

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

Division of Advertising Practices

MEMORANDUM

- TO: Public Records Office of the Secretary
- FROM: Bonnie McGregor Division of Advertising Practices
- DATE: December 8, 2017
- SUBJECT: Rotational Health Warnings for Cigarettes File No. P854505

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

- June 14, 2016 letter from John DiCarlo, Joseph M. Anderson d/b/a Smokin Joes to Mary K. Engle.
- 2. July 15, 2016 letter from Mary K. Engle to John DiCarlo, Smokin Joes.
- 3. July 13, 2016 letter from Norman R. Channing, Seneca-Cayuga Tobacco Company to the Division of Advertising Practices.
- 4. July 25, 2016 letter from Mary K. Engle to Norman R. Channing, Seneca-Cayuga Tobacco Company.
- 5. July 26, 2016 letter from Lina Marcinkeviciene, DK Distributors, Inc. to Bonnie McGregor.
- 6. July 26, 2016 letter from Mary K. Engle to Lina Marcinkeviciene, DK Distributors, Inc.
- 7. July 26, 2016 letter from Eric Barkley Estes, Xcaliber International, Ltd., LLC to Bonnie McGregor.
- 8. July 27, 2016 letter from Mary K. Engle to Eric Barkley Estes, Xcaliber International, Ltd., LLC.

- 9. August 8, 2016 letter from Kamiakin Wheeler, King Mountain Tobacco Company, Inc. to Mary K. Engle.
- 10. August 9, 2016 letter from Mary K. Engle to Kamiakin Wheeler, King Mountain Tobacco Company, Inc.
- 11. August 15, 2016 letter from Swetha Duggirala, Global Tobacco LLC to Mary K. Engle.
- 12. August 19, 2016 letter from Mary K. Engle to Swetha Duggirala, Global Tobacco, LLC.
- 13. August 23, 2016 letter from Mary Najjar, Marketing Group USA, Inc. to Mary K. Engle.
- 14. August 25, 2016 letter from Mary K. Engle to Mary Najjar, Marketing Group USA, Inc.
- 15. August 22, 2016 letter from William M. Sherman, Sherman's 1400 Broadway NYC, Ltd. to Mary K. Engle.
- 16. September 7, 2016 letter from Mary K. Engle to William M. Sherman, Sherman's 1400 Broadway NYC, Ltd.

June 14, 2016



4900 Indian Hill Road

Lewiston, NY 14092

Fax (716) 754-4184

(716) 754-4064

Ms. Mary K. Engle Federal Trade Commission Division of Advertising Practices 600 Pennsylvania Avenue, N.W. Room NJ-3212 Washington, DC 20580

RE: Cigarette Health Warning Rotation Plan

Dear Ms. Engle,

This letter is being submitted by Joseph M. Anderson doing business as Smokin Joes for the alternative method to the quarterly Surgeon General Warning rotation plan for packaging of the following fifteen (15) varieties of the Exact cigarette brand, twelve (12) varieties of the Exact Elite cigarette brand, eighteen (18) styles of the Lewiston cigarette brand, twenty (20) varieties of the Market cigarette brand, one (1) style of the Maple Leaf cigarette brand, two (2) styles of the Outdoor Freedom cigarette brand, twenty-two (22) styles of the Smokin Joes cigarette brand, twenty-one (21) styles of the Smokin Joes Natural cigarette brand, eighteen (18) styles of the Smokin Joes Premium cigarette brand, and two (2) varieties of the Nightclub cigarette brand:

Exact Cigarette Brand
Exact Canadian Red King Size Soft Pack
Exact Canadian Blue King Size Soft Pack
Exact Red 100 Size Soft Pack
Exact Red King Size Box
Exact Red King Size Soft Pack
Exact Gold 100 Size Soft Pack
Exact Gold 100 Size Box
Exact Gold King Size Box
Exact Gold King Size Soft Pack
Exact Menthol 100 Size Soft Pack
Exact Menthol 100 Size Box
Exact Menthol King Size Soft Pack
Exact Menthol Gold 100 Size Soft Pack
Exact Menthol Gold King Size Soft Pack
Exact Blue 100 Size Soft Pack
Exact Elite Cigarette Brand
Exact Elite Red 100 Size Soft Pack

800-274-8010 www.smokinjoe.com

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Exact Elite Red King Size Box
Exact Elite Red King Size Soft Pack
Exact Elite Gold 100 Size Soft Pack
Exact Elite Gold King Size Box
Exact Elite Gold King Size Soft Pack
Exact Elite Menthol 100 Size Soft Pack
Exact Elite Menthol King Size Soft Pack
Exact Elite Menthol Gold 100 Size Soft Pack
Exact Elite Menthol Gold King Size Soft Pack
Exact Elite Non-Filter King Size Box
Exact Elite Blue 100 Size Soft Pack
Lewiston Cigarette Brand
Lewiston Red 100 Size Soft Pack
Lewiston Red 100 Size Box
Lewiston Red King Size Box
Lewiston Red King Size Soft Pack
Lewiston Gold 100 Size Soft Pack
Lewiston Gold 100 Size Box
Lewiston Gold King Size Box
Lewiston Gold King Size Soft Pack
Lewiston Menthol 100 Size Soft Pack
Lewiston Menthol 100 Size Box
Lewiston Menthol King Size Soft Pack
Lewiston Menthol King Size Box
Lewiston Menthol Gold 100 Size Soft Pack
Lewiston Menthol Gold 100 Size Box
Lewiston Menthol Gold King Size Soft Pack
Lewiston Non-Filter King Size Soft Pack
Lewiston Blue 100 Size Soft Pack
Lewiston Blue 100 Size Box
Maple Leaf Cigarette Brand
Maple Leaf Canadian Blue King Size Box
Market Cigarette Brand
Market Red 100 Size Box Market Red 100 Size Soft Pack
Market Red King Size Box
Market Red King Size Soft Pack
Market Gold 100 Size Box
Market Gold 100 Size Soft Pack
Market Gold King Size Box
Market Gold King Size Soft Pack
Market Menthol 100 Size Box
Market Menthol 100 Size Soft Pack
Market Menthol King Size Soft Pack
Market Menthol King Size Box
Market Menthol Gold 100 Size Box
Market Menthol Gold 100 Size Soft Pack
Market Menthol Gold King Size Soft Pack
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Market Menthol Blue 100 Size Box
Market Non-Filter King Size Box
Market Blue 100 Size Box
Market Blue 100 Size Soft Pack
Market Blue King Size Box
Outdoor Freedom Cigarette Brand
Outdoor Freedom Original King Size Box
Outdoor Freedom Smooth King Size Box
Smokin Joes Cigarette Brand
Smokin Joes Red 100 Size Soft Pack
Smokin Joes Red 100 Size Box
Smokin Joes Red King Size Box
Smokin Joes Red King Size Soft Pack
Smokin Joes Gold 100 Size Soft Pack
Smokin Joes Gold 100 Size Box
Smokin Joes Gold King Size Box
Smokin Joes Gold King Size Soft Pack
Smokin Joes Menthol 100 Size Soft Pack
Smokin Joes Menthol 100 Size Box
Smokin Joes Menthol King Size Soft Pack
Smokin Joes Menthol King Size Box
Smokin Joes Menthol Gold 100 Size Soft Pack
Smokin Joes Menthol Gold 100 Size Box
Smokin Joes Menthol Gold King Size Soft Pack
Smokin Joes Menthol Gold King Size Box
Smokin Joes Non-Filter King Size Soft Pack
Smokin Joes Non-Filter King Size Box
Smokin Joes Blue 100 Size Soft Pack
Smokin Joes Blue 100 Size Box
Smokin Joes Blue King Size Soft Pack
Smokin Joes Blue King Size Box
Smokin Joes Natural Cigarette Brand
Smokin Joes Natural Purple 100 Size Soft Pack
Smokin Joes Natural Purple 100 Size Box
Smokin Joes Natural Purple King Size Box
Smokin Joes Natural Purple King Size Soft Pack
Smokin Joes Natural Silver 100 Size Soft Pack
Smokin Joes Natural Silver 100 Size Box
Smokin Joes Natural Silver King Size Soft Pack
Smokin Joes Natural Silver King Size Box
Smokin Joes Natural Menthol 100 Size Soft Pack
Smokin Joes Natural Menthol 100 Size Box
Smokin Joes Natural Menthol King Size Box
Smokin Joes Natural Red 100 Size Soft Pack
Smokin Joes Natural Red 100 Size Box
Smokin Joes Natural Red King Size Soft Pack
Smokin Joes Natural Red King Size Box
Smokin Joes Natural Menthol Gold 100 Size Soft Pack

Smokin Joes Natural Menthol Gold King Size Box
Smokin Joes Natural Non-Filter King Size Soft Pack
Smokin Joes Natural White 100 Size Soft Pack
Smokin Joes Natural White100 Size Box
Smokin Joes Natural White King Size Soft Pack
Smokin Joes Premium Cigarette Brand
Smokin Joes Premium Canadian Red King Size Box
Smokin Joes Premium Canadian Blue King Size Box
Smokin Joes Premium Red 100 Size Soft Pack
Smokin Joes Premium Red 100 Size Box
Smokin Joes Premium Red King Size Box
Smokin Joes Premium Red King Size Soft Pack
Smokin Joes Premium Gold 100 Size Soft Pack
Smokin Joes Premium Gold 100 Size Box
Smokin Joes Premium Gold King Size Box
Smokin Joes Premium Gold King Size Soft Pack
Smokin Joes Premium Menthol 100 Size Soft Pack
Smokin Joes Premium Menthol 100 Size Box
Smokin Joes Premium Menthol King Size Soft Pack
Smokin Joes Premium Menthol Gold 100 Size Soft Pack
Smokin Joes Premium Menthol Gold King Size Soft Pack
Smokin Joes Premium Non-Filter King Size Soft Pack
Smokin Joes Premium Blue 100 Size Soft Pack
Smokin Joes Premium Blue King Size Soft Pack
Nightclub Cigarette Brand
Nightclub Rich King Size Box
Nightclub Smooth King Size Box

These cigarettes are manufactured by Joseph M. Anderson d/b/a Smokin Joes. Upon approval of this plan, the manufacturer will continue to sell these cigarettes under the authority of the Bureau of Alcohol, Tobacco & Firearms (Manufacturer of Tobacco Products License TP-NY-168).

