



**Qualitative Study to Develop PARE / VLN™ Hypothetical Claims
Among U.S. Adult Cigarette Smokers, Adult Former Cigarette Smokers
and Adult Never Cigarette Users
Phases 1, 2, 3, and 4**

Study Number: 5180077, 5180078

Product Name: PARE / VLN™

Study Initiated: March 2018

Study Completed: July 2018

Principal Investigator and Affiliation: Lynn Dagar
Vice President, Research Management
M/A/R/C® Research
7850 N. Belt Line Road
Irving, TX 75063

Sponsor: 22nd Century Group, Inc.
8560 Main Street
Williamsville, NY 14221

Version: 1.0

Delivery Date – Phases 1, 2, 3: April 30, 2018
Delivery Date – Phase 4: July 24, 2018

Confidentiality Statement

Data and information contained in this document are considered to constitute trade secrets and confidential commercial information, and the legal protections provided to such trade secrets and confidential information are hereby claimed under the applicable provisions of United States law. No part of this document may be publicly disclosed without the written consent of 22nd Century Group, Inc.

AUTHOR'S SIGNATURE

Study Title: Qualitative Study to Develop PARE Claims within the United States

Study Number: 5180077

Report Authors: Lynn Dagar – Principal Investigator
Vice President, Research Management
M/A/R/C® Research

Report Reviewers: (b) (6)

I have read this summary and confirm that to the best of my knowledge it accurately describes the conduct and results of the Qualitative Study to Develop PARE Claims within the United States.

Signed: (b) (6)
Lynn Dagar, Vice President

Date: 9/26/2018

Signed: (b) (6)
(b) (6) Account Director

Date: 9/26/2018

Signed: (b) (6)
(b) (6) Research Manager

Date: September 26, 2018

Signed: (b) (6)
22nd Century Group, Inc.

Date: 10/2/18

Contents

I. Background and Objectives	4
II. Methods and Measures	5
III. Phase 1 Findings	16
IV. Phase 2 Findings	31
V. Phase 3 Findings	46
VI. Phase 4 Findings	60
VII. Recommendations	69

I. Background and Objectives

The primary objectives of this research include:

- Evaluating consumer perception of and understanding surrounding proposed ad and pack messaging for Brand A (PARE / VLN™).
- Understanding perceptions of risk and communication of that risk through the statements on the pack.

The scope of ad/pack messaging that will be evaluated includes:

- Primary Claim
- Secondary (Comparative) Claim
- Disclaimer
- Back of Pack Language

All ad/pack messages were evaluated assuming all standard Surgeon General warnings for cigarettes are in place. Further, the claims tested will include both reduced risk and reduced exposure iterations.

II. Methods and Measures

Methodology

Phase 1 of the study commenced during March 2018 with 12 focus groups (FGs) being conducted in four US cities. Cities were selected across geographic region of the United States to avoid possible regional bias (see below). Specifically, the focus groups took place at research facilities in the Northeast (Focus Room – NYC), the South (Focus Point Global – Atlanta), the Midwest (Michigan Market Research – Detroit), and the West (Q-Insights – Los Angeles).

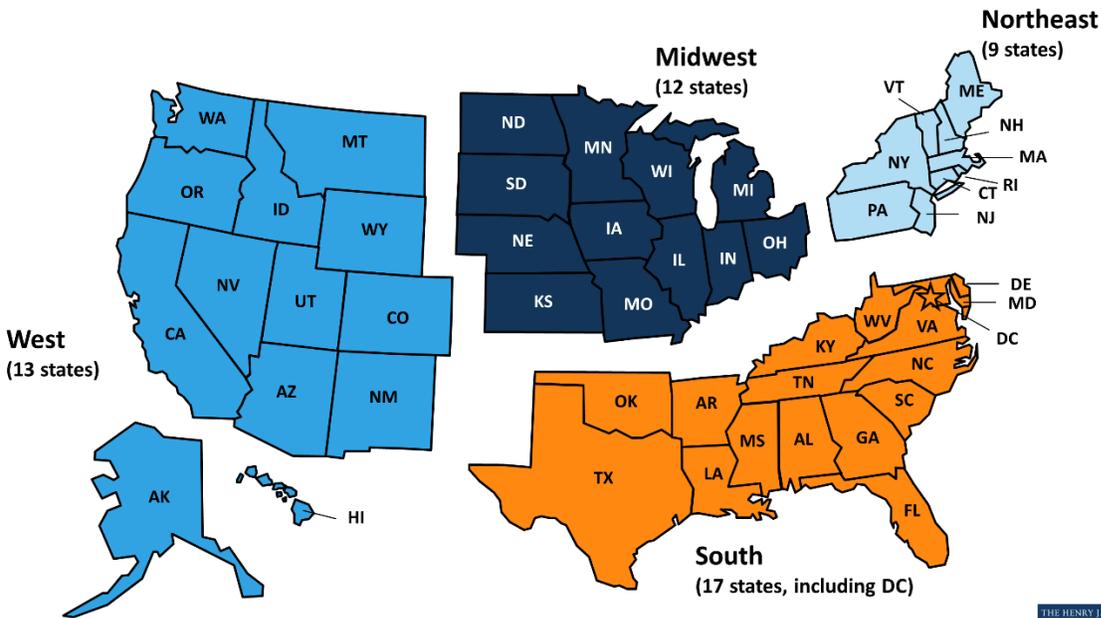
Phase 2 FGs followed in March 2018, with a total of 30 groups completed. Again, cities were selected in different US regions. Research took place in facilities in the Northeast (Great Blue – Cromwell, CT), the South (Focus Pointe Global – Dallas, TX), the Midwest (Focus Pointe Global – Chicago, IL), and the West (Plaza Research – Denver, CO).

Phase 3 In-Depth Interviews (IDIs) began in April 2018. The research team completed 50 IDIs in facilities located in different geographical regions. IDIs were conducted in the Northeast (National Field & Focus – Boston), the South (Wilkins Research Services – Chattanooga), the Midwest (Peters Marketing Research, Inc. – St. Louis), and the West (Las Vegas Field & Focus – Las Vegas).

Phase 4 In-Depth Interviews began in July 2018. The team completed 54 IDIs in the Northeast (Plaza Research – Paramus, NJ). Study participants were recruited via email and telephone using recruitment lists and databases maintained by recruitment agencies.

Figure 1

Census Regions and Divisions of the United States



Source: http://www2.census.gov/geo/pdfs/maps-data/maps/reference/us_regdiv.pdf



Participants and Procedures

All participants in the study:

- were 21 years of age or older,
- understood the written information provided,
- signed the Informed Consent Form (ICF), and
- completed a lobby survey to re-confirm their smoking status.

Participants were divided into age groups (listed below); a mix of ethnicities and household income was recruited.

Participants were excluded who:

- Were not willing to participate in a study that involved the reading of materials,
- Could not read or speak English as evaluated by the research agency when asked to complete the ICF,
- Had no proof of age (photo ID, such as passport or driver's license) upon arrival at the research facility.
- Were employed in the fields of market research, marketing, advertising, media or journalism, law, the tobacco industry, the health sector, or have family members or close friends employed in those fields, or
- Took part in any tobacco-related consumer research study within the past six months.

Smoking Status

Research participants were categorized based on their smoking status according to self-report. The categories are defined as follows:

“Adult smokers with no intention to quit”

- Current smokers, based on self-reporting, who have smoked at least 100 cigarettes in his/her lifetime, are currently smoking at least one cigarette each day or on most days, and have no intention to quit within the next six months.

“Adult smokers with intention to quit”

- Current smokers, based on self-reporting, who have smoked at least 100 cigarettes in his/her lifetime, are currently smoking at least one cigarette per day or on most days, and plan to quit within the next six months.
- **Note on both segments of adult smokers (AS)** – AS with no intention to quit and AS with intention to quit were asked the following during recruitment screening:
 - Being concerned about the effects of smoking on his/her health and on the health of others based on answering two questions (e.g. *“How concerned are you, if at all, about the effects of smoking on your health?”* and *“How concerned are you, if at all, about the effects of smoking on the health of others?”*).
 - Current smokers were also screened for non-menthol and menthol cigarette use.

“Recent quitters”

- Adults who, based on self-reporting, had smoked at least 100 cigarettes in his/her lifetime and, at the time of the study, had quit smoking within the past year.

“Long-term quitters”

- Adults who, based on self-reporting, had smoked at least 100 cigarettes in his/her lifetime and, at the time of the study had not smoked for one year or more. The threshold of one year captures former adult smokers with a certain stability in their status.

“Never used”

- Adults who, based on self-reporting, who were not smoking at the time of the study and had not smoked at least 100 cigarettes in his/her lifetime.

Low literacy participants

All participants were screened to determine their literacy level using the Rapid Estimate of Adult Literacy in Medicine (REALM) screener. Efforts were made to include in the study those respondents scoring less than 60 on the assessment, a score indicating a reading level at or below 8th grade.

Participant Breakdown

Phase 1 of the study included 12 FGs conducted across four cities:

**Abbreviations: "LA" means Legal Age which varied by market. "(NM)" indicates smokers who use Non-Menthol cigarettes, "(M)" indicates those who use Menthol cigarettes and "(MX)" indicates a mix of Non-Menthol and Menthol users*

City	Focus Group Segment	# of Participants
NYC March 14, 2018	Males 50+ Current Smokers – Intend to Quit (MX)	8
	Females 35-49 Current Smokers – No Intent to Quit (MX)	6
	Males 21-34 Current Smokers – No Intent to Quit (MX)	6
Atlanta March 15, 2018	Females 50+ Current Smokers – No Intent to Quit (MX)	6
	Males 35-49 Current Smokers – No Intent to Quit (MX)	6
	Females 18-34 Current Smokers – Intend to Quit (MX)	7
Detroit March 15, 2018	Males 50+ Current Smokers – No Intent to Quit (MX)	7
	Females 35-49 Current Smokers – Intend to Quit (MX)	5
	Males 21-34 Current Smokers – Intend to Quit (MX)	6
Los Angeles March 16, 2018	Females 50+ Current Smokers – Intend to Quit (MX)	6
	Males 36-50 Current Smokers – Intend to Quit (MX)	6
	Females 21-35 Current Smokers – No Intent to Quit (MX)	6
Total Participants		69

Phase 2 of the study included 30 FGs with the following segments*:

City	Focus Group Segment	# of Participants
Chicago, IL March 22-23, 2018	Females 50+ Current Smokers – No Intent to Quit (NM)	7
	Males 50+ Current Smokers – No Intent to Quit (NM)	6
	Males 35-49 Current Smokers – Intend to Quit (MX)	5
	Females 21-34 Current Smokers – No Intent to Quit (M)	6
	Females 21-34	6

	Recent Quitters	
	Females 50+ Current Smokers – Intend to Quit (MX)	7
	Females 50+ Long-term Quitters	6
	Males 35-49 Long-term Quitters	6
	Separator	
Hartford, CT March 22-23, 2018	Females 50+ Current Smokers – No Intent to Quit (M)	6
	Males 35-49 Current Smokers – No Intent to Quit (M)	6
	Females 18-34 Current Smokers – No Intent to Quit (M)	3
	Females 18-34 Current Smokers – Intend to Quit (MX)	6
	Females 18-34 Long-term Quitters	6
	Females 50+ Recent Quitters	6
	Males 35-49 Recent Quitters	6
		Separator
Dallas, TX March 26-27, 2018	Males 50+ Current Smokers – No Intent to Quit (NM)	6
	Males 50+ Current Smokers – Intend to Quit (MX)	6
	Females 35-49 Current Smokers – No Intent to Quit (NM)	6
	Males 18-34 Current Smokers – No Intent to Quit (NM)	6
	Males 18-34 Current Smokers – Intend to Quit (MX)	6
	Males 18-34 Recent Quitters	6
	Males 50+ Long-term Quitters	6
	Females 35-49 Recent Quitters	6
	Separator	
Denver, CO March 28-29, 2018	Male LA-34 Current Smokers – No Intent to Quit (NM)	6
	Male LA-34 Long Term Quitters	6
	Male 50+ Current Smokers – No Intent to Quit (M)	6

	Male 50+ Recent Quitters	5
	Female 35-49 Current Smokers – No Intent to Quit (NM)	6
	Female 35-49 Current Smokers – Intend to Quit (MX)	6
	Female 35-49 Long Term Quitters	6
Total Participants		177

Phase 3 of the study included 50 IDIs with the following segments:

Segment	Males				Females			
	18-25	26-34	35-49	50+	18-25	26-34	35-49	50+
Never Used	1	1	1	1	1	2	1	1
Recent Quitter	-	2	1	1	-	4	1	1
Long-term Quitter	-	2	1	1	-	2	1	2
Current Smoker – Intend to Quit (MX)	-	2	1	1	-	2	1	1
Current Smoker – No Intent to Quit (M)	-	2	1	1	-	1	-	1
Current Smoker – No Intent to Quit (NM)	-	2	1	1	-	2	1	1
Total Participants								50

Phase 4 of the study consisted of 56 IDIs within the following segments:

Segment	Males				Females			
	18-25	26-34	35-49	50+	18-25	26-34	35-49	50+
Never Used	2	2	1	2	2	2	2	2
Recent Quitter	-	2	1	2	-	1	1	-
Long-Term Quitter	-	1	2	1	-	3	2	2
Current Smoker – Intend to Quit (MX)	-	1	1	2	-	2	1	-
Current smoker – No Intent to Quit (MX)	-	4	2	3	-	3	3	1
Total Participants								56

Tobacco/Nicotine-related Products and Visual Aids as Qualitative “Measures”

In Phase 1, respondents were shown examples of different tobacco/nicotine-related products and given verbal descriptions of each. The focus was to establish participants’ familiarity of each product type.

Type 1	Full Flavor Tasting Cigarettes	Full flavor tasting cigarettes have strong, sustained and extensive taste. Examples of full flavor brands are on the table.
--------	--------------------------------	---

Type 2	Light Tasting Cigarettes	Light tasting cigarettes have a lighter, less pronounced taste than full flavor cigarettes. Here are some examples of light tasting brands.
Type 3	Ultra-Light Tasting Cigarettes	Ultra-light tasting cigarettes have a very light taste compared to full flavor cigarettes. Here are some examples of ultra-light tasting cigarettes.
Type 4	e-cigarettes	Electronic cigarettes, also known as e-cigarettes, e-vaporizers, or electronic nicotine delivery systems, are battery-operated devices that people use to inhale an aerosol, which typically contains nicotine (though not always), flavorings, and other chemicals. Some examples of e-cigarettes are shown here.
Type 5	Moist Snuff	Moist snuff is a smokeless tobacco product that is consumed by placing it into your mouth between the lip and the gum. You don't burn it, and users often spit when they use it. Here are some examples of moist snuff.
Type 5	SNUS	SNUS is a smokeless, moist powder tobacco pouch that you place under your top lip. It comes in flavors such as mint and wintergreen. You don't burn it, and you don't have to spit when you use it. You can see some examples of SNUS here on the table.
Type 7	Nicotine Replacement Therapy (NRT)	Nicotine Replacement Therapy are products that contain nicotine but no tobacco, and are used to help people quit cigarettes or other tobacco products. Nicotine Replacement Therapy products usually come in the form of gum, patches, inhalers, lozenges or tablets, as shown here on the table.

