ESTTA Tracking number: **ESTTA531545**

Filing date: **04/10/2013**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Notice of Opposition

Notice is hereby given that the following party opposes registration of the indicated application.

Opposer Information

Name	Top Tobacco L.P.
Granted to Date of previous extension	06/12/2013
Address	2301 Ravine Way Glenview, IL 60025 UNITED STATES

Attorney information	Antony J. McShane Neal, Gerber & Eisenberg LLP 2 North LaSalle Street, Suite 1700 Chicago, IL 60602 UNITED STATES amcshane@ngelaw.com, knye@ngelaw.com, temanuelson@ngelaw.com, lpalumbo@ngelaw.com Phone:312.269.8000

Applicant Information

Application No	85414445	Publication date	02/12/2013
Opposition Filing Date	04/10/2013	Opposition Period Ends	06/12/2013
Applicant	NORTH ATLANTIC OPERATING COMPANY, INC. 5201 Interchange Way Louisville, KY 40229 UNITED STATES		

Goods/Services Affected by Opposition

Class 034. Opposed goods and services in the class: cigar wraps

Grounds for Opposition

Torres v. Cantine Torresella S.r.l.Fraud	808 F.2d 46, 1 USPQ2d 1483 (Fed. Cir. 1986)
Other	No use in lawful commerce

Attachments	Notice of Opposition.pdf (12 pages)(30520 bytes) Exhibit_1.PDF (7 pages)(915944 bytes) Exhibit2.pdf (11 pages)(46174 bytes) Exhibit3.pdf (5 pages)(35651 bytes) EXHIBIT 4.pdf (12 pages)(894401 bytes) Exhibit 5.pdf (3 pages)(29762 bytes) Exhibit 6.pdf (3 pages)(28509 bytes) Exhibit 7.pdf (7 pages)(45649 bytes)

Certificate of Service

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by First Class Mail on this date.

Signature	/Antony McShane/
Name	Antony J. McShane
Date	04/10/2013

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application No. 85/414,445	)	
Top Tobacco, L.P.,	)	
Opposer,	)	**NOTICE OF OPPOSITION**
v.	)	
North Atlantic Operating Company, Inc.,	)	
Applicant	)	

This Notice of Opposition is submitted in the matter of Application Serial No. 85/414,445 for registration by Applicant North Atlantic Operating Company, Inc. of the trademark ZIG ZAG for use in connection with loose tobacco, cigars, cigarillos, chewing tobacco, snuff, cigarettes, and cigar wraps in International Class 34. Top Tobacco, L.P. ("Top Tobacco"), a Delaware limited partnership, having a place of business at 2301 Ravine Way, Glenview, Illinois 60025, believes that it would be damaged by registration of the mark ZIG ZAG for use in connection with "cigar wraps," and therefore opposes the same.

The grounds for Opposition herein are as follows:

1. For many years, and long prior to the acts of Applicant herein alleged, Top Tobacco, its predecessors and affiliates have been engaged, *inter alia*, in the manufacture, distribution and sale of smokers' articles, including cigarette rolling papers, cigarette tobacco, cigarette filter tubes, cigarette rolling machines, cigarette injectors, and cigarette making machines, as well as kits for making cigarettes ("roll-your-own products"). Top Tobacco distributes its roll-your-own products through tobacco shops, drugstores, tobacco outlets, convenience and other retail stores. Among the roll-your-own products that Top Tobacco sold in

the past were flavored cigarette rolling papers, which Top Tobacco discontinued marketing in 2009 when, as noted below, the Federal Food, Drug and Cosmetic Act was amended to prohibit the sale of flavored cigarette papers. Top Tobacco is a long-time signatory in good standing of the Master Settlement Agreement between the numerous settling states and participating manufacturers of tobacco products. As a result of its long and successful sale of roll-your-own products, Top Tobacco has become one of the best-known manufacturers of tobacco and tobacco-related products in the United States, and it and its brands are leaders in the roll-your-own products market.

2. Applicant is also engaged in the manufacture, distribution and sale of smokers' articles, including roll-your-own products that are competitive with Top Tobacco's roll-your-own products.

3. On information and belief, Applicant is an affiliate of National Tobacco Company L.P. ("NTC"). More specifically, on information and belief, Applicant is a subsidiary of North Atlantic Holding Co. Inc. NTC is a subsidiary of North Atlantic Trading Company which, in turn, is likewise a subsidiary of North Atlantic Holding Co. Inc.

4. Top Tobacco believes that, by its conduct alleged herein, Applicant has materially misrepresented a class of goods, namely "cigar wraps," for which Applicant seeks to register the mark ZIG ZAG and thereby has injured the reputation and perceived legitimacy of the entire class of roll-your-own products, including those sold by Top Tobacco, and is likely to subject the entire class of roll-your-own products to legislative and other initiatives to ban or otherwise thwart the legitimate sale of roll-your-own products.

General Allegations

5. On information and belief, in early 2009, Applicant and its affiliate NTC introduced a line of flavored "cigar wraps" for sale in the United States under and in connection with the marks APPLE BLITZ, STRAWBERRY BASH, PEACH FRENZY, BLUE JUJU, CHERRY RUSH, MELON BURST, and PURPLE THUNDER, in addition to the ZIG ZAG mark at issue in this Opposition. (See "cigar wrap" packaging attached collectively hereto as Exhibit 1.)

6. In anticipation of its introduction of these goods to the market, to establish its ownership of these terms as trademarks, and to enhance its ability to establish and protect a market for these "cigar wraps," Applicant and its affiliate NTC have sought and, in some circumstances obtained, federal registration protection for these marks. Thus:

(a) On October 15, 2008, NTC filed an application to register FRENZY, in connection with pipe tobacco, cigars, "cigar wraps," and smokeless tobacco based on an intent to use the mark with such goods; Serial No. 77/592,985. NTC alleged use of the mark, as of April 2, 2009, in interstate commerce in conjunction with "cigar wraps" and deleted from the application pipe tobacco, cigars, and smokeless tobacco. NTC expressly abandoned the application on June 24, 2010.

(b) On October 15, 2008, NTC filed an application to register BLITZ, in connection with pipe tobacco, cigars, "cigar wraps," and smokeless tobacco based on an intent to use the mark with such goods; Serial No. 77/592,982. NTC alleged use of the mark, as of April 2, 2009, in interstate commerce in conjunction with "cigar wraps" and deleted from the application pipe tobacco, cigars, and smokeless tobacco. NTC expressly abandoned the application on June 24, 2010.

(c) On October 15, 2008, NTC filed an application to register PURPLE THUNDER, in connection with pipe tobacco, cigars, and "cigar wraps" based on an intent to use the mark with such goods; Serial No. 77/592,971. NTC alleged use of the mark, as of April 2, 2009, in interstate commerce in conjunction with "cigar wraps" and deleted from the application pipe tobacco and cigars, but was issued Registration No. 3,713,169 for the mark in connection with pipe tobacco and cigars. That error has since been corrected, and Registration No. 3,713,169 later reflected the goods as "cigar wraps."

(d) On October 20, 2008, NTC filed an application to register BLUE JUJU, in connection with pipe tobacco, cigars, and "cigar wraps" based on an intent to use

the mark with such goods; Serial No. 77/596,365. After NTC alleged use of the mark in interstate commerce with "cigar wraps" as of April 2, 2009, and deleted from the application pipe tobacco and cigars, it was issued Registration No. 3,703,229 for the mark in connection with "cigar wraps." After the registration issued, NTC filed a correction and amended its date of alleged first use to January 26, 2009.

