



Governor Tomblin Honors John Hodges



On March 13th, Governor Tomblin honored the life of John Hodges with a West Virginia Honorary Award at our reception at the Governor's Mansion. The Governor provided a personal, moving tribute to John. (Pictured above, the Governor presents the award to John's family: Daughter Eden, grandchildren Parker and Avery, sons John and Adam and wife Kathy.



From the Director

As you know, on January 1st, I became the new Executive Director for the WV Wholesalers Association. I knew many of you from working with you in my capacity as president of the West Virginia Oil Marketers and Grocers Association (OMEGA WV) and I look forward to getting to know the WVWA members, who I have not had the opportunity to work with in the past.

John Hodges was a personal friend and colleague of mine and I know that I have big shoes to fill. My staff, Traci Nelson, Member Services Coordinator; Katie Pack, Administrative Assistant; and I will do our best to continue moving the Association forward in a positive direction and we look forward to the privilege of serving the membership.

Wednesday, March 13th was our **Legislative Day at the Capitol**. We are sure Board President David Ramella will agree when we say, "We had a wonderful day!" We started our day by handing out Legislative Goodie Bags to members of the Legislature. As always, these were well received! Thanks to the following member companies who donated items for these bags: **McDowell Supply Company** and **Sledd Co.** Later in the day, we were honored to have Senate President Jeff Kessler, House Speaker Rick Thompson and Governor Earl Ray Tomblin address the WV Trucking Association, OMEGA WV and the WV Wholesalers Association. Afterwards, we hosted our Legislative Reception at the Governor's Mansion, where Governor Tomblin honored John Hodges with a West Virginia Honorary Award, which was presented to John's family. Governor Tomblin gave a personal, touching tribute to John, as did Rob Sincavich of Sledd Co, who spoke on behalf of the WVWA.

Registration information was recently mailed for the upcoming **Mid-Atlantic Legislative Conference, which will be held May 29 - 31 at The Greenbrier**. We hope you will make plans to join us. The Deadline to make reservations at The Greenbrier is April 14th.

WV News

Tax Collections \$394.5 Million, \$11.6 Million Below Estimates

The state is nearly \$8 million behind estimates year-to-date. West Virginia's budget success or failure hinges on energy and severance tax collections for this fiscal year continue to under perform. They were \$9.5 million below estimates in January. That's 35 percent below last year's collections. Severance tax revenues are down nearly \$30 million overall from last fiscal year.

Legislative Session

March 25th marked the last day for bills to be introduced and March 29th marked the 45th day of the 2013 Legislative Session, that means that all bills had to be out of their originating committee. April 3, 2013, is the Fiftieth Day and is the last day to consider bills on third reading in their house of origin (does not include budget or supplementary appropriation bills). This is commonly referred to as "cross-over day".

Things are moving very quickly. We are doing our best to update members on activity at the Legislature weekly via email with our *News From Inside the Capitol* updates. If you have any questions during the session or would like to express your opinion on issues, please contact Jan Vineyard at jan@wvwholesalers.org or at 304.205.5496.

FDA Won't Appeal Graphic Warning Case

U.S. Attorney General Eric Holder has notified House Speaker John Boehner that the U.S. Food and Drug Administration and the U.S. Department of Health and Human Services will not appeal a District of Columbia U.S. Circuit Court of Appeals ruling issued last August that invalidated the FDA's graphic cigarette health warnings.

Federal Update

In its decision last August, the District of Columbia Circuit Court stated that the First Amendment requires the federal government to not only demonstrate a substantial interest justifying a regulation on commercial speech, but to also show that the regulation directly advances that goal. With the Circuit Court finding that the FDA did not present any data showing that the graphic cigarette warning labels would accomplish the agency's objective of decreasing smoking rates, the graphic warning label requirement was found to be unconstitutional.

Based on comments made by Dr. Howard K. Koh, the Assistant Secretary for Health for the U.S. Department of Health and Human Services, the FDA intends to conduct research and develop regulations for new warning labels that would meet the requirements under the federal law and that would also comply with constitutional free speech standards.

The U.S. Circuit Court of Appeals for the Sixth Circuit upheld the graphic cigarette health warning labels as being constitutional and the plaintiffs have filed a petition with the U.S. Supreme Court requesting that the high court accept the case on appeal. The Supreme Court has not issued a decision on whether to accept the case for appeal.

CDC Releases New Anti-Smoking Ads

On March 28th, the U.S. Centers for Disease Control and Prevention debuted its second batch of anti-smoking ads, the Associated Press reports. The graphic television, radio and online spots, billboards, and print advertisements, showcase real stories of smokers.

"Most smokers want to quit. These ads encourage them to try," said Dr. Tom Frieden, director of the CDC. The agency spent \$48 million on the campaign, less than the \$54 million for the 2012 campaign.

