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**FOR UP TO THE MINUTE NEWS AND
ADVICE ON EVERYTHING FROM THE
MENTHOL BAN TO COVID-19.**

WELCOME

The Menthol Ban, as it has come to be known, is yet another major hurdle for Scotland's local retailers to overcome in the tobacco category – but let's not forget how resilient the category has been in spite of ever more draconian legislation over the last decade or so. We've faced tougher challenges and we've come out the other end of them in one piece. The ban on characterising flavours, as the legislation is more formally described, is just the latest in a long line of challenges and, with a bit of planning, we can navigate our way through it with a minimum of fuss and disruption.

Talking of fuss and disruption, the current Covid-19 pandemic is certainly not going to make the menthol ban transition on 20 May any easier. But we have no choice but to face up to life in retail as it currently is and do the best we can to keep our customers supplied with the goods and services they need. It's what we do. It's what we've always done. And, as we've learned in recent weeks, nobody does it better.



This handbook is our attempt to help simplify the menthol ban for you. It contains all the relevant rules and regulations; research, advice on what to expect and how to cope; and a selection of the key products that the estimated 26% of adult smokers who currently choose menthol or capsule products might turn to from 20 May.

I urge you to set aside 20 minutes with a cup of tea to go through this handbook and make sure that you and your staff understand the implications of the ban and know how to talk to your customers knowledgeably and helpfully about the ban. I would also ask you to check that you have a strong range of alternatives in-store by the time 20 May rolls around. No one knows how menthol and capsule smokers will respond – so all we can do is have as many alternatives available as possible.

Good luck.

Antony Begley
Editor, SLR

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TURN A FRESH CHALLENGE INTO A FRESH OPPORTUNITY

THE BAN ON CHARACTERISING FLAVOURS IN THE TOBACCO CATEGORY THAT IS SET TO HIT THE UK ON 20 MAY IS THE LATEST IN A SERIES OF SIGNIFICANT CHALLENGES FOR LOCAL RETAILERS – BUT THERE ARE PLENTY OF OPTIONS OUT THERE FOR RETAILERS TO APPEAL TO THE ESTIMATED 26% OF UK ADULT SMOKERS WHO CURRENTLY USE MENTHOL OR CAPSULE PRODUCTS.

WHAT WILL MENTHOL SMOKERS DO ON MAY 20TH?

A JTI survey of 350 retailers polled respondents on what they thought their menthol- and capsule-smoking shoppers were likely to do after the ban comes in. Here are the responses:

- * 25% of retailers believe current menthol and capsule smokers will remain brand loyal within the ready-made cigarette category (switch to plain cigarettes from the same brand)
- * 19% think consumers will switch to roll-your-own tobacco
- * 45% believe their customers will switch to vaping or other reduced risk products
- * 11% assume smokers will leave the category altogether

We have known for a long time that the 'menthol ban' has been on its way and that it will take effect on 20 May but what looked to be a complex trading period has been made infinitely more so by the current Covid-19 pandemic. As time runs out then, the need to be as prepared as possible for the ban has never been more urgent if retailers want to minimise confusion and disruption in stores across Scotland.

Technically, the ban is on all 'characterising flavours' in tobacco products but in the UK that pretty much boils down to menthol products. Here, menthol tobacco and capsule products represent a very significant chunk of the category. It is estimated that menthol and capsule products account for more than a quarter (26%) of all tobacco sales.

That means a lot of adult smokers who are going to wake on the 21st of May wondering why they can't

buy their product of choice any longer – and having to decide what to do next.

And it's not just consumers who have been confused about the implications of the ban. A recent survey conducted by JTI has revealed significant levels of uncertainty among retailers too. The survey of over 350 retailers found that almost a quarter (23%) didn't know capsule cigarettes will be included in the ban and a similar percentage (24%) didn't know that there will be no sell-through period.

Similarly, there also appeared to be confusion around whether non-tobacco products would be included in the ban. Over a third (34%) incorrectly believed that mentholated smoking accessories

20th
May

The date the new ban comes into force

will be banned and one in five believed, again incorrectly, that menthol e-liquids will be included in the ban.

One area where the survey found less confusion however was in the impact that the ban will have on local retailers. Some 57% think the ban will reduce footfall while 77% were concerned it will have a negative impact on their business.

The big question, then, is what exactly will that 26% of menthol tobacco smokers do on the morning of the 21st of May?

The JTI survey mentioned above also asked retailers what they thought their customers would be most likely to do after the ban takes effect. Of course, what retailers think their customers will do and what their customers actually do may be two entirely different things, but the results were nonetheless revealing.

Around a quarter of retailers believe current menthol and capsule smokers will remain brand loyal within the ready-made cigarette category (i.e. switch to plain cigarettes from the same brand), 19% think consumers will switch to roll-your-own tobacco, 45% believe their customers will switch to vaping or other reduced risk products and 11% assume smokers will leave the category altogether.

If these predictions are accurate, the biggest percentage is the 45% of customers who will find alternative ways of finding their menthol hit, and this opens up a set of new higher margin opportunities for retailers.

To help retailers figure out their options, we have produced this Handbook to take an in-depth look at some of the solutions that could play an important role in helping local retailers retain that 26% of menthol tobacco smokers and potentially grow their margins into the bargain.

HOW TO PREPARE FOR THE MENTHOL BAN

TALK TO YOUR CUSTOMERS

By engaging with menthol shoppers early on, retailers can raise awareness of the menthol ban and encourage them to consider what alternative products will be available to them after 20 May. Having conversations with shoppers ahead of time will help retailers gain valuable insights into what action they might take once the ban is in effect and use this to shape their range.

