
MSIntelligence v. Philip Morris International — Status Update

Swiss Proceedings Closed: MSI Lifts Its Communication Constraints and Pursues Its Case Internationally

After several years of legal proceedings in Switzerland between MSIntelligence ("MSI") and Philip Morris Products SA, the Swiss subsidiary of Philip Morris International ("PMI"), MSI acknowledges the final decision handed down by the Vaud courts.

What MSI reveals goes beyond a legal dispute. It is a system.

MSI does not denounce. MSI documents.

This approach is not a settling of scores. Forged through twenty-five years of direct observation, it is grounded in a conviction: PMI's public image does not reflect the reality of certain of its practices.

MSI notes, for context, that PMI group companies rank among the largest private employers and taxpayers in the city of Lausanne — which makes independent and transparent scrutiny of these practices all the more necessary, according to MSI.

MSI considers that the proceedings brought by PMI's Swiss subsidiary had the effect of preventing, at this stage, such scrutiny from taking place before the American courts — with allegations concerning certain commercial practices of the PMI group, its relationships with certain partners, and matters relating to the illicit trade in tobacco products [1]. MSI believes these substantive issues did not receive the attention they deserved, and intends to have them examined through other avenues.

The fight is not over — the case continues

The closure of the Swiss proceedings removes the constraints that had led MSI to limit its public communications for several years.

Raoul Setrouk now intends to pursue his efforts within an international framework, both legally and through the media. He also intends to bring to the attention of the relevant authorities, oversight bodies and competent institutions the information, experience and expertise he has accumulated over more than twenty-five years of dealings with various PMI group entities.

"This Swiss decision does not end our pursuit. I have no personal interest in continuing this fight other than to restore the truth about PMI's conduct. We hold evidence that deserves independent scrutiny, and we will continue to bring it before the competent authorities," declares Raoul Setrouk.

Over twenty-five years of collaboration with various PMI group entities, Raoul Setrouk's companies successively operated as a tobacco distributor, consultant, and specialist provider of investigations and market research. These assignments led them to work on sensitive matters, in direct contact with decision-makers at the highest levels of the group.

It is on the basis of this experience, and the archives accumulated over those years, that MSI believes it is in a position to shed light on certain PMI group practices that go beyond the scope of its dispute with the group. MSI considers that these matters — relating to illicit tobacco trade and economic crime — may be of interest to the authorities of several countries, and notes that at this stage, none of them has been subject to a judicial ruling on the merits.

MSI further wishes to emphasise that bringing these practices to light is not unrelated to the substance of the present dispute. MSI's decision to bring these matters to the attention of the competent authorities is also driven by its view that PMI's conduct in other contexts — far more serious contexts — is of a nature to call into question the reliability and sincerity of the positions PMI has defended throughout the proceedings between the two parties. MSI considers, in other words, that the credibility of an actor cannot be separated from the consistency of its actions.

This conviction, and the determination to ensure that these efforts can continue regardless of the outcome of any individual proceedings, led MSI to take a structural decision. MSI has accordingly assigned all of its rights of action, litigation rights and procedural prerogatives — relating to both current and potential future proceedings — to a third-party partner, which will benefit from Raoul Setrouk's full cooperation and access to the entire body of archives built up over his dealings with the PMI group.

Recent Judicial Developments in Algeria

MSI had already referenced these in its 2020 US complaint

Recent judicial developments in Algeria have given rise to investigations, prosecutions and measures affecting the economic environment of STAEM (Société des Tabacs Algéro-Émiratie) and UTC (United Tobacco Company) [2], companies in which the Rasheeden group and PMI hold economic interests through Emirati Investors-TA ("EITA") [3]. MSI notes that these developments correspond precisely to the concerns it had documented and brought before the US courts as early as 2020.

MSI considers that these matters, along with the reported involvement of certain executives of these companies, warrant thorough examination by the competent authorities in several countries — notably with regard to the consequences of decades of smuggling of Philip Morris-branded cigarettes [4], particularly in France and other countries.

These developments are part of a broader picture that MSI intends to document publicly. MSI informs interested media that it is preparing the forthcoming publication of a series of analyses devoted to the actors and networks involved, based on its findings, in the illicit tobacco trade. Journalists wishing to be notified of these publications on a priority basis may request this at the address below.

For all media, institutional or regulatory enquiries, please write to: media@msi-vs-pmi.com

ABOUT MSI

MSIntelligence (MSI) is a Swiss company founded in 2001 by Raoul Setrouk, specialising in market research and analysis of the tobacco market. Since its inception, MSI has worked with the world's leading tobacco industry players.

MSI has developed particular expertise in the Empty Pack Survey methodology, recognised as one of the most reliable for measuring illicit market rates, cross-border flows and other indicators of tobacco trade. Over more than twenty years of activity, MSI has conducted several thousand studies across more than one hundred countries.

Since 2020, MSI has been engaged in legal proceedings in Switzerland and the United States in connection with its contractual relationship with Philip Morris International.

INDEX OF SOURCES

1. MSI-VS-PMI.com - MSI US SUPREME COURT Complaint
2. Le Matin d'Algérie — *Tebboune, le général Nacer El Djinn et la mafia des cigarettes*
3. PMI Press Release — Emirati Investors-TA ("EITA"), based in the UAE, is held by PMI and the Rasheeden group
4. CNCT — La contrebande alimentée par l'industrie du tabac finance le terrorisme