

Trend Alert: Use of Non-Cigarette Forms of Tobacco on the Rise



- **While sales of cigarettes are declining, the sales of other tobacco products are on the rise.** According to the United States Alcohol and Tobacco Tax and Trade Bureau, the sales of non-cigarette forms of tobacco have increased dramatically in recent years. Following is the percentage change in sales:

2002-2007	Last year (2007-2008)
Small cigars: +116.9%	Small cigars: +15.7%
Large cigars: +5.2%	Large cigars: +1.9%
Snuff: +24%	Snuff: +7.3%
Roll Your Own: +62.7%	Roll Your Own: +14.9%
Cigarettes: -13.1%	Cigarettes: -4.2%

- **The use of hookah is becoming increasingly popular among high school students.** A study of youth age 14 to 18 and their use of hookah showed that 21% of non Arab-American youth have ever used a water pipe, higher than the current high school smoking rate of 20%. Among Arab-American youth, 38% had ever used a waterpipe. Approximately a third of those surveyed felt the hookah was safer than cigarettes.¹ According to the American Lung Association's 2007 Tobacco Policy Trend Alert *An Emerging Deadly Trend: Waterpipe Tobacco Use*, waterpipe use is also a strong predictor of cigarette smoking. The researchers found that the odds were two times greater that teens who used hookahs would also be cigarette smokers.
- **More college students are smoking hookah than cigarettes.** A poll conducted by researchers at the University of Pittsburgh School of Medicine found that more Pitt students have smoked tobacco from a hookah, or water pipe, than had smoked cigarettes. Researchers found that 41 percent of the 647 students surveyed said they had smoked a hookah, compared to 39.6 percent who said they had ever smoked a cigarette. Among those who had previously smoked a hookah within the past year, 88 percent said they would do so again.²
- **High school students are using smokeless tobacco and cigars.** A 2007 study conducted by the Center for Disease Prevention and Control found that about 8% of high school students reported using spit or other smokeless tobacco at least once in the 30 days before the survey. More than 13% of all the boys and more than 2% of all the girls surveyed had used some form of smokeless tobacco. The study also concluded that about 14% of high school students had smoked cigars in the last 30 days. Male students (19%) were more likely to smoke cigars than female students (8%).
- **African Americans use little cigars more than any other ethnicity.** A recent study found that little cigar prevalence among African Americans was four times that of other racial or ethnic groups. The study also showed that little cigar users had the highest proportion of users who were African Americans, earned less than \$25,000, and had a high school degree or less, when compared to cigar and cigarette users.³
- **Price plays a factor in high sales of other tobacco products.** Keith Martin, owner of Tobacco Outlets Inc., a chain of c-store in the Chicago area that caters to smokers, said that a lot of smokers choose cigars because they are cheaper. Martin said that he has watched cigar sales grow beyond his expectations in his eight stores. One of the major reasons the category has been selling so well is the price, which for a pack of 20 little cigars is often \$2 or \$3 dollars cheaper than a pack of cigarettes, depending on the taxes of a given area.⁴
- **Kids are using other tobacco products in school.** According to an April 3, 2008 story in the *Wilmington News Journal*, kids in this Clinton County School district are using spitless tobacco and snus during school hours. Josh Frazier, a high school student, said, "A lot of people go from dipping to smoking [at the high school]. They'll dip during class and teachers don't know. They have pouches and all kinds of stuff."
- **Little cigars and Roll Your Own (RYO) tobacco sales are growing quickly and replacing sales of cigarettes due to lower tax rates.** According to a Morgan Stanley report, RYO and little cigar sales appears to be cannibalizing cigarette sales, and faster growth in these areas is driven by significantly lower excise tax rates.⁵
- **Tobacco companies report large increases in smokeless sales.** Since 2005, Reynolds American's sales of smokeless products soared 341% while its other tobacco sales edged up about 2.5%. At a February analyst conference CEO Susan Ivey said that Reynolds American has some new growth strategies including new products aimed at women smokers, a shift to premium blends, smokeless alternatives and selective

acquisitions.⁶ “David Sutton, spokesman for Altria Group, which owns Philip Morris USA, recently said smokeless category sales are rising between 6-8% per year, even as cigarette sales fall 2-3% each year.”⁷