DRIVE VISIBILITY

When it comes to vaping and some other non-tobacco menthol products, retailers can display, advertise and promote them in and around the store. Dynamic displays, eye-catching POS and countertop display units will help drive visibility and grab the attention of shoppers as soon as they walk through your door.

KNOW YOUR PRODUCTS

In order to succeed post-ban, it's crucial that retailers and their staff understand what changes are coming and know what products and brands they have on offer in order to advise customers effectively. Training is key to success in this regard so taking time to talk staff through the ranges on offer will go a long way to help protect and maximise sales post-ban.

Q & A

JTI ADDRESSES INDUSTRY CONCERNS

SLR CAUGHT UP WITH JTI COMMUNICATIONS DIRECTOR MARK YEXLEY TO HEAR HIS ADVICE ON THE MOST PRESSING CONCERNS OF THE LOCAL RETAILING SECTOR AS THE MENTHOL BAN APPROACHES.



WE UNDERSTAND THAT, AS MUCH AS IS POSSIBLE, THE MESSAGE FROM JTI IS THAT IT'S BUSINESS AS USUAL FOR RETAILERS?

"This is correct, it is business as usual and we recommend that retailers maintain full availability and range right up until the Menthol Ban deadline, in order to meet the needs of existing adult smokers. Menthol and capsule ready-made cigarette currently account for approximately 25% of tobacco sales in the independent retail channel, representing a key profit opportunity."



AS THE MENTHOL BAN CONTINUES TO DRAW EVER NEARER, WHAT ARE YOUR TOP TIPS FOR RETAILERS ON HOW BEST TO PREPARE?

"It is important for retailers to be prepared for the changes that the Menthol Ban will bring. As with the Retail Display Ban, Plain Packaging and Track & Trace, those who prepare well will experience the least disruption to their business.

"We encourage retailers to take note of the following:

KNOWLEDGE IS KEY

"Retailers should ensure that they and their staff are aware of the details surrounding the upcoming

legislation. They should also be familiar with the alternative options available after the ban, and confident in their knowledge so that they are able to inform their existing adult smokers."

COMMUNICATION IS CRUCIAL

"Existing menthol and capsule cigarette smokers might have questions about the ban. Ensure staff are knowledgeable so that they can answer these questions with confidence."

FOCUS ON COMPETITIVE PRICING

"Price will remain a key factor for existing adult smokers when choosing where to shop for tobacco. JTI recommends selling at RRP or below to maximise sales and avoid lost custom." *Retailers are of course free to sell JTI products at whatever price they choose."

MAINTAIN FULL AVAILABILITY AND RANGE

"Retailers should maintain full availability and range, including menthol and capsule cigarettes, stocking key brands, to ensure they meet the needs of their existing adult smokers pre-May 2020."

BE AWARE OF ILLICIT TOBACCO

"We do have a concern that after the ban, some menthol and capsule smokers who can't buy

EMBRACING THE MENTHOL OPPORTUNITY

WITH OVER A QUARTER OF ADULT SMOKERS CURRENTLY CHOOSING MENTHOL OR CRUSHBALL PRODUCTS, THE BAN ON FLAVOURED TOBACCO PRODUCTS ON MAY 20TH REPRESENTS A HUGE OPPORTUNITY FOR LOCAL RETAILERS.

BY DUNCAN CUNNINGHAM, UK CORPORATE AFFAIRS
DIRECTOR, IMPERIAL TOBACCO AND BLU



THE VOLUME AND VALUE OF THE EXISTING MENTHOL TOBACCO MARKET

Menthol and crushball sales are collectively worth 26% of the total UK tobacco market, according to Imperial Tobacco UK estimates, which means they make up nearly 1 in 4 cigarette sales. Given its sizeable share of the tobacco market and store sales, this is an important change that retailers and their customers need to be prepared for to avoid missing out on sales.

GUIDANCE AROUND THE LEGISLATION

The UK Government began the process of phasing out flavoured tobacco products in May 2016, with a complete ban due to be in place by 20th May 2020. The ban is part of the European Tobacco Products Directive (EUTPD) which places limits on the sale and merchandising of tobacco products in the EU.

Many adult smokers are brand

loyal, especially within factory made cigarettes. Shoppers that want to continue smoking are likely to keep buying the same cigarette brand and just change to the closest variant to it. By monitoring tobacco sales and talking to customers about the ban, retailers can more effectively advise customers on the most suitable variant for them from their brand of choice. As well as offering great customer service, retailers can use this insight to help plan their range and stock requirements in the lead up to the 20th May.

For smokers that are keen to stick with their flavour preference, there are a number of innovative solutions available, including our new Rizla Flavour Infusions. The Rizla Flavour Infusions range includes two variants of menthol flavour cards which you simply insert into a packet of cigarettes or roll your own tobacco and wait at least 60 minutes for the contents to mentholate.

It's also worth remembering that crushball filter tips, as a stand-alone smoking accessory product, remain unaffected by the menthol ban, so products such as our Rizla Polar Blast Crushball filter tips present another great option for these shoppers.

While some adult smokers may simply switch to other traditional tobacco alternatives, many menthol consumers may also use this as an opportunity to explore new ways to stick with their flavour preference and move into vaping.

To prepare for this potential influx of ex-menthol smokers into the vaping category, retailers should ensure they stock up on easy-to-use pod mod systems like myblu. Any devices on offer should be supported by a strong range of menthol e-liquids and Liquidpods, especially those including nicsalts like myblu Intense, to help heavier smokers switch. Regardless of the ban, the top-selling blu e-liquid flavour is menthol, so these variants are already very popular within the vaping category and well worth stocking up on.

