City of Schenectady Licensed Tobacco Retailer Observations: Summary of Findings November 2023

> The data provided in this report was gathered by Capital District Tobacco-Free Communities staff through in-person observations at 31 licensed tobacco retailers (LTRs) located within 1500' of one or more schools in zip codes 12303, 12304, 12305 and 12307 on October 25, 2023. All photos were taken at the stores visited.





# WHAT DOES TOBACCO MARKETING LOOK LIKE?

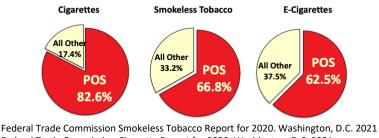
The 1998 Master Settlement Agreement placed significant restrictions on the ways in which tobacco companies could market their products, including bans on billboard advertising, the use of cartoon characters, and limits on the distribution of branded clothing and other merchandise. On the heels of these restrictions, the industry pivoted to make stores that sell tobacco the primary focus for continued industry marketing.



#### Tobacco Industry Marketing Expenditures

#### \$7.3 Billion

Spent in 2020 on cigarette, smokeless tobacco, and e-cigarette marketing at the point of sale



Federal Trade Commission Smokeless Tobacco Report for 2020. Washington, D.C. 2021 Federal Trade Commission Cigarette Report for 2020. Washington, D.C. 2021 Federal Trade Commission E-Cigarette Report for 2019-2020. Washington, D.C. 2022 Tobacco companies spend half a million dollars every day in NYS marketing their products, more than the amount spent to market junk food, soda and alcohol *combined*.<sup>1</sup> Most of those dollars are spent in convenience stores where 75% of teens shop at least once a week.<sup>2</sup>

Image courtesy of CounterTobacco.org

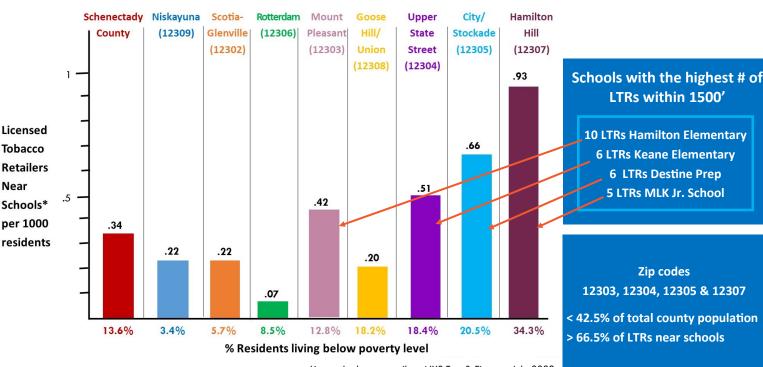
# Marketing strategies at the point of sale include:

- Location, location, location
- Outdoor advertising on the property of retail businesses where tobacco products are sold
- Large, prominent displays of tobacco products for sale
- Interior tobacco ads
- Tobacco products in kid-friendly FLAVORS, placement of tobacco products near candy and toys, and low prices

#### LOCATION

Licensed tobacco retailers (LTRs) are disproportionately located near schools in high poverty neighborhoods in the City of Schenectady Of the 53 Licensed Tobacco Retailers (LTRs) located within 1500' of a school in Schenectady County, 38 (72%) are located in the City of Schenectady.

Of those 38 stores, 35 are located in zip codes in which only 42.5% of the county population lives and that also have the highest poverty rates—12303, 12304, 12305 and 12307.



#### **TOBACCO RETAILER DENSITY NEAR SCHOOLS\***

Licensed tobacco retailers, NYS Tax & Finance, July 2023 Poverty rates, U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates

