

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: October 5, 2023
- SUBJECT: Rotational Health Warnings for Cigarettes File No. P854505

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

- 1. September 29, 2021 letter from Robyn Y. Ettricks on behalf of Philip Morris USA Inc. to Rick Quaresima.
- 2. October 4, 2021 letter from Serena Viswanathan to Robyn Y. Ettricks on behalf of Philip Morris USA Inc.
- 3. November 3, 2021 letter from Tina M. Bardak, Lake Erie Tobacco Company to Bonnie McGregor.
- 4. November 4, 2021 letter from Serena Viswanathan to Tina M. Bardak, Lake Erie Tobacco Company.
- 5. November 3, 2021 letter from Ben Fenner on behalf of Thompson Deer Management Group, LLC to Serena Viswanathan.
- 6. November 4, 2021 letter from Serena Viswanathan to Ben Fenner on behalf of Thompson Deer Management Group, LLC.
- 7. November 22, 2021 letter from Karen E. Delaney, NASCO Products, LLC to Serena Viswanathan.
- 8. November 22, 2021 letter from Karen E. Delaney, NASCO Products, LLC to Serena Viswanathan.

- 9. November 24, 2021 letter from Serena Viswanathan to Karen E. Delaney, NASCO Products, LLC.
- 10. December 16, 2021 letter from Barry M. Boren on behalf of Ohserase Manufacturing, LLC to Serena Viswanathan.
- 11. December 21, 2021 letter from Serena Viswanathan to Barry M. Boren on behalf of Ohserase Manufacturing, LLC.
- 12. December 22, 2021 letter from Victoria Spier Evans, Liggett Group LLC to Serena Viswanathan.
- 13. December 28, 2021 letter from Serena Viswanathan to Victoria Spier Evans, Liggett Group LLC.



September 29, 2021

Via Electronic Mail

Mr. Rick Quaresima Acting Associate Director U.S. Federal Trade Commission Bureau of Consumer Protection Division of Advertising Practices 600 Pennsylvania Avenue, N.W., CC-10528 Washington, DC 20580

RE: Amended Philip Morris USA Inc. Warning Rotation Plan for Delicados, Hint, Sherman's MCD, and New York Cut

Dear Mr. Quaresima:

Pursuant to section 4 of the Federal Cigarette Labeling and Advertising Act ("FCLAA") (15 U.S.C. § 1333), Philip Morris USA Inc. ("PM USA") seeks approval of this warning rotation plan for packaging for packs and cartons of Delicados, Hint, Sherman's MCD, and New York Cut, as listed in the chart below.

Consistent with FCLAA's requirements, PM USA plans to rotate the required cigarette health warnings as noted below quarterly on packs and cartons of Delicados, Hint, Sherman's MCD, and New York Cut products, all of which only have one brand style and are king size hard pack styles, in accordance with the following schedule, based on the date on which the products are packaged:

Brand ¹	Q1 (Jan-Mar)	Q2 (Apr-Jun)	Q3 (July-Sept)	Q4 (Oct-Dec)
DELICADOS - Original	А	В	С	D
HINT	В	С	D	А
SHERMAN'S MCD - Silver Pack	С	D	А	В
NEW YORK CUT - Original	D	А	В	С

¹Attached as Exhibit A is a list of PM USA cigarette brands in market, effective Q1 2022. PM USA will not sell Delicados, Hint, Sherman's MCD, and New York Cut products before Q1 2022.

The warnings are as follows:

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

PM USA will maintain records that show compliance with this warning rotation plan. Our July 27, 2021 and September 15, 2021 letters to you included sample packaging displaying each of the warning statements listed above for the packs and cartons for each of Delicados, Hint, Sherman's MCD, and New York Cut. The warning statements will appear exactly as shown on the samples included with our July 27, 2021 and September 15, 2021 letters.

For all advertising for Delicados, Hint, Sherman's MCD, and New York Cut, PM USA agrees to use the warning statement formats that were submitted to the Federal Trade Commission with the 1985 Plans of the five leading U.S. cigarette manufacturers (including PM USA). The warnings will be rotated quarterly according to the schedule above. At this time, we anticipate that our largest advertisement will not exceed 14 square feet.

The products may be advertised using direct mail, point-of-sale materials, and magazines. For all nonperiodical advertising (excluding digital advertising), including direct mail and point-of-sale materials, PM USA will rotate the warnings according to the date the advertising is ordered.² In periodical advertising, such as magazines, PM USA will rotate the required warnings according to the cover date of the publication.

The products may be advertised on websites owned by PM USA and by e-mail. The warning statement format used in advertising the products on websites will be similar to the format that appears on the existing PM USA-owned website at <u>virginiaslims.com</u>. PM USA agrees to use the warning statement formats that were submitted to the Federal Trade Commission with the 1985 Plans of the five leading U.S. cigarette manufacturers (including PM USA). The size of the warnings will be proportionate to those warning formats. The warnings will be rotated on the first day of the calendar quarter according to the rotation schedule above. If PM USA advertises on third-party websites, the warnings will be rotated on the same schedule and will use the same warning statement format as websites owned by PM USA. The cigarette warnings on websites will be superimposed on the screen in an unavoidable manner on every page advertising cigarettes, may be viewed without scrolling, and will not be displayed through hyperlinks, pop-ups, interstitials or other similar means.

If you require additional information, please do not hesitate to contact me at (804) 484-8512.

Sincerely,

Robyn G. Etricks Robyn Y. Ettricks

cc: Ms. Bonnie McGregor Mr. William Ducklow

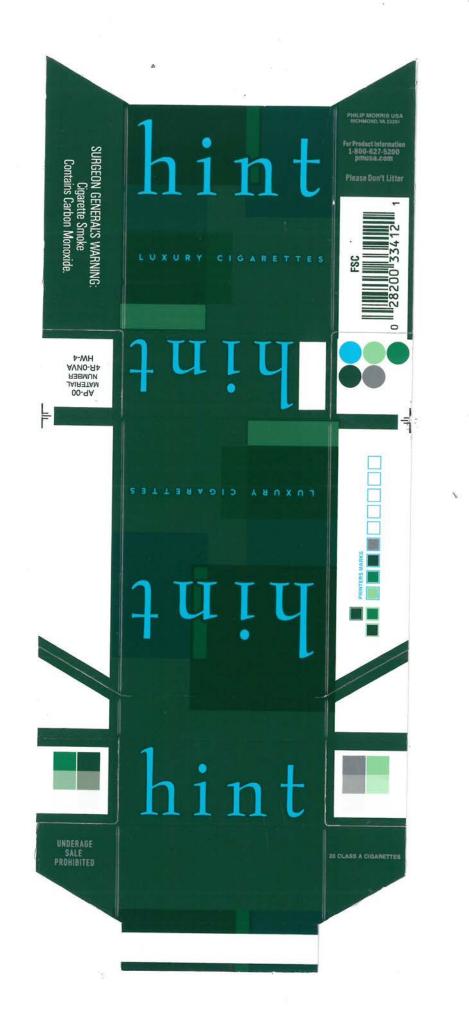
² The "date the advertising is ordered" means the date on which PM USA approves the final artwork to release to the supplier, consistent with PM USA's usual business practice.

