Youth Tobacco Prevention

RAI and its subsidiaries share society’s belief that minors should never use tobacco products, including vapor products (also called electronic cigarettes or e-cigarettes). Preventing the use of tobacco products by minors is a core component of our sustainability strategy.

Our Commitment

Youth tobacco use hurts youth, and it hurts our businesses. Some government responses to youth tobacco use, such as stricter penalties for complicit adults, are reasonable and effective. Others, such as excessive tobacco excise tax increases, unfairly burden adult tobacco consumers, create illicit markets that hurt our businesses and allow for youth access to tobacco.

Our Actions

Youth tobacco prevention programs supported by RAI companies, like Right Decisions, Right Now and We Card, have played an important role in the decline in youth tobacco use over the past 24 years.

Multiple independent studies show progress in reducing youth tobacco use and access.

- CDC research shows the U.S. high school smoking rate at 15.7 percent in 2013, down from its peak of 36.4 percent in 1997 (source: CDC Youth Risk Behavior Survey).
- A University of Michigan study similarly noted that the smoking rate among 8th to 12th graders has dropped by two-thirds from its peak in 1997 to 8 percent, the lowest rate since the survey began in 1975 (source: 2014 Monitoring the Future).
- The U.S. Substance Abuse and Mental Health Services Administration (SAMHSA) reported in 2014 that the rate of tobacco sales to minors was 9.6 percent in 2013, compared to a violation rate of 40.1 percent in 1997, making it significantly more difficult for teens to buy tobacco.
- The FDA completed more than 170,000 retail compliance checks involving minors since 2011, with an 88 percent success rate in 2014.

“We Card is one of, if not the most successful corporate social responsibility efforts ever.”

Lyle Beckwith, senior vice president of government relations for the National Association of Convenience Stores

We Card Program

In 1995, R.J. Reynolds was a founding supporter of the We Card program, recognized by its yellow and red retail sign stating “Under 18, No Tobacco: We Card.” The program offers retailers materials and training to help them stop the sale of tobacco products to minors. With increased regulation of the tobacco industry by the FDA, as well as the emergence of new tobacco products such as e-cigarettes, programs like We Card are more important than ever.

Today, 20 years later, the We Card program is widely accepted across the country as the premier tobacco sales training and education program for retailers, and R.J. Reynolds continues to be a strong supporter of that program. Other supporters of the program include Altria Client Services, Baloney Brands, Commonwealth Attucks, Lorillard Tobacco Company, NJOY Electronic Cigarettes and VMR Products. To date:

- We Card has held more than 2,100 classroom training sessions, in all 50 states in the U.S. and its territories.
- Over 296,000 owners, managers and frontline employees have been trained by We Card.
- 44 state coalitions have been assembled to support state-level training and education.
- 237 regional, state and local trade associations support the We Card program.
- More than 1 million We Card kits have been distributed to retailers nationwide.
- State government agencies in 25 states have supported the We Card program and at various times over the years, governors and state attorneys general have either endorsed or expressed support for the We Card program.

As impressive as these numbers may be, the most important achievement of We Card and other programs and efforts like it, is the fact that FDA audits show that the illegal sale of tobacco products to minors has been reduced dramatically.
While these statistics and trends are encouraging, RAI and its operating companies remain steadfast in their commitment to Youth Tobacco Prevention (YTP) by continuing to support YTP programs and engaging with legislators and other stakeholders working to keep tobacco out of the hands of minors.

RAI Services’ public affairs department advocates for legislation that strengthens youth tobacco prevention laws across the United States. We believe all states should have laws covering a broad spectrum of youth tobacco prevention mechanisms. Our current legislative priorities include:

- **Tobacco product possession ban:** RAI and its operating companies are against youth possession of tobacco. As of December 2014, some states still do not ban minors from possessing tobacco products.

- **Youth purchase or possession of vapor products ban:** In 2014, 14 states acted either legislatively or administratively to keep vapor products out of the hands of minors. We support legislation to enact age restrictions and strengthen prohibitions on purchase, possession and use of vapor products by youth. We believe all 50 states should have regulations prohibiting minors’ purchase, possession and use of all tobacco products, including vapor products.

- **Penalties for complicit adults:** According to the CDC, minors get their tobacco products from social sources such as complicit adults, rather than retail outlets, 82 percent of the time. Many states have laws penalizing complicit adults, but they can and should go further. RAI advocates for legislation on par with or more stringent than states’ Social Host laws for furnishing alcohol to minors.

- **Tobacco possession ban on school grounds:** RAI and its operating companies support the complete ban on the use and possession of tobacco products and vapor products on school grounds, including by adults. We support legislation to keep tobacco products out of our children’s schools, such as the language adopted by Arizona in which “tobacco products are prohibited on school grounds, inside school buildings, in school parking lots or playing fields, in school buses or vehicles or at off-campus school sponsored events.”

RAI and its operating companies are proud of the programs they’ve developed and the efforts they’ve made to accelerate the decline in youth tobacco use. Our commitment is to keep Youth Tobacco Prevention at the forefront of our efforts as we pursue our vision of transforming the tobacco industry; it’s the right thing to do for our society and it’s the right thing for our businesses.

Right Decisions, Right Now: Be Tobacco Free (RDRN)

We are proud of the success of We Card and the point-of-purchase compliance it has driven, but the fact is that some minors still find ways to get tobacco products—primarily from complicit adults and other social sources. It is important to complement retail compliance efforts with training and education designed to make young people less prone to accept or try cigarettes or other tobacco products from social sources.

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RAI and its operating companies also have an RDRN employee participation program. In 2014, about 300 employees presented RDRN to outside groups in the communities where they live and work. These groups received about $150,000 in grants from R.J. Reynolds for participating in the program.

For more information and to obtain free materials, visit [www.RightDecisionsRightNow.com](http://www.RightDecisionsRightNow.com).

**Boy Scouts of America**

R.J. Reynolds and the Right Decisions, Right Now program have long teamed with the Boy Scouts of America to increase awareness among teens of the dangers of tobacco use. In 2012, the Boy Scouts created a new patch, earned by scouts who complete the organization’s Trail of Courage program and take the Right Decisions, Right Now: Be Tobacco Free pledge. Scouts pledge to not use tobacco products, illegal drugs or alcohol. In addition, they commit to “do my best to educate my friends and my family to the dangers of using these products. I commit to living every day by the Scout oath and Scout law. I will make the right decision, right now and choose to refuse when offered dangerous substances.”

In total, this successful partnership has resulted in more than 1.7 million Boy Scouts participating in Right Decisions, Right Now.