In Rounds 2 and 3, SNUS was removed as a category and the full-flavor, light-tasting, and ultra-light-tasting cigarette categories were combined into one category: "Traditional Cigarettes."

Visual aids were used within each FG and IDI as the basis for the discussion of the "risk" and "intention to use." Respondents were asked to rate the relative risk (exposure to harmful compounds and risk of developing disease) associated with using the products listed above, plus their intent to personally use the products. In addition, they rated "smoking cessation" (Phase 1) or "Quitting Smoking" (Phases 2 and 3) as a category on the risk scales.

While any positioning of these lines cannot be considered statistically representative measurements, the process of positioning helped to ground and focus the research participants. The patterns of the positioning also served as a springboard for exploration and discussion of the attitudes and feelings as related to the "why's" on placement.

The visual aids were described in the following way:

Visual aid 1: "Likelihood of Exposure to Harmful and Potentially Harmful Compounds"

“When a tobacco product is consumed, there is a risk of exposure to harmful and potentially harmful compounds that are produced and transferred either through smoke (in a combustion-based product) or saliva (in an oral product). As you consume the product, you are exposed to these compounds through inhalation as you smoke a cigarette or via the GI tract as you use an oral product.”

Visual aid 2: “Risk of developing smoking/tobacco related diseases”

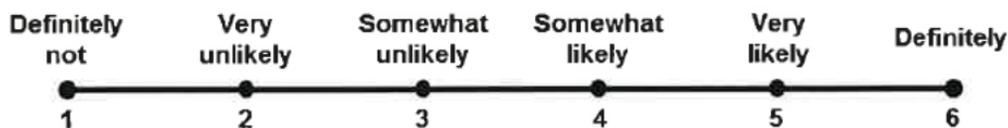
“The risk of developing smoking or tobacco-related diseases means the chance of developing a disease, depending on the product, such as heart disease, lung cancer, and emphysema when using a combustion based product, and heart disease, gum disease or lesions, oral cancer, throat cancer and pancreatic cancer, when using an oral product.”

Lines used to position products and product messages for the “risk” exercises:



Visual aid 3: “Intent to Use”

“By intent to use, we mean you intend to use the product on a regular, ongoing basis.”



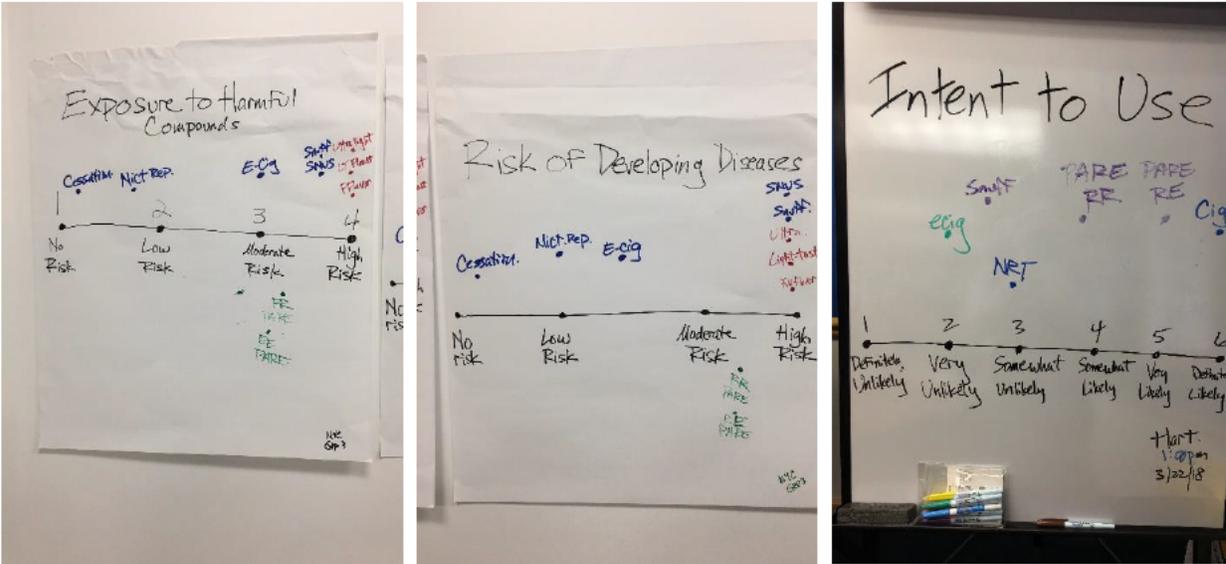
Following the chart placement of the product types listed above, participants reviewed a product description for PARE / VLN™ Cigarettes. The description was shared in written form and read aloud by the moderator:

PARE / VLN™ and PARE / VLN™ menthol are 84-millimeter cigarettes (sometimes called “shorts,” “regulars” or “kings”) and are made with the same components found in commercial brands of cigarettes such as a filter, cigarette paper and tobacco. PARE / VLN™ and PARE / VLN™ menthol are manufactured in a manner similar to that of a typical cigarette.

The tobacco in PARE / VLN™ cigarettes is different than the tobacco used in most cigarette brands. PARE / VLN™ cigarettes are made from a tobacco plant that has been altered through genetic modification to contain much lower levels of nicotine than the tobacco used in traditional cigarettes.

Respondents’ impressions of risk associated with using PARE / VLN™ Cigarettes and their likelihood to use were captured on the chart in comparison to the other products listed.

Examples of product placement on the scales based upon participant feedback



Participants were then exposed to a randomized series of statements that could be listed on a pack of PARE / VLN™ Cigarettes. The statements were broken into two categories: Reduced Exposure (RE) statements and Reduced Risk (RR) statements. Wording for each statement set was varied between phases.

Respondents in Phase 1 reviewed written statements only (five versions each for RE and RR), Phase 2 featured written statements and corresponding mock-up packs (five versions each for RE and RR), and Phase 3 used mock-up packs only (four versions each for RE and RR).

Non-menthol and menthol statements for each version were identical; the only difference between them was the pack color (yellow for non-menthol, green for menthol) and the words “Regular” or “Menthol” listed on the front and back of the pack.

Statement locations on the packs included:

- Top of front panel
- Bottom of front panel
- Back of pack

Examples of claims placement (non-menthol and menthol versions)





Examples of Written Claims Samples

Reduced Exposure	Reduced Risk
<p>TOP OF FRONT PANEL VERY LOW NICOTINE PARE / VLN™ Cigarettes Contain 95% Less Nicotine Than Leading Brands* * Approximately 95% less nicotine in tobacco and smoke compared to the top 3 selling brands.</p> <p>BOTTOM OF FRONT PANEL The Tobacco Smoke From PARE / VLN™ Cigarettes Is No Safer Than Smoke From Any Other Cigarette.</p> <p>BACK OF PACK PARE / VLN™ exposes you to significantly less nicotine, an addictive chemical.</p>	<p>TOP OF FRONT PANEL VERY LOW NICOTINE* Nicotine is an addictive chemical. PARE / VLN™ Cigarettes may help reduce your urge to smoke. *The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p> <p>BOTTOM OF FRONT PANEL No Cigarette Is Safe. Smoked long term, PARE / VLN™ Cigarettes Present the Same Health Risks as Traditional Cigarettes.</p> <p>BACK OF PACK People smoke cigarettes to get nicotine, but it's the smoke or "tar" that kills smokers. Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the numbers of cigarettes that you smoke and may increase your motivation to quit.</p>

Participants were shown the RE claims series and the RR claims series in their entirety (first one, then the other, randomized between groups). Within each series, they were asked to identify:

- First, the claim set in each series they felt did the best job of communicating about the PARE / VLN™ product to the consumer, and
- Second, in a build-your-own fashion, their preferred configuration of Top of Front Panel, Bottom of Front Panel, and Back of Pack claims based on effectiveness of the presented statements.

As an evolution of the conversation, respondents indicated which overall claim series, RE or RR, did the best job of explaining the product to the consumer. Further, it was explicitly asked what type of consumer would be interested in purchasing PARE / VLN™.

III. Phase 1 Findings

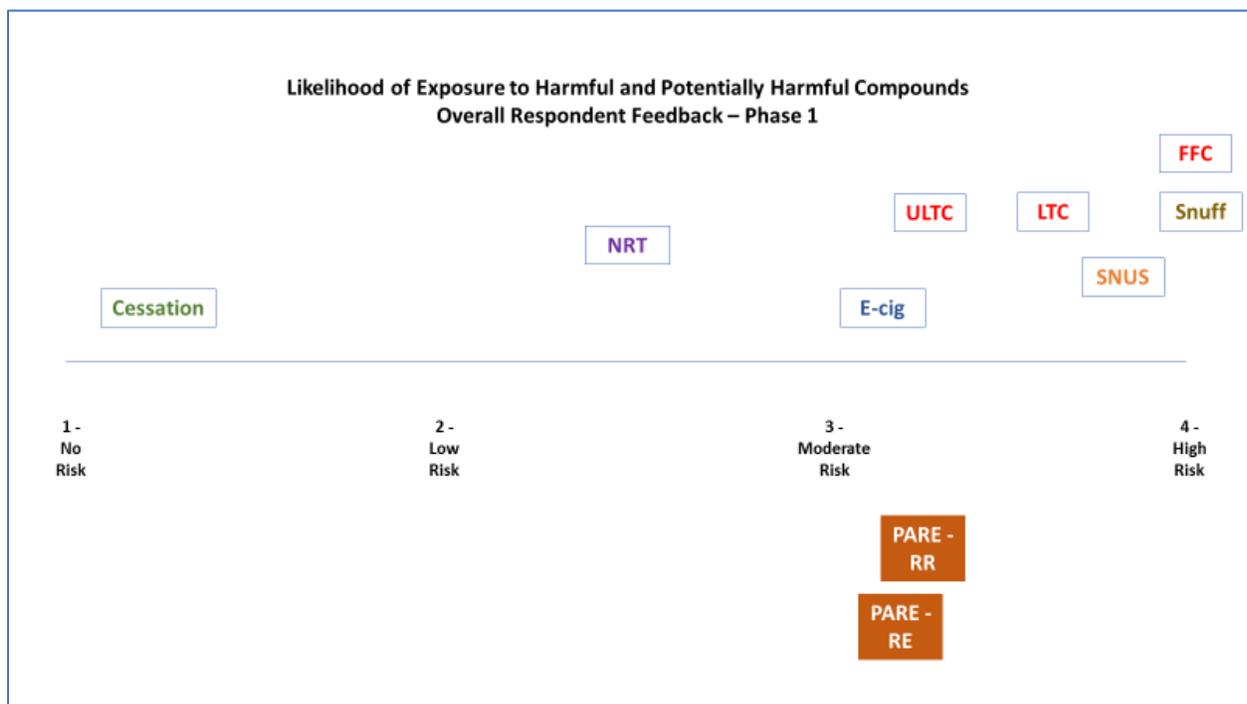
Common Themes

- All respondent types were aware of the health risks associated with tobacco use.
- Although most respondents felt that there were harmful substances found in tobacco, few could directly identify more than one by name.
- There were misconceptions voiced regarding the health effects of nicotine use, as many were unsure about its impact relative to the other compounds found in tobacco smoke.

Risk and Intent to Use Evaluation

(Note: scale results are qualitative in nature, and are directional rather than definitive.)

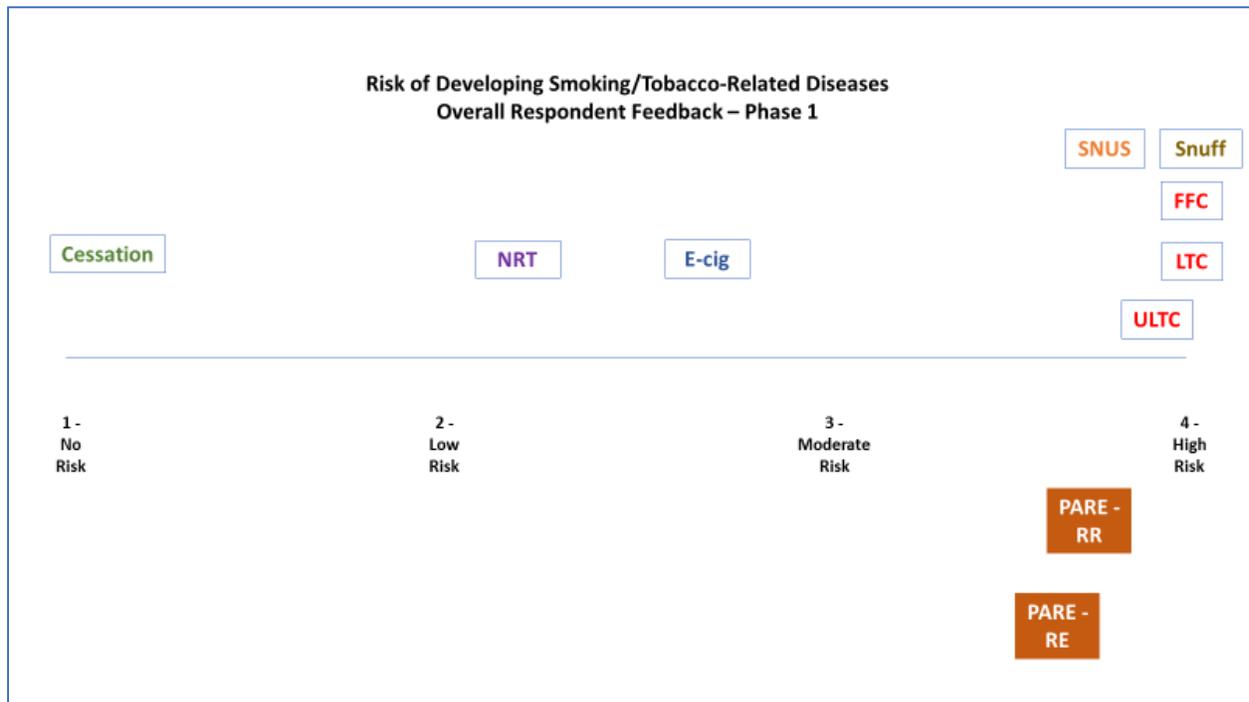
Likelihood of Exposure to Harmful and Potentially Harmful Compounds



- Overall, Phase 1 respondents noted that tobacco products, including full-flavor cigarettes (FFC), light-tasting cigarettes (LTC), ultra-light-tasting cigarettes (ULTC), SNUS, and moist snuff, present the highest risk in terms of exposure to harmful compounds and potential for developing disease.
 - Participants noted that direct exposure to tobacco via the lungs and GI tract contributed to these high-risk ratings.
- E-cigarettes were seen as a more moderate risk, as they do not expose the user to the same chemicals found in traditional tobacco.