(e) On October 28, 2008, NTC filed an application to register MELON BURST, in connection with pipe tobacco, cigars, "cigar wraps," and smokeless tobacco based on an intent to use the mark with such goods; Serial No. 77/602,259. After NTC alleged use of the mark in interstate commerce with "cigar wraps" as of April 2, 2009, and deleted from the application pipe tobacco, cigars and smokeless tobacco, it was issued Registration No. 3,710,226 for the mark in connection with "cigar wraps.".

(f) On October 28, 2008, NTC filed an application to register CHERRY RUSH, in connection with pipe tobacco, cigars, "cigar wraps," and smokeless tobacco based on an intent to use the mark with such goods; Serial No. 77/602,127. After NTC alleged use of the mark in interstate commerce with "cigar wraps" as of April 30, 2009, and deleted from the application pipe tobacco, cigars and smokeless tobacco, it was issued Registration No. 3,710,225 for the mark in connection with "cigar wraps."

(g) On August 3, 2009, NTC filed an application to register APPLE BLITZ, in connection with "cigar wraps" based on an intent to use the mark with such goods; Serial No. 77/795,626. NTC has alleged use of the mark in interstate commerce with such goods as of April 2, 2009. The mark was published for opposition on January 19, 2010.

(h) On September 21, 2009, NTC filed an application to register STRAWBERRY BASH, in connection with "cigar wraps" based on an intent to use the mark with such goods; Serial No. 77/830,953. The mark was published for opposition on January 26, 2010.

(i) On January 29, 2010, NTC filed an application to register PEACH FRENZY, in connection with "cigar wraps" based on alleged use of the mark in interstate commerce with such goods as of April 2, 2009; Serial No. 77/923,770. The mark was published for opposition on June 22, 2010.

7. Top Tobacco believed that NTC's applications to register the marks APPLE BLITZ, PEACH FRENZY, BLUE JUJU, CHERRY RUSH, MELON BURST, and PURPLE THUNDER for use in connection with "cigar wraps" sought registrations for marks that are not used in lawful commerce, in violation of 37 C.F.R. § 2.69, and that their prosecution of these

marks constituted fraud on the Trademark Office. Accordingly, on May, 18, 2010, Top Tobacco opposed Application Serial Nos. 77/830,953, 77/795,626, and 77/923,770, and petitioned to cancel Registration Nos. 3,703,229, 3,710,225, 3,710,226, 3,713,169; Consolidated Opposition No. 91194926 and Consolidated Cancellation No. 92052496.

8. On June 30, 2011, NTC filed an application to register STRAIGHT UP in connection with "cigar wraps" based on an alleged use of the mark in interstate commerce with such goods as of July 31, 2010; Serial No. 85/360,310. The mark was published for opposition on December 6, 2011.

9. Top Tobacco believes that NTC's application to register the mark STRAIGHT UP for use in connection with "cigar wraps" seeks to register a mark that is not used in lawful commerce, in violation of 37 C.F.R. § 2.69, and that its prosecution of its application to register the mark constitutes fraud on the Trademark Office. Accordingly, Top Tobacco opposed Application Serial No. Serial No. 85/360,310, Opposition No. 91203352, which is ongoing.

10. NTC twice sought to avoid discovery into the nature of their cigar wraps, via a motion to dismiss and a motion for summary judgment. Both motions were denied. (*See Top Tobacco, L.P. v. Nat'l Tobacco Co., L.P.*, Opp. No. 91194926, May 25, 2011 Order denying motion to dismiss, attached hereto as Exhibit 2; Sept. 5, 2012 Order denying motion for summary judgment, attached hereto as Exhibit 3.)

11. Subsequent to filing the Consolidated Opposition No. 91194926 and Consolidated Cancellation No. 92052496, Applicant and NTC amended the packaging of their "cigar wraps" to refer to their flavors by the generic flavor names, peach, apple, blueberry, cherry, mango, melon, grape, orange, vanilla, and strawberry. (See packaging attached collectively hereto as Exhibit 4.) Additionally, without Top Tobacco's consent, NTC abandoned its applications to

register the marks APPLE BLITZ, STRAWBERRY BASH, PEACH FRENZY and surrendered its registrations for BLUE JUJU, CHERRY RUSH, MELON BURST, and PURPLE THUNDER. Accordingly, judgment in Consolidated Opposition No. 91194926 and Consolidated Cancellation No. 92052496 was entered in Top Tobacco's favor. (*See* Opp. No. 91194926, July 20, 2011 Order entering judgment in favor of Top Tobacco and cancelling Registration No. 3,703,229 attached hereto as Exhibit 5; *and see* November 1, 2011 Order entering Judgment in favor of Top Tobacco and cancelling remaining registrations and applications attached hereto as Exhibit 6.)

12. On September 2, 2011, Applicant filed the instant application to register ZIG ZAG in connection with, among other things, "cigar wraps," based on its alleged intent to use the mark with such products, which was published for opposition on February 12, 2013.

13. Applicant's "cigar wraps" that are being and will be marketed and sold under and in connection with the ZIG ZAG mark are the same as the aforesaid "cigar wraps" that are being marketed and sold under and in connection with the generic flavors peach, apple, blueberry, cherry, mango, melon, grape, orange, vanilla, and strawberry as well as under and in connection with the STRAIGHT UP mark. (*Compare* Ex. 1 and Ex. 4.)

COUNT I

Applicant's Mark Will Not Be Used In Lawful Commerce

14. Effective September 22, 2009, the Federal Food, Drug, and Cosmetic Act as amended by the Family Smoking Prevention and Tobacco Control Act prohibits the sale of any "cigarette or any of its component parts (including the tobacco, filter, or paper) [that] contain, as a constituent or additive, an artificial or natural flavor (other than tobacco or menthol) or an herb or spice, including strawberry, grape, orange, clove, cinnamon, pineapple, vanilla, coconut,

licorice, cocoa, chocolate, cherry, or coffee, that is a characterizing flavor of the tobacco product or tobacco smoke." 21 U.S.C. §387g(a)(1)(A).

15. The Federal Food, Drug and Cosmetic Act and the Family Smoking Prevention and Tobacco Control Act define a "cigarette" to include "any roll of tobacco wrapped in paper or any substance not containing tobacco" and "any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by consumers as a cigarette." 21 U.S.C. §387; 15 U.S.C. §1332 (emphasis added).

16. The Food and Drug Administration, the agency responsible for enforcement of the Food, Drug, and Cosmetic Act, has released guidelines stating: "the ban [on flavored tobacco wrappers] applies to all tobacco products with certain characterizing flavors that meet the definition of a 'cigarette' in section 900(3) of the FDCA [21 U.S.C. §387] even if they are not labeled as 'cigarettes' or are labeled as cigars or as some other product." (*See* Exhibit 7, emphasis added.)

17. In compliance with the foregoing amendment of the Food, Drug and Cosmetic Act, Top Tobacco ceased sale of its flavored cigarette papers in the United States.

18. The goods in connection with which ZIG ZAG mark is being and will be used are component parts of cigarettes as defined by the Food, Drug and Cosmetic Act and Family Smoking Prevention and Tobacco Control Act, and contain, or will contain, as a constituent or additive, an artificial or natural flavor to impart an apple, peach blueberry, cherry, mango, melon, grape, orange, vanilla, and strawberry flavor to the goods. As such, Applicant's "cigar wraps" violate the Food, Drug, and Cosmetic Act.

19. The Controlled Substances Act makes it unlawful to distribute or sell "drug paraphernalia," which includes "items primarily intended or designed for use in ingesting, inhaling, or otherwise introducing marijuana … into the human body." 21 U.S.C. §863(d).

20. On information and belief, Applicant's "cigar wraps" are not intended for use in rolling cigars, which requires significant expertise and specialized equipment, including binders and knives for cutting tobacco leaves, and which is not engaged in by any significant sector of the roll-your-own market. In fact, there is no appreciable market in the United States for roll-your-own cigar products, and there is no commercial or recognized class of product known as "cigar wraps."