ADVICE ON COMMUNICATING THE FORTHCOMING BAN EARLY AND EFFECTIVELY

The ban on menthol tobacco products will leave many existing adult smokers without their product of choice. Some current menthol and crushball smokers may move into roll your own, others may opt for a different variant of the same cigarettes

brand, while others may switch to vaping. However, this shift in consumer purchasing behaviour may present significant sales opportunities for retailers who are prepared for the changes and engage with shoppers ahead of the ban. Using the insight from conversations with smoker customers, retailers can shape their range and ensure it's fit for purpose post-ban.

HELP ON COMMUNICATING THE POTENTIAL BENEFITS OF THESE PRODUCTS TO CONSUMERS

It's vitally important that retailers talk to their customers. By engaging with menthol shoppers early on, retailers can raise awareness of the menthol ban and encourage them to consider what alternative products will be available to them after 20th May. As well as providing great customer service, having conversations with shoppers ahead of time will help retailers gain valuable insights into what action they might take once the ban is in effect and use this to shape their range.

DRIVE VISIBILITY

When it comes to vaping, retailers can display, advertise and promote vaping products in and around the store. Dynamic displays, eye-catching PoS and countertop display units will help drive visibility and grab the attention of shoppers as soon as they walk through your door.

CATEGORY ADVICE

It's really all about focusing on three key elements: *range, availability and education.*

- * Retailers should offer a broad range of products from leading brands across all the different tobacco segments, as well as stocking a strong selection of accessories such as lighters and other recent innovations like Rizla Flavour Infusions and Polar Blast Crushball filter tips.
- * Running regular stock checks and maintaining availability at all times is also essential as nicotine shoppers are often brand loyal and can be easily put off returning to a store if the specific product or brand they're looking for is out of stock.
- * Probably the most important thing of all is education. If retailers and their staff know the products well so they can talk comfortably to adult smokers about them in answering any questions they may have, this will pay off massively in terms of sales and repeat visits.

KNOW YOUR PRODUCTS

In order to succeed post-ban, it's crucial that retailers and their staff understand what changes are coming and know what products and brands they have on offer in order to advise customers effectively. Training is key to success in this regard so taking time to talk staff through the ranges on offer will go a long way to help protect and maximise their sales post-ban.

Retailers are free at all times to determine the selling prices of their products.



JTI: HERE FOR YOU AHEAD OF THE BAN

WITH THE UPCOMING MENTHOL BAN SET TO BRING NEW CHALLENGES FOR SCOTLAND'S LOCAL RETAILERS, JTI HAS RESPONDED WITH A RAFT OF SUPPORT, ADVICE AND INNOVATIVE NEW PRODUCTS.

BY MARK YEXLEY, COMMUNICATIONS DIRECTOR, JTI



The Menthol and Capsule Ban is the next phase of the EUTPD2 legislation that first came into effect in May 2016. From May 20th, all Menthol and Capsule cigarettes will be banned from sale. It is important for retailers to be prepared for the changes that the Menthol Ban will bring. As with the Retail Display Ban, Plain Packaging and Track & Trace, those who prepare well will experience the least disruption to their business.

As the Menthol Ban is approaching, JTI's advice is for retailers to ensure the basic principles of category management are put into practice and make certain that they and their staff are knowledgeable about the impending changes. Remember, research has shown that almost a third of existing adult smokers choose to buy elsewhere if their brand is unavailable [Kantar, 2019]. Therefore, it's vital that retailers maintain full availability and

range to ensure they do not lose out on sales.

It's clear that the Menthol Ban is one of the biggest changes the industry has faced in recent years, however we know from experience that the tobacco category is extremely resilient. JTI understand that retailers are concerned about the impact the ban will have on their business, but is committed in supporting them to prepare for the changes ahead.

A recent survey conducted by JTI has revealed significant levels of retailer uncertainty ahead of the upcoming Menthol and Capsule cigarette ban, coming into force on 20th May.

The survey of over 350 retailers carried out via www.JTIAdvance.co.uk highlighted the need for further education and additional support for retailers on the specifics of the legislation. Key findings include:

- * 23% of those surveyed did not know that capsule cigarettes will be outlawed
- * A further 50% were not aware of the penalties they could incur for non-compliance
- * 34% incorrectly believed that mentholated smoking accessories will be banned
- * 24% did not know that there will be no sell through period
- * One in five believed that menthol e-liquids will be included in the ban
- * 57% think the ban will reduce footfall, whilst 77% were concerned it will have a negative impact on their business

In response to the findings, JTI has launched a dedicated microsite www.JTIAdvance.co.uk/MentholBan2020, which includes a host of practical information and an educational trade video to support retailers through the change. The website also contains a consumer facing page, which existing adult smokers can visit to find out more about the upcoming ban.

As part of the survey, retailers also gave their thoughts on what current menthol and capsule smokers could do after the ban:

- * 25% believe smokers will remain brand loyal within the RMC category
- * 19% think they will switch to roll your own tobacco
- * 45% are certain their customers will switch to vaping or other reduced risk products
- * 11% assume smokers will leave the category altogether.

JTI expect that the vast majority of adult smokers will remain brand loyal, with some switching to other alternatives based on their preference. As a manufacturer of choice, JTI continue to innovate to ensure the needs of existing adult smokers are met. The Menthol and Capsule cigarette ban will also provide a big opportunity for a number of exciting new products – including the Sterling Dual Capsule Leaf Wrapped cigarillo, the Logic vaping range, plus the new tobacco-free nicotine pouch, Nordic Spirit. We've also launched a range of alternative products with new tobacco blends and product and pack innovations ahead of the ban. JTI will be on hand to help support its trade partners through the transition – and advise retailers to visit the new microsite to ensure they are fully prepared.



