



Federal Trade Commission
Smokeless Tobacco Report
for the Years 2000 and 2001

Issued in 2003

I. Introduction

This report is the latest in a series on smokeless tobacco sales, advertising and promotion that the Federal Trade Commission ("the Commission") has prepared biennially since 1987.

The statistical tables contained within this report provide information on domestic smokeless tobacco sales and advertising and promotional activities.¹ Commission staff prepared these tables using information collected, pursuant to compulsory process, from the five major manufacturers of smokeless tobacco products in the United States: Conwood Company, National Tobacco Company, Swedish Match North America, Inc., Swisher International, Inc., and United States Smokeless Tobacco Company ("USSTC").

II. Total Smokeless Tobacco Sales and Advertising and Promotional Expenditures

The figures in Table 1 indicate that the total number of pounds of smokeless tobacco sold by manufacturers to wholesalers and retailers rose from 109.40 million pounds in 1999 to 111.74 million pounds in 2000 and then to 112.19 million pounds in 2001.

Sales revenues received by the manufacturers of smokeless tobacco products from wholesalers and retailers continued to increase, as they have every year since 1985. Those revenues reached \$1.99 billion in 2000 and \$2.13 billion in 2001.

The total amount spent on advertising and promotion by the five major manufacturers reached all time highs of \$224.58 million in 2000 and \$236.68 million in 2001.

¹ Some 1985 data are included. The 1985 data are less detailed than those from 1986 forward because they were collected retrospectively and were meant to serve as baseline data.

III. Smokeless Tobacco Advertising and Promotional Expenditures by Category

In 1999, the two top advertising and promotional categories were promotional allowances (e.g., payments made to retailers to facilitate sales) and point of sale advertising. In 2000 and 2001, promotional allowances and retail value added (offers such as "buy one, get one free" or "buy three, get free hat," where the smokeless tobacco product and the bonus item often are packaged together as a single unit) received the greatest amount of money.

Spending on advertising in newspapers decreased from \$3.31 million in 1999 to \$2.41 million in 2000, and then to \$1.83 million in 2001.

Magazine advertising decreased from \$18.44 million in 1999 to \$13.89 million in 2000, and then rebounded to \$21.96 million in 2001, an all time high.

Spending on outdoor billboard advertising which was \$7,258 in 1999 remained relatively flat at \$6,987 in 2000 and \$10,522 in 2001. Spending for outdoor advertising had been \$4.99 million in 1997.

As they had each year since 1987, the companies reported no expenditures for audio visual advertising. They also reported no expenditures for transit advertising, as they had each year since 1986.

Point of sale advertising decreased from \$26.09 million in 1999 to \$15.18 million in 2000 and then increased to \$17.41 million in 2001.

Spending for promotional allowances increased from \$30.76 million in 1999 to \$45.39 million in 2000 and \$60.87 million in 2001. The highest amount previously reported for promotional allowances was \$14.96 million in 1998.

Spending to distribute free samples of smokeless tobacco products decreased from \$17.88 million in 1999 to \$15.76 million in 2000 and then rebounded to \$17.89 million in 2001, the most ever spent.

Spending to provide consumers with specialty promotional items (such as shirts and hats bearing the name or logo of a smokeless tobacco product) elsewhere than at the point of sale dropped from \$3.16 million in 1999 to \$347,124 in 2000 and \$324,694 in 2001.²

The amount spent on direct mail advertising soared from \$5.62 million in 1999 to \$17.02 million in 2000, the most ever spent for this category since the Commission began collecting information from the industry. Expenditures then decreased to \$16.34 million in 2001.

Spending on public entertainment dropped from \$22.14 million in 1999 to \$11.22 million in 2000 and then rose to \$18.06 million in 2001.

Spending on endorsements rose from \$130,000 in 1999 to \$230,000 in 2000 and \$255,000 in 2001.

Expenditures on coupons increased from \$24.22 million in 1999 to \$32.75 million in 2000 and then declined slightly to \$31.53 million in 2001.³

² This expenditure category -- which is called "distribution bearing names" -- does not include specialty items provided at retail with smokeless tobacco products (e.g., "buy three, get free hat"), which are considered retail value added.

³ Prior to 1998, one company did not separately track expenditures for coupons. Instead, the company included these expenditures in the point of sale or promotional allowances categories in its submissions to the Commission. Accordingly, the figures reported for coupons prior to 1998 are understated and those reported for point of sale and/or promotional allowances are overstated; changes in spending on those categories between 1997 and 1998 should be viewed with this information in mind.

