



The Vaping Industry Trade Association (VITA) Calls on Physicians for a Smoke Free Canada (PSC) to stop spreading factually incorrect information about the association

December 4 , 2019, Toronto, ON: The Vaping Industry Trade Association (VITA) today called on the Physicians for a Smoke Free Canada (PSC) to remove or correct their erroneous online posting about VITA and come to the table to work with government and industry on evidence-based regulatory efforts for the category.

To this end, Daniel David, President & CEO of VITA, said today: "VITA understands there is continuing debate on vaping products and smoking alternatives, however we have to draw the line when blatantly false statements about VITA's structure, funding, and membership are publicly shared. The generalizations from PSC are inaccurate. Our bottom line: we seek to ensure that adult smokers, current adult vapers, policy makers, and public health officials understand the harm reduction potential that vaping offers to over 4 million adult smokers, of which approximately 45,000 of whom will continue to die every year from smoking related diseases."¹

"We would be pleased to meet with PSC - or any other public health stakeholder - to discuss these issues in person at their convenience. Since our inception, we have sought to be fully transparent and proactive with all levels of government and any group looking to discuss vaping-related issues" said Mr. David.

VITA's mission is **'To represent and support the Canadian vaping industry in advocating for harm reduction, youth prevention, evidence-based regulations, best in class quality and safety standards.**

"In this context, there have been hundreds of studies over the past decade, that when put together by Public Health England and the Royal College of Physicians, for example, conclude that vaping products "are unlikely to exceed 5% [of the risk] to those associated with smoked tobacco products, and may well be substantially lower than this figure."

VITA's Full Rebuttal of the Article is below.

Myth:

PSC states: *"The new Vaping Industry Trade Association (VITA) is 100% funded by tobacco companies. It was confirmed to us that these "tobacco-affiliated" organizations have provided a 3-year funding commitment to the organization."*

Reality:

As publicly noted on VITA's website, the FAQ section of the VITA website (link) clearly explains who the founding members are and how much they are investing. This shows that the founders investment comes from three tobacco

¹ : <https://www.canada.ca/en/health-canada/services/publications/healthy-living/canada-tobacco-strategy.html>

affiliated companies and three non- tobacco affiliated corporations. The VITA FAQ (below) has been on our website since incorporation.

VITA · ARIV FAQ POSITIONS RESOURCES NEWS CONTACT ENGLISH

Frequently Asked Questions

We know you got questions, We're happy to answer them...

What is VITA? +

How Does VITA Make Decisions? +

Who Does VITA Represent? +

Will Information on VITA's Advocacy Initiatives be Available to the Public? +

Who Are the Founders of VITA? -

There are six founding members of VITA (Dvine Laboratories, JUUL Labs Canada Ltd, Valor Distributions, Atelier de Saveurs LaVapeShop, Imperial Tobacco Canada (Vype) and, JTI Canada Tech Inc (Logic). Each of these members committed to contribute \$100,000 each year for the next three years.

The commitment of these founders provides them with a seat on the Board for the full three years. This multi-year financial commitment will allow VITA to become fully operational by hiring staff, as well as legal, government relations, and public relations support. It will also provide capital for programs and initiatives on top priority issues such as additional measures to prevent youth access. As membership expands, the number of projects that VITA will take on will also expand.

What Will VITA do to Support the Vaping Sector? +

What are VITA's Membership Costs? +

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Myth:

PSC States: *Other members do not have to pay dues during this period.*

Fact:

All VITA members pay dues from the day they join, not just the founders. Below you can find the member fees FAQ, which was highlighted during the webinar and can be found in the publicly accessible membership application on our website.

Who Are the Founders of VITA?



What Will VITA do to Support the Vaping Sector?



What are VITA's Membership Costs?



Membership fees are based on company size and divided into two simple categories:

1. Retail Only – Starting at \$80.00/month
2. Manufacturer/Distributor/Other – Starting at \$150.00/month

VITA's fee structure has been designed to be affordable for all companies - big or small. Our graduated tiers are based on self-reporting the (approx.) number of employees or retail locations. Additional services such as lab testing and employee training can be added to your membership plan at discounted group rates.

VITA is committed to transparency in its operations and finances. Accordingly, we will comply with both the letter and the spirit of the Canada *Not-for-profit Corporations Act* which requires that we make available to our members our annual financial statements prior to our Annual General Meeting of Members. VITA has retained BDO Canada as our accountants and they will oversee the maintenance of our books.

In the coming weeks VITA will be updating this section with more FAQs, membership benefits & services and how you can join our association.

