

3rd Quarter - 2013





Danielle McCallister pictured with her dad, Dan, Jim Cunningham of Goldsmit-Sydnor, Inc., and WVWA Executive Director Jan Vineyard.

WV Wholesalers Association Awards Scholarships

We are thrilled to announce our 2013 Scholarship Winners, all of whom are very deserving of these awards:

The **2013 John Hodges Memorial Scholarship**, partially underwritten by Sledd Co., was awarded to Danielle McCallister. Danielle's dad, Dan, is employed at Goldsmit-Sydnor, Inc. in Huntington. Danielle is a senior at MU majoring in biology gradating in May of 2014. She plans to apply to continue her education in veterinary medicine upon graduation.

Shelby Hawthorne received the 2013 Barry Sydnor Memorial **Fund Scholarship** for \$1000. Shelby's father Charles is an employee of Goldsmit-Sydnor, Inc. She is senior at Marshall and will graduate in December 2014 with a bachelor's in elementary

education & special education.

Taylor Brown is the recipient of the 2013 Swisher International \$1000 Scholarship. Taylor's dad, Todd, is an employee if Goldsmit-Sydnor, Inc. Taylor is studying early childhood special education and elementary education at Concord and will graduate in May of 2015.

Jessica Taylor is the recipient of the 2013 James F. Duncan Memorial Scholarship for \$1000. Taylor is a full-time employee of Sledd Co. while attending West Liberty University seeking a Regents Bachelor of Arts degree in graphic design and professional studies. She anticipates graduating in May of 2014.

Jesse Truchan received the 2013 Swedish Match N. A. \$1000 Scholarship. Jesse's mother, Judy, is employed at Sledd Co. Jesse is a junior at Wheeling Jesuit University studying nursing with an anticipated graduation date of May 2015.



Jessica Taylor pictured with Randy Emanuelson of Sledd Co., Jan Vineyard and Rick Dearien of Swisher International.





Shelby Hawthorne with her dad, Charles, Jim Cunningham of Goldsmit-Sydnor, Inc. and Jan Vineyard



From the Director

It's hard to believe that summer is behind us and we are now going into a beautiful Fall season in the Mountain State.

On September 6th, our Strategic Planning Committee, including President Randy Emanuelson, Rob Sincavich, Dave Ramella, Jim Cunningham, Mike Doman, Rick Dearien and myself, met to form a **Strategic Plan for the Association.** It is always good to step back and look at where you have come from and think about where you want to be in the future. We have set some exciting goals for the Association and we are going to live up to our motto – "Tackling the Future. Proud of our tradition." A summary of the

Strategic Plan is on Page 10 of this publication.

We are currently in the process of gathering information for our new **Membership Directory.** If you have not updated your information with the Association, but need to do so, please contact Traci Nelson at traci@omegawv.com, so that changes can be made.

The Membership Directory is a wonderful opportunity to get your name out in front of WVWA Members. We have excellent advertising opportunities for this publication. Please turn to Page 11 for information on advertising in this publication.

If there is anything that we can do to assist you, please do not hesitate to call us. We welcome your comments, compliments and criticism.

Jan

WV News

September Was We Card Awareness Month



As a reminder, We Card's goal is to encourage retailers to train or re-train their employees, order their 2014 We Card materials (calendars and kits) and raise the awareness of FDA regulation, state and local law compliance.

On March, 23, 2010, FDA published its initial Request for Proposals (RFP) to States and U.S. Territories to launch a program to assist with inspections of retail establishments and other enforcement activities to help enforce the Youth Access and Advertising Regulations that took effect on June 22, 2010.

Some West Virginia Facts:

- ◆ Date of initial award: 8/24/11
- Date of most recent award and amount: 5/30/2013 \$755,618.
- Total awarded to date: \$2,254,067

An analysis of FDA Compliance Check Data for West Virginia compared to

the National Average:

- ♦ Total Number of Compliance Checks: 1,932 (189,576 Nationwide)
- ♦ Number of "NO Violations": 1,841 (178,759 Nationwide)
- Number of Warning Letters: 91 (10,056 Nationwide)
- Violation Rate: 4.71% (5.71% is National Average)

FDA is on track toward completing nearly 100,000 compliance checks nationwide for the second year. Combined with state or local inspections, it's critical for retailers to invigorate their responsible retailing efforts.