Having up-to-date knowledge and keeping up with trends in the category is key. Taking time to learn about tobacco, whether that's through the JTI Advance portal or knowledgeable sales force, retailers can show their expertise on the category and NPD. Once a customer trusts a retailer, they are more likely to return, which allows retailers to profit in this category.

For more information retailers should visit JTI's new dedicated microsite www.JTIAdvance.co.uk/MentholBan2020. JTI's sales representatives will also be on hand to communicate the changes and answer any questions retailers may have in the lead up to May 20th and beyond.

ILLICIT TOBACCO

At this time of flux, it's also worth bearing in mind that illicit tobacco remains a widespread issue in the UK. The government estimates that illegal tobacco makes up around 9% of the cigarette market and 32% of the hand rolling marking in the UK. Illegal trade caused £1.8bn of lost tax revenue in 2017/8, with a total revenue loss of £45.2bn since 2001, according to HMRC figures.

To help tackle illicit trade, JTI has a dedicated anti-illicit microsite – www.jtiadvance.co.uk/DontBeComplicit - which features an easy-to-use 'report' function which anyone can use to anonymously report instances of illicit trade activity, including flagging any illicit tobacco posts that they have seen.

Any retailer who is aware of anybody selling illicit tobacco should also contact the HM Revenue & Customs' Fraud Hotline on 0800 788 887, Trading Standards on 03454 04 05 06 or the independent charity Crimestoppers anonymously on 0800 555 111.

The key to tackling the issue of illicit tobacco is the ability to work together; from the local authorities and police, to the manufacturers, retailers and wholesalers, right down to customers. Co-operation from all those involved in fighting illicit trade helps us be more effective in controlling it, both online and in stores.

WHAT ARE YOUR OPTIONS FROM MAY 20TH?

WITH THE SCENE SET FOR THE BAN, WHAT ARE THE MENTHOL ALTERNATIVES AVAILABLE FOR RETAILERS TO SELL FROM 20 MAY ONWARDS? SLR SUGGESTS A FEW OF THE SOLUTIONS MOST LIKELY TO APPEAL...

25%

Remain brand loyal within the cigarette category (choose plain tobacco versions of the brand they already choose)

11%

Leave the category altogether

19%

Switch to RYO

45%

Switch to vaping or other reduced-risk products

On the morning of Wednesday 20 May, retailers will open their stores to a brand-new world. From that day forward, sales of menthol and capsule cigarettes will be outlawed and around a quarter of adult smokers will no longer be able to buy their product of choice.

The big question is: what exactly will those adult smokers choose to do?

While no-one can possibly know the answer that question, it is reasonably safe to make several assumptions and build a new post-20 May range built on those assumptions.

When JTI asked over 350

retailers what they thought their shoppers would do, their answers were illuminating.

If retailers are correct, the big winner after 20 May will be vaping and other reduced-risk products. The major manufacturers, however, including JTI and Imperial Tobacco, say they expect “the vast majority of adult smokers will remain brand loyal, with some switching to other alternatives based on their preference”.

Only time will tell, but one thing is for sure: there will be some major shifts in buying habits from 20 May. Possibly the best advice to retailers is to simply ensure

they stock a broad range of the solutions that are most likely to appeal to menthol and capsule cigarette smokers looking for a satisfying alternative.

The great news is that there is no shortage of options on the market. The major manufacturers have been both busy and creative over the last 12 months creating and launching innovative new solutions for adult smokers keen to retain a menthol edge to their consumption.

To help you prepare for 20 May and the new menthol world order, we have highlighted a number of high-quality solutions over the coming pages to make building

your new post-ban range as straightforward as possible.

The solutions can broadly be broken down into seven categories as follows:

PLAIN TOBACCO

The leading manufacturers expect most menthol and capsule cigarette smokers to simply shift into plain versions of their preferred brand. Retailers are less confident of this outcome, as highlighted above, but it is highly likely that at least a significant proportion of smokers will take this route. To be prepared, make sure that your range is solid and availability is 100% in all key brands.

VAPING

The vaping category is one that is likely to see major growth in the wake of the smoking ban with menthol e-liquids and pods already the top-selling lines in Scotland. Public Health England has steadfastly maintained its belief that vaping is “95% less harmful” than smoking and the category is now well bedded-in with many high-quality devices and liquids available these days. There are many good reasons for consumers to give vaping a go and they have numerous menthol options available to them in an array of formats, strengths and different flavour profiles.

TOBACCO-FREE NICOTINE POUCHES

Nicotine pouches are extremely popular in other parts of the world, particularly Scandinavia and the US. The ultra-convenient format means consumers can get their nicotine and menthol hits

discreetly and easily.

JTI led the way in the UK with its Nordic Spirit products but there are now several rivals on the market like Swedish Match’s ZYN, Imperial’s Zone X, and BAT’s Lyft.

It’s a category that has the potential to grow significantly if consumers can be tempted to trial the product.

FILTER TIPS

Republic Technologies recently launched a suite of six new filters under its market-leading Swan brand. These include two crushball filters, a carbon paper filter for enhanced filtration, a Swan Long Extra Slim Filter and the most environmentally friendly filter in the Scottish market. The filters market is currently growing at almost 10% and this new range is set to drive that growth even faster.

Rizla also offers menthol filter tips including Rizla Polar Blast Crushball and this category looks likely to grow significantly after the menthol ban.

LEAF-WRAPPED CAPSULE CIGARILLOS

A relatively new solution, leaf-wrapped capsule cigarillos could be the ideal alternative for many menthol or capsule cigarette smokers as the look, feel and smoking experience will be comfortably familiar for many menthol or capsule cigarette smokers.

As these products are not covered by the EUTPD rules governing cigarettes they can still be sold

in packs of 10 (minimising out of pocket spend) and can still come in branded packs.

