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An Open Letter... If you're a Candidate for President of the United States

The following message was sent from CRA Executive Director Glynn Loope, to each declared candidate for President, in both national parties.

If you are a declared candidate for President of the United States, this message is for you.

29 – That's the magic number.

That's the number of electoral votes represented by Florida, and the path to '29' is with the approximate 11,939,889 registered voters in the Sunshine State.

Our message is simple. In light of the planned effort by the U.S. Food & Drug Administration to regulate cigars, you need to be talking to our industry – the premium cigar industry. We are Florida...and a few other places you need, as well.

We want you to understand the implications for the planned FDA regulation of premium handmade cigars. On April 25, 2014 the FDA issued their 241 page plan for bringing our products under their regulatory domain. They want to literally approve each blend before it is allowed to go to market; They want to ban free samples for adult patrons of premium cigars; They want new user fees to finance their bureaucratic empire; They want unjustified warning labels that are not based upon sound science. They want control.

Florida is the epicenter of the premium cigar industry. There are over fifty corporate headquarters locations spanning from Fort Lauderdale, to Miami, and up to Tampa. Every premium cigar that enters the United States from Latin America enters through the Port of Miami, and the Ports of Tampa and Fort Lauderdale also represent critical pieces of infrastructure for the industry. The headquarters and logistics channels that include trucking, warehouse and distribution firms are foundations of the regional economy in Miami-Dade County, and along the I-95 corridor up to Fort Lauderdale.

But the story is deeper than that. The premium cigar industry is an engrained part of the Florida historic and cultural fabric. This is personified by the National Historic District that blankets Ybor City. Through the machinery operated by employees at the last cigar factory in America under the J.C. Newman Cigar Company, or the century old A. Fuente Cigar Company headquarters, or the small single proprietor cigar shops that are blending cigars on the very table in front of you on 7th Avenue, it's all a part of this community in greater Tampa.

This is why Tampa Mayor Bob Buckhorn has called for a federal economic impact analysis of regulations on his community and noted his concerns to the White House, Secretary of Health & Human Services and the FDA. That is why the Port of Tampa, Ybor City Chamber of Commerce and the Greater Tampa Chamber of Commerce have raised the same concerns.

The same holds true in the Little Havana community of Miami. Premium handmade cigars are intricate with the small business and cultural history of this neighborhood that has boutique cigar makers producing some of the greatest cigars in the world.

Sandy Cobas owns El Titan De Bronze cigar company in Miami. Her recently expanded business is working to keep up with demand for her acclaimed cigars. She has brought in new rollers, knocked down walls, stores and imports her tobacco from Latin America, and is always a focal point for tourists and cigar enthusiasts from around the nation, and indeed the world. Sandy is making cigars for Sean Williams of El Primer Mundo Cigar Company, one of the only African American owned cigar brands in the nation. Sandy and Sean could not sustain federal regulation.

Just up the street is Cuban Crafters, and it is 'all things cigars.' True craftsman of cigars, rolling for locals and tourists alike, adorn the window where cigars come alive through the hands of those who know this ancient skill. Residents sit about enjoying their cigars while sipping on Cuban coffee and enjoying a rousing game of dominos. The cigars bring them together. And again, just up the road, is Padron Cigars, as an iconic family owned business that recently celebrated their 50th anniversary. It's about family, tradition, and skill – not about abstract control operating from a rulebook calling for federal intervention.

Within the Little Havana community on any given day, you may also see Yvonne and Yvette Rodriguez, Afro-Cuban twin sisters that have launched Tres Lindas Cubanas Cigars, noting that they are a bridge for conversation on race relations, over cigars. Yvonne, Yvette nor the rollers at Cuban Crafters could sustain federal regulation.

The U.S. Small Business Administration has also gone on record as to the adverse economic consequences of the proposed regulations, and their fears are noted in an attachment to this letter.

This is why Miami Mayor Tomas Regalado has called for a federal economic impact analysis of regulations on his community, as well, and noted his concerns to the White House, Secretary of Health & Human Services and the FDA. The Office of Governor and Attorney General of Florida have also voiced their concerns formally and publicly.

The FDA has acknowledged that there are international trade implications to regulating cigars, but is anyone listening to the Latin American delegation to the United States? The collective Ambassadors to the United States from Honduras, Nicaragua and the Dominican Republic have voiced their concerns on the threat these regulations pose to over 300,000 jobs among their three nations, and the adverse political and economic impact they would have, in this sensitive and strategic region.

