



Division of  
Advertising Practices

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

MEMORANDUM

TO: Public Records  
Office of the Secretary

FROM: Sallie Schools  
Division of Advertising Practices

DATE: April 26, 2013

SUBJECT: Rotational Health Warnings for Cigarettes  
File No. P854505

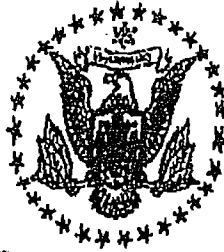
Please place the attached documents on the public record in the above-captioned matter.

1. July 5, 2011 letter from Stan Freedman, President Tobacco Co. Corporation to Mary K. Engle.
2. July 7, 2011 letter from Mary K. Engle to Stan Freedman, President Tobacco Co. Corporation.
3. July 5, 2011 letter from Cindy Kidd, Seneca-Cayuga Tobacco Company to Mary K. Engle.
4. July 11, 2011 letter from Mary K. Engle to Cindy Kidd, Seneca-Cayuga Tobacco Company.
5. July 6, 2011 letter from Nancyellen Keane on behalf of Cherokee Tobacco Company LLC to Mark de los Santos.
6. July 11, 2011 letter from Mary K. Engle to Nancyellen Keane on behalf of Cherokee Tobacco Company LLC.
7. July 8, 2011 letter from George Bertram on behalf of Tantus Tobacco, LLC to Mary K. Engle.
8. July 12, 2011 letter from Mary K. Engle to George Bertram on behalf of Tantus Tobacco, LLC.

9. July 12, 2011 letter from Roshan Sthapit, Global Tobacco, LLC to Mary K. Engle.
10. July 13, 2011 letter from Mary K. Engle to Roshan Sthapit, Global Tobacco, LLC.
11. July 7, 2011 letter from Rhonda A. Anderson on behalf of Lorali, Inc. to Mary K. Engle.
12. July 13, 2011 letter from Mary K. Engle to Rhonda A. Anderson on behalf of Lorali, Inc.
13. July 12, 2011 letter from Paige S. Fitzgerald on behalf of Tobacco Holdings, Inc. to Mary K. Engle.
14. July 13, 2011 letter from Mary K. Engle to Paige S. Fitzgerald on behalf of Tobacco Holdings, Inc.
15. July 15 [sic], 2011 letter from Gary C. Sanden, Seneca Manufacturing Company to Mary K. Engle.
16. July 14, 2011 letter from Mary K. Engle to Gary C. Sanden, Seneca Manufacturing Company.
17. July 18, 2011 letter from Michael Bell, Skookum Creek Tobacco Co., Inc. to Mary K. Engle.
18. July 20, 2011 letter from Mary K. Engle to Michael Bell, Skookum Creek Tobacco Co., Inc.
19. July 19, 2011 letter from Varand Gourjian on behalf of U.S. Cigaronne, Inc. to Mary K. Engle.
20. July 21, 2011 letter from Mary K. Engle to Varand Gourjian on behalf of U.S. Cigaronne, Inc.
21. June 30, 2011 letter from Vardan Alumyan, AMVATRADE Corp. to Mary K. Engle.
22. July 28, 2011 letter from Mary K. Engle to Vardan Alumyan, AMVATRADE Corp.
23. July 28, 2011 letter from Barry M. Boren on behalf of U.S. Flue-Cured Tobacco Growers, LLC to Mary K. Engle.
24. July 29, 2011 letter from Mary K. Engle to Barry M. Boren on behalf of U.S. Flue-Cured Tobacco Growers, LLC.

25. August 2, 2011 letter from Brittani Nichols, Xcaliber International Ltd., LLC to Mary K. Engle.
26. August 3, 2011 letter from Mary K. Engle to Brittani Nichols, Xcaliber International Ltd., LLC.
27. August 8, 2011 letter from Arthur Montour, Native Wholesale Supply Co. to Mary K. Engle.
28. August 8, 2011 letter from Mary K. Engle to Arthur Montour, Native Wholesale Supply Co.
29. August 9, 2011 letter from Melinda Northrup, Kretek International to Mark de los Santos.
30. August 10, 2011 letter from Mary K. Engle to Melinda Northrup, Kretek International.
31. August 16, 2011 letter from Eddie Cohen, Virginia Carolina Corporation to Mariel Woods.
32. August 23, 2011 letter from Mary K. Engle to Eddie Cohen, Virginia Carolina Corporation.
33. June 17, 2011 letter from Everett W. Gee, III, S&M Brands, Inc. to Mary K. Engle.
34. August 24, 2011 letter from Mary K. Engle to Everett W. Gee, III, S&M Brands, Inc.
35. August 9, 2011 letter from Asif Merchant, Heritage Tobacco, LLC to Mary K. Engle.
36. August 29, 2011 letter from Mary K. Engle to Asif Merchant, Heritage Tobacco, LLC.
37. July 29, 2011 letter from Denis Faucher, ITL (USA) Limited to Sallie Schools.
38. August 30, 2011 letter from Mary K. Engle to Denis Faucher, ITL (USA) Limited.
39. August 24, 2011 letter from Meghan Murphy Beakman, D Cube LLC d/b/a Sovereign Tobacco Co. to Mary K. Engle.
40. August 31, 2011 letter from Mary K. Engle to Meghan Murphy Beakman, D Cube LLC d/b/a Sovereign Tobacco Co.
41. August 29, 2011 letter from Barry Boren on behalf of American Cigarette Company, Inc. to Mary K. Engle.

42. August 31, 2011 letter from Mary K. Engle to Barry Boren on behalf of American Cigarette Company, Inc.
43. September 7, 2011 letter from Eddie Cohen, Virginia Carolina Corporation to Mark de los Santos.
44. September 15, 2011 letter from Mary K. Engle to Eddie Cohen, Virginia Carolina Corporation.
45. July 12, 2011 letter from Roberto Ribeiro, Belcorp of America, Inc. to Mary K. Engle.
46. September 19, 2011 letter from Mary K. Engle to Roberto Ribeiro, Belcorp of America, Inc.
47. September 14, 2011 letter from Audrius Bakanas, DK Distributors, Inc. to Mary K. Engle.
48. September 28, 2011 letter from Mary K. Engle to Audrius Bakanas, DK Distributors, Inc.
49. September 30, 2011 letter from Justin Tarbell, Ohserase Manufacturing, LLC to Mary K. Engle.
50. September 30, 2011 letter from Mary K. Engle to Dale White, Ohserase Manufacturing, LLC.



**PRESIDENT**

July 05, 2011

Ms. Mary Engle, Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, NW  
Washington, D.C. 20580

**RE: Surgeon General's Health Warning Equalization Plan Amendment President Brand Cigarettes**

Dear Ms. Engle:

This is an application for approval of the plan of President Tobacco Co. Corporation for the display of the health warnings on its President cigarette brand. President Tobacco Co. Corporation's address is 7000 Island Blvd., Suite 1406, Aventura, Florida 33160.

The brand styles of President brand cigarettes President Tobacco Co. Corporation intends to manufacture are listed on Exhibit "A." The actual packs and cartons for each brand style of the President brand with each of the four warnings were submitted on July 1, 2011. The warnings will appear exactly as shown on these samples.

President Tobacco Co. Corporation manufactured [REDACTED] sticks of President brand cigarettes in 2010. President's projected manufacture of President brand cigarettes in 2011 is approximately [REDACTED].

No one brand style of cigarettes sold by President Tobacco Co. Corporation has for the past fiscal year constituted more than  $\frac{1}{4}$  of 1% of all the cigarettes sold in the United States in such year, and no one brand style will constitute more than  $\frac{1}{4}$  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 for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(i).

President wishes to submit a plan to equalize the four health warning statements required by 15 U.S.C. §1333(c) for the President brand. Each of the four warning statements will appear on the packs and cartons of each brand style of President brand cigarettes an equal number of times in the one year period beginning on the date this plan is approved. President Tobacco Co. Corporation will maintain records demonstrating compliance with this plan.

President Tobacco Co. Corporation will print all four 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, President 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.

President Tobacco Co. Corporation does not plan to advertise President brand cigarettes at this time. If this should change, we will notify the FTC and modify our plan accordingly.

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

If you have any questions please let me know. My phone is (305) 773-4245. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Stan Freedman", with a long horizontal flourish extending to the right.

Stan Freedman  
President  
President Tobacco Co. Corporation

Exhibit A

President Variety List

Brand	Style	Length	Circumference	Filter/Non-Filter	Package	Date Testing	C Package UPC	Carton UPC	Case UPC
President	Red	84	24.7	f	hp	12/21/2010	693067651003	693067653007	693069655009
President	Red 100s	98	24.8	f	hp	12/21/2010	693067651102	693067653106	693069654101
President	Blue	84	24.8	f	hp	12/21/2010	693067651010	693067653014	693069655016
President	Blue 100s	98	24.8	f	hp	12/21/2010	693067651119	693067653113	693069654118
President	Menthol	84	24.8	f	hp	12/21/2010	693067651027	693067653021	693069655023
President	Menthol 100s	98	24.8	f	hp	12/21/2010	693067651126	693067653120	693069654125

Selected packaging samples from those  
submitted with the plan.



MADE UNDER AUTHORITY  
**PRESIDENT**  
TOBACCO LLC  
FINE AMERICAN  
TOBACCOS  
MADE IN USA  
TP-NY-15042



**PRESIDENT**

*100's*

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



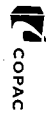
FSC

**PRESIDENT**

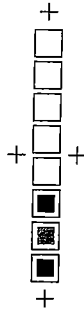


**PRESIDENT**

*100's*



WN-A



*Premium*  
AMERICAN BLEND

**PRESIDENT**  
*100's*

*Premium*  
AMERICAN BLEND

UNDERAGE  
SALE  
PROHIBITED

20  
CLASS A  
GARETTES

*Premium American Blend 100's*

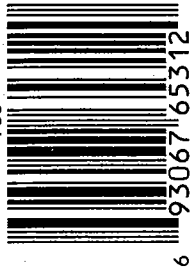
**PRESIDENT**  
*Premium 100's*  
MENTHOL BLEND

MADE UNDER AUTHORITY  
PRESIDENT TOBACCO, LLC

200 FILTERED CIGARETTES

TP-NY-15042

FSC



Sale to Minors Prohibited

*Premium American Blend 100's*

**PRESIDENT**



FINE AMERICAN  
TOBACCOS

MADE IN USA

**PRESIDENT**  
*Premium 100's*  
MENTHOL BLEND

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

MADE IN USA

MENTHOL BLEND



Division of Advertising Practices

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

July 7, 2011

Stan Freedman  
President  
President Tobacco Co. Corporation  
7000 Island Blvd., Suite 1406  
Aventura, FL 33160

Dear Mr. Freedman:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by President Tobacco Co. Corporation (“President Tobacco”) dated July 5, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the “President” brand of cigarettes.

President 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 on July 1, 2011 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, President Tobacco’s plan for simultaneous display of the four health warnings on packaging for the President brand is hereby approved for the following six hard pack varieties effective on the date of this letter through **July 6, 2012**: Red Kings, Red 100’s, Blue Kings, Blue 100’s, Menthol Kings, and Menthol 100’s.<sup>1</sup>

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that

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<sup>1</sup> As set forth in its July 5, 2011 letter, President Tobacco is using colors to identify a number of its cigarette varieties (e.g., “Red 100’s”). We note that the color names are not printed on the packaging (e.g., the word “Red” does not appear on the packaging of the “Red 100’s” variety), however, the color used for a variety’s packaging does conform to the color used in its name.

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

Stan Freedman  
July 7, 2011  
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any person who violates its provisions is guilty of a misdemeanor.

If President Tobacco 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.

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

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director



July 05, 2011

**VIA FACSIMILE 202-326-3259; E-MAIL lhenry1@ftc.gov**

**VIA OVERNIGHT COURIER**

Ms. Mary Engle  
Associate Director  
Attn: Linda Henry  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Room NJ3212  
Washington, DC 20001

**Cigarette Health Warning Plan**  
**Seneca-Cayuga Tobacco Company and 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 of SKYDANCER and GOLDEN BAY brand soft pack and hard pack varieties. SCTC previously submitted a 2010 Plan Renewal on July 15, 2010 and your office approved the prior Plan on July 19, 2010.

SCTC is the manufacturer of SKYDANCER and GOLDEN BAY brand cigarettes. SCTC does not manufacture any other brands. The location of the factory is 65490 East 240 Road, Grove, OK 74344. Jerry Barber is President, Chuck Craig and Rob Garwood are the Co-General Managers. SCTC does not import or export any SKYDANCER or GOLDEN BAY cigarettes.

SCTC requests that the following styles constitute the Plan:

Skydancer Premium Black (SP & HP), Skydancer Premium Gold (SP & HP), Skydancer Premium Menthol (SP & HP), Skydancer Premium Menthol Gold (SP & HP), Skydancer Premium Silver (SP & 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**

Ms. Mary Engle  
July 5, 2011  
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Golden Bay Red (SP & HP), Golden Bay Gold (SP & HP), Golden Bay Menthol (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 2010, our total sales were [REDACTED] sticks of the SKYDANCER brand and [REDACTED] sticks of the GOLDEN BAY brand. Anticipated 2011 sales of SKYDANCER are [REDACTED] and GOLDEN BAY are [REDACTED] sticks.

Neither the packaging nor the appearance of the warnings 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.

SCTC will equalize the four health warnings on the pack and cartons for each brand style listed in the Plan for the one year period beginning on the date of approval of this Plan. SCTC will keep records demonstrating compliance with this plan. Based on the above, SCTC requests approval to continue to use the rotation option provided in Section 1333(c)(2) of the FCLAA.

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 any additional information with respect to the foregoing please contact me at (918) 787-7711.

Very truly yours,



Cindy Kidd



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

Division of Advertising Practices

July 11, 2011

Cindy Kidd  
Seneca-Cayuga Tobacco Company  
65490 East 240 Road  
Grove, OK 74344

Dear Ms. Kidd:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a proposed plan filed by Seneca-Cayuga Tobacco Company (“Seneca-Cayuga”) on July 5, 2011 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 meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup> Accordingly, Seneca-Cayuga’s plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties effective on the date of this letter through **July 10, 2012**:

- Twenty varieties of the Skydancer brand: Premium Black Kings (soft pack and hard pack), Premium Black 100's (soft pack and hard pack), Premium Gold Kings (soft pack and hard pack), Premium Gold 100's (soft pack and hard pack), Premium Menthol Kings (soft pack and hard pack), Premium Menthol 100's (soft pack and hard pack), Premium Menthol Gold Kings (soft pack and hard pack), Premium Menthol Gold 100's (soft pack and hard pack), Premium Silver Kings (soft pack and hard pack), and Premium Silver 100's (soft pack and hard pack); and
- Sixteen varieties of the Golden Bay brand: Red Kings (soft pack and hard pack), Red 100's (soft pack and hard pack), Gold Kings (soft pack and hard pack), Gold 100's (soft pack and hard pack), Menthol Kings (soft pack and hard pack),

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<sup>1</sup> Seneca-Cayuga stated in its July 5, 2011 letter that the four health warnings will continue to appear exactly as shown on the sample packs and cartons submitted on June 17, 2010.

Cindy Kidd  
July 11, 2011  
Page 2

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).

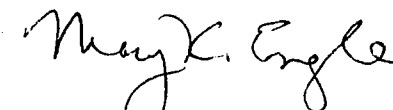
Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,



Mary K. Engle  
Associate Director

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



NANCYELLEN KEANE  
804.697.1272 telephone  
804.698.5140 facsimile  
nancyellen.keane@troutmansanders.com

# TROUTMAN SANDERS

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P.O. Box 1122 (23218-1122)  
Richmond, Virginia 23219  
804.697.1200 telephone  
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July 6, 2011

**VIA EMAIL**

Mr. Mark de los Santos  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Room NJ3212  
Washington, DC 20001

**Cigarette Health Warning Plan**  
**Cherokee Tobacco Company, LLC and CHEROKEE brand**

Dear Mr. de los Santos:

On behalf of Cherokee Tobacco Company, LLC ("Cherokee") we hereby submit a request to revise the Surgeon General's Equalization Plan for Cherokee 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 of CHEROKEE brand soft pack and hard pack varieties. Cherokee previously submitted its 2010 Plan Renewal on June 25, 2010 and your office approved the prior Plan on June 29, 2010.

Through the date of this application, the Surgeon General's warnings on the packages for the brand styles of the CHEROKEE brand have been equalized in accordance with the Plan.

Cherokee continues as the exclusive distributor of CHEROKEE brand cigarettes in the U.S. and holder of exclusive rights to the trademark for the CHEROKEE brand. Kathryn C. Farley is Vice President and General Manager of Cherokee and Firebird Manufacturing, LLC ("Firebird"). The location of the factory remains at 1057 Bill Tuck Highway, South Boston, VA 24592. The contract manufacturer is Firebird. We do not import or export any cigarettes of this brand.

Cherokee has a plan for the following styles:

Cherokee Red Kings soft pack, Cherokee Red 100's soft pack, Cherokee Blue Kings soft pack, Cherokee Blue 100's soft pack, Cherokee Blue Kings Box, Cherokee Menthol Green Kings soft pack, Cherokee Menthol Green 100's soft pack, Cherokee Menthol Green Kings Box, Cherokee Menthol Gold

**TROUTMAN  
SANDERS**

Mr. Mark de los Santos

July 22, 2011

Page 2

Kings soft pack, Cherokee Menthol Gold 100's soft pack, Cherokee Sky Kings soft pack, Cherokee Sky 100's soft pack, Cherokee Non Filter soft pack, Cherokee Red Kings Box.

In fiscal year 2010, our total sales were [REDACTED] sticks of the Cherokee brand. Anticipated sales of CHEROKEE in fiscal year 2011 will total [REDACTED] sticks .

Four copies of each style (packs and cartons) were provided as enclosures to our letter of June 3, 2010. The warnings will appear exactly as shown on the samples provided with that letter.

Cherokee will equalize the four health warnings on the packs and cartons for each brand style listed in the Plan for the one year period beginning on the date of approval of this Plan. Cherokee will maintain records demonstrating compliance with this Plan. Based on the above, Cherokee requests approval to continue to use the rotation option provided in Section 1333(c)(2) of the FCLAA.

For advertising materials, there are no changes from the prior Plan dated April 11, 2005.

We submit that the foregoing complies with the requirements set forth in the FCLAA, and request expedited approval of this request. Should this request conform to your requirements, we request that the letter evidencing approval be faxed to me at (804) 698-5140. Should you require any additional information with respect to the foregoing please contact me at 804-697-1272 or on my cell phone (804-350-2640).

Very truly yours,



Nancyellen Keane

Enclosures

cc: Kathy C. Farley

2062033.1



Division of Advertising Practices

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

July 11, 2011

Nancyellen Keane  
Troutman Sanders LLP  
1001 Haxall Point  
P.O. Box 1122  
Richmond, VA 23218

Dear Ms. Keane:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Cherokee Tobacco Company, LLC (“Cherokee”) on July 6, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Cherokee brand of cigarettes.

Cherokee’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 3, 2010 continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup> Accordingly, Cherokee’s plan for simultaneous display of the four health warnings on packaging is hereby approved for the following fourteen varieties of the Cherokee brand effective on the date of this letter through **July 10, 2012**: Red Kings (soft pack and Box), Red 100's soft pack, Blue Kings (soft pack and Box), Blue 100's soft pack, Menthol Green Kings (soft pack and Box), Menthol Green 100's soft pack, Menthol Gold soft pack (Kings and 100's), Sky soft pack (Kings and 100's), and Non-Filter soft pack.

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

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<sup>1</sup> Cherokee stated in its July 6, 2011 letter that the four health warnings will continue to appear exactly as shown on the sample packs and cartons submitted on June 3, 2010.

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

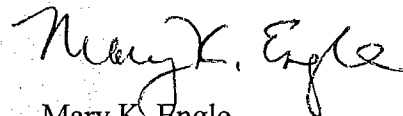
Nancyellen Keane  
July 11, 2011  
Page 2

Please note that this letter only approves Cherokee'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 Cherokee'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 Cherokee's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Cherokee'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director

LAW OFFICE OF  
**G. GEORGE BERTRAM**  
RESULT DRIVEN REPRESENTATION

WWW.RECOVERYLAW.COM

July 8, 2011

Ms. Mary K. Engle, Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W., Mail Drop NJ-3212

Attention: Ms. Sallie Schools

Renewal of Surgeon General's Warning Rotation Plan for  
Tantus Tobacco LLC Cigarette Brands: Berkley, Berley, Main Street,  
Sport, Golden Blend, GSmoke, and 24/7

Dear Ms. Engle:

Please be advised that I am the attorney for Tantus Tobacco, a manufacturer of tobacco products, located at 200 Progress Dr., Russell Springs, Kentucky 42642; phone number (270)-866-8888. Tantus has been manufacturing the following seven brands of cigarettes at its facility: Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7. The contact person for the company will continue to be its President, Brian Cooper, who can be reached at the above address and phone number.

The brand styles of Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7 brand cigarettes Tantus intends to manufacture are listed on Exhibit "A". Actual samples of the Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7 packs and cartons for the various brand styles listed on Exhibit "A" (showing exactly where and how the four (4) Surgeons General's health warnings appear and will continue to appear on those brands and styles Tantus is manufacturing) were enclosed with our letters dated June 7, 2010 and June 21, 2010.

In fiscal year 2010, (January 1, 2010 through December 31, 2010), Tantus manufactured approximately [REDACTED] cigarettes (all were Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, Bridgeport, Yukon and 24/7 brand cigarettes). Tantus anticipates manufacturing less than [REDACTED] cigarettes in fiscal year 2011. A chart outlining Tantus' sales for fiscal year 2010 and anticipated manufacturing plans for fiscal year 2011 by brand is attached hereto as Exhibit "B".

No one brand style of cigarettes sold by Tantus has, for the past fiscal year (same as calendar year), constituted more than 1/4 of 1% of all the cigarettes sold in the United

States in calendar year 2010 and Tantus anticipates that no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in calendar year 2011. In addition, more than one-half of the cigarettes manufactured by Tantus for sale in the United States in fiscal year 2010 was packaged into brand styles which meet the requirements of 15 U.S.C. 1333(c)(2)(A)(I).

As a "small manufacturer" (as defined in the Act), Tantus wishes to renew its plan to equalize the four health warning statements required by 15 U.S.C. 1333(c) for its Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7 brands. Each of the four warning statements will appear on the packs and cartons of each brand style of Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7 brand cigarettes manufactured by Tantus an equal number of times in the one year period beginning on the date this plan is approved. Tantus will maintain records demonstrating compliance with this plan.

Tantus intends to 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, Tantus will place special orders for the specific health warnings needed to ensure that the rotation is equalized for each brand style by the plan's anniversary date.

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

Nothing herein shall be construed to require the manufacture, packing, distribution, or importation of any cigarette during any period of time. Tantus shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to ensure that the warnings as they appear on the packs and cartons comply with the statutory requirements by: (1) providing by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) preventing the recurrence of any mistakes, errors, or omissions that have come to its attention.

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

Tantus has an advertising rotation plan in place for its Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7 cigarettes which was approved by the FTC on August 30, 2005, September 6, 2006, November 16, 2006, January 22, 2007, July 18, 2007, and July 15, 2010. Tantus has an internet advertising plan in place for its Berkley, Berley, 24/7, Golden Blend, GSmoke, MainStreet, and Sport cigarettes that was

approved on September 18, 2008. Tantus is in compliance with these plans and would like to continue these plans.

Tantus intends to advertise its Berkley, Berley, Main Street, Sport, Golden Blend, GSmoke, and 24/7 brands. Tantus will use the warning formats that were submitted with the 1985 plans of the five leading U.S. cigarette manufacturers and place the warnings as specified in those plans. All brands will continue to be rotated quarterly according to the previously approved rotation schedule at Exhibit C attached hereto.

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 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 renewal plan as soon as possible.

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

Sincerely,

A handwritten signature in black ink, appearing to read "G. George Bertram". The signature is stylized with a large, looping initial "G" and a long horizontal stroke extending to the right.

G. George Bertram  
Attorney at Law

**EXHIBIT "A" LIST OF CIGARETTE BRAND STYLES**  
**TANTUS TOBACCO, LLC**

<b>Brand</b>
<b>24/7</b>
Red King Box
Gold King Box
Menthol King Box
Red 100's Box
Gold 100's Box
Menthol 100's Box
Silver 100's Box
Menthol Gold 100's Box
<b>Berley</b>
Red King Box
Red King Soft
Red 100's Soft
Red 100's Box
Gold King Box
Gold King Soft
Gold 100's Soft
Gold 100's Box
Menthol King Soft
Menthol 100's Soft
Menthol 100's Box
Menthol King Box
Menthol Gold 100's Box
Menthol Gold 100's Soft
Menthol Gold King Box
Menthol Gold King Soft
Blue 100's Soft
Blue 100's Box
Blue King Box
Blue King Soft
Non Filter King Soft
<b>Berkley</b>
Red King Box
Red King Soft
Red 100's Soft
Red 100's Box
Gold King Box
Gold King Soft
Gold 100's Soft



Gold 100's Box
Silver King Soft
Silver 100's Soft
Silver 100's Box
Menthol King Soft
Menthol 100's Soft
Menthol 100's Box
Menthol Gold King Soft
Menthol Gold 100's Soft
Menthol Gold 100's Box
Non Filter King Soft
<b>Golden Blend</b>
Red King Soft
Red 100's Soft
Red King Box
Red 100's Box
Gold 100's Soft
Gold King Box
Gold 100's Box
Silver 100's Soft
Silver 100's Box
Menthol 100's Soft
Menthol 100's Box
Menthol Gold 100's Box
Menthol Gold 100's Soft
Non Filter King Soft
<b>Main Street</b>
Red King Soft
Red 100's Soft
Red King Box
Red 100's Box
Gold King Soft
Gold 100's Soft
Gold King Box
Gold 100's Box
Blue 100's Soft
Blue 100's Box
Menthol King Soft
Menthol 100's Soft
Menthol 100's Box
Menthol King Box
Menthol Gold 100's Soft
Menthol Gold 100's Box
<b>G Smoke</b>
Red King Soft

Red 100's Soft
Red King Box
Red 100's Box (Woman)
Red 100's Box
Gold King Soft
Gold 100's Soft
Gold King Box
Gold 100's Box
Gold 100's Box (Woman)
Blue 100's Soft
Menthol King Soft
Menthol 100's Soft
Menthol Gold 100's Box (Woman)
<b>Sport</b>
Red King Soft
Red 100's Soft
Red King Box
Red 100's Box
Gold King Soft
Gold 100's Soft
Gold King Box
Gold 100's Box
Blue 100's Soft
Blue 100's Box
Menthol King Soft
Menthol 100's Soft
Menthol King Box
Menthol 100's Box
Menthol Gold 100's Soft
Menthol Gold 100's Box

**EXHIBIT "B"**  
**TANTUS TOBACCO, LLC**

**Cigarette Brand**

**Anticipated Sales in Fiscal 2011**

Berkley

Berley

Sport

Main Street

GSmoke

Golden Blend

24/7



**Cigarette Brand**

**Sales in Fiscal 2010**

Berkley

Berley

Sport

Main Street

GSmoke

Golden Blend

24/7

Bridgeport

Yukon



**EXHIBIT "C"**  
**TANTUS TOBACCO, LLC**  
**SCHEDULE OF WARNINGS FOR**  
**PRINT ADVERTISING**

<b>Brand Name</b>	<b>Quarter One Jan. 1st to March 31st</b>	<b>Quarter Two April 1st to June 30th</b>	<b>Quarter Three July 1st to Sept. 30th</b>	<b>Quarter Four Oct. 1st to December 31st</b>
Berley	C	D	A	B
Berkley	B	C	D	A
24/7	A	B	C	D
Golden Blend	A	B	C	D
Sport	D	A	B	C
Main Street	C	D	A	B
GSmoke	B	C	D	A

- 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

July 12, 2011

G. George Bertram  
200 Progress Drive  
Suite 500  
Russell Springs, KY 42642

Dear Mr. Bertram:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco LLC (“Tantus”) on July 8, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the 24/7, Berley, Berkley, Golden Blend, Main Street, GSmoke, and Sport brands of cigarettes.