According to the most recent SYNAR Report, West Virginia's sell rate to minors is 13.4, which is down from last year's 14.3. We are doing a better job, but we can still improve!

It's critical for retailers to renew their responsible retailing efforts. Please visit www.wecard.org to order your compliance materials. We also encourage you to communicate your support for We Card Awareness Month to your customers.

On September 5th, Jan Vineyard met with Steven M. Cook, FDA Program Manager, and Biddy Bostic, Behavioral Health Specialist Senior/Synar Compliance Specialist, with the WV Department of Health and Human Resources, to stress our position and to discuss our efforts to stop sales of tobacco products to minors.

At the request of the WV Wholesalers Association and the WV Oil Marketers and Grocers Association (OMEGA WV), Governor Tomblin signed a proclamation declaring September We Card Awareness Month in West Virginia. Following is the text of this proclamation:

Proclamation by Governor Earl Ray Tomblin

Whereas, West Virginia law prohibits the sale of tobacco and other age-restricted products to persons under the age of 18; and

Whereas, the West Virginia Oil Marketers and Grocers Association and the West Virginia Wholesalers Association will participate in We Card Awareness Month, a retail education and training effort to boost West Virginia retailers' awareness of and participation in responsible retailing efforts to comply with federal, state and local laws and identify, prevent and deny tobacco and other age-restricted product sales to minors;

Whereas, the national non-profit organization, The "We Card" Program, Inc., is designed to provide training and education to the retail community to help retailers comply with age-restricted product laws and serve their communities as responsible retailers; and

Whereas, "We Card" in-store training and education materials, its online training programs and its mystery shopping service "ID Check-Up" are available to all West Virginia retailers through We Card's website - www.wecard.org, and is endorsed by the West Virginia Oil Marketers and Grocers Association and the West Virginia Wholesalers Association; and

Whereas, if we work together, West Virginia will benefit from a responsible retailing community that successfully prevents tobacco and other age-restricted product sales to minors.

Now, Therefore, Be it Resolved that I Earl Ray Tomblin, Governor of the Great State of West Virginia, do hereby proclaim September 2013 as:

"We Card" Awareness Month in the Mountain State and encourage all retailers to participate by letting their customers know that "In West Virginia, we don't sell tobacco and other age-restricted products to kids."

Federal Update

FDA Extends Opportunity for Public Input on Menthol Cigarettes

A U.S. Food & Drug Administration (FDA) review concludes that menthol cigarettes likely pose a greater public health risk than regular cigarettes, but does not make a recommendation on whether to limit or ban the minty smokes--one of the few growth sectors of the shrinking cigarette business.

The FDA has published a notice in the Federal Register announcing a 60-day extension of the comment period for the Advance Notice of Proposed Rulemaking (ANPRM) seeking additional information to help the agency make informed decisions about menthol in cigarettes. The new deadline is Nov. 22, 2013. Specifically, the FDA is requesting information to inform its thinking about potential regulatory options, such as establishing tobacco product standards, sale and distribution restrictions, and other regulatory actions and considerations.

All members, including retailers, wholesalers, and manufacturers, are encouraged to take about ten to fifteen minutes and submit comments. The process to submit comments to the FDA is simple. Below are easy to follow step-by-step instructions on how to send in comments to the FDA. While the FDA has extended the deadline to submit comments to November 22, 2013, the time to submit comments is now and the information below will help you do so.

Step 1: How to Submit Comments to the FDA

Comments can be submitted to the FDA's Center for Tobacco Products either by mail or over the Internet on the www.regulations.gov website:

By Mail: Division of Dockets Management (HFA-305)

Food and Drug Administration 5630 Fishers Lane, Rm. 1061

Rockville, MD 20852

Note: In your letter, between the FDA's address and "Dear FDA Representative", you need to type in the following line: RE: Docket No. FDA-2013-N-0521

On the Internet, visit http://www.regulations.gov/#!submitComment;D=FDA-2013-N-0521-0001.

