

### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580



September 18, 2002

### **MEMORANDUM**

TO: Public Records

Office of the Secretary

FROM: Sallie Schools

**Division of Advertising Practices** 

SUBJECT: Rotational Health Warnings for Cigarettes

File No. P854505

Please place the attached documents on the public record in the above-captioned matter.

- 1. June 6,2001 letter from Yong **Sup** Kim, Coastline Trading Corp. to Michael Ostheimer.
- 2. June 7,2001 letter from C. Lee Peeler to Yong Sup Kim, Coastline Trading *Corp*.
- 3. July 26, 2001 letter from Art Montour, Native Wholesale Supply to C. Lee Peeler.
- 4. July 26, 2001 letter from C. Lee Peeler to Art Montour, Native Wholesale Supply.
- 5. December 20,2001 letter from Fernando L. Sabino, PTT.Com, Inc. to Diana Winterson.
- 6. January 3,2002 letter from Mary K. Engle to Fernando L. Sabino, PTT.Com
- 7. January 4, 2002 letter from Everett Gee, III, S&M Brands, to FTC.
- 8. January 4, 2002 letter from Mary K. Engle to Everett Gee, III, S&M Brands.
- 9. January 14,2002 letter from Mohammed Babul, Bengal Tobacco to C. Lee Peeler.
- 10. January 16,2002 letter from Mary K. Engle to Mohammed Babul, Bengal Tobacco.
- 11. January 16,2002 letter from Katherine Yeager, Quintin International, to Diana Winterson.
- 12. January 16,2002 letter from Mary K. Engle to Katherine Yeager, Quintin International.

- 13. January 16,2002 letter from Katherine Yeager, Quintin International, to Diana Winterson.
- 14. January 16,2002 letter from Mary K. Engle to Katherine Yeager, Quintin International.
- 15. January 7,2002 letter from Roberto Fleitas on behalf of ZNF International to C. Lee Peeler.
- 16. January 17,2002 letter from Mary K. Engle to Roberto Heitas on behalf of ZNF International.
- 17. January 15,2002 letter from Richard G. Saffire, Jr., Windward Tobacco, to Michael Ostheimer.
- 18. January 18,2002 letter from Mary K. Engle to Richard G. Saffire, Jr., Windward Tobacco.
- 19. January 22,2002 letter from John Short, Southern Tobacco to Diana Winterson.
- 20. January 24,2002 letter from Mary K. Engle to John Short, Southern Tobacco.
- 21. January 25,2002 letter from Mark Dunham, Tradecorp International, to C. Lee Peeler.
- 22. January 30,2002 letter from Mary K. Engle to Mark Dunham, Tradecorp International.
- 23. December 26,2001 letter from John T. Wertheim, Single Stick, to Sallie Schools.
- 24. January 31,2002 letter from Mary K. Engle to John T. Wertheim, Single Stick.
- 25. January 22,2002 letter from Karon Redmond, Carolina Tobacco Co. to Michael Ostheimer.
- 26. January 31,2002 letter from Mary K. Engle to Karon Redmond, Carolina Tobacco Co.
- 27. January 30,2002 letter from Lauren V. Perez on behalf of American Automotive Security Products d/b/a F.T.S. Distributors to Sallie Schools.
- 28. January 31, 2002 letter from Mary K. Engle to Lauren V. Perez on behalf of American Automotive Security Products d/b/a F.T.S. Distributors.

- 29. January 23,2002 letter from Barry M. Boren, Esq. on behalf of International Cruise Liquor & Tobacco, LLC to Mary K. Engle.
- 30. February 4,2002 letter from Mary K. Engle to Barry M. Boren, Esq. on behalf of International Cruise Liquor & Tobacco, LLC.
- 31. February 1,2002 from Thomas O'Connell, Sun Tobacco, to Mary K. Engle.
- 32. February 4,2002 letter from Mary K. Engle to Thomas O'Connell, Sun Tobacco.
- 33. January 22,2002 letter from Assaad Hark, Winner Company to C. Lee Peeler.
- 34. February 5,2002 letter from Mary K. Engle to Assaad Hark, Winner Company.
- 35. February 1,2002 letter from Alan E. Balch, Lane Limited to Diana Winterson.
- 36. February 7,2002 letter from Mary K. Engle to Alan E. Balch, Lane Limited.
- 37. February 15,2002 letter from Neal N. Beaton, Esq. on behalf of Japan Tobacco, Inc.
- 38. February 20,2002 letter from Mary K. Engle to Neal N. Beaton, Esq. on behalf of Japan Tobacco, Inc.
- 39. February 19,2002 letter from Michael A. Canul, Q International, to Mary K. Engle.
- 40. February 22, 2002 letter from Mary K. Engle to Michael A. Canul, Q International.
- 41. February 28,2002 letter from Katherine K. Yeager, Quintin International to Diana Winterson.
- 42. March 1,2002 letter from Mary K. Engle to Katherine K. Yeager, Quintin International.
- 43. March 4,2002 letter from Richard G. Saffire, Jr., Windward Tobacco, to Michael Ostheimer.
- 44. March 5,2002 letter from Mary K. Engle to Richard G. Saffire, Jr., Windward Tobacco.
- 45. March 4,2002 letter from Alan E. Balch, Lane Limited to Diana Winterson.
- 46. March 5,2002 letter from Mary K. Engle to Alan E. Balch, Lane Limited.

- 47. March 4,2002 letter from John Short, Southern Tobacco to Diana Winterson.
- 48. March 5,2002 letter from Mary K. Engle to John Short, Southern Tobacco.
- 49. March 8,2002 from Katherine K. Yeager, Quintin International to Diana Winterson.
- 50. March 13,2002 letter from Mary K. Engle to Katherine K. Yeager, Quintin International.
- 51. March 8,2002 from Paul A. Embury, CanStar (U.S.A.) Inc. to Mary K. Engle.
- 52. March 13,2002 letter from Mary K. Engle to Paul A. Embury, CanStar (U.S.A.) Inc.
- 53. March 14,2002 letter from Roberto F. Fleitas, Esq. on behalf of North Carolina Distribution, LLC to Mary K. Engle.
- 54. March 15,2002 letter from Mary K. Engle to Roberto F. Heitas, Esq. on behalf of North Carolina Distribution, LLC.
- 55. March 14,2002 letters (2) from Roberto F. Fleitas, Esq. on behalf of HABA-DOM Cigars Corp. to Mary K. Engle.
- 56. March 15,2002 letter from Mary K. Engle to Roberto F. Fleitas, Esq. on behalf of HABA-DOM Cigars Corp.
- 57. March 13,2002 letter from Craig A. Koenigs, Esq. on behalf of European Cigarette Imports to Mary K. Engle.
- 58. March 18,2002 letter from Mary K. Engle to Craig A. Koenigs, Esq. on behalf of European Cigarette Imports.
- 59. March 14,2002 letter from Roberto F. Fleitas, Esq. on behalf of HABA-DOM Cigars Corp. to Mary K. Engle.
- 60. March 18,2002 letter from Mary K. Engle to Roberto F. Heitas, Esq. on behalf of HABA-DOM Cigars Corp.
- 61. March 15,2002 letter from Neal N. Beaton, Esq. on behalf of Japan Tobacco, Inc. to Mary K. Engle.

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- 62. March 21,2002 letter from Mary K. Engle to Neal N. Beaton, Esq. on behalf of Japan Tobacco, Inc.
- 63. March 21, 2002 letter from Arthur Montour, Native Wholesale Supply, to Mary K. Engle
- 64. March 22,2002 letter from Mary K. Engle to Arthur Montour, Native Wholesale Supply.
- 65. March 21,2002 from Barry M. Boren, Esq. on behalf of Vimisa, Inc. to Mary K. Engle.
- 66. March 25,2002 letter from Mary K. Engle to Barry M. Boren, Esq. on behalf of Vimisa, Inc.
- 67. March 20,2002 letter from Henry C. Roemer, III, Esq. on behalf of **G. A.** Andron & Co. to Michael Ostheimer.
- 68. March 27,2002 letter from Mary K. Engle to Henry C. Roemer, III, Esq. on behalf of **G. A.** Andron & Co.
- 69. March 20,2002 letter from Henry C. Roemer, III, Esq. on behalf of **G. A.** Andron & Co. to Michael Ostheimer.
- 70. March 27,2002 letter from Mary K. Engle to Henry C. Roemer, III, Esq. on behalf of G. A. Andron & Co.
- 71. March 20,2002 letter from Henry C. Roemer, III, Esq. on behalf of **G. A.** Andron & Co. to Michael Ostheimer.
- 72. March 21, 2002 letter from Joanne Diggett, **G.A.** Andron & Co. to Michael Ostheimer.
- 73. March 27,2002 letter from Mary K. Engle to Henry C. Roemer, 111, Esq. on behalf of G. A. Andron & Co.
- 74. March 21,2002 letter from Joanne Diggett, **G.A.** Andron & Co. to Michael Ostheimer.
- 75. March 27,2002 letter from Mary K. Engle to Henry C. Roemer, III, Esq. on behalf of **G. A.** Andron & Co.
- 76. March 27,2002 letter from Barry M. Boren, Esq. on behalf of Leader Tobacco Co. to Mary K. Engle.

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- 77. March 27,2002 letter from Mary K. Engle to Barry M. Boren, Esq. on behalf of Leader Tobacco Co.
- 78. March 6,2002 lettter from Barry M. Boren, Esq. on behalf of Jash International, Inc. to Mary K. Engle.
- 79. March 29,2002 letter from Mary K. Engle to Barry M. Boren, Esq. on behalf of Jash International, Inc.
- 80. March 6,2002 lettter from Barry M. Boren, Esq. on behalf of Jash International, Inc. to Mary K. Engle.
- 81. March 29,2002 letter from Mary K. Engle to Barry M. Boren, Esq. on behalf of Jash International, Inc.



### Coastline Trading Corp., U.S.A.

P.O. Box **2464** Fullerton, CA **92837**Toll Free. **888.562.OMAR (6627)**fax. 714 **992.5421**1015 W • Orangethorpe Avenue, Fullerton, CA **92633** 

CXAR STAINE U. S. A.

June 6,2001

Mr. Michael Ostheimer Associate Director, Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue Suite 4002 Washington, D.C.20580

Dear Mr. Michael Ostheimer:

The following plan is submitted for approval by your department for the quarterly rotation of warnings for the Surgeon General's Warning Labels as required by the Federal Cigarette Labeling and Advertising Act.

Specifications and rotation of the warning labels will comply with specifications stated in Sections 1333(a)(1) and 1333(b)(1) of the Federal Cigarette Labeling and Advertising Act.

We will import from Korea to the United States of America the following brand style of the brand Simple:

Slim size.

In addition, we plan to import the following brand style of the brand timeless **The:** Special mild cigarettes.

**Also,** we will import from Korea to the United States of **America** the following brand style of the brand Mount Class: Lights only.

### I. Packaging

A.) Warning Label Size and Location:

(1) We will display the four cigarette health warnings on the packs and cartons of Simple Brand cigarettes exactly as shown on the packs and cartons enclosed with our letter of April 23,2001. (See EXHIBIT A.)

The warnings will appear with Black letters on White background, for all Simple Brand cigarettes. The warnings will be placed on the side panel of the cigarette pack and carton as shown on the samples in EXHIBIT A.



OMAR SHARIF U. S. A.

### Coastline Trading Corp., U.S.A.

P.O. Box 2464 Fullerton, CA 92837 Toll Free. 888.562.OMAR (6627) fax. 714.99Q.5441

1015 W. Orangethorpe Avenue, Fullerton, CA 92633

- (2) Also, we will display the four cigarette health warnings on the packs and cartons of timeless Time Brand cigarettes exactly as shown on the packs and cartons enclosed with our letter of April 23,2001. (See EXHIBIT B.) The warnings will appear with Black letters on Beige background, for all timeless Time Brand cigarettes. The warnings will be placed on the side panel of the cigarette pack and carton as shown on the samples in EXHIBIT B.
- (3) Finally, we will display the four cigarette health warnings on the packs and cartons of Mount Class Brand cigarettes exactly as shown on the packs and cartons enclosed with our letter of April 23,2001. (See **EXHIBIT** C.) The warnings will appear with Blue letters on White background, for all Mount Class Brand cigarettes. The warnings will be placed on the side panel of the cigarette pack and carton as shown on the samples in **EXHIBIT** C.
- B.) Warning Label Rotation: The **four** cigarette health warnings are scheduled to rotate quarterly **on** a basis of production date beginning with **the** 2nd Quarter, **as shown on** the attached Schedule **for** Warning Label Rotation. (Please refer **to** 'Schedule for **Warning** Label Rotation'.)

### II. Advertising

For the time being, we are not planning to advertise our products in the United States. **When** we come **to** advertise, we will submit a plan to you explaining how to comply with the format requirements of the Cigarette Act.

We hope everything is to your satisfaction and look forward to your prompt approval.

Respectfully,

Yong & Lim Yong Sup Kim, President

Enclosures: Attached Schedule for Warning Label Rotation, Exhibit A, B and C

**PS.** Please thankfully submit a copy of your results to Coastline Trading Corporation by fax and please contact us if there are any further requirements.

### **Schedule for Warning Label Rotation**

Quarters	Period of Production	Warning Labels For Simple	Warning Labels For timeless Time	Warning <b>Labels</b> For Mount Class	
1 <sup>st</sup>	Jan to Mar	SURGEON GENERAL'S WARNING: Cigarette Smoke <b>Contains</b> Carbon <b>Marchide.</b>	SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.	Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.  SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.  RNING: SURGEON GENERAL'S WARNING:	
2 <sup>nd</sup>	Apr to Jun	SURGEON GENERAL'S WARNING Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.		
3 <sup>rd</sup>	Jul to Sep	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.		
4"	Oct <b>to</b> Dec	SURGEON GENERAL'S WARNING: Quitting Smolung Now Greatly Reduces Serious Risks to Your Health.	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.	SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.	

Selected packaging samples from those submitted with the plan.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight. timeless time Special Mild Cigarettes 20 CLASS **A FILTER CIGARETTES** American Blend timeles. time jΓ American Blend 20 CLASS A FILTER CIGARETTES Special Mild Cigarenes simeless time 於完 timeless time



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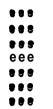
MAGNETAL

timeless









LOW TAR& NICOTINE AMERICAN TASTE



AMERICAN TASTE LOW TAR& NICOTINE





2/WJSIZE





SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.









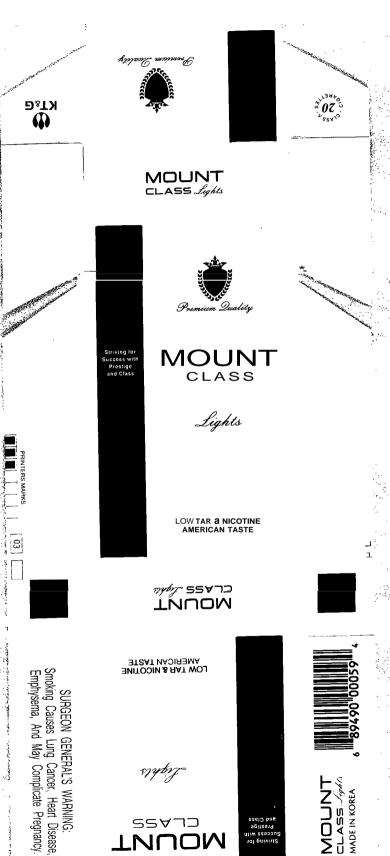




SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.



LI KOREA TOBACCO & GINSENG MADE IN KOREA



Premium Quality Cigarettes King Size 20x10 Cigarettes

TLASS Lights 

MADE IN KOREA



### CLASS Lights **5**2302

D × T × €

Iremium Quality

Striving for success with Prestige and Class

Quitting Smoking Now Greatly Reduces Serious Risks to Your Health. SURGEON GENERAL'S WARNING:

MOUNT PSS MA

MADE IN KOREA



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

June 7,2001

Mr. Yong Sup Kim, President Coastline Trading Corp., U.S.A. 1015 W. Orangethorpe Ave. Fullerton, CA 92633

Dear Mr. Kim:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Coastline Trading Corp., U.S.A. ("Coastline Trading") on June 6,2001 calling for quarterly rotation of the four health warnings on packaging of certain varieties of the Simple, "timeless time," and Mount Class brands of cigarettes.

The warnings on the sample packs and cartons of the Simple, "timeless time," and Mount Class brands submitted with your letter of April 23,2001 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Coastline Trading's plan has been approved for the following varieties of the Simple, "timeless time," and Mount Class brands of cigarettes: Simple slim size, "timeless time" special mild, and Mount Class lights. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers and importers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

Sincerely,

A ---- -i--t- Di----

Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or Imprisonment. **18** U.S.C. § 1001

### Native & Supply 11037 Old Logan Road Penysburg, NY 14129

PO Box 214 Gowanda, NY 14070-0214

July 26,2001

Federal Trade Commission Administrative Services 601 Pennsylvania Avenue Northwest Washington, DC **20580** Mailstop **4002** 

Attention Mr. Peeler

Dear Mr. Peeler:

We are applying for a new Health Warning rotation approval letter for the current year 2001 for the "CIGS" brand cigarette that will begin production in April 2001. We had originally proposed to begin production last year, but unforeseeable problems occurred which prevented us from doing so.

We are intending to import brand styles known as:

- **CIGS Full Flavor King Size 20's**
- 2. CIGS Light King Size 20's
- 3. CIGS Menthol Light King 20's
- 4. CIGS Ultra Light King Size 20's
- 5. CIGS Menthol King Size 20's

Which will be manufactured by GRAND RIVER ENTERPRISES SIX NATIONS LTD. in Canada under the guidelines of the Revenue Canada Manufacturing Act.

We have enclosed samples of our packs and outer cartons for your inspection. We have carefully read the Act and feel our products are in full compliance with the "Cigarette Act" Warning Label Display Requirement.

Our proposed plan for compliance with the 'Warning Act" is to rotate the four cigarette health warnings quarterly on packs and cartons of the CIGS brand of cigarettes. The four warnings will appear on packs and cartons of the CIGS brand of cigarettes exactly as shown on the sample packs and cartons submitted with this letter and our letter dated 4/17/01.

The four cigarette health warnings will be rotated quarterly on packs and cartons of the CIGS brand of cigarettes according to the following schedule.

1. Displayed on packs and cartons produced during the first quarter each year (January 01 to March 31).

● Page2 July 26,2001

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

2. Displayed on packs and cartons produced during the second quarter of each year (April 01 to June 30)

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

3. Displayed on packs and cartons produced during the quarter of each year (July Olto September 31).

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

4. Displayed on packs and cartons produced during the quarter of each year (October 1 to December 31)

SURGEON GENERAL'S WARNING: Smoking By PregnantWomen May Result in Fetal Injury, Premature Birth, And Low Birth Weight

All warning labels will be in the same place as shown on the annexed samples and will be the same size and type style.

A present, we do not intend to advertise, In the event we do in tend to advertise, we will submit a proposed plan to comply with "Cigarette Act" Warning Label Display Requirement for Advertising.

Please advise as quickly as possible of the approval of the plan. Thank you for your kind and prompt attention to this matter.

Yours truly.

Art Montour Vice President

Native Wholesale Supply

Selected packaging samples from those submitted with the plan.

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.





BIGS

20 CLASS A CIGARETTES



ULTRALIGHT



## ULTRA LIGHT

200 CLASS A KING SIZE CIGARETTES AMERICA'S FINEST BLEND





### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

July 26,2001

Mr. *Art* Montour, Vice President Native Wholesale Supply 11037 Old Logan Rd. Perrysburg, *NY* 14129

Dear Mr. Montour:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, etseq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of Native Wholesale Supply ("Native Wholesale") on July 26, 2001 calling for quarterly rotation of the four health warnings on packaging of certain varieties of the CIGS brand of cigarettes.

The warnings on the sample packs and cartons of the CIGS brand submitted with your letters of April 17, 2001 and July 26,2001 appear to comply with the requirements of the Cigarette Act for sue and conspicuousness. Native Wholesale's plan has been approved for the following varieties of the CIGS brand of cigarettes: Full Flavor King, Light King, Menthol Light King, Ultra Light King, and Menthol King. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Lee Peeler

Sincerely.

Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001

### December 20<sup>th</sup>, 2001

Fernando L. Sabino PTT.Com, Inc. 114 Atlantic Annex Point Maitland, FI 32751

(407) 767 9600

Ms. Diana Winterson
Division of Advertising Practices
Federal Trade Commission
601 Pennsylvania Avenue NW
Room 4002
Washington, DC 20580

### Dear Ms Winterson:

Re: Jim Porter Brand Cigarettes – Labels and Proposed Label Rotation Plan submitted on November 26<sup>th</sup>, 2001

Re: Jim Porter Brand Cigarettes – Labels and Proposed Label Rotation Plan submitted on November 28<sup>th</sup>, 2001

Pursuant to your instructions and the requirements of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. Section 1331 <u>et seq.</u> (the "Act") we submit on behalf of PTT.Com Inc, a supplementary plan for the importation of an additional two (2) brand styles of Jim Porter cigarettes:

- (1) a rotation plan for display of warning statements on Jim Porter cigarette packs and cartons
- (2) actual Jim Porter cigarette packs and cartons

### Warning Statement Rotation Plan Pursuant to Section 4c of the Federal Cigarette Labeling and Advertising Act

The Act provides for the placement of certain warning statements on packs and cartons of cigarettes for sale or distribution in the United States and in advertisements for cigarettes within the United States. PTT.Com, Inc submits this Warning Statement Rotation Plan (the "Plan") to the Federal Trade Commission pursuant to Section 4c of the Act.

Approval was given on December 5<sup>th</sup>, 2001 to import the following brand-styles:

- (1) Jim Porter Full Flavor 100's
- (2) Jim Porter Full Flavor King Size
- (3) Jim Porter Lights 100's

- (4) Jim Porter Lights King Size
- (5) Jim Porter Menthol 100's
- (6) Jim Porter Menthol King Size

PTT.Com, Inc wishes to import a further two brand styles:

- (I) Jim Porter Ultra Lights 100's
- (2) Jim Porter Menthol Lights 100's

### **Packaging**

### **Warning Statement Size and Location**

For the Jim Porter brand we enclose for your review and approval the aforementioned actual cigarette packs and cartons. PTT.Com, Inc intends to display each of the warning statements required by the FTC Memo on the Product's packs and cartons. In compliance with the Tariff Suspension and Trade Act of 2000, the warning statements shall be printed directly on the Product's packs and cartons and will appear exactly as they do on the packs and cartons and pack and carton artwork submitted with our letter of November 28<sup>th</sup>, 2001.

### Warning Statement Rotation Plan for Packs and Cartons by Quarter

The Jim Porter brand includes all brand-styles described above. The four cigarette health warnings will be rotated quarterly on packs and cartons of the Jim Porter brand of cigarettes as per the following schedule:

Jim Porter	First	Second	Third	Fourth
	Quarter	Quarter	Quarter	Quarter
	В	С	D	Α

Packs and cartons of all brand styles of the Jim Porter brand shall bear the label statement referenced above for the quarter in which such cigarettes are manufactured or packaged, regardless of the date(s) on which such cigarettes are sold or distributed in the U.S.

All brand styles will display the same warning statement during each quarter. The letters used to identify the various warning statements are the same as those on Page 3 of the FTC Memorandum to Potential Manufacturers and Importers (the "FTC Memo"), namely:

A SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

- B SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

### **Records of Compliance**

PTT.Com, Inc will maintain monthly records of compliance with the proposed warning statement rotation plan indicating (i) the dates of manufacture or packaging of the Product, and (ii) the warning statement displayed in each case. These records will be available for inspection by your agency upon reasonable prior notice.

### **Advertising**

There are no current plans to advertise the Jim Porter brand of cigarettes, other than on our internet site; <u>www.tobaccoholdinns.com</u> and a plan to that effect was approved by the FTC on December 5<sup>th</sup>, 2001.

### **Importer Contact Information**

We would appreciate that any notice in connection with the Jim Porter proposed warning statement rotation plans be directed to PTT.Com, Inc at the following address:

PTT.Com, Inc. 114 Atlantic Annex Point Maitland, FI 32751

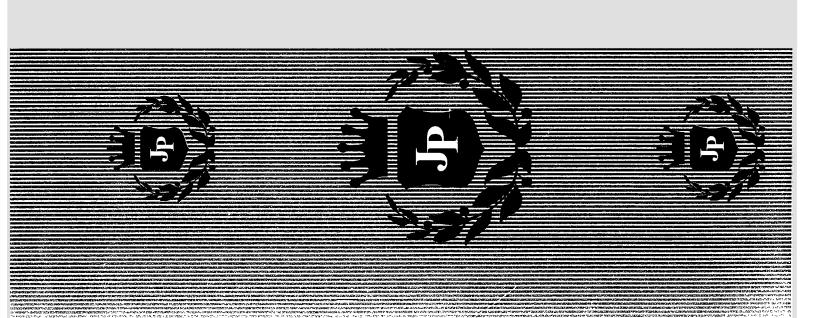
Tel: 407 767 9600 (Sharon Radley)
†91: 321 229 7364 (Fernando Sabino)

Fax: 407 767 9710

Sincerely,

Fernando L. Sabino President & CEO

Selected packaging samples from those submitted with the plan.



SOFT PACK
SALE
PROHIBITED

IN PORTSR Menthol lights

SOŁŁ BYCK

SOFT PACK

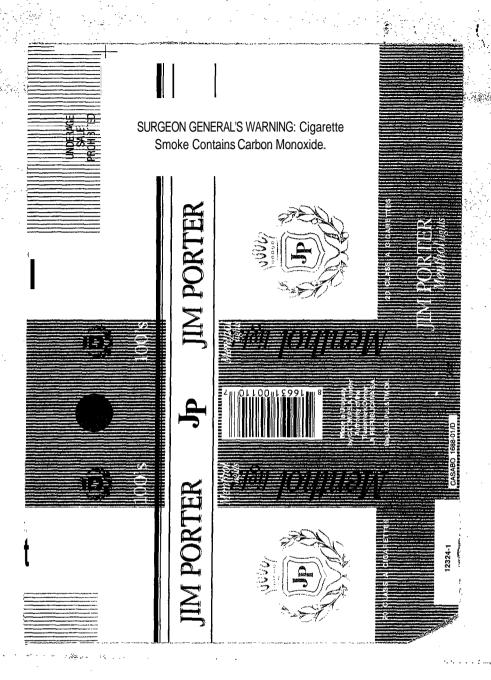
# Menthol hank

200 C+SS & CIGMR ₹TES

### JIM PORTER Menthol lights Made in Uruguay by C.I.T.M.P.S.A. under Authority

Made in Uruguay by C.I.T.M.P.S.A. under Authority of the Trademark Owner LA REPUBLICANA S.A. Reg. U.S. Pat. & TM Off.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.



District the American in



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January **3,2002** 

Mr. Fernando Sabino
President
PTT.Com, Inc.
114 Atlantic Annex Point
Maitland, FL 32751

Dear Mr. Sabino:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). On December 5,2001, the Commission approved PTT.Com, Inc.'s November 28,2001 plan for the quarterly rotation of the four health warnings on packaging and in Internet advertising of certain varieties of the Jim Porter brand of cigarettes. On December 20,2001, PTT.Com, Inc. filed a supplement to expand its plan to include the ultra lights 100's and menthol lights 100's brand styles of the Jim Porter brand.

the plan assumes that the plan is implemented in good faith. Year plan contemplates Internet advertising; I wish to clarify that the approval of your plan for the rotation of the health warnings in advertising is <u>not</u> an approval of advertising cigarettes on the Internet. With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice and you should contact DOJ directly (Eugene Thirolf at 202-307-3009) to determine whether such advertising on the Internet is permissible.

The warnings on the packs and cartons submitted with your December **20,2001** letter appear to meet the size and conspicuousness requirements of the Cigarette Act. PTT.Com, Inc.'s supplement to its plan is hereby approved. Approval of the plan is contingent on its good faith

Mr. Fernando Sabino January 3,2002 Page 2

implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Very truly yours,

Mary K. Engle

Acting Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



### **JANUARY 4,2002**

Via Fax & Overnight

Associate Director of Advertising Practices Federal Trade Commission FTC Satellite Building 601 Pennsylvania Avenue, NW Room 4002 Washington, D.C. 20580 (202)326-3259 FAX

Re: FTC Health Warning Rotation Plan for \$&M Brands, Inc. d/b/a

Bailey's Cigarettes and Tahoe Cigarettes

### To Whom It May Concern:

The undersigned is general counsel to \$&M Brands, Inc., a Virginia corporation doing business as Bailey's Cigarettes and Tahoe Cigarettes. \$&M Brands, Inc. started production on August 19, 1994, with solely the Bailey's brand. Since that time, \$&M Brands, Inc. has filed its Advertising and Packaging Health Warning Plan with the FTC, including submitting its packages and advertising materials. This plan was first approved through December 31, 1995, by Associate Director C. Lee Peeler of the Division of Advertising Practices. \$&M Brands, Inc. ha5 obtained approval for each subsequent year.

As a small, start-up manufacturer, under our reading of applicable law, \$&M Brands, Inc. has qualified (and we believe still qualifies) to have a plan for the warnings on cigarette packages that would constitute the simultaneous display of the four health warnings on cigarette packaging. \$&M Brands, Inc. will equalize the warnings on the packs and cartons for each brand style throughout the year. Last year, \$&M Brands, Inc. received approval for its new Tahoe style for an identical rotation plan to Bailey's. Likewise, the FTC approved the health warnings displayed on Tahoe packs and cartons as to size and content.

The packaging materials (cartons and packs) have not changed for our Bailey's brand or our Tahoe brand. Samples are available upon request, but your department should have complete and accurate samples on file.

Our best selling brand style for 2001 constituted the sale of the sticks. The best estimate for 2002 is sales for any one brand style will certainly not exceed sticks. If this takes S&M Brands, Inc. outside of the exemption for the rotation plan, which I do not believe that it does, please let me know and we will amend this rotation plan to whatever your department and the law requires.

As to advertising, as in previous years, S&M Brands, Inc. would like to maintain its rotation plan. We are rotating warnings according to the schedule attached. The warning applied to advertising depends on when the advertising materials are ordered.

Thank you so much for your attention to this matter. Please feel free to call the undersigned if you have any questions.

Yours very truly,

Everett W. Gee III

Vice President Legal Affairs & General Counsel

### **Enclosure**

cc: Mr. Malcolm L. Bailey (w/encl.)

Mr. Steven A. Bailey (w/encl.)

### § & M Brands, Inc. D/B/A Bailey's Cigarettes and Tahoe Cigarettes 3662 Ontario Road Suite B Keysville, VA 23947

### ROTATION PLAN FOR ADVERTISING AND PROMOTIONAL MATERIALS

	Bailey's Brand
First Quarter	С
Second Quarter	D
Third Quarter	А
Fourth Quarter	В
	Tahoe Brand
First Quarter	В
Second Quarter	А
Third Quarter	D
Fourth Quarter	С
The warnings are as follows:	
SURGEON GENERAL'S WARNING: Smoking Causes Lung Cance Heart Disease, Emphysema, And May Complicate Pregnancy.	er,
SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.	у
SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.	
SURGEON GENERAL'S WARNING: Cigarette Smoke Contain Ca Monoxide.	rbon

A.

B.

C.

D.



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON. D.C. 20580

January 4,2002

Everett W. Gee, III, Esq. S&M Brands, Inc. 3662 Ontario Rd., Suite B Keysville, VA 23947

Dear **Mr.** Gee:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of S&M Brands, Inc. d/b/a Bailey's Cigarettes and Tahoe Cigarettes ("S&M") on January 4,2002, calling for the simultaneous display of the four health warnings on packaging of the Bailey's and Tahoe brands of cigarettes.

S&M's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The packaging of the Bailey's brand submitted with S&M's letter of December 9,1998, and the packaging of the Tahoe brand submitted on December 28,2000 appear to comply with the size and conspicuousness requirements of the Cigarette Act. S&M's plan for the display of the health warnings on packaging of the Bailey's and Tahoe Brands is hereby approved. This approval is effective on the date of this letter and ends on January 3,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.'

Finally, I wish to remind you that Section 1335a of the Cigarette Act requires that cigarette manufacturers and importers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

Sincerely,

Mary K. Engle

Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by an fine and/or imprisonment. 18 U.S.C. § 1001.

### **BENGAL TOBACCO CORPORATION**

2030 SW 71 ST TERRACE ,BAY # D-OFFICE DAVIE. FLORIDA 33317 U.S.A

Phone 954-473-1168 Cell : 954-520-5116 Fax : 305-891-0897 Email : mhbabul@aol.com

January 14th, 2002

Mr. Lee Peeler Associate Director Federal Trade Commission 601 Pennsylvania Avenue NW Room No - 4002 Washington DC - 20580

Dear Sir,

Reference to your letter dated January 3rd, 2001, your approval in connection with the Health Warning plan has expired on 2002.

It is our pleasure to inform you that Bengal Tobacco Corporation intend to continue to import "PARK" brand cigarette as namely PARK Full Flavor, PARK Menthol, PARK Lite, PARK Menthol Lite, PARK Full Flavor 100's, PARK Menthol 100's, PARK Lite 100's, PARK Menthol Lite 100's, PARK Lite 100's, and PARK Full Flavor Hard Box. Regarding the health warning label, we do here by declare that on each and every brand style, package, and carton, we will continue to equalize the four health warning label for the year 2002. Please be noted that there is no change in design and style of packages and cartons as we submitted to your good selfearlier for approval. Our total inpact for the year 2001 was a sticks and anticipated sale for the year 2002 is

At the moment we don't have any plan for advertisement. When we decide in this regard, we will communicate with you.

Your good self is requested to approve our plan for the year 2002. Your early action in this regard will be highly appreciated.

Very Truly Yours,

For Bengal Tobacco Corporation

Mohammed Babul.

(President)



#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON,D.C. 20580

January 16,2002

Mr. Mohammed Babul Bengal Tobacco Corporation 2030 SW 71 Terrace, Bay # D-Office Davie, FL 33317

Dear Mr. Babul:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed by Bengal Tobacco Corporation on January 14,2002, calling for the simultaneous display of the four health warnings on the packs and cartons of certain varieties of the Park brand of cigarettes.

Bengal's sales appear to continue to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The health warnings on the revised sample packaging submitted with your 2000 plan, and with your letters of July 9,2000, July 12,2000, February 10, 2001, and March 21,2001, appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Bengal's plan for the Park brand is hereby approved for the following varieties: Full Flavor King Box, Full Flavor King Soft, Light King Soft, Menthol King Soft, Menthol Light King Soft, Full Flavor 100s Soft, Light 100's Soft, Menthol 100s Soft, Menthol Lights 100s Soft, Ultra Light 100s Soft.' This approval is effective on the date of this letter and ends on January 15,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Bengal does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

This approval of Bengal's cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Bengal's packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Bengal's packaging complies with relevant trademark law or with other applicable laws.

