

Regulation of 'heat not burn' versus e-cigs

**E-cigarette summit London
November 17th 2017**

Deborah Arnott
Chief Executive
ASH

ASH receives funding from:

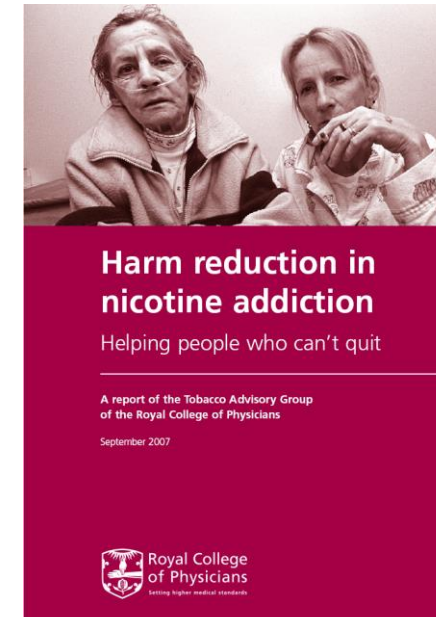


Conflict of Interest

- ASH (UK) is a public health charity set up by the Royal College of Physicians in 1971 to advocate for policy measures to reduce the harm caused by tobacco.
- Funded primarily by 2 leading UK health charities: British Heart Foundation and Cancer Research UK.
- Has received project funding from the Department of Health in England to support tobacco control.
- ASH does not accept commercial funding
- ASH does not have any direct or indirect links to, or receive funding from, the tobacco industry.

ASH position on harm reduction

- Smokers have right to:
 - less harmful nicotine products
 - accurate evidence
- Proportionate regulation must
 - maximise e-cigs as aid to quit
 - manage risks of uptake by never smokers particularly young people
- Position on ‘heat not burn’?



Nicotine without smoke Tobacco harm reduction

A report by the Tobacco Advisory Group
of the Royal College of Physicians



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Tobacco Industry market structure

- Oligopoly: global market dominated by 4 companies
- Between them control 70% global production and consumption
- In the UK two firms (Imperial and JTI) control 80% of the market
- Addictive product + Oligopoly = unparalleled pricing power and profitability
- UK profit margins of up to 68%, compared with only 15-20% in most consumer staple industries
- Total UK profits est. £1.5bn pa



Reduced risk products: what are Big Tobacco's motives?

- Innovative, more appealing and palatable alternative for those working in the industry
- Potential protection from product safety litigation now safer products available
- Respectability – helps frame them as the solution not the problem so can regain a seat at the policymaking table
- Smokers want them – the market is shifting Big Tobacco is trying to avoid the fate of Kodak
- All of the above

Focus on PMI – furthest along the track

- PMI ‘manifesto’ - ‘designing a smokefree future’
- \$1 billion funding for smokefree foundation to research RRP
- In Japan IQOS now has a 12% market share and growing
- In UK on sale since December 2016 – now in 2 IQOS stores
- Rolling out sales of heet sticks in c-stores
- IQOS in vape shops
- Peer to peer promotion
- BUT

One day I hope we won't sell cigarettes, says Marlboro boss

Philip Morris chief André Calantzopoulos is puffing up his 'reduced-risk' products. Will the public health lobby listen?



National roll-out plan for Heets

By Liz Wells in Industry News 27th October 2017

About 600 retail outlets in London, mainly independent c-stores, are selling the Heets heated tobacco brand, with brand owner Philip Morris looking to make the products nationally available next year.



Big Tobacco: same old tactics

- Heavy marketing smoked tobacco in countries where they can get away with it including ads, single sticks, flavoured tobacco, product giveaways, heavy promotion near schools
- Litigation to prevent tobacco legislation: Justice Green found the lack of consistency between internal tobacco company documents and public statements “*damning*” and “*expert evidence does not accord with internationally recognised best practice*”....
- TMA rewriting history “*the drop in smoking prevalence over the last few years is due to the emergence of harm reduction technology such as e-cigarettes that the tobacco industry has been at the forefront of developing and putting onto the market.*”

Technical Report on Flavored Cigarettes at the Point-of-Sale in Latin America



Availability and Marketing around Primary and Secondary Schools in Five Countries