Spending on retail value added (*e.g.*, "buy one, get one free" or "buy three, get free hat") increased from \$11.14 million in 1999 to \$64.88 million in 2000, the most ever spent for this category since the Commission began collecting information from the industry.⁴ Expenditures then declined to \$43.24 million in 2001.

The companies reported no expenditures for Internet advertising prior to 2000. They reported spending \$155,405 in 2000 and \$262,296 in 2001.

Since 1992, the Commission has required the manufacturers to report the amount of their spending specifically associated with sports or sporting events.⁵ Expenditures for sports and sporting events decreased from \$23.40 million in 1999 to \$11.03 million in 2000, and then rose to \$17.87 million in 2001.

IV. Smokeless Tobacco Sales and Advertising and Promotional Expenditures by Tobacco Type

As noted above, there are several types of smokeless tobacco products, including dry snuff, moist snuff, plug/twist, and loose leaf chewing tobacco. Tables 3A through 3D present details on sales and advertising and promotional expenditures by type of smokeless tobacco.

⁴ Prior to 2000, one company did not separately track expenditures for retail value added. Instead, the company included these expenditures in the point of sale or promotional allowances categories in its submissions to the Commission. Accordingly, the figures reported for retail value added prior to 2000 are understated and those reported for point of sale and/or promotional allowances are overstated; changes in spending on those categories between 1999 and 2000 should be viewed with this information in mind.

⁵ These expenditures are also reported in the appropriate individual advertising and promotional categories (*e.g.*, a newspaper advertisement for a sponsored sporting event is included in the newspaper category). Accordingly, to avoid double-counting, sports and sporting event expenditures are not included in the calculation of total advertising and promotional expenditures.

From 1999 to 2001, the number of pounds of moist snuff increased, while the number of pounds of loose leaf chewing tobacco and dry snuff and plug/twist sold fell. The 63.89 million pounds of moist snuff sold in 2001 exceeded the combined sales of the three other kinds of smokeless tobacco.

Similarly, moist snuff has consistently generated more revenue than any other type of smokeless tobacco. In 2000 and 2001, total dollar sales for loose leaf chewing tobacco, the second best selling type of smokeless tobacco, were \$275.36 million and \$278.98 million, compared to \$1.63 billion and \$1.77 billion for moist snuff.

Tables 3A through D also indicate that moist snuff continued to receive the greatest advertising and promotional support. In 2000 and 2001, the five major manufacturers spent \$207.77 million and \$218.66 million, respectively, on advertising and promotion for moist snuff, compared to \$15.59 million and \$16.66 million for loose leaf chewing tobacco, \$1.16 million and \$1.28 million for plug/twist, and only \$54,878 and \$68,552 for scotch/dry snuff.

V. Smokeless Tobacco Market Share

According to industry sources, of the five major domestic manufacturers of smokeless tobacco, USSTC continued to lead the industry in 2001, with a 43% share of the total smokeless tobacco industry, in terms of pounds sold.⁶ Published reports also indicate that Conwood's 2001 industry share was 23.0%, Swedish Match's was 20.8%, National's was 5.9%, and Swisher's was

⁶ John C. Maxwell, *Minor Decrease – Smokeless Tobacco and Cigar Sales Decrease Slightly as the Industry Introduces New Products and Looks for New Customers in Cigarette Smokers*, Tobacco Reporter, August 2002 at 48.

6.3%.⁷ USSTC reportedly controlled 74% of the moist snuff market in 2001 in terms of pounds sold, compared to its closest competitors, Conwood, which reportedly had 13% of that market, and Swedish Match which reportedly had 8%.⁸ Swedish Match reportedly controlled 41% of the loose leaf market in 2001, while Conwood had 33%, National 16%, and Swisher 9%.⁹

⁷ *Id.*

⁸ *Id.* at 50.

⁹ *Id.*

TABLE 1
TOTAL SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
FOR 1985 - 2001

<u>Year</u>	<u>Sales in Pounds</u>	<u>Sales in Dollars</u>	<u>Advertising and Promotional Expenditures</u>
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	110,036,380	\$1,886,328,217	\$145,486,899
1999	109,401,055	\$1,940,736,017	\$170,213,761
2000	111,741,335	\$1,988,875,535	\$224,582,757
2001	112,193,550	\$2,127,520,387	\$236,676,917

TABLE 2A
SMOKELESS TOBACCO ADVERTISING
AND PROMOTIONAL EXPENDITURES
BY CATEGORY
FOR 1985

Television & Radio Advertising	\$26,584,731
Total Print	\$8,719,379
<u>All Other</u>	<u>\$44,764,119</u>
Total	\$80,068,229

TABLE 2B
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
<u>All Other</u>	<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 Communication Commission ("FCC") regulations cover approximately six months of 1986 because the statutory broadcast ban became effective on August 28, 1986.