21. Neither the Alcohol and Tobacco Tax and Trade Bureau nor its predecessor, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), have ever recognized a category of cigar tobacco or "roll your own cigar" tobacco.

22. The only recognized federal tax categories for smoking tobacco in the United States are cigarette tobacco (i.e., Tax Class J) and pipe tobacco (i.e., Tax Class L). There is no federal tax classification for cigar tobacco or cigar wraps.

23. On information and belief, the goods with which Applicant is using or will use the marks are items primarily intended or designed for use in ingesting, inhaling, or otherwise introducing marijuana into the human body. In fact, Applicant's "cigar wraps" are a class of products known as "blunt wraps," which are, and have been found to be, "drug paraphernalia," the sale of which violates the Controlled Substances Act. For example, the term JUJU is an historical slang term for a marijuana cigarette. The term BLUE JUJU for its "cigar wraps" which also bore the mark ZIG ZAG (*See* Ex. 1), therefore, suggests that the product is to be used

in making blueberry flavored marijuana cigarettes. As such, Applicant's "cigar wraps" violate the Controlled Substances Act.

24. In addition to violating the Controlled Substances Act, and the Federal Food, Drug and Cosmetic Act, Applicant's "cigar wraps" violate an increasing number of state and municipal bans on flavored tobacco products and blunt wraps. *See* Me. Rev. Stat. Ann. tit. 22, §1560 (2010)(banning flavored cigars); New York, NY Admin. Code §17-715 (2009) (banning all flavored tobacco products); Jackson Cty., Fla. Res. (2010) (banning all flavored tobacco products); Chicago, Ill. Mun. Code §7-24-091 (2008) (banning drug paraphernalia); Philadelphia, Penn. Stat. §9-629 (2007) (banning flavored and unflavored blunt wraps); D.C. Code §48-1103 (2010) (banning blunt wraps); Boston, Mass. Pub. Health Commission Reg. (2008) (banning blunt wraps).

25. "Use of a mark in commerce must be lawful use to be the basis for federal registration of the mark." 37 C.F.R. § 2.69; Trademark Manual of Examining Procedure §907.

26. Top Tobacco therefore opposes the registration of Application Serial No. 85/414,445 for the mark ZIG ZAG on the basis that there is no lawful use in commerce which can support registration of that mark.

COUNT II

False Description and Fraud on the Trademark Office

27. Top Tobacco repeats and alleges the allegations contained in paragraphs 1 through 26 above as if fully set forth herein.

28. Section 2(a) of the Lanham Act requires an applicant to specify the particular goods in connection with which the applicant uses or has a bona fide intent to use the mark in commerce. 15 U.S.C. §§1051(a)(2) and 1051(b)(2); *see also* 37 C.F.R. §2.32(a)(6). An

identification is unacceptable if it is inconsistent with the goods with which it is used or with which it will be used. *See* TMEP §1402.05.

29. On information and belief, to avoid characterizing the products with which it is using, or intends to use, the subject mark as flavored cigarette wraps or as "blunt wraps," Applicant has purposely and intentionally misidentified its products as "cigar wraps."

30. At the time Applicant filed and executed the instant application, it also executed and submitted to the United States Patent and Trademark Office declaration under oath, and under penalty of perjury, swearing that to the best of Applicant's knowledge and belief, all of the statements made by Applicant in its application are true.

31. On information and belief, at the time Applicant filed and executed the instant application and the above-referenced sworn declaration, Applicant knew that there is no commercial or recognized class of legitimate or lawful product known as "cigar wraps," and that its purported "cigar wraps" are not sold primarily for use with rolling cigars.

32. On information and belief, at the time Applicant filed and executed the instant application and the above-referenced sworn declaration, Applicant intentionally and knowingly misdescribed its products as "cigar wraps" in an attempt to cloak its products with a description that would deceive the Trademark Office into believing that Applicant's goods are legitimate, lawful products and to procure a registration for the subject mark.

33. On information and belief, Applicant made this material misrepresentation with the specific intent to deceive or mislead the Trademark Office and in order to obtain a registration for the subject marks when it knew it was not entitled to such registration.

34. In approving the aforesaid application, the Trademark Office relied upon Applicant's false statements made in its application and supporting declaration.

35. Accordingly, Applicant has committed fraud on the Trademark Office in the prosecution of Application Serial No. 85/414,445.

WHEREFORE, Top Tobacco requests that Application Serial No. 85/414,445 be refused.

Date: April 10, 2013

Respectfully submitted,

By: /Antony J. McShane /
One of the Attorneys for
Top Tobacco, L.P.

Antony J. McShane
Katherine Dennis Nye
Neal, Gerber & Eisenberg LLP
Two North LaSalle Street – Ste. 1700
Chicago, IL 60602-3801
(312) 269-8000 (telephone)
(312) 269-1747 (facsimile)

CERTIFICATE OF SERVICE

I, Katherine Dennis Nye, an attorney, state that, pursuant to 37 CFR §§ 2.101, 2.111 and 2.119, I caused a true and correct copy of the foregoing Notice of Opposition to be served upon:

ARLANA S. COHEN
COWAN, LIEBOWITZ & LATMAN, P.C.
1133 AVENUE OF THE AMERICAS
NEW YORK, NY 10036-6710
UNITED STATES

via U.S. Mail, first class, postage-prepaid, on April 10, 2013.

/Katherine Dennis Nye /
Katherine Dennis Nye

NGEDOCS: 2050767.6

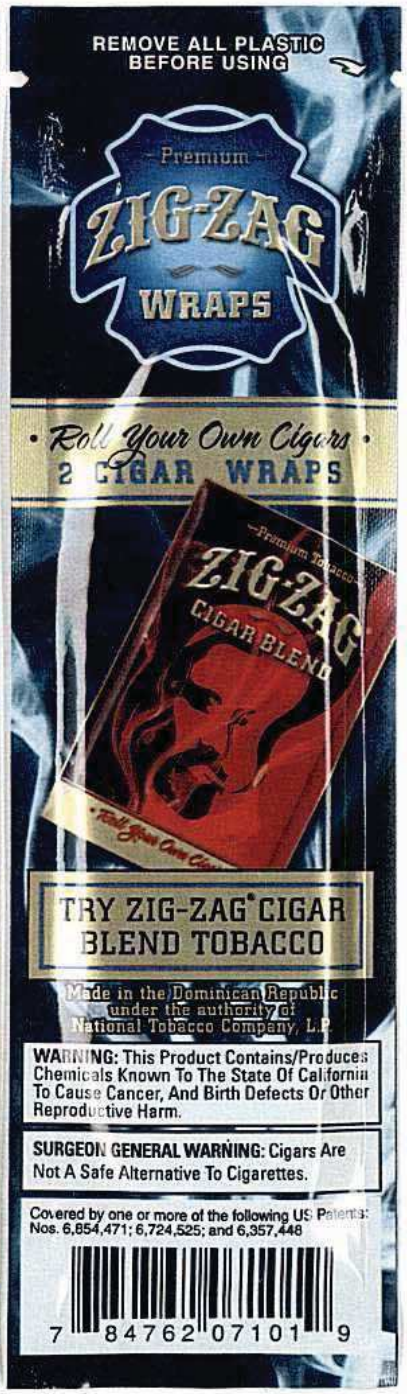
EXHIBIT 1


RE-SEALABLE
Premium
ZIG-ZAG
WRAPS
Purple Thunder™
2 CIGAR WRAPS
REMOVE ALL PLASTIC BEFORE USING
Premium
ZIG-ZAG
WRAPS
• Roll Your Own Cigars •
2 CIGAR WRAPS
ZIG-ZAG
CIGAR BLEND
TRY ZIG-ZAG® CIGAR BLEND TOBACCO
Made in the Dominican Republic under the authority of National Tobacco Company, L.P.
WARNING: This Product Contains/Produces Chemicals Known To The State Of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.
SURGEON GENERAL WARNING: Cigar Smoking Can Cause Cancers Of The Mouth And Throat, Even If You Do Not Inhale.
Covered by one or more of the following US Patents: Nos. 6,854,471; 6,724,525; and 6,357,448
7 84762 07100 2