- **The tobacco companies are coming up with new products to entice our kids.** RJ Reynolds is test marketed three new smokeless products in Columbus – Sticks, Orbs and Strips. The Camel Dissolvables Sticks can be placed in the mouth like a toothpick or broken into a piece that is placed between the upper lip and gum, where it dissolves after 10 minutes. RJR recommends the same usage for Orbs, which is a mint that lasts about 15 minutes, and Strips, which dissolve on your tongue like a Listerine Breathstrip. Strips come in Fresh mint flavor and Sticks in Mellow; Orbs are available in both flavors. The look and use of these forms of tobacco is similar to currently marketed candy. Camel Dissolvables deliver between 0.6 to 3.1 milligrams of nicotine, while cigarette smokers typically inhale about 1 mg per cigarette.⁸
- **Chewing tobacco is surging among boys.** According to a study by SAMHSA, the use of smokeless tobacco among boys ages 12 to 17 increased 30% between 2002 and 2007. More than half of the adolescent smokeless tobacco users also were current cigarette smokers.
- **The consumption of cigars has more than doubled over the years.** According to the trade organization Cigar Association of America, the per capita consumption of cigars has more than doubled since 1990. That includes large, premium, hand-rolled brands and mass-market, machine-rolled cigars that vary in size, such as Swisher Sweet cigarillos, White Owls blunts and Black & Mild filter-tip cigars. Data suggest the consumption of "little cigars" such as Winchesters -- which resemble cigarettes in almost every way but color -- jumped 154 percent between 1998 and 2006, according to the Campaign for Tobacco-Free Kids.⁹

Taxing all tobacco at the same rate and using the revenue to fund tobacco prevention and cessation programs can help by:

- **Dramatically reducing youth and adult tobacco use.** Taxing all tobacco at the same rate would decrease the overall consumption of other tobacco products by over 13%, and 25% fewer youth would use the products, a dramatic decline.
- **Restoring high-quality, science-based tobacco prevention and cessation programming in Ohio.** The income resulting from taxing all tobacco at the same rate, approximately \$50 million a year, should be dedicated to the Ohio Department of Health to continue the programs that have in the past been funded in communities around the state and that are inline with best practices as recommended by the Centers for Disease Control (CDC). These programs would give people the tools they need to stop using the products, learn the true dangers associated with them, and help lower usage rates. Although the amount generated by the tax correction equals less than the tobacco industry spends in one month in Ohio, the funding helps Ohio reach toward the goal of funding programs at the level recommended by the CDC.

Investing in Tobacco-Free Youth Coalition

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¹ Linda S. Weglicki, Thomas N. Templin, Virginia Hill Rice, Hikmet Jamil, Adnan Hammad. “Comparison of Cigarette and Water-Pipe Smoking by Arab and Non–Arab-American Youth.” *American Journal of Preventive Medicine*. October 2008 (Vol. 35, Issue 4, Pages 334-339).

² Brian A. Primack, J. Aime Sidani, Aaron A. Agarwal, William G. Shadel, Eric C. Donny and Thomas E. Eissenberg. “Prevalence of and Associations with Waterpipe Tobacco Smoking among U.S. University Students.” *Annals of Behavioral Medicine*. August 2008 (Vol 35, Number 1, Pages 81-86).

³ Elaine A. Borawski PhD, Ashley Brooks MPH, Natalie Colabianchi PhD, Katie Prprzepyszny MA, Erika Traple PhD, Jeff Willett PhD. “Adult use of Cigars and Little Cigars in an Urban Midwestern County.

⁴ “Tracking Tobacco Trends.” *Convenience Store Decisions*. January 2008.

⁵ Market Analysis Highlights Non-Menthol Headwinds.” *Morgan Stanley*. August 25, 2008. Page 2.

⁶ “Tobacco Giant Reynolds Paying 5.4% Dividend.” *Investor’s Business Daily*. March 5, 2008.

⁷ Riell, Howard. “Opportunities Abound in Tobacco,” *Convenience Store Decisions*. February 2009

⁸ Mike Beirne. “R.J. Reynolds Preps Dissolvable Tobacco.” *Brandweek*. October 8, 2008.

⁹ “Big Taxes Don’t Touch Little Cigars.” *Washington Post*. November 4, 2008.