

I. INTRODUCTION

This report is the latest in a series on smokeless tobacco sales, advertising, and promotion that the Federal Trade Commission (“Commission”) has prepared since 1987.¹

The statistical tables appended to this report provide information on domestic smokeless tobacco sales and advertising and promotional activities. Commission staff prepared these tables using information collected, pursuant to compulsory process orders, from the parent companies of the major manufacturers of smokeless tobacco products in the United States: Altria Group, Inc.; North Atlantic Trading Company, Inc.; Reynolds American, Inc.; Swedish Match North America, Inc.; and Swisher International Group, Inc.²

II. TOTAL SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES

Table 2 shows the number of units of smokeless tobacco the companies sold and gave away in packages of various sizes (*e.g.*, less than 1 ounce; 1 ounce to less than 2 ounces; 2 ounces to less than 5 ounces). In 2013 – as in the previous years for which these data are available – more packages weighing 1 ounce to less than 2 ounces were sold than any other size package. However, more packages weighing 2 ounces to less than 5 ounces were given away in 2013 than any other size package.

III. SMOKELESS TOBACCO ADVERTISING AND PROMOTIONAL EXPENDITURES BY CATEGORY

Tables 3 through 3H show the amounts spent on smokeless tobacco advertising and promotion for the years 1985 through 2013.⁴ They list the amounts spent on the diff TDg a7typs 3TJ19786 -2.3

The companies reported spending no money on audio-visual advertising and, as they have each year since the Commission began collecting these data, they reported no expenditures for transit advertising.

In 2013, the companies reported spending \$9.1 million on direct mail advertising, up from the \$8.6 million spent in 2012. Point-of-sale advertising rose from \$31.7 million in 2012 to \$32.3 million in 2013.

The companies reported spending \$282.7 million on price discounts (payments made to retailers or wholesalers in order to reduce the price of smokeless tobacco to consumers) in 2013, up from \$212.1 million in 2012. Price discounts remained the single largest expenditure category – as they have been every year this expenditure category has been reported – accounting for 56.2 percent of total 2013 spending (up from 48.7 percent in 2012).

Spending on promotional allowances (intended to facilitate the sale or placement of smokeless tobacco) paid to smokeless tobacco retailers and wholesalers increased from their 2012 levels of \$22.3 million (retailers) and \$41.5 million (wholesalers). In 2013, the companies spent \$29.9 million on promotional allowances paid to retailers and \$44.3 million on allowances paid to wholesalers. They also reported spending \$51,000 on promotional allowances paid to persons other than retailers and wholesalers, down from \$69,000 spent in 2012.

When these four promotional allowance categories (including price discounts) are combined, they account for 71.0 percent of total 2013 spending, up from 63.3 percent of total 2012 spending.

precisely defined. In particular, it was not clear that signs in arenas, stadiums, shopping malls, or on retailer property were to be reported in this category.

The companies reported spending \$6.4 million in 2013 to give smokeless tobacco samples to the public (“sampling”).⁷ In 2012, they reported spending \$9.6 million on sampling.

The specialty item distribution category⁸ has two sub-categories: branded and non-branded. In 2012, \$7.7 million was spent on non-branded items; that figure grew to \$12.0 million in 2013. The companies reported no spending on branded specialty items in either 2012 or 2013.

Expenditures for public entertainment in adult-only facilities (*e.g.*, bar nights or concerts) declined from \$22.0 million in 2012 to \$13.4 million in 2013. As they have each year since 2011, the companies reported no spending on general-audience public entertainment in 2013.

The companies reported coupon expenditures of \$32.2 million in 2013; in 2012, they spent \$37.0 million on coupons.

Retail-value-added expenditures are the costs associated with offers such as “buy one, get one free” and “buy three, get a free T-shirt,” where the bonus item is distributed at retail when the smokeless tobacco is purchased. The retail-value-added category is broken into two subcategories – one in which the bonus item is additional smokeless tobacco and one in which the bonus item is something other than smokeless tobacco. In 2013, the companies spent \$5.9 million on retail-value-added involving free smokeless tobacco products; in 2012, they spent \$7.6 million. The companies reported no spending in 2012 or 2013 on retail-value-added involving free non-smokeless tobacco items.