AFRICA : BIG TOBACCO TARGETS SCHOOLS



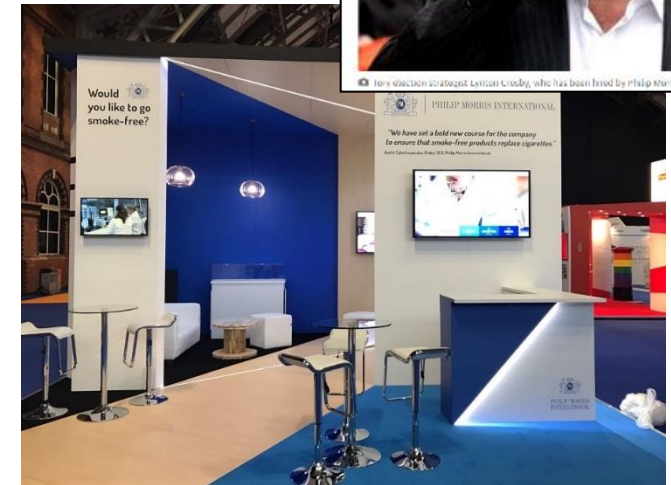
This regional report exposes the multiple marketing strategies used by the tobacco industry to target children around schools in African countries, including, but not limited to, sale of single sticks, display on the counter, display behind the counter, tobacco product advertisements on windows or doors of sale points.

PMI trying to get its foot back in the door

- PMI says UK government “*on similar path*” to PMI - the company whose lobbying nearly sank plain packs, using Lynton Crosby – Cameron’s election adviser
- Observer says: “*The company has sought to harness itself to the government’s recently unveiled tobacco strategy, promoting a smoke-free future, in the belief that it will help boost IQOS sales.*”
- Stand at Conservative party conference - employing Cameron aide as lobbyist

Revealed: tobacco giant's secret plans to see off plain cigarette packets

Internal documents show how Philip Morris International identified key officials in the battle to protect its brand name



Lobbying
The Observer

Ex-Cameron aide in tobacco firm lobbying row

Call for stricter 'revolving door' rules after former No 10 special adviser Kate Marley plugs cigarette firm at Tory conference



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Jamie Doward

Saturday 21 October 2017 22:02 BST

Novel tobacco products have a place

However:

- E-cigs have evolved to meet consumer needs
- Cost-effective alternative to smoking
- Novel tobacco products designed to replicate the smoking experience and protect profitability = proprietary products
- Likely to be much less harmful than smoking but more harmful than vaping



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Price/profits key

IQOS and heets

- IQOS highly engineered and costly proprietary device
- Starter kit costs £115 with 10 packs
- Device retails at around £50 needs replacing around once a year
- Heet sticks cost £8 per pack of 20
- *My friend was spending £10 a day*

E-cigs and e-liquid

- Devices cost from £15 upwards
- Flexible – best value devices can be used with generic e-liquid
- Coils need replacing every few weeks
- E-liquid much cheaper than heet sticks
- *My friend now spends £1.20 a day*

Role of vapers and vape shops

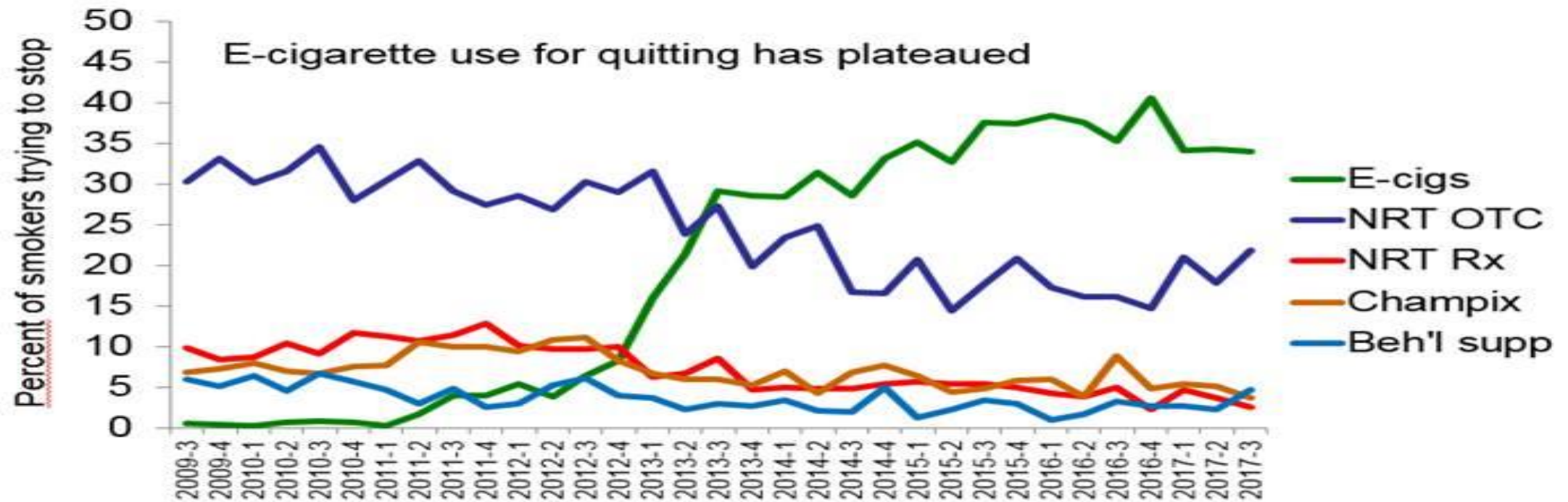
- My friend switched to vaping with support from our local vape shop
- Run by vapers for vapers
- Louise Ross in Leicester working collaboratively with vape shops
- Scottish volunteer vapers helping smokers with lung cancer to quit – smokers who quit on diagnosis nearly double life expectancy