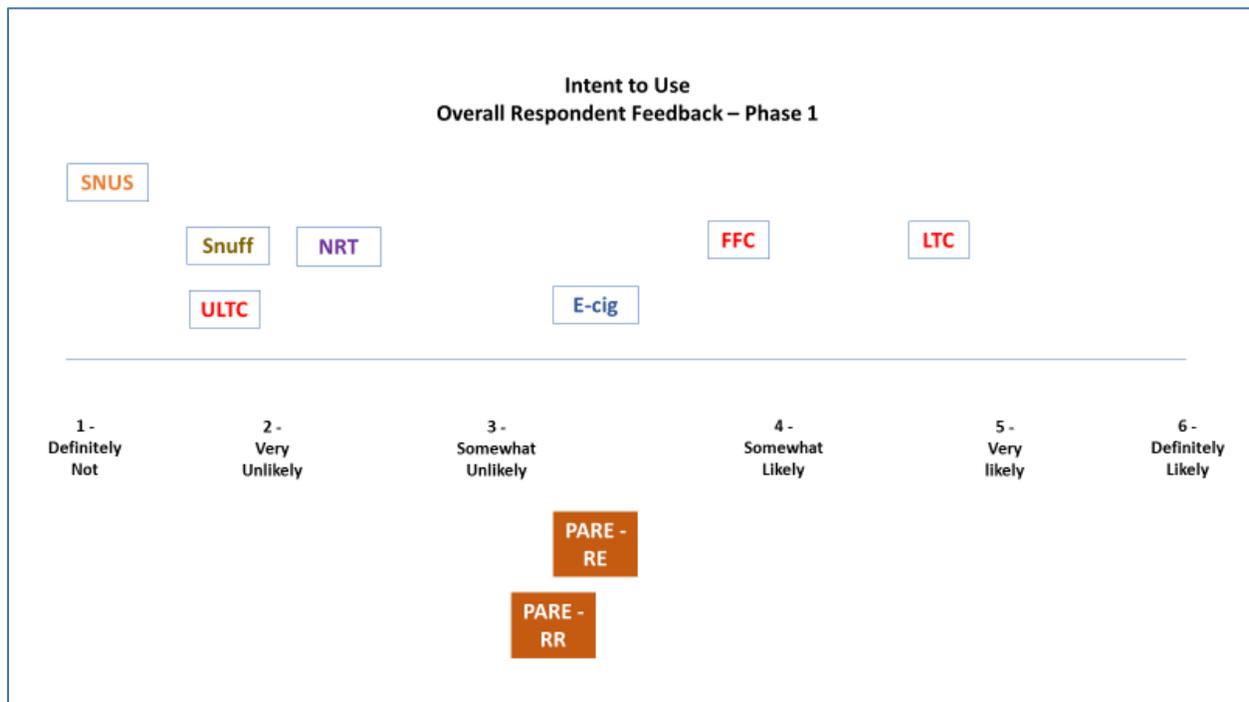
- However, respondents felt there was a level of unknown risk with e-cigarettes due to their relatively new arrival on the market and long-term use is not yet understood.
- Nicotine replacement therapy (NRT) was viewed as a Low- to Moderate-Risk option. Users are not exposed to smoke or vapor, but are still receiving nicotine (viewed as harmful by many) and other unknown chemicals.
- Smoking cessation was deemed to pose almost No Risk due to the lack of repeated exposure to tobacco smoke.
 - Some respondents noted that former smokers often live or associate with active smokers, thus exposing them to the threat of second-hand smoke.
 - Others noted that stopping smoking can often lead to other risky behaviors, such as overeating.
 - And others noted that just because a person stops smoking, that doesn't eliminate any damage that was already done as a result of their prior smoking.
- Respondents indicated that, based on the RE and RR claims shown, PARE / VLN™ Cigarettes would represent a Moderate Risk as PARE / VLN™ delivers lower amounts of nicotine, but still exposes users to harmful chemicals.
 - Many indicated while the risk is still there with PARE / VLN™, the smoker would hopefully smoke fewer cigarettes, thus reducing their risk. However, when asked to consider a one-to-one comparison of PARE / VLN™ to a traditional cigarette, respondents indicated PARE / VLN™ would pose a similar risk, placing it closer to the High-Risk category.

Risk of Developing Smoking/Tobacco-Related Diseases



- Phase 1 participants indicated that traditional tobacco products all represented a higher health risk to users due to dangerous perceptions of the chemicals and additives found in them.
- NRT and e-cigarettes were felt to be Low-Moderate Risk in terms of disease development due to their perceived lack of tobacco smoke-related dangers.
 - Respondents did note that NRT is intended for short-term use only, and that the long-term impact of e-cigarettes remains to be seen.
- Again, cessation was seen as having almost no associated risk of causing disease development.
- Respondents indicated PARE / VLN™ represents disease risk almost as high as traditional cigarettes due to the inclusion of the same compounds found in regular tobacco.

Intent to Use



- Phase 1 participants indicated a higher likelihood to use full-flavor and light-tasting cigarettes compared to the other products reviewed.
- E-cigarettes were a more likely option as compared to NRT, moist snuff, and ultra-light-tasting cigarettes.
 - Phase 1 respondents were all current smokers, so NRT was not considered a current option for them.
 - Many noted a distaste for the mess associated with snuff use.
 - Most expressed a distaste for cigarettes with less flavor.
- SNUS use was deemed highly unlikely.
 - Several respondents were unfamiliar with SNUS and how they are used.

- Based on the RR and RE PARE / VLN™ claims, participants indicated a likelihood to use PARE / VLN™ comparable to that of e-cigarettes.
 - Factors such as taste and price were important considerations.

Reactions to the PARE / VLN™ Concept

- Respondents felt that PARE / VLN™ was intended for:
 - Those trying to quit smoking or cut back
 - Casual smokers
 - New smokers
- Some were confused by the concept, as they did not understand why a cigarette manufacturer would try to help them quit.
- Many expressed confusion as to PARE / VLN™'s intended category: is it a cigarette or is it nicotine replacement therapy?
- Initially, PARE / VLN™ was seen as “less risky” or as a “healthier alternative” to other cigarettes.
 - Subsequent exposure to the product claims ultimately conveys the risk associated with using PARE / VLN™.

Key Reactions to PARE / VLN™ Claims

- Respondents liked the use of the term “95% less nicotine” as it was eye-catching to smokers and stated a compelling piece of information related to how PARE / VLN™ differed from other cigarettes.
 - In general, “95% less” makes more sense than stating “less than 5% of the nicotine.”
- Many respondents found the statements, particularly those on the back of pack, to be too long and felt that communicating the facts in a concise manner would be more impactful.
- Several noted that references to nicotine as “addictive” is important to note, but many stated that it is a known fact, especially to smokers, and does not provide additional value. Some found the thought of being an “addict” was offensive.
- Numerous participants felt certain statements presented a contradiction by calling out PARE / VLN™'s purported benefits (e.g. contains less nicotine, helping to curb cravings), then stating that the product is no safer than any other cigarette.
 - However, respondents repeatedly noted that they liked the “honesty” shown by PARE / VLN™ in calling out the fact that the product is not a safe alternative.
- Repeated mentions of the word “tar” was seen as overwhelming and unnecessary.

Claims Preferences and Detailed Notes on Pack Placement

The following pages outline, from a qualitative perspective, which claims were most appealing to Phase 1 respondents as shown. In addition, respondents discussed which Top of Front Panel, Bottom of Front Panel, and Back of Pack statements were most effective in communicating with consumers about PARE / VLN™ and the reasoning behind those preferences.

REDUCED EXPOSURE CLAIMS – Phase 1 Preferences



CLAIM 1	CLAIM 3	CLAIM 5	CLAIM 4	CLAIM 2
<p>TOP OF FRONT PANEL VERY LOW NICOTINE</p> <p>PARE Cigarettes Contain 95% Less Nicotine Than Leading Brands*</p> <p>*Approximately 95% less nicotine in tobacco and smoke compared to the top 3 selling brands.</p>	<p>TOP OF FRONT PANEL VERY LOW NICOTINE</p> <p>Made with PARE'S Patented Reduced-Nicotine Tobacco*</p> <p>*The tobacco in PARE Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>TOP OF FRONT PANEL VERY LOW NICOTINE</p> <p>PARE Cigarettes Contain 95% Less Nicotine Than Leading Brands*</p> <p>*Approximately 95% less nicotine in tobacco and smoke compared to the top 3 selling brands.</p>	<p>TOP OF FRONT PANEL VERY LOW NICOTINE</p> <p>This product is made with tobacco containing very low levels of nicotine, an addictive chemical*</p> <p>*The tobacco in PARE Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>TOP OF FRONT PANEL VERY LOW NICOTINE</p> <p>Nicotine is an addictive chemical. PARE Cigarettes Contain Less Than 5% of the Nicotine of Leading Brands*</p> <p>*Compared to the top 10 best-selling brands.</p>
<p>BOTTOM OF FRONT PANEL</p> <p>The Tobacco Smoke From PARE Cigarettes is No Safer Than Smoke From Any Other Cigarette.</p>	<p>BOTTOM OF FRONT PANEL</p> <p>No cigarette is safe. Very Low Nicotine does not mean a safer cigarette.</p>	<p>BOTTOM OF FRONT PANEL</p> <p>PARE Cigarettes Are No Safer Than Any Other Cigarette.</p>	<p>BOTTOM OF FRONT PANEL</p> <p>This cigarette is not a safe alternative to traditional cigarettes.</p>	<p>BOTTOM OF FRONT PANEL</p> <p>No Cigarette is Safe. PARE Cigarettes Present The Same Health Risks as Other Cigarettes.</p>
<p>BACK OF PACK</p> <p>PARE exposes you to significantly less nicotine, an addictive chemical.</p>	<p>BACK OF PACK</p> <p>This product contains much lower levels of nicotine, an addictive chemical. However, it is "tar," not nicotine, that causes smoking-related diseases. The "tar" produced by PARE is comparable to "tar" produced by other cigarettes.</p>	<p>BACK OF PACK</p> <p>All tobacco products contain nicotine, an addictive chemical. PARE Cigarettes give you much less nicotine than competing brands. However, smoking PARE is no safer than smoking any other cigarette.</p>	<p>BACK OF PACK</p> <p>This product contains significantly lower levels of nicotine than other cigarettes, which may help you better manage your smoking. However, it is "tar," not nicotine, that causes smoking-related diseases. The "tar" in PARE is comparable to "tar" produced by other cigarettes.</p>	<p>BACK OF PACK</p> <p>People smoke cigarettes to get nicotine, but it's the smoke or "tar" that kills smokers. Smoke from a PARE cigarette contains less nicotine than other cigarettes but it is no different from the smoke from other cigarettes. Smoking PARE cigarettes over the long-term will cause the same damage to your health as smoking any other cigarette.</p>

Most Descriptive Claim Reduced Exposure Claims

Most Descriptive Claim Per Pack Location in Build-Your-Own Scenario for Reduced Exposure Claims

CLAIMS EVALUATION – Phase 1 Feedback

Reduced Exposure Claims			
TOP OF FRONT PANEL	LOCATION	COMMENTS	RECOMMENDATIONS
<p>VERY LOW NICOTINE PARE / VLN™ Cigarettes Contain 95% Less Nicotine Than Leading Brands*</p> <p>* Approximately 95% less nicotine in tobacco and smoke compared to the top 3 selling brands.</p>	<p>RE #1</p> <p>RE #5</p>	<ul style="list-style-type: none"> • “95% Less Nicotine” is eye-catching and resonates with smokers as a significant decrease in nicotine. It is much preferred over the alternative mentioning “less than 5%.” • Use of the word “Brands” is liked. • Some do not like the words “and smoke” in the asterisked statement. • Many find the asterisked statement to be redundant with the first statement and unnecessary. • Mention of “top 3 selling brands” leads to the question “what are those brands?” Several suggest omitting that. • Many thought that because it has less nicotine, PARE / VLN™ is a healthier alternative. 	<ul style="list-style-type: none"> • Suggested wording: <p style="text-align: center;">VERY LOW NICOTINE PARE / VLN™ Cigarettes Contain 95% Less Nicotine Than Leading Brands</p>
<p>VERY LOW NICOTINE Nicotine is an addictive chemical. PARE / VLN™ Cigarettes Contain Less than 5% of the Nicotine of Leading Brands*</p> <p>*Compared to the top 10 best-selling brands.</p>	<p>RE #2</p>	<ul style="list-style-type: none"> • Many feel the first statement “Nicotine is an addictive chemical” is unnecessary. It states the obvious and adds nothing to their interpretation of the message. • The wording “less than 5% of the nicotine” is misunderstood by many. They interpret it as saying “5% less nicotine.” • Many find the asterisked statement to be unnecessary. 	<ul style="list-style-type: none"> • Suggest eliminating for Round 2.
<p>VERY LOW NICOTINE Made with PARE / VLN™’S Patented Reduced-Nicotine Tobacco*</p>	<p>RE #3</p>	<ul style="list-style-type: none"> • The word “Patented” is polarizing. Some like it, indicating it legitimizes the claim of very low nicotine, while others feel it is a gimmick to catch their attention, that anything can be 	<ul style="list-style-type: none"> • Suggested wording: <p style="text-align: center;">VERY LOW NICOTINE</p>

<p>*The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>		<p>patented and that doesn't mean anything to them.</p> <ul style="list-style-type: none"> • Many do not like the first statement, indicating PARE / VLN™'S Patented Reduced-Nicotine Tobacco means nothing to them and sounds like the company is bragging. • Again, the wording "less than 5% of the nicotine" is misunderstood by many. They interpret it as saying "5% less nicotine." • Most prefer the word "brand" when referencing the comparison as opposed to "cigarettes." 	<p>The tobacco in PARE / VLN™ Cigarettes contains 95% Less Nicotine Than Leading Brands</p>
<p>VERY LOW NICOTINE This product is made with tobacco containing very low levels of nicotine, an addictive chemical* *The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>RE #4</p>	<ul style="list-style-type: none"> • Felt to be too wordy by some. • Without reference to a % in the first statement, many felt that entire statement is unnecessary. • Again, the wording "less than 5% of the nicotine" is misunderstood by many. Many suggest using 95% instead. • Several suggesting just using the top headline. 	<ul style="list-style-type: none"> • Suggested wording: VERY LOW NICOTINE

Reduced Risk Claims

TOP OF FRONT PANEL	LOCATION	COMMENTS	RECOMMENDATIONS
<p>VERY LOW NICOTINE* Nicotine is an addictive chemical. PARE / VLN™ can help you make your own choice about smoking. *The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>RR #1</p>	<ul style="list-style-type: none"> As previously mentioned, many feel the first statement “Nicotine is an addictive chemical” is unnecessary. It states the obvious and adds nothing to their interpretation of the message. The second statement about “making your own choice” is polarizing: those who are intending to quit like it, saying it encourages them, while those with no intent to quit find it offensive, indicating they have already made their choice, which is to smoke. Again, the wording “less than 5% of the nicotine” is misunderstood by many. Many suggest using 95% instead. And comparison to “leading brands” is preferred. Unclear to many as to how it helps you reduce or quit smoking. 	<ul style="list-style-type: none"> Suggest eliminating for Round 2.
<p>VERY LOW NICOTINE* Nicotine is an addictive chemical that creates an urge to smoke. PARE / VLN™ Cigarettes may help reduce your urge to smoke. *The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>RR #2</p>	<ul style="list-style-type: none"> The general idea of this statement is liked by many, but the wording is redundant. Again, the wording “less than 5% of the nicotine” is misunderstood by many. Many suggest using 95% instead. And comparison to “leading brands” is preferred. Several noted the “simplicity” of the statement is good. Some said the explanation of nicotine was unnecessary, as smokers already know this fact. Mentions of statement being condescending to consumers. 	<ul style="list-style-type: none"> Suggested wording: VERY LOW NICOTINE PARE / VLN™ Cigarettes may help reduce your urge to smoke.
<p>VERY LOW NICOTINE*</p>	<p>RR #3</p>	<ul style="list-style-type: none"> The first statement is unnecessary and obvious to many. 	<ul style="list-style-type: none"> Suggested wording: VERY LOW NICOTINE

<p>Nicotine is an addictive chemical. PARE / VLN™ Cigarettes may help you break that addiction. *The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>		<ul style="list-style-type: none"> • The second statement about breaking that addiction is offensive to some; they read it as being called an addict. To others, it is a good, strong claim. • Again, the wording “less than 5% of the nicotine” is misunderstood by many. Many suggest using 95% instead. And comparison to “leading brands” is preferred. 	<p>PARE / VLN™ Cigarettes may help you break your addiction to cigarettes.</p>
<p>VERY LOW NICOTINE* The tobacco in PARE / VLN™ Cigarettes contains very low levels of nicotine, an addictive chemical. Smoking PARE / VLN™ may help you choose to reduce or quit your smoking. *The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>RR #4</p>	<ul style="list-style-type: none"> • The first statement is viewed as redundant to the higher-level headline that reads “VERY LOW NICOTINE” and is suggested by many to be deleted. • Many like the idea of the second statement, but find the wording to be awkward. • A few would rather see the word “can” in the above suggested statement; it takes a stronger stance. • Again, the wording “less than 5% of the nicotine” is misunderstood by many. Many suggest using 95% instead. And comparison to “leading brands” is preferred. 	<ul style="list-style-type: none"> • Suggested wording: VERY LOW NICOTINE Smoking PARE / VLN™ may help you reduce or quit smoking.

