

Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

MEMORANDUM

- TO: Public Records Office of the Secretary
- FROM: Bonnie McGregor Division of Advertising Practices
- DATE: January 24, 2020
- SUBJECT: Rotational Health Warnings for Cigarettes File No. P854505

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

- 1. January 16, 2018 letter from Terri Albright, Premier Manufacturing, Inc. to Mary K. Engle.
- 2. January 16, 2018 letter from Mary K. Engle to Terri Albright, Premier Manufacturing, Inc.
- 3. January 17, 2018 letter from Jennifer Straus, Farmers Tobacco Co. of Cynthiana, Inc., to Mary K. Engle.
- 4. January 18, 2018 letter from Mary K. Engle to Jennifer Straus, Farmers Tobacco Co. of Cynthiana, Inc.
- 5. January 9, 2018 letter from Travis G. Heron, Seneca Manufacturing Company to Mary K. Engle.
- 6. January 18, 2018 letter from Mary K. Engle to Travis G. Heron, Seneca Manufacturing Company.
- 7. January 5, 2018 letter from Eric F. Facer on behalf of Great Swamp Enterprises, Inc. to Mary K. Engle.
- 8. January 26, 2018 letter from Mary K. Engle to Eric F. Facer on behalf of Great Swamp Enterprises, Inc.

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- 9. January 29, 2018 letter from Victoria Spier Evans, Vector Tobacco Inc. to Mary K. Engle.
- 10. January 30, 2018 letter from Mary K. Engle to Victoria Spier Evans, Vector Tobacco Inc.
- 11. February 5, 2018 letter from Hoo Tjhiang Han, Kretek International, Inc. to Mary K. Engle.
- 12. February 6, 2018 letter from Mary K. Engle to Hoo Tjhiang Han, Kretek International, Inc.
- 13. February 16, 2018 letter from Henry C. Roemer, III on behalf of Kretek International, Inc. to Mary K. Engle.
- 14. February 20, 2018 letter from Mary K. Engle to Henry C. Roemer, III on behalf of Kretek International, Inc.
- 15. February 20, 2018 letter from Geraldine Bowen Barker, Commonwealth Brands, Inc. to Mary Engle.
- 16. February 22, 2018 letter from Mary K. Engle to Geraldine Bowen Barker, Commonwealth Brands, Inc.
- 17. February 22, 2018 letter from Craig A. Koenigs on behalf of Wind River Tobacco Company, LLC to the Division of Advertising Practices.
- 18. February 27, 2018 letter from Mary K. Engle to Craig A. Koenigs on behalf of Wind River Tobacco Company, LLC.
- 19. March 5, 2018 letter from Karen E. Delaney, Goodrich Tobacco Company, LLC to Mary K. Engle.
- 20. March 5, 2018 letter from Mary K. Engle to Karen E. Delaney, Goodrich Tobacco Company, LLC.
- 21. February 21, 2018 letter from Joseph M. Zebrowski, Rock River Manufacturing to Mary K. Engle.
- 22. March 7, 2018 letter from Mary K. Engle to Joseph M. Zebrowski, Rock River Manufacturing.
- 23. March 6, 2018 letter from Jennifer Misegan, KBIC Tobacco Company, LLC to Mary Engle.

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- 24. March 8, 2018 letter from Mary K. Engle to Jennifer Misegan, KBIC Tobacco Company, LLC.
- 25. March 8, 2018 letter from David A. Scott, Cheyenne International, LLC to Mary K. Engle.
- 26. March 20, 2018 letter from Mary K. Engle to David A. Scott, Cheyenne International, LLC.
- 27. March 16, 2018 letter from Eric B. Estes, Xcaliber International, Ltd., LLC to Mary K. Engle.
- 28. March 23, 2018 letter from Mary K. Engle to Eric Barkley Estes, Xcaliber International, Ltd., LLC.



January 16, 2018

Mary K. Engle, Associate Director Federal Trade Commission Division of Advertising Practices 600 Pennsylvania Avenue, NW Mail Drop NJ 3212 Washington, DC 20580

Re: Request for annual plan renewal approval for 2018

Dear Ms. Mary Engle:

Premier Manufacturing, Inc. is requesting approval to renew its plan for the simultaneous display of the four health warnings on all varieties of the 1st Class, the Ultra Buy, the Shield, the 1839 and the Traffic Brands. We have assigned the Wildhorse Brand trademark to King Maker Marketing, Inc. so we have removed the Wildhorse Brand from our plan. The warnings will appear exactly as shown on the sample packs and cartons that were enclosed in our March 11, 2015, November 12, 2015 and May 12, 2016 letters.

Premier Manufacturing will display the four health warnings an equal number of times on the packs and cartons for each of the brand styles listed below of the 1st Class, Shield, Ultra Buy, Traffic and 1839 brands for the one-year period beginning on the date of approval of this plan. We will achieve equalization of the four warnings on the packs and cartons of each brand style listed below by having all four warnings printed simultaneously at the time of both pack and carton print runs. Premier will keep records demonstrating compliance with the plan. The warnings on all packs and cartons of each of our Brand styles have been equalized to date.

 ten varieties of Shield Brand: Red Kings Box, Red 100's Box, Blue Kings Box, Blue 100's Box, Menthol Green Kings Box, Menthol Green 100's Box, Menthol Silver 100 Box, Silver Kings Box, Silver 100's Box and Non Filter King Box;

(1)

www.GoPremier.com

17998 Chesterfield Airport Road. • Chesterfield, Missouri 63005 > (636) 537-5348 • Fax (636) 537-3359 • email: info@gopremier.com



- nine varieties of the 1st Class Brand: Red Kings Box, Red 100's Box, Blue Kings Box, Blue 100's Box, Menthol Green Kings Box, Menthol Green 100's Box, Menthol Silver 100's Box, Silver 100's Box and Non Filter King Box;
- nine varieties of Ultra Buy Brand: Red Kings Box, Red 100's Box, Blue Kings Box, Blue 100's Box, Menthol Green Kings Box, Menthol Green 100's Box, Menthol Silver 100's Box, Silver 100's Box, and Non Filter Kings Box;
- eleven varieties of 1839 Brand: Red King Box, Red 100 Box, Blue King Box, Blue 100 Box, Silver King Box, Silver 100 Box, Menthol Green King Box, Menthol Green 100 Box, Menthol Blue King Box, Menthol Blue 100 Box and Non Filter King Box;
- nine varieties of Traffic Brand: Red King Box, Red 100 Box, Blue King Box, Blue 100 Box, Menthol Green King Box, Menthol Green 100 Box, Silver 100 Box, Menthol Silver 100 Box and Non-Filter King Box.

The four warnings that will be displayed are:

- 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.

Premier will continue to comply with the advertising rotation plan previously approved.

Our sales for the last fiscal year (January – December 2017) did not exceed sticks for any one brand style that we manufacture, we do not import. We did not have any 2017 sales for the Creston, Fact and Passport Brands. We do not anticipate sales to exceed sticks for any one brand style of cigarettes that we manufacture during the one-year period covered by this plan.

(2)

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We submit and confirm that the foregoing complies with the Act.

Please call me if you have any questions or require additional information.

Sincerely,

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Terri Albright Operations/Compliance Manager Direct Phone: 636-537-6823 Fax: 636-530-1362 Email: talbright@gopremier.com

17998 Chesterfield Airport Road. • Chesterfield, Missouri 63005 • (636) 537-5348 • Fax (636) 537-3359 • email: info@gopremier.com



Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

January 16, 2018

Ms. Terri Albright Premier Manufacturing, Inc. 17998 Chesterfield Airport Road Chesterfield, MO 63005

Dear Ms. Albright:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Premier Manufacturing, Inc. ("Premier") on January 16, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the 1839, 1st Class, Shield, Traffic, and Ultra Buy brands of cigarettes.

Premier's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letters dated March 11, 2015, November 12, 2015, and May 12, 2016 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹

Accordingly, Premier's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

• Eleven varieties of the 1839 brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Silver Box (Kings and 100's), Menthol Green Box (Kings and 100's), Menthol Blue Box (Kings and 100's), and Non-Filter Kings Box;

¹ Premier stated in its January 16, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on these dates.

Ms. Terri Albright January 16, 2018 Page 2

- Nine varieties of the 1st Class Brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Menthol Green Box (Kings and 100's), Menthol Silver 100's Box, Silver 100's Box, and Non-Filter Kings Box;
- Ten varieties of the Shield Brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Menthol Green Box (Kings and 100's), Silver Box (Kings and 100's), Menthol Silver Box 100's, and Non-Filter Kings Box;
- Nine varieties of the Traffic brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Menthol Green Box (Kings and 100's), Silver 100's Box (medium blue packaging), Menthol Silver 100's Box (medium green packaging), and Non-Filter Kings Box; and
- Nine varieties of the Ultra Buy Brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Menthol Green Box (Kings and 100's), Menthol Silver 100's Box, Silver 100's Box and Non-Filter Kings Box.

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Premier's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Premier's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Premier's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Premier's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

² 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. Terri Albright January 16, 2018 Page 3

This approval is effective on the date of this letter and runs through January 15, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-2409.

Very truly yours,

Meyr, Egle Mary K. Engle

Associate Director



Farmers Tobacco Co. of Cynthiana, Inc. 636 US Hwy 27 N, PO Box 98 Cynthiana, KY 41031

January 17, 2018

Ms. Mary K. Engle Associate Director Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Ave, NW Washington, DC 20580

RE: Cigarette Health Warning Plan

Dear Madam:

Farmers Tobacco Co. of Cynthiana, Inc. is a cigarette manufacturer (TP-KY-45) located in Cynthiana, Kentucky. We are submitting this plan to you explaining how we will comply with the health warning display requirements.

Farmers Tobacco Co. of Cynthiana, Inc. owns and manufactures only the brands "Kentucky's Best", "VB Made in the USA", and "Baron American Blend". This is a plan for the following brand styles:

• Six varieties of the Kentucky's Best brand: Gold Kings (soft pack and hard pack), Gold 100's (soft pack and hard pack), and Silver 100's (soft pack and hard pack); and

• One variety of the VB Made in the USA brand: Menthol Kings hard pack

All other brand styles were previously approved on October 18, 2017. We do not import any cigarettes.

I. Packaging

According to Section 1333(c)(2), we would like permission to display the four warnings an equal number of times during the year (rather than rotating the warnings quarterly) since our company's annual sales for all brands (Kentucky's Best, VB Made in the USA, and Baron American Blend) are less than one-fourth of one percent of all the cigarettes sold in the United States. We will equalize the four warnings on the packs and cartons of each of the seven brand styles of Kentucky's Best and VB Made in the USA brands listed above for the one-year period beginning on the date of approval of this plan. Equalization is achieved by the packaging vendor who will print all four warnings in equal numbers on each printed sheet of packaging for all cartons and packs so that when sheets are cut, the warnings will be equalized on cartons and packs for each brand style.

To date, each of the four warnings have been equalized. The warnings will appear exactly as shown on the pack and carton samples submitted with our submission of December 7, 2017.

The sales volumes in sticks for each brand for fiscal year 2017 were as follows: Kentucky's Best VB Made in the USA Baron American Blend

Anticipated sales volumes in sticks for each brand for fiscal year 2018 are as follows:

Kentucky's Best VB Made in the USA Baron American Blend



II. Advertisements (other than outdoor billboard advertisements)

Farmers Tobacco Co. of Cynthiana Inc. continues to be in compliance with the advertising plans approved by the FTC on November 18, 2003 and April 18, 2005 for Kentucky's Best, March 25, 2005 for VB Made in the USA and April 27, 2005 for Baron American Blend.

Farmers Tobacco Co. of Cynthiana, Inc. will maintain sufficient records to demonstrate compliance with this plan.

If any further information is required, please call us at 1-866-832-7637 between the hours of 8:00 AM and 5:00 PM EST. Thank you for your time.

Sincerely,

promp traces

Jennifer Straus Vice President Farmers Tobacco Co. of Cynthiana, Inc.

Farmers Tobacco Co. of Cynthiana, Inc. List of Brand Family Styles

Kentucky's Best

Red King Soft Pack Gold King Soft Pack Red King Hard Pack Gold King Hard Pack Silver King Hard Pack Menthol King Hard Pack Green King Hard Pack Non-Filter King Soft Pack Red 100 Soft Pack Gold 100 Soft Pack Silver 100 Soft Pack Red 100 Hard Pack Gold 100 Hard Pack Silver 100 Hard Pack Menthol 100 Hard Pack Green 100 Hard Pack

VB Made in the USA

Red King Hard Pack Gold King Hard Pack Menthol King Hard Pack Non-Filter King Soft Pack Red 100 Hard Pack Gold 100 Hard Pack Blue 100 Hard Pack Menthol 100 Hard Pack Green 100 Hard Pack

Baron American Blend

Red King Hard Pack Blue King Hard Pack Menthol King Hard Pack Non-Filter King Soft Pack Red 100 Hard Pack Blue 100 Hard Pack Silver 100 Hard Pack Menthol 100 Hard Pack Green 100 Hard Pack Selected packaging samples from those submitted with the plan.



LUU'S





SALES TO MINORS PROHIBITED

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





Farmer's Tobacco Co. of Cynthiana P.O. Box 98 Cynthiana, KY 41031 www.farmerstobacco.com



Thank you for choosing Kentucky's Best, a cigarette manufactured by family tobacco farmers in Cynthiana, Kentucky. No implications are being made these cigarettes are any less hazardous than any other cigarettes.

MADE IN U.S.A.







Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

January 18, 2018

Ms. Jennifer Straus Farmers Tobacco Co. of Cynthiana, Inc. 636 US Highway 27 North P.O. Box 98 Cynthiana, KY 41031

Dear Ms. Straus:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Farmers Tobacco Co. of Cynthiana, Inc. ("Farmers Tobacco") on January 17, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the "Kentucky's Best" and "VB Made in the USA" brands of cigarettes.

Farmers Tobacco's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the health warnings on the sample packs and cartons submitted with your letter dated December 7, 2017 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹

Accordingly, Farmers Tobacco's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

- Six varieties of the Kentucky's Best brand: Gold Kings (soft pack and hard pack), Gold 100's (soft pack and hard pack), and Silver 100's (soft pack and hard pack); and
- One variety of the VB Made in the USA brand: Menthol Kings hard pack.

¹ Farmers Tobacco stated in its January 17, 2018 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on that date.

Ms. Jennifer Straus January 18, 2018 Page 2

Approval of this plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Farmers Tobacco's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Farmers Tobacco's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Farmers Tobacco's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Farmers Tobacco's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through January 17, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact William Ducklow at (202) 326-2407.