The products submitted with this plan will continue to be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain 10 packs of 20 cigarettes each ("Pack"). The warnings will appear exactly as they do on the actual pack labels and cartons submitted to the Federal Trade Commission with my May 11, 2010 letter with the exception of the Nightclub brand styles that will have the warnings appear exactly as shown on the actual pack labels and cartons submitted with my May 4, 2011 letter, the Outdoor Freedom brand styles that will have the warnings appear exactly as shown on the actual pack labels and cartons submitted with my August 27, 2010 letter, and the following six (6) styles of the Lewiston cigarette brand, three (3) styles of the Smokin Joes Premium cigarette brand, three (3) styles of the Smokin Joes Natural cigarette brand, and two (2) styles of the Exact cigarette brand styles that will have the warnings appear exactly as shown on the actual pack labels and cartons submitted with my October 21, 2011 letter:

Exact Cigarette Brand
Exact Gold 100 Size Box
Exact Menthol 100 Size Box
Lewiston Cigarette Brand
Lewiston Red 100 Size Box
Lewiston Gold 100 Size Box
Lewiston Menthol 100 Size Box
Lewiston Menthol King Size Box
Lewiston Menthol Gold 100 Size Box
Lewiston Blue 100 Size Box
Smokin Joes Natural Cigarette Brand
Smokin Joes Natural Menthol 100 Size Box
Smokin Joes Natural Red 100 Size Box
Smokin Joes Natural Red King Size Box
Smokin Joes Premium Cigarette Brand
Smokin Joes Premium Red 100 Size Box
Smokin Joes Premium Gold 100 Size Box
Smokin Joes Premium Menthol 100 Size Box

Smokin Joes believes that its 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; sales figures for all Smokin Joes manufactured and imported brands are provided on Exhibit A. Smokin Joes manufactures a number of cigarette brand styles and until October 2009 imported the Lewiston Special cigarette brand and Exact Special cigarette brands. Of all Smokin Joes manufactured cigarette brand styles for the fiscal year, from May 1, 2015 through April 30, 2016, the biggest seller was Smokin Joes Full Flavor 100 Size Box totaling

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

Smokin Joes will continue to comply with its May 1, 2007 amended plan for advertising the Exact, Lewiston, Market, Outdoor Freedom, and Smokin Joes cigarette brands as well as its February 19, 2008 plan for advertising the Nightclub cigarette brand and its April 16, 2009 plan for advertising the Maple Leaf cigarette brand.

Smokin Joes, the manufacturer, 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. Smokin Joes 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 716-754-4064 ext. 9305.

Sincerely, AV

John DiCarlo Director of Operations

EXHIBIT A

PRODUCT EXACT	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
EXACT CANADIAN FULL FLAVOUR (CANADIAN RED) KING SIZE SOFT PACK	
EXACT CANADIAN BLUE KING SIZE SOFT PACK	
EXACT FULL FLAVOR (RED) 100 SOFT PACK	
EXACT FULL FLAVOR (RED) KING BOX	
EXACT FULL FLAVOR (RED) KING SOFT PACK	
EXACT GOLD 100 SOFT PACK	
EXACT GOLD 100 BOX	
EXACT GOLD KING BOX	
EXACT GOLD KING SOFT PACK	
EXACT MENTHOL 100 SOFT PACK	
EXACT MENTHOL 100 BOX	
EXACT MENTHOL KING SOFT PACK	
EXACT MENTHOL GOLD 100 SOFT PACK	
EXACT MENTHOL GOLD KING SOFT PACK	
EXACT MENTIOL GOLD KING SOFT PACK	
PRODUCT EXACT ELITE	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
EXACT ELITE FULL FLAVOR (RED) KING SOFT PACK	o nono (neura) ouen dales riguies may 1, 2010 - April 30, 2010)
EXACT ELITE FULL FLAVOR (RED) 100 SOFT PACK	
EXACT ELITE FULL FLAVOR (RED) 100 SOFT PACK	
EXACT ELITE FOLL FLAVOR (RED) RING SIZE BOX	
EXACT ELITE GOLD 100 SIZE SOFT FACK	
EXACT ELITE GOLD KING SIZE BOX	
EXACT ELITE GOLD KING SIZE SOFT PACK	
EXACT ELITE MENTHOL NING SIZE SOFT PACK	
EXACT ELITE MENTHOL GOLD 100 SIZE SOFT PACK	
EXACT ELITE MENTHOL GOLD 100 SIZE SOFT PACK	
EXACT ELITE NON-FILTER KING SIZE BOX	
EXACT ELITE BLUE 100 SIZE SOFT PACK	OTIONO (Barbart Office Online Discont Discont Day 1 20 Contes
PRODUCT MAPLE LEAF	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
MAPLE LEAF CANADIAN BLUE KING SIZE BOX	
PRODUCT MARKET	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
MARKET FULL FLAVOR (RED) 100 SIZE BOX	
MARKET FULL FLAVOR (RED) 100 SOFT PACK	
MARKET FULL FLAVOR (RED) KING BOX	
MARKET FULL FLAVOR (RED) KING SOFT PACK	
MARKET GOLD 100 SIZE BOX	
MARKET GOLD 100 SOFT PACK	
MARKET GOLD KING BOX	
MARKET GOLD KING SOFT PACK	
MARKET MENTHOL 100 BOX	
MARKET MENTHOL 100 SOFT PACK	
MARKET MENTHOL KING BOX	
MARKET MENTHOL KING SOFT PACK	
MARKET MENTHOL GOLD 100 BOX	
MARKET MENTHOL GOLD 100 SOFT PACK	
MARKET MENTHOL GOLD KING SOFT PACK	
MARKET MENTHOL BLUE 100 SIZE BOX	
MARKET NON-FILTER KING SIZE BOX	
MARKET BLUE 100 BOX	
MARKET BLUE 100 SIZE SOFT PACK	
MARKET BLUE KING SIZE BOX	

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PRODUCT NIGHTCLUB'	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
NIGHTCLUB RICH KING SIZE BOX	
NIGHTCLUB SMOOTH KING SIZE BOX	
PRODUCT SMOKIN JOES NATURAL	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
SMOKIN JOES NATURAL FULL FLAVOR (PURPLE) 100 SIZE BOX	
SMOKIN JOES NATURAL FULL FLAVOR (PURPLE) 100 SOFT PACK	
SMOKIN JOES NATURAL FULL FLAVOR (PURPLE) KING BOX	
SMOKIN JOES NATURAL FULL FLAVOR (PURPLE) KING SOFT PACK	
SMOKIN JOES NATURAL SILVER 100 SIZE BOX	
SMOKIN JOES NATURAL SILVER 100 SOFT PACK	
SMOKIN JOES NATURAL SILVER KING SIZE BOX	
SMOKIN JOES NATURAL SILVER KING SOFT PACK	
SMOKIN JOES NATURAL MEDIUM (RED) 100 SOFT PACK	
SMOKIN JOES NATURAL RED 100 BOX	
SMOKIN JOES NATURAL MEDIUM (RED) KING SOFT PACK	
SMOKIN JOES NATURAL RED KING BOX	
SMOKIN JOES NATURAL MENTHOL 100 SIZE SOFT PK	
SMOKIN JOES NATURAL MENTHOL 100 SIZE BOX	
SMOKIN JOES NATURAL MENTHOL KING SIZE BOX	
SMOKIN JOES NATURAL MENTHOL GOLD 100 SOFT PK	
SMOKIN JOES NATURAL MENTHOL GOLD KING SIZE BOX	
SMOKIN JOES NATURAL NON-FILTER KING SIZE SOFT PACK	
SMOKIN JOES NATURAL WHITE 100 SIZE BOX	
SMOKIN JOES NATURAL WHITE 100 SIZE SOFT PACK	
SMOKIN JOES NATURAL WHITE KING SIZE SOFT PACK	
PRODUCT LEWISTON	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
LEWISTON FULL FLAVOR (RED) 100 SIZE SOFT PACK	
LEWISTON RED 100 SIZE BOX	
LEWISTON FULL FLAVOR (RED) KING SIZE BOX	
LEWISTON FULL FLAVOR (RED) KING SIZE SOFT PACK	
LEWISTON GOLD 100 SIZE SOFT PACK	
LEWISTON GOLD 100 SIZE BOX	
LEWISTON GOLD KING SIZE BOX	
LEWISTON GOLD KING SIZE SOFT PACK	
LEWISTON MENTHOL 100 SIZE SOFT PACK	
LEWISTON MENTHOL 100 SIZE BOX	
LEWISTON MENTHOL KING SIZE SOFT PACK	
LEWISTON MENTHOL KING SIZE BOX	
LEWISTON MENTHOL GOLD 100 SIZE SOFT PACK	
LEWISTON MENTHOL GOLD 100 SIZE BOX	
LEWISTON MENTHOL GOLD KING SIZE SOFT PACK	
LEWISTON NON-FILTER KING SIZE SOFT PACK	
LEWISTON BLUE 100 SIZE SOFT PACK	
LEWISTON BLUE 100 SIZE BOX	

