

January 17, 2024

Members of the Florida House of Representatives
Members of the Florida Senate
404 S. Monroe Street
Tallahassee, FL 32399

From: Jennifer Cunningham, Juul Labs, Inc.

RE: Support for Legislation to Create a Well-Regulated Marketplace for the Sale of Legal Vapor Products in Florida

Juul Labs is on a mission to transition the world's billion adult smokers away from combustible cigarettes, eliminate their use, and combat underage usage of our products.

We strongly support the introduction of SB 1006 and HB 1007 to create a well-regulated marketplace for the sale of legal vapor products in Florida. We applaud Chairman Perry and Chairman Overdorf for the introduction of these bills.

Creating a Well-Regulated Marketplace in Florida

Juul Labs is committed to upholding and participating in a well-regulated nicotine marketplace across the United States and in Florida. We have invested significantly in product development, regulatory science, manufacturing quality controls, and compliance programs. We believe all companies participating in the nicotine vapor market should be doing the same, to ensure that the products reaching consumers are of the highest quality and are only reaching intended users – adult smokers.

For Florida lawmakers who are new to Juul Labs, we want to ensure you have all the relevant facts about our company.

- **Juul Labs made a commitment in 2019 to earn the trust of key stakeholders in service of its mission.** We have seen significant progress – middle and high school student use of JUUL

products was down 97% in 2023 from its high in 2019, according to the latest National Youth Tobacco Survey (NYTS) [data](#) collected by the federal government. This appears in stark contrast to trends around youth use of illegal disposable vapor products, which NYTS data shows increased 840% over that same four-year period.

- **Juul Labs invests in medical-device-quality, American manufacturing.** Juul Labs manufactures its e-liquids, and fills, assembles, and packages its pods in the United States. We hold ourselves and our suppliers to the highest manufacturing and quality standards, including obtaining certifications by the non-governmental International Organization for Standardization (ISO) to create a supply chain comparable in quality to what's found in the medical device industry.

Juul Labs' Efforts to Combat Underage Use

A core element of a well-regulated vapor marketplace is a system that enables the sale of legal products to adult smokers while simultaneously combating underage use. Our Underage Use Prevention efforts are multi-pronged and are underpinned by new product innovation and programmatic interventions. These include:

- **Supporting Tobacco 21 laws.** As lawmakers in Florida will recall, Juul Labs actively supported state and federal laws to increase the legal age for sale of tobacco products to 21 from 18.
- **Restricting flavors to tobacco and menthol.** By November 2019, Juul Labs had pulled all of its non-tobacco and non-menthol flavored products from store shelves, months prior to the FDA regulation mandating the same for all pod-based vapes.
- **Limiting the number of products consumers can buy at one time.** Juul Labs limits the number of its products that consumers can purchase in one transaction in an effort to mitigate social sourcing by youth.
- **Enabling retail partner compliance.** Juul Labs supports the non-profits We Card and TruAge, which are designed to increase ID checking at points of sale through store employee trainings and new technology.

- **Submitting a locked menthol product application to FDA.** In December 2023, Juul Labs submitted an application to the FDA to sell in the United States our next-generation device and menthol-flavored pods requiring user age verification — meaning consumers will not be able to use menthol-flavored pods with our next-gen devices unless users verify with the devices themselves that they are at least 21 years old. This represents the first to our knowledge fully age-gated vapor products to be submitted to FDA for review.

A Rampant, Illegal Vape Market Undermines Regulatory Progress

Florida is the number one destination for sales of illegal vapor products in the U.S., most of which are imported illegally via Florida ports from China, and are sold with youth-appealing packaging and flavors.

We would be happy to provide any Florida Legislator with further evidence of this influx and how these manufacturers shirk the law while continuing to illegally target minors, even after repeated FDA warnings to stop sending shipments to the States.

Figure: Examples of Illegal Vape Products from China Targeting Minors



Below are highlights of the data we can provide upon request:

- The FDA sent 37 warning letters to several Florida retailers between May and June of 2023 – including many gas stations and vape shops – for selling blackmarket, illegal vaping products from China.

- FDA Warning letters went to retailers in Clearwater, Boca Raton, Boynton Beach, Coral Springs, Delray Beach, Destin, Fort Lauderdale, Hialeah, Hollywood, Homestead, Lake Worth, Lakeland, Lantana, Margate, Melbourne, Miami Gardens, Miami Lakes, Miami, Mulberry, Mulberry, Oakland Park, Orlando, Palm Bay, Port Orange, St. Johns, Tampa, and West Palm Beach, FL.
- In December, the FDA and the Department of Justice [filed a complaint](#) for a permanent injunction against a company based in Florida, for manufacturing, selling, and distributing unauthorized e-cigarette products.
- U.S. Customs and Border Protection confirmed 13 product seizures in the state of Florida valued at over \$6.8M – all of which were imported from China or Hong Kong.
- Florida has the highest sales of these mostly-foreign-made products in the United States.
- Indeed, the Florida Ports Council and Florida Retail Federation already sent formal letters of their own to alert the public and federal officials to the threat of illegal China vapes.