Reduced Risk Claims

TOP OF FRONT PANEL	LOCATION	COMMENTS	RECOMMENDATIONS
<p>VERY LOW NICOTINE* The tobacco in PARE / VLN™ Cigarettes contains very low levels of nicotine, an addictive chemical. Less nicotine means less addictive.</p> <p>*The tobacco in PARE / VLN™ Cigarettes Contains Less Than 5% of the nicotine of the three leading US cigarettes.</p>	<p>RR #5</p>	<ul style="list-style-type: none"> • If the header “VERY LOW NICOTINE” is going to be included, there is no need for the first statement, which is seen as redundant and adding no value. • While the idea behind the statement “Less nicotine means less addictive” is liked by many, the wording is seen as awkward, especially if the first statement is omitted. Some offered using the suggested wording noted above in RR #4 instead. • Again, the wording “less than 5% of the nicotine” is misunderstood by many. Many suggest using 95% instead. And comparison to “leading brands” is preferred. • Some questions raised about which other “addictive” chemicals may be included. • Call out %s in lead sentence. 	<ul style="list-style-type: none"> • Suggested wording: <p align="center">VERY LOW NICOTINE With 95% Less Nicotine, PARE / VLN™ Cigarettes will be less addictive.</p>

Reduced Exposure Claims

BOTTOM OF FRONT PANEL	LOCATION	COMMENTS	RECOMMENDATIONS
The Tobacco Smoke From PARE / VLN™ Cigarettes is No Safer Than Smoke From Any Other Cigarette.	RE #1	<ul style="list-style-type: none"> • Many comment that “tobacco smoke” is awkward wording while others like that it mentions it is a tobacco product. • Many appreciate the honesty of the statement. • Calls out that it’s a tobacco product. 	<ul style="list-style-type: none"> • Suggest eliminating for Round 2.
No Cigarette is Safe. PARE / VLN™ Cigarettes Present The Same Health Risks as Other Cigarettes.	RE #2	<ul style="list-style-type: none"> • Many mention refining by dropping the first sentence. • Important to call out that risks are the same. 	<ul style="list-style-type: none"> • Suggested wording: PARE / VLN™ Cigarettes present the same health risks as other cigarettes.
No cigarette is safe. Very Low Nicotine does not mean a safer cigarette.	RE #3	<ul style="list-style-type: none"> • Questions raised about why they should consider PARE / VLN™ if it’s no safer. • The second statement is contradictory to what many believe, thus making this confusing. 	<ul style="list-style-type: none"> • Suggest eliminating for Round 2.
This cigarette is not a safe alternative to traditional cigarettes.	RE #4	<ul style="list-style-type: none"> • Mentions of honesty being appreciated. • Though liked, it confuses some – they’re not sure, after reading this statement, why they would want to try PARE / VLN™. 	<ul style="list-style-type: none"> • Suggest keeping for Round 2 to see how it fares against other revised statements.
PARE / VLN™ Cigarettes Are No Safer Than Any Other Cigarette.	RE #5	<ul style="list-style-type: none"> • Very clear wording. • Like comparison and honesty. 	<ul style="list-style-type: none"> • Suggest keeping for Round 2 as is.

Reduced Risk Claims

BOTTOM OF FRONT PANEL	LOCATIO N	COMMENTS	RECOMMENDATIONS
<p>The Tobacco Smoke From PARE / VLN™ Cigarette Is No Safer Than Smoke From Any Other Cigarette. PARE / VLN™ Cigarettes Present the Same Health Risks as Traditional Cigarettes.</p>	RR #1	<ul style="list-style-type: none"> Many comment that “tobacco smoke” is awkward wording while others like that it mentions it is a tobacco product. Many appreciate the honesty of the statement. Calls out that it’s a tobacco product. Seen as being too wordy. Many suggest removing the first sentence. 	<ul style="list-style-type: none"> Suggested wording: PARE / VLN™ Cigarettes present the same health risks as traditional cigarettes.
<p>No Cigarette is Safe. If You Continue to Smoke, PARE / VLN™ Cigarettes Present the same Health Risks as Traditional Cigarettes.</p>	RR #2	<ul style="list-style-type: none"> Clear, but could be consolidated. Many suggest removing the first sentence, and the first part of the second sentence. 	<ul style="list-style-type: none"> Suggested wording is captured in recommendations for RR #1 above.
<p>Very Low Nicotine does not mean a safer cigarette. No cigarette, including PARE / VLN™, is safe.</p>	RR #3	<ul style="list-style-type: none"> For some, clearly spells out that low nicotine does not equal less risk. For others, contradicts what they believe about nicotine. “Very Low” raises question “How low?” 	<ul style="list-style-type: none"> Suggested wording: No cigarette, including PARE / VLN™, is safe.
<p>This cigarette is not a safe alternative to traditional cigarettes.</p>	RR #4	<ul style="list-style-type: none"> Good: direct and concise verbiage. 	<ul style="list-style-type: none"> Suggest keeping for Round 2 to see how it fares against other revised statements: This cigarette is not a safe alternative to traditional cigarettes.
<p>Less Nicotine in Smoke Does Not Mean a Safer Cigarette.</p>	RR #5	<ul style="list-style-type: none"> The word “smoke” confuses some. Mention of nicotine not being safe confuses some, as it is contradictory to what they believe about nicotine. 	<ul style="list-style-type: none"> Suggest eliminating for Round 2.

Reduced Exposure Claims			
BACK OF PACK	LOCATION	COMMENTS	RECOMMENDATIONS
PARE / VLN™ exposes you to significantly less nicotine, an addictive chemical.	RE #1	<ul style="list-style-type: none"> Obvious to most, and redundant with Top of Front Panel statements. Has many asking, “What about other chemicals?” 	<ul style="list-style-type: none"> Suggest eliminating for Round 2.
People smoke cigarettes to get nicotine, but it’s the smoke or “tar” that kills smokers. Smoke from a PARE / VLN™ cigarette contains less nicotine than other cigarettes but it is no different from the smoke from other cigarettes. Smoking PARE / VLN™ cigarettes over the long-term will cause the same damage to your health as smoking any other cigarette.	RE #2	<ul style="list-style-type: none"> Many do not like the wording “to get nicotine.” Nearly all object to the words “tar kills smokers.” Seen as too harsh. Overall too wordy. Several said last sentence is the only thing to leave in, though many pointed out it is redundant with the Bottom Front Panel statements. 	<ul style="list-style-type: none"> Suggested wording: Smoke from a PARE / VLN™ cigarette contains less nicotine than other cigarettes but comparable amounts of “tar,” which causes smoking-related health issues.
This product contains much lower levels of nicotine, an addictive chemical. However, it is “tar,” not nicotine, that causes smoking-related diseases. The “tar” produced by PARE / VLN™ is comparable to “tar” produced by other cigarettes.	RE #3	<ul style="list-style-type: none"> Nearly all object to the words “tar kills smokers.” Seen as too harsh. Overall too wordy. The words “much lower levels of nicotine” cause many to question its taste, likening it to an Ultra-Light tasting cigarette that won’t satisfy them. 	<ul style="list-style-type: none"> Suggested wording: “Tar,” which causes smoking-related diseases, is produced by PARE / VLN™ cigarettes, in the same amount as in other cigarettes, making PARE / VLN™ no safer than others.
This product contains significantly lower levels of nicotine than other cigarettes, which may help you better manage your smoking. However, it is “tar,” not nicotine, that causes smoking-related diseases. The “tar” in PARE / VLN™ is comparable to “tar” produced by other cigarettes.	RE #4	<ul style="list-style-type: none"> Though wordy, the first sentence explains why smokers should care about less nicotine. Use of tar is too repetitive and many do not want any mention of tar. 	<ul style="list-style-type: none"> Suggested wording: The lower levels of nicotine in PARE / VLN™ may help you better manage your smoking.
All tobacco products contain nicotine, an addictive chemical. PARE / VLN™ Cigarettes give you much less nicotine than competing brands. However, smoking PARE / VLN™ is no safer than smoking any other cigarette.	RE #5	<ul style="list-style-type: none"> Redundant with statements in Top of Front Panel and Bottom Front Panel. 	<ul style="list-style-type: none"> Suggest eliminating for Round 2.

Reduced Risk Claims			
BACK OF PACK	LOCATION	COMMENTS	RECOMMENDATIONS
PARE / VLN™ Cigarettes exposes you to less nicotine, an addictive chemical. Less nicotine may help you better manage your smoking. Studies show that by smoking PARE / VLN™ Cigarettes, you should crave nicotine less. That can help you decide when or if you smoke.	RR #1	<ul style="list-style-type: none"> • First sentence is known by many and seen as redundant with the Top of Front Panel statements. • With modifications, this explains why they would be interested in PARE / VLN™. • The last sentence is seen to be unnecessary. • Many want to know “what studies,” asking if a brief citation could be included to lend credibility. • Several are not sure what is meant by “better manage your smoking.” It seems vague and non-descriptive to them. 	<ul style="list-style-type: none"> • Suggest eliminating for Round 2.
Nicotine addiction drives people to smoke cigarettes, but it is the smoke or “tar” that kills smokers. Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine. That can help you to choose to reduce the number of cigarettes that you smoke or choose not to smoke at all.	RR #2	<ul style="list-style-type: none"> • Nearly all object to the words “tar kills smokers.” Seen as too harsh. • Many want to know “what studies,” asking if a brief citation could be included to lend credibility. • “Less cravings” is a good thing to call out. • Last sentence seen as scolding and confrontational. 	<ul style="list-style-type: none"> • Suggested wording: Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less cravings for nicotine and may be able to cut back or quit smoking.
This product contains much lower levels of nicotine, an addictive chemical. However, it is the “tar,” not nicotine, that causes smoking-related disease. To benefit from the very low nicotine in PARE / VLN™ Cigarettes, try to reduce or quit your smoking.	RR #3	<ul style="list-style-type: none"> • The first sentence is unnecessary; already stated in Top of Front Panel statements. • Nearly all object to the words “tar kills smokers.” Seen as too harsh. • For some, the last sentence is contradictory. If you quit smoking, you won’t buy any more product. Others understand the point it is trying to make, but find the wording to be awkward. 	<ul style="list-style-type: none"> • Suggested wording: You may benefit from smoking PARE / VLN™ cigarettes by reducing or quitting smoking.

Reduced Risk Claims			
BACK OF PACK	LOCATION	COMMENTS	RECOMMENDATIONS
PARE / VLN™ Cigarettes contain very low levels of nicotine, which is an addictive chemical. Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the numbers of cigarette that you smoke and may increase your motivation to quit.	RR #4	<ul style="list-style-type: none"> The first sentence is unnecessary; already stated in Top of Front Panel statements. Many want to know “what studies,” asking if a brief citation could be included to lend credibility. 	<ul style="list-style-type: none"> Suggested wording: Studies show smoking PARE / VLN™ Cigarettes will reduce your craving for nicotine, which may increase your motivation to quit smoking.
Nicotine addiction drives people to smoke cigarettes, but it’s the smoke or “tar” that kills smokers. Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the numbers of cigarettes that you smoke and may increase your motivation to quit. However, PARE / VLN™ Cigarettes present the same health risks as traditional cigarettes.	RR #5	<ul style="list-style-type: none"> Very wordy. First sentence is unnecessary; duplicate of Top of Front Panel statements. Nearly all object to the words “tar kills smokers.” Seen as too harsh. Last sentence is unnecessary; duplicate of Bottom Front Panel statements. Middle sentences reinforce the point that PARE / VLN™ is for people trying to quite or smoke less. Mentions of PARE / VLN™ as a “quitting aid” and helping to deal with “oral fixation.” 	<ul style="list-style-type: none"> Suggest eliminating for Round 2.

IV. Phase 2 Findings

Common Themes

In Phase 2, overall themes regarding tobacco closely matched Phase 1.