Tantus’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 June 7 and June 21, 2010 continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup> Accordingly, Tantus’s plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties effective on the date of this letter through **July 11, 2012**:

- Eight hard pack varieties of the 24/7 brand: Red King, Red 100's, Gold King, Gold 100's, Menthol King, Menthol 100's, Silver 100's, and Menthol Gold 100's;
- Twenty-one varieties of the Berley brand: Red King (hard pack and soft pack), Red 100's (hard pack and soft pack), Gold King (hard pack and soft pack), Gold 100's (hard pack and soft pack), Menthol King (hard pack and soft pack), Menthol 100's (hard pack and soft pack), Menthol Gold King (hard pack and soft pack), Menthol Gold 100's (hard pack and soft pack), Blue King (hard pack and soft pack), Blue 100's (hard pack and soft pack), and Non Filter King soft pack;
- Eighteen varieties of the Berkley brand: Red King (hard pack and soft pack), Red 100's (hard pack and soft pack), Gold King (hard pack and soft pack), Gold 100's (hard pack

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<sup>1</sup> Tantus stated in its July 8, 2011 letter that the four health warnings will continue to appear exactly as shown on the sample packs and cartons submitted on June 7, 2010 and June 21, 2010.

and soft pack), Silver King soft pack, Silver 100's (hard pack and soft pack), Menthol King soft pack, Menthol 100's (hard pack and soft pack), Menthol Gold King soft pack, Menthol Gold 100's (hard pack and soft pack), and Non Filter King soft pack;

- Fourteen varieties of the Golden Blend brand: Red King (hard pack and soft pack), Red 100's (hard pack and soft pack), Gold King hard pack, Gold 100's (hard pack and soft pack), Silver 100's (hard pack and soft pack), Menthol 100's (hard pack and soft pack), Menthol Gold 100's (hard pack and soft pack), and Non Filter King soft pack;
- Sixteen varieties of the Main Street brand: Red King (hard pack and soft pack), Red 100's (hard pack and soft pack), Gold King (hard pack and soft pack), Gold 100's (hard pack and soft pack), Blue 100's (hard pack and soft pack), Menthol King (hard pack and soft pack), Menthol 100's (hard pack and soft pack), Menthol Gold 100's (hard pack and soft pack);
- Fourteen varieties of the GSmoke brand: Red King (hard pack and soft pack), Red 100's (hard pack and soft pack), Gold King (hard pack and soft pack), Gold 100's (hard pack and soft pack), Blue 100's soft pack, Menthol soft pack (King and 100's), and "Woman" 100's hard pack (Red, Gold, and Menthol Gold); and
- Sixteen varieties of the Sport brand: Red King (hard pack and soft pack), Red 100's (hard pack and soft pack), Gold King (hard pack and soft pack), Gold 100's (hard pack and soft pack), Blue 100's (hard pack and soft pack), Menthol King (hard pack and soft pack), Menthol 100's (hard pack and soft pack), and Menthol Gold 100's (hard pack 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.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

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

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

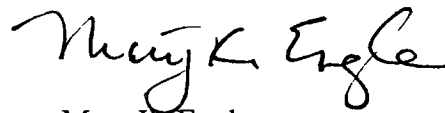
G. George Bertram  
July 12, 2011  
Page 3

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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, stylized "M" and "E".

Mary K. Engle  
Associate Director



July 12, 2011

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

Re: **Plan for Compliance with the Federal Cigarette Labeling and Advertising Act for Global Classic, Patriot, Silver Cloud and Global Fiesta brands cigarette**

Dear Ms. Engle:

Global Tobacco LLC received approval from you on July 19, 2011 for our plan to advertise Global Classic, Patriot, Silver Cloud and Global Fiesta brand of Cigarettes and equalize the Surgeon General's Warning on packaging of certain styles of Global Classic, Patriot, Silver Cloud and Global Fiesta brand. We now want to renew our plan by submitting this letter on the approved Global Classic, Patriot, Silver Cloud and Global Fiesta brand of cigarettes. In order to facilitate such manufacture, we submit this letter containing our plan for compliance with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 et. seq. (the "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.

## **I. PACKAGING**

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

### **A. Warning Label Size and Location**

We plan to renew our plan on the following brands:

1. Global Classic
2. Patriot
3. Silver Cloud
4. Global Fiesta

The following are the brand styles of the Global Classic Brand:

1. Global Classic Red /100's/ Box
2. Global Classic Gold /100's/Box
3. Global Classic Menthol /100's/Box
4. Global Classic Menthol Gold /100's/Box





5. Global Classic Silver /100's/Box
6. Global Classic Red /Kings/Box
7. Global Classic Gold /Kings/Box
8. Global Classic Menthol /Kings/Box
9. Global Classic Red/100's/Soft
10. Global Classic Gold/100's/Soft
11. Global Classic Menthol/100's/Soft
12. Global Classic Menthol Gold/100's/Soft
13. Global Classic Silver/100's/Soft
14. Global Classic Red /Kings/Soft
15. Global Classic Gold /Kings/Soft
16. Global Classic Menthol /Kings/Soft

The following are the brand styles of the Patriot Brand:

1. Patriot Red /100's/Soft
2. Patriot Gold /100's/Soft
3. Patriot Menthol /100's/Soft
4. Patriot Menthol Gold /100's/Soft
5. Patriot Silver /100's/Soft
6. Patriot Red /Kings/Soft
7. Patriot Gold /Kings/Soft
8. Patriot Menthol /Kings/Soft

The following are the brand styles of the Silver Cloud Brand:

1. Silver Cloud Red /100's/Soft
2. Silver Cloud Gold /100's/Soft
3. Silver Cloud Menthol /100's/Soft
4. Silver Cloud Menthol Gold /100's/Soft
5. Silver Cloud Silver /100's/Soft
6. Silver Cloud Red /Kings/Soft
7. Silver Cloud Gold /Kings/Soft
8. Silver Cloud Menthol /Kings/Soft

The following are the brand styles of the Global Fiesta Brand:

1. Global Fiesta Red/100's/Box
2. Global Fiesta Gold/100's/Box
3. Global Fiesta Menthol/100's/Box
4. Global Fiesta Menthol Gold/100's/Box
5. Global Fiesta Silver/100's/Box
6. Global Fiesta Red/Kings/Box
7. Global Fiesta Gold/Kings/Box
8. Global Fiesta Menthol/Kings/Box



Included with our letter dated May 13, 2010 and June 17, 2010 were samples of actual cartons and packages for certain styles of Global Classic, Patriot, Silver Cloud and Global Fiesta brand. The carton and package samples have been 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 packaging under Section 1333(b)(1) of the FCLAA. The required warnings will appear on both the actual packages and cartons of the foregoing brand styles exactly as they appear on the samples that we submitted to FTC which meet the requirements of the cigarette act.

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

Through the date of this application, the Surgeon General's warning on the packages for the brand styles of Global Classic, Patriot, Silver Cloud and Global Fiesta brand have been equalized in accordance with the plan. I wish to employ the option for warning label equalization provided for in Section 1332(c)(2) of the FCLAA and display the four required warning labels an equal number of times on the packages and cartons of each of the foregoing brand styles for the one year period beginning on the date of approval of this plan.

As you are no doubt aware, Section 1332(c)(2) allows a cigarette manufacturer or importer to apply to the FTC for permission 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 (1/4<sup>th</sup>) 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 brand styles for fiscal year 2010 were [REDACTED] sticks. Based on the previous fiscal year sales data, I estimate the following anticipated sales volumes for the calendar year 2011 which is same as the fiscal year for each brand style:

1	Global Classic Red /100's/ Box	[REDACTED]	Sticks
2	Global Classic Gold /100's/Box	[REDACTED]	Sticks
3	Global Classic Menthol /100's/Box	[REDACTED]	Sticks
4	Global Classic Menthol Gold /100's/Box	[REDACTED]	Sticks
5	Global Classic Silver /100's/Box	[REDACTED]	Sticks
6	Global Classic Red /Kings/Box	[REDACTED]	Sticks
7	Global Classic Gold /Kings/Box	[REDACTED]	Sticks
8	Global Classic Menthol /Kings/Box	[REDACTED]	Sticks
9	Global Classic Red/100's/Soft	[REDACTED]	Sticks
10	Global Classic Gold/100's/Soft	[REDACTED]	Sticks
11	Global Classic Menthol/100's/Soft	[REDACTED]	Sticks
12	Global Classic Menthol Gold/100's/Soft	[REDACTED]	Sticks
13	Global Classic Silver/100's/Soft	[REDACTED]	Sticks
14	Global Classic Red /Kings/Soft	[REDACTED]	Sticks
15	Global Classic Gold /Kings/Soft	[REDACTED]	Sticks
16	Global Classic Menthol /Kings/Soft	[REDACTED]	Sticks
<b>Total anticipated sales of Global Classic Brand</b>			<b>Sticks</b>



1	Patriot Red /100's/Soft		Sticks
2	Patriot Gold /100's/Soft		Sticks
3	Patriot Menthol /100's/Soft		Sticks
4	Patriot Menthol Gold /100's/Soft		Sticks
5	Patriot Silver /100's/Soft		Sticks
6	Patriot Red /Kings/Soft		Sticks
7	Patriot Gold /Kings/Soft		Sticks
8	Patriot Menthol /Kings/Soft		Sticks
<b>Total anticipated sales of Patriot Brand</b>			<b>Sticks</b>
1	Silver Cloud Red /100's/Soft		Sticks
2	Silver Cloud Gold /100's/Soft		Sticks
3	Silver Cloud Menthol /100's/Soft		Sticks
4	Silver Cloud Menthol Gold /100's/Soft		Sticks
5	Silver Cloud Silver /100's/Soft		Sticks
6	Silver Cloud Red /Kings/Soft		Sticks
7	Silver Cloud Gold /Kings/Soft		Sticks
8	Silver Cloud Menthol /Kings/Soft		Sticks
<b>Total anticipated sales of Silver Cloud Brand</b>			<b>Sticks</b>
1.	Global Fiesta Red/100's/Box		Sticks
2.	Global Fiesta Gold/100's/Box		Sticks
3.	Global Fiesta Menthol/100's/Box		Sticks
4.	Global Fiesta Menthol Gold/100's/Box		Sticks
5.	Global Fiesta Silver/100's/Box		Sticks
6.	Global Fiesta Red/Kings/Box		Sticks
7.	Global Fiesta Gold/Kings/Box		Sticks
8.	Global Fiesta Menthol/Kings/Box		Sticks
<b>Total anticipated sales of Global Fiesta Brand</b>			<b>Sticks</b>

According to the foregoing formula, equalization per brand style is appropriate where (1) the company's annual sales of that brand style are less than one-fourth (1/4<sup>th</sup>) of one percent (1%) of all of the cigarettes sold in the United States and (2) more than half of the cigarettes manufactured or imported by that company are packaged into brand styles that meet this low sales threshold.

Based on the foregoing anticipated sales volume, it seems that each of the foregoing brand styles qualifies for warning label equalization as our projected sales of each brand style would be less than one-fourth (1/4<sup>th</sup>) on one percent (1%) of all of the cigarettes sold in the United States.



I will ensure that all four of the required warnings shall be equally displayed on the packs and cartons of each brand style for the coming year by equalizing the use of each warning within each shipment of each brand style such that 25% of the packs and cartons shipped per shipment per brand style will display one of the four required warnings. As set forth below, I shall cause appropriate records to be maintained demonstrating that the four required warnings are equally placed on the packs and cartons of the foregoing brand styles.

**C. Records of Compliance**

I represent that I will maintain records demonstrating compliance with this plan at my principal place of business.

**II. ADVERTISING**

Global Tobacco, LLC intends to follow the "Advertising" requirements of the FCLAA.

On July 19, 2010 you approved Global Tobacco Company's plan for advertising for the Global Classic, Patriot, Silver Cloud and Global Fiesta brands. This section addresses the plan for compliance with respect to the "Advertising" requirements of the FCLA, including a discussion of the warning label size and placement, and the warning label rotation.

**A. Warning Label Size and Placement**

The size of our advertisements will not exceed ten square feet. We will use the warnings formats that were submitted by the five leading U.S. cigarette manufacturers with their 1985 plans and we will place the warnings as specified in those plans. Accordingly, for its advertising I propose the quarterly rotation of warning labels in its advertisements set forth below.

We currently do not intend to operate a company website and do not intend to advertise our products in such website. Although a company web site ([www.globaltobaccollc.com](http://www.globaltobaccollc.com)) is listed in our company letterhead, it is not functional and we do not have any plans to operate such web site in near future. However, in future, if we do operate a company website, we will submit our advertisement plans along with web-site details for FTC approval.



**B. Warning Label Rotation:**

The Following is my quarterly rotation schedule for advertising of the four required warning statements. For purposes of the warning label rotation schedule set forth below, we will rotate the four required warnings as follows:

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

My schedule for quarterly rotation of the warnings in advertising is as follows:

	Global Classic	Patriot	Silver Cloud	Global Fiesta
First Quarter (Jan. – March)	A	B	C	D
Second Quarter (Apr. – June)	B	C	D	A
Third Quarter (July – Sept.)	C	D	A	B
Fourth Quarter (Oct. – Dec.)	D	A	B	C

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,

Roshan Sthapit

Enclosures

cc: Sallie Schools



Division of Advertising Practices

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

July 13, 2011

Mr. Roshan Sthapit  
Global Tobacco LLC  
2861 Congressman Ln.  
Suite 300  
Dallas, TX 75220

Dear Mr. Sthapit:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Global Tobacco LLC (“Global Tobacco”) on July 12, 2011 calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Global Classic, Patriot, Silver Cloud, and Global Fiesta brands of cigarettes.

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 13 and June 17, 2010 continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup> Accordingly, Global Tobacco’s plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties effective on the date of this letter through **July 12, 2012**:

- Sixteen varieties of the Global Classic brand: Red Kings (soft pack and hard pack), Red 100's (soft pack and hard pack), Gold Kings (soft pack and hard pack), Gold 100's (soft pack and hard pack), Menthol Kings (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);
- Eight soft pack varieties of the Patriot brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Menthol Kings, Menthol 100's, Menthol Gold 100's, and Silver 100's;

---

<sup>1</sup> Global Tobacco stated in its July 12, 2011 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on these dates. This approval only pertains 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 previously approved.

- Eight soft pack varieties of the Silver Cloud brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Menthol Kings, Menthol 100's, Menthol Gold 100's, and Silver 100's; and
- Eight hard pack varieties of the Global Fiesta brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Menthol Kings, Menthol 100's, Menthol Gold 100's, and Silver 100's.

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

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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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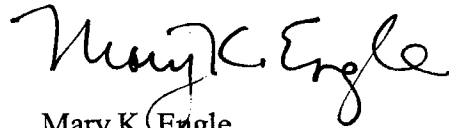
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<sup>2</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Roshan Sthapit  
July 13, 2011  
Page 2

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

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looping initial "M".

Mary K. Engle  
Associate Director



*Law Office Of*  
RHONDA A. ANDERSON, P.A.

2655 LeJeune Road  
Suite 540  
Coral Gables, Florida 33134

Telephone: (305) 567-3004  
Facsimile: (305) 476-9837  
E-Mail: randersonlaw@gmail.com

July 7, 2011

*Sent Via Federal Express, Tracking No. 7949-4886-3053*

Mary Engle, Associate Director  
Federal Trade Commission  
Division of Advertising Practices  
Mail Drop MJ-3212  
600 Pennsylvania Avenue, NW  
Washington, D.C. 20580

**Re: LORALI, INC., - "Poker" brand Compliance of with the Federal  
Cigarette Labeling and Advertising Act, 15 U.S.C.**

Dear Mrs. Engle:

This letter shall serve as formal notice regarding our client, LORALI, INC., to the Federal Trade Commission regarding Lorlai's "plan" to import the "Poker" brand of cigarettes described below, manufactured by Procesadora Nacional Cigarrillera S.A./ Pronalci S.A. in Colombia. Lorali, Inc. currently has a plan to imports for the "Director" brand manufactured by Compania Tobacalera Internacional. Mr. Paul Mendoza is the President of Lorali, Inc. The address of Lorali Inc. is 2229 NW 79<sup>th</sup> Avenue, Miami, Florida 33122.

The Brand Styles for the "Poker" Brand cigarettes are as follows:

1. Poker 100's Hard Pack: Silver, Full Flavor, Gold, Green Gold and Menthol.
2. Poker King Hard Pack: Silver, Full Flavor, Gold, Green Gold, Menthol.

In compliance with Section 1333 (c) (1), Lorali, Inc., proposes to rotate the four Surgeon General Warnings on packs and cartons of the "Poker" Brand of cigarettes based on the date of packaging, in a quarterly manner according to the following schedule:

Mary Engle, Associate Director  
Federal Trade Commission  
Re: Lorali, Inc., - "Poker" brand  
Compliance of with the Federal Cigarette Labeling and Advertising Act

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Schedule for Quarterly Rotation on Packaging and in advertizing

	DIRECTOR	POKER
1 <sup>st</sup> Quarter (Jan. -Mar.)	A	B
2 <sup>nd</sup> Quarter (Apr. - June)	B	C
3 <sup>rd</sup> Quarter (July- Sept.)	C	D
4 <sup>th</sup> Quarter (Oct. - Dec.)	D	A

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

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

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

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

The company will ensure that all four warnings will appear exactly as shown on the packs and cartons submitted with its June 23<sup>rd</sup>, 2011 letter and this letter. In addition, Lorali, Inc. will keep records demonstrating compliance with this plan.

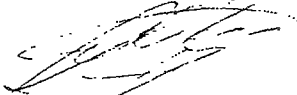
Lorali, Inc. will advertise "Poker" brand to consumers. For their advertising Lorali, Inc., will use the warning formats that were submitted with the 1985 plans of the five leading U.S. cigarette manufacturers and, Lorali, Inc. will place the warnings as specified in those plans. Lorali, Inc. will rotate the four warnings on advertising of "Poker" brand cigarettes quarterly according to the same schedule used for its packaging (see above). Copies of advertising warning exhibits 1-5 that will used are enclosed with its letter dated May 18<sup>th</sup>, 2011. The largest size advertising will be used is 470 square inches. In addition, at this time, Lorali, Inc. does not intend to advertise on the internet and if it decides to do so in the future, it will apply to the FTC for approval.

Please advise if the proposed rotation plan and labeling meets with your Office's approval.

Mary Engle, Associate Director  
Federal Trade Commission  
Re: Lorali, Inc., - "Poker" brand  
Compliance of with the Federal Cigarette Labeling and Advertising Act

---

Very truly yours,



**RHONDA A. ANDERSON**  
*(Signed in absence to avoid delay)*

RAA/lz  
Enclosures

**Selected packaging samples from those  
submitted with the plan.**

Poker

20 CLASS A CIGARETTES

UNDERAGE SALE PROHIBITED

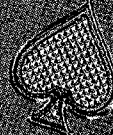
BOX  
Poker  
100's

1

0

Poker

Poker



Gold

SELECTED TOBACCOS - PREMIUM BLEND

BOX  
Poker  
100's

SELECTED TOBACCOS - PREMIUM BLEND

Gold



Poker

100's



Poker Gold  
Made in Colombia  
Distributed by  
POKER TOBACCO Corp.

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

UNDERAGE SALE  
PROHIBITED

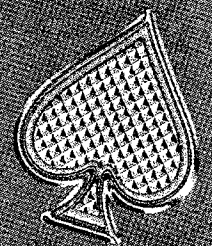
200  
CLASS A  
CIGARETTES

Poker  
*Menthol*

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

200 CLASS A CIGARETTES

Poker



*Menthol*

BOX

SELECTED TOBACCOS

PREMIUM BLEND



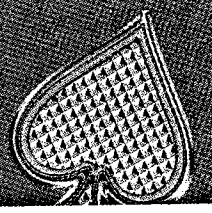
FSC

*Menthol*  
Poker

Made in Colombia  
Distributed by  
POKER TOBACCO Corp.

200 CLASS A CIGARETTES

Poker





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

Division of Advertising Practices

July 13, 2011

Rhonda A. Anderson, P.A.  
2655 LeJeune Road  
Suite 540  
Coral Gables, Florida 33134

Dear Ms. Anderson:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Lorali, Inc. (“Lorali”) on July 7, 2011, calling for: (1) quarterly rotation of the four health warnings in advertising up to 470 square inches in size for the Poker brand of cigarettes; and (2) quarterly rotation of the four health warnings on packaging for ten hard pack varieties of the Poker brand.

Lorali’s plan for rotation of the warnings in advertising up to 470 square inches in size for the Poker brand of cigarettes is hereby approved. Approval of Lorali’s advertising plan assumes that the plan is implemented in good faith.

It appears that the health warnings on the sample packs and cartons submitted with your letters dated June 23, 2011 and July 7, 2011 meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, Lorali’s plan for quarterly rotation of the health warnings on packaging is hereby approved for the following ten hard pack varieties of the Poker brand: Full Flavor (King and 100's), Silver (King and 100's), Gold (King and 100's), Green Gold (King and 100's), and Menthol (King 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.<sup>1</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Lorali’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 and size of the warnings in advertising and on packaging for the Poker brand. Moreover, it is not in any way an approval of any other design element, statement, or

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

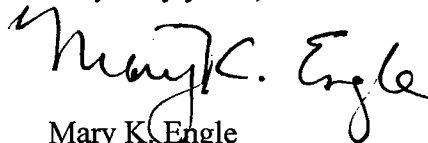
Rhonda A. Anderson, P.A.  
July 13, 2011  
Page 2

representation made on packaging or in advertising for Lorali's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Lorali'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped "M" and "E".

Mary K. Engle  
Associate Director



PAIGE S. FITZGERLAD  
804.697.1404 telephone  
804.698.5114 facsimile  
paige.fitzgerald@troutmansanders.com

# TROUTMAN SANDERS

TROUTMAN SANDERS LLP  
Attorneys at Law  
Troutman Sanders Building  
1001 Haxall Point  
P.O. Box 1122 (23218-1122)  
Richmond, Virginia 23219  
804.697.1200 telephone  
troutmansanders.com

July 12, 2011

**VIA FEDEX**

Ms. Mary Engle  
Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Room NJ3212  
Washington, DC 20001  
Attn: Bonnie McGregor/Sallie Schools

**Cigarette Health Warning Plan**  
**Tobacco Holdings, Inc. and YUKON brand**

Dear Ms. Engle:

On behalf of Tobacco Holdings, Inc., we hereby submit a revised Surgeon General's Equalization Plan for YUKON brand 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 of YUKON brand soft pack varieties listed below.

Tobacco Holdings is the brand owner of YUKON brand cigarettes, and causes such cigarettes to be manufactured in the United States. Tobacco Holdings is located at 111 Summit Street, Salamanca, NY 14779, telephone (716) 945-3330. Karen Kamperman is the President.

Tobacco Holdings requests that the following styles constitute the Plan:

Five soft pack varieties of the YUKON brand (Red 100's, Gold 100's, Menthol Green 100's, Menthol Gold 100's, Silver 100's).

Complete sample packaging for the following varieties was previously provided with the rotation plan submitted on May 23, 2011: Gold 100's, Menthol Green 100's, Menthol Gold 100's and Silver 100's. Sample packs and cartons of the Soft Pack Red 100's YUKON brand style showing exactly how the warnings will appear were enclosed with my letter dated June 20, 2011.

**TROUTMAN  
SANDERS**

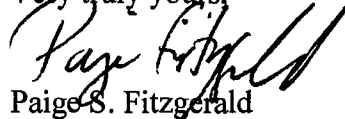
Ms. Mary Engle  
July 12, 2011  
Page 2

Tobacco Holdings will equalize the four health warnings on the packs and cartons for each brand style listed in the Plan for the one year period beginning on the date of approval of this Plan. Tobacco Holdings will keep records demonstrating compliance with this Plan. Based on the information contained in this letter and the previously submitted packaging, Tobacco Holdings requests approval to use the rotation option provided in Section 1333(c)(2) of the FCLAA. Information regarding its advertising plan is also enclosed.

Anticipated fiscal year 2011 sales of YUKON will be less than one-fourth of one percent of all of the cigarettes sold in the United States in the previous calendar year and more than half of the cigarettes manufactured or imported by the Company will be packaged into brand styles that meet this low sales threshold. Tobacco Holdings' fiscal year is a calendar year. There were no fiscal year 2010 sales.

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 (804) 698-5114. Should you require any additional information with respect to the foregoing please contact me at 804-697-1404 or on my cell phone (804-938-2570).

Very truly yours,



Paige S. Fitzgerald

Enclosure (Rotation Plan, revised)  
cc: Karen Kamperman

**TOBACCO HOLDINGS, INC.**  
**LABEL STATEMENT ROTATION PLAN**

Tobacco Holdings, Inc., a Florida corporation (the "Company"), submits this proposed Label Statement Rotation Plan (this "Plan") to the Federal Trade Commission pursuant to Section 1333 of The Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 *et seq.* (the "Cigarette Act"). The Company's address is 111 Summit Street, Salamanca, NY 14779 and its President is Karen Kamperman.

(1) Introduction.

The Company arranges for the manufacture of and sells cigarettes for the United States market under the brand YUKON. Currently, YUKON cigarettes will be marketed in five soft pack varieties (Red 100's, Gold 100's, Menthol Green 100's, Menthol Gold 100's, Silver 100's). Depending upon market acceptance and changing market circumstances, the Company may introduce additional varieties of these cigarettes. Prior to introducing any additional brands or varieties of YUKON cigarettes, the Company will submit to the Commission a supplement or amendment to this Plan.

(2) Exemption Request.

The Company hereby requests an exemption under Section 1333(c)(2) of the Cigarette Act for the one year period beginning on the date this plan is approved. The Company has not sold YUKON cigarettes in the past year but based on historical projections, the Company anticipates that its sales of each brand style will be less than one-fourth of one percent of all of the cigarettes sold in the United States in the previous calendar year and all of the cigarettes manufactured or imported by the Company will be packaged into brand styles that meet this low sales threshold.

Accordingly, it is anticipated that the YUKON brand will be well below the one-fourth of one percent threshold level, and the Company should qualify for the Section 1333(c)(2) exemption.

(3) Definitions.

(1) All definitions of terms set out in the Cigarette Act are incorporated herein.

(2) "Warning Labels" refer to the four Warning Labels, required by Section 1333(a)(1) of the Cigarette Act to be displayed upon cigarette packages and by Section 1333(a)(2) of the Cigarette Act to be displayed upon cigarette advertisements and further, includes all requirements set forth in Section 1333(b) of the Cigarette Act in respect of the size, type form, format and clarity, conspicuousness, and location of such Warning Labels.

(4) Warning Label Displays under Section 1333(a)(2) of the Cigarette Act.

In this Section 4 of the Plan, we refer to the Company's proposed compliance with Section 1333(a)(2) of the Cigarette Act regarding advertisements other than outdoor billboard advertisements. The Company has previously submitted for review by the Commission an advertising plan for the YUKON brand with copies of acetates that the Company will use with advertising regulated by

Section 1333(a)(2) of the Cigarette Act. This advertising plan was submitted on June, 18, 2003, and was approved by the Commission on July 7, 2003. The Company will maintain compliance with that plan.