JTI was first to market with its Sterling Dual version last year while cigar giant Scandinavian Tobacco has recently launched its Signature Dual range.

MENTHOLATED CARD INSERTS

An interesting solution from cigarette paper giants Rizla, the Rizla Flavour Infusions range includes two variants of menthol flavour cards which consumers simply insert into a packet of cigarettes or RYO tobacco and wait for around an hour for the contents to mentholate.

The flavour cards are packed and wrapped separately. Smokers can choose to leave them in longer for a stronger flavour. They come in two varieties: Menthol Chill, which gives a more intense flavour; and the slightly smoother and mellow Fresh Mint.

HEAT-NOT-BURN

Currently dominated by PMI’s IQOS product, the heat-not-burn category has been simmering away for a while in the UK now. The category is massive in countries like Japan but it hasn’t quite taken off here yet, although the menthol ban may prove a catalyst for more adult smokers to give IQOS a go.

In terms of smoking experience, it’s very similar to a traditional cigarette but the innovative technology means it’s a far less harmful alternative. This could be the year that IQOS moves up a gear.

'NEW DUAL' RANGE TO UNLOCK SALES

WHAT ARE THEY?

JTI is launching a series of new alternative products with distinctive tobacco blends plus product and pack innovations ahead of the Menthol and Capsule cigarette ban. The new products will be available from 20th May 2020.

WHAT DOES THE NEW RANGE INCLUDE?

A 'New Dual' range (available across Sterling New Dual, Benson & Hedges New Blue Dual, Sovereign New Dual and Benson & Hedges New Dual) provides adult smokers with a new distinctive tobacco blend in a unique dual pack which now includes two sections of 10 cigarettes.

The same distinctive blend will also be available across Sterling New Superkings Green, Benson & Hedges New Superkings Green, Berkeley New Superkings Green and Mayfair New Green.

ANY OTHER DEVELOPMENTS?

In addition, the new Sovereign Dual range also contains a new "Flow Tech" centre hole in the filter, which provides further product differentiation within the market.

WHAT DOES JTI SAY ABOUT THE NEW RANGE?

Stephane Berset, JTI's Marketing Vice President, comments: "The upcoming Menthol and Capsule cigarette ban will mean that adult smokers will be looking for a range of new alternatives. Therefore, we've worked to evolve our portfolio to cater to these needs with a raft of pack and filter innovations, distinctive new blends and unique taste alternatives, so adult smokers can continue to choose quality tobacco products they know and trust."

WHAT ARE THE NEW PRODUCTS?

'New Dual' range with new distinctive blends

- * New Sterling Dual (previously Sterling Dual Capsule, Sterling Dual Double Capsule and Sterling Dual Triple Green)
- * New Benson & Hedges Blue Dual (previously Benson & Hedges Blue Dual Double Capsule)
- * Sovereign New Dual (previously Sovereign Dual) – includes new "Flow Tech" filter centre hole
- * Benson & Hedges New Dual (Benson & Hedges Dual)

New distinctive blends only:

- * Sterling New Superkings Green (previously Sterling Superkings Green and Sterling Dual Superkings Capsule)
- * Benson & Hedges New Superkings Green (previously Benson & Hedges Superkings Blue Dual)
- * Berkeley New Superkings Green (previously Berkeley Superkings Green)
- * Mayfair New Green (previously Mayfair Green)

WHERE ARE THEY AVAILABLE?

The Dual range will be available from all major wholesalers and symbol groups in Scotland.

THE 'NEW DUAL' RANGE

A new distinctive blend in a unique dual pack.

Available in the following brands:



Sterling
New Dual



Benson & Hedges
New Blue Dual



Benson & Hedges
New Dual



Sovereign
New Dual



FLOW
TECH



MENTHOL BAN 2020



THE 'NEW DUAL' RANGE

A new distinctive blend
in a unique dual pack.

Available in the following brands:



Features 2 non detachable chambers,
improving freshness perception



Sterling
'New Dual'



Benson & Hedges
'New Blue Dual'



Benson & Hedges
'New Dual'



Sovereign
'New Dual'



This new distinctive blend is also available in:



Sterling
New Superkings Green



Benson & Hedges
New Superkings Green



Berkeley
New Superkings Green



Mayfair
New Green

THE COMPACT MENTHOL SOLUTION



WHAT IS IT?

Logic Compact is the latest addition to JTI's extensive range of Logic vaping devices.

WHAT ARE ITS USPS?

Logic Compact, as the name suggests, is a sleek, pocket-sized design making it a convenient and modern alternative to traditional vaping devices. Its user-friendly design and cutting-edge technology delivers a combination of flavour, power and simplicity that will appeal to existing vapers and menthol cigarette smokers looking for a satisfying, easy to use device after May 20th.

HOW EASY IS IT TO USE?

The device couldn't be simpler for users. No buttons to press, no tanks to fill – users simply insert a magnetic e-liquid pod and they're ready to vape.

WHICH FLAVOURS AND STRENGTHS ARE THE E-LIQUID PODS AVAILABLE IN?

E-liquid pods are available in a range of flavours and strengths, helping retailers provide a more personalised vaping experience for their customers. As well as Menthol, flavours include Tobacco, Berry Mint, Cherry and Strawberry to cater to every taste. All pods are available in 12mg or 18mg strengths.

WHAT ARE THE RSPS?

The Logic Compact device is available at the market-leading RSP of just £4. The Logic Compact Starter Kit, which includes a device, a USB charger and two E-liquid pods carries an RSP of just £10. The E-liquid pods are available with RSPs of £5 for a pack of two.

WHAT DOES JTI SAY ABOUT LOGIC COMPACT?