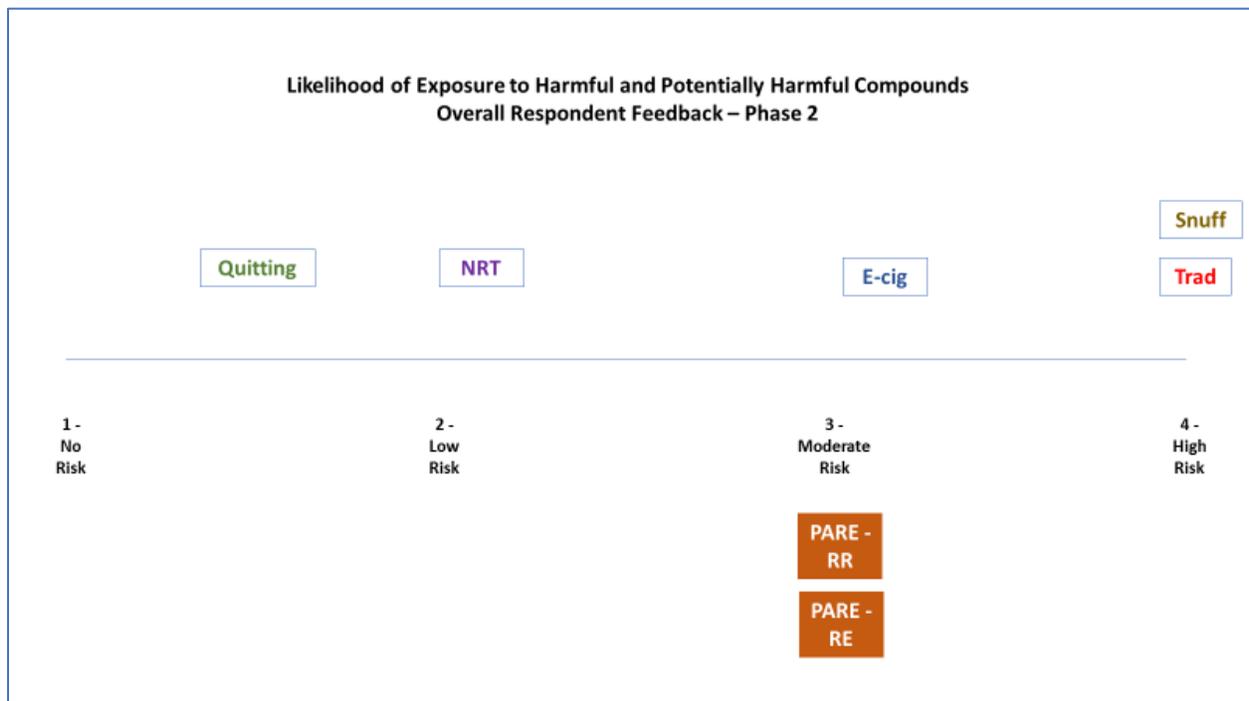
- Respondents were familiar with the health risks involved in tobacco use.
- Some of the additional substances perceived by respondents to be included in tobacco included arsenic, carbon monoxide, and formaldehyde.
- Several of the younger respondents were more aware of the relative lack of danger associated with nicotine use, aside from its addictiveness.

Risk and Intent to Use Evaluation

(Note: scale results are qualitative in nature, and are directional rather than definitive.)

In Phase 2, full-flavor cigarettes (FFC), light-tasting cigarettes (LTC), and ultra-light-tasting cigarettes (ULTC) were combined into one category: traditional cigarettes (Trad). SNUS was removed as a category. The category “cessation” was changed to “quitting smoking.”

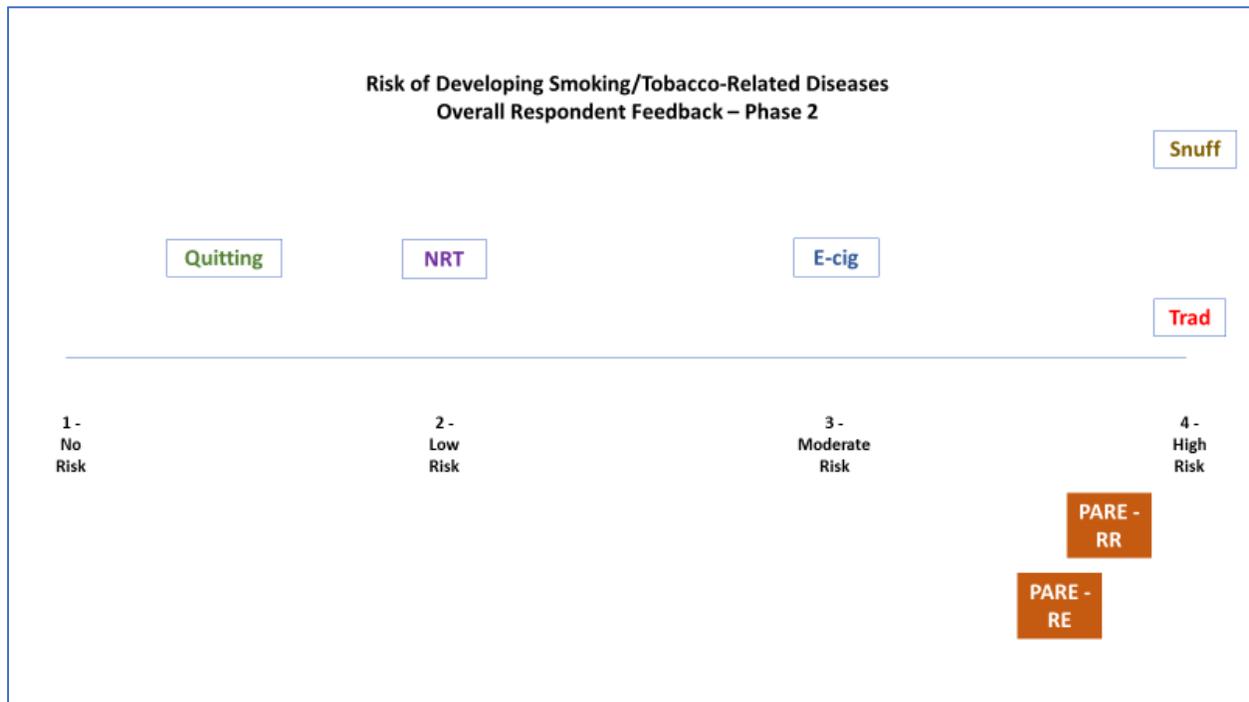
Likelihood of Exposure to Harmful and Potentially Harmful Compounds



- Overall, Phase 2 respondents noted that tobacco products, including traditional cigarettes and moist snuff, present the highest risk in terms of exposure to harmful compounds and potential for developing disease.

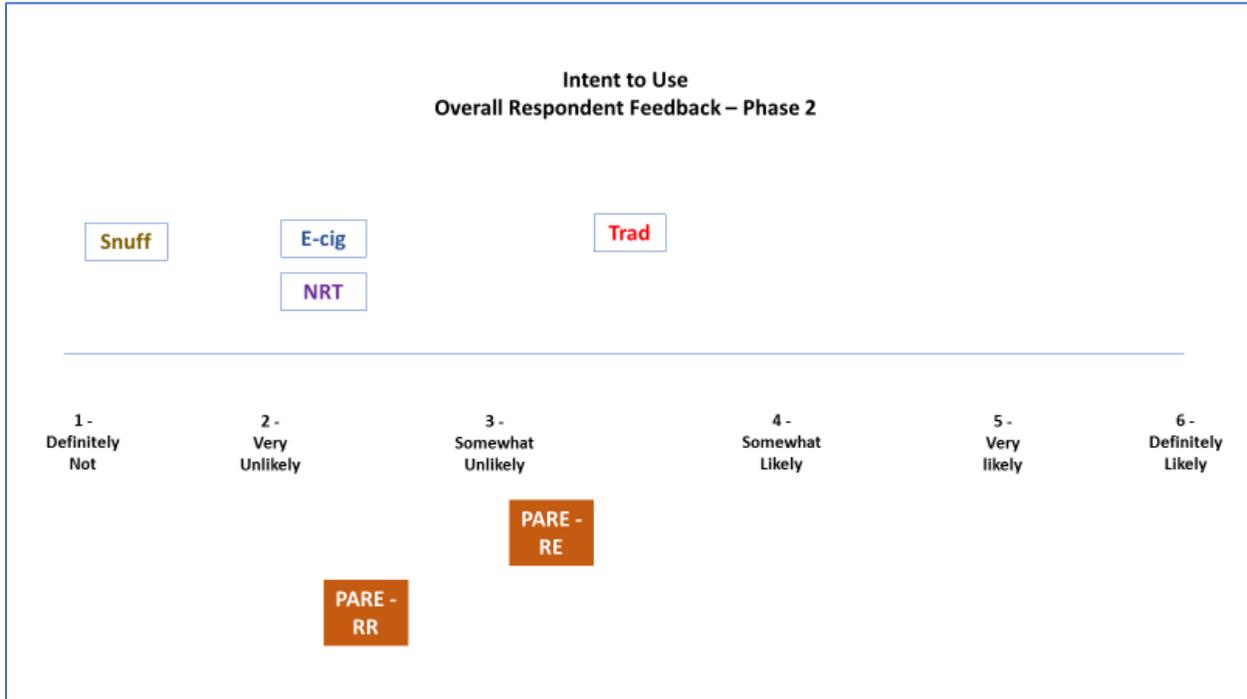
- Participants noted that direct exposure to tobacco via the lungs and GI tract contributed to these high-risk ratings.
- E-cigarettes were seen as a more moderate risk, as they do not expose the user to the same chemicals found in traditional tobacco.
 - However, respondents felt there was a level of unknown risk with e-cigarettes due to their relatively new arrival on the market and long-term use is not yet understood.
- Nicotine replacement therapy (NRT) was viewed as a low risk option. Respondents noted that users are not exposed to smoke or vapor, but are still receiving nicotine (viewed as harmful by many) and other unknown chemicals.
- Smoking cessation was deemed to pose low to moderate risk due to the lack of repeated exposure to tobacco smoke.
 - Some respondents noted that former smokers often live or associate with active smokers, thus exposing them to the threat of second-hand smoke.
 - In addition, several noted that quitting smoking is not a guarantee that disease will not develop in the long run.
 - Others noted that stopping smoking can often lead to other risky behaviors, such as overeating.
- Respondents indicated that, based on the RE and RR claims shown, PARE / VLN™ Cigarettes would represent a moderate risk to users as PARE / VLN™ delivers lower amounts of nicotine, but still exposes users to harmful chemicals.

Risk of developing smoking/tobacco-related diseases



- Phase 2 participants indicated that traditional tobacco products represented a higher health risk to users due to dangerous perceptions of the chemicals and additives found in them.
- E-cigarettes were felt to be a moderate risk in terms of disease development due to their perceived lack of tobacco smoke-related dangers.
- Nicotine replacement therapy, if used as directed, was considered a lower risk than combustion products.
- Again, quitting smoking altogether was seen as having almost no associated risk of causing disease development.
- Respondents indicated PARE / VLN™ represents disease risk almost as high as traditional cigarettes due to the inclusion of the same compounds found in regular tobacco.
 - Participants stated that, overall, the PARE / VLN™ RR claims convey a higher disease risk as compared to the PARE / VLN™ RE claims.

Intent to Use



- Phase 2 participants indicated a higher likelihood to use traditional cigarettes compared to the other products reviewed.
- E-cigarettes and nicotine replacement therapy were considered as very unlikely options for use.
- Moist snuff use was deemed highly likely.
- Based on the RR and RE PARE / VLN™ claims, participants indicated a likelihood to use PARE / VLN™ nearly comparable to that of traditional cigarettes.

Reactions to the PARE / VLN™ Concept

- Similar to Phase 1 feedback, Phase 2 respondents believed PARE / VLN™ to be intended for:
 - Those trying to quit smoking or cut back
 - Casual smokers
 - To a lesser degree, new smokers
 - The appeal to new smokers was mentioned *less* often in Phase 2 as compared to Phase 1.
- Many participants raised questions regarding the use of the term “genetically modified” and how it impacted the tobacco in PARE / VLN™.
 - Several wanted to know what was “being added” to PARE / VLN™ to lower the nicotine content (a negative association).

Key Reactions to PARE / VLN™ Claims

Statements in Phase 2 were modified based upon feedback from Phase 1.

- As seen in Phase 1, statements and questions about the “tar” in cigarette smoke were frequent.
 - Long-term quitters seem to be more educated about tar and, as a result, clearly understand the risks of smoking/risks associated with PARE / VLN™.
 - Lack of education around the effects of tar is evident across all other groups.
- The phrase “kills smokers” elicited a strong response.
 - This terminology is distinctly offensive to smokers.
 - Smokers’ aversion to this language could hinder adoption of PARE / VLN™ because the language is viewed to be harsher than what is commonly used within the market.
 - Some respondents noted that this direct language is important to call out, given that smoking is perceived as being hazardous.
- Overall, recent quitters react more like current smokers in their assessment of the claims.
 - The risk of recidivism is apparent with this group based upon their feedback.
- Respondents liked the use of the term “95% less nicotine” as it was eye-catching to smokers and stated a compelling piece of information related to how PARE / VLN™ differed from other cigarettes.
 - In general, “95% less” is more attractive wording than the phrase “Very Low Nicotine.”
- Many respondents found the statements, particularly those on the back of pack, to be too long and felt that communicating the facts in a concise manner would be more impactful.
- Several noted that references to nicotine as “addictive” is important to note, but many stated that it is a known fact, especially to smokers, and does not provide additional value.
- Respondents prefer definitive language (e.g. use the word “can” instead of “may” in phrase “may help you break that addiction.”)
- Numerous participants felt certain statements presented a contradiction by calling out PARE / VLN™’s purported benefits (e.g. contains less nicotine, helping to curb cravings), then stating that the product is no safer than any other cigarette.
 - However, respondents repeatedly noted that they liked the “honesty” shown by PARE / VLN™ in calling out the fact that the product is not a safe alternative.
- Repeated mentions of the word “tar” on the Back of Pack was seen as overwhelming and unnecessary.
 - Many stated the word should be removed.
- Opinions varied regarding comparisons of PARE / VLN™ to “top” or “leading” brands.
 - Some liked the point of reference, while others felt it was meaningless without listing the brands.

- Respondents noted that the Reduced Risk claims more effectively convey the purpose of PARE / VLN™ to consumers.
 - Reduced Exposure claims do not call out the intended benefits of PARE / VLN™ as clearly as Reduced Risk claims.

Claims Preferences and Detailed Notes on Pack Placement

The following pages outline, from a qualitative perspective, which claims were most appealing to Phase 2 respondents as shown, plus which Top of Front Panel, Bottom of Front Panel, and Back of Pack statements were deemed most effective and the reasoning behind those preferences.

REDUCED EXPOSURE – Phase 2 Preferences

<p>CLAIM 1 TOP OF FRONT PANEL VERY LOW NICOTINE PARE Cigarettes Contain 95% Less Nicotine Than Leading Brands* * Compared to the top 3 selling US brands.</p>	<p>CLAIM 3 TOP OF FRONT PANEL 95% LESS NICOTINE* Made with PARE'S Patented Reduced-Nicotine Tobacco *Compared to the three leading US brands.</p>	<p>CLAIM 5 TOP OF FRONT PANEL VERY LOW NICOTINE* PARE Cigarettes Contain 95% Less Nicotine Than Leading Brands * compared to the top 3 selling brands.</p>	<p>CLAIM 2 TOP OF FRONT PANEL VERY LOW NICOTINE Nicotine is an addictive chemical. PARE Cigarettes Contain 95% Less Nicotine Than the 3 Leading US Brands</p>	<p>CLAIM 4 TOP OF FRONT PANEL VERY LOW NICOTINE The tobacco in PARE Cigarettes contains 95% less nicotine than the three leading US brands.</p>	<p>BOTTOM OF FRONT PANEL The Smoke From PARE Cigarettes Is No Safer Than Smoke From Any Other Cigarette.</p>
<p>BACK OF PACK PARE exposes you to significantly less nicotine, an addictive chemical.</p>	<p>BACK OF PACK This product contains much lower levels of nicotine, a chemical which can increase the urge to smoke. However, it is "tar", not nicotine, that causes smoking-related diseases. The "tar" produced by PARE is comparable to "tar" produced by other cigarettes.</p>	<p>BACK OF PACK All tobacco products contain nicotine, an addictive chemical. PARE Cigarettes give you much less nicotine than competing brands. However, smoking PARE is no safer than smoking any other cigarette.</p>	<p>BACK OF PACK People smoke cigarettes for the nicotine, but it's the smoke or "tar" that kills smokers. Smoke from a PARE cigarette contains less nicotine than other cigarettes but it is no different from the smoke from other cigarettes. Smoking PARE cigarettes over the long-term will cause the same damage to your health as smoking any other cigarette.</p>	<p>BACK OF PACK This product contains significantly lower levels of nicotine than other cigarettes, which may help you better manage your smoking. However, it is the "tar" in smoke, not nicotine, that causes smoking-related diseases. The "tar" in PARE is comparable to that produced by other cigarettes.</p>	<p>BOTTOM OF FRONT PANEL PARE Cigarettes Are No Safer Than Any Other Cigarette.</p>

Most Preferred Claim Per Pack Location in Build-Your-Own Scenario for Reduced Exposure Claims
 Total Base = 128 Respondents Across 3 Cities (Hartford, Dallas, Denver)

REDUCED RISK – Phase 2 Preferences



CLAIM 3

TOP OF FRONT PANEL 95% LESS NICOTINE*

Nicotine is an addictive chemical. PARE Cigarettes may help you break that addiction.