EXHIBIT A

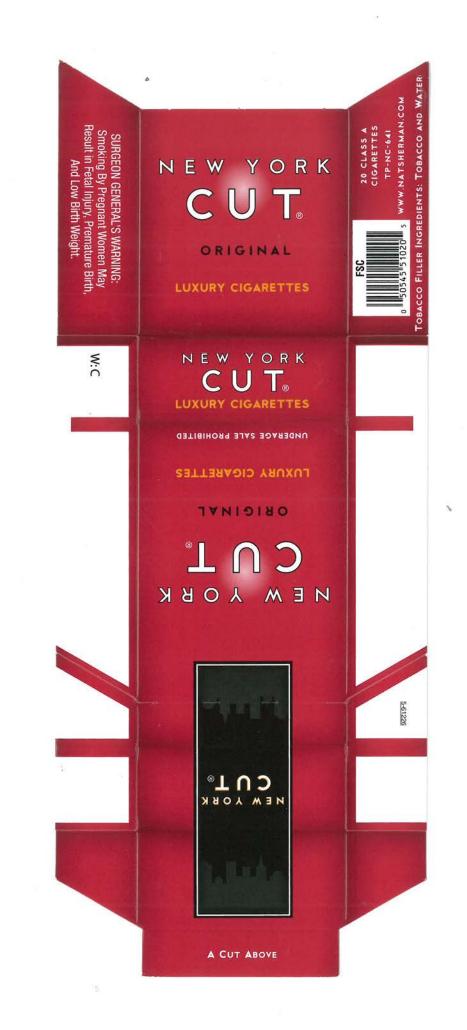
Brand	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Alpine	В	С	D	А
Basic	В	С	D	А
Benson & Hedges	С	D	А	В
Cambridge	D	А	В	С
Chesterfield	А	В	С	D
Commander	А	В	С	D
Dave's	В	С	D	А
Delicados	А	В	С	D
English Ovals	С	D	А	В
Hint	В	С	D	А
L&M	С	D	А	В
Lark	D	А	В	С
Marlboro	А	В	С	D
Sherman's MCD	С	D	А	В
Merit	В	С	D	А
Nat's	А	В	С	D
New York Cut	D	А	В	С
Parliament	D	А	В	С
Player's	В	С	D	А
Saratoga	D	А	В	С
Virginia Slims	С	D	А	В

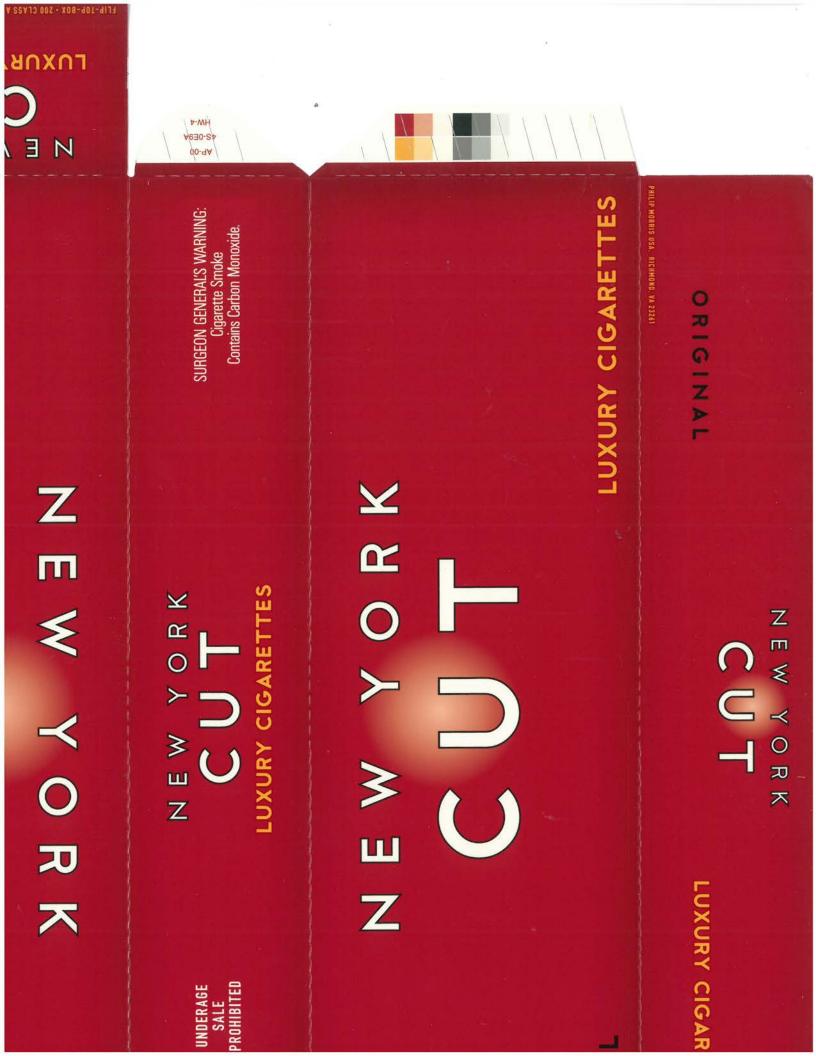
List of PM USA Cigarette Brands in Market -- Effective Q1 2022

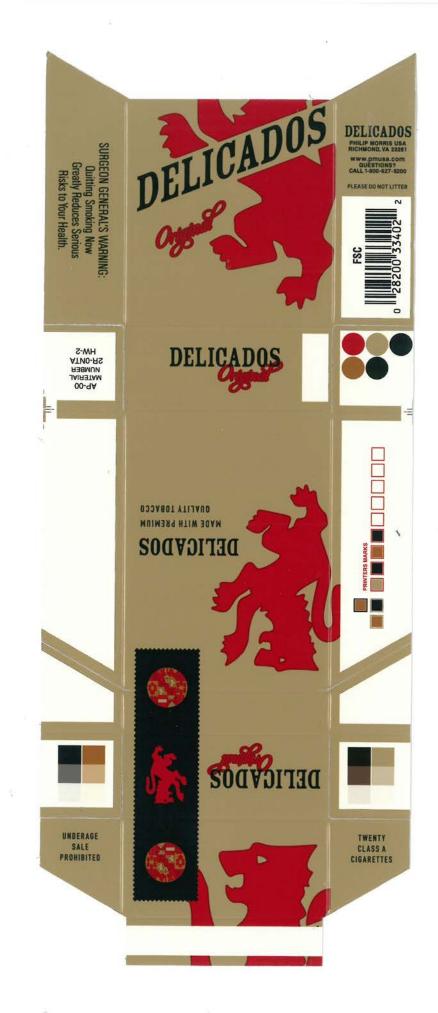
Selected packaging samples from those submitted with the plan.











PRINTERS MARKS

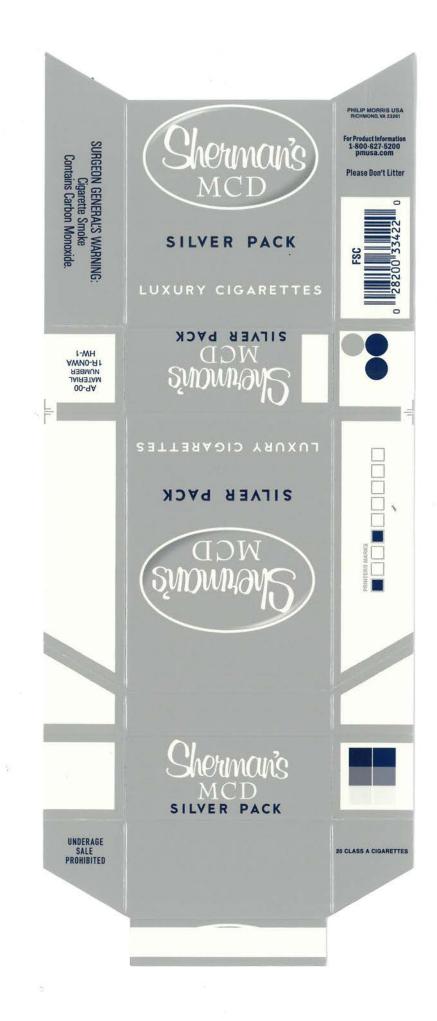




SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

UNDERAGE SALE PROHIBITED

DELICA



CICADETTES

VER PACK

NT INT

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

00-9A A.830-21 1-WH

> SILVER PACK LUXURY CIGARETTES



UNDERAGE Sale Prohibited

SILVER PACK

ACD MCD MCD

10

FLIP-TOP-BOX · 200 CLASS A CIGARETTES



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

October 4, 2021

Ms. Robyn Y. Ettricks Assistant General Counsel Altria Client Services 6601 West Broad Street Richmond, VA 23230