(5) Package and Carton Labeling under Section 1333(a)(1) of the Cigarette Act.  
Compliance in respect of Cigarette Packages and Cartons.

For purposes of compliance with Section 1333(a)(1) of the Cigarette Act and in reliance upon its proposed exemption under Section 1333(c)(2) of the Cigarette Act, the Company shall adopt printing and packaging methods which will assure that the Company will display the four health warnings an equal number of times on the packs and cartons for each brand style of the YUKON brand for the one-year period covered by this Plan. The Company will maintain records documenting the even distribution of the four Warning Labels as detailed in this Plan.

The Company has submitted for review by the Commission samples of packages and cartons bearing each of four Warning Labels with respect to the YUKON cigarette brand style (the "Packaging Samples"). The four Warning Labels will appear on packages and cartons distributed to consumers exactly as they appear on the Packaging Samples.

(6) Outdoor Billboard Advertising under Section 1333(a)(3) of the Cigarette Act.

The Company does not currently intend to employ outdoor billboard displays. Prior to employment of any outdoor billboard displays, the Company will submit to the Commission any required materials and a supplement or amendment to this Plan.

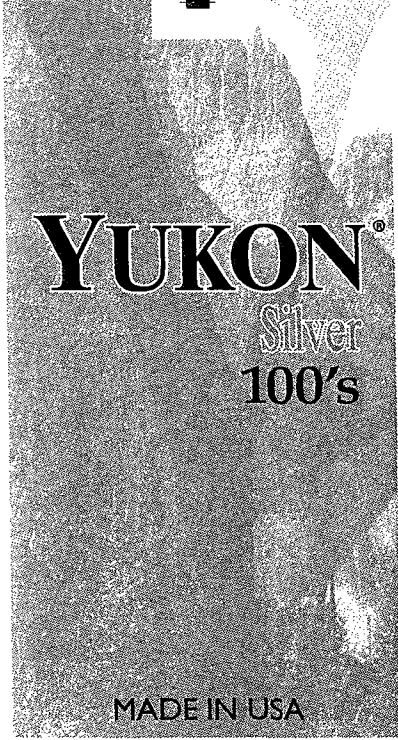
The Company does not currently intend to employ internet advertising. Prior to employment of any internet advertising, the Company will submit to the Commission any required materials and a supplement or amendment to this Plan.

## Warning Labels -- Sections 1333(a)(1) and 1333(a)(2) of the Cigarette Act:

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

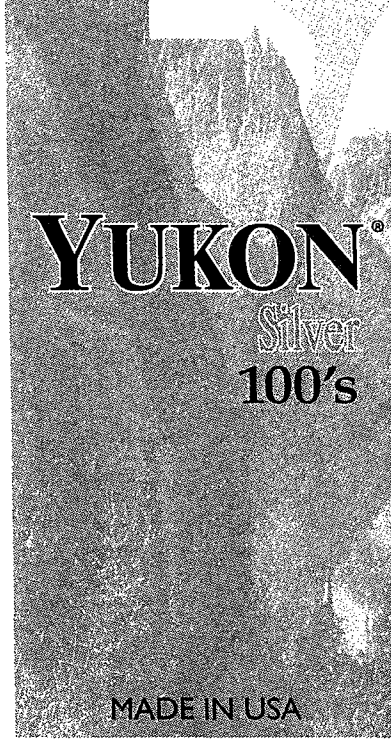
Brand	<u>Quarter 1</u> January 1- March 31	<u>Quarter 2</u> April 1- June 30	<u>Quarter 3</u> July 1 - Sept 30	<u>Quarter 4</u> October 1 - December 31
YUKON	B	C	D	A

Selected packaging samples from those  
submitted with the plan.



Underage  
Sale  
Prohibited

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



20 Class A  
Cigarettes

**YUKON**  
Silver  
100's

For More Information  
Call: 866-339-9572  
TPKY15000



**YUKON**  
Silver  
100's

TPS

YUKON Gold

100's

MADE IN USA

YUKON

Underage  
Sale  
Prohibited

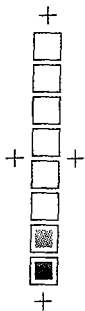
YUKON® Gold  
100's

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

MADE IN

100's

YUKON® Gold







Division of Advertising Practices

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

July 13, 2011

Paige S. Fitzgerald  
Troutman Sanders, LLP  
1001 Haxall Point  
P.O. Box 1122  
Richmond, VA 23218

Dear Ms. Fitzgerald:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tobacco Holdings, Inc. on July 12, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Yukon brand of cigarettes.

Tobacco Holdings’ 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 23 and June 20, 2011 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, Tobacco Holdings’ plan for simultaneous display of the four health warnings on packaging is hereby approved for the following five soft pack varieties of the Yukon brand effective on the date of this letter through **July 12, 2012**: Red 100's, Gold 100's, Menthol Green 100's, Menthol Gold 100's, and Silver 100's.

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>1</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Tobacco Holdings’ 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 Tobacco Holdings’ packaging. Moreover, it is not in any way an approval of any other design element, statement, or

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

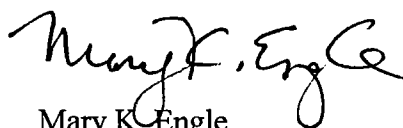
Paige S. Fitzgerald  
July 13, 2011  
Page 2

representation made on packaging or in advertising for Tobacco Holdings' cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Tobacco Holdings' 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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,



Mary K. Engle  
Associate Director

# SENECA MANUFACTURING COMPANY

MAKERS OF HERON CIGARETTES



PO Box 496  
155 and 175 Rochester Street  
Salamanca, NY 14779

Phone: 716-945-4400  
Fax: 716-945-4401

July 15, 2011

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

Re: Heron Cigarettes

Dear Ms. Engle:

Please consider this letter our annual compliance letter. Our plan for the simultaneous display of the Surgeon General's warnings on packaging and the quarterly rotation of the Surgeon General's warnings on advertising for Heron cigarettes was originally submitted to the Federal Trade Commission on December 17, 2007, and was approved on December 19, 2007.

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

Red 100's Soft Pack  
Gold Flavor 100's Soft Pack  
Silver 100's Soft Pack  
Menthol 100's Soft Pack  
Menthol Gold 100's Soft Pack

Red King Size Soft Pack  
Gold King Size Soft Pack  
Silver King Size Soft Pack  
Menthol King Size Soft Pack  
Menthol Gold King Size Soft Pack  
Non-Filter King Size Soft Pack

Red 100's Box  
Gold Flavor 100's Box  
Silver 100's Box  
Menthol 100's Box  
Menthol Gold 100's Box  
No. 33 Black Gold 100's Box.

Red King Size Box  
Gold King Size Box  
Silver King Size Box  
Menthol King Size Box  
Menthol Gold King Size Box

These cigarettes are packaged in 200 count cartons ("Outer Carton"). Each Outer Carton contains ten (10) packs of twenty (20) cigarettes each ("pack"). The warnings will appear exactly as shown in samples provided to your office with our letters dated June 16, 2010, June 23, 2010, June 25, 2010 and February 4, 2011.

FEDERAL TRADE COMMISSION  
MS MARY ENGLE ASSOCIATE DIRECTOR  
RE: HERON CIGARETTES  
JULY 15, 2011  
PAGE 2

Seneca Manufacturing Company low sales volume of cigarettes fits the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333 (c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331. The sales for each brand style for the 2010 fiscal year (calendar year ending December 31, 2010) are set out in Exhibit A along with anticipated 2011 sales.

If this plan for the alternative to quarterly rotation of the warnings on the packaging is approved, the four (4) cigarette health warnings will appear on the packs and cartons of each Heron cigarette brand style an equal number of times for the one year period beginning on the date of approval of this plan. To ensure the cigarette health warnings appear on the Heron cigarette brand styles as equal number of times throughout the plan year, raw material packaging inventory will be stored and loaded into packaging machines alternating the health warnings. Seneca Manufacturing Company will maintain records of compliance with approved plan. We will continue to advertise according to our plan approved by FTC on December 17, 2007.

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

Sincerely,

SENECA MANUFACTURING COMPANY



Gary C. Sanden

GCS/jlw  
Attachment

EXHIBT A

Page 1

Heron-Brand Styles	Previous Year (2010) Sales/Sticks
Red 100's SP	
Gold 100's SP	
Silver 100's SP	
Menthol 100's SP	
Menthol Gold 100's SP	
Red 100's Box	
Gold 100's Box	
Silver 100's Box	
Menthol 100's Box	
Menthol Gold 100's Box	
Red King Box	
Gold King Box	
Silver King Box	
Menthol King Box	
Menthol Gold King Box	
Red King SP	
Gold King SP	
Silver King SP	
Menthol King SP	
Menthol Gold King SP	
Non-Filter King SP	

EXHIBIT A

Page 2

Heron-Brand Styles	Estimated Sales (2011)/Sticks
Red 100's SP	
Gold 100's SP	
Silver 100's SP	
Menthol 100's SP	
Menthol Gold 100's SP	
Red 100's Box	
Gold 100's Box	
Silver 100's Box	
Menthol 100's Box	
Menthol Gold 100's Box	
No 33 Black Gold 100's Box	
Gold King Box	
Silver King Box	
Menthol King Box	
Menthol Gold King Box	
Red King SP	
Gold King SP	
Silver King SP	
Menthol King SP	
Menthol Gold King SP	
Non-Filter King SP	



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

Division of Advertising Practices

July 14, 2011

Gary C. Sanden  
Seneca Manufacturing Company  
P.O. Box 496  
155 and 175 Rochester Street  
Salamanca, NY 14779

Dear Mr. Sanden:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Seneca Manufacturing Company ("Seneca") on July 14, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Heron brand of cigarettes.

Seneca's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letters dated June 16, 23, and 25, 2010, and February 4, 2011 continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup> Accordingly, Seneca's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following twenty-two varieties of the Heron brand effective on the date of this letter through **July 13, 2012**: Red Kings (box and soft pack), Red 100's (box and soft pack), Gold Kings (box and soft pack), Gold Flavor 100's (box and soft pack), Silver Kings (box and soft pack), Silver 100's (box and soft pack), Menthol Kings (box and soft pack), Menthol 100's (box and soft pack), Menthol Gold Kings (box and soft pack), Menthol Gold 100's (box and soft pack), Non-Filter Kings soft pack, and No. 33 Black Gold 100's box.

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

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<sup>1</sup> Seneca stated in its July 14, 2011 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

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

Gary C. Sanden  
July 14, 2011  
Page 2

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

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director





1041 W State Route 108  
Shelton, Washington 98584

July 18, 2011

Ms. Mary K Engle  
Division of Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Ave NW  
NJ-3212  
Washington, DC 20580

*Via Facsimile and U.S. Mail*

Dear Ms. Engle:

Pursuant to the Federal Cigarette Labeling and Advertising Act (the Cigarette Act), Skookum Creek Tobacco Co., Inc., hereby submits a plan for the rotation of "Warnings" under Section 1333 (c) (2) of the Federal Cigarette Labeling and Advertising Act.

Skookum Creek Tobacco Company currently produces three brands of cigarettes, "Complete," "Premis," and "Traditions." A rotation plan for its Complete and Premis brand families, and for the original nine hard pack, additive-free tobacco brand styles of its Traditions brand family was approved June 15, 2010. A plan expansion for seven additional, non additive-free brand styles of Traditions was approved February 8, 2011. A complete list of all brand styles of cigarette manufactured by the Company is provided in Exhibit A. With this letter, the Company requests the renewal of that rotation plan approved June 15, 2010 for the Complete and Premis brand families, and the nine additive-free tobacco brand styles of the Traditions brand family, as well as the seven additional brand styles of the Traditions Brand Family, approved on Feb. 08, 2011. Through the date of this letter, the four health warnings have been equalized on the packaging of each of the brand styles listed on Exhibit A in accordance with the companies approved plan.

Skookum Creek Tobacco Company predicts that sales for the next one year period for all of its brand styles will not exceed the sales limits in 15 U.S.C. § 1333(c)(2)(A)(i). A copy of sales figures and estimates for all brand styles is attached as Exhibit B to this letter.

Units as shown are in sticks. Please note that the fiscal year for Skookum Creek Tobacco Company runs October 1 to September 30, concurrent with the federal fiscal year. Please note additionally that Pow Wow Blend Box 100s and Kings Box brand styles of the Traditions brand as previously approved are not in production and thus the FY 2010 and projected FY 2011 sales are zero for each.

Warnings for existing brand styles will appear exactly as shown on the sample packaging previously submitted to and approved by the FTC.

Skookum Creek Tobacco Company will ensure through controlled processes that all four warnings will be equally displayed on the packs and cartons of each of the brand styles of Traditions, Complete and Premis as described in this letter for the one year period beginning on the date of approval of this plan. Skookum Creek Tobacco will maintain records to demonstrate compliance with this plan.

Skookum Creek Tobacco Company continues to be in compliance with its plan for Internet advertising as approved October 8, 2008 for Traditions and July 16, 2007 for Complete and Premis. Skookum Creek Tobacco Co., Inc. does not advertise its cigarettes in any other format or medium.

Sincerely,

A handwritten signature in black ink, appearing to read "M Bell", with a large, stylized flourish at the end.

Michael Bell

Quality Assurance Manager/ Compliance Manager

**Exhibit A**  
**Skookum Creek Tobacco Co., Inc.**  
**Brand Families and Brands of Cigarettes**

<p><b>COMPLETE</b></p> <p>Full Flavor Kings [soft pack]  High Air Kings [soft pack]  Ultra High Air Kings [soft pack]  Menthol Kings [soft pack]  Menthol High Air Kings [soft pack]  Full Flavor 100s [soft pack]  High Air 100s [soft pack]  Ultra High Air 100s [soft pack]  Menthol 100s [soft pack]  Menthol High Air 100s [soft pack]  Non Filter Kings [soft pack]  Full Flavor 100s [hard pack]  High Air 100s [hard pack]  Ultra High Air 100s [hard pack]  Menthol 100s [hard pack]  Menthol High Air 100s [hard pack]  Full Flavor Kings [hard pack]  High Air Kings [hard pack]  Ultra High Air Kings [hard pack]  Menthol Kings [hard pack]  Menthol High Air Kings [hard pack]  Non Filter Kings [hard pack]</p>	<p><b>PREMIS</b></p> <p>Full Flavor Kings [soft pack]  High Air Kings [soft pack]  Ultra High Air Kings [soft pack]  Menthol Kings [soft pack]  Menthol High Air Kings [soft pack]  Full Flavor 100s [soft pack]  High Air 100s [soft pack]  Ultra High Air 100s [soft pack]  Menthol 100s [soft pack]  Menthol High Air 100s [soft pack]</p>
<p><b>TRADITIONS</b>  (Additive Free Tobacco)</p> <p>High -Air Filter 100s [hard pack]  Full Flavor 100s [hard pack]  Menthol 100s [hard pack]  Non-Filter Kings [hard pack]  High-Air Filter Kings [hard pack]  Menthol Kings [hard pack]  Full Flavor Kings [hard pack]</p>	<p><b>TRADITIONS</b>  (Not additive-free)</p> <p>Non-Filter Kings [hard pack]  Menthol Kings [hard pack]  Full Flavor Kings [hard pack]  High Air Kings [hard pack]  Menthol 100s [hard pack]  Full Flavor 100s [hard pack]  High Air 100s [hard pack]</p>

Exhibit B

Product Item #	Brand Family	Brand Name	Units Sold FY 2010	Projected FY 2011	Current FY Sales 10/10 - 06/01/2011
01-50000	Complete 85mm Full Flavor Soft				
01-50001	Complete 85mm HA Soft				
01-50002	Complete 85mm Ultra HA Soft				
01-50003	Complete 85mm Menthol Soft				
01-50004	Complete 85mm Menth HA Soft				
01-50005	Complete 100mm FF Soft				
01-50006	Complete 100mm HA Soft				
01-50007	Complete 100mm Ultra HA Soft				
01-50008	Complete 100mm Menthol Soft				
01-50009	Complete 100mm Menth HA Soft				
01-50010	Complete 85mm Non-Filter Soft				
01-50011	Complete 100mm FF Box				
01-50012	Complete 100mm HA Box				
01-50013	Complete 100mm UHA Box				
01-50014	Complete 100mm Menth Box				
01-50015	Complete 100mm MHA Box				
01-50017	Complete 85mm FF Box				
01-50018	Complete 85mm HA Box				
01-50019	Complete 85mm UHA Box				
01-50020	Complete 85mm Menth Box				
01-50021	Complete 85mm MHA Box				
01-50022	Complete 85mm NF Box				
01-50023	Premis 85mm FF				
01-50024	Premis 85mm HA				
01-50025	Premis 85mm UHA				
01-50026	Premis 85mm Menthol				
01-50027	Premis 85mm MHA				
01-50028	Premis 100mm FF				
01-50029	Premis 100mm HA				
01-50030	Premis 100mm UHA				
01-50031	Premis 100mm Menthol				
01-50032	Premis 100mm MHA				
01-50511	Traditions 100mm FF Box				
01-50513	Traditions 100mm High-Air Box				
01-50514	Traditions 100mm Menthol Box				
01-50517	Traditions 85mm FF Box				
01-50519	Traditions 85mm High-Air Box				
01-50520	Traditions 85mm Menthol Box				
01-50522	Traditions 85mm NF Box				
N/A	Pow Wow Blend 100's Box				
N/A	Pow Wow Blend Kings Box				
01-50530	KS Full Flavor Box				
01-50531	KS High Air Box				
01-50534	KS Menthol Box				
01-50535	KS Non-Filter Box				
01-50537	100mm Full Flavor Box				
01-50538	100mm High-Air Box				
01-50539	100mm Menthol Box				



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

Division of Advertising Practices

July 20, 2011

Michael Bell  
Skookum Creek Tobacco Co., Inc.  
1041 W. State Route 108  
Shelton, WA 98584

Dear Mr. Bell:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Skookum Creek Tobacco Co., Inc. ("Skookum Creek") dated July 18, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Complete, Premis, and Traditions brands of cigarettes.

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

<b><u>Brand</u></b>	<b><u>Date(s)</u></b>
Complete	April 12, 2007 June 9, 2008 July 10, 2008 March 11, 2010
Premis	April 12, 2007 March 11, 2010

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<sup>1</sup> Skookum Creek stated in its July 18, 2011 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates. This approval pertains only to packaging that meets the requirements of the Cigarette Act in force as of the date of this letter. Furthermore, the four health warnings must appear exactly as shown on the packs and cartons that the Commission has previously approved.

Traditions

September 16, 2008

September 30, 2008

January 12, 2011

Accordingly, Skookum Creek's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **July 19, 2012**:

- Twenty-two varieties of the Complete brand: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), High Air Kings (soft pack and hard pack), High Air 100's (soft pack and hard pack), Ultra High Air Kings (soft pack and hard pack), Ultra High Air 100's (soft pack and hard pack), Menthol Kings (soft pack and hard pack), Menthol 100's (soft pack and hard pack), Menthol High Air Kings (soft pack and hard pack), Menthol High Air 100's (soft pack and hard pack), and Non-Filter Kings (soft pack and hard pack);
- Ten soft pack varieties of the Premis brand: Full Flavor (Kings and 100's), High Air (Kings and 100's), Ultra High Air (Kings and 100's), Menthol (Kings and 100's), and Menthol High Air (Kings and 100's); and
- Fourteen hard pack varieties of the Traditions brand:
  - Seven Additive Free hard pack varieties: Full Flavor (Kings and 100's), High-Air Filter (Kings and 100's), Menthol (Kings and 100's), and Non-Filter Kings; and
  - Seven non-Additive Free hard pack varieties: Full Flavor (Kings and 100's), High-Air Filter (Kings and 100's), Menthol (Kings and 100's), and Non-Filter Kings.

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

Please note that this letter only approves Skookum Creek'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 Skookum Creek'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 Skookum Creek's cigarettes, including, but not limited to, "additive free". Nor does this letter purport to interpret or express any opinion

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

Michael Bell  
July 20, 2011  
Page 3

about the adequacy of Skookum Creek'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,



Mary K. Engle  
Associate Director

101 north brand blyd. suite 1220  
glendale california 91203  
t / 818 956 0100 f / 818 956 0123  
gourjianlaw.com

**gourjianlawgroup**

writer / varand gourjian  
email / vg@gourjianlaw.com

**via facsimile and u.s. mail**

July 19, 2011

Mark de los Santos  
Division of Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

**re: U.S. Cigaronne, Inc. – Health Warning Rotation Plan**

Dear Mr. de los Santos:

As you know, our firm represents U.S. Cigaronne, Inc. ("Cigaronne") in its effort to import cigarettes manufactured in Armenia, for distribution in the United States. The Chief Executive Officer for Cigaronne is Norik Bagdasaryan. The corporate address for Cigaronne is 1030 E. Valencia Avenue, Burbank, CA 91502. Pursuant to the Federal Trade Commission's Division of Advertising Practices guidelines regarding Health Warning Rotation Plans for cigarette importers, our firm has assisted Cigaronne in its preparation of this Health Warning Rotation Plan. Enclosed, please find the following components of Cigaronne's proposed packaging plan:

1. Warning Label Size and Location
2. Warning Label Rotation
3. Records of Compliance

Separately, our firm had submitted a letter along with enclosures on June 7, 2011 because the FTC had requested sample packaging with less shine for the Lady Menthol Green cigarettes. Our firm submitted re-done sample packs and cartons for this brand style which incorporated a matt-finish to avoid any holographic effect.

Prior to the submission of our June 7, 2011 letter, you had also indicated that only was sample was missing in our previous submissions: One Ivory colored sample containing the following warning was missing: "SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, Any May Complicate Pregnancy." As such, this sample was also included in our June 7, 2011 submission.

It is my understanding that this letter, our list of enclosures, and our prior submissions, contain all the documents and samples required to obtain the Federal Trade Commission's approval of Cigaronne's annual cigarette Health Warning Rotation Plan. Please note that this application does not address the Federal Trade Commission's advertising requirements, as Cigaronne will not advertise its products.

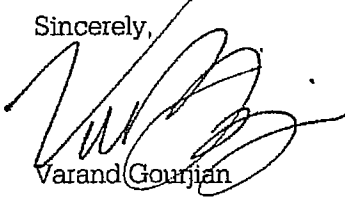


Mark Delossantos  
Page 2 of 2  
July 19, 2011

**gourjianlawgroup**

Upon review of the enclosed materials, please confirm that we have complied with all requirements set forth in the FTC Division of Advertising Practices Guidelines and advise us as to any additional documents or information necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Varand Gourjian', is written over the typed name. The signature is stylized and cursive.

Varand Gourjian

Enclosures

Warning Label Size & Location

U.S. Cigaronne, Inc. is seeking Health Warning Plan approval for the following brand styles of cigarettes:

1. Cigaronne Black Slims
2. Cigaronne White Slims
3. Cigaronne Diamond Slims (Ivory)
4. Cigaronne Diamond Slims (Blue)
5. Cigaronne Diamond Slims (Maroon)
6. Lady (Red)
7. Lady Menthol (Green)

All cigarettes will be sold in hard packs.

All cigarettes will be Kings Size.

All warnings will appear exactly as shown on the samples submitted with our May 17, 2011 Letter, as well as our June 7, 2011 letter containing sample packaging for the Lady Menthol Green brand style of cigarettes.

PLEASE NOTE THAT THIS APPLICATION DOES NOT ADDRESS THE FTC'S ADVERTISING REQUIREMENTS, AS CIGARONNE WILL NOT ADVERTISE ITS PRODUCTS

### Warning Label Rotation

Pursuant to Section 1332(c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331-1340 (the "Cigarette Act"), Cigaronne has elected to comply with the alternative to quarterly rotation warnings on packaging, as its current forecast for sales volume is significantly lower than the threshold described in Section 1332(c)(2).

It is our understanding that this provision allows a cigarette importer to apply to the Federal Trade Commission for permission to display the four warnings an equal number of times on a brand style's packaging for a one year period, if (i) the company's annual sales of that brand style are less than one fourth of one percent (.25%) of all the cigarettes sold in the United States in the previous calendar year and (ii) more than half of the cigarettes manufactured or imported by the company are packaged into brand styles that meet this low threshold.

Cigaronne has not yet begun to import cigarettes and is therefore unable to provide historic sales figures from previous fiscal years. However, Cigaronne anticipates sales for the one year period to be covered by this to be as follows:

1. Cigaronne Black Slims
2. Cigaronne White Slims
3. Cigaronne Diamond Slims (Ivory)
4. Cigaronne Diamond Slims (Blue)
5. Cigaronne Diamond Slims (Maroon)
6. Lady (Red)
7. Lady Menthol (Green)



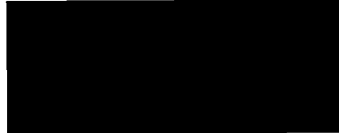
For the purposes of this proposed plan the following warnings shall be called "Warning A," "Warning B," "Warning C," and "Warning D," respectively:

- 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 above-listed warnings will be distributed among the 7 brand styles of cigarettes in the following manner:

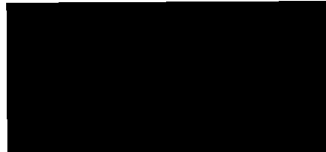
Cigaronne Black Slims

- Warning A:
- Warning B:
- Warning C:
- Warning D:



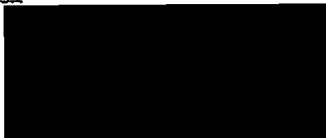
Cigaronne White Slims

- Warning A:
- Warning B:
- Warning C:
- Warning D:



Cigaronne Diamond Slims (Ivory)

- Warning A:
- Warning B:
- Warning C:
- Warning D:



Cigaronne Diamond Slims (Blue)

- Warning A:
- Warning B:
- Warning C:
- Warning D:



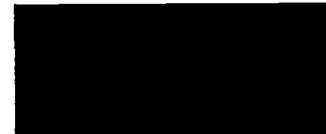
Cigaronne Diamond Slims (Maroon)

- Warning A:
- Warning B:
- Warning C:
- Warning D:



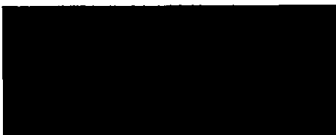
Lady (Red)

- Warning A:
- Warning B:
- Warning C:
- Warning D:



Lady Menthol (Green)

- Warning A:
- Warning B:
- Warning C:
- Warning D:



Cigaronne will ensure that all four warnings will be displayed equally on the packs and cartons of each brand style for the one-year period beginning on the date the plan is approved. It will do so by providing strict instructions to the cigarette packaging manufacturer and implementing various safe-guards to ensure compliance with their specific instructions. Cigarette packs and cartons will only be distributed to stores for consumer purchase in quantities that contain equal amounts of the four warnings.

### Records of Compliance

Cigaronne has hired personnel specifically for the purpose of maintaining sufficient records to demonstrate compliance with its Health Warning Rotation plan. Upon the plan's approval, Cigaronne will maintain adequate books and records created solely for the purpose of ensuring compliance with said plan. The company will be able to provide monthly and/or quarterly reports illustrating importing information, sales figures, and compliance with its Health Warning Rotation Plan.

Selected packaging samples from those  
submitted with the plan.