Population counts, U.S. Census Bureau, 2020 Dicennial Census

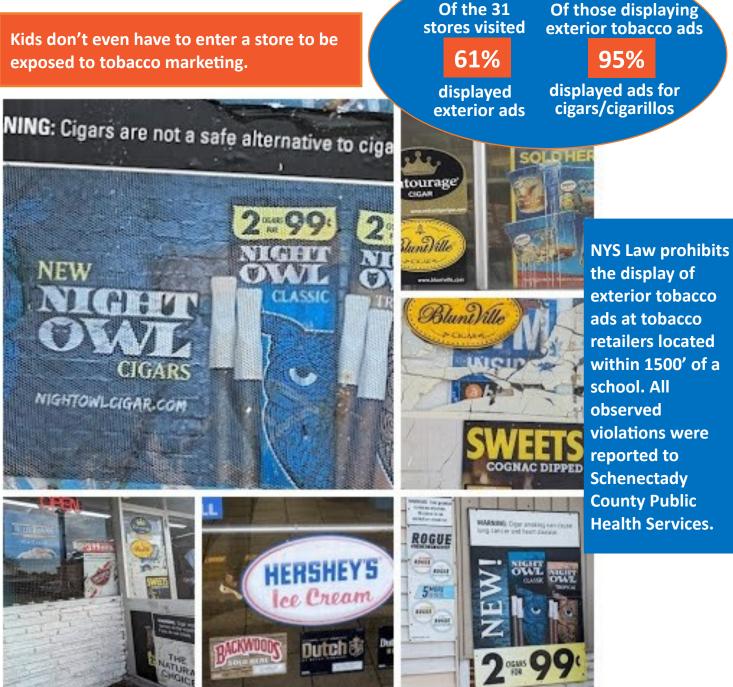
NYS Education Department Directory of Public and Nonpublic Schools and Administrators in New York State

\* "Near Schools" defined as located within 1500' of one or more schools as determined through Google Mapping

### Children living in high poverty neighborhoods have the greatest exposure to tobacco marketing.

The data provided in this report was gathered by CDTFC staff through in-person observations of the licensed tobacco retailers (LTRs) located within 1500' of one or more schools in zip codes 12303, 12304, 12305 and 12307 on October 25, 2023. We were able to collect observation data for 31 of the 35 stores meeting this criteria. All photos included in this report were taken at the stores visited.

# **OUTDOOR ADVERTISING**



#### Cigar ads predominate in the stores visited and impact youth cigar use.

- In 2022, cigars were the second most commonly used tobacco product among U.S. middle and high school students.<sup>3</sup>
- Among U.S. high school students, use of any combustible tobacco product was highest among Black students, specifically for cigars (3.3%) and hookah (2.3%) use.<sup>4</sup>
- In New York State, high school students use tobacco products such as cigars, little cigars and smokeless tobacco 1.5x more than cigarettes.<sup>5</sup>

# **TOBACCO PRODUCT DISPLAYS**

Strategic placement of tobacco products is an integral component of the tobacco industry's marketing scheme. Tobacco product displays increase youth brand recognition and youth normalization of tobacco use.

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In 74% of stores visited, the tobacco product display took up between 1/2 and all the space behind the checkout counter.

In NYS, tobacco product displays in retail stores take up 32 sq ft of space on average.<sup>6</sup>

Product packaging *IS* marketing—a combination of trademark, color and design.

Candy? Gum? Cigars? Can YOU tell the difference?

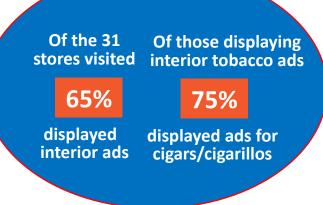
The combination of brightly colored packaging and flavors make tobacco products virtually indistinguishable from candy.



### **INTERIOR ADVERTISING**

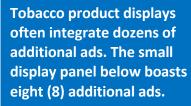
Tobacco ads and displays are so ubiquitous, most non-smoking adults don't even notice them. Once you DO notice, you'll wonder how you could possibly have missed them.

The ads aren't there for the adult non-smoker. They're there to keep current smokers smoking and to influence kids to start.



No matter which way you look -up, down, or straight aheadyou're likely to see tobacco ads.

Hanging from the ceiling







# **FLAVORS AND PRODUCT PLACEMENT NEAR KID-FRIENDLY ITEMS**

More than 80% of youth who use tobacco started with a flavored product.<sup>7</sup> Cigars, cigarillos and smokeless tobacco are widely available in fruit and candy flavors that hold high youth appeal. Flavors also create the impression that these products are less harmful than they really are.<sup>8</sup>

NYS law requires tobacco products to be out of customer reach. There are no restrictions on tobacco product proximity to the items that youth most often purchase such as beverages, snacks, candy and toys.