EXHIBIT A

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Page 2 of 3

PRODUCT SMOKIN JOES	STICKS (Actual Stick Sales Figures May 1, 2016 - April 30, 2016)
SMOKIN JOES FULL FLAVOR (RED) 100 BOX	
SMOKIN JOES FULL FLAVOR (RED) 100 SOFT PACK	
SMOKIN JOES FULL FLAVOR (RED) KING SIZE BOX	
SMOKIN JOES FULL FLAVOR (RED) KING SIZE SOFT PACK	
SMOKIN JOES GOLD 100 SIZE BOX	
SMOKIN JOES GOLD 100 SIZE SOFT PACK	
SMOKIN JOES GOLD KING SIZE BOX	
SMOKIN JOES GOLD KING SIZE SOFT PACK	
SMOKIN JOES MENTHOL 100 SIZE BOX	
SMOKIN JOES MENTHOL 100 SIZE SOFT PACK	
SMOKIN JOES MENTHOL KING SIZE BOX	
SMOKIN JOES MENTHOL KING SIZE SOFT PACK	
SMOKIN JOES MENTHOL GOLD 100 SIZE BOX	
SMOKIN JOES MENTHOL GOLD 100 SIZE SOFT PACK	
SMOKIN JOES MENTHOL GOLD KING SIZE BOX	
SMOKIN JOES MENTHOL GOLD KING SIZE SOFT PACK	
SMOKIN JOES NON-FILTER KING SIZE SOFT PACK	
SMOKIN JOES NON-FILTER KING SIZE BOX	
SMOKIN JOES BLUE 100 SIZE BOX	
SMOKIN JOES BLUE 100 SIZE SOFT PACK	
SMOKIN JOES BLUE KING SIZE BOX	
SMOKIN JOES BLUE KING SIZE SOFT PACK	
PRODUCT OUTDOOR FREEDOM'	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
OUTDOOR FREEDOM FULL FLAVOR (ORIGINAL) KING SIZE BOX	
OUTDOOR FREEDOM SMOOTH KING SIZE BOX	
PRODUCT SMOKIN JOES PREMIUM'	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)
SMOKIN JOE PREMIUM CANADIAN FULL FLAVOUR (CANADIAN RED) KING SIZE BOX	
SMOKIN JOE PREMIUM CANADIAN BLUE KING SIZE BOX	
SMOKIN JOE PREMIUM FULL FLAVOR (RED) 100 SIZE SOFT PACK	
SMOKIN JOE PREMIUM RED 100 SIZE BOX	
SMOKIN JOE PREMIUM FULL FLAVOR (RED) KING SIZE BOX	
SMOKIN JOE PREMIUM FULL FLAVOR (RED) KING SIZE SOFT PACK	
SMOKIN JOE PREMIUM GOLD 100 SIZE SOFT PACK	
SMOKIN JOE PREMIUM GOLD 100 SIZE BOX	
SMOKIN JOE PREMIUM GOLD KING SIZE BOX	
SMOKIN JOE PREMIUM GOLD KING SIZE SOFT PACK	
SMOKIN JOE PREMIUM MENTHOL 100 SIZE SOFT PACK	
SMOKIN JOE PREMIUM MENTHOL 100 SIZE BOX	
SMOKIN JOE PREMIUM MENTHOL KING SIZE SOFT PACK	
SMOKIN JOE PREMIUM MENTHOL GOLD 100 SIZE SOFT PACK	
SMOKIN JOE PREMIUM MENTHOL GOLD KING SIZE SOFT PACK	
SMOKIN JOE PREMIUM NON-FILTER KING SIZE SOFT PACK	
SMOKIN JOE PREMIUM BLUE 100 SIZE SOFT PACK	
SMOKIN JOE PREMIUM BLUE KING SIZE SOFT PACK	
SMOKIN JOE PREMIUM BLUE KING SIZE SOFT PACK PRODUCT (TOP SELLING SKU)	STICKS (Actual Stick Sales Figures May 1, 2015 - April 30, 2016)

Nightclub Full Flavor King Size International style box, Nightclub Light King Size International Style box. Outdoor Freedom Full Flavor King Size Soft pack, Outdoor Freedom Lights King Size Soft Pack, Smokin Joes Premium Medium King Size Soft Pack, and Smokin Joes Premium Medium 100 Size Soft Pack are no longer manufactured.



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

July 15, 2016

Mr. John DiCarlo Smokin Joes 4900 Indian Hill Road Lewiston, NY 14092

Dear Mr. DiCarlo:

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 Joseph M. Anderson d/b/a Smokin Joes ("Smokin Joes") on June 14, 2016, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Exact, Exact Elite, Lewiston, Maple Leaf, Market, Nightclub, Outdoor Freedom, Smokin Joes, Smokin Joes Natural, and Smokin Joes Premium brands of cigarettes.

Smokin Joes' 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 the following dates continue to appear to meet the requirements of the Cigarette Act in force as of the date of this letter: ¹

Brand	Date(s)
Exact	May 11, 2010 October 21, 2011
Exact Elite	May 11, 2010

¹ Smokin Joes stated in its June 14, 2016 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

Mr. John DiCarlo July 15, 2016 Page 4

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, or

www.fda.gov/TobaccoProducts/ResourcesforYou/ForIndustry/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 July 14, 2017, 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 Connor Sands at (202) 326-3343.

Very truly yours,

Mary K Engle

Associate Director



July 13, 2016 Page 1

VIA FACSIMILE 202-326-3259 VIA UPS OVERNIGHT

Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Avenue, N.W. Washington, DC 20580

Cigarette Health Warning Plan Seneca-Cayuga Tobacco Company / SKYDANCER and GOLDEN BAY brands.

Dear Ms. Engle

This letter represents a request for renewal of the Label Statement Rotation Plan of Seneca-.Cayuga Tobacco Company ("SCTC"), we hereby submit a Surgeon General's Equalization Plan for Skydancer and Golden Bay as required under the *Federal Cigarette Labeling and Advertising Act of 1984* (15 U.S.C § 1331 (1998), et seq.), as amended ("FCLAA"), for all styles listed below of Skydancer and Golden Bay brand soft pack and hard pack varieties. SCTC previously submitted a 2015 Plan renewal on July 09, 2015 and your office approved the prior plan on July 17, 2015.

SCTC is the manufacturer of Skydancer and Golden Bay brand cigarettes. SCTC does not manufacture or import any other brands. The location of the factory is 65490 East 240 Road, Grove, OK 74344. Heather Enyart is the Compliance Specialist.

SCTC requests that the following styles constitute the plan:

Skydancer Premium Black King (HP), Skydancer Premium Gold King (HP), Skydancer Premium Menthol King (HP), Skydancer Premium Menthol Gold King (HP), Skydancer Premium Silver King (HP), Skydancer Premium Black 100's (SP & HP), Skydancer Premium Gold 100's (SP & HP), Skydancer Premium Menthol 100's (SP & HP), Skydancer Premium Menthol Gold 100's (SP & HP), Skydancer Premium Silver 100's (SP & HP). Seneca-Cayuga Tobacco Company July 13, 2016 Page 2

Golden Bay Red King (SP & HP), Golden Bay Gold King (SP & HP), Golden Bay Menthol King (SP & HP), Golden Bay Red 100's (SP & HP), Golden Bay Gold 100's (SP & HP), Golden Bay Menthol 100's (SP & HP), Golden Bay Menthol Gold 100's (SP & HP), Golden Bay Silver 100's (SP & HP).

In fiscal year 2015, our total sales were sticks of the Skydancer brand and sticks of the Golden Bay brand. Anticipated 2016 sales of Skydancer are sticks and Golden Bay is sticks.

Neither the packaging nor the appearance of the warning has changed since the samples were provided to your office by letter on June 17, 2010. The warnings will appear exactly as shown on those samples.

The four health warning labels are printed in equal numbers on each printed sheet of packaging for all of SCTC's packs and cartons so when the sheets are die-cut, each shipment is equalized for each brand style as manufactured. SCTC will keep records demonstrating compliance with equalization of the warnings under this plan.

For advertising materials, there are no changes from the prior plan and SCTC will maintain compliance with the plan.

We submit that the foregoing complies with the requirements set forth in the FCLAA, and request expedited approval. Should this request conform to your requirements, we request that the letter evidencing approval be faxed to me at (918) 787-7722. Should you require additional information with respect to the foregoing please contact me at (918) 787-7711.

Cordially,

Molton'

Norman R. Channing, C.A. Chief Financial Officer



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

Division of Advertising Practices

July 25, 2016

Mr. Norman R. Channing Seneca-Cayuga Tobacco Company 65490 East 240 Road Grove, OK 74344

Dear Mr. Channing:

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-Cayuga Tobacco Company ("Seneca-Cayuga") on July 13, 2016, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Skydancer and Golden Bay brands of cigarettes.

Seneca-Cayuga'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 June 17, 2010 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, Seneca-Cayuga's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

Fifteen varieties of the Skydancer brand: Premium Black King hard pack, Premium Black 100's (soft pack and hard pack), Premium Gold King hard pack, Premium Gold 100's (soft pack and hard pack), Premium Menthol King hard pack, Premium Menthol 100's (soft pack and hard pack), Premium Menthol Gold King hard pack, Premium Menthol Gold 100's (soft pack and hard pack), Premium Menthol Gold King hard pack, And Premium Silver 100's (soft pack and hard pack); and

¹ Seneca-Cayuga stated in its July 13, 2016 letter that the four health warnings will continue to appear exactly as shown on the sample packs and cartons submitted on June 17, 2010.

