



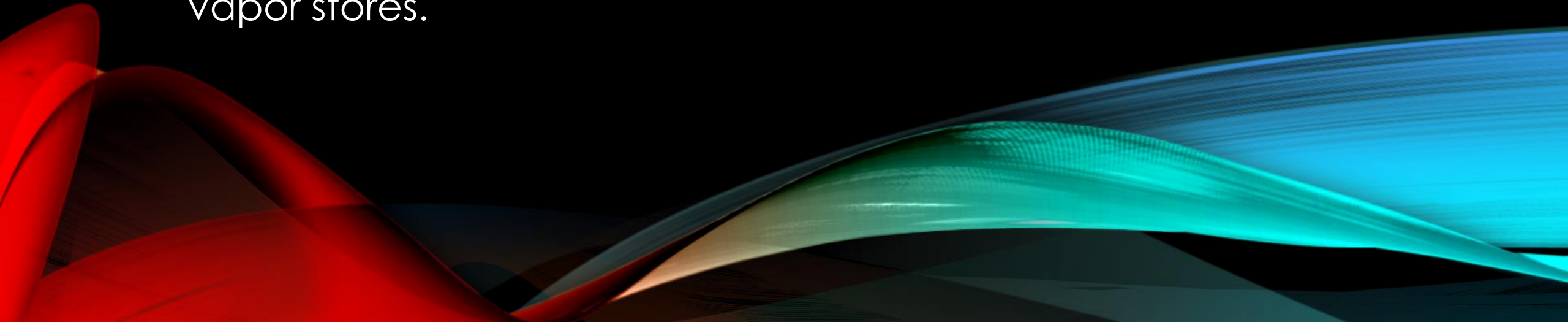
KENTUCKY SMOKE FREE ASSOCIATION

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- We want to help the citizens of Kentucky.
- Why is Vapor Different?
- What will be the financial effect on small business?

WE ARE NOT HERE TO REQUEST VAPOR PRODUCTS TO BE ALLOWED IN PUBLIC PLACES

- The Kentucky Smoke Free Association and its supporting members are not in opposition to vapor products being added to the public smoking ban.
- What we are in opposition of is not providing an exemption for vapor stores.





SO WHY DO VAPE STORES NEED
THIS EXEMPTION?



- To help people transition to vaping most stores provide a large variety of flavors.
- Over 10 million adults across the nation use the wide selection of flavors as an incentive to get away from the tobacco flavor of cigarettes.

- Sampling at stores is integral to the process of aiding a customer make the switch.



NO E-LIQUIDS ARE EXACTLY ALIKE.

- E-Liquid manufacturing is not a one-size-fits-all production. Each has their specific formula, and chosen flavor concentrate's. Each e-liquid will taste different depending on the manufacturer of that e-liquid. It is somewhat similar to wine tasting. Every wine is special in one form or another depending on what company makes it, they all have their own ways which make them unique...This can be said for e-liquid.
- One customer may love a fruit flavor that another may dislike, therefore depending on the chemistry it takes to produce a product that is for a one-size-fits-all, this is simply not achievable.
- Selection is key as well. When using tobacco, you don't have much of a choice, they all taste similar. With respect to e-liquid, to stay diligent, most users change up their flavors depending on mood, season, and other variables.

E-LIQUID FLAVOR TESTING IS CRUCIAL TO SUCCESS.

- As each customer is unique in what their needs are to be successful in quitting tobacco. Not only is everyone's pallet different, but selection is also a key factor. Finding that flavor is just as important as the device that they are using.
- If a customer is not able to test, or try before they buy, how many times do you think they will spend their hard earned money until they give up and say “hey it’s just not for me” or “it didn’t work” and they go back to smoking, thus creating more of a public health issue.

GETTING STARTED



- Once flavors are selected and a starter device is purchased, you need to be able to show the customer how to set up their device.
- This entails how to fill it, how to prime the coil (heating element) in it, how to use it as best suited to their needs.

WE TRAIN AND TEACH IN HOUSE

- Vapor devices can be extremely complicated.
- Troubleshooting problems frequently requires using the device.



WE CONTINUALLY HELP CUSTOMERS
TO KEEP THEM ON THE PATH OF A
TOBACCO-FREE LIFE.

