

IN DEPTH

IN NORTH CAROLINA

Tobacco's time is fading

Long part of a culture, changing population, health concerns mean tobacco's time may be passing

By MARGARET LILLARD
THE ASSOCIATED PRESS

RALEIGH, N.C. — The Troxler family grew tobacco for generations in North Carolina. A few years ago, with federal price supports about to vanish and time to tend the labor-intensive crop becoming scarce, Steve Troxler decided to stop.

That decision by Troxler, made just after his election as North Carolina's agriculture commissioner, encapsulates the eroding power of the signature crop of a state where the names of cities, universities and even sports teams reflect the legacy of the "golden leaf."

Decreased domestic demand, fewer farmers, an influx of newcomers and continuing alarms over the dangers of smoking have even opened the door for lawmakers to consider what once seemed unthinkable here: a broad ban on indoor smoking across North Carolina.

"I think it's very historic, when you consider that we were the tobacco state and still remain THE tobacco state in the nation," Troxler said. "I think about all the things the crop of tobacco has done — it's built the schools, the universities, the list goes on and on. And now we're to the point we want to ban smoking."



Troxler

Top producers

North Carolina is the nation's top tobacco state, producing 43.1 percent of the domestic crop in 2005 — the first year without the price-stabilizing quota system created by the federal government in the 1930s. Two of the three largest U.S. cigarette makers are still based in the state.

Still, the same argument against banning public smoking heard around the country is being used here. Opponents don't talk about tobacco's legacy or the money and jobs it brings to the state, but instead cite their belief that business owners should be able to control the activity allowed on their property.

"We believe it should be a matter of choice between the consumer and the operator," said Paul Stone, head of the North Carolina Restaurant and Lodging Association, one of the ban's chief opponents. "Our position has nothing to do with the tobacco industry. It's completely for our industry and what we think is fair."

Though employment has dropped over the past decade, nearly 1,800 people still worked in tobacco farming and more than 11,500 had tobacco manufacturing jobs in 2005, according to data compiled by Duke University.

"It's still a legal commodity. It's still something this state's history and economy were built on," said Keith Parrish, executive director of the National Tobacco Growers Association.

"It's done so much good over the years, it's hard for tobacco

RIGHT: An example of one of the many tobacco fields in North Carolina. **File photos**

farmers like myself to see this discrimination, given all the tax dollars we've contributed to the state's coffers," he said.

And decreasing demand means tobacco's contribution to North Carolina's economy has been gradually dropping for more than a quarter-century, said Michael Walden, an economist at N.C. State University.

"The incidence of smoking in the United States — if you look at smokers as a percentage of the population — has been going down since the '60s," he said. "As tobacco has waned in its influence, those who are nonsmokers have been able to make their voices heard more."

The most dramatic change for the industry was the quota buyout approved in 2004, in which the federal government paid farmers for their "quota" — the amount of tobacco they were allowed to grow under the Depression-era price support program — and left the crop's fate to the free market. Rather than make changes needed to compete in a free market, many farmers simply stopped planting tobacco. Acres harvested dropped from 156,000 in 2004 to 126,000 in 2005. While the acreage has rebounded — up to 159,000 harvested in 2006 and about the same projected this year, that land is held by fewer farmers, Troxler said.

"Any time you have a debate, when you diminish the base that's out there, that's interested in it, I think the voice is not nearly as loud as it would have been," he said.

At the Statehouse, only four lawmakers include "farmer" among their occupations. Parrish believes that has contributed to moves against tobacco.

"In the past, a lot of folks were either one generation away from the farm or on the farm themselves," he said. "Naturally, they would have a better understanding of what farmers were doing."

New voices

Officials at the parent company of No. 2 cigarette maker RJ Reynolds believe the industry still has government's ear, but concede that new voices are being heard at the Statehouse.

"If you look at society's view in the state or in the country as it relates



to secondhand smoke, you have to say those views have changed rather dramatically over the past 15, 20 years," said Tommy Payne, executive vice president of public affairs for Reynolds American Inc. "That will naturally reflect itself in the policies adopted by the Legislature."

In just the past few years, the General Assembly has banned smoking in its own buildings, and restricted or banned it in libraries, museums, arenas and coliseums, prison buildings and certain university properties. It also raised the tax on a pack of cigarettes from 5 cents to 35 cents.