Very truly yours,

May K, Engle

Mary K. Engle Associate Director

² 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.

SENECA MANUFACTURING COMPANY

MAKERS OF HERON CIGARETTES

PO Box 496 175 Rochester Street Salamanca, NY 14779 Phone: 716-945-4400 Fax: 716-945-4401

January 9, 2018

FEDERAL TRADE COMMISSION MS MARY ENGLE ASSOCIATE DIRECTOR 600 PENNSYLVANIA AVENUE WASHINGTON DC 20580

Re: Royal and Sandia Cigarettes

Dear Ms. Engle:

Seneca Manufacturing Company is purchasing the Royal and Sandia brands from Sandia Manufacturing Company and WM Distribution Inc. As such, the two brands will now be manufactured under Seneca Manufacturing Company's TP number.

Please consider this letter our request for annual compliance. This is our original plan for the simultaneous display of the Surgeon General's warnings on packaging. Previously, Sandia Manufacturing Company and WM Distribution Inc would have submitted these plans.

The Royal cigarette brand will now be manufactured in the following varieties:

Full Flavor King Size Box Gold King Size Box Full Flavor Menthol King Size Box

Full Flavor 100's Box Gold 100's Box Silver 100's Box Full Flavor Menthol 100's Box Menthol 100's Box FEDERAL TRADE COMMISSION MS MARY ENGLE ASSOCIATE DIRECTOR RE: HERON CIGARETTES January 9, 2018 PAGE 2

The Sandia cigarette brand will now be manufactured in the following varieties:

Full Flavor 100's Soft Pack Blue 100's Soft Pack Sky Blue 100's Soft Pack Full Flavor Menthol 100's Soft Pack Menthol 100's Soft Pack

Full Flavor 100's Box Blue 100's Box Sky Blue 100's Box Full Flavor Menthol 100's Box Menthol 100's Box Full Flavor King Size Box Blue King Size Box Full Flavor Menthol King Size Box

These cigarettes are packaged in 200 count cartons ("Outer Carton"). Each Outer Carton contains ten (10) packs of twenty (20) cigarettes each ("pack").

The warnings on the packs and cartons of each brand style will appear exactly as shown in the samples provided to your office with our letter of October 20, 2017.

Seneca Manufacturing Company also manufactures other brands of cigarettes, Heron and Sands.

Seneca Manufacturing Company's low sales volume of cigarettes fits the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333 (c)(2) of the Federal Cigarette labeling and Advertising Act, 15 U.S.C. 1331. The sales for all brand styles that we imported or manufactured for the 2017 fiscal year (calendar year ending December 31, 2017) are set out in Exhibit "A". Our anticipated sales for each brand style of the Heron, Sands, Sandia and Royal brands for the next fiscal year (2018) are set out in Exhibit "B."

If this plan for the alternative to quarterly rotation of the warnings on the packaging is approved, the four (4) cigarette health warnings will appear on the packs and cartons of each Royal and Sandia cigarette brand style listed above an equal number of times for the one year period beginning on the date of approval of this plan. To ensure the cigarette health warnings appear on the Royal and Sandia cigarette brand styles an equal number of times throughout the plan year, raw material packaging inventory will be stored and FEDERAL TRADE COMMISSION MS MARY ENGLE ASSOCIATE DIRECTOR RE: HERON CIGARETTES January 9, 2018 PAGE 3

loaded into packaging machines alternating the four health warnings. Seneca Manufacturing Company will maintain records of compliance with the approved plan.

We do not intend to submit an advertising plan at this time. If we do intend to advertise, we will submit an advertising plan.

If you should have any questions or require anything further, please feel free to contact this office.

Sincerely, SENECA MANUFACTURING COMPANY Travis G. Heron Partner

TGH/ch Enclosures

Exhibit A		
Brand	Style	2017 Sales by Sticks
Heron	No. 33 Black Red King Box	
Heron	No. 33 Black Gold King Box	
Heron	No. 33 Black Menthol King Box	
Heron	No. 33 Black Red 100 Box	
Heron	No. 33 Black Gold 100 Box	
Heron	No. 33 Black Menthol 100 Box	
Heron	Crimson King Box	
Heron	Red King Box	
Heron	Gold King Box	
Heron	Silver King Box	
Heron	Menthol King Box	
Heron	Menthol Gold King Box	
Heron	Non-Filter King Box	
Heron	Crimson 100 Box	
Heron	Red 100 Box	·
Heron	Gold 100 Box	
Heron	Silver 100 Box	19 ¹⁰ - 10
Heron	Menthol 100 Box	
Heron	Menthol Gold 100 Box	
Heron	Red 100 SP	
Heron	Gold 100 SP	
Heron	Silver 100 SP	
Heron	Menthol 100 SP	2.16 2.10
Heron	Menthol Gold 100 SP	
Sands	Red King Box	
Sands	Gold King Box	
Sands	Silver King Box	
Sands	Menthol King Box	
Sands	Menthol Blue King Box	
Sands	Red 100 Box	
Sands	Gold 100 Box	
Sands	Silver 100 Box	
Sands	Menthol 100 Box	
Sands	Menthol Blue 100 Box	

Brand	Style	Estimated 2010 Sales by Sticl
Heron	No. 33 Black Red King Box	
Heron	No. 33 Black Gold King Box	
Heron	No. 33 Black Menthol King Box	
Heron	No. 33 Black Red 100 Box	
Heron	No. 33 Black Gold 100 Box	
Heron	No. 33 Black Menthol 100 Box	
Heron	Crimson King Box	
Heron	Red King Box	
Heron	Gold King Box	
Heron	Silver King Box	
Heron	Menthol King Box	
Heron	Menthol Gold King Box	
Heron	Non-Filter King Box	
Heron	Crimson 100 Box	
Heron	Red 100 Box	
Heron	Gold 100 Box	
Heron	Silver 100 Box	
Heron	Menthol 100 Box	
Heron	Menthol Gold 100 Box	River Bargar
Heron	Red 100 SP	
Heron	Gold 100 SP	
Heron	Silver 100 SP	
Heron	Menthol 100 SP	
Heron	Menthol Gold 100 SP	
Royal	Full Flavor King Box	
Royal	Gold King Box	
Royal	Full Flavor Menthol King Box	
Royal	Full Flavor 100's Box	
Royal	Gold 100's Box	
Royal	Silver 100's Box	
Royal	Full Flavor Menthol 100's Box	
Royal	Menthol 100's Box	
Sandia	Full Flavor King Box	
Sandia	Blue King Box	
Sandia	Full Flavor Menthol King Box	
Sandia	Full Flavor 100's Box	
Sandia	Blue 100's Box	
Sandia	Sky Blue 100's Box	
Sandla	Full Flavor Menthol 100's Box	
Sandia	Menthol 100's Box	
Sandia	Full Flavor 100's Soft Pack	
Sandia	Blue 100's Soft Pack	Carlos Maria

Selected packaging samples from those submitted with the plan.



200 CLASS A CIGARETTES

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



2 .+

BLUE 100's

PREMIUM BLEND

TP-NY-15007

SALES TO MINOF PROHIBITED FSC









Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

January 18, 2018

Mr. Travis G. Heron Seneca Manufacturing Company P.O. Box 496 175 Rochester Street Salamanca, NY 14779

Dear Mr. Heron:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Seneca Manufacturing Company ("Seneca") on January 9, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Royal and Sandia brands of cigarettes.

Seneca's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated October 20, 2017 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹

Accordingly, Seneca's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

- Eight Box varieties of the Royal brand: Full Flavor (Kings and 100's), Gold (Kings and 100's), Silver 100's, Full Flavor Menthol (Kings and 100's), and Menthol 100's; and
- Thirteen varieties of the Sandia brand: Full Flavor Kings Box, Full Flavor 100's (Box and Soft Pack), Blue Kings Box, Blue 100's (Box and Soft Pack), Sky Blue 100's (Box and Soft Pack), Full Flavor Menthol Kings Box, Full Flavor Menthol 100's (Box and Soft Pack), and Menthol 100's (Box and Soft Pack).

¹ Seneca stated in its January 9, 2018 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on October 20, 2017.

Mr. Travis G. Heron January 18, 2018 Page 2

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Seneca decides to advertise the Royal and Sandia brands 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 those advertisements.

Please note that this letter only approves Seneca's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Seneca's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Seneca's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Seneca's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through January 17, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact Donya Jackson at (202) 326-2050.

Very truly yours,

Mary K. Engle Associate Director

² 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 ERIC F. FACER, PLLC

1025 CONNECTICUT AVENUE, N.W. SUITE 1000 WASHINGTON, D.C. 20036 (202) 464-0400 eff@f-slaw.com

January 5, 2018

Via First Class Mail and E-mail (McGregor, Bonnie <bmcgregor@ftc.gov>)

Mary K. Engle, Associate Director Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Ave., NW Mail Drop CC-10528 Washington, DC 20580

ATTN: Ms. Bonnie McGregor

Re: Great Swamp Enterprises, Inc. Health Warning Rotation Plan for the Cayuga Brand of Cigarettes

Dear Ms. Engle:

On behalf of Great Swamp Enterprises, Inc. ("Great Swamp"), we hereby submit this Surgeon General's Equalization Plan (the "Plan") for Great Swamp as required under the *Federal Cigarette Labeling and Advertising Act of 1984*, 15 U.S.C. § 1331 *et seq*. (1998), as amended (the "FCLAA") for eleven (11) styles of Cayuga cigarettes.

Great Swamp's first equalization plan was approved by the Federal Trade Commission (the "FTC") on March 10, 2011. Further, the company has renewed its plan annually since that time. The effective date of its current plan runs through January 30, 2018, as noted in the enclosed letter from your office dated January 31, 2017.

There has been no material change in Great Swamp's operations since the submission of its most recent equalization plan, as summarized below.

Great Swamp is the manufacturer of the Cayuga Brand. Its manufacturing facility is located at 61 Ovid Street, Seneca Falls, NY 13148 (Tel: 315/568-5880). Ms. Crissy Murphy is the General Manager. It currently manufactures a single brand of cigarettes the Cayuga Brand—but it does not import or export any cigarettes. Ms. Mary K. Engle January 5, 2018 Page 2

The fiscal year for Great Swamp is the calendar year. During 2017, Great Swamp's actual sales of all brand styles of the Cayuga Brand totaled sticks, which should qualify the company for the

exemption set forth in section 1333(c) of the FCLAA. Its projected sales for 2018 are approximately sticks.

Cayuga Brand cigarettes are sold in eleven (11) hard box brand styles. Great Swamp requests that the following eleven (11) styles be included in the Plan:

Cayuga Dark Green Kings, Cayuga Medium Green Kings, Cayuga Red Kings, Cayuga Blue Kings, Cayuga Gold Kings, Cayuga Dark Green 100's, Cayuga Medium Green 100's, Cayuga Light Green 100's, Cayuga Red 100's, Cayuga Blue 100's, Cayuga Gold 100's.¹

These are the exact same brand styles that were the subject of the equalization plan submitted on January 5, 2017, as approved by the FTC on January 31, 2017; Great Swamp does not manufacture any cigarettes beyond these eleven (11) brand styles.

The warnings will appear exactly as shown on the samples of Cayuga packaging submitted with our letter to the FTC dated February 18, 2011. Great Swamp is aware that the Food and Drug Administration (the "FDA") may assume jurisdiction, at any time during 2018, for warning label compliance. Great Swamp has devised a rotation plan that is intended to ensure the equalized use of the four health warnings on all packs and all cartons for each brand style covered by the Plan for the one-year period beginning on the date of approval of this Plan. Specifically, it will accomplish this objective by ordering packaging materials containing an equal number of the four health warnings. It will then employ its packaging inventory in such a way as to ensure the equalized use and rotation of the four health warnings on all packs and all cartons of each brand style of the Cayuga Brand. Based on the above, Great Swamp requests approval to use the rotation option provided in Section 1333(c)(2) of the FCLAA (*i.e.*, the alternative to quarterly rotation). Great Swamp will keep records demonstrating compliance with this Plan.

Although Great Swamp does not advertise its products on the Internet, it does use print advertising to promote the Cayuga brand. On December 5, 2012, Great Swamp submitted a revised proposed plan for the quarterly rotation of the four health warnings in print advertising up to 720 square inches in size for the Cayuga brand of cigarettes. The FTC approved Great Swamp's advertising rotation plan on December 11, 2012.

¹ Although colors are used in the name of each Cayuga brand style, those names are not printed on any cigarette packaging. For example, the words "Light Green" do not appear on the packaging of "Light Green Kings." However, the color used for each brand style's packaging does conform to the color used in its name.

Ms. Mary K. Engle January 5, 2018 Page 3

We submit that the foregoing complies with the requirements of the FCLAA, and request expedited approval of this request. Should you require any additional information in order to review and approve the health warning rotation plan of Great Swamp Enterprises, Inc. for the Cayuga brand, please feel free to contact me at any time. Please fax the approval of the Plan to me at 202/464-0404 (F); alternatively, you may email it to me at: eff@f-slaw.com. Thank you for your assistance.

Sincerely, Eric F. Facer

Enclosure



Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

January 26, 2018

Eric F. Facer, Esq. 1025 Connecticut Avenue, N.W. Suite 1000 Washington, D.C. 20036

Dear Mr. Facer:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed on behalf of Great Swamp Enterprises, Inc. ("Great Swamp"), on January 5, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for eleven box varieties of the Cayuga brand of cigarettes.

Great Swamp's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated February 18, 2011 continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, Great Swamp's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following eleven box varieties of the Cayuga brand: Dark Green (Kings and 100's), Medium Green (Kings and 100's), Red (Kings and 100's), Blue (Kings and 100's), Gold (Kings and 100's), and Light Green 100's.²

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.³ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

³ 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.

¹ Great Swamp stated in its January 5, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on February 18, 2011.

² As set forth in its January 5, 2018 letter, Great Swamp is using colors to identify its cigarette varieties (*e.g.*, "Light Green 100's"). We note that the color names are not printed on the packaging (*e.g.*, the words "Light Green" do not appear on the packaging of the "Light Green 100's" variety); however, the color used for a variety's packaging does conform to the color used in its name.

Eric F. Facer, Esq. January 26, 2018 Page 2

Please note that this letter only approves Great Swamp's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Great Swamp's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Great Swamp's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Great Swamp's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through January 25, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact William Ducklow at (202) 326-2407.

Very truly yours,

Engle Vhang K.

