

Report: Romney Helped Market Cigarettes

By [The Moscow Times](#)

October 08, 2012



Romney helped develop a market for smokers, like this woman near an image of Kotelnicheskaya Naberezhnaya. **Igor Tabakov**

Republican presidential candidate Mitt Romney made millions of dollars helping major U.S. and British tobacco companies enter the Russian market in the 1990s, a news report said Tuesday.

Romney, who is neck and neck with President Barack Obama ahead of the November election, has often cultivated the image of a family-oriented businessman in his campaign, stressing his investments in Staples stationers and Bright Horizon daycare centers over other less savory business ventures.

But a Huffington Post investigation said that during his time as CEO of Bain & Co., a Boston-based consulting company, Romney advised tobacco firms including British American Tobacco, or BAT, on how to market their brands in Russia in the years after the Soviet

collapse.

In order to capture the local market for its client, Romney's firm helped orchestrate "anonymous, convoluted cash transactions to keep major deals hidden from regulators and competitors," the report said.

Other dubious marketing tactics included handing out free cigarettes to people across the country to find out which brands would be most popular.

According to the report's authors, Bain's work paid off.

BAT, the company behind cigarette brands such as Lucky Strike and Benson & Hedges, had minimal Russian sales before signing a partnership with Bain in 1992. It now controls nearly a quarter of the domestic tobacco market and has close ties with top government officials, the report said.

While it is unclear to what extent Romney was personally involved in Bain's tobacco business, senior Bain executives told the newspaper that they reported directly to Romney.

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