Dear Ms. Ettricks:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Philip Morris USA Inc. ("PM USA") on September 29, 2021, calling for: (1) quarterly rotation of the four health warnings in advertising up to fourteen square feet in size for the Delicados, Hint, Sherman's MCD, and New York Cut brands of cigarettes; (2) quarterly rotation of the four health warnings in Internet advertising for the Delicados, Hint, Sherman's MCD, and New York Cut brands; and (3) quarterly rotation of the four health warnings on packaging for one variety of the Delicados, Hint, Sherman's MCD, and New York Cut brands.

PM USA's plan for quarterly rotation of the warnings in the aforementioned advertising for the Delicados, Hint, Sherman's MCD, and New York Cut brands is hereby approved. 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 (Lawrence C. Keller at 202-598-2781) to determine whether such advertising on the Internet is permissible.

The warnings on the sample packs and cartons submitted with your July 27, 2021 letter (except as to the MCD Silver Pack variety as noted below) and September 15, 2021 letter appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ PM USA's plan for quarterly rotation of the four health warnings on king size

¹ Although the warnings on the sample cartons initially submitted for the Sherman's MCD Silver Pack variety were not sufficiently conspicuous, corrected samples were submitted. This approval pertains only to packaging that meets the requirements of the Cigarette Act.

Ms. Robyn Y. Ettricks October 4, 2021 Page 2

hard pack packaging for the Delicados Original, Hint, Sherman's MCD Silver Pack, and New York Cut Original varieties is hereby approved effective on the date of this letter.

Approval of PM USA'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 PM USA'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 ("TCA") and expires at such time new health warnings required under the TCA take effect. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for PM USA's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of PM USA's packaging and advertising under the TCA 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) or FDA's final rule, "Required Warnings for Cigarette Packages and Advertisements" (published March 18, 2020).

Because the TCA 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 https://www.fda.gov/tobacco-products/ctp-newsroom/sign-email-updates-ctp.

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

Very truly yours,

Serena Viswanan

Serena Viswanathan 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.



November 3, 2021

Ms. Bonnie Mc Gregor Federal Trade Commission Advertising Practices CC 10528 600 Pennsylvania Avenue, NW Washington D.C. 20580

Dear Serena Viswanathan:

Please consider this letter as Lake Erie Tobacco Company's ("LET") request to approve of its rotational warning plan for the "31" brand of cigarettes that we manufacture and for our imported brands; Seneca Premium, Couture and Opal. We also request approval of our warning rotation plan Seneca Select manufactured by LET. LET does not manufacture or import any other cigarette brands. LET is a cigarette and other tobacco products manufacturer and importer located at 6564 Route 417 Kill Buck, NY 14748. The Chief Executive Officer of Lake Erie Tobacco Company is Bryan Porter. I am General Counsel for LET and as such, authorized to submit this letter.

As required by Section 1333(c)(2) of the Federal Cigarette Labeling and Advertising Act ("the Cigarette Act"), this letter is intended as LET's submission of its plan for the rotation of the four health warning statements on packaging for varieties or brand styles the "31", Seneca (Select and Seneca Premium), Couture and Opal brands of cigarettes.

Styles and Flavors

Our previous plan for the simultaneous display of warnings on packages of the "31" brand was approved on June 23, 2020. We now seek approval for the same six (6) brand styles:

- "31" Full Flavor 100 Box"
- "31" Menthol 100 Box
- "31" Blue 100 Box
- "31" Blue Kings Box
- "31" Full Flavor Kings Box
- "31" Menthol Kings Box

Our previous plan for the simultaneous display of warnings on packages of the Seneca Premium, Couture and Opal brands was approved most recently on June 23, 2020. Please be advised that we no longer Import the Seneca Extra Smooth Menthol Soft 100's.We now seek approval for rotation of the four health warnings on packaging on the following Seneca Premium, Couture and Opal brand styles that LET imports into the United States: Seneca Full Flavor Soft King Seneca Blue Soft King Seneca Silver Soft King Seneca Menthol Soft King Seneca Smooth Menthol Soft King Seneca Full Flavor Box King Seneca Medium Box King Seneca Blue Box King Seneca Silver Box King Seneca Menthol Box King Seneca Smooth Menthol Box King Seneca Non-Filter Box King Seneca Chill Box King

Couture Slims Ruby Box 100's Couture Slims Amethyst Box 100's Couture Slims Diamond Box 100's Couture Slims Sapphire box 100's Couture Slims Turquoise Box 100's Couture Slims Aquamarine Box 100's

Opal Smooth Box 120's Opal Ultra Box 120's Opal Menthol box 120's Opal Smooth Menthol Box 120's Opal Full Flavor Box 120's Seneca Full Flavor Soft 100's Seneca Blue Soft 100's Seneca Silver Soft 100's Seneca Menthol Soft 100's Seneca Smooth Menthol Soft 100's Seneca Full Flavor Box 100's Seneca Medium Box 100's Seneca Blue Box 100's Seneca Silver Box 100's Seneca Menthol Box 100's Seneca Smooth Menthol Box 100's Seneca Extra Smooth Menthol Box 100's

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

Seneca Blue 72's Box Seneca Menthol 72's Box Seneca Full Flavor 72's Box

In addition, we are seeking approval for a warning rotation plan for packaging on the following varieties of Seneca Select brand style cigarettes that LET manufactures:

Seneca Full Flavor 100's Box Seneca Blue 100's Box Seneca Medium 100's Box Seneca Menthol 100's Box Seneca Smooth Menthol 100's Box Seneca Extra Smooth Menthol 100's Box Seneca Silver 100's Box Seneca Full Flavor King Box Seneca Blue King Box Seneca Medium King Box Seneca Menthol King Box Seneca Smooth Menthol King Box Seneca Silver King Box

We have carefully read the Act and will be in full compliance with the "Cigarette Act" Warning Label Display Requirements.

We will display the four health warnings on the packs and cartons of every brand style of cigarettes listed above an equal number of times for the one year period beginning on the date of approval of this plan (the alternative to quarterly rotation). In calendar year 2020 we had total sales of sticks of the "31" brand of cigarettes. In calendar year 2020, we had total sales of

sticks of all styles of the Seneca Premium, Couture and Opal brands of cigarettes. The calendar year is our fiscal year. Our anticipated sales volume for the "31" brand of cigarettes (all

6564 Route 417 Kill Buck, NY 14748 Phone: 716-945-9538 Fax: 716-945-9539

styles) in calendar year 2021 is sticks. Our anticipated sales volume for imported Seneca Premium, Couture and Opal brand of cigarettes (all styles) in calendar year 2021 is sticks. It is anticipated that Seneca Select Full Flavor 100's will be our highest selling brand style within the Seneca Select Brand in 2021. There were no sales or production of Seneca Select Full flavor 100's (or any other Seneca Select brand style) in 2020. We anticipate our sales volume for manufactured Seneca Select Full Flavor 100's in the calendar year 2021 to be sticks.