<sup>&</sup>lt;sup>2</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by an fine and/or imprisonment. 18 U.S.C. § 1001.

**Mr.** Mohammed Babul January 16,2002 Page 2

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Acting Associate Director



205 Pearl St. Atlanta, GA 30316 Orldwide: 404-525-8633

Worldwide: 404-525-8633 US Toll Free: 800-243-3607

FAX: 404-525-8637 E-mail: quintinint@aol.com

January 16,2002

Ms. Diana Winterson Federal Trade Commission 601 Pennsylvania Avenue, NW, Room 4209 Washington **D.C.** 20580

**RE:** Request for Approval of Warning Statement Rotation Plan for Quintin International ("Quintin") for the brand Mangalore Ganesh Beedies for the **US** Virgin Islands

Dear Ms. Winterson:

We respectfully submit the attached Rotation Plan for Mangalore Ganesh Beedies. There is only one brand style for this line, and we will rotate each of the four health warnings each quarter over a period of a year as per the attached sheet.

Enclosed with this letter is the actual packaging for the packs for all 4 quarters (the first quarter pack is shown as it appears around a bundle of beedies). Also enclosed it the actual carton wrapper for the first quarter as well as artwork for the remaining 3 quarters. As we receive the additional packaging with the warning labels permanently imprinted, we will forward them to your office. The four health warnings will appear exactly as they do on the packs, cartons, and artwork for the Mangalore Ganesh Beedie line of cigarettes submitted with our letter of January 4,2002.

With regard to advertising, please note that we do not plan to advertise this product and it is not included in our website. The sale of this product is limited to the **US Virgin Islands**, and thus we are seeking approval **only** for that territory.

We respectfully suggest that you now have all of the information necessary to approve the Warning Statement Rotation Plan submitted on behalf of Quintin International for the Mangalore Ganesh Beedie line. I look forward to receiving your approval as soon as possible to comply with new federal regulations.

Thank you for your kind courtesy and cooperation.

Regards.

Katherine K. Yeager 
Vice President, Quintin International



205 Pearl St. Atlanta, GA 30316 Worldwide: 404-525-8633

FAX: 404-525-8637 E-mail: quintinint@aol.com

# Mangalore Ganesh Beedies QUARTERLY CIGARETTE ROTATION PLAN

The health warnings on following brands of cigarettes imported by Quintin USA, Inc. shall be rotated according to the following schedule:

	Warning Code Applied			
Brand	1st Qtr*	2 <sup>nd</sup> Qtr*	3 <sup>rd</sup> Qtr*	4th Qtr*
	(Jan-Mai	r) (Apr-Jun	) (Jul-Sep	) (Oct-Dec)
Manglore Ganesh Beedies	C	Ď.	A	В

Warning Code	Health Warning
А	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
В	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
С	SURGEON GENERAL'S WARNING: Smoking By Pregnant Woman May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
D	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

<sup>\*</sup> Based on Import Date

Adopted: January 4,2002

Selected packaging samples from those submitted with the plan.





Beedies





### ® Saldaa Beedies MANGALORE

Homepage: www.501bd.com

WARMING: CHITTING .... Freduces Serious Hisks

to Your Health.

CAPTON



Quintin International Ltd. 2570 S. Copper Frontage, #3 Steamboat Springs, CO 80477 (800) 359-4170

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January 16,2002

Ms. Katherine K. Yeager, V.P. Quintin International, Ltd. **205** Pearl St. Atlanta, GA **30316** 

Dear Ms. Yeager:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of Quintin International, Ltd. on January 16, 2002 plan calling for quarterly rotation of the four health warnings on packaging of the Mangalore Ganesh Beedies brand of cigarettes.

The warnings on the artwork and sample packs and cartons of the Mangalore Ganesh Beedies brand submitted with your letter of January **4,2002** appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Quintin International, Ltd.'s plan for the Mangalore Ganesh Beedies brand of cigarettes has been approved.' Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.? When actual packaging is developed, Quintin International, Ltd. should submit samples to the Commission. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Quintin International, Ltd. does decide to advertise Mangalore Ganesh Beedies in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

Your application and this approval pertain only to the importation of Mangalore Ganesh Beedies into the U.S. Virgin Islands. As you know, there is a ban on the importation of Mangalore Ganesh Beedies into the U.S. Customs' territory.

<sup>&</sup>lt;sup>2</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. **18** U.S.C. § **1001.** 

Ms. Katherine K. Yeager, V.P. January 16,2002 Page 2

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle
Acting Associate Director



205 Pearl St. Atlanta, GA 30316 Worldwide: 404-525-8633 **US** Toll Free: 800-243-3607

FAX: 404-525-8637 E-mail: kky@quintin.com

January 16,2002

Ms. Diana Winterson Federal Trade Commission 601 Pennsylvania Avenue, NW, Room 4213 Washington D.C. 20580

RE: Request for Approval of Warning Statement Rotation Plan for Quintin International ("Quintin") for the brand styles for the Jaz line, including all flavorslbrand styles (Banana Nut, Blueberry, Cherry Cheesecake, Cinnaberry, Swiss Chocolate and Vanilla Crème)

Dear Ms. Winterson:

We respectfully submit the attached Rotation Plan for the Jaz products, which includes the following flavors/brand styles: Banana Nut, Blueberry, Cherry Cheesecake, Cinnaberry, Swiss Chocolate and Vanilla Creme. The warning labels for the Jaz line will rotate each of the four health warnings each quarter over a period of a year as per the attached sheet.

Enclosed with our letter of January 2, 2002 is actual packaging for the First Quarter for each of the flavors. Also enclosed **is** artwork with the remaining three warnings for quarters two through four. As we receive the additional packaging with the warning labels permanently printed, we will forward them to your office. The four health warnings will appear exactly as they do on the packs, cartons, and artwork for the Jaz Cigarettes submitted.

With regard to advertising, we will only advertise to consumers on the Internet. Please see the attached rotation schedule (amended from my letter of May 7, 2001) for all Internet advertising materials. All four warnings will rotate quarterly as per the attached schedule. For advertising we will use the warning formats that were submitted with the plans of the five leading **US** cigarette manufacturers and we will place the warnings as specified in those plans. The warnings on our website, <a href="www.quintin.com">www.quintin.com</a> will appear exactly as they are viewed on the site. (Please see website to view warnings. Please see copies enclosed with our letter of January 2, 2002 of sample pages from the web site.) Jaz is not currently up on the site, but it is now included in the attached schedule and the warnings will rotate as per that schedule.

We respectfully suggest that you now have all of the information necessary to approve the Warning Statement Rotation Plan submitted on behalf of Quintin International for the Jaz line, and for advertising. I look forward to receiving your approval as soon as possible to comply with federal regulations.

Thank you for your kind courtesy and cooperation.

Regards.

Katherine K. Yeager

Vice President, Quintin International



205 Pearl St. Atlanta, GA 30316 Worldwide: 404-525-8633

FAX: 404-525-8637 E-mail: quintinint@aol.com

# Jaz Cigarettes QUARTERLY CIGARETTE ROTATION PLAN

The health warnings on following brands of cigarettes imported by Quintin USA, Inc. shall be rotated according to the following schedule:

		W	arning Co	de Appliec	l
Brand				3 <sup>rd</sup> Qtr* n) (Jul-Sep	4 <sup>th</sup> Qtr* (Oct-Dec)
Jaz		Α	В	С	D
Warning Code	<u>Health Warning</u>				
Α	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.				
В	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.				
С	SURGEON GENERAL'S WARNING: Smoking By Pregnant Woman May Result in Fetal Injury, Premature Birth, And Low Birth Weight.				
D	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.				

Adopted: January 16,2002

<sup>\*</sup> Based on Import Date



P.O. Box 774287 2570 South Copper Passage #3 Steamboat Springs, CO 80477-4287

Worldwide: 970-879-8707 US Toll Free: 800-359-4170 FAX: 970-879-8607 E-mail: cigars@quintin.com

### **QUARTERLY ADVERTISING ROTATION PLAN**

The health warnings on all advertising done by Quintin International will be rotated as follows:

Warning	Code	<b>Applied</b>	

	1 <sup>st</sup> Qtr	2 <sup>nd</sup> Qtr	3 <sup>rd</sup> Qtr	4 <sup>th</sup> Qtr
	(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)
American Spirit	A	В	C	D
Bima	В	С	D	Α
Darshan Bidi	С	D	Α	В
Djarum	D	Α	В	С
Dunhill	Α	В	С	D
Gauloises	В	С	D	Α
Krakatoa	С	D	Α	В
Kuta	D	Α	В	С
Nat Sherman	Α	В	С	D
Players	В	С	D	Α
Ranvir Bidi	С	D	Α	В
Rothmans	D	Α	В	С
Sampoerna	Α	В	С	D
Terong	В	С	D	Α
Other Brands Page	**	**	**	**
Home Page	**	**	**	**
"Cigarettes" Page	**	**	**	**
State Express 555	С	D	Α	В
Kalais Bidis	D	Α	В	С
Sher Bidis	Α	В	С	D
Bentoel	В	С	D	Α
Black Death	С	D	Α	В
Botschafter	D	Α	В	С
Cartier	Α	В	С	D
Chinese Ginseng	В	С	D	Α
Craven A	С	D	Α	В
Crystal	D	Α	В	С
Ducados	Α	В	С	D
DuMarier	В	С	D	Α
Gitanes	С	D	Α	В
G. Karelia	D	Α	В	С
Glory	Α	В	С	D
Go To Hell	В	С	D	Α
Gunsmoke	С	D	Α	В
HB Kings	D	Α	В	С
Jakarta	Α	В	С	D

Jockey	B	C	D	Α	
John Player	C	D	Α	В	
Lucky Strike	D	Α	В	С	
Major	Α	В	С	D	
Matinee	В	С	D	Α	
Mild Seven	С	D	Α	В	
English Oval	D	Α	В	С	
Prince	Α	В	С	D	
Pure	В	С	D	Α	
Sweet Dreams	С	D	Α	В	
Turkish Special	D	Α	В	С	
Jaz	Α	В	С	D	

<sup>\*\*</sup>For those pages that specify more than one brand, the warnings will be rotated as per the brand "American Spirit"

Warning Code	Health Warning
Α	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
В	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
С	SURGEON GENERAL'S WARNING: Smoking by Pregnant Woman May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
D	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Adopted: May 7, 2001

May 7, 2001 Amended, December 28, 2001 Selected packaging samples from those submitted with the plan.



nilici Creme

Orchestrate a worldly blend of exotic tobacco with the rich flavor of Vanilla Cream and the result is a symphony of wonderful aromatic flavors and a smooth indulgent taste.

UP YOUR LIFE!

Manufactured in Vietnam by S.C.F. exclusively for Pacific Sun



emeno biliti

**Underage Sale Prohibited** 

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

.)'

. 4

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy. Banana Nut **Rich Flavored Cigarettes** King Size Rich Flavored Cigarettes Banana Nut Banana Nut **Rich Flavored Cigarettes** 00/50 Pacific Sun (asia) Limited tun papaba by S.C.F. exclusively for Manufactured in Vietnam



#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D. C. 20580

January 16,2002

Ms. Katherine K. Yeager Vice President Quintin International, Ltd. **205** Pearl St. Atlanta, GA **30316** 

Dear Ms. Yeager:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed by Quintin International, Ltd. on January 16,2002 calling for quarterly rotation of the four health warnings on packaging and in Internet advertising of certain varieties of the Jaz brand of cigarettes.

Your plan for the rotation of the warnings in Internet advertising has been approved. Approval of the plan assumes that the plan is implemented in good faith. The approval of your plan for the rotation of the health warnings in advertising is <u>not</u> an approval of advertising cigarettes on the Internet. With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice and you should contact DOJ directly (Eugene Thirolf at 202-307-3009) to determine whether such advertising on the Internet is permissible.

The warnings on the artwork and sample packs and cartons of the Jaz brand submitted with your January **2,2002** letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Quintin International, Ltd.'s plan has been approved for the following varieties of the Jaz brand of cigarettes: Banana Nut, Blueberry, Cherry Cheesecake, Cinnaberry, Swiss Chocolate and Vanilla Creme. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.'

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Ms. Katherine K. Yeager Vice President January 16,2002 Page 2

When actual packaging is developed, Quintin International, Ltd. should submit samples to the Commission. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of **the** Department of Health and **Himen** Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 **U.S.C.**§ 1681a(c)(1), **as** amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476,114Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer **has** submitted and will continue to submit the list of ingredients to HHS.

Very truly **yours**,

Wright Explanation

Acting

Mary K. Engle

### FLEITAS & BUJAN ATTORNEYS AT LAW

ROBERTO F. FLEITAS JESUS F. BUJAN OCEAN BANK BUILDING, SUITE **530 782** N.W. LEJEUNE ROAD
MIAMI, FLORIDA **33126** 

TEL. (305) 442-1439 FAX (305) 442-9944

#### January 7,2002

Mr. C. Lee Peeler Associate Director Division of Advertising Practice Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4002 Washington DC 20580

Re: FTC Approval of cigarette brand VL

Dear Mr. Peeler:

**ZNF** (**ZNF**) is the importer of the cigarette brand VL. ZNFs address is 19495 Biscayne Boulevard, Suite 300, Aventura, Florida 33180. The manager member is Leon Falic.

In accordance the requirements of 15 USC 1333, ZNF requests approval of the following plan detailed herein:

Attached hereto are four (4) packages and four (4) cartons displaying examples of each of the four (4) warning statements ZNF will use and how they will be affixed to each package and carton of the following styles of the cigarette brand VL:

VL	84 <b>m</b> m	Full Flavor
VL	84 mm	Menthol
VL	84 mm	Light
VL	100 mm	Full Flavor
VL	100 mm	Menthol
VL	100 mm	Light

The warnings are as follows:

A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, and Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

The four (4) label statements specified in paragraph (1), (2) and (3) of subsection (a) of section 1333 will be displayed an equal number of times within the twelve-month period beginning on the date of the approval by the Federal Trade Commission of this application.

ZNF has not previously imported the cigarette brand VL to the United States. For the year 2002, ZNF anticipates sales will not exceed cigarettes for any brand style.

ZNF will maintain records of the label statement rotation of VL in compliance with the Plan.

#### **ADVERTISING:**

For advertising ZNF will use the warning formats submitted with the 1985 Plans of the five (5) leading cigarette manufacturers and place the warnings as specified in these plans.

ZNF will use the format represented by acelates submitted with my letter of November 26,2001 that meet the statutory requirements as follows:

#### SCHEDULE FOR WARNINGS IN ADVERSTISEMENTS

	Size of Advertisement	Warning Statement	
	ENGLISH WARNING STATEMENT		
Category 1	0-65 square inches	Exhibit 1 or 1(a)	
Category 2	Over 65 to 110 square inches	Exhibit 2 or 2(a)	
Category 3	Over 110 to 180 square inches	Exhibit 3	
Category 4	Over 180 to 360 square inches	Exhibit 4	
Category 5	Over 360 to 470 square inches	Exhibit 5	
Category 6	Over 470 to 720 square inches	Exhibit 6	
Category 7	Over 5 to 10 square feet	Exhibit 7	
Category 8	Over 10 to 20 square feet	Exhibit 8	

ZNF will rotate the warnings in advertising in the schedule for rotation as follows:

# Advertisement label Statement Rotation of VI SCHEDULE FOR QUARTERLY ROTATION

1 <sup>st</sup> Quarter (Jan-Mar.)	A
2 <sup>nd</sup> Quarter (AprJune)	В
3 <sup>rd</sup> Quarter (July-Sept.)	С
4th Quarter (OctDec.)	D

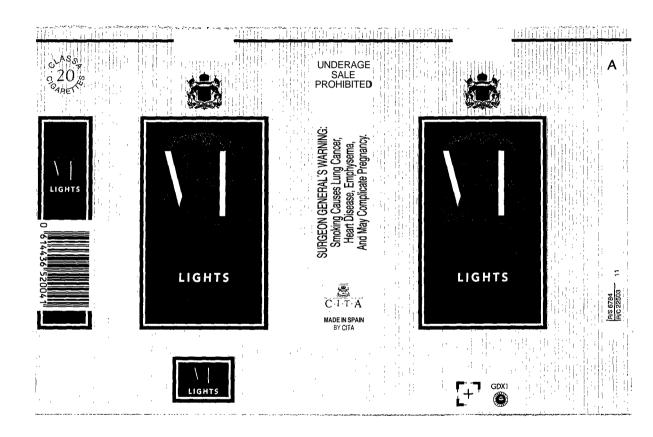
and October 1 of each year. Rotation calendar quarter.

Respectfully submitted,

OBERTO F. FLEITAS

RFF/sma

Selected packaging samples from those submitted with the plan.



LIGHTS



PROHIBITED UNDERAGE

LIGHTS

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.



MADE IN SPAIN BY CITA

200 CIGARETTES CLASS A

SIGNAIG



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January 17,2002

Roberto F. Heitas, Esq. Fleitas & Bujan Ocean Bank Building, Suite 530 782 N.W. Lejeune Road Miami, FL 33126

Dear Mr. Fleitas:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of ZNF International, LLC, on January 7,2002, calling for quarterly rotation of the four health warnings in advertising of the VL brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of the VL brand.

Your plan for the rotation of the warnings in advertising of the VL brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

**ZNF's** sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the revised sample packs and cartons of the VL brand submitted with your January 7,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. **ZNF's** plan for the simultaneous display of the four health warnings on packaging is hereby approved for the following soft pack varieties of the VL brand: Full Flavor King, Full Flavor 100's, Lights King, Lights loo's, Menthol King, Menthol 100s. This approval is effective on the date of this letter and ends on January 16,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L.

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by an fine and/or imprisonment. 18 U.S.C. § 1001.

Roberto **F.** Fleitas, Esq. January 17,2002 Page 2

No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours, May X. Engle

Mary K. Engle

Acting Associate Director

### Windward Tobacco. Inc.

34 Sunburst Circle, E. Amherst, NV 14051 Tel (716) 639-7544, E-Mail rsaffire@gdelphia.net

January 15,2002

Mr. Michael Ostheimer Federal Trade Commission Division of Advertising Practices 601 Pennsylvania Avenue, **N.W. Room 4004** Washington, DC **20580** 

#### Ciearette Health Warning Rotation Plan - Niagara's Brand

Dear Mr. Ostheimer:

Please accept this letter as a revised formal plan of Surgeon General Warning Rotation for Windward Tobacco, Inc. (ATF Import License Number NY-TI-67) (the Importer). This plan is being submitted in accordance with the requirements as detailed in the Federal Cigarette Labeling and Advertising act of 1984 (the Act) (15 U.S.C. 1331 (1997), et seq.), as amended.

Upon approval of this plan, the Importer intends to import cigarettes into the United States (for a one-year period commencing upon FTC approval) that are manufactured outside the United States. The Importer intends to purchase the "Niagara's" brand of cigarettes in a variety of styles in the 100mm size in Box style (i.e. full flavor, light, menthol, menthol light and ultra light). The purpose of this letter is to get authorization for the importation of products that will be labeled by the foreign manufacturer in complete conformance with FTC guidelines. Please refer to the sample packs and cartons that were included with the January 1, 2001 letter. The actual packs and cartons will be identical the these samples.

The cigarettes will be delivered in shipping containers with 1000 master cases ("Master Case") per container. Each Master Case will contain 10,000 cigarettes packaged in 60, 200 count cartons ("Outer Carton"). Each Outer Carton will contain 10 packs of 20 cigarettes each ("Pack). The packing of these cigarettes will be that of the original manufacturer. The Surgeon General Warnings will be on each Pack and Outer Carton of cigarettes in the form and content dictated by the Act and therefore satisfactory to the FTC.

The total number of cigarettes imported in 2001 for no one brand style exceeded cigarettes. I anticipate that in 2002, the total number of cigarettes imported for no one brand style will exceed cigarettes. The Importer will maintain records for the FTC of exact numbers imported each year via documentation prepared in accordance with this plan (see discussion of the Surgeon General Warning Rotation Log below). In accordance with Section 4(c)(2) of the Act, and based upon anticipated annual import quantities (i.e. total imports are less than one-fourth of one percent of total cigarettes sold in the United States, and the brand styles of the cigarettes imported meet this low sales threshold), the Importer respectfully requests that it be allowed to submit a Rotation Plan using the Alternative method to the Quarterly Rotation Plan described in Section 4(c)(1).

**As** a "small" importer by virtue of the information set forth above, the Importer hereby states as it plan of rotation that the labels described in Section 1333 (a)(1) of the Act shall appear on the packages of each brand style of cigarettes with respect to which this plan is approved an equal number of times for the one year period commencing on the date of approval. The Packs and Outer Cartons will bear the original warnings placed on the packaging by the cigarette manufacturer. The warning statement on the packs and cartons will be rotated to ensure that the four statutory warnings described in the Act (section 1333) will appear on the packs and cartons of each brand style an equal number of times during the above referenced on year period as required by the Act and under this Plan. The warnings will be printed in a legible and conspicuous manner and will be of a size, format and type as required by the FTC. The warnings will be placed on the product in an authorized location, a location which will be acceptable to the FTC and which complies with applicable labeling statutes. Samples of each of the Niagara's packs and cartons are enclosed for your review. Each of the brand styles is included and each of the four warnings is presented for each of the brand styles (on both packs and cartons). This packaging is representative **of** how all cigarettes imported under this plan will appear.

The Importer's Rotation Plan includes procedures to maintain a Surgeon General Warning Rotation Log (the "Log") at the import warehouse that will be used to quantify the number of the four approved health warning labels which are imported. The Log will be reviewed periodically throughout the year to assure that the four Surgeon General warnings are equalized in their use during the year.

Since the Importer will not advertise the imported product, there is no need to submit a plan for the rotation of warnings on advertising,

The Importer is also aware **of** (and will abide by) the laws that have been established concerning the importation of cigarettes. **A** list of tobacco additives used in the manufacture of the Niagara's cigarettes will be sent **to** the CDC. Additionally, the Importer has received a letter from the owner of the US trademark "Niagara's" authorizing the importation of the cigarettes.

The Importer believes that the foregoing Plan complies with the requirements set forth in the Federal Cigarette Labeling and Advertising Act and respectfully requests approval.

Should this request conform to your requirements, I would appreciate that a letter evidencing the approval be sent (or faxed to 716-639-7544) to my attention at the above addresses. If you have any questions concerning the Plan I have described, or need additional information, please call. Your prompt attention to this matter is greatly appreciated.

Sincerely,

Richard G. Saffire Jr.

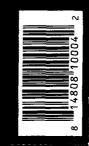
**President** 

Enclosures

Selected packaging samples from those submitted with the plan.

. - 1 전통 위에 대한 등 회원 등 도보하는 원택 (상태에 기계는 원활 회원 등 등등 도원 보기 SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy. Niagara's

20 CLASS A CIGARETTES



Niagara's

MENTHOL LIGHTS 100'S

SO CIVES Y CICYBELLES



s.eargrin

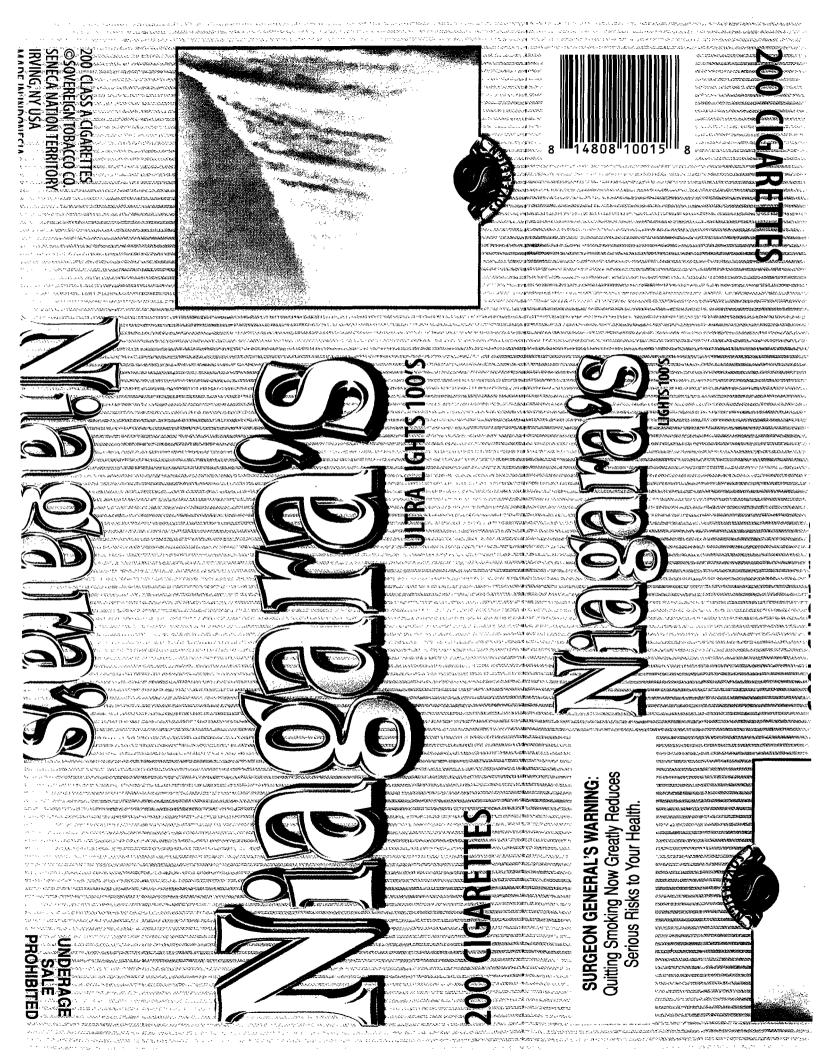
MENTHOL LIGHTS

VENTROL LIGHTS 100'S

Viagara's

UNDERAGE SALE PROHIBITED

MENTHOL LIGHTS 100'S ML 8-9-01





#### UNITED STATES OF AMERICA FEDERAL **TRADE COMMISSION** WASHINGTON, D. C. 20580

January 18,2002

Mr. Richard G. Saffire, Jr. Windward Tobacco, Inc. 34 Sunburst Circle East Amherst, NY 14051

Dear Mr. Saffire:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed by Windward Tobacco, Inc. on January 15,2002, calling for the simultaneous display of the four health warnings on packaging of certain varieties of the Niagara's brand of cigarettes.

Windward's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the Niagara's brand submitted with your January 1,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Windward's plan is hereby approved for the following varieties of the Niagara's brand: Full **Box** loo's, Lights **Box** loo's, Ultra Lights **Box** loo's, Menthol **Box** loo's, Menthol Lights **Box** loo's. This approval is effective on the date of this letter and ends on January 17,2003. Approval of the plan is contingent on its good faith implementation. We may **ask** for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Windward does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the

 $<sup>^1\,</sup>$  Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Richard G. Saffire, Jr. Windward Tobacco, Inc. January 18,2002 Page 2

manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle
Acting Associate Director

### Southern Tobacco, Inc.

122 Caggiano Dr. Gafhey, **S.C. 29341** Tel: **(864) 489-6194** 

Fax: (864) 488-3805

January 22,2002

Ms. Diana Winterson Federal Trade Commission 601 Pennsylvania Avenue NW Washington, DC 20580

#### Dear Ms. Winterson:

Southern Tobacco, Inc. located at 122 Caggiano Dr. in Gaffney, SC would like to submit the following plan for the Golden and Dynamic brands of cigarettes to comply with the Federal Cigarette Labeling and Advertising Act for the year period from date of approval. We are applying for the alternative to the quarterly rotation plan. We qualify for the alternative plan based on our sales for the calendar year of 2001. During the calendar year of 2001 Southern Tobacco had sales that totaled approximately

For the packs **and** cartons of each brand style **of** Golden, Original (84mm and 100mm), Light (84 mm and 100mm), **Ultra** Light (84mm and 100mm), Menthol (84mm and 100mm), Light Menthol (84mm and 100mm), and Non-Filter and Dynamic 84mm and 100mm made in the Philippines (Full Flavor, Light, Ultra Light, Menthol, and Menthol Light) we will equally distribute the four Surgeon General Warnings during the one year period covered by this proposed plan. The health warnings will appear exactly as they do on the samples of packs and cartons submitted with our letter dated January 8<sup>th</sup> 2002.

Southern Tobacco will also keep records to demonstrate compliance with the Federal Cigarette Labeling and Advertising Act.

Southern Tobacco at this time will not be advertising either brand, if in the future we do advertise we will submit a plan of rotation.

Sincerely,

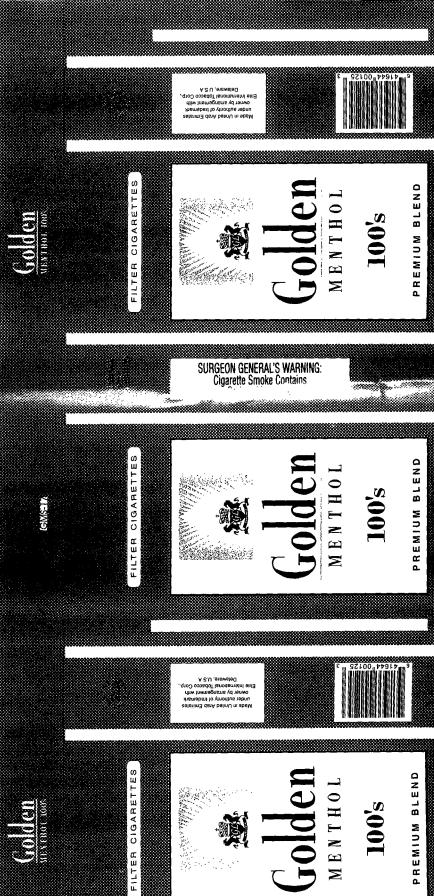
John Short

Vice President, Southern Tobacco

Selected packaging samples from those submitted with the plan.

PREMIUM BLEND ENTHOL SOAT GEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide. PREMIUM BLEND MENTHOL 100's Made in Ui under auti owner by Eitle Internal Dela PREMIUM BLEND ENTHOL 100's

I GENERAL'S WARNING: )king Now Greatly Reduces Risks to Your Health.



rolden \* Golden

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.



## Golden MENTHOL 100's

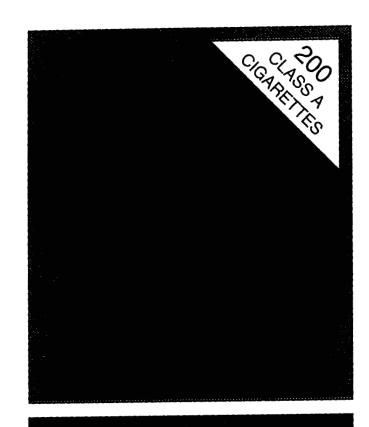
PREMIUM BLEND



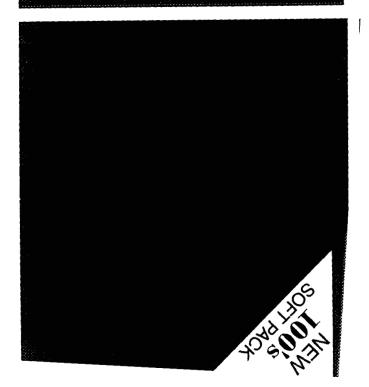
*PREMIUM BLEND* 

TOOP WENTHOR TOOL





SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.









### **CICHIS** DAMANIC



LOWERED TAR & NICOTINE 2'00 [

100's

LOWERED TAR & NICOTINE

ZUZUZU

YNAMIC

SURGEON GENERAL'S WARNING:

Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

DYNAMIC



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Advertising Practices

January 24,2002

Mr. John Short Southern Tobacco, Inc. 122 Caggiano Dr. Gafhey, SC 29341

Dear Mr. Short:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Southern Tobacco, Inc. on January 22,2002 calling for the simultaneous display of the four health warnings on packaging of certain varieties of the Golden and Dynamic brand of cigarettes.

Southern Tobacco, Inc.'s sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the packs and cartons submitted with your January 8,2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness.' Southern Tobacco, Inc.'s plan for the Full Flavor, Light, Ultra Light, Menthol, Menthol Light, Full Flavor loo's, Light 100's, Ultra Light 100's, Menthol 100's, and Menthol Light 100'sbrand styles of the Dynamic brand manufactured in the Philippines and the Original, Light, Ultra Light, Menthol, Light Menthol, loo's, Light loo's, Ultra Light loo's, Menthol loo's, Light Menthol loo's, and Non-Filter brand styles of the Golden brand is hereby approved. This approval is effective on the date of this letter and ends on January 23,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

With your January 8,2002 letter, you submitted two sets of Dynamic brand packaging, one manufactured in the Philippines and the other in Malaysia. The packaging manufactured in Malaysia does not comply with the Cigarette Act. Your January 22,2002 plan and this approval do not apply to Malaysian varieties of Dynamic brand cigarettes.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. John Short January 24,2004 Page 2

If Southern Tobacco, Inc. does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Acting Associate Director



January 25,2002

C. Lee Peeler Federal Trade Commission Division of Advertising Practices 601 Pennsylvania Ave. N.W. Washington, D.C. 20580

Dear Mr. Peeler:

Tradecorp International is submitting a Quarterly Rotation Plan as required under the Federal Cigarette Labeling and Advertising Act of 1984 (The Act). This cigarettes covered under this proposed plan are **WILD HORSE** Brand cigarettes.

There are seventeen(17) varieties of **WILD HORSE**. Our estimated sales for 2002 are slicks for WILD **HORSE**. I have attached a list of statistics for sales for each variety.

We are applying for the quarterly rotation plan whereby each of the four warnings will be rotated quarterly on packs and cartons of **WILD HORSE** Brand cigarettes, using the following schedule:

### WILD HORSE CIGARETTE PLAN

Jan-Mar SURGEON GENERAL'S WARNING:

Quitting Smoking Now Greatly Reduces Serious

Risks to Your Health.

Apr-June SURGEON GENERAL'S WARNING:

Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

July-Sept SURGEON GENERAL'S WARNING:

Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Oct-Dec SURGEON GENERAL'S WARNING:

Cigarette Smoke Contains Carbon Monoxide.

Tradecorp International also submits that all four (4) warnings shall appear exactly as they do on the packaging that was enclosed in the letter dated 1/4/02.

Tradecorp International maintains an office at the following address: 1209 Orange Street
Wilmington, DE 19801

As for advertising, Tradecorp International will comply with the Act and will rotate quarterly in compliance with the following schedule. Tradecorp International will use the warning formats that

### TRADECORP

were submitted with the plan of the 5 leading U.S. cigarette manufacturers, and place the warnings as specified in those plans. Tradecorp will be using the same acetates that were enclosed in the letter dated April 3,2001 for the warning labels for the various pieces of point-of-sale and advertising, listed below. As you can see from the listing, our largest piece of advertising is 10.4sq. feet (exhibit 8).