- 1. The www.regulations.gov webpage will appear on your screen and should state across the top "You are commenting on the Food and Drug Administration (FDA) Proposed Rule: Menthol in Cigarettes, Tobacco Products: Request for Comments."
- 2. Under Number 1, "Your Information", you can either type or copy and paste your comments in the box beneath the word "Comment" or scroll down and upload your comments if you typed a letter on your computer. To upload your comments, click "Choose files", a listing of the documents on your computer should appear on your screen, locate and then double click the letter that you want to upload. (Note: Please use your own words in typing your comments and see suggested points to make in your comments below under Step 3).
- 3. You may, but are not required to, fill in the boxes labeled "First Name" and "Last Name".
- 4. If you want to provide your zip code and e-mail address, click on the box in front of "I want to provide my contact information" and then type in your zip code and e-mail address in the appropriate boxes. Providing this information is optional.
- 5. If you are submitting comments for someone else (for example, your attorney is drafting comments to submit on behalf of your company), the person submitting the comments will need to check the box in front of "I am submitting on behalf of a third party" and type in his/her name and your company's name. However, if you are submitting your own comments, do not check the box.
- 6. The next box is titled "Category" and an answer must be selected. Click on the down arrow box and then select "Private Industry" if the comments are being submitted by you as a retailer, wholesaler or manufacturer. If you or your customers desire to submit your own individual comments, click "Individual Consumer".

- 7. Then, click the blue "Continue" button and you are taken to the "Your Preview" page. If all of the information is correct, scroll down, read the filing statement and then click on the small box in front of the phrase "I read and understand the statement above."
- 8. Finally, click the blue "Submit Comment" button to submit your comments. You will then be provided a receipt for the submission of your comments.

Step 2: What Kind of Information Does the FDA Want in Comments?

It is important to understand that the FDA is not required to regulate menthol in cigarettes, nor has the agency made a final decision on whether menthol will be regulated. When the FDA issued its request for additional public comments on the use of menthol in cigarettes, the agency provided a list of questions to serve as a guide for the kind of information the agency was seeking. The relevant questions for retailers and wholesalers to respond to include the following:

- Should FDA consider establishing a tobacco product standard to regulate menthol in cigarettes? If so, what allowable level of menthol (e.g., maximum or minimum) would be appropriate for the protection of the public health?
- Should the FDA consider establishing restrictions on the sale and/or distribution of menthol cigarettes?
- If menthol cigarettes could no longer be legally sold, is there evidence that illicit trade in menthol cigarettes would become a significant problem? If so what would be the impact of any such illicit trade on public health? How would any such illicit trade compare to the existing illicit trade in cigarettes?

Step 3: What Should You Say in Your Comments?

Below is a list of suggested statements to make in your comments. You can choose which of the statements you would like to include in your comments, but remember to put the statements into your own words. These statements will help you respond to the questions that the FDA has posed in seeking additional information about menthol.

