"

As mentioned before, I was very much struck with the relationship between smoking and nerves as early as 1929 when this theme was used on Tareyton Cigarettes. The theme for Tareyton advertising was discontinued because it was decided not to push this brand.

"GET A LIFT WITH A CAMEL"

- 1) Much of the energy value of food is conveyed throughout the body by means of sugar in the blood.
- 2) The concentration of sugar in the blood, at any given time, is an index of the energy immediately available to the body.
- 3) Additional sugar is released through the action of adrenalin, which is secreted by the suprarenal glands.
- 4) Nicotine increases the activity of the suprarenal glands. It causes them to bring about an increase in the blood sugar when the percentage of blood sugar is below par.
- 5) The suprarenal glands are stimulated by smoking CAMEL Cigarettes to a point which they release adrenalin, which in turn increases the sugar in the blood.

The first three points preceding are accepted as axiomatic by scientists and medical men.

Experiments going back many years have shown that the administration of pure nicotine to humans and animals by means of hypodermic injections causes increased activity of the adrenals.

It is only within the past ten years that the final point has been established.

The first experiments we know of which established that smoking CAMEL Cigarettes increases the blood sugar were conducted by Erik Lundberg and Stina Thyselius-Lundberg of Sweden in 1929 and published in Acta Medica Scandinavica Supplement 38, pages 1 - 65, 1931. (Their article both in the original German, and in translation was submitted to Mr. Williams July 23, 1937 in connection with F. T. C. inquiries.)

After reviewing the work of other research men in the field of the stimulation of suprarenal glands with nicotine, they decided to ascertain if the smoking of cigarettes caused an increase in the blood sugar of humans.

The subjects of their experiments included both sexes, and ages ranging from 16 to 63 years. Some of the subjects were diabetic, others normal and healthy. Some were smokers, others non-smokers.

The cigarettes used for the experiments were CAMELS. In order to ascertain if nicotine was the element in CAMELS which caused the rise in blood sugar, similar experiments were made with denicotinized cigars.

They found that in all cases after smoking CAMEL Cigarettes blood sugar rose rapidly, and in some cases may exceed the initial level by 50%. The blood sugar continues rising to the maximum value and slowly decreases to the initial value in thirty minutes. This action was not obtained with nicotine-free tobacco, and hence is attributed to an outpouring of adrenalin caused by nicotine from the cigarettes. They found that the maximum rise depends upon the individual's peculiar endocrine balance and is the smallest in those with a perfect balance. The smoke of a cigarette is a factor in disturbing the endocrine balance so that the blood sugar rise following a second cigarette is greater than the first.

The findings above were not generally known in this country, so when exactly similar results were discovered by Professors Howard W. Haggard and Leon A. Greenberg of the Laboratory of Applied Physiology, Yale University, it was thought to be an original discovery. The findings of Professors Haggard and Greenberg were published in Science, February 16, 1934. A photostatic copy of that article is attached.

Their observation of the hyperglycemia (increase in blood sugar) from smoking occurred by chance. They had been investigating the question of the optimum mealtime interval -- how often children, students and industrial workers should be fed.

To this end they determined the respiratory quotient at hourly intervals during the day on several hundred subjects. In a number of cases the concentration of sugar in the arterial blood was compared with the respiratory quotient. On some days the subjects fasted, on others they ate from one to five meals variously spaced.

The respiratory quotient of the fasting subjects fall to values between .78 and .82 and the blood sugar to .08 and .10%. In the subjects who ate, both the respiratory quotient and the blood sugar rose after the meal, but within two to four hours if another meal was not taken it fell again to the fasting level. When this fasting level was reached, it was maintained in the great majority of the subjects with little change for many hours. A few, however, exhibited sudden fluctuations of considerable magnitude in both their respiratory quotient and blood sugar.

Such fluctuations never occurred among the children. All the adults were free from emotional disturbances which might explain them. A search for the cause of the divergent values suggested that it was associated with smoking.

The respiratory quotients and blood sugars before and after smoking were then studied in a number of subjects. The results showed that when the respiratory quotient is above .85 and the blood sugar correspondingly above .13%, the smoking of a cigarette has no appreciable influence upon either. When, however, the respiratory quotient and blood sugar fell below those values and especially when the fasting level had been reached, the smoking of a cigarette was followed by a rise in both. Values were attained within fifteen minutes as high as .85 or .90 for the respiratory quotient and .12 or .14 for the blood sugar. During the next thirty minutes, the value fell gradually to or slightly below those observed before the cigarette was smoked.

These investigators concluded:

"Our observations of the meal time intervals indicate that the hyperglycemia following a meal definitely relieves the fatigue and irritability that generally develop soon after the fasting level of blood sugar is reached. Smoking, by inducing a hyperglycemia, temporarily relieves these conditions.

