

Court hears arguments in cigarette verdict

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SPRINGFIELD -- Philip Morris USA said today that federal regulations bar Illinois consumers from bringing fraud claims against the company for allegedly misleading them about the safety of "light" cigarettes.

In oral arguments before the Illinois Supreme Court, former Illinois Gov. James Thompson, representing the tobacco company, said a lower court made several mistakes last year when it awarded \$10.1 billion in damages to a class of 1.1 million smokers. The judgment was the largest dollar verdict in state history.

Thompson, chairman of the Chicago law firm Winston & Strawn, said the cigarette company was not to blame if a smoker makes up for the less tar and nicotine by taking deeper puffs or smoking more cigarettes.

A ruling for the smokers would "turn the law on its head in this state and leave no manufacturer safe," he said.

He also said there were too many individual issues in question for a class action, such as whether consumers actually received lower tar and nicotine as promised on each pack of light cigarettes.

Stephen Swedlow, attorney for the plaintiff, countered Philip Morris knew from the time it introduced light cigarettes in 1971 they were no healthier than regular varieties, yet each package promised less tar and nicotine.

"What smokers of Marlboro Lights didn't know and couldn't know is that both of these promises were lies," Swedlow said.

A Madison County judge last year concluded Philip Morris misled smokers by suggesting light cigarettes were safer than regular varieties.

He ordered Philip Morris to pay \$7.1 billion in compensatory damages to 1.1 million Illinois consumers who purchased Marlboro Lights and Cambridge Lights in recent decades, plus \$3 billion in punitive damages to Illinois. He also earmarked \$1.75 billion for attorneys' fees.

The verdict was so controversial, the Illinois Supreme Court fast-tracked the case on appeal, allowing Philip Morris to bypass the intermediate appellate court.

Philip Morris is a unit of Altria Group Inc., which also controls Kraft Foods. Last week, Altria suggested the Illinois suit was one of three pending cases that would determine whether it follows through on a plan to spin off its Kraft shares.

In Florida, the state Supreme Court is reconsidering a decision that threw out a record \$145 billion verdict against Philip Morris USA and other U.S. tobacco companies on behalf of 700,000 Florida smokers. A state appellate court ruled that the cases had to be tried individually.

Meanwhile, the U.S. Justice Department, in a racketeering trial that began in September, is seeking a record \$280 billion from tobacco companies, accusing them of misleading the public about the dangers of smoking.

Associated Press contributed to this article.