



**BIG TOBACCO IN THE STATES:  
A STRATEGY OF TARGETED CAMPAIGN GIVING**

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As the tobacco industry adjusted to a changing business reality in the wake of the multi-state settlement of tobacco lawsuits, it kept up one long-standing business practice: making campaign contributions to political candidates who could be in a position to decide numerous policies affecting its bottom line.

In the past three election cycles, tobacco companies, processors and growers gave more than \$15.2 million to state-level candidates and political party committees alone. Nearly two-thirds of the funds went to candidates, while most of the rest went to party committees. Like many business contributors, tobacco interests targeted their giving to the candidates most likely to be in a position to influence policy.

### CONTRIBUTIONS TO CANDIDATES

The tobacco industry gave 76 percent of its candidate contributions to winning candidates. Another 13 percent went to candidates who were raising money but weren't on the ballot in that particular election cycle; these often are candidates who are in the middle of a four-year term and are raising money for their next election bid. Only 11 percent of industry contributions went to losing candidates.

Part of the industry's success in backing winners stemmed from its high support of incumbent candidates — those people already in office who benefit from the name recognition they have gained and who typically find it easier to raise money. Fully 79 percent of industry contributions went to incumbent candidates. Another 15 percent went to candidates running for an open seat, where the odds are more even for both candidates than they are for candidates running against an incumbent. Less than 3 percent of the funds went to candidates challenging an incumbent.

In all, the industry gave \$9.6 million to state-level candidates, largely supporting legislative candidates. Industry interests gave nearly \$8.1 million to candidates for the House, Assembly or Senate, representing 84 percent of their giving to state-level candidates. Another \$1 million went to candidates for governor or lieutenant governor.

The table below illustrates the industry's targeted giving strategy over the three election cycles, which include states holding elections in 1999 through 2004.

#### TOBACCO CONTRIBUTIONS BY CANDIDATE TYPE, 1999-2004\*

<b>CANDIDATE STATUS</b>	<b>AMOUNT</b>
Winner	\$7,327,502
Did Not Run	\$1,216,796
General-Election Loser	\$715,471
Primary-Election Loser	\$340,667
Withdraw	\$9,600
<b>TOTAL</b>	<b>\$9,610,036</b>
<b>CANDIDATE TYPE</b>	
Incumbent	\$7,558,283
Open Seat	\$1,442,267
Challenger	\$259,595
Undetermined	\$349,891
<b>TOTAL</b>	<b>\$9,610,036</b>

\*2004 data collection is still ongoing; totals may increase.

The industry's strategy also is apparent in looking at the list of top recipients. Four of the 10 candidates receiving the highest amount of tobacco funds were legislative leaders of both political parties in Illinois. These leaders set the agenda for legislative sessions, making decisions on what bills get hearings and in which committees. In Illinois, they also raise large amounts of money that they then dole out to other candidates who are likely to support their views. Three high-ranking California legislators also made the list of top 10 recipients while they were in office, as did three Virginia candidates for governor and lieutenant governor.

All 10 candidates either won their races or were in office and raising money for their next race during the years in which they received the contributions.

#### **TOBACCO CONTRIBUTIONS TO TOP 10 RECIPIENTS, 1999-2004\***

<b>STATE</b>	<b>CANDIDATE</b>	<b>PARTY</b>	<b>OFFICE</b>	<b>DISTRICT</b>	<b>AMOUNT</b>
Illinois	Jones Jr., Emil	D	Senate	14	\$182,400
California	Cardoza, Dennis	D	Assembly	26	\$136,000
Virginia	Hager, John	R	Governor	SW	\$119,116
Virginia	Earley, Mark L.	R	Governor	SW	\$116,092
Virginia	Warner, Mark R.	D	Governor	SW	\$113,984
California	Brulte, James L.	R	Senate	31	\$108,500
Illinois	Madigan, Michael J.	D	House	22	\$87,500
California	Strickland, Tony	R	Assembly	37	\$77,250
Illinois	Philip, James (Pate)	R	Senate	23	\$71,700
Illinois	Daniels, Lee A.	R	House	46	\$66,630

\*2004 data collection is still ongoing; totals may increase.

#### **CONTRIBUTIONS BY PARTY**

The industry split its giving fairly evenly between Democrats and Republicans when it came to giving money to state-level candidates. But the story was far different in giving to state political party committees.

Republican candidates received 55 percent of the \$9.6 million given to candidates, or about \$5.3 million. Democratic candidates received 44 percent, or about \$4.3 million, while nonpartisan and third-party candidates received the remainder.

However, Republican Party committees received 71 percent of the nearly \$5.7 million that tobacco interests gave to party committees. GOP committees received \$3.97 million, compared to the \$1.6 million given to Democratic committees.

The 10 committees receiving the largest amounts of tobacco money received nearly half of all funds given to party committees, \$2.6 million.

The table on the following page shows the top committees and the amounts they received.

**TOBACCO CONTRIBUTIONS TO PARTY COMMITTEES, 1999-2004\***

<b>COMMITTEE</b>	<b>AMOUNT</b>
Florida Republican Party	\$659,542
California Republican Party	\$509,750
Florida Democratic Party	\$285,800
Virginia Republican Party	\$261,843
Georgia Democratic Party	\$217,000
New York State Republican Party-Housekeeping Account	\$204,391
Missouri Republican Party	\$143,500
Virginia Democratic House Caucus/Commonwealth Victory Fund	\$135,735
Assembly Republican Majority Of New Jersey	\$120,250
Washington State Republican Party-Exempt Account	\$119,600
<b>TOP 10 RECIPIENTS</b>	<b>\$2,657,411</b>

\*2004 data collection is still ongoing; totals may increase.