Our proposed plan for compliance with the "Cigarette Act" is to have our suppliers, HSM Packaging and Grand River Enterprises Six Nations Ltd. run the four warning labels simultaneously with each other. For the product being manufactured in the United States, the packaging is shipped to us by our supplier with the warnings simultaneous displayed on the packaging. The four warnings will be displayed on the packs and cartons of each brand style listed above an equal number of times during the one year period following the date of approval of this plan by the Federal Trade Commission. We will keep records demonstrating compliance with this plan.

For "31" brand cigarettes, the warnings will appear exactly as shown on the sample packs and cartons submitted with our letter of May 15, 2018. This shows how the warnings will appear on the "31" Full Flavor 100's box and "31" Menthol 100's box brand styles as well as the "31" Blue 100 box, "31" Blue Kings box, "31" Full Flavor Kings box and "31" Menthol Kings box.

For imported Seneca Premium, Opal and Couture brand cigarettes we previously enclosed sample packs and cartons with our May 16, 2019 letter and the warnings will appear exactly as shown on that packaging as submitted on that date.

For Seneca Select brand cigarettes manufactured at LET, we enclosed sample packaging for packs and cartons with a letter dated July 29, 2021 and the warnings will appear exactly as shown on that packaging as submitted on that date.

LET does not manufacture or import any cigarettes other than those noted above.

Label Statements and Rotation Plan

The four warnings that will be displayed on packs and cartons are:

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

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

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

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon

Monoxide.

Advertising

LET currently has an advertising plan for the "31" brand on file with the FTC and will maintain compliance with its May 24, 2016 plan approved June 6, 2016. LET does not intend to advertise Seneca, Couture or Opal brands at this time.

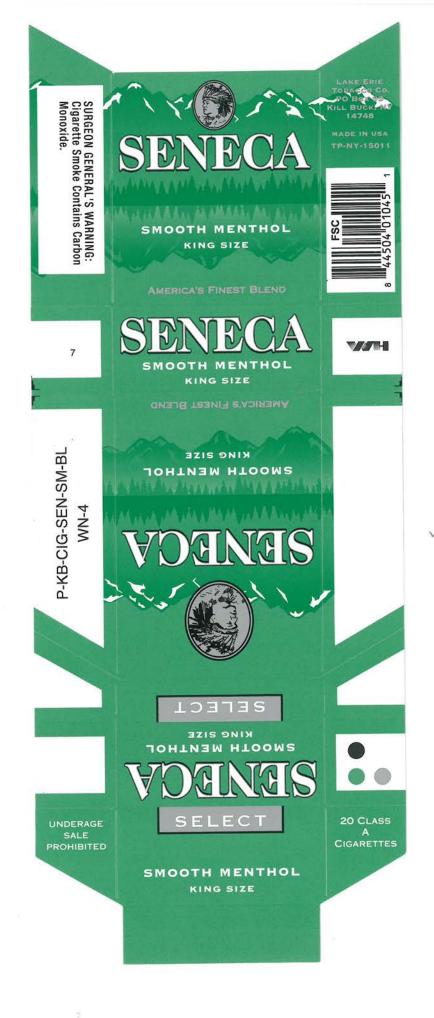
Again, please consider our health warning display plan for packaging of the "31", Seneca, Couture and Opal brands for approval at your earliest convenience. Should you have any questions, please feel free to contact me directly at 716.783.6797.

Very truly yours,

Con W3

Tina M. Bardak General Counsel

Selected packaging samples from those submitted with the plan.







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

November 4, 2021

Ms. Tina M. Bardak General Counsel Lake Erie Tobacco Company 6564 Route 417 Kill Buck, NY 14748

Dear Ms. Bardak:

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 Lake Erie Tobacco Company ("LET") on November 3, 2021, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the "31," Seneca, Couture, and Opal brands of cigarettes.

LET'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 May 15, 2018, May 16, 2019, and July 29, 2021 letters appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹ Accordingly, LET's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties:

- Six box varieties of the "31" brand: Full Flavor (kings and 100's), Menthol (kings and 100's), and Blue (kings and 100's);
- Thirty-three varieties of the Seneca brand in "Premium" varieties: Full Flavor box (kings and 100's), Full Flavor soft pack (kings and 100's), Medium box (kings and 100's), Blue box (kings and 100's), Blue soft pack (kings and 100's), Silver box (kings and 100's), Silver soft pack (kings and 100's), Menthol box (kings and 100's), Menthol soft pack (kings and 100's), Smooth Menthol box (kings and 100's), Smooth Menthol soft pack (kings and 100's), Extra Smooth Menthol box 100's, Non-Filter box kings, Chill box

¹ LET stated in its November 3, 2021 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

Ms. Tina M. Bardak November 4, 2021 Page 2

kings, Full Flavor box 120's, Smooth box 120's, Ultra box 120's, Menthol box 120's, Smooth Menthol box 120's, Full Flavor box 72's, Blue box 72's, and Menthol box 72's;

- Thirteen varieties of the Seneca brand in "Select" box varieties: Full Flavor (kings and 100's), Medium (kings and 100's), Blue (kings and 100's), Silver (kings and 100's), Menthol (kings and 100's), Smooth Menthol box (kings and 100's), Extra Smooth Menthol 100's;
- Six 100's box varieties of the Couture brand: Slims Ruby, Slims Amethyst, Slims Diamond, Slims Aquamarine, Slims Turquoise, and Slims Sapphire; and
- Five 120's box varieties of the Opal brand: Super Thins Full Flavor, Super Thins Smooth, Super Thins Ultra, Super Thins Menthol, and Super Thins Smooth Menthol.

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

If LET decides to advertise the Seneca, Couture, or Opal brands in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

Please note that this letter only approves LET'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 ("TCA"). Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for LET's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of LET's packaging and advertising under the TCA 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) or FDA's final rule, "Required Warnings for Cigarette Packages and Advertisements" (published March 18, 2020).

Because the TCA 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 https://www.fda.gov/tobacco-products/ctp-newsroom/sign-email-updates-ctp.

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. Tina M. Bardak November 4, 2021 Page 3

This approval is effective on the date of this letter and runs through November 3, 2022 or until new health warnings required under the TCA take effect, whichever comes first.

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

Very truly yours,

Serena Viswanan

Serena Viswanathan Associate Director

PEEBLES KIDDER

 Ben Fenner

 401 9[™] STREET, NW, SUITE 700

 Washington, DC 20004

 T: (202) 450-4887

 F: (202) 450-5106

 E: bfenner@ndnlaw.com

 www.ndnlaw.com

November 3, 2021

Via upload to FTC Secure Files

Serena Viswanathan, Associate Director Federal Trade Commission Division of Advertising Practices 600 Pennsylvania Ave, NW Washington, DC 20580

Re: DEER Renewal

Dear Ms. Viswanathan:

Our firm represents Thompson Deer Management Group, LLC (TDMG), a distributor of cigarettes contract manufactured by Seneca Manufacturing Company (SMC) under the authority of the Alcohol & Tobacco Tax and Trade Bureau (Manufacturer of Tobacco Products License TP-NY-15007). As a contract manufacturer, SMC is manufacturing these cigarettes at the direction of TDMG. The chairman of TDMG is Vance Thompson. The business address for TDMG is 134 Raquette Point Road, Hogansburg, NY 13655 (phone number: (518) 651-5786).

