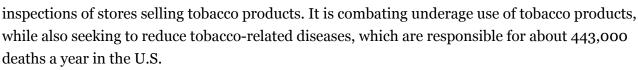
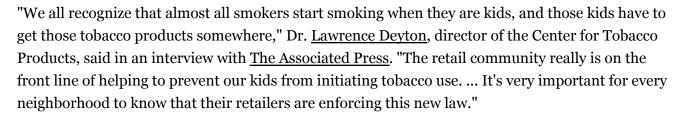
## FDA cites 1,200 tobacco retailers

MICHAEL FELBERBAUM, AP Tobacco Writer Updated 02:27 p.m., Thursday, November 10, 2011

RICHMOND, Va. (AP) — The <u>Food and Drug</u>
<u>Administration</u> said Thursday it has issued about 1,200 warning letters to retailers in 15 states for violating federal tobacco regulations since beginning inspections under a 2009 law giving it authority to regulate the industry.

The agency's <u>Center for Tobacco Products</u>, using state contractors, has conducted more than 27,500





Inspectors visiting retailers nationwide were looking for violations of federal laws barring the sale of cigarettes or other tobacco products to anyone under 18 years old. There are also laws against the sale of flavored cigarettes or of cigarettes in packs that contain the words like "light," "mild," or "low-tar." Other laws bar retailers from selling single cigarettes, giving away free samples or promotional items like hats and T-shirts with cigarette and smokeless tobacco brands or logos.

Most of the warning letters were for retailers selling tobacco to minors, who were sent into stores to make undercover purchases. Once they receive a warning letter, retailers then have 15 days to respond on how they plan to address the violations.

After one violation, retailers can be fined for breaking tobacco laws during follow-up inspections. Retailers with a second violation within a year can be fined up to \$250, with penalties growing to \$10,000 for six or more violations within four years. They also can be banned from selling tobacco products.

"We are very, very much in a spotlight and we take our responsibility seriously," said <u>Lyle</u>

<u>Beckwith</u>, a spokesman for the <u>National Association of Convenience Stores</u>, which sells about 80 percent of the tobacco on the market in the U.S. "Thirty percent of our inside sales are tobacco, so



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if a convenience store loses the ability to sell tobacco, in essence that store is out of business."

Beckwith said that more enforcement needs to be done to curb contraband and black market cigarettes, as well as online sales and purchases at Native American reservations — which are all other venues for minors to attempt to buy tobacco products.

White <u>House press</u> secretary <u>Jay Carney</u> said the letters remind retailers of their "legal responsibility to protect our children."

"President Obama is committed to protecting children from cigarettes, and this action is only one part of the administration's effort to stop children from smoking before they start," Carney said.

Over the last two years, the FDA has contracted with 37 states and the District of Columbia to do retail compliance checks with at least 20 percent of stores in each state. The data released by the agency is only for the 15 states which the agency initially contracted in fiscal year 2010.

States are trained by the FDA and paid by fees charged to the tobacco companies. How much the FDA pays states to participate varies on factors including the size of their enforcement plan and how many retail locations they have in the state. The agency says the contracts total \$24 million have led to more than 265 jobs.

The FDA collected nearly \$260 million in user fees from tobacco companies for fiscal 2009 and 2010 combined, and should collect \$450 million this year. User fees will grow to \$712 million by 2019. Fees are collected quarterly and based on each company's share of the U.S. tobacco market.

The agency won the authority in 2009 to regulate tobacco products, including the ability to ban certain products, regulate marketing, reduce nicotine in tobacco products and block labels such "low tar" and "light."

About 46 million Americans — one out of every five — smoke, and more than 3 percent of American adults use smokeless tobacco, according to the <u>Centers for Disease Control and Prevention</u>. The agency also says 17 percent of high school students smoke and 6 percent of them use smokeless tobacco.

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