English 4

October 12, 2014

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Whistleblowers of the Tobacco Companies

Thesis: Tobacco companies are repeatedly cast as the enemies while whistleblowers are commonly seen as the heroes, but these tattletales caused thousands to lose their jobs and numerous other conflicts to occur.

- I. Tobacco whistleblowers
 - A. Tattletales
 - B. Merrell Williams
 - C. Jeffery Wigand
 - D. Ian Uydess
- II. Whistleblowers were wrong
 - A. Whistleblower offenses
 - B. Settlement fees
 - C. Job loss
 - D. Tobacco vs. alcohol
 - E. Deaths and government banning
- III. More damage
 - A. Future effects

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Tobacco companies are repeatedly cast as the enemies while whistleblowers are commonly seen as the heroes, but these tattletales caused thousands to lose their jobs and numerous other conflicts to occur. Merrell Williams, Jeffrey Wigand, and Ian Uydess are three names well known in the tobacco industry, but not in the way one would expect. These three men took down the entire tobacco empire.

Merrell Williams, a smoker himself, was hired to look at the confidential documents of Brown & Williamson. After discovering that B&W was trying to conceal that they knew their product was addictive, Williams stole roughly four thousand pages of the company's confidential documents and placed the photocopies in the hands of attorneys suing multiple tobacco companies (Merrell). Another former Brown & Williamson employee, Jeffrey Wigand, also broke his silence about the company's supposed wrongdoings. Wigand not only told the court and Wall Street Journal about B&W's actions, but he also appeared on the CBS program 60 Minutes. He informed the public that the tobacco company had taken extensive measures to try and conceal how addictive their products were (Jeffrey). Last but not least, a silent arrow was shot by Ian Uydess. Unlike the other two who were fired by their employer, he reported his findings after he resigned from his position at Philip Morris. Because of this, Uydess's twenty-five page affidavit is a credible source that was used in tobacco related lawsuits. Yet after Uydess's report, he never testified in court; his deposition was either played or read to juries ("Tobacco Documents").

These whistleblowers caused catastrophic damage to tobacco companies and others involved in the industry. First, those who betrayed their former employers caused the

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major companies reputations. An agreement between forty-six states and the major cigarette manufacturers, called the 1998 Tobacco Master Settlement Agreement was the largest civil litigation settlement in United States history. It not only created a multitude of new restrictions on tobacco products, but also required the companies to pay a total of \$206 billion dollars to the forty-six states for the alleged harm their products had caused consumers. Philip Morris, Brown and Williamson, R.J. Reynolds, Lorillard and other tobacco companies will be paying off this debt until the year 2025 ("Master").

tobacco industry to have to pay billions of dollars in settlement fees and tarnished the

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These whistleblowers were also the catalysts for job loss throughout the tobacco businesses. Because of Wigand, Williams, Uydess and others, new restrictions and laws have been created that affect not only thousands of tobacco farmers and manufacturers, but also wholesale and retail stores. However, the tobacco industry's hand reaches farther than just the companies with direct involvement in their products. Businesses such as warehousing, paper, machinery manufacturing, metal products, advertising, and transportation have also taken a blow from the numerous lawsuits caused by whistleblowers (Gale). To reconcile the damage caused by settlement fees from lawsuits, the tobacco industry had to increase the price per pack by 45 cents and Philip Morris had to lay off 16% of its United States workforce. In 1955, cigarette manufacturing was a source of income for 75,000 people in the United States, but by 1990, the tobacco industry only directly employed 41,000 and the number continued to decrease to 26,000 in 1999 ("Tobacco Industry"). More than 660,000 jobs depend on the farming, processing and

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selling of tobacco ("Inside"). If the tobacco industry happened to go out of business, all of

those people would be out of work and would have to basically start their lives over.