Please find enclosed TDMG's submission of its warning plan for the Deer brand of cigarette pursuant to 15 U.S.C. § 1331 et. seq. (FCLAA).

I. PACKAGING

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

A. Warning Label Size and Location

On October 20, 2020, the Federal Trade Commission (FTC) approved of TDMG's equalization plan for the following brand styles manufactured in the United States for TDMG by Seneca Manufacturing Company:

Deer Red Kings Hard Pack Deer Blue Kings Hard Pack Deer Green Kings Hard Pack

TDMG is now seeking approval of its plan to equalize the warnings on the packaging on the same brand styles listed above. All warnings on the Deer brands have and will continue to appear exactly as shown on the samples submitted with Seneca Manufacturing Company's August 6, 2020 letter containing sample packaging for the Deer brand of cigarettes.

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

TDMG wishes to employ the option for simultaneous display of the four health warnings by displaying the four required warning labels an equal number of times on the packages and cartons of each of the foregoing brand styles of the Deer brand for the one year period beginning on the date of approval of this plan.

TDMG's sales figures for the Deer brand for October 2020 through October 2021 (this represents the company's fiscal year) by brand style by sticks are as follows:

Deer Red King Deer Green King Deer Blue King



Sticks Sticks Sticks

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

TDMG has and will continue to comply with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§1331-1340, by having its supplier for packaging for the Deer brand, Ketmoy Printing, print the four surgeon general warnings simultaneously in equal numbers at a time of both the pack and carton print runs. The four warnings will be displayed on the packs and cartons of each brand style of the Deer brand an equal number of times during the one year period following the date of approval of this plan by the Federal Trade Commission. TDMG has and will continue to keep records demonstrating compliance with this plan.

II. ADVERTISNG

TDMG does not at this time intend to advertise the Deer brand of cigarettes. TDMG will submit a plan for advertising to FTC prior to engaging in any advertising. Sincerely,

Vance Thompson Owner Thompson Deer Management Group

Peebles Kidder Bergin & Robinson LLP Attorneys for THOMPSON DEER MANAGEMENT GROUP LLC

By: Ben tem



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

November 4, 2021

Ben Fenner, Esq. Peebles Kidder 401 9th Street, NW, Suite 700 Washington, DC 20004

Dear Mr. Fenner:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Thompson Deer Management Group, LLC ("TDMG") on November 3, 2021, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Deer brand of cigarettes.

TDMG's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted on August 6, 2020 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, TDMG's plan for simultaneous display of the four health warnings on packaging for the following three hard pack varieties of the Deer brand is hereby approved: Red Kings, Blue Kings, and Green 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.

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

¹ TDMG stated in its November 3, 2021 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on this date.

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.

Ben Fenner, Esq. November 4, 2021 Page 2

Please note that this letter only approves TDMG'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 ("TCA"). Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging for TDMG's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of TDMG's packaging under the TCA 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) or FDA's final rule, "Required Warnings for Cigarette Packages and Advertisements" (published March 18, 2020).

Because the TCA 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 https://www.fda.gov/tobacco-products/ctp-newsroom/sign-email-updates-ctp.

This approval is effective on the date of this letter and runs through November 3, 2022 or until new health warnings required under the TCA take effect, whichever comes first.

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

Very truly yours,

Serena Viswanar

Serena Viswanathan



321 Farmington Road, Mocksville, North Carolina 27028 • Phone: 336-940-3769 • Fax: 336-940-3669

November 22, 2021

Ms. Serena Viswanathan Attn: Bonnie McGregor Federal Trade Commission Division of Advertising Practices 600 Pennsylvania Avenue, N.W. Room CC-10528 Washington, DC 20580

RE: Cigarette Health Warning Rotation Plan

Dear Ms. Viswanathan,

On Nov 25 2020, NASCO Products, LLC ("NASCO") received approval for simultaneous display of the four Surgeon General Warnings on packaging of 11 varieties of the SF brand. This letter is being submitted for the annual renewal approval of the plan for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four Surgeon General Warnings on packaging of the following ten (10) varieties of the SF cigarette brand:

Red King Box		
Blue King Box		
Gray King Box		
Menthol Dark Green King Box		
Menthol Pale Green King Box		
Red 100's Box		
Blue 100's Box		
Gray 100's Box		
Menthol Dark Green 100's		
Box		
Menthol Pale Green 100's Box		

In a separate letter, NASCO Products, LLC will be making a request to switch the SF Non-Filter King Soft Pack variety, previously included in this plan, to a plan that calls for quarterly rotation of the Surgeon General Warnings on packaging for that variety. The SF cigarette brand is manufactured in the United States by NASCO Products, LLC. Upon approval of this plan, the manufacturer will continue to manufacture these cigarettes under the authority of the Alcohol & Tobacco Tax and Trade Bureau (Manufacturer of Tobacco Products License TP-NC-15033).

These cigarettes will be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain 10 packs of 20 cigarettes each ("Pack"). The Surgeon General Warnings will be on each Pack and Outer Carton of cigarettes in the form and content dictated by the Federal Cigarette Labeling and Advertising Act and therefore satisfactory to the Federal Trade Commission ("FTC"). The warnings will be printed directly on the packaging in a legible and conspicuous manner and will be of a size, format, and type required by the Cigarette Act. The warnings will be placed on the product in a location which complies with applicable labeling statutes. The warnings will appear exactly as they do on the packs and cartons submitted with our letter dated November 13, 2019. The packaging represented in our November 11, 2014 letter is no longer in use.

NASCO Products, LLC 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. Actual sales figures for NASCO's 2020 fiscal year and sales estimates for the 2021 fiscal year for all the brand styles that we manufacture are provided on Exhibit A enclosed with this letter.

If this plan for the alternative to quarterly rotation of warnings on packaging of the ten (10) varieties of the SF cigarette brand in the table above is approved, the four cigarette health warnings will continue to appear on the packs and cartons of each of the cigarette brand styles an equal number of times throughout the one year period beginning on the date this plan is approved.

NASCO Products, LLC continues to be in compliance with its August 6, 2021, plan for the simultaneous display of the four health warnings on packaging for the MOONLIGHT cigarette brand approved on August 6, 2021. NASCO Products, LLC does not currently manufacture or import any cigarette brand other than the SF and Moonlight cigarette brands.

NASCO Products, LLC will continue to comply with its most recently approved advertising plans. In a separate letter being submitted, NASCO is requesting a change to its rotation schedule in advertising for the SF brand.

NASCO Products, LLC, 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 Cigarette Act. NASCO Products, LLC will maintain record of compliance with the approved plan. If there are any questions or concerns regarding this plan, please contact me at 716-270-1523 (phone), 716-583-3134 (mobile), 716-877-3064 (fax), <u>kdelaney@xxiicentury.com</u> (email), or 500 Seneca St, Ste 507, Buffalo, NY 14204 (mailing address).