Nick Geens, Head of Logic and Reduced Risk Products at JTI UK, says: "A key trend that will continue to grow in popularity across 2020 - is the rise of closed tank devices, or pod mods – now the fastest growing vaping segment in the UK [IRI, Dec 2019]. In line with this, Logic recently announced the expansion of the Logic Compact range into the convenience channel offering the richest flavour from the simplest device."

18+ CONTAINS NICOTINE

logicvapes.co.uk

MENTHOL REIMAGINED



COMPACT VAPES

9 MENTHOL
FLAVOURS



INTENSITY CONTINUES TO GROW FOR MYBLU



WHAT IS IT?

myblu intense portfolio

WHAT'S INCLUDED IN THE PORTFOLIO?

The range of myblu Intense products includes an innovative Starter Kit which features the popular pod-mod device, a USB charger and 2 x Intense Liquidpods: Menthol and Golden Tobacco, two of blu's best-selling e-liquid flavours).

The myblu Intense range also includes a wide selection of Liquidpods in an array of flavours and strengths.

WHAT SETS MYBLU INTENSE APART?

Designed to help more adult smokers make the switch to vaping, the myblu Intense ranges features Nicotine Salts (nicsalts) which allow nicotine to be absorbed into the body faster than normal e-liquids. This rapid absorption of nicotine allows myblu Intense to more closely replicate the experience of smoking a traditional cigarette, appealing to adult smokers looking to switch for the first time, or those who have tried vaping in the past and haven't been completely convinced.

HOW MUCH DO THE PRODUCTS COST CONSUMERS?

The myblu Intense Starter Kit has an RSP of £19.99 while the Intense Liquidpods have a RSP of £5.99 for two pods.

WHICH FLAVOURS ARE AVAILABLE?

myblu Intense Liquidpods are available in a range of flavours with 18mg/ml strength. The most popular are:

- * Menthol
- * Blueberry
- * Golden Tobacco
- * Strawberry Mint
- * Cherry

WHAT DOES IMPERIAL TOBACCO UK SAY ABOUT MYBLU INTENSE?

Explaining the rationale behind the latest launch, Chris Street, Head of Trade Marketing at blu UK comments: "Our latest market insights show that adult smokers need to experience different flavours in order to really commit to vaping and make the switch a permanent lifestyle change. Adult smokers also want and expect a nicotine delivery that is more similar to that of a traditional cigarette, something which our Intense range looks to satisfy, thanks to the inclusion of nicsalts. Launched in direct response to this growing demand, our new Intense Starter Kit offers a range of flavours with a rapid nicotine delivery that will help adult smokers switch to something better."

WHERE ARE THEY AVAILABLE?

The myblu Intense portfolio is widely available through all major wholesalers and symbol groups in Scotland.



why not buy blu?[®] shoppers do.

NEW MYBLU.
HANDY AND EASY VAPING.



For more information visit
blu.com or email sales.uk@blu.com

FOR EXISTING ADULT SMOKERS & VAPERS ONLY.

This product contains nicotine. 18+ only. Not a smoking cessation product. © Fontem 2020.



AN ALTERNATIVE CHOICE FOR SMOKERS AND VAPERS

WHAT ARE THEY?

Nordic Spirit is a range of 100% tobacco-free nicotine pouches from JTI and was the first product in this new category to achieve mainstream distribution in the UK.

HOW DO THEY WORK?

Consumers simply pop a pouch under their top or bottom lip for smooth delivery of tobacco-free nicotine. Each pouch can be enjoyed for up to an hour.

SO THEY CAN BE USED ANYTIME AND ANYWHERE?

Developed in Sweden, Nordic Spirit provides a convenient and discreet nicotine product that can be enjoyed in situations where smoking or vaping might not be possible. Whether on a long-haul flight, in the office or just hanging out with friends, this smoke, vape, and odour-free offering can be enjoyed anytime, anywhere and responds to the evolving preferences of adult smokers and vapers who are looking for an alternative nicotine product.

WHAT ARE THE POUCHES MADE OF?

Nordic Spirit pouches contain a blend of plant-based fibres, nicotine, additives and flavourings together with a gum-base, all commonly used in the food industry.

WHICH VARIANTS ARE AVAILABLE?

Nordic Spirit is available in both Mint and Bergamot Wildberry flavours and in two strengths (6mg and 9mg).

WHAT IS THE RSP?

Each can of Nordic Spirit contains 20 tobacco-free pouches and the RSP is £6.50.

WHAT DO JTI SAY ABOUT NORDIC SPIRIT?

Stephane Berset, JTI's Marketing Vice President, says: "This is an exciting and innovative launch into a category that is still growing. We see Nordic Spirit as the next big thing in the tobacco-free nicotine pouch market, presenting a huge opportunity for independent and convenience retailers, as the consumer demand for alternative nicotine products increases and the category evolves."

WHERE ARE THEY AVAILABLE?

Nordic Spirit pouches are available from all major wholesalers and symbol groups in Scotland.



18+ Contains Nicotine

nordicspirit.co.uk

MENTHOL REIMAGINED

NEW DESIGN
COMING SOON!



NICOTINE
POUCHES

FRESH
MINT
FLAVOUR



100%
TOBACCO
FREE

NO
SMOKE
NO
DEVICE

EXPERIENCE NICOTINE
THE NORDIC WAY


**NORDIC
SPIRIT**

**WHEN WAS LAST TIME
YOU TRIED SOMETHING NEW?**



ZYN TOBACCO-FREE
NICOTINE POUCHES

18+



STRENGTH: 1 **2** 3 4
3 mg nicotine/pouch

STRENGTH: 1 2 3 **4**
6 mg nicotine/pouch

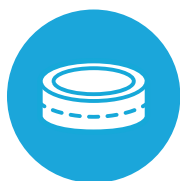
ZYN gives you:

- Discreet white pouches
- Refreshing flavours
- In a variety of strengths

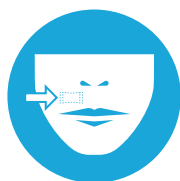
Why ZYN:

- Tobacco-free
- Does not stain teeth
- Nothing inhaled, nothing exhaled

ENJOYING ZYN IS EASY!