Mary K. Engle Associate Director


Victoria Spier Evans Corporate Counsel Tel 919-990-3590 Fax 919-990-3505 vspier@lvbrands.com

January 29, 2018

BY FEDEX

Ms. Mary K. Engle Associate Director, Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Avenue, NW Mail Code CC-10528 Washington, DC 20580

> Re: Vector Tobacco Inc. Application to Renew Cigarette Warning Rotation Plan for *Eagle 20's*, *Silver Eagle*, and *USA* Cigarette Brands and Brand Styles

Dear Ms. Engle:

Vector Tobacco Inc. ("Vector Tobacco") hereby applies to renew its cigarette warning rotation plan ("Plan") pursuant to the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* ("Act"). Except for the three brand styles of *Eagle 20's* discussed below (which are subject to quarterly warning rotation), Vector Tobacco requests simultaneous rotation of the four required warnings in accordance with 15 U.S.C. § 1333(c)(2) for all Vector Tobacco brand styles of the *Eagle 20's, Silver Eagle,* and *USA* cigarette brands. In support of this application, enclosed is an affidavit of Nicholas P. Anson, Vice President–Finance of Vector Tobacco with attached Exhibits A and B ("Anson Affidavit"). This application is for a one-year period beginning on the date of approval of this application.

Vector Tobacco's current rotation plan was approved on February 2, 2017 and will expire on February 1, 2018. Vector Tobacco requests renewal of its Plan with respect to all brand styles of the *Eagle 20's, Silver Eagle*, and *USA* cigarette brands as listed on Exhibit B to the Anson Affidavit, except for the following three brand styles, as discussed below:

> *Eagle* 20's Red 100s Box, *Eagle 20's* Red Kings Box, *Eagle* 20's Blue 100s Box.

Through the date of this application, the Surgeon General's warnings on the packages for all of Vector Tobacco's brand styles that are approved for equalization have been equalized, in Ms. Mary K. Engle January 29, 2018 Page 2

accordance with Vector Tobacco's current Plan. Vector Tobacco box and soft pack labels are printed in such a way that all four warnings are printed with each revolution of one printing cylinder. For the cartons, two printing cylinders are alternated during the printing process to achieve equal warnings within a single pallet of packaging. Materials are palletized containing all four warnings on each pallet of packs and cartons. On a pallet, the box packs and cartons are stacked in bundles of 500 containing a mix of the four warnings and for the soft pack labels rolls each containing a mix of the four warnings. In the manufacturing process, packaging is taken from the pallet and loaded into the packaging equipment as it is removed from the pallet, in the order that it is on the pallet, without any attempt to adjust or control that order. Accordingly, as the pallets of packing are used in the manufacturing process, the cigarettes produced using that packaging from those pallets will bear each of the four warnings in equal numbers, subject to limitations to the commercial printing and manufacturing practices.

The *Eagle 20's* Red 100s Box brand style is already subject to quarterly rotation of the four warnings pursuant to the Commission's approval letter dated February 3, 2016. In addition, the *Eagle 20's* Blue 100s Box brand style no longer qualifies for simultaneous warning rotation because its calendar year 2017 unit sales exceeded one fourth of one percent of all cigarettes sold in the United States in 2017. Although the calendar year 2017 unit sales of the *Eagle 20's* Red Kings Box brand style were slightly less than one-fourth of one percent of all cigarettes sold in the United States in 2017, Vector Tobacco is nevertheless also applying for quarterly rotation of the required warnings on the *Eagle 20's* Red Kings Box brand style. Accordingly, Vector Tobacco is applying for quarterly rotation of the four warnings for packaging of the *Eagle 20's* Red Kings Box and *Eagle 20's* Blue 100s Box brand styles. The four warnings will be rotated quarterly in the following sequence, which is the same sequence used for *Eagle 20's* advertising, as set forth in the Plan:

1st Calendar Quarter: Warning 4:	SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.
2nd Calendar Quarter: Warning 1:	SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
3rd Calendar Quarter: Warning 2:	SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
4th Calendar Quarter: Warning 3:	SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

Packaging for the *Eagle 20's* Red Kings Box and *Eagle 20's* Blue 100s Box brand styles, effective as of the date of the approval letter, will bear applicable warning for the quarter in which such cigarettes are manufactured, regardless of the dates on which such cigarettes are distributed or sold. However, in order to allow for an orderly transition from simultaneous to quarterly rotation, Vector Tobacco requests permission to continue to use simultaneous warning

Ms. Mary K. Engle January 29, 2018 Page 3

rotation on Eagle 20's Red Kings Box and Eagle 20's Blue 100s Box for up to 15 calendar days after approval of this application.

The enclosed Anson Affidavit sets forth the relevant information on total U.S. and Vector Tobacco cigarette sales in calendar year 2017, which is the most recent fiscal year of Vector Tobacco preceding the submission of this application. The Anson Affidavit shows that all Vector Tobacco brand styles qualify for simultaneous rotation, except for the Eagle 20's Red 100s Box and the Eagle 20's Blue 100s Box brand styles, as discussed above.

Except for the Eagle 20's Red 100s Box, Eagle 20's Red Kings Box, and Eagle 20's Blue 100s Box brand styles, which will be subject to quarterly warning rotation as discussed above, the warnings required by the Act will be printed on the packs and cartons of all other Vector Tobacco brand styles an equal number of times within the one-year period beginning on the date of approval of this application. The four warnings required by the Act will be printed on the packs and cartons of each brand style of the Vector Tobacco brands (except Eagle 20's Red 100s Box, Eagle 20's Red Kings Box, and Eagle 20's Blue 100's Box) an equal number of times within the one-year period beginning on the date of approval of the Plan. The warnings will appear exactly as shown on the pack and carton packaging samples provided with my letter of January 13, 2014. This will confirm that Vector Tobacco, in the ordinary course of business, maintains records of compliance with the Plan. 0

The information contained in this letter and in the enclosed affidavit and exhibits is confidential and proprietary business information of Vector Tobacco. Vector Tobacco requests that this information be kept confidential by the FTC, pursuant to its applicable rules and procedures.

Thank you for your attention to this matter. Please let me know if you have any questions.

Very truly yours,

Victoria Spien Evans GR

STATE OF NORTH CAROLINA COUNTY OF WAKE

AFFIDAVIT OF NICHOLAS P. ANSON

Nicholas P. Anson, being duly sworn, deposes and says:

1. I am Vice President – Finance of Vector Tobacco Inc. ("Vector Tobacco"), a corporation organized and existing under the laws of the Commonwealth of Virginia.

2. I submit this affidavit in support of the application to renew the Vector Tobacco Inc. Consolidated Rotation Plan for *Eagle 20's*, *Silver Eagle* and *USA* Cigarette Brands and Brand Styles, which is being filed contemporaneously herewith (the "Plan").

3. Under 15 U.S.C. § 1333(c)(2), the Surgeon General's Warnings on the packaging of a particular brand style of cigarettes may be rotated on a simultaneous basis if: (a) the number of cigarettes of such brand style sold in the fiscal year of Vector Tobacco preceding the submission of this application was less than one-fourth of one percent of all cigarettes sold in the United States in such year; and (b) more than one-half of the cigarettes sold by Vector Tobacco in the United States were packaged into brand styles that meet the foregoing requirement. Vector Tobacco's most recent fiscal year was calendar year 2017.

4. Attached to this affidavit as <u>Exhibit A</u> is a copy of "Total Cigarette Industry Shipment Volume Estimation, Results for December 2017," published by Management Science Associates, Inc., which is a leading compiler and publisher of cigarette industry data. <u>Exhibit A</u> shows that approximately cigarettes were sold in the United States during calendar year 2017. One quarter of one percent of cigarettes is approximately cigarettes.

5. Attached to this affidavit as <u>Exhibit B</u> are the unit sales for calendar year 2017 for all Vector Tobacco cigarette brand styles. <u>Exhibit B</u> shows that in calendar year 2017 all but two Vector Tobacco cigarette brand styles had unit sales of less than one-fourth of one percent of all cigarettes sold in the United States in such year. The two exceptions are *Eagle 20's* Red 100s Box and *Eagle 20's* Blue 100s Box. Although the calendar year 2017 unit sales of the *Eagle 20's* Red Kings Box brand style were slightly less than one-fourth of one percent of all cigarettes sold in the United States in 2017 cigarettes also applying for quarterly rotation of the required warnings on that brand style.

6. Accordingly, for all brand styles except *Eagle 20's* Red 100s Box, *Eagle 20's* Red Kings Box, and *Eagle 20's* Blue 100s Box, Vector Tobacco is applying for simultaneous rotation of the four required cigarette warnings as provided in 15 U.S.C. § 1333(c)(2).

Nicholas P. Anson Vice President – Finance

Sworn to and subscribed before me, this 11^{th} day of January, 2018.

PILLA

Carol A. Hazlewood Notary Public, State of North Carolina My commission expires: February 28, 2022

CAROL A. HAZLEWOOD NOTARY PUBLIC Wake County, North Carolina My Commission Expires 2-28-2022 January 9, 2018

TOTAL CIGARETTE INDUSTRY SHIPMENT VOLUME ESTIMATION

Results for December 2017



Please note that this estimation report is no longer considered an alpha release and under the restrictions imposed for those special releases. These reports are issued pursuant to and subject to your CRA agreement with MSA.



	Exhibit B					
	Vector Tobacco Inc. Application to Renew Cigarette Warning Rotation Plan January 3, 2018					
	Brand	Brand Style	2017 Units Sold			
1	EAGLE 20's	Blue 100s Box				
2	EAGLE 20's	Blue Kings Box				
3	EAGLE 20's	Menthol Gold 100s Box				
4	EAGLE 20's	Menthol Gold Kings Box				
5	EAGLE 20's	Non-Filter Kings Box				
6	EAGLE 20's	Orange 100s Box	The second second			
7	EAGLE 20's	Orange Kings Box	A AND THE WARD IN THE			
8	EAGLE 20's	Red 100s Box				
9	EAGLE 20's	Red Kings Box				
10	EAGLE 20's	Menthol Silver 100s Box				
11	EAGLE 20's	Menthol Silver Kings Box				
	TOTAL EAGLE 20's		the second second			
1	SILVER EAGLE	Blue 100's Box				
2	SILVER EAGLE	Blue Slims 120's Box				
3	SILVER EAGLE	Menthol Full Flavor 100's Soft Pack	The line to make the second			
4	SILVER EAGLE	Menthol Full Flavor Kings Box				
5	SILVER EAGLE	Gold 100's Box				
6	SILVER EAGLE	Gold Kings Box				
7	SILVER EAGLE	Full Flavor 100's Box				
8	SILVER EAGLE	Full Flavor Kings Box				
9	SILVER EAGLE	Menthol 100's Soft Pack				
10	SILVER EAGLE	Menthol Slims 120's Box				
11	SILVER EAGLE	Menthol Kings Box				
	TOTAL SILVER EAGLE					
1	USA	Blue 100's Box				
2	USA	Blue 100's Soft Pack				
3	USA	Blue Kings Box				
4	USA	Menthol Kings (Full Flavor) Box				
5	USA	100's (Full Flavor) Box				
6	USA	100's (Full Flavor) Soft Pack				
7	USA	Kings (Full Flavor) Box				
8	USA	Menthol Silver Kings Box				
9	USA	Menthol 100's (Full Flavor) Box				
10	USA	Menthol Silver 100's Box				
11	USA	Silver 100's Box				
	TOTAL USA					



Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

January 30, 2018

Ms. Victoria Spier Evans Corporate Counsel Vector Tobacco Inc. 3800 Paramount Parkway Suite 250 P.O. Box 2010 Morrisville, NC 27560

Dear Ms. Evans:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Vector Tobacco Inc. ("Vector") on January 29, 2018 calling for: (1) simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Eagle 20's, Silver Eagle, and USA brands of cigarettes, and (2) quarterly rotation of the four health warnings on packaging for the Eagle 20's Blue 100's box and Eagle 20's Red Kings box varieties of cigarettes.

Vector's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging with the exception of the Eagle 20's Red 100's box¹ and the Eagle 20's Blue 100's box varieties, and the warnings on the sample packs and cartons submitted on January 13, 2014 continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.²

¹ The Eagle 20's Red 100's box variety is subject to quarterly rotation, which does not require annual approval.

 2 Vector stated in its January 29, 2018 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on this date.

Ms. Victoria Spier Evans January 30, 2018 Page 2

Accordingly, Vector's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through January 29, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first:

- Eight varieties of the Eagle 20's brand: Non-Filter Kings box, Blue Kings box, Menthol Gold 100's box, Menthol Gold Kings box, Orange 100's box, Orange Kings box, Menthol Silver 100's box, and Menthol Silver Kings box;
- Eleven varieties of the Silver Eagle brand: Full Flavor Kings box, Full Flavor 100's box, Gold Kings box, Gold 100's box, Blue 100's box, Menthol Full Flavor Kings box, Menthol Full Flavor 100's soft pack, Menthol Kings box, Menthol 100's soft pack, Blue Slims 120's box, and Menthol Slims 120's box; and
- Eleven varieties of the USA brand: Kings (Full Flavor) box, 100's (Full Flavor) box, 100's (Full Flavor) soft pack, Blue Kings box, Blue 100's soft pack, Blue 100's box, Menthol Kings (Full Flavor) box, Menthol 100's (Full Flavor) box, Menthol Silver 100's box, Silver 100's box, and Menthol Silver Kings box.

Vector's plan for quarterly rotation of the four health warnings on packaging for the Eagle 20's Red Kings box and Eagle 20's Blue 100's box varieties is also 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.³

Please note that this letter only approves Vector's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Vector's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Vector's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Vector's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at

³ 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. Victoria Spier Evans January 30, 2018 Page 3

www.fda.gov/TobaccoProducts/default.htm, or

www.fda.gov/TobaccoProducts/ResourcesforYou/ForIndustry/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

If you have any questions regarding this approval, please contact William Ducklow at (202) 326-2407.

Very truly yours,

Mary K. Engle

Associate Director



5449 Endeavour Court . Moorpark, California 93021

Ms. Mary K. Engle, Associate Director Federal Trade Commission 600 Pennsylvania Avenue NW Mail Drop CC-10528 Washington, DC 20580

February 5, 2018

Dear Ms. Engle:

Re: Renewal of Health Warning Rotation Plan for DREAMS Brand Cigarettes

On February 10, 2017, Kretek International ("Kretek") received approval from the Federal Trade Commission ("FTC") for its health warning rotation plan ("the Plan") for its Dreams brand of cigarettes which are imported by Kretek.

The FTC's approval is valid for a period of one year. With this letter, Kretek seeks to renew the FTC's approval of Kretek's plan for the following Dreams Brand of cigarettes all of which are in king-size, clam-shell style hard packs: California Dreams, Midnight Dreams, Menthol, Natural, and Pink Dreams.