- Begin your letter or comments with "Dear FDA Staff", "Dear FDA Representative" or "To Whom It May Concern". Remember, if you are mailing a letter to the FDA, include "RE: Docket No. FDA-2013-N-0521" beneath the address.
- Provide some background information such as your company's name (unless you want to remain anonymous), number of stores or warehouses you operate, and the number of people you employ.
- Retailers: Include a statement that you and your employees responsibly sell tobacco products to adult customers and work diligently to comply with state and federal laws regarding the sale of tobacco.
- In passing the Smoking Prevention and Tobacco Control Act, the law that authorized the FDA to regulate tobacco products, Congress specifically allowed menthol to be used in cigarettes. Since this federal law regulates all cigarettes, there is no need to issue additional regulations that would ban or restrict the use of menthol in cigarettes. The current federal regulations that apply to all cigarettes, including menthol cigarettes, are sufficient.
- Additional regulations on the sale and distribution of menthol cigarettes are not necessary. The current FDA regulations that retailers must comply with to sell cigarettes apply equally to non-menthol and menthol cigarettes.
- If the sale of menthol cigarettes was banned in the United States, a black market will emerge for menthol cigarettes. Illicit trade in lower taxed or untaxed cigarettes already exists from state to state and a ban on menthol cigarettes will only provide a similar opportunity for criminal elements to establish a black market for menthol cigarettes. Fostering the illicit sale of menthol cigarettes will put the public at risk due to more illegal activity. Rather than protecting the public health, a black market in menthol cigarettes puts the public in harms way as a result of more widespread organized crime.
- While retailers are on the front lines of preventing the sale of cigarettes to minors, the black market
 does not operate within the law or any sense of public responsibility. Instead of menthol cigarette
 sales taking place n licensed and regulated retail stores, a ban on menthol cigarettes will lead to
 smuggled menthol cigarettes being sold on the streets without black market profiteers being concerned
 with checking someone's identification to ensure that they are of legal age.

- Illegal sales of menthol cigarettes on the black market will undermine the FDA's goal of protecting the public health. Rather than further the progress that retailers have made in preventing cigarette sales to underage youth, the availability of menthol cigarettes on the black market will provide minors a source for cigarettes that is easily accessible. This result is contradictory to the FDA's goal of reducing youth access to tobacco products.
- How can the FDA reconcile proposing a potential ban on the sale of menthol cigarettes to protect the
 public health when the agency's own preliminary scientific evaluation of menthol cigarettes released in
 July of this year concludes: "From the available studies, the weight of evidence supports the conclusion
 that menthol in cigarettes is not associated with an increase in disease risk to the user compared to
 non-menthol cigarette smokers." Based on this conclusion, banning menthol cigarettes would only
 force adults who purchase menthol cigarettes to seek out illegal menthol cigarettes on the contraband
 market.
- Overly restrictive regulations or a ban on the sale of menthol cigarettes will have a severe negative impact on retailers and wholesalers. A ban on menthol cigarette sales will result in a significant drop in legal cigarette sales due to customers seeking out black market menthol cigarettes. This will put more jobs at risk and even the prospect of business closures. The result is lost jobs, lost cigarette tax revenue to state governments and the federal government, and greater expenditures by law enforcement officials to combat what will be a widespread black market in menthol cigarettes.
- Banning menthol will trade good paying, legal jobs with illegal jobs created by a rampant black market with no resulting benefit to the public health.

Will Submitting Comments to the FDA Make a Difference?

The most direct and simple answer to this question is "yes". The FDA is required to seek public comments on proposed regulations just like it is doing now on the question of using menthol in cigarettes. Moreover, FDA staff members have indicated publicly that they read every comment that is submitted. With anti-tobacco advocates submitting comments, it is very important that members of the tobacco industry, including retailers, wholesalers and manufacturers, also submit comments to the FDA.

FDA Seeks Comments on "Tobacco Retailer Training Programs"

The Food and Drug Administration (FDA) has issued a guidance document designed to help tobacco retailers train employees on how to comply with federal tobacco laws and regulations. While the Family Smoking Prevention and Tobacco Control Act (Tobacco Control Act) does not require retailers to implement employee training programs, it does provide for lower civil money penalties for violations by retailers who have implemented a training program that complies with FDA standards for which regulations will be issued. To download the guidance document, including instructions for comments, visit http://www.fda.gov/downloads/TobaccoProducts/GuidanceComplianceRegulatoryInformation/UCM218906.pdf.

FDA and NIH Create Tobacco Centers for Regulatory Science

On September 19th, the FDA and the National Institutes of Health (NIH) announced a federal agency partnership that has awarded \$53 million to fund tobacco-related research in fiscal year 2013 by creating fourteen tobacco centers for regulatory science, known as TCORS. Using funds from the FDA, TCORS are being created to support research and provide scientific data on the regulation of tobacco products. According to the FDA's announcement about TCORS, "the research will help inform and assess the impact of FDA's prior, ongoing and potential future tobacco regulatory activities implemented by CTP [Center for Tobacco Products] under the direction of Mitch Zeller."