This year, the House has approved — and the Senate is considering — a ban on smoking in all state government buildings. Pending legislation would ban smoking in and around University of North Carolina buildings and in long-term care facilities, while at least four bills offer ways for local governments and airport authorities to set their own smoking rules.

More bans

One measure that originally would have banned smoking in offices, factories, restaurants, bars and virtually all other public places didn't gain enough support to be passed. A new version affects only restaurants, hotels

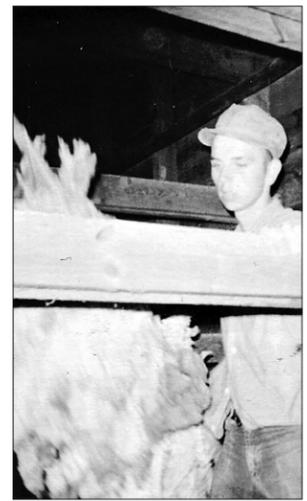
ABOVE: Workers, from left, Glenn Stancil, Robert Renfrow, Viron Renfrow, Harold Stancil, G.I. Stancil help collect tobacco in 1935 on the George Ira Stancil Farm in Johnston County, N.C. Tobacco was first raised on this farm in the 1890s by George's father John Thomas Stancil. **RIGHT:** Harold Stancil hangs tobacco to begin the curing in 1967.

Smithfield, the county seat of Johnston County, opened a tobacco market in 1898, but today the market in North Carolina is quickly disappearing.

and state government buildings, though local governments would have the authority to set wider restrictions.

"I think they (lawmakers) are more receptive, because of four years of beating this drum — how much it costs the state, how many lives it takes — it's sticking," said John Thompson, government relations director for the American Cancer Society in North Carolina. "More of them are overcoming some of the philosophical differences of what we have to do in North Carolina to protect the 80 percent of the state that does not smoke."

In a



state that's expected to increase its population by 50 percent, growing to more than 12 million residents by 2030, even a tobacco traditionalist like Troxler agrees that it's likely that new attitude will only become stronger.



North Carolina tobacco facts

Carolina's crop

North Carolina produced 43.1 percent of the U.S. tobacco crop in 2005, more than any other state. Nearly 1,800 people worked in tobacco farming and more than 11,500 in tobacco manufacturing that year.

Deadly habit

An average of 11,900 deaths in North Carolina annually from 1997 to 2001 were related to smoking, according to the Centers for Disease Control and Prevention. Smoking-related medical costs in the state average \$2.26 billion per year, according to the CDC.

Changing attitudes

An Elon University poll released Monday found that 62 percent of state residents favor banning smoking in public places, including bars and restaurants — findings similar to Elon polls in September and November. However, the new survey found that 64 percent of North Carolinians also believe business owners, rather than the government, should decide whether to ban smoking in their establishments.

Tobacco companies spending less to market products

By CHRISTOPHER S. RUGABER
AP BUSINESS WRITER

WASHINGTON — After setting a record high in 2003, tobacco companies spent less money marketing and advertising their products in 2004 and 2005, a federal agency said Thursday.

Promotional spending by the five largest U.S. cigarette makers, including three with companies based in North Carolina, dropped to \$14.15 billion in 2004, down from \$15.15 billion in the previous year, and fell further to \$13.1 billion in 2005, according to a report issued by the Federal Trade Commission. The FTC has monitored cigarette sales and

marketing trends in regular reports since 1967.

Anti-tobacco activists said the companies' promotional spending is still double the amount spent in 1998, the year the major cigarette companies entered into a legal settlement with a group of U.S. states.

The Campaign for Tobacco-Free Kids said such aggressive price discounting by the tobacco companies has contributed to a reversal in youth smoking trends.

A recent survey by the Centers for Disease Control and Prevention of smoking by high school students found a slight increase in 2005, reversing several years of reductions

in youth smoking rates.

"The small decline in tobacco marketing expenditures... is a drop in the bucket compared to the massive increase between 1998 and 2003," said Matthew Myers, president of the Campaign for Tobacco-Free Kids.

The tobacco industry spent \$6.7 billion in marketing in 1998, the FTC report said.

Most of the tobacco companies' promotional spending is in the form of price discounts to cigarette retailers and wholesalers to reduce the price of cigarettes to consumers, the FTC report said, while advertising in newspapers, magazines and on billboards has dropped significantly in recent years.