DIAMOND  
SLIMS

UNBRAGED  
SALE  
PROHIBITED

BOX  
100 mg  
tar, 0.9 mg  
nicotine

*Liggett*  
DIAMOND

UNIQUE FILTER-HOLDER  
FINE TOBACCO

DIAMOND  
SLIMS



20 CLASS A CIGARETTES

TM-00-0050

*Liggett*  
DIAMOND



*Liggett*

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



FSC

MANUFACTURED BY  
LIGGETT'S CIGARETTE COMPANY LIMITED  
24, ROYALHAYMAN ST., TEBBINGHAM, AMERSHAM,  
ENGLAND  
UNDER THE AUTHORITY OF TOBACCO  
CORPORATION LIMITED, LONDON, UK

TM-00-0053

200/20

S L I M S

*Cigaronne*<sup>®</sup>

MANUFACTURED BY SPS CIGARONNE COMPANY LIMITED  
24, HOVHANNESIAN STR. YEREVAN, ARMENIA  
UNDER THE AUTHORITY OF TOBACCO CORPORATION LIMITED, LONDON, UK

*Cigaronne*<sup>®</sup>  
WHITE

BOX  
Tar 3 mg. Nic. 0.3 mg



FSC

S L I M S

SPS

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

UNDERAGE  
SALE  
PROHIBITED



LADIES' CIGARETTES



NO PURCHASE NECESSARY  
PRIZES END 12/31/88

BOX  
5 mg  
tar, 0.5 mg  
nic.

*Lady*

TM-00-0048

THIS SPECIAL  
PRODUCT WAS  
CREATED BY  
CIGARONNE AS  
AN APPRECIATION  
TO ALL WOMEN  
IN STYLE.  
BECAUSE YOU  
DESERVE THE  
BEST

SLIMS

20 CLASS A CIGARETTES

*Lady*



FSC

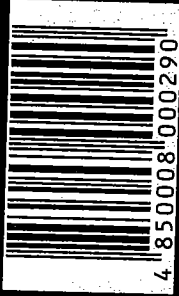
MANUFACTURED BY  
S. P. CIGARETTES LIMITED  
23, BRIDGESIDE, ST. VERAN, BARCELONA  
UNDER THE AUTHORITY OF TOBACCO  
CORPORATION, LONDON, U.K.



*Lady*

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

FSC



BOX  
Tar 5mg Nic. 0.5 mg

*Lady*<sup>®</sup>  
MENTHOL

MANUFACTURED BY W.S. GARDNER & COMPANY LIMITED  
5, BARNES GREEN, S.W. 13, LONDON, ENGLAND  
UNDER THE AUTHORITY OF TOBACCO CORPORATION LIMITED, LONDON, U.K.



LADIES' CIGARETTES

THIS SPECIAL  
PRODUCT WAS  
CREATED BY  
CIGARONNE AS  
AN APPRECIATION  
TO ALL WOMEN  
IN STYLE.  
BECAUSE YOU  
DESERVE THE  
BEST

SLIMS

*Lady*<sup>®</sup>  
MENTHOL

UNDERAGE  
SALE  
PROHIBITED

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

200/20s

200/20s



Division of Advertising Practices

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

July 21, 2011

Varand Gourjian  
Gourjian Law Group  
101 North Brand Boulevard  
Suite 1220  
Glendale, CA 91203

Dear Mr. Gourjian:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of U.S. Cigaronne Inc. ("Cigaronne") on July 19, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the "Cigaronne" and "Lady" brands of cigarettes.

Cigaronne'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 17 and June 7, 2011 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, Cigaronne's plan for simultaneous display of the four health warnings on packaging is hereby approved for the following varieties effective on the date of this letter through **July 20, 2012**:

- Five king size, hard pack varieties of the Cigaronne brand: Black Slims, White Slims, Diamond Slims (Ivory), Diamond Slims (Blue), and Diamond Slims (Maroon); and
- Two king size, hard pack varieties of the Lady brand: (Red) Slims, and Menthol (Green) Slims.

Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>1</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

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

Varand Gourjian  
July 21, 2011  
Page 2

If Cigaronne 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.

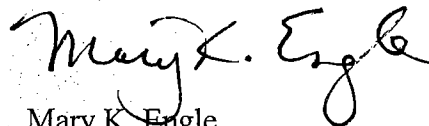
Please note that this letter only approves Cigaronne's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness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

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

Finally, please note that Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to FDA.

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director

# **AMVATRADE Corp.**

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159-10 Sanford Avenue, Suite 4D • Flushing, NY 11358 • Tel 917.607.0008 • Email: [valumyan@earthlink.net](mailto:valumyan@earthlink.net)

---

June 30, 2011

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

**Re: Proposed Plan for Health Warning Labels on Cigarettes**

Dear Ms. Engle:

AMVATRADE Corp. is a New York State licensed cigarette importer and pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331 *et seq.* ("Cigarette Act") seeks approval of its cigarette health warning statement rotation plan for packaging and cartons of the following brand styles of Treasurer brand of cigarettes manufactured by The Chancellor Tobacco Company (UK) Ltd.:

1. **Treasurer Luxury Black**, 90mm long, hardpack and paper carton
2. **Treasurer Luxury Gold**, 90mm long, hardpack and paper carton
3. **Treasurer Luxury Silver**, 90mm long, hardpack and paper carton
4. **Treasurer Luxury White**, 90mm long, hardpack and paper carton
5. **Treasurer Luxury Menthol**, 90mm long, hardpack and paper carton

Pursuant to Section 1333(c)(2) AMVATRADE Corp. seeks approval of its plan to display the four health warning statements an equal number of times on the packaging and cartons of the aforementioned brand styles of Treasurer brand of cigarettes for the one year period beginning on the date of the approval of this plan. AMVATRADE Corp.'s sales of cigarettes in the United States for the 2009 fiscal year was [REDACTED] of cigarettes. AMVATRADE Corp.'s sales of cigarettes in the United States for the 2010 fiscal year was [REDACTED] sticks of cigarettes. We anticipate our sales of Treasurer brand of cigarettes for the 2011 fiscal year will be [REDACTED] sticks of cigarettes. AMVATRADE Corp. does not intend to import any other brands of cigarettes at this time.

In order to ensure proper implementation of this plan, during each import the four health warning statements will be displayed an equal number of times on the packs and cartons of the aforementioned brand styles of Treasurer brand of cigarettes for the one year period beginning on the date of approval of this plan.

We will keep records demonstrating compliance with this plan.

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Tel: 917.607.0008 • Email: [valumyan@earthlink.net](mailto:valumyan@earthlink.net)

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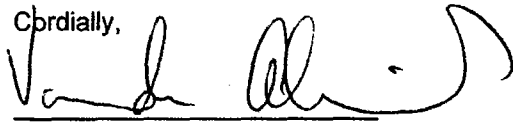
AMVATRADE Corp. will display the four health warning statements on the **Treasurer Luxury Black, Treasurer Luxury Gold, Treasurer Luxury Silver, Treasurer Luxury White, and Treasurer Luxury Menthol** brand styles. The four health warning statements that will appear on the packs and cartons are as follows:

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

AMVATRADE Corp. will continue to comply with the advertising plan that was approved by the FTC on **January 11, 2011**.

Included with this letter, please find actual carton samples, total of 20 cartons, of the aforementioned **Treasurer Luxury** brand styles of cigarettes showing the four health warning statements exactly as they will appear. Actual samples of packs for **Treasurer Luxury** brand styles of cigarettes were submitted with our letter dated **June 15, 2011** and those packs show the four health warning statements exactly as they will appear.

Cordially,



Vardan Alumyan  
President, **AMVATRADE Corp.**

**Selected packaging samples from those  
submitted with the plan.**



TRASURER

LONDON

*Luxury Black*

EXPENSIVE TASTE

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



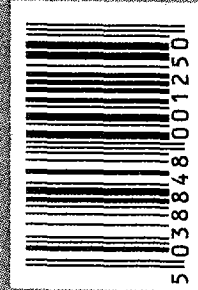


TREASURER  
LONDON

*Luxury Gold*

*An unequalled treasure, specially selected for the tobacco connoisseur*

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



FSC

IMPORTED BY: AMVTRADE CORP., NEW YORK, NY, USA  
MADE IN ENGLAND BY THE CHANCELLOR TOBACCO  
COMPANY (UK) LIMITED

1b Alpha Business Park, Whitehouse Road, Ipswich, UK  
[www.chancellor-tobacco.com](http://www.chancellor-tobacco.com)



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



Division of Advertising Practices

July 28, 2011

Vardan Alumyan  
AMVATRADE Corp.  
159-10 Sanford Avenue, Suite 4D  
Flushing, NY 11358

Dear Mr. Alumyan:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, AMVATRADE Corp.’s (“AMVATRADE”) May 23, 2011 plan for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for three varieties of the Treasurer brand of cigarettes was approved on May 25, 2011.

By letter dated June 30, 2011, you now propose to expand your plan for display of the warnings on packaging to include five additional varieties of the Treasurer brand of cigarettes.

AMVATRADE’s sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs submitted with your letter dated June 15, 2011, and on the sample cartons submitted with your June 30, 2011 letter appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, AMVATRADE’s expansion of its plan for simultaneous display of the four health warnings on packaging for the following 90 mm hard pack varieties of the Treasurer brand is hereby approved effective on the date of this letter through **July 27, 2012**: Luxury Black, Luxury Silver, Luxury Gold, Luxury White, and Luxury Menthol.

Approval of the plan expansion is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>1</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

I wish to remind you that the Commission’s May 25, 2011 approval of AMVATRADE’S cigarette health warning statement rotation plan for packaging of three varieties of the Treasurer brand runs through May 24, 2012 and that this letter does not extend that approval period.

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

Vardan Alumyan  
July 28, 2011  
Page 2

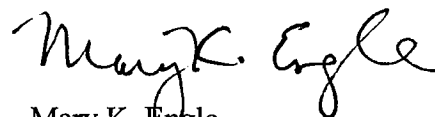
Please note that this letter only approves AMVATRADE's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation, size, and conspicuousness of the warnings on AMVATRADE'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 AMVATRADE's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of AMVATRADE'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

Finally, please note that Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to FDA.

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

Very truly yours,



Mary K. Engle  
Associate Director

LAW OFFICES OF  
**BARRY M. BOREN**

One Dattran  
9100 South Dadeland Boulevard  
Suite 1809  
Miami, Florida 33156

borenlaw@bellsouth.net

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

July 28, 2011

**CONTAINS TRADE SECRETS  
AND CONFIDENTIAL  
BUSINESS INFORMATION  
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary K. Engle, Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W. , Mail Drop NJ-3212  
Washington, D.C. 20580

Attention: Ms. Mariel Woods

Renewal of Surgeon General's Warning Rotation Plan for  
U.S. Flue-Cured Tobacco Growers, LLC for  
1839, Traffic, Kick, Fact, Creston, and Passport Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, U.S. Flue-Cured Tobacco Growers, LLC ("USFC"), a North Carolina limited liability corporation, with offices located at 250 Crown Blvd., Timberlake, North Carolina 27583 and the phone number is (919) 645-6007. USFC wishes to renew its existing equalization Surgeon General's Warning Rotation Plans as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 *et seq.*) for cigarettes they are manufacturing in the United States under the brand names "1839," "Traffic," "Kick," "Fact," "Creston" and "Passport." The contact person for the company will be its Director of Operations, E. Stephen Daniel, who can be reached at the above address and phone number.

USFC wishes to renew its equalization plans for the display of the health warnings on packaging for its 1839, Traffic, Kick, Fact, Creston and Passport brands of cigarettes. A list of the dates of submission and approval for the advertising plans USFC currently has in place for all of its cigarettes is attached hereto as Exhibit "A." USFC continues to be in compliance with these plans and wishes to make no changes to its advertising rotation plans at this time.

The brand styles of 1839, Traffic, Kick, Fact, Creston and Passport cigarettes USFC intends to manufacture are listed in the attachment at Exhibit "B." Actual samples of the packs and cartons for the various brand styles (listed in Exhibit "B") showing exactly where and how the four (4) Surgeon General's health warnings appear and will continue to appear on individual packs and cartons of the 1839, Traffic, Kick, Fact, Creston and Passport brands USFC is manufacturing were enclosed with the original submissions on the dates appearing in Exhibit "C." The health warnings will continue to appear exactly as shown on the samples provided. The brand styles listed in the attachment at Exhibit "B" have been equalized as of this date.

USFC continues to qualify as a small importer/manufacturer as defined by the Act based on the following figures: USFC manufactured approximately [REDACTED] cigarettes (all were either 1839, Traffic, Fact, Kick, Creston and Passport brand cigarettes) in the fiscal year 2010.<sup>1</sup> In fiscal year 2011 to date, it has manufactured approximately [REDACTED] cigarettes (all were 1839, Traffic, Fact, Kick, Creston and Passport brand cigarettes).<sup>2</sup> USFC anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (1839, Traffic, Fact, Kick, Creston, and Passport ) in fiscal year 2011.

No one brand style of cigarettes sold by USFC 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 USFC for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, USFC wishes to renew the plan to equalize the health warning statements as required by 15 U.S.C. §1333(c) for its 1839, Traffic, Kick, Fact, Creston and Passport brands. Each of the four warning statements will appear on the packs and cartons of each brand style of 1839, Traffic, Kick, Fact, Creston and Passport cigarettes manufactured by USFC an equal number of times in the one year period beginning on the date the renewal of this plan is approved and USFC will continue to maintain records demonstrating compliance with this plan.

The individual packs of 1839, Traffic, Kick, Fact, Creston and Passport cigarettes to be manufactured by USFC 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.

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<sup>1</sup> USFC's fiscal year coincides with the calendar year.

<sup>2</sup> None of the figures provided include the cigarettes USFC is contract manufacturing for Premier Manufacturing Corp., Wellstone Tobacco Co., Lignum 2 and Konci G&D which are covered under their own FTC plans.

USFC intends to 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, USFC will place special orders for 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.

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

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. USFC shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to ensure that the warnings as they appear on the packs and cartons comply with the statutory requirements by: (1) providing by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) preventing the recurrence of any mistakes, errors, or omissions that have come to its attention.

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

USFC has advertising rotation plans in place as well as an internet advertising rotation plan in place for its 1839, Traffic, Kick, Fact, Creston and Passport cigarettes all of which have been approved by the FTC (see Exhibit "A"). USFC is in compliance with these plans and wishes to make no changes to any of its advertising plans at this time.

All other provisions of the existing plans will remain in place.

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 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 renewal plan as soon as possible.

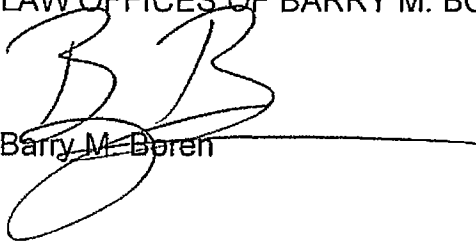
Ms. Mary K. Engle, Associate Director  
Federal Trade Commission

Page 4  
July 28, 2011

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

BMB:mw/encs.

**EXHIBIT "A"**

**U.S. FLUE-CURED TOBACCO GROWERS, INC.**

**Advertising Plans**

<b><u>Date of FTC Approval</u></b>	<b><u>Type of Plan</u></b>	<b><u>Date of Plan</u></b>
7/14/05	Advertising Plan (Traffic, Fact & Kick)	7/13/05
9/19/05	Advertising Plan (Creston)	9/14/05
9/26/05	Advertising Plan (Passport)	9/14/05
1/10/06	Internet Advertising Plan (Traffic, Fact, Kick, Creston & Passport)	1/5/06
8/24/06	Spanish Language Advertisements (Traffic, Fact, Kick, Creston & Passport)	8/21/06
4/5/07	Advertising Plan (1839)	2/20/07



**EXHIBIT "B"**  
**U.S. FLUE-CURED TOBACCO GROWERS INC.**  
**BRAND STYLES OF CIGARETTES**

**1839**

Red King Size Box  
Blue King Size Box  
Silver King Size Box  
Menthol Green King Size Box  
Menthol Blue King Size Box

Red 100's Box  
Blue 100's Box  
Silver 100's Box  
Menthol Green 100's Box  
Menthol Blue 100's Box

**TRAFFIC**

Red King Size Box  
Blue King Size Box  
Menthol Green King Size Box  
Non-Filter King Size Soft Pack

Red 100's Box  
Blue 100's Box  
Menthol Green 100's Box  
Silver 100's Box (med. blue packaging)  
Menthol Silver 100's Box (med. green packaging)

**FACT**

Regular King Size Box  
Menthol King Size Box

**KICK**

Full Flavor King Size Box  
Menthol King Size Box

Full Flavor 100's Box  
Menthol 100's Box

Non-Filter King Size Soft Pack

**CRESTON**

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

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

Full Flavor King Size Box  
Menthol King Size Box

Full Flavor 100's Box  
Menthol 100's Box

**PASSPORT**

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

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

Full Flavor King Size Box  
Menthol King Size Box

Full Flavor 100's Box  
Menthol 100's Box

EXHIBIT "C"  
U.S. FLUE-CURED TOBACCO GROWERS, INC.

<u>BRAND</u>	<u>DATE[S] PACKAGING SUBMITTED TO FTC</u>
1839	2/20/07 5/12/10
Traffic	4/29/05 and 11/9/10
Fact	5/9/05 6/8/05
Kick	5/9/05
Creston	8/11/05
Passport	8/18/05



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

Division of Advertising Practices

July 29, 2011

Barry M. Boren  
One Datran  
9100 South Dadeland Blvd.  
Suite 1809  
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of U.S. Flue-Cured Tobacco Growers, LLC ("USFC") on July 28, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the 1839, Traffic, Kick, Fact, Creston, and Passport brands of cigarettes.

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

<b><u>Brand</u></b>	<b><u>Date(s)</u></b>
1839	February 20, 2007 May 12, 2010
Traffic	April 29, 2005 November 9, 2010
Fact	May 9, 2005 June 8, 2005
Kick	May 9, 2005

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<sup>1</sup> USFC stated in its July 28, 2011 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

Creston

August 11, 2005

Passport

August 18, 2005

Accordingly, USFC's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **July 28, 2012**:

- Ten varieties of the 1839 brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Silver Box (Kings and 100's), Menthol Green Box (Kings and 100's), and Menthol Blue Box (Kings and 100's);
- Nine varieties of the Traffic brand: Red Box (Kings and 100's), Blue Box (Kings and 100's), Menthol Green Box (Kings and 100's), Silver 100's Box (medium blue packaging), Menthol Silver 100's Box (medium green packaging), and Non-Filter Kings Box;
- Two varieties of the Fact brand: Regular Kings Box and Menthol Kings Box;
- Five varieties of the Kick brand: Full Flavor Box (Kings and 100's), Menthol Box (Kings and 100's), and Non-Filter Kings Soft Pack;
- Nine varieties of the Creston brand: Full Flavor Soft Pack (Kings and 100's), Menthol Soft Pack (Kings and 100's), Non-Filter Kings Soft Pack, Full Flavor Box (Kings and 100's), and Menthol Box (Kings and 100's); and
- Nine varieties of the Passport brand: Full Flavor Soft Pack (Kings and 100's), Menthol Soft Pack (Kings and 100's), Non-Filter Kings Soft Pack, Full Flavor Box (Kings and 100's), and Menthol Box (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.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves USFC'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 USFC's packaging. Moreover, it is

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

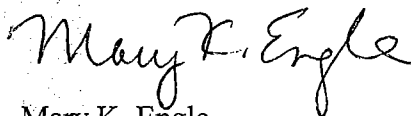
Barry M. Boren  
July 29, 2011  
Page 3

not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for USFC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of USFC'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Mariel Woods at (202) 326-3225.

Very truly yours,



Mary K. Engle  
Associate Director

# X C A L I B E R

INTERNATIONAL, LTD., LLC

Brittani N. Nichols  
General Counsel

Pryor phone: (918) 824-0300  
Tulsa phone: (918) 585-9094  
Fax: (918) 585-1076

August 2, 2011

**Via Express Mail**

Mary K. Engle  
Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Washington, D.C. 20001

-and-

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

Re: 2011-2012 Plan for Compliance with the Federal Cigarette Labeling and Advertising Act,  
15 U.S.C. §§ 1331-1340 – Echo, Edgefield, and Exeter Brand Styles

Dear Ms. Engle:

Pursuant to the Federal Cigarette Labeling and Advertising Act (the "Act"), Section 1333, 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 on August 4, 2010, for the packaging of the Echo, Edgefield, and Exeter Brands (collectively, the "Brands"). Through the date of this application, the Surgeon General's warnings on the Brands' packaging have been equalized in accordance with the Act. All current Brands and their styles are listed on **Exhibit A**. All of the Brands for which this plan is submitted are manufactured in Pryor, Oklahoma, by Xcaliber.

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 the Brands remains below the threshold under which the Federal Trade Commission may permit the plan to note display of the four warnings an equal number of times during the year. Xcaliber's sales for the fiscal year ending December 31, 2010 were [REDACTED] sticks. 2011 sales to date are [REDACTED] sticks. A schedule is attached reflecting Xcaliber's 2010 sales and is referred to as **Exhibit B**.

## **I. Packaging**

- a. Warning Label Size and Location. Warnings will appear exactly as shown in the packs and cartons enclosed with Xcaliber's submission, dated June 29, 2011. The warning statements are permanently imprinted on cigarette packs and cartons. The samples provided include each of the four warnings on packs and cartons for each brand style submitted.
- b. Warning Label Rotation. 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 Brands' styles for one year beginning with the approval date of this plan.

Xcaliber requires its print suppliers to produce packaging with all four warnings in a single print run. The soft pack labels are printed on a roll with an equal number of each warning within a 20-label space. Cartons and box packs for each of the Brands' styles are segregated by warning label. Xcaliber's process to ensure an equal use of each warning label is described in the following section, Records of Compliance.

- c. Records of Compliance. In the daily run of the packing machinery, the operator keeps a log of the number of labels by brand style used in the run and notes the number of each warning label packaged. Daily runs will not always be equal, but the log is monitored so that no less than monthly, adjustments are made to packaging to assure production such that the packs and cartons of each brand style are labeled with an equal representation of all four warnings.

Cartons and box packs for each brand style are segregated by label warning. The operator will log the use of each warning by brand style in the daily packing. As with the soft packs, the log will be reviewed periodically to adjust for the equal rotation of all four warning labels on packs and cartons of each brand style.



## II. Advertising

Xcaliber does not advertise at this time. Xcaliber is currently in the process of defining an advertising plan to submit for approval, however. Xcaliber will submit this plan for approval upon completion of its development.

Xcaliber has a website at [www.xcaliberinternational.com](http://www.xcaliberinternational.com) for the sole purpose of having a presence on the internet to introduce the company and provide contact information. The site is not used for advertising. No brand names or product representations are listed on the site.

Should you have any questions or require additional information, please contact me at (918) 585-9094 or (918) 824-0300. I can also be reached via e-mail at [brittani@xcaliberinternational.com](mailto:brittani@xcaliberinternational.com).

Sincerely,

A handwritten signature in cursive script that reads "Brittani Nichols".

Brittani Nichols

Enc: *Exhibit A: List of Brand Styles*  
*Exhibit B: Schedule of 2010 Sales*

**Exhibit A**

**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  
Menthol King (dark green pack)  
Menthol Gold King (light green pack)  
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)

**EXETER**

**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  
Menthol King (dark green pack)  
Menthol Gold King (light green pack)  
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  
Blue 100 (silver pack)  
Menthol 100 (dark green pack)  
Menthol Gold 100 (light green pack)

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

**Xcaliber International**  
**Unit Sales**  
**For the Period From Jan 1, 2010 to Dec 31, 2010**

Item ID	Stocking U/M	Units Sold	Cartons	Sticks
<b>Echo Box 100</b>				
ECH HLP 100 FF	60Case			
ECH HLP 100 LT	60Case			
ECH HLP 100 ML	60Case			
ECH HLP 100 MN	60Case			
ECH HLP 100 UL	60Case			
<b>Echo Box King</b>				
ECH HLP Kng FF	60Case			
ECH HLP Kng LT	60Case			
ECH HLP Kng ML	60Case			
ECH HLP Kng MN	60Case			
ECH HLP Kng NF	60Case			
ECH HLP Kng UL	60Case			
<b>Echo Soft Pack 100</b>				
ECH SP 100 FF	60Case			
ECH SP 100 LT	60Case			
ECH SP 100 ML	60Case			
ECH SP 100 MN	60Case			
ECH SP 100 UL	60Case			
<b>Echo Soft Pack King</b>				
ECH SP Kng FF	60Case			
ECH SP Kng LT	60Case			
ECH SP Kng ML	60Case			
ECH SP Kng MN	60Case			
ECH SP Kng NF	60Case			
ECH SP Kng UL	60Case			
<b>Edgefield Box 100</b>				
EDG HLP 100 FF	60Case			
EDG HLP 100 LT	60Case			
EDG HLP 100 ML	60Case			
EDG HLP 100 MN	60Case			
EDG HLP 100 UL	60Case			
<b>Edgefield Box King</b>				
EDG HLP Kng FF	60Case			
EDG HLP Kng LT	60Case			
EDG HLP Kng ML	60Case			
EDG HLP Kng MN	60Case			
EDG HLP Kng NF	60Case			
EDG HLP Kng UL	60Case			
<b>Exeter Box 100</b>				
EXE HLP 100 FF	60Case			
EXE HLP 100 LT	60Case			
EXE HLP 100 ML	60Case			
EXE HLP 100 MN	60Case			
EXE HLP 100 UL	60Case			
<b>Exeter Box King</b>				
EXE HLP Kng FF	60Case			
EXE HLP Kng LT	60Case			
EXE HLP Kng ML	60Case			
EXE HLP Kng MN	60Case			
EXE HLP Kng NF	60Case			
EXE HLP Kng UL	60Case			
<b>Exeter Soft Pack 100</b>				
EXE SP 100 FF	60Case			
EXE SP 100 LT	60Case			
EXE SP 100 ML	60Case			
EXE SP 100 MN	60Case			
EXE SP 100 UL	60Case			
<b>Exeter Soft Pack King</b>				
EXE SP Kng FF	60Case			
EXE SP Kng LT	60Case			
EXE SP Kng ML	60Case			
EXE SP Kng MN	60Case			
EXE SP Kng NF	60Case			
EXE SP Kng UL	60Case			
<b>Vortex Box 100</b>				
VOR HLP 100 FF	60Case			
VOR HLP 100 LT	60Case			
VOR HLP 100 ML	60Case			
VOR HLP 100 MN	60Case			
VOR HLP 100 UL	60Case			
<b>Vortex Box King</b>				
VOR HLP Kng FF	60Case			
VOR HLP Kng LT	60Case			
VOR HLP Kng ML	60Case			
VOR HLP Kng MN	60Case			
VOR HLP Kng NF	60Case			
VOR HLP Kng UL	60Case			

NOTE: Xcaliber International Ltd., L.L.C., ceased production of Vortex in 2010.

Selected packaging samples from those  
submitted with the plan.

UNDERAGE  
SALE  
PROHIBITED

20 CLASS A CIGARETTES



CLASS A  
20  
CIGARETTES

EXETER

KINGS BOX

20 CLASS A CIGARETTES

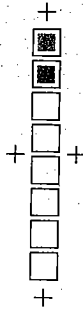


12 13 14 10 11 12 08 09 10 11 12 08 09 10 11 12 13 14

EXETER

KINGS

MADE IN USA



KINGS BOX

EXETER

W 8

MADE IN USA

KINGS



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

EXETER

EXETER  
KCALIBER INTERNATIONAL LTD.  
ONE TOBACCO ROAD  
PRYOR, OREGON 97131

200 CLASS CIGARETTES



# EXETER

100'S BOX

MADE IN USA

SALE OF THIS PRODUCT OUTSIDE THE STATE OF MISSOURI IS STRICTLY PROHIBITED BY STATE LAWS.