The funding for TCORS, including the first year funding of \$53 million, has the potential to total more than \$273 million over the next five years. The TCORS research being funded will provide scientific evidence on seven tobacco-related research areas including (1) diversity of tobacco products, (2) reducing addition, (3) reducing toxicity and carcinogenicity, (4) adverse health consequences, (5) communications, (6) marketing of tobacco products, and (7) economics and policies.

E-Cig Update

E-cigs are a hot topic right now. Following are some briefs of interest:

Groups Urge White House to Regulate Electronic Cigarettes

A coalition of anti-tobacco groups, physicians and public health officials have sent a letter to the White House urging the Obama administration to put pressure on the FDA to regulate electronic cigarettes, Politico reports. The letter notes that the use of e-cigarettes has doubled among middle- and high-school children, and that cigar use has also increased.

"E-cigarettes come in cotton candy, gummy bear, bubble gum flavors, Atomic Fireball, orange soda, as well as grape, apple and strawberry," the letter states, adding that the cigar industry is also selling candy-flavored products.

"Given the enormity of the burden of death and disease caused by tobacco products, the public health of our nation cannot afford further delay," the letter states. "FDA must issue a rule to regulate all tobacco products, including cigars, little cigars, e-cigarettes and other tobacco products. We urge you to do everything in your power to ensure that FDA takes this action without further delay."

Democrat Lawmakers Urge FDA to Regulate E-Cigarettes and Request Hearing

On September 16, 2013, four Democrats in the U.S. House of Representatives sent letters regarding electronic cigarettes to Margaret Hamburg, the Commissioner of the Food and Drug Administration, and to the chairmen of three U.S. House committees and subcommittees. The letter to Commissioner Hamburg urged the FDA "to act quickly to appropriately regulate [e-cigarette] products. The letter to the chairmen of the various House committees requests a hearing "on the increase use and health impacts of these 'e-cigarettes' and other tobacco products like cigars and pipe tobacco that are currently unregulated by the Food and Drug Administration (FDA)."

AGs Urge FDA to Regulate E-Cigarettes

Emphasizing the need for immediate regulatory oversight of electronic cigarettes, Massachusetts Attorney General Martha Coakley (D) is urging the U.S. Food & Drug Administration (FDA) to place restrictions on the advertising and ingredients of the "popular, highly addictive" product, and prohibit its sale to minors.

In a bipartisan letter co-sponsored by Coakley and Ohio Attorney General Mike DeWine (R), and joined by 38 other attorneys general, Coakley urges the FDA to take all available measures to regulate e-cigarettes as "tobacco products" under the Tobacco Control Act.

Oregon Legislature May Consider Taxing E-Cigarettes

On Tuesday, September 17th, officials of the Oregon Department of Revenue informed members of Oregon's House and Senate legislative committees that the state does not currently tax electronic cigarettes. While Representative Phil Barnhart, the chairman of the House Revenue Committee, stated that the Oregon legislature should consider taxing e-cigarettes, other lawmakers expressed an interest in collecting more data about the product before deciding whether to tax e-cigarettes. Currently, Minnesota is the only state that taxes e-cigarettes at a rate of 95% of the wholesale cost.

Bloomberg Hints at E-Cigarettes Ban

Fox News is reporting that New York City Mayor Michael Bloomberg may be looking to ban electronic cigarettes. Under a newly leaked draft of three tobacco-related bills heading to the NYC City Council, a new definition of "tobacco products" would include e-cigarettes and related components, parts and accessories. If the ban passes, it would affect the display of e-cigarettes and smokeless tobacco in retail stores. Additionally, while tobacco and menthol flavored e-cigarettes would be available in retail stores, all other flavored e-cigarettes would be relegated to age-restricted "tobacco bars" that were opened before December 31, 2001. The bill would also raise the legal age for buying tobacco products to 21, prohibit the display of cigarette advertising in stores, and raise the price for cigarette packages.

