

## In this issue:

VOLUME 31 | August 2014

- ▶ FDA Announces Deeming Regulations
- ▶ E-cig websites use deceptive marketing
- ▶ The Tobacco Industry and Marijuana
- ▶ Brooklyn Center Restricts Cigar Sales
- ▶ Tobacco Coupons Promote Dual Use



# TOBACCO MARKETING UPDATE

Reducing Youth Exposure to Tobacco Advertising and Promotion

## FDA Proposes Additional Regulation of Tobacco

By CHRIS FARMER-LIES

More than four years after gaining the authority to regulate tobacco products, the FDA has proposed regulations on electronic cigarettes, pipe tobacco, nicotine gels, hookah, and dissolvable tobacco.

Under the proposal, anyone manufacturing these products must register with the FDA, provide a list of ingredients, submit new products to the agency for premarket review, and include health warnings on the product packaging. Also, sellers would not be able to sell these products from vending machines, (unless they are in adults-only facilities) could not sell to minors, would not be allowed to provide free samples, and would be prohibited from making reduced risk claims without evidence. These regulations are already in place for cigarettes and smokeless tobacco.

The regulations do not prohibit television advertising, which has been the case for cigarettes since the early 1970s. The agency also does not propose prohibiting characterizing flavors. The agency is currently seeking comments on extending

this prohibition to these novel tobacco products, similar to existing regulations on non-menthol flavoring in cigarettes.

Tobacco advocates and retailers have generally opposed the proposed regulations, particularly the prohibition on free samples. Specialty electronic cigarette retailers, in particular, rely on the use of free samples in marketing and selling their products.

Additionally, they contend the more stringent regulations on ingredient listing and premarket review might overburden more marginal electronic cigarette juice vendors.

The public comment was open from April 25 to August 8. The tobacco and

electronic cigarette industries were heavily involved in the process. Of more than 80,000 comments submitted to the FDA on the deeming regulations, most were form letters directly associated with cigar manufacturers and electronic cigarette advocacy groups.

It is expected the regulations, whatever their final form, will not take effect for a number of years.



Above: Products included in the proposed deeming regulations include hookah, electronic cigarettes, cigars, and dissolvables.

## Study: Almost All E-cig Websites Use Deceptive Marketing

By CHRIS FARMER-LIES

A content analysis of 59 electronic cigarette websites found that deceptive marketing claims are virtually universal in the industry, according to a study published in the American Journal of Preventive Medicine. (Grana, Rachel A. et al. April 2014) By looking for 13 common marketing terms and phrases, researchers at the University of California San

Francisco discovered that 95 percent of electronic cigarette retailers made explicit or implicit health claims. It found that 64 percent claimed that electronic cigarettes can be used for cessation, 88 percent said they could be used to circumvent smoking bans. Almost all compared them to conventional cigarettes, with 95 percent claiming that they are “cleaner,” and 93 percent claiming they are cheaper.



# TOBACCO MARKETING UPDATE

## The Tobacco Industry and Marijuana

By *CHRIS FARMER-LIES*

In 1996, California was the first state to legalize medical cannabis, sidestepping the FDA's approval process for new medication through a statewide voter initiative. Since 1996, 21 states have followed suit in varying degrees. Minnesota passed limited legalization of medical marijuana during the 2014 legislative session, which should be implemented next summer.

The cigarette industry has so far expressed lukewarm reception to the burgeoning marijuana industry, though this has not always been the case in the past. At the beginning of the decriminalization movement in the 1970s, Brown and Williamson, now a subsidiary of Reynolds American, produced a report which said, "The use of marijuana ... has important implications for the tobacco industry in terms of an alternative product line. [We] have the land to grow it, the machines to roll it and package it, the distribution to market it." More recently, it was found that Altria had registered AltriaCannabis.com and AltriaMarijuana.com

Other major cigarette producers have publicly expressed lukewarm feelings following full legalization in Colorado and Washington. A spokesperson for Reynolds American said the company has "no plans to produce or market marijuana products."

For major cigarette companies, there appears to be no immediate desire to step into the marijuana industry. Though many states have relaxed laws on the sale of marijuana, it is still illegal under federal law. The businesses growing and selling marijuana are currently restricted to states where it is legal for them to operate. It may be that the cigarette industry is unwilling to move into the marijuana business with the threat of potential federal action.

When it comes to cigars, the tobacco industry is already heavily involved in the marijuana industry. Cigar manufacturers, in particular, have long been marketing flavored cigars as drug paraphernalia. These youth-focused products, which include blunt wraps and flavored cigars, are tobacco products designed and marketed for smoking marijuana.

**Questions or Comments?**

**Please contact Betsy Brock at**

**651-646-3005 or**

**betsy@ansrmn.org**

## Brooklyn Center Restricts Cigar Sales

By *CHRIS TURNER*

In April, the Brooklyn Center City Council unanimously set a minimum price for single cigars at \$2.10 each. All cigars in packages of less than five must be priced at \$2.10 each. For example, a two-pack of cigars would cost \$4.20, a three-pack would cost \$6.30 and up to five. Councilmember Dan Ryan believes that other cities will follow the example set by the city

Low-cost flavored cigars are particularly appealing to youth. These cigars can be purchased for as little as 45 cents. The Minnesota Student Survey shows that 37 percent of 12<sup>th</sup> grade Brooklyn High School boys have tried little cigars.



Cigars are commonly sold in packs of one or two.

## Tobacco Coupons Promote Dual Use

A newly published paper in Tobacco Control (Brock B, Schillo BA, Moilanen M. July 22, 2014) examines the value of tobacco coupons sent through the mail. The paper, titled "Tobacco industry marketing: an analysis of direct mail coupons and giveaways" shares results from an observational study investigating the content of direct mail marketing items sent in response to registration on select tobacco industry websites. The analysis of 659 tobacco company mailings sent between July 2011 and June 2012 reveals that 86.5 percent of mailings contained at least one coupon, and the average coupon value per mailing was \$4.17. Many of the mailings promoted snus alongside cigarettes, which could contribute to dual use. This study highlights how the industry uses direct mail marketing to reduce the cost of tobacco products, promote the dual use of cigarettes and snus, and build brand loyalty. More research is needed to understand how tobacco companies use direct mail marketing and how to craft effective policy solutions to counteract this type of tobacco marketing.