Vaping is working for many smokers



Aids used in most recent quit attempt

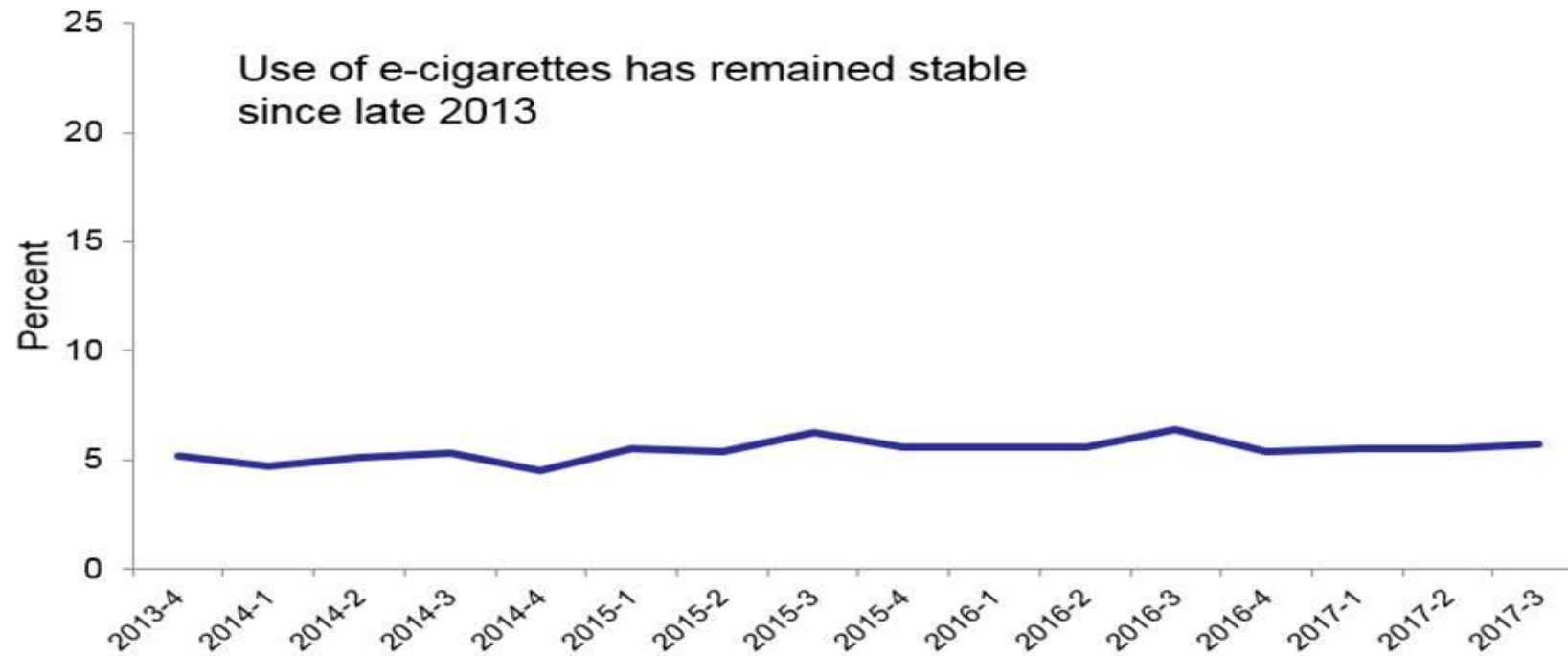


N=13146 adults who smoke and tried to stop or who stopped in the past year; method is coded as any (not exclusive) use