One change from last year's campaign is that the new ads show how smoking impacts others, such as one featuring a woman who was a teenager when her mother died from smoking. The ads come at a time when the adult smoking rate remains at around 20% after years of decreasing.

The ad money is from a \$1-billion public health cache funded by the Affordable Care Act for smoking prevention. Frieden said the ads are remarkably low cost compared to the expected results. "We're trying to figure out how to have more impact with less resources," he said.

Center for Tobacco Products Has New Director

The FDA's Center for Tobacco Products has named Mitch Zellner as director for the Center, replacing Dr. Lawrence Deyton who announced his resignation earlier this year. Director Zeller comes to the Center of Tobacco Products with more than thirty years of FDA-related experience including six years of service as a public interest attorney working on food issues, five years as a Congressional legal counsel for food and drug issues, and seven years as a senior FDA official. He supervised the FDA's original effort to assert jurisdiction over tobacco products in the mid-1990's and was the founding director of the FDA's Office of Tobacco Programs.

Next Up on Bloomberg's 'Ban Wagon': Tobacco Product Displays

New York City Mayor Michael Bloomberg has announced new legislation, the "Tobacco Product Display Restriction" bill, which would make New York City the first in the nation to keep tobacco products out of sight in retail stores. Under the new legislation, sellers would be required to keep tobacco products out of sight, except during a purchase by an adult consumer or during restocking: tobacco products would be required to be kept in cabinets, drawers, under the counter, behind a curtain or in any other concealed location. The bills do not impact advertising for sellers.

A second bill, "Sensible Tobacco Enforcement," is comprised of policies that will combat illegal cigarette smuggling. The Sensible Tobacco Enforcement bill increases penalties for retailers who evade tobacco taxes or sell tobacco without a license; prohibits retailers from redeeming coupons or honoring other price discounts for tobacco products; creates a minimum price for cigarettes and little cigars, at \$10.50 per pack; requires that cheap cigars and cigarillos be sold in packages of at least four, and little cigars be sold in packages of at least 20. Cigars that cost more than \$3 each are exempt from the packaging rule. It also gives the Department of Finance the authority to seal premises of tobacco sellers that have had repeated violations of the law.

Briefs

The Obama administration has **proposed regulations that would prohibit U.S. schools from selling unhealthy snacks**. The 160-page regulation from the Department of Agriculture (USDA) would enact nutrition standards for "competitive" foods not included in the official school meal. In practice, the proposed rules would replace traditional potato chips with baked versions and candy with granola. Regular soda is out, though high-schoolers may have access to diet versions.

Value supermarkets and convenience stores are leading confectionery sales growth, Todd Hale, senior VP of consumer and shopper insights at Nielsen, said during the NCA State of the Industry Conference. An NCA Custom Shopper Panel Survey conducted in January supports Hale's conclusion that shoppers are seeking out lower prices, with 28% of respondents saying they have changed confections purchases because of the economy.

In a WeiserMazars survey, **U.S. food and beverage industry experts say they expect 13% sales growth this year**, citing factors including additional customers, higher prices and product launches, particularly in health and wellness. The report forecasts growth for healthy, organic, ethnic and private-label products.



AWMA Signs Onto Letter to Congress to Repeal Employer Mandate

AWMA joined with other members of the Small Business Coalition for Affordable Healthcare in signing onto a letter to Congress urging legislators to adopt legislation this year that would repeal the employer mandate in the Patient Protection and Affordable Care Act (PPACA). The letter asks lawmakers to support the American Job Protection Act (H.R. 903). The American Job Protection Act will provide employers desperately needed certainty by repealing the employer mandate. The penalties – although not effective until 2014 – are already stifling job creation and economic growth and are counter-productive to the goal of expanding access to affordable healthcare for small businesses.

Membership Information

We are gathering information to develop a membership directory for the Association. In January, we sent out notices asking members to update their contact information. If you did not return your form, please do so as soon as possible. If you have misplaced your form, but would like to update your information, please contact Traci Nelson at traci@omegawv.com.

Mid-Atlantic Legislative Conference

We are busy working with Rob Sincavich of Sledd Co. to put together a great program for our Mid-Atlantic Legislative Conference. Registration materials for this event have been mailed. **Please note that the cut-off date to make reservations at The Greenbrier is April 14th.** Please take care of your reservations as soon as possible. The cut-off date to register with the Association is May 5th. We hope that you will plan on attending this wonderful event!

New Office

As many of you know, the WV Wholesalers Office has moved. We are now at 2006 Kanawha Boulevard, East in Charleston. We are excited to be in this new location, which is only three doors down from the State Capitol. We encourage you to stop by for a visit anytime. Also, if you have business at the Capitol, please feel free to park in our lot.

Industry Calendar



AWMA Day on the Hill
May 15 - 16, 2013
Washington, DC

Mid-Atlantic Legislative Conference
May 29 - 31, 2013
The Greenbrier Resort
White Sulphur Springs, WV

West Virginia Wholesalers Association



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