Front Back


RE-SEALABLE
Premium
ZIG-ZAG
WRAPS
Blue JuJu™
2 CIGAR WRAPS

Front


REMOVE ALL PLASTIC BEFORE USING
Premium
ZIG-ZAG
WRAPS
• Roll Your Own Cigars •
2 CIGAR WRAPS
ZIG-ZAG
CIGAR BLEND
TRY ZIG-ZAG® CIGAR BLEND TOBACCO
Made in the Dominican Republic under the authority of National Tobacco Company, L.P.
WARNING: This Product Contains/Produces Chemicals Known To The State Of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.
SURGEON GENERAL WARNING: Cigars Are Not A Safe Alternative To Cigarettes.
Covered by one or more of the following US Patents: Nos. 6,854,471; 6,724,525; and 6,357,448
7 84762 07101 9

Back


RE-SEALABLE
Premium
ZIG-ZAG
WRAPS
Melon Burst™
2 CIGAR WRAPS

Front


REMOVE ALL PLASTIC BEFORE USING
Premium
ZIG-ZAG
WRAPS
• Roll Your Own Cigars •
2 CIGAR WRAPS
ZIG-ZAG
CIGAR BLEND
TRY ZIG-ZAG® CIGAR BLEND TOBACCO
Made in the Dominican Republic under the authority of National Tobacco Company, L.P.
WARNING: This Product Contains/Produces Chemicals Known To The State Of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.
SURGEON GENERAL WARNING: Tobacco Smoke Increases The Risk Of Lung Cancer And Heart Disease, Even In Nonsmokers.
Covered by one or more of the following US Patents: Nos. 6,854,471; 6,724,525; and 6,357,448
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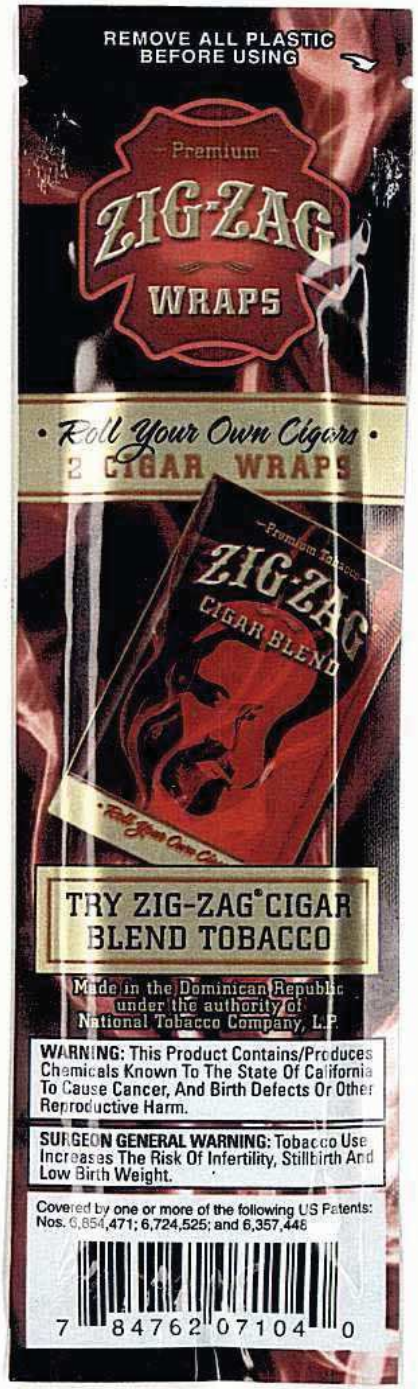
Back


RE-SEALABLE
Premium
ZIG-ZAG
WRAPS
Cherry Rush™
2 CIGAR WRAPS

Front


REMOVE ALL PLASTIC BEFORE USING
Premium
ZIG-ZAG
WRAPS
• Roll Your Own Cigars •
2 CIGAR WRAPS
ZIG-ZAG
CIGAR BLEND
TRY ZIG-ZAG® CIGAR BLEND TOBACCO
Made in the Dominican Republic under the authority of National Tobacco Company, L.P.
WARNING: This Product Contains/Produces Chemicals Known To The State Of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.
SURGEON GENERAL WARNING: Tobacco Use Increases The Risk Of Infertility, Stillbirth And Low Birth Weight.
Covered by one or more of the following US Patents: Nos. 6,854,471; 6,724,525; and 6,357,448
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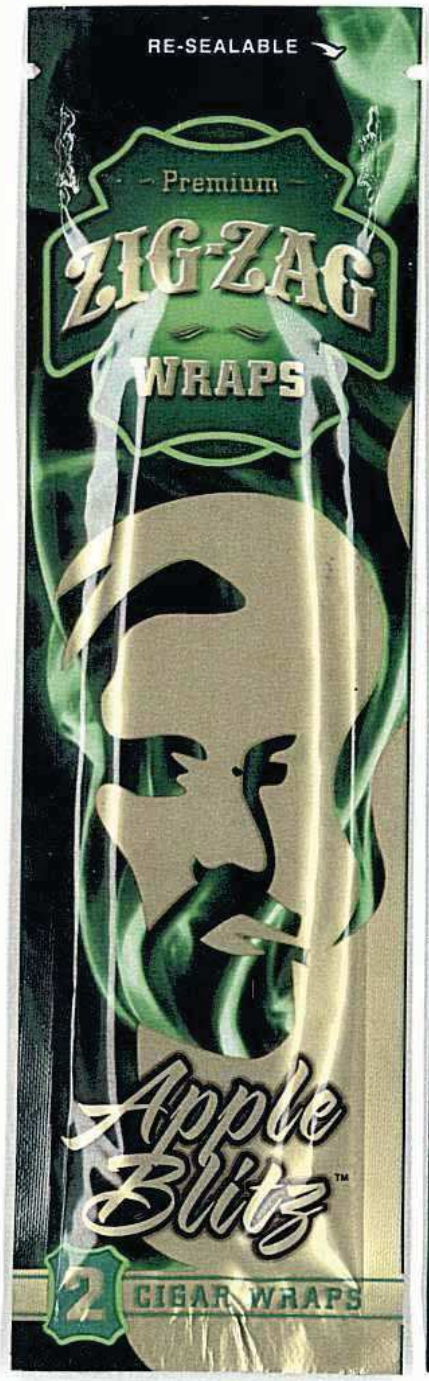
Back


RE-SEALABLE
Premium
ZIG-ZAG
WRAPS
Apple Blitz™
2 CIGAR WRAPS

Front


REMOVE ALL PLASTIC BEFORE USING
Premium
ZIG-ZAG
WRAPS
• Roll Your Own Cigars •
2 CIGAR WRAPS
Premium Tobacco
ZIG-ZAG
CIGAR BLEND
TRY ZIG-ZAG® CIGAR BLEND TOBACCO
Made in the Dominican Republic under the authority of National Tobacco Company L.P.
WARNING: This Product Contains/Produces Chemicals Known To The State Of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.
SURGEON GENERAL WARNING: Cigars Are Not A Safe Alternative To Cigarettes.
Covered by one or more of the following US Patents: Nos. 6,854,471; 6,724,525; and 6,357,446
7 84762 07102 6

Back


RE-SEALABLE
Premium
ZIG-ZAG
WRAPS
Peach Frenzy™
2 CIGAR WRAPS
REMOVE ALL PLASTIC BEFORE USING
Premium
ZIG-ZAG
WRAPS
• Roll Your Own Cigars •
2 CIGAR WRAPS
Premium Tobacco
ZIG-ZAG
CIGAR BLEND
TRY ZIG-ZAG® CIGAR BLEND TOBACCO
Made in the Dominican Republic under the authority of National Tobacco Company, L.P.
WARNING: This Product Contains/Produces Chemicals Known To The State Of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.
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Covered by one or more of the following US Patents: Nos. 6,854,471; 6,724,525; and 6,357,448
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Front Back

EXHIBIT 2

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

RK

Mailed: May 25, 2011

Opposition No. **91194926 (parent)**
Cancellation No. **92052496**

Top Tobacco, L.P.

v.