But e-cig use flatlining: this started before the TPD



Prevalence of e-cigarette use

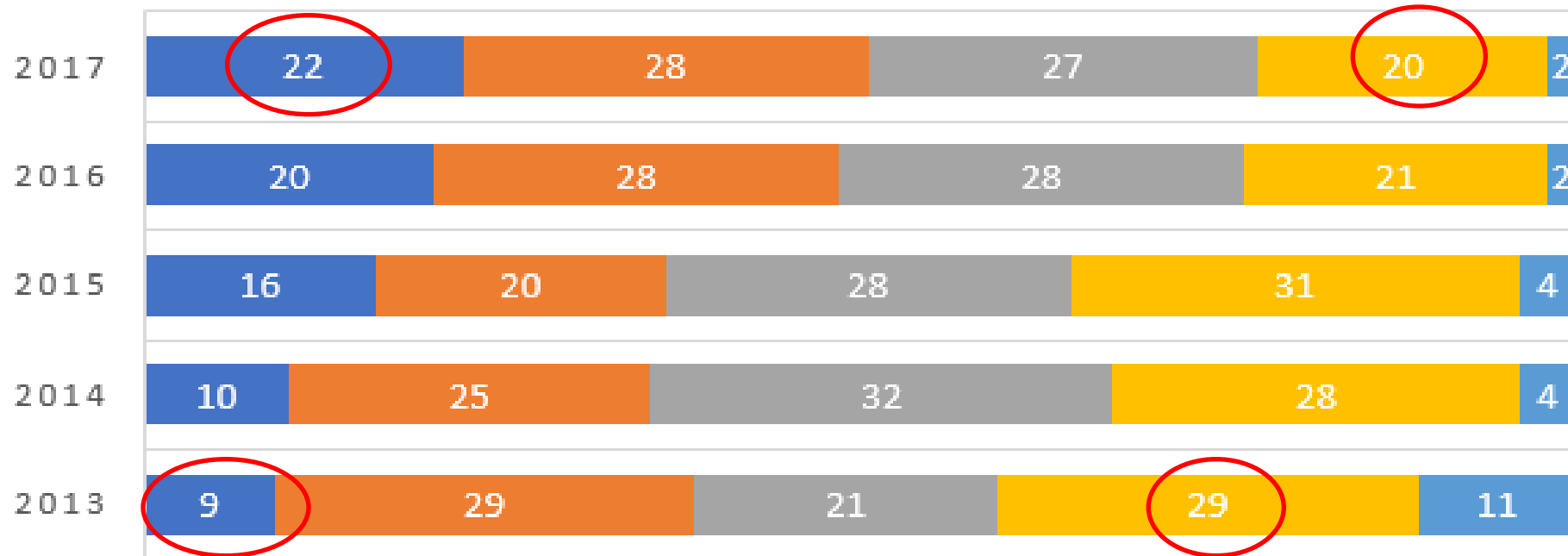


N=79308 adults from Nov 2013

Perceptions of harm going the wrong way: even in the UK

CHANGES IN GB SMOKERS PERCEPTIONS OF HARM FROM E-CIGARETTES (%)

■ More or equally harmful ■ Don't Know ■ Less harmful ■ Lot less harmful ■ Harmless



Role of government and public health

- To provide proportionate regulation to reassure the public
- To counter the media messaging with the evidence – PHE reports and most recently Stoptober
- To carry out good quality research and disseminate it – CRUK and PHE
- NICE guidance covering e-cigs in Spring 2018



The screenshot shows the front page of The Sun newspaper website. The masthead at the top left features the 'THE Sun' logo in white on a red background. To the right of the logo, it says 'THE SUN, A NEWS UK COMPANY'. Below the masthead is a navigation bar with links: HOME, FOOTBALL, SPORT, TV & SHOWBIZ, NEWS, FABULOUS, and MONEY. A secondary navigation bar below that includes links: < | lous | Virals | Parenting | Health | Sex | Fashion and Beauty. The main headline is in large, bold, black text: 'VAPING'S OK...NO BUTS Vaping dubbed 'very low risk' and less toxic than tobacco in first major study into e-cigarettes'. Below the headline is a sub-headline in smaller text: 'Experts warned two in three smokers 'wrongly' thought e-cigarettes were just as harmful than tobacco'. At the bottom of the screenshot, there is a blue banner with the text 'VAPE AWAY Vaping IS better for you than smoking cigarettes... and it's right the government has finally admitted it'. Below this banner is a quote: 'Tobacco is the world's leading cause of preventable death, accounting for around 6 million deaths each year'. At the very bottom, there is a 'COMMENT' section with the text: 'By George Butterworth, Cancer Research UK's tobacco policy manager' and '22nd September 2017, 5:09 pm | Updated: 22nd September 2017, 5:09 pm'.