Not only did the whistleblowers cause thousands to lose their jobs, but also changed how tobacco companies now market and price their products. Tobacco companies today must place a warning label covering the upper 50% of both front and back of their packaging. Any marketing for their product must also include a warning label covering the upper 20% of the advertisement ("Tobacco Products"). On average, the typical South Carolinian smoker smokes roughly 18 cigarettes a day ("Start"). Now with that, include having a lofty tax rate with a 5-cent tax on just one cigarette. The entire pack is taxed just over a dollar. That is huge tax for something so small ("Selected"). But tobacco is not the only addictive substance. Alcohol is another, but unlike tobacco its regulations on packaging and pricing contain many distinct differences. Alcohol is also required to put a warning on their packaging and must be off to the side of any other information, but the warning's minimum font size completely depends on the size of the container and does not have to take up a required percentage of space ("Health Warning"). Alcohol's taxation is 18 dollars a barrel ("Selected"). A barrel of alcohol is equal to 31 gallons ("Gallons"). Therefore, there is only a \$1.72 tax per gallon ("Selected"). That is such an insignificant tax considering how much the buyer is getting. Whistleblowers have caused this unfairness between the two. If alcohol companies had as many lawsuits against them as tobacco companies did, then alcohol would be regulated just as heavy. Because of the things Junificantly, because

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brought to light by the whistleblowers though, tobacco is now regulated much heavier than alcohol.

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However, there had been a great deal of controversy and debate over whether the whistleblowers telling the public was morally correct and justifiable or wrong and what should be viewed as an act of deception on their part. Although it is true that smoking has horrible side effects on health and has been proven to cause death, consumers still choose to smoke, despite being fully aware of these haunting stipulations. The World Health Organization approximated that smoking will cause 6.5 million deaths in 2015 and predicts that that number will increase to 8.3 million by the year 2030, even if the most severe and excessively harsh anti-smoking practices that are currently only being considered, are put into action. This proves that even with major government involvement and the widely known side effects caused by tobacco products that people will not quit smoking any time soon ("Introduction"). Obviously, what the whistleblowers told the public and the innumerable warnings have no effect on the minds of smokers. Now the question is; why has the government not just outlawed tobacco if kills all these people? There is a simple answer to that question: money. There has been over 5 million dollars collected from the government's annual tax on tobacco ("The Current"). With that money the government is supposed to use it towards anti-smoking campaigns, but only three percent of that money has actually been used for the campaigns over the past decade ("CDC"). Even though the government has the power and authority to completely ban tobacco, they care more about the money coming in than the tobacco consumers.

1 The whistleblowers caused more damage than good and because of this, everyone has been negatively affected. Although tobacco products have numerous side effects, the whistleblowers telling the public had greater consequences. If whistleblowers continue on

this rampage then tobacco companies will be destroyed in the aftermath.

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Work Sample Evaluation

Subject Area: Composition 2

Task Title: Whistleblowers: Traitors or Patriots?

Student Work Sample Title: Whistleblowers and the Tobacco Companies

The document was scored using the CCR Task Bank Rubric. The final scores are indicated in the following chart.

Scoring Criteria	Insufficient Evidence	Developing	Progressing	Accomplished	Exceeds
Research and Investigation				x	
Ideas and Content					X
Reading and Analysis				X	
Communication				x	
Organization				x	
Accuracy				x	

College and Career Readiness Task Bank



Annotations: The following evidence from the work sample and the reviewer's comments support the scores above. Page and line numbers refer to the original work sample.

Scoring Criteria	Page #	Line #	Commentary about the work sample
Research and Investigation:	7	ALL	The work sample includes a number of sources.
Locating resources independently and/or			
identifying information			
within provided texts			
Ideas and Content:	3	1-5	The student provides a clear, solid thesis that acknowledges both sides of the argument.
Presenting a thesis and			
understanding concepts			
Reading and Analysis:	2	10, 14, 19	The student cites an abundance of sources in fluid manner, but cites the titles of articles rather than the authors.
Evaluating sources and selecting evidence to		14, 13	authors.
support the central idea			
Communication:			Overall, the work sample is well written with a few mistakes throughout.
Using subject-appropriate	2	6-10	The inclusion of background information is helpful for the reader.
language and considering audience	3	9-16	The student uses subject-appropriate vocabulary throughout the work sample.
uddienee			
Organization:	2	1-5, 6-19	The student provides a clear main idea and supporting details throughout the essay and from paragraph to paragraph.
Structuring main ideas and supporting information	4	3	Transitions are thoughtful and contribute to an ease of reading.
Supporting injormation			
Accuracy:	2	12-14	The work sample occasionally lacks attention to detail.
Attending to detail, grammar, spelling,	5	14-21	The student's paper shows a mostly solid command of the topic.
conventions, citations, and	7-9		The Works Cited list is not correctly formatted, which also leads to awkward in-text citations.
formatting			