Mr. Norman R. Channing July 25, 2016 Page 2

Sixteen varieties of the Golden Bay brand: Red King (soft pack and hard pack), Red 100's (soft pack and hard pack), Gold King (soft pack and hard pack), Gold 100's (soft pack and hard pack), Menthol King (soft pack and hard pack), Menthol 100's (soft pack and hard pack), Menthol Gold 100's (soft pack and hard pack), and Silver 100's (soft pack and hard 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 Seneca-Cayuga'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-Cayuga'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-Cayuga's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Seneca-Cayuga'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 July 24, 2017, 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,

Merry 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.

DK DISTRIBUTORS, INC.

1404 E LAS OLAS BLVD,#2300 FORT LAUDERDALE, FL 33301

EMAIL: DKDISTRIBUTORSINC@GMAIL.COM

July 26th, 2016

Ms.Bonnie McGregor, Federal Trade Investigator Division of Advertising Practices Federal Trade commission 600 Pennsylvania Avenue, NW, CC-10528 Washington, DC 20580

Dear Ms McGregor;

In accordance with the Federal Trade Commission's <u>Memorandum to Potential Cigarette Manufacturers or</u> <u>Importers</u>, I write to submit our company's plan for compliance with Section 1333 of the Cigarette Act. This plan is limited to ten (10) Westport¹³⁴ brand styles of eigarettes, including king size box and 100s size box.

DK Distributors, Inc was formed as a Florida corporation on December 19, 2009 and operates as a wholesale distribution company. For all correspondence matters please refer to our <u>Corporate Address</u> outlined in the header of this page.

L PACKAGING

A. WARNING LABEL SIZE & LOCATION

- <u>BRAND</u> DK Distributors, Inc. imports Westport TM brand of cigarettes. The company does not import or manufacture any cigarette brand other than WestportTM.
- BRAND STYLES- As part of this plan, we shall import the following ten (10) Westport[™] brand styles;

#	Variety Style	Packaging
1.	King Size (Red)	BOX Packaging
2.	King Size (Blue)	BOX Packaging
3.	King Size (Sky Blue) BOX	
4	King Size (Green)	BOX Packaging
5.	King Size (Bright Green)	BOX Packaging
6.	100s Size (Red)	BOX Packaging
7.	100s Size (Blue)	BOX Packaging
8.	100s Size (Sky Blue)	BOX Packaging
9.	100s Size (Green)	BOX Packaging
10.	100s Size (Bright Green)	BOX Packaging

The four health warning labels will be printed on the cigarette packs and cartons of the WestportTM brand of cigarettes. Each cigarette pack will contain twenty cigarettes and each carton will contain ten packs. Each of the four warning labels has been designed to be of appropriate size, conspicuousness and contrast. The warnings will appear exactly as they do on the samples submitted with our letter of June 14th, 2010 and additional submission with a missing warning of July 13th 2010.

B. WARNING LABEL SIZE & LOCATION

In order to satisfy the warning label rotation requirement, we have elected the option provided by Section 1333c(2) that allows us to display each of the four (4) warnings an equal number of times during the year. We comply with the "Cigarette Act" by having our factory's supplier print the four surgeon general warnings simultaneously in equal numbers at the time of both the pack and earton print runs. The four cigarette health warnings will appear on packs and eartons for each brand style of the Westport^{TMTM} brand of cigarettes an equal number of times during the one-year period following approval of this plan by the F.T.C. We qualify for this option because the sales of the cigarettes we imported in fiscal year 2015 were less than one-fourth of one percent of all the cigarettes sold in the United States during the period. A chart showing DK Distributors, Inc. sales for this period is attached. WE estimate that our company's sales in calendar year 2016 will amount to the period is attached. WE estimate that our company's sales in calendar year 2016 will amount to the period is attached.

C. RECORDS OF COMPLIANCE

DK Distributors, Inc. will maintain sufficient records to demonstrate compliance with this plan.

II. ADVERTISING

DK Distributors, Inc. filed a plan for the use of health warnings in advertising display on August 16th, 2010. We intend to maintain compliance with the aforementioned plan.

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

Sincerely,

Lina Mareinkeviciene President DK Distributors, Inc

DISTRIBUTORS 1404 E Las Olas Blvd #2300 Fort Lauderdale, FL 33301 Tel: 954-646-4084 Fax: 803-329-5329

DK Distributors

Sales By Item Summary January-December 2015





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

July 26, 2016

Ms. Lina Marcinkeviciene DK Distributors, Inc. 1404 E. Las Olas Blvd. #2300 Fort Lauderdale, FL 33301

Dear Ms. Marcinkeviciene:

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 DK Distributors, Inc. ("DK Distributors") dated July 26, 2016, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Westport brand of cigarettes.

DK Distributors' 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 June 14 and July 13, 2010 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, DK Distributors' plan for simultaneous display of the four health warnings on packaging is hereby approved for the following ten box varieties of the Westport brand: Kings (Red), 100's (Red), Kings (Blue), 100's (Blue), Kings (Sky Blue), 100's (Sky Blue), Kings (Green), 100's (Green), Kings (Bright Green), and 100's (Bright Green).²

¹ DK Distributors stated in its letter dated July 26, 2016 that the four health warnings will appear exactly as shown on the samples submitted on these dates.

² As set forth in its letter dated July 26, 2016, DK Distributors is using colors to identify its varieties of the Westport brand of cigarettes (*e.g.*, "King Size (Red)"). We note that the color names are not printed on the packaging (*e.g.*, the word "Blue" does not appear on the packaging of the "100s Size (Blue)" variety); however, the color referenced in a variety's name does conform to the color used in its packaging.

Ms. Lina Marcinkeviciene July 26, 2016 Page 2

Approval of DK Distributors' 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.

Please note that this letter only approves DK Distributors' 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 Westport brand. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for DK Distributors' cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of DK Distributors' 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 July 25, 2017, 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 Bonnie McGregor at (202) 326-2356.

Very truly yours,

May K Eyle

Mary K. Engle Associate Director

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.

XCALIBER

INTERNATIONAL, LTD., LLC.

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

July 26, 2016

Via Federal Express – Overnight Delivery

Ms. Bonnie McGregor Division of Advertising Practices FEDERAL TRADE COMMISSION 600 Pennsylvania Avenue N.W. CC-10528 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," "Berkeley," "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 April 19, 2016, for the packaging of the brand families "Echo," "Edgefield," and "Exeter," and represents a new plan, for which Xcaliber is seeking approval, for the packaging of the brand families "24/7," "Berkley," "Berley," "Golden Blend," "Gsmoke," "Mainstreet," and "Sport" (collectively "the Xcaliber Brands"). This plan further represents a change to the advertising plan approved August 17, 2012.

All Xcaliber Brands and their styles for which Xcaliber is requesting approval 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>. With respect to "24/7," "Berkley," "Berley," "Golden Blend," "Gsmoke," "Mainstreet" and "Sport," warnings will appear exactly as shown on the packs and cartons enclosed with Xcaliber's submission dated July 11, 2016. With respect to "Echo," "Edgefield" and "Exeter," warnings will appear exactly as shown on the packs and cartons enclosed with Xcaliber's submissions dated July 29, 2013, and August 9, 2013. The provided samples include each of the four warnings on packs and cartons for each brand style submitted. The

ONE TOBACCO ROAD, PRYOR, OK USA 74361 ::: PHONE: 918-824-0300 ::: FAX: 918-824-0302 ::: WWW.XCALIBERINTERNATIONAL.COM

77 Edgefield

EXETER

lis



warning statements are permanently imprinted on cigarette packs and cartons.

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 brand style packaging have been equalized in accordance with the Act.

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, 2015, were sticks. A schedule is attached reflecting Xcaliber's sales for 2015 and the first four months of 2016. This schedule is provided as **Attachment 3**.

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 August 17, 2012. Upon approval of the new plan, Xcaliber wishes to advertise for each of the brands advertised on **Attachment 1**.

- a. <u>Warning Label Size and Location</u>. Copies of the warning formats that Xcaliber will be using in advertisements were enclosed with Xcaliber's submissions dated July 27, 2012, August 3, 2012, and August 15, 2012. The warning formats to be used by Xcaliber are consistent with those warning formats submitted with the 1985 plan of the five leading U.S. cigarettes manufacturers. Xcaliber will place the warnings as specified in those plans, except that the point-of-sales advertisements will bear the warning statement referenced in **Attachment 2** for the quarter in which the advertisement is ordered. The size of the advertisements shall not exceed 40 square feet.
- b. <u>Warning Label Rotation</u>. Pursuant to Section 1333(c)(2) of the Act, the warnings will be rotated quarterly according to the schedule set out in **Attachment 2**.

Other than Internet advertising, Xcaliber advertises only with printed point-of-sale signs, such as pole signs or shelf talkers. When these signs are needed, Xcaliber will submit artwork to its print suppliers. This artwork will reflect both the appropriate warning statement format and the appropriate warning statement for the quarter in which the advertisement is ordered. Upon receiving a shipment of printed signs from its print suppliers, Xcaliber will check to assure that both the appropriate warning statement for that quarter are imprinted on the sign.

c. <u>Internet.</u> Xcaliber has developed and maintains an Internet website at www.xcaliberinternational.com. In Internet advertising, the warnings will be displayed in an unavoidable manner on every webpage where they may be viewed, without scrolling, and shall not be accessed through hyperlinks, popups, interstitials, or other similar means. The warning formats to be used by Xcaliber are consistent with those warning formats submitted with the 1985 plan of the five leading U.S. cigarettes manufacturers; the size of the warnings shall be proportionate to those warning formats. The warnings will be rotated quarterly in accordance with the schedule set out in Attachment 2.

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.

24/7Note: 24/7 is only available in a box.

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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

1

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. Schedule for Quarterly Rotation.