Sincerely, Karen E. Digitally signed by Karen E. Delaney Delaney Karen E. Delaney Tax Compliance Manager

EXHIBIT A

Actual sales figures for Fiscal Year 2020

PRODUCT	STICKS
Moonlight King Box	
Moonlight Menthol King Box	
SF Red King Size Box	
SF Blue King Size Box	
SF Gray King Size Box	
SF Menthol Dark Green King Size Box	
SF Menthol Pale Green King Size Box	
SF Non-Filter King Size Soft Pack	
SF Red 100's Box	
SF Blue 100's Box	
SF Gray 100's Box	
SF Menthol Dark Green 100's Box	
SF Menthol Pale Green 100's Box	

Estimated sales figures for Fiscal Year 2021

PRODUCT	STICKS
Moonlight King Box	
Moonlight Menthol King Box	
SF Red King Size Box	
SF Blue King Size Box	
SF Gray King Size Box	
SF Menthol Dark Green King Size Box	
SF Menthol Pale Green King Size Box	
SF Non-Filter King Size Soft Pack	
SF Red 100's Box	
SF Blue 100's Box	
SF Gray 100's Box	
SF Menthol Dark Green 100's Box	
SF Menthol Pale Green 100's Box	



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November 22, 2021

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

RE: Cigarette Health Warning Rotation Plan for SF Non-filter King Soft Pack

Dear Ms. Viswanathan,

This letter is submitted in request of approval of the quarterly Surgeon General Warning rotation plan for packaging of SF Non-filter King Soft Pack pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331-1341 ("the Cigarette Act"). We will separately be submitting a letter for the health warning rotation for the other varieties of this brand.

On November 25, 2020, NASCO received approval for simultaneous display of four (4) health warnings on packaging for eleven (11) varieties of the SF brand through November 24, 2021 and was thus permitted to participate in the alternative method to the quarterly Surgeon General Warning rotation plan.

NASCO is requesting by separate letter that the following ten (10) varieties included in the approval letter of November 25, 2020 continue simultaneous display of the four (4) health warnings outlined therein: Red Box (King and 100's), Blue Box (Kings and 100's), Gray Box (Kings and 100's), Menthol Dark Greeen Box (Kings and 100's), and Menthol Pale Green Box (Kings and 100's).

NASCO requests approval to switch the SF Non-filter King Soft Pack variety, only, to a plan whereby NASCO will rotate warnings *quarterly* on packaging for that variety upon approval. The health warnings on packaging for SF Non-filter King Soft Pack have been equalized to date.

The SF cigarette brand is manufactured in the United States by NASCO. NASCO intends to continue to manufacture SF cigarettes under the authority of the Alcohol & Tobacco Tax and Trade Bureau (Manufacturer of Tobacco Products License TP-NC-15033).

The SF Non-filter King Soft Pack cigarettes will continue to be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain 10 packs of 20 cigarettes each ("Pack"). The Surgeon General Warnings will be on each Pack and Outer Carton in the form and content dictated by the Cigarette Act and therefore satisfactory to the FTC. The warnings will be printed directly on the packaging in a legible and conspicuous manner and will be of a size, format, and type required by the Cigarette Act. The warnings will be placed on the product in a location which complies with applicable labeling statutes. The warnings will appear exactly as they do on packs and cartons of SF Non-filter King Soft Pack submitted with our letter dated November 13, 2019.



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Upon approval of the plan, the four (4) cigarette health warnings will be rotated quarterly on packs and cartons of SF Non-filter King Soft Pack in accordance with the rotation schedule attached as EXHIBIT A. <u>At this time, NASCO seeks approval to produce health warnings for two (2) quarters contemporaneously, while maintaining the inventory containing each health warning separately so NASCO may draw inventory for distribution and shipping as it follows the schedule for display of the warnings on packaging attached as Exhibit A. While this request would not cause NASCO to fall out of compliance with an approved quarterly rotation plan, we realize that this request does require express approval of the FTC and wish to remain in compliance with all necessary disclosures and applications.</u>

NASCO remains compliant with its August 6, 2021 plan for simultaneous display of the four (4) health warnings on packaging for the MOONLIGHT cigarette brand approved on August 6, 2021. NASCO does not currently manufacture or import any cigarette brand other than the SF and Moonlight cigarette brands.

NASCO will continue to comply with its April 25, 2017 plan for Internet advertising of the SF brand, except that NASCO wishes to change the rotation schedule for the SF brand as indicated in the schedule below; NASCO will follow the rotation schedule for Internet Advertising set out in EXHIBIT A below. NASCO will continue to comply with its August 3, 2020 plan for internet advertising of the Moonlight brand; and its August 6, 2021 plan for print and point-of-sale advertising up to twenty (20) square feet for the Moonlight brand. For multibrand advertisements, NASCO will follow the rotation schedule in Exhibit A for the SF brand.

NASCO is aware of the requirements set forth in the Cigarette Act and endeavors to remain fully compliant with same. Upon approval of this request, NASCO will maintain record of compliance with the approved plan, as it has done with all previously obtained approvals.

If there are any questions or concerns regarding this plan, please contact me by phone at (716) 270-1523. Alternatively, facsimiles may be sent to (716) 877-3064 and I may be reached by email at <u>kdelaney@xxiicentury.com</u>.

Thank you in advance for your time and consideration.

Sincerely, Karen E. Digitally signed by Karen E. Delaney Date: 2021.11.22 Delaney 22:45:58 -05'00' Karen Delaney Tax Compliance Manager



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Exhibit A

Rotation Schedule for Advertising of the SF and Moonligth brands and for Packaging of SF Non-filter King Soft Pack

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Cigarette Brand	January - March	April - June	July - September	October - December
Moonlight [®]	С	D	A	В
SF	Α	В	С	D

- "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.



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

Division of Advertising Practices

November 24, 2021

Ms. Karen E. Delaney NASCO Products, LLC 321 Farmington Road Mocksville, NC 27028

Dear Ms. Delaney:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed two letters dated November 22, 2021, which constitute a plan filed by NASCO Products, LLC ("NASCO"), calling for: (1) modification of NASCO's previously approved schedule for quarterly rotation of the four health warnings in internet advertising for the SF brand; (2) quarterly rotation of the health warnings on packaging for the SF Non-Filter King Soft Park variety; and (3) simultaneous display (i.e., the alternative to quarterly rotation) of the health warnings on packaging for certain varieties of the SF brand.

NASCO's modification of its previously approved schedule for quarterly rotation of the four health warnings in internet advertising for the SF brand is hereby approved. NASCO's plan for quarterly rotation of the four health warnings on packaging for the SF Non-Filter King Soft Park variety is also approved.

NASCO'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 November 13, 2019 letter 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, NASCO's plan for simultaneous display of the four health warnings on packaging for the following ten varieties of the SF brand is hereby approved effective on the date of this letter through November 23, 2022, or until new health warnings required under the Family Smoking Prevention and Tobacco Control Act ("TCA") take effect, whichever comes first: Red Box (Kings and 100's), Blue Box (Kings and 100's), Gray Box (Kings and

¹ NASCO stated in its November 22, 2021 letters that the four health warnings will appear exactly as shown on the packs and cartons submitted on this date.

Ms. Karen E. Delaney November 24, 2021 Page 2

100's), Menthol Dark Green Box (Kings and 100's), and Menthol Pale Green Box (Kings and 100's).²

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

Please note that this letter only approves NASCO's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the TCA and **expires at such time new health warnings required under the TCA take effect.** Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for NASCO's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of NASCO's packaging and advertising under the TCA 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) or FDA's final rule, "Required Warnings for Cigarette Packages and Advertisements" (published March 18, 2020).

Because the TCA 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 https://www.fda.gov/tobacco-products/ctp-newsroom/sign-email-updates-ctp.

If you have any questions regarding this approval, please contact Bonnie McGregor at (202) 326-2356.

Serena Viswanan

Serena Viswanathan Associate Director

² As set forth in its November 22, 2021 letters, NASCO is using colors to identify its cigarette varieties (*e.g.*, "Menthol Dark Green 100's Box"). We note that the color names and the word "menthol" are not printed on the packaging (*e.g.*, the words "Menthol Dark Green" do not appear on the packaging of the "Menthol Dark Green 100's" variety); however, the color used for a variety's packaging does conform to the color used in its name.

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.