TABLE 2C
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
<u>All Other</u>	<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 2D
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
Sports & Sporting Events	\$20,970,580	\$22,742,986	\$24,521,715	\$25,863,187

* 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 2E
SMOKELESS TOBACCO ADVERTISING
AND PROMOTIONAL EXPENDITURES
BY CATEGORY FOR 1996 - 1999

	1996	1997	1998	1999
Newspapers	\$236,765	\$1,642,347	\$2,807,281	\$3,306,548
Magazines	\$13,362,100	\$11,874,395	\$18,389,758	\$18,436,630
Outdoor	\$3,544,994	\$4,991,256	\$2,228,381	\$7,258
Audio, Visual	\$0	\$0	\$0	\$0
Transit	\$0	\$0	\$0	\$0
Point of Sale	\$13,568,572	\$14,712,560	\$25,202,972	\$26,092,942
Promotional Allowances	\$12,722,615	\$14,692,865	\$14,959,694	\$30,756,608
Sampling	\$12,640,816	\$11,155,411	\$17,439,990	\$17,884,888
Distribution Bearing Names	\$11,728,976	\$17,999,555	\$3,768,161	\$3,161,884
Direct Mail	\$314,599	\$808,247	\$6,948,300	\$5,620,844
Public Entertainment	\$22,736,345	\$28,940,337	\$25,426,519	\$22,136,453
Endorsements	\$162,500	\$165,000	\$165,000	\$130,000
Coupons	\$3,446,225*	\$3,447,124*	\$10,965,387	\$24,221,899
Retail Value Added	\$22,390,838*	\$34,938,115*	\$11,204,800*	\$11,135,604*
Internet	\$0	\$0	\$0	\$0
<u>All Other</u>	<u>\$4,397,683</u>	<u>\$5,059,097</u>	<u>\$5,980,656</u>	<u>\$7,322,203</u>
TOTAL	\$123,877,458	\$150,426,310	\$145,486,899	\$170,213,761
Sports & Sporting Events	\$19,784,813	\$25,751,503	\$26,620,636	\$23,401,714

* 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 2F**SMOKELESS TOBACCO ADVERTISING
AND PROMOTIONAL EXPENDITURES
BY CATEGORY FOR 2000 - 2001**

	2000	2001
Newspapers	\$2,413,104	\$1,825,748
Magazines	\$13,890,399	\$21,963,961
Outdoor	\$6,987	\$10,522
Audio, Visual	\$0	\$0
Transit	\$0	\$0
Point of Sale	\$15,179,555	\$17,412,893
Promotional Allowances	\$45,393,210	\$60,866,870
Sampling	\$15,761,075	\$17,888,963
Distribution Bearing Names	\$347,124	\$324,694
Direct Mail	\$17,015,856	\$16,340,203
Public Entertainment	\$11,223,945	\$18,063,522
Endorsements	\$230,000	\$255,000
Coupons	\$32,746,769	\$31,526,860
Retail Value Added	\$64,883,152	\$43,235,466
Internet	\$155,405	\$262,296
<u>All Other</u>	<u>\$5,336,176</u>	<u>\$6,699,919</u>
TOTAL	\$224,582,757	\$236,676,917
Sports & Sporting Events	\$11,026,204	\$17,866,620

TABLE 3A
SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE
FOR 1986 - 2001

LOOSE LEAF/CHEWING TOBACCO

<u>Year</u>	<u>Pounds Sold</u>	<u>Dollar Sales</u>	<u>Advertising and Promotional Expenditures</u>
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

TABLE 3B
SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE
FOR 1986 - 2001

PLUG/TWIST CHEWING TOBACCO

	<u>Pounds Sold</u>	<u>Dollar Sales</u>	<u>Advertising and Promotional Expenditures</u>
1986	8,835,200	\$44,870,900	\$896,821
1987	8,351,803	\$44,267,561	\$559,597
1988	7,282,206	\$40,429,972	\$868,954
1989	6,308,415	\$35,132,105	\$1,787,775
1990	6,557,216	\$41,316,133	\$1,655,886
1991	5,913,172	\$42,379,173	\$1,326,216
1992	5,389,336	\$42,625,799	\$1,722,361
1993	4,778,107	\$40,702,849	\$1,367,877
1994	4,410,333	\$39,102,541	\$936,993
1995	4,156,158	\$37,996,428	\$1,032,856
1996	3,096,708	\$29,469,575	\$653,511
1997	2,800,859	\$27,434,794	\$682,887
1998	3,180,093	\$33,610,369	\$1,216,474
1999	2,824,198	\$30,733,775	\$1,583,271
2000	2,718,653	\$26,905,139	\$1,164,235
2001	2,543,800	\$26,775,821	\$1,284,627