	Width (inches)	Height (inches)	Sq. Inches	Sq. Feet	Exhibit#
Pole Sign	28	38	1064	7.4	7
Poster (Irg.)	25	16	400	2.8	5
Poster (sml.)	22	15	330	2.3	4
Shelf Talker	11	3 <b>.</b> 5	38.5	0.3	1
Counter Rack Header	9	9	81	0.6	2
Floor Rack Header	16	5.5	88	0.6	2
Temp. Floor Rack Header	16	14.5	232	1.6	4
Temp. Counter Rack Header	13	5	65	0.5	1
Banner (Irg.)	50	30	1500	10.4	8
Banner (sml.)	50	18	900	6.3	7

### WILD HORSE ADVERTISING PLAN

Jan-Mar SURGEON GENERAL'S WARNING:

Quitting Smoking Now Greatly Reduces Serious

Risks to Your Health.

Apr-June SURGEON GENERAL'S WARNING:

Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

July-Sept SURGEON GENERAL'S WARNING:

Smoking By Pregnant Women May Result in Fetal Injury. Premature Birth, And Low Birth Weight.

Oct-Dec SURGEON GENERAL'S WARNING:

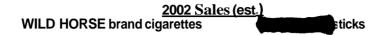
Cigarette Smoke Contains Carbon Monoxide.

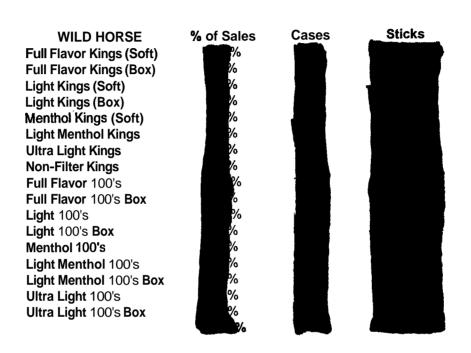
We submit the foregoing complies with the Act and request approval of this plan.

Sincerely,

Tradecorp/International, LLC Mark Dunham, President

### TRADECORP





Selected packaging samples from those submitted with the plan.



KING SIZE MENTHOL 20 class a cigarettes



Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

SURGEON GENERAL'S WARNING:

AMERICAN BLEND Comments: P.O. Box 99319 Stockton, CA 95209-9319 Mfd. In Greece



## WILD HORSE MENTHOLKING

200 CLASS A CIGARETTES

### SURGEON GENERAL'S WARNING:

IC Causes G Cancer, Heart D np And May Complicate Pregnancy.

### Underage Sale Prohibited AMERICAN BLEND

Comments:
P.O. Box 99319
Stockton, CA 95209-9319
Mfd. In Greece



**500 CIV2S A CIGARETTES** 

## WEALHOT KING AATTO TIATO





### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January 30,2002

Mr. Mark Dunham, President Tradecorp International P.O. Box 968 Chesterfield MO 63006

Dear Mr. Dunham:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of Tradecorp International on January 25,2002 calling for quarterly rotation of the four health warnings on packaging and advertising of certain varieties of the Wild Horse brand of cigarettes.

Your plan for the rotation of the warnings in advertising has been approved. Approval of the plan assumes that the plan is implemented in good faith.

The warnings on the sample packs and cartons of the Wild Horse brand submitted with your January 4,2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tradecorp International's plan has been approved for the following varieties of the Wild Horse brand of cigarettes: full flavor kings box, full flavor kings soft, light kings soft, light kings soft, light kings soft, light menthol lungs, ultra light kings, non-filter kings, full flavor 100's, full flavor 100's box, light 100's, light 100's box, menthol 100's, light menthol 100's, light menthol 100's box, ultra light 100's and ultra light 100's box. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Mark Dunham, President January 30,2002 Page 2

1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

**Acting Associate Director** 



December 26, 2001

Sally Schools Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue Washington, DC 20004

RE: Compliance Plan - Scenic 101 Brand Cigarettes

Manufacturer: Grand River Enterprises

Ohsweken, Ontario, Canada NOAIMO

Importer: Single Stick, Inc.
Import License #AZ-TI-3
Extention of Compliance Plan

Dear Ms. Schools:

This submission is made pursuant to the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq, and represents an extension of the Plan first filed on July 3, 2001 and approved on July 9, 2001 as extended by filing dated September 24, 2001 and approved October 1, 2001. The purpose of this extension is to add four additional brand styles in 100 mm sizes in hinge lid packaging.

The Scenic 101 brand will be imported by Single Stick, Inc. under its import license AZ-TI-3 issued by the Bureau of Alcohol, Tobacco, and Firearms. Single Stick is importing these cigarettes from the manufacturer, Grand River Enterprises whose address is listed above. Single Stick, as importer, will assume responsibility for compliance matters on this brand with the Federal Trade Commission. Upon approval of this submission, Single Stick will import four brand styles in hinge lid **box** packaging, of Scenic 101 product: These four brand styles are as follows: Full Flavor (loo's), Light (loo's), Menthol (loo's), and Ultra Light (100's). All brand styles will be marked with the same warning in each calendar quarter corresponding to the warnings for the Scenic 101 brand styles registered by letter dated July 3, 2001 and previously approved by letter dated July 9, 2001. The warnings and quarters are as follows:

Calendar Quarter 3 (July-September)

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Sally Schools December 26,2001 Page 2

Complicate Pregnancy.

Calendar Quarter 4 (October-December)

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces

Serious Risks to Your Health.

Calendar Quarter 1 (January-March)

SURGEON GENERAL'S WARNING: Smoking By Pregnant Woman May Result in Fetal Injury, Premature Birth,

And Low Birth Weight.

Calendar Quarter 2 (April-June)

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon

Monoxide.

The labels will be rotated in the annual sequence from Calendar Quarter 1 to Calendar Quarter 4, with the rotation occurring each calendar quarter. For example, the warning opposite Calendar Quarter 1 would be used January through March, the warning opposite Calendar Quarter 2 would be used April through June, the warning opposite Calendar Quarter 3 would be used July through September, and the warning opposite Calendar Quarter 4 would be used October through December. The date of shipment from the factory would determine the quarterly warning which applies.

Production samples of the cartoning and packaging for all four quarters for all four brand styles is submitted to you herewith via Federal Express. The cigarettes as manufactured will be contained in cartoning and packaging which conforms to these samples, and the Surgeon General's Warnings will appear on the packaging exactly as they appear on the submitted samples.

We do not at this time anticipate doing any consumer advertising. In the event of use of any consumer advertising, we will submit such advertising to the Federal Trade Commission Division of Advertising Practices and obtain their approval prior to any actual use.

Very truly yours,

John T. Wertheim,

President ENC.

Selected packaging samples from those submitted with the plan.

rull Flavor

Single Stick, Inc. Phoenix, AX Made in Canada

UNDERAGE SALE OBTIBITED

Scenic Full Flavor 101

Full Flavor

Scenic tigarettes

D



20 Class A Cigarettes

IOI Josefa lioa Josefa lioa

samajėbij V sselj OS



i jui

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide. Menthol
Hard Box 100's

### SCENIC cigarettes

TM

UNDERAGE SALE PROHIBITED

Scenic Menthol Hard Box 101

TM



UNDERAKE SALE PROHIBITED

SURGEON GENERAL'S WARNING:

And Low Birth Weight.

Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth,

NI



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January 31,2002

Mr. John T. Wertheim Single Stick 16060North 81st Street, Suite 1 Scottsdale, AZ 85260

Dear Mr. Wertheim:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health waming display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, your July 3,2001 and September 24,2001 plans for certain varieties of the Scenic 101 brand were approved on July 9,2001 and October 1,2001, respectively. You now propose in a letter dated December 26,2001 to expand your plan to include certain hard pack "100's" varieties of the Scenic 101 brand.

The health warnings on the sample packs and cartons enclosed with your December 26,2001 letter appear to meet the size and conspicuousness requirements of the Cigarette Act. Single Stick's expansion of its plan for the Scenic 101 brand is hereby approved for the following hard pack 100's varieties: full flavor, light, ultra light, and menthol. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Single Stick does decide to advertise the Scenic 101 brand in the future, it must submit a plan detailing how it will comply with the requirements **of** the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476,114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Sincerely,

Mary Koelbel Engle

**Acting Associate Director** 

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



REVISED January 22,2002

Mr. Michael Ostheimer Ms. Sallie Scholls Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Washington, D.C. 20580

RE: Carolina Tobacco Company's Surgeon General Rotation Plan for 2002, as required under the Federal Cigarette Labeling and Advertising Act of 1960 (15 USC 1331 (1997), et seq).

Pursuant to our need for a Compliance Letter from the Federal Trade Commission, our firm hereby submits CAROLINA TOBACCO COMPANY'S Surgeon General Rotation Plan as required under the Federal Cigarette Labeling and Advertising Act of 1964, (15 USC 1331 (1997), et seq.). The cigarettes covered by the proposed Plan will be manufactured in the country of Latvia, in the original manufacturer's packaging, which includes health warnings complying with the Surgeon General warning language set forth in the statute.

The brand name to be covered by this Plan is **ROGER** which will be manufactured in (A) Full Flavor King Size Filter Box, 84mm, (B) King Size Filter Light Box, 84 mm, (C) King Size Filter Menthol Box, 84mm, (D) Full Flavor Filter Box, 100mm, (E) Light Filter Box, 100mm, (F) Ultra Light Filter Box, 100mm, (G) Menthol Box, 100mm, and (H) Light Menthol Box, 100mm. A master case of cigarettes contains fifty (50) individual cartons, each carton in turn containing 10 packages of 20 cigarettes, for a total of ten thousand (10,000) cigarettes per master case. All packaging will be the same as samples submitted January 11,2001. Additional samples were provided with the original November 15,2001 letter.

Carolina Tobacco Company submits that the number of cigarettes sold in the United States during year 2001 were a total of all brand styles of sticks. Carolina Tobacco Company submits the number of cigarettes to be sold in the United States during the one year period beginning the approval date of this Plan, for any one brand style will not exceed (10 packs per carton) equaling (11 packs).

### Page two

The second part of the test, brand packaging, meaning that more than one-half of the cigarettes manufactured or imported by such manufacture or importer for sale in the united States are packaged into brand styles that meet the on-fourth of one percent rule set forth above, will also be met since all of the cigarettes imported by Carolina Tobacco Company will be packaged into brand styles with sales that are below the one quarter of one percent requirement.

As a small importer by virtue of the information set forth above, and as classified under the Act, Carolina Tobacco Company submits as its Plan that the warnings specified in the 15 USC 1333(a)(1)(1997) shall appear on the packs and cartons of each brand style of cigarettes, with respect to which the application is approved, an equal number of times within the one year period beginning the approval date of this Plan..

Carolina Tobacco Company requests approval of the Plan Application to provide an Alternative to the quarterly rotation of the warning on the packs and cartons. Individual packs and cartons will bear the original warnings, printed by the foreign manufacturer. The warning statement on the packages and cartons will be rotated to ensure that the four statutorily mandated warnings set forth in 15 USC 133(a)(1) will be printed on each pack and carton by the manufacturer, for each brand style, in a manner equalizing the four mandatory warnings within the one year period beginning the approval date of this Plan.. This will ensure that the four warning statements will appear an equal number of times per year on both the packs and cartons of each brand, as required by stature and under the Plan.

We respectfully submit that the cigarettes imported by Carolina Tobacco Company will comply with the Alternative Plan, insofar as all requirements set forth in Section 1333 will be met.

We understand and confirm that any person who plans to manufacture, package, or import for sale or distribution within the United States must confirm that each package must bear, in accordance with the requirements, one of the following warning statements.

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

**SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.** 

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

**SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.** 

Carolina Tobacco Company's Advertising Plan: Carolina Tobacco Company does not advertise. At this time, Carolina Tobacco Company does not intend to print or supply advertising materials for the "ROGER" Brand cigarettes. If in the future, Carolina Tobacco Company is requested and agrees to provide any advertising materials, we will submit an Advertising Plan to your organization for approval prior to doing so.

We submit that the foregoing complies with the requirements set forth in the Federal Cigarette Labeling and Advertising Act and look forward to receiving an approval letter issued to Carolina Tobacco Company sent to the address in the paragraph below.

Our office shall be responsible for marketing and sales of the ROGER products as imported. Records regarding compliance shall be kept at the address indicated below. Therefore, please remit all documentation and communications to:

Karon Redmond Carolina Tobacco Company 5620 S.W. Dover Lane Portland, OR. 97225

Tele: (503) 244 5313, Fax: (503) 244 0550s

Sincerely,

Karon R. Redmond, Vice President

Carolina Tobacco Company



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January 31,2002

Ms. Karon Redmond Carolina Tobacco Company 5620 SW Dover Lane Portland, OR 97225

Dear Ms. Redmond:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed by Carolina Tobacco Company on January 22,2002, calling for the simultaneous display of the four health warnings on packaging of certain varieties of the Roger brand of cigarettes.

Carolina Tobacco's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the Roger brand submitted with your January 11,2001 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Carolina Tobacco's plan is hereby approved for the following hard pack varieties of the Roger brand: Full Flavor King, Lights King, Menthol King, Full Flavor loo's, Lights loo's, Ultra Lights loo's, Menthol loo's, Menthol Lights 100's. This approval is effective on the date of this letter and ends on January 30,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Carolina Tobacco does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Ms. Karon Redmond Carolina Tobacco Company January 31,2002 Page 2

importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Hagle
Acting Associate Director

### SANDLER, TRAVIS & ROSENBERG, P.A.

ATTORNEYS AT LAW
THE WATERFORD
5200 BLUE LAGOON DRIVE
MIAMI. FL 33126-2022

(305) 267-9200
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E-MAIL ADDRESS. info8strtrade.com
WEBSITE: www.strtrade.com

January 30,2002

NICOLE BIVENS COLLINSON SHANNON E. FURA JO BRONSON HARRIS WILLIAM H. HOUSTON W. CHAD NESBIT LAUREN V PEREZ MICHELLE SALEM RONALD J. SORINI DENNIS J WAKEMAN ADRIAN A. WILLIAMS TRADE ADVISORS

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KENNETH WOLF'

- \* NOT ADMITTED IN FL
- **▼** BOARD CERTIFIED INTERNATIONAL LAW

Department of Advertising Practices Federal Trade Commission Sixth Street and Pennsylvania Avenue, N.W Washington, D.C. 20580 ATTN: Sallie Schools

viafacsimile and federal express

### **Cigarette Health Warning Display Plans**

Dear Ms. Schools:

This letter revises the application plan approval request for the UNIFY brand of cigarettes submitted on January 15, 2002 and serves as our client's request for approval of its equalized application of the four Surgeon General's Warnings on the packs and cartons of each brand style of the UNIFY cigarettes for the one (1) year period of time following approval of this plan, as set forth below.

The UNIFY brand of cigarettes is manufactured by Tabacalera, S.A., under authority of Maryjane Cigarette Company of Miami, Florida and is imported by our client, American Automotive Security Products d/b/a F.T.S. Distributors. This request is being submitted on behalf of our client, American Automotive Security Products d/b/a F.T.S. Distributors, importer of the UNIFY brand of cigarettes for the following brand styles:

MENTHOL brand style hard packs and cartons (king size)
ULTRA LIGHTS brand style hard packs and cartons (king size)
MENTHOL LIGHTS brand style hard packs and cartons (king size)
LIGHTS brand style hard packs and cartons (king size)

### SANDLER, TRAVIS & ROSENBERG, P.A.

Federal Trade Commission January 30,2002 Page 2

FULL FLAVOR brand style hard packs and cartons (king size) NON FILTER brand style soft packs and cartons (king size) FULL FLAVOR brand style soft packs and cartons (king size) LIGHTS brand style soft packs and cartons (king size) MENTHOL LIGHTS 100s brand style soft packs and cartons MENTHOL 100s brand style soft packs and cartons FULL FLAVOR 100s brand style soft packs and cartons ULTRA LIGHTS 100s brand style soft packs and cartons LIGHTS 100s brand style soft packs and cartons

### 1. Contact Information

The contact information, for the importer, is as follows:

### Importer of Record for UNIFY Cigarettes

American Automotive Security Products d/b/a F.T.S. Distributors 23 15 N.W. 107<sup>th</sup> Avenue
Bay # B-15, Box 66
Miami, Florida 33 172
ATTN: Basil Battah
Telephone: (954) 326-1496

### 2. Warning Application Plan

As set forth in 15 U.S.C. 1333(c)(2), an importer may apply for approval of a Surgeon General's Warning application plan whereby the four warnings are equalized on the packs and cartons of each brand style it imports of a particular brand for the one (1) year period following FTC approval of such plan if that importer meets the following criteria:

- (i) the number of cigarettes of such brand style sold in the fiscal year of the manufacturer or importer preceding the submission of the application is less than one-fourth of 1 percent of all the cigarettes sold in the United States in such year, and
- (ii) more than one-half of the cigarettes manufactured or imported by such manufacturer or importer for sale in the United States are packaged into brand styles which meet the requirements of clause (i).

The subject applicant, American Automotive Security Products d/b/a F.T.S. Distributors, the importer of record of the UNIFY brand of cigarettes, hereby certifies, as verified in the attached letter, that in the calendar year 2001 it sold a total of legislate cigarettes, all under the United brand name, equaling less than ¼ of 1 percent of all the cigarettes sold in the United States during that same calendar year. In addition, American Automotive Security Products d/b/a F.T.S. Distributors estimates that it will import a total of approximately for the UNIFY cigarettes only during the one year period following approval of this plan.

### SANDLER, TRAVIS & ROSENBERG, P.A.

Federal Trade Commission January 30,2002 Page 3

American Automotive Security Products d/b/a F.T.S. Distributors will equalize the following four warnings on the packs and cartons of all brand styles of the UNIFY cigarettes for the one year period following approval of this plan:

SURGEON GENERAL'S WARNTNG: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, and Low Birth Weight.

Attached to the correspondence submitted to the FTC on January 15, 2002 were actual hard packs and cartons for the MENTHOL, ULTRA LIGHTS, MENTHOL LIGHTS, LIGHTS and FULL FLAVOR brand styles and actual soft packs and cartons of the NON FILTER, FULL FLAVOR, LIGHTS, MENTHOL LIGHTS 100s, MENTHOL 100s, FULL FLAVOR 100s, ULTRA LIGHTS 100s and LIGHTS 100s brand styles of the UNIFY cigarettes, each such brand style showing application of each of the four Surgeon General's Warnings in the exact form as they will appear during the 12-month period following FTC approval of this rotation plan request.

### 3. Additional Discussion

At this point in time, there will be no advertising for the UNIFY cigarettes.

American Automotive Security Products d/b/a F.T.S. Distributors will maintain the necessary records to ensure tracking and recordation of the equalization of the four warnings on all brand styles of the UNIFY cigarettes.

We sincerely appreciate your continued consideration and attention to this matter and send you our very best regards. We ask that you forward your approval of the Surgeon General's Warnings application plan for the UNIFY packs and cartons to the undersigned as soon as possible, as importation is pending.

Sincerely,

By:

SANDLER, TRAVIS & ROSENBERG, P.A.

Lauren V. Perez

IPR Trade Advisor

### AMERICAN AUTOMOTIVE SECURITY PRODUCTS, INC.

### F.T.S. DISTRIBUTORS

2315 N.W. 107<sup>Th</sup> AVE, Miami, FL 33 172 Toll Free: 1-800-74 1-7744 Local:

Fax: 305-718-4999

January 22, 2002

To Whom It May Concern:

During the calendar year 2001. American Automotive Security Products, Inc. d/b/a F.T.S. Distributors (Importer # 65-0280690), imported a total of cigarettes into the United States. All of the previously stated cigarettes were the United brand name, for which we are the exclusive importer for the United States. We have a rough forecast plan of importing approximately the same number of cigarettes for the 2002 calendar year. of our new Unify brand name only.

Sincerely,

Basil E. Battah President Selected packaging samples from those submitted with the plan.





### YGULTAVOK









## 

10 BOXES OF 20 CLASS A CIGARETTES

# 

MEON GENERAL'S WARNING:
Mgarette Smoke Contains
Carbon Monoxide.





### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

January 31,2002

Ms. Lauren V. Perez IPR Trade Advisor Sandler, Travis & Rosenberg, P.A. The Waterford, 5200 Blue Lagoon Drive Miami, FL 33126-2022

Dear Ms. Perez:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of American Automotive Security Products, d/b/a F.T.S. Distributors, on January 30,2002, calling for the simultaneous display of the four health warnings on packaging of certain varieties of the Unify brand of cigarettes.

F.T.S. Distributors' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the Unify brand submitted with your January 15,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. F.T.S. Distributors' plan is hereby approved for the following varieties of the Unify brand: Full King Box, Full King Soft, Full 100's Soft, Lights King Box, Lights King Soft, Lights 100s Soft, Ultra Lights King Box, Ultra Lights 100's Soft, Menthol King Box, Menthol 100s Soft, Menthol Lights King Box, Menthol Lights 100s Soft, Non Filter King Soft. This approval is effective on the date of this letter and ends on January 30,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If F.T.S. Distributors does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L.

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Ms. Lauren V. Perez January 31,2002 Page 2

No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Acting Associate Director

### LAW OFFICES OF BARRY M. BOREN

Dadeland Towers 9200 South Dadeland Boulevard Suite 412 Miami, Florida 33156 Telephone (305) 670-2200 Facsimile (305) 670-9672

January 23,2002

Ms. Mary K. Engle, Acting Associate Director Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4213 Washington, D.C. 20580

Attention: Ms. Sallie Schools

Amended
Surgeon General's Warning Rotation Plan for
International Cruise Liquor & Tobacco, L.L.C.
For Backard Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for an importer of tobacco products, International Cruise Liquor & Tobacco, L.L.C. ("ICLT"), a Florida limited liability corporation, with offices located at 11091 N.W. Miami, Florida 33172. ICLT wishes to file a Surgeon General's Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 £ seq.) for cigarettes they wish to import into the United States under the brand name "Backard." The contact person for the company will be its Director, Alex De La Cruz, who can be reached at: 11091 N.W. Miami, Florida 33172. The plan we are proposing for the Backard cigarettes is an equalization plan.

The brand styles of cigarettes ICLT intends to import are listed on Exhibit "A." Enclosed with our January 8, 2002 submission were the actual production packs and cartons (listed on Exhibit "A") for the various brand styles showing exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons ICLT will be importing. The two samples (Full Flavor King Box Carton with Lung Cancer warning and the Ultra Lights King Box Pack with the Carbon Monoxide warning) are enclosed with this submission.

ICLT did not import or manufacture any cigarettes in the year 2001 and, to date, has not imported or manufactured any cigarettes in 2002. They anticipate importing approximately master cases a month of all its brand styles for the twelve (12) month period beginning upon the date this plan is approved. No one brand style of cigarettes imported by ICLT has for the past year constituted more than

and no one brand style will constitute more than ——cigarettes—cigarettes—a year in the next year. As you can see from these figures, the number of each brand style of Backard cigarettes sold by ICLT in the fiscal year 2000, is less than 1/4 of 1% of all the cigarettes sold in the United States in such year. In addition, more than ½ of the cigarettes manufactured or imported by ICLT for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(i).

As a small importer/manufacturer as defined by the Act, ICLT wishes to submit a plan to equalize the health warning statements as required by 15 U.S.C. §1333(c) for its Backard brand. The equalization plan we wish to submit requires that each of the four warning statements will appear on the packs and cartons of each brand style of cigarettes imported by ICLT an equal number of times in the one year period beginning on the date this plan is approved.

The individual packs of Backard cigarettes to be imported by ICLT will have the proper health warnings printed by the manufacturer directly on the packs under the cellophane. The cartons will have the proper health warnings printed directly on the cartons by the manufacturer. ICLT will keep a log with a running total of the number of cartons and packs it imports with each warning label for each brand style.

ICLT understands that the FTC is charged with ensuring that ICLT's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

ICLT intends to print all of its cartons and packs in a rotation using all four (4) health warnings so each shipment should be approximately equalized as imported. If, toward the end of the one year period, it appears that the warnings are not equalized, ICLT will place special orders for the specific health warnings needed to ensure that the rotation is equalized by the plan's anniversary date.

The samples that were enclosed with our January 8, 2002 submission (along with the two samples, Full Flavor King Box Carton with Lung Cancer warning and the Ultra Lights King Box Pack with the Carbon Monoxide warning, submitted herewith) have the health warnings as required by the statute and show exactly where and how the Surgeon General's health warnings will appear on the individual packs and cartons ICLT will be importing. These warning labels will be printed directly on the packs and cartons by the manufacturers in the place and in the manner indicated.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. ICLT shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions

of this plan; and (2) prevent the recurrence of any mistakes, errors, or omissions that have come to its attention.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

Please be advised that, at this time, ICLT does not advertise, and therefore, will not need to comply with the Act's requirements requiring the rotation of warning labels on advertising. If this should change, we will notify the FTC and modify our plan accordingly.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15U.S.C. §1331 etseq.) including any modifications made by the Public Health Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this plan as soon as possible.

Should you have any further questions regarding this matter, please do not he sitate to contact us.

Sincerely yours,

LAW, OFFICES OF BARRY M. BOREN

Barry M. Boren

BMB:mw encs.

Backard -FTC-EqualizationPlan

### **EXHIBIT 'A' LIST OF CIGARETTES**

### **Backard**

Full Flavor Box King Size Lights Box King Size Ultra Lights Box King Size Menthol Lights Box King Size Menthol Box King Size

Full Flavor 100's Soft Pack Lights100's Soft Pack Ultra Lights 100's Soft Pack Menthol Lights 100's Soft Pack Menthol 100's Soft Pack

Non-Filter Soft Pack King Size
Full Flavor Soft Pack King Size
Lights Soft Pack King Size
Ultra Lights Soft Pack King Size
Menthol Lights Soft Pack King Size
Menthol Soft Pack King Size

Backard-Exhibit-List

Selected packaging samples from those submitted with the plan.

NON-FILTER CIGARETTES NON-FILTER CIGARETTES 20 PREMIUM 80110 Z90E6 Alsde and Packaged in Colombia, under the authority of DCTS LTD. London NON-FILTER CIGARETTES NON-FILTER CIGARETTES 20 PREMIUM SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

FILTER CIGARETTES

FILTER CIGARETTES

Johnald

20 CLASS A CIGARETTES

ACKARD

**20 CLASS A CIGARETTES** 

SURGEON GENERAL'S WARNING:

al Injury, Premature Birth, And Low Birth Weight.

5

Menthol

ACLARD

СР

T 6

MQ. BACKARD MENTHOL DD2079 GD

# CBARD



Made and Packaged in Colombia Made under the authority of Dets Ltd., London. BACKARD

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

### Division of Advertising Practices

### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

February 4,2002

Barry M. Boren, Esq. Dadeland Towers 9200 South Dadeland Boulevard, Suite 412 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated **to** the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of International Cruise Liquor & Tobacco, LLC ("ICLT") on January 23,2002, calling for the simultaneous display of the four health warnings on packaging of certain varieties of the Backard brand of cigarettes.

ICLT's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the Backard brand submitted with your January 8,2002 and January 23,2002 letters appear to comply with the requirements of the Cigarette Act for size and conspicuousness. ICLT's plan for the Backard brand is approved for the sixteen varieties listed in its plan. This approval is effective on the date of this letter and ends on February 3,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If ICLT does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476,114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Hngle

Acting Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



February 1,2002

Mary K. Engle
Acting Associate Director/Division of Advertising Practice
FEDERAL TRADE COMMISSION
FTC HEADQUARTERS SATELLITE BUILDING
601 Pennsylvania Ave., NW Washington, DC 20580

RE: Compliance of Federal Cigarette Labeling And Advertising Act, 15 U.S.C.

Dear Ms. Engle,

This letter shall serve as formal notice to the Federal Trade Commission regarding Sun Tobacco's "plan" to manufacture and import the "Bronco" line of cigarettes; Full Flavor, Lights, and Menthol.

In Compliance with Sections 1333 (c) (1), Sun Tobacco, Inc. chooses to rotate the four Surgeon General Warnings on packs and cartons of the Bronco brand of cigarettes with a trigger date of 01/01/02 in the Following quarterly manner:

From January 1st to March 31' - Surgeon General's Warning:

Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

- 1) From April 1' to June 30<sup>th</sup> Surgeon General's Warning: Smoking By Pregnant Women May Result in Fetal **Injury,** Premature Birth, And Low Birth.
- 2) From July 1<sup>st</sup> to September 31<sup>st</sup> Surgeon General's Warning: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- 3) From October 1' to December 31st Surgeon General's Warning: Cigarette Smoke Contains Carbon Monoxide.

The company will ensure that all four warnings will appear exactly as shown on the sample packs and cartons previously submitted with our letter of April **18,2000**. Also, the packaging has not changed since that time.

Sun Tobacco, Inc. will maintain sufficient records to demonstrate compliance with the plan.

Sun Tobacco, Inc. will advertise this brand to consumers. For our advertising, we will use the warning formats that were submitted with the plans of the five leading U.S. cigarette manufacturers and we will place the warnings as specified in those plans. We will rotate the four warnings on advertising of the "Bronco" brand of cigarettes according to the **same** scheduleused for its packaging (see above). Copies of advertising acetate warning exhibitsl-5 are enclosed. The largest size advertising we will use is **470** square inches.

Sincorci

Thomas O'Connell, President

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

### Exhibit 5 Category 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Diséase, Emphysema, And May Complicate Pregnancy.

Exhibit 4 Category 4. Over 180 to 360 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Exhibit 3 Category 3. Over 110 to 180 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

EXTRIPIT 2 Gategory 2. Over 68 to 110 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Exhibit 1 category 1. 0 to 65 square inches

### STATEMENT B

SURGEON GENERAL'S **WARNING**: Quitting Smoking Now **Greatly** Reduces **Serious Risks** to Your Health.

Exhibit 5 Category 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Exhibit 4 Category 4. Over 180 to 360 square inches

SURGEON GENERAL'S WARNING: Quitting Smoking New Greatly Reduces Serious Risks to Your Health.

Exhibit 3 Category 3. Over 110 to 180 square inches

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Exhibit 2 Category 2. Over 65 to 110 square inches

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Exhibit 1 Category 1. 0 to 65 square inches

### STATEMENT C

SURGEON GENERAL'S WARNING! Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

EXTIBIT 5 Gategory 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And bow Birth Weight.

Exhibit 4 Category 4. Over 180 to 360 square inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Exhibit 3 Category 3. Over 110 to 180 square inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

EXPRINT 2 Gategory 2. Over 65 to 110 square inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

EXPIRIT 1 Category 1. 0 to 65 square inches

### STATEMENT D

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Exhibit 5 Category 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Cigarette
Smoke Contains Carbon Monoxide.

Exhibit 4 Category 4. Over 180 to 360 square inches

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Exhibit 3 Category 3. Over 110 to 180 square inches

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Exhibit 2 Category 2. Over 65 to 110 square inches

SURGEON GENERAL'S WARN ING: Cigarette Smoke Contains Carbon Monoxide.

Evhibit 1 Catanon 1 Oto 65 equare inche

Selected packaging samples from those submitted with the plan.



SURGEON GENERAL'S WARNING:
Quitting Smoklhg Now
Greatly Reduces Serious
Risks to Your Health.



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## 3RONCO

LE **BITED** 



SURGEON GENERAL'S WARNING: **Cigarette Smoke** ontains Carbon Monoxide.

KING SISE



**RAGE 200 CLASS A CIGARETTES** 



### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

February 4,2002

Mr. Thomas O'Connell President Sun Tobacco 16300NE 19<sup>th</sup> Avenue Ste. 103 North Miami Beach, FL 33162

Dear Mr. O'Connell:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed by Sun Tobacco on February 1,2002 calling for quarterly rotation of the four health warnings, on packaging and advertising of certain varieties of the "Bronco" brand of cigarettes.

Your plan for the rotation of the warnings in advertising has been approved. Approval of the plan assumes that the plan is implemented in good faith.

The warnings on the packs and cartons of the "Bronco" brand submitted with your letter dated April 18,2000 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Sun Tobacco's plan has been approved for the following varieties of the "Bronco" brand of cigarettes: full flavor, lights, and menthol. Approval of the plan is contingent on its good faith implementation. We may **ask** for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. \$1001.

Mr. Thomas O'Connell February 4,2002 Page 2

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681 as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Many K. Engle

Acting

Mary K. Engle

WINNER COMPANY 763 Kasota Ave. SE. Minneapolis MN 55414

Tuesday, January 22,2002

Mr. C. Lee Peeler Associate Director Division of Advertising Practice Federal Trade Commission 601 Pennsylvania Av. NW, Room 4002 Washington, DC 20580

Re: Cigarette Health Warning Rotation Plan.

Dear Mr. Peeler:

On behalf of Winner Company, I am submitting a renewal Cigarette Health Warning Plan (the 'plan'), as required under the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331, et seq. ("the Cigarette Act"). The cigarettes covered by the proposed plan are "Winner" brand.

The company will be importing eight brand styles of "Winner" cigarettes: full flavor, full flavor loo's, lights, lights 100's, menthol full flavor, menthol full flavor loo's, menthol lights 100's and ultra lights 100's.

All of the brand styles to be imported by the company under the plan qualify for the alternative to quarterly rotation set forth in 15 U.S.C. 1333(C)(2). The company have imported a total of cartons of cigarettes combined of all brand styles in 2001, and anticipates that during the calendar year covered by this renewal plan it will not import more than a cartons of cigarettes of any one-brand style.

Under the alternative method for rotating the warnings on packaging, set forth in 15 U.S.C. the company assures that each of the four health warnings specified in 15 U.S.C. 1333(a)(1) will appear on the packaging, both packs and cartons, of each brand style an equal number of times during the year exactly **as** they appear in the enclosed sample packs and cartons, and will keep records demonstrating compliance with this undertaking. The four health warnings are printed in white lettering on dark background, see enclosed artwork.

All of the "Winner" cigarettes covered by this plan will be sold in their original packaging. All of the individual packs and cartons of cigarettes bear the statutorily mandated health warnings in a manner that complies with the Cigarette Act.

All four warnings specified in the Cigarette Act appear on the individual packs and cartons of each brand style the company is importing. In order to assure that the four warnings specified in the Cigarette Act appear on the individual packs and cartons of each brand style an equal number of times during the year, the manufacturer will print packs on sheets, containing 16 packs each, in a row of 4. Because of this, it is very easy to arrange the printing machine so that each row of packs is printed with a different Health Warning. That way, it is certain that no matter how many sheets of packs are printed of the same style, the 4 Health Warnings will be evenly distributed among them. It is a similar case with the cartons for the packs. Instead of being printed on sheets of 16, cartons are printed 4 per sheet, giving us one of each Health Warning on each printed sheet. During the year, the company will maintain a log for each brand style of cigarette to determine if the cigarettes it has imported had an equal number of the 4 Health Warnings on the packs and cartons of each brand style.