1.
Break perforation
on side label.



2.
Pop pouch under
your upper lip.



3.
For maximum
enjoyment use
minimum 5-10
minutes up to an hour.



4.
Discard the pouch in
the waste compartment
after use.

Use whenever & wherever

Wait for the tingling sensation!

ZYN.COM

This product contains nicotine which is a highly addictive substance.

ROLL UP FOR NEW SWAN MENTHOL FILTERS

WHAT ARE THEY?

Swan's range of three new menthol filter tips

WHAT'S INCLUDED IN THE RANGE?

As part of its biggest ever NPD programme, market-leading filter tip experts Swan have recently unveiled a brand new range of six innovative filter tips including three new menthol options in a variety of formats to appeal to a broad range of adult RYO smokers. The three menthol lines are Cool Menthol, Cool Burst Crushball and Fresh Burst Crushball.

HOW BIG IS THE TOBACCO MARKET?

In Scotland the market is worth a huge £29m and filters are growing fast, up 9.2% year on year [IRI, Dec 2019]. These new products will help accelerate that growth.

WHAT ARE THE KEY SELLING POINTS FOR THE NEW LINES?

COOL MENTHOL EXTRA SLIM

- * Cool menthol flavour for a cool sensation
- * Sister product to the best-selling Menthol Extra Slim
- * In handy pocket-sized pack, containing 120 filters
- * RSP £1.09

COOL BURST CRUSHBALL

- * Cool Burst flavoured capsule filters
- * Crush capsule to create cool menthol sensation
- * No animal products used
- * Unique 2-part sliding pack containing 54 filters
- * RSP £1.29

FRESH BURST CRUSHBALL

- * Fresh Burst flavoured capsule filters
- * Crush capsule to create strong peppermint flavour
- * No animal products used
- * Unique 2-part sliding pack containing 54 filters
- * RSP £1.29

WHAT DOES REPUBLIC TECHNOLOGIES (UK) SAY ABOUT THE NEW SWAN MENTHOL RANGE?

"We know that menthol cigarette smokers will be looking for alternatives and turning to retailers for guidance after May 20th," says Gavin Anderson, General Sales Manager.

"Our four menthol filters provide choice, quality and menthol flavour delivery which will enable them to easily transition to menthol filters."

"As rising numbers of smokers are looking at alternatives to factory made cigarettes, and the emerging vaping sector is still under some scrutiny, timely, relevant NPD of this kind enables retailers to meet demand amongst menthol smokers whose preference is to continue with their preferred flavour."

WHERE ARE THEY AVAILABLE?

The Swan range of menthol filter tips are available from all major wholesalers and symbol groups in Scotland.



SWAN

GET YOUR HANDS ON THE
NEW RANGE



SEE THE **NEW RANGE** ONLINE



Log onto our trade website at www.republictechnologies.co.uk or visit www.houseofswan.com
Republic Technologies (UK) Limited, Sword House, Totteridge Road, High Wycombe, Bucks, HP13 6DG

Republic **UK** Technologies

LEAF WRAPPED INNOVATION BROADENS CHOICE

WHAT ARE THEY?

Sterling Dual Capsule Leaf Wrapped is an innovative new king size cigarillo product containing a Virginia blend tobacco and unlike conventional cigarettes, wrapped in tobacco leaf. The cigarillos contain a mentholated capsule in the filter, which existing adult smokers can click to release a peppermint flavour.

WHY MIGHT THEY APPEAL TO MENTHOL OR CAPSULE CIGARETTE SMOKERS?

They are part of the successful Sterling Dual family, which has a sector share of over 40% [IRI, Dec 2019].... Available in branded 10-packs, the cigarillos allow retailers to tap into the current value trend, with an RSP of £4.50*.

WHAT DOES JTI SAY ABOUT STERLING DUAL CAPSULE LEAF WRAPPED?

Ross Hennessy, JTI UK Sales Vice President, says: "We are committed to providing retailers with as much choice as possible by launching innovative new products that respond to current trends.

"We expect that Sterling Dual Capsule Leaf Wrapped cigarillos will become a popular choice for adult smokers and appreciated by those looking for value-for-money tobacco options.

For more information, retailers should visit the refreshed jtiadvance.co.uk site, or speak to their local JTI sales representative."

WHERE ARE THEY AVAILABLE?

The Sterling Dual Capsule Leaf Wrapped cigarillos are available from all major wholesalers and symbol groups in Scotland.



* Retailers are of course free to choose to sell JTI products at whatever price they choose.



DUAL



STERLING

NEW



PACK OF 10
CIGARILLOS

PEPPERMINT
CAPSULE FILTER

TOBACCO LEAF
WRAPPED STICK

RRP £4.50*

* You are at all times free to price as you choose

VALUE MEETS FLAVOUR

STERLING DUAL CAPSULE LEAF WRAPPED

A FRESH OPTION FROM THE WORLD'S NO.1 ROLLING PAPER BRAND

WHAT ARE THEY?

Rizla Flavour Infusions menthol flavour cards

HOW DO THEY WORK?

Rolled out into stores in January, Rizla Flavour Infusions is an innovative new product range from the world's most popular rolling paper brand. The new range offers menthol shoppers a fresh new proposition that will allow them to discover great flavours and help retailers protect their sales ahead of the menthol ban in May.

