

For Immediate Release

As Marijuana Becomes Legalized Majority (87%) of Canadians Want Current Branded Package Regulations Applied to Marijuana Cigarettes

2/3rds (64%) Reject Generic Packaging, Cite Risk of Criminal Counterfeiting

June 19, 2018, Toronto—With the imminent legalization of marijuana, a new public opinion poll shows that nearly 9 out of 10 of Canadians support applying the current branding and packaging regulations to both tobacco and marijuana cigarettes.

In light of these findings, two of the country's leading retail and distribution associations today jointly called on the federal government to ensure consistent branding and packaging regulations for both tobacco and marijuana cigarettes and to reject generic packaging because of public concerns that it would likely fuel the criminal counterfeit market.

The Canadian Convenience Stores Association (CCSA) and the National Convenience Stores Distributors Association of Canada (NACDA) cite the overwhelming results of a new nationally representative public opinion poll. The survey indicates that 87% of Canadians want the same branded package regulations that are currently applied to tobacco cigarettes to be applied to marijuana cigarettes—62 % said they "strongly" favour the same regulations. As things stand, recent regulations brought in by the federal government will permit different branding and packaging standards for marijuana cigarettes versus tobacco cigarettes.

"As front-line retailers for current and potential products in the same category, we stand with the majority of Canadians when we say that both marijuana and tobacco cigarettes should face consistent regulations on branding elements, health warnings and other design features when they will soon coexist in Canada" said Satinder Chera, President of the Canadian Convenience Stores Association. "It's critical at this stage of a new product being introduced to an established category—especially with something like marijuana cigarettes—that consumers, retailers and regulators are all on the same page." he said.

The poll also found that nearly two thirds (64%) of the Canadian public reject branding being taken away through any imposition of a generic package for either tobacco or marijuana cigarettes. Five times as many Canadians (40%) believe the generic package could most likely contribute to counterfeiting of tobacco and marijuana cigarettes versus the branded package which is now in place (8%).

"Canadians understand that consistently and equally applying the current branding regime on these two products is not the same as imposing a generic package for all," said Anne Kothawala, President of the National Convenience Stores Distributors Association of Canada. "As the legal distributors and sellers of these products, we and millions of Canadian consumers are deeply concerned that imposing this type of generic brand regimen will fuel and accelerate the growth of the illicit, criminal market." This concern appears well founded, in light of evidence from Australia, which in 2012 became the first country to introduce plain packaging. It is also the only nation for which long-term data exists on the effectiveness of the policy. The latest Australian government statistics² show that illegal tobacco now represents 15% of the overall market, the highest level on record¹. In addition, the long-term decline in smoking rates is stalled.

When, at the end of the questionnaire, Canadian respondents learned about the Australian experience, support for the branded package status quo rose from 64% to 78% (up 14 points) using the exact same question posed at the outset of the survey.

The survey was conducted by polling veteran John Wright who is CEO of the Insight Division of **DART** Insight and Communications www.dartincom.ca and comprised 1,004 randomly selected adults from an Online panel undertaken May 10 to May 13, 2018. The results were weighted by education, age, gender, and region (and in Quebec, language) to match the Canadian population, according to Census data. Using a Bayesian Credibility Interval, the national findings are considered accurate to within +/ - 3.9 percentage points, 19 times out of 20, had all Canadian adults been polled. ¹https://assets.kpmg.com/content/dam/kpmg/uk/pdf/2018/05/australia illicit tobacco_report_2017.pdf ² https://www.aihw.gov.au/reports/illicit-use-of-drugs/ndshs-2016-key-findings/contents/highlights-from-the-2016-survey

Visit http://www.dartincom.ca/polls/ for the complete public opinion report with methodology, written analysis, questions asked, and detailed tables.

ABOUT THE CANADIAN CONVENIENCE STORES ASSOCIATION (CCSA)

The Canadian Convenience Stores Association (CCSA) is a national, not-for-profit trade association that represents the interests of convenience store retailers, distributors, and vendors in Canada. C-store retailers employ over 227,000 people, collect over \$21 billion in tax revenue for governments and serve 10 million customers every day in communities across the country.

ABOUT THE NATIONAL CONVENIENCE STORES DISTRIBUTORS ASSOCIATION (NACDA)

Founded in 1955, the National Convenience Stores Distributors Association (NACDA) represents the interests of independent and institutional distributors and manufacturers in Canada who serve the convenience market. NACDA members supply convenience stores across the country with food, beverage and general merchandise items.

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