

## The Point of Sale Problem in Numbers

### In New York there are approximately...

- **21,130** tobacco retailers, **at least a third** of which are convenience stores.<sup>1</sup>

### Nearly all convenience stores sell tobacco products.

- **91 percent** of convenience stores sell tobacco products.<sup>2</sup>
- **55 percent** of all tobacco sales are made at convenience stores.<sup>3</sup>

### Virtually all tobacco retailers display tobacco marketing.

- **100 percent** of tobacco retailers display cigarette advertisements inside their store;<sup>4</sup> convenience stores are significantly more likely to exhibit multiple types of tobacco marketing.<sup>5</sup>
- **83 percent** of convenience stores display interior price promotions.<sup>6</sup>
- **96 percent** of the tobacco industry's total **\$9.45 billion** marketing budget is spent on retail marketing (in stores).<sup>7</sup>

### Youth are highly exposed to tobacco marketing in convenience stores.

- **48-70 percent** of youth visit convenience stores at least once a week.<sup>8</sup>
- **84.8 percent** of high schoolers in New York reported awareness of tobacco advertising in stores in 2014.<sup>9</sup>

### Tobacco marketing is a cause of youth tobacco use initiation.

- In one study, 11-14 year olds who visited convenience, liquor, or small grocery stores at least twice a week were **more than twice as likely** to begin smoking as those who rarely visited such stores.<sup>10</sup>
- **3,800** youth under 18 years of age smoke their first cigarette each day in the United States.<sup>11</sup>
- **99 percent** of adults who are daily smokers begin by 26 years of age.<sup>12</sup>
- **88 percent** of adults who are daily smokers begin by 18 years of age.<sup>13</sup>



image source: [www.trinketsandtrash.org](http://www.trinketsandtrash.org)

<sup>1</sup> Data Source: Active Retail Tobacco Vendors, *available at* health.data.ny.gov. “Convenience/Gas” category (7,750 retailers in 2015) includes: Convenience Store, Convenience/Gas, and Gas Station categories as coded in the state database.

<sup>2</sup> U.S. CENSUS BUREAU, 2012 Economic Census. “Convenience stores” includes NAICS industry codes 445120 (Convenience stores) and 447110 (Gasoline stations with convenience stores), which together represented 123,900 total establishments in 2012. “Tobacco products” refers to products and services code 20150 (Cigars, cigarettes, tobacco, and smokers' accessories, excluding sales from vending machines operated by others).

<sup>3</sup> *Id.* “Tobacco sales” refers to products and services code 20150 (Cigars, cigarettes, tobacco, and smokers' accessories, excluding sales from vending machines operated by others).

<sup>4</sup> CENTER FOR PUBLIC HEALTH SYSTEMS SCIENCE. Point-of-Sale Report to the Nation: Realizing the Power of States and Communities to Change the Tobacco Retail and Policy Landscape. St. Louis, MO: Center for Public Health Systems Science at the Brown School at Washington University in St. Louis and the National Cancer Institute, State and Community Tobacco Control Research Initiative, 7 (2016) (sampling 2,275 stores in 97 counties and 40 states).

<sup>5</sup> CENTERS FOR DISEASE CONTROL AND PREVENTION (CDC), *Point-of-purchase tobacco environments and variation by store type--United States, 1999*, 51 MMWR MORB. MORTAL. WKLY. REP. 184–187 (2002) (finding that 92 percent of stores surveyed in 1999 contained some form of marketing presence [*i.e.*, interior or exterior advertising, self-service pack placement, multipack discounts, tobacco-branded functional objects, or vending machines] and that convenience stores were significantly more likely to exhibit five out of six of these marketing indicators).

<sup>6</sup> CENTER FOR PUBLIC HEALTH SYSTEMS SCIENCE., *supra* note 4, at 8 (reporting that 83 percent of the “convenience stores with gas” category, and 75 percent of the “convenience store without gas” category [representing a smaller number of stores], displayed price promotions in 2014).

<sup>7</sup> FED. TRADE COMM'N, CIGARETTE REPORT FOR 2013 (2016); FED. TRADE COMM'N, SMOKELESS TOBACCO REPORT FOR 2013 (2016). “Tobacco industry” consists of (1) major U.S. manufacturers of cigarettes that reported to the Federal Trade Commission (“FTC”): Altria Group, Inc., (ultimate parent to manufacturer Philip Morris U.S.A); Commonwealth Brands, Inc. (acquired by manufacturer Imperial Tobacco Group (“ITG”) in 2007); Lorillard, Inc. (parent to manufacturer Lorillard Tobacco Co.); Reynolds American, Inc. (parent of manufacturers R.J. Reynolds Tobacco Co. and Santa Fe Natural Tobacco Company, Inc.); and Vector Group Ltd. (parent to manufacturers Liggett Group LLC, Vector Tobacco Inc. and Liggett Vector Brands LLC); and (2) major U.S. manufacturers of smokeless tobacco that reported to the FTC: Altria Group, Inc. (parent to U.S. Smokeless Tobacco Company); North Atlantic Trading Company, Inc. (parent to National Tobacco Company LP); Reynolds American, Inc. (parent to American Snuff Company, LLC); Swedish Match North America, Inc.; and Swisher International Group, Inc. (parent to Swisher International, Inc.). Cigarette manufacturers' expenditures on “retail marketing” are comprised of expenditures on “Coupons,” “Point of Sale,” “Price Discounts,” “Promotional Allowances – Retailers,” “Promotional Allowances – Wholesalers,” “Retail Value Added – Bonus Cigarettes” and “Retail Value Added – Non-Cigarette Bonus” as defined in the Cigarette Report for 2013. Smokeless tobacco manufacturers' expenditures on “retail marketing” are comprised of expenditures on “Coupons,” “Point of Sale,” “Price Discounts,” “Promotional Allowances – Retailers,” “Promotional Allowances – Wholesalers,” “Retail Value Added – Bonus Smokeless Tobacco Product” and “Retail Value Added – Non-Smokeless Tobacco Bonus” as defined in the Smokeless Tobacco Report for 2013.

<sup>8</sup> U.S. DEP'T OF HEALTH AND HUMAN SERVICES, OFFICE OF THE SURGEON GENERAL, PREVENTING TOBACCO USE AMONG YOUTH AND YOUNG ADULTS: A REPORT OF THE SURGEON GENERAL 543 (2012), <http://www.ncbi.nlm.nih.gov/books/NBK99237/> (last visited Jun 29, 2016) (reporting findings from 2001-2005 that 70% of youth shop weekly at c-stores); Ashley Sanders-Jackson et al., *Convenience store visits by US adolescents: Rationale for healthier retail environments*, 34 HEALTH PLACE 63–66, 63 (2015) (finding half of teens in a nationally representative sample shopped weekly at c-stores).

<sup>9</sup> N.Y. DEP'T OF HEALTH, BUREAU OF TOBACCO CONTROL, “Youth Exposure to Tobacco Marketing Remains High,” StatShot Vol. 9, No.2 1(March 2016).

<sup>10</sup> Lisa Henriksen, Nina Schleicher, Ellen Feighery, and Stephen Fortmann, *A Longitudinal Study of Exposure to Retail Cigarette Advertising and Smoking Initiation*, 126 PEDIATRICS 232, 232 (2010).

<sup>11</sup> U.S. DEP'T OF HEALTH AND HUMAN SERVICES, OFFICE OF THE SURGEON GENERAL, *supra* note 6 at 16.

<sup>12</sup> *Id.* at 2.

<sup>13</sup> *Id.* at 2.

