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STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL

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TELECOPIER NO.

WRITER'S DIRECT DIAL NO.

December 13, 2005

Via Fax and Overnight Mail

Susan M. Ivey
Chair and Chief Executive Officer
R.J. Reynolds Tobacco Company
401 North Main Street
Winston-Salem, NC 27102

Re: R.J. Reynolds' Camel Alcoholic Beverage Coasters

Dear Ms. Ivey:

We are disappointed by the refusal of R.J. Reynolds Tobacco Company (RJR), as set forth in the November 29, 2005 letter from RJR Senior Counsel James H. Beckett, to immediately discontinue the alcoholic beverage coasters promotion. As we explained in our November 21 letter, both the messages and the high alcohol content of the beverage recipes on RJR's coasters blatantly encourage irresponsible and excessive consumption of alcohol.

Further, RJR has refused to provide us with any reasonable assurance that these dangerous messages have not been and are not now being mailed to persons under the lawful drinking age of twenty-one (21). Although Mr. Beckett claims that RJR is distributing the coasters to "adult smokers older than 21 years of age on their birthdays," the RJR envelope merely states, "MAILING RESTRICTED TO LEGAL AGE SMOKERS." Indeed, RJR's Age Verification Procedures, to which Mr. Beckett refers, appear to verify only that persons who indicate they are smokers are of "legal smoking age." Even assuming that RJR is limiting distribution of the coasters to persons who are older than 21 years of age on their birthdays, RJR nevertheless is promoting unsafe alcohol consumption. Considering the scientific evidence cited in our prior letter that the combined use of cigarettes and alcohol significantly increases the health risks posed by smoking alone, RJR's disregard for public health as demonstrated in this marketing campaign is unconscionable.

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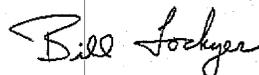
We are aware that the four alcohol beverage companies who own the brand names used by RJR on the coasters claim that RJR engaged in the unauthorized and illegal use of their marks, and have demanded in writing that RJR immediately cease and desist the coasters promotion or face potential litigation. These companies have advised RJR that the coasters – by “promoting irresponsible and/or excessive consumption, promoting the intoxicating effects of consumption, and promoting consumption as a ‘rite of passage’ to adulthood” – violate their corporate standards and the advertising code of the alcohol beverage industry. Although RJR is neither an alcohol beverage company nor a party to that industry’s code of conduct, RJR is not immune from generally accepted standards of corporate responsibility and citizenship.

We request that you respond directly to us in writing by December 20, 2005 as to whether RJR intends to immediately discontinue the Camel coasters promotion. We remain hopeful that RJR will recognize that it should not be encouraging excessive alcohol consumption by young adults, and will abandon this promotion immediately.

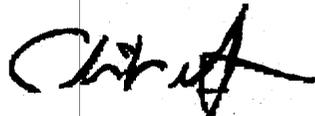
Very truly yours,



Attorney General
State of Maryland



Bill Lockyer
Attorney General of California



Eliot Spitzer
Attorney General of New York

cc: Guy M. Blynn, Vice President and Deputy General Counsel
James H. Beckett, Senior Counsel