

INTERNATIONAL PREMIUM CIGAR AND PIPE TOBACCO RETAILERS ASSOCIATION (IPCPR)

FACTS TO KNOW AND TELL!

By Bill Spann, CEO

Who stands up for the premium cigar industry? Who has spent the money needed to fight the fight? Who put together a team of lobbyists to fight SCHIP and committed the funds to the fight? Who has hired an FDA lobbyist to fight the FDA control of premium cigars? Who, together with Cigar Rights of America (CRA), has gotten a bill introduced into Congress to protect premium cigars, hired lobbyists, and is working tirelessly to push our anti-regulation bill through Congress?

To answer these questions, we analyzed the last decade of IPCPR's federal and state legislative spending.

Our legislative analysis discovered some striking figures: since 2003, IPCPR has spent more than \$6.8 million protecting and supporting our members in the state and federal legislative arenas. IPCPR's 2012 legislative budget adds another \$1.16 million for a 10-year total expenditure of **nearly eight million dollars**. Furthermore, we have achieved positive results with SCHIP and gained significant co-sponsorship for H.R.1639/S.1461.

Here are the facts:

- By the end of this year, IPCPR will have spent an average of nearly \$800,000 each year for a decade on federal and state legislative matters, *exclusive of legislative staff salaries*;
- The Cigar Association of America (CAA) used to be the only organization with hired lobbyists in many states. From 2003-2008 (when IPCPR's own lobbying efforts began), IPCPR contributed \$3,000,000 to CAA; IPCPR still contributes \$200,000 per year to CAA and \$10,000 per year to the CAA Pipe Tobacco Council;
- From 2009-2011, IPCPR has fought for our members in several particularly problematic states at a total cost of \$567,500; In 2012, we have budgeted \$300,000 to continue these important state battles;
- Since 2007, IPCPR has spent \$1,105,221 to retain federal lobbyists, first working on SCHIP-related excise tax increases and presently, on critical legislation to define premium cigars and exempt them from FDA regulation;
- From 2009-2011, IPCPR spent \$129,313 to retain FDA attorneys and consultants to fight for you on SCHIP and H.R.1639/S.1461.
- From 2007-2011, legislative legal counsel expenditures totaled \$326,047;
- The 2012 IPCPR total legislative operating budget commits \$1.16 million (exclusive of salaries and travel for retailer fly-ins to D.C.) for continued work supporting our members and the entire premium cigar and pipe industry, including:
 - \$209,000 for federal and FDA lobbyists;
 - \$300,000 for the association's state lobby program;
- As part of IPCPR's overall legislative operations, \$116,000 goes to additional legislative tools, including legislative information databases, social/political networking, cigar caucus, events, and other resources.
- In January 2012, we hired an additional staff person, Mrs. Christy Sammon, as our Senior Director of Federal Legislative Affairs. Her job will be to work with our D.C. federal lobbyists, elected officials and staff, and FDA legal advisors, raise PAC funds, and coordinate IPCPR's overall federal legislative strategy.
- One final note: beginning last year, IPCPR and CRA combined federal lobbying efforts. We are now equal partners – both fiscally and strategically -- promoting a unified industry vision. The result is an extremely powerful, coordinated team of retailers, manufacturers, and consumers.

Over the past two years, IPCPR retailers and associate members, Board members, and staff have traveled to Washington, D.C., participating in IPCPR-sponsored legislative visits, meeting key members of Congress and their representatives as constituents. IPCPR's 2012 budget allocates significant resources to fund travel for even more of these important visits. Our teammates at CRA are doing exactly the same, and as a result, we currently have 152 House and seven Senate co-sponsors for our two bills. We are getting results both at the state and federal levels.

So, the answer to the questions posed at the start of this column is clear: The IPCPR has done all of these things and we are working hand-in-glove with trade groups like CRA to do even more as a team. *We advocate for you, nationwide, each and every day.* The bottom line – the IPCPR protects this industry and protects your business. We have spent the money needed. We have taken the fight to the anti's...**and we are not done.**