* Compared to the three leading US brands.

CLAIM 5

TOP OF FRONT PANEL VERY LOW NICOTINE

The tobacco in PARE Cigarettes contains 95% less nicotine*, an addictive chemical. The low nicotine in PARE can help relieve your urge to smoke.

* Compared to the three leading US brands.

CLAIM 1

TOP OF FRONT PANEL VERY LOW NICOTINE*

Nicotine is an addictive chemical. PARE can help you make your own choice about smoking.

* Pare Cigarettes have 95% less nicotine than the three leading US brands.

CLAIM 2

TOP OF FRONT PANEL 95% LESS NICOTINE*

Nicotine is an addictive chemical that creates an urge to smoke. PARE Cigarettes may help reduce that craving.

* Compared to the three leading US cigarettes.

CLAIM 4

TOP OF FRONT PANEL VERY LOW NICOTINE

The tobacco in PARE Cigarettes contains 95% less nicotine*, an addictive chemical. Smoking PARE may help you choose to reduce or quit your smoking.

* Compared to the three leading US brands.

BOTTOM OF FRONT PANEL

95% less nicotine does not mean a safer cigarette. All cigarettes, including PARE, can cause smoking-related disease and death.

BOTTOM OF FRONT PANEL

No cigarette, including PARE, is safe.

BOTTOM OF FRONT PANEL

The Tobacco Smoke From PARE Cigarettes is No Safer Than Smoke From Any Other Cigarette.

BOTTOM OF FRONT PANEL

If you continue to smoke, PARE Cigarettes Present the Same Health Risks as Traditional Cigarettes.

BOTTOM OF FRONT PANEL

This cigarette is not a safe alternative to traditional cigarettes

BACK OF PACK

This product contains 95% less nicotine than the leading cigarette brands. While nicotine creates the urge to smoke, the real cause of smoking-related diseases is the "tar" in tobacco smoke. Reduced cravings from the very low nicotine in PARE Cigarettes can help you try to reduce or quit smoking.

BACK OF PACK

Nicotine addiction drives people to smoke cigarettes, but it's the "tar" in smoke that kills. Studies show that by smoking PARE Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the number of cigarettes that you smoke and may increase your motivation to quit. However, PARE Cigarettes present the same health risks as traditional cigarettes.

BACK OF PACK

PARE Cigarettes expose you to less nicotine, an addictive chemical. Less nicotine may help you better manage your smoking. Studies show that by smoking PARE Cigarettes, you should crave nicotine less. That can help you decide when or if you smoke.

BACK OF PACK

Nicotine addiction drives people to smoke cigarettes, but it is the smoke or "tar" that kills smokers. Studies show that by smoking PARE Cigarettes, you will likely experience less craving for nicotine and may be able to cut back or quit smoking.

BACK OF PACK

PARE Cigarettes contain very low levels of nicotine, which increases the urge to smoke. By smoking PARE Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the number of cigarettes that you smoke and may increase your motivation to quit.

Most Preferred Claim Per Pack Location in Build-Your-Own Scenario for Reduced Exposure Claims

Total Base = 128 Respondents Across 3 Cities (Hartford, Dallas, Denver)

CLAIMS EVALUATION – Phase 2

Reduced Exposure Claims		
TOP OF FRONT PANEL	LOCATION	COMMENTS
<p style="text-align: center;">VERY LOW NICOTINE* PARE / VLN™ Cigarettes Contain 95% Less Nicotine Than Leading Brands * compared to the top 3 selling US brands.</p>	<p>RE #1</p> <p>RE #5</p>	<ul style="list-style-type: none"> “95% Less Nicotine” is eye-catching and resonates with smokers as a significant decrease in nicotine. Many liked the brevity of the statement. Many find the asterisked statement to be redundant with the first statement and unnecessary. Mention of “top 3 selling brands” leads to the question “what are those brands?” Several suggest omitting that. Some felt the labeling suggests that there will be additives to reduce the nicotine content.
<p style="text-align: center;">VERY LOW NICOTINE* Nicotine is an addictive chemical. PARE / VLN™ Cigarettes Contain 95% Less Nicotine Than the 3 Leading Brands</p>	<p>RE #2</p>	<ul style="list-style-type: none"> Many feel the first statement “Nicotine is an addictive chemical” is unnecessary. It states the obvious and adds nothing to their interpretation of the message. Many find the asterisked statement to be unnecessary.
<p style="text-align: center;">95% LESS NICOTINE Made with PARE / VLN™’S Patented Reduced-Nicotine Tobacco* *Compared to the three leading US brands.</p>	<p>RE #3</p>	<ul style="list-style-type: none"> Many do not like the first statement, indicating PARE / VLN™’S Patented Reduced-Nicotine Tobacco means nothing to them and sounds like the company is bragging. Some said it “screams GMO,” which is bad. Like the “95%” Less statement. Most prefer the word “brand” when referencing the comparison as opposed to “cigarettes.”
<p style="text-align: center;">VERY LOW NICOTINE The tobacco in PARE / VLN™ Cigarettes contains 95% less nicotine than the three leading US brands.</p>	<p>RE #4</p>	<ul style="list-style-type: none"> Several suggested taking out the “leading brands” reference if the brands cannot be listed. Most felt the 95% less nicotine statement is more powerful than Very Low Nicotine.

Reduced Risk Claims

TOP OF FRONT PANEL	LOCATION	COMMENTS
<p>VERY LOW NICOTINE* Nicotine is an addictive chemical. PARE / VLN™ can help you make your own choice about smoking. *PARE / VLN™ Cigarettes have 95% less nicotine than the three leading US brands.</p>	<p>RR #1</p>	<ul style="list-style-type: none"> As previously mentioned, many feel the first statement “Nicotine is an addictive chemical” is unnecessary. It states the obvious and adds nothing to their interpretation of the message. The second statement about “making your own choice” is polarizing: those who are intending to quit like it, saying it encourages them, while those with no intent to quit find it offensive, indicating they have already made their choice, which is to smoke. Many prefer the phrase “95% less nicotine” to “Very low nicotine” as it is more precise and stands out. Unclear to many as to how it helps you reduce or quit smoking.
<p>95% LESS NICOTINE* Nicotine is an addictive chemical that creates an urge to smoke. PARE / VLN™ Cigarettes may help reduce that craving. *Compared to the three leading US cigarettes.</p>	<p>RR #2</p>	<ul style="list-style-type: none"> The general idea of this statement is liked by many, but the wording is redundant. The “urge to smoke” phrase is a known commodity. The three leading brands, if mentioned, need to be called out. Calling out the potential for reduced craving is good. Some said the explanation of nicotine was unnecessary, as smokers already know this fact. Mentions of statement being condescending to consumers.
<p>95% LESS NICOTINE* Nicotine is an addictive chemical. PARE / VLN™ Cigarettes may help you break that addiction. *Compared to the three leading US brands.</p>	<p>RR #3</p>	<ul style="list-style-type: none"> The first statement is unnecessary and obvious to many. The second statement about breaking that addiction is offensive to some; they read it as being called an addict. To others, it is a good, strong claim.
<p>VERY LOW NICOTINE* The tobacco in PARE / VLN™ Cigarettes contains 95% less nicotine*, an addictive chemical. Smoking PARE / VLN™ may help you choose to reduce or quit your smoking. *Compared to the three leading US brands.</p>	<p>RR #4</p>	<ul style="list-style-type: none"> The first statement is viewed as redundant to the higher-level headline that reads “VERY LOW NICOTINE” and is suggested by many to be deleted. Many like the idea of the second statement, but find the wording to be awkward. A few would rather see the word “can” in the above suggested statement; it takes a stronger stance. Many disliked the comparison to leading brands that are not listed.
<p>VERY LOW NICOTINE* The tobacco in PARE / VLN™ Cigarettes contains 95% less nicotine, an addictive chemical. The low nicotine in PARE / VLN™ can help relieve your urge to smoke. *Compared to the three leading US brands.</p>	<p>RR #5</p>	<ul style="list-style-type: none"> Many like the honesty of the statement. Several prefer the word “may” to “can.” Several stated that PARE / VLN™’s benefit is clearly called out. Many would prefer to see 95% called out on top. Some dislike the comparison to leading brands.

Reduced Exposure Claims

BOTTOM OF FRONT PANEL	LOCATI ON	COMMENTS
The Smoke From PARE / VLN™ Cigarettes is No Safer Than Smoke From Any Other Cigarette.	RE #1	<ul style="list-style-type: none"> • Many said the statement detracts from the benefits mentioned on the Top of Front. • Some liked the honesty of the statement.
No Cigarette is Safe. PARE / VLN™ Cigarettes Present The Same Health Risks as Traditional Cigarettes.	RE #2	<ul style="list-style-type: none"> • Many noted that this statement conflicts with the Top of Front. • Important to call out that risks are the same.
No cigarette is safe. Very Low Nicotine does not mean a safer cigarette.	RE #3	<ul style="list-style-type: none"> • Questions raised about why they should consider PARE / VLN™ if it's no safer. • The second statement is contradictory to what many believe, thus making this confusing. • Some stated that they liked the honesty.
This cigarette is not a safe alternative to traditional cigarettes.	RE #4	<ul style="list-style-type: none"> • Mentions of honesty being appreciated. • Though liked, it confuses some – they're not sure, after reading this statement, why they would want to try PARE / VLN™.
PARE / VLN™ Cigarettes Are No Safer Than Any Other Cigarette.	RE #5	<ul style="list-style-type: none"> • Very clear wording. • Like comparison and honesty.

Reduced Risk Claims

BOTTOM OF FRONT PANEL	LOCATION	COMMENTS
<p>The Tobacco Smoke From PARE / VLN™ Cigarettes Is No Safer Than Smoke From Any Other Cigarette.</p>	<p>RR #1</p>	<ul style="list-style-type: none"> • Many appreciate the honesty of the statement. • Calls out that it's a tobacco product. • Many noted that the statement influences consumers to not buy PARE / VLN™.
<p>If You Continue to Smoke, PARE / VLN™ Cigarettes Present the same Health Risks as Traditional Cigarettes.</p>	<p>RR #2</p>	<ul style="list-style-type: none"> • Some felt it discourages people from smoking PARE / VLN™. • Some felt it contradicts the Top of Front statement.
<p>95% less nicotine does not mean a safer cigarette. All cigarettes, including PARE / VLN™, can cause smoking-related disease and death.</p>	<p>RR #3</p>	<ul style="list-style-type: none"> • Some feel it contradicts the Top of Front statement. • Some felt it grabs attention. • The wording of "Disease and death" is better than "kills" and could be used on the back.
<p>This cigarette is not a safe alternative to traditional cigarettes.</p>	<p>RR #4</p>	<ul style="list-style-type: none"> • Good: direct and concise verbiage. • Some felt it discourages people from buying PARE / VLN™.
<p>No cigarette, including PARE / VLN™, is safe.</p>	<p>RR #5</p>	<ul style="list-style-type: none"> • Many appreciated the simplicity and "honesty" of the statement, • Some felt it is redundant compared to the BOP.

Reduced Exposure Claims

BACK OF PACK	LOCATION	COMMENTS
<p>PARE / VLN™ exposes you to significantly less nicotine, an addictive chemical.</p>	<p>RE #1</p>	<ul style="list-style-type: none"> • Obvious to most, and redundant with Top of Front Panel statements. • Has many asking “What about other chemicals?” • Many noted the Back needs more information.
<p>People smoke cigarettes to get nicotine, but it’s the smoke or “tar” that kills smokers. Smoke from a PARE / VLN™ cigarette contains less nicotine than other cigarettes but it is no different from the smoke from other cigarettes. Smoking PARE / VLN™ cigarettes over the long-term will cause the same damage to your health as smoking any other cigarette.</p>	<p>RE #2</p>	<ul style="list-style-type: none"> • Many do not like the wording “to get nicotine.” • Nearly all object to the words “tar kills smokers.” Seen as too harsh. • Overall too wordy. • Several indicated the BOP phrasing discourages the customer from buying. • Several said last sentence is the only thing to leave in, though many pointed out it is redundant with the Bottom Front Panel statements.
<p>This product contains much lower levels of nicotine, a chemical which can increase the urge to smoke. However, it is “tar,” not nicotine, that causes smoking-related diseases. The “tar” produced by PARE / VLN™ is comparable to “tar” produced by other cigarettes.</p>	<p>RE #3</p>	<ul style="list-style-type: none"> • Nearly all object to the words “tar kills smokers.” Seen as too harsh. • Overall too wordy. • “Tar” is used too frequently. • Some found the statements to contradict the benefits.
<p>This product contains significantly lower levels of nicotine than other cigarettes, which may help you better manage your smoking. However, it is “tar,” not nicotine, that causes smoking-related diseases. The “tar” in PARE / VLN™ is comparable to that produced by other cigarettes.</p>	<p>RE #4</p>	<ul style="list-style-type: none"> • Though wordy, the first sentence explains why smokers should care about less nicotine. • Use of tar is too repetitive and many do not want any mention of tar. • Many noted that the tar level should be listed.
<p>All tobacco products contain nicotine, an addictive chemical. PARE / VLN™ Cigarettes give you much less nicotine than competing brands. However, smoking PARE / VLN™ is no safer than smoking any other cigarette.</p>	<p>RE #5</p>	<ul style="list-style-type: none"> • Redundant with statements in Top of Front Panel and Bottom Front Panel. • Some felt it discourages the consumer from buying PARE / VLN™. • Several said to take the leading brands reference. • Some liked it due to being concise. • Several noted that they would like to see some mention of tar levels.