Attachment 2. Schedule for Quarterly Rotation of Warnings in Advertisements

The schedule for quarterly rotation is as follows:

Brand Family:	First Quarter: Jan. to March	Second Quarter: April to June	Third Quarter: July to Sept.	Fourth Quarter: Oct. to Dec.
24/7	A	В	C	D
Berkley	В	С	D	A
Berley	С	D	A	В
Echo	D	A	B	С
Edgefield	A	В	C	D
Exeter	В	С	D	A
Golden Blend	С	D	A	В
Gsmoke	D	A	В	С
Mainstreet	A	B	С	D
Sport	В	С	D	A
Multi-Brand	C	D	A	В

The warnings are as follows:

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

Attachment 3. Sales Data.

The attachment is provided on the following pages.

XCALIBER INTERNATIONAL, LTD, L.L.C.

Attachment 3 - Sales For the Period From Jan 1, 2015 to May 31, 2016

item ID	Description	2015 Cases	2015 Cartons	2015 Sticks	Jan-May 2016 Cases	Jan-May 2016 Cartons	Jan-May 2016 Sticks
1111	Echo Box 100 Red						
1112	Echo Box 100 Gold						
1113	Echo Box 100 Menthol Gold						
1114	Echo Box 100 Menthol						
1116	Echo Box 100 Blue						
1121	Echo Box King Red						
1122	Echo Box King Gold						
1123	Echo Box King Menthol Gold						
1124	Echo Box King Menthol						
1125	Echo Box King Non Filter						
1125	Echo Box King Blue						
1211	Echo SP 100 Red						
1212	Echo SP 100 Gold						
1213	Echo SP 100 Menthol Gold						
1214	Echo SP 100 Menthol						
1216	Echo SP 100 Blue						
1221	Echo SP King Red						
1222	Echo SP King Gold						
1223	Echo SP King Menthol Gold						
1224	Echo SP King Menthol						
1225	Echo SP King Non Filter						
1226	Echo SP King Blue						
2111	Edgefield Box 100 Red						
2112	Edgefield Box 100 Gold	A CONTRACT					
2113	Edgefield Box 100 Menthol Gold						
2114	Edgefield Box 100 Menthol						
2116	Edgefield Box 100 Silver						
2121	Edgefield Box King Red						
2122	Edgefield Box King Gold						
2123	Edgefield Box Kng Menthal Gold						
2124	Edgefield Box King Menthol						
2125	Edgefield Box King Non Filter						
2126	Edgefield Box King Silver						
3111	Exeter Box 100 Red						
3112	Exeter Box 100 Gold						
3113	Exeter Box 100 Menthol Gold						
3114	Exeter Box 100 Menthol						
3116	Exeter Box 100 Blue						
3121	Exeter Box King Red						
3122	Exeter Box King Gold						
31,23	Exeter Box King Menthol Gold						
3124	Exeter Box King Menthol						
3125	Exeter Box King Non Filter						
3126	Exeter Box King Blue						
3211	Exeter SP 100 Red						
3212	Exeter SP 100 Gold						
3213	Exeter SP 100 Menthol Gold						
3213	Exeter SP 100 Menthol						
3214	Exeter SP 100 Blue						
3210	Exeter SP King Red	The states					
3221	Exeter SP King Gold						
	Exeter SP King Gold						
3223	EVERED AL WILL INCLUDING OUD					NEW CONTRACTOR	

XCALIBER INTERNATIONAL, LTD, L.L.C. Attachment 4 - Sales For the Period From Jan 1, 2015 to May 31, 2016

Item	ID Description	2015 Cases	2015 Cartons	2015 Sticks	Jan-May 2016 Cases	Jan-May 2016 Cartons	Jan-May 2016 Sticks
3224	Exeter SP King Menthol	ALL SA STATISTICS			A Starting		Station Stationalist
3225	Exeter SP King Non Filter						
3226	Exeter SP King Blue						
5121	INTL Exeter Box King Red						
5122	INTL Exeter Box King Gold						

Selected packaging samples from those submitted with the plan.




S44

6 180



KING BOX

PROHIBITED

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







ENTHOL GOLD 100'S BOX

200 CLASS A CIGARETTES

UNDERAGE SALE PROHIBITED



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

200 CLASS A CIGARETT



WENTHOL GOLD 100'S BOX



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

Division of Advertising Practices

July 27, 2016

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 July 26, 2016, calling for: (1) quarterly rotation of the four health warnings in point-of-sale and internet advertising for the 24/7, Berkley, Berley, Golden Blend, Gsmoke, Mainstreet, and Sport brands of cigarettes; (2) modification of Xcaliber's previously approved plan for quarterly rotation of the four health warning for the Echo, Edgefield, and Exeter brands of cigarettes; and (3) 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.

Xcaliber's plan for quarterly rotation of the four health warnings in point-of-sale and internet advertising for the 24/7, Berkley, Berley, Golden Blend, Gsmoke, Mainstreet, and Sport brands of cigarettes, and modification of its plan for quarterly rotation of the four health warnings in point-of-sale and internet advertising for the Echo, Edgefield, and Exeter brands is hereby approved.¹ Approval of the plan assumes that the plan is implemented in good faith.

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

¹ With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice and you should contact them directly (Lashanda Freeman at 202-307-0052) to determine whether such advertising on the Internet is permissible.

Mr. Eric Barkley Estes July 27, 2016 Page 2

Exeter brands) 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:²

- 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;
- 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;
- 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;

² As set forth in its July 26, 2016 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 July 27, 2016 Page 3

- 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;
- 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 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.³ 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 in advertising and 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

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.

Mr. Eric Barkley Estes July 27, 2016 Page 4

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 July 26, 2017, 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 Connor Sands at (202) 326-3343.

Very truly yours,

Muy Z. Engle Mary K. Engle

Mary K. Engle Associate Director



King Mountain Tobacco Company Inc.

P. O. Box 422 White Swan, Washington 98952 Phone: (509) 874-9935 Fax: (509) 874-3690

August 8th, 2016

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

RE: King Mountain Tobacco Company, Inc. – King Mountain Cigarette Labeling Rotation Renewal Pursuant to 15 U.S.C. §1333(c)(2)

Dear Ms. Engle,

King Mountain Tobacco Company, Inc., is a manufacturer of tobacco products located at 2000 Fort Simcoe Road; White Swan, WA 98952.

This is an application pursuant to 15 U.S.C. §1333(c)(2) for annual approval of the plan of King Mountain Tobacco Company, Inc., for the display of the four health warnings on packaging for its King Mountain Cigarette Brand. Your Office last approved King Mountain's plan for the display of the Health Warnings on the packaging of the King Mountain Cigarettes on August 11th, 2015 and there have been no changes in packaging since that time. Packaging was submitted June 23, 2015 and the four health warnings will continue to appear as shown on that packaging. Please note that we manufacture Fire Safe Cigarettes (FSC) and Non Fire Safe Cigarettes. Fire Safe Cigarettes are identified by the letters "FSC" in bold above the UPC label on both the cartons and cigarette boxes. Non Fire Safe Cigarettes will not show any lettering above its UPC label on both cartons and cigarette boxes. All of King Mountain Tobaccos packaging is in the hard pack style.

King Mountain Tobacco Company, Inc.; (KMT) confirms and warrants that it will conduct its operations so that the four warnings specified in 15 U.S.C. §1333(a)(1) will appear an equal number of times on the packs and cartons of each brand style of Fire Safe and Non Fire Safe King Mountain Cigarettes it manufacturers during the twelve month period following approval of this application. In order to ensure equal distribution of the four warnings specified in 15 U.S.C. §1333(a)(1), KMT will require that one-fourth of each order of package and carton material be printed with each of the four warnings. KMT will keep records demonstrating compliance with the plan (please see attachment A & B). Attachment A shows Press Run A and Press Run B, each press run is ran on an alternating sequence, for both Fire Safe and Non Fire Safe to ensure an equal amount of the Surgeon General Warning Labels per order of packaging. Attachment B indicates the warning labels that are used within Run A and Run B. Should there be any residual or additional packaging that is needed to be added or subtracted from inventory

in order to obtain 100% compliance of the proper Surgeon General Warning Rotation as specified in 15 U.S.C. §13339(a)(1) will be done manually if needed by King Mountain Employee's before the first day of the following year. Sales of King Mountain did not exceed one-fourth of one percent of cigarettes sold in the United States during the calendar year 2015. KMT's fiscal year is the calendar year.

KMT manufacturers King Mountain cigarettes under Tobacco Manufacturing License Number TP-WA-15000. King Mountain is the only brand of cigarettes KMT manufactures and King Mountain does not import any cigarettes into the country.

As you know, cigarette labeling in the United States is governed in part by the Federal Cigarette Labeling and Advertising Act, as amended, 36 U.S.C. §§1331-41. The Commission may grant the twelve months simultaneous display label rotation cycle that KMT requests if:

(i)the number of cigarettes of such brand style sold in the fiscal year of the manufacturer or importer preceding the submission of the application is less than one-fourth of one percent of all the cigarettes sold in the United States in such year, and

(ii)more than one-half of the cigarettes manufactured or imported by such manufacturer or importer for sale in the United States are packaged into brand styles which met the requirements of clause (i).

15 U.S.C. §1333(c)(2)(A). The term "brand style" is defined in the statue to mean: A variety of cigarettes distinguished by the tobacco used, tar and nicotine content, flavoring used size of the cigarette, filtration on the cigarette, or packaging.