FDA Funding Low-Nicotine Cigarette Research

Study could give agency data it would need to set new, lower nicotine levels

Beverly Anusionwu, 54, a smoker for three decades, is among the first of nearly 850 participants around the country who over the next year will help researchers and federal regulators try to answer the question: How much does nicotine need to be reduced in cigarettes to make them less addictive?

The answer has taken on renewed urgency now that the U.S. Food & Drug Administration (FDA) has the authority to regulate the amount of nicotine in cigarettes, although it can't ban the substance outright, said a report by The Washington Post. Congress gave the agency that power in 2009, and the FDA has faced growing pressure to use it to reduce smoking. To advocates, the power to set limits on nicotine could hold the key.

"Imagine a world where a cigarette wasn't addictive," Mitch Zeller, director of the FDA's Center for Tobacco Products (CTP), which provided millions of dollars to fund the University of Pittsburgh study and others like it, told the newspaper.

"The question is, how low would [FDA] have to go to produce a beneficial public health impact?" Eric Donny, a University of Pittsburgh psychology professor overseeing the one-year project, told the paper.

The study unfolding in Pittsburgh and at nine other sites around the country is the largest of its type to date and eventually could give the agency the data it needs to set new, lower nicotine levels in cigarettes.

Participants in the study underway in 10 cities, including at Johns Hopkins University, will smoke cigarettes containing a wide range of nicotine. After six weeks, researchers will ask them not to smoke for a day to see if they suffer withdrawal symptoms. They also will follow up to see whether the users' smoking habits have changed, how they are sleeping and if the change in nicotine has altered their ability to concentrate.

"What's been found so far is that when people are given low-nicotine cigarettes, they do seem to reduce the number of cigarettes that they smoke. There are some promising results," Dorothy Hatsukami, a psychiatry professor and director of the University of Minnesota's Tobacco Research Programs who is working with Donny on the study in Pittsburgh, told the Post.

Next year, Hatsukami will oversee a larger and longer federally funded study to examine whether reducing nicotine levels quickly or gradually over time is more effective.

"I really don't think we know what's going to happen as we reduce nicotine levels," Gregory Connolly, a Harvard professor of public health and anti-smoking advocate who served on an FDA tobacco advisory panel before resigning in 2010, told the paper. "Are people going to increase their smoking behavior [to compensate]? Are they going to reject the product? Tobacco addiction is very complex."

Connolly supports cutting nicotine levels, but notes that tobacco companies use other chemicals to create tastes and smells that enhance dependence on cigarettes. Focusing solely on nicotine could leave the door open for the industry to craft other creative ways to keep smokers hooked, he said.

Richmond lawyer Bryan Haynes, whose firm Troutman Sanders represents multiple tobacco firms, said the FDA should think long and hard before making major changes. "One consideration would be whether people smoke more cigarettes" if nicotine levels fall, he told the paper. Another consideration: "If you alter the fundamental properties of a product, people will start looking toward contraband. It could create black market."

William Phelps, a spokesperson for Altria, the parent company of Philip Morris, said the company hopes the FDA will base any new nicotine regulations only on sound scientific data. "We're aware the agency is funding research related to lower-nicotine cigarettes and will wait to see the outcome of that research," he told the Post.

Thomas Glynn, director of science and trends for the American Cancer Society, said that whatever the outcome of the Pittsburgh study, there is little doubt that the FDA will move cautiously. But he said research like the kind taking place in Pittsburgh will help the agency build a case for exercising its newfound powers down the road.

Providence: The Case of Coupons and Flavored Products

On July 29, an oral argument hearing was held before a three-judge panel of the U.S. Circuit Court of Appeals in a lawsuit seeking to overturn two Providence, R.I. tobacco ordinances. The hearing involved an appeal of a federal district court ruling that upheld the tobacco-related ordinances adopted by the Providence, R.I. city council on January 5, 2012.

One of the Providence ordinances prohibits both the redemption of tobacco product coupons and the sale of multi-packs of tobacco products with discounted prices. The second Providence ordinance outlaws the sale of most flavored tobacco products.