Reduced Risk Claims

BACK OF PACK	LOCATION	COMMENTS
<p>PARE / VLN™ Cigarettes exposes you to less nicotine, an addictive chemical. Less nicotine may help you better manage your smoking. Studies show that by smoking PARE / VLN™ Cigarettes, you should crave nicotine less. That can help you decide when or if you smoke.</p>	<p>RR #1</p>	<ul style="list-style-type: none"> • First sentence is known by many and seen as redundant with the Top of Front Panel statements. • The phrase “should crave nicotine less” was questioned by many: substitute “may.” • With modifications, this explains why they would be interested in PARE / VLN™. • The last sentence is seen to be unnecessary. • Many want to know “what studies,” asking if a brief citation could be included to lend credibility. • Several are not sure what is meant by “better manage your smoking.” It seems vague and non-descriptive to them.
<p>Nicotine addiction drives people to smoke cigarettes, but it is the smoke or “tar” that kills smokers. Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine and may be able to cut back or quit smoking.</p>	<p>RR #2</p>	<ul style="list-style-type: none"> • Nearly all object to the words “tar kills smokers.” Seen as too harsh. • Many want to know “what studies,” asking if a brief citation could be included to lend credibility. • Seen as too wordy. • “Less cravings” is a good thing to call out. • Some would like to see the tar level listed.
<p>This product contains 95% less nicotine than leading cigarette brands. While nicotine creates the urge to smoke, the real cause of smoking-related diseases is the “tar” in tobacco smoke. Reduced cravings from the very low nicotine in PARE / VLN™ Cigarettes can help you try to reduce or quit smoking.</p>	<p>RR #3</p>	<ul style="list-style-type: none"> • The first sentence is unnecessary; already stated in Top of Front Panel statements. • The last sentence was seen as being encouraging and should be called out in larger print. • Some felt it was too wordy.
<p>PARE / VLN™ Cigarettes contain very low levels of nicotine, which increases the urge to smoke. By smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the numbers of cigarettes that you smoke and may increase your motivation to quit.</p>	<p>RR #4</p>	<ul style="list-style-type: none"> • The first sentence is unnecessary; already stated in Top of Front Panel statements. • Many felt the wording of the front sentence states that PARE / VLN™ will increase the urge to smoke. • Too wordy.
<p>Nicotine addiction drives people to smoke cigarettes, but it’s the “tar” in smoke that kills. Studies show that by smoking PARE / VLN™ Cigarettes, you will likely experience less craving for nicotine. That can help you reduce the numbers of cigarettes that you smoke and may increase your motivation to quit. However, PARE</p>	<p>RR #5</p>	<ul style="list-style-type: none"> • Very wordy. • First sentence is unnecessary; duplicate of Top of Front Panel statements. • Nearly all object to the words “tar kills smokers.” Seen as too harsh. • Last sentence is unnecessary; duplicate of Bottom Front Panel statements. • Middle sentences reinforce the point that PARE / VLN™ is for people trying to quite or smoke less.

/ VLN™ Cigarettes present the same health risks as traditional cigarettes.

- Some mentions of study sponsors.

V. Phase 3 Findings

Common Themes

In Phase 3, overall themes regarding tobacco closely matched Phases 1 and 2.

- All respondent types were aware of the health risks associated with tobacco use.
- Although most respondents felt that there were harmful substances found in tobacco, few could directly identify more than one by name.
- There were misconceptions voiced regarding the health effects of nicotine use, as many were unsure about its impact relative to the other compounds found in tobacco smoke.

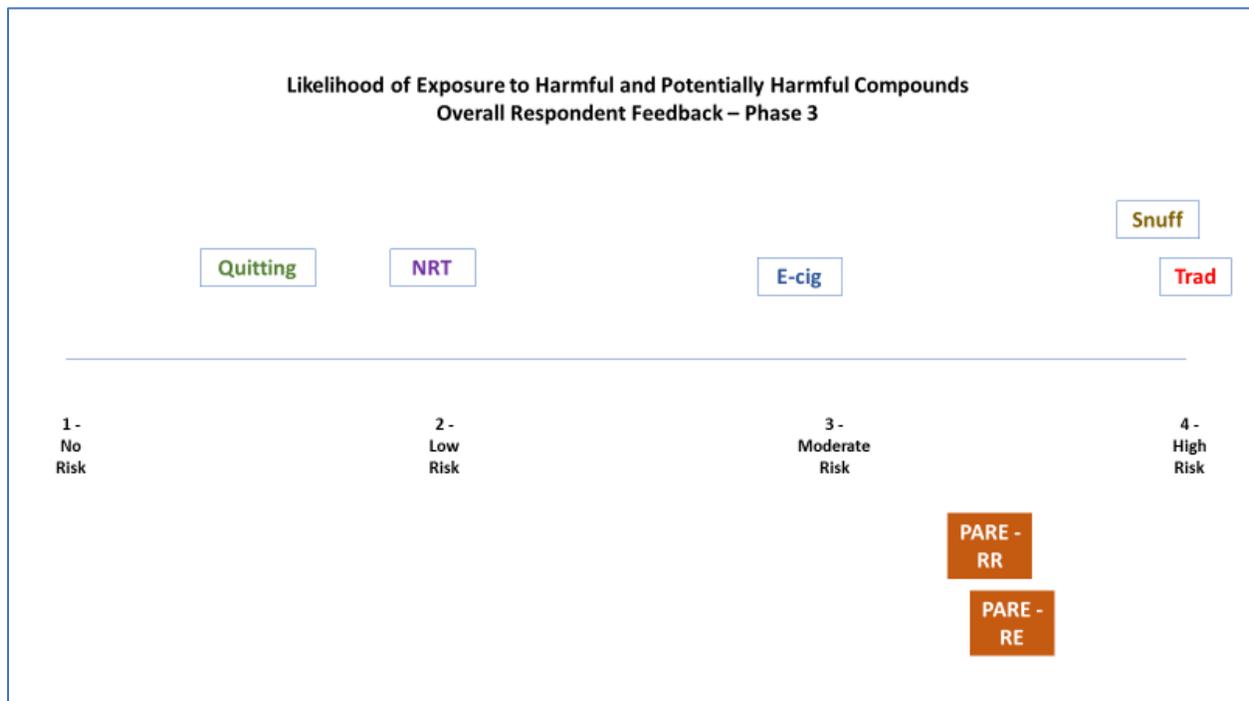
Risk and Intent to Use Evaluation

(Note: scale results are qualitative in nature and are directional rather than definitive.)

Phase 3 research was conducted with individual in-depth interviews as compared to focus groups in Round 1 and 2.

No changes were made to the product categories between Phases 2 and 3.

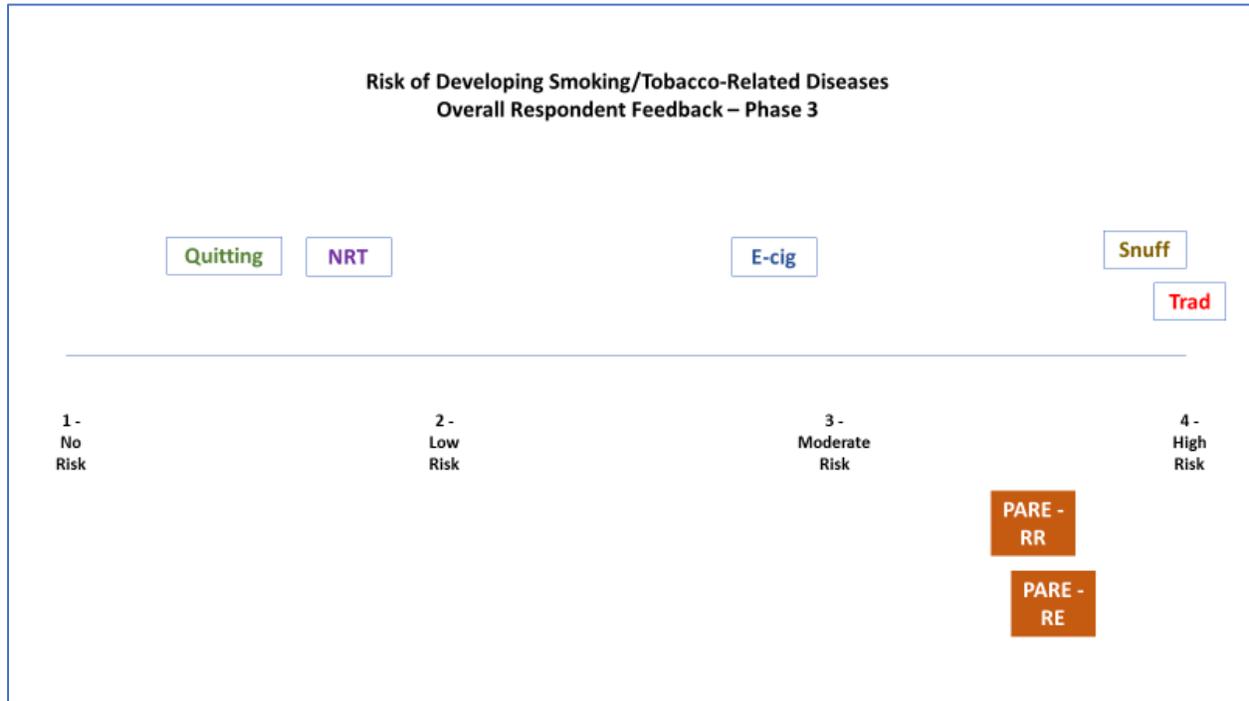
Likelihood of Exposure to Harmful and Potentially Harmful Compounds



- As seen in earlier research rounds, traditional cigarettes and moist snuff were perceived as being the highest risk in terms of exposure to harmful compounds.

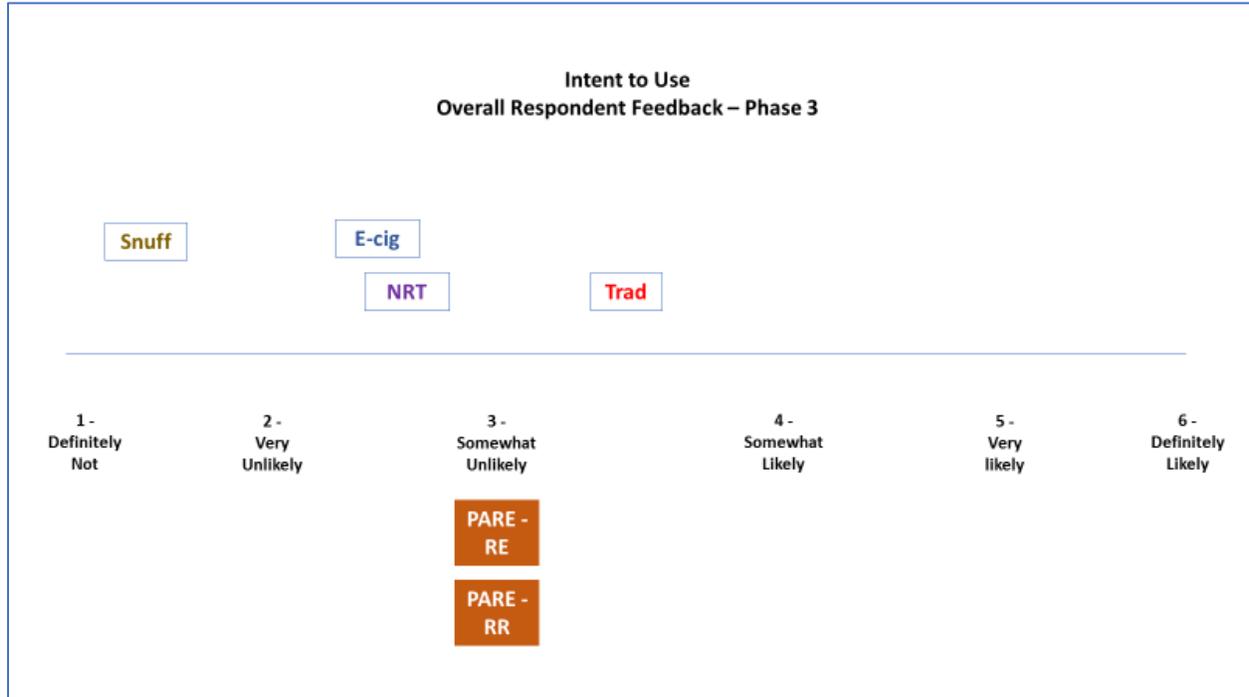
- E-cigarettes were deemed to be a moderate risk, as users were not being exposed to the compounds found in traditional tobacco but were still ingesting nicotine and other potentially harmful substances.
- Nicotine replacement therapy was again seen as being low risk to the users' health, assuming it is used properly.
- Quitting rated lowest in terms of likelihood of exposure.
- Consistent with Rounds 1 and 2, participants felt that PARE / VLN™ presented a high risk in terms of exposure, with the RE statements creating a higher risk likelihood in respondents' minds.

Risk of developing smoking/tobacco-related diseases



- As seen in earlier rounds, Phase 3 participants indicated that traditional tobacco products represented a higher health risk to users due to dangerous perceptions of the chemicals and additives found in them.
- E-cigarettes were felt to be a moderate risk in terms of disease development due to their perceived lack of tobacco smoke-related dangers.
- Nicotine replacement therapy, if used as directed, was considered a lower risk than combustion products.
- Again, quitting smoking was seen as having almost no associated risk of causing disease development.
- Respondents indicated PARE / VLN™ represents disease risk almost as high as traditional cigarettes due to the inclusion of the same compounds found in regular tobacco.
 - Participants stated that, overall, the PARE / VLN™ RE claims convey a higher disease risk as compared to the PARE / VLN™ RR claims.

Intent to Use



- Overall, Phase 3 participants expressed a higher likelihood to use traditional cigarettes as compared to the other options considered.
- Similar to the feedback in Phase 2, Phase 3 respondents were very to somewhat unlikely to use nicotine replacement therapy and e-cigarettes.
- Phase 3 participants stated their intent to use PARE / VLN™ as somewhat unlikely based upon claims shown in the RR and RE sequences.
- Most respondents indicated that the Reduced Risk claims more effectively convey the purpose of PARE / VLN™ than do the Reduced Exposure claims.
 - Reduced Exposure claims do not call out the long-term intended benefits of PARE / VLN™ as clearly as Reduced Risk claims.

Reactions to the PARE / VLN™ Concept

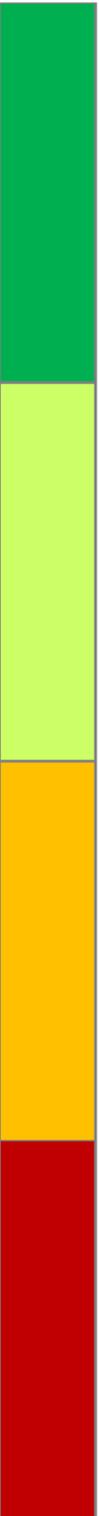
- Phase 3 respondents indicated that PARE / VLN™ was intended for:
 - Those trying to quit smoking or cut back.
 - Respondents were quick to understand PARE / VLN™'s intended purpose.
 - Casual and New smokers were mentioned *less* often than in Round 2.

Key Reactions to PARE / VLN™ Claims

Note: in this phase, respondents were shown four as opposed to five versions of claims within the RR and RE sequences.