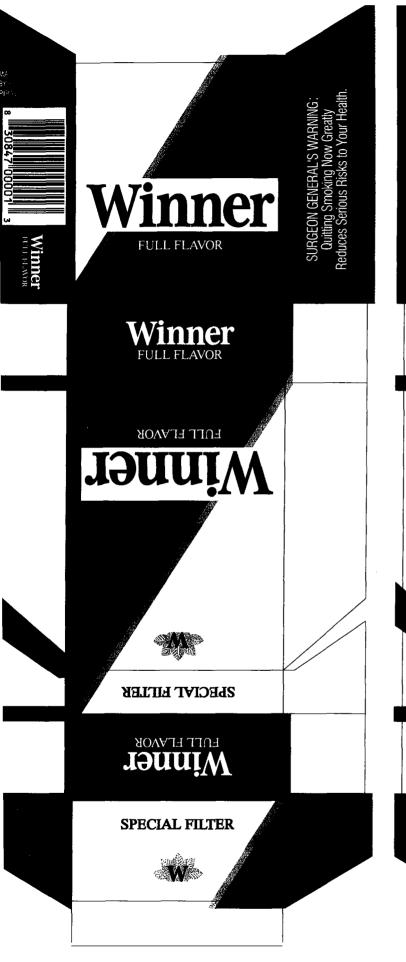
The company will not be advertising the cigarettes imported under this plan and therefore is not submitting a plan for the rotation of the health warnings in advertising.

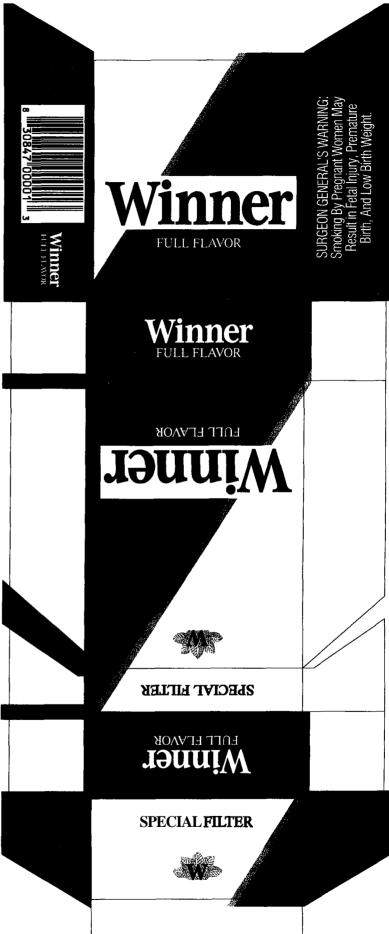
The company will keep records to demonstrate compliance with this plan. These records will be maintained at 763 Kasota Avenue SE. Minneapolis Minnesota, and the person responsible for maintaining these records will be Assaad Hark.

Sincerely, Assaad Hark, officer

Assard HAR

Selected packaging samples from those submitted with the plan.







SPECIAL FILTER



SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy

> UNDERAGE SALE PROHIBITED



100's

Minnor





### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

February 5,2002

Mr. Assaad Hark Winner Company 763 Kasota Ave., SE Minneapolis, MN 55414

Dear Mr. Hark:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed by the Winner Company on January 22,2002, calling for the simultaneous display of the four health warnings on packaging of certain hard pack varieties of the Winner brand of cigarettes.

Winner's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the Winner brand submitted with your January 22,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Winner's plan is hereby approved for the following hard pack varieties of the Winner brand: Full Flavor King, Full Flavor loo's, Lights King, Lights loo's, Menthol King, Menthol loo's, Ultra Lights loo's, Menthol Lights 100's. This approval is effective on the date of this letter and ends on February 4,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Winner does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § as amended by the Tariff Suspension and Trade Act L.

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Assaad Hark Winner Company February 5,2002 Page 2

No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Bugle

Acting Associate Director



### Manufacturers of Luxury Tobaccos Stree 1890

February 1, 2002

Ms. Diana Winterson Division of Advertising Practices Federal Trade Commission Suite 4002 601 Pennsylvania Avenue, NW Washington, D.C. 20580

Dear Ms. Winterson,

Reference is made to Section 4 of the Federal Cigarette Labeling and Advertising Act, as amended (Act), and to the Lane Limited Label Statement Rotation Plan (Plan) submitted to the Federal Trade Commission under date December 6, 1999 pursuant to Section 4(c) of the Act.

Pursuant to Section 4(c)(2)(A) of the Act, Lane Limited hereby makes application, in accordance with the provisions of Section 2(d) of the Plan, to continue simultaneous rotation of the four health warnings set forth in Section 4(a)(1) of the Act on packages of the cigarette brands stated in the supporting Affidavit attached to our letter dated December 14,2001. In addition, we would like the brands Gitanes Blondes and Gitanes Blondes Lights covered by this plan. The packaging for these brand styles was submitted with our 2001 rotation plan. Please find enclosed all 4 warnings on packs and cartons of the following brands  $\sigma$  cigarettes:

**DUNHILL INTERNATIONAL Filter De Luxe CARTIER Vendome Ultra Lights DUNHILL INTERNATIONAL Lights** CRAVEN "A" King Size **DUNHILL INTERNATIONAL Menthol** Menthol **DUNHILL INTERNATIONAL Superior Mild GAULOISES** Non-Filter **DUNHILL Special Reserve GAULOISES Filter DUNHILL Lights GAULOISES Blondes DUNHILL Menthol Lights GAULOISES Lights** CARTIER Vendome Lights **GITANES** Non-Filter **CARTIER Vendome Menthol Lights GITANES Filter** 

On the basis  ${\it of}$  this application and the attached supporting Affidavit, it is submitted that Lane Limited meets the requirements of Section 4(c)(2)(A) of the Act.

Sincerely,

Alan E. Balch

Chairman and CEO

LAH Attachment



### Manufacturers of Luxury Tobaccos Since 1890

December 14,2001

Mr. C. Lee Peeler Division of Advertising Practices Federal Trade Commission Suite 4002 601 Pennsylvania Avenue, N.W. Washington, D.C. 20580

Dear Mr. Peeler:

Reference is made to Section 4 of the Federal Cigarette Labeling and Advertising Act, as amended (Act), and to the Lane Limited Label Statement Rotation Plan (Plan) submitted to the Federal Trade Commission under date December 6,1999 pursuant to Section 4(c) of the Act.

Pursuant to Section 4(c)(2)(A) of the Act, Lane Limited hereby makes application, in accordance with the provisions of Section 2(d) of the Plan, to continue simultaneous rotation of the four health warnings set forth in Section 4(a)(1) of the Act on packages of the cigarette brands stated in the supporting Affidavit attached hereto. This application is for the twelve-month period beginning January 1, 2002.

On the basis of this application and the attached supporting Affidavit, it is submitted that Lane Limited meets the requirements of Section 4(c)(2)(A) of the Act.

With kind regards, I am

Very truly yours,

**LANE LIMITED** 

Fort & The

Robert S. Pless Vice President & General Counsel

**RSP** 

Attachment

### AFFIDAVIT IN SUPPORT OF

### APPLICATION BY LANE LIMITED

### FOR SIMULTANEOUS LABEL STATEMENT ROTATION

- I, Robert S. Pless, being duly sworn, do hereby state as follows:
- 1. I am Vice President and General Counsel of the Applicant, Lane Limited, a cigarette importer and manufacturer with a label statement rotation plan approved by the Federal Trade Commission.
- 2. Lane Limited imports, manufactures and sells cigarettes the brand names of which are set forth below. The packaging for the listed cigarette brands previously approved by the Federal Trade Commission has not changed.

DUNHILL INTERNATIONAL Filter De Luxe DUNHILL INTERNATIONAL Lights DUNHILL INTERNATIONAL Menthol DUNHILL INTERNATIONAL Superior Mild DUNHILL Special Reserve DUNHILL Lights DUNHILL Menthol Lights CARTIER Venddme Lights CARTIER Venddme Menthol Lights CARTIER Venddme Ultra Lights CRAVEN 'A" Standard Size
CRAVEN 'A' King Size
Menthol
GAULOISES Non-Filter
GAULOISES Filter
GAULOISES Blondes
GAULOISES Lights
GITANES Non-Filter
GITANES filter

- 3. This Affidavit is given in support of an Application by Lane Limited pursuant to Section (c)(2)(A) of the Act to continue, in accordance with Section 2(d) of the Plan, simultaneous rotation of the four health warning statements set forth in Section 4(a)(1) of the Act on packages of the cigarette brands set forth above.
- 4. The financial year of Lane Limited is a calendar year ending December **31.**
- 5. The total number of cigarettes sold in the domestic market of the United States of America during the twelve-month period ended December 31, 2000, as reported in the Maxwell Report, was units.
- 6. The total number of cigarettes sold by Lane Limited in the domestic market of the United States of America during the twelve-month period ended December 31, 2000 was units, which represented only of one percent of the total number of cigarettes sold in the domestic market of the United States of America during the same period.

- 7. Therefore, (i) the number of cigarettes of each brand style sold by Lane Limited and (ii) the total number of cigarettes sold by Lane Limited during the twelve-month period ended December 31, 2000, are each less than one-fourth of one percent of all cigarettes sold in the domestic market of the United States of America during the same period.

  8. During the calendar year ending December 31, 2001, Lane Limited
- 8. During the calendar year ending December 31, 2001, Lane Limited expects to sell approximately cigarettes and does not anticipate that volume to be equal to or in excess of one-fourth of one percent of all cigarettes sold in the domestic market of the United States of America during the same period.
- 9. During the calendar year ending December 31, 2002, Lane Limited estimates that its domestic cigarette volume will approximate units; and Lane Limited does not expect that cigarette volume to be equal to or in excess of one-fourth of one percent of all cigarettes sold in the domestic market of the United States of America during the same period.

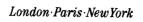
DATED: December 14, 2001

Robert S. Pless

STATE OF GEORGIA )
COUNTY OF DEKALB )

On this <u>I 4 Lagranus</u> day of December, 2001, personally appeared before me, Robert S. Pless, being known to me to be the Vice President and General Counsel of Lane, Limited, who, being duly sworn by me, (i) stated that the facts set forth in the foregoing document are accurate and correct and (ii) subscribed his name to the aforesaid document.

Selected packaging samples from those submitted with the plan.





MADE TO DUNNILL'S UNIQUE STANDARDS OF PERFECTION



INTERNATIONAL

Lights

FILTER DE LUXE CIGARETTES







SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Yotir Health.





INTERNATIONAL Lights LONDON · PARIS · NEW YORK

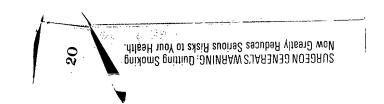
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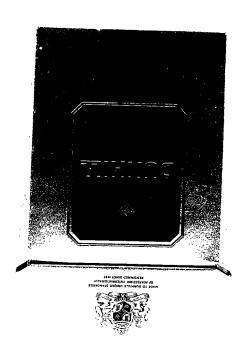
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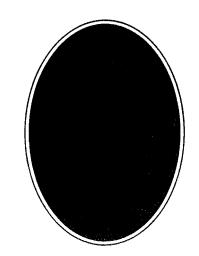
Special Reserve



SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight

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VENDÔME ULTRA LIGHTS

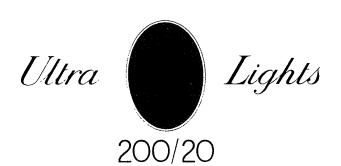
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**IO PACKS OF 20 CIGARETTES** 

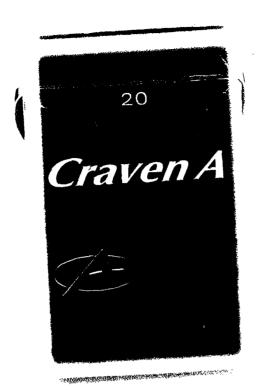
RE OVEFOR TAX STAMP APPLICATION

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

7





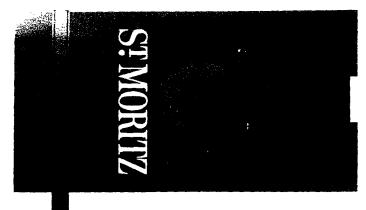




SURGEON GENERAL'S WARNING Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

# Cravens

SURGEON GENERAL'S WARNING Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy. CravenA





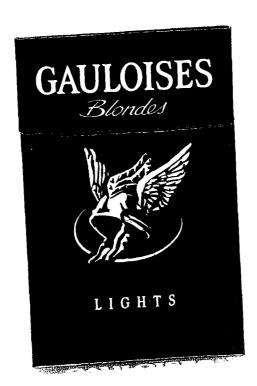
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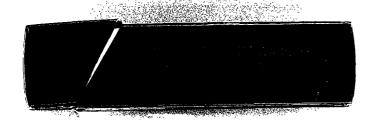
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SURGEON GENERALS WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy

ST MORITZ







Birth, And Low Birth Weigh







SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

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## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

**Division of Advertising Practices** 

February 7,2002

Mr. Alan E. Balch Chairman and CEO Lane Limited 2280 Mountain Industrial Blvd. Tucker, GA 30084

Dear Mr. Balch:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of Lane Limited in letters dated December 14, 2001 and February 1,2002. The plan calls for the simultaneous display of the four health warnings on the packaging of certain varieties of the Dunhill International, Dunhill, Cartier, Craven, St. Moritz, Gauloises, and Gitanes brands of cigarettes listed in your plan.

Lane Limited's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the packs and cartons submitted with your February 1,2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Lane Limited's plan for the Dunhill International (Filter De Luxe, Lights, Menthol, and Superior Mild), Dunhill (Special Reserve, Lights, and Menthol Lights), Cartier (Vendome Lights, Vendome Menthol Lights, and Vendome Ultra Lights), Craven ("A" King Size), St. Moritz Menthol, Gauloises (Blondes and Lights), and Gitanes (Blondes, Blondes Lights, Non-filter and Filter) brand styles is hereby approved.' This approval is effective on the date of this letter and ends on February 6,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

The warnings on cartons of the Filter and Non-filter brand styles of the Gauloises brand of cigarettes submitted contained typographical errors. This approval does not pertain to those brand styles.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Alan E. Balch February 7,2002 Page 2

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K Engle
Acting Associate Director

### HOLLAND & KNIGHT LLP

195 Broadway New York, New York 10007-3189

212-513-3200 FAX 212-385-9010 www.hklaw.com

Atlanta Northern Virginia Boston Orlando Bradenton Providence Chicago St. Petersburg Fort Lauderdale San Antonio Jacksonville San Francisco Lakeland Seattle Los Angeles Tallahassee Melbourne Tampa Miami Washington, D.C. New York West Palm Beach

International Offices:

Caracas\* São Paulo
Mexico City Tel Aviv\*
Rio de Janeiro Tokyo
\*Representative Office

February 15, 2002

NEAL N. BEATON 212-513-3470

**Internet Address:** nbeaton@.hklaw.com

#### **BY HAND**

Mr. C. Lee Peeler Associate Director Division of Advertising Practices Federal Trade Commission Sixth and Pennsylvania Avenue, N.W Washington, D.C. 20580

Re: Application Pursuant to 4(c)(2) of the Federal

Cigarette Labeling and Advertising Act, as amended

Dear Mr. Peeler:

On behalf of Japan Tobacco Inc. and its U.S. importer, Japan Tobacco International U.S.A., Inc., and other affiliates (collectively "Japan Tobacco"), we respectfully submit an application pursuant to Section 4(c)(2) of the Federal Cigarette Labeling and Advertising Act, as amended (the "Act"), seeking approval, for Japan Tobacco to continue to display the warning labels specified in Section 4(a)(1) of the Act on packages and cartons of cigarettes in the manner provided in Section 4(c)(2)(C) of the Act, as provided in paragraph 2(b) of the Label Statement Rotation Plan of Japan Tobacco submitted to the Federal Trade Commission on August 28, 1985 (the "Plan"), as subsequently amended, and approved on October 11, 1985 and as of January 1, 1993, January 1, 1994, January 1, 1995, January 1,1996, January 1,1997, January 1, 1998, January 1, 1999, January 1, 2000, January 19, 2001 and April 11, 2001, which approval was most recently renewed effective January 19, 2001 and April 17, 2001 for the ensuing one-year period thereafter.

Mr. C. Lee Peeler February 15, 2002 Page 2

We have no additional amendments to the Plan at this time.

In support of Japan Tobacco's application for renewal of Federal Trade Commission approval of its simultaneous display plan for packages and cartons, we submit herewith a sworn affidavit of Mr. Thomas Hirshfield, President of Japan Tobacco International U.S.A., Inc., importer of the brands covered thereby, which affirms that the cigarettes sold by Japan Tobacco continue to comply with the two-tiered test in Section 4(c)(2) of the Act.

We are also submitting herewith samples of cartons and packaging for all of the brand styles covered by the Plan.

If you should have any questions in connection with this application, please call me at (212) **513-3470.** 

Thank you for your continued cooperation in this matter.

Very truly yours,

Neal N. Beaton

**Enclosures** 

# AFFIDAVIT OF JAPAN TOBACCO INTERNATIONAL U.S.A., INC. PURSUANT TO SECTION 4(c)(2)(A) OF THE FEDERAL CIGARETTE LABELING AND ADVERTISING ACT [15 U.S.C. §1333(c)(2)(A)]

STATE OF NEW <b>JERSEY</b>	) ) ss.:
COUNTY OF BERGEN	) 33.

Thomas Hirshfield, being duly sworn, deposes and says:

- 1. I am the President of Japan Tobacco International U.S.A., (collectively, with its ultimate parent company, Japan Tobacco Inc. and all of Japan Tobacco Inc.'s direct and indirect subsidiaries, "Japan Tobacco") and make this affidavit on behalf of Japan Tobacco pursuant to Section 4(c)(2)(A) of the Federal Cigarette Labeling and Advertising Act, as amended (the "Act"),in support of the application of Japan Tobacco for Federal Trade Commission approval to display the warning labels specified in Section 4(a)(1) of the Act on packages of cigarettes manufactured by Japan Tobacco for the one-year period beginning on the date of approval, as provided in paragraph 2(b) of the Label Statement Rotation Plan of Japan Tobacco submitted to the Federal Trade Commission on August 28, 1985, and approved on October 11, 1985, and amended as of January 1, 1993, January 1, 1994, January 1, 1995, January 1, 1996, January 1, 1997, January 1, 1998, January 1, 1999, January 1, 2000, January 19, 2001 and April 17,2001, which approval was most recently renewed effective January 19, 2001 and April 17, 2001 for the one year period thereafter.
- 2. The total number of cigarettes of any brand style sold by Japan Tobacco in the United States in its fiscal year ended December 31, 2001, was less than and therefore (i) each brand style of cigarettes which Japan Tobacco manufactures accounted for less than one-

fourth of one percent of all cigarettes sold in the United States during Japan Tobacco's most recent completed fiscal year and (ii) more than one-half of the cigarettes manufactured by Japan Tobacco for sale in the United States are packaged into brand styles which meet the requirements of clause (i).

IN WITNESS WHEREOF, I have hereunto signed my name this <u>5</u> day of February, 2002.

Thomas Hirshfield, President

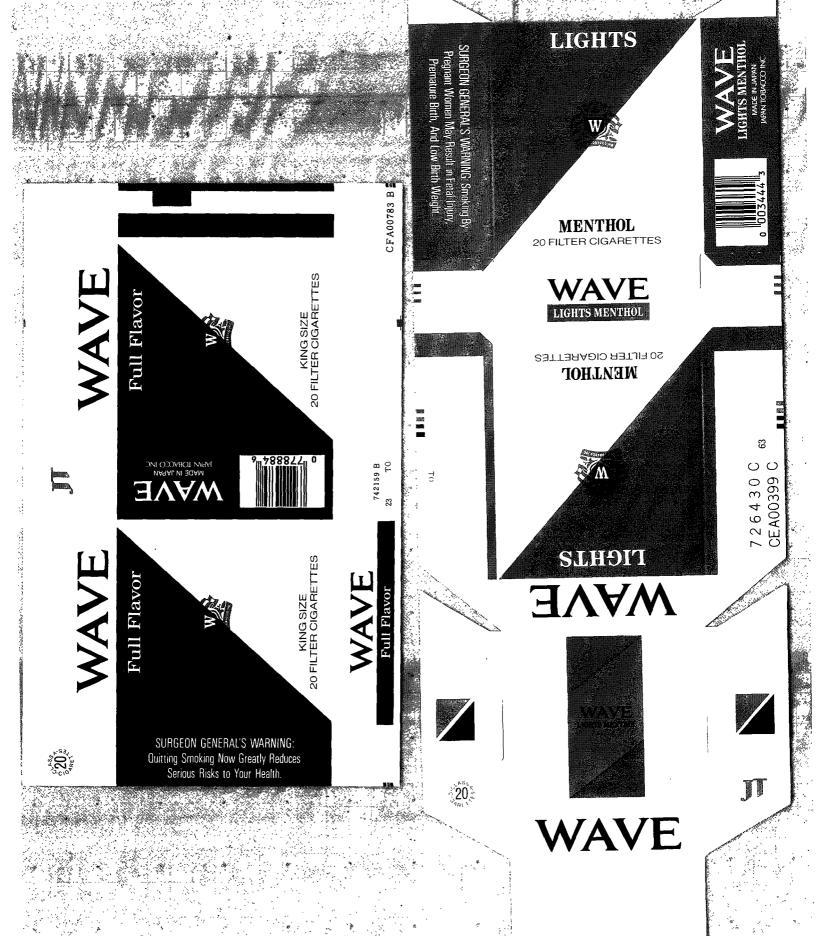
Sworn to before me this

day of February, 2002

Notary Public

NEAL N. BEATON
Notary Public, State of New York
No. 62BE4700760
NYC1 #4435 Traffied in New York County
Commission Expires Feb. 27, 2002

Selected packaging samples from those submitted with the plan.





SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.



Dull Playor

# Full Flavor



KING SIZE 200 FILTER CIGARETIES

JAPAN TOBACCO INC

Full Flavor



KING SIZE FITER OGARETTES

FUII Flavor





# Lights

LIGHTS & NICOTINE





LOW TAR & NICOTINE



SIUDIT

# NEASOIDA

MILDSEVEN



SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces

Serious Risks to Your Health.





BOX

SURGEON GENERAL'S WARNING. Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy

CABIN MILD



BOX

# ABINAIL



BOX

CABIN





BOX

SURGEON GENERAL'S WARNING: Luitting Smoking Now Greatly Reduces Serious Risks to Your Health A PRODUCT OF JT INTERNATIONAL

CASTER



CASTER M IID
MADE IN JAPAN, A TRADERA KRIF

II JAPAN TOBACCO KIE





MILD

LOW TAR AND NICOTINE CHAKCOAL FILTER



MILD

LOW TAR AND NICOTINE CHARCOAL FILTER

CASTER

MILD

25

) ,

TEA 10065B



SOFT PACK

Cigarette Smoke Contains Carbon Monoxide.

SURGEON GENERAL'S WARNING

## **CASTER** MILD

LOW TAR AND NICOTINE 200 CHARCOAL FILTER CIGARETTES

200 CHARCOAL FILTER CIGARETTES **LOW TAR AND NICOTINE** 

CYZLEB





WILD

**DVCK** 

A PRODUCT OF 1T INTERNATIONAL. A TRADEMARK O-

200 CHARCOAL FILTER CIGARETTES LOW TAR AND NICOTINE

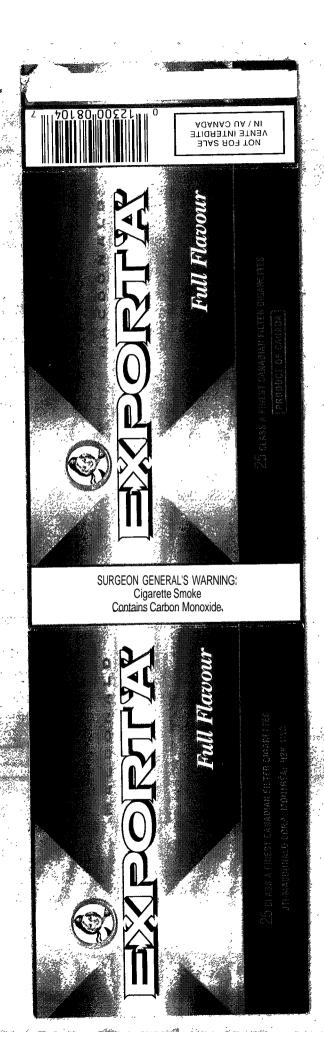
CASTER MILD

**SOLL BYCK** 

MILD



SOFT PACK









Emphysema, And May Complicate Pregnancy. Smoking Causes Lung Cancer, Heart Disease, SURGEON GENERALS WARNING:

Q **J A N O** Q D A



Utra Light

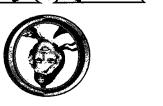
FINEST CANADIAN BLEND FILTER CIGARETTES 🗝





Odba







Utra Light



#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

February 20,2002

Neal N. Beaton, Esq. Holland & Knight, **LLP** 195 Broadway New York. **NY** 10007-3189

Dear Mr. Beaton:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarettehealth warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of Japan Tobacco International U.S.A., Inc. on February 15,2002, calling for the simultaneous display of the four health warnings on packaging of certain varieties of the Wave, Mild Seven, Cabin Mild, Caster Mild, and Export A brands of cigarettes.

Japan Tobacco's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the above mentioned brands submitted with your February 15,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Japan Tobacco's plan is hereby approved for the following brand styles: Wave Full Flavor, Wave Lights, Wave Ultra Lights, Wave Menthol, Wave Menthol Lights, Cabin Mild King Box, Caster Mild King Soft, Mild Seven Filter, Mild Seven Lights, Mild Seven Super Lights, and Export A Full, Medium, Mild, Light, Extra Light, and Ultra Light. This approval is effective on the date of this letter and ends on February 19,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476,114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle
Associate Director

 $<sup>^1</sup>$  Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

#### **QINTERNATIONAL**

CORPORATE
757 SE
FORT LAUDERDALE, FL 333 16
WAREHOUSE
FOREIGN TRADEZONE #25 - PORT EVERGLADES
3400 McIntosh Road, E-15
FORT LAUDERDALE. FL 33 136

TEL. (954) 524-7575 FAX. (954) 524-7596

#### Via Facsimile Transmission & U.P.S. Courier Delivery

Re: Final FTC Planfor Westport<sup>TM</sup>& Outdoor Advertising Pole Sign

February 19,2002

Ms. Mary K. Engle, Acting Associate Director ATTN: Ms. Diana Winterson Division of Advertising Practices Federal Trade Commission, Room 4002 601 Pennsylvania Avenue – NW Washington, DC 20580

Dear Ms. Engle & Ms. Winterson:

Under previous correspondence, we wrote your office in letters dated September 10,2001 (regarding Westport<sup>TM</sup> king box styles), September 20, 2001 (regarding Westport<sup>TM</sup> king soft styles), and on September 30, 2001 (regarding the Westport<sup>TM</sup> Ultra Light King Soft Style). Previously, we requested and received preliminary artwork approval for the Westport<sup>TM</sup> brand of cigarettes **for** certain styles. We now write to follow up these letters with the additional information requested by your office regarding our 2001 sales and distribution, and to submit our final rotation and advertising plan for all of the Westport styles of cigarettes and one consumer advertising item for calendar year 2002.

In accordance with the Federal Trade Commission's <u>Memorandum to Potential Cigarette Manufacturers or Importers</u>, I write to submit our company's final plan for compliance with Section 1333 of the Cigarette Act. This plan is limited to eleven (11) Westport<sup>TM</sup> styles including box and soft pack king size cigarette styles. This plan also includes a consumer advertising pole sign and window sign. Under a separate plan, our company will apply for final approval of the 5-cigarette "mini" pack that we discussed in our telephone conversation on October 26, 2001.

Q Import-Export Company, Inc. was formed as a Delaware corporation on June 7, 2000 as an international wholesale distribution company. Our warehouse is located in Foreign Trade Zone #25 in Port Everglades, FL. The company is registered as a Florida foreign corporation, Q Products, Inc., and is authorized to do business as Q International. We currently distribute cigarettes and cigars manufactured and imported by other companies and are submitting this plan for the purposes of importing a new brand of cigarette into the U.S. market. We have received approval for our list of ingredients from the Department of Health and Human Services. We have also already received our Tobacco Importer Permit from the Bureau of Alcohol, Tobacco & Firearms to operate an approved tobacco import warehouse.

#### I. PACKAGING

#### A. WARNING LABEL SIZE & LOCATION

<u>1. Brand</u> – The company will import the Westport<sup>TM</sup> brand of cigarettes, manufactured in Colombia, South America, by *La Compania Colombiana de Tabaco*, *S.A.* ("Coltabaco").

2. Brand Styles – As part of this plan, we shall import the following eleven (11) brand styles:

#	Variety Style	Packaging
1	King Size Full Flavor	<b>BOX Packaging</b>
2	King Size Light	BOX Packaging
3	King Size Ultra Light	BOX Packaging
4	King Size Menthol	BOX Packaging
5	King Size Menthol Light	BOX Packaging
6	King Size Full Flavor	SOFT Packaging
7	King Size Light	<b>SOFT Packaging</b>
8	King Size Ultra Light	<b>SOFT Packaging</b>
9	King Size Menthol	<b>SOFT Packaging</b>
10	King Size Menthol Light	<b>SOFT Packaging</b>
11	King Size Non-Filter	SOFT Packaging

It should be noted that all of the warning labels will be printed on all of the cigarette packs and cartons of the Westport<sup>TM</sup> brand of cigarettes and will appear exactly as they do on the packs and cartons of the Westport<sup>TM</sup> brand of cigarettes submitted with our letters of September 10, 2001, September 20, 2001, September 30, 2001, and October 29, 2001. Each cigarette pack will contain twenty cigarettes and each carton will contain ten packs. Each of the four warning labels has been designed to be of appropriate size, conspicuousness and contrast. We have provided examples of each of the four warnings on packages and cartons for each of the eleven (11) different brand styles that we intend to import at this time. As of the writing of this letter, we anticipate submitting one additional plan for the 5-cigarette per pack "mini" pack of Westport<sup>TM</sup> in the full flavor, menthol and light king box styles in the near future. We also may submit a plan for 100s box style for certain flavors.

At this time, we are seeking final approval of our label rotation plan for eleven (11) different styles, including King Box and King Soft pack styles. Please refer to the enclosed rotation plan and evidence of how we will satisfy the documentation requirement in 2002. After reviewing the enclosed materials, please advise us as to whether any elements of the packaging or the plan need to be modified in order to comply with the FTC regulations.

#### **B. WARNING LABEL SIZE & LOCATION**

In order to satisfy the warning label rotation requirement, we elected the option provided by Section 1333c(2) that allow us to display each of the four (4) warnings an equal number **times** during the year. The four cigarette health warnings will appear on packs and cartons for each brand style of the Westport<sup>TM</sup> brand of cigarettes and equal number of times during the one-year period following approval of this plan by the F.T.C. We qualify for this option because we will import less than one-fourth of one percent of all the cigarettes sold in the United States. The Westport<sup>TM</sup> brand was first marketed in the U.S. in 3<sup>rd</sup> and 4<sup>th</sup> quarters of the 2001 calendar year. As such, please find the enclosed historical statement for all Westport<sup>TM</sup> sales volume numbers for the past year.

The attached chart illustrates our expected import sales volume for all styles for the year ending December 21, 2002. We shall implement two processes to ensure that the four warning labels on each pack and cartons are equally distributed. First, as part of our import contract with the Colombian factory, we have specified that the printing and production must comply with our FTC plan. Our contract agreement is that the factory will ship the product with an invoice and bill of lading that specifically states the number of cigarettes and cartons that have each warning label. This contract provision ensures that the factory will manufacture only those cigarettes that are in compliance. Second, when the goods are received in the United States, we shall perform a physical inspection of the cigarettes and maintain a physical count. The tallies will be logged in a journal, located in our warehouse.

From a production standpoint, the equal rotation plan is by far an easier plan for our company to monitor, track and maintain records.

#### C. RECORDS OF COMPLIANCE

We shall maintain written records in the form of copies of invoices, inventory sheets and journals that list: (a) the specific brand styles imported by date of import shipment; (b) quantity of cartons and packs imported by date; and (c) specific labels listed on each of the pack and cartons. This written journal log, accompanied by monthly physical inventories will ensure that the company successfully maintains our warning label rotation plan. Records will be kept in an open book manner for any designate of the FTC to inspect and verify.

#### II. ADVERTISING

For our advertising, we will use the warning formats that were submitted with the plans of the five (5) leading **U.S.** cigarette manufacturers, and we will place the warnings as specified in those plans. We will rotate the four (4) cigarette health warnings quarterly on advertising, as per our following schedule.

SCHEDULE FOR (	<u>)UARTERLY</u>	ROTATION

QUARTER	WESTPORT™ BRAND WARNING
1 <sup>ST</sup> Quarter (Mar-May)	B (i.e. 'Quitting Smoking Now Greatly; '
2 <sup>nd</sup> Quarter (Jun-Aug)	A (i.e. 'Smoking Causes Lung Cancer,'
3 <sup>rd</sup> Quarter (Sep-Nov)	C (i.e. 'SmokingBy Pregnant Women,"
4 <sup>th</sup> Quarter (Dec-Feb)	D (i.e. 'Cigarette Smoke Contains,"

With our October 29\* letter, we enclosed hard copies of the acetates for the large pole sign. I affirm that the largest size of the advertising poster that we will print will be no more than 9.9 square feet, which falls into category seven (7). Our actual desired poster size is 30" wide by 40" high, which is 8.25 square feet, an amount less than the maximum stated size of 9.9 square feet. At this time, we do not foresee requesting an approval for **any** other advertising materials to consumers. If we do, we will submit another plan to the F.T.C.

If you require any additional information or assistance with this, or any other matters, please do not hesitate to contact me.

Sincerely.

Michael A. Canul

President, QInternational

#### **EVIDENCE OF ROTATION PLAN COMPLIANCE:**

Every final invoice from the factory receives a factory certification that affirms that the items are produced, shipped, delivered and sold in the U.S., with certification that each of the required four labels is rotated **an** equal number of times. Upon receipt, a manual log is kept at the import warehouse that affirms that the labels do in fact physically appear an equal number of times.



#### **WESTPORT - 2001 Business Year Activity Report**

Total Cartons Distributed

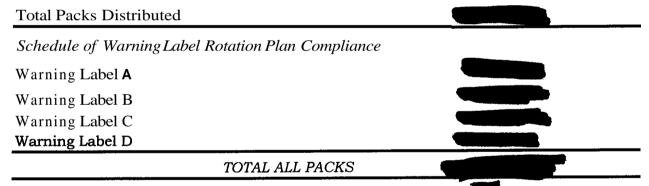
Schedule of Warning Label Rotation Plan Compliance
Warning Label A

Warning Label B

Warning Label C

Warning Label D

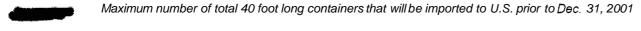
TOTALALL CARTONS





#### Westport 2002 Warning Label Rotation Plan

#### Detail:



Maximum Number of cases in each 40 foot long containers that will be imported to U.S. prior to Dec. 31, 2001

Exact number of cartons in each case.

