Emerging Products: A presentation to APPEAL

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• The American Legacy Foundation (Legacy) was created as the result of the Master Settlement Agreement (MSA)
• Mission is to build a world where young people reject tobacco and anyone can quit
• Restrictions of MSA – no lobbying
• Produces public education campaigns, *truth®* focusing on youth prevention, and *EX®* focusing on adult cessation
• Legacy seeks to partner with communities most impacted by the toll of tobacco
Little Cigars and Cigarillos

- Cigars are defined by the US government as “any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco”\(^1\) that is not a cigarette

Size Comparison:
- Cigarette < 3 lbs per 1000
- Little Cigar < 3 lbs per 1000
- Large Cigar > 3 lbs per 1000
  (includes cigarillos)

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1. USC 5702. Available at: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=browse_usc&docid=Cite:+26USC5702
Cigarillos

- Often look like smaller versions of traditional stogie cigars.
- Come in a variety of flavors (cherry, apple, menthol, wine, etc.).
Cigarillos

• Sales of cigarillos increased by almost 150% between 1997 and 2007.¹

• Recent local data showing that among high school students, cigarillo/cigar use prevalence is as high or nearly as high cigarette smoking and among middle school students, cigar use prevalence is higher than cigarette use (Cuyahoga County, OH 2010 YRBS; LA 2009 YTS)

• Phillip Morris now owns Black & Mild, the most popular brands of cigarillos.

Little Cigars

Cigar or Cigarette in Disguise?

- Flavored (vanilla, grape, watermelon, cherry, chocolate, menthol, etc) and may appeal to youth and young people.
• Sales of little cigars increased by 240% between 1997-2007.¹
• Increase in consumption is frequently attributed to differences in tax rates between little cigars and cigarettes. Until recently, cigars were taxed at dramatically lower rates.

Cigar Tax Rates

• New Federal tax rates as of April 1, 2009:
  – **Small cigars**: $1.01 per pack of 20
    • Previous rate: $.04/pack
  – **Large cigars**: 52.75% of manufacturer’s price capped at $.40 per cigar
    • Previous rate: 20.72% of manufacturer’s price capped at $.05 per cigar

Source: 26 USC 5701 – as amended by the Children’s Health Insurance Program Reauthorization Act (P.L. NO. 111-003)
Pack on the left was purchased before the tax increase. Pack on the right was purchased after tax increase – despite being in different tax brackets now, the products are virtually indistinguishable.
Cigars and the Tobacco Control Act

• Cigars are not currently regulated under the Family Smoking Prevention and Tobacco Control Act (Tobacco Control Act)
  – Flavor ban does not apply to cigars
  – Larger warning label requirements do not apply to cigars
• FDA has indicated that it will begin the process to regulate cigars
  – Requires rulemaking via the regulatory process
Smokeless Products: Snus and Snuff

- Over the past several years, several national surveys have documented an increase in the use of STPs among young males.
- Several new and re-designed products have entered the market recently **Snus.** A spitless tobacco packaged in small teabag-like pouches. Modeled after a Swedish product
- **Moist Snuff.** Finely ground tobacco packaged in cans or pouches, sold moist (placed between the lower lip or cheek and gum)

**Dissolvable Tobacco**
• Dissolvable Tobacco is the latest smokeless product
Dissolvable Tobacco

- Finely milled tobacco
- Dissolves in the mouth
- Does not require spitting
- Very little information on health effects available
- Concern in the tobacco control community about dual use of these products with cigarettes
Dissolvable Tobacco

• Star Scientific began test marketing Ariva in 2001.
  – Aimed at smokers
• They began test marketing Stonewall in 2003
  – Aimed at smokeless users
Dissolvable Tobacco

- **Camel**
  - First test marketed starting in 2009 in Portland, OR; Columbus, OH; and Indianapolis, IN
  - Latest round of test marketing started earlier this year in Denver, CO and Charlotte, NC

New packaging – easier to open

Original packaging and product info

Product information:

**Camel Orbs**
- Two styles: Fresh and Mellow
- 15 Orbs per package
- Last about 10 – 15 minutes
- 1 milligram nicotine per Orb

**Camel Sticks**
- One style: Mellow
- 10 Sticks per package
- Last about 20 – 30 minutes
- 3.1 milligrams of nicotine per Stick

**Camel Strips**
- One style: Fresh
- 20 Strips per package
- Last about 2 – 3 minutes
- .6 milligram of nicotine per strip
Dissolvable Tobacco

- Marlboro and Skoal Sticks
  - Only test marketing in Kansas
  - First on market earlier this year
Smokeless and the Tobacco Control Act

• Smokeless products, which according to FDAs website can include dissolvable products, are subject to the Tobacco Control Act
  – New, larger warning labels
  – No free samples, except in adult only facilities
  – No sponsorship of sporting events
  – Similar marketing and advertising restrictions to cigarettes
Other Tobacco Products

• Hookah and E-cigarettes
Conclusion

• While cigarettes are still by far the most popular tobacco product, these other products are seeing some increases in use or simply getting more attention.

• Need to monitor the use of these products in our communities