UNDERAGE SALE PROHIBITED



8 02284 00141 0

FSC

# EXETER

100'S BOX

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

MADE IN USA

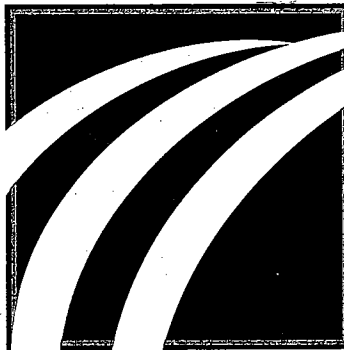
100'S BOX

# EXETER

Edgefield  
KALIBER INTERNATIONAL, LTD.  
ONE TOBACCO ROAD  
PRYOR, OKLAHOMA 74581



KINGS

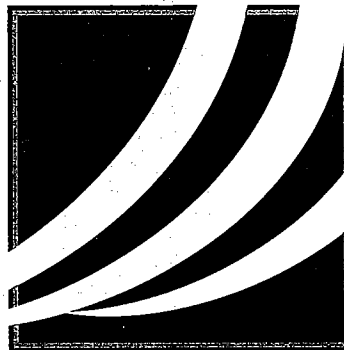


20 CLASS A CIGARETTES  
MADE IN USA



KINGS BOX

20 CLASS A CIGARETTES  
MADE IN USA



KINGS

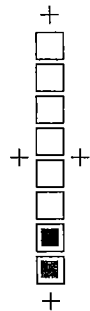
Edgefield

KINGS BOX



Edgefield

W/26



20 CLASS A CIGARETTES

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

1 2 3 4 5 6 7 8 9 10 11 12 08 09 10 12 13 14

UNDERAGE  
SALE  
PROHIBITED



# Edgefield

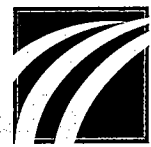
NON FILTER BOX

200 CLASS A CIGARETTES  
MADE IN USA



UNDERAGE SALE PROHIBITED  
FSC

SALE OF THIS PRODUCT OUTSIDE THE  
STATE OF MISSOURI IS STRICTLY  
PROHIBITED BY STATE LAWS.



# Edgefield

NON FILTER BOX

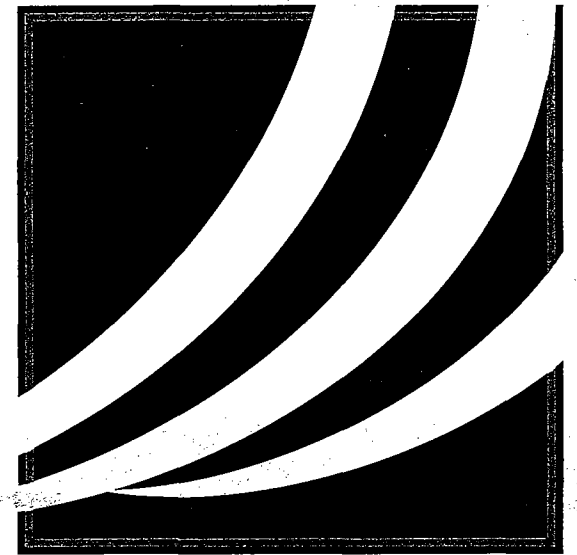
SURGEON GENERAL'S WARNING:  
Cigarette Smoke  
Contains Carbon Monoxide.

MADE IN USA

200 CLASS A CIGARETTES

NON FILTER BOX

# Edgefield





UNDERAGE  
SALE  
PROHIBITED

BOX

*Echo*  
MENTHOL KINGS

BOX

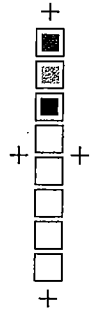
BOX

*Echo*  
20 CLASS A CIGARETTES

MENTHOL KINGS

MADE IN U.S.A.

1 2 3 4 5 6 7 8 9 10 11 12 08 09 10 11 12 13 14



W/ 26

MENTHOL KINGS

*Echo*

MENTHOL KINGS

20 CLASS A CIGARETTES

*Echo*

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

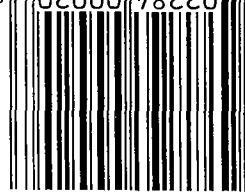


*Echo*  
XCALIBUR INTERNATIONAL, LTD.  
ONE TOBACCO ROAD,  
PRYOR, OKLAHOMA 74361

**Echo**  
NON FILTER KINGS

UNDERAGE SALE  
PROHIBITED

8 02284 00020 8



**Echo**  
NON FILTER KINGS

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

**Echo**  
NON FILTER KINGS



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

Division of Advertising Practices

August 3, 2011

Brittani Nichols  
General Counsel  
Xcaliber International, Ltd., LLC  
One Tobacco Road  
Pryor, OK 74361

Dear Ms. Nichols:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, et seq. (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Xcaliber International, Ltd., LLC (“Xcaliber”) on August 2, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Echo, Exeter, and Edgefield brands of cigarettes.

Xcaliber’s sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated June 29, 2011 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 for the following varieties is hereby approved effective on the date of this letter through **August 2, 2012**:<sup>1</sup>

- Twenty-two varieties of the Echo brand: Red Kings (Box and Soft Pack), Red 100's (Box and Soft Pack), Gold Kings (Box and Soft Pack), Gold 100's (Box and Soft Pack), Blue Kings (Box and Soft Pack), Blue 100's (Box and Soft Pack), Menthol Kings (Box and Soft Pack), Menthol 100's (Box and Soft Pack), Menthol Gold Kings (Box and Soft Pack), Menthol Gold 100's (Box and Soft Pack), and Non-Filter Kings (Box and Soft Pack);
- Twenty-two varieties of the Exeter brand: Red Kings (Box and Soft Pack), Red

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<sup>1</sup> As set forth in its August 2, 2011 letter, Xcaliber is using colors in the names of a number of its cigarette varieties (*e.g.*, “Echo Red 100's Box”). We note, however, that the color names are not printed on the packaging (*e.g.*, the word “Red” does not appear on the packaging of the “Echo Red 100's Box” variety). 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, and the “Blue” varieties of the Edgefield brand have silver packaging.

100's (Box and Soft Pack), Gold Kings (Box and Soft Pack), Gold 100's (Box and Soft Pack), Blue Kings (Box and Soft Pack), Blue 100's (Box and Soft Pack), Menthol Kings (Box and Soft Pack), Menthol 100's (Box and Soft Pack), Menthol Gold Kings (Box and Soft Pack), Menthol Gold 100's (Box and Soft Pack), and Non-Filter Kings (Box and Soft Pack); and

- Eleven Box varieties of the Edgefield brand: Red Kings, Red 100's, Gold Kings, Gold 100's, Blue Kings (silver packaging), Blue 100's (silver packaging), Menthol Kings, Menthol 100's, Menthol Gold Kings, 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.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Xcaliber 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.

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

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Brittani Nichols  
August 3, 2011  
Page 3

If you have any questions regarding this approval, please contact Mark de los Santos at  
(202) 326-2407.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle  
Associate Director



PO Box 214  
Gowanda, New York 14070

1.877.NATIVE3  
Fax: 716.532.6137

August 8, 2011

Federal Trade Commission  
Advertising Practices  
601 New Jersey Avenue North West  
Washington, D.C. 20001  
Mail Stop NJ3212

Dear Mary Engle:

Native Wholesale Supply imports the Seneca and Couture brand of cigarettes manufactured by Grand River Enterprises Six Nations Ltd. Native Wholesale Supply requests approval for its 2011 plan for Surgeon General Warning Display, as provided by Section 1333C(2) of the Cigarette Act on packaging for the Opal brand of cigarettes that we intend to import and additional varieties of the Seneca brand. We are located at 10955 Logan Road, Perrysburg, NY 14129. The president of Native Wholesale Supply is Arthur Montour.

Our previous plan for the simultaneous display of warnings on packages for the Seneca and Couture brands was approved on June 17, 2011. We now wish to request approval for the following brand styles:

Seneca Extra Smooth Menthol Soft 100's  
Seneca Extra Smooth Menthol Box 100's

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

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

Our sales for 2010 by brand style is attached. For those brand styles with names that changed in 2010, we have reported the total sales for that variety of cigarettes under the new brand style names.

Our proposed plan for compliance with the "Cigarette Act" is to have our supplier, White House Graphics, print the four surgeon general warnings simultaneously. The four warnings will be displayed on the packs and cartons of each of the aforementioned brand styles of the Seneca and Opal brands 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. The warnings will appear exactly as shown on the sample packs and cartons submitted with our June 30, 2011 (Seneca cartons and Opal packs) and May 28<sup>th</sup> 2010 letters (Seneca packs and Opal Cartons).

The four warnings that will appear on the 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.**

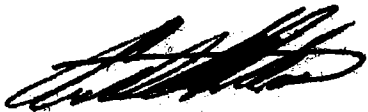
**SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.**

**ADVERTISING**

NWS currently has an advertising plan on file with the FTC and will maintain compliance with its May 2, 2006 plan approved May 3, 2006 and its November 19, 2009 plan approved December 9, 2009.

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

Yours truly,

A handwritten signature in black ink, appearing to read 'Arthur Montour', written in a cursive style.

Arthur Montour, President

# Native Wholesale Supply

## 2010 Brand Sales

Brand Style	Sticks
Seneca Full Flavor Soft King	
Seneca Blue Soft King	
Seneca Silver Soft King	
Seneca Menthol Soft King	
Seneca Smooth Menthol Soft King	
Seneca Full Flavor Box King	
Seneca Medium Box King	
Seneca Blue Box King	
Seneca Silver Box King	
Seneca Menthol Box King	
Seneca Smooth Menthol Box King	
Seneca Non Filter Box King	
Seneca Chill Box King	
Seneca Full Flavor 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 Extra 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 72's Full Flavor Slide Pack	
Seneca 72's Blue Slide Pack	
Seneca 72's Menthol Slide Pack	
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	
Opal Full Flavor Box 120's	
Opal Smooth Box 120's	
Opal Ultra Box 120's	
Opal Menthol Box 120's	
Opal Smooth Menthol Box 120's	
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	



Selected packaging samples from those  
submitted with the plan.

*Opal*

MADE IN  
CANADA  
54-11-25



*Opal*  
120's

*Full Flavor*  
SUPER THINS

*Opal*  
120's  
*Full Flavor*  
SUPER THINS

*Full Flavor*  
SUPER THINS

F2-120H-OP-FF-BL

*Opal*  
120's

*Opal*  
SUPER THINS

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

11 | 1 2 3 4 5 6 7  
12 | 8 9 10 11 12  
12690X



10 PACKS

# SENECA

EXTRA SMOOTH MENTHOL  
100'S

# SENECA

EXTRA SMOOTH MENTHOL  
100'S

NOT AFFILIATED WITH THE  
SENECA NATION OF INDIANS

MADE UNDER THE AUTHORITY OF  
TOBACCOVILLE, USA, INC.  
USA  
MADE IN CANADA

54-TL-25



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

# SENECA

EXTRA SMOOTH MENTHOL  
100'S



PREMIUM

HARD PACKS

UNDERAGE SALE PROHIBITED



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

Division of Advertising Practices

August 8, 2011

Arthur Montour  
President  
Native Wholesale Supply Co.  
P.O. Box 214  
Gowanda, NY 14070

Dear Mr. Montour:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Native Wholesale Supply Company ("NWSC") on August 8, 2011, calling for: (1) simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Opal brand of cigarettes; and (2) expansion of NWSC's June 17, 2011 plan for simultaneous display of the warnings on packaging for the Seneca brand to include two additional varieties of that brand.

NWSC'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 28, 2010 (Seneca packs, Opal cartons) and June 30, 2011 (Opal packs, Seneca cartons) appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup>

Accordingly, NWSC's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **August 7, 2012**:

- Five box varieties of the Opal brand: Full Flavor 120's, Smooth 120's, Ultra 120's, Menthol 120's, and Smooth Menthol 120's; and
- Two varieties of the Seneca brand: Extra Smooth Menthol 100's (soft pack and box).

Approval of the plan is contingent on its good faith implementation. We may ask for

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<sup>1</sup> NWSC stated in its August 8, 2011 letter that the four health warnings will appear exactly as shown on the sample packs and cartons submitted on these dates. This approval pertains only to packaging that meets the requirements of the Cigarette Act.

Mr. Arthur Montour  
August 8, 2011  
Page 2

information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

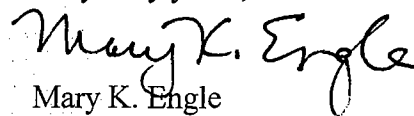
I wish to remind you that the Commission's June 17, 2011 approval of NWSC's cigarette health warning statement rotation plan for packaging of certain varieties of the Seneca and Couture Slims brands runs through June 16, 2012 and that this letter does not extend that approval period.

Please note that this letter only approves NWSC'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 NWSC'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 NWSC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of NWSC's packaging or 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. The FSPTCA also imposes registration and reporting requirements on tobacco manufacturers and importers, and addresses the marketing and sale of "modified risk tobacco products." You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), or [www.fda.gov/TobaccoProducts/ResourcesforYou/ForIndustry/default.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ForIndustry/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,



Mary K. Engle  
Associate Director

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



5449 Endeavour Court • Moorpark, California 93021

Mr. Mark De Los Santos  
Federal Trade Commission  
601 New Jersey Avenue NW,  
3<sup>rd</sup> Floor, Room # NJ 3212  
Washington, DC 20001

August 9, 2011

Dear Mr. De Los Santos:

Re: Warning Statement Rotation Plan for advertising for the brand YUMA Organic Red

As provided for by Section 1333(c)(2) of the Cigarette Labeling and Advertising Act (the "Act"), Kretek qualifies for this equalization alternative because during fiscal year 2010: (1) each of the brand styles of all of the cigarettes manufactured or imported by Kretek accounted for less than [REDACTED] sticks, and (2) Kretek anticipates its sales for fiscal year 2011 for anyone brand style of cigarettes it manufactures or imports will not exceed [REDACTED] sticks.

Consistent with the requirements of the Plan, Kretek will display the four warnings an equal number of times on the packages and cartons for the Yuma Organic Red Hard Pack Kings brand for the one-year period beginning on the date this plan is approved.

The warning statements on the packages and cartons will appear exactly as shown on the samples submitted with our letter dated May 16, 2011.

Kretek agrees to maintain records to demonstrate compliance with the Plan. The company official responsible for overseeing this matter is Sean Cassar, whose title is Chief Operating Officer. Mr. Cassar's contact information is as follows:

Telephone number: 805-531-8888.

It is our understanding that the approval for Yuma Organic Red would henceforth be for a one-year period beginning on the date this plan is approved.

For advertising, Kretek 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, and to place the warnings as specified in those Plans. Kretek agrees that its advertising will not exceed 470 square inches. The warnings will be rotated quarterly according to the schedule set out in Exhibit A attached hereto.



The acetates of the four warning statements that Kretek uses in its advertising are the same as the ones that were sent to the FTC with Kretek's letter of March 1, 2001.

Kretek International, Inc. (Kretek) is not engaged in internet advertising to consumers for the Yuma Red Organic cigarettes.

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

Thank you for your courtesy and cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Melinda Northrup".

Melinda Northrup  
Tobacco Tax & Legal Compliance Specialist  
Kretek International, Inc.  
5449 Endeavour Court  
Moorpark, CA 93021  
Phone: (805) 744-4159

8/9/2011

EXHIBIT A  
KRETEK INTERNATIONAL, INC.  
WARNING ROTATION SCHEDULE FOR PACKAGING AND ADVERTISING PURPOSES  
PROPOSED PERMANENT PLAN

SURGEON GENERAL'S WARNING

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

BRAND	1st Quarter (Jan., Feb., Mar.)	2nd Quarter (Apr., May, Jun.)	3rd Quarter (Jul., Aug., Sep.)	4th Quarter (Oct., Nov., Dec.)
DJARUM SPECIAL & SPECIAL LIGHTS- DISCONTINUED	1	2	3	4
DJARUM BLACK - DISCONTINUED	2	3	4	1
PREMIUM ONE - DISCONTINUED	3	4	1	2
DJARUM SPLASH - DISCONTINUED	4	1	2	3
DJARUM BALI HAI - DISCONTINUED	1	2	3	4
DREAMS & DREAMS NATURAL (ALL STYLES)	2	3	4	1
DJARUM FLAVORED (VANILLA, CHERRY, MENTHOL) - DISCONTINUED	3	4	1	2
DJARUM SUPER, LIGHTS, ORIGINALS - DISCONTINUED	4	1	2	3
DARSHAN - DISCONTINUED	1	2	3	4
SPRINGWATER - DISCONTINUED	2	3	4	1
ROSEBUD - DISCONTINUED	3	4	1	2
WILD GEESE - DISCONTINUED	4	1	2	3
CALUME - DISCONTINUED	1	2	3	4
TREASURER - DISCONTINUED	2	3	4	1
JAKARTA - DISCONTINUED	3	4	1	2
TAJ MAHAL BIDIS	4	1	2	3
WHITE RHINO - DISCONTINUED	1	2	3	4
OM BIDIS (ALL STYLES) - DISCONTINUED	2	3	4	1
LUSH (ALL STYLES) - DISCONTINUED	3	4	1	2
MERCI	4	1	2	3
LAGUNAS	1	2	3	4
YUMA	3	4	1	2



Selected packaging samples from those  
submitted with the plan.

Made with 100% ORGANIC TOBACCO



FAIR TRADE certified by IMO

UNDERAGE SALE PROHIBITED

ORGANIC Yuma

ADDITIVE-FREE

FAIR TRADE certified by IMO

ORGANIC Yuma

Made with 100% ORGANIC TOBACCO

YUMA, a premium cigarette made with 100% Certified Organic Tobacco by IMO in accordance with USDA National Organic Program. No pesticides. No chemicals. Our tobacco is 100% Natural and Additive-Free, grown using environmentally friendly methods.

Taste the difference.

Pesticides: 0,0%  
Flavor Agents: 0,0%  
Cigarette Paper: 6,0%  
Organic Tobacco: 94,0%



Tobacco certified organic by the Institute for Marketecology.

Organic and Additive-free Tobacco does not mean a safer cigarette.

YUMA, ORGANIC, REG. BOD. US, 07/2011 - YUMA 918785



ORGANIC Yuma

4505 + 30

3 +



20 CLASS A CIGARETTES - FSC  
Made in Germany  
under the authority  
of Yuma Tobacco Corp.  
- USA -

ORGANIC Yuma

ADDITIVE-FREE ORGANIC Yuma

Tobacco certified organic by the Institute for Marketecology.

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



**FAIR TRADE**  
certified by IMO

**ORGANIC**  
**YUMA**

made with  
**100% ORGANIC TOBACCO**



**FAIR TRADE**  
certified by IMO

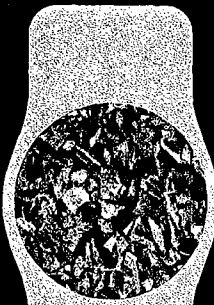
Pesticides: 0,0% Cigarette Paper: 6,0%  
Flavor Agents: 0,0% Organic Tobacco: 94,0%

**ORGANIC**  
**YUMA**

YUMA, a premium cigarette made with 100% Certified Organic Tobacco by IMO in accordance with USDA National Organic Program. No pesticides. No chemicals. Our tobacco is 100% Natural and Additive-Free, grown using environmentally friendly methods. Taste the difference.



Tobacco certified  
organic by the  
Institute for Marketecology.



made with  
**100% ORGANIC TOBACCO**

Organic and Additive-free Tobacco does not mean a safer cigarette.



FSC

under the authority of Yuma Tobacco Corp. - USA

Made in Germany



**UNDERAGE  
SALE  
PROHIBITED**

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

**ORGANIC**  
**YUMA**



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

Division of Advertising Practices

August 10, 2011

Melinda Northrup  
Kretek International  
5449 Endeavor Court  
Moonpark, CA 93021

Dear Ms. Northrup:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Kretek International, Inc. ("Kretek") on August 9, 2011, calling for: (1) quarterly rotation of the four health warnings in advertising up to 470 square inches in size for the Yuma brand of cigarettes; and (2) simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for one king size, hard pack variety of the Yuma brand.

Kretek's plan for rotation of the warnings in advertising up to 470 square inches in size for the Yuma brand is hereby approved. Approval of this advertising plan assumes that the plan is implemented in good faith.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letter dated May 16, 2011 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, Kretek's plan for simultaneous display of the four health warnings on packaging for the Yuma Organic Red king size hard pack variety is hereby approved effective on the date of this letter through **August 9, 2012**.<sup>1</sup>

Approval of Kretek's plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides

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<sup>1</sup> We note that the color name "Red" is not printed on the Yuma Organic Red packaging; however, the color used for the packaging does conform to the color used in its name.

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

Melinda Northrup  
August 10, 2011  
Page 2

that any person who violates its provisions is guilty of a misdemeanor.

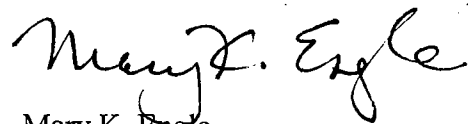
Please note that this letter only approves Kretek's cigarette health warning statement rotation plan with respect to the statutory requirements in force prior to the June 22, 2009 enactment of the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") concerning the rotation and size of the warnings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

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

Finally, please note that Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to FDA.

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director



## VIRGINIA CAROLINA CORPORATION

[www.virginiacarolinacorp.com](http://www.virginiacarolinacorp.com)

7575 NW 70<sup>th</sup> Street, Miami FL 33166

Tel: 305-888-0133 Fax: 305-888-0755

TP-FL1529 EIN: 58-237-3661

Tuesday, August 16, 2011

Attn: Mariel Woods

Federal Trade Commission

Division of Advertising Practices

600 Pennsylvania Ave, N.W.

Room NJ-3212

Washington, DC 20580

Ref: Virginia Carolina Corporation Packaging Plan, STAR USA, DIVA SLIM and BOSS SLIM brand of cigarettes.

Dear Mariel Woods:

This letter is being submitted for the approval of Virginia Carolina Corporation's plan for the display of the four Surgeon General's Health Warnings for packaging of the brand styles of the STAR USA, DIVA SLIM AND BOSS SLIM brand of cigarettes listed in below and manufactured in the USA by Virginia Carolina Corporation, Inc.

Virginia Carolina Corporation

### BRAND OF CIGARETTES

Star USA 85's Red Box

Star USA 85's Gold Box

Star USA 85's Green Menthol Box

Star USA 100's Red Box

Star USA 100's Gold Box  
Star USA 100's Menthol Green Box  
Star USA 100's Smooth Menthol Green Box  
Star USA 100's Silver

Boss Slim Red Box  
Boss Slim Blue Box  
Boss Slim Green Box  
Boss Slim Smooth Green Box  
Boss Slim Grey Box

Diva Slim Full Pleasure  
Diva Slim Smooth Pleasure  
Diva Slim Menthol Pleasure  
Diva Slim Smooth Menthol Pleasure  
Diva Slim Ultra Smooth Pleasure

Upon approval of this plan, the manufacturer intends to sell STAR USA, DIVA SLIM AND BOSS SLIM brand cigarettes under the authority of the Alcohol & Tobacco Tax and Trade Bureau, formerly the Bureau of Alcohol, Tobacco & Firearms (License TP-FL1529).

These cigarettes will be packaged in 200 count cartons, (Outer Cartons). Each Outer Carton will contain ten (10) packs of twenty (20) cigarettes each (Pack).

The warnings for the STAR USA, DIVA SLIM AND BOSS SLIM brand will appear exactly as shown on the sample packs and cartons we submitted with my letter dated March 31<sup>st</sup> and May 23<sup>rd</sup> of 2011.

Our letter dated March 31<sup>st</sup> 2011, contained sample of packaging of Star USA, and Diva Slim. Our letter dated on May 23<sup>rd</sup> contained sample of packaging of our brand Boss Slim.

The four (4) warnings are:

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

2. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
3. SURGEON GENERAL'S WARNING: Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
4. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Pursuant to Section 1333(c) (2) of the Federal Cigarette Labeling and Advertising Act, Virginia Carolina Corporation proposes to use the alternative to quarterly rotation of the warnings on packaging.

As a small tobacco manufacturer, Virginia Carolina Corporation qualifies for this alternative as no brand style manufactured by Virginia Carolina Corporation has sales in excess of one-fourth of one percent of all cigarettes sold in the United States in the previous fiscal year. The only cigarette brand sold by Virginia Carolina Corporation in 2010 calendar year was:

1. Popular – Sold and reported were 2010 – [REDACTED] Sticks.

In the calendar year 2011, Virginia Carolina Corp will manufacture the following brands:

1. STAR USA
2. DIVA SLIM
3. BOSS SLIM

Virginia Carolina Corporation will display the four required Surgeon General's warnings an equal number of times on the packs and cartons of each STAR USA, DIVA SLIM & BOSS SLIM brand style listed above during the one year period beginning on the date of this plan's approval and will maintain records to demonstrate compliance with this plan.



Virginia Carolina Corporation plan for internet advertising for the Diva brand was submitted and approved on February 4, 2008. Virginia Carolina Corporation plan for internet advertising for the BOSS brand was submitted February 12, 2008 and approved on February 19, 2008 and Virginia Carolina Corporation plan for internet advertising for the STAR USA brand was submitted on March 19, 2010 and approved on March 23, 2010. Virginia Carolina Corporation will maintain compliance with those plans. Virginia Carolina Corporation now intends to advertise using outdoor pole signs that are 24" inches by 32" inches size. Virginia Carolina Corporation will use the warning formats submitted with the 1985 plans of the five leading US cigarette manufacturers and will place the warnings as specify in those plans.

#### Schedule for Warnings in Advertisements

##### Size of Advertisement

24" x 32" / Category 7

24" x 32" / Category 7

24" x 32" / Category 7

A copy of the warning formats we will be using is attached.

The warnings will rotate quarterly according to the following schedule.

#### Quarterly Schedule Rotation

	<u>Brand Star USA</u>	<u>Brand Diva Slim</u>	<u>Brand Boss Slim</u>
1st Quarter (Jan. - Mar.)	A	B	C
2nd Quarter (Apr. - June)	B	C	D
3rd Quarter (July - Sept.)	C	D	A
4th Quarter (Oct. - Dec.)	D	A	B

The warnings are as follows:

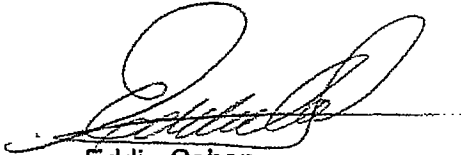
- A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

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

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

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

If you have any questions or need any additional information, please feel free contact Eddie Cohen at (305) 888 – 0133 or via email at [eddie.cohen@virginiacarolinacorp.com](mailto:eddie.cohen@virginiacarolinacorp.com)

A handwritten signature in black ink, appearing to read 'Eddie Cohen', with a horizontal line extending from the end of the signature.

Eddie Cohen

Virginia Carolina Corporation

Selected packaging samples from those  
submitted with the plan.