Myth:

PSC States: *All but one of the "founding directors" of the new organization are identified as the PR-directors of 3 "tobacco-affiliated" e-cigarette producers active in Canada: Imperial Tobacco Canada (VYPE), JTI-Macdonald (Logic) and JUUL.*

PSC used this slide to support their point:



Fact:

The term ‘Founding Director’ was used for only 4 of the 6 founders simply because the other two founding directors were appointed to the interim executive positions of Chairman and Treasurer. PSC should note that the chairman of the board is the highly respected CEO (Mike Meathrel) of a leading, non-tobacco affiliated vape company and is the founding director from Dvine Laboratories.

Identifying directors in this way for an interim board is common practice for new associations. The very next slide in the PowerPoint provides further context and an explanation of the decision-making power (vote share) that the founding directors have for all board decisions.

Furthermore, since the webinar, the B.C. director position has been filled by the non-tobacco affiliated B.C. based vape shop chain EZ Vape.

To clarify in simplest terms, the vote share or “decision making power” on the board of directors is 80% vape-only companies and 20% tobacco-affiliated companies.

VITA's Board of Directors

VITA's board is divided into 3 categories

Category 1 - Large Canadian Vape Companies - Combined 20% Vote Share

Each of the founding Directors appointed pursuant to the subcategory of Directors defined in Article 3.2 (a) of the By-laws, shall each have .67 of one (1) vote;

Category 2 - Tobacco Affiliated Vape Companies - Combined 20% Vote Share

Category 3 - Elected Regional Directors- Combined 60% Vote Share

Maritimes	Quebec	Ontario	Central	BC	National
LABS	Globe11	THE Vape STORE	Alternatives & OPTIONS	TBA	TBD

Myth:

PSC States: *There is a 4th multinational tobacco company which sells e-cigarettes in Canada (Imperial Brands makes myBlu). It is not present in the cigarette market and has not participated in the historic cooperation among the three larger firms. Imperial Brands is excluded from membership in VITA.*

Fact:

It is correct that Imperial Brands (myBlu) is not currently a member of VITA, however they are by no means excluded from membership in VITA. They are only excluded from being on the board of directors due to our vote share restrictions, and while all three “Tobacco Affiliated” director positions are filled.

Myth:

PSC States: *Of the 5 operating committees of VITA, three are chaired by "tobacco-affiliated" employees*

Reality:

While this is factually correct, had PSC listened to the webinar audio they would have understood that there are 4 internal committees, and (currently) one technical committee. The difference is important because unlike the 4 internal committees, the technical committee deals with not only highly complex and technical issues, it's also open to non-member stakeholders for participation and/or observation. VITA put this structure in place because we understand that the work this committee engages in may have a significant impact on the entire industry, and requires a specific and relatively rare technical skill set.

The qualification of the chair of this committee mattered more to VITA than the optics of having a 3rd tobacco affiliated employee for committee chair. To put it simply, we put our best people in these positions as the work is far more important than the optics. That said, our committee vote share system mirrors that of the board in order to ensure they are not controlled by any single subset of the vaping industry.

Myth:

PSC states: *It is not known at this point whether the choice of the acronym VITA - the latin word for life - was made with a sense of irony or denial.*

Fact:

The name "VITA" stands for the Vaping Industry Trade Association.

Myth:

PSC States: *VITA's planned advertising campaign is aimed at discrediting public health voices.*

Fact:

When Public health voices (such as PSC) use assumptions, rumors, and media headlines which are factually incorrect and/or not based on credible evidence, VITA will absolutely be there to discredit those statements, however, that is not our campaigns goal. The goal of the misinterpreted media campaign is to ensure that adult smokers, policy makers, and public health officials understand the harm reduction potential that vaping represents to the 46,000 Canadians dying every year due to smoking related disease.

Any advertising or media relations efforts from VITA will align with our 'Education' pillar, with the aim to educate consumers, governments and stakeholders about vaping products and promoting vaping as a safer alternative to cigarette smoking. VITA's media campaign will be balanced with accurate messages that ensure vaping is not seen as a harmless or a trendy choice by non-smokers and youth.

Myth:

PSC States: *VITA has hired a controversial physician to plead its case.*

Fact:

Dr. Tyndall is a highly accomplished and respected harm reduction expert and has been brought on as the harm reduction advisor, and health related spokesperson to VITA, as referenced in this publicly available press release. Dr. Tyndall will advise VITA on how to promote vaping as a harm reduction strategy for people who

smoke cigarettes and help with the interpretation and application of emerging scientific evidence on vaping to support VITA's commitment to strong safety standards, strict quality control, and encouraging the responsible use of vaping products by adult smokers.