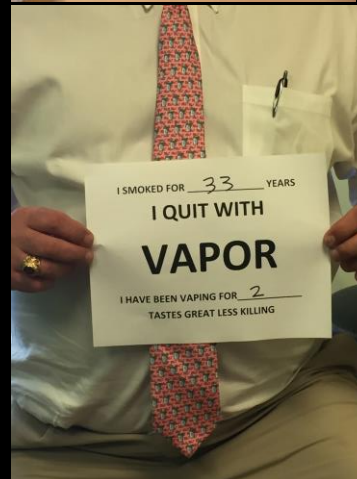
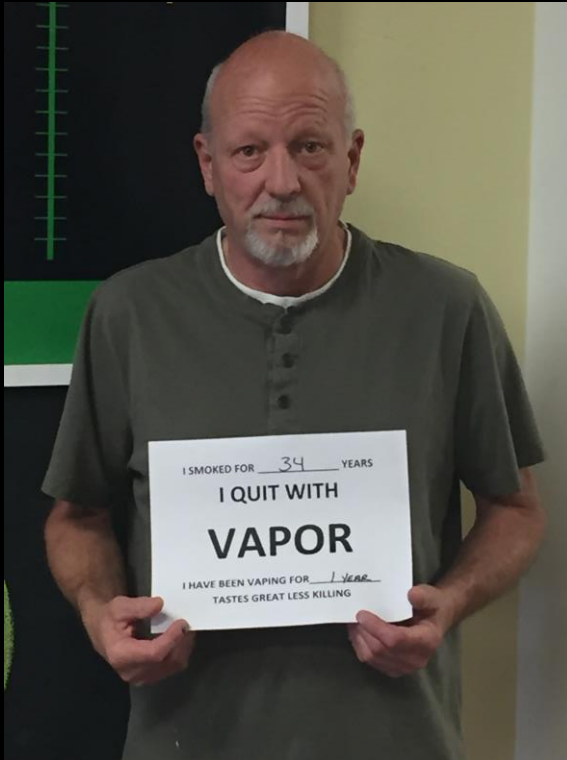
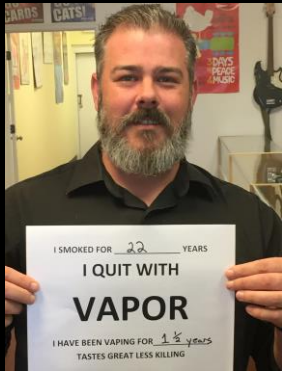
- As a matter of public safety you, should never send a customer out of the store without being familiar with how a device works.
- When returning to the store, most often, there are questions that need to be answered with hands-on operation.



Self Regulation Prior to State Law

- Vapor stores have always had a self regulating policy for no sale to minors. We implemented this policy prior to the state of Kentucky making it a law in 2014. We as an industry did not need regulation to implement common sense.
- We support this law. 
- “Kentucky officials have banned the sale of e-cigarettes to minors. Governor Steve Beshear ceremonially signed the bill into law on Monday that includes penalties for minors caught in possession of e-cigarettes, and fines for stores that sell them. ” – FOX19.com - 2014

VAPING IS NOT JUST FOR YOUNG ADULTS



- 70% of this industry is middle-aged and elderly adults who have struggled for years to quit smoking.
- They are so happy when they accomplish putting down the pack. They tell everyone around them. Afterwards friends and family members come in and we help them to quit. It is a good industry with the right intentions.
- To help people is what this industry was founded on by entrepreneurs and citizens who took the leap of faith to educate and inform their local area about the benefits of vapor products. **What we are doing is WORKING!!**

WE ARE IMPROVING PUBLIC HEALTH

- We all know the harmful effects of smoking tobacco cigarettes. This has been well documented.
- We know that **all active ingredients** contained in e-liquid are **FDA approved**.
- We are helping the citizens of Kentucky break-free from tobacco and they themselves can tell you their stories of how they feel.
- Their doctors can see the difference. The cost on **Medicare and Medicaid would be drastically reduced** if we promoted harm reduction and invested in future studies to determine the effects of vaping (if any). **The savings would far outweigh the revenue brought in by tobacco taxes.**
- Yet, at this time, this is what we have. **Over 10 million people can not be wrong!!**

SO HOW DOES THE BAN AFFECT BUSINESS?



THERE ARE OVER **60 SPECIALTY VAPOR STORES** IN LOUISVILLE/JEFFERSON COUNTY ALONE.

THESE STORES GENERATE OVER **25 MILLION DOLLARS** IN COMBINED ANNUAL REVENUE AND **EMPLOY ALMOST 400 EMPLOYEES.**

The vast majority of these small businesses are locally owned and operated.