BOSS

*Slims*

BOSS

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



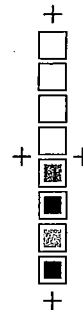
20 CLASS A CIGARETTES

BOSS®

*Slims*

TPS (1)

20 CLASS A CIGARETTES



*Slims*

BOSS®

*Slims*

BOSS®

MADE IN USA

BOSS®

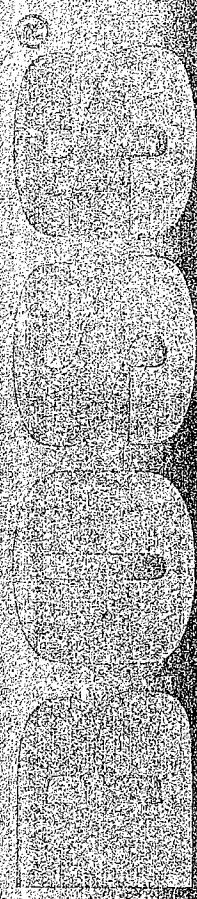
MADE IN USA

VIRGINIA CAROLINA CORP.  
MIAMI, FL 33166 U.S.A.  
www.virginiacarolinacorp.com

**BOSS**<sup>®</sup>  
*Slims*



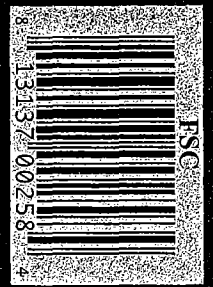
**PREMIUM BLEND**



*Slims*

*Smooth Menthol*

**200 FILTER CIGARETTES**



**UNDERAGE  
SALE  
PROHIBITED**

**BOSS**<sup>®</sup>  
*Slims*

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

*Diva  
Slims*

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

*Slims*



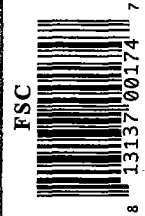
*Full Pleasure*

20 CLASS A CIGARETTES

*Diva  
Slims*



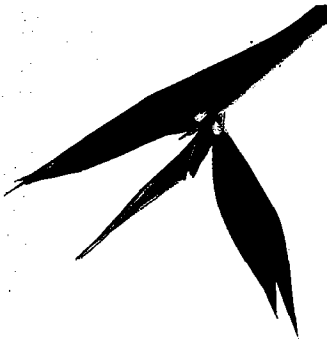
VIRGINIA-CAROLINA CORP.  
MIAMI, FL 33166  
MADE IN U.S.A.



*Diva Slims  
Full Pleasure*

20 CLASS A CIGARETTES

*Full Pleasure*



*Diva  
Slims*

*Diva Slims  
Full Pleasure*

TPS (18)



PLEASE  
DON'T  
LITTER



*Diva*

UNDERAGE  
SALE  
PROHIBITED

*Diva*  
*Slims*

200 FILTER CIGARETTES

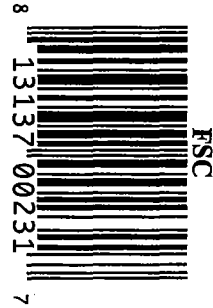
VIRGINIA-CAROLINA CORP.  
MIAMI, FL 33166  
MADE IN U.S.A.

*Diva*  
*Slims*



*Ultra Pleasure*

200 FILTER CIGARETTES



FSC



200 FILTER CIGARETTES

*Diva*  
*Slims*

UNDERAGE  
SALE  
PROHIBITED

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

STAR  
USA



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

STAR  
USA

VIRGINIA-CAROLINA CORP.  
MIAMI, FL 33166  
U.S.A.



KINGS BOX

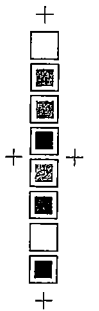


STAR  
USA

KINGS BOX

TPS (18)

KINGS BOX



STAR  
USA

KINGS BOX

STAR  
USA

STAR  
USA

CLASS A QUALITY  
20  
CIGARETTES

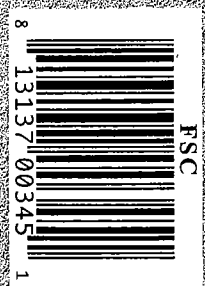
UNDERAGE  
SALE  
PROHIBITED



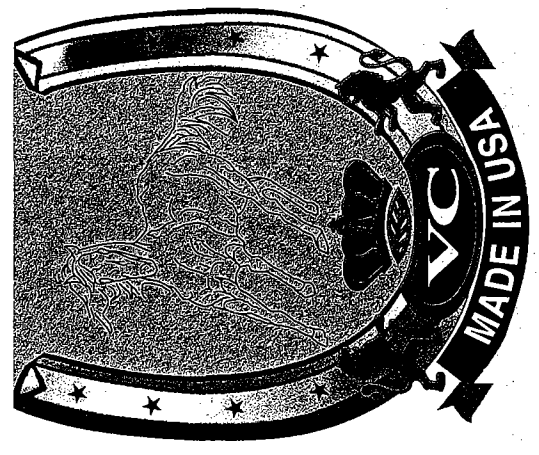
SURGEON GENERAL'S WARNING:  
Smoking Causes Lung Cancer, Heart Disease,  
Emphysema, And May Complicate Pregnancy.

**STAR  
USA**

UNDERAGE  
SALE  
PROHIBITED



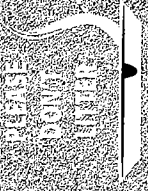
200 CLASS A CIGARETTES  
100's BOX



**STAR  
USA**

**STAR  
USA**

VIRGINIA-CAROLINA CORP  
MIAMI, FL 33166  
MADE IN USA





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

Division of Advertising Practices

August 23, 2011

Eddie Cohen  
Vice President of Business Operations  
Virginia Carolina Corporation  
7575 NW 70<sup>th</sup> St  
Miami, FL 33166

Dear Mr. Cohen:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Virginia Carolina Corporation (“VCC”) on August 16, 2011, calling for: (1) quarterly rotation of the four health warnings in advertising for the Boss Slims, Diva Slims, and Star USA brands of cigarettes in advertisements ranging in size from five to ten square feet; and (2) simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Boss Slims, Diva Slims, and Star USA brands.

VCC’s plan for rotation of the warnings in advertising for the Boss Slims, Diva Slims, and Star USA brands in advertisements ranging in size from five to ten square feet is hereby approved. Approval of this advertising plan assumes that the plan is implemented in good faith.

VCC’s sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging, and the warnings on the sample packs and cartons submitted with your letters dated March 31, 2011 (Diva Slims, Star USA) and May 23, 2011 (Boss Slims) appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, VCC’s plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **August 22, 2012**.<sup>1</sup>

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<sup>1</sup> VCC is using colors to identify many of its cigarette varieties (*e.g.*, Star USA Red Kings Box). Although the color names are not printed on the packaging, the color used for a variety’s packaging does conform to the color used in its name.

Eddie Cohen  
August 23, 2011  
Page 2

- Five box varieties of the Boss Slims brand: Red, Blue, Menthol, Smooth Menthol, and Grey;
- Five box varieties of the Diva Slims brand: Full Pleasure, Smooth Pleasure, Menthol Pleasure, Smooth Menthol Pleasure, and Ultra Smooth Pleasure; and
- Eight box varieties of the Star USA brand: Red (Kings and 100's), Gold (Kings and 100's), Menthol Green (Kings and 100's), Smooth Menthol Green 100's (light green packaging),<sup>2</sup> and Silver 100's.

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

Please note that this letter only approves VCC'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 and size 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 VCC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of VCC'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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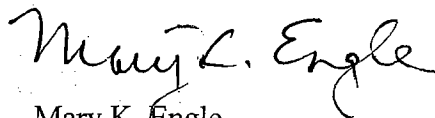
<sup>2</sup> As previously noted, the color names do not appear on the packaging. We also note that the words "menthol" and "smooth" do not appear on the packaging for the "Menthol Green" and "Smooth Menthol Green" varieties of the Star USA brand.

<sup>3</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Eddie Cohen  
August 23, 2011  
Page 3

If you have any questions regarding this approval, please contact Mariel Woods at (202) 326-3225.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looping "M" and "E".

Mary K. Engle  
Associate Director



June 17, 2011

*Premium American Tobacco At An Honest Price.*

Associate Director of Advertising Practices  
Federal Trade Commission  
601 New Jersey Ave NW, Room # NJ 3212  
Washington, D.C. 20580  
(202) 326-3259 FAX  
Attention Sally Schools or William Ducklow  
VIA OVERNIGHT

Re: Federal Trade Commission ("FTC") Health Warning/Advertising  
Rotation plan for S&M Brands, Inc. makers of Bailey's Cigarette,  
Tahoe Cigarettes, Riverside Cigarettes, and New Packaging for  
Valu Time Cigarettes

Dear Ms. Schools:

The undersigned is general counsel to S&M Brands, Inc. (sometimes the "Company"), a Virginia corporation located in Keysville, Virginia, that manufactures Bailey's Cigarettes, Tahoe Cigarettes, Riverside Cigarettes, and Valu Time Cigarettes under license from the U.S. Alcohol and Tobacco Tax and Trade Bureau.

The S&M Brands, Inc. FTC health warning plan for packaging and advertising ("Plan") for its initial brand, Bailey's Cigarettes, was first approved by the FTC on December 8, 1995, by Associate Director C. Lee Peeler of the Division of Advertising Practices. The Company has obtained FTC approval for its Plan for each subsequent year for all of its cigarette brand offerings.

By letter dated January 11, 2010 the Company proposed to change the names of a variety of the Bailey's, Tahoe, and Riverside brand styles of cigarettes, and modify the packaging accordingly. The FTC approved the Amended Plan via letter dated January 12, 2010.

By letter dated August 31, 2010 the Company sought approval for the display of the four health warnings on packaging for its existing Bailey's, Tahoe, and Riverside cigarette brands. The company proposed to change the names of a variety of the Valu Time brand styles of cigarettes, and modify the packaging accordingly. The FTC approved the Plan via letter dated August 31, 2010.

This letter seeks FTC approval of the Company's Plan for the display of the four health warnings on packaging for its existing Bailey's, Tahoe, Riverside, and Valu Time Cigarette brands.

*Bailey's Cigarettes* are available in soft packs and in limited hard packs. The styles for *Bailey's soft packs* are: Filter Kings, Blue Kings, Sky Blue Kings, Menthol Kings,

Green Field Menthol Kings, Filter 100's, Blue 100's, Sky Blue 100's, Menthol 100's, and Green Field Menthol 100's. The styles for Bailey's **hard packs** are: Filter Kings Box, Blue Kings Box, and Menthol Kings Box.

*Tahoe Cigarettes* are available in soft and in limited hard packs. The styles for *Tahoe soft packs* are: Filter Kings, Gold Kings, Sky Blue Kings, Menthol Kings, Evergreen Menthol Kings, Filter 100's, Gold 100's, Sky Blue 100's, Menthol 100's, and Evergreen Menthol 100's. The styles for *Tahoe hard packs* are: Filter Kings Box and Gold Kings Box.

*Riverside Cigarettes* are available in soft packs and in limited hard packs. The styles for *Riverside soft packs* are: Filter Kings, Blue Kings, Silver Kings, Menthol Kings, Teal Menthol Kings, Filter 100's, Blue 100's, Silver 100's, Menthol 100's), and Teal Menthol 100's. The styles for *Riverside hard packs* are: Filter Kings Box, Blue Kings Box, and Menthol Kings Box.

*Valu Time Cigarettes* are available in soft packs and in limited hard packs. The styles for *Valu Time soft packs* are: Filter Kings, Filter 100's, Gold 100's, Silver 100's, Menthol 100's, and Teal Menthol 100's. The styles for *Valu Time hard packs* are: Filter Kings Box, Gold Kings Box, and Menthol Kings Box.

With our letters dated November 23, 2009 and November 2, 2009 the Company has enclosed samples of all Bailey's, Tahoe, and Riverside cigarette brand styles including all four health warnings for each style that the Company will be manufacturing. The warnings will appear exactly as shown on those samples. With the Company's August 4, 2010 letter the Company has enclosed samples of all of the Valu Time cigarette brand styles that the Company will be manufacturing including all four health warnings for each style. The warnings for those brand styles will appear exactly as shown on the samples enclosed with that letter. Additional samples of Bailey's, Tahoe, Riverside, and Valu Time materials are available upon request, but the warnings that our Company uses will continue to appear exactly as on the exemplars previously provided to the FTC.

S&M Brands, Inc. will continue to equalize the four health warnings on the packs and cartons for each brand style of the Bailey, Tahoe, Riverside, and Valu Time brands.

As a small manufacturer, under our reading of applicable law, S&M Brands, Inc. has qualified (and we believe still qualifies) to have a Plan for the warnings on cigarette packages that would qualify the company to simultaneously display the four health warnings on cigarette packaging. The four warnings will appear an equal number of times on the packs and cartons for each brand style of Bailey's, Tahoe, Riverside, and Valu Time brand cigarettes for a one year period beginning on the date of approval of this Plan. We will keep records demonstrating compliance with this Plan.

Our sales by fiscal year are summarized in the chart below. Our fiscal year is the same as the calendar year. For fiscal year 2010 our actual sales are reported below. For fiscal years 2011 and 2012 our anticipated sales are reported below. The figures represent individual sticks sold.

**Volume in Sticks**

Year	Bailey's	Tahoe	Valu Time	Riverside
2010				
2011				
2012				

As to advertising, as in previous years, S&M Brands, Inc. remains in compliance with and would like to maintain its Plans for rotation of the warnings in advertising as previously approved by the FTC.

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

Yours very truly,



Everett W. Gee III  
 Vice President Legal Affairs  
 & General Counsel

cc: Mr. Malcolm L. Bailey, CEO

<sup>1</sup> Stick number breakdown by style: **Tahoe soft packs** are: King Size: Filter [redacted] Gold [redacted] Sky Blue [redacted] Menthol [redacted] and Evergreen Menthol [redacted]; 100's Size: Filter [redacted] Gold [redacted] Sky Blue [redacted] Menthol [redacted] and Evergreen Menthol [redacted] **Tahoe hard packs** are: King Size: Filter [redacted] and Gold [redacted]

<sup>2</sup> Stick number breakdown by style: **Tahoe soft packs** are: King Size: Filter [redacted] Gold [redacted], Sky Blue [redacted] Menthol [redacted], and Evergreen Menthol [redacted]; 100's Size: Filter [redacted] Gold [redacted] Sky Blue [redacted], Menthol [redacted] and Evergreen Menthol [redacted] **Tahoe hard packs** are: King Size: Filter [redacted] and Gold [redacted]

<sup>3</sup> Stick number breakdown by style: **Tahoe soft packs** are: King Size: Filter [redacted] Gold [redacted], Sky Blue [redacted] Menthol [redacted] and Evergreen Menthol [redacted]; 100's Size: Filter [redacted] Gold [redacted] Sky Blue [redacted] Menthol [redacted] and Evergreen Menthol [redacted] **Tahoe hard packs** are: King Size: Filter [redacted] and Gold [redacted]

The warnings are as follows:

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



S & M Brands, Inc. makers of Bailey's Cigarettes, Tahoe Cigarettes, Riverside, and  
Valu Time Cigarettes  
3662 Ontario Road  
Suite B  
Keysville, VA 23947

**ROTATION PLAN FOR  
ADVERTISING AND PROMOTIONAL MATERIALS**

Bailey's Brand

First Quarter	C
Second Quarter	D
Third Quarter	A
Fourth Quarter	B

Tahoe Brand

First Quarter	B
Second Quarter	A
Third Quarter	D
Fourth Quarter	C

Riverside Brand

First Quarter	A
Second Quarter	B
Third Quarter	C
Fourth Quarter	D

Valu Time Brand

First Quarter	D
Second Quarter	C
Third Quarter	B
Fourth Quarter	A



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

Division of Advertising Practices

August 24, 2011

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

Dear Mr. Gee:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed by S&M Brands, Inc. ("S&M Brands") on June 17, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Bailey's, Tahoe, Riverside, and Valu Time brands of cigarettes.

S&M Brands' 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 November 2 and November 23, 2009 (Bailey's, Tahoe, and Riverside) and August 4, 2010 (Valu Time) continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup>

Accordingly, S&M Brands' plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **August 23, 2012**:

- Thirteen varieties of the Bailey's brand: Filter Kings (box and soft pack), Filter 100's soft pack, Blue Kings (box and soft pack), Blue 100's soft pack, Sky Blue Kings soft pack, Sky Blue 100's soft pack, Menthol Kings (box and soft pack), Menthol 100's soft pack, Green Field Menthol Kings soft pack, and Green Field Menthol 100's soft pack;
- Twelve varieties of the Tahoe brand: Filter Kings (box and soft pack), Filter 100's soft pack, Gold Kings (box and soft pack), Gold 100's soft pack, Sky Blue Kings soft pack, Sky Blue 100's soft pack, Menthol Kings soft pack, Menthol 100's soft pack, Evergreen Menthol Kings soft pack, and Evergreen Menthol

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<sup>1</sup> S&M Brands stated in its June 17, 2011 letter that the four health warnings will continue to appear exactly as shown on the packs and cartons submitted on these dates.

100's soft pack;

- Thirteen varieties of the Riverside brand: Filter Kings (box and soft pack), Filter 100's soft pack, Blue Kings (box and soft pack), Blue 100's soft pack, Silver Kings soft pack, Silver 100's soft pack, Menthol Kings (box and soft pack), Menthol 100's soft pack, Teal Menthol Kings soft pack, and Teal Menthol 100's soft pack; and
- Nine varieties of the Valu Time brand: Filter Kings (box and soft pack), Filter 100's soft pack, Gold Kings box, Gold 100's soft pack, Silver 100's soft pack, Menthol Kings box, Menthol 100's soft pack, and Teal Menthol 100's soft pack.

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

Please note that this letter only approves S&M Brands' 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 S&M Brands' 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 S&M Brands' cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of S&M Brands' 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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

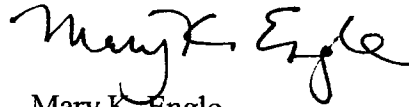
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<sup>2</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Everett W. Gee, III, Esq.  
August 24, 2011  
Page 3

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

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped initial "M".

Mary K. Engle  
Associate Director



August 9, 2011

Division of Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Ave. NW  
Mail Drop NJ-3212  
Washington, D.C. 20580

**Re: *Heritage Tobacco, LLC***  
**Proposed Warning Statement Rotation Plan**

Dear Ms. Schools,

Pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 *et seq.* Heritage Tobacco, LLC hereby submits for your consideration the following proposed Warning Statement Rotation Plan for the Hobby Premium brand cigarette, which will be manufactured in the USA.

- (i) sample cigarette cartons and packages displaying the layout, size and location of the health warning statements for each brand style;
- (ii) a rotation plan for the display of health warning statements on Products packages and cartons; and
- (iii) a health warning statement size and placement plan for advertisements of Hobby Premium packages and cartons.

**Warning Statement Rotation Plan Pursuant to Section 4 (c) of the Federal Cigarette Labeling and Advertising Act.**

The Act provides for the placement of certain warning statements (i) on packages and cartons of cigarettes for sale or distribution in the United States; and (ii) in advertisements for cigarettes within the United States. Heritage Tobacco, LLC submits this Warning Statement Rotation Plan to the Federal Trade Commission pursuant to Section 4 (i) of the Act. Heritage Tobacco, LLC intends to manufacture the following brand styles for the Products under this proposed plan

*Brand:*

*Hobby Premium*

*Styles:*

7649 Currency Drive Orlando, FL 32809  
Tel: 407-535-5823 Fax: 407-730-4669  
[Heritagetobacco@yahoo.com](mailto:Heritagetobacco@yahoo.com)



Full Flavor 100 Box  
Full Flavor King Box  
Gold 100 Box

Gold King Box  
Menthol 100 Box  
Menthol-King Box

**I. Packaging.**

**A. Warning Statement.**

The warning statements will appear on the cigarette packages and cartons for each Brand Style exactly as shown on the samples for the packages and cartons submitted on June 20, 2011.

Heritage Tobacco, LLC shall display each of the warning statements required by 15 U.S.C. 1331 *et seq.* on the Products packages and cartons for each Brand Style. In compliance with the Tariff Suspension and Trade Act of 2000, the warning statements shall be printed directly on the packages and cartons of the Products.

**B. Warning Statement Rotation Plan for Packages and Cartons by Quarter.**

Heritage Tobacco, LLC proposes to use the following Warning Statement Rotation Plan as its rotation plan for the warning statements to be printed on the cigarette packages and cartons of each Brand Style. A complete list of Hobby Premium brand styles is set forth herein above.

First	Second	Third	Fourth
Quarter	Quarter	Quarter	Quarter
(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)

Hobby Premium B C D A

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.

Packages and cartons of all Brand Styles of the Products shall each respectively bear the label statement referenced above for the quarter in which such cigarettes are manufactured or packaged, regardless of the date(s) on which such cigarettes are sold or distributed in the United States.

**C. Records of Compliance**

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

**II. Advertising.**

All warning statements shall be printed in black on white. Heritage Tobacco, LLC intends to display each of the warning statements required by 15 U.S.C. 1331 *et seq.* on any advertisements of the Products, including any point of sale materials (posters, placards, flyers, etc.). Heritage Tobacco, LLC will use the same warning formats that were submitted with the 1985 plans of the five (5) leading U.S. cigarette manufacturers and we will place the warnings as specified in those plans. Copies of the formats we will be using are attached. The size of our ads shall not exceed 470 square inches.

**A. Advertising Warning Statement Rotation Plan.**

The advertisement warning label rotation shall be performed in accordance with the same schedule proposed for rotation of the cigarette package and carton labels included in section I B herein.

**B. Internet Advertisement**

Heritage Tobacco, LLC represents that it does not have any plans to conduct any Internet advertising of the Products at this time. In the event that it does so in the future, it will submit an amended rotation plan for your consideration which will include



a proposed health statement rotation plan and a sample web page for Internet advertising.

**C. Records of Compliance**

Heritage Tobacco, LLC shall maintain or cause to be maintained adequate records (i) identifying the name and date of each publication, (ii) identifying the size and category of the advertisement and the exhibit number of the acetate used to determine the size of the print used for the warning statement as designated in the FTC Memo Schedule; and (iii) including a copy of the actual advertisement for purposes of viewing the actual placement and format of the warning labels.

**III. Manufacture Contact Information**

The following is the contact information for Heritage Tobacco, LLC, as manufacturer of record for the Products:

Asif H. Merchant  
7649 Currency Drive  
Orlando, FL 32809  
Tel- 407-535-5823  
Fax -407-730-4669  
Heritagetobacco@yahoo.com

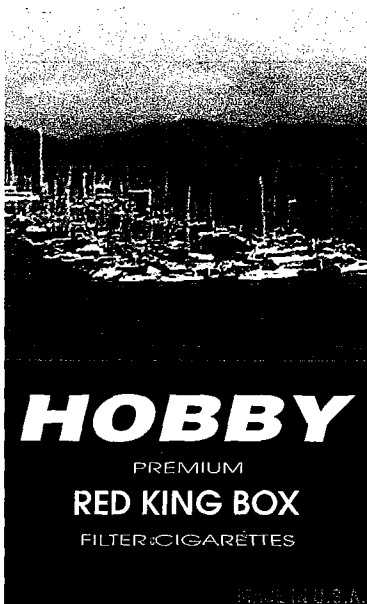
Should you require any additional information, please do not hesitate to contact me at anytime.

Respectfully yours,

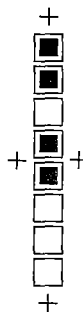
Asif H. Merchant  
Manager  
Heritage Tobacco, LLC



Selected packaging samples from those  
submitted with the plan.



UNDERAGE  
SALE  
PROHIBITED



TPS (12)



FSC



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

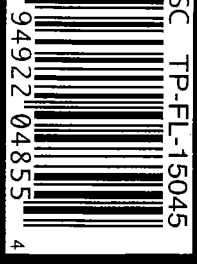


PREMIUM

# MENTHOL 100'S BOX

FILTER CIGARETTES

MADE IN U.S.A.



UNDERAGE  
SALE  
PROHIBITED

# HOBBY

PREMIUM

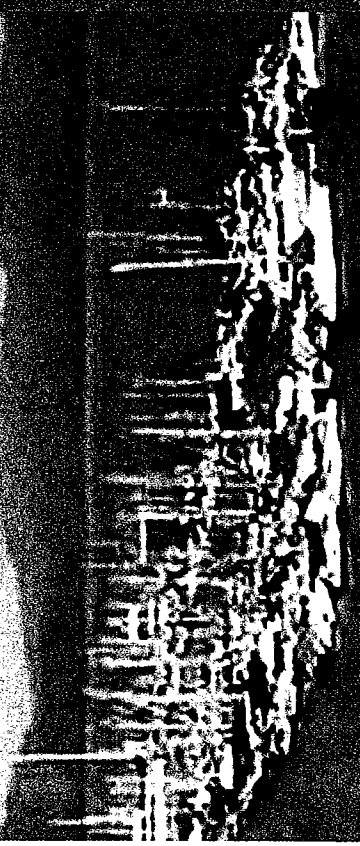
## MENTHOL 100'S BOX

FILTER CIGARETTES

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

# HOBBY

PREMIUM  
MENTHOL 100'S BOX  
FILTER CIGARETTES



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



Division of Advertising Practices

August 29, 2011

Asif H. Merchant  
Heritage Tobacco, LLC  
7649 Currency Dr.  
Orlando, FL 32809

Dear Mr. Merchant:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Heritage Tobacco, LLC ("Heritage") on August 9, 2011, calling for: (1) quarterly rotation of the four health warnings in advertising up to 470 square inches in size for the Hobby Premium brand of cigarettes; and (2) quarterly rotation of the four health warnings on packaging for certain varieties of the Hobby Premium brand.

Heritage's plan for rotation of the warnings in advertising up to 470 square inches in size for the Hobby Premium brand is hereby approved. Approval of this advertising plan assumes that the plan is implemented in good faith.

The warnings on the sample packs and cartons submitted with your letter dated June 20, 2011 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, Heritage's plan for quarterly rotation of the four health warnings on packaging is hereby approved for the following six box varieties of the Hobby Premium brand: Full Flavor (Kings and 100's), Gold (Kings and 100's), and Menthol (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.<sup>1</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Heritage'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

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

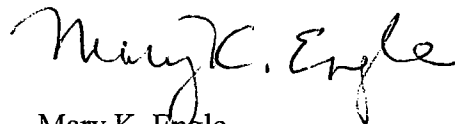
Asif H. Merchant  
August 29, 2011  
Page 2

the rotation and size of the warnings in advertising and on packaging for Heritage's cigarettes. Moreover, it is not in any way an approval of any other design element, statement, or representation made on packaging or in advertising for Heritage's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Heritage'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Sallie Schools at (202) 326-3344.

Very truly yours,



Mary K. Engle  
Associate Director



ITL (USA) Limited  
An affiliate of  
Imperial Tobacco Canada Limited

103 Foulk Road  
Suite 202  
Wilmington, DE 19803

Tel. (302) 691-6158  
Fax (302) 658-4269

July 29, 2011

Ms. Sally Schools  
Federal Trade Commission  
Division of advertising practices  
601 New Jersey Ave. N.W.  
Room N.J. 3212  
Washington D.C. 20580

**Re: § 1333(a)(b) of the *Federal Cigarette Labeling and Advertising Act*  
Surgeon General's Warning – du Maurier Packaging reflecting  
changes in design.**

Dear Ms. Schools:

Pursuant to our letter dated May 11, 2011, please find enclosed herewith our new du Maurier packaging depicting the four (4) Surgeon General Cigarette Warnings on each of the packs and cartons of our brand styles.

Notwithstanding some changes made to the color, design and variant names appearing on this new du Maurier packaging, the display of the Surgeon General Warnings printed on the packaging display surface continues to meet the size and conspicuousness requirements of the *Federal Cigarette Labeling and Advertising Act*.

As submitted in our letters dated March 28, 2011 and May 11, 2011, ITL (USA) Limited will continue to simultaneously display all four warnings labels as shown on the enclosed samples.

We kindly request written confirmation by the Federal Trade Commission that the enclosed du Maurier cigarette packaging meets the requirements of Section 1333(a) (b) of the *Federal Cigarette Labeling and Advertising Act*.