LAW OFFICES OF BARRY M. BOREN

borenlaw@bellsouth.net

One Datran 9100 South Dadeland Boulevard Suite 402 Miami, Florida 33156

Telephone (305) 670-2200 Facsimile (305) 670-5221

December 16, 2021

Ms. Serena Viswanathan, Associate Director Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Avenue, N.W., #CC-10528 Washington, D.C. 20580

Attention: Ms. Bonnie McGregor

Surgeon General's Warning Rotation Plan for Signal, Great County, and Niagara's Cigarettes for Ohserase Manufacturing, LLC

Dear Ms. Viswanathan:

Please be advised that we are the attorneys for Ohserase Manufacturing, LLC ("Ohserase"), a New York limited liability corporation, with offices located at 393 Frogtown Rd., Hogansburg, New York 13655. The mailing address is P.O. Box 1221, Hogansburg, New York 13655 and the phone number is (513) 358-4229. Ohserase wishes to file a Surgeon General's Warning Packaging Equalization Plan for their Signal, Great Country, and Niagara's cigarettes. All of these cigarettes are and will be manufactured in the United States. These plans are being submitted pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 et seq.).

The contact person for the company will be its Manager/Member, Justin Tarbell, who can be reached at the above address and phone number.

Packaging Health Warning Equalization Plan

The latest plan for the Signal, Great County, and Niagara's brand was approved on November 24, 2020.

Ohserase wishes to renew its Packaging Plan for its Signal, Great County, and Niagara's brand styles. Ohserase intends to equalize the display of the warnings on packaging as required by 15 U.S.C. § 1333(c) for all the Signal, Great Country, and Niagara's brand

Ohserase Manufacturing, LLC

cigarettes they manufacture.

The brand styles of Signal, Great Country, and Niagara's cigarettes Ohserase intends to manufacture are listed on Exhibit "A" attached hereto. The brand styles listed on Exhibit "A" are the only cigarettes manufactured by Ohserase.¹ Ohserase does not import any cigarettes.

Actual production packs and cartons for the Signal brand styles which show exactly where and how the four (4) Surgeon General's health warnings will appear on the individual packs and cartons Ohserase will be manufacturing were submitted on August 23, 2019.

Actual production packs and cartons for the Great Country brand styles which show exactly where and how the four (4) Surgeon General's health warnings will appear on the individual packs and cartons Ohserase will be manufacturing were submitted on December 14, 2018, May 2, 2019, and May 24, 2019.

Actual production packs and cartons for the Niagara's brand styles which show exactly where and how the four (4) Surgeon General's health warnings will appear on the individual packs and cartons Ohserase will be manufacturing were submitted on September 15, 2020.

In fiscal year 2020, Ohserase manufactured Signal brand cigarettes. In fiscal year 2021² to date, Ohserase manufactured Signal brand cigarettes. In fiscal year 2021, Ohserase anticipates manufacturing approximately sticks of its Signal brand styles.

In fiscal year 2020, Ohserase manufactured Great Country brand cigarettes. In fiscal year 2021 to date, Ohserase manufactured Great Country brand cigarettes. In fiscal year 2021, Ohserase anticipates manufacturing approximately cigarette sticks of its Great Country brand styles.

In fiscal year 2020, Ohserase manufactured in the Niagara's brand cigarettes. In fiscal year 2021 to date, Ohserase manufactured Niagara's brand cigarettes. In fiscal year 2021, Ohserase anticipates manufacturing approximately cigarette cigarette sticks of its Niagara's brand styles.

No one brand style of cigarettes manufactured by Ohserase has, for the past fiscal year, constituted more than 1/4 of 1% of all the cigarettes sold in the United States in such year, and no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in the next fiscal year. In addition, more than one-half of the cigarettes manufactured by Ohserase for sale in the United States are packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

Pursuant to 15 U.S.C. §1333(c)(2) Obserase wishes to equalize the four

¹Ohserase also contract manufactures Montana brand cigarettes for export only.

² Ohserase's fiscal year coincides with the calendar year.

Obserase Manufacturing, LLC

health warning statements on all the brand styles listed in Exhibit A of Signal, Great Country, and Niagara's brand cigarettes as required by 15 U.S.C. §1333(c)(2). Each of the four warning statements will appear on the packs and cartons of each brand style of the Signal, Great Country, and Niagara's brands of cigarettes manufactured by Ohserase an equal number of times in the one-year period beginning on the date this plan is approved.

The individual packs of Signal, Great Country, and Niagara's cigarettes to be manufactured by Ohserase will have the proper health warnings printed by the manufacturer directly on the packs under the cellophane. The cartons will also have the proper health warnings printed directly on the cartons by the manufacturer. Ohserase will keep a running total of the number of cartons and packs it manufactures with each warning label for each brand style.

Ohserase agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

Obserase will print all four (4) health warnings in equal numbers on each printed sheet of packaging for all of its cartons and packs so that when the sheets are die cut, each shipment should be approximately equalized for each brand style as manufactured. If, toward the end of the one-year period, it appears that the warnings are not equalized on the packs and cartons for each brand style, Obserase will place special orders for packaging with the specific health warnings needed to ensure that the display of all four warnings is equalized on the packs and cartons for each brand style by the plan's anniversary date.

Ohserase has advertising, billboard, and internet rotation plans in place for its Signal, Great Country, and Niagara's brand cigarettes. The advertising, internet, and billboard plans for the Signal brand cigarettes were approved by the FTC on January 7, 2013. The advertising, internet and billboard plans for the Great Country, and Niagara's brand cigarettes were approved by the FTC on November 24, 2020. Ohserase is in compliance with all of these plans and wishes to make no changes to its advertising, billboard, and internet plans at this time.

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

Ohserase Manufacturing, LLC

plan as soon as possible.

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

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN

Barry M. Boren

Ohserase Manufacturing, LLC

úM et

By: Justin Tarbell, Manager

<u>EXHIBIT "A"</u> BRAND STYLES FOR SIGNAL, GREAT COUNTRY, AND NIAGARA'S

SIGNAL

Bold King Size Box Full Flavor King Size Box Mellow King Size Box Smooth King Size Box Ultra Smooth King Size Box Menthol Max King Size Box Menthol King Size Box Menthol Smooth King Size Box

Bold 100's Box Full Flavor 100's Box Mellow 100's Box Smooth 100's Box Ultra Smooth 100's Box Menthol Max 100's Box Menthol 100's Box Menthol Smooth 100's Box

GREAT COUNTRY

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

Full Flavor 100's Box Gold 100's Box Silver 100's Box Menthol 100's Box Menthol Gold 100's Box

NIAGARA'S

Full Flavor King Size Box Smooth King Size Box Ultra Smooth King Size Box Menthol King Size Box Menthol Smooth King Size Box

Full Flavor 100's Box Smooth 100's Box Ultra Smooth 100's Box Menthol 100's Box Menthol Smooth 100's Box



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

Division of Advertising Practices

December 21, 2021

Barry M. Boren, Esq. One Datran 9100 South Dadeland Boulevard Suite 402 Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Ohserase Manufacturing, LLC ("Ohserase") on December 16, 2021, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Signal, Great Country, and Niagara's brands of cigarettes.

