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## **"Only criminals will gain"**

The measures envisaged by the proposed new anti-tobacco legislation include the introduction of plain cigarette packaging, which would no longer display the brand, but only a strip of a uniform neutral colour, which would display all brand names in the same font. Australia was the first in the world to introduce this at the end of 2012, while in Europe, Ireland, the United Kingdom and France have also followed. According to manufacturers of tobacco products, this measure is not effective because it does not discourage young people from smoking, while on the other hand, it increases illicit trade in cigarettes. Axel Getz, representative of the British corporation Imperial Tobacco, headquartered in Bristol, says that tobacco companies will not give up their right to fight for market shares with their brands without a fight.

### **Why are you in Slovenia these days?**

AXEL GIETZ:

I am worried about the developments concerning the new legislation, because it seems to me that these developments are not going in the right direction. The production of tobacco products is still a very lucrative business, we have learned to adapt to and to comply with the relevant legislation; however, we do want to be heard when very extreme measures are being introduced. And this is what is happening right now in Slovenia.

Brands are needed in order to compete with other manufacturers for adult cigarette consumers. Without this, we can only reduce the prices of products. Users mostly link the quality of tobacco products with brands. If this is no longer available, people will demand cheaper products, even illicit cigarettes, which will reduce the inflow of taxes to the state coffers. In the EU, as much as 83 percent of the price of tobacco products on average consists of taxes and excise duties.

### **You are therefore most concerned about the withdrawal of branding from packaging?**

AXEL GIETZ:

In our opinion, prohibiting brands will not effectively protect children from smoking, but will work to the benefit of criminals, and will reduce the inflow of taxes to the state coffers. The unified inscriptions on cigarette packets will also be easier to forge. Everyone will lose: manufacturers, the government, retailers. Only criminals will gain. This has already been demonstrated in Australia, where the share of smokers was in a constant decline, and the introduction of plain packaging failed to result in the expected sharp drop in smoking - however, the black market in tobacco increased by 25 percent. Smoking among young people has also increased.

I agree that children should not smoke, but young people must be protected through effective preventive measures, while respecting the fact that we need our brands in order to compete on the market, that the user has the right to information and that, last but not least, a brand is intellectual property that cannot simply be taken away.

### **What are you going to do?**

AXEL GIETZ:

Legal actions have been lodged against European countries that have outlawed the displaying of brands on the packaging at the European Court in Luxembourg. If some EU Member States decide to introduce uniform packaging in Europe, where key values include harmonization, standardization, free circulation of goods, capital and people, this is in conflict with European law. Since EU directives offer standardized options concerning the packaging of cigarettes, the introduction of a ban on displaying brands on packaging is contrary to European law.

**Cigarettes contain thousands of chemical additives that are harmful to health. Are you developing less harmful products?**

AXEL GIETZ:

The packets of our products have displayed warnings on the dangers to health for over 40 years. Nevertheless, some people still choose to smoke for various reasons. However, we should be aware that globally, there are more former smokers than those who continue to smoke. Many in fact successfully decide to stop smoking. We are aware that cigarettes are harmful to health and are also developing alternatives that aim to be less harmful and still offer pleasure to smokers. While some of our competitors are developing different options of less harmful smoking, such as heating instead of burning tobacco, we have in recent years switched to electronic cigarettes, which do not contain tobacco and are believed to be less harmful.

Helena Kocmur