

Little Cigars, Cigarillos, and Cigars:

A Guide for Local Communities



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Executive summary

The Ramsey Tobacco Coalition, a program of the Association for Nonsmokers-MN (ANSR), works to reduce youth access to tobacco throughout communities in Ramsey County. Because youth are price sensitive, a proven youth tobacco prevention strategy is to make it harder for youth to obtain tobacco products by increasing their price. This is especially true for little cigars and cigarillos. These sweet, flavored tobacco products are much less expensive than cigarettes, in part because they are sold individually. These products are heavily promoted to youth and, as a result, are popular with them. According to the Minnesota Department of Health, 40% of Minnesota high school students report that they have tried cigars.

Communities can help prevent youth from becoming addicted to cigars by regulating the sale of these harmful products at the local level.

The cigars of today

The cigar market has changed. Unlike the large stogies of the past, the newest generation of cigars is cheap, flavored, and smaller in size. The rapidly growing availability of these cheap cigars caused the sale of cigars to double in the U.S. from 2000 to 2012.¹ Today, cigars are available in numerous flavors, sizes, and price points making them appealing and accessible to youth.

- **Flavoring.** Cigars are available in many flavors such as: chocolate, ba boom strawberry kiwi, grape, watermelon, and pineapple.
- **Size.** Cigars are sold in a number of sizes and go by different names such as: cigar, cigarillo, blunt, and little cigar. These terms are often used interchangeably; there is no standard definition. Pack size is also variable. Cigars are commonly sold as singles, two-packs, three-packs, and five-packs.
- **Price point.** Cigars can be extremely cheap. For example, it is not uncommon to find a two-pack selling for \$0.89-\$1.00. This makes them accessible to price sensitive youth. A small study conducted in St. Paul, Minnesota, in 2013, by the Ramsey Tobacco Coalition found that the average observed retail price for a single flavored cigar was only \$1.08 with some cigars selling for as little as \$0.50.

See Appendix A for examples of cigars available for sale in Minnesota.

Cigar use is on the rise

Thanks in large part to policy efforts, cigarette smoking is declining. However, cigar use is increasing. From 2000 to 2012, cigarette consumption decreased by 33.8%. During the same period, cigar use increased by 124%.² This increase is likely due to the

proliferation of cheap, flavored cigars as well as to the fact that cigars are generally less regulated than cigarettes.

Cigar use is common among Minnesota high school students. According to the 2011 Minnesota Youth Tobacco and Asthma Survey, 40% of Minnesota high school students report ever using cheap, flavored cigars or cigarillos.³

Percent of Minnesota High School Students who have EVER used specific tobacco products, 2011			
	Female	Male	Total
Cigarettes	37%	43%	40%
Cigars, cigarillos or little cigars	21%	41%	31%
Flavored cigars, cigarillos or little cigars	21%	36%	29%

Health impact

Cigar use results in the same, or similar, health problems as cigarette smoking. Cigar smoking causes oral cancer as well as cancer of the lung, esophagus, and larynx. Cigar smoking also results in heart disease and chronic obstructive pulmonary disease.⁵

Cigars deliver nicotine, which is a highly addictive stimulant. The flavorings in cigars help mask the harshness of smoke. Therefore, flavored cigars can serve as a gateway to new smokers, who then become addicted.

Marketing

The science is clear; tobacco marketing is causally linked to tobacco use in both youth and adults.^{6 7} Cigars, in particular, are aggressively marketed to youth. Cigar companies freely use Facebook and YouTube to promote their products. Hip hop artists popular with youth such as Snoop Dogg and Lil' Wayne are brand ambassadors for cigar lines.

See Appendix B for examples of cigar marketing.

Regulation

Little cigars are less regulated than cigarettes even though they cause the same health problems.

In 2009, the FDA was granted the authority to regulate tobacco. This regulated cigarettes in a number of ways:

- The sale of single cigarettes, or “loosies” was prohibited. Cigarettes are now required to be sold in packs of 20. In response, tobacco companies increased the sale and marketing of little cigars in single and small pack sizes. While virtually the same product as a traditional cigarette, little cigars can legally be sold singly or in small pack sizes, resulting in much lower prices.
- The sale of flavored cigarettes was prohibited. However, the sale of flavored cigars is still allowed.

Additionally, cigar companies are also able to avoid many of the marketing restrictions placed on the cigarette companies. Tobacco marketing is largely regulated by the Minnesota Tobacco Settlement and the Master Settlement Agreement. Because most cigars are manufactured by companies that were not part of these settlements, the restrictions do not apply.

Finally, cigars are taxed differently than cigarettes at both the federal and state levels. This can result in lower taxes, especially for very cheap products.

Policy options

Communities across the country can, and have, enacted ordinances that require cigars to be sold in larger packages and set a minimum price for single cigars. These ordinances help increase the price of cigars, which make them less accessible to youth. Boston, Massachusetts and nearly 30 surrounding communities implemented such ordinances in recent years. Most recently, New York City enacted a policy in November 2013.

See Appendix C for sample policy language.

