

TO: Senate Health Committee, New York State Senate

FROM: Miguel Martin, Logic Technology Development, LLC

DATE: 5/14/14

Re: Written Testimony in Response to Proposed Regulations of Electronic Cigarettes

Logic Technology Development, LLC markets and intends its products to be sold to adult smokers of legal smoking age and older. Our sales and marketing practices demonstrate this - not only in its current voluntary manner, but also in our support of regulations that would make these practices law. Logic believes electronic cigarettes may offer an additional alternative to traditional combustion based cigarettes. We encourage all elected officials and regulatory agencies to conduct the research necessary to understand the differences between these inherently different products. Logic supports regulation commensurate with harm and, as you will see from our submission, Logic voluntarily limits its marketing and sales activity to be consistent with our stated position of marketing and selling our products to adult smokers of legal smoking age. Logic supports age restrictions in a manner similar to cigarettes.

The vast majority of our marketing efforts have been in retail locations that are capable of age verification and through radio advertising during time slots having a 21+ age audience of greater than 70%. This standard of 70% or greater age percentage is the industry standard for alcohol products. We have voluntarily included the following language to our radio commercials: "*Logic products contain nicotine, an addictive substance. Logic products are intended for sale to adult smokers of legal smoking age.*"

As stated previously, we currently utilize radio, but we air our commercials on stations and during time periods where 70% of the audience is 21 years of age or older. This threshold was selected since it is the industry standard for alcohol products that are a 21+ age product.

To enhance our ability to ensure that we are communicating with adult smokers of legal smoking age, Logic has made significant investments in age verification technology through hiring an industry leading age verification company, Aristotle. This company and its' technology is currently used by many of the nation's largest tobacco companies.

Logic uses print almost exclusively to communicate to trade partners in industry magazines with an adult audience. We have ceased all broad print media applications such as general readership newspapers or magazines.

Logic has taken significant steps to ensure that our trade partners and consumers understand that our products are intended for consumers of a legal smoking age. We have communicated consistently to our trade partners that our products are for sale to adult consumers of legal smoking age. As mentioned previously we are adding industry leading on-line verification tools to ensure that our products are sold to adult smokers of legal smoking age. Our company has consistently turned down marketing opportunities in mediums where it conflicted with our stated responsibility position.

Logic currently manufactures only menthol as a product with characterizing flavors. The removal of menthol as an acceptable flavor for electronic cigarettes ensures that a limited percentage of adult cigarette smokers will try and potentially use electronic cigarettes.

Logic intends its' products to be sold on-line, as in retail stores, to adult smokers of legal smoking age. As previously mentioned Logic is implementing significant enhancements to it's proprietary website. Logic has communicated to all business partners our policy. However, given the difficulty of policing these transactions and to be consistent with our stated intent of sales to adults of legal smoking age - Logic supports the ban of on-line sales.

Logic has limited agreements with retailers to merchandise and sell our products. These retailers currently sell cigarettes and per our stated position, packaging and POS our products are to be sold to adult consumers of legal smoking age.

As stated throughout this submission, Logic's intent and practice is to sell and market our products to adult smokers. Logic has voluntarily restricted its lawful right to market its products in a variety of currently used industry practices and has made significant investments to improve its responsibility system. In closing, adult smokers clearly have demonstrated an interest in alternatives to traditional combustion based cigarettes.

We hope that you are also looking at how government funded research can be accelerated so that the US smoking population can make a more informed decision about the differences between traditional cigarettes and alternatives such as electronic cigarettes. We urge you to look to the Food and Drug Administration for guidance. The FDA has spent years developing a complex regulatory structure and we hope that you will consider its significance before moving forward with your proposed regulations. Thank you for your consideration.

Miguel Martin
President, Logic Electronic Cigarettes