10 stores (32%) had tobacco products located within 12" of candy, gum, snacks or toys.

Ice Cream

edi

Cigarillos

Mike and Ike

## **PRICE POINT**

The Food and Drug Administration requires cigarettes to be sold in pack sizes of no less than twenty which keeps the price per pack reasonably high. Other tobacco products are not included in this regulation, leaving flavored products such as cigars and cigarillos to be sold for as little as \$1, making them especially appealing to price-sensitive youth.

# Of stores visited

# 29%

Sell flavored cigars, little cigars and cigarillos for \$1.00 or less

Sell flavored cigars, little cigars and cigarillos for \$1.50 or less

84%

Sell discounted cigarettes at \$10 or less

39%



Show cigarillos 5 for \$1





Black & Mild Cigars for \$.99 each

Stores in lower-income communities also tend to sell discount cigarette brands.





# VIOLATIONS OF NYS LAW PROHIBITING SALE OF FLAVORED E-CIGARETTES CONTAINING NICOTINE



Hyde brand flavored e-cigarettes containing nicotine and located directly above candy









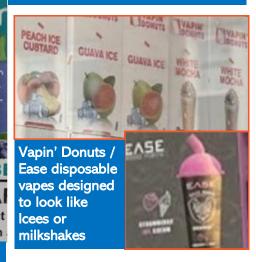
# 52% (16 stores)

Selling flavored e-cigarettes containing nicotine

All observed violations have been reported to Schenectady County Public Health Services.



"Special Deals" on flavored nicotine-based e-cigs



Multiple brands of flavored e-cigs containing nicotine.

### **CORRECTIVE STATEMENTS**

As of September 30, 2023, tobacco companies are required to post federal courtordered statements in tobacco retail stores *with which they have an active contract*. Through June of 2025, 17 different signs will rotate to include factual information about the health harms caused by smoking and exposure to secondhand smoke, and the ways in which these companies manipulated cigarette design and composition to ensure optimum nicotine delivery.

Legally requiring the tobacco companies to make these public statements brings a long overdue end to their decades-long campaign to hide a central truth about their product: When used as intended, tobacco will kill half of all users.

These signs represent a victory for public health by helping to educate the community, dispel misinformation that may influence smokers' choices, and remind the public of the industry's legacy of duplicity.

BUT, only LTRs that have an active contract with one or more tobacco companies are required to post the federal court-ordered signs. Chain stores and stores that also sell gas will almost certainly have a contract, but the corner stores and small markets prevalent in lower income communities often do not.

Fewer than half of the stores visited are required to post these court-ordered statements and all were in compliance

> Of those 15 stores, 9 were chain stores

#### **CORRECTIVE STATEMENT EXAMPLES**

A FEDERAL COURT HAS ORDERED R.J. REYNOLDS TOBACCO & PHILIP MORRIS USA TO STATE:



More people die every year from smoking than from murder, AIDS, suicide, drugs, car crashes, and alcohol, **combined.** 

A FEDERAL COURT HAS ORDERED PHILIP MORRIS USA & R.J. REYNOLDS TOBACCO TO STATE:

Altria, R.J. Reynolds Tobacco, Lorillard, and Philip Morris USA intentionally designed cigarettes to make them more addictive.

A FEDERAL COURT HAS ORDERED PHILIP MORRIS USA & R.J. REYNOLDS TOBACCO TO STATE:

> Secondhand smoke kills over 38,000 Americans each year.

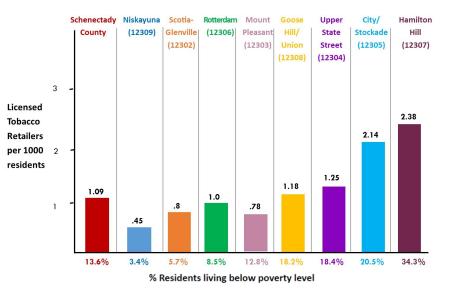
A FEDERAL COURT HAS ORDERED PHILIP MORRIS USA & R.J. REYNOLDS TOBACCO TO STATE:

When you smoke, the nicotine actually changes the brain—that's why quitting is so hard.

An important public health measure designed to counteract decades of tobacco industry misinformation and deceit may fail to reach the people most negatively impacted by tobacco use—people with the least amount of income and education.