The health warnings on the packaging for these five (5) brand styles will appear exactly as shown on the packaging labels that were sent to you on January 13, 2016. In addition, Kretek has submitted to the Secretary of the Department of Health and Human Services a list of the ingredients added to tobaccos in the manufacture of the cigarettes.

Kretek will display the 4 health warnings an equal number of times on the packs and cartons of each brand style of the DREAMS brand for the one year period beginning on the date of approval of the Plan. Each shipment of DREAMS cigarettes that is imported by Kretek shall contain an equal number of warnings on each of the styles listed above. Kretek will keep records to demonstrate compliance with this Plan.

Each year, Kretek will resubmit this equalized health warning statement plan for your review and approval. Kretek uses a calendar-based fiscal year that runs from January through December. Kretek should qualify to equalize the warnings on its packs and cartons during fiscal year 2018, since no single brand style of cigarettes imported by Kretek had sales of more than sticks during fiscal year 2017. Kretek currently imports TAJ MAHAL, LAGUNAS and DREAMS brand families of cigarettes.

Kretek does not itself manufacture or fabricate any cigarettes.



Kretek does not intend to engage in consumer advertising for the DREAMS cigarette brands, but will submit a proposed advertising rotation plan for approval to the FTC if that changes.

In view of the above practices, Kretek asks that its health warning display plan be approved for the upcoming year.

Sincerely,

Hoo Tjhiang Han Director, Tobacco Tax & Legal Compliance Kretek International, Inc.



Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

February 6, 2018

Mr. Hoo Tjhiang Han Kretek International, Inc. 5449 Endeavor Court Moorpark, CA 93021

Dear Mr. Han:

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 §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Kretek International, Inc. ("Kretek") on February 5, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Dreams brand of cigarettes.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted on January 13, 2016 continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, Kretek's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following five kingsize, clam-shell hard pack varieties of the Dreams brand: California, Midnight, Menthol, Natural, and Pink.

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Kretek's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Kretek's packaging. Moreover, it is

¹ Kretek stated in its February 5, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on January 13, 2016.

² 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. Hoo Tjhiang Han February 6, 2018 Page 2

not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Kretek's cigarettes, including, but not limited to, "natural." Nor does this letter purport to interpret or express any opinion about the adequacy of Kretek's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

Please note that 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 FDA.

This approval is effective on the date of this letter and runs through February 5, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact Donya Jackson at (202) 326-2050.

Very truly yours,

Engle Moujk.

Mary K Engle Associate Director

LAW OFFICES OF

FINGER, ROEMER, BROWN & MARIANI, L.L.P. 102 West Third Street, Suite 200 B. Lobby Level. Winston-Salem, North Carolina 27101 Telephone (336) 723-4311 Telephone (336) 759-0965

henry@hcroemerlaw.com

M. NEHL FINGER Flenry C. Roemer, 111, P.C. Andrew G. Brown Peter R. Mariani

February 16, 2018

Via FedEx

Ms. Mary K. Engle Associate Director Federal Trade Commission 600 Pennsylvania Avenue, N.W. Mail Drop CC-10528 Washington, DC 20580

OTHER OFFICE:

105 SOUTH BRIDGE STREET P.O. BOX 8 JONESVILLE, N.C. 28642 (336) 835-4000

Re: *Request for Renewal* of Approved Warning Statement Rotation Plan for packaging for the brand LAGUNAS (international-size, hard-pack style: Smooth Select and Menthol Select)

Dear Ms. Engle:

I am writing this letter on behalf of Kretek International, Inc. ("Kretek"), the importer for the above indicated products.

In a letter from you dated February 17, 2017, the Federal Trade Commission approved a certain health warning rotation plan for packaging on behalf of Kretek (the "Existing Plan").

It is our desire to renew the Existing Plan for an additional year (the "Renewed Plan"). The Existing Plan (which we are herewith seeking to renew and extend) calls for equalizing the use of the warnings for Lagunas brand cigarettes (international-size, hard-pack style: Smooth Select and Menthol Select).

Kretek uses a calender based fiscal year that runs from January through December. As provided for by Section 1333(c)(2) of the Cigarette Labeling and Advertising Act (the "Act"), Kretek qualifies for a renewal of the equalization alternative because during Kretek's fiscal year 2017: (1) each of the brand styles of all of the cigarettes manufactured or imported by Kretek accounted for less than sticks, and (2) Kretek anticipates its sales for fiscal year 2018 for any one brand style of cigarettes it manufactures or imports will not exceed accounted sticks.

Kretek will comply with the requirements of the equalization alternative by assuring that all shipments from the factory contain an equal number of the four health warnings for the package and cartons of each of the two brand styles of the Lagunas brand.

Moreover, the warning statements will continue to appear exactly as shown on the samples of the packs and cartons submitted with my letter to Sallie Schools dated January 13, 2011 in connection with the Existing Plan. We will display the four health warnings an equal number of times on the

Ms. Mary K. Engle February 16, 2018 Page 2

packs and cartons for each brand style for the one (1) year period beginning on the date of approval of this plan. We will keep records demonstrating compliance with the plan.

Kretek currently also imports the TAJ MAJAL and DREAMS brand families of cigarettes. Kretek does not itself manufacture or fabricate any cigarettes.

For advertising, Kretek will continue to adhere to and comply with the plan for advertising as set out in our letter to Ms. Schools dated February 11, 2011 and approved in the letter from you dated February 14, 2011.

Kretek agrees to maintain records to demonstrate compliance with the Plan. The company officials responsible for overseeing this matter are listed below.

Mr. Don Gormley, Chief Financial Officer Kretek International, Inc. 5449 Endeavour Court Moorpark, CA 93021

Telephone number: (805) 531-8888

Please grant Kretek approval of this Renewed Plan. It is hoped that you can grant this approval as **soon as possible**. If you could fax or email us the approval, it would be most appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

c. Rom I

Menry C. Roemer, III

HCRiii/mhr

cc: Mr. Don Gormley



Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

February 20, 2018

Henry C. Roemer, III Finger, Roemer, Brown & Mariani, L.L.P. 102 West Third Street, Suite 200 B, Lobby Level Winston-Salem, NC 27101

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 §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Kretek International, Inc. ("Kretek"), on February 16, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for two international-size hard pack varieties of the Lagunas brand of cigarettes.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated January 13, 2011 continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, Kretek's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following two international-size hard pack varieties of the Lagunas brand: Smooth Select and Menthol Select.

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Kretek's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning

¹ Kretek stated in its February 16, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on January 13, 2011.

² 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, III February 20, 2018 Page 2

the rotation, size, and conspicuousness of the warnings on Kretek's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Kretek's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Kretek's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

Please note that 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 FDA.

This approval is effective on the date of this letter and runs through February 19, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact William Ducklow at (202) 326-2407.

Very truly yours,

Mary K. Engle

Mary K. Engle Associate Director



Commonwealth B R A N D S, I N C.

February 20, 2018

Ms. Mary Engle Associate Director Division of Advertising Practices Federal Trade Commission Mail Drop CC-10528 600 Pennsylvania Avenue Washington, DC 20580

RE: COMMONWEALTH BRANDS, INC. PACKAGING CHANGES FOR USA GOLD PACKS

Dear Ms. Engle:

Commonwealth Brands, Inc. had a plan approved by the FTC on April 13, 2017 to display the four health warnings on twenty (20) varieties of the USA Gold brand of cigarettes.

Commonwealth Brands hereby requests approval of a plan to replace packs for the following seven (7) brand styles of USA Gold:

USA Gold Red King Box USA Gold Red 100's Box USA Gold Gold King Box USA Gold Gold 100's Box USA Gold Menthol Gold 100's Box USA Gold Menthol King Box (Dark Green Packaging) USA Gold Menthol 100's Box (Dark Green Packaging)

The revision is being requested as the pack has been redesigned to remove reference to the URL from the inside flap of the pack and to make the Surgeon General's Warning more prominent by placing it in a rectangle with the borders clearly outlined.

Sample packs were included with the letter dated January 10, 2018 for your review and approval. No change is being requested to the previously approved cartons.

Ms. Mary Engle February 20, 2018 Page Two

The new packs for the above seven (7) brand styles of USA Gold will replace the USA Gold packs that are currently approved by the FTC. The four health warnings will appear exactly as shown on the samples submitted with the January 10, 2018 letter. The four health warnings read precisely as required by the Federal Cigarette Labeling and Advertising Act. We will continue to keep records demonstrating compliance with our plan.

The new packs will not alter the equalization of the four health warnings under Commonwealth Brands' previously approved plan for USA Gold. Commonwealth Brands intends to utilize the current USA Gold packaging until the packaging runs out – which we anticipate will occur sometime during the 2018 calendar year, therefore, we do not anticipate that any of the current USA Gold packaging will be destroyed. If approved, Commonwealth Brands expects to begin utilizing the packs submitted with the January 10, 2018 letter during the second or third calendar quarter of 2018. Commonwealth Brands will continue to be in compliance with its approved plans for advertising and internet advertising of the USA Gold brand.

If you require any additional information, please do not hesitate to contact me.

Sincerely,

Forker

Geraldine Bowen Barker Associate General Counsel 714 Green Valley Road Greensboro, NC 27408 Phone: 336.335.7260 Geraldine.barker@itgbrands.com

Selected packaging samples from those submitted with the plan.





Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

February 22, 2018

Ms. Geraldine Bowen Barker Commonwealth Brands, Inc. 714 Green Valley Road Greensboro, NC 27408

Dear Ms. Barker:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, Commonwealth Brands, Inc.'s ("Commonwealth") plan for simultaneous display (*i.e.* the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Crowns, Fortuna, Montclair, Rave, Sonoma, and USA Gold brands of cigarettes was approved on April 13, 2017. As described in your letter dated February 20, 2018, you now propose to modify the packaging for certain varieties of the USA Gold brand.

It appears that the health warnings on the modified packs for the Red Kings Box, Red 100's Box, Gold Kings Box, Gold 100's Box, Menthol Gold 100's Box, Menthol Kings Box (Dark Green Packaging), and Menthol 100's Box (Dark Green Packaging) varieties of the USA Gold brand submitted with your letter dated January 10, 2018 continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹

I wish to remind you that the Commission's April 13, 2017 approval of Commonwealth's plan for simultaneous display of the warnings on packaging for its cigarettes runs through April 12, 2018 (or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first) and that this letter does not extend that approval period.

Please note that this is not an approval of any other design element, statement, or representation made on packaging or in advertising for Commonwealth's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Commonwealth's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but

¹ Commonwealth stated in its February 20, 2018 letter that it intends to run out its existing inventory of approved packs for these varieties of the USA Gold brand.

Ms. Geraldine Bowen Barker February 22, 2018 Page 2

not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

If you have any questions regarding this letter, please contact Aine Farrell at (202) 326-2409.

Very truly yours,

May K. Engle

Mary K. Engle Associate Director



1300 Pennsylvania Avenue NW Suite 700 Washington, D.C. 20004 DIRECT DIAL 202.216.8317 PHONE 202.625.0600 FAX 202.338.6340 ckoenigs@ralaw.com

WWW.RALAW.COM

February 22, 2018

CONFIDENTIAL CONTAINS TRADE SECRETS AND PROPRIETARY BUSINESS INFORMATION

VIA HAND DELIVERY

Federal Trade Commission Division of Advertising Practices 600 Pennsylvania Avenue, NW Mail Drop CC10528 Washington, DC 20580

Re: Wind River Tobacco Company, LLC American Bison and Nashville

Dear Sir / Madam:

This plan for the simultaneous display of health warnings on the packaging of the American Bison and Nashville brands of cigarettes and for the display of health warnings on certain advertising for Nashville brand cigarettes (the "Plan") is submitted to the Federal Trade Commission ("FTC") on behalf of Wind River Tobacco Company, LLC ("WRT"), whose Senior Vice President, Manufacturing Operations is Bennett Lee Welchons. WRT is located at 4792 Potato House Court, Wilson, NC 27893. Please be advised that WRT moved its business premises. WRT's prior address was 215 Evergreen Drive, Springfield, TN 37172 (with a mailing address of PO Box 129, Springfield, TN 37172).

WRT's most recent plan for the simultaneous display of health warnings on the packaging of the American Bison and Nashville brands of cigarettes was approved on February 24, 2017. WRT now wishes to apply for a new plan for the simultaneous display of health warnings on the packaging of the American Bison and Nashville brands of cigarettes.

In addition, WRT has a plan for the display of health warnings on certain advertisements for American Bison brand cigarettes that was approved on April 23, 2002; a plan for the display of health warnings on internet advertising for American Bison brand cigarettes that was approved on June 24, 2004; and, a plan for the display of health warnings on internet advertising for Nashville brand cigarettes that was approved on March 13, 2006. WRT now also requests approval to display health warnings on certain (non-internet) advertising for the Nashville brand cigarettes.

I. Background

Pursuant to the Federal Cigarette Labeling and Advertising Act (the "Act"), manufacturers 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).

WRT intends to manufacture American Bison and Nashville brands of cigarettes. WRT intends to manufacture the American Bison brand of cigarettes in the five (5) brand styles listed in Schedule A, attached hereto. WRT intends to manufacture the Nashville brand of cigarettes in the ten (10) brand styles listed in Schedule B, attached hereto. WRT seeks approval for the simultaneous display of health warnings on the packaging of the American Bison and Nashville brands of cigarettes for the brand styles listed in Schedules A and B, respectively. This Plan sets forth the manner in which WRT shall comply with the warning label requirements of the Act.

II. Packaging

A. Beginning on the date of approval of this Plan (the "Effective Date") the following label statements required by 15 U.S.C. §1333(a)(1), shall be displayed on the packs and cartons of the American Bison and Nashville brand styles manufactured by WRT:

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. WRT 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 packs and cartons of each of the American Bison and Nashville brand styles it manufactures. WRT will ensure equal use of the warning label statements by ordering equal quantities of packaging (packs and cartons) containing each of the four (4) warning label statements. The packaging will be delivered to WRT on pallets. Each pallet will contain a designated quantity of the packaging (e.g., 10,000 units) with an equal quantity of packaging on each pallet containing each of the four (4) warning statements (e.g., 2500 units with warning A, 2500 units with warning B, 2500 units with warning C and 2500 with warning D). WRT will load the packaging inventory from each pallet into the packaging machines and thus, produce finished packages containing the four health warnings in an equal number. Accordingly, the packs and cartons will be printed and distributed using an

equal number of all four (4) warning labels. WRT shall maintain records accounting for the number of packs and cartons using each warning label. WRT will equalize the use of the four (4) warning labels on the packs and cartons of all five (5) American Bison brand styles and on all ten (10) Nashville brand styles for the one year period beginning on the Effective Date.