15 U.S.C. §1332(8)

KMT plans to manufacture the following styles of King Mountain:

Red Kings (Fire Safe)	Red 100's (Fire Safe)
Gold King (Fire Safe)	Gold 100's (Fire Safe)
Blue King (Fire Safe)	Blue 100's (Fire Safe)
Menthol King (Fire Safe)	Menthol 100's (Fire Safe)
Menthol Gold King (Fire Safe)	Menthol Gold 100's (Fire Safe)

Red Kings (Non Fire Safe) Gold King (Non Fire Safe) Blue King (Non Fire Safe) Menthol King (Non Fire Safe) Menthol Gold King (Non Fire Safe) nthol To0's (Fire Safe) nthol Gold 100's (Fire Safe) Red 100's (Non Fire Safe) Gold 100's (Non Fire Safe) Blue 100's (Non Fire Safe) Menthol 100's (Non Fire Safe)

Menthol Gold 100's (Non Fire Safe)

During 2015, KMT sold sticks of the King Mountain Brand. King Mountain Red 100's was the highest selling style with sticks. This amount is clearly "less than one-fourth of 1 percent of all cigarettes sold in the United States in 2015, as required by 15 U.S.C. §1333(c)(2)(A)(i). Estimated sales for 2016 are sticks, with King Mountain Red 100's selling approximately sticks. KMT received approval for our advertising plan on June 25th, 2009 and there have been no changes in our advertising plan since that time and KMT will maintain compliance with that plan.

If any additional information is needed please feel free to contact me directly by phone, fax or email.

Sincerely,

Kamialein T. Chlake

Kamiakin Wheeler Vice President <u>reports@kingmountaintobacco.com</u> (509) 874-9935 Office (509) 874-3690 Fax



King Mountain Tobacco Company Inc. P. O. Box 422 White Swan, Washington 98952 Phone: (509) 874-9935 Fax: (509) 874-3690

ATTACHMENT A

KING MOUNTAIN - SGW ROTATION Press Run A

85MM CPB	s NON FS	C - Run 30 U	P		85MM CPBs	FSC - I	Run 30 UP		
Warning A	Wa	arning B	Warning C	Warning D	Warning A	V	/arning B	Warning C	Warning D
Red	7	7	8	8	Red	8	8	7	7
Gold	8	8	7	7	Gold	7	7	8	8
Menthol	7	7	8	8	Menthol	8	8	7	7
Blue	8	8	7	7	Blue	7	7	8	8
Menthol Gold	7	7	8	8	Menthol Gold	8	8	7	7
TOTAL:	37	37	38	38	TOTAL:	38	38	37	37
100MM CPI	s NON F	SC - Run 20	UP		100MM CPE	s FSC -	Run 20 UP		
Warning A	Wa	rning B	Warning C	Warning D	Warning A	W	arning B	Warning C	Warning D
Red	5	5	5	5	Red	5	5	5	5
Gold	5	5	5	5	Gold	5	5	5	5
Menthol	5	5	5	5	Menthol	5	5	5	5
Blue	5	5	5	5	Blue	5	5	5	5
Menthol Gold	5	5	5	5	Menthol Gold	5	5	5	5
TOTAL:	25	25	25	25	TOTAL:	25	25	25	25
85MM Oute	r Carton	NON FSC-	Run 6 UP		85MM Oute	r Carto	ns FSC - Run 6	UP	
Warning A	Wa	rning B	Warning C	Warning D	Warning A	W	arning B	Warning C	Warning D
Red	1	1	2	2	Red	2	2	1	1
Gold	2	2	1	1	Gold	1	1	2	2
Menthol	1	1	2	2	Menthol	2	2	1	1
Blue	1	1	2	2	Blue	2	2	1	1
Menthol Gold	2	2	1	1	Menthol Gold	1	1	2	2
TOTAL:	7	7	8	8	TOTAL:	8	8	7	7
100MM Out			Run 6 UP		100MM Out	er Carte	ons FSC - Run	6 UP	
Warning A	Wai	rning B	Warning C	Warning D	Warning A		arning B	Warning C	Warning D
Red	1	1	2	2	Red	2	2	1	1
Gold	2	2	1	1	Gold	1	1	2	2
Menthol	1	1	2	2	Menthol	2	2	1	1
Blue	2	2	1	1	Blue	1	1	2	2
Menthol Gold	1	1	2	2	Menthol Gold	2	2	1	1
TOTAL:	7	7	8	8	TOTAL:	8	8	7	7



King Mountain Tobacco Company Inc. P. O. Box 422 White Swan, Washington 98952 Phone: (509) 874-9935 Fax: (509) 874-3690

KING MOUNTAIN - SGW ROTATION

Press Run B

85MM CPB	NON FS	C - Run 30 U	P		85MM CPBs	FSC -	Run 30 UP		
Warning A	Wa	rning B	Warning C	Warning D	Warning A	1	Warning B	Warning C	Warning D
Red	8	8	7	7	Red	7	7	8	8
Gold	7	7	8	8	Gold	8	8	7	7
Menthol	8	8	7	7	Menthol	7	7	8	8
Blue	7	7	8	8	Blue	8	8	7	7
Menthol	8	8	7	7	Menthol	7	7	8	8
Gold					Gold				
TOTAL:	38	38	37	37	TOTAL:	37	37	38	38
100MM CPE	Bs NON F	SC - Run 20	UP		100MM CPB	s FSC	- Run 20 UP		
Warning A	Wa	rning B	Warning C	Warning D	Warning A	١	Narning B	Warning C	Warning D
Red	5	5	5	5	Red	5	5	5	5
Gold	5	5	5	5	Gold	5	5	5	5
Menthol	5	5	5	5	Menthol	5	5	5	5
Blue	5	5	5	5	Blue	5	5	5	5
Menthol	5	5	5	5	Menthol	5	5	5	5
Gold					Gold				
TOTAL:	25	25	25	25	TOTAL:	25	25	25	25
85MM Oute	r Carton	NON FSC -	Run 6 UP		85MM Oute	r Carto	ons FSC - Run 6	UP	
Warning A	Wa	rning B	Warning C	Warning D	Warning A	٧	Varning B	Warning C	Warning D
Red	2	2	1	1	Red	1	1	2	2
Gold	1	1	2	2	Gold	2	2	1	1
Menthol	2	2	1	1	Menthol	1	1	2	2
Blue	2	2	1	1	Blue	1	1	2	2
Menthol	1	1	2	2	Menthol	2	2	1	1
Gold					Gold				
TOTAL:	8	8	7	7	TOTAL:	7	7	8	8
100MM Out	er Cartor	s NON FSC	Run 6 UP		100MM Out	er Cari	tons FSC - Run	6 UP	
Warning A		ning B	Warning C	Warning D	Warning A	V	Varning B	Warning C	Warning D
Red	2	2	1	1	Red	1	1	2	2
Gold	1	1	2	2	Gold	2	2	1	1
Menthol	2	2	1	1	Menthol	1	1	2	2
			-	2	Blue	2	2	1	1
Blue	1	1	2		DILLE	-			
Menthol	1 2	1 2	1	1	Menthol	1	1	2	2

TOTALS (Between Press				
Run A & B)	Warning A	Warning B	Warning C	Warning D
85MM CPBs NON F5C -	75	75	75	75
Run 30 UP				
100MM CPBs NON FSC -	50	50	50	50
Run 20 UP				
85MM Outer Cartons	15	15	15	15
NON FSC - Run 6 UP				
100MM Outer Cartons	15	15	15	15
NON FSC - Run 6 UP				
85MM CPBs FSC - Run	75	75	75	75
30 UP				
100MM CPBs FSC - Run	50	50	50	50
20 UP				
85MM Outer Cartons	15	15	15	15
FSC - Run 6 UP	45	45	15	15
100MM Outer Cartons	15	15	15	15
FSC - Run 6 UP	210	210	210	210
BRAND TOTAL	310	310	310	310

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King Mountain Tobacco Warnings

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.



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

August 9, 2016

Mr. Kamiakin Wheeler King Mountain Tobacco Company, Inc. P.O. Box 422 White Swan, WA 98952

Dear Mr. Wheeler:

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 King Mountain Tobacco Company, Inc. ("KMTC") on August 8, 2016, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain hard pack varieties of the King Mountain brand of cigarettes.

KMTC'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 June 23, 2015 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, KMTC's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following hard pack varieties of the King Mountain brand: Red (Kings and 100's), Gold (Kings and 100's), Blue (Kings and 100's), Menthol (Kings and 100's), and Menthol Gold (Kings and 100's). 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.

¹ KMTC stated in its August 8, 2016 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on June 23, 2015.

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. Kamiakin Wheeler August 9, 2016 Page 2

Please note that this letter only approves KMTC'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 KMTC'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 KMTC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of KMTC'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 August 8, 2017, 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



August 15, 2016

Ms.Mary K. Engle

Associate Director, Division of Advertising Practices

Federal Trade Commission

600 Pennsylvania Ave NW

MailDrop CC-10528

Washington, DC 20580

Attn: Mr. William Ducklow

Re: Plan for Compliance with Federal Cigarette Labeling and Advertising Act for Patriot Box Cigarettes

Dear Ms. Engle:

Please find enclosed Global Tobacco LLC's (Global) submission of its warning plan for the Patriot brand of cigarettes in the box packaging. Global Tobacco LLC received approval from you on May 9th, 2016 to equalize the Surgeon General's Warnings on packaging of certain styles of Global Classic and Patriot brands. We are now seeking an approval on an expansion of the Patriot Brand in Box Packaging. In order to facilitate such manufacturing, Global submits this letter containing its plan for compliance with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 et. Seq. (FCLAA).

As a preliminary matter, we currently hold a permit to manufacture cigarettes (TP-TX-15001) at our principal place of business located at 2861 Congressman Ln, Suite 300, Dallas, TX 75220.

1. PACKAGING

This section addresses the plan for compliance with respect to the "Packaging" requirements of the FCLA, including a discussion of the warning label size and location, the warning label rotation and records of compliance.