National Tobacco Company, L.P.

Before Cataldo, Bergsman and Wolfson,
Administrative Trademark Judges

By the Board:

This consolidated proceeding now comes up for consideration of National Tobacco Company, L.P.'s ("National") motion (filed July 6, 2010) to dismiss Top Tobacco, L.P.'s ("Top") combined notice of opposition and petition to cancel filed May 18, 2010 and subsequently amended on July 1, 2010. The motion is fully briefed.[1]

Through its opposition and cancellation, Top seeks to oppose the registration of the marks STRAWBERRY BASH[2] and APPLE

[1] Although the motion to dismiss is based on the original complaint filed on May 18, 2010, the Board has elected to entertain the motion as there is no substantive difference between the originally filed complaint and the amended complaint outside of the addition of the newly added (and subsequently abandoned) application Serial No. 77923770. Therefore, the merits of the motion are equally applicable to the amended complaint.

[2] Application Serial No. 77830953, filed September 21, 2009 under Section 1(b) of the Trademark Act.

BLITZ[3] and to cancel the registrations of the marks BLUE JUJU,[4] CHERRY RUSH,[5] MELON BURST[6] and PURPLE THUNDER,[7] all for "cigar wraps" in International Class 34.

Top's complaint alleges two counts: 1) unlawful use in commerce and 2) fraud. Under the first count, Top makes the following assertions:

- In early 2009, National introduced a line of flavored "cigar wraps" for sale in the United States under numerous marks including APPLE BLITZ, PEACH FRENZY, BLUE JUJU, CHERRY RUSH, MELON BURST and PURPLE THUNDER [para. 4]
- To establish its trademark rights and to enhance its ability to establish and protect a market for its "cigar wraps," National sought and, in some cases, obtained federal registrations [para. 5]
- As of September 22, 2009, the Federal Food, Drug, and Cosmetic Act ("FDCA") prohibits the sale of any "cigarette or any of its component parts (including the tobacco, filter, or paper)" that is flavored [para. 7]
- Under FDA guidelines, the FDCA ban "applies to all tobacco products with certain characterizing flavors that meet the definition of a 'cigarette' in section 900(3) of the FDCA even if they are not labeled as cigarettes or

[3] Application Serial No. 77795626, filed August 3, 2009 under Section 1(b) of the Trademark Act.

[4] Registration No. 3703229, filed October 20, 2008 and registered on October 27, 2009, with a date of first use anywhere and in commerce of January 26, 2009.

[5] Registration No. 3710225, filed October 28, 2008 and registered on November 10, 2009, with a date of first use anywhere and in commerce of April 30, 2009.

[6] Registration No. 3710226, filed October 28, 2008 and registered on November 10, 2009, with a date of first use anywhere and in commerce of April 2, 2009.

[7] Registration No. 3713169, filed October 15, 2008 and registered on November 17, 2009, with a date of first use anywhere and in commerce of April 2, 2009.

are labeled as cigars or as some other product" [para. 9]
- National's "cigar wraps" are component parts of cigarettes as defined under the FDCA [para. 11]
- National's "cigar wraps" are flavored [para. 11]
- On information and belief, National's "cigar wraps" are "not intended for use in rolling cigars, which requires significant expertise and specialized equipment" [para. 13]
- "Neither the Alcohol and Tobacco Tax and Trade Bureau nor its predecessor, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), have ever recognized a category of cigar or 'roll your own cigar' tobacco" [para. 14]
- "There is no federal tax classification for cigar tobacco or cigar wraps because there are no roll-you-own [sic] cigars" [para. 15]
- On information and belief, National's "cigar wraps" constitute "blunt wraps" which are drug paraphernalia because they are primarily intended or designed for use with marijuana in violation of the Controlled Substances Act ("CSA") [para. 16]
- On information and belief, as JUJU is a slang term for a marijuana cigarette, National's BLUE JUJU mark suggests that the "cigar wraps" are used to make blueberry flavored marijuana cigarettes [para. 16]
- National's "cigar wraps" violate state and municipal bans on flavored tobacco products and blunt wraps [para. 17]

Under the second count, Top argues as follows:

- On information and belief, National "has purposely and intentionally misidentified its products as 'cigar wraps'" rather than as flavored cigarette wraps or as blunt wraps [para. 22]
- On information and belief, National "knew that its purported 'cigar wraps' are not sold primarily for use with rolling cigars" [para. 24]
- On information and belief, National "made these material misrepresentations with the specific intent to deceive or mislead the Trademark Office and in order to obtain registrations for the subject marks when it knew it was not entitled to such registrations" [para. 26]

- "The Trademark Office relied upon [National's] false statements" [para. 27]

National seeks to dismiss the complaint on the grounds that the Board lacks subject matter jurisdiction (arguing that the Board has no authority to make a determination that National's sale of cigar wraps is unlawful under federal and local laws), that the fraud claim is meritless because Top "simply has no basis for its 'belief' that [National's] goods are not cigar wraps", and that, in any event, Top lacks standing to bring this combined action.

Both parties present arguments in support of and in opposition to the motion relying largely on matters outside the pleadings. Under the 2007 amended rules, the Board will no longer consider matters outside the pleading and thereby convert a motion to dismiss to one for summary judgment prior to the service of initial disclosures unless the motion is based on issue or claim preclusion or lack of Board jurisdiction. *See Compagnie Gervais Danone v. Precision Formulations, LLC*, 89 USPQ2d 1251, 1254 (TTAB 2009). Although National's motion presents a question of Board jurisdiction, we note that neither party has requested, and we see no reason at this early stage of the proceeding, to convert this motion to one for summary judgment and, therefore, we exclude from consideration the materials submitted with the parties' briefs.

On a motion to dismiss under Fed. R. Civ. P. 12(b)(6), the Board set out the applicable standard in *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1538 (TTAB 2007):

> In order to withstand a motion to dismiss for failure to state a claim, a plaintiff need only allege such facts as would, if proved, establish that (1) the plaintiff has standing to maintain the proceedings, and (2) a valid ground exists for opposing the mark. The pleading must be examined in its entirety, construing the allegations therein liberally, as required by Fed. R. Civ. P. 8(f), to determine whether it contains any allegations which, if proved, would entitle plaintiff to the relief, sought. *See Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982); *Kelly Services Inc. v. Greene's Temporaries Inc.*, 25 USPQ2d 1460 (TTAB 1992); and TBMP § 503.02 (2d. ed. rev. 2004). For purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of plaintiff's well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to plaintiff. *See Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038 (Fed. Cir. 1993); *see also* 5A Wright & Miller, *Federal Practice And Procedure: Civil 2d* §1357 (1990). … The purpose of a Rule 12(b)(6) motion is to challenge "the legal theory of the complaint, not the sufficiency of any evidence that might be adduced" and "to eliminate actions that are fatally flawed in their legal premises and destined to fail …" *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993).

See also, *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998).