# High poverty communities in the City of Schenectady are inundated with tobacco marketing and promotion.

Not only is the presence of Licensed Tobacco Retailers (LTRs) near schools disproportionately high in the highest poverty communities (see graph on p.3), the presence of LTRs is highest in high poverty communities in general.



#### **OVERALL TOBACCO RETAILER DENSITY IN SCHENECTADY COUNTY**

Licensed tobacco retailers, NYS Tax & Finance, July 2023; Poverty rates U.S.Census Bureau, 2021 American Community Survey 5-Year Estimates Population counts, U.S. Census Bureau, 2020 Dicennial Census.

The greater your exposure to tobacco advertising, marketing and promotion, the more likely you are to start or continue tobacco use.

- US Surgeon General's Report, Preventing Tobacco Use Among Youth and Young Adults, 2012

#### Youth Impact

- More likely to perceive tobacco products as accessible
- More likely to recognize and identify with tobacco product brands
- More likely to view tobacco use as normal and desirable
- More likely to start using tobacco

#### Impact on Current Smokers

- More likely to smoke more cigarettes per day
- More likely to find it harder to quit
- More likely to experience cravings
- More likely to make tobacco impulse buys

People living in poverty are more likely to smoke and more likely to suffer and die



Reduce tobacco retailer density

Evidence-based strategies such as zoning and licensing



Reduce death and disease in low-income communities

25 20% 20 15.2 13.8 15 12.9 12 Srepoking rate 7.3 Alladults 525,000 475,000 -34,999 - 49,999 - 74,999 515,000

Annual income

**Disparities in Smoking Prevalence** among New York Adults, 2020

from tobacco-related disease.

#### Table A: Tobacco Retailer Density near schools\* in Schenectady County

| Location                    | # of LTRs<br>near schools | % of total # of all<br>LTRs near schools<br>in county n=53 | Population | % of county population | Poverty<br>level | # LTRs near<br>schools per<br>1000 residents |
|-----------------------------|---------------------------|--|------------|------------------------|------------------|--|
| Schenectady<br>County       | 53                        | 100%   | 158,061    | 100%                   | 13.6%            | .34  |
| City of Schenectady         | 38                        | 72%  | 67,047     | 42%                    | 25.5%            | .57  |
| 12309<br>Niskayuna          | 7                         | 13%  | 31,273     | 20%                    | 3.4%             | .22  |
| 12302<br>Scotia/Glenville   | 6                         | 11%  | 27,618     | 17%                    | 5.7%             | .22  |
| 12306<br>Rotterdam          | 2                         | 4%   | 26,935     | 17%                    | 8.5%             | .07  |
| 12303<br>Mount Pleasant     | 13                        | 25%  | 30,893     | 19.5%                  | 12.8%            | .42  |
| 12308<br>Goose Hill/Union   | 3                         | 6%   | 15,285     | 9.7%                   | 18.2%            | .20  |
| 12304<br>Upper State Street | 11                        | 21%  | 21,513     | 14%                    | 18.4%            | .51  |
| 12305<br>City/Stockade      | 4                         | 7.5%   | 6,085      | 4%                     | 20.5%            | .66  |
| 12307<br>Hamilton Hill      | 7                         | 13%  | 7,567      | 5%                     | 34.3%            | .93  |

Licensed tobacco retailers, NYS Tax & Finance, July 2023

Poverty rates, U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates

Population counts, U.S. Census Bureau, 2020 Dicennial Census

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\*"Near schools" defined as located within 1500' of one or more schools as determined through Google Mapping

The following data was collected at 31 Licensed Tobacco Retailers located within 1500' of one or more schools in City of Schenectady Zip Codes 12303, 12304, 12305 and 12307.

#### Table B: Exterior tobacco ads

Number of stores displaying any exterior tobacco ad = 19 (61% of stores visited) Of those 19 stores:

| Type of Product being advertised | # of stores displaying<br>product ad(s) | % of stores displaying<br>product ad(s) |
|----------------------------------|---|---|
| Cigars / cigarillos              | 18                                      | 95%                                     |
| Menthol cigs                     | 5                                       | 26%                                     |
| Non-menthol cigs                 | 5                                       | 26%                                     |
| E-cigarettes                     | 3                                       | 16%                                     |
| Chew                             | 2                                       | 11%                                     |
| Loose                            | 1                                       | 5%                                      |

The total number of exterior tobacco ads counted at all 19 stores was 88, an average of 4.6 ads/store.