1



A. Warning Label Size and Location

Global seeks approval for the following brand styles of Patriot Brand Family:

- 1. Patriot Red 100's Box
- 2. Patriot Gold 100's Box
- 3. Patriot Menthol 100's Box
- Patriot Menthol Gold 100's Box
- 5. Patriot Silver 100's Box
- 6. Patriot Red Kings Box
- 7. Patriot Gold Kings Box
- 8. Patriot Menthol Kings Box

Sample packs and cartons displaying each of the four warnings were included with our submission dated May 4th, 2016, corrected June 28th, 2016 and revised July 13th, 2016. The cartons and packages were prepared in accordance with the precise wording, capitalization, and punctuation of the warnings under section 1333(a) of the FCLAA and in compliance with the requirements for placement and size of the warnings on the packing under Section 1333(b)(1) of the FCLAA. The required warnings will appear on both the actual packages and cartons of the foregoing Patriot brand styles exactly as they appear on the enclosed packaging samples. Global Tobacco will use only the corrected and revised packaging submitted on the dates described above.

B. Packaging - Warning Label Rotation:

Global will comply with the FCLAA by displaying the four warnings an equal number of times on the packages and cartons of each of the foregoing brand styles during the one year period following the date of approval of this plan by the FTC.



Section 1332(c)(2) allows a cigarette manufacturer or importer to display the four warnings an equal number of times during the year on a brand style's packaging if the company's annual sales of that brand style are less than one-fourth (1/4th) of one percent(1%) of all of the cigarettes sold in the United States and more than half the cigarettes manufactured or imported by that company are packaged into brand styles that meet this threshold. Total sales for all of the brand styles that Global Tobacco imported or manufactured, including the Global Classic, Patriot and Silver Cloud Kings for fiscal year 2015 were sticks. Global Tobacco anticipates approximately the same sales volume for the calendar year 2016. Global Tobacco's fiscal year is same as the calendar year.

C. Records of Compliance

Global will maintain records demonstrating compliance with this plan at our principal place of business.

D. Advertising

Global intends to follow the "Advertising" requirements of the FCLAA.

On November 4th,2009 FTC approved Global's plan for advertising for the Global Classic brand and on July 19th, 2010 you approved plan for advertising for the Patriot and Silver Cloud brands. This plan covers print advertisement not to exceed ten square feet. We will maintain compliance with this plan with respect to the "Advertising" requirements of the FCLAA, including a discussion of the warning label size and placement, and the warning label rotation.

E. Advertising - Warning Label Rotation

Global will maintain the following quarterly rotation schedule for advertising of its 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.

The schedule for quarterly rotation of the warnings in Global Tobacco's advertising for the Patriot Brand is as follows:

First Quarter	(January- March):	В
Second Quarter	(April – June):	С
l'hird Quarter	(July-September):	D
Fourth Quarter	(October-December):	А

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

Sincerely.

Swetha Duggirala Regulatory Affairs Officer Global Tobacco LLC 2861 Congressman Lane, Suite 300 Dallas, TX 75220 Ph: 214-357-6653 Fax:214-357-6655

4

Selected packaging samples from those submitted with the plan.



<u>хоЯ г'nniN птая</u>

UNDERAGE Sale Prohibited **Made in U.S.A.**



King's Box

RED

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

RED King's Box



и Кing's Вох



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

Division of Advertising Practices

August 19, 2016

Ms. Swetha Duggirala Global Tobacco, LLC 2861 Congressman Lane, Suite 300 Dallas, TX 75220

Dear Ms. Duggirala:

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, Global Tobacco, LLC's ("Global Tobacco") May 3, 2016 plan for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Global Classic and Patriot brands of cigarettes was approved on May 9, 2016. By letter dated August 15, 2016, you now propose to expand Global Tobacco's plan for simultaneous display of the four health warnings on packaging to include eight additional varieties of the Patriot brand.

Global Tobacco'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 May 4, June 28, and July 13, 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, Global Tobacco's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following eight hard pack varieties of the Patriot brand: Red (Kings and 100's), Gold (Kings and 100's), Menthol (Kings and 100's), Silver 100's, and Menthol Gold 100's.

This approval pertains only to packaging that meets the requirements of the Cigarette Act in force as of the date of this letter.

¹ Although the warnings on the King size packs submitted on May 4, 2016 did not meet the size requirements of the Cigarette Act, corrected packs were submitted on June 28, 2016. This approval pertains only to packaging that meets the requirements of the Cigarette Act. Furthermore, the four health warnings must appear exactly as shown on the packs and cartons that the Commission has approved.

Ms. Swetha Duggirala August 19, 2016 Page 2

Approval of Global Tobacco's 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 Global 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 Global 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 Global Tobacco's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Global 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 August 18, 2017, 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 Eyle

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.

MARKETING GROUP USA INC.

2801 Camino Del Rio South Saite 304, San Diego, CA 92108 USA email: marketinggroupusa@sbcglobal.net Cell:619-328-7710 Office 619-291-1662

August 23, 2016

Ms. Mary K. Engle Federal Trade Commission, Division of Advertising Practices, ATTN: Ms. Bonnie McGregor 600 Pennsylvania Avenuc, N.W. Mail Drop CC-10528 Washington, D.C. 20580

RE: Annual Extension for the Approved Cigarette Warning Equalization Plan,

Dear Ms. Engle;

This letter is being submitted for the extension of the approval of the Surgeon General Warning Equalization Plan for the display of the four health warnings on packaging of the New York New York eigarette brand.

The initial approval was issued on January 27, 2009 valid to January 26, 2010.

A subsequent extension was granted on April 01, 2010 valid to March 31, 2011 for Full Flavor hard pack (Kings and 100's), Menthol hard pack (Kings and 100's), and Non Filter Kings soft pack.

On September 28, 2010, an application to approve new packaging to comply with The Family Smoking Prevention and Tobacco Control Act (FSPTCA) was submitted.

New packaging was submitted on August 05, 2010 as follows:

Red Box 100 Size, formerly Full Flavor 100's Red Box King Size, formerly Full Flavor Kings

Gold Box 100 Size, formerly Lights Gold Box King Size, formerly Lights Silver Box 100 Size, formerly Ultra Lights

Menthol Box 100 Size Menthol Box King Size Menthol Gold Box, formerly Menthol Light

Non-Filter Box King Size, formerly Non-Filter Soft Pack

That application for the change of brand style names was approved on September 30, 2010.

A subsequent plan extension was approved on October 31, 2011, valid to September 21, 2012.

A subsequent plan extension was approved on August 28, 2012, valid to August 27, 2013.

A subsequent plan extension was approved on August 28, 2013, valid to August 27, 2014.

A subsequent plan extension was approved on August 21, 2014, valid to August 20, 2015.

A subsequent plan extension was approved on August 27, 2015, valid to August 26, 2016.

Through the date of this application, the Surgeon General Warnings have been equalized on our packaging for the nine brand styles of New York New York Brand cigarettes.

The New York New York brand will continue to be manufactured in the United States by our contract manufacturer Joseph M. Anderson d/b/a Smokin Joes for Marketing Group USA, Inc. Upon approval of this extension, the contract manufacturer will continue to manufacture these eigarettes under the authority of the Bureau of Alcohol, Tobacco, Firearms and Explosives (Manufacturer of Tobacco Products License TP-NY-168).

Marketing Group USA, Inc. does not import cigarettes.

New York New York brand cigarettes will be manufactured in a variety of styles. The following varieties of New York New York cigarettes are the only brand styles of cigarettes that we manufacture and will be manufactured in accordance with both FTC and FSPTCA rules and regulations:

Red Box King Size, Red Box 100 Size Gold Box King Size, Gold Box 100 Size Silver Box 100 Size Menthol Box King Size, Menthol Box 100 Size Non-filter Box King Size

These eigarettes will be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain 10 (10) packs ("Pack") of twenty (20) eigarettes each pack. The warnings will appear exactly as they do on the actual pack labels and cartons submitted under Exhibit A of our letter of August 05, 2010 and approved on September 30, 2010.

United States stick sales for the period January 01, 2015 to December 31, 2015 were Also, sticks were exported for international sales for the period January 01, 2015 to December 31, 2015. These eigarettes were exported in accordance with all federal and state regulations. The breakdown of the number of stick sales are indicated in a graph attached as **Exhibit 1**.

In addition, United States stick sales for the period January 01, 2016 to August 01, 2016 were sticks were manufactured for export for the period January 01, 2016 to August 01, 2016. The breakdown of the number of stick sales are indicated in a graph attached as **Exhibit 1A**.

United States sales estimates for the next one year period for the varieties of New York New York brands listed above are provided in **Exhibit 2.** Marketing Group USA, Inc. does not anticipate that the total of all brand styles of its cigarettes will exceed sticks in sales for the one year period to be covered by this plan.

Upon approval of the extension, the four cigarette health warnings will appear on the packs and cartons of each of the brand styles 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 warnings appear on each of the above listed brand styles an equal number of times throughout the plan year, raw materials packaging inventory will be stored and loaded into packaging machines alternating the four health warnings equally.

Marketing Group USA will maintain compliance with the September 28, 2010 Plan for point of sale advertising for the New York New York Brand, and with the September 29, 2011 Plan for the internet advertising for the New York new York Brand

Marketing Group USA, Inc. 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. Marketing Group USA, Inc. will maintain records of compliance with the approved plan.

Thank you in advance for your kind attention to this important request for extension. If there are any questions or concerns regarding these plans, please feel free to contact me.

Sincerely.

