



## **Philip Morris: Addicted to E-conferencing**

By: Paul Tatge, President  
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### **Overview:**

In the mid 1990's, amidst media battles and corporate rumors regarding tobacco litigation issues, Philip Morris USA, now part of parent company Altria Group, Inc. ([www.altria.com](http://www.altria.com)) needed to communicate with its most important customers -- its employees. As an executive management initiative, corporate headquarters was to be linked to seven other locations to facilitate real-time communications efforts between management and their staff around the country.

Altria Group, Inc. is the parent company of Kraft Foods, Philip Morris International, Philip Morris USA, and Philip Morris Capital Corporation. Altria Group is also the largest shareholder in the world's second-largest brewer, SABMiller plc, with a 36 percent economic interest. Today the company employs 166,000 people in its food and tobacco businesses worldwide.

### **Options:**

Philip Morris wanted to communicate the same message simultaneously to all of its operating companies nationwide. Through satellite technology they were able to link their corporate headquarters with seven other major facilities that were located in New York, Virginia, Illinois, and Wisconsin. Working with American Communications Services Inc ([www.acsicom.com](http://www.acsicom.com)), a provider of systems communications consulting services specifically tailored to the needs of the end user, a highly detailed vendor/solutions proposal was created to evaluate the potential of numerous satellite service providers. After review and evaluation of many responses, Philip Morris selected Group W Satellite Broadcasting now Ascent Media ([www.ascentmedia.com](http://www.ascentmedia.com)) as the preferred provider.

### **Obstacles:**

While there were obstacles in obtaining permits and working with local municipalities at a few of the sites, the greater obstacle was more one of an internal political nature. Internal political energy ran high, and there were issues of trust that needed to be overcome for a successful outcome. Because the network connection involved several company divisions and corporate headquarters, emotions ran high on territorial issues. At times it was difficult for those involved to see both the applications and benefits of a corporate-wide communications system. As the company was being attacked from the outside, emotions were raw on the inside. If ever there was a need for honest and timely communications on a corporate level, this was it.

**Outcomes:**

Philip Morris/Altria continues to survive its battles, and, in the process, has grown its communications system. Today, the company uses satellite links to communicate not only within its US companies but also internationally. The company has served its employee base by connecting with them and keeping them informed on a real time basis. While it is difficult to put a price on emotional trust, the relationships established with its internal customer base (and the reflection of this loyalty on external customers, partners, and investors) are priceless.

**The Writer:**

The American Communication Service's Team is led by Paul Tatge, President, who brings over twenty five years of diverse managerial experience in program management, new business development, and operations within the telecommunication industry. Some of Paul's professional affiliations include the Midwest Society of Professional Consultants, the Society of Satellite Professionals International, the Executives' Club of Chicago, the Society of Telecommunications Consultants, and the Wireless Communications Association International.

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