

Holiday Companies

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November 17, 2015

St. Paul City Council Members
City of St. Paul
15 West Kellogg Boulevard
St. Paul, MN 55102

BY EMAIL

RE: Ordinance 15-57, Ban on Flavored Tobacco Products

Dear St. Paul City Council Members:

Holiday Companies is a Minnesota-based, family owned convenience store company that has been doing business in St. Paul for over 60 years. We have 10 convenience stores in St. Paul and employ over 200 people in the City.

We understand that St. Paul is considering banning the sale of flavored tobacco products, excluding menthol, wintergreen and mint. We do not understand why this step is being taken, banning a legal product after already requiring that we take product off our store shelves due to the minimum cigar pricing ordinance. These moves will only harm our business as 40% of inside sales at convenience stores are tobacco products. To make matters worse, we know that customers will simply travel a few miles to an adjoining suburb where they can buy whatever tobacco products they want and while doing so, buy their gasoline, food and beverages.

This ordinance will also create an unlevel and unfair playing field with tobacco shops in St. Paul who will have a virtual monopoly on the right to sell flavored tobacco products as they are exempt under the Ordinance. Not only will they be able to sell flavored tobacco products, but they will take away sales in cigarettes, menthol, wintergreen and mint products.

The issue here is not about youth access to flavored tobacco products or other tobacco products for that matter. We have a strict policy prohibiting the sale of tobacco to underage individuals and require all of our Sales Associates to ask for identification from any individual that appears to be under age 40 which is higher than the FDA mandate of age 27. We verify compliance by having compliance checks conducted by a third party that does so on a random and unannounced basis.

We also know that the retail community in general has been quite vigilant in preventing sales to underage individuals. The latest compliance check data from the FDA shows that St. Paul retailers have achieved almost a 97% rate in preventing sale of tobacco to underage individuals. The overwhelming source of tobacco products to underage

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individuals come from social sources such as older friends and siblings. Banning flavored tobacco products in convenience stores will not solve the social source problem.

We would request that you not adopt the Ordinance. Given the absence of any evidence of meaningful youth access through retailers, we do not believe there is any justification for banning the sale of flavored tobacco products.

Thank you.

Very truly yours,

HOLIDAY COMPANIES

A handwritten signature in blue ink, appearing to read "Steven G. Rush", is written over the printed name.

Steven G. Rush
Director of Government Relations

SGR/ss