Juul Labs stands ready to assist you in advancing policy designed to create a well-regulated marketplace for the sale of legal vapor products in Florida. We look forward to hearing from you and continuing this important conversation.

Sincerely,

Jennifer Cunningham
Juul Labs, Inc.
Washington, DC

Appendix – Recent National Media Coverage of the Illegal Vape Market**Los Angeles Times****LOS ANGELES TIMES: Illegal e-cigarettes are flooding the ports in Southern California and beyond**

Jan 2, 2024

“Federal officials are seizing more shipments of unauthorized electronic cigarettes at U.S. ports, including a major bust at Los Angeles International Airport. But thousands of new flavored products continue pouring into the country from China, according to government and industry data reviewed by the Associated Press. The figures underscore the chaotic state of the nation’s \$7-billion vaping market and raise questions about how the U.S. government can stop the flow of fruit-flavored disposable e-cigarettes used by 1 in 10 American teens and adolescents.”

AP

ASSOCIATED PRESS: US seizes more illegal e-cigarettes, but thousands of new ones are launching

December 30, 2023

“Federal officials are seizing more shipments of unauthorized electronic cigarettes at U.S. ports, but thousands of new flavored products continue pouring into the country from China, according to government and industry data reviewed by The Associated Press.

Through the end of November, U.S. officials had refused 374 such shipments this year, more than double the 118 refused in 2022. This year’s items included \$400,000 worth of Esco Bars, a disposable brand placed on a list of banned imports in May.”

AP

ASSOCIATED PRESS: Elf Bar and other e-cigarette makers dodged US customs and taxes after China’s ban on vaping flavors

December 19, 2023

“In only two years, a small, colorful vaping device called Elf Bar has become the most popular disposable e-cigarette in the world, generating billions in sales and quickly emerging as the overwhelming favorite of underage U.S. teens who vape.

Last week, U.S. authorities publicly announced the first seizure of some of the company’s products, part of an operation confiscating 1.4 million illegal, flavored e-cigarettes from China. Officials pegged the value of the items at \$18 million, including brands other than Elf Bar.”



FDA NEWS RELEASE: Joint Federal Operation Results in Seizure of More Than \$18 Million in Illegal E-Cigarettes

December 14, 2023

“The FDA is committed to continuing to stem the flow of illegal e-cigarettes into the United States,” said FDA Commissioner Robert M. Califf, M.D. “Unscrupulous companies try everything they can to bring unauthorized, youth-appealing tobacco products into the country. The FDA will remain vigilant, and together with our federal partners, stop these imports before they make it into the hands of our nation’s youth.”



REUTERS: China e-cigarette titan behind 'Elf Bar' floods the US with illegal vapes

December 6, 2023

“A new breed of e-cigarette has addicted teenagers and confounded regulators worldwide by offering flavors like Blue Cotton Candy and Pink Lemonade in a cheap, disposable package. The tycoon dominating this latest wave is Zhang Shengwei, 50, a veteran of China’s vape industry in the southern manufacturing hub of Shenzhen.

“...It has flooded the U.S. market with flavored vapes that have been among the best-selling U.S. brands, including Elf Bar, EBDesign and Lost Mary....”



[7/7] Newly re-branded Elf Bar disposable e-cigarette vape products are shown for sale in a vape store in Oceanside, California, U.S., November 30, 2023. REUTERS/Mike Blake/File Photo ©Acquire Licensing Agency

AP

ASSOCIATED PRESS: Elf Bar finds an easy way around US vape import ban: a name change

October 13, 2023

“Four months after U.S. regulators tried to block imports of Elf Bar, the top-selling Chinese disposable e-cigarette remains widely available thanks to a simple but effective tactic: changing its name. Convenience stores in Washington D.C., Philadelphia, New York and other cities remain fully stocked

with the brightly colored vapes, sold in fruity flavors like strawberry melon and claiming to contain 5,000 “puffs” per device.

The Food and Drug Administration considers the products illegal. In May, it directed customs officials to seize incoming shipments of Elf Bar and EBDDesign, two of the company’s U.S. brand names.”

The New York Times

THE NEW YORK TIMES: Illicit E-Cigarettes Flood Stores as F.D.A. Struggles to Combat Imports

October 10, 2023

“The latest flood of illicit e-cigarettes is arriving from China in Barbiecore colors and fruit, ice cream and slushy flavors, and accounts for a major share of the estimated \$5.5 billion e-cigarette market in the United States.”



ASSOCIATED PRESS: Thousands of unauthorized vapes are pouring into the US despite the FDA crackdown on fruity flavors

June 26, 2023

“The number of different electronic cigarette devices sold in the U.S. has nearly tripled to over 9,000 since 2020, driven almost entirely by a wave of unauthorized disposable vapes from China, according to tightly controlled sales data obtained by The Associated Press.”