- Use of the term “Toxic” was polarizing.
 - Some felt it was necessary to stress the dangers of smoking, others felt it steered consumers away from the product.
- The phrase “Causes diseases and death” was also viewed as too blunt by some.
- As seen in prior rounds, “95% less nicotine” wording resonates well with respondents.
- Many suggest putting “95% less nicotine” on the top front; if Very Low Nicotine is put on the pack, it could go on the top back.
- Several said they would visit the website, but primarily to obtain coupons or promotional items.
 - The “For more information” phrasing was more appealing than simply listing the website; leads them to want to learn more.
 - Many indicated the website should be on all packs, with most preferring it on the back.
- Many did not immediately notice the asterisk. Once noticed, many indicated that means “fine print and you are trying to hide something.” Putting the footnote on the side of the pack in very small print just reinforced this feeling.
 - Most indicated either leave off the footnote or move it to the front or back of pack.

REDUCED EXPOSURE – Phase 3 Preferences



CLAIM 2
TOP OF FRONT PANEL
 VERY LOW NICOTINE

95% Less Than the Most Popular US Brands. Nicotine is an addictive chemical.

BOTTOM OF FRONT PANEL

No Cigarette, Including PARE, Is Safe.

BACK OF PACK

All tobacco products contain nicotine, an addictive chemical. PARE contains significantly less nicotine than other brands. However, smoking PARE is not safer than smoking other cigarettes.

www.parecigarettes.com

CLAIM 1
TOP OF FRONT PANEL
 VERY LOW NICOTINE

Less than 0.6 milligrams per cigarette.

www.parecigarettes.com

BOTTOM OF FRONT PANEL

Long-Term Smoking of Any Cigarettes, Including PARE, Is Hazardous To Your Health.

BACK OF PACK

PARE exposes you to significantly less nicotine, an addictive chemical.

CLAIM 3
TOP OF FRONT PANEL
 95% LESS NICOTINE

Made with Very Low Nicotine Tobacco
 *Compared to the three leading US brands.

BOTTOM OF FRONT PANEL

No cigarette is safe. Very Low Nicotine does not mean a safer cigarette.

BACK OF PACK

Nicotine creates the urge to smoke, but the other toxic chemicals in smoke are what cause smoking-related disease and death. The toxic chemicals in PARE are comparable to those in other cigarettes.

CLAIM 4
TOP OF FRONT PANEL
 VERY LOW NICOTINE*

PARE Cigarettes Contain 95% Less Nicotine Than Leading Brands.
 *Compared to the 3 top-selling US brands.

BOTTOM OF FRONT PANEL

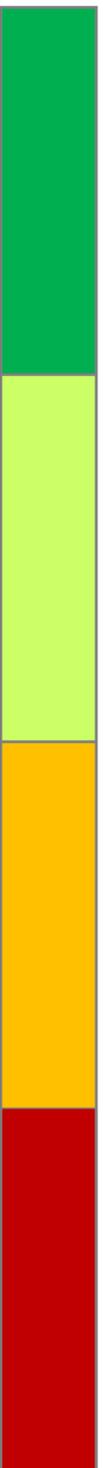
PARE Cigarettes Are No Less Toxic Than Any Other Cigarette.

BACK OF PACK

PARE contains much less nicotine than other cigarettes, which may help you better manage your smoking. However, it is the other compounds in smoke, not nicotine, that cause smoking-related diseases. PARE contains the same harmful compounds as other cigarettes.

Most Preferred Claim Per Pack Location in Build-Your-Own Scenario for Reduced Exposure Claims
 Total Base = 50 Respondents Across 4 Cities (Boston, St. Louis, Chattanooga, Las Vegas)

REDUCED RISK – Phase 3 Preferences



CLAIM 2
TOP OF FRONT PANEL
95% LESS NICOTINE*

PARE Can Help Reduce Cravings Caused By Nicotine.
* Compared to the three leading US brands.

BOTTOM OF FRONT PANEL
No cigarette, including PARE, is safe.

BACK OF PACK

Addiction to nicotine drives people to smoke, but other harmful chemicals in cigarettes cause tobacco-related diseases. Studies show that by smoking PARE, you will likely experience less craving for nicotine and may be able to cut back or quit.

For more information, go to www.parecigarettes.com

Most Preferred Claim Per Pack Location in Build-Your-Own Scenario for Reduced Risk Claims
Total Base = 50 Respondents Across 4 Cities (Boston, St. Louis, Chattanooga, Las Vegas)

CLAIM 3
TOP OF FRONT PANEL
95% LESS NICOTINE*

Nicotine is an addictive chemical. PARE Cigarettes may help you break that addiction.
* Compared to the three leading US brands.

BOTTOM OF FRONT PANEL
95% less nicotine does not mean a safer cigarette. All cigarettes, including PARE, can cause smoking-related disease and death.

BACK OF PACK

While nicotine creates the urge to smoke, smoking-related disease is caused by other harmful chemicals in cigarettes. Reduced cravings from the very low nicotine in PARE can help you reduce or quite smoking.

www.parecigarettes.com

CLAIM 1
TOP OF FRONT PANEL
VERY LOW NICOTINE

Nicotine is an addictive chemical. PARE's reduced-nicotine tobacco can help reduce cravings and end smoking.
* Versus the three leading US brands.

BOTTOM OF FRONT PANEL
The Smoke From PARE Cigarettes is No Safer Than Smoke From Any Other Cigarette.

BACK OF PACK

A PARE Cigarette contains less than 0.6 mg nicotine, an addictive chemical. Studies show that by reducing your nicotine intake, you may crave nicotine less, enabling you to cut back or quit.

www.parecigarettes.com

CLAIM 4
TOP OF FRONT PANEL
95% LESS NICOTINE*

Nicotine is an addictive chemical. The very low nicotine in PARE may help relieve the urge to smoke.
* Compared to the three leading US brands.

BOTTOM OF FRONT PANEL
Very Low Nicotine cigarettes are less addictive, but just as toxic. Your best option is to quit.

BACK OF PACK

Nicotine creates the urge to smoke. Studies show that Very Low Nicotine smokers will likely experience less craving for nicotine over time. That can help reduce the numbers of cigarettes smoked and increase your motivation to quit.

CLAIMS EVALUATION – Phase 3

Reduced Exposure Claims		
TOP OF FRONT PANEL	LOCATION	COMMENTS
<p>VERY LOW NICOTINE Less than 0.6 milligrams per cigarette.</p> <p>www.parecigarettes.com</p>	RE #1	<ul style="list-style-type: none"> • 0.6 mg nicotine amount means little without a comparison. • Fails to state the purpose for having less nicotine. • Some like the specificity of 0.6 mg. • Mixed reaction on the website: some would look up, others wouldn't. • Some mentions re: website should be on the back as well.
<p>VERY LOW NICOTINE 95% Less Than the Most Popular US Brands. Nicotine is an addictive chemical.</p>	RE #2	<ul style="list-style-type: none"> • Comparison to “Most Popular Brands” is meaningful. • Some were not clear as to the meaning of “Very Low.” • “Nicotine is addictive” adds little to the statement as it is commonly known. • Some noted that they would need to smoke more to get the desired effect from nicotine.
<p>95% LESS NICOTINE Made with Very Low Nicotine Tobacco *Compared to the three leading US brands.</p>	RE #3	<ul style="list-style-type: none"> • “95% Less” resonates more than “Very Low” as it provides a frame of reference. • “Redundant” and doesn't state the whys. • Some mentions of conflict with the BFOP statement as it calls out negatives regarding smoking. • Several questions raised about which of the “leading brands” were being referenced.
<p>VERY LOW NICOTINE* PARE / VLN™ Cigarettes Contain 95% Less Nicotine Than Leading Brands. *Compared to the 3 top-selling US brands.</p>	RE #4	<ul style="list-style-type: none"> • Several suggested taking out the “leading brands” reference if the brands cannot be listed. • Most felt the 95% less nicotine statement is more powerful than Very Low Nicotine; however, showing them together is appealing. • Some conflict with the BOFP statement regarding toxicity: creates confusion.

Reduced Risk Claims		
TOP OF FRONT PANEL	LOCATION	COMMENTS
<p>VERY LOW NICOTINE Nicotine is an addictive chemical. PARE / VLN™'s reduced-nicotine tobacco can help reduce cravings and end smoking. *Versus the three leading US brands.</p>	RR #1	<ul style="list-style-type: none"> Needs to state "95% less." The meaning of "Very Low" should be spelled out. Explains why PARE / VLN™ may be a good alternative. "Very Low" not an attractive thing for a smoker. Some conflict with BOFP statement.
<p>95% LESS NICOTINE* PARE / VLN™ Can Help Reduce Cravings Caused By Nicotine. *Compared to the three leading US brands.</p>	RR #2	<ul style="list-style-type: none"> "95% Less" is good phrasing; better than "Very Low." Statement is confusing: how can a product that contains nicotine reduce cravings for nicotine? Reducing cravings is important to call out for a smoker intending to quit. Phrasing is short and sweet = good. Says it's a "stop-smoking cigarette."
<p>95% LESS NICOTINE* Nicotine is an addictive chemical. PARE / VLN™ Cigarettes may help you break that addiction. *Compared to the three leading US brands.</p>	RR #3	<ul style="list-style-type: none"> "95% Less" is good phrasing. "Nicotine is addictive" is a known fact; adds little. "Break the addiction" is effective wording. Good to call it out, because smokers recognize it. Gets the point across. "Can" or "Could" more definitive phrasing than "May." Asterisks means there's something to hide.
<p>95% LESS NICOTINE* Nicotine is an addictive chemical. The very low nicotine in PARE / VLN™ may help relieve the urge to smoke. *Compared to the three leading US brands.</p>	RR #4	<ul style="list-style-type: none"> "95% Less" is good phrasing. "Nicotine is addictive" is a known fact; adds little. "Relieve the urge" is good: states PARE / VLN™'s purpose. Some noted being confused by how lower nicotine would relieve the urge.

Reduced Exposure Claims

BOTTOM OF FRONT PANEL	LOCATI ON	COMMENTS
Long-Term Smoking of Any Cigarettes, Including PARE / VLN™, Is Hazardous To Your Health.	RE #1	<ul style="list-style-type: none"> • Honest statement = good. • Statement seems to sell against the lower nicotine benefits. • Direct but not offensive. • Some questioned the value in including this statement if trying to sell the product.
No Cigarette, Including PARE / VLN™, Is Safe.	RE #2	<ul style="list-style-type: none"> • Honest statement = good. • Statement seems to sell against the lower nicotine benefits. • Statement is not compelling to some. • Some liked the directness and brevity of the statement; others would like to see more detail.
No cigarette is safe. Very Low Nicotine does not mean a safer cigarette.	RE #3	<ul style="list-style-type: none"> • Honesty is good. • Begs the question as to why choose PARE / VLN™ if it is just as harmful? • Some felt it doesn't help the consumer to learn about the product. • Creates conflict with the TOFP benefits.
PARE / VLN™ Cigarettes Are No Less Toxic Than Any Other Cigarette.	RE #4	<ul style="list-style-type: none"> • Honesty statement = good. • Reaction to "Toxic" is mixed. Some like the bluntness, other feel it too strong and may talk the consumer out of buying PARE / VLN™. • Some noted that "Toxic" brings to mind the notion of environmental issues = not good. • Some questioned why the statement would appear on the pack with the benefits = creates conflict.

Reduced Risk Claims

BOTTOM OF FRONT PANEL	LOCATION	COMMENTS
<p>The Smoke From PARE / VLN™ Cigarettes Is No Safer Than Smoke From Any Other Cigarette.</p>	<p>RR #1</p>	<ul style="list-style-type: none"> • Many appreciate the honesty of the statement. • Many noted that the statement influences consumers not to buy PARE / VLN™. • Some feel it conflicts with the benefits. • Some would like to see more detail as to why PARE / VLN™ is no safer.
<p>No cigarette, including PARE / VLN™, is safe.</p>	<p>RR #2</p>	<ul style="list-style-type: none"> • Honest statement = good. • Statement seems to sell against the lower nicotine benefits. • Direct but not offensive. • Some indicated that the statement says “don’t buy this product.”
<p>95% less nicotine does not mean a safer cigarette. All cigarettes, including PARE / VLN™, can cause smoking-related disease and death.</p>	<p>RR #3</p>	<ul style="list-style-type: none"> • Some noted that the statement conflicts with the supposed benefit of reduced nicotine. • “Diseases and Death” elicits a mixed response: some felt the statement needs to be strong and direct as presented, while others the phrase is too blunt and should be softened. • Current smokers in particular reacted negatively to the “Disease and Death” wording; suggested changes include “damage” or “health risks.”
<p>Very Low Nicotine cigarettes are less addictive, but just as toxic. Your best option is to quit.</p>	<p>RR #4</p>	<ul style="list-style-type: none"> • Response to “Toxic” is mixed. • “Your best option” statement is seen as truthful, but may steer customer away from purchasing PARE / VLN™. • Some felt the second sentence did not fit as the wording was awkward. • Blunt but honest. • Some mentions of what evidence is available to show PARE / VLN™ is less addictive.

Reduced Exposure Claims

BACK OF PACK	LOCATION	COMMENTS
<p>PARE / VLN™ exposes you to significantly less nicotine, an addictive chemical.</p>	<p>RE #1</p>	<ul style="list-style-type: none"> • Seen as being honest. • Straight-to-the-point. • Some felt the font is too bold and the statement would benefit from including additional information. • Some did question what other chemicals were present. • Several mentions of including the “95% Less Nicotine” wording on the back given the amount of space.
<p>All tobacco products contain nicotine, an addictive chemical. PARE / VLN™ contains significantly less nicotine than other brands. However, smoking PARE / VLN™ is not safer than smoking other cigarettes.</p> <p align="center">www.parecigarettes.com</p>	<p>RE #2</p>	<ul style="list-style-type: none"> • Some felt the statement gets to the point and does a good job of calling out the pros and cons re: PARE / VLN™. • Some felt the cons mentioned create some conflict with the purported benefits. • Several would like to see mention of “95% Less Nicotine” called out on the back as well as the front. • Listing the website is good; not everyone would refer to it, but it’s there to use.
<p>Nicotine creates the urge to smoke, but the other toxic chemicals in smoke are what cause smoking-related disease and death. The toxic chemicals in PARE / VLN™ are comparable to those in other cigarettes.</p>	<p>RE #3</p>	<ul style="list-style-type: none"> • Some felt “toxic” is overemphasized, while others thought it is important to stress the dangers of smoking. • A few mentions of the “product sounding safer, then not safer.” • Some felt the statement was confusing and caused the product to “hurt itself.”
<p>PARE / VLN™ contains much less nicotine than other cigarettes, which may help you better manage your smoking. However, it is the other compounds in smoke, not nicotine, that cause smoking-related diseases. PARE / VLN™ contains the same harmful compounds as other cigarettes.</p>	<p>RE #4</p>	<ul style="list-style-type: none"> • Good explanation. • Some felt the “other compounds” statement adds value, as consumers may not be aware. • Several questioned what the “compounds” were. • Several comments on the statement being too long.

Reduced Risk Claims

BACK OF PACK	LOCATION	COMMENTS
<p>A PARE / VLN™ Cigarette contains less than 0.6 mg nicotine, an addictive chemical. Studