TOBACCO POLICY AND RESPONSIBLE RETAILING CONFERENCE

The Cost-Benefits of Legal Compliance

November 16, 2016 ~ Seattle, Washington

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Circle K Stores Inc. is located in 39 states and is the largest company-owned convenience stores in North America.

An Assurance of Voluntary Compliance (AVC) was signed in 2011 with 41 State Attorneys General. As part of its AVC compliance, Circle K has retained an external auditing company ("BARS" to "mystery shop" its stores.

In addition to the external shops, it conducts internal mystery shops as well.
Our employees receive comprehensive training with regard to restricted products. This training includes prohibiting the sale of tobacco products to those under eighteen.

Realizing there is always the possibility of making an error in determining a customer’s age, anyone who appears to be under the age of 30 will be asked for his/her ID. [Responsible Tobacco Retailer Program - WE CARD].
Effects of Tobacco

- Secondhand smoke is a health hazard and causes 50,000 deaths each year
- Smoking during pregnancy accounts for 30% of low-birth weights, 14% of preterm deliveries, and 10% of infant deaths
- Smoking during pregnancy also can cause narrow airways and reduced lung functions for full term babies
- Smokeless tobacco also causes health problems, like mouth, throat, and esophageal cancer
Effects of Tobacco
During his/her training, each new employee agrees in writing to avoid the sale of any restricted products. They learn that failure to abide by our policy as well as the law, could result in their immediate termination, fines and/or incarceration.
Cost-benefits to legal compliance includes:

• “Doing the right thing” by not allowing the sale of tobacco products to minors....being a good corporate citizen enhances a company’s reputation.

• The cost associated with having to replace an employee who has failed a sting and was terminated.

• Payment of a fine (along with the time and attention taken away from an employee’s usual duties)

• The need to retain legal counsel to defend the charge

• Inability to sell tobacco products if a company is suspended due to failed stings
Tobacco manufacturers are aware of those companies who have signed an AVC and will have different advertisements (Point-of-Sale ads “POS”) to reflect the limitations imposed.

For example, our AVC allows for only three items to be shown on the POS.

~ Tobacco Product Brand Name
~ Pricing
~ Logos and other compliant trademarks
In addition to actual tobacco products, Circle K has agreed to remove any candy items that resembles a tobacco product, such as bubble gum in a canister (like Skoal) or a pouch that is used for chewing tobacco (Big League).

Once instance, however, is when we were asked to remove a POS that was a desert/canyon landscape. We did not agree that this scene would attract youth into desiring a tobacco product. Nevertheless, the POS was removed.
Lesson Objectives

At the end of this lesson you should be able to:

- Recognize products that are age restricted
- Identify the laws that must be followed when selling age restricted products

Click the "Next" arrow to begin the lesson.
Restricted Items

Like alcohol, selling other restricted products, such as tobacco, to an underage customer will result in your immediate termination. In addition, you may be fined and/or jailed.
Restricted Items

Federal and state laws hold the seller responsible for making an illegal sale. If you sell a restricted product to a customer who is under age, YOU will be terminated. In addition, YOU may be fined and/or jailed.
Practice Question
Read the following and click on the correct answer.

Who is responsible for making an illegal sale?

- Your Manager
- The customer
- You, the seller
- Your co-worker

After answering the question, click the "Next" arrow to continue.
Responsible Tobacco Retailer Program

The Company participates in the Responsible Tobacco Retailer Program. The program's materials and signs help retailers ensure that tobacco products are not sold to minors.

Click the "Next" arrow to continue or the "Back" arrow to review.
Restricted Items

To protect yourself from making an illegal sale, it is Company policy to always ask for identification from anyone who appears to be 30 years of age or younger for the purchase of all age restricted products.

Some stores may require you to check I.D. for all restricted sales, regardless of how old the buyer appears.
Restricted Items

Even if proper I.D. is produced, always ask the customer if they are legally old enough to purchase the product. C.U.B.s (Covert Underage Buyers) must answer honestly. If the customer answers no, decline the sale.
Declining the Sale

"I'm sorry, but it's against the law to sell cigarettes to anyone under 18 years old."

Stress the law or Company policy to take the blame off of you.
SKOAL A PINCH BETTER GEAR

WE’RE GIVING AWAY THE GEAR THAT MAKES DIPPERS’ DAYS.

KELTY® ARLIFT 4 INFLATABLE TENT 1,783 AVAILABLE
Verifying Identification

Scanning an ID on the Radiant POS
QUESTIONS?