**WHO GAVE?**

Two major tobacco manufacturers — Philip Morris and R.J. Reynolds Tobacco — gave nearly 70 percent of the industry's \$15.2 million in contributions during the three election cycles, with Philip Morris the hands-down leader. Philip Morris and its parent company, Altria, gave \$8.1 million, or fully 53 percent of all tobacco contributions.

Other tobacco companies, as well as the political action committees for tobacco and candy distributors in several states, also were among the top 15 contributors. These contributors, shown in the table below, gave \$14 million of the total industry contributions.

**TOP TOBACCO INDUSTRY CONTRIBUTORS, 1999-2004\***

<b>CONTRIBUTOR</b>	<b>AMOUNT</b>
Philip Morris/Altria	\$8,100,434
R.J. Reynolds Tobacco	\$2,527,099
US Tobacco/UST Team	\$891,299
Lorillard Tobacco	\$805,725
Brown & Williamson Tobacco	\$734,166
Vector Group (Liggett Brand)	\$192,500
Smokeless Tobacco Council	\$187,696
Universal Leaf Tobacco	\$142,966
Tobacco & Candy Distributors/TACPAC	\$136,707
Bailey, Malcolm L. (S&M Brands Inc.)	\$83,250
Dosal Tobacco	\$48,620
Tobacco Institute	\$47,475
General Cigar Holdings	\$42,500
Swisher International	\$42,050
Cigar Association of America	\$41,690

\*2004 data collection is still ongoing; totals may increase.

The table below shows contribution totals to candidates and party committees in each of the 50 states.

**TOBACCO CONTRIBUTIONS BY STATE, 1999-2004\***

<b>STATE</b>	<b>TO CANDIDATES</b>	<b>TO PARTY COMMITTEES</b>	<b>TOTAL</b>
Alabama	\$59,550	\$5,000	\$64,550
Arkansas	\$113,865	\$28,681	\$142,546
Arizona	\$2,665	\$1,500	\$4,165
California	\$1,512,993	\$509,750	\$2,022,743
Colorado	\$179,491	\$64,700	\$244,191
Connecticut	\$70,738	\$30,735	\$101,472
Delaware	\$93,750	\$52,742	\$146,492
Florida	\$460,900	\$945,343	\$1,406,242
Georgia	\$487,742	\$318,086	\$805,827
Hawaii	\$186,794	\$46,000	\$232,793
Iowa	\$19,176	\$150	\$19,326
Idaho	\$93,834	\$13,800	\$107,634
Illinois	\$1,131,742	\$282,800	\$1,434,542
Indiana	\$158,775	\$66,800	\$225,575
Kansas	\$205,741	\$70,250	\$275,991
Kentucky	\$116,162	\$21,000	\$137,162
Louisiana	\$335,601	\$120,650	\$456,251
Massachusetts	\$39,450	\$0	\$39,550
Maryland	\$44,560	\$55,950	\$100,510
Maine	\$22,750	\$26,527	\$49,276
Michigan	\$85,875	\$31,525	\$117,400
Minnesota	\$500	\$1,700	\$2,200
Missouri	\$132,395	\$255,427	\$387,822
Mississippi	\$56,250	\$0	\$76,250
Montana	\$4,550	\$4,200	\$8,750
North Carolina	\$455,127	\$45,750	\$500,877
North Dakota	\$2,750	\$500	\$3,250
Nebraska	\$69,349	\$0	\$69,349
New Hampshire	\$18,175	\$19,700	\$37,875
New Jersey	\$96,520	\$461,650	\$558,168
New Mexico	\$219,470	\$22,500	\$241,970
Nevada	\$198,950	\$109,000	\$307,950
New York	\$62,114	\$541,723	\$603,837
Ohio	\$239,175	\$59,875	\$299,050
Oklahoma	\$89,815	\$3,500	\$93,315
Oregon	\$248,351	\$199,020	\$447,371
Pennsylvania	\$255,350	\$38,550	\$293,900
Rhode Island	\$1,250	\$0	\$1,250
South Carolina	\$201,650	\$113,965	\$315,615
South Dakota	\$9,350	\$350	\$9,700

<b>STATE</b>	<b>TO CANDIDATES</b>	<b>TO PARTY COMMITTEES</b>	<b>TOTAL</b>
Tennessee	\$91,150	\$26,500	\$117,650
Texas	\$287,606	\$69,500	\$357,106
Utah	\$33,450	\$145,086	\$178,536
Virginia	\$1,045,567	\$574,220	\$1,619,782
Vermont	\$16,500	\$24,075	\$40,575
Washington	\$238,050	\$145,800	\$383,850
Wisconsin	\$8,150	\$18,960	\$27,110
West Virginia	\$103,275	\$4,450	\$107,725
Wyoming	\$3,050	\$750	\$3,800
<b>TOTAL</b>	<b>\$9,610,043</b>	<b>\$5,578,740</b>	<b>\$15,188,783</b>

\*2004 data collection is still ongoing; totals may increase.

In addition, the industry gave \$100 to a ballot initiative committee in Massachusetts in 2002 and \$40,000 to two committees making independent expenditures on behalf of Supreme Court candidates in Illinois and Mississippi in 2004, bringing its total to \$15,228,883.

By way of comparison, the livestock industry gave \$8.3 million during the same time period, while the beer, wine and alcohol industry gave \$45 million and the oil and gas industry gave about \$54.4 million.