TAX REVENUE REDUCED

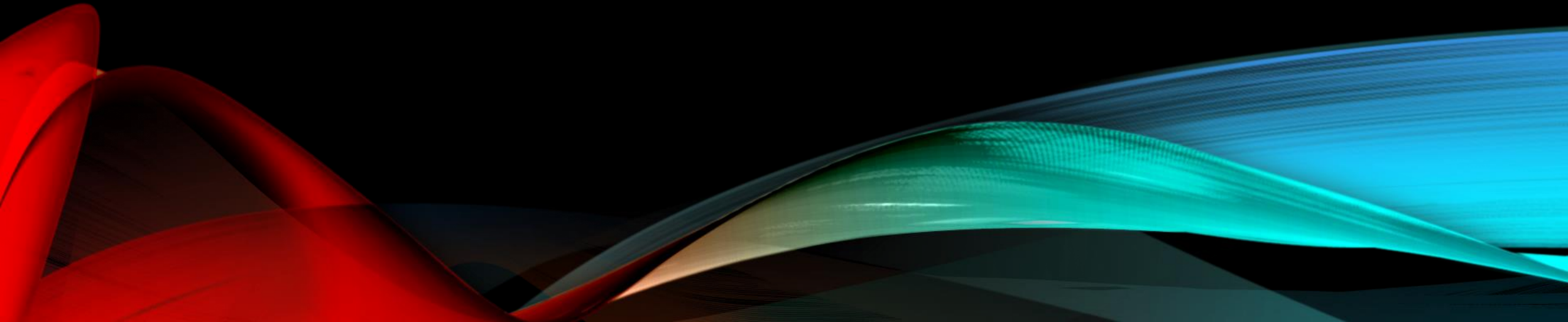
- This would be a **major blow** to the local economy, jobs, and commercial space occupancy.
- Most vapor stores sign **2 to 5 year leases**, of which, they would have to default on.
- Most would not be able to get out of their lease(s) and may be forced to pay out the lease, if at all possible.

VAPOR STORES GO OUT OF BUSINESS

- ❖ Shaun DaSylva of Fatboy Vapors (Gresham, OR)
“Since the ban on sampling in Oregon, our store sales are down over 32% and we had to let 2 of our full time staff go.”
- ❖ Anjo Griffith of 503 E-Liquid (Minnesota)
“We experienced about a 20% loss of revenue, immediately following the ban.”
- ❖ Matthew Crisp of Urban Vape
“Our stores have never rebounded.”
- ❖ Vapology (Boise, ID)
“No comment as they have gone out of business due to regulations”



WHY SHOULD VAPOR STORES GET
SPECIAL TREATMENT AND BE GRANTED
AN EXEMPTION THAT CIGAR BARS,
HOOKAH BARS, AND OTHER BUSINESSES
DO NOT HAVE?



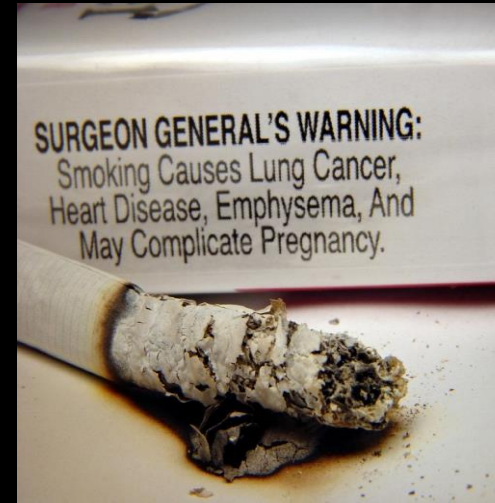
To start...these other industries promote tobacco products as a form of socialization or for straight profit.

Vapor Products contain:

NO tobacco products.
No combustible tobacco materials .

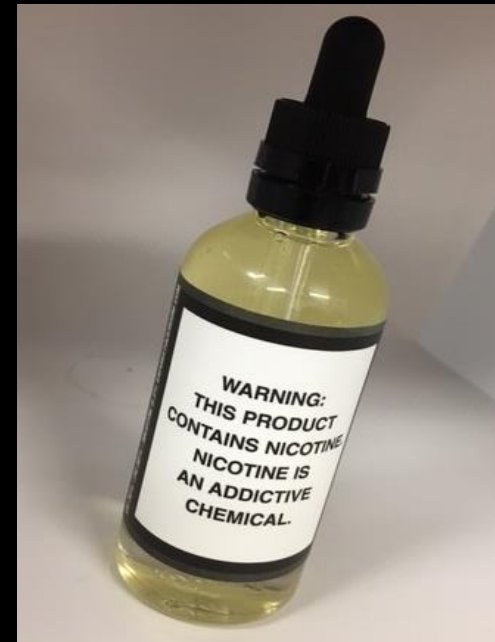
And for clarity, let's look at the warning labels mandated by our government on these products.