⁷ The Commission’s definitions of “sampling” and “coupons” provide that when coupons are distributed for free smokeless tobacco products and no purchase is required to obtain the coupon or to redeem it for the smokeless tobacco, such activities are to be reported as “sampling.”

⁸ This expenditure category covers items (such as T-shirts, caps, key chains, and sporting goods) distributed through the mail, at promotional events, or by any means other than at the point of sale with the purchase of smokeless tobacco. Specialty items provided at retail with smokeless tobacco products (*e.g.*, “buy three, get a free key chain”) are deemed retail-value-added.

In 2012, the companies reported spending \$3.3 million for advertising on their websites and \$669,000 on Internet advertising other than on their own websites. In 2013, those figures rose to \$6.0 million and \$1.8 million, respectively.

The compulsory process orders issued by the Commission in 2011 (seeking 2009 and 2010 data) and thereafter have asked the companies to report spending on “social media marketing on Web sites or other online services or communities, including but not limited to

details on sales and advertising and promotional expenditures by type of smokeless tobacco, including snus (Table 4E) and dissolvable (Table 4F).

The number of pounds of loose leaf chewing tobacco, plug/twist chewing tobacco, and scotch/dry snuff sold all fell from 2012 to 2013, continuing the declines seen in recent years. Snus sales declined in 2013, after having risen each year since 2008. Sales of dissolvable smokeless tobacco products dropped significantly from 2012 to 2013. Moist snuff sales have risen every year since the Commission first issued its smokeless tobacco reports, and in 2013, the number of pounds of moist snuff sold again exceeded the combined sales of all other kinds of smokeless tobacco.

Moist snuff also continued to generate more revenue than any other type of smokeless tobacco. In 2013, sales of moist stuff were \$2.845 billion, representing 87.2 percent of total smokeless tobacco sales.

Tables 4A through 4F also indicate that moist snuff continued to receive the greatest advertising and promotional support. In 2013, the companies spent \$410.9 million promoting moist snuff, compared to \$11.8 million for loose leaf chewing tobacco, \$234,000 for plug/twist chewing tobacco, \$485,000 for scotch/dry snuff, and \$51.2 million for snus.

The companies also reported spending \$28.6 million in 2013 on advertising smokeless tobacco brands that encompass more than one type of product (*e.g.*, moist snuff and snus) or on non-brand specific smokeless tobacco advertising.¹¹ These amounts are included in the total set forth in Table 3H, but not in Tables 4A through 4F.

Tables 5A through 5F present details about the number of units sold in packages of various sizes for each type of smokeless tobacco product. For plug/twist chewing tobacco,

¹¹ The Commission now requires companies to report marketing expenditures at the brand level – not the variety level – and to identify brands that fall into more than one type of product.

scotch/dry snuff, and moist snuff, more packages weighing 1 ounce to less than 2 ounces were sold in 2013 than any other size. For loose leaf chewing tobacco, more packages weighing 2 ounces to less than 5 ounces were sold in 2013 than any other size. More packages of snus weighing less than 1 ounce were sold in 2013 than any other size. For dissovable, all packages sold weighed less than 1 ounce.

TABLE 1
TOTAL SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
FOR 1985 – 2008

Year	Sales in Pounds	Sales in Dollars	Advertising and Promotional Expenditures
1985	121,449,115	\$730,618,970	\$80,068,229
1986	118,778,334	\$797,777,885	\$76,676,706
1987	116,540,281	\$852,717,347	\$67,777,044
1988	114,433,782	\$901,654,382	\$68,223,671
1989	116,440,365	\$981,637,304	\$81,200,611
1990	117,415,326	\$1,091,170,201	\$90,101,327
1991	120,110,686	\$1,237,961,670	\$104,004,040
1992	118,372,693	\$1,361,360,729	\$115,346,708
1993	115,888,785	\$1,475,460,518	\$119,230,826
1994	115,495,201	\$1,612,098,989	\$125,972,408
1995	116,387,464	\$1,735,840,489	\$127,323,282
1996	116,404,222	\$1,790,406,160	\$123,877,458
1997	113,975,148	\$1,817,508,055	\$150,426,310