Turning first to the question of standing, all that is required at the pleading stage is that Top allege facts sufficient to show a "real interest" in the proceeding and a "reasonable basis" for its belief of damage. To that end, Top asserts that the parties are competitors in the "roll-your-own" market and that National's misrepresentation of "the class of goods for which [National] seeks to register its marks [will injure] the reputation and perceived legitimacy of entire class [sic] of roll-your-own products, including those sold by Top Tobacco, and is likely to subject the entire class of roll-your-own products to legislative and other initiatives to ban or otherwise thwart the legitimate sale of roll-your-own products." *Amended Complaint*, para. 3. As a competitor of National in the "roll-your-own" market, Top is no mere intermeddler and has alleged an interest in the outcome of this proceeding beyond that of the general public. *See, e.g., Books on Tape, Inc. v. Booktape Corp.*, 5 USPQ2d 1301 (Fed. Cir. 1987). We therefore do not take issue with Top's standing to bring this consolidated action.

We next consider National's assertion that the Board lacks subject matter jurisdiction to adjudicate Top's claim of unlawful use. We disagree. As noted in *Satinine Societa v. P.A.B. Produits et Appareils de Beaute*, 209 USPQ 958 (TTAB 1981)("*Satinine*"), and quoted by National in its motion, the Board will consider and find use of a mark in commerce unlawful

when a court or government agency, having competent jurisdiction under the statute in question, has previously made a finding of non-compliance or when there has been a *per se* violation of the statute at issue. *Id.* at 964. Although National attempts to focus the question of jurisdiction solely on whether its goods "are unlawful for importation and sale in the U.S.," we do not read the complaint so narrowly. Whether a mark has been lawfully used in commerce is but one consideration in the larger inquiry of registrability and the question of registrability is one over which the Board clearly has jurisdiction. Therefore, in viewing the complaint in the light most favorable to Top and taking as true all of Top's well-pleaded allegations, Top has sufficiently pleaded a cause of action and National's motion to dismiss Top's claim of unlawful use is **DENIED**.

We reach the same conclusion as to Top's fraud claim. Fraud in procuring or maintaining a trademark registration occurs when an applicant or registrant knowingly makes false, material representations of fact with the intent to deceive the USPTO. *See In re Bose Corp.*, 580 F.3d 1240, 1245 (Fed. Cir. 2009). Subjective intent to deceive "is an indispensable element in the analysis." *Id.* And while such intent may be averred generally under Fed. R. Civ. P. 9(b), the pleadings must contain "explicit rather than implied expression of the

circumstances constituting fraud." *King Automotive, Inc. v. Speedy Muffler King, Inc.*, 667 F.2d 1008, 1010 (CCPA 1981).

While Top's fraud allegations have been made on information and belief, we find that a complete reading of the complaint presents facts sufficient to support such allegations. *See Asian and Western Classics B.V. v. Selkow,* 92 USPQ2d 1478, 1479 (TTAB 2009)(allegations based on "information and belief" must be accompanied by a statement of facts upon which the belief is founded).

We first note that in paragraph 20 of the amended complaint, Top repeats and alleges those allegations contained in paragraphs 1 through 19 (Count 1) as if fully set forth in the fraud count. Therein, Top essentially alleges that National's goods are flavored components of cigarettes and/or flavored "blunt wraps" (rolling papers primarily designed for use with marijuana) and that such goods "violate … state and municipal bans on flavored tobacco products and blunt wraps." [para. 17]. In Count 2, Top further alleges, on information and belief, that National "knew that its purported 'cigar wraps' are not sold primarily for use with rolling cigars, and that there is no commercial or recognized class of legitimate or lawful product known as 'cigar wraps,'" that National "purposely and intentionally misidentified its products as 'cigar wraps'" rather than as a flavored component part of cigarettes (which violate the FDCA) or as blunt wraps (which

violate the CSA), that National "made these material misrepresentations with the specific intent to deceive or mislead the Trademark Office [] in order to obtain registrations for the subject marks when it knew it was not entitled to such registrations" and that "the Trademark Office relied upon [National's] false statements." Therefore, taking the complaint as a whole and, again, viewing the complaint in the light most favorable to Top and taking as true all of Top's well-pleaded allegations, we find that Top's fraud claim is sufficient. *See Petróleos Mexicanos v. Intermix SA,* 97 USPQ2d 1403 (TTAB 2010)(allegations made on information and belief, based on results of pre-filing investigation, found sufficient). National's motion to dismiss Top's claim of fraud is **DENIED**.[8]

Proceedings are **RESUMED** and dates are reset as follows:

Time to Answer	**6/20/2011**
Deadline for Discovery Conference	**7/20/2011**
Discovery Opens	**7/20/2011**
Initial Disclosures Due	**8/19/2011**
Expert Disclosures Due	**12/17/2011**
Discovery Closes	**1/16/2012**
Plaintiff's Pretrial Disclosures Due	**3/1/2012**
Plaintiff's 30-day Trial Period Ends	**4/15/2012**
Defendant's Pretrial Disclosures Due	**4/30/2012**
Defendant's 30-day Trial Period Ends	**6/14/2012**
Plaintiff's Rebuttal Disclosures Due	**6/29/2012**
Plaintiff's 15-day Rebuttal Period Ends	**7/29/2012**

[8] Top's notice (filed April 15, 2011) of the decision in Opposition No. 91196271, which was incorrectly filed in connection with Opposition No. 91195529, is noted. While the panel in Opposition No. 91196271 held that a similar pleading did not sufficiently state a fraud claim, as

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

* * *

indicated by our decision in this case, this panel finds that all the allegations in opposer's pleading does sufficiently state a fraud claim.

EXHIBIT 3

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

RK

Mailed: September 5, 2012

Opposition No. **91194926 (parent)**
Cancellation No. **92052496**

Top Tobacco, L.P.

v.

National Tobacco Company, L.P.

Before Cataldo, Bergsman and Wolfson,
Administrative Trademark Judges

By the Board:

This consolidated proceeding comes up for consideration of applicant/respondent National Tobacco Company, L.P.'s motion (filed October 26, 2011) for summary judgment. The motion is fully briefed.

For purposes of this order, we presume the parties' familiarity with the pleadings, the history of the proceeding and the arguments and evidence submitted with respect to the motion.

As the basis for its motion, applicant/respondent argues that opposer/petitioner Top Tobacco, L.P.'s claims of unlawful use and fraud "are an inverted pyramid resting on a single point, namely, the unfounded allegation that [applicant/respondent's] goods are not cigar wraps" and that there is no genuine dispute that the involved goods are cigar

wraps and therefore opposer/petitioner's claims must fail. *Motion for Summary Judgment*, p. 2.

A party is entitled to summary judgment when it has demonstrated that there is no genuine dispute as to any material fact, and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(a). The evidence must be viewed in a light favorable to the nonmoving party, and all justifiable inferences are to be drawn in the nonmovant's favor. *Opryland USA Inc. v. The Great American Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

In reviewing the evidence of record,[1] we find that there is a genuine dispute of material fact as to the nature of the involved goods. For instance, the parties have presented competing declarations wherein applicant/respondent's witness[2] attests that the goods are cigar wraps and opposer/petitioner's witnesses[3] attest that due to the difficulty and need for specialized equipment and knowledge in rolling cigars, there is no appreciable market for "roll-your-own" cigar products; that therefore, there is no such product as "cigar wraps"; and that products labeled and sold as "cigar

[1] The parties are reminded that evidence submitted in support of or in opposition to a motion for summary judgment is of record only for consideration of that motion. Any such evidence to be considered at final hearing must be properly introduced during the appropriate trial period. *See, for example, Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

[2] Curtis Berry, an employee of applicant/respondent and Brand Director for Zig-Zag products.