Maximum number of cartons tat we estimate will be imported and sold prior to Dec. 31, 2001

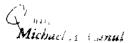
Maximum number of packs that we estimate will be imported and sold prior to Dec. 31, 2001

Maximum number of individual sticks that we estimate will be imported and sold prior to Dec. 31, 2001

#### Westport 2002 Warning Label Rotation Plan

#### WESTPORT PACKS

ltem#	Brand Variety	% of Total	2001 # of Cartons	Label 1#	Label 2#	Label 3#	Label 4#	Total
1	100s Full Flavor							
2	100s Ultra Light SOFT							
3	100s Light SOFT							
4	100s Menthol SOFT							
5	100s Menthol Light SOFT	F						
6	King Full Flavor BOX							
7	King Light BOX							
8	King Ultra Light BOX	1						
9	King Menthol BO							
10	King Menthol Light つX							
11	King Full <b>F</b> BOX							
12	King Light BOX							
13	King Ultra Light BOX							
14	King Menthol BOX							
15	King Menthol I BOX							
16	Non-Filter SOFT							



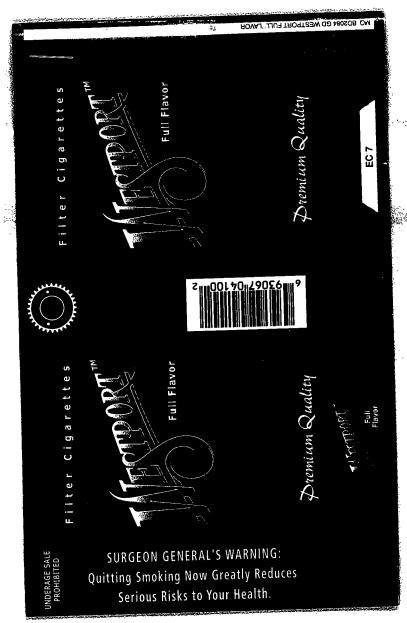
#### Westport 2002 Warning Label Rotation Plan

#### **WESTPORT CARTONS**

	Brand Variety	% of Total	2001 # of Cartons	Label 1#	Label 2 #	Label 3 #	Label 4 #	Total
1	100s Full Flavor SOFT							
2	100s Ultra g SOFT							
3	100s Light SOFT							
4	100s Menthol SOFT							
5	100s Men Light SOFT							
6	King Full Flavor BOX							
7	King Light BOX							
8	King Ultra Light BOX							
9	King Menthol BOX							
10	King Menthol Light BOX							
11	King Full Flavor BOX							
12	King Light BOX							
13	King Ultra Light BOX							
14	King Menthol BOX							
15	King Menthol Light BOX							
16	Non-Filter SOFT							



Selected packaging samples from those submitted with the plan.



7.

...... 1 . ) <sub>1</sub> . 4 %qqq

200 Class A Filter Cigarettes



Full Flavor

200 Class A Filter Cigarettes

**Full Flavor** 

Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth,

And Low Birth Weight.

SURGEON GENERAL'S WARNING:

Full Flavor

200 Class A Filter Cigarettes

200 Class A Filter Cigarettes



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Advertising Practices

February 22,2002

Mr. Michael A. Canul President Q Products, Inc. 757 SE 17<sup>th</sup> Street #365 Fort Lauderdale, FL 33316

Dear Mr. Canul:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Q Products, Inc./d.b.a. Q International ("Q International") on February 19,2001 calling for the simultaneous display of the four health warnings on the packs and cartons and the quarterly rotation of the four health warnings on advertising of certain varieties of the Westport brand of cigarettes.

Your plan for the rotation of the warnings in advertising has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Q International's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 10,2001, September 20,2001, September 30,2001 and October 29,2001 letters appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Q International's plan has been approved for the following varieties of the Westport brand of cigarettes: full flavor king box, light king box, ultra light king box, menthol king box, menthol light king soft, full flavor king soft, light king soft, ultra light king soft, menthol king soft, menthol light king soft and non-filter king soft. This approval is effective on the date of this letter and ends on February 21,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.'

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Michael A. Canul February 22,2002 Page 2

The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Very truly yours,

Mary K. Engle

Associate Director



205 Pearl St. Atlanta, GA 30316 orldwide: 404-535-8633

Worldwide: 404-525-8633 US Toll Free: 800-243-3607

FAX: 404-525-8637 E-mail: quintinint@aol.com

February 28,2002

Ms. Diana Winterson Federal Trade Commission 601 Pennsylvania Avenue, NW, Room 4213 Washington D.C. 20580

RE: Request for Approval of Warning Statement Rotation Plan for Quintin International ("Quintin") for the brand styles for the Stars line, including all flavors/brand styles (Banana Nut, Blueberry, Cherry Cheesecake, Cinnaberry, Swiss Chocolate and Vanilla Crème). (Note: "Stars" replaces the "Jaz" product line)

Dear Ms. Winterson:

We respectfully submit the attached Rotation Plan for the Stars products, which includes the following flavorslbrand styles: Banana Nut, Blueberry, Cherry Cheesecake, Cinnaberry, Swiss Chocolate and Vanilla Crème. The warning labels for the Stars line will rotate each of the four health warnings each quarter over a period of a year as per the attached sheet.

Enclosed with this letter is actual packaging for the Second Quarter for each of the flavors. Also enclosed is artwork with the remaining three warnings for quarters one, three and four. As we receive the additional packaging with the warning labels permanently printed, we will forward them to your office. The four health warnings will appear exactly as they do on the packs, cartons, and artwork for the Stars Cigarettes submitted.

With regard to advertising, we will only advertise to consumers on the Internet. Please see the attached rotation schedule (amended from my letter of May 7,2001) for all Internet advertising materials. All four warnings will rotate quarterly as per the attached schedule. For advertising we will use the warning formats that were submitted with the plans of the five leading US cigarette manufacturers and we will place the warnings as specified in those plans. The warnings on our website, <a href="www.quintin.com">www.quintin.com</a> will appear exactly as they are viewed on the site. (Please see website to view warnings. Please see copies enclosed with our letter of January 2, 2302 of sample pages from the web site.) Stars is not currently up on the site, but it is now included in the attached schedule and the warnings will rotate as per that schedule.

We respectfully suggest that you now have all of the information necessary to approve the Warning Statement Rotation Plan submitted on behalf of Quintin International for the Stars line, and for advertising. I look forward to receiving your approval as soon as possible to comply with federal regulations.

Thank you for your kind courtesy and cooperation.

Regards,

Katherine K. Yeager

Vice President, Quintin International



205 Pearl St. Atlanta, GA 30316 Worldwide: 404-525-8633 FAX: 404-525-8637

E-mail: quintinint@aol.com

# Stars Cigarettes QUARTERLY CIGARETTE ROTATION PLAN

The health warnings on following brands of cigarettes imported by Quintin USA, Inc. shall be rotated according to the following schedule:

	Warning Code Applied				
Brand		2 <sup>nd</sup> Qtr* r) (Apr-Jur		4 <sup>th</sup> Qtr* o) (Oct-Dec	<b>c</b> )
Jaz	А	В	С	D	

Warning Code	Health Warning
Α	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
В	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
С	SURGEON GENERAL'S WARNING: Smoking By Pregnant Woman May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
D	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

<sup>\*</sup> Based on Import Date

Adopted: February 28, 2002 (This plan for Stars replaces the plan for Jaz Cigarettes)

Selected packaging samples from those submitted with the plan.



that is out of this world. an aromatic experience indulgent taste creating cigarette with a smooth, orchestrated a heavenly

Pacific Sun (Asia) Limited Manufactured in Vietnam

Dy S.C.F. exclusively for

REACH FOR THE STARS

20 King Size

Rich Flavored Cigarettes

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Rich Flavored

Underage Sale Prohibited

Rich Flavored Cigarettes

REACH FUR THE STARS

Manufactured in Vietnam by S.C.F. exclusively for Pacific Sun (Asia) Limited



#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D. C. 20580

March 1,2002

Ms. Katherine K. Yeager Vice President Quintin International, Ltd. 205 Pearl St. Atlanta, GA 30316

Dear Ms. Yeager:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed by Quintin International, Ltd. on February 28,2002 calling for quarterly rotation of the four health warnings on packaging and in Internet advertising of certain varieties of the Stars brand of cigarettes.

Your plan for the rotation of the warnings in advertising has been approved. Approval of the plan assumes that the plan is implemented in good faith. The approval of your plan for the rotation of the health warnings in Internet advertising is <u>not</u> an approval of advertising cigarettes on the Internet. With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice and you should contact DOJ directly (Eugene Thirolf at 202-307-3009) to determine whether such advertising on the Internet is permissible.

The warnings on the artwork and sample packs and cartons of the Stars brand submitted with your February 28,2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Quintin International, Ltd.'s plan has been approved for the following varieties of the Stars brand of cigarettes: Banana Nut, Blueberry, Cherry Cheesecake, Cinnaberry, Swiss Chocolate and Vanilla Creme. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' When actual packaging is developed, Quintin International, Ltd. should submit samples to the Commission. The Cigarette Act provides that any person who violates its provisions is guilty

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Ms. Katherine K. Yeager March 1,2002 Page 2

of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

May K. Engle Associate pirector

Mary K. Engle

### Windward Tobacco, Inc.

34 Sunburst Circle, E. Amherst, NY 14051 Tel (716) 639-7544, Fax (716) 639-1214 E-Mail rsaffire@adelphia.net

March 4, 2002

Mr. Michael Ostheimer Federal Trade Commission Division of Advertising Practices 601 Pennsylvania Avenue, N.W. Room 4004 Washington, DC 20580

#### Renewal of Cigarette Health Warning Rotation Plan

#### Dear Mr. Ostheimer:

On March 8, 2001 the Federal Trade Commission ("the Commission") approved a cigarette health warning rotation plan submitted by Windward Tobacco, Inc. This plan related to the importing of the following American Diplomat brand styles: premium filter, light and menthol light in king and 100 size, and menthol light and ultra light in the 100 size only. This approval is effective through March 7, 2002.

The purpose of this letter is to ask that the rotation plan be approved (continued) for the one-year period beginning on the date that the original approval expires.

Upon approval, the Importer intends to continue to import cigarettes into the United States (for a one-year period commencing upon FTC approval) that are manufactured outside the United States.

The cigarettes will be delivered in shipping containers with master cases ("Master Case") per container. Each Master Case will contain cigarettes packaged in count cartons ("Outer Carton"). Each Outer Carton will contain packs of cigarettes each ("Pack"). The packing of these cigarettes will be that of the original manufacturer. The Surgeon General Warnings will be on each Pack and Outer Carton of cigarettes in the form and content dictated by the Act and therefore satisfactory to the FTC. Samples of packs and outer cartons showing each of the warnings were submitted to the Commission with the March 1, 2001 letter. The packs and cartons to be imported with this letter will be identical to those previously submitted.

The total number of cigarettes imported in 2001 for any one brand style will not exceed cigarettes. I anticipate that in 2002, the total number of cigarettes imported for any one brand style will not exceed cigarettes. The Importer will maintain records for the FTC of exact numbers imported each year via documentation prepared in accordance with this plan (see discussion of the Surgeon General Warning Rotation Log below). In accordance with Section 4(c)(2) of the Act, and based upon anticipated annual import quantities (i.e. total imports are less than one-fourth of one percent of total cigarettes sold in the United States, and the brand styles of the cigarettes imported meet this low sales threshold), the Importer respectfully requests that it be allowed to continue to use the Rotation Plan using the Alternative method to the Quarterly Rotation Plan described in Section 4(c)(1).

As a "small" importer by virtue of the information set forth above, the Importer hereby states as its plan of rotation that the labels described in Section 1333 (a)(1) of the Act shall appear on the packs and outer cartons of each brand style of cigarettes with respect to which this plan is approved an equal number of times for the one year period commencing on the date of approval. The Packs and Outer Cartons will bear the original warnings placed on the packaging by the cigarette manufacturer. The warning statement on the packs and cartons will be rotated to ensure that the four statutory warnings described in the Act (section 1333) will appear on the packs and cartons of each brand style an equal number of times during the above referenced on year period as required by the Act and under this Plan. The warnings will be printed in a legible and conspicuous manner and will be of a size, format and type as required by the FTC. The warnings will be placed on the product in an authorized location, a location which will be acceptable to the FTC and which complies with applicable labeling statutes. Samples of each of the American Diplomat packs and cartons were submitted with the March 1, 2001 letter. Each of the brand styles was included and each of the four warnings was presented for each of the brand styles (on both packs and cartons).

The Importer's Rotation Plan includes procedures to maintain a Surgeon General Warning Rotation Log (the "Log") at the import warehouse that will be used to quantify the number of the four approved health warning labels which are imported. The Log will be reviewed periodically throughout the year to assure that the four Surgeon General warnings are equalized in their use during the year.

Since the Importer will not advertise the imported product, there is no need to submit a plan for the rotation of warnings on advertising.

The Importer is also aware of (and will abide by) the laws that have been established concerning the importation of cigarettes. A list of tobacco additives used in the manufacture of the American Diplomat cigarettes also been sent to the CDC. Additionally, the Importer has received a letter from the owner of the **US** trademark "American Diplomat" authorizing the importation of the cigarettes.

The Importer believes that the foregoing Plan continues to comply with the requirements set forth in the Federal Cigarette Labeling and Advertising Act and respectfully requests approval of this renewal (continuation).

Should this request conform to your requirements, I would appreciate that a letter evidencing the approval be sent (or faxed to 716-639-1214) to my attention at the above addresses. If you have any questions concerning the Plan I have described, or need additional information, please call. Your prompt attention to this matter is greatly appreciated.

Sincerely,

Richard G. Saffire Jr.

President

Enclosures



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Advertising Practices

March 5,2002

Mr. Richard G. Saffire, Jr., President Windward Tobacco, Inc. 34 Sunburst Circle E. Amherst, NY 14051

Dear Mr. Saffire:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Windward Tobacco, Inc. ("Windward") on March 4,2002 calling for the simultaneous display of the four health warnings on the packs and cartons of certain varieties of the American Diplomat brand of cigarettes.

Windward's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the packs and cartons submitted with your March 1,2001 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Windward's plan has been approved for the following varieties of the American Diplomat brand of cigarettes: premium filter, premium filter 100's, light, light loo's, menthol, menthol 100's, menthol light 100's and ultra light 100's. This approval is effective on the date of this letter and ends on March 4,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Windward does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

Very truly yours,

Mary K. Engle

Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

#### Manufacturers of Luxury Tobaccos Since 1890

March 4,2002

Ms. Diana Winterson Division of Advertising Practices Federal Trade Commission Suite 4002 601 Pennsylvania Avenue, NW Washington, D.C. 20580

Dear Ms. Winterson,

Reference is made to Section 4 of the Federal Cigarette Labeling and Advertising Act, as amended (Act) and to the Lane Limited Label Statement Rotation Plan (Plan) submitted to the Federal Trade Commission under date December 6, 1999 pursuant to Section 4(c) of the Act.

On February 7, the FTC approved Lane Limited's Feb. 1, 2002 plan for the simultaneous display of the four health warnings on the packing of certain varieties of Dunhill International, Dunhill, Cartier, Craven, St. Moritz, Gauloises and Gitanes brands of cigarettes. Pursuant to Section 4(c)(2)(A) of the Act, Lane Limited would like to supplement that plan in accordance with the provisions of Section 2(d) of the Plan, to continue simultaneous rotation of the four health warnings set forth in Section 4(a)(1) of the Act on packages of the Craven "A" Standard Size brand of cigarettes stated in the supporting Affidavit attached to our letter dated December 14,2001. Please find enclosed with our letter dated February 27, 2002 all 4 warnings on packs and cartons of the following brand and brand style of cigarettes:

#### CRAVEN "A" Standard Size

The 4 warnings on packs and cartons of the Craven "A" Standard Size brand of cigarettes will appear exactly as they do on the packs and cartons enclosed with our letter of February 27, 2002.

On the basis of this application and the supporting Affidavit attached to our letter dated December 14, 2001, it is submitted that Lane Limited meets the requirements of Section 4(c)(2)(A) of the Act.

Sincerely,

Alan E. Balch

Chairman and CEO

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LAH

Selected packaging samples from those submitted with the plan.





VIRGINIA



SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health

VIRGINIA FILTER CIGARETTES



200/20



/IRGINIA

IMPORTED CA



VIRGINIA FILTER CIGARETTES

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

OF JAMAICA LTD.



# UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

**Division of Advertising Practices** 

March 5,2002

Mr. Alan E. Balch Chairman and CEO Lane Limited 2280 Mountain Industrial Blvd. Tucker, GA 30084

Dear Mr. Balch:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). On February 7,2002, the Commission approved Lane Limited's February 1,2002 plan for the simultaneous display of the four health warnings on packaging of certain specified varieties of the Dunhill International, Dunhill, Cartier, Craven, St. Moritz, Gauloises, and Gitanes brands of cigarettes.

On March 4,2002, Lane Limited filed a supplement to expand its plan to include the Craven "A" Standard size of the Craven brand. The warnings on the packs and cartons submitted with your February 27,2002 letter appear to meet the size and conspicuousness requirements of the Cigarette Act. Lane Limited's supplement to its plan is hereby approved. This approval is effective on the date of this letter and ends on March 4,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Very truly yours,

Mary K. Engle

Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

122 Caggiano Dr. Gaffney, SC 29341 Tel: (864) 489-6194 Fax: (864) 488-3805

### Southern Tobacco, Inc.

March 4,2002

Ms. Diana Winterson Federal Trade Commission 601 Pennsylvania Avenue NW Washington, D.C. 20580

Dear Ms. Winterson:

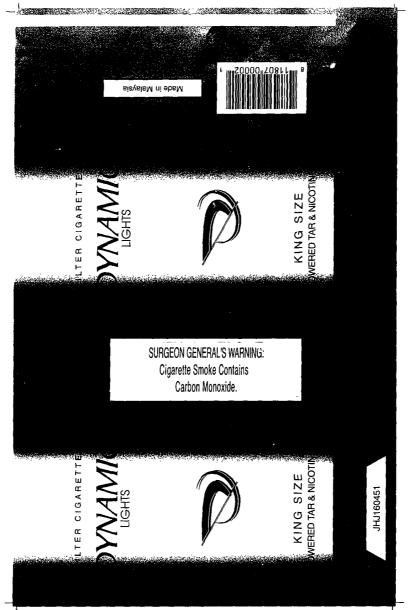
Southern Tobacco, Inc. located in Gaffney, SC would like to supplement our plan to comply with the Federal Cigarette Labeling and Advertising Act. Southern Tobacco will be adding Dynamic (made in Malaysia) 84mm and 100mm (Full-Flavor, Light, Ultra Light, Menthol, and Menthol Light) to our January 22,2002 plan that was approved on January 24, 2002. We will distribute the four Surgeon General Warnings equally on packs and cartons of these brand styles during the one year period beginning on the date this plan is approved, and they will appear exactly as they do on the enclosed packs and cartons with our letter of February 4,2002.

Sincerely,

John Short

Vice President, Southern Tobacco

Selected packaging samples from those submitted with the plan.



Delta2 D6 RMTC 153793/DYNAMIC PACK/KING LIGHT 10.12.2001 .23:10

# DYNAMIC MENTHOL



PREMIUM BLEND

### DYNAMIC MENTHOL KING SIZE

PREMIUM BLEND



MENTHOL DYN/I/C

MADE IN MALAYSIA

INFINITOR KING 2ITE

#### SURGEON GENERAL'S WARNING:

Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.



# UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Advertising Practices

March 5,2002

Mr. John Short Southern Tobacco, Inc. 122 Caggiano Dr. Gafhey, *SC* 29341

Dear Mr. Short:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). On January 24,2002, the Commission approved Southern Tobacco, Inc.'s ("Southern Tobacco") January 22,2001 plan for the simultaneous display of the four health warnings on packaging of certain specified varieties of the Dynamic and Golden brands of cigarettes.

On March 4,2002, Southern Tobacco filed a supplement to expand its plan to include the full flavor, light, ultra light, menthol, and menthol light brand styles, both 84mm and 100mm, of the Dynamic brand manufactured in Malaysia. The warnings on the packs and cartons submitted with your February 4,2002 letter appear to meet the size and conspicuousness requirements of the Cigarette Act.' Southern Tobacco's supplement to its plan is hereby approved. This approval is effective on the date of this letter and ends on March 4, 2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Very truly yours,

Mary K. Engle
Associate Director

Although the warnings on packs of some of the brand styles submitted were not sufficiently clear and conspicuous, revised packaging was submitted. This approval pertains only to the packaging that meets the requirements of the Cigarette Act.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



205 Pearl St. Atlanta, GA 30316

Worldwide: 404-525-8633 US Toll Free: 800-243-3607

FAX: 404-525-8637 E-mail: kky@quintin.com

March 8,2002

Ms. Diana Winterson Federal Trade Commission 601 Pennsylvania Avenue, NW, Room 4213 Washington, DC 20580

RE: Request for Approval of Warning Statement Rotation plan for Quintin International for Point of Purchase Display for Stars line

Dear Ms. Winterson:

We respectfully submit the attached rotation plan for a Stars Point of Purchase Display. This plan serves as an addition to the advertising plan submitted on February 28, 2002 and approved on March 1, 2002, which covered advertising on the Internet at www.quintin.com. At that time, we not anticipate any other form of advertising. For advertising we will use the warning formats that were submitted with the plans of the five leading US cigarette manufacturers and we will place the warnings as specified in those plans. The warning labels for the display will rotate each of the four health warnings each quarter over a period of a year as per the attached sheet.

Enclosed with this letter is a copy of the acetates, Exhibits 1-5, purchased from Integrated Imaging Center. The four health warnings will appear exactly as they do on the acetates and the largest size advertisement will measure 470 square inches.

We respectfully suggest that you now have all of the information necessary to approve the Warning Statement Rotation Plan submitted on behalf of Quintin International for the Stars Point of Purchase Display. I look forward to receiving your approval as soon as possible to comply with federal regulations.

Thank you for your kind courtesy and cooperation.

Regards,

Katherime K. Yeager

Vice President, Quintin International



205 Pearl St. Atlanta, GA 30316 Worldwide: 404-525-8633 US Toll Free: 800-243-3607

FAX: 404-525-8637 E-mail: quintinint@aol.com

# Stars Point of Purchase Display QUARTERLY CIGARETTE ROTATION PLAN

The health warnings on following point of purchase display distributed by Quintin International shall be rotated according to the following schedule:

Brand	Warning Code Applied				
			3 <sup>rd</sup> Qtr* n) (Jul-Sep	4 <sup>th</sup> Qtr* o) (Sep-De	<b>∋</b> C)
Stars	А	В	С	D	

Warning Code	Health Warning
Α	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
В	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
С	SURGEON GENERAL'S WARNING: Smoking by Pregnant Woman May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
D	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

<sup>\*</sup> Based on Distribution Date

Adopted: March 7, 2002

#### STATEMENT A

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Exhibit 5 Category 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Exhibit 4 Category 4. Over 180 to 360 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Exhibit 3 Category 3. Over 110 to 180 equere inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Exhibit 2 Category 2. Over 65 to 110 square inches

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease. Emphysema, And May Complicate Pregnancy.

Exhibit 1 Category 1. 0 to 65 equare inches

#### STATEMENT B

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health:

Exhibit 5 Catagory 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Exhibit 3 Category 3. Over 110 to 180 square inches

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Exhibit 2 Category 2. Over 65 to 110 aquare Inches

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Exhibit 1 Category 1. 0 to 65 equare inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Exhibit 5 Category 5. Over 360 to 470 square Inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Cow Birth Weight.

Exhibit 4 Catagory 4. Over 180 to 360 square Inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Exhibit 3 Category 3. Over 110 to 180 square inches

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Exhibit 2 Category 2. Over 65 to 118 equare inches

SURGEON GENERAL'S WARNING: Smoking By Pragnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Exhibit 1 Category 1. 0 to 65 square inches

Statement C

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### STATEMENT D

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Exhibit 5 Category 5. Over 360 to 470 square inches

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide

Exhibit 4 Category 4. Over 180 to 360 square inches

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Exhibit 3 Category 5. Over 110 to 100 square inches

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Exhibit 2 Category 2. Over 65 to 110 square inches

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

EXILABIT 1 Category 1. 0 to 66 equare inches

# Division of Advertising Practices

#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 13,2002

Ms. Katherine K. Yeager Vice President Quintin International, Ltd. 205 Pearl St. Atlanta, GA 30316

Dear Ms. Yeager:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). On March 1,2002, the Commission approved Quintin International, Ltd.'s February 28,2002 plan for the quarterly rotation of the four health warnings on packaging and in Internet advertising of certain varieties of the Stars brand of cigarettes.' On March 8,2002, Quintin International, Ltd. filed a supplement to expand its advertising plan to include point of purchase displays.

Your plan for the rotation of the warnings in advertising on point of purchase displays has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Very truly yours,

My Engle

Associate Director

Mary K. Engle

As stated in previous approvals of your plans for the rotation of the warnings in Internet advertising, the approvals are <u>not</u> approvals of advertising cigarettes on the Internet. With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice.

# CanStar (U.S.A.), Inc.

1629 NW 82 Avenue, Miami, Florida 33126 305-666-3131 Fax: 305-666-1677

Email: canstar@bellsouth.net

March 8,2002

Ms. Mary K. Engle Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4004 Washington D.C. 20580

Re: Renewal of 2001 Cigarette Health Warning Rotation Plan Submitted by

Dear Ms. Engle:

On behalf of our company, CanStar (U.S.A.), Inc., ("CanStar") we request that the Cigarette Health Warning Rotation plan approved by the Federal Trade Commission on January 24, 2001, be renewed. This approved plan and samples were submitted by CanStar on January 16,2001. There are no changes to the packages and all warnings will remain as delineated in said letter. Attached, please find a copy of the January 24, 2001, FTC approval letter.

CanStar submits this renewal request of the Surgeon General Rotation plan as required under the Federal Cigarette Labeling and Advertising Act of 1984 (15 USC. 51331 (1997), et. seq.), as amended. The cigarettes covered by the proposed Plan are cigarettes that will be manufactured outside the United States and are produced to our specifications and are complete with the health warnings that comply with the Surgeon General warning language set forth in the statute.

The cigarettes covered by this plan are: "MAXXIM" BRAND • Maxxim full flavor 100mm soft; Maxxim lights 100mm soft; Maxxim ultra-light 100mm soft; Maxxim menthol 100 soft; Maxxim light menthol 100mm soft. We anticipate that the volume of cigarettes imported in 2002 will not exceed the cartons (containing 200 cigarettes each) for any single brand style. During the past two years CanStar has not manufactured cigarettes in the United States.

We respectfully submit that the cigarettes imported by CanStar qualify for the requested rotation plan insofar as all requirements set forth in Section 1333 have been met. More specifically, the one fourth of one percent requirement, meaning that the number of cigarettes of each brand style sold in the fiscal year of the manufacturer or importer preceding the submission of the application is less than one-fourth of one percent of all cigarettes sold in the United States, has been met as demonstrated by the quantity of

cartons imported for sale. As a result, all of the brand styles qualify since all brand sales are below the one fourth of one percent requirement as set forth above.

CanStar proposes a rotation plan of the US Surgeon's Health Warning for the Maxxim brand of cigarettes imported into and distributed in the United States. Under this plan, all four Surgeon General's health Warnings will be equalized for the packs and cartons of each brand style we import. CanStar will monitor the production and maintain a log to ensure that the health warnings will be produced in such a manner so as to result in equal rotation of the four health warnings within each production lot for the United States market, In addition, we will monitor production and importation to ensure that over the year covered by this plan, we will employ an equal number of the health warnings for each brand style.

The four health warnings will appear exactly as they do in the sample packs and cartons provided with the letter submitted on January 16,2001. CanStar will ensure that the cigarettes are manufactured to meet all US packaging requirements including the location and display of the US Surgeon General's Health Warning.

The four health warnings to be used in equal rotation on the packs and cartons are:

- **5.** SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- **6.** SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- **7.** SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- **8.** SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Since CanStar does not, and will not, advertise the product to consumers, there is no need to submit an advertising plan.

We submit that the foregoing complies with the requirements set forth in the Federal Cigarette Labeling and Advertising Act, as amended, and request expedited approval of this request. Should this request conform to your requirements, we request that the letter evidencing approval be faxed to the undersigned at the above fax number. Also, if you require any additional information with respect to the foregoing, please contact the undersigned at (305) 666-3131

Respectfully submitted,

Kh Mil

CanStar (USA), Inc.

Paul A. Embury President



# UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 13.2002

Mr. Paul A. Embury Director CanStar (U.S.A.), Inc. 4960 SW 72 Avenue, Ste. 308, Miami, FL 33155

Dear Mr. Embury:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of CanStar (U.S.A.), Inc. ("Canstar") on March 8,2002 calling for the simultaneous display of the four health warnings on the packaging of the full flavor 100mm soft, lights 100mm soft, ultra-light 100mm soft, menthol 100mm soft, and light menthol 100mm soft brand styles of the Maxxim brand of cigarettes.

CanStar's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your January 16,2001 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. CanStar's plan for the full flavor 100mm soft, lights 100mm soft, ultra-light 100mm soft, menthol 100mm soft, and light menthol 100mm soft brand styles of the Maxxim brand is hereby approved. This approval is effective on the date of this letter and ends on March 12,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If CanStar does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the **Taciff** Act of

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18U.S.C. § 1001.

Mr. Paul A. Embury March 13,2002 Page 2

1930, 19 **U.S.C.**§ 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476,114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to **HHS**.

Very truly yours,

Mary K Engle
Associate Director

#### FLEITAS & BUJAN

ATTORNEYS AT LAW

ROBERTO F. FLEITAS JESUS F. BUJAN OCEAN BANK BUILDING, SUITE 530 782 N.W. LEJEUNE ROAD MIAMI, FLORIDA 33126

> TEL. (305) 442-1439 FAX(305) 442-9944

March 14,2002

Ms. Mary K. Engle Associate Director Division of Advertising Practice Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4002 Washington DC 20580

Re: FTC Approval of cigarette brand FREEVONT

Dear **Ms.** Engle:

NORTH CAROLINA DISTRIBUTION, LLC, (NORTH CAROLINA) is the importer of the cigarette brand FREEVONT. NORTH CAROLINA 'S address is: 2911 Quinn-Sawmill Road, Deep Run, North Carolina, 28525. The manager member is Michael Dean Rouse.

In accordance the requirements of **15** USC 1333, **NORTH CAROLINA** requests approval of the following plan detailed herein:

On February 19,2002 we provided you with four (4) revised packages and four (4) revised cartons displaying examples of each of the four (4) warning statements showing exactly how the warnings will be displayed on the packs and cartons of the following styles of the cigarette brand FREEMONT

FREEMONT 84 mm Full Flavor (soft packs)
FREEMONT 100 mm Full Flavor (soft packs)

The following is the schedule showing the warning that is assigned to each style of FREEMONT during each quarter of the year:

### Iabel Statement Rotation of FREEMONT SCHEDULE FOR QUARTERLY ROTATION

1 <sup>ST</sup> Quarter (Jan-Mar.)	A
2 <sup>nd</sup> Quarter (AprJune)	В
3 <sup>rd</sup> Quarter (July-Sept.)	С
4th Quarter (OctDec.)	D

periods commencing January 1, April 1, July 1, and October 1 of each year. Rotation proceeds to the first calendar quarter at the conclusion of the fourth calendar quarter.

The warnings are as follows:

- A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

The warnings will appear on all packages and cartons exactly as shown on the revised packages and revised cartons submitted to the FTC on February 19, 2002.

Packages for the cigarette brand FREMONT shall bear the label referenced A through D above for the quarter in which such cigarettes are manufactured or packaged, regardless of the dates on which such cigarettes are sold or distributed in the United States.

**NORTH CAROLINA** will maintain records of the label statement rotation of FREEMONT in compliance with the Plan.

#### **ADVERTISING:**

For advertising **NORTH CAROLINA** will use the warnings formats submitted with the 1985 Plans of the five (5) leading cigarette manufacturers and place the warnings as specified in these plans.

**NORTH CAROLINA** will use the formats represented by acetates submitted with my letter of November 12,2001 that meet the statutory requirements as follows.

Size of Advertisements

ENGLISH WARNING STATEMENT

Category 1

Category 2

Over 65 to 110 square inches

Category 3

Over 110 to 180 square inches

Exhibit 2 or 2(a)

Exhibit 3

FOR WARNINGS IN

IEC

Category 2
Over 65 to 110 square inches
Exhibit 2 or 2(a)

Category 3
Over 110 to 180 square inches
Exhibit 3

Category 4
Over 180 to 360 square inches
Exhibit 4

Category 5
Over 360 to 470 square inches
Exhibit 5

Category 6
Over 470 to 720 square inches
Exhibit 6

Category 7
Over 5 to 10 square feet
Exhibit 7

Category 8
Over 10 to 20 square feet
Exhibit 8

NORTH CAROLINA will rotate the warnings quarterly in advertising using the same rotation schedule as the one for packaging as described above.

ROBBERTO F. (FLEITAS

Respectfully

**ERTISEMENTS** 

RFF/ncs

Selected packaging samples from those submitted with the plan.



. . . .

Class A Cigarettes

LKFRINI

Premium American Blend

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.



**FREEMONT** 



**Premium American Blend** 

H'REEMONI'

Class A Cigarettes



Full Flavor 100's



Full Flavor 100's



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 15,2002

Roberto F. Fleitas, Esq. Fleitas & Bujan Ocean Bank Building, Suite 530 782 N.W. Lejeune Road Miami, FL 33126

Dear Mr. Fleitas:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of North Carolina Distribution, LLC on March 14,2002, calling for quarterly rotation of the health warnings in advertising and on packaging of certain varieties of the Freemont brand of cigarettes.

Your plan for the rotation of the warnings in advertising of the Freemont brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

The health warnings on the revised sample packs and cartons submitted on February 19, 2002 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. North Carolina's plan for packaging of the Freemont brand is approved for the Full Flavor Kings and Full Flavor loo's soft pack varieties. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18U.S.C. § 1001.

Roberto F. Fleitas, Esq. March 15,2002 Page 2

No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K Engle Associate Director

## FLEITAS & BUJAN ATTORNEYS AT LAW

ROBERTO F. FLEITAS JESUS F. BUJAN OCEAN BANK BUILDING, SUITE 530 782 N.W. LEJEUNE ROAD MIAMI, FLORIDA33126

> TEL. (305) 442- 1439 FAX (305) 442-9944

March 14, 2002

Ms. Mary K. Engle Associate Director Division of Advertising Practice Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4002 Washington DC 20580

Re: FTC Approval or cigarette brand \ ...

