



# Electronic Cigarettes in New Mexico

AN OASIS VAPE & LUDOVICO INC PRESENTATION



# Definitions-

- ▶ E-cigarette Industry- A collection of advocacy groups, small businesses, and consumers.
- ▶ Open System-A system that a user can add electronic cigarette liquid too and personalize their experience. Usually low nicotine (<18mg)
- ▶ Closed System-A disposable product that is prefilled. Usually Big Tobacco owned, cheaper, smaller, and sold in convenience stores. Usually high nicotine (24mg<)
- ▶ Nicotine Base-Pure Nicotine cut with a base usually resulting in low nicotine content.



# Differences Among Businesses

## Small Businesses

- ▶ High dollar open system devices (\$50-\$150 total)
- ▶ High-volume and low nicotine, base e-liquid (1oz-4oz)
- ▶ Usually passionate and informed staff detailing proper use, safety, and effectiveness of devices.
- ▶ Age verification is a staple of the majority of small businesses.
- ▶ Large online market nationally

## Big Tobacco

- ▶ Low dollar closed system devices (\$15-\$50)
- ▶ Low volume and high nicotine e-liquid (0.25ml-0.75ml)
- ▶ No control over retail sales, with no instruction on use or safety.
- ▶ Age verification is left to convenience store chains, and thus make up 98% of underage tobacco sales in the State of New Mexico



# Differences Among Businesses (Cont.)

## Small Businesses

- ▶ 100,000+ businesses nationwide
- ▶ 90+ in New Mexico alone
- ▶ Usually derived 40% or more of revenue selling nicotine base products, and “open system” devices
- ▶ Substantially smaller market share
- ▶ Usually small operations with <100 employees
- ▶ Specializes in Lower Nicotine alternatives

## Big Tobacco Companies

- ▶ Sold in Convenience Stores
- ▶ Closed system exclusively
- ▶ Small, easy to conceal devices
- ▶ Juul, Vuse, Njoy, MarkTen, Blu, XL
- ▶ Dominate 95% of the overall sales of the Electronic Cigarette market
- ▶ Higher nicotine content categorically
- ▶ 76% of underage vaping due to un-enforced age verification at convenience stores



# Harm Reduction

- ▶ The goal of our organizations and the electronic cigarette industry at large is providing a safer-more effective way to quit the use of conventional tobacco cigarettes.
- ▶ Currently, conventional tobacco use is at an all time low, due to an increased number of smoking cessation products as found by the US Library of Medicine
- ▶ The same study found that increasing regional conventional tobacco prices, correlated with increased electronic cigarette use due to the online market being so expansive nationally.
- ▶ According to the CDC, 3.7% of adults use these products nationally. 9.6% of them being over the age of 25, and 5.1% being 18-24 years old.

Schoenborn, C. A., & Gindi, R. M. (2015, October). Electronic Cigarette Use Among Adults: United States, 2014. Retrieved from <https://www.cdc.gov/nchs/data/databriefs/db217.pdf>

Blair, P. (2015, November 9). New CDC Data: More Than 9 Million Adults Vape Regularly in the United States. Retrieved from <https://www.atr.org/new-cdc-data-more-9-million-adults-vape-regularly-united-states>



# Harm Reduction (Cont.)

- ▶ The UK Board of Regents and the Public Health England (PHE) have continually stated that vaping is “95% less harmful than tobacco” and thus have allowed doctors to begin prescribing these cessation devices
- ▶ The Pharmaceutical Journal calls E-cigarettes an effective way for individuals to quit smoking, and calls many claims such as gateway and normalization statements “unsubstantiated with current evidence”



# Harm Reduction (Cont.)

- ▶ Bio Med Central, in their harm reduction journal concluded that-  
“...e-cigarettes may be a unique harm reduction innovation for smoking relapse prevention. E-cigarettes meet the needs of some ex-smokers by substituting physical, psychological, social, cultural and identity-related aspects of tobacco addiction. Some vapers reported that they found vaping pleasurable and enjoyable—being more than a substitute but actually preferred, over time, to tobacco smoking. This clearly suggests that vaping is a viable long-term substitute for smoking, with substantial implications for tobacco harm reduction.”



