Clerk of the House of Representatives Legislative Resource Center B-106 Cannon Building Washington, DC 20515 Secretary of the Senate Office of Public Records 232 Hart Building Washington, DC 20510

Secretary of the Senate Received: Aug 09, 2001

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Are Required To Complete This Page

1. Registrant Name:

KESSLER & ASSOCIATES BUSINESS SERVICES
2. Address: 210 7TH ST SE #200, WASHINGTON, DC 20003
3. Principal place of business (if different from line 2):
4. Contact Name: LEE TERRETT Telephone: 202-547-6808 E-mail (optional): Iterrett@kesslerassoc.com
Senate ID #: 21506-404 House ID #: 30748035
7. Client Name: Self
PHILIP MORRIS COS., INC.
TYPE OF REPORT
8. Year 2001 Midyear (January 1 - June 30): X OR Year End (July 1 - December 31):
9. Check if this filing amends a previously filed version of this report:
10. Check if this is a Termination Report: => Termination Date: 11. No Lobbying Activity:
INCOME OR EXPENSES
Complete Either Line 12 OR Line 13
12. Lobbying Firms
INCOME relating to lobbying activities for this reporting period was:
Less than \$10,000:
\$10,000 or more: X => Income (nearest \$20,000): 80,000.00
Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).
13. Organizations
EXPENSES relating to lobbying activities for this reporting period were:
Less than \$10,000:
\$10,000 or more: => Expenses (nearest \$20,000):
14. Reporting Method. Check box to indicate expense accounting method. See instructions for description of options.
Method A. Reporting amounts using LDA definitions only Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

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Registrant Name: KESSLER & ASSOCIATES BUSINESS SERVICES Client Name: PHILIP MORRIS COS,, INC.

LOBBYING ACTIVITY.

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed

15. General issue area code: TOB (one per page)

16. Specific lobbying issues:

FDA Regulation of Tobacco

17. House(s) of Congress and Federal agencies contacted: HOUSE OF REPRESENTATIVES SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: GROS, SIMON

Covered Official Position (if applicable): LA; REP FRANK LOBIONDO

Name: JENCKES, LINDA

Covered Official Position (if applicable): N/A

Name: KESSLER, RICHARD

Name: NESSEER, NICHARD
Covered Official Position (if applicable): N/A
Name: MUSSER, JAMES C.
Covered Official Position (if applicable): N/A
Name: NORTHCOTT, HALLOCK

Covered Official Position (if applicable): N/A

Name: POLK, FRANKLIN G

Covered Official Position (if applicable): SENATE FINANCE COMMITTEE STAFF DIRECTOR

Name: SPORIDIS, HARRY

Covered Official Position (if applicable): LA, REP GREENWOOD

19. Interest of each foreign entity in the specific issues listed on line 16 above. None

Signature: ON FILE Date: Aug 09, 2001

Printed Name and Title: DARLA M. TOMES - DEPUTY DIRECTOR OF COMMUNICATIONS

Registrant Name: KESSLER & ASSOCIATES BUSINESS SERVICES Client Name: PHILIP MORRIS COS., INC.

Information Update Page:

Complete ONLY where registration information has changed.

LOBBYIST UPDATE

23. Name of each previously reported individual who is NO LONGER expected to act as a lobbyist for the client

Name: MUSSER, JAMES C. Name: SPORIDIS, HARRY

ISSUE UPDATE

24. General lobbying issues previously reported that NO LONGER pertain

AFFILIATED ORGANIZATIONS

25. Add the following organization(s)

26. Name of each previously reported organization that is NO LONGER affiliated with the registrant or client

FOREIGN ENTITIES

27. Add the following foreign entities

28. Name of each previously reported foreign entity the NO LONGER owns, OR controls, OR is affiliated with the registrant, client or affiliated organization

Signature: ON FILE Date: Aug 09, 2001

Printed Name and Title: DARLA M. TOMES - Deputy Director of Communications

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