

WE ARE HERE TO HELP

To our valued local businesses:

Human Response Network's Tobacco Free Trinity program is providing this packet of resources to help you comply with California tobacco sales laws and provide resources to help your business thrive without tobacco sales should you choose to move in that direction.

WHAT'S INCLUDED

- Suggestion to help you succeed without tobacco
- Testimonies from successful rural retailers
- Information about business organizations who can provide free help
- Information about California's tobacco sales laws, including the new law that prohibits flavored tobacco sales

If you would like additional information, please feel free to reach out at (530) 623-2024 or email Karen Compton at kcompton@hrntrinity.org

Links to the included resources are also available on our website, www.tobaccofreetrinity.org.



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TIPS TO SUCCEED WITHOUT TOBACCO

TIPS TO SUCCEED WITHOUT TOBACCO SALES

Changing sales tactics and business practices

- Incremental process - one thing at a time.

Increase Online Presence:

- Create or update a website for your business.
- Try social media promotions on Facebook and Instagram
- Update your business on Google Maps and Search Engines

Register with a delivery service such as DoorDash or Instacart.

Sign up to be a vendor that accepts EBT and WIC.

Consider offering: Money Orders, Video Rental Box, ATM



HIGH MARGIN PRODUCTS: REPLACEMENT ITEMS THAT INCREASE SALES

- **Fresh prepared foods:** Deli sandwiches, flat breads, pizzas, soups, and salads
- **Coffee drinks:** Upgrade coffee stations and offer gourmet and specialty brews
- **Produce:** Fresh fruits and veggies
- **Basic Groceries:** Milk, eggs, and yogurt
- **Cultural cuisine and specialty products:** align with cultures in your area
- **Local Souvenirs:** T-shirts, mugs, decals, lanyards, toys, water bottles
- **Combo specials:** S'more kits; hotdog, bun, and condiment combo discounts
- **Refreshments:** Sparkling water, fruit drinks, health drinks, iced tea, etc.
- **Snacking:** Protein bars, protein snack boxes, holiday foods, specialty candy
- **Emergency and Camping Supplies:** Flashlights, lanterns, batteries, ice, coolers
- **Clothing, electronics, and accessories:** Hats, backpacks, cell phone accessories
- **Sundries:** Toilet paper, tissues, wipes, condoms, cleaning supplies



TIPS FOR INVOLVING CUSTOMERS

Cash Discounting: Display signs, no card fees

Social Media Contests for Giveaways:

- Share the post or take a photo and share to be entered in a contest for a prize

Customer Loyalty: Punch cards for a free item

PARTNER WITH LOCAL VENDORS

- Local grocers for take & bake pizza
- Caterers for hot meals, deli sandwiches and desserts

TESTIMONIALS FROM RURAL RETAILERS



TRINITY RETAILER: SUCCESSFUL RURAL NEIGHBORHOOD STORE

Liam Gogan is a local retailer in Douglas City, Trinity County where the population is 868 persons. He and his wife Krista own and operate a small Mom and Pop store with one gas pump. They have been in business for 9,200 days (over 25 years); that was built on good-will and relationships.

"The number one thing that works for our store is that we are part of the community. Our customers are our neighbors, and we take care of our neighborhood. We are the people down the road that have food. We have a personal relationship with each of our customers with a non-judgmental respect for their privacy. We have our own security, and we look out for each other. If you walk to the store hungry, you will be fed and have a ride home. We are there through COVID and when it snows. You can always count on us being there."

Liam's advice for retailers: "Your customers are your neighbors. Have a respectful relationship and look out for them. Offer set hours and be there. Be the one your neighbors can count on."



MODOC RETAILER: SUCCESSFUL WITHOUT TOBACCO

Bill Hall is a rural retailer in Alturas, a small city of 2,715 people in Modoc County. Modoc is a small, rural county with only 8,500 residents in the Shasta Cascade region of Northern California. In Modoc County, cigarette sales are almost nonexistent with only two retailers selling tobacco products. The city of Alturas has had a flavored tobacco sales ban for two years.

Bill Hall has had a successful store in Modoc County for many years. He recently shared his views and tips for being successful without tobacco. "Our family has owned Four Corners Market since 1987 and have been successful without selling tobacco products since 1989. The market is 1100 square foot with only two checkers, yet sales have consistently increased, reaching their current sales of \$3.5 million each year."

"I know the owners of both Holiday Market and Junction City Store and coached girls basketball opposite the superintendent of Trinity Alps Unified School District so am familiar with the issues in Trinity County."

"My recommendations are to move your money from tobacco products. Put it into your produce and invest in the produce misters. Stock foods that are not heated and can be purchased with EBT including take and bake pizza and build your own salad bars. Provide prepared, ready-to-eat-meals such as pasta meals or ribs, and rotisserie chicken, a nationwide trend where sales have gone through the roof. Most of all don't be afraid of losing business. In the movie "Miracle On 34th Street," the department store sent the customer to a different store if they were out of an item or it was cheaper. In retail, its really about making your customer loyal through positive interactions and a family atmosphere."