In addition, please note that ITL (USA) Limited will no longer sell the du Maurier Special King Size 100 in the US market. Please remove that brand style from your list of du Maurier products sold in the United States, which packaging you approved on May 24 2007.

Thank you in advance for your assistance. Please do not hesitate to contact the undersigned should you require further information.

Yours truly,



Denis Faucher  
President, ITL (USA) Limited

Cc: Maria Reit, Imperial Tobacco Canada Limited

List of brand styles included in the request:

**du Maurier style cigarettes  
sold by ITL (USA) Limited**

**Current Packaging**

**New packaging**

225674 du Maurier Regular Size

226674 du Maurier Signature Reg Size

225874 du Maurier Distinct Reg Size

227074 du Maurier Distinct Reg Size

7774 du Maurier King Size

226474 du Maurier Signature King Size

223074 du Maurier Distinct King Size

227274 du Maurier Distinct King Size

224074 du Maurier Premiere King Size

228274 du Maurier Balanced King Size

33774 du Maurier Special  
King Size 100

DELETE (No longer sold in the USA)

Selected packaging samples from those  
submitted with the plan.




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

REIURM NP JC

NOT FOR SALE  
VENTE INTERDITE  
IN / AU CANADA

*Signature*

351

40 FINE CUTS, SMOOTH TASTE. 

Our premium tobaccos are cut  
extraordinarily fine, far beyond  
ordinary standards—40 times  
per inch. Close attention to detail  
creates an exceptionally smooth  
tasting cigarette.

DISTINCTIVELY DU MAURIER.

1014153

REIURM NP JC

*Signature*

 THE CARDBOARD IN THIS PACK  
MEETS SUSTAINABLE FOREST  
MANAGEMENT STANDARDS.

*Distinct*

REI RIUM P P

REI RIUM P P

*Distinct*

REI RIUM P P

*Distinct*

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

FSC





Division of Advertising Practices

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

August 30, 2011

Denis Faucher  
President  
ITL (USA) Limited  
103 Foulk Road, Suite 202  
Wilmington, DE 19803

Dear Mr. Faucher:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, ITL (USA) Limited's ("ITL") March 28, 2011 plan for simultaneous display of the four health warnings on packaging for certain varieties of the du Maurier, Matinee, and Player's brands of cigarettes was approved on April 18, 2011.

On May 11, 2011, ITL submitted redesigned packaging for the du Maurier brand, which we approved on June 16, 2011. As described in your letter dated July 29, 2011, you now propose to further modify the packaging design for the du Maurier brand, and to change the names of three varieties of the brand as follows: (1) "Regular Size" to "Signature Regular Size"; (2) "King Size" to "Signature King Size"; and (3) "Premiere King Size" to "Balanced King Size."

It appears that the health warnings on the sample packs and cartons for the following five hard pack varieties of the du Maurier brand submitted with your July 29, 2011 letter continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness: Signature Regular Size, Distinct Regular Size, Signature King Size, Distinct King Size, and Balanced King Size.

I wish to remind you that ITL's health warning statement plan for display of the warnings on its cigarettes expires on April 17, 2012.

Please note that this letter is not an approval of any other design element, statement, or representation made on packaging for ITL's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of ITL's packaging and advertising under the Family Smoking Prevention and Tobacco Control Act ("FSPTCA") or any regulations that have been or

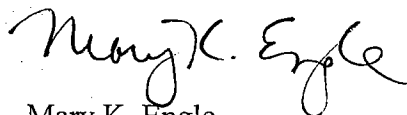
Denis Faucher  
August 30, 2011  
Page 2

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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this letter, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director

**D Cube, LLC dba  
Sovereign Tobacco Co.**

55 Territory Road Oneida, New York 13421  
Tel (315) 829-8448 Fax (315) 829-8454

August 24, 2011

**VIA FEDEX**

Ms. Mary K. Engle, Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Washington, DC 20580

**Re: Cigarette Health Warning Rotation Plan**

Dear Ms. Engle:

On August 3, 2010, the Federal Trade Commission (the "Commission") approved a cigarette health warning rotation plan submitted by D Cube, LLC dba Sovereign Tobacco Co. (the "Manufacturer") for the cigarette brand styles listed in Schedule A that expires on August 2, 2011. On March 2, 2011, the Commission approved a health warning rotation plan for the brand styles listed in Schedule B that expires on March 1, 2012. Through the date of this letter, the Surgeon General's warnings on the packages for the Manufacturer's brands styles listed on Schedule A and Schedule B have been equalized in accordance with this plan.

The purpose of this letter is to request that a warning rotation plan be approved for the one-year period beginning on the date of your approval for the cigarette brand styles listed on Schedule A and Schedule B (although the warning rotation plan for the cigarette brand styles on Schedule B does not expire until March 1, 2012, the Manufacturer wishes to have all of its cigarette brand styles on the same rotation plan schedule). Sample packs and outer cartons for the cigarette brand styles listed on Schedule A were submitted with letters dated April 19, 2005, May 24, 2010 and June 17, 2010 for the Bishop brand soft; May 24, 2010, June 17, 2010 for the Bishop brand box; October 16, 2002, October 7, 2003, November 29, 2003, May 24, 2010 and June 17, 2010 for the Niagara brand soft; and August 11, 2009, September 15, 2009, May 24, 2010 and June 17, 2010 for the Niagara brand box. Sample packs and outer cartons for cigarette brand styles listed on Schedule B were submitted with the letter dated February 9, 2011. The outer carton for Great Country Full Flavor Box 100s was submitted on February 28, 2011. The actual packs and cartons to be manufactured and sold will be identical to the samples submitted with these letters.

Upon approval, the Manufacturer intends to manufacture and sell the cigarette brand styles listed on Schedule A and Schedule B at its factory located in Oneida, New York in the United States (for a one-year period commencing upon FTC approval).

The total number of cigarettes manufactured and sold by the Manufacturer in fiscal year 2010 is set forth in Schedule C and did not exceed [REDACTED] cigarettes for any one brand style of Niagara's, Bishop or North Country (the only brands manufactured by the Manufacturer in 2010). I anticipate that in 2011, the total number of cigarettes manufactured and sold will not exceed [REDACTED] cigarettes for any one brand style of Niagara's, Bishop, North Country, Great Country or Cool Harbor.

In accordance with Section 1333(c)(2) of the Federal Cigarette Labeling and Advertising Act (the "Act"), and based upon anticipated annual sales quantities (i.e., total sales will be less than one-fourth of one percent of total cigarettes sold in the United States, and the brand styles of the cigarettes manufactured meet this low sales threshold), the Manufacturer requests that it be allowed to use the rotation plan using the alternative method to the quarterly rotation plan described in Section 1331(c)(1) of the Act for the brand styles listed on Schedule A and Schedule B.

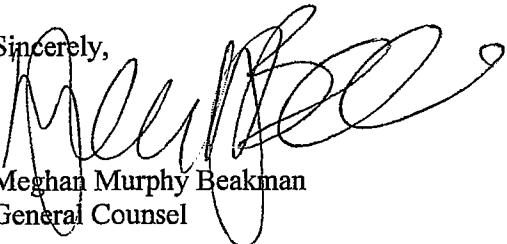
As a "small" manufacturer by virtue of the information set forth above, the Manufacturer states as its plan of rotation that the labels described in Section 1333(a)(2) of the Act and listed on Schedule D attached to this letter shall appear on the packages and cartons of the cigarette brand styles listed on Schedule A and Schedule B an equal number of times for the one year period commencing on the date of approval of this plan. We will keep records demonstrating compliance with this plan.

The Manufacturer submitted a plan for advertising (other than outdoor billboard advertising) and outdoor billboard advertising for the Niagara's, North Country and Bishop brands on December 4, 2009 which was approved by the Commission on December 17, 2009. The Manufacturer submitted a request to renew the advertising plan on July 7, 2010 which was approved by the Commission on August 3, 2010. The Manufacturer also submitted a request to the Commission on February 28, 2011 to amend the advertising plan to reflect the brands listed in Schedule B which was approved on March 2, 2011.

The Manufacturer believes that the foregoing plan complies with the requirements set forth in the Federal Cigarette Labeling and Advertising Act and respectfully requests approval of this plan.

Should this request conform to your requirements, I would appreciate that a letter evidencing the approval be sent to my attention at the above addresses (with a copy faxed to 315-361-8009). If you have any questions concerning the plan I have described, or need additional information, please call Jaime Previte at (315) 361-8044. Your prompt attention to this matter is greatly appreciated.

Sincerely,



Meghan Murphy Beakman  
General Counsel

Cc: Peter D. Carmen  
Joe Fliss

**SCHEDULE A**

<u>BRAND</u>	<u>PACK TYPE</u>	<u>BRAND STYLES</u>	<u>DATE PACKAGING SUBMITTED TO THE FTC</u>	<u>DATE PLAN APPROVED BY FTC</u>	<u>DATE PLAN EXPIRES</u>
BISHOP	SOFT	<ul style="list-style-type: none"> <li>• Full Flavor Soft Kings</li> <li>• Soft Kings (Dark Blue)</li> <li>• Soft Kings (Blue)</li> <li>• Menthol Soft Kings</li> <li>• Menthol Soft Kings (Green)</li> <li>• Full Flavor Soft 100s</li> <li>• Soft 100s (Dark Blue)</li> <li>• Soft 100s (Blue)</li> <li>• Menthol Soft 100s</li> <li>• Menthol Soft 100s (Green)</li> </ul>	April 19, 2005; May 24, 2010; & June 17, 2010	August 3, 2010	August 2, 2011
BISHOP	BOX	<ul style="list-style-type: none"> <li>• Full Flavor Box Kings</li> <li>• Box Kings (Dark Blue)</li> <li>• Box Kings (Blue)</li> <li>• Menthol Box Kings</li> <li>• Menthol Box Kings (Green)</li> <li>• Full Flavor Box 100s</li> <li>• Box 100s (Dark Blue)</li> <li>• Box 100s (Blue)</li> <li>• Menthol Box 100s</li> <li>• Menthol Box 100s (Green)</li> </ul>	May 24, 2010 & June 17, 2010	August 3, 2010	August 2, 2011
NIAGARA'S	SOFT	<ul style="list-style-type: none"> <li>• Full Flavor Soft Kings</li> <li>• Soft Kings (Dark Blue)</li> <li>• Soft Kings (Blue)</li> <li>• Menthol Soft Kings</li> <li>• Menthol Soft Kings (Green)</li> <li>• Full Flavor Soft 100s</li> <li>• Soft 100s (Dark Blue)</li> <li>• Soft 100s (Blue)</li> <li>• Menthol Soft 100s</li> <li>• Menthol Soft 100s (Green)</li> </ul>	October 16, 2002; October 7, 2003; November 29, 2003; May 24, 2010; & June 17, 2010	August 3, 2010	August 2, 2011
NIAGARA'S	BOX	<ul style="list-style-type: none"> <li>• Full Flavor Box Kings</li> <li>• Box Kings (Dark Blue)</li> <li>• Box Kings (Blue)</li> <li>• Menthol Box Kings</li> <li>• Menthol Box Kings (Green)</li> <li>• Full Flavor Box 100s</li> <li>• Box 100s (Dark Blue)</li> <li>• Box 100s (Blue)</li> <li>• Menthol Box 100s</li> <li>• Menthol Box 100s (Green)</li> </ul>	August 11, 2009; September 15, 2009; May 24, 2010; & June 17, 2010	August 3, 2010	August 2, 2011


**SCHEDULE B**

<u>BRAND</u>	<u>PACK TYPE</u>	<u>BRAND STYLES</u>	<u>DATE PACKAGING SUBMITTED TO THE FTC</u>	<u>DATE PLAN APPROVED BY FTC</u>	<u>DATE PLAN EXPIRES</u>
GREAT COUNTRY	SOFT	<ul style="list-style-type: none"> <li>• Full Flavor Soft Kings</li> <li>• Soft Kings (Dark Blue)</li> <li>• Soft Kings (Blue)</li> <li>• Menthol Soft Kings (Dark Green)</li> <li>• Menthol Soft Kings (Green)</li> <li>• Full Flavor Soft 100s</li> <li>• Soft 100s (Dark Blue)</li> <li>• Soft 100s (Blue)</li> <li>• Menthol Soft 100s (Dark Green)</li> <li>• Menthol Soft 100s (Green)</li> </ul>	February 9, 2011	March 2, 2011	March 1, 2012
GREAT COUNTRY	BOX	<ul style="list-style-type: none"> <li>• Full Flavor Box Kings</li> <li>• Box Kings (Dark Blue)</li> <li>• Box Kings (Blue)</li> <li>• Menthol Box Kings (Dark Green)</li> <li>• Menthol Box Kings (Green)</li> <li>• Full Flavor Box 100s</li> <li>• Box 100s (Dark Blue)</li> <li>• Box 100s (Blue)</li> <li>• Menthol Box 100s (Dark Green)</li> <li>• Menthol Box 100s (Green)</li> </ul>	February 9, 2011 & February 28, 2011 (outer carton for Full Flavor Box 100s)	March 2, 2011	March 1, 2012
COOL HARBOR	SOFT	<ul style="list-style-type: none"> <li>• Menthol Soft Kings (Dark Green)</li> <li>• Menthol Soft Kings (Green)</li> <li>• Menthol Soft 100s (Dark Green)</li> <li>• Menthol Soft 100s (Green)</li> </ul>	February 9, 2011	March 2, 2011	March 1, 2012
COOL HARBOR	BOX	<ul style="list-style-type: none"> <li>• Menthol Box Kings (Dark Green)</li> <li>• Menthol Box Kings (Green)</li> <li>• Menthol Box 100s (Dark Green)</li> <li>• Menthol Box 100s (Green)</li> </ul>	February 9, 2011	March 2, 2011	March 1, 2012
NORTH COUNTRY (discontinued)	SOFT	<ul style="list-style-type: none"> <li>• Full Flavor Kings</li> </ul>	May 22, 2009	August 3, 2010	August 2, 2011



**SCHEDULE C**

<u>BRAND STYLE</u>	<u>NUMBER OF CIGARETTES SOLD IN FY 2010</u>
BISHOP Full Flavor Soft 100s	
BISHOP Soft 100s (Dark Blue)	
BISHOP Soft 100s (Blue)	
BISHOP Menthol Soft 100s	
BISHOP Menthol Soft 100s (Green)	
BISHOP Full Flavor Soft Kings	
BISHOP Soft Kings (Dark Blue)	
BISHOP Soft Kings (Blue)	
BISHOP Menthol Soft Kings	
BISHOP Menthol Soft Kings (Green)	
BISHOP Full Flavor Box 100s	
BISHOP Box 100s (Dark Blue)	
BISHOP Box 100s (Blue)	
BISHOP Menthol Box 100s	
BISHOP Menthol Box 100s (Green)	
BISHOP Full Flavor Box Kings	
BISHOP Box Kings (Dark Blue)	
BISHOP Box Kings (Blue)	
BISHOP Menthol Box Kings	
BISHOP Menthol Box Kings (Green)	
NIAGARA'S Full Flavor Soft 100s	
NIAGARA'S Soft 100s (Dark Blue)	
NIAGARA'S Soft 100s (Blue)	
NIAGARA'S Menthol Soft 100s	
NIAGARA'S Menthol Soft 100s (Green)	
NIAGARA'S Full Flavor Soft Kings	
NIAGARA'S Soft Kings (Dark Blue)	
NIAGARA'S Soft Kings (Blue)	
NIAGARA'S Menthol Soft Kings	
NIAGARA'S Menthol Soft Kings (Green)	
NIAGARA'S Full Flavor Box 100s	

NIAGARA'S Box 100s (Dark Blue)	
NIAGARA'S Box 100s (Blue)	
NIAGARA'S Menthol Box 100s	
NIAGARA'S Menthol Box 100s (Green)	
NIAGARA'S Full Flavor Box Kings	
NIAGARA'S Box Kings (Dark Blue)	
NIAGARA'S Box Kings (Blue)	
NIAGARA'S Menthol Box Kings	
NIAGARA'S Menthol Box Kings (Green)	
NORTH COUNTRY Full Flavor Soft Kings	

## SCHEDULE D

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



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

Division of Advertising Practices

August 31, 2011

Meghan Murphy Beakman  
D Cube LLC d/b/a Sovereign Tobacco Co...  
55 Territory Road  
Oneida, NY 13421

Dear Ms. Beakman:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by D Cube LLC d/b/a Sovereign Tobacco Co. (“Sovereign”) on August 24, 2011, calling for simultaneous display (*i.e.* the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Bishop, Niagara’s, Great Country, and Cool Harbor brands of cigarettes.

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

<u>Brand</u>	<u>Date(s)</u>
Bishop	April 19, 2005 May 24, 2010 June 17, 2010
Niagara’s	October 16, 2002 October 7, 2003 November 29, 2003 August 11, 2009 September 15, 2009 May 24, 2010 June 17, 2010

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<sup>1</sup> Sovereign stated in its August 24, 2011 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

Great Country	February 9, 2011 February 28, 2011
Cool Harbor	February 9, 2011

Accordingly, Sovereign's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **August 30, 2012**.<sup>2</sup>

- Twenty varieties of the Bishop brand: Full Flavor Soft Kings, Menthol Soft Kings, Full Flavor Soft 100's, Menthol Soft 100's, Dark Blue Soft Kings, Blue Soft Kings, Green Menthol Soft Kings (in light green packaging), Dark Blue Soft 100's, Blue Soft 100's, Green Menthol Soft 100's (in light green packaging), Full Flavor Kings Box, Dark Blue Kings Box, Menthol Kings Box (in dark green packaging), Green Menthol Kings Box (in light green packaging), Blue Kings Box, Dark Blue 100's Box, Full Flavor 100's Box, Blue 100's Box, Green Menthol 100's Box (in light green packaging), and Menthol 100's Box (in dark green packaging);
- Twenty varieties of the Niagara's brand: Full Flavor Soft Kings, Menthol Flavor Soft Kings, Full Flavor Soft 100's, Menthol Flavor Soft 100's, Dark Blue Soft Kings (in purple packaging), Green Menthol Soft Kings, Blue Soft Kings, Dark Blue Soft 100's (in purple packaging), Blue Soft 100's, Green Menthol Soft 100's, Full Flavor Kings Box, Menthol Flavor Kings Box, Full Flavor 100's Box, Menthol Flavor 100's Box, Dark Blue Kings Box (in purple packaging), Green Menthol Kings Box, Blue Kings Box, Dark Blue 100's Box (in purple packaging), Blue 100's Box, and Green Menthol 100's Box;
- Twenty varieties of the Great Country brand: Full Flavor Soft Kings, Soft Kings (Dark Blue), Soft Kings (Blue), Menthol Soft Kings (Dark Green), Menthol Soft Kings (Green), Full Flavor Soft 100's, Soft 100's (Dark Blue), Soft 100's (Blue), Menthol Soft 100's (Dark Green), Menthol Soft 100's (Green), Full Flavor Box Kings, Box Kings (Dark Blue), Box Kings (Blue), Menthol Box Kings (Dark Green), Menthol Box Kings (Green), Full Flavor Box 100's, Box 100's (Dark Blue), Box 100's (Blue), Menthol Box 100's (Dark Green), and Menthol Box 100's (Green); and

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<sup>2</sup> As set forth in its August 24, 2011 letter, Sovereign is using colors in the names of a number of its cigarette varieties (e.g., "Soft Kings (Blue)"); and, except as noted below, the color used for a variety's packaging does conform to the color used in its name. We note, however, that color names are not printed on the packaging (e.g., the word "Blue" does not appear on the packaging of the "Soft Kings (Blue)" variety. We also note that for many of the menthol varieties, the word "menthol" is not printed on the packaging.

Meghan Murphy Beakman  
August 31, 2011  
Page 3

- Eight varieties of the Cool Harbor brand: Menthol Soft Kings (Dark Green), Menthol Soft Kings (Green), Menthol Soft 100's (Dark Green), Menthol Soft 100's (Green), Menthol Box Kings (Dark Green), Menthol Box Kings (Green), Menthol Box 100's (Dark Green), and Menthol Box 100's (Green).

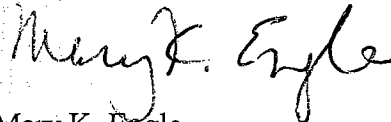
Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>3</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

Please note that this letter only approves Sovereign'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 Sovereign'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 Sovereign's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of Sovereign'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director

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<sup>3</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

LAW OFFICES OF  
**BARRY M. BOREN**

One Datan  
9100 South Dadeland Boulevard  
Suite 1809  
Miami, Florida 33156

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

August 29, 2011

**CONTAINS TRADE SECRETS  
AND CONFIDENTIAL  
BUSINESS INFORMATION  
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary K. Engle, Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W. , Mail Drop NJ-3212  
Washington, D.C. 20580

Attention: Ms. Bonnie McGregor

Renewal of Surgeon General's Warning Rotation Plan for  
for American Cigarette Company, Inc.  
for US-one, Union and Bridgeport Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, American Cigarette Company, Inc. ("ACC"), a Florida corporation, with offices located at 1291-B N.W. 65<sup>th</sup> Pl., Fort Lauderdale, FL 33309. The phone number is (954) 974-8853. ACC wishes to renew its existing equalization Surgeon General's Warning Rotation Plans as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 *et seq.*) for cigarettes they are manufacturing in the United States under the brand names "US-one," "Union" and "Bridgeport." The contact person for the company will be its Director, Karen Kamperman, who can be reached at the above address and phone number.

ACC wishes to renew its equalization plans for the display of the health warnings on packaging for its US-one, Union and Bridgeport brands of cigarettes. ACC continues to be in compliance with these plans and wishes to make no changes to its advertising rotation plans at this time.

The brand styles of US-one, Union and Bridgeport cigarettes ACC intends to manufacture are listed in the attachment at Exhibit "A." Actual samples of the packs and cartons for the various brand styles (listed in Exhibit "A") showing exactly where and how the four (4) Surgeon General's health warnings appear and will continue to appear on individual packs and cartons of the US-one, Union and Bridgeport brands ACC is manufacturing were enclosed with the original submissions on the dates appearing in Exhibit "B." The health warnings will continue to appear exactly as shown on the samples provided. The brand styles listed in the attachment at Exhibit "A" have been equalized as of this date.

ACC manufactured approximately [REDACTED] cigarettes in fiscal year<sup>1</sup> 2010 (all were Union, US-one and Bridgeport brands). To date, in fiscal year 2011, ACC has manufactured [REDACTED] cigarettes (all were Union, US-one and Bridgeport brands). ACC anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Union, US-one and Bridgeport) in fiscal year 2011.

No one brand style of cigarettes sold by ACC 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 ACC for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, ACC wishes to renew the plan to equalize the health warning statements as required by 15 U.S.C. §1333(c) for its Union, US-one and Bridgeport brands. Each of the four warning statements will appear on the packs and cartons of each brand style of Union, US-one and Bridgeport cigarettes manufactured by ACC an equal number of times in the one year period beginning on the date the renewal of this plan is approved and ACC will continue to maintain records demonstrating compliance with this plan.

The individual packs of Union, US-one and Bridgeport cigarettes to be manufactured by ACC 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.

ACC intends to 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, ACC will place special orders for the specific

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<sup>1</sup> ACC's fiscal year coincides with the calendar year.



Ms. Mary K. Engle, Associate Director  
Federal Trade Commission

Page 3  
August 29, 2011

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.

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

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

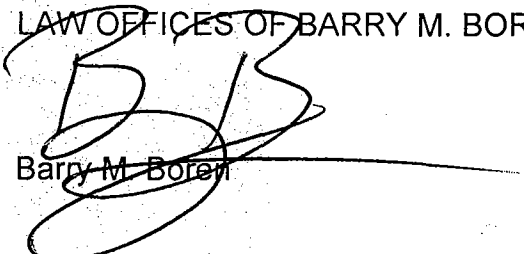
All other provisions of the existing plans will remain in place.

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 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 renewal 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

BMB:mw/encs.

**EXHIBIT "A"**

**AMERICAN CIGARETTE COMPANY, INC.**

**BRAND STYLES**

**Bridgeport**

Red 100's Box  
Gold 100's Box  
Silver 100's Box  
Menthol Green 100's Box

Red 100's Soft Pack  
Gold 100's Soft Pack  
Silver 100's Soft Pack  
Menthol Green 100's Soft Pack  
Menthol Gold 100's Soft Pack

Red King Box  
Gold King Box  
Menthol Green King Box

Red King Soft Pack

**Union**

Full Flavor King Size Soft Pack  
Menthol King Size Soft Pack

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

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

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

**Union Cigarettes - (without Eagle design):**

100's Box Red Background  
100's Box Blue Background  
100's Box Gold Background  
100's Box Green Background (UPC Code 4378 201098-Pack; 4378 201109-Carton)  
100's Box Light Green Background (UPC Code 4378 201099-Pack;  
4378 201110-Carton)

King Size Box Red Background  
King Size Box Gold Background  
King Size Box Green Background

**US-one**

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

Gold 100's Box  
Silver 100's Box  
Platinum 100's Box  
Menthol Ice 100's Box  
Menthol Silver Ice 100's Box

King Size Box Red Background  
King Size Box Gold Background  
King Size Box Green Background

100's Box Red Background  
100's Box Blue Background  
100's Box Gold Background  
100's Box Green Background (UPC Code 4378 201133-Pack;  
4378 201143-Carton)  
100's Box Light Green Background (UPC Code 4378 201134-Pack;  
4378 201144-Carton)

**EXHIBIT "B"**  
**AMERICAN CIGARETTE COMPANY**

**BRAND**

**DATE[S] PACKAGING SUBMITTED TO FTC**

**US-one & Union**

10/19/06, 2/26/07, 12/1/08, 11/13/09, 1/11/10, 1/21/10,  
5/20/10 and 7/29/10

**Bridgeport**

5/20/10



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

Division of Advertising Practices

August 31, 2011

Barry Boren  
One Datran  
9100 South Dadeland Boulevard  
Suite 1809  
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company, Inc. ("ACC") on August 29, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Union, US-one, and Bridgeport brands of cigarettes.

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

<u>Brand</u>	<u>Dates(s)</u>
Union	October 19, 2006 February 26, 2007 July 29, 2010
US-one	December 1, 2008 November 13, 2009 January 11, 2010 January 21, 2010 May 20, 2010 July 29, 2010

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<sup>1</sup> ACC stated in its August 29, 2011 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates.

<u>Brand</u>	<u>Dates(s)</u>
Bridgeport	May 20, 2010

Accordingly, ACC's plan for simultaneous display of the four health warnings on packaging for the following varieties is hereby approved effective on the date of this letter through **August 30, 2012**.<sup>2</sup>

- Twenty-two varieties of the Union brand: Full Flavor soft pack (King and 100's), Menthol soft pack (King and 100's), Full Flavor Box (King and 100's), Menthol Box (King and 100's), Gold Box (with Eagle) (King and 100's), Platinum Box (with Eagle) (King and 100's), Menthol Gold Box (with Eagle) (King and 100's), Red Background Box (King and 100's), Blue Background Box 100's, Gold Background Box (King and 100's), Green Background Box (King and 100's), and Light Green Background Box 100's;
- Seventeen box varieties of the US-one brand: Full Flavor King, Gold (King and 100's), Menthol Ice (King and 100's), Silver (King and 100's), Platinum 100's, Menthol Silver Ice 100's, Red Background (King and 100's), Gold Background (King and 100's), Green Background (King and 100's), Blue Background 100's, and Light Green Background 100's; and
- Thirteen varieties of the Bridgeport 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 Green King Box, Menthol Green 100's (Box and Soft Pack), and Menthol Gold 100's Soft Pack.