TABLE 3C
SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE
FOR 1986 - 2001

SCOTCH/DRY SNUFF

	<u>Pounds Sold</u>	<u>Dollar Sales</u>	<u>Advertising and Promotional Expenditures</u>
1986	8,110,168	\$58,951,001	\$181,977
1987	7,255,296	\$56,709,742	\$263,482
1988	7,069,754	\$57,221,662	\$501,543
1989	7,244,911	\$62,155,826	\$654,591
1990	6,185,410	\$56,601,390	\$472,404
1991	5,833,210	\$56,881,288	\$517,145
1992	5,623,404	\$57,657,911	\$354,774
1993	4,996,957	\$54,302,829	\$313,659
1994	4,814,130	\$55,574,320	\$272,038
1995	4,490,094	\$53,885,040	\$486,280
1996	4,218,705	\$53,858,106	\$437,339
1997	4,063,630	\$54,725,929	\$522,260
1998	3,781,891	\$53,292,750	\$155,484
1999	3,572,339	\$53,229,345	\$61,516
2000	3,463,705	\$54,205,273	\$54,878
2001	3,364,601	\$56,339,020	\$68,552

TABLE 3D
SMOKELESS TOBACCO SALES
AND ADVERTISING AND PROMOTIONAL EXPENDITURES
BY TOBACCO TYPE
FOR 1986 - 2001

MOIST SNUFF

	<u>Pounds Sold</u>	<u>Dollar Sales</u>	<u>Advertising and Promotional Expenditures</u>
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
1996	54,884,154	\$1,381,544,888	\$86,398,835
1997	55,278,825	\$1,404,444,279	\$103,647,547
1998	56,186,478	\$1,482,337,489	\$117,334,705
1999	58,472,906	\$1,578,102,586	\$147,349,374
2000	61,481,958	\$1,632,408,551	\$207,770,666
2001	63,888,848	\$1,765,423,249	\$218,663,983

APPENDIX A

Newspapers:	Newspaper advertising, excluding expenditures in connection with sampling, distribution of items bearing names, and public entertainment.
Magazines:	Magazine advertising, excluding expenditures in connection with sampling, distribution of items bearing names, and public entertainment.
Outdoor:	Outdoor advertising, excluding transit advertising, sampling, distribution of items bearing names, and public entertainment.
Audio, Visual:	Audio, visual or video advertising on any medium of electronic communication not subject to the Federal Communication Commission's jurisdiction, including screens at motion picture theaters, video cassettes, and monitors in stores.
Transit:	Advertising on public transportation, excluding sampling, distribution of items bearing names, and public entertainment.
Point of Sale:	Point-of-sale advertisements, excluding promotional allowances, sampling, distribution of items bearing names, and public entertainment, and retail value added and cents-off coupons.
Promotional Allowances:	Promotional allowances paid to retailers and any other persons (other than employees) to facilitate the sale of any smokeless tobacco product, excluding newspapers, magazines, outdoor, audio visual, transit, and direct mail.
Sampling:	Distribution of free samples of smokeless tobacco products, including the cost of the products and the cost of organizing, promoting, and conducting sampling.
Distribution Bearing Name:	All costs of distributing items (other than smokeless tobacco products) including the cost of items distributed (whether the items are sold, redeemed by coupon, or otherwise distributed) that bear the name or depict any portion of the logo of a smokeless tobacco product; any payments received are subtracted; expenditures in connection with sampling are reported in that category; and expenditures on retail value added and cents-off coupon offers are excluded.
Direct Mail:	Direct mail advertising, excluding sampling, distribution of items bearing names, public entertainment, and costs associated with retail value added and cents-off coupons.

Public Entertainment:	Public entertainment events bearing or otherwise displaying the name of a company or a smokeless tobacco product, excluding sampling, and distribution of items bearing names.
Retail Value Added:	All expenditures and costs associated with the value added to the purchase of smokeless tobacco products, including buy one get one free and buy one get x (promotional item) free.
Cents-off Coupons:	All costs associated with cents-off coupons, whether redeemed at the point-of-sale or by mail, including costs of advertising, design, printing, distribution, and redemption.
Endorsements:	Endorsements and testimonials, excluding newspapers, magazines, outdoor, audio visual, transit, direct mail, point-of-sale, and public entertainment.
Internet:	Internet advertising, including on the World Wide Web, on commercial on-line services, and through electronic mail messages.
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 <u>duplicative</u> of expenditures for other categories.