Even our own federal government cannot conclusively condemn vaping products.




“Smoking causes lung cancer, heart disease, emphysema and may complicate pregnancy.”

VERSUS



“This product contains nicotine. Nicotine is an addictive chemical”



Our opposition has made the claim that the smoking ban didn't affect the restaurant industry when it went into effect, so therefore it won't affect the vapor industry.

- Unlike restaurants, vapor stores **are NOT** in the business to serve food while providing the slight convenience of being able to smoke.
- Vapor stores are in the business to **provide vapor products.**
- Actions which directly affect our ability to conduct our business will impact our profitability which **will cause layoffs and closures.**



KNOW THE INDUSTRY BEFORE YOU REGULATE SMALL BUSINESS

“Rather than allowing customers to sample products indoors, vape shops can use other well-established customer service practices, such as offering small take-home samples, a limited time trial and money-back guarantee, or no cost exchanges of products. Or they can ask patrons to step outside to sample product. ” -Mayor Fischer : The Courier Journal

1.) "AS FAR AS A TRIAL/MONEY BACK GUARANTEE"

YOU CANNOT RE-USE OR RE-SELL ANY PRODUCTS THAT HAVE BEEN RETURNED AS THEY ARE ALL IN CHILD AND TAMPER RESISTANT BOTTLES. SO BASICALLY A STORE OWNER WOULD HAVE TO GIVE AWAY MORE PRODUCT THAN THEY SELL, PRIOR TO CUSTOMERS FINDING THE PRODUCT THAT THEY ACTUALLY WILL USE TO QUIT SMOKING.

2.) "ASKING PEOPLE TO STEP OUTSIDE TO SAMPLE A PRODUCT",

THIS IS PROHIBITIVE ON MANY LEVELS:

1. INCREASED STAFF FOR INVENTORY CONTROL.

2. WHY WOULD PEOPLE WANT TO SAMPLE IN THE RAIN AND THE COLD?

3. TYPICAL CUSTOMER'S WILL SAMPLE UPWARDS OF 20 DIFFERENT FLAVORS BEFORE SETTLING ON ONE. DO THEY GO IN AND OUT 20 TIMES EACH?

4. SOMETIMES WE HAVE DOZENS OF CUSTOMERS BEGINNING THEIR TRANSITION FROM SMOKING TO VAPING AT ONE TIME... WILL EACH OF THESE CUSTOMERS JUST COME AND GO AS THEY PLEASE?

3.) "OFFERING SMALL TAKE-HOME SAMPLES"

FDA REGULATIONS PROHIBIT GIVING AWAY SAMPLES OF VAPE PRODUCTS. IT'S AGAINST THE LAW.

A DISTINCT DIFFERENCE

COURIER JOURNAL

The Surgeon General, World Health Organization, and Federal Drug Administration all agree these products contain ingredients known to be toxic to humans, causing many diseases such as **asthma, chronic obstructive pulmonary disease, sudden infant death syndrome, cancer, heart attacks and strokes.**

- These are from time tested Tobacco research studies concerning hookah and tobacco NOT Vapor products yet they were lumped together and most do not read the difference.
- And the reason why all of these organizations agree?
- Because it is their money that was donated.

BRONCHIOLITIS OBLITERANS SYNDROME

Otherwise known as “Popcorn Lung” which was first found in workers in a popcorn manufacturing facility. The cause was determined to be the Butter flavoring used for their product because it contained a ingredient called Diacetyl. Which has been linked to (BOS).

Definition: (BOS) is a form of chronic lung allograft dysfunction that affects a majority of lung transplant recipients and is the principal factor limiting long-term transplant survival.

But there's 600 times more diacetyl in a cigarette and there have been NO KNOWN CASES of popcorn lung EVER from people who smoke cigarettes.



Formaldehyde

We know Formaldehyde is bad.

But the body produces formaldehyde naturally. You'll ingest more formaldehyde from eating a single pear than you'd gain from a day of vaping. Even Non-Smoking, Non-Vaping individuals exhale this on a daily basis.

STUDY PROVES THERE IS NO SECOND-HAND VAPING: E-CIGARETTE AEROSOL CONTAINS LESS VOLATILE COMPOUNDS THAN NORMAL EXHALED BREATH

Concentrations ($\mu\text{g}/\text{m}^3$) of selected VOC in air, smoke and exhaled breath^a.