THE Sun THE SUN, A NEWS UK COMPANY

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< | lous | Virals | Parenting | Health | Sex | Fashion and Beauty

VAPING'S OK...NO BUTS Vaping dubbed 'very low risk' and less toxic than tobacco in first major study into e-cigarettes

Experts warned two in three smokers 'wrongly' thought e-cigarettes were just as harmful than tobacco

VAPE AWAY Vaping IS better for you than smoking cigarettes... and it's right the government has finally admitted it

Tobacco is the world's leading cause of preventable death, accounting for around 6 million deaths each year

COMMENT By George Butterworth, Cancer Research UK's tobacco policy manager
22nd September 2017, 5:09 pm | Updated: 22nd September 2017, 5:09 pm

Unfortunately its an uphill battle....



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GPs should alert smokers about the lack of evidence on the long-term effects of e-cigarettes, warns health watchdog

The Telegraph

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Science

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MPs launch inquiry into e-cigarettes over fears they could 're-normalise' smoking for teens



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Regulation proportional to risk and benefits

What does regulation cover?

- Product regulations
- Access / availability
- Packaging and labelling
- Advertising, promotion and sponsorship
- Product information
- Taxation

Is regulation proportional?

Regulatory framework for nicotine in the UK

	Licensed nicotine products	TPD regulated e-cigs	'Heat not Burn'	Cigarettes
Product regulation	Authorisation by medicines regulator – abridged application only required.	Notification of emissions and ingredients plus product standards on nicotine strength, refill and tank size, tamper-evident. Characterising flavours allowed.	Notification of emissions and ingredients. Characterising flavours allowed.	Notification of emissions and ingredients. All characterising flavours banned including menthol from 20 May 2020
Access/availability	Age of sale 12 Can be sold anywhere	Age of sale 18 Can be sold anywhere	Age of sale 18 Vending machine sales banned. Sales currently limited by manufacturer to IQOS stores, some vape shops for IQOS and C-stores for heets	Age of sale 18 Vending machine sales banned and not available in pharmacies
Packaging and Labelling	No health warning	Health warning = 30% of the pack 'This product contains nicotine which is a highly addictive substance.'	Health warning = 30% of pack as for smokeless tobacco 'This tobacco product damages your health and is addictive'	Plain packaging – 65% picture and text warnings only branding allowed is product name in 8 point Helvetica
Advertising promotion and sponsorship	All advertising routes allowed	Local advertising allowed – point of sale, bus, billboard	No advertising, promotion or sponsorship	No advertising, promotion or sponsorship
Product information	Can make health and quitting claims	Ability to make health claims in consultation – quitting claims prohibited	Only price and product information allowed	Only price and product information allowed
Tax	5% VAT	Standard VAT (20%)	excise tax as for 'other smoking tobacco and chewing tobacco' = £114.06 per kg	roll your own £209.77 kg and MET for cigarettes of £268.63 per 1,000 = £5.37 per 20 pack]

Revising regulations

- Current regulatory framework for e-cigs could be improved - e.g. nicotine limit
- PHE is reviewing the evidence on e-cigarettes and *'heat not burn'* products – publication due shortly
- Brexit date 29 March 2019?
- TRPR 2016 require SoS to review operation and effect within five years (20 May 2021) and assess if objectives could be achieved using *'less onerous regulatory provision'*.
- Vapers should be consulted on the revision

WHO FCTC Article 5.3

Public Health Minister:

“we have committed to protect our public health policies from the commercial and other vested interests of the tobacco industry. The guidelines for the implementation of article 5.3 permit parties to engage with “the tobacco industry only when and to the extent strictly necessary to enable them to effectively regulate the tobacco industry and tobacco products.”

In this light the DH will work with the IBVTA but not with the UKVIA

Conclusions

- Harm reduction market still evolving
- E-cig market static – correlation with risk perception
- Regulation can reassure the public
- But regulation needs to evolve in the light of the evidence – timetable set in legislation for this to happen
- Vapers, vapers' organisations and vaping industry representatives need to be consulted
- Need to protect policy development from the commercial and vested interests of the tobacco industry

THANK YOU

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ASH research: www.ash.org.uk

ASH Smokefree GB data on e-cigarette use 2017

Smoking Toolkit Study <http://www.smokinginengland.info/>