The parties that sued the City of Providence include NATO, the Cigar Association of America, Lorillard Tobacco Co., R.J. Reynolds Tobacco Co., American Snuff Co., Philip Morris, USA, Inc., U.S. Smokeless Tobacco Manufacturing Co., LLC, U.S. Smokeless Brands, Inc. and John Middleton Co.

Coupon and Discount Ordinance

One of the Providence ordinances prohibits any retailer that holds a retail tobacco license from accepting or redeeming any coupon that allows a consumer to obtain tobacco products free of charge or for less than the listed or non-discounted price. In addition, the ordinance prohibits the sale of tobacco products to consumers through any multi-packs with a discounted price such as a "buy two, get one free" offer or providing consumers any tobacco products without charge or for less than the listed or non-discounted price in exchange for the purchase of any other tobacco product.

Flavored Tobacco Ordinance

The other Providence ordinance bans the sale of tobacco products, except in smoking bars, that have a characterizing flavor with a distinguishable taste or aroma of any fruit, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, herb or spice and such "concepts as spicy, arctic, ice, cool, warm, hot, mellow, fresh and breeze." The tobacco products covered by this ban include, but are not limited to, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, bidis, snus, dissolvable tobacco products, and electronic cigarette cartridges. However, tobacco products with a characterizing flavor that have the taste or aroma of tobacco, menthol, mint or wintergreen are not banned under the ordinance.

The three-judge panel hearing the appeal did not indicate any timeframe for the issuance of a ruling on the case. When a ruling is issued, NATO will report on the outcome of the court case.

R. J. Reynolds' Dave Riser to be Inducted into Hall of Fame

David (Dave) B. Riser, Vice President of External Relations -- Trade Marketing for R. J. Reynolds Tobacco Co., will be inducted into the Convenience Store News Hall of Fame at a gala reception and induction ceremony this fall. Riser was selected for induction into the supplier wing of the Hall of Fame by the 50-member Blue Ribbon Panel of industry peers and past inductees.

Obama Administration Launches Website to Businesses about Affordable Care Act

The Obama Administration has launched Business.USA.gov/healthcare, a website which will provide employers of all sizes educational materials on how the Affordable Care Act may affect businesses. The site includes a wizard tool so businesses can learn how the law helps them provide affordable coverage options to their employees while still meeting their bottom line. The site will act as a user-friendly hub that connects employers to informational content on tax credits and other provisions of the law from the Small Business Administration, the Department of Health and Human Services (HHS), and the Treasury Department. U.S. Department of Health & Human Services.

FTA to Develop Model Reporting Form for Electronic Reporting of Tobacco Tax, MSA and PACT

The Federation of Tax Administrators (FTA) is working to develop a model reporting form for all states interested in moving to electronic reporting of tobacco tax, MSA and PACT information. AWMA has been working closely with FTA for almost 2 years on this project as part of their Uniformity Committee. However, FTA recently indicated they are intending to finalize these forms at their next meeting in January 2014. For this reason, AWMA is urging our distributor members for input on the latest proposed report forms.

WV State Officials Say "Lean Times" Ahead

Although West Virginia has maintained its bond ratings, paid into employee retirement funds and avoided layoffs and furloughs in recent years, budget officials told lawmakers during September Interims the state is still in "lean times." According to a report given to lawmakers:

- The state finished the fiscal year with \$11.6 million in unspent appropriations.
- More than \$5.75 million was dumped into the state's Rainy Day Fund, leaving \$6.3 million available to state agencies. (In past years, that number's been \$150 million, \$180 million dollars.)
- The state emptied its \$45 million income tax reserve fund and cut \$17 million from Medicaid earlier this year to finish the 2013 fiscal year with a balanced budget.
- Income tax reserve had grown from \$17.5 million in 1990 to grown to more than \$45 million last year.
- A drop in coal and natural gas severance taxes, which fell \$58.2 million from 2012, drove most of that shortfall.
- The state's consumer sales tax collections also came in \$22.7 million under 2012 collection
- Lottery revenues fell \$35 million.