Dear Ms. Engle:

HABA-DOM CIGARS CORP. (HABA-DOM) is the importer of the cigarette brand VL. HABA-DOM's address is Miami Free Zone, 2315 N.W. 107 Avenue, Warehouses B12 and B13, Miami, Florida 33172. The manager member is Jose Maria Cortes.

In accordance the requirements of 15 USC 1333, HABA-DOM requests approval of the following plan detailed herein:

On February 25,2002 HABA-DOM submitted packages and revised cartons displaying examples of each of the four (4) warning statements showing exactly how the warnings will be displayed on the packs and cartons of the following styles of the cigarette brand VL:

VL	84 mm	Full Flavor	(soft packs)
VL	84 mm	Menthol	(soft packs)
VL	84 mm	Light	(soft packs)
VL	100 mm	Full Flavor	(soft packs)
VL	100 mm	Menthol	(softpacks)
VL	100 mm	Light	(softpacks)

The warnings are as follows:

- A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

The warnings will appear on all packages and cartons exactly as shown on the revised packages and revised cartons submitted on February 25,2002.

The four (4) label statements specified in paragraph (1), of subsection (a) of section 1333 will be displayed an equal number of times on the packs and cartons of each brand style within the twelve-month period beginning on the date of the approval by the Federal Trade Commission of this application.

HABA-DOM has not previously imported any cigarettes to the United States. For the year 2002, HABA-DOM anticipates sales will not exceed cigarettes for any one brand style.

HABA-DOM will maintain records of the label statement rotation of VL in compliance with the Plan.

#### **ADVERTISING:**

For advertising HABA-DOM will use the warnings formats submitted with the 1985 Plans of the five (5) leading cigarette manufacturers and place the warnings as specified in these plans.

HABA-DOM will use the formats represented by acetates submitted with my letter of February 25,2002 that meet the statutory requirements as follows:

#### SCHEDULE FOR WARNINGS IN ADVERTISEMENTS

	Size of Advertisements	Warning Statement
	ENGLISH WARNING STATEMENT	
Category 1	0-65 square inches	Exhibit 1 or 1(a)
Category 2	Over 65 to 110 square inches	Exhibit 2 or 2(a)
Category 3	Over 110 to 180 square inches	Exhibit 3
Category 4	Over 180 to 360 square inches	Exhibit 4
Category 5	Over 360 to 470 square inches	Exhibit 5
Category 6	Over 470 to 720 square inches	Exhibit 6
Category 7	Over 5 to 10 square feet	Exhibit 7
Category8	Over 10 to 20 square feet	Exhibit 8

**HABA-DOM** will rotate the warnings in advertising quarterly according to the following schedule:

# Advertisement label Statement Rotation of VI SCHEDULE FOR QUARTERLY ROTATION

1 <sup>ST</sup> Quarter (Jan-Mar.)	SURCEON GENERAL'S WARNING:
	Smoking Causes lung Cancer, Heart Disease,
	Emphysema, And May Complicate Pregnancy
2 <sup>nd</sup> Quarter (AprJune)	SURCEON GENERAL'S WARNING:
	Now Greatly Reduces
	Serious Risks to Your Health
3 <sup>rd</sup> Quarter (July-Sept.)	SURCEON GENERALS WARNING.
(2.3)	Smoking by Pregnant Women May Result in Fetal
	Injury, Premature Birth, And Iow Birth Weight
4th Quarter (OctDec.)	SURCEON GENERAL'S WARNING:
	Cigarette Smoke Contains Carbon Monoxide.

Respectfully submitted,

OBERTO PI FLEITAS

RFF/sma

#### FLEITAS & BUJAN

ATTORNEYS AT LAW

ROBERTO F. FLEITAS JESUS F. BUJAN OCEAN BANK BUILDING, SUITE 530 782 N.W. LEJEUNE ROAD MIAMI, FLORIDA 33126

> TEL. (305) 442 - 1439 FAX(305) 442-9944

#### March 14,2002

Ms. Mary K. Engle Associate Director Division of Advertising Practice Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4002 Washington DC 20580

Re: FTC Approval of cigarette brand VL

Dear Ms. Engle:

HABA-DOM CIGARS CORP. (HABA-DOM) is the importer of the cigarette brand VL. HABA-DOM's address is Miami Free Zone, 2315 N.W. 107 Avenue, Warehouses B12 and B13, Miami, Florida 33172. The manager member is **Jose** María cortes.

In accordance the requirements of 15 USC 1333, HABA-DOM requests approval of the following plan detailed herein:

On February 11,2002 we provided you with four (4) packages and four (4) cartons displaying one example of each of the four (4) warning statements showing exactly how the warnings will be displayed on the packs and cartons of the following styles of the cigarette brand VL:

VL	84 mm	Non-Filter	(soft)
VL	84 mm	Full Flavor Box	
VL	84mm	Menthol tights	(soft)
VL	84 mm	Ultra Light	(soft)
VL	100 mm	Menthol Light	(soft)
VL	100 mm	Ultra Light	(soft)

The warnings are as follows:

- A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

The warnings will appear on all packages and cartons exactly as shown on the packages and cartons submitted with my letter of February 11,2002.

The four (4) label statements specified in paragraph (1), of subsection (a) of section 1333 will be displayed on the packs and cartons of each brand style an equal number of times within the twelve-month period beginning on the date of the approval by the Federal Trade Commission of this application.

HABA-DOM has not previously imported any cigarettes to the United States. For the year 2002, HABA-DOM anticipates sales will not exceed cigarettes for any one brand style.

HABA-DOM will maintain records of the label statement rotation of VL in compliance with the Plan.

#### **ADVERTISING:**

For advertising HABA-DOM will use the warnings formats submitted with the 1985 Plans of the five (5) leading cigarette manufacturers and place the warnings as specified in these plans.

HABA-DOM will use the formats represented by acetates submitted with my letter of February 25, 2002 that meet the statutory requirements as follows:

#### SCHEDULE FOR WARNINGS IN ADVERTISEMENTS

	Size of Advertisements	Warning Statement
	ENGLISH WARNING STATEMENT	
Category 1	0-65 square inches	Exhibit 1 or 1(a)
Category 2	Over 65 to 110 square inches	Exhibit 2 or 2(a)
Category 3	Over 110 to 180 square Inches	Exhibit 3
. Category 4	Over 180 to 360 square inches	Exhibit 4
Category 5	Over <b>360</b> to <b>470</b> square inches	Exhibit 5
Category 6	Over 470 to 720 square inches	Exhibit 6
Category 7	Over 5 to 10 square feet	Exhibit 7
Category 8	Over 10 to 20 square feet	Exhibit 8

HABA-DOM will rotate the warnings in advertising quarterly according to the following schedule:

## Advertisement label Statement Rotation of VL SCHEDULE FOR QUARTERLY ROTATION

1 <sup>s†</sup> Quarter (Jan-Mar.)	SURGEON GENERAL'S WARNING:
,	Smoking Causes Lung Cancer, Heart Disease,
	Emphysema, And May Complicate Pregnancy
2 <sup>nd</sup> Quarter (AprJune)	SURGEON GENERAL'S WARNING:
(	Quitting Smoking Now Greatly Reduces
	Serious Risks to Your Health
3 <sup>rd</sup> Quarter (July-Sept.)	SURGEON GENERAL'S WARNING:
	Smoking by Pregnant Women May Result in Fetal
	Injury, Premature Birth, And Iow Birth Weight
4th Quarter (OctDec.)	SURGEON GENERAL'S WARNING:
(3.51.1.7)	Cigarette Smoke Contains Carbon Monoxide.

References to quarters are to three month calendar periods commencing January 1, April 1, July 1, and October 1 of each year. **Rotation** proceeds to the first calendar quarter at the conclusion of the fourth calendar quarter.

espectfully submitted

(ÓBER/TO/F. FLIFITAS

RFF/sma

Selected packaging samples from those submitted with the plan.











UNDERAGE SALE PROHIBITED

42.0

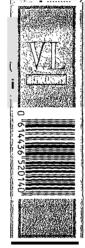
Α

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.















5

NON-FILTER

UNDERAGE SALE PROHIBITED

NON-FILTER

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

NON-FILTER

MADE IN SPAIN BY CITA

NON-FILTER

200 CIGARETTES BINNER



#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 15,2002

Roberto F. Fleitas, Esq. Fleitas & Bujan Ocean Bank Building, Suite 530 782 N.W. Lejeune Road Miami, FL 33126

Dear Mr. Fleitas:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed two March 14,2002 letters, which constitute a plan, filed on behalf of HABA-DOM Cigars Corp., calling for quarterly rotation of the four health warnings in advertising and for the simultaneous display of the four health warnings on the packaging of certain varieties of the VL brand of cigarettes.

Your plan for the rotation of the warnings in advertising of the VL brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

HABA-DOM's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the VL varieties submitted on February 11,2002, and on the revised sample packs and cartons submitted on February 25,2002, appear to meet the requirements of the Cigarette Act for size and conspicuousness. HABA-DOM's plan for the simultaneous display of the four health warnings on packaging is hereby approved for the following styles of the VL brand: Nonfilter King Soft, Full Flavor King Box, Full Flavor King Soft, Lights King Soft, Ultra Lights King Soft, Menthol King Soft, Menthol Lights King Soft, Full Flavor 100s Soft, Lights 100's Soft, Ultra Lights 100s Soft, Menthol 100s Soft, and Menthol Lights 100s Soft. This approval is effective on the date of this letter and ends on March 14,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Roberto F. Fleitas, Esq. March 15,2002 Page 2

of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

**Associate Director** 

### HALL, ESTILL, HARDWICK, GABLE, GOLDEN & NELSON A PROFESSIONAL CORPORATION

JOHN B RUDOLPH JOSEPHR. MEMBRINO\* JOHN J. McDERMOTT\* JAMES B. CRAIG A. KOENIGS' JOHN J. CALLAHAN SANDEEP KATHURIA

TULSA, OKLAHOMA JAMES C. T. HARDWICK JAMES C. T. HARDWICH THOMAS D. GABLE THOMAS F. GOLDEN LARRY W. SANDEL ANDREW M. WOLOV FRANK M. HAGEDORN J. PATRICKCREMM J. KEVM HAYES MICHAELD, GRAVES
JAMES D. SATROM
RICHARD A. GROENENDYKE, JR
GRAYDON D. LUTHEY, JR. DELL GUSTAFSON

> OF COUNSEL JOHNS. ESTILL. R WILLIAM W. PRITCHARD DAVID L. HILL' MARY JOHNSON TIDHOLM RAYMOND B. KELLY AUDREY P. RASMUSSEN\* CLIVE A. SEYMOUR JANE L. ALLMGHAM

MARK K. BLONGEWICZ MARK K. BLUNDEWICZ MICHAEL D. COOKE KENNETH L. HUNT B. KENNETHCOX. JR DONALD L. KAHL D. KENYON WILLIAMS. JR THOMAS P. SCHROEDTER JAMES J. PROSZEK JAMES J. PROSZEK

JAMES M. REED

THOMAS A. CREEKMORE 111

STEPHEN W. RAY MARGARETA. SWIMMER MICHAEL T. KEESTER SUSAN L. GATES RONALD O. RAY. JR. KENNETHG. M. MATHER RONALD A. WHITE FRED M. BUXTON STEVENA BROUSSARD STEVENW SOULE MICHAEL L. NEMEC JOSEPHO. FINCHER

ANGELYN L. DALE

TULSA, OKLAHOMA OFFICE 320 SOUTH BOSTON AVENUE SUITE 400 TULSA, OK 74103-3708 TELEPHONE (918) 594-0400

FACSIMILE (918)594-0505

1120 ZOTH STREET, N.W. SUITE 700, NORTH BUILDING WASHINGTON, D.C. 20036-3406

TELEPHONE (202) 973-1200 FACSIMILE (202) 973-1212

http://www.hallestill.com

OKLAHOMA CITY, OKLAHOMA OFFICE 100 NORTH BROADWAY BANK ONE CENTER SUITE 2900 OKLAHOMA CITY. OK 73102-8865 TELEPHONE (405) 553-2828 FACSIMILE (405)553-2855

R MARK PETRICH PAMELAH GOLDBERG MARKRANNER MARKBANNER ROBERT F. DOUGHERTY T. LANE WILSON BETSYG. JACKSON ROBERT P. FITZ-PATRICK SARAHJANE MCKINNEY LESLIE C. KNEESHAW JOHN F. HEIL, 111 MARSHALL J WELLS HEATHER L. CUPP ANTHONY J. JORGENSON HEATHER R CASE KYLE D. FREEMAN T. GENE MONROE. II MONICA L. GOODMAN W. DEKE CANADA MICHAEL J. LISSAU BONNIEN. HEFNER JANICE L. GADDIS KIMBERLY R. BIEDLER KERIG WILLIAMS

NORTHWEST ARKANSAS OFFICE ONE EAST CENTER STREET SUITE315 FAYETTEVILLE.AR 72701-5388 TELEPHONE: (501)973-5200 FACSIMILE (501)973-0520

IONATHAN D. CARTLEDGE NORTHWEST ARKANSAS OKLAHOMA CITY, OKLAHOMA

J. FREDGIST MICHAEL E. SMITH MICHAEL E. SMITH RALPH E. SEALS. JR. DONNA N. BLAKLEY RODNEY C. RAMSEY SHARON T. THOMAS DANIEL J. GLOVER DANIEL J, GLOVER
KENT A. GILLILAND
JONA. EPSTEM
ELAINE R TURNER
SUSANNA G. VOEGELI
J. TODD WOOLERY \*ADMITTED M.D.C.

DAVID J. SCHAFFER

JOHN J. TREBILCOCK

CURTIS HOGUE JAMES L. HARRIS

H.B. WATSON. JR. ROBERT D. NELON

WALTER B. HALL (1923-1986) FRED S. NELSON (1928-1987)

March 13,2002

Craig A. Koenigs (202) 973-1208 ckoenigs@hallestill.com

Ms. Mary K. Engle **Associate Director** Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4002 Washington, D.C. 20580

Dear Ms. Engle:

On behalf of European Cigarette Imports, Inc. ("ECI"), 149 Center Grove Road, Randolph, New Jersey 07869, whose President is George E. Petrides, we hereby submit this label statement rotation plan (the "Plan") for approval by the Federal Trade Commission ("FTC") for one (1) brand style of cigarettes, Rodeo 100's, Full Flavor to be imported by ECI.

#### I. **Background**

Pursuant to the Federal Cigarette Labeling and Advertising Act (the "Act"), importers of cigarettes are required to submit a label statement rotation plan to the FTC for approval. 15 U.S.C. § 1333(c). Section 1333(a) sets forth the wording of the warning labels required for all packaging and advertising of cigarettes sold, distributed, or advertised in the United States. Section 1333(b)(1) provides the placement and size requirements for the warning labels on cigarette packaging. Section 1333(b)(2) sets forth the requirements for warnings in advertisements, except for outdoor billboards, which are covered in Section 1333(b)(3).

ECI intends to import the Rodeo brand of cigarettes into the United States, with one (1) corresponding brand style, Rodeo 100's, Full Flavor. This Plan sets forth the manner in which ECI will comply with the warning label requirements of the Act.

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Ms. Mary K. Engle March 13,2002 Page 2

#### 11. Packaging

**A.** Beginning on the Effective Date,' the following label statements required by 15 U.S.C. § 1333(a)(1), shall be displayed on the packaging of the Rodeo loo's, Full Flavor brand style to be imported by ECI:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

B. ECI intends to utilize the label statement rotation option provided by 15 U.S.C. § 1333(c)(2), to display the four warnings an equal number of times on the packaging of the Rodeo loo's, Full Flavor brand style it imports for the one year period beginning on the Effective Date. The anticipated annual sales volume for the Rodeo 100's, Full Flavor brand style into the United States. For the previously imported the Rodeo 100's, Full Flavor brand style into the United States. For the previous year, ECI's sales of any one brand style of cigarettes it imported did not exceed sticks. Further, ECI does not anticipate that the sales volume for any one brand style of cigarettes it imports for the one year period beginning on the Effective Date shall exceed sticks.

The label statements required by 15 U.S.C. § 1333(a)(1), shall be printed on the packaging in the country of origin prior to ECI's importation of the cigarettes into the United States. The warning labels will appear on the packages and cartons exactly as they appear on the specimens submitted with this Plan.

ECI will ensure equal use of the warning label statements by requiring that each page of labels printed is equally divided using the four (4) different labels. Therefore, ECI will simultaneously print and distribute packages and cartons using all four (4) warning labels. Accordingly, ECI shall maintain records accounting for the number of packages and cartons using each warning label for every production run.

#### III. Advertising

ECI does not intend to advertise the Rodeo 100's, Full Flavor brand style of cigarettes.

<sup>&</sup>lt;sup>1</sup> The Effective Date of the Plan for the Rodeo loo's, Full Flavor brand style shall be the date the Plan is approved by the FTC.

#### IV. Miscellaneous

A. ECI shall be deemed to have satisfied its responsibilities under this Plan if it has taken reasonable steps (1) to provide, by written contract or the giving of clear instructions or otherwise, for rotation of the label statements required by the Act in accordance with the pertinent provisions of this Plan, (2) when appropriate, to furnish materials for the production of cigarette packages bearing the label statement(s) required by the pertinent provisions of this Plan, and (3) to prevent the recurrence of any mistakes, errors or omissions that have come to its attention.

!

- B. Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarettes during any period of time.
- C No provision of this Plan constitutes or shall be construed as an admission by ECI (1) that the Government of the United States has the authority to require the inclusion on any cigarette package of a statement or statements concerning any alleged relationship between smoking or health or (2) that the label statements required by the Act are necessary or correct.
- D. No provision of the Plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government or any instrumentality thereof.

If you have any further questions regarding the Plan, please do not hesitate to contact me. Your prompt attention to this matter is greatly appreciated

Sincerely.

Craig A. Koenigs

CAK:kmt Enclosures

39973.1:999914:00014 3/13/02



Selected packaging samples from those submitted with the plan.

5 00007 CL000 R

MADE IN GREECE Under Authority of ITW Manufacturing Ltd. Nicosia - CYPRUS





+



P/USA



+



CLASSIC SMOKES

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight. RODEO

100's

FULL FLAVOR

EXCLUSIVE
PREMIUM BLEND





+

UNDERAGE SALE PROHIBITED RODEO 100's FULL FLAVOR

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.



CLASSIC

**SMOKES** 

FULL FLAVOR

10 PACKS OF 20 CIG

FULL FLAVOR

KODE

**WADE IN GREECE** 





#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 18,2002

Craig A. Koenigs, Esq.
Hall, Estill, Hardwick, Gable, Golden & Nelson
Street, NW
Suite 700, North Building
Washington, D.C. 20036-3406

Dear Mr. Koenigs:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of European Cigarette Jmports, Inc. ("ECI") on March 13,2002, calling for the simultaneous display of the four health warnings on the packaging of the full flavor 100's hard pack variety of Rodeo cigarettes.

The warnings on the sample packs and cartons submitted with your March 13,2002 letter appear to meet the requirements of the Cigarette Act **for size** and conspicuousness. ECI's plan for the full flavor 100's hard pack variety **of** Rodeo cigarettes is hereby approved. This approval is effective on the date of this letter and ends on March 17,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If ECI should decide to advertise the Rodeo brand, it must incorporate the Rodeo brand in its plan for advertising its cigarettes.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Associate Director

Knowingly and willfully making false statements to a federal government agency is **a** crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

## FLEITAS & BUJAN

ATTORNEYS AT LAW

ROBERTO F. FLEITAS JESUS F. BUJAN OCEAN BANK BUILDING, SUITE 530 782 N.W. LEJEUNE ROAD MIAMI, FLORIDA33126

> TEL. (305) 442 - 1439 FAX (305) 442-9944

March 14,2002

Ms. Mary K. Engle Associate Director Division of Advertising Practice Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4002 Washington DC 20580

Re: FTC Approval of cigarette brand VL

Dear Ms. Engle:

HABA-DOM CIGARS CORP. (HABA-DOM) is the importer of the cigarette brand VL. HABA-DOM's address is Miami Free Zone, 2315 N.W. 107 Avenue, Warehouses B12 and B13, Miami, Florida 33172. The manager member is Jose Maria cortes.

In accordance the requirements of 15 USC 1333, HABA-DOM requests approval of the following plan detailed herein:

Enclosed please find one (1) package and one (1) carton displaying one example of each of the four (4)warning statements showing exactly how the warnings will be displayed on the packs and cartons of the following styles of the cigarette brand VL:

VL 84 mm Menthol Box VL 84 mm Light Box The warnings are as follows:

- A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

The warnings will appear on all packages and cartons exactly as shown on the packages and cartons submitted herein.

The four (4) label statements specified in paragraph (1), of subsection (a) of section 1333 will be displayed on the packs and cartons of each brand style an equal number of times within the twelve-month period beginning on the date of the approval by the Federal Trade Commission of this application.

HABA-DOM has not previously imported any cigarettes to the United States. For the year 2002, HABA-DOM anticipates sales will not exceed cigarettes for any brand style.

HABA-DOM will maintain records of the label statement rotation of VL in compliance with the Plan.

#### ADVERTISING:

For advertising HABA-DOM will use the warnings formats submitted with the 1985 Plans of the five (5) leading cigarette manufacturers and place the warnings as specified in these plans.

HABA-DOM will use the formats represented by acetates submitted with my letter of February 25, 2002 that meet the statutory requirements as follows:

#### SCHEDULE FOR WARNINGS IN ADVERTISEMENTS

	Size of Advertisements	Warning Statement
	ENGLISH WARNING STATEMENT	
Category 1	0-65 square inches	Exhibit 1 or 1(a)
Category 2	Over 65 to 110 square inches	Exhibit 2 or 2(a)
Category 3	Over 110 to 180 square inches	Exhibit 3
Category 4	Over 180 to 360 square inches	Exhibit 4
Category 5	Over 360 to 470 square inches	Exhibit 5
Category 6	Over 470 to 720 square inches	Exhibit 6
Category 7	Over 5 to 10 square feet	Exhibit 7
Category 8	Over 10 to 20 square feet	Exhibit 8

HABA-DOM will rotate the warnings in advertising quarterly according to the following schedule:

## Advertisement label Statement Rotation of VL SCHEDULE FOR QUARTERLY ROTATION

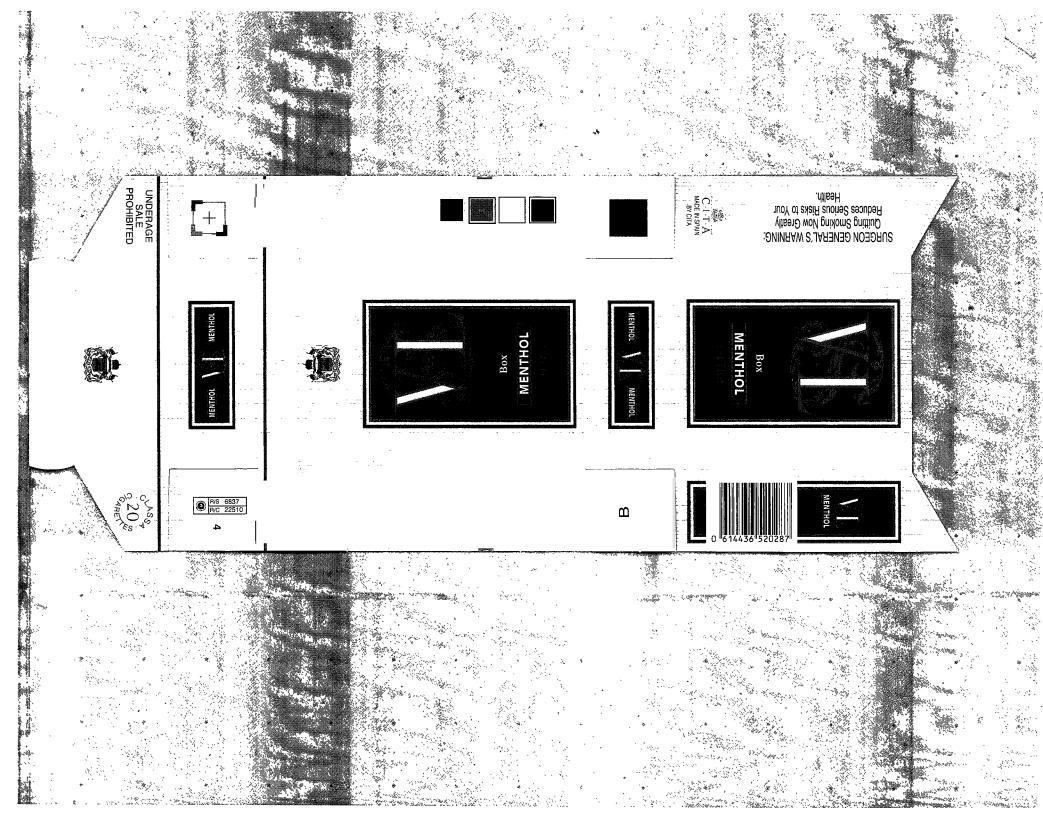
1 <sup>st</sup> Quarter (Jan-Mar.)	SURGEON GENERAL'S WARNING:
	Smoking Causes lung Cancer, Heart Disease,
	Emphysema, And May Complicate Pregnancy
2 <sup>nd</sup> Quarter (Apr June)	SURGEON GENERAL'S WARNING:
	Quitting Smoking Now Greatly Reduces
	Serious Risks to Your Health
3 <sup>rd</sup> Quarter (July-Sept.)	SURGEON GENERAL'S WARNING:
(22 ) 23 (27 )	Smoking by Pregnant Women May Result in Fetal
	injury, Premature Birth, And Iow Birth Weight
4th Quarter (OctDec.)	SURGEON GENERAL'S WARNING:
(000 = 00)	Cigarette Smoke Contains Carbon Monoxide.

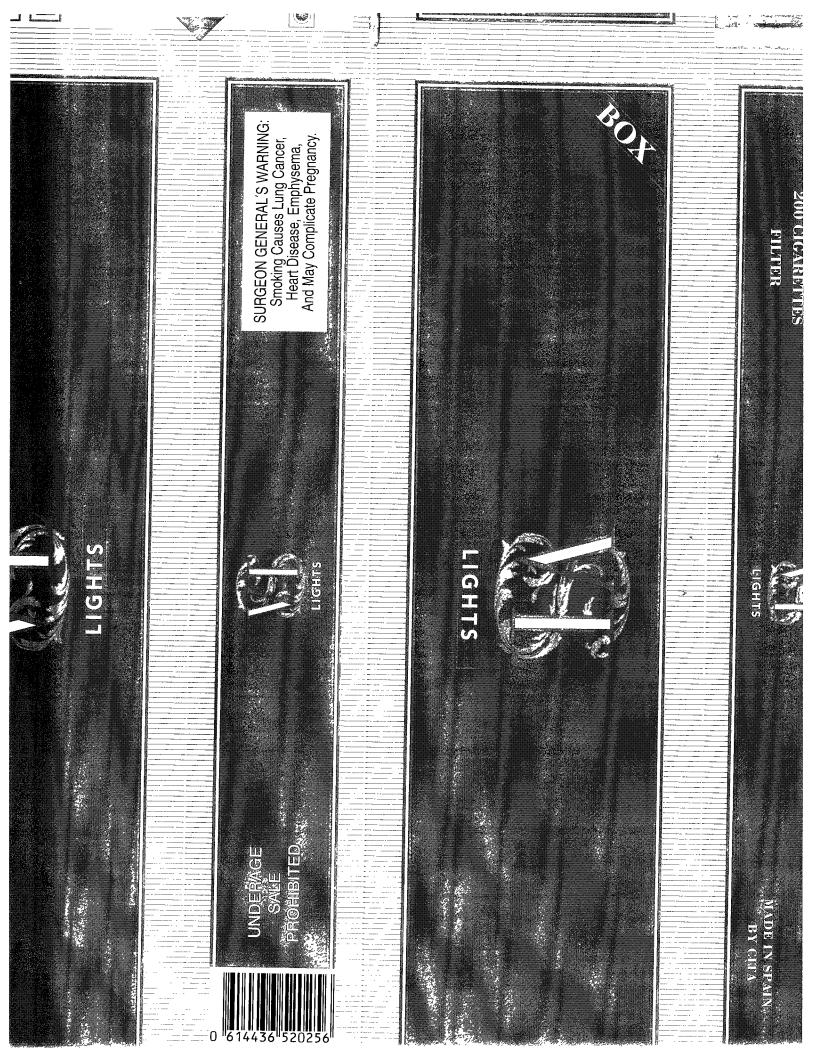
Respectfully submitted/

ROBERTO F./FLENTAS

RFF/sma

Selected packaging samples from those submitted with the plan.







#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON. D.C. 20580

March 18,2002

Roberto F. Fleitas, Esq. Fleitas & Bujan Ocean Bank Building, Suite 530 782 N.W. Lejeune Road Miami, FL 33126

Dear Mr. Fleitas:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, your March 14,2002 plan filed on behalf of HABA-DOM Cigars Corp., calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the VL brand, was approved on March 15, 2002. You now propose in a letter dated March 14,2002 to expand your plan to include the Menthol King Box and Lights King Box varieties of the VL brand.

HABA-DOM's sales appear to qualify for the alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your March 14,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. HABA-DOM's expansion of its plan for the VL brand is hereby approved for the Menthol King Box and Lights King Box varieties. This approval is effective on the date of this letter and ends on March 17,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476,114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle
Associate Director

<sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. **18** U.S.C. § 1001.

# AFFIDAVIT OF JAPAN TOBACCO INTERNATIONAL U.S.A., INC. PURSUANT TO SECTION 4(c)(2)(A) OF THE FEDERAL CIGARETTE LABELING AND ADVERTISING ACT [15 U.S.C. §1333(c)(2)(A)]

STATE OF NEW JERSEY	)	SS.
COUNTY OF BERGEN	)	•

Thomas Hirshfield, being duly sworn, deposes and says:

- 1. I am the President of Japan Tobacco International U.S.A., Inc. (collectively, with its ultimate parent company, Japan Tobacco Inc. and all of Japan Tobacco Inc.'s direct and indirect subsidiaries, "Japan Tobacco") and make this affidavit on behalf of Japan Tobacco pursuant to Section 4(c)(2)(A) of the Federal Cigarette Labeling and Advertising Act, as amended (the "Act"),in support of the application of Japan Tobacco for Federal Trade Commission approval to display the warning labels specified in Section 4(a)(1) of the Act on packages of cigarettes manufactured by Japan Tobacco for the one-year period beginning on the date of approval, as provided in paragraph 2(b) of the Label Statement Rotation Plan of Japan Tobacco submitted to the Federal Trade Commission on August 28, 1985, and approved on October 11, 1985, and amended as of January 1, 1993, January 1, 1994, January 1, 1995, January 1, 1996, **January** 1, 1997, January 1, 1998, January 1, 1999, January 1, 2000, January 19, 2001 and April 17, 2001, which approval was most recently renewed effective January 19, 2001 and April 17, 2001 for the one year period thereafter.
- 2. The total number of cigarettes of any brand style sold by Japan Tobacco in the United States in its fiscal year ended December 31, 2001, was less than and therefore (i) each brand style of cigarettes which Japan Tobacco manufactures accounted for less than one-

fourth of one percent of all cigarettes sold in the United States during Japan Tobacco's most recent completed fiscal year and (ii) more than one-half of the cigarettes manufactured by Japan Tobacco for sale in the United States are packaged into brand styles which meet the requirements of clause (i).

IN WITNESS WHEREOF, I have hereunto's igned my name this <u>5</u> day of February, 2002.

Thomas Hirshfield, President

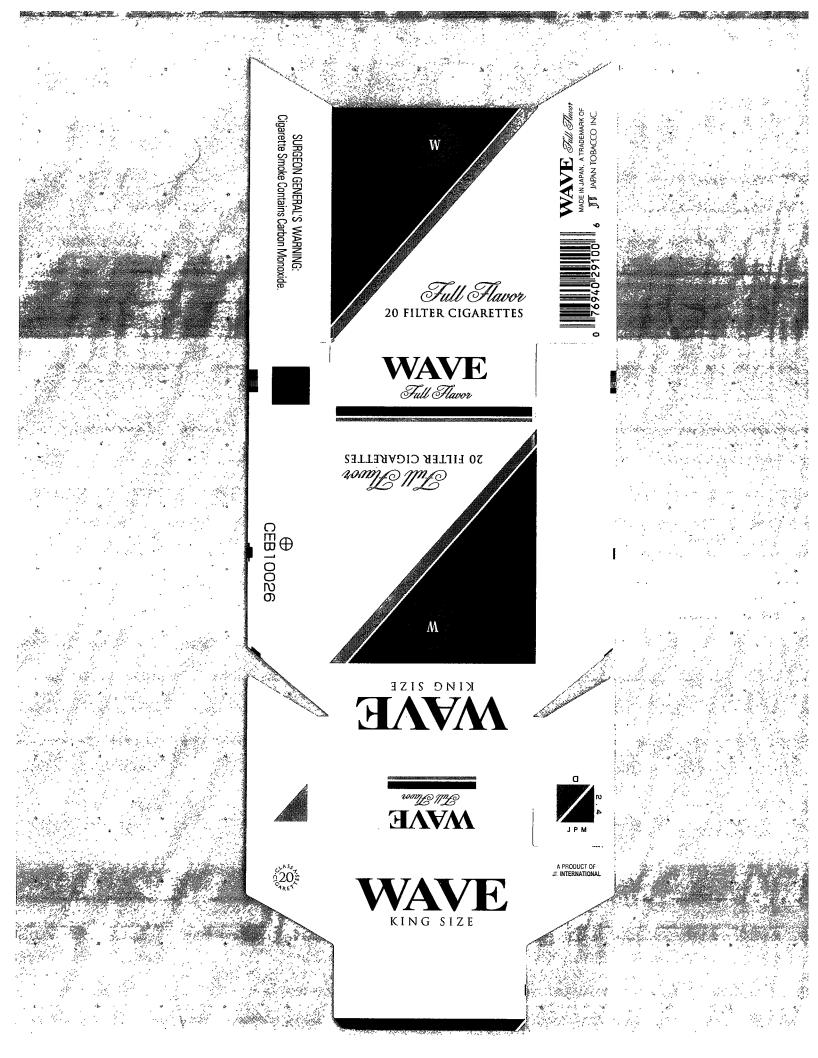
Sworn to before me this

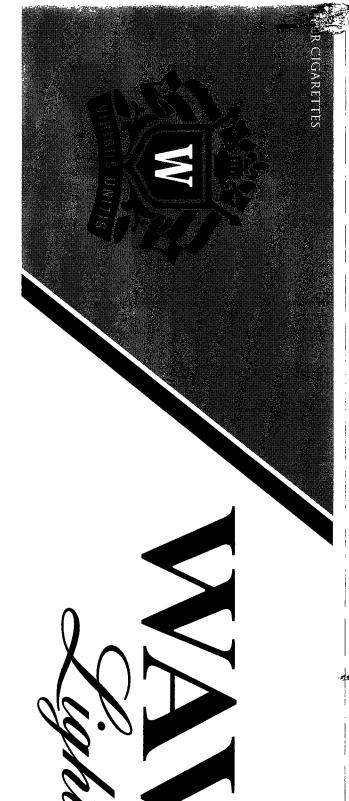
day of February, 2002

Notary Public

NEAL N. BEATON
Notary Public, State of New York
No. 628E4790760
NYC1 #4435 Treffied in New York County
Commission Expires Feb. 27, 2002

Selected packaging samples from those submitted with the plan.