The estimated annual sales volume for fiscal year 2018 (October 1, 2017 – September 30, 2018) for the American Bison and Nashville brand styles are set forth in Schedules A and B, respectively. For fiscal year 2017 (October 1, 2016 – September 30, 2017), the sales volume for any one brand style of cigarettes manufactured or imported by WRT did not exceed one-fourth of one percent of all cigarettes sold in the United States in that year. Further, WRT does not anticipate that the sales volume for any one brand style of cigarettes it manufactures or imports for the one year period beginning on the Effective Date shall exceed one-fourth of one percent of all cigarettes in that year. WRT does not now and does not intend to manufacture or import any brands of cigarettes for sale in the United States for the one year period beginning on the Effective Date, other than the American Bison and Nashville brand styles listed in Schedules A and B, respectively.

The label statements required by 15 U.S.C. §1333(a)(1), shall be printed on the packaging prior to WRT's manufacturing the American Bison and Nashville cigarettes. The warning labels will appear on the packs and cartons of each of the brand styles of the American Bison and Nashville brand cigarettes listed in Schedules A and B, respectively, exactly as they appeared on the packaging submitted to the FTC with WRT's letter dated January 23, 2018.

III. Advertising

WRT intends to advertise the Nashville cigarettes on certain promotional materials.

A. Beginning on the Effective Date, the following label statements required by 15 U.S.C. §1333(a)(2), shall be rotated in advertisements for the Nashville brand of cigarettes manufactured by WRT:

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. The warning labels on WRT's advertising for the Nashville brand cigarettes shall be rotated according to the dates listed in Schedule C attached hereto.

WRT will comply with the format requirements of the Act by utilizing the C. warning formats submitted with the 1985 plans of the five (5) leading U.S. Cigarette manufacturers and place the warnings as specified in those plans. No such advertisements shall exceed 720 square inches. Copies of the warning formats were provided with WRT's letter to the FTC on January 23, 2018.

Any advertisement prepared for which a label statement is required on or after the D. Effective Date, shall bear the label statement referenced in Schedule C for the quarter in which the artwork for such advertisement is first delivered in final form for production of the advertisement, regardless of the date(s) on which such advertisement is thereafter published, distributed, installed or displayed; provided however, that the deliveries described in this subparagraph D shall be made in a manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed by this subparagraph.

E. Any advertisement that includes multiple brands or for no specific brand shall follow the health warning rotation schedule for the Nashville brand of cigarettes.

IV. Miscellaneous

A Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarettes during any period of time.

Please be advised that the sales volume information contained in this Plan is B. confidential and contains trade secrets and proprietary business information of WRT. WRT does not authorize the release of this sales volume information to anyone without WRT's permission, except as specifically required by law.

If you have any further questions regarding the Plan, please do not hesitate to contact me by email at ckoenigs@ralaw.com or by telephone at (202) 216-8317. As always, your prompt attention and assistance in this matter are greatly appreciated.

Sincerely.

ROETZEL & ANDRESS, LPA

Cz C. Koing Craig A. Koenigs

SCHEDULE A

The following is a list of the American Bison cigarette brand styles that WRT will manufacture and the estimated annual sales volume in cigarettes for fiscal year 2018 (October 1, 2017 to September 30, 2018) for each brand style.

Brand

Size / Packaging

Brand Style

Estimated Sales Volume

American Bison

King / Box

Blue Gold Yellow Green (Menthol) Dark Green (Menthol)



SCHEDULE B

The following is a list of the Nashville cigarette brand styles that WRT will manufacture and the estimated annual sales volume in cigarettes for fiscal year 2018 (October 1, 2017 to September 30, 2018) for each brand style.

Brand	Size / Packaging	Brand Style	Estimated Sales Volume
Nashville	Kings / Box	Red Gold Silver Green (Menthol) Black (Menthol)	
	100's / Box	Red Gold Silver Green (Menthol) Black (Menthol)	

SCHEDULE C

Quarterly Rotation Schedule for Advertising

	Nashville	American Bison
1 st Quarter (January. – March)	Α	D
2 nd Quarter (April – June)	В	Α
3 rd Quarter (July – September)	С	В
4 th Quarter (October – December)	D	С

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.

Selected packaging samples from those submitted with the plan.



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SWODDAM MADD EXPERTLY CRAFTED **WEBICAN BISON**

WEBICVN

15 1

GREEN KING BOX

20 - 20 -

9

*





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Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

February 27, 2018

Craig A. Koenigs, Esq. Roetzel & Andress, LPA 1300 Pennsylvania Avenue NW, Suite 700 Washington, D.C. 20004

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan submitted on behalf of Wind River Tobacco Company, LLC ("WRTC") on February 22, 2018, calling for: (1) quarterly rotation of the four health warnings in advertising up to seven hundred and twenty square inches in size for the Nashville brand of cigarettes; (2) modification of WRTC's previously approved schedule for quarterly rotation of the four health warnings in advertising; and (3) simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the American Bison and Nashville brands of cigarettes.

WRTC's plan for quarterly rotation of the warnings in the aforementioned advertising for the Nashville brand of cigarettes, and for modification of WRTC's previously approved schedule for quarterly rotation of the four health warnings in advertising is hereby approved. Approval of this advertising plan assumes that the plan is implemented in good faith.

Finally, WRTC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated January 23, 2018 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, WRTC's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **February 26**, 2019:

• Five box varieties of the American Bison brand:² Blue Kings, Gold Kings, Yellow Kings, Green (Menthol) Kings, Dark Green (Menthol) Kings; and

¹ WRTC stated in its February 22, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on that date.

² We note that the word "Menthol" is not printed on the packaging of the "American Bison Green (Menthol) Kings box" or "American Bison Dark Green (Menthol) Kings box" varieties.
Craig A. Koenigs, Esq. February 27, 2018 Page 2

> Ten box varieties of the Nashville brand:³ Red Kings, Gold Kings, Silver Kings, Green (Menthol) Kings, Black (Menthol) Kings, Red 100's, Gold 100's, Silver 100's, Green (Menthol) 100's, and Black (Menthol) 100's.

Approval of this plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.⁴ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves WRTC's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings in advertising and on packaging for WRTC's cigarettes. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for WRTC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of WRTC's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

³ As set forth in its February 22, 2018 letter, WRTC is using colors to identify its cigarette varieties. We note that the color names are not printed on the packaging of the "Nashville Green (Menthol) Kings box," "Nashville Black (Menthol) Kings box," "Nashville Green (Menthol) 100's box," and "Nashville Black (Menthol) 100's box" varieties (*e.g.*, the word "Green" does not appear on the packaging of the "Nashville Green (Menthol) Kings box" variety); however, for those varieties, the color referenced in the name does conform to the color used in the packaging.

⁴ 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.

Craig A. Koenigs, Esq. February 27, 2018 Page 3

If you have any questions regarding this approval, please contact Connor Sands at (202) 326-3343.

Very truly yours,

- Engle ent Mary K. Engle

Associate Director



Goodrich Tobacco Company

March 5, 2018

SENT VIA US MAIL

Ms. Mary K. Engle Federal Trade Commission Division of Advertising Practices 600 Pennsylvania Avenue, N.W. Room CC-10528 Washington, DC 20580

RE: Cigarette Health Warning Rotation Plan

Dear Ms. Engle,

This letter is being submitted for the annual renewal approval of the alternative method to the quarterly Surgeon General Warning rotation plan on packaging of the following two (2) varieties of the Magic cigarette brand:

This cigarette brand is manufactured in the United States for Goodrich Tobacco Company, LLC by NASCO Products, LLC. Upon approval of this plan, the contract manufacturer will continue to manufacture these cigarettes under the authority of the Alcohol and Tobacco Tax and Trade Bureau (Manufacturer of Tobacco Products License TP-NC-15033). The RED SUN cigarette brand has been discontinued and will no longer be manufactured or sold.

The products submitted with this plan will be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain 10 packs of 20 cigarettes each ("Pack"). The Surgeon General Warnings will be on each Pack and Outer Carton of cigarettes in the form and content dictated by the Federal Cigarette Labeling and Advertising Act and therefore satisfactory to the Federal Trade Commission ("FTC"). The warnings will be printed directly on the packaging in a legible and conspicuous manner and will be of a size, format, and type 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. The warnings will appear exactly as they do on the packs and cartons of the two (2) styles of the Magic cigarette brand submitted with our February 21, 2011 letter will no longer be used.

Goodrich Tobacco Company, LLC believes that its anticipated low sales volume of the Magic cigarette brand fits the criteria for the alternative to quarterly rotation of warnings on packaging,

provided for in Section 1333 (c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331. Sales estimates for the 2018 fiscal year of the brand styles listed above are provided on Exhibit A. Magic cigarette sales figures for the previous fiscal year, 2017, were less than the fiscal year 2017, Goodrich Tobacco Company, LLC did not manufacture or import any brands other than those listed in Exhibit A. Goodrich Tobacco Company LLC does not anticipate that sales of any one brand style of its Magic brand will exceed sticks for the one year period to be covered by this plan.

If this plan for the alternative to quarterly rotation of warnings on packaging is approved, the four cigarette health warnings will continue to appear on the packs and cartons of each of the cigarette brand styles listed above an equal number of times throughout the one year period beginning on the date this plan is approved.

There have been no changes to the prior approved advertising plan of the RED SUN and Magic cigarette brands. Goodrich Tobacco Company, LLC continues to be in compliance with its advertising plan.

Goodrich Tobacco Company, LLC is aware of the requirements set forth in the Cigarette Labeling and Advertising Act and the company's efforts are always to be fully compliant with the Act. Goodrich Tobacco Company, LLC will maintain record of compliance with the approved plan. The submitted carton and pack label for each brand style bearing each Surgeon General warning satisfies the requirement of package submission. If there are any questions or concerns regarding this plan, please contact me at 716-270-1523 (phone), 716-877-3064 (fax), kdelaney@xxiicentury.com (email), or 8560 Main Street, Williamsville, NY 14221.

Sincerely.

Karen E. Delaney Tax Compliance Manager



Goodrich Tobacco Company

EXHIBIT A

Actual Sales for Fiscal Year 2017

Magic King Size Box Magic Menthol King Size Box

RED SUN King Size Box RED SUN Menthol King Size Box



Estimated Sales Figures for Fiscal Year 2018

Magic King Size Box Magic Menthol King Size Box

RED SUN King Size Box RED SUN Menthol King Size Box





Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

March 5, 2018

Ms. Karen E. Delaney Goodrich Tobacco Company, LLC 8560 Main Street Williamsville, NY 14221

Dear Ms. Delaney:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Goodrich Tobacco Company, LLC ("Goodrich") on March 5, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain king size box varieties of the Magic brand of cigarettes.

Goodrich's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated February 2, 2017 continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, Goodrich's plan for simultaneous display of the four health warnings on packaging is hereby approved for the Magic King box and Magic 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.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Goodrich's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Goodrich's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on

¹ Goodrich stated in its March 5, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on February 2, 2017.

² 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. Karen E. Delaney March 5, 2018 Page 2

packaging or in advertising for Goodrich's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Goodrich's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through March 4, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact Donya Jackson at (202) 326-2050.

Very truly yours,

Engle

Mary K. Engle Associate Director

www.rockfivermig.com

ROCK RIVER MANUFACTURING

509 Reuben Snake Ave. Winnebago, NE 68071 PH 402.878,4003 FX 402.878.2919

A DIVISION OF HO-CHUNK, INC.

Mary K. Engle Associate Director, Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Ave NW MailDrop CC-10528 Washington, DC 20580 Attn: Bonnie McGregor

February 21, 2018

Re: Plan for Compliance with Federal Cigarette Labeling and Advertising Act for Rock River Manufacturing

Dear Ms. Engle & Ms. McGregor:

Please find enclosed Rock River Manufacturing update to its existing warning label plan for Silver Cloud, Fire Dance, and One Spirit brand of cigarette. April 26, 2017, Rock River submitted a cigarette health warning display plan for Silver Cloud 100's and Kings, Fire Dance, and One Spirit brand styles. This plan was approved on April 27, 2017. Rock River now submits packaging for its new brand Renards, and its imported brands Seneca, Opal, and Couture for approval. Rock River is not seeking renewal of its Silver Cloud non-Silver Band packaging style.

I. PACKAGING

This section addresses the plan for compliance with respect to the "Packaging" requirements of the FCLAA with regards to the Renards, Seneca, Couture, and Opal brands including a discussion of the warning label size and location, the warning label equalization and records of compliance.

A. Warning Label Size and Location

We wish to establish a plan for the following brand styles:

www.rockrivermig.com

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A DIVISION OF HO-CHUNK, INC. Renards Full Flavor 100's Box Renards Smooth 100's Box Renards Extra Smooth 100's Box Renards Menthol 100's Box

MANUFAC

Seneca Full Flavor Soft King Seneca Blue Soft King Seneca Silver Soft King Seneca Menthol Soft King Seneca Smooth Menthol Soft King

Seneca Full Flavor Box King Seneca Medium Box King Seneca Blue Box King Seneca Silver Box King Seneca Menthol Box King Seneca Smooth Menthol Box King Seneca Non-Filter Box King Seneca Chill Box King

Seneca Full Flavor Box 120 Seneca Smooth Box 120 Seneca Ultra Box 120 Seneca Menthol Box 120 Seneca Smooth Menthol Box 120

Couture Slims Ruby 100 Box Couture Slims Amethyst 100 Box Couture Slims Diamond 100 Box Couture Slims Sapphire 100 Box Couture Slims Turquoise 100 Box Couture Slims Aquamarine 100 Box Renards Full Flavor King Box Renards Smooth King Box Renards Extra Smooth King Box Renards Menthol King Box

Seneca Full Flavor Soft 100 Seneca Blue Soft 100 Seneca Silver Soft 100 Seneca Menthol Soft 100 Seneca Smooth Menthol Soft 100 Seneca Extra Smooth Menthol Soft 100 Seneca Full Flavor Box 100 Seneca Medium Box 100 Seneca Blue Box 100 Seneca Silver Box 100 Seneca Smooth Menthol Box 100 Seneca Extra Smooth Menthol Box 100

Seneca Full Flavor 72 Box Seneca Blue 72 Box Seneca Menthol 72 Box

Opal Full Flavor Box 120 Opal Smooth Box 120 Opal Ultra Box 120 Opal Menthol Box 120 Opal Smooth Menthol Box 120

The cartons and packages were prepared in accordance with the precise wording, capitalization, and punctuation of the warnings under section 1333(a)(1) of the FCLAA and in compliance with the requirements for placement and size of the warnings on the packing under Section 1333(b) of the FCLAA. The required warnings will appear on both the actual packages and cartons of the

www.roekrivermig.com

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foregoing Renards brand styles exactly as they appear on the samples that Rock River submitted on September 28, 2017, and for Seneca, Opal and Couture brands exactly as they appeared on the samples Rock River submitted on January 30, 2015 and June 15, 2015.

