

DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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ATTORNEY GENERAL MARK BENNETT AND OTHER ATTORNEYS GENERAL REACH HISTORIC SETTLEMENT WITH R.J. REYNOLDS TO END THE SALE OF FLAVORED CIGARETTES

(HONOLULU) Attorney General Mark Bennett today announced that R.J. Reynolds Tobacco Company ("Reynolds") and the Attorneys General of 39 states have entered into a settlement that ends the sale of candy, fruit and alcohol flavored cigarettes manufactured and sold by Reynolds.

Under the settlement, Reynolds agreed to a ban in the United States of its flavored Camel, Kool and Salem cigarettes. The agreement also imposes significant marketing restrictions that make it virtually impossible for Reynolds to market a flavored cigarette to youth in the future. The following restrictions apply to any cigarette manufactured by Reynolds in the future that has a characterizing 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.
- 2. Reynolds may not use print advertising, point of sale materials, exterior packaging or non-age-verified direct mail or internet advertising 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.
- 3. Reynolds may not distribute scented promotional materials, such as "Lift and Sniffs" or "Scratch and Sniffs."

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Attorney General Mark Bennett stated, "Flavored cigarettes appeal to children. They should not be sold by anyone, and R. J. Reynolds was bound by its 1998 agreement not to target kids. This is a settlement that will help our kids in a very real way. And, the agreement not to sell "Kaua`i Kolada" cigarettes will ban a practice particularly offensive to Hawaii. "

In July 2004, Governor Linda Lingle asked R.J. Reynolds to stop its "Kaua`i Kolada" campaign and halt the use of Kaua`i and Hawai`i images to market pineapple and coconut flavored cigarettes. At the time, the Governor called the campaign's use of the name Kaua`i and the image of a hula girl to target youth as "disgusting" and "offensive to the people of our state."

"This settlement will help prevent young people in Hawai`i and around the nation from starting the dangerous and addictive habit of smoking," said Governor Lingle. "Flavored cigarettes are nothing more than an attempt to prey on our youth and entice them with false images and artificial flavors and aromas that cover the serious health risks of tobacco."

The Attorneys General had asserted that Reynolds was violating the 1998 tobacco Master Settlement Agreement's prohibition on youth targeting through its advertising, marketing, and promotion of its flavored cigarettes.

Among the evidence that led the Attorneys General to conclude that Reynolds was targeting youth was:(1) the use of candy, fruit, and alcohol flavors with high youth appeal; (2) the use of advertising and packaging with graphics, typography, colors, styles, and themes that were enticing to youth; and (3) the use of "Scratch and Sniff" and "Lift and Sniff" promotional cards scented with sweet, candy aromas, but with none of the scent of tobacco.

The brand styles of flavored cigarettes sold by Reynolds that are specifically banned by the Agreement are:(1) *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; (2) *Salem Silver* - Dark Currents, Fire & Ice, Deep Freeze, and Cool Myst; and (3) *Kool Smooth Fusions* - Mintrigue, Mocha Taboo, Midnight Berry, and Caribbean Chill.

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Joining Attorney General Bennett in today's settlement are the Attorneys General of Alaska, Arizona, Arkansas, California, Commonwealth N. Marianas, Connecticut, Delaware, Idaho, Illinois, 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.

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