Ohserase'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 December 14, 2018, May 2, 2019, May 24, 2019, August 23, 2019, and September 15, 2020 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.¹

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

- Sixteen box varieties of the Signal brand: Bold (Kings and 100's), Full Flavor (Kings and 100's), Mellow (Kings and 100's), Smooth (Kings and 100's), Ultra Smooth (Kings and 100's), Menthol (Kings and 100's), Menthol Max (Kings and 100's), and Menthol Smooth (Kings and 100's);
- Ten box varieties of the Great Country brand: Full Flavor (Kings and 100's), Gold (Kings and 100's), Silver (Kings and 100's), Menthol (Kings and 100's), and Menthol Gold (Kings and 100's); and

¹ Ohserase stated in its December 16, 2021 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

Barry M. Boren, Esq. December 21, 2021 Page 2

• Ten box varieties of the Niagara's brand: Full Flavor (Kings and 100's), Smooth (Kings and 100's), Ultra Smooth (Kings and 100's), Menthol (Kings and 100's), and Menthol Smooth (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.

Please note that this letter only approves Ohserase'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 ("TCA"). Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Ohserase's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Ohserase's packaging and advertising under the TCA 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) or FDA's final rule, "Required Warnings for Cigarette Packages and Advertisements" (published March 18, 2020).

Because the TCA 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 https://www.fda.gov/tobacco-products/ctp-newsroom/sign-email-updates-ctp.

This approval is effective on the date of this letter and runs through December 20, 2022, or until new health warnings required under the TCA take effect, whichever comes first.

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

Serena Viswanan

Serena Viswanathan 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.



Victoria Spier Evans Vice President & General Counsel Tel 919-990-3590 Fax 919-990-3505 vspierevans@lvbrands.com (Admitted in DC and PA)

December 22, 2021

By email to bmcgregor@ftc.gov Ms. Serena Viswanathan Associate Director, Division of Advertising Practices Federal Trade Commission 600 Pennsylvania Avenue, NW Mail Code CC-5201 Washington, DC 20580

Re: Pyramid Blue 100s Box Quarterly Rotation Plan Application

Dear Ms. Viswanathan:

Liggett Group LLC ("Liggett") submits this quarterly rotation plan ("Quarterly Plan") for the Pyramid Blue 100s Box brand style to the Federal Trade Commission ("FTC") pursuant to the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* ("Act"). Liggett is applying for quarterly rotation of the four warnings required by the Act, to be implemented in accordance with Section 1333(c)(1) of the Act and Section 2(b) and other applicable provisions of Liggett's Label Statement Rotation Plan as originally approved by the FTC on September 19, 1985, and annually since then ("Plan").

Liggett's current Plan approved by the FTC by letter dated April 9, 2021, for simultaneous display of the four warnings required by the Act on packaging for certain brand styles of the brands BRONSON, CLASS A, EVE, GRAND PRIX, LIGGETT SELECT, MONTEGO, PYRAMID (except for the Pyramid Red 100s Box variety which was approved for quarterly rotation of the four warnings required by the Act on June 10, 2011), and TOURNEY. Liggett's current Plan does not expire until April 8, 2022, and Liggett is not requesting renewal of the current Plan in this letter nor for any changes relating to brands or brand styles other than Pyramid Blue 100s Box. The Pyramid Blue 100s Box brand style is currently approved for simultaneous display of the four warnings required by the Act in Liggett's current Plan. Pyramid Blue 100s Box was previously approved for quarterly rotation on June 10, 2011, and on April 15, Liggett Group Quarterly Rotation Plan For Pyramid Blue 100s Box December 22, 2021 Page 2

2020, was approved for simultaneous display of the four warnings required by the Act because the volume no longer exceeded one-quarter of one percent of the total United State cigarette market. The Pyramid Blue 100s Box style still qualifies for simultaneous rotation, however, Liggett has excess quarterly packaging due to manufacturing shutdowns in 2020 relating to COVID-19, therefore Liggett is requesting that Pyramid Blue 100s Box be approved for quarterly rotation so that quarterly packaging materials can be exhausted.

The four warnings required by the Act will be printed on the packaging of Pyramid Blue 100s Box, based on the date of manufacture, in accordance with the quarterly rotation sequence set forth in the attached Schedule A^1 of the Plan, which is as follows:

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

These warnings will appear exactly as shown on the most recent sample packaging previously submitted in connection with Liggett's Plan and subsequent letters as previously approved by the FTC. To date, each of the four Surgeon General's warnings on the packages of the Pyramid Blue 100 Box brand style that was approved for equalization have been equalized. This will confirm that Liggett, in the ordinary course of business, maintains records of compliance with its approved plans for packaging and advertising. Liggett will begin rotating quarterly the Pyramid Blue 100s Box brand style according to this plan beginning on January 1, 2022. Liggett intends to remain on this quarterly plan for the calendar year 2022.

Thank you for your attention to this matter. If you have any questions, please let me know.

Viitoria Spier Evans

Victoria Spier Evans

¹ Schedule A is the complete schedule of warning rotation in advertising for all the brands that Liggett advertises. Liggett no longer uses the miscellaneous category as part of Liggett's schedule of warning rotation in advertising.

SCHEDULE A

to Liggett Group LLC Cigarette Warning Label Statement Rotation Plan

Schedule of Warning Rotation in Advertising By Brand and Quarter

Brand	1st Calendar Quarter	2nd Calendar Quarter B	3rd Calendar Quarter C	4th Calendar Quarter D
Bronson	А			
Class A	В	С	D	A
Eve	C	D	A	В
Grand Prix	D	A	В	С
Pyramid	А	B C D	C D A	D A B
Montego	В			
Liggett Select	С			
Tourney D		A	В	С
Multi-Brand	A	В	C	D

English Language 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.

Spanish Language Warnings:

- A ADVERTENCIA DEL CIRUJANO GENERAL: Fumar Causa Cáncer del Pulmón, Enfermedades del Corazón, Enfisema, y Puede Complicar el Embarazo.
- B ADVERTENCIA DEL CIRUJANO GENERAL: Dejar de Fumar Ahora Reduce Enormemente Los Graves Riesgos Par Su Salud.
- C ADVERTENCIA DEL CIRUJANO GENERAL: Fumar Durante el Embrazo Puede Causar Daño Fetal, Parto Prematuro y Reducir el Peso del Recién Nacido.
- D ADVERTENCIA DEL CIRUJANO GENERAL: El Humo del Cigarrillo Contiene Monóxido de Carbono.



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

December 28, 2021

Victoria Spier Evans Vice President & General Counsel Liggett Group LLC 100 Maple Lane Mebane, NC 27302

Dear Ms. Evans:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331-1341 ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed revised plan filed by Liggett Group LLC ("Liggett") on December 22, 2021 calling for quarterly rotation of the four health warnings on packaging for the Pyramid Blue 100's hard pack variety of cigarettes.

The warnings on the sample packs and cartons submitted with your April 4, 2019 letter 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 Liggett's plan for quarterly rotation of the four health warnings on packaging for the Pyramid Blue 100's hard pack variety is hereby approved effective on the date of this letter.

Liggett's December 22, 2021 plan also states that Liggett no longer utilizes a "miscellaneous" category in the company's schedule for quarterly rotation of the four health warnings in advertising for its brands of cigarettes.

Approval of Liggett'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.

¹ Liggett stated in its December 22, 2021 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on April 4, 2019.

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.

Victoria Spier Evans December 28, 2021 Page 2

Please note that this letter only approves Liggett'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 ("TCA") and expires at such time new health warnings required under the TCA take effect. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Liggett's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Liggett's packaging and advertising under the TCA 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) or FDA's final rule, "Required Warnings for Cigarette Packages and Advertisements" (published March 18, 2020).

Because the TCA 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 <u>www.fda.gov/TobaccoProducts/default.htm</u> and sign up for FDA email updates at <u>https://www.fda.gov/tobacco-products/ctp-newsroom/sign-email-updates-ctp</u>.

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

Science Viswanan

Serena Viswanathan Associate Director