1998

TABLE 1A
TOTAL SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
FOR 2009 – 2013

Year

TABLE 2
NUMBER OF UNITS SOLD AND GIVEN AWAY – BY PACKAGE SIZE
FOR 2002 – 2013

Less than 1 oz.	1 oz. to less than 2 oz.	2 oz. to less than 5 oz.
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TABLE 3A
SMOKELESS TOBACCO ADVERTISING
AND PROMOTIONAL EXPENDITURES
BY CATEGORY
FOR 1985

Television & Radio Advertising	\$26,584,731
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TABLE 3B
SMOKELESS TOBACCO ADVERTISING
AND PROMOTIONAL EXPENDITURES
BY CATEGORY
FOR 1986 AND 1987

	1986	1987
Newspapers	\$626,979	\$1,452,710
Magazines	\$6,226,654	\$9,237,988
Outdoor	\$2,722,557	\$8,321,315
Television & Radio*	\$16,067,211	\$0
Audio, Visual	\$2,579,268	\$0
Transit	\$0	\$0
Point-of-Sale	\$4,234,207	\$5,789,436
Promotional Allowances	\$8,231,580	\$7,554,592
Sampling	\$13,699,156	\$13,877,923
Distribution Bearing Names	\$2,353,816	\$4,312,094
Direct Mail	\$20,844	\$48,979
Public Entertainment	\$13,823,266	\$14,844,425
Endorsements	\$435,710	\$245,105
All Other	<u>\$5,655,458</u>	<u>\$2,092,477</u>
TOTAL	\$76,676,706	\$67,777,044

* Expenditures allocated for television and radio advertising on electronic media subject to Federal Communications Commission ("FCC") regulations cover approximately six months of 1986 because the statutory broadcast ban became effective on August 28, 1986.

TABLE 3C
SMOKELESS TOBACCO ADVERTISING
AND PROMOTIONAL EXPENDITURES
BY CATEGORY
FOR 1988 - 1991

	1988	1989	1990	1991
Newspapers	\$940,256	\$449,918	\$880,629	\$1,109,503
Magazines	\$5,778,582	\$6,410,401	\$10,214,280	\$9,652,958
Outdoor	\$4,801,955	\$2,913,074	\$2,650,471	\$1,644,287
Audio, Visual	\$0	\$0	\$0	\$0
Transit	\$0	\$0	\$0	\$0
Point-of-Sale	\$7,436,270	\$9,693,996	\$10,320,657	\$10,749,602
Promotional Allowances	\$6,360,041	\$8,327,225	\$9,936,022	\$14,771,597
Sampling	\$12,345,180	\$15,019,174	\$13,461,932	\$13,959,101
Distribution Bearing Names	\$4,055,180	\$4,611,457	\$2,854,289	\$3,866,263
Direct Mail	\$623,731	\$935,370	\$78,000	\$893,000
Public Entertainment	\$17,501,791	\$19,638,397	\$20,272,355	\$21,116,095
Endorsements	\$260,539	\$292,290	\$264,484	\$344,000
Coupons & Retail-value- added*	\$4,655,429	\$9,689,049	\$16,438,440	\$23,306,499
All Other	<u>\$3,463,919</u>	<u>\$3,220,210</u>	<u>\$2,729,768</u>	<u>\$2,591,135</u>
TOTAL	\$68,223,671	\$81,200,611	\$90,101,327	\$104,004,040

* One company reported no expenditures for this category because its accounting records were not maintained to allow calculation of these expenditures. Instead, these expenditures were reported to the Commission in the Point-of-Sale or Promotional Allowances categories.

