

Date - TBD

DRAFT

Dear Valued Retailer:

The FDA has issued regulations affecting the way that retailers, distributors and manufacturers merchandise, market and sell cigarettes to consumers. As you know, certain regulations regarding age verification went into effect on February 28, 1997. The next portion of regulations affecting retailers goes into effect on August 28, 1997 and consists of the following requirements:

- Self-service displays are prohibited, except in adult only facilities
- Point-of-sale materials (both permanent and temporary) are limited to black text on a white background, except in adult only facilities
- No vending machines, except in adult only facilities
- No free samples
- No pack sales of less than 20 cigarettes
- No outdoor advertising within 1,000 feet of a public playground or elementary or secondary school
- No offering of any merchandise (except cigarettes) in exchange for cigarette purchases or proof of purchase
- No distribution, marketing or sale of branded merchandise

According to the regulations, an adult only facility is defined as one where the retailer ensures that no one under 18 is present, or permitted to enter, at any time. Additionally, color advertising in an adult only facility cannot be visible from the outside of the facility and must be attached to a fixture.

PM USA is committed to working with you so that your Philip Morris cigarette merchandising fixtures, displays and point-of-sale items will be in compliance with the regulations as of August 28, 1997. Your PM USA sales representative will contact you shortly to arrange a site survey to determine the location and quantity of PM USA materials in your store. During this visit, we also look forward to sharing solutions on how to continue merchandising the cigarette category so that you maintain both smoker satisfaction and category sales and profits.

Please contact your local PM USA Sales representative if you have any questions. We thank you for your continued support and cooperation. To obtain a full copy of the regulations, please contact your trade association or the FDA at:

Office of Policy (HF- 23)
Food and Drug Administration
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