Mary Najjar Mary President

PRODUCT New York New York - EXPORT/INTERNATIONAL SALES	STICKS (Actual Stick Sales Figures 01/01/15-12/31/15)
NEW YORK GOLD KING BX INTL	
NEW YORK MENTHOL KING BX INTL	
NEW YORK RED KING BX INTL.	
PRODUCT New York New York - USA SALES	STICKS (Actual Stick Sales Figures 01/01/15-12/31/15)
NEW YORK GOLD 100 BX FSC	
NEW YORK MENTHOL 100 BX FSC	
NEW YORK MENTHOL GOLD 100 BX FSC	
NEW YORK RED 100 BX FSC	
NEW YORK SILVER 100 BX FSC	
NEW YORK GOLD KING BX FSC	
NEW YORK MENTHOL KING BX FSC	
NEW YORK NON FILTER KING BX FSC	
NEW YORK RED KING BX FSC	

EXH # 1

PRODUCT New York New York - EXPORT/INTERNATIONAL SALES	STICKS (Actual Stick Sales Figures 01/01/16-08/01/16)
NEW YORK GOLD KING BX INTL	
NEW YORK MENTHOL KING BX INTL	
NEW YORK RED KING BX INTL.	
PRODUCT New York New York - USA SALES	STICKS (Actual Stick Sales Figures 01/01/16-08/01/16)
NEW YORK GOLD 100 BX FSC	
NEW YORK MENTHOL 100 BX FSC	
NEW YORK MENTHOL GOLD 100 BX FSC	
NEW YORK RED 100 BX FSC	
NEW YORK SILVER 100 BX FSC	
NEW YORK GOLD KING BX FSC	
NEW YORK MENTHOL KING BX FSC	
NEW YORK NON FILTER KING BX FSC	
NEW YORK RED KING BX FSC	

EXH#24

EXHIBIT 2

	Total Estimated Stick Sales August 01, 2016 to July 31, 2017
NYNY Red 100 Size Box	
NYNY Red King Size Box	
NYNY Gold 100 Size Box	
NYNY Gold King Size Box	
NYNY Menthol 100 Size Box	
NYNY Menthol King Size Box	
NYNY Menthol Gold 100 Size Box	
NYNY Silver 100 Size Box	
NYNY Non-Filter King Size Box	

TOTAL

15,000,000

XIA



Division of Advertising Practices UNITED STATES OF AMERICA - Federal Trade Commission Washington, D.C. 20580

August 25, 2016

Ms. Mary Najjar President Marketing Group USA, Inc. 2801 Camino Del Rio South, Suite 304 San Diego, CA 92108

Dear Ms. Najjar:

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 Marketing Group USA, Inc. ("Marketing Group") on August 23, 2016, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the "New York New York" brand of cigarettes.

Marketing Group'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 August 5, 2010 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, Marketing Group's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following nine box varieties of the New York New York brand: Red (Kings and 100's), Gold (Kings and 100's), Silver 100's, Menthol (Kings and 100's), Menthol Gold 100's, and Non-Filter Kings.

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.

¹ Marketing Group stated in its August 23, 2016 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on August 5, 2010.

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. Mary Najjar August 25, 2016 Page 2

Please note that this letter only approves Marketing Group'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 Marketing Group'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 Marketing Group's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Marketing Group'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 August 24, 2017, 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,

Muy K. Eyle

Mary K. Engle Associate Director



August 22, 2016

Ms. Mary K. Engle Associate Director U.S. Federal Trade Commission Bureau of Consumer Protection Division of Advertising Practices 600 Pennsylvania Avenue, NW, CC-10528 Washington, DC 20580

Re: Sherman's 1400 Broadway NYC, Ltd. ("Sherman's 1400")

Dear Ms. Engle,

Sherman's 1400 Broadway NYC, Ltd. ("Sherman's 1400") had its health warning display plan for packaging previously approved on July 20, 2009, with amendments approved for the following time periods: January 22, 2010 until July 19, 2010 December 17, 2010 until December 16, 2011 November 9, 2011 until September 21, 2012 September 14, 2012 until September 13, 2013 September 13, 2013 until September 12, 2014 September 9, 2014 until September 8, 2015 (and for the FT Box King varieties of the Classic brand approved July 17, 2015 until July 16, 2016) * September 8, 2015 until September 7, 2016

With this letter, we seek approval for our plan to simultaneously display the four health warnings on previously approved packaging for our approved current brand styles, in order to comply with FCLAA. (*Please note that the three (3) varieties of Classic FT Box referenced in our letter of September 3, 2015 were never actually marketed or sold and we are not seeking any further approval for these products at this time.) When printing our packaging materials, each version of the four warnings is equally produced then equally used in the production process (25% A, 25% B, etc.) to ensure that we achieve simultaneous display of the four warnings on all our brands and brands styles. Through the date of this application, the Surgeon General health warnings for the previously approved packaging of our brand styles have been equalized in accordance with our plan.

The actual hard pack and carton packaging, with each of the four health warnings, for the following brands and brand styles that were previously approved by the FTC, remains the same and is in compliance with Section 911 of The Family Smoking Prevention and Tobacco Control Act of 2009, which became effective June 22, 2010. The hard packs, cartons and health warnings on the following brands and brand styles will appear exactly as on the samples enclosed with our letter of August 24, 2015.

I. Current brand and brand styles (samples provided on August 24, 2015):

Black & Gold (black paper/gold filter/queen) Cigarettellos (brown paper/non filter/queen) Classic (white paper/cork filter/king) Classic Blue (white paper/cork filter/king) Classic Menthol (white paper/cork filter/king)

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CORPORATE

2200 Fletcher Avenue • Fort Lee, NJ 07024 tel. 201-735-9000 fax 201-735-9099

MANUFACTURING

7615 Bocing Drive • Greensboro, NC 27409 *tel.* 336-665-6060 *fax* 336-605-1795

WWW.NATSHERMAN.COM

Cigarette Health Warning Plan

I. Current brand and brand styles (samples provided on August 24, 2015) (cont):

Fantasia (multi-color paper/gold filter/queen) Havana Ovals (brown paper/non filter/queen) Hint Menthol (brown paper/brown filter/queen) MCD (brown paper/brown filter/queen) MCD Gold (brown paper/brown filter/queen) MCD Menthol (brown paper/brown filter/queen) MCD Silver (brown paper/brown filter/queen) Naturals Blue (white paper/white filter/queen) Naturals Blue King (white paper/white filter/king) Naturals King (white paper/cork filter/king) Naturals Menthol (white paper/white filter/queen) Naturals Menthol King (white paper/cork filter/king) Naturals Originals (brown paper/cork filter/queen) Naturals Yellow (brown paper/brown filter/queen) Naturals Yellow King (white paper/white filter/king) New York Cut Blue (white paper/white filter/king) New York Cut Menthol (white paper/white filter/king) New York Cut Original (white paper/cork filter/king)

Sherman's 1400 total domestic shipments for the twelve-month period ending April 30, 2016 (our fiscal year) were sticks and we anticipate next fiscal year's volume to be the same. In compliance with the Cigarette Act, Section 1333(c)(2), kindly be advised that Sherman's 1400 manufactured and sold in each of its brands less than one-fourth of one (1%) percent of all cigarettes sold in the United States in its prior fiscal year of 2016, and expects to be below that fraction of sales in the present year. Thus, Sherman's 1400 will take advantage of the alternative to quarterly rotation of the health warnings on its packaging for the each of the foregoing brand styles pursuant to Section 1333(c)(2).

Sherman's 1400 will continue to display the four health warnings an equal number of times on the hard packs and cartons of each of the foregoing brand styles for the twelve-month period beginning on the date of the approval of this plan; or at such time as the authority to approve cigarette health warning statement plans move from the FTC to the FDA. Sherman's 1400 will maintain records that show compliance with its packaging and advertising plan. Sherman's 1400 had its advertising plan originally approved November 24, 2003 and the expanded plan approved on July 20, 2009.

If you require any additional information, please do not hesitate to contact me at 201-735-9004.

Sincerely,

William M. Sherman Executive Vice President

WMS/MWM/smw

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

Division of Advertising Practices

September 7, 2016

Mr. William M. Sherman Executive Vice President Sherman's 1400 Broadway NYC, Ltd. 2200 Fletcher Avenue Fort Lee, NJ 07024

Dear Mr. Sherman:

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 Sherman's 1400 Broadway NYC, Ltd. ("Sherman's 1400") on August 22, 2016, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Black & Gold, Cigarettellos, Classic, Fantasia, Havana Ovals, Hint, MCD, Naturals, and New York Cut brands of cigarettes.

Sherman's 1400'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 August 24, 2015 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, Sherman's 1400's plan for simultaneous display of the four health warnings on packaging for the following box varieties is hereby approved:

- the queen size variety of the Black & Gold brand;
- the Non-Filter queen size variety of the Cigarettellos brand;
- three "International style" king size varieties of the Classic brand (Regular, Blue, and Menthol);
- the queen size variety of the Fantasia brand;

¹ Sherman's 1400 stated in its August 22, 2016 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on August 24, 2015.

Mr. William M. Sherman September 7, 2016 Page 2

- the Non-Filter queen size variety of the Havana Ovals brand;
- the Menthol queen size variety of the Hint brand;
- four queen size varieties of the MCD brand (Regular, Gold, Menthol, and Silver);
- four king size varieties of the Naturals brand (Blue, Regular, Menthol and Yellow);
- four queen size varieties of the Naturals brand (Blue, Menthol, Originals, and Yellow); and
- three king size varieties of the New York Cut brand (Blue, Menthol and Original).

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 Sherman's 1400'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 Sherman's 1400'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 Sherman's 1400's cigarettes, including, but not limited to, "natural." Nor does this letter purport to interpret or express any opinion about the adequacy of Sherman's 1400'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, or

www.fda.gov/TobaccoProducts/ResourcesforYou/ForIndustry/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 September 6, 2017, 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. William M. Sherman September 7, 2016 Page 3

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

Very truly yours,

May K Engle

Mary K. Éngle Associate Director