B. Warning Label Rotation: 1332(c)(2) Election

Rock River wishes to employ the option for simultaneous display of the four health warnings by displaying the four required warning labels an equal number of times on the packages and cartons of the Seneca, Opal, Couture and Renards brand styles listed above for the one-year period beginning on the date of approval of this plan.

Rock River's sales figures for all of the brand styles of the manufactured Silver Cloud, Fire Dance, Renards, and imported Seneca, Couture, and Opal brands for the fiscal year of January 1, 2017 through December 31, 2017 by style by sticks are as follows:

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-		-

Seneca Full Flavor Soft King Seneca Blue Soft King Seneca Silver Soft King Seneca Menthol Soft King Seneca Smooth Menthol Soft King Seneca Full Flavor Soft 100 Seneca Blue Soft 100 Seneca Silver Soft 100 Seneca Menthol Soft 100 Seneca Smooth Menthol Soft 100 Seneca Extra Smooth Menthol Soft 100 Seneca Full Flavor Box King Seneca Medium Box King Seneca Blue Box King Seneca Silver Box King Seneca Menthol Box King Seneca Smooth Menthol Box King Seneca Non-Filter Box King Seneca Chill Box King Seneca Full Flavor Box 100 Seneca Medium Box 100 Seneca Blue Box 100

NUMBER OF STICKS





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STYLE

Renards Full Flavor King Box

Couture Slims Ruby 100 Box Couture Slims Amethyst 100 Box Couture Slims Diamond 100 Box Couture Slims Sapphire 100 Box Couture Slims Turquoise 100 Box Couture Slims Aquamarine 100 Box

Opal Full Flavor Box 120 Opal Smooth Box 120 Opal Ultra Box 120 Opal Menthol Box 120 Opal Smooth Menthol Box 120

NUMBER OF STICKS



Rock River also plans to manufacture One Spirit brand, in 2017. Rock River does not import or manufacture any other brands or brand styles than those listed above. Rock River estimates that its total sales for all Silver Cloud, Fire Dance, One Spirit, Seneca, Couture, Opal, and Renards for the fiscal year 2018 will total structure sticks.

Based on the foregoing sales volume, it appears that Seneca, Opal, Couture and the new Renards brand style qualify for warning label equalization as sales of each of our brand styles were less than one-fourth (1/4th) of one percent (1%) of all the cigarettes sold in the United States.

Rock River will comply with the Cigarette Act by having its supplier of packaging for its manufactured Renards brand, Copac Inc., and imported Seneca, Couture, and Opal brands, White House Graphics, print the four surgeon general warnings simultaneously in equal numbers at the time of both the pack and carton print runs. The four warnings will be displayed on the packs and cartons of each of the Renards, Seneca, Couture, and Opal brand styles above an equal number of times during the one-year period following the date of approval of this plan by the FTC. Rock River will keep records demonstrating compliance with this plan.

C. Records of Compliance

Rock River will maintain records demonstrating compliance with this plan at its principal place of business.

ROCK RIVER MANUFACTURING

www.roekrivermig.com 509 Reuben Snake Ave.

Winnebago, NE 68071 PH 402.878.4003 Fx 402.878.2919

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II ADVERTISING

Rock River's July 7, 2015 plan for quarterly rotation of the four health warnings in print advertising up to 160 square feet in size for the Silver Cloud brand was approved on July 10th, 2015. Rock River's April 26, 2017 plan for quarterly rotation of the four health warnings in print advertising up to 160 square feet in size and for internet advertising for the One Spirit and Fire Dance brands was approved on April 27[,] 2017. Rock River will maintain compliance with these plans.

A. Warning Label Size and Placement

Rock River does not advertise the Seneca, Couture, Opal, or Renards brands, and if Rock River decides to advertise, Rock River will submit a plan to the FTC prior to the advertising of those brands.

B. Warning Label Rotation

Rock River will maintain the following quarterly rotation schedule for advertising of the Silver Cloud, One Spirit, and Fire Dance brands using the four required warning statements.

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.

		Silver Cloud	Fire Dance	One Spirit
First Quarter	(January- March):	A	В	С
Second Quarter	(April – June):	В	С	D
Third Quarter	(July-September):	C	D	A
Fourth Quarter	(October-December):	D	A	В



Thank you for your attention to this matter and your assistance. If you have any questions or comments with respect to any of the foregoing, please do not hesitate to contact me.

Sincerely, Jøseph M. Zebrowski Director of Legal

Director of Legal 701 Buffalo Trail Winnebago, NE 68071 Phone: 402-878-2300 Selected packaging samples from those submitted with the plan.







Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

March 7, 2018

Mr. Joseph M. Zebrowski Rock River Manufacturing 701 Buffalo Trail Winnebago, NE 68071

Dear Mr. Zebrowski:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Rock River Manufacturing ("Rock River") on February 21, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Couture, Opal, Renards, and Seneca brands of cigarettes.

Rock River's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letters on the following dates appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness:¹

Brand Couture	<u>Date(s)</u> January 30, 2015
Opal	January 30, 2015
Renards	September 28, 2017
Seneca	January 30, 2015 June 15, 2015

¹ Rock River stated in its February 21, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on these dates.

Mr. Joseph M. Zebrowski March 7, 2018 Page 2

Accordingly, Rock River's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

- Six "Slims" 100's box varieties of the Couture brand: Ruby, Amethyst, Diamond, Sapphire, Turquoise, and Aquamarine;
- Five box varieties of the Opal brand: Full Flavor 120's, Smooth 120's, Ultra 120's, Menthol 120's, and Smooth Menthol 120's;
- Eight box varieties of the Renards brand: Full Flavor (King and 100's), Smooth (King and 100's), Extra Smooth (King and 100's) and Menthol (King and 100's); and
- Thirty-four varieties of the Seneca brand: Full Flavor King (soft pack and box), Blue King (soft pack and box), Silver King (soft pack and box), Menthol King (soft pack and box), Smooth Menthol King (soft pack and box), Medium King box, Non-Filter King box, Chill King box, Full Flavor 100's (soft pack and box), Blue 100's (soft pack and box), Silver 100's (soft pack and box), Menthol 100's (soft pack and box), Smooth Menthol 100's (soft pack and box), Extra Smooth Menthol 100's (soft pack and box), Medium 100's box, Full Flavor 120's box, Smooth 120's box, Ultra 120's box, Menthol 120's box, Smooth Menthol 120's box, Smoo

Approval of this plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Rock River's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Rock River's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Rock River's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Rock River's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at

² 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. Joseph M. Zebrowski March 7, 2018 Page 3

www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through March 6, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact Donya Jackson at (202) 326-2050.

Very truly yours,

rgle May K. Mary K. Engle

Mary K. Engle Associate Director

KBIC TOBACCO COMPANY, LLC

16429 Bear Town Road, Baraga MI 49908 FAX: (906) 353.7540 PH: (906) 353.6623

March 6, 2018

FEDERAL TRADE COMMISSION MS MARY ENGLE ASSOCIATE DIRECTOR 600 PENNSYLVANIA AVENUE WASHINGTON DC 20580

Re: Heron & Sands Cigarettes

Dear Ms. Engle:

Please consider this letter our request for annual compliance.

This is our initial plan for the simultaneous display of the Surgeon General's warnings on packaging for Heron and Sands.

The Heron cigarette brand will be manufactured in the following varieties:

Red 100's Box Gold 100's Box Silver 100's Box Menthol 100's Box Menthol Gold 100's Box Red King Size Box Gold King Size Box Silver King Size Box Menthol King Size Box Menthol Gold King Size Box

Crimson 100's Box

Crimson King Size Box

BOARD OF MANAGERS

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No. 33 Black Red 100's Box No. 33 Black Gold 100's Box No. 33 Black Menthol 100's Box No. 33 Black Red King Box No. 33 Black Gold King Box No. 33 Black Menthol King Box

The Sands cigarette brand will be manufactured in the following varieties:

Red 100's Box Gold 100's Box Silver 100's Box Menthol 100's Box Menthol Blue 100's Box Red King Size Box Gold King Size Box Silver King Size Box Menthol King Size Box Menthol Blue King Size Box

These cigarettes are packaged in 200 count cartons ("Outer Carton"). Each Outer Carton contains ten (10) packs of twenty (20) cigarettes each ("pack").

The warnings on the packs and cartons of each brand style will appear exactly as shown in the samples provided to your office with our letter of January 23, 2018.

KBIC Tobacco Company LLC's anticipated low sales volume of cigarettes fits the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333 (c)(2) of the Federal Cigarette labeling and Advertising Act, 15 U.S.C. 1331. Our estimated sales for all brand styles that we intend to import and manufacture for the 2018 fiscal year (October 1, 2017 – September 30, 2018) are set out in Exhibit A. We had no 2017 sales as we are just starting our manufacturing business. KBIC Tobacco Company LLC will import the King styles of the Heron and Sands cigarettes and will manufacture the 100's styles. No other brands will be imported or manufactured.

If this plan for the alternative to quarterly rotation of the warnings on the packaging is approved, the four (4) cigarette health warnings will appear on the packs and cartons of each Heron and Sands cigarette brand style listed above an equal number of times for the one-year period beginning on the date of approval of this plan.

FEDERAL TRADE COMMISSION MS MARY ENGLE ASSOCIATE DIRECTOR RE: HERON CIGARETTES March 6, 2018 PAGE 3

To ensure the cigarette health warnings appear on the packs and cartons of each brand style of the Heron and Sands brands an equal number of times throughout the plan year, raw material packaging inventory will be stored and loaded into packaging machines alternating the four health warnings. There are approximately 200 units between warning labels. KBIC Tobacco Company LLC has an agreement with the manufacturer of the King styles of the Heron and Sands brands that for every pallet sent, the four (4) cigarette health warnings will be rotated an equal number of times, with approximately 200 units between each warning. Towards the end of the year, if it appears that any of the warnings have not been issued an equal number of times, KBIC Tobacco Company LLC will place an order of the specific warning label(s) that need to be equalized. KBIC Tobacco Company LLC will maintain records of compliance with the approved plan.

At this point in time, KBIC Tobacco Company LLC does not intend to advertise. We will submit a plan for approval before engaging in any advertising.

If you should have any questions or require anything further, please feel free to contact this office.

Sincerely,

KBIC Tobacco Company LLC

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Jennifer Misegan, Chair KBIC Tobacco Company, LLC

Brand	Style	Estimated 2018 Sales by Stick
	Rive and well below up, proving a particular and the	Gales by Otich
Heron	No. 33 Black Red King Box	
Heron	No. 33 Black Gold King Box	
Heron	No. 33 Black Menthol King Box	
Heron	No. 33 Black Red 100 Box	
Heron	No. 33 Black Gold 100 Box	
Heron	No. 33 Black Menthol 100 Box	
Heron	Crimson King Box	
Heron	Red King Box	
Heron	Gold King Box	*
Heron	Silver King Box	
Heron	Menthol King Box	
Heron	Menthol Gold King Box	
Heron	Crimson 100 Box	
Heron	Red 100 Box	
Heron	Gold 100 Box	
Heron	Silver 100 Box	
Heron	Menthol 100 Box	
Heron	Menthol Gold 100 Box	
Sands	Red King Box	
Sands	Gold King Box	
Sands	Silver King Box	
Sands	Menthol King Box	
Sands	Menthol Blue King Box	
Sands	Red 100 Box	
Sands	Gold 100 Box	
Sands	Silver 100 Box	erest parts
Sands	Menthol 100 Box	
Sands	Menthol Blue 100 Box	

Selected packaging samples from those submitted with the plan.





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United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

Division of Advertising Practices

March 8, 2018

Ms. Jennifer Misegan KBIC Tobacco Company, LLC 16429 Bear Town Road Baraga, MI 49908

Dear Ms. Misegan:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by KBIC Tobacco Company, LLC ("KBIC") on March 6, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Heron and Sands brands of cigarettes.

KBIC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated January 23, 2018 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹

Accordingly, KBIC's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

- Eighteen Box varieties of the Heron brand: Red (King and 100's), Gold (King and 100's), Silver (King and 100's), Menthol (King and 100's), Menthol Gold (King and 100's), Crimson (King and 100's), No. 33 Black Red (King and 100's), No. 33 Black Gold (King and 100's), and No. 33 Black Menthol (King and 100's); and 100's); and
- Ten Box varieties of the Sands brand: Red (King and 100's), Gold (King and 100's), Silver (King and 100's), Menthol (King and 100's), and Menthol Blue (King and 100's).

¹ KBIC stated in its March 6, 2018 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on January 23, 2018.

Ms. Jennifer Misegan March 8, 2018 Page 2

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If KBIC decides 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 those advertisements.

Please note that this letter only approves KBIC's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on KBIC's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging for KBIC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of KBIC's packaging under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

Finally, please note that 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 FDA.

This approval is effective on the date of this letter and runs through March 7, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

² 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. Jennifer Misegan March 8, 2018 Page 3

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-2409.

8

Very truly yours,

Mery K. Engle Mary K. Engle

Associate Director



INTERNATIONAL, LLC

March 8, 2018

Ms. Mary K. Engle Associate Director Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

Re: Rotation Plan: Cheyenne, Decade and aura brands

Dear Ms. Engle,

Cheyenne International, LLC (the "Company") is a tobacco products manufacturer (ATF permit # TP-NC-645). The Company's fiscal year is the calendar year. We currently manufacture three brands of cigarettes: Cheyenne, Decade and aura. With this letter we seek to renew the annual rotation plan for these brands.

We have 11 styles of Cheyenne, all in hard box:

Cheyenne Red King's Cheyenne Gold King's Cheyenne Silver King's Cheyenne Menthol King's Cheyenne Menthol Silver King's Cheyenne Red 100's Cheyenne Gold 100's Cheyenne Gold 100's Cheyenne Menthol 100's Cheyenne Menthol Silver 100's

In our submission of March 10, 2016 for the Cheyenne brand were samples of actual cartons and packs displaying the four different required warnings. The warnings will appear exactly as shown on those samples.