"The other effects of smoking, the acceleration of the pulse and the temporary rise in arterial pressure and presumably, like the increase in sugar concentration, dependent upon the discharge of adrenalin.

"Our observations demonstrate why tobacco rather than any other substance is used for smoking: the smoker obtains from tobacco repeated minute doses of nicotine."

As will be seen above, two studies by investigators in different countries in a period separated by five years, came to exactly the same conclusions.

In commenting on the findings of Professor Haggard and Professor Greenberg, the Journal of the American Medical Association in March 10, 1934 issue said: "The fact that nicotine affects the suprarenals is by no means new. It was clearly described by Cannon, Aub and Binger at the Harvard Medical School and referred to in the Journal of the American Medical Association more than twenty years ago. The novelty of the Yale experiments lies in the demonstration of effects from tobacco smoke.

"Further inferences may be drawn from the facts now available. Fatigue and irritability are sometimes associated with a low or fasting level of the blood sugar. Perhaps smoking, by inducing a secretion of suprarenal medullary hormones induces a hyperglycemia that temporarily relieves the distress."

The investigators agree on the following points:

- 1) Smoking a cigarette when the blood sugar is low causes a rise in the blood sugar, reaching its maximum about 16 minutes after smoking and slowly declining to the former status at the end of about a half an hour.
- 2) This rise is caused by increased activity of the suprarenals brought about by the nicotine absorbed from cigarette smoke.
- 3) The increase of the blood sugar concentration temporarily relieves fatigue and irritability.

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Knowledge concerning the researches outlined above extending back to 1929 was not brought to us by any outside party, but completely the result of our own investigation.

"THEY DON'T GET YOUR WIND, ATHLETES SAY"

One of the most widely held beliefs about cigarette smoking is that it definitely interferes with good wind. In sharp refutation of this belief is the fact that a large percentage of professional athletes are smokers, many of them heavy smokers. Among professional players of hockey, tennis, baseball, football, basketball and among professional swimmers and gymnasts, smoking is the rule rather than the exception. If smoking cigarettes really did interfere with their wind, it is reasonable to suppose that they would not indulge in a habit which would jeopardize their means of livelihood. The fact that these athletes can maintain a high degree of skill and speed and yet smoke heavily is the best refutation of the idea that cigarette smoking interferes with the wind.

This outstanding clinical fact was in my mind for several years. Scientific proof of it was furnished by Drs. F. C. Turley and T. R. Harrison of the Department of Medicine, Vanderbilt University, Nashville, Tenn. Results of their experiments were published in the American Journal of Medical Science, issue of May, 1932. (a photostatic copy of their article was sent to Mr. Williams under date of July 23, 1937.)

Among their conclusions is:

"Heavy smoking (20 or more cigarettes a day) for several years does not significantly diminish respiratory function in the performance of mild and moderately severe exercise."

"FOR DIGESTION'S SAKE SMOKE CAMELS"

Long before it was scientifically established that smoking was an aid to the digestive process, millions of smokers had discovered that the most satisfying smokes of the day were those indulged in at meal time and after. It was not until 1931 that the relation of smoking and digestion was studied in a really scientific way. Dr. A. L. Winsor of the Graduate School of Education, Cornell University, has for many years studied the effects of various drugs on human digestion. His first publication of his findings on the relation of cigarette smoking to digestion was made in the Journal of General Psychology 6, 190-195.

Through one of Dr. Winsor's research assistants, Dr. Strongin, we persuaded Dr. Winsor to make further studies regarding the effect of smoking CAMEL Cigarettes on digestion. His findings are reported in a treatise (sent to Mr. Williams July 23, 1937) entitled "The Physiological Effects of Cigarette Smoking on the Digestive Juices with Particular Reference to the Secretions of the Parotid, Submaxillary and Sublingual Glands."

IN CONCLUSION

Ten years before Dr. Selwyn-Brown submitted his memorandum to you, I was an advocate of positive advertising based on tangible facts resulting from

scientific research. Years before he submitted his memorandum I had some of the outstanding research men in this country engaged in digging out positive facts for many of America's leading advertisers.

Years before Dr. Selwyn-Brown submitted his memorandum, American newspapers and magazines were full of advertising campaigns built around scientific research initiated by me.

Since this "principle" was an integral, basic part of my advertising conception, it was only natural that I should continue to pursue it when I established my own agency in 1932. It was only natural also that this basic "principle" should be applied to the advertising of R. J. Reynolds Tobacco Company products as well as to the products of our other clients.

The campaigns of R. J. Reynolds Tobacco Company since January 1st, 1933 have resulted solely from my long held and successful ideas regarding scientific bases for advertising and not from any suggestion made by Dr. Selwyn-Brown.

Very truly yours,

Wm. Esty (Signed)

President.

William Esty
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