There were some bright spots in the 2013 budget, however.

The state's corporate income tax topped 2012 collections by \$50 million, even though it came in \$10.5 million below expectations.

The West Virginia Lottery also outperformed expectations by \$82.6 million, bringing in \$510 million.

FDA Regulatory Priorities

The Center for Food Safety and Applied Nutrition (CFSAN), a public health regulatory center within the FDA tasked at ensuring the nation's food is safe and properly labeled, recently released its Plan for Program Priorities for 2013-2014. This plan lists many pending food safety rules (proposed and final), many of which may impact retailers and wholesalers. The plan is available at http://www.fda.gov/AboutFDA/CentersOffices/OfficeofFoods/CFSAN/WhatWeDo/ucm366279.htm?.



Mark Your Calendar!

2014 Mid-Atlantic Legislative Conference

May 21st & 22nd, 2014

The Greenbrier Resort
White Sulphur Springs, WV



Membership Directory Ad Rates

We are preparing to print our 2014 WVWA Membership Directory. This directory will be given to current members of WVWA and new members who join the Association. The directory is an indispensable tool for members to utilize in their daily business.

Advertising in this publication is a great way to keep your company's name out in front of members. Following are the advertising rates for this publication:

Inside front cover - SOLD Full page (regular location) - \$700 Inside back cover - \$1,000 Full page (VIP location) - \$800

Back cover - SOLD Half-page - \$500

Logo w/company listing - \$100

We have a new size for this publication this year. The directory will now be 4.25 x 8.5, which we feel will make it more convenient to keep handy.

If you would be interested in placing an ad, please contact Traci Nelson at traci@omegawv.com or call the Association Office at 304.205.5496.

The deadline to reserve your ad is October 21, 2013. We ask that all ads be in either a jpg or pdf format.

Please let us know if you have any questions regarding advertising in this publication.

Association News

WV Wholesalers Association Develops Strategic Plan

On September 6th, our Strategic Planning Committee, including President Randy Emanuelson, Rob Sincavich, Dave Ramella, Jim Cunningham, Jan Vineyard, Mike Doman and Rick Dearien met to form a Strategic Plan for the Association.

As with any strategic planning session, you must first identify your strengths, weaknesses, opportunities and threats.

Strengths

- 1. Relationship between manufacturers and wholesalers is strong and helps us fight against taxation.
- 2. Ability to step up when needed.
- 3. Strong financially for a state our size.
- 4. New relationship with OMEGA & WVTA.

Weaknesses

- 1. Active membership is very small.
- 2. Only known for tobacco lobbying.

Opportunities

- 1. Shift from tobacco to nicotine. How can we can we capitalize on new opportunities like this market switch while also being good stewards?
- 2. Proactive legislative pieces. What proactive pieces can we introduce?
- 3. Celebration of events, scholarships, etc. What things can we do to celebrate our industry that also gives us a positive image that we can use?
- 4. Jan is an established lobbyist. How can we use her in the legislature?
- 5. Collaboration with OMEGA/WVTA. How can we collaborate with these other associations?

Threats

- 1. Membership participation is declining.
- 2. Taxation

The group then developed a **Mission Statement** for the Association:

West Virginia Wholesalers Association is a full service trade association serving the educational, economic and legislative needs of wholesalers, manufacturers and affiliated service providers doing business with WV retailers and working to ensure a promising future for West Virginia.

After a very productive session, the group left invigorated and excited to take the Association to the next level. The **goals** set were:

- 1. Create new by-laws that encourage active board and member participation
 - a. Restructure dues and improve Association's financial foundation.
- 2. Live up to our motto "Tackling the future. Proud of our tradition."
- 3. New Membership Where are the low hanging fruits? Who do we want to pursue?
- 4. Build Membership, Define Value, Prosperity & Benchmark How do we do each of these

The committee plans to meet again and continue their work. President Randy Emanuelson will most likely call a meeting of the Board prior to the end of the year.