701 S. Battleground Avenue Grover, North Carolina 28073 For this new plan year, we have 15 styles of Decade, all in hard box:

Decade Red King's Decade Gold King's Decade Silver King's Decade Menthol King's Decade Menthol Silver King's Decade Red 100's Decade Gold 100's Decade Gold 100's Decade Silver 100's Decade Menthol 100's Decade Menthol Silver 100's Decade Platinum Red King's (new this year, awaiting approval) Decade Platinum Gold King's (new this year, awaiting approval) Decade Platinum Red 100's (new this year, awaiting approval) Decade Platinum Gold King's (new this year, awaiting approval) Decade Platinum Gold 100's (new this year, awaiting approval) Decade Platinum Menthol 100's (new this year, awaiting approval)

In our submission of March 10, 2016 for the Decade brand were samples of actual cartons and packs displaying the four different required warnings for the following Decade styles:

Decade Red King's Decade Gold King's Decade Silver King's Decade Menthol King's Decade Menthol Silver King's Decade Red 100's Decade Gold 100's Decade Silver 100's Decade Menthol 100's Decade Menthol Silver 100's

The warnings will appear exactly as shown on those samples.

Included with this submission are samples of actual cartons and packs displaying the four different required warnings for the following new Decade styles:

Decade Platinum Red King's Decade Platinum Gold King's Decade Platinum Red 100's Decade Platinum Gold 100's Decade Platinum Menthol 100's

The warnings will appear exactly as shown on those samples.

701 S. Battleground Avenue Grover, North Carolina 28073

We have 4 styles of aura, all in hard box:

aura robust red King Box aura radiant gold King Box aura sky blue King Box aura menthol glen King Box

In our submission of March 10, 2016 for the aura brand were samples of actual cartons and packs displaying the four different required warnings. The warnings will appear exactly as shown on those samples.

The Company wishes to continue to use the option provided by Section 1333(c)(2) of the Cigarette Act. The four warnings will be displayed an equal number of times on the packs and cartons of each brand style during the one year period beginning on the date of the approval of this plan.

Included with this letter is Exhibit 1 that is a tabular statement of sales volume by brand style for the previous fiscal year, as well as the anticipated sales for the one year period covered by the respective rotation plan for the brands.

The way that we will ensure that all four warnings will be equally displayed on the packs and cartons of each brand style throughout the year will be through our printing process. Our printer will print cartons 4 to a sheet – each carton on the sheet will have a different warning. Similarly, the printer will print 16 packs to a sheet with the 4 different warnings repeated 4 times. Every print run of cartons and packs will therefore have an equal distribution of warnings and accordingly our manufacturing runs will have an equal distribution of warnings. The result should be an equal distribution of warnings on cigarettes sold throughout the year. We will maintain sufficient records to demonstrate compliance with the plan. If by the end of the year equalization of warnings on packs and cartons has not been achieved, the Company will take steps, such as placing special orders of packaging, to ensure warning label equalization.

The Company is operating under the revised advertising plan filed by the Company on June 17, 2009 that was approved on June 23, 2009. The Company has made no changes to the approved plan.

If you have any questions, please do not hesitate to call me at (704) 937-7200. We appreciate your attention to our plan submission.

Sincerely,

and D Scot

David A. Scott Chief Financial Officer

701 S. Battleground Avenue Grover, North Carolina 28073

CHEYENNE INTERNATIONAL, LLC (all styles are hard pack, called "box")

	Actual	Anticipated
	Previous	Current
	Fiscal	Rotation
	Year (2017)	Plan Year
Brand Cheyenne	Provide the second second	
Highest Selling Style		
Highest Selling Style %	111月1日日日 111月1日日日日日日日日日日日日日日日日日日日日日日日日日	
Brand Decade		
Highest Selling Style		
Highest Selling Style %		
Brand aura		
Highest Selling Style		
Highest Selling Style %	Analysis and the second se	

Brand Totals			and the particular data and the
Approximately	of all cigarette	es sold in the US in 20	17
(Highest Brand Style	a the spine of the	approximately	% of all cigarettes sold)

Selected packaging samples from those submitted with the plan.


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Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

March 20, 2018

Mr. David A. Scott Cheyenne International, LLC 701 S. Battleground Avenue Grover, NC 28073

Dear Mr. Scott:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed by Cheyenne International, LLC ("Cheyenne"), on March 8, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Cheyenne, Decade, and 'aura' brands of cigarettes.

Cheyenne's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letters dated March 10, 2016 and March 8, 2018 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, Cheyenne's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

- Eleven box varieties of the Cheyenne brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Silver Kings, Silver 100's, Menthol Kings, Menthol 100's, Menthol Silver Kings, Menthol Silver 100's, and Non-Filter Kings;
- Fifteen box varieties of the Decade brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Silver Kings, Silver 100's, Menthol Kings, Menthol 100's, Menthol Silver Kings, Menthol Silver 100's, Platinum Red Kings, Platinum Red 100's, Platinum Gold Kings, Platinum Gold 100's, and Platinum Menthol 100's; and
- Four box varieties of the aura brand: robust red Kings, radiant gold Kings, sky blue Kings, and menthol glen Kings.

¹ Cheyenne stated in its March 8, 2018 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on March 10, 2016 and March 8, 2018.

Mr. David A. Scott March 20, 2018 Page 2

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Cheyenne's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on Cheyenne's packaging. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Cheyenne's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Cheyenne's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through March 19, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-2409.

Very truly yours,

May Z. Engle Mary K. Engle

Associate Director

² 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.

XCALIBER

INTERNATIONAL LTD., LLC.

Eric Barkley Estes General Counsel Direct Dial: (918) 824-6641 Email: eric@xcaliberinternational.com

March 16, 2018

Via Federal Express – Overnight Delivery

Ms. Mary K. Engle Division of Advertising Practices FEDERAL TRADE COMMISSION 600 Pennsylvania Ave., N.W. Mail Drop CC100528 Washington, D.C. 20580

> Re: Plan for Compliance with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, et seq. – Brand Styles "24/7," "Berkley," "Berley," "Echo," "Edgefield," "Exeter," "Golden Blend," "Gsmoke," "Mainstreet," and "Sport"

Dear Ms. Engle:

Pursuant to the Federal Cigarette Labeling and Advertising Act (the "Act") 15 U.S.C. §§ 1331, *et seq.*, Xcaliber International, Ltd., L.L.C. ("Xcaliber"), submits the following narrative describing its plan to comply with the health warning display requirements. This plan represents the renewal of the plan previously approved by the Federal Trade Commission ("FTC") on July 13, 2017, for the packaging of the brand families "24/7," "Berkley," "Berley," "Echo," "Edgefield," "Exeter," "Golden Blend," "Gsmoke," "Mainstreet," and "Sport" (collectively as the "Brands"). Through the date of this application, the Surgeon General's warnings on the Brand's packaging have been equalized in accordance with the Act. All Brands and their styles are listed on **Attachment 1**. All of the Brands for which this plan is submitted are manufactured in Pryor, Oklahoma, by Xcaliber.

I. Packaging

- a. <u>Warning Label Size and Location.</u> Warnings will appear exactly as shown on the packs and cartons enclosed with Xcaliber's submissions, dated July 29, 2013, August 9, 2013, and July 11, 2016. The warning statements are permanently imprinted on cigarette packs and cartons. The samples provided include each of the four warnings on packs and cartons for each brand style submitted.
- b. <u>Warning Label Rotation</u>. Pursuant to Section 1333(c)(2) of the Act, Xcaliber will display the four warnings an equal number of times on the packs and cartons for each of the brand styles listed on **Attachment 1** for one year, beginning with the approval date of this plan. Through the date of this application, the Surgeon General's warnings on the packs and cartons of each Brand style of packaging have been equalized in accordance with our July 2017 plan.

Please note Xcaliber's plan is based on the alternative to quarterly rotation provided in 15 U.S.C. Section 1333(c)(2). Xcaliber hereby states that the yearly sales volume for each brand style of the Brands remains below the threshold under which the FTC may permit Xcaliber to display the four warnings an equal number of times during the year. Xcaliber's sales for the fiscal year ending December 31, 2017, were sticks. A schedule is attached reflecting Xcaliber's total sales for fiscal year 2017 and the first month of fiscal year 2018. This schedule is provided as Attachment 2.1 and Attachment 2.2, respectively.

Xcaliber requires its print suppliers to produce packaging with all four warnings in a single print run. The 100's-size soft pack labels are printed on a roll with an equal number of each warning within a 4-label space. The king size soft pack labels are printed using a press sheet with an equal number of each warning within a 32-label space. The king-size box labels are printed using a press sheet with an equal number of each warning within a 28-label space. The 100's size box labels are printed using a press sheet that has a 21-label space. Because one extra space is left on the 100's size box print runs, the extra space rotates between the four warnings an equal number of times throughout the year. For cartons, the press sheet has a 6-label space in which the extra two spaces rotate between two warnings every other run to yield an equal number of warnings throughout the year. Xcaliber's print supplier palletizes the print by hand such that all warnings are randomized equally throughout an order. Xcaliber's print supplier also provides an affidavit with each print run that states that the order has been processed according to these standards.

c. <u>Records of Compliance.</u> Xcaliber maintains a record of the affidavits provided by its print supplier confirming the procedures outlined above. When each order arrives, a set of samples of each warning from each brand style is kept along with the affidavit in Xcaliber's records. Both the affidavits and samples are kept by Xcaliber for a minimum of one year beyond the date of receipt of the print order.

II. Advertising

Through the date of this application, Xcaliber continues to be in full compliance with the advertising plan approved by the FTC on July 27, 2016.

If you have any questions, or need anything further, please do not hesitate to contact me.

Warmest Regards,

Eric B. Estes General Counsel

enclosures

Attachment 1. Current Brand Families and Styles.

The attachment is provided on the following pages.

Red 100 Gold 100 Silver 100 Menthol 100 Menthol Gold 100

Red King Gold King Menthol King

BERKLEY.

Soft Pack

Red 100 Gold 100 Silver 100 Menthol 100 Menthol Gold 100 Red King Gold King Silver King Menthol King Non-Filter King Red 100 Gold 100 Silver 100 Menthol 100 Menthol Gold 100 Red King Gold King

Box

BERLEY

Soft Pack

Red 100 Gold 100 Blue 100 Menthol 100 Menthol Gold 100 Red King Gold King Blue King Non-Filter King

Box

Red 100 Gold 100 Blue 100 Menthol 100 Menthol Gold 100 Red King Gold King Blue King Menthol King Menthol King

ECHO

Soft Pack

Red 100 Gold 100 Blue 100 Menthol 100 (dark green pack) Menthol Gold 100 (light green pack) Red King Gold King Blue King Non-Filter King (dark red pack) Box

Red 100 Gold 100 Blue 100 Menthol 100 (dark green pack) Menthol Gold 100 (light green pack) Red King Gold King Blue King Menthol King (dark green pack) Menthol Gold King (light green pack) Non-Filter King (dark red pack)

EDGEFIELD Note: Edgefield is only available in a box.

Red 100 Gold 100 Silver 100 Menthol 100 (dark green pack) Menthol Gold 100 (light green pack) Red King Gold King Silver King Menthol King (dark green pack) Menthol Gold King (light green pack) Non-Filter King (dark red pack)

EXETER

Soft Pack

Red 100 Gold 100 Blue 100 Menthol 100 (dark green pack) Menthol Gold 100 (light green pack) Red King Gold King Non-Filter King (dark red pack) Box

Red 100 Gold 100 Blue 100 Menthol 100 (dark green pack) Menthol Gold 100 (light green pack) Red King Gold King Blue King Menthol King (dark green pack) Menthol Gold King (light green pack) Non-Filtered King (dark red pack)

GOLDEN BLEND

Soft Pack

Box

Red 100 Gold 100 Silver 100 Menthol 100 Menthol Gold 100 Red King Non-Filter King Red 100 Gold 100 Silver 100 Menthol 100 Menthol Gold 100 Red King Gold King

GSMOKE

Soft Pack

Blue 100 Menthol 100 Box

Red 100 Gold 100 Red King Gold King

MAINSTREET

Soft Pack

Red 100 Gold 100 Blue 100 Menthol 100 Menthol Gold 100 Red King

Box

Red 100 Gold 100 Blue 100 Menthol 100 Menthol Gold 100 Red King Gold King Menthol King

SPORT

Soft Pack

Red 100 Gold 100 Blue 100 Menthol 100 Menthol Gold 100 Red King Gold King Menthol King Box

Red 100 Gold 100 Blue 100 Menthol 100 Menthol Gold 100 Red King Gold King Menthol King

Attachment 2.1. 2016 Sales Data.

The attachment is provided on the following pages.