TABLE 3D

**SMOKELESS TOBACCO ADVERTISING AND PROMOTIONAL EXPENDITURES
BY CATEGORY
FOR 1992 - 1995**

	1992	1993	1994	1995
Newspapers	\$269,032	\$274,738	\$128,849	\$142,562
Magazines	\$9,258,297	\$8,040,702	\$10,261,201	\$11,533,093
Outdoor	\$694,388	\$855,643	\$1,112,524	\$1,474,121
Audio, Visual	\$0	\$0	\$0	\$0
Transit	\$0	\$0	\$0	\$0
Point-of-Sale	\$12,133,489	\$13,465,302	\$13,555,569	\$15,170,713
Promotional Allowances	\$11,397,882	\$13,073,381	\$10,244,241	\$8,304,066
Sampling	\$15,975,134	\$15,794,391	\$14,279,127	\$15,748,393
Distribution Bearing Names	\$2,609,348	\$4,246,353	\$10,368,596	\$9,915,589
Direct Mail	\$1,289,000	\$1,099,000	\$103,000	\$253,000
Public Entertainment	\$21,511,594	\$22,912,765	\$25,397,969	\$26,749,679
Endorsements	\$155,000	\$215,000	\$160,000	\$160,000
Coupons & Retail-value- added*	\$31,524,486	\$32,297,431	\$36,687,092	\$33,701,379
<u>All Other</u>	<u>\$8,529,058</u>	<u>\$6,956,120</u>	<u>\$3,674,240</u>	<u>\$4,170,687</u>
TOTAL	\$115,346,708	\$119,230,826	\$125,972,408	\$127,323,282

TABLE 3E

**SMOKELESS TOBACCO ADVERTISING AND PROMOTIONAL EXPENDITURES
BY CATEGORY FOR 1996 - 2001**

	1996	1997	1998	1999	2000	2001
Newspapers	\$236,765	\$1,642,347	\$2,807,281	\$3,306,548	\$2,413,104	\$1,825,748
Magazines	\$13,362,100	\$11,874,395	\$18,389,758	\$18,436,630	\$13,890,399	\$21,963,961
Outdoor	\$3,544,994	\$4,991,256	\$2,228,381	\$7,258	\$6,987	\$10,522
Audio, Visual	\$0	\$0	\$0	\$0	\$0	\$0
Transit	\$0	\$0	\$0	\$0	\$0	\$0
Point-of-Sale	\$13,568,572	\$14,712,560	\$25,202,972	\$26,092,942	\$15,179,555	\$17,412,893
Promotional Allowances	\$12,722,615	\$14,692,865	\$14,959,694	\$30,756,608	\$45,393,210	\$60,866,870
Sampling	\$12,640,816	\$11,155,411	\$17,439,990	\$17,884,888	\$15,761,075	\$17,888,963

Distribution

8 r4455.56 468.96 84) EN 485548848910678400257 wd (B 55) 488 (16 r 84 6 9) 58.76 85248 88 8020 3 47 1200 w 18 37228 61.577.3() 17,888,963) 13(7) 57. 1848 \$ 275