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

Please note that this letter only approves ACC'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 ACC's packaging. Moreover, it is not

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<sup>2</sup> As set forth in its August 29, 2011 letter, ACC is using colors in the names of a number of its cigarette varieties (e.g., "US-one Red Background King Box"). We note that the color names are not always printed on the packaging (e.g., the words "Red Background" do not appear on the packaging for the "US-one Red Background King Box" variety); however, the color used for a variety's packaging does conform to the color used in its name.

<sup>3</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

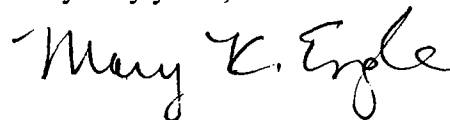
Barry Boren  
August 31, 2011  
Page 3

in any way an approval of any other design element, statement, or representation made on packaging or in advertising for ACC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of ACC'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,



Mary K. Engle  
Associate Director



## VIRGINIA CAROLINA CORPORATION

www.virginiacarolinacorp.com

7575 NW 70<sup>th</sup> Street, Miami FL 33166

Tel: 305-888-0133 Fax: 305-888-0755

TP-FL1529 EIN: 58-237-3661

Wednesday, September 07, 2011

Attn: Mark de los Santos

Federal Trade Commission

Division of Advertising Practices

600 Pennsylvania Ave, N.W.

Room NJ-3212

Washington, DC 20580

Ref: Virginia Carolina Corporation Packaging Plan, BOSS King's & 100's brand of cigarettes.

Dear Mark de los Santos:

This letter is being submitted for the approval of Virginia Carolina Corporation's plan for the display of the four Surgeon General's Health Warnings for packaging of the brand styles of the BOSS King's & 100's brand of cigarettes listed in below and manufactured in the USA by Virginia Carolina Corporation, Inc.

Virginia Carolina Corporation

### BRAND OF CIGARETTES - Hard Pack

Boss King Red

Boss King Blue

Boss King Menthol (Green)

Boss 100's Blue

Boss 100's Menthol (Green)

Boss 100's Smooth Menthol (Light Green)

Boss 100's Grey



Upon approval of this plan, the manufacturer intends to sell BOSS King's & 100's brand cigarettes under the authority of the Alcohol & Tobacco Tax and Trade Bureau, formerly the Bureau of Alcohol, Tobacco & Firearms (License TP-FL1529).

These cigarettes will be packaged in 200 count cartons, (Outer Cartons). Each Outer Carton will contain ten (10) packs of twenty (20) cigarettes each (Pack).

The warnings for the BOSS King's & 100's brand will appear exactly as shown on the sample packs and cartons we are submitting with my letter dated August 23<sup>rd</sup> of 2011 and my letter dated September, 1<sup>st</sup> 2011

The four (4) warnings are:

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

As a small tobacco manufacturer, Virginia Carolina Corporation qualifies for this alternative as no brand style manufactured by Virginia Carolina Corporation has sales in excess of one-fourth of one percent of all cigarettes sold in the United States in the previous fiscal year. Following to your request, the cigarettes brand sold in 2010 calendar year is:

1. Popular - Sold and reported in 2010 - [REDACTED] Sticks.

In the calendar year 2011, Virginia Carolina Corp will manufacture the following brands:

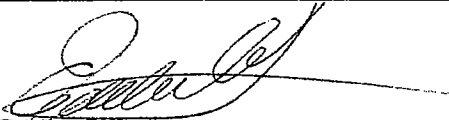
1. STAR USA
2. DIVA SLIM
3. BOSS SLIM
4. BOSS King and 100's

Pursuant to Section 1333(c) (2) of the Federal Cigarette Labeling and Advertising Act, Virginia Carolina Corporation proposes to use the alternative to quarterly rotation of the warnings on packaging.

Virginia Carolina Corporation will display the four required Surgeon General's warnings an equal number of times on the packs and cartons of each BOSS King's & 100's brand style listed above during the one year period beginning on the date of this plan's approval and will maintain records to demonstrate compliance with this plan.

Virginia Carolina Corporation will maintain compliance with the August 16<sup>th</sup> 2011 plan for advertising for Boss Brand of cigarette that was approve by FTC on August 23<sup>rd</sup> 2011<sup>th</sup>.

If you have any questions or need any additional information, please feel free contact Eddie Cohen at (305) 888 - 0133 or via email at [eddie.cohen@virginiacarolinacorp.com](mailto:eddie.cohen@virginiacarolinacorp.com)

A handwritten signature in black ink, appearing to read 'Eddie Cohen', with a long horizontal flourish extending to the right.

Eddie Cohen  
Virginia Carolina Corporation

Selected packaging samples from those  
submitted with the plan.

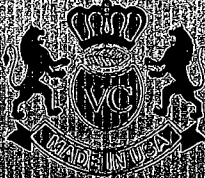
UNDERAGE  
SALE  
PROHIBITED

BOSS

100'S BOX

BOSS  
(100'S BOX)

BOSS



(100'S BOX)  
20 CLASS 'A' CIGARETTES



TFS (6)

BOSS  
(100'S BOX)

(100'S BOX)  
20 CLASS 'A' CIGARETTES



WWW.BOSSTOBACCO.COM  
MAMMOTH, CALIFORNIA  
MAMMOTH TOBACCO CO.  
MAMMOTH, CALIFORNIA

BOSS

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

BOSS

THE FINEST VIRGINIA BLEND



KINGS BOX

**BOSS**<sup>®</sup>

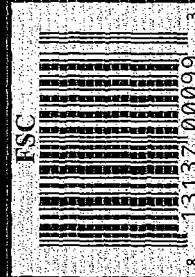
200 FILTER CIGARETTES

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

**BOSS**<sup>®</sup>

KINGS BOX

UNDERAGE  
SALE  
PROHIBITED



200 FILTER CIGARETTES

**BOSS**<sup>®</sup>





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

Division of Advertising Practices

September 15, 2011

Eddie Cohen  
Virginia Carolina Corporation  
7575 NW 70<sup>th</sup> St  
Miami, FL 33166

Dear Mr. Cohen:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, Virginia Carolina Corporation’s (“VCC”) August 16, 2011 plan for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the Boss, Diva, and Star USA brands of cigarettes was approved on August 23, 2011. By letter dated September 7, 2011, you now propose to expand your plan for display of the four health warnings on packaging to include seven additional varieties of the Boss brand.

VCC’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 August 23 and September 1, 2011 appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, VCC’s expansion of its plan for simultaneous display of the four health warnings on packaging is hereby approved for the following seven hard pack varieties of the Boss brand effective on the date of this letter through **September 14, 2012**: King Red, King Blue, 100's Blue, King Menthol (Green), 100's Menthol (Green), 100's Smooth Menthol (Light Green), and 100's Grey.<sup>1</sup>

Approval of the plan expansion is contingent on its good faith implementation. We may

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<sup>1</sup> As set forth in its September 7, 2011 letter, VCC is using colors to identify its cigarette varieties (*e.g.*, “Boss King Red”). We note that the color names are not printed on the packaging (*e.g.*, the word “Red” does not appear on the packaging of the “Boss King Red” variety); however, the color used for a variety’s packaging does conform to the color used in its name.

Eddie Cohen  
September 15, 2011  
Page 2

ask for information demonstrating proper implementation of the plan.<sup>2</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

I wish to remind you that the Commission's August 23, 2011 approval of VCC's cigarette health warning statement rotation plan for packaging for certain varieties of the Boss, Diva, and Star USA brands of cigarettes runs through **August 22, 2012**, and that this letter does not extend that approval period.

Please note that this letter only approves the expansion of VCC'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 VCC'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 VCC's cigarettes. Nor does this letter purport to interpret or express any opinion about the adequacy of VCC'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. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

If you have any questions regarding this approval, please contact Mark de los Santos at (202) 326-3242.

Very truly yours,



Mary K. Engle  
Associate Director

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



**BELCORP**

8150 NW 64 St. Miami FL 33166  
Phone 1 305 597-0177  
Fax 1 305 436 9455  
web: [www.belcorpamerica.com](http://www.belcorpamerica.com)

July 12, 2011

Ms. Mary K. Engle  
Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Washington DC 20001

Attn: Ms. Schools

Re: Cigarette Health Warning Rotation Plan Submitted by Belcorp of American Inc. for  
Quarterly Rotation of the Health warnings on packaging of First One, Galaxy and Heat.

Dear Ms. Schools

Belcorp of America, Inc. hereby submits a Surgeon General Warning Rotation Plan as required under the Federal Cigarette Labeling and Advertising Act of 1984 (15 U.S.C. § 1331 (1998), et seq.). Belcorp now proposes to expand its warning rotation plan for the packaging for Galaxy Pro, First One and Heat to include the following additional varieties:

**First One**

Green King Box Hard Pack  
Green 100 Box Hard Pack  
Silver King Box Hard Pack  
Silver 100 Box Hard Pack

**Galaxy Pro**

Green King Box Hard Pack

**Heat**

Green King Box Hard Pack  
Green 100 Box Hard Pack  
Silver King Box Hard Pack  
Silver 100 Box Hard Pack



Belcorp is aware that the use of descriptions such as "Lights", "Menthol Light", "Ultra-Light" was banned by the FDA after June 21, 2010. Since June 21, 2010 Belcorp has not manufactured cigarettes using such descriptors.

The required warning will be printed directly on the packs and cartons and in conspicuous location as required under the Cigarette Labeling and Advertising Act ("CLAA"). The warnings will appear exactly as shown on the actual cartons and packs submitted attached.

Belcorp will rotate the four warning labels on the packs and cartons of First One, Galaxy Pro and Heat on a quarterly basis following the rotation schedule attached as exhibit A. Rotation will be based on the date of the manufacturing of such said product. The company will check all products to ensure that the company is in compliance with this plan. The company will keep records demonstrating compliance with the plan.

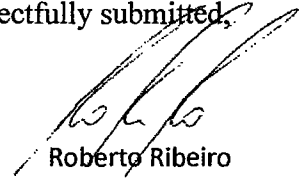
We submit that the foregoing complies with the requirement set forth in the Federal Cigarette Labeling and Advertising Act, as amended and requested approval of this request.

Belcorp has a website ([www.belcorpamerica.com](http://www.belcorpamerica.com)) which expresses only our company information, Belcorp does not intend to advertise at this time, if we do intend to advertise we will submit a plan for advertising to the FTC.

Should you request conform to your requirements, we request that the letter evidencing approval be faxed to the undersigned.

Should you require any additional information with respect to the foregoing, please contact Roberto Ribeiro at 305-597-0177.

Respectfully submitted,



Roberto Ribeiro  
President

# BELCORP OF AMERICA, INC.

## SCHEDULE FOR QUARTERLY ROTATION

**EXHIBIT A**

	First Quarter (Jan.-Mar.)	Second Quarter (Apr.-June)	Third Quarter (July- Sept.)	Fourth Quarter (Oct.-Dec.)
First One	B	C	D	A
GP	D	A	B	C
Rich	B	C	D	A
GP Galaxy Pro	C	D	A	B
Derby	A	B	C	D
Phantom	C	D	A	B
Rap	A	B	C	D
Galaxy Pro	D	A	B	C
Trust	A	B	C	D
Heat	B	C	D	A

The warnings are as follows:

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**A. SURGEON GENERAL'S WARNING: Smoking By Pregnant Women**

May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

---

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

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**C. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly**

Reduces Serious Risks to Your Health.

---

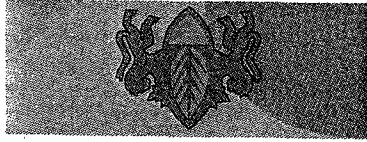
**D. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer,**

Heart Disease, Emphysema, And May Complicate Pregnancy.

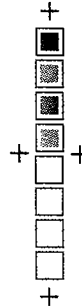
---

**Selected packaging samples from those  
submitted with the plan.**

CLASS A QUALITY  
20  
CIGARETTES



UNDERAGE  
SALE  
PROHIBITED



TPS (15)



TP-FL-15001  
FSC  
8  
FIRST ONE  
PREMIUM BLEND



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

MADE IN U.S.A.



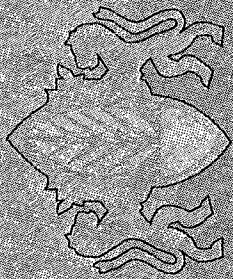
PREMIUM BLEND  
FIRST  
ONE  
SILVER

KING BOX

CLASS A  
200 CIGARETTES  
FILTERS

KING BOX

FIRST  
ONE  
SILVER  
PREMIUM BLEND



MADE IN U.S.A.

SURGEON GENERAL'S WARNING  
Cigarette Smoke  
Contains Carbon Monoxide.

PREMIUM BLEND  
FIRST  
ONE  
SILVER  
KING BOX

UNDERAGE  
SALE  
PROHIBITED

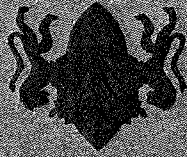


MADE IN U.S.A.

PREMIUM BLEND

20 CLASS A  
CIGARETTES

UNDERAGE  
SALE  
PROHIBITED



PRO GREEN  
**Galaxy**  
KING BOX



**Galaxy**  
PRO GREEN

KING BOX

100% ADDITIVE FREE-NATURAL TOBACCO  
PREMIUM CIGARETTES

MADE IN USA



PRO GREEN  
**Galaxy**  
KING BOX

TPS (4)

MADE IN USA

100% ADDITIVE FREE-NATURAL TOBACCO  
PREMIUM CIGARETTES

KING BOX

PRO GREEN  
**Galaxy**



NO ADDITIVES IN  
OUR CIGARETTES DOES  
NOT MEAN A SAFER CIGARETTE

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



PRO GREEN

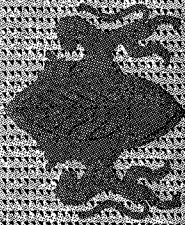
# Galaxy



100% ADDITIVE FREE-NATURAL TOBACCO  
PREMIUM CIGARETTES

100% ADDITIVE FREE-NATURAL TOBACCO  
PREMIUM CIGARETTES

## KING BOX



CLASS A  
200 CIGARETTES  
FILTERS

# Galaxy

PRO GREEN

## KING BOX

100% ADDITIVE FREE-NATURAL TOBACCO  
PREMIUM CIGARETTES  
MADE in U.S.A.

FSC TP-FL-15001



UNDERAGE  
SALE  
PROHIBITED

## KING BOX

NOT RECOMMENDED FOR  
MINORS

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

PRO GREEN

# Galaxy

## BOX

MADE in U.S.A.

100% ADDITIVE FREE-NATURAL TOBACCO  
PREMIUM CIGARETTES

20 YEARS OF QUALITY

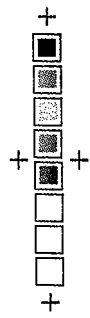
UNDERAGE SALE PROHIBITED

HEAT  
GREEN  
100'S BOX



AMERICAN BLEND

GREEN  
100'S BOX



HEAT

MADE IN USA

TPS (12)

HEAT  
GREEN  
100'S BOX

HEAT  
MADE IN USA



GREEN  
100'S BOX

AMERICAN BLEND



HEAT

HEAT

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





100'S BOX

SILVER

**HEAT**

CLASS A  
200 CIGARETTES  
FILTERS

AMERICAN BLEND

SILVER  
100'S BOX

**HEAT**

MADE IN USA



**HEAT**

SILVER  
100'S BOX

UNDERAGE  
SALE  
PROHIBITED



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

MADE IN USA



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

Division of Advertising Practices

September 19, 2011

Roberto Ribeiro  
Belcorp of America, Inc.  
8150 NW 64th Street  
Miami, FL 33166

Dear Mr. Ribeiro:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed by Belcorp of America, Inc. ("Belcorp") on July 12, 2011, calling for an expansion to Belcorp's previously approved plans for quarterly rotation of the four health warnings on packaging for certain varieties of the First One, Galaxy Pro, and Heat brands of cigarettes.

The warnings on the sample packs and cartons submitted with your July 12, 2011 letter appear to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness. Accordingly, Belcorp's expansion of its plan for quarterly rotation of the four health warnings on packaging is hereby approved for the following varieties:

- Four hard pack varieties of the First One brand: Green Kings, Green 100's, Silver Kings, and Silver 100's;
- Four hard pack varieties of the Heat brand: Green Kings, Green 100's, Silver Kings, and Silver 100's; and
- One hard pack variety (Green Kings) of the Galaxy Pro brand.

Approval of the plan expansion is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.<sup>1</sup> The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Belcorp 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.

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

Roberto Ribeiro  
September 19, 2011  
Page 2

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

Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been prohibited. On June 21, 2011, the FDA released the nine new graphic health warnings that must appear on all cigarette packaging and advertising starting in September 2012. You can find additional information at [www.fda.gov/TobaccoProducts/default.htm](http://www.fda.gov/TobaccoProducts/default.htm), and sign up for FDA email updates at [www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm](http://www.fda.gov/TobaccoProducts/ResourcesforYou/ucm176164.htm).

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

Very truly yours,



Mary K. Engle  
Associate Director

Via E-Mail

**Re: FTC Plan for Westport™**

September 14, 2011

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

Dear Ms. Engle:

In accordance with the Federal Trade Commission's Memorandum to Potential Cigarette Manufacturers or Importers, I write to submit our company's plan for compliance with Section 1333 of the Cigarette Act. This plan is limited to ten (10) Westport™ brand styles of cigarettes, 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 Corporate Address outlined in the header of this page.

## **I. PACKAGING**

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

1. Brand – DK Distributors, Inc. imports Westport™ brand of cigarettes. The company does not import or manufacture any cigarette brand other than Westport™.

2. Brand Styles – As part of this plan, we shall import the following ten (10) Westport™ brand styles:

<b>#</b>	<b>Variety Style</b>	<b>Packaging</b>
1.	King Size (Red)	BOX Packaging
2.	King Size (Blue)	BOX Packaging
3.	King Size (Sky Blue)	BOX Packaging
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

It should be noted that all of the warning labels will be printed on all of the cigarette packs and cartons of the Westport™ 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 14<sup>th</sup>, 2010 and additional submission with a missing warning of July 13<sup>th</sup>, 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. The four cigarette health warnings will appear on packs and cartons for each brand style of the Westport™ 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 2010 were less than one-fourth of one percent of all the cigarettes sold in the United States in 2010. A chart showing DK Distributors, Inc. sales for fiscal year 2010 is attached. We estimate that our company's 2011 fiscal year sales will amount to [REDACTED] sticks of Westport™ brand of cigarettes.

#### C. RECORDS OF COMPLIANCE

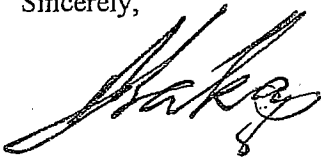
DK Distributors, Inc. will maintain sufficient records to demonstrate compliance with this plan.

#### II. ADVERTISING

DK Distributors, Inc. filed a plan for the use of health warnings in advertising displays on August 16<sup>th</sup>, 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,



Audrius Bakanas  
Secretary  
DK Distributors, Inc.

DK Distributors, Inc.  
**Sales by Item Summary \*\*\***  
November through December 2010

<b>WESTPORT Style</b>	<b>Carton Qty</b>	<b>Stick Qty</b>
Westport Red King Box	████████	████████
Westport Blue King Box	████████	████████
Westport Green King Box	████████	████████
Westport Bright Green King Box	████████	████████
<b>TOTAL SALES:</b>	████████	████████

\*\*\* DK Distributors, Inc. did not import cigarettes prior to November 1st, 2010.



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

Division of Advertising Practices

September 28, 2011

Audrius Bakanas  
DK Distributors, Inc.  
757 SE 17<sup>th</sup> St #869  
Fort Lauderdale, FL 33316

Dear Mr. Bakanas:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by DK Distributors, Inc. (“DK Distributors”) on September 14, 2011, 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 meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness.<sup>1</sup>

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).<sup>2</sup>

Approval of DK Distributors’ plan is contingent on its good faith implementation. We

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<sup>1</sup> DK Distributors stated in its September 14, 2011 letter that the four health warnings will appear exactly as shown on the samples submitted on these dates.

<sup>2</sup> As set forth in its September 14, 2011 letter, DK Distributors is using colors to identify its cigarette varieties (*e.g.*, “Westport Kings (Red) Box”). 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 “Westport 100's (Blue) Box” variety); however, the color referenced in a variety’s name does conform to the color used in its packaging.

may ask for information demonstrating proper implementation of the plan.<sup>3</sup> 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).

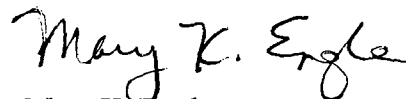
Because the FSPTCA imposes additional legal requirements on the marketing and sale of cigarettes, you should ensure that you are in compliance with those requirements. For example, since September 22, 2009, the use of certain characterizing flavors (other than tobacco or menthol) in cigarettes has been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

Please also 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 September 21, 2012. Beginning on September 22, 2012, you will need to have an FDA-approved plan for display of the nine new health warnings set forth in the FSPTCA.**

If you have any questions regarding this approval, please contact Mariel Woods at (202) 326-3225.

Very truly yours,



Mary K. Engle  
Associate Director

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<sup>3</sup> Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.





518. 358. 9309

Mohawk Territory 393 Frogtown Road | PO Box 1221 | Akwesasne, New York 13655

518. 358. 9321 | fax

September 30, 2011

Ms. Mary Engle, Associate Director  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, NW  
Washington, D.C. 20580

RE: Surgeon General's Health Warning Equalization Plan for Signal and Da Rez Brand Cigarettes

Dear Ms. Engle:

This is an application for approval of the plan of Ohserase Manufacturing, LLC for the display of the health warnings on its Signal cigarette brand and its Da Rez cigarette brand. Ohserase Manufacturing, LLC is a limited liability corporation with offices located at 393 Frogtown Rd., Akwesasne, New York 13655, mailing address P.O. Box 1221, Akwesasne, New York 13655 and the phone number is (518)358-4229.

Ohserase wishes to file a Surgeon General's Health Warning Equalization Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964 for two brands of cigarettes they wish to manufacture in the United States under the brand names "Signal" and "Da Rez."

The brand styles of Signal and Da Rez brand cigarettes Ohserase intends to manufacture are listed on Exhibit "A" and "B." Enclosed with the submissions of Eli Tarbell on December 3, 2008 and of Justin Tarbell on June 18, 2010 and July 16, 2010 were the actual production packs and cartons for the brand styles being submitted showing exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons Ohserase will be manufacturing for our Da Rez brand and our Signal brand. The warnings will appear exactly as shown on these samples.

Ohserase manufactured approximately [REDACTED] cigarettes in fiscal year 2010 (all were Signal and Da Rez brands). To date, in fiscal year 2011, Ohserase has manufactured [REDACTED] cigarettes (all were Signal and Da Rez brands). Ohserase anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Signal and Da Rez) in fiscal year 2011.

No one brand style of cigarettes sold by Ohserase has for the past fiscal year constituted more than ¼ of 1% of all the cigarettes sold in the United States in such year, and no one brand style will constitute more than ¼ 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 for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(i).

As a small manufacturer as defined by the Act, Ohserase wishes to submit a plan to equalize the four health warning statements required by 15 U.S.C. §1333(c) for its Signal and Da Rez brands. Each of the four warning statements will appear on the packs and cartons of each brand style of Signal and Da Rez brand cigarettes manufactured by Ohserase an equal number of times in the one year period beginning on the date this plan is approved. Ohserase will maintain records demonstrating compliance with this plan.

The individual packs of Signal and Da Rez 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 understands that the FTC is charged with ensuring that Ohserase's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

Ohserase will print all four 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, Ohserase 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.

While Ohserase does not currently have an advertising plan in place and approved by the Federal Trade Commission, there is a plan submitted. Until proper approval is obtained, Ohserase will not advertise for either cigarette brand.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Ohserase will comply with the plan by taking reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) prevent the recurrence of any mistakes, errors, or omissions that come to its attention.



518. 358. 9309

Mohawk Territory 393 Frogtown Road | PO Box 1221 | Akwesasne, New York 13655

518. 358. 9321 | fax

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

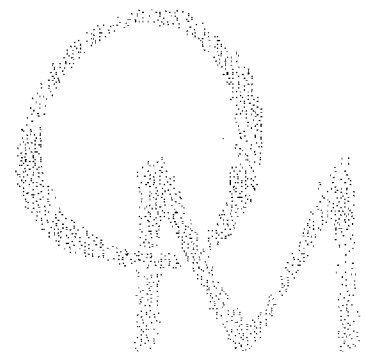
We believe this plan complies in all respect with the Federal Cigarette Labeling and Advertising Act, as amended, including any modifications made by the Public Health Cigarette Smoking Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported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

If you have any questions please call Ohserase Manufacturing, LLC's General Counsel, Dale White. Mr. White can be reached at (518) 358-4229. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Justin Tarbell', is written over a horizontal line.

Justin Tarbell  
Managing Director  
Ohserase Manufacturing, LLC



OHSERASE MANUFACTURING, LLC  
SIGNAL CIGARETTES  
EXHIBIT "A"

Brand Styles

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

Full Flavor 100's Soft Pack  
Smooth 100's Soft Pack  
Ultra Smooth 100's Soft Pack  
Menthol 100's Soft Pack  
Menthol Smooth 100's Soft Pack

Full Flavor King Size Box  
Smooth King Size Box  
Ultra Smooth King Size Box  
Menthol King Size Box  
Menthol Smooth King Size Box  
Non-Filter 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

OHSERASE MANUFACTURING, LLC  
da REZ CIGARETTES  
EXHIBIT "B"

Brand Styles

Full Flavor King Size Soft Pack

Full Flavor King Size Box

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



Division of Advertising Practices

September 30, 2011

Dale White  
Ohserase Manufacturing, LLC  
393 Frogtown Road  
P.O. Box 1221  
Akwesasne, New York 13655

Dear Mr. White:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Ohserase Manufacturing, LLC (“Ohserase”) on September 30, 2011, calling for simultaneous display (*i.e.*, the alternative to quarterly rotation) of the four health warnings on packaging for certain varieties of the “da Rez” and “Signal” 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 Ohserase’s letters on the following dates continue to meet the requirements of the Cigarette Act in force as of the date of this letter for size and conspicuousness:<sup>1</sup>

<u>Brand</u>	<u>Date(s)</u>
da Rez	December 3, 2008
Signal	December 3, 2008 June 18, 2010 July 16, 2010

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<sup>1</sup> Ohserase stated in its September 30, 2011 letter that the four health warnings will appear exactly as shown on the packs and cartons submitted on these dates. 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 previously approved.

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

- Two varieties of the "da Rez" brand: Full Flavor Kings Soft Pack and Full Flavor Kings Box; and
- Twenty-two varieties of the "Signal" brand: Full Flavor Kings (Soft Pack and Box), Smooth Kings (Soft Pack and Box), Ultra Smooth Kings (Soft Pack and Box), Menthol Kings (Soft Pack and Box), Menthol Smooth Kings (Soft Pack and Box), Non-filter Kings (Soft Pack and Box), Full Flavor 100's (Soft Pack and Box), Smooth 100's (Soft Pack and Box), Ultra Smooth 100's (Soft Pack and Box), Menthol 100's (Soft Pack and Box), and Menthol Smooth 100's (Soft Pack and Box).

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

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

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

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

Dale White  
September 30, 2011  
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**This approval is effective on the date of this letter and runs through September 21, 2012. Beginning on September 22, 2012, you will need to have an FDA-approved plan for display of the nine new health warnings set forth in the FSPTCA.**

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

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped "M" and "E".

Mary K. Engle  
Associate Director