# Myths

Myth: The Vaping industry is responsible for the recent cases of lung disease.

-False. The recent cases of lung disease have been attributed to a high amount of vitamin E in illegal THC products imported from China and purchased off the street.

Myth: Increasing taxes will stop teenagers from Vaping.

-False. States that have imposed burdensome taxes on small businesses like Pennsylvania and Vermont see no decline in youth vaping due to the vast online market.

Myth: E-Cigarettes are a gateway to traditional tobacco cigarettes

-False. As previously stated, there has been numerous studies and research into this statement, and all inquires state that there is no evidence that these products in anyway provide a gateway to traditional cigarettes.

Sun, L. H. (2019, September 5). Contaminant found in marijuana vaping products linked to deadly lung illnesses, tests show.

Kinney, B. (2019, September 6). How Pennsylvania plans to stop youth vaping.

Levy, D. T., Yuan, Z., & Li, Y. (2017). The Prevalence and Characteristics of E-Cigarette Users in the U.S. *International Journal of Environmental Research and Public Health*.



# Myths (Cont.)

Myth: E-Cigarette users are more susceptible to the disease “Popcorn Lung”.

-False. While it is true that certain flavor extracts contain the component known as “Diacetyl”, the only confirmed cases of the disease were factory workers manufacturing artificial butter flavoring at 10,000x the exposure rate of e-cigarettes. In addition, Dr. Siegel at Boston University measured cigarettes to contain 750x the amount of the chemical than was found in e-cigarettes. There has never been a confirmed case attributed to cigarettes.

Myth: There is anti-freeze in e-cigarettes.

-False. Anti-freeze and e-liquid share a similar component. Propylene Glycol. It is added to antifreeze to make it less harmful if ingested. It is also in inhalers, hospital ventilation, and even certain adult beverages.



# Oasis Vape

- ▶ Oasis Vape is the largest retailer in New Mexico.
- ▶ As an entity, age verification is one of Oasis Vape's prime goals, going so far as to institute the technology in 2014 to combat underage use.
- ▶ Oasis Vape is completely compliant with the FDA regulations and EPA certified.
- ▶ Working to implement revolutionary technology-the RFID chip-into the product in order to have accurate analytics, item tracking, and commerce transit.
- ▶ Very active regarding customer education, consumer and business advocacy, community outreach, and effective and responsible business practices.





# Ludovico Inc

- ▶ Ludovico Inc is the largest manufacturer in New Mexico.
- ▶ Has been manufacturing since 2011
- ▶ Once it established an online retail presence, Ludovico installed age verification in 2011.
- ▶ Ludovico's production facility is a state-of-the-art environment, complete with-
  - ▶ ISO Grade procedures and equipment
  - ▶ HEPA filtration
  - ▶ Independent lab testing
  - ▶ Sulfuric titration in order measure accuracy
  - ▶ CGMP integrated, EPA & OSHA certified
  - ▶ Uses all USP ingredients, and guarantees the highest quality products





# Our Companies (Cont.)

- ▶ Oasis Vape & Ludovico Inc. are not against government involvement in our local industry.
- ▶ In fact, our companies and the legislator share all the same goals.
  - Keeping children safe
  - Standardizing manufacturing
  - Enforcing laws against harmful business practices.

Therefore the New Mexico Smoke Free Association and the Vapor Technology Association have chosen to propose a bill that requires retailers and manufacturers to register with the state. A bill in which all licensing fees would go into our public education system, while perhaps funding an enforcement agency, such as the AGD, in order to establish a regulatory framework to build upon.

With this technology and businesses like ours we can end tobacco related disease within our lifetime, and New Mexico can be at the forefront of that effort.