

Phillip morris

[Business](#), [Marketing](#)



Legal and regulatory forces Task: Legal and regulatory forces Legal and regulatory forces affects the market of tobacco because illicit cigarettes enter the market and their sale violates the fiscal law, custom law and other regulations such as evading payment of import duties, and compliance to regulatory measures. The sale of these cigarettes does not entail payment of the relevant taxes. Moreover, there is prevalence of fake cigarettes manufactured without authorization of the brand owner. Phillip has taken some measures to curb illegal sale of cigarettes (Philip Morris International, 2012). This is by supporting stern regulations and enforcement measures to address illicit trade such as tracking, tracing, labeling, recordkeeping, and liaising with governments on precise agreements, aimed at addressing the illegal trade in cigarettes.

2.

In order to adapt to this regulatory force, Phillip has developed an international system that tracks and traces both tobacco products and the manufacturing equipment. In addition, Phillip controls the supply chain by curbing illicit trade. Phillip has researched on the risk related to the products with the main goal being developing methods to assess if a product has the likelihood of reducing disease related to smoking. Phillip also educates the consumers on the effects of the products causing heart disease, lung cancer, and chronic bronchitis. He also warns that smoking is addictive and becomes hard to quit.

3.

In future, this force will be fully effective since illicit trade in cigarettes harms both the consumers and manufactures. This will in turn reduce the trade in

illicit cigarettes. Philip Morris needs to analyze the effects of such processes on the success of the company.

Elaborate on Response

1. The implementation of company policies has improved the stature of the organization. This is by creating a distinct way of addressing issues. Furthermore, research gives insight into the development of modern mechanisms.
2. It is agreeable that non-smokers are significantly affected in a secondary manner. As such, Morris has to adapt corrective measures. This incorporates the education process for its workers.
3. Lessening harm on consumers is paramount in attaining success. This means that Philip Morris needs to persist in its research process. Additionally, advocacy needs to be enhanced.

References

Philip Morris International. (2012). Tobacco Regulation.
Retrieved from <http://www.pmi.com/eng/pages/homepage.aspx>

References

Retrieved on 22nd August 2012 from
<http://www.philipmorrisinternational.com>