ATTACHMENT 2.1. Brands 24/7 BOX 100 GOLD 24/7 BOX 100 MENTHOL 24/7 BOX 100 MENTHOL GOLD 24/7 BOX 100 RED 24/7 BOX 100 SILVER 24/7 BOX KING GOLD 24/7 BOX KING MENTHOL 24/7 BOX KING RED BERKLEY BOX 100 GOLD BERKLEY BOX 100 MENTHOL BERKLEY BOX 100 MENTHOL GOLD BERKLEY BOX 100 RED BERKLEY BOX 100 SILVER BERKLEY BOX KING GOLD BERKLEY BOX KING RED BERKLEY SP 100 GOLD BERKLEY SP 100 MENTHOL BERKLEY SP 100 MENTHOL GOLD BERKLEY SP 100 RED BERKLEY SP 100 SILVER BERKLEY SP KING GOLD BERKLEY SP KING MENTHOL BERKLEY SP KING NON FILTER BERKLEY SP KING RED BERKLEY SP KING SILVER BERLEY BOX 100 BLUE BERLEY BOX 100 GOLD BERLEY BOX 100 MENTHOL BERLEY BOX 100 MENTHOL GOLD BERLEY BOX 100 RED BERLEY BOX KING BLUE BERLEY BOX KING GOLD BERLEY BOX KING MENTHOL BERLEY BOX KING MENTHOL GOLD BERLEY BOX KING RED BERLEY SP 100 BLUE

BERLEY SP 100 GOLD BERLEY SP 100 MENTHOL BERLEY SP 100 MENTHOL GOLD

BERLEY SP 100 RED BERLEY SP KING BLUE BERLEY SP KING GOLD BERLEY SP KING NON FILTER BERLEY SP KING RED ECHO BOX 100 RED



Echo Box 100 Blue Echo Box 100 Gold Echo Box 100 Menthol Echo Box 100 Menthol Gold Echo Box 100 Red Echo Box King Blue Echo Box King Gold Echo Box King Menthol Echo Box King Menthol Gold Echo Box King Non Filter Echo Box King Red Echo SP 100 Blue Echo SP 100 Gold Echo SP 100 Menthol Echo SP 100 Menthol Gold Echo SP 100 Red Echo SP King Blue Echo SP King Gold Echo SP King Non Filter Echo SP King Red **Edgefield Box 100 Gold Edgefield Box 100 Menthol** Edgefield Box 100 Menthol Gold Edgefield Box 100 Red **Edgefield Box 100 Silver** Edgefield Box King Gold **Edgefield Box King Menthol** Edgefield Box King Menthol Gold **Edgefield Box King Non Filter Edgefield Box King Red Edgefield Box King Silver** EDGEFIELD BOX KNG MENTHOL GOLD Exeter Box 100 Blue Exeter Box 100 Gold Exeter Box 100 Menthol Exeter Box 100 Menthol Gold Exeter Box 100 Red **Exeter Box King Blue Exeter Box King Gold Exeter Box King Menthol** Exeter Box King Menthol Gold Exeter Box King Non Filter **Exeter Box King Red** Exeter SP 100 Blue Exeter SP 100 Gold Exeter SP 100 Menthol Exeter SP 100 Menthol Gold Exeter SP 100 Red



Exeter SP King Gold Exeter SP King Non Filter Exeter SP King Red GOLDEN BLEND BOX 100 GOLD GOLDEN BLEND BOX 100 MENTHOL GOLDEN BLEND BOX 100 MENTHOL GO **GOLDEN BLEND BOX 100 RED GOLDEN BLEND BOX 100 SILVER GOLDEN BLEND BOX KING GOLD** GOLDEN BLEND BOX KING RED **GOLDEN BLEND SP 100 GOLD GOLDEN BLEND SP 100 MENTHOL GOLDEN BLEND SP 100 RED GOLDEN BLEND SP 100 SILVER** GOLDEN BLEND SP KING NON FILTER GOLDEN BLEND SP KING RED GSMOKE BOX 100 GOLD GSMOKE BOX 100 RED GSMOKE BOX KING GOLD GSMOKE BOX KING RED **GSMOKE SP 100 BLUE** GSMOKE SP 100 GOLD **GSMOKE SP 100 MENTHOL GSMOKE SP 100 RED** MAINSTREET BOX 100 BLUE MAINSTREET BOX 100 GOLD MAINSTREET BOX 100 MENTHOL MAINSTREET BOX 100 MENTHOL GOL MAINSTREET BOX 100 RED MAINSTREET BOX KING GOLD MAINSTREET BOX KING MENTHOL MAINSTREET BOX KING RED MAINSTREET SP 100 BLUE MAINSTREET SP 100 GOLD MAINSTREET SP 100 MENTHOL MAINSTREET SP 100 MENTHOL GOLD MAINSTREET SP 100 RED MAINSTREET SP KING GOLD MAINSTREET SP KING RED SPORT BOX 100 BLUE SPORT BOX 100 GOLD SPORT BOX 100 MENTHOL SPORT BOX 100 MENTHOL GOLD SPORT BOX 100 RED SPORT BOX KING GOLD SPORT BOX KING MENTHOL SPORT BOX KING RED SPORT SP 100 BLUE



SPORT SP 100 GOLD SPORT SP 100 MENTHOL SPORT SP 100 MENTHOL GOLD SPORT SP 100 RED SPORT SP KING GOLD SPORT SP KING MENTHOL SPORT SP KING RED

Total:



Attachment 2.2. 2017 Sales Data.

The attachment is provided on the following pages.

ATTACHMENT 2.2.

Brands

24/7 BOX 100 GOLD 24/7 BOX 100 MENTHOL 24/7 BOX 100 MENTHOL GOLD 24/7 BOX 100 RED 24/7 BOX 100 SILVER 24/7 BOX KING GOLD 24/7 BOX KING MENTHOL 24/7 BOX KING RED BERKLEY BOX 100 GOLD BERKLEY BOX 100 MENTHOL BERKLEY BOX 100 MENTHOL GOLD BERKLEY BOX 100 RED BERKLEY BOX 100 SILVER BERKLEY BOX KING GOLD BERKLEY BOX KING RED BERKLEY SP 100 GOLD BERKLEY SP 100 MENTHOL BERKLEY SP 100 MENTHOL GOLD BERKLEY SP 100 RED BERKLEY SP 100 SILVER BERKLEY SP KING GOLD BERKLEY SP KING MENTHOL BERKLEY SP KING NON FILTER BERKLEY SP KING RED BERKLEY SP KING SILVER BERLEY BOX 100 BLUE BERLEY BOX 100 GOLD BERLEY BOX 100 MENTHOL BERLEY BOX 100 MENTHOL GOLD BERLEY BOX 100 RED BERLEY BOX KING BLUE BERLEY BOX KING GOLD BERLEY BOX KING MENTHOL BERLEY BOX KING MENTHOL GOLD BERLEY BOX KING RED BERLEY SP 100 BLUE BERLEY SP 100 GOLD BERLEY SP 100 MENTHOL BERLEY SP 100 MENTHOL GOLD BERLEY SP 100 RED BERLEY SP KING BLUE BERLEY SP KING GOLD BERLEY SP KING NON FILTER BERLEY SP KING RED Echo Box 100 Blue



Echo Box 100 Gold Echo Box 100 Menthol Echo Box 100 Menthol Gold Echo Box 100 Red Echo Box King Blue Echo Box King Gold Echo Box King Menthol Echo Box King Menthol Gold Echo Box King Non Filter Echo Box King Red Echo SP 100 Blue Echo SP 100 Gold Echo SP 100 Menthol Echo SP 100 Menthol Gold Echo SP 100 Red Echo SP King Blue Echo SP King Gold Echo SP King Non Filter Echo SP King Red Edgefield Box 100 Gold Edgefield Box 100 Menthol Edgefield Box 100 Menthol Gold Edgefield Box 100 Red **Edgefield Box 100 Silver Edgefield Box King Gold Edgefield Box King Menthol Edgefield Box King Menthol Gold** Edgefield Box King Non Filter **Edgefield Box King Red Edgefield Box King Silver** Exeter Box 100 Blue Exeter Box 100 Gold Exeter Box 100 Menthol Exeter Box 100 Menthol Gold Exeter Box 100 Red **Exeter Box King Blue Exeter Box King Gold Exeter Box King Menthol** Exeter Box King Menthol Gold **Exeter Box King Non Filter Exeter Box King Red** Exeter SP 100 Blue Exeter SP 100 Gold Exeter SP 100 Menthol Gold Exeter SP 100 Red **Exeter SP King Gold Exeter SP King Non Filter** Exeter SP King Red



GOLDEN BLEND BOX 100 GOLD GOLDEN BLEND BOX 100 MENTHOL GOLDEN BLEND BOX 100 MENTHOL GO GOLDEN BLEND BOX 100 RED GOLDEN BLEND BOX 100 SILVER **GOLDEN BLEND BOX KING GOLD GOLDEN BLEND BOX KING RED** GOLDEN BLEND SP 100 GOLD GOLDEN BLEND SP 100 RED GOLDEN BLEND SP KING NON FILTER GSMOKE BOX 100 GOLD GSMOKE BOX 100 RED **GSMOKE BOX KING GOLD** GSMOKE BOX KING RED **GSMOKE SP 100 BLUE GSMOKE SP 100 MENTHOL** MAINSTREET BOX 100 BLUE MAINSTREET BOX 100 GOLD MAINSTREET BOX 100 MENTHOL MAINSTREET BOX 100 MENTHOL GOL MAINSTREET BOX 100 RED MAINSTREET BOX KING GOLD MAINSTREET BOX KING MENTHOL MAINSTREET BOX KING RED MAINSTREET SP 100 BLUE MAINSTREET SP 100 GOLD MAINSTREET SP 100 MENTHOL MAINSTREET SP 100 MENTHOL GOLD MAINSTREET SP 100 RED SPORT BOX 100 BLUE SPORT BOX 100 GOLD SPORT BOX 100 MENTHOL SPORT BOX 100 MENTHOL GOLD SPORT BOX 100 RED SPORT BOX KING GOLD SPORT BOX KING MENTHOL SPORT BOX KING RED SPORT SP 100 BLUE SPORT SP 100 GOLD SPORT SP 100 MENTHOL SPORT SP 100 MENTHOL GOLD SPORT SP 100 RED SPORT SP KING GOLD SPORT SP KING MENTHOL SPORT SP KING RED

Total:





Division of Advertising Practices United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

March 23, 2018

Mr. Eric Barkley Estes General Counsel Xcaliber International, Ltd., LLC One Tobacco Road Pryor, OK 74361

Dear Mr. Estes:

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. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Xcaliber International, Ltd., LLC ("Xcaliber") on March 16, 2018, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the 24/7, Berkley, Berley, Echo, Edgefield, Exeter, Golden Blend, Gsmoke, Mainstreet, and Sport brands of cigarettes.

Xcaliber's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letters dated July 11, 2016 (for the 24/7, Berkley, Berley, Golden Blend, Gsmoke, Mainstreet, and Sport brands), and July 29 and August 9, 2013 (for the Echo, Edgefield, and Exeter brands) continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.

Accordingly, Xcaliber's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:¹

• Eight box varieties of the 24/7 brand: Red 100's, Gold 100's, Silver 100's, Menthol 100's, Menthol Gold 100's, Red Kings, Gold Kings, and Menthol Kings;

¹ As set forth in its March 16, 2018 letter, Xcaliber is using colors in the names of a number of its cigarette varieties for the Echo, Edgefield, and Exeter brands (*e.g.*, "Echo Red 100's Box"). We note that the color names are not printed on the packaging for these brands (*e.g.*, the word "Red" does not appear on the packaging of the "Echo Red 100's Box" variety). However, the color used for a variety's packaging does conform to the color used in its name, except that the packaging for the "Menthol Gold" varieties is light green in color.

Mr. Eric Barkley Estes March 23, 2018 Page 2

- Seventeen varieties of the Berkley brand: Red King (Box and Soft Pack), Red 100's (Box and Soft Pack), Gold King (Box and Soft Pack), Gold 100's (Box and Soft Pack), Silver King Soft Pack, Silver 100's (Box and Soft Pack), Menthol King Soft Pack, Menthol 100's (Box and Soft Pack), Menthol Gold 100's (Box and Soft Pack), and Non-Filter King Soft Pack;
- Nineteen varieties of the Berley brand: Red King (Box and Soft Pack), Red 100's (Box and Soft Pack), Gold King (Box and Soft Pack), Gold 100's (Box and Soft Pack), Menthol King Box, Menthol 100's (Box and Soft Pack), Menthol Gold King Box, Menthol Gold 100's (Box and Soft Pack), Blue King (Box and Soft Pack), Blue 100's (Box and Soft Pack), and Non-Filter King Soft Pack;
- Twenty varieties of the Echo brand: Red Kings Box, Red Kings Soft Pack, Red 100's Box, Red 100's Soft Pack, Gold Kings Box, Gold Kings Soft Pack, Gold 100's Box, Gold 100's Soft Pack, Blue Kings Box, Blue Kings Soft Pack, Blue 100's Box, Blue 100's Soft Pack, Menthol Kings Box (dark green packaging), Menthol 100's Box (dark green packaging), Menthol 100's Soft Pack (dark green packaging), Menthol Gold Kings Box (light green packaging), Menthol Gold 100's Box (light green packaging), Menthol Gold 100's Soft Pack (light green packaging), Non-Filter Kings Box, and Non-Filter Kings Soft Pack;
- Eleven Box varieties of the Edgefield brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Silver Kings, Silver 100's, Menthol Kings (dark green packaging), Menthol 100's (dark green packaging), Menthol Gold Kings (light green packaging), Menthol Gold 100's (light green packaging), and Non-Filter Kings;
- Nineteen varieties of the Exeter brand: Red Kings Box, Red Kings Soft Pack, Red 100's Box, Red 100's Soft Pack, Gold Kings Box, Gold Kings Soft Pack, Gold 100's Box, Gold 100's Soft Pack, Blue Kings Box, Blue 100's Box, Blue 100's Soft Pack, Menthol Kings Box (dark green packaging), Menthol 100's Box (dark green packaging), Menthol 100's Soft Pack (dark green packaging), Menthol Gold Kings Box (light green packaging), Menthol Gold 100's Soft Pack (light green packaging), Non-Filter Kings Box, and Non-Filter Kings Soft Pack;
- Fourteen varieties of the Golden Blend brand: Red King (Box and Soft Pack), Red 100's (Box and Soft Pack), Gold King Box, Gold 100's (Box and Soft Pack), Silver 100's (Box and Soft Pack), Menthol 100's (Box and Soft Pack), Menthol Gold 100's (Box and Soft Pack), and Non-Filter King Soft Pack;
- Six varieties of the Gsmoke brand: Red King Box, Red 100's Box, Gold King Box, Gold 100's Box, Blue 100's Soft Pack, and Menthol 100's Soft Pack;
- Fourteen varieties of the Mainstreet brand: Red King (Box and Soft Pack), Red 100's (Box and Soft Pack), Gold King Box, Gold 100's (Box and Soft Pack), Blue 100's (Box

Mr. Eric Barkley Estes March 23, 2018 Page 3

and Soft Pack), Menthol King Box, Menthol 100's (Box and Soft Pack), Menthol Gold 100's (Box and Soft Pack); and

 Sixteen varieties of the Sport brand: Red King (Box and Soft Pack), Red 100's (Box and Soft Pack), Gold King (Box and Soft Pack), Gold 100's (Box and Soft Pack), Blue 100's (Box and Soft Pack), Menthol King (Box and Soft Pack), Menthol 100's (Box and Soft Pack), and Menthol Gold 100's (Box and Soft Pack).

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Xcaliber's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on packaging for the approved brands. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Xcaliber's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Xcaliber's packaging and advertising under the FSPTCA or any regulations that have been or might be promulgated by the Department of Health and Human Services under that statute, including but not limited to the Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents (published March 19, 2010).

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. You can find additional information at www.fda.gov/TobaccoProducts/default.htm, and sign up for FDA email updates at www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm.

This approval is effective on the date of this letter and runs through March 22, 2019, or until the authority to approve cigarette health warning statement plans moves from the FTC to the FDA, whichever comes first.

² 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. Eric Barkley Estes March 23, 2018 Page 4

If you have any questions regarding this approval, please contact Connor Sands at (202) 326-3343.

Very truly yours,

May C. Engle Mary K. Engle

Associate Director