We also have to ask ourselves, why the government of the United States would threaten one of the stable sources of employment within this region, which goes to the heart of the debate on issues such as border security and immigration?

The Honorable Jorge Alberto Milla Reyes, Ambassador to the United States for Honduras noted, "There are, indeed, international trade and economic implications with regulating premium cigars from Honduras and throughout Latin America. The government of Honduras values the investment and source of employment provided by the premium cigar industry, and knows well how it provides for over 35,000 families in Honduras and over 300,000 in the region. We cannot underestimate how this contributes to stability, especially at this time of concern over issues such as immigration and security." Each of these nations have voiced these concerns to the State Department, Health & Human Services, FDA, and the National Security Council.

But this election is about the nation, so let's add a few other notes on what premium cigars mean in other parts of the country.

One of the last regions to produce acclaimed cigar grade tobacco is the Connecticut River Valley. Over 100 family farms produce some of the most prized tobacco in demand within the industry. The Connecticut Farm Bureau, Connecticut-Massachusetts Tobacco Growers Association and U.S. Congressman Joe Courtney has written demanding an economic impact analysis of the proposed regulations on the farming community spanning this valley.

Up to 50% of the cigars in this nation are distributed through the Commonwealth of Pennsylvania. Major distribution facilities dot the Lehigh Valley, and Pennsylvania Broadleaf is grown for cigars in Lancaster County. One of the nation's oldest cigar shops is in downtown Philadelphia, having grown into a major national and international brand, Holt's Cigar Company and Ashton Distributors, should be a stop on your campaign trail.

The industry holds national trade exhibitions in Nevada and Louisiana, which would be threatened under this proposed regulatory model. So we bring to your attention the support for our cause from the Mayor of Las Vegas, the Nevada Retail Association, Las Vegas Convention & Visitors Authority and Las Vegas Chamber of Commerce. We highlight The Cigar Factory in downtown New Orleans, that produces outstanding cigars for locals and tourists, on the very tables in front of you – and they could not sustain regulation, in this economically fragile city.

The proposed FDA ban on free samples of premium cigars for adults, is a defacto ban on cigar events across the nation. In addition to major national cigar events for adult patrons in Pennsylvania, Florida, New York and Nevada, there are a host of events in every state, which would subsequently be banned. That impacts tourism and the hospitality sector, much less the premium cigar industry.

In addition, cigars are a prime source of revenue for the states in the form of the 'Other Tobacco Products' tax. Therefore, our organization has notified all fifty governors of the potential adverse impact these regulations can have on projected tax collections, should the FDA be successful in driving down imports and sales.

Which brings up another facet of the economic impact of these regulations - Every state in the union has a host of professional community tobacconists, for which the sale of premium handmade cigars are over 75% of their annual revenue. Many of these establishments are family owned and operated, or sole proprietorships owned by local entrepreneurs. With over

2,000 of such small businesses dotting Main Street America, the implications, as you can see, are more vast than one would have probably thought.

Congress is also speaking out on this issue. Even as the pace of the legislative process has virtually ground to a halt, one cannot ignore the statement being made when through the course of the 112th, 113th and 114th sessions of Congress, 281 members of the U.S. House of Representatives have signed onto H.R. 1639, H.R. 792 or H.R. 662, each of which called for an exemption from such regulations for premium cigars. Likewise in the U.S. Senate, where during the course of these three sessions of Congress, 24 members of the Senate have signed onto S. 1461, S. 772, or S. 441, as the companion bill also calling for exemption from regulation.

The members hail from 43 states, and 72 of which voted for the original Family Smoking Prevention and Tobacco Control Act, noting that Congress explicitly told the FDA to regulate certain products, and never specifically called for a regulation of cigars. The co-sponsors of this legislation represent all ends of the philosophical and political spectrum, and as to the Florida position, twenty-six current or former members of the U.S. House of Representatives have co-sponsored premium cigar exemption legislation. It is not insignificant that fifteen current or former members of Congress from Pennsylvania have also taken such action.

Florida, Pennsylvania, Connecticut, Nevada, Louisiana...coupled with consumers and shops in every state. We have a network and constituency worthy of your time and attention.

We've never had to reach out like this to candidates like you. Then again, we've never been threatened like this, during any Presidential cycle since the days of Washington, Jefferson and Madison. Not a candidate or victor has ever advanced laws or regulations upon this industry, as in this moment in history.

But make no mistake. We will educate, and we will listen. Then, we will vote.

You can reach me at 1-202-469-3444 or glynn.loopr@cigarrights.org

Thank you for your consideration, and we look forward to hearing from you.
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Cigar Rights of America