Rizla Flavour Infusions comprise flavour cards that can be used to mentholate traditional factory made cigarettes or roll your own tobacco products. The new Rizla Flavour Infusions are incredibly easy to use. Simply insert a flavour card into a packet of cigarettes or roll your own tobacco and wait at least 60 minutes for the contents to mentholate, or leave it in longer for a stronger, more intense flavour.

WHICH VARIANTS ARE AVAILABLE?

The Rizla Flavour Infusions range of flavour cards includes two different variants:

- * Menthol Chill which provides a stronger, more intense flavour
- * Fresh Mint which is slightly smoother and more mellow.

WHAT IS THE RSP?

The new range is packed and wrapped separately, allowing retailers to sell them individually at an RSP of just 25p each.

WHAT DOES IMPERIAL TOBACCO SAY ABOUT RIZLA FLAVOUR INFUSIONS?

Chris Street, Market Manager UK at Imperial Tobacco comments: "When the menthol ban arrives in May, many adult smokers will be left without their flavour of choice. This revolutionary new proposition from the world's leading rolling paper brand will allow these shoppers to discover a whole new way to flavour their tobacco products with Rizla Flavour Infusions."

WHERE ARE THEY AVAILABLE?

Rizla Flavour Infusions are widely available through all major wholesalers and symbol groups in Scotland.



NEW

FLAVOUR CARDS

DESIGNED FOR MENTHOL SEEKERS

25p
RRP*

RIZLA 
FLAVOUR INFUSION

MENTHOL
CHILL

RIZLA 
FLAVOUR INFUSION

FRESH
MINT

*RRP: For the avoidance of doubt, retailers are free at all times to determine their selling price.



MENTHOL BAN 2020



What is the Menthol Ban?

It's the next phase of the EUTPD2 that first came into effect in May 2016.

From 20th May 2020, all menthol and capsule cigarettes will be banned from sale.

What should I do now?

As with previous legislation such as the Retail Display Ban, Plain Packaging and Track & Trace - those who prepare well will experience the least disruption to their business. You should continue to ensure the basic principles of category management are put into practice and make certain that you and your staff are aware of the impending changes.

How should I prepare?

Don't wait for the ban to happen, be prepared. Some adult smokers may choose to look for other alternatives including hand-rolling tobacco, such as the Sterling Rolling Tobacco range, cigarillos such as Sterling Dual Capsule Leaf Wrapped, the Logic vaping range or Nordic Spirit nicotine pouches.



Knowledge is key

Retailers should ensure that they and their staff are aware of the details surrounding the upcoming ban. They should also be familiar with the alternative options available after the ban, and confident in their knowledge so that they are able to support their existing adult smokers.



Communication is crucial

Existing menthol and capsule cigarette smokers might have questions about the ban. Ensure staff are knowledgeable so that they are able to answer these questions with confidence.



Focus on competitive pricing

Price will remain a key factor for existing adult smokers when choosing where to shop for tobacco. JTI recommends selling at RRP or below to maximise sales and avoid lost custom¹.



Maintain full availability & range

The popularity for menthol and capsule segments continues to grow, with capsule now responsible for 17.2% of total cigarette sales in the UK², representing a key profit opportunity. You should maintain full availability and range, stocking key brands, to ensure you meet the needs of existing adult smokers pre-May 2020.

1. Retailers are of course free to sell JTI products at whatever price they choose.
2. IRI Market Place, Volume Share, Total RMC, Total UK, Sep 2019.



“JTI is committed to supporting you during and after the implementation of the Menthol Ban and will be on hand to help you over the coming months, providing support and guidance through a number of channels. Following the implementation of the ban, JTI will continue launching innovative new products that are in line with consumer demand.”

Mark Yexley, Communications Director, JTI UK



Where should I go for support?

JTI will continue to support retailers via JTI Advance and our newly launched Menthol Ban microsite
www.jtiadvance.co.uk/MentholBan2020

Our sales force will also provide regular updates and advice to retailers about changes to the tobacco category.



What should I do with leftover stock?

JTI will exchange stock held by retailers as part of its standard 12 week call cycle.
For now though, JTI’s advice is to rotate stock, maintain full range and availability in order to continue to benefit from the profitability of this category.

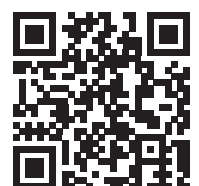


Retailers and consumers should not be tempted by illicit Menthol or Capsule alternatives as this invites criminality into our communities and funds serious and organised crime. To see the other work JTI is doing to combat the illicit trade, visit www.jtiadvance.co.uk/DontBeComplicit



Any questions?

Scan the code to the right with your smartphone camera to access www.jtiadvance.co.uk/MentholBan2020
 Or speak to your JTI sales representative.



18+ CONTAINS NICOTINE

MENTHOL REIMAGINED



CIGARETTES

THE 'NEW DUAL' RANGE

A NEW DISTINCTIVE BLEND IN A UNIQUE DUAL PACK

PLUS: This new distinctive blend is also available in
Mayfair New Green
Sterling New Superkings Green
Berkeley New Superkings Green
Benson & Hedges New Superkings Green



CIGARILLOS

NEW STERLING DUAL CAPSULE LEAF WRAPPED

TOBACCO LEAF WRAPPED STICK
WITH A PEPPERMINT CAPSULE FILTER



VAPES

LOGIC COMPACT

NEW EXTENDED RANGE NOW INCLUDES
9 MENTHOL FLAVOURS

LOGIC EPIQ

E-LIQUID AVAILABLE IN 5 MENTHOL FLAVOURS



NICOTINE POUCHES

NORDIC SPIRIT

100% TOBACCO FREE WITH
A FRESH MINT FLAVOUR

WE'VE GOT THE ALTERNATIVES