[3] Michael Gold, President of Arangold Corporation d/b/a Arango Cigar Co.

wraps" are really used for rolling illegal substances and are more accurately described as "blunt wraps." Further, while we are cognizant of applicant/respondent's additional evidence in the nature of a customs ruling and a FAQ printout from the FDA website, we are bound on summary judgment to view the whole of the evidence in a light favorable to the nonmoving party and to draw all justifiable inferences in the nonmovant's favor. Accordingly, we find that there is a genuine dispute of material fact and therefore **DENY** applicant/respondent's motion for summary judgment.[4] In light of this ruling, we decline applicant/respondent's request in its reply brief to find, at this juncture of the proceedings, that applicant/respondent's cigar wraps are lawful under the Controlled Substances Act (CSA).

As to applicant/respondent's request that the Board compel the parties to adopt the standard protective order, the Board's amended institution order of May 26, 2010, clearly states that the Board's standard protective order is applicable to this case pursuant to Trademark Rule 2.116(g). Under the standard protective order, outside counsel, but not in-house counsel, shall have access to information designated as trade secret/commercially sensitive. To the extent that applicant/respondent seeks to further limit the categories of information to which in-house counsel may have access, the

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Seth Gold, opposer/petitioner's Executive Vice President and Senior Legal counsel.

[4] In view thereof, opposer/petitioner's alternative motion for Rule 56(f) (now Rule 56(d)) discovery is **MOOT** and will be given no consideration.

Board will not make any such determination without proper briefing and certainly not in response to a throw-away request made as part of a reply brief in support of a motion for summary judgment.

Proceedings are **RESUMED** and dates are **RESET** as follows:[5]

Expert Disclosures Due	**11/5/2012**
Discovery Closes	**12/5/2012**
Plaintiff's Pretrial Disclosures Due	**1/19/2013**
Plaintiff's 30-day Trial Period Ends	**3/5/2013**
Defendant's Pretrial Disclosures Due	**3/20/2013**
Defendant's 30-day Trial Period Ends	**5/4/2013**
Plaintiff's Rebuttal Disclosures Due	**5/19/2013**
Plaintiff's 15-day Rebuttal Period Ends	**6/18/2013**

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

* * *

[5] Applicant/respondent counsel's notice of change of law firm name (filed January 3, 2012) is noted and made of record.

EXHIBIT 4

SURGEON GENERAL WARNING

ZIG-ZAG
QUALITE SUPERIEURE

PRODUCTS | HISTORY | STORE LOCATOR | FAQ'S | CONTACT

CIGAR WRAPS | CIGARILLOS | CIGARETTE PAPERS | ACCESSORIES | FILTER TUBES

SURGEON GENERAL WARNING

ZIG-ZAG
QUALITE SUPERIEURE

PRODUCTS | HISTORY | STORE LOCATOR | FAQ'S | CONTACT

CIGAR WRAPS | CIGARILLOS | CIGARETTE PAPERS | ACCESSORIES | FILTER TUBES

SURGEON GENERAL WARNING:

ZIG-ZAG
QUALITE SUPERIEURE

PRODUCTS | HISTORY | STORE LOCATOR | FAQ'S | CONTACT

CIGAR WRAPS | CIGARILLOS | CIGARETTE PAPERS | ACCESSORIES | FILTER TUBES

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SURGEON GENERAL WARNING

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PRODUCTS | HISTORY | STORE LOCATOR | FAQ'S | CONTACT

CIGAR WRAPS | CIGARILLOS | CIGARETTE PAPERS | ACCESSORIES | FILTER TUBES

EXHIBIT 5

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

RK/tdc

Mailed: July 20, 2011

Opposition No. **91194926 (parent)**
Cancellation No. **92052496**

Top Tobacco, L.P

v.

National Tobacco Company, L.P.

On June 16, 2011, applicant/respondent filed a voluntary surrender of its Registration No. 3703229.[1] Trademark Rule 2.134(a) provides that if the respondent in a cancellation proceeding applies to cancel its involved registration under Section 7(e) without the written consent of every adverse party to the proceeding, judgment shall be entered against respondent.

In view thereof, and because opposer/petitioner's written consent to the voluntary surrender is not of record, judgment is hereby entered against applicant/respondent, the petition to cancel is **GRANTED as to Registration No. 3703229 only**, and the registration will be cancelled in due course.

[1] Applicant/respondent's change of correspondence address filed May 26, 2011 is noted. The Board's records have been updated to reflect this change.

Trial dates remain as set out in the Board's order of May 25, 2011.

The Board also **VACATES** the notice of default that was inadvertently issued on July 6, 2011 in connection with the child proceeding. The error is regretted.

By the Trademark Trial and Appeal Board

EXHIBIT 6

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Vb

Mailed: November 1, 2012

Opposition No. 91194926
Cancellation No. 92052496

Top Tobacco, L.P.

v.

National Tobacco Company, L.P.

On October 25, 2012, applicant filed an abandonment of its application Serial Nos. 77795626 and 77830953 under Trademark Rule 2.68.

However, the applicable rule is Trademark Rule 2.135, which provides that if, in an inter partes proceeding, the applicant files an abandonment without the written consent of every adverse party to the proceeding, judgment shall be entered against the applicant.

Accordingly, because opposer's written consent to the abandonment is not of record, judgment is hereby entered

against applicant, the opposition is sustained and registration to applicant is refused.

Cancellation No. 92052496

On October 25, 2012, respondent filed a voluntary surrender under Section 7(e) of the Trademark Act of its Registration Nos. 3710225, 3710226 and 3713169.

Trademark Rule 2.134(a) provides that if the respondent in a cancellation proceeding applies to cancel its involved registration under Section 7(e) without the written consent of every adverse party to the proceeding, judgment shall be entered against respondent.

In view thereof, and because petitioner's written consent to the voluntary surrender is not of record, judgment is hereby entered against respondent, the petition to cancel is granted, and Registration Nos. 3710225, 3710226 and 3713169 will be cancelled in due course.

By the Trademark Trial and Appeal Board

EXHIBIT 7

Guidance for Industry and FDA Staff

General Questions and Answers on the Ban of Cigarettes that Contain Certain Characterizing Flavors (Edition 2)*

Document issued on: December 23, 2009

For questions regarding this document, contact May Nelson at 240-276-1717 or via email at May.Nelson@fda.hhs.gov.

U.S. Department of Health and Human Services
Food and Drug Administration
Center for Tobacco Products

***This is a revision of the first edition of the FDA guidance "General Questions and Answers on the Ban of Cigarettes that Contain Certain Characterizing Flavors," which FDA issued on September 22, 2009. Revisions/Additions are noted by date.**

Preface

Public Comment

Written comments and suggestions may be submitted at any time for FDA consideration to the Division of Dockets Management, Food and Drug Administration, 5630 Fishers Lane, Room 1061, (HFA-305), Rockville, MD, 20852. When submitting comments, please refer to the exact title of this guidance document. Comments may not be acted upon by FDA until the document is next revised or updated.

Additional Copies

Additional copies are available from the Internet at http://www.fda.gov/flavoredtobacco. You may also send an e-mail request to May.Nelson@fda.hhs.gov to receive an electronic copy of the guidance.

Guidance for Industry and FDA Staff[1]

General Questions and Answers on the Ban of Cigarettes that Contain Certain Characterizing Flavors (Edition 2)

This guidance represents the Food and Drug Administration's (FDA's) current thinking on this topic. It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. You can use an alternative approach if the approach satisfies the requirements of the applicable statutes and regulations. If you want to discuss an alternative approach, contact the FDA staff responsible for implementing this guidance document. If you cannot identify the appropriate FDA staff, call the appropriate telephone number listed on the title page of this guidance.