TABLE 3F

**SMOKELESS TOBACCO ADVERTISING AND PROMOTIONAL
EXPENDITURES BY CATEGORY FOR 2002 - 2005**

	2002	2003	2004	2005
Newspapers	\$722,000	\$262,000	\$285,000	\$453,000
Magazines	\$23,142,000	\$22,838,000	\$25,002,000	\$20,996,000
Outdoor	\$117,000	\$101,000	\$184,000	\$207,000
Audio, Visual	\$7,000	\$139,000	\$7,000	\$119,000
Transit	\$0	\$0	\$0	\$0
Direct Mail	\$7,073,000	\$5,982,000	\$5,670,000	\$8,237,000
Point-of-Sale	\$16,894,000	\$20,874,000	\$23,120,000	\$20,748,000
Price Discounts	\$99,000,000	\$106,531,000	\$86,977,000	\$99,699,000
Promotional Allowances FRetailers	\$3,245,000	\$5,103,000	\$4,285,000	\$3,406,000
Promotional Allowances FWholesalers	\$16,755,000	\$12,632,000	\$11,222,000	\$12,550,000
Promotional Allowances FOther	\$41,000	\$29,000	\$9,000	\$29,000
Sampling	\$25,754,000	\$22,483,000	\$25,156,000	\$28,180,000
Specialty Item Distribution FBranded	\$419,000	\$45,000	\$22,000	\$119,000
Specialty Item Distribution FNon-Branded	\$0	\$0	\$0	\$36,000
Public Entertainment FAdult Only	\$0	\$0	\$7,000	\$73,000
Public Entertainment FGeneral Audience	\$1,453,000	\$1,640,000	\$1,349,000	\$215,000
Endorsements & Testimonials	\$130,000	\$355,000	\$355,000	\$355,000
Sponsorships	\$8,864,000	\$8,170,000	\$9,018,000	\$4,192,000
Coupons	\$12,156,000	\$11,524,000	\$10,686,000	\$28,622,000
Retail-value-added FBonus Smokeless Tobacco Product	\$13,686,000	\$16,004,000	\$14,950,000	\$9,310,000

Retail-value-added FNon-Smokeless

\$5051.1(\$355,)5.7(0)7.6(0)0(0)7.6()T6.3158 1.0601 TD0 Tc0 Tw()Tj2.8115 -1.0602 TD.0038 Tc#39,310,000

TABLE 3G

**SMOKELESS TOBACCO ADVERTISING AND PROMOTIONAL
EXPENDITURES BY CATEGORY FOR 2006-2009***

	2006	2007	2008	2009
Newspapers	N/A	N/A	N/A	N/A

TABLE 4A
SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE FOR 1986-2013

LOOSE LEAF CHEWING TOBACCO

Year	Pounds Sold	Dollar Sales	Advertising and Promotional Expenditures
1986	65,697,634	\$255,668,419	\$32,249,750
1987	64,634,524	\$267,766,776	\$28,403,536
1988	60,648,126	\$264,298,268	\$26,198,078
1989	61,869,625	\$281,701,402	\$34,057,050
1990	60,896,991	\$295,462,446	\$35,194,561
1991	62,177,203	\$321,458,416	\$38,190,095
1992	58,850,933	\$320,085,975	\$42,820,544
1993	55,912,562	\$319,672,867	\$46,032,905
1994	54,242,322	\$316,888,405	\$44,807,716
1995	54,605,149	\$323,156,639	\$43,842,237
1996	54,204,655	\$325,533,391	\$36,387,774
1997	51,831,834	\$330,903,053	\$45,573,616
1998	46,887,918	\$317,087,609	\$26,780,236
1999	44,531,612	\$278,670,311	\$21,219,600
2000	44,077,019	\$275,356,571	\$15,592,978
2001	42,396,301	\$278,982,298	\$16,659,755
2002	40,703,148	\$288,895,090	\$17,211,000
2003	39,105,547	\$294,705,352	\$17,476,000
2004	39,183,779	\$310,329,793	\$18,218,000
2005	36,410,287	\$307,026,071	\$16,746,000
2006	34,692,990	\$310,525,106	\$18,910,000
2007	32,600,747	\$310,662,579	\$21,009,000
2008	30,128,176	\$298,082,506	\$24,024,000
2009	26,951,575	\$298,444,031	\$22,529,000
2010	24,700,060	\$285,192,598	\$21,425,000
2011	22,938,455	\$278,921,115	\$15,387,000
2012	21,545,211	\$270,922,520	\$13,115,000
2013	20,570,760	\$271,491,004	\$11,758,000