SURGEON GENERAL'S WARNING:

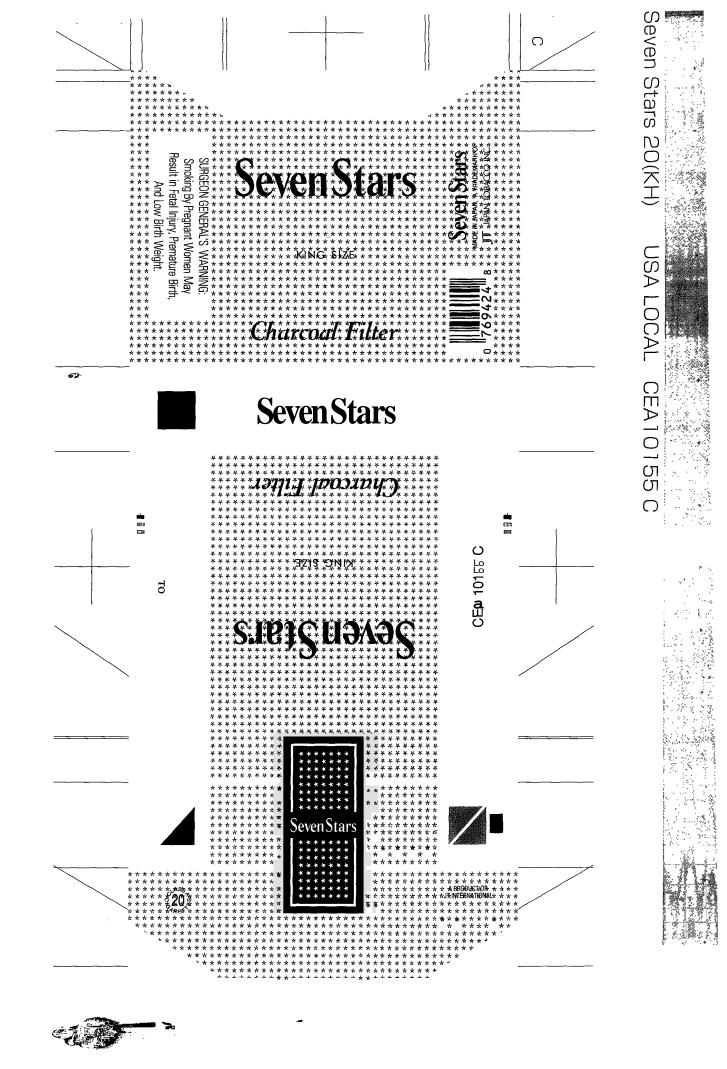
Serious Risks to Your Health. Quitting Smoking Now Greatly Reduces

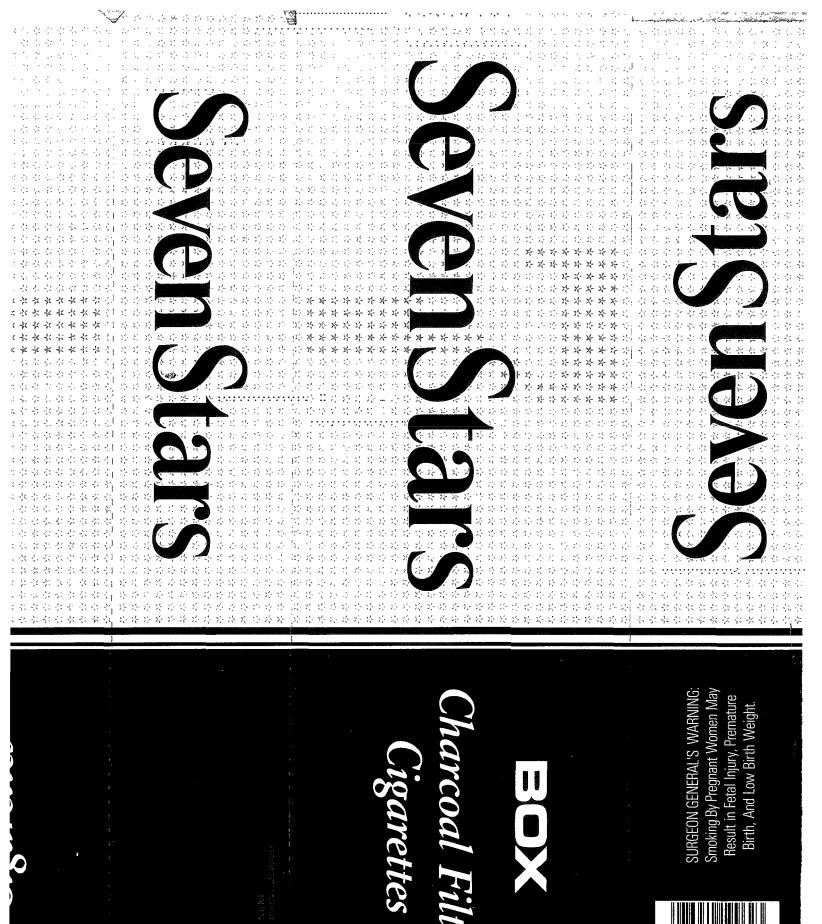
WAVE



A PRODUCT OF JT INTERNATIONAL, A THADEMARK OF JAPAN TOBACCO INC.

made in Japan







#### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON,D.C. 20580

March 21,2002

Neal N. Beaton, Esq. Holland & Knight, LLP 195 Broadway New York, NY 10007-3189

Dear Mr. Beaton:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health waming display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, your February 15, 2002 plan filed on behalf of Japan Tobacco, Inc., calling for the simultaneous display of the four health warnings on certain varieties of the Wave, Mild Seven, Cabin Mild, Caster Mild, and Export A brands of cigarettes was approved on February 20,2002. In a letter dated March 15, 2002, you submitted redesigned packaging for the Wave brand. You also propose to expand your plan to include the King **Box** variety of the Seven Stars brand.

It appears that the warnings on the redesigned packs and cartons of the Wave brand submitted with your March 15th letter continue to meet the size and conspicuousness requirements of the Cigarette Act.

Japan Tobacco's sales also appear to continue to qualify for the alternative to quarterly rotation of the warnings on packaging. The warnings on the sample cartons of the Seven Stars King Box brand style submitted with your February 15,2002 letter and on the revised sample packs submitted with your March 15,2002 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Japan Tobacco's expansion of its plan to include the King Box variety of the Seven Stars brand is hereby approved. This approval is effective on the date of this letter and ends on March 19,2003. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Very truly yours,

Mary K. Engle
Associate Director

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

## **Native Wholesale Supply**

PO Box 214 Gowanda NY 14070 Physical: 11037 Old Logan Road Perrysburg NY 14129

Phone: 716-532-6136 Fax: 716-532-6137

March 21,2002

Federal Trade Commission Administrative Services 601 Pennsylvania Avenue Northwest Washington, D.C. 20580 Mailstop 4002

Attention: Mrs. Mary K. Engle

Dear Mrs. Engle:

GRAND RIVER ENTERPRISES SIX NATIONS LTD. requests permission to use the alternative option for Warning Label Rotation **as** provided by Section 1333C(2) beginning in April 2002 for the Seneca brand of cigarettes. We are currently rotating on a quarterly basis. This is a list of previous plans submitted and the dates of there approval:

Date **of** submittal of plan 07/26/01

Date approved 08/29/01

We have carefully read the Act and feel our products will still be in full compliance with the "Cigarette Act" Warning Label Display Requirements. Our sales for 2001 were sticks and we estimate our sales will be sticks for 2002.

Our proposed plan for compliance with the "Warning Act" is to have our supplier, White House Graphics, run the four warning labels simultaneously with each other. The four warnings will be displayed on the packs and cartons of each brand style equally during the one year period following the approval of this plan by the Federal Trade Commission and is **as** shown on samples enclosed with our letter dated 07/26/01 and a package received by the Federal Trade Commission on 08/28/01. Please note that our Seneca brand cigarettes packaging has not changed since the previous submittals.

Each of the following labels will be rotated and displayed on all packs and cartons produced and imported continuously:

-2- March 21,2002

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

All warning labels will be in the same place as previously submitted and will be the same size and type style.

At present, we still do not intend to advertise. In the event we do intend to advertise, we will submit a proposed plan to comply with the "Cigarette Act" Warning Label Display Requirement for Advertising.

Please advise **as** quickly as possible of the approval of this plan. Thank you for your kind and prompt attention to this matter.

The Milleton

Yours truly,

Arthur Montour Vice President



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 22,2002

Mr. At Montour Vice President Native Wholesale Supply 11037 Old Logan Rd. Perrysburg, NY 14129

Dear **Mr.** Montour:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). On August 29,2001, the Commission approved Native Wholesale Supply's August 28,2001 plan for the quarterly rotation of the four health warnings on packaging of certain varieties of the Seneca brand of cigarettes. On March 21,2002, Native Wholesale Supply filed a plan that calls for the simultaneous display of the four health warnings on the packaging of the Seneca brand of cigarettes.

Native Wholesale Supply's sales appear to qualify for the aforementioned alternative to quarterly rotation **of** the warnings on packaging. The warnings on the sample packs and cartons of the Seneca brand submitted with your letter **of** July 26,2001 and with a package received on August 28,2001 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Native Wholesale's March 21,2002 plan has been approved for the following varieties of the Seneca brands **of** cigarettes: Full Flavor King 20's, Light **King** 20's, Menthol Light King 20's, Ultra Light King 20's, Menthol King 20's, Full Flavor 100's, Light 100's, Menthol Light 100's, Ultra Light 100's, Menthol 100's, and Menthol Ultra Light 100's. This approval is effective on the date of this letter and ends on March 21,2003. Approval of the plan is centingent on its good faith implementation. We may ask for information demonstrating proper implementation **of** the plan.' The Cigarette Act provides that any person who violates its provisions is **guilty of** a misdemeanor.

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Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Art Montour March 22,2002 Page 2

If Native Wholesale Supply does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

Very truly yours,

Mary K. Engle
Associate Director

## LAW OFFICES OF BARRY M. BOREN

Dadeland Towers 9200 South Dadeland Boulevard Suite 412 Miami, Florida 33156 Telephone (305) 670-2200 Facsimile (305) 670-9672

March 21,2002

Ms. Mary K. Engle, Associate Director Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4213 Washington, D.C. 20580

Attention: Ms. Sallie Schools

Amended Surgeon General's Warning Rotation Plan for GT One, Bronco and Cowboy Cigarettes For Vimisa, Inc.

Dear Ms. Engle:

Please be advised that we are the attorneys for an importer of tobacco products, Vimisa, Inc. ("Vimisa"), a Florida corporation, with offices located at 2980 N.W. 108<sup>th</sup> Ave., Miami, Florida 33172. Vimisa wishes to amend its existing Surgeon General's Health Warning Rotation Plan for GT One brand cigarettes and amend their proposed Surgeon General's Warning Rotation Plans for cigarettes they wish to import into the United States under the brand names "Bronco" and "Cowboy." <sup>1</sup> These plans are being submitted pursuant to the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C.§1331 etseq.). The contact personfor the company will be its President, Miguel Sanchez, 2980 N.W. 108<sup>th</sup> Ave., Miami, Florida 33172.

On March 20,2000, the FTC approved a Vimisa rotation plan for GT One cigarettes. A copy of the approval letter is attached hereto as Exhibit "E." During the year 2001, Vimisa imported no GT One cigarettes. The GT One cigarettes that year were produced and imported by Sun Tobacco which had its own rotation plan approved by the FTC. At this time, Vimisa wishes to resume importing GT One cigarettes, but wishes to revise its rotation schedule to correspond to the schedule currently being used by the manufacturer. Since Vimisa imported no GT Ones during the last year, changing the schedule should not create any problems or lapses in the rotation schedule.

<sup>&</sup>lt;sup>1</sup> The original GT One plan was approved by the FTC on March 20, 2000. Attached hereto as Exhibit "D" is a plan showing how the label rotation for each brand to be imported by Vimisa will look after the approval of these plans.

"A." For the brand GT One, Vimisa intends to import the brand styles listed on Exhibit Actual samples of the packs and cartons with each of the four Surgeon General's Health Warnings were previously filed with Vimisa's submission of March 13, 2002. For the brand Bronco, Vimisa intends to import the brand styles listed on Exhibit "B." Actual samples of the packs and cartons with each of the four Surgeon General's Health Warnings were previously filed with Vimisa's submission of March 13, 2002. For the brand Cowboys, Vimisa intends to import the brand styles listed on Exhibit "C." Actual samples of the packs and cartons with each of the four Surgeon General's Health Warnings were previously filed with Vimisa's submission of February 6, 2302. Each of the previously submitted samples of the packs and cartons of each brand style listed on Exhibits "A," "B" and "C" show exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons Vimisa will be importing.

Even though Vimisa qualifies as a small importer/manufacturer as defined by the Act, Vimisa wishes to submit to the FTC a plan to rotate the warning statements as required by 15 U.S.C.§1333(c)(1). The plan we wish to submit requires that Vimisa rotate the four warning statements which will appear on the packages and cartons of the GT One, Bronco and Cowboys brand cigarettes quarterly, in an alternating sequence, based on the date the cigarettes are actually packaged, regardless of the date(s) on which such cigarettes are imported, sold, or distributed in the U.S. However, in order to allow for an orderly transition from one warning statement to the next, Vimisa may, with respect to any brand style of cigarettes, begin using packages bearing the subsequent quarter's label statement up to fifteen (15) production days prior to the commencement of such quarter and continue using packages bearing the prior quarter's label statement up to fifteen (15) production days after the end of such quarter (transition period). Cigarettes, packs and cartons produced in accordance with the provisions of this plan may be removed from storage or inventory in any manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed herein.

In no event shall Vimisa employ procedures which are deliberately designed to result in the early or prolonged use of a particular package label statement during the transition period referred to above.

Any repackaging of cigarettes which may occur shall be done with packages bearing the label statement for the quarter in which such repackaging occurs although, in such event, no usable packaging need be replaced or removed.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Vimisa shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) prevent the recurrence of any mistakes, errors, or omissions that have come to its attention.

The rotations Vimisa will be using for the three brands of cigarettes are as follows:

## /. GT ONE:

Vimisa will begin with the warning "SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy." and will use this label on all cigarettes packaged during the first quarter (January 1<sup>st</sup> to March 31<sup>st</sup>). It will alternate labels on all cigarettes packaged on the first of each calendar quarter thereafter (i.e., April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>).

From January 1 to March 31st Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

From April 1st to June 30<sup>th</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

From July 1st to September 30<sup>th</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

From Oct. 1<sup>st</sup> to Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

## 2. BRONCO:

Vimisa will begin with the warning "SURGEON GENERAL'SWARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight." and will use this label on all cigarettes packaged during the first quarter (January 1<sup>st</sup> to March 31<sup>st</sup>). It will alternate labels on all cigarettes packaged on the first of each calendar quarter thereafter (i.e., April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>).

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From January 1 to March 31<sup>st</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

From April 1st to June 30<sup>th</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

From July 1st to September 30<sup>th</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

From Oct. 1<sup>st</sup> to Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

## 3. COWBOYS:

Vimisa will begin with the warning "SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health." and will use this label on all cigarettes packaged during the first quarter (January 1st to March 31st). It will alternate labels on all cigarettes packaged on the first of each calendar quarter thereafter (i.e., April 1st, July 1st and October 1st).

From January 1 to March 31st Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

From April 1st to June 30<sup>th</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight. From July 1st to September 30<sup>th</sup> Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

From Oct. 1<sup>st</sup> to Vimisa will use the warning:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Vimisa expects to begin importing cigarettes during the first quarter of 2002. The samples of the GT One cigarettes sent with its submission of March 13,2002, the samples of the Cowboys cigarettes sent with its submission of February 6, 2002 and the samples of the Bronco cigarettes sent with its submission of March 13, 2002 show exactly where and how the Surgeon General's health warnings will appear on the individual packs and cartons Vimisa will be importing. These warning labels will be printed directly on the packs and cartons by the manufacturers under any cellophane that might be placed on the packs and cartons, in the place and in the manner indicated.

Vimisa understands that the FTC is charged with ensuring that Vimisa's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

Please be advised that, at this time, Vimisa does not advertise and, therefore, will not need to comply with the Act's requirements requiring the rotation of warning labels on advertising. If this should change, we will notify the FTC and modify our plan accordingly.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 etseq.) including any modifications made by the Public Health Cigarette Smoking Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this plan as soon as possible.

Should you have any further questions regarding this matter, please do not he sitate to contact us.

Sincerely yours,

LAW, OFFICES OF BARRY M. BOREN

Barry M. Boren

BMB:mw encs. Vimisa-FTC-RotationPlan

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## EXHIBIT 'A' LIST OF CIGARETTES VIMISA, INC.

## **GT One**

- GT One Full Flavor King Box
- GT One Lights King Box
- GT One Ultra Lights King Box
- GT One Menthol King Box
- GT One Menthol Lights King Box
- GT One Medium King Box
- GT One Non-Filter King Box

GT One-Exhibit-List

## EXHIBIT 'B' LIST OF CIGARETTES VIMISA, INC.

## **BRONCO**

Ultra Lights King Box

Menthol Lights King Box

Full Flavor King Box

Lights King Box

Menthol King Box

Bronco-Exhibit-Lis

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## EXHIBIT 'C' LIST OF CIGARETTES VIMISA, INC.

## **COWBOYS**

Cowboys Full Flavor King Box

Cowboys Light King Box

Cowboys Menthol King Box

GT One-Exhibit-List

## EXHIBIT "D" VIMISA, INC.

## **QUARTER ONE:**

<u>Brand</u> <u>Warning</u>

Bronco Pregnant Women

Cowboys Quitting Smoking

GT One Lung Cancer

**QUARTER TWO:** 

Bronco Carbon Monoxide

Cowboys Pregnant Women

GT One Quitting Smoking

**QUARTER THREE:** 

Bronco Lung Cancer

Cowboys Carbon Monoxide

GT One Pregnant Women

**QUARTER FOUR:** 

Bronco Quitting Smoking

Cowboys Lung Cancer

GT One Carbon Monoxide

Vimisa\Chart-of-Warnings



## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 20,2000

Barry M. Boren, Esq. Dadeland Towers 9200 South Dadeland Boulevard Suite 412 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Vimisa, Inc. ("Vimisa") on March 17,2000 calling for of health warnings oil packaging of the GT of cigarettes.

The health warnings on the artwork and sample packaging for the GT One brand submitted with your January 10, 31, February 10, and March 13, 2000 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. Your plan calls for applying warning label stickers as an interim step to correct a punctuation error in the warnings on all the packs for the first quarter of 2000. As actual packs are developed and the punctuation error is corrected, Vimisa should submit samples to the Commission. Your plan for the GT One brand of cigarettes has been approved. Approval of the plan is contingent its good faith implementation. We may ask for information demonstrating proper implementation of the plan. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Vimisa does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers and importers annually file with the Secretary of the Department of Health **and** Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

Sincerely,

C. Lee Peeier Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Selected packaging samples from those submitted with the plan.



SURGEON GENERAL'S WARNING:

**20 CLASS A CIGARETTES** 

FULL FLAVOR **CLONE** 

KING

**20 CLASS A CIGARETTES** 





FILTER CIGARETTES





DROHIBILED 2VEE DNDEBVGE

202

FILTER CIGARETTES



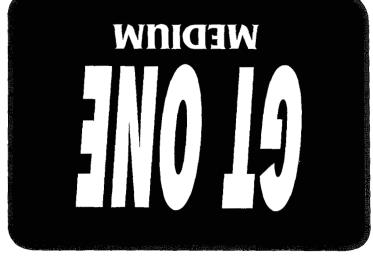
SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.





UNDERAGE SALE PROHIBITED

mist. riminant. rimit



200 CLASS A FILTER CIGARETT

FINEST AMERICAN BLEND DISTRIBUTED BY GENERAL TOBACCO. MIAMI FL. USA MADE IN COLOMBIA







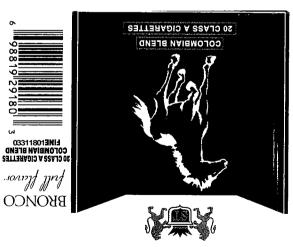
NONO TO LODORS

BRONCO
full flavor

BRONCO
full flavor



20 CLASS A CIGARETTES



SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

## BRONCO Lights



SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.





**KING SIZE** 



ERAGE ALE HIBITED



PRODUCT OF COLOMBIA
MADE UNDER THE AUTHORITY OF SUN TOBACCO LTD.
MIAMI FLORIDA 33125



BBONCO WADE



UNDERAGE



COWBOYS

COMBOKE

COWBOYS

MENTHOL

WENTHOL COWBOYS

**WENLHOR** 



AING BOX

# STORMOS FULL HAVOR

Product of colours MIANI FLORIDA 381125 MADE UNDER THE AUTHORITY O













## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON.D.C. 20580

March 25,2002

Barry M. Boren, Esq. Dadeland Towers 9200 South Dadeland Boulevard, Suite 412 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, your March 17, 2000 plan filed on behalf of Vimisa, Inc., calling for quarterly rotation of the four health warnings on packaging of certain varieties of the GT One brand of cigarettes was approved on March 20, 2000. In a letter dated March 21, 2002, you propose to revise your plan for the GT One brand, and to expand your plan to include certain varieties of the Bronco and Cowboys brands of cigarettes.

The health warnings on the sample packs and cartons submitted with your February 6, 2002, March 13,2002, and March 20, 2002 letters appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Vimisa's revisions to its plan for the GT One brand is approved for the following King Box varieties: Full Flavor, Lights, Ultra Lights, Menthol, Menthol Lights, Medium, and Non Filter. Vimisa's plan for the Bronco brand is approved for the following King Box varieties: Full Flavor, Lights, Menthol, Ultra Lights and Menthol Lights; and the Cowboys brand is approved for the Full Flavor King Box, Lights King Box, and Menthol King Box varieties.' Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Vimisa does decide to advertise in the future, it must submit a plan detailing how it will

This approval of Vimisa's cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Vimisa's packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Vimisa's packaging complies with relevant trademark law or with other applicable laws.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq. March 25,2002 Page 2

comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C.§ 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary KV Engle

Associate Director

## LAW OFFICES OF FINGER, PARKER, AVRAM, MARTIN & ROEMER, L.L.P.

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Jonesville, N. C. 28642

Writer's (336) 759-0955

March 20,2002

<u>Via Fax (202-326-3259) 3 pages and mail</u>

Mr. Michael Ostheimer and/or Ms. Sallie Schools Federal Trade Commission 601 Pennsylvania Avenue NW 4<sup>th</sup> Floor, Room 4002 Washington, DC 20580

**Re:** Request for Approval of the Warning Statement Rotation Plan for CIGARONNE cigarettes - Revised

Dear Mr. Ostheimer and Ms. Schools:

I am writing this letter on behalf of G.A. Andron & Co., This letter is intended to supercede the previous request for approval of a warning rotation plan contained in our letters dated February 27,2002 and March 13,2002.

It is our desire to obtain approval on behalf of Andron of the Warning Rotation Schedule (the "Plan") attached hereto **as** Exhibit **A** for CIGARONNE cigarettes imported by Andron. Andron's address is 89 North Industry Court, Deer Park, **NY** 11729. The company officer responsible for overseeing this matter is Joanne Diggett, Vice President.

Exhibit A shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statement will appear on the final, or finished products exactly as shown on the actual pack and carton sample (for the second quarter) and packaging proofs (for the other quarters) submitted on February 27,2002 and July 26,2001. Verbal packaging approval for both cartons and packs (i.e. size and conspicuousness, etc.) has already been granted by the FTC for this product.

So as to prevent future mistakes, Andron agrees to inspect each incoming shipment that it receives so as to make sure that the supplier has placed the correct Warning Statements on the products, that such statements are ones called for under the Plan, and to maintain records to demonstrate compliance of such inspections and actions taken in the event that

Statements are received.

Andron conducts no consumer advertising for the brands that it imports, and if it decides to conduct such advertising, it will submit to you a rotation plan pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act.

Mi. Michael Ostheimer and/or Ms. Sallie Schools March 20,2002 Page 2

With the foregoing in mind, we hope that you can grant Andron approval of the Plan being submitted with this letter. It is hoped that you can grant this approval as soon as possible. If you could fax us the news, it would be most appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

Henry C. Roemer, III

HCRIII/alg

**Enclosures** 

## EXHIBIT A

## G. A. Andron & Co., Inc. Warning Rotation Schedule ,ProposedPermanent Plan

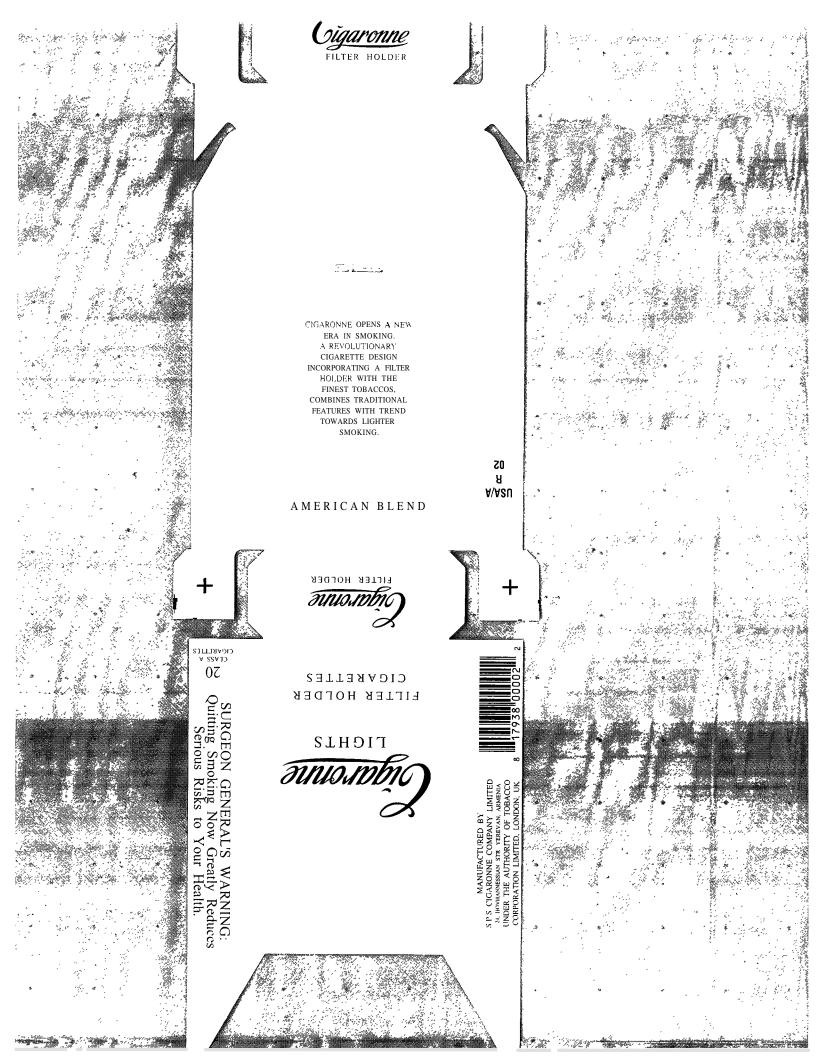
- 1- SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- **2-** SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to *Your* Health.
- 3- SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- 4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

## BRAND: Cigaronne

## PERIOD MANUFACTURED

	•	2 <sup>nd</sup> Quarter (Apr-May-Jun)	•	4 <sup>th</sup> Quarter (Oct-Nov-Dec)
CIGARONNE (Lights)	Warning #1	Warning #2	Warning #3	Warning #4
CIGARONNE (Regular)	Warning #2	Warning #3	Warning #4	Warning #1

Selected packaging samples from those submitted with the plan.





UNDERAGE SALE PROHIBITED



FILTER HOLDER CIGARETTES





LIGHTS
FILTER HOLDER CIGARETTES

AMERICAN BLEND

EXCLUSIVE

## Division of Advertising Practices

## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON,D.C. 20580

March 27,2002

Henry C. Roemer, III, Esq. Finger, Parker, Avram, Martin & Roemer, LLP 204 Northgate Park Drive Winston-Salem, NC 27 106

Dear Mr. Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of G.A. Andron & Co., Inc. ("Andron") on March 20, 2002 calling for quarterly rotation of the four health warnings on the packaging of the regular and lights varieties of the Cigaronne brand of cigarettes.

The warnings on the sample packs and cartons submitted with your February 27,2002 letter, and the artwork submitted on July 26,2001 appear to comply with the size and conspicuousness requirements of the Cigarette Act. Andron's plan for the regular and lights varieties of the Cigaronne brand is hereby approved. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' When actual packaging is developed for the and 4<sup>th</sup> quarters, Andron should submit samples to the Commission. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Andron does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, Section 802 of the

<sup>&</sup>lt;sup>1</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a h e and/or imprisonment. 18 U.S.C. § 1001.

Henry C. Roemer, III, Esq. March 27,2002 Page 2

Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and **will** continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

**Associate Director** 

### LAW OFFICES OF

## FINGER, PARKER, AVRAM, MARTIN & ROEMER, L.L.P.

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(336) 835-4000

Writer's Direct Dial:
(336) 759-0955

March 20,2002

<u>Via Fax (202-326-3259) 3 pages and mail</u>

Mr. Michael Ostheimer and/or Ms. Sallie Schools Federal Trade Commission 601 Pennsylvania Avenue NW 4<sup>th</sup> Floor, Room 4002 Washington, DC 20580

Re: Request for Approval of the Warning Statement Rotation Plan for DIMITRINO SHEPHEARD'S HOTEL cigarettes - Revised

Dear Mi-. Ostheimer and Ms. Schools:

I am writing this letter on behalf of G.A. Andron & Co., Inc. ("Andron"). This letter is intended to supercede the previous request for approval of a warning rotation plan contained in our letters dated February 27,2002 and March 13,2002.

It is our desire to obtain approval on behalf of Andron of the Warning Rotation Schedule (the "Plan") attached hereto as Exhibit A for DIMITRINO SHEPHEARD'S HOTEL cigarettes imported by Andron. Andron's address is 89 North Industry Court, Deer Park, *NY* 11729. The company officer responsible for overseeing this matter is Joanne Diggett, Vice President.

Exhibit **A** shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statement will appear on the final, or finished products exactly as shown on the pack and carton samples that were previously submitted to you with our letter dated February 27,2002. Verbal packaging approval for both cartons and packs (i.e. size and conspicuousness, etc.) has already been granted by the FTC for this product.

So as to prevent future mistakes, Andron agrees to inspect each incoming shipment that it receives so as to make sure that the supplier has placed the correct Warning Statements on the products, that such statements are ones called for under the Plan, and to maintain records to demonstrate compliance of such inspections and actions taken in the event that incorrect Warning Statements are received.

Mr. Michael Ostheimer and/or Ms. Sallie Schools March 20,2002 Page 2

Andron conducts no consumer advertising for the brands that it imports, and if it decides to conduct such advertising, it will submit to you a rotation plan pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act.

With the foregoing in mind, we hope that you can grant Andron approval of the Plan being submitted with this letter. It is hoped that you can grant this approval as **soon** as **possible.** If you could fax us the news, it would be most appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

Hen c. Roen to

Henry C. Roemer, III

HCRIII/alg

**Enclosures** 

## **EXHIBITA**

## G. A. Andron & Co., Inc. Warning Rotation Schedule Proposed Permanent Plan

- 1- SURGEON GENERAL'S WARNING: Smolung Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- 2- SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- 3- SURGEON GENERAL'S WARNING: Smolung By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- 4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

**BRAND:** Dimitrino Shepheard's Hotel

## PERIOD MANUFACTURED

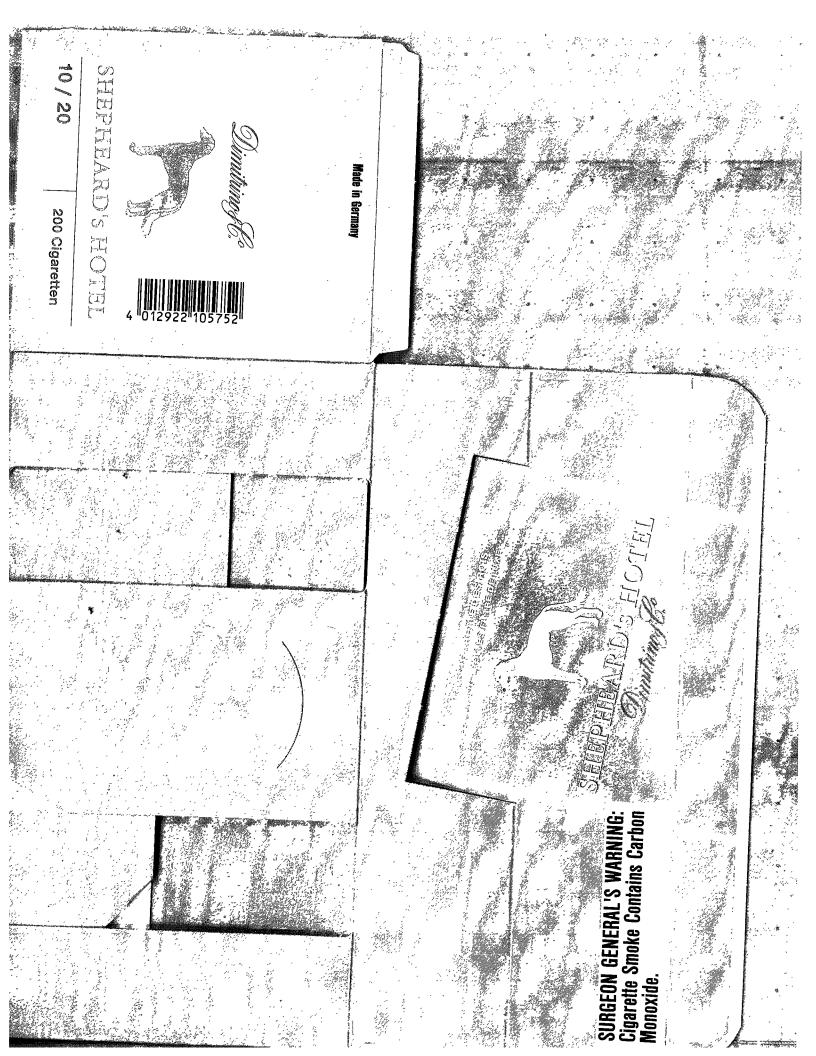
1<sup>st</sup> Quarter 2<sup>nd</sup> Quarter 3<sup>rd</sup> Quarter 4<sup>th</sup> Quarter (Jan-Feb-Mar) (Apr-May-Jun) (Jul-Aug-Sep) (Oct-Nov-Dec)

**DIMITRINO** 

SHEPHEARD'S HOTEL Warning #4 Warning #1 Warning #2 Warning #3

Selected packaging samples from those submitted with the plan.