Compound	No smoking		Tobacco cigarette smoking		Type 1 e-cigarette smoking		Type 2 e-cigarette smoking	
	Indoor air	Exhaled breath	Smoke	Exhaled breath	Smoke	Exhaled breath	Smoke	Exhaled breath
Pent-1-ene	0.5	0.6	700	68	nd	0.3	nd	nd
n-Pentane	nd	nd	1200	63	nd	7	nd	nd
Pent-2-ene	nd	0.5	625	52	nd	0.3	nd	nd
Isoprene	0.4	87	2700	670	nd	47	nd	45
Pent-2-ene	nd	0.3	460	32	nd	0.2	nd	nd
n-Hexane	1	nd	975	14	nd	nd	nd	0.6
Benzene	0.6	4	1100	49	0.6	0.8	nd	0.5
Isooctane	0.4	0.2	nd	nd	nd	0.2	nd	1.5
n-Heptane	0.2	0.4	890	26	nd	0.3	1	2.1
Toluene	5	11	1400	60	nd	3	4	6.4
n-Octane	nd	0.2	560	3	nd	nd	nd	nd
Ethylbenzene	0.2	0.6	660	6	1	0.2	nd	0.3
m-Xylene	0.2	0.5	980	7	nd	0.2	nd	0.2
p-Xylene	0.1	0.2	420	2	0.6	0.1	nd	0.1
o-Xylene	0.1	0.2	590	2	0.4	0.1	nd	0.1
Naphthalene	0.05	0.1	240	3	nd	nd	nd	nd
Nicotine	nd	nd	1300	7	720	4	710	1

^a All compounds were quantified with authentic standards except nicotine that was quantified with naphthalene.

ND=Not Detected

International Journal of Environmental Research and Public Health which states that :

“Exhaled e-cigarette aerosol does not increase bystander exposure for phenolics and carbonyls above the levels observed in exhaled breaths of air.”

YET WE ARE NOT HERE TO DEBATE THE SCIENCE

Our opposition can provide studies condemning vaping and second hand vape.

We can provide studies that discuss how virtually harmless second hand vapor is. None of this is conclusive.



Royal College
of Physicians
Setting higher medical standards

New Report States:

- Minimal risk in using vaping as smoking alternative.
- Doctors should be helping people to start vaping if they are giving up cigarettes.
- Health Bodies across the world should be supporting vaping to reduce smoking related diseases.



Public
Health
England

**Use of e-cigarettes in public places
and workplaces**

Advice to inform evidence-based policy
making



Although the first reaction is usually correct.

In 2013 it was voted unanimously to NOT include Vapor products in the public smoking ban for “Lack of sufficient evidence and scientific research”

So what happened the same year??

THE UNIVERSITY OF LOUISVILLE ANNOUNCED THAT RESEARCHERS AT THE SCHOOL HAVE BEEN AWARDED MORE THAN \$14 MILLION IN GRANTS TO HELP THE FOOD AND DRUG ADMINISTRATION DEVELOP EVIDENCE-BASED TOBACCO POLICY.-
COURIER JOURNAL



Kentucky On Average disperses a mere 0.6% of tobacco tax revenue collected for research.

Out of 389 million

Only 2.3 million applied.

It is no wonder why they needed this additional funding.

In Summary

- There is consensus that vaping is a MUCH safer alternative to smoking.
- There is consensus that vaping gets people to stop smoking tobacco.
- There is consensus that getting people to quit saves hundreds of millions in healthcare costs.
- The legislation with the exemption accomplishes 99% of your goal of getting vaping out of public spaces.
- We want to work with you to craft sensible legislation that protects the public and allows business to grow.

500K PEOPLE DIE FROM SMOKING RELATED
ILLNESSES A YEAR.

OUR INDUSTRY IS DOING ITS BEST TO PROVIDE A SAFER
ALTERNATIVE AND BY NOT PROVIDING THIS EXEMPTION
YOU ARE CREATING UNFAIR BARRIERS THAT WILL PREVENT
US FROM PROMOTING PUBLIC HEALTH AND SAFETY.

LADIES AND GENTLEMAN OF THE COUNCIL, ON
BEHALF OF THE VAPOR INDUSTRY IN THE CITY OF
LOUISVILLE AND JEFFERSON COUNTY, WE
IMPLORE YOU TO NOT PASS THIS PROPOSED
AMENDMENT INTO LAW WITH OUT FIRST
IMPLEMENTING AN EXEMPTION FOR VAPOR
RETAIL STORES.