TABLE 4B
SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE FOR 1986-2013

PLUG/TWIST CHEWING TOBACCO

Pounds Sold

Dollar Sales

TABLE 4C
SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES

TABLE 4D
SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE FOR 1986 – 2013

MOIST SNUFF

	Pounds Sold	Dollar Sales	Advertising and Promotional Expenditures
1986	36,135,332	\$438,287,565	\$43,348,158
1987	36,298,658	\$483,973,268	\$38,550,429
1988	39,433,696	\$539,704,480	\$40,655,096
1989	41,017,414	\$602,647,971	\$44,701,195
1990	43,775,709	\$697,790,232	\$52,778,476
1991	46,187,101	\$817,242,793	\$63,970,584
1992	48,509,020	\$940,991,044	\$70,449,029
1993	50,201,159	\$1,060,781,973	\$71,516,385
1994	52,028,416	\$1,200,533,723	\$79,955,661
1995	53,136,063	\$1,320,802,382	\$81,961,909

TABLE 4E
SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE FOR 2008-2013

SNUS

	Pounds Sold	Dollar Sales	Advertising and Promotional Expenditures
2008	170,527	\$9,148,659	\$58,763,000
2009	482,909	\$49,807,528	\$106,415,000
2010	818,913	\$81,786,519	\$57,394,000
2011	1,052,675	\$77 003-7	564619 5

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TABLE 4F
SMOKELESS TOBACCO SALES AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE FOR 2011-2013

DISSOLVABLE

	Pounds Sold	Dollar Sales	Advertising and Promotional Expenditures [†]
2011*	1,439	\$190,489	\$0
2012*	1,427	\$185,665	\$0
2013	89	\$12,741	\$0

* These figures were erroneously not reported in previous Commission reports.

† All dissolvable smokeless tobacco brand styles were part of brands with multiple tobacco types.

TABLE 5A

**NUMBER OF UNITS SOLD FBY PACKAGE SIZE
FOR 2002-2013**

LOOSE LEAF CHEWING TOBACCO

	Less than 1 oz.	1 oz. to less than 2 oz.	2 oz. to less than 5 oz.	5 oz. to less than 10 oz.	10 oz. to less than 15 oz.	15 oz. or more
2002	0	699,115				

TABLE 5C
NUMBER OF UNITS SOLD FBY PACKAGE SIZE
FOR 2002-2013

SCOTCH/DRY SNUFF

	Less than 1 oz.	1 oz. to less than 2 oz.	2 oz. to less than 5 oz.	5 oz. to less than 10 oz.	10 oz. to less than 15 oz.	15 oz. or more
2002	833,184	17,320,899	4,679,645	1,201,840	15,735	33,400
2003	800,640	16,092,214	4,388,662	1,097,114	15,936	34,994
2004	764,064	15,023,756	3,813,417	1,058,787	15,456	49,512
2005	734,976	13,637,790	3,303,851	1,042,565	14,064	47,134
2006	655,712	12,376,413	3,025,288	972,826	13,891	16,356
2007	1,676,174	10,804,273	2,531,367	697,253	0	23,213
2008	598,464	10,557,468	2,538,033	844,505	0	21,147
2009	535,25,712					

TABLE 5D
NUMBER OF UNITS SOLD FBY PACKAGE SIZE
FOR 2002-2013

MOIST SNUFF

	Less than 1 oz.	1 oz. to less than 2 oz.	2 oz. to less than 5 oz.	5 oz. to less than 10 oz.	10 oz. to less than 15 oz.	15 oz. or more
2002	24,561,076	859,285,595	0	0	0	0
2003	37,078,414	892,925,591	0	0	0	30,984
2004	41,769,081	935,536,000	0	0	0	58,830
2005	46,142,758	958,614,204	0	0	0	62,706
2006	48,576,464	975,274,937	0	0	0	26,753
2007	60,274,128	1,039,156,919	612	0	6,186	44,416
2008	71,986,220	1,056,217,422	771	0	54,452	18,772
2009	89,001,023	1,083,725,965	550,216	0	511,175	12,245
2010	103,531,063	1,134,785,681	141,808	0	1,193,327	3,358
2011	121,589,821	1,176,205,839	(37,824)	0	1,618,546	0
2012	140,723,199	1,208,434,824	163,636	0	2,544,526	0

2013 162,500,285 1,22D-.0027 Tc5.9922.2D-.0027 Tc5.992(322.)-5.7027 Tc5.992(322.)-527544,58