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HELP FOR RETAILERS

BUSINESS ASSISTANCE ORGANIZATIONS

Help to Shift Your Strategy for Successful Products and Profits

Small Business Development Center Shasta/Siskiyou/Trinity SBDC

1512 S. Oregon St. 1305 Sacramento St.
Yreka, CA 96097 Redding, CA 960011
1(530) 842-1638 1(530) 222-8323

Register to become a client:

- <https://www.sbdsc.org/join/>
- Create a personal profile, business profile, and submit.
- A staff member will connect with you on your schedule.

Services Provided

- Free individual counseling & training
- Free one-on-one consulting
- Adaptive Planning (plan for crisis & winter season)
- Provide workshops for building websites with e-commerce for tourists

Women's Business Center at JEDI

Shasta, Siskiyou, Trinity, Humboldt, Del Norte, Tehama, Modoc

1670 Market St. Ste.#112
Redding, CA 96001
1(888) 926-6670

Register to become a client:

- <https://www.wbcjedi.org/contact>
- Fill out the contact form and submit.
- A staff member will connect with you on your schedule.

- Help run your numbers to move high margin products customized for your business
- Help determine need for funding and help access funding sources
- Help adapt your operations for high margin products

ARCATA ECONOMIC DEVELOPMENT CENTER

Serving Counties across Northern CA
1(707) 798-6132 or susans@aedc1.org

INFORMATION ABOUT BECOMING A CAL FRESH / SNAP / EBT VENDOR

USDA Food and Nutrition Services
1(877) 823-4369 SNAP Retailer Service Ctr.
<https://www.fns.usda.gov/snap/apply-to-accept>

CALIFORNIA TOBACCO RETAILER RESOURCES

California Tobacco Control Program (CTCP)
Help for retailers to comply with tobacco sales laws.
Visit their website for more information.

<https://www.cdph.ca.gov/Programs/CCDPHP/DCDI/C/CTCB/Pages/TobaccoRetailersResources.aspx>

LOCAL SOUVENIR MERCHANDISING CONSULTANT

Up North Confectionery,

Mercantile, & Eatery

Contact Ryan Crockett at crockettryan@gmail.com
for a list of local vendors.



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TIPS TO COMPLY WITH TOBACCO LAWS

CA LAW PROHIBITS TOBACCO SALES TO PEOPLE UNDER AGE 21

- The Stop Tobacco Access to Kids Enforcement (STAKE) Act, prohibits the sale and furnishing of tobacco products to persons under the age of 21 (Business and Professions Code Division 8.5).
- Retailers must check the ID of anyone who looks younger than 27 years of age. (21 CFR 1140.14(a)(2))

21 or Over

Under 21

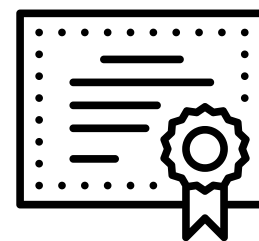
1. Check the **picture** first. See that it matches the person.

2. Check the **date of birth (DOB)**. Make sure the person is at least 21 years old.

3. Check the **expiration date**. Make sure the ID has not expired.

TOBACCO RETAILERS MUST BE LICENSED IN CALIFORNIA

- To sell tobacco products in California, a retailer must obtain a California Cigarette and Tobacco Products Retailer License administered by the California Department of Tax and Fee Administration (CDTFA) and pay an annual fee of \$265. Get more information at www.cdtfa.ca.gov.



DISPLAY STAKE ACT AGE OF SALE WARNING SIGNS AT EACH REGISTER

- All tobacco retailers are required to post age-of-sale warning signs stating that selling tobacco products to anyone under 21 years of age is illegal and subject to penalties at each point of sale.

The Sale of Tobacco Products to Persons Under 21 Years of Age Is Prohibited by Law and Subject to Penalties

To Report an Unlawful Tobacco Sale Call
1-800-5 ASK-4-ID

Valid Identification May Be Required
Business and Professions Code Section 22952, 21 U.S.C. 3871(d)
This sign must be readable by the consumer and must not be altered, covered or obliterated in whole or in part.



- Open camera or QR code reader on your smartphone.
- Hold your smartphone over QR Code so that it's clearly visible within camera screen.
- Look for the notification banner or tip to trigger code's action.

SELF-SERVICE TOBACCO DISPLAYS ARE NOT PERMITTED

- Retailers cannot have self-service displays for most tobacco products (including electronic smoking devices, e-liquids, components, parts or accessories). A self-service display is any display that allows customers to access items without help from the retailer. (Some exceptions for tobacco only stores for some products.)