Three stores displayed significantly more than the average, one with 17 and two others with 10, respectively.

#### Table C: Size of interior tobacco product display

| % space behind checkout taken<br>up by tobacco display | # stores | % stores |
|--|----------|----------|
| More than 1/2  | 19       | 61%      |
| About 1/2  | 4        | 13%      |
| Less than 1/2  | 8        | 26%      |

#### Table D: Interior tobacco ads other than those integrated into product displays

| Type of Product being advertised | # of stores displaying<br>product ad(s) | % of stores displaying<br>product ad(s) |
|----------------------------------|---|---|
| Cigars/cigarillos                | 15                                      | 75%                                     |
| Menthol cigs                     | 9                                       | 45%                                     |
| Non-menthol cigs                 | 8                                       | 40%                                     |
| Chew                             | 5                                       | 25%                                     |
| Loose                            | 0                                       | 0%                                      |
| E-cigarettes                     | 0                                       | 0%                                      |

Number of stores displaying any interior ad = 20 (65% of stores visited) Of those 20 stores:

> The total number of ads counted in all 20 stores was 138, an average of almost 7 ads/store.

Two stores displayed significantly more than the average, one with 31 and another with 12, respectively.

#### Table E: Stores selling various flavored tobacco products

| Flavored product type | # of stores selling product | % of stores selling product |  |
|-----------------------|-----------------------------|-----------------------------|--|
| Cigars/cigarillos     | 29                          | 94%                         |  |
| Menthol cigs          | 26                          | 84%                         |  |
| Loose                 | 24                          | 77%                         |  |
| Nicotine-based e-cigs | 16                          | 52%                         |  |
| Chew                  | 13                          | 42%                         |  |
| Non-nicotine e-cigs   | 3                           | 10%                         |  |

| n | _ | 2 | 1  |
|---|---|---|----|
|   | - | 3 | т. |

# Table F: Stores selling tobacco products at \$1.50 or less

#### n=31

| Lowest price on any tobacco product | # of stores selling at<br>least one product at<br>that price | % of stores selling at<br>least one product at<br>that price |
|-------------------------------------|--|--|
| < \$1                               | 9  | 29%  |
| \$1.01-\$1.50                       | 17   | 55%  |
| \$1.50 or less                      | 26   | 84%  |

# **ENDNOTES**

<sup>1</sup>Toll of Tobacco in New York, Campaign for Tobacco-Free Kids (updated 6/22/2023), <u>https://www.tobaccofreekids.org/problem/toll-us/new\_york</u>.

<sup>2</sup>Feighery EC, et al. The 1999 Annual Report of the Promotion Industry, a PROMO Magazine Special Report. Overland Park, Kansas: Intertec Publishing, 1999; and Tobacco Control 2001.

<sup>3</sup>Park Lee E, Ren C, Cooper M, Cornelius M, Jamal A, Cullen KA. <u>Tobacco Product Use Among Middle and High School</u> <u>Students – United States, 2022</u>. Morbidity and Mortality Weekly Report, 2022; 71:45.

<sup>4</sup> Ibid.

<sup>5</sup>NYS Dept of Health, Bureau of Tobacco Control StatShot Vol. 15, No. 1 / May 2023. <u>StatShot Vol. 15, No 1 / May</u> 2023, Youth Tobacco Use Continues to Decline Across All Product Types in 2022, One in Five Youth Still Use Tobacco

<sup>6</sup>NYS Dept of Health, Bureau of Tobacco Control. <u>StatShot Vol. 11, No. 2 /Mar 2018, Tobacco Marketing is Pervasive in</u> <u>the Retail Setting (ny.gov)</u>

<sup>7</sup>Ambrose, BK, et al., "Flavored Tobacco Product Use Among US Youth Aged 12-17 Years, 2013-2014," Journal of the American Medical Association, published online October 26, 2015.

<sup>8</sup>Pepper, JK, et al., "Adolescents' interest in trying flavoured e-cigarettes," Tobacco Control, 25: ii62-ii66, published online September 15, 2016.