Introduction

The Federal Food, Drug, and Cosmetic Act (FDCA), as amended by the Family Smoking Prevention and Tobacco Control Act (FSPTCA), establishes a tobacco standard special rule for cigarettes that is effective on September 22, 2009. This special rule for cigarettes prohibits a cigarette or any of its component parts (including the tobacco, filter, or paper) from containing, as a constituent (including a smoke constituent) or additive, an artificial or natural flavor (other than tobacco or menthol) or an herb or spice, including strawberry, grape, orange, clove, cinnamon, pineapple, vanilla, coconut, licorice, cocoa, chocolate, cherry, or coffee, that is a characterizing flavor of the tobacco product or tobacco smoke. The issues identified in this guidance document represent those that we believe are frequently asked regarding the ban of cigarettes that contain certain characterizing flavors. In developing the guidance document, we carefully considered the relevant statutory criteria regarding the ban.

General Questions and Answers:

1. What is the significance of today's announcement on flavored cigarettes?

[1] This guidance has been prepared by the Center for Tobacco Products at the U.S. Food and Drug Administration.

Smoking is the leading cause of preventable death in the United States, claiming over 400,000 lives each year. An important way to reduce the death and disease caused by smoking is to prevent children and adolescents from starting to smoke. Studies have shown that 17 year old smokers are three times as likely to use flavored cigarettes as are smokers over the age of 25. In addition to being more attractive to young people, flavored products make it easier for new smokers to start smoking by masking the unpleasant flavor of tobacco. Studies have also demonstrated that young people believe that flavored tobacco products are safer than unflavored tobacco products.

Flavored cigarettes are just as addictive and have the same types of harmful effects as regular cigarettes. Removing these flavored products from the market is important because it removes an avenue that young people can use to begin regular tobacco use. Congress specifically enacted the ban on sale of cigarettes and their component parts, such as filters and papers, which contain certain characterizing flavors. The removal from the market of cigarettes that contain certain characterizing flavors is an important step in the Nation's efforts to reduce the burden of illness and death caused by tobacco products as authorized by the FSPTCA, signed by President Obama on June 22, 2009.

2. What products are covered?

Several key definitions in the law define which products are covered.

The ban applies to all tobacco products that meet the definition of a cigarette in section 900(3) of the FDCA even if they are not labeled as cigarettes or are labeled as cigars or as some other product.

Specifically, section 900(3) defines cigarettes as:

''(3) CIGARETTE.—The term 'cigarette'—
''(A) means a product that—
''(i) is a tobacco product; and
''(ii) meets the definition of the term 'cigarette' in section 3(1) of the Federal Cigarette Labeling and Advertising Act; and
''(B) includes tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette or as roll-your-own tobacco.
''(4) CIGARETTE TOBACCO.—The term 'cigarette tobacco' means any product that consists of loose tobacco that is intended for use by consumers in a cigarette. Unless otherwise stated, the requirements applicable to cigarettes under this chapter shall also apply to cigarette tobacco."

This definition refers to a provision of the Federal Cigarette Labeling and Advertising Act which defines the term 'cigarette' as:

"(1) The term "cigarette" means—
(A) any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(B) any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (A)."

3. Does the special rule for cigarettes in section 907(a)(1)(A) of the FDCA, banning cigarettes containing an artificial or natural flavor that is a characterizing flavor, apply to loose tobacco intended to be used in cigarettes or as roll-your-own tobacco?

Yes. The special rule for cigarettes in section 907(a)(1)(A) of the FDCA bans all cigarettes containing an artificial or natural flavor that is a characterizing flavor. Section 900(3) of the FDCA defines "cigarette" as including "tobacco, in any form . . . that is likely to be offered to, or purchased by, consumers as a cigarette or as roll-your-own tobacco." Loose tobacco intended to be used in cigarettes or as roll-your-own tobacco fits this definition of "cigarette" and therefore may not be flavored with a characterizing flavor.

4. Does the special rule for cigarettes in section 907(a)(1)(A) of the FDCA, banning cigarettes containing an artificial or natural flavor that is a characterizing flavor, apply to rolling paper or filters intended for use in roll-your-own cigarettes?

Yes. The special rule for cigarettes in section 907(a)(1)(A) of the FDCA prohibits the component parts of a cigarette (including the filter or paper) from containing an artificial or natural flavor that is a characterizing flavor. Section 900(3) of the FDCA defines "cigarette" as a tobacco product that "meets the definition of the term 'cigarette' under section 3(1) of the Federal Cigarette Labeling and Advertising Act," which states that a cigarette is any wrapped roll of tobacco. A consumer rolled, roll-your-own cigarette is a cigarette under section 900(3) because it is a wrapped roll of tobacco. Rolling paper or filters intended for use in roll-your-own cigarettes are component parts of a rolled, roll-your-own cigarette and therefore may not be flavored with a characterizing flavor.

5. Under what, if any, circumstances would FDA consider cigars, including little cigars, to be in violation of the ban in section 907(a)(1) of the FDCA?

[Response updated December 23, 2009] The ban applies to all tobacco products with certain characterizing flavors that meet the definition of a "cigarette" in section 900(3) of the FDCA even if they are not labeled as "cigarettes" or are labeled as cigars or as some other product. If a product is labeled as a cigar or as some other tobacco product and the agency determines that the product meets the definition of cigarette in section 900(3), then consistent with its enforcement policy, a warning letter will be issued to the firm to provide it with notice of its violation of the FSPTCA. The warning letter provides the firm with 15 business days to respond prior to the agency's initiation of further regulatory action against the firm and/or its tobacco product. The agency will follow this policy unless the evidence shows that the violation involves felonious intent or the agency has promulgated regulations under section 901(b) of the FSPTCA.

We encourage members of the public to submit any information relevant to compliance with the prohibition of cigarettes containing characterizing flavors, including information concerning consumer perception of tobacco products not labeled as cigarettes, but because of their appearance, the type of tobacco used in the filler, or their packaging and labeling, are likely to be offered to, or purchased by, consumers as cigarettes. Please submit any information to Docket No. FDA-2009-N-0294.

6. Does the ban apply to bona fide pipe tobacco?

No. The ban does not apply to bona fide pipe tobacco. However, as noted above in question 5, the ban applies to all tobacco products with certain characterizing flavors that meet the definition of a "cigarette" in section 900(3) of the FDCA. The definition of a "cigarette" includes "tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette or as roll-your-own tobacco."

We encourage members of the public to submit any information relevant to compliance with the ban of cigarettes containing characterizing flavors regarding any tobacco product that may meet the definition of a "cigarette." Please submit any information to Docket No. FDA-2009-N-0294.

7. How will this ban be enforced?

As of September 22, 2009, cigarettes and their component parts that contain characterizing flavors (other than tobacco or menthol) or an herb or spice are illegal. FDA has a range of enforcement and regulatory tools to address violations of the ban by, among others, manufacturers, importers, distributors, and retailers. Before taking enforcement action, it is the agency's general practice to issue Warning Letters to firms to notify them that they or their products are in violation of the law and to give them the opportunity to come into compliance. As always, when circumstances are appropriate, FDA may take enforcement action to protect the public health without first issuing a Warning Letter.

8. Will FDA provide a comprehensive list of products that are illegal?

No. All products that meet the description in section 907(a)(1)(A) of the FDCA below are banned. Section 907(a)(1)(A) states:

> "…a cigarette or any of its component parts (including the tobacco, filter, or paper) shall not contain, as a constituent (including a smoke constituent) or additive, an artificial or natural flavor (other than tobacco or menthol) or an herb or spice, including strawberry, grape, orange, clove, cinnamon, pineapple, vanilla, coconut, licorice, cocoa, chocolate, cherry, or coffee, that is a characterizing flavor of the tobacco product or tobacco smoke."

The agency plans to make available Warning Letters it has issued and information about enforcement actions it has taken to notify the public about violative products.