TABLE 5E
NUMBER OF UNITS SOLD FBY PACKAGE SIZE
FOR 2008-2013

SNUS

	Less than 1 oz.	1 oz. to less than 2 oz.	2 oz to less than 5 oz.	5 oz. to less than 10 oz.	10 oz to less than 15 oz.	15 oz. or more
2008	4,385,317	21,788	0	0	0	0
2009	31,838,153	58,252	0	0	0	0
2010	61,204,305	75,650	0	0	0	0
2011	45,384,110	79,763	0	0	0	0
2012	57,288,162	97,347	0	0	0	0
2013	43,916,293	42,956	0	0	0	0

TABLE 5F
NUMBER OF UNITS SOLD FBY PACKAGE SIZE
FOR 2011-2013

DISSOLVABLE

	Less than 1 oz.	1 oz. to less than 2 oz.	2 oz to less than 5 oz.	5 oz. to less than 10 oz.	10 oz to less than 15 oz.	15 oz. or more
2011*	155,964	0	0	0	0	0
2012*	143,224	0	0	0	0	0
2013	10,220	0	0	0	0	0

* These figures were erroneously not reported in previous Commission reports.

APPENDIX

2013 Advertising and Promotional Expenditure Categories

Newspapers: Newspaper advertising; but excluding expenditures in connection with sampling, specialty item distribution, public entertainment, endorsements, sponsorships, coupons, and retail-value-added.

Magazines: Magazine advertising; but excluding expenditures in connection with sampling, specialty item distribution, public entertainment, endorsements, sponsorships, coupons, and retail-value-added.

Outdoor: Billboards; signs and placards in arenas, stadiums, and shopping malls, whether they are open air or enclosed; and any other advertisements placed outdoors, regardless of their size, including those on smokeless tobacco retailer property; but excluding expenditures in connection with sampling, specialty item distribution, public entertainment, endorsements, sponsorships, coupons, and retail-value-added.

Audio-visual: Audio-visual or video advertising on any medium of electronic communication not subject to the Federal Communications Commission's jurisdiction, including screens at motion picture theaters,

Promotional Allowances – Other: Promotional allowances paid to any persons other than retailers,

Retail-value-added – Bonus Smokeless Tobacco: Retail-value-added expenditures for promotions involving free smokeless tobacco products (*e.g.*, buy two, get one free), whether or not the free smokeless tobacco products are physically bundled together with the purchased smokeless tobacco products, including all expenditures and costs associated with the value added to the purchase of smokeless tobacco products (*e.g.*, excise taxes paid for the free smokeless tobacco product).

Retail-value-added – Non-Smokeless Tobacco Bonus: Retail-value-added expenditures for promotions involving free non-smokeless tobacco items (*e.g.*, buy two packs, get free key chain), including all expenditures and costs associated with the value added to the purchase of smokeless tobacco products.

Company Website: All expenditures associated with advertising on any company Internet website that can be accessed by computers located in the United States.

Internet – Other: Internet advertising other than on the Company's own Internet website, including on the World Wide Web, on commercial on-line services, and through electronic mail messages; but excluding social media marketing.

Telephone: Telephone advertising, including costs associated with the placement of telemarketing calls or the operation of incoming telephone lines that allow consumers to participate in any promotion or hear pre-recorded product messages; but excluding costs associated with having customer service representatives available for responding to consumer complaints or questions.

Social Media Marketing: All expenditures for social media marketing on Web sites or other online services or communities, including but not limited to social networking sites, microblogging sites, content-sharing sites, and blogs.

All Other: Advertising and promotional expenditures not covered by another category.

Sports and Sporting Events: All costs associated with sponsoring, advertising, or promotion of sports or sporting events, including football, weight lifting, sailing, rodeo, automobile, race car, funny car, motorcycle, bicycle, truck, monster truck, tractor-pull, fishing, and hunting events, competitions, tournaments, and races. This category is duplicative of expenditures for other categories.