



For Immediate Release

Contact: Cara Smith

312-814-3118

877-844-5461 (TTY)

csmith@atg.state.il.us

October 11, 2006

39 ATTORNEYS GENERAL AND R.J. REYNOLDS REACH HISTORIC SETTLEMENT TO END ITS SALE OF FLAVORED CIGARETTES

Chicago -- Illinois Attorney General Lisa Madigan today announced that R.J. Reynolds Tobacco Company (“Reynolds”) and the Attorneys General of 38 other states and jurisdictions have entered into a settlement ending the sale of Reynolds’ candy, fruit and alcohol flavored cigarettes that the Attorneys General believe have been targeted at youth.

Under the settlement agreement, Reynolds agreed to a ban in the United States of its Camel, Kool and Salem flavored cigarettes. The agreement also imposes significant marketing restrictions that will make it virtually impossible for Reynolds to market flavored cigarettes to youth. Under the settlement, the following restrictions will apply in the future to any cigarettes manufactured by Reynolds that have a flavor other than tobacco or menthol:

- The name of the cigarette may not be that of a candy, a fruit or an alcoholic beverage, and may not include any of a number of specified terms that evoke imagery of candy, fruit or alcoholic beverages.
- Reynolds may not use print advertising, point of sale materials, exterior packaging or non-age verified direct mail or internet advertisements that contain (i) names of a candy, a fruit or an alcoholic beverage, (ii) any of a number of specified terms that evoke imagery of candy, fruit or alcoholic beverages, or (iii) imagery of candy, fruit or alcoholic beverages.
- Reynolds also may not distribute scented promotional materials, such as “Lift and Sniffs” or “Scratch and Sniffs.”

This agreement ends an investigation into possible violations of the youth targeting prohibitions set forth in the 1998 Master Settlement Agreement between 46 states and the major cigarette manufacturers. The offices of Illinois Attorney General Madigan and New York Attorney General Spitzer led the investigation, and were assisted by the offices of the Attorneys General for California, Connecticut and Maryland. As a result of their investigation, the Attorneys General concluded that Reynolds was violating the Master Settlement Agreement’s prohibition on youth targeting through its advertising, marketing and promotion of its flavored cigarettes.

In concluding that Reynolds targeted youth in its advertising and promotion of flavored cigarettes, the Attorneys General noted that: Reynolds manufactured its flavored cigarettes with flavors that have high youth appeal like candy, fruit and sweetened alcohol; Reynolds used graphics, typography, colors, styles and themes in its advertising and packaging that were enticing to youth; and Reynolds used “Scratch and Sniff” and “Lift and Sniff” promotional cards scented with sweet, candy aromas, but with none of the scent of tobacco.

In announcing the settlement, Madigan heralded its importance in reducing smoking among children.

“Eliminating tobacco use by children is one of our greatest public health challenges, and one of my highest priorities,” Madigan stated. “This agreement helps us take a significant step toward reaching that goal. I will continue to vigorously respond to any effort by the tobacco industry to target children as a way to ‘grow’ new smokers.”

“What's easier than taking candy from a baby? Giving candy to a baby. It is our young who are most susceptible to the lures of candy sweetness and fruity and alcoholic flavors in cigarettes. I have yet to meet one child who rejects totally the enticing taste and aromas of candy and/or fruit flavors, which poses the question, who is the tobacco industry really targeting? The answer is obvious. Capital investments in cigarette advertisement are 26 million dollars a day,” said “Kwesi” Ronald Harris, Prevention Director, Bobby E. Wright Comprehensive Behavioral Health Center.

"There is no more flagrant recent example of tobacco marketing to kids than RJR's candy and alcohol flavored cigarettes. This landmark settlement achieves a major public health victory for America's kids and families in the never-ending battle to prevent the tobacco industry from marketing to our children," said Matthew L. Myers, President, Campaign for Tobacco-Free Kids.

“Flavored cigarettes were simply a ploy to sell tobacco to our youth. Thankfully, today's settlement brings an end to that shameful practice. We commend Attorney General Madigan on her efforts,” said Joel J. Africk, President and CEO, American Lung Association of Metropolitan Chicago.

“Today, Attorney General Lisa Madigan has delivered the gift of life to our children and our children’s children. The agreement announced today will help decrease the uptake of youth smoking and, therefore, save lives, prevent cancer and diminish suffering from cancer. We encourage all public health officials to continue to send a strong message that targeting youth to increase and sustain tobacco use will not be tolerated,” said Ermilo Barrera, M.D., president of the American Cancer Society’s Illinois Division.

The settlement agreement bans the following Reynolds flavored cigarette brand styles:

- *Camel Exotic Blends*: Mandarin Mint, Dark Mint, Crema, Izmir Stinger, Twist, Cinnzabar, Mandalay Lime, Aegean Spice, Bayou Blast, Beach Breezer, Margarita Mixer, Midnight Madness, Back Alley Blend, Kauai Kolada, Twista Lime, Winter MochaMint, Warm Winter Toffee, Blackjack Gin, Screwdriver Slots and SnakeEyes Scotch;

- *Salem Silver*: Dark Currents, Fire & Ice, Deep Freeze and Cool Myst; and
- *Kool Smooth Fusions*: Mintrigue, Mocha Taboo, Midnight Berry and Caribbean Chill.

Senior Assistant Attorney General Joan Matlack and Deputy Division Chief Brent Stratton handled the case for Madigan's Special Litigation Bureau in Chicago.

Joining Madigan in today's settlement are the Attorneys General of Alaska, Arizona, Arkansas, California, the Commonwealth of Northern Mariana Islands, Connecticut, Delaware, Hawaii, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming.

[Settlement Agreement in PDF format](#)

[Settlement Agreement Appendix A in PDF Format](#)

-30-

Statements from Public Health Advocates:

"I applaud the successful efforts of the Attorneys General to put an end to flavored cigarettes. Simply put, they add to the tobacco industry's arsenal of methods to lure our children into lifelong, deadly tobacco addictions."

– Cheryl Heulton, Dr. P.H., President and Chief Executive Officer, American Legacy Foundation

"I congratulate the Attorneys General of New York and Illinois for their aggressive moves which have caused RJ Reynolds to stop marketing, producing and selling flavored cigarettes in this country. RJ Reynolds' marketing of these cigarettes was an outrageous attempt to lure children into smoking. Attorneys General Spitzer and Madigan and the other Attorneys General have done a great service for America's children and teens."

–Joseph A. Califano, Jr., President of the National Center on Addiction and Substance Abuse at Columbia University; Chairman of the Citizens' Commission to Protect the Truth; and former U.S. Secretary of Health, Education and Welfare

"We commend Attorneys General Spitzer and Madigan and the other Attorneys General for ending R.J. Reynolds' blatant attempt to use candy- and alcohol-flavored cigarettes to addict kids. This is an important step forward in our national campaign to curb tobacco use and highlights the need for the U.S. Congress to enact legislation to ensure that these and other tobacco products are regulated by the U.S. Food and Drug Administration."

–John L. Kirkwood, President and Chief Executive Officer of the American Lung Association

[Return to October 2006 Press Releases](#)