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FAQ'S ABOUT FLAVORED TOBACCO

CA LAW PROHIBITS THE SALE OF MOST FLAVORED TOBACCO PRODUCTS

- California state law prohibits the sale of most flavored tobacco products, including flavored e-cigarettes and menthol cigarettes, as well as tobacco product flavor enhancers in retail locations, including stores and vending machines, in California. (Health and Safety Code Section 104559.5)
- Retailers, their agents or their employees will be found guilty of an infraction and fined for violations of this law (See penalties outlined below)
- The penalties apply to retailers, their agents or their employees who sell, offer for sale, or possess with intent to sell or offer for sale most flavored tobacco products, including e-cigarettes that deliver nicotine or other vaporized liquids and menthol cigarettes, as well as tobacco product flavor enhancers.

FLAVORED TOBACCO PRODUCTS THAT CANNOT BE SOLD IN CALIFORNIA

- Flavored e-cigarettes or vapes that deliver nicotine or another vaporized liquid, e-juice, pods, or cartridges
- Menthol cigarettes
- Flavored little cigars and cigarillos
- Flavored smokeless tobacco products
- Flavored blunt wraps
- Flavored loose-leaf roll-your-own tobacco
- Flavored tobacco rolling papers
- Tobacco product flavor enhancers
- Refer to link below for exceptions



PENALTIES (Civil Violations Within a 5 year period)

- 1st: \$400-\$600 | 2nd: \$900-\$1,000 | 3rd: \$1,200 - \$1,800 | 4th: \$3,000 - \$4,000 | 5th: \$5,000-\$6,000
- For 3rd, 4th, or 5th violations, (CDTFA) shall assess a penalty of (\$250) and suspend or revoke a license per Chapter 2 (commencing with Section 22972) of Division 8.6 of the Business and Professions Code, and the schedule listed in paragraph (1) of subdivision(b) of Section 22958

MORE INFORMATION CAN BE FOUND ONLINE

Visit the California Tobacco Control Branch webpage:

<https://www.cdph.ca.gov/Programs/CCDPHP/DCDIC/CTCB/Pages/TobaccoRetailersResources.aspx>.



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STUDY SHOWS TOBACCO FLAVOR BANS DON'T IMPACT PROFITS

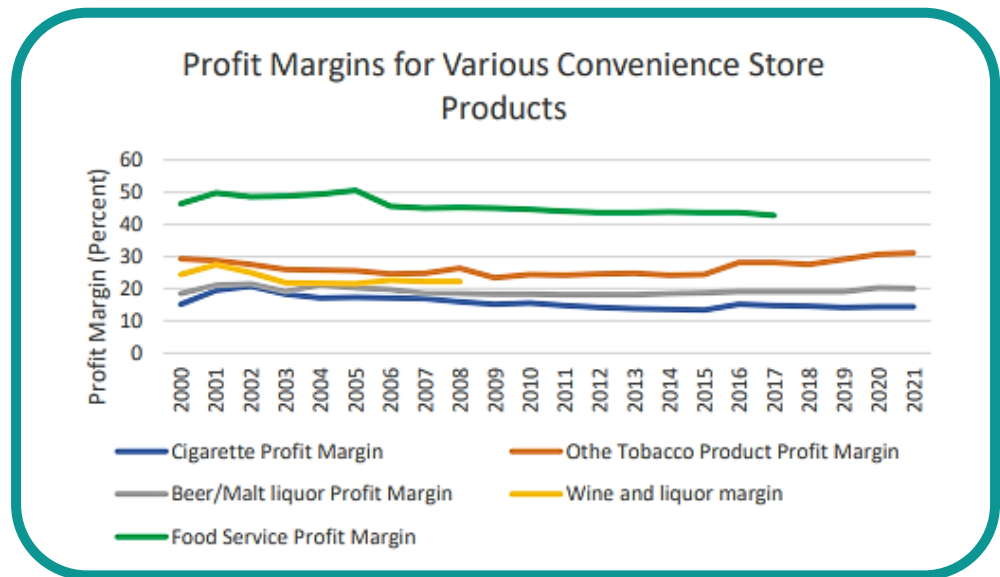
KEY FINDINGS FROM THE REPORT "THE ECONOMIC EFFECTS OF CIGARETTE SALES AND FLAVOR BANS ON TOBACCO RETAIL BUSINESSES":

- Declines in cigarette sales do not adversely impact retailers.
- Bans on the sale of flavored tobacco products do not adversely impact retailers.

PROFIT MARGINS FOR VARIOUS CONVENIENCE STORE PRODUCTS:

Among the compared products:

- Food services have the largest profit margin.
- Cigarettes have the lowest profit margins.



- Trend data suggest that convenience stores successfully adapt to changes in market conditions.
- Tobacco sales consistently generate the smallest fraction of revenue.

Tauras, J.A. & Chaloupka, F.J. (2023). The Economic Effects of Cigarette Sales and Flavor Bans on Tobacco Retail Businesses. Tobacconomics. <https://www.tobacconomics.org/research/the-economic-effects-of-cigarette-sales-and-flavor-bans-on-tobacco-retail-businesses/>