# UNITED STATES OF AMERICA FEDERAL, TRADE COMMISSION WASHINGTON, D.C. 20580

March 27,2002

Henry C. Roemer, III, Esq. Finger, Parker, Avram, Martin & Roemer, U P 204 Northgate Park Drive Winston-Salem, NC 27106

Dear **Mr.** Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of G.A. Andron & Co., Inc. ("Andron") on March 20,2002 calling for quarterly rotation of the four health warnings on the packaging of the Shepheard's Hotel brand of cigarettes.

The wamings on the sample packs and cartons submitted with your February 27,2002 letter appear to comply with the size and conspicuousness requirements of the Cigarette Act. Andron's plan for the Shepheard's Hotel brand is hereby approved. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Andron does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Associate Director

hayK. Engle

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

#### Law Offices of

#### FINGER, PARKER, AVRAM, MARTIN & ROEMERL.L.P.

204 NORTHGATE PARK DRIVE
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(336) 759-0955

OTHER OFFICE:

March 20,2002

Via Fax (202-326-3259) 3 pages and mail

Mr. Michael Ostheimer and/or Ms. Sallie Schools Federal Trade Commission 601 Pennsylvania Avenue NW 4<sup>th</sup> Floor, Room 4002 Washington, DC 20580

Re: Request for Approval of the Warning Statement Rotation Plan for DIMITRINO BOTSCHAFTER (vanilla) cigarettes - Revised

Dear Mr. Ostheimer and Ms. Schools:

I am writing this letter on behalf of G.A. Andron & Co., Inc. ("hdron"). This letter is intended to supercede the previous request for approval of a warning rotation plan contained in our letters dated February 27,2002 and March 13,2002.

It is our desire to obtain approval on behalf of Andron of the Waming Rotation Schedule (the "Plan") attached hereto as Exhibit **A** for DIMITRINO BOTSCHAFTER (Vanilla) cigarettes imported by Andron. Andron's address is 89 North Industry Court, Deer Park, NY 11729. The company officer responsible for overseeing this matter is Joanne Diggett, Vice President.

Exhibit A shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statement will appear on the final, or finished products exactly as shown on the pack and carton samples that were previously submitted to you with our letter dated February 27,2002. Verbal packaging approval for both cartons and packs (i.e. size and conspicuousness, etc.) has already been granted by the FTC for this product.

So as to prevent future mistakes, Andron agrees to inspect each incoming shipment that it receives so as to make sure that the supplier has placed the correct Warning Statements on the products, that such statements are ones called for under the Plan, and to maintain records to demonstrate compliance of such inspections and actions taken in the event that incorrect Warning Statements are received.

Mr. Michael Ostheimer and/or Ms. Sallie Schools March 20,2002 Page 2

Andron conducts no consumer advertising for the brands that it imports, and if it decides to conduct such advertising, it will submit to you a rotation plan pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act.

With the foregoing in mind, we hope that you can grant Andron approval of the Plan being submitted with this letter. It is hoped that you can grant this approval as soon as possible. If you could fax us the news, it would be most appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

Henry C. Roemer, III

HCRIII/alg

**Enclosures** 

## EXHIBIT A

## G. A. Andron & Co., Inc. Warning Rotation Schedule Proposed Permanent Plan

- 1- SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- 2- SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces **Serious** Risks to Your Health.
- 3- SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

### **BRAND:** Dimitrino Botschafter

**DIMITRINO** 

BOTSCHAFTER (Vanilla)

### PERIOD MANUFACTURED

_	2 <sup>nd</sup> Quarter (Apr-May-Jun)	_	_
Warning #3	Warning #4	Warning #1	Warning #2

IMPORTERS OF FINE QUALITY TOBACCO PRODUCTS
89 NORTH INDUSTRY COURT • DEER PARK, NY 11729
• 631-243-4200 • Fax: 631-243-4235 • 1-800-221-1634
• Website: www.gaandron.com • Email: gaandron@aol.com

March 21,2002

Michael Ostheimer, Esq. And/or Sallie Schools, Esq. Federal Trade Commission 601 Pennsylvania Avenue NW Washington, DC 20580

RE: Request for approval of the Warning Statement Rotation Plan ("the Plan") of Botschafter Brand Cigarettes Imported by G.A. Andron & Co.

Dear Mr. Ostheimer and Ms. Schools,

It is our desire to obtain approval of the following Plan for Botschafter cigarettes imported by Andron. We are located at 89 North Industry Court, **Deer Park**, **New York 11729**.

Exhibit A shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statement will appear on the final, or finished products exactly **as** shown on the pack and carton samples that have been submitted to you with this letter.

So as to prevent future mistakes, we agree to inspect each incoming shipment that we receive so as to make sure that the supplier, Tabak-Haus Dingelstadt, has placed correct warning statements on the products, that such statements are ones called for under the Plan, and to maintain records to demonstrate compliance of such inspections and actions taken in the event that incorrect Warning Statements are received.

We conduct no consumer advertising for the brands that we import, and if we decide to conduct such advertising we will submit to you a rotation plan pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act.

Page 2 Mr. Ostheimer Ms. Schools Federal Trade Commission

With the foregoing in mind, we hope that you can' grantus approval of the Plan being submitted with this letter. It is hoped that you can grant this approval as soon as possible. If you can fax us the news, it would be greatly appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

Joanne Diggett Vice President

## EXHIBIT A

# G. A. Andron & Co., Inc. Warning Rotation Schedule Proposed Permanent Plan

- 1- SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- 2- SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- 3- SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- 4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

**BRAND:** Dimitrino Botschafter (Brown and Vanilla)

### PERIOD MANUFACTURED

1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
(Jan-Feb-Mar)	(Apr-May-Jun)	(Jul-Aug-Sep)	(Oct-Nov-Dec)

DIMITRINO BOTSCHAFTER (Brown and Vanilla)

Warning #3

Warning #4

Warning #1

Warning #2

Selected packaging samples from those submitted with the plan.

Pamilla

Both and the Source of Source of Source of Source of Street of Street of Source of Street of Str

Ranchen gefährdet

Caller Prince Santane Prince Concrete

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

E ATAMONEOU.

England Service Lands La

0000

200 oigarettes class A

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

# Division of Advertising Practices

# UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 27,2002

Henry C. Roemer, III, Esq. Finger, Parker, Avram, Martin & Roemer, LLP 204 Northgate Park Drive Winston-Salem, NC 27106

Dear Mr. Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed two letters, which constitute a plan, filed on behalf of G.A. Andron & Co., on March 20,2002, and March 21,2002 calling for quarterly rotation of the four health warnings on the packaging of the regular and vanilla varieties of the Botschafter brand of cigarettes.

The warnings on the sample packs and cartons submitted with your February 27,2002 letter, and with Andron's letter of March 21, 2002 appear to comply with the size and conspicuousness requirements of the Cigarette Act. Andron's plan for the regular and vanilla varieties of the Botschafter brand is hereby approved. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Andron does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, Section 802 of the

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Henry C. Roemer, 111, Esq. March 27,2002 Page 2

Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Associate Director

IMPORTERS OF FINE QUALITY TOBACCO PRODUCTS 89 NORTH INDUSTRY COURT • DEER PARK, NY 11729 • 631-243-4200 • Fax: 631-243-4235 • 14800-221-1634

<sup>3</sup> Website: www.gaandron.com <sup>3</sup> E-mail: gaandron@aol.com

March 21,2002

Michael Ostheimer, Esq. And/or Sallie Schools, Esq. Federal Trade Commission 601 Pennsylvania Avenue NW Washington, DC 20580

RE: Request for approval of the Warning Statement Rotation Plan ("the Plan") of Charles Fairmorn Straight Virginia Brand Cigarettes Imported by G.A. Andron & Co. Inc. ("Andron")

Dear Mr. Ostheimer and Ms. Schools,

It is our desire to obtain approval of the following Plan for Charles Fairmorn Straight Virginia cigarettes imported by Andron. We are located at 89 North Industry Court, Deer Park, New York 11729.

Exhibit A shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statement will appear on the **final**, or finished products exactly **as** shown on the pack and carton samples that have been submitted to you with this letter.

So as to prevent future mistakes, we agree to inspect each incoming shipment that we receive so as to make sure that the supplier, Tabak-Haus Dingelstadt, has placed correct warning statements on the products, that such statements are ones called for under the Plan, and to maintain records to demonstrate compliance of such inspections and actions taken in the event that incorrect Warning Statements are received.

We conduct no consumer advertising for the brands that we import, and if we decide to conduct such advertising we will submit to you a rotation plan pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act.

Page 2 Mr. Ostheimer Ms. Schools Federal Trade Commission

With the foregoing in **mind**, we hope that you can grant us approval of the Plan being submitted with this letter. It is hoped that you can grant this approval **as** soon **as** possible. If you can fax us the news, it would be greatly appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

Joanne Diggett Vice President

## EXHIBIT A

# G. A. Andron & Co., Inc. Warning Rotation Schedule Proposed Permanent Plan

- 1- SURGEON GENERAL'S WARNING: Smolung Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- 2- SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- 3- SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- 4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

**BRAND:** Charles Fairmorn Straight Virginia

### PERIOD MANUFACTURED

	•	2 <sup>nd</sup> Quarter (Apr-May-Jun)	•	4 <sup>th</sup> Quarter (Oct-Nov-Dec)
CHARLES FAIRMORN STRAIGHT VIRGINIA	Warning #2	Warning #3	Warning #4	Warning#1

Selected packaging samples from those submitted with the plan.

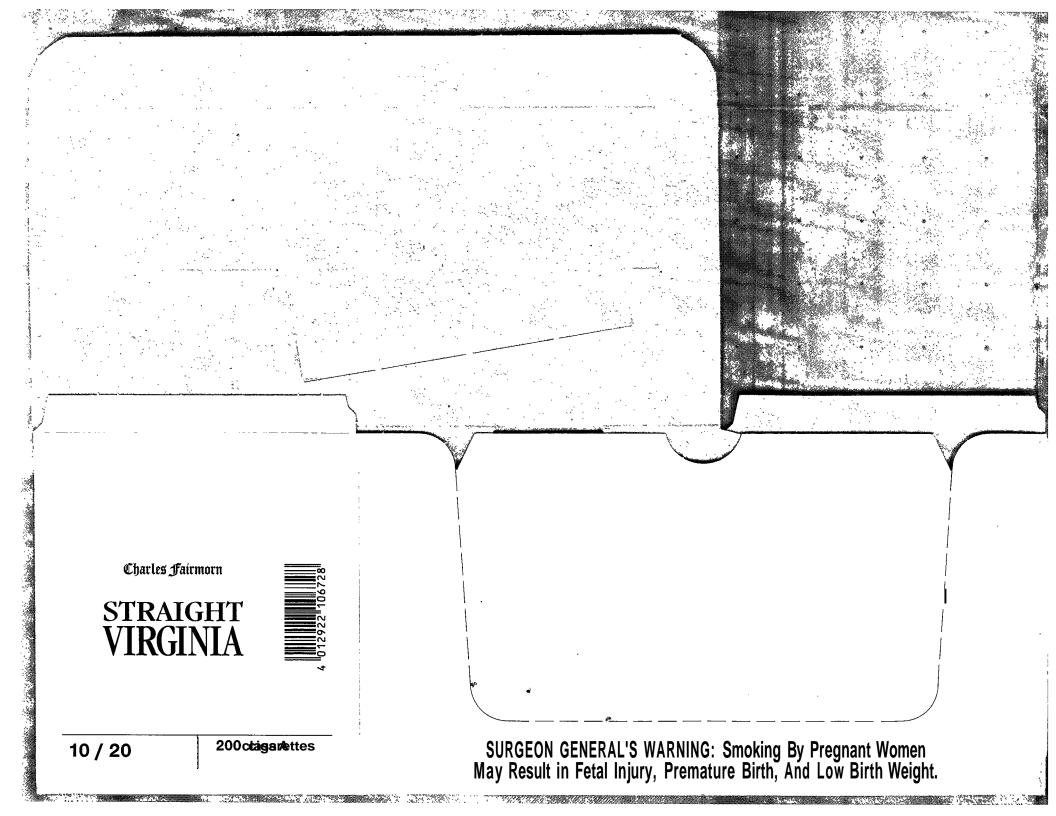
Charles Fairmorn

## STRAIGHT VIRGINIA



FILTERS

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.





### UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

March 27,2002

Henry C. Roemer, III, Esq. Finger, Parker, Avram, Martin & Roemer, LLP 204 Northgate Park Drive Winston-Salem, NC 27106

Dear Mr. Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of G.A. Andron & Co., on March 21,2002 calling for quarterly rotation of the four health warnings on the packaging of the Charles Fairmorn Straight Virginia brand of cigarettes.

The warnings on the sample packs and cartons submitted **Andron**'s March 21,2002 letter appear to comply with the size and conspicuousness requirements of the Cigarette Act. Andron's plan for the Charles Fairmorn Straight Virginia brand is hereby approved. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan' The Cigarette Act provides that any person who violates its provisions is **guilty of** a misdemeanor.

If Andron does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle
Associate Director

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

# LAW OFFICES OF BARRY M. BOREN

Dadeland Towers
9200 South Dadeland Boulevard
Suite 412
Miami, Florida 33156

Telephone (305) 670-2200 Facsimile (305) 670-9672

March 27, 2002

Ms. Mary K. Engle, Associate Director Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4213 Washington, D.C. 20580

Attention: Ms. Diana Winterson

Surgeon General's Warning Rotation Plan for Leader Tobacco Co., Inc. For Infinity Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for an importer of tobacco products, Leader Tobacco Co., Inc. ("Leader"), a Florida corporation, with offices located at 4100 No. Powerline Rd., #J4 & J5, Pompano Beach, Florida 33073. Leader wishes to file a Surgeon General's Health Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 & seq.) for cigarettes they wish to import into the United States under the brand name "Infinity." The contact person for the company will be its President, Andre Maman, 4100 No. Powerline Rd., #J4 & J5, Pompano Beach, Florida 33073. Leader has already submitted a rotation plan for private label cigarettes being imported under the name Fame. <sup>1</sup> A plan showing the label rotations for each brand imported or to be imported by Leader is attached hereto as Exhibit "B."

The brand styles of Infinity cigarettes Leader intends to import are listed on Exhibit "A." Enclosed with our submission of March 20, 2002 was artwork and actual production packs and cartons (listed on Exhibit "A") for the various brand styles showing exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons Leader will be importing. We will send actual production samples to the Federal Trade Commission ("FTC") of the packs and cartons for which artwork is being submitted when they are produced.

<sup>&</sup>lt;sup>1</sup> The current Fame plan was submitted on February 20,2001 and was approved by the FTC on March 2, 2001. Attached hereto as Exhibit "B" is a plan showing the label rotation for each brand to be imported by Leader.

Even though Leader qualifies as a small importer/manufacturer as defined by the Act, Leader wishes to submit to the FTC a plan to rotate the warning statements as required by 15 U.S.C. The plan we wish to submit requires that Leader rotate the four warning statements which will appear on the packages and cartons of the Infinity brand cigarettes quarterly, in an alternating sequence, based on the date the cigarettes are actually packaged, regardless of the date(s) on which such cigarettes are imported, sold, or distributed in the U.S. However, in order to allow for an orderly transition from one warning statement to the next, Leader may, with respect to any brand style of cigarettes, begin using packages bearing the subsequent quarter's label statement up to fifteen (15) production days prior to the commencement of such quarter and continue using packages bearing the prior quarter's label statement up to fifteen (15) production days after the end of such quarter (transition period). Cigarettes, packs and cartons produced in accordance with the provisions of this plan may be removed from storage or inventory in any manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed herein.

In no event shall Leader employ procedures which are deliberately designed to result in the early or prolonged use of a particular package label statement during the transition period referred to above.

Any repackaging of cigarettes which may occur shall be done with packages bearing the label statement for the quarter in which such repackaging occurs although, in such event, no usable packaging need be replaced or removed.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Leader shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) prevent the recurrence of any mistakes, errors, or omissions that have come to is attention.

Leader will begin with the warning 'SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health." and will use this label on all cigarettes packaged during the first quarter (January 1<sup>st</sup> to March 3<sup>1st</sup>). It will alternate labels on all cigarettes packaged on the first of each calendar quarter thereafter (Le., April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>).

From January 1 to March 31st Leader will use the warning:

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health. From April 1st to June 30<sup>th</sup> Leader will use the warning:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

From July 1st to September 30<sup>th</sup> Leader will use the warning:

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

From Oct. 1st to Dec. 31st Leader will use the warning:

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Leader expects to begin importing cigarettes during the first quarter of 2002. The enclosed samples and artwork of the Infinity cigarettes show exactly where and how the Surgeon General's health warnings will appear on the individual packs and cartons Leader will be importing and/or repackaging. These warning labels will be printed directly on the packs and cartons by the manufacturers under any cellophane that might be placed on the packs and cartons, in the place and in the manner indicated.

Leader understands that the FTC is charged with ensuring that Leader's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

Please be advised that, at this time, Leader does not advertise and, therefore, will not need to comply with the Act's requirements requiring the rotation of warning labels on advertising. If this should change, we will notify the FTC and modify our plan accordingly.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 et seq.) including any modifications made by the Public Health Cigarette Smoking Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this plan as soon as possible.

Should you have any further questions regarding this matter, please do not hesitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN

Barry M. Borer

BMB:mw encs. Infinity-FTC-rotation plan

# <u>LEADER TOBACCO CO., INC. - INFINITY CIGARETTES</u> <u>EXHIBIT 'A'</u>

## **Brand Style**

Full Flavor 100's Soft Pack

Lights 100's Soft Pack

Ultra Lights 100's Soft Pack

Full Flavor Soft Pack

Lights Soft Pack

Full Flavor King Box

Lights King Box

Leader\Infinity

# EXHIBIT "B" LEADER TOBACCO CO.. INC.

**QUARTER ONE:** 

<u>Brand</u> <u>Warning</u>

Fame Lung Cancer

Infinity Quitting Smoking

**QUARTER TWO:** 

Fame Quitting Smoking

Infinity Lung Cancer

**QUARTER THREE:** 

Fame Pregnant Women

Infinity Carbon Monoxide

**QUARTER FOUR:** 

Fame Carbon Monoxide

Infinity Pregnant Women

Leader\Chart-of-Warnings

Selected packaging samples from those submitted with the plan.

Infinity Infinity FULL FLAVOR FINEST QUALITY TOBACCOS 20 CLASS A FILTER CIGARETTES MORTE ELMON 90 05 2005 W16-0043 20 CLASS A FILTER CIGARETTES FINEST QUALITY TOBACCOS EULL FLAVOR **BREZHUZI BLEKD** L FULL FL WOR 20 UNDERAGE SALE LT

PROHIBITED

156

**《沙坡沙水沙东水** 

**FULL FLAVOR** FILTER CIGARETTES 200 CLASS A

Heart Disease, Emphysema, And Smoking Causes Lung Cancer,

200 CLASS A FILTER CIGARETTES FULLI BLAVOR

200 CLASS A FILTER CIGARETTES

200 CLASS A FILTER CIGARETTES FULL FLAVOR

KINGO

UNDERAGE SALE PROHIBITED

MADE IN MACEDONIA



### UNITED STATES OF AMERICA FEDERAL, TRADE COMMISSION WASHINGTON, D.C. 20580

March 27,2002

Barry M. Boren, Esq. Dadeland Towers 9200 South Dadeland Boulevard Suite 412 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed on behalf of Leader Tobacco Co., Inc. ("Leader Tobacco") on March 20,2002 plan calling for quarterly rotation of the four health warnings on packaging of certain varieties of the Infinity brand of cigarettes.

The warnings on the artwork and sample packs and cartons submitted with your letter of March 20,2002 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Leader Tobacco's March 27,2002 plan has been approved for the following varieties of the Infinity brand of cigarettes: full flavor 100'ssoft pack, lights 100'ssoft pack, ultra lights 100'ssoft pack, full flavor soft pack, lights soft pack, full flavor king box, and lights king box. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan. When actual packaging is developed for the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters, Leader Tobacco should submit samples to the Commission. The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Leader Tobacco does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq. March 27,2002 Page 2

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Associate Director

# LAW OFFICES OF BARRY M. BOREN

Dadeland Towers
9200 South Dadeland Boulevard
Suite 412
Miami, Florida 33156

Telephone (305) 670-2200 Facsimile (305) 670-9672

March 6,2002

Mr. Mary K. Engle, Acting Associate Director Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4213 Washington, D.C. 20580

Attention: Ms. Sallie Schools

Amended
Surgeon General's Warning Rotation Plan for
Jash International, Inc.
For Double Diamond Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for an importer of tobacco products, Jash, Inc. ("Jash"), an Illinois corporation, with offices located at 2205 Pleasant Rd., DeKalb, Illinois 60115. Jash wishes to amend its existing Surgeon General's Health Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C.§1331 etseq.) for cigarettes they are importing into the United States under the brand name "Double Diamond." The contact person for the company will be its President, Deepti Shah, at 2205 Pleasant Rd., DeKalb, Illinois 60115. Jash has already submitted a rotation plan for private label cigarettes being imported under the name Double Diamond that has been approved by the FTC. We wish to modify that plan at this time. <sup>1</sup> A plan showing the label rotations for each brand imported or to be imported by Jash is attached hereto as Exhibit "B."

The brand styles of Double Diamond cigarettes Jash intends to import are listed on Exhibit "A." Enclosed with this submission are actual production packs and cartons (listed on Exhibit "A") for the various brand styles showing exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons Jash will

<sup>&</sup>lt;sup>1</sup> The current Double Diamond plan was submitted on July 8, 1999 and was approved by the FTC. A new, modified plan is being filed for the Double Diamond brand at this time. We are also submitting at this time a separate rotation plan for a new brand style of cigarettes called "Miss Diamond." Attached hereto as Exhibit "B" is a plan showing the label rotation for each brand to be imported by Jash.

Page 2 March 6, 2002

be importing.

Eventhough Jash qualifies as a small importer/manufacturer as defined by the Act, Jash wishes to submit to the FTC a plan to rotate the warning statements as required by 15 U.S.C. §1333(c)(1). The plan we wish to submit requires that Jash rotate the four warning statements which will appear on the packages and cartons of the Double Diamond brand cigarettes quarterly, in an alternating sequence, based on the date the cigarettes are actually packaged, regardless of the date(s) on which such cigarettes are imported, sold, or distributed in the U.S. However, in order to allow for an orderly transition from one warning statement to the next, Jash may, with respect to any brand style of cigarettes, begin using packages bearing the subsequent quarter's label statement up to fifteen (15) production days prior to the commencement of such quarter and continue using packages bearing the prior quarter's label statement up to fifteen (15) production days after the end of such quarter (transition period). Cigarettes, packs and cartons produced in accordance with the provisions of this plan may be removed from storage or inventory in any manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed herein.

In no event shall Jash employ procedures which are deliberately designed to result in the early or prolonged use of a particular package label statement during the transition period referred to above.

Any repackaging of cigarettes which may occur shall be done with packages bearing the label statement for the quarter in which such repackaging occurs although, in such event, no usable packaging need be replaced or removed.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Jash shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) preventthe recurrence of any mistakes, errors, or omissions that have come to is attention.

Jash will begin with the warning "SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy." and will use this label on all cigarettes packaged during the first quarter (January 1<sup>st</sup> to March 3<sup>1st</sup>). It will alternate labels on all cigarettes packaged on the first of each calendar quarter thereafter (i.e., April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>).

Page 3 March 6, 2002

From January 1 to March 31<sup>st</sup> Jash will use the warning:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

From April 1st to June 30<sup>th</sup> Jash will use the warning:

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

From July 1st to September 30<sup>th</sup> Jash will use the warning:

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

From Oct. 1<sup>st</sup> to Dec. 31<sup>st</sup> Jash will use the warning:

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Jash expects to begin importing cigarettes during the first quarter of 2002. The enclosed samples of the Double Diamond cigarettes show exactly where and how the Surgeon General's health warnings will appear on the individual packs and cartons Jash will be importing. These warning labels will be printed directly on the packs and cartons by the manufacturers under any cellophanethat might be placed on the packs and cartons, in the place and in the manner indicated.

Jash understands that the FTC is charged with ensuring that Jash 's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

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Please be advised that, at this time, Jash does not advertise and, therefore, will not need to comply with the Act's requirements requiring the rotation of warning labels on advertising. If this should change, we will notify the FTC and modify our plan accordingly.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 etseq.) including any modifications made by the Public Health Cigarette Smoking Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this plan as soon as possible.

Should you have any further questions regarding this matter, please do not he sitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN

BMB:mw encs.

Double Diamond-FTC-Rotationplan

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### EXHIBIT 'A' LIST OF CIGARETTES JASH INTERNATIONAL, INC.

#### **Double Diamond**

Full Flavor King Size Soft Pack Lights King Size Soft Pack Non-Filter King Size Soft Pack Extra Menthol King Size Soft Pack Ultra Lights King Size Soft Pack Menthol Lights King Size Soft Pack Menthol King Size Soft Pack

Lights King Size Box
Full Flavor King Size Box
Menthol King Size Box
Extra Menthol King Size Box
Menthol Lights King Size Box
Ultra Lights King Size Box

100's Full Flavor Soft Pack 100's Menthol Soft Pack 100's Menthol Lights Soft Pack 100's Lights Soft Pack 100's Ultra Lights Soft Pack 100's Extra Menthol Soft Pack

3

DoubleDiamond-Exhibit-List

### **EXHIBIT "B"**

### **QUARTER ONE:**

Brand Warning

Miss Diamond Pregnant Women

Double Diamond Lung Cancer

### **QUARTER TWO:**

Miss Diamond Carbon Monoxide

Double Diamond Quitting Smoking

### **QUARTER THREE:**

Miss Diamond Lung Cancer

Double Diamond Pregnant Women

### QUARTER FOUR:

Miss Diamond Quitting Smoking

Double Diamond Carbon Monoxide

Jash\Chart-of-Warnings

Selected packaging samples from those submitted with the plan.





PREMIUM **BLEND** 

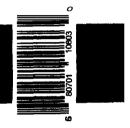
DOUBLE DIAMOND SURGE 3N GENERAL'S WARNING. Quitting moking Now Greatly Reduces Ser rus Risks to Your Health.

2 0 CLASS A CIGARETTES

PREMIUM BLEND



2 0 CLASS A CIGARETTES



فالمرا العديد

DOUBLE DIAMOND

,

,3

### DOUBLE DIAMOND

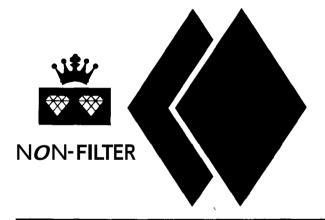




PREMIUM BLEND

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

DOUBLE DIAMOND



PREMIUM BLEND

Non-Fillter Cigarettes

DOUBLE DIAMOND

500 CIV22 A CIGARETTES

MADE IN INDIA DOUBLE DIAMOND H.T.D. DISTRIBUTORS, ILLINOIS U.S.A. PREMIUM BLEND



*QNOWAIQ* 



# UNITED STATES OF AMERICA FEDERAL **TRADE** COMMISSION WASHINGTON, D.C. 20580

Division of Advertising Practices

March 29,2002

Barry M. Boren, Esq. Dadeland Towers 9200 South Dadeland Boulevard, Suite 412 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, a July 8, 1999 plan filed on behalf of Jash International, Inc., calling for quarterly rotation of the four health warnings on packaging of certain varieties of the Double Diamond brand of cigarettes was approved on July 22, 1999. In a letter dated March 6,2002, you propose to modify Jash's plan for the Double Diamond brand.

The health warnings on the sample packs and cartons submitted with your March 6,2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Jash's modified plan for the Double Diamond brand is approved for the 19 varieties listed in its modified plan. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Jash does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section <sup>1</sup> 35a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18U.S.C. § 1001.

Barry M. Boren, **Esq.** March 29,2002 Page 2

No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and **will** continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

Associate Director

## LAW OFFICES OF BARRY M. BOREN

Dadeland Towers
9200 South Dadeland Boulevard
Suite 412
Miami, Florida 33156

Telephone (305) 670-2200 Facsimile (305) 670-9672

March 6,2002

Mr. Mary K. Engle, Acting Associate Director Division of Advertising Practices Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room 4213 Washington, D.C. 20580

Attention: Ms. Sallie Schools

Surgeon General's Warning Rotation Plan for Jash International, Inc. For Miss Diamond Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for an importer of tobacco products, Jash, Inc. ("Jash"), an Illinois corporation, with offices located at 2205 Pleasant Rd., DeKalb, Illinois 60115. Jash wishes to file a Surgeon General's Health Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 et seq.) for cigarettes they wish to import into the United States under the brand name "Miss Diamond." The contact person for the company will be its President, Deepti Shah, at 2205 Pleasant Rd., DeKalb, Illinois 60115. Jash has already submitted a rotation plan for private label cigarettes being imported under the name Double Diamond. A plan showing the label rotations for each brand imported or to be imported by Jash is attached hereto as Exhibit "B."

The brand styles of Miss Diamond cigarettes Jash intends to import are listed on Exhibit "A." Enclosed with this submission are actual production packs and cartons (listed on Exhibit "A") for the various brand styles showing exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons Jash will be importing.

Even though Jash qualifies as a small importer/manufacturer as defined by the Act,

<sup>&</sup>lt;sup>1</sup> The current Double Diamond plan was submitted on July 8, 1999 and was approved by the FTC. A new, modified plan is being filed for the Double Diamond brand at this time. Attached hereto as Exhibit "B" is a plan showing the label rotation for each brand to be imported by Jash.

Jash wishes to submit to the FTC a plan to rotate the warning statements as required by 15 U.S.C. §1333(c)(1). The plan we wish to submit requires that Jash rotate the four warning statements which will appear on the packages and cartons of the Miss Diamond brand cigarettes quarterly, in an alternating sequence, based on the date the cigarettes are actually packaged, regardless of the date(s) on which such cigarettes are imported, sold, or distributed in the U.S. However, in order to allow for an orderly transition from one warning statement to the next, Jash may, with respect to any brand style of cigarettes, begin using packages bearingthe subsequent quarter's label statement up to fifteen (15) production days prior to the commencement of such quarter and continue using packages bearing the prior quarter's label statement up to fifteen (15) production days after the end of such quarter (transition period). Cigarettes, packs and cartons produced in accordance with the provisions of this plan may be removed from storage or inventory in any manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed herein.

In no event shall Jash employ procedures which are deliberately designed to result in the early or prolonged use of a particular package label statement during the transition period referred to above.

Any repackaging of cigarectes which may occurs hall be done with packages bearing the label statement for the quarter in which such repackaging occurs although, in such event, no usable packaging need be replaced or removed.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Jash shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) prevent the recurrence of any mistakes, errors, or omissions that have come to is attention.

Jash will begin with the warning "SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight." and will use this label on all cigarettes packaged during the first quarter (January 1st to March will on all cigarettes packaged on the first of each calendar quarter thereafter 1st, July 1st and October 1st).

From January 1 to March 31st Jash will use the warning:

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Page 3 March 6, 2002

From April 1st to June 30<sup>th</sup> Jash will use the warning:

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

From July 1st to September 30<sup>th</sup> Jash will use the warning:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

From Oct. 1<sup>st</sup> to Jash will use the warning:

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

Jash expects to begin importing cigarettes during the first quarter of 2002. The enclosed samples of the Miss Diamond cigarettes show exactly where and how the Surgeon General's health warnings will appear on the individual packs and cartons Jash will be importing. These warning labels will be printed directly on the packs and cartons by the manufacturers under any cellophanethat might be placed on the packs and cartons, in the place and in the manner indicated.

Jash understands that the FTC is charged with ensuring that Jash 's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shalt be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

Please be advised that, at this time, Jash does not advertise and, therefore, will not need to comply with the Act's requirements requiring the rotation of warning labels on advertising. If this should change, we will notify the FTC and modify our plan accordingly.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 et seq.) including any modifications made

Ms. Mary K. Engle', Acting Associate Director Federal Trade Commission

by the Public Health Cigarette Smoking Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this plan as soon as possible.

Should you have any further questions regarding this matter, please do not he sitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN

Barry M. Bord

BMB:mw encs. Miss Diamond-FTC-RotationPlan

# EXHIBIT 'A' LIST OF CIGARETTES JASH INTERNATIONAL, INC.

### **Miss Diamond**

Lights 120's Soft Packs

Ultra Lights 120's Soft Packs

Menthol Lights 120's Soft Packs

MissDiamond-Exhibit-List

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### **EXHIBIT "B"**

### **QUARTER ONE:**

<u>Brand</u> <u>Warning</u>

Miss Diamond Pregnant Women

Double Diamond Lung Cancer

**QUARTER TWO:** 

Miss Diamond Carbon Monoxide

Double Diamond Quitting Smoking

**QUARTER THREE:** 

Miss Diamond Lung Cancer

Double Diamond Pregnant Women

**QUARTER FOUR:** 

Miss Diamond Quitting Smoking

Double Diamond Carbon Monoxide

Jash\Chart-of-Warnings

Selected packaging samples from those submitted with the plan.

Diamond





MADE IN INDIA

Manufactured under the authority

of trademark owner,

Twinkle, Inc. U.S.A.

**200 CLASS A CIGARETTES** 

120's

# ULTRA LIGHTS











SURGEON GENERAL'S WARNING : Quitting Smoking **Now** Greatly Reduces Serious **Risks** to Your Health.



# UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Advertising Practices

March 29,2002

Barry M. Boren, Esq. Dadeland Towers 9200 South Dadeland Boulevard, Suite 412 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed on behalf of Jash International, Inc., on March 6,2002 calling for quarterly rotation of the four health warnings on packaging of certain varieties of the Miss Diamond brand of cigarettes.

The health warnings on the sample packs and cartons submitted with your March 6,2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Jash's plan for the Miss Diamond brand is approved for the following soft pack varieties: Lights 120's, Ultra Lights 120's, and Menthol Lights 120s. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.' The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Jash does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should be aware that Section . 35a of the Cigarette Act requires that a **list** of the ingredients added to tobacco in the manufacture of cigarettes be **arrually** filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L.

Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18U.S.C. § 1001.

Barry M. Boren, **Esq.** March 29,2002 Page 2

No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and **will** continue to submit the list of ingredients to HHS.

Very truly yours,

Mary K. Engle

**Associate Director**