References

1. U.S. Alcohol and Tobacco Tax and Trade Bureau (TTB). Tobacco Statistics, 2012.
2. TTB, Tobacco Statistics.
3. Minnesota Department of Health. *Teens and tobacco in Minnesota, 2011 update: Results from the Minnesota youth tobacco and asthma survey*, 2011.
4. Minnesota Student Survey, 2010.
5. National Cancer Institute. *Cigars: Health effects and trends*, 1998.
6. National Cancer Institute. *The role of the media in promoting and reducing tobacco use. Tobacco Control Monograph No. 19*. Bethesda, MD: U.S Department of Health and Human Services, National Institutes of Health, National Cancer Institute, 2008.
7. U.S. Department of Health and Human Services. *Preventing tobacco use among youth and young adults: A report of the Surgeon General*. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2012.

Appendix A

Examples of Cigars Available for Sale in Minnesota



Above: Two-pack of strawberry flavored cigarillos



Above: Chocolate flavored little cigars



Above: Grape and strawberry flavored single cigars



Above: Two-pack of grape flavored cigarillos; the retail price for this pack is \$0.89



Right: Three-pack of "Ba Boom" strawberry kiwi flavored cigars; the retail price for this pack is \$1

Appendix B

Examples of Cigar Marketing that Targets Youth



Left: Cigar commercial found on YouTube.

Right: YouTube commercial for Executive Branch cigars featuring popular hip hop artist Snoop Dogg. This video has almost two million views.





Left: Facebook page for the Splitarillos brand of cigars. The brand’s slogan is “Split It With Your Friends.”



Left: Facebook page for the Executive Branch brand of cigars. This page prominently displays hip hop artist Snoop Dogg; the page has more than 30,000 “likes.”

Appendix C

Sample Language to Regulate the Sale of Cheap Single Cigars

Background

The attached language should be added to your existing tobacco ordinance. The bulk of the new required language is under the “definitions” and “license restrictions” sections.

In the definitions section, you should add a definition for cigar and tighten up the “loosies” definition. Tightening up the loosies language makes it clearer and makes it match with the single cigar provisions.

In the “license restriction” section, cities can add the language proposed (see License Restrictions-b). This language says that cigars must be sold in original packages of 5 unless the cigar is at least \$2.10 apiece. In other words, if a cigar package contains 1-4 cigars, each cigar is considered a single and must be sold for at least \$2.10 before sales tax. Here is how pricing would work:

1 cigar: can be sold for at least \$2.10 (before sales tax)

2 pack of cigars: can be sold for at least \$4.20 (before sales tax)

3 pack of cigars: can be sold for at least \$6.30 (before sales tax)

4 pack of cigars: can be sold for at least \$8.40 (before sales tax)

5 pack of cigars: can be sold at market rate

The language also makes it clear that cigars that are part of a promotion (buy-one-get-one, \$0.75 off, etc.) are not exempt.

Sample Language

Section xx. Definitions.

Cigar means any roll of tobacco that is wrapped in tobacco leaf or in any substance containing tobacco, with or without a tip or mouthpiece, that is not a cigarette as defined in Minnesota Statutes, section 297F.01, subdivision 3, as amended from time to time.

Individually packaged means the practice of selling any tobacco or tobacco product wrapped individually for sale. Individually-wrapped tobacco and tobacco products shall include, but not be limited to, single cigarette packs, single cigars, single bags or cans of loose tobacco in any form, and single cans or other packaging of snuff or chewing tobacco. Cartons or other packaging containing more than a single pack or other container as described in this definition shall not be considered individually packaged.

Loosies means the common term used to refer to a single or individually-packaged cigarette or any other tobacco product that has been removed from its packaging and sold individually. The term loosies does not include an individual premium cigar, as defined in Minnesota Statutes, section 297F.01, subdivision 13a, and as amended from time to time, that can be sold by a licensed retailer as a single cigar to the extent permitted by all applicable state and federal laws.

Section xx. Prohibited Sales.

(a) It shall be a violation of this article for any person to sell or offer to sell any tobacco, tobacco product, tobacco-related device, or electronic delivery device:

- (1) To any person under the age of 18 years.
- (2) By means of any type of vending machine.
- (3) By means of self-service methods whereby the customer does not need to make a verbal or written request to an employee of the licensed premise in order to receive the tobacco, tobacco product, tobacco-related device, or electronic delivery device and whereby there is not a physical exchange of the tobacco, tobacco product, tobacco-related device, or electronic delivery device between the licensee, or the licensee's employee, and the customer.
- (4) By means of loosies as defined in section xx.
- (5) Containing opium, morphine, jimson weed, bella donna, strychnos, cocaine, marijuana, or other deleterious, hallucinogenic, toxic or controlled substances except nicotine and other substances found naturally in tobacco or added as part of an otherwise lawful manufacturing process. It is not the intention of this

provision to ban the sale of lawfully manufactured cigarettes or other tobacco products.

- (6) By any other means, to any other person, on in any other manner or form prohibited by federal, state or other local law, ordinance provision, or other regulation.

(b) It shall be a violation of this article for any retail establishment to sell, offer for sale, or distribute a single cigar unless the cigar is sold in an original package of at least five cigars, provided that:

- (1) This restriction shall not apply to any sale, offer to sell, or distribution of a single cigar that has a retail sales price of no less than \$2.10 before sales tax as adjusted from time to time for inflation.
- (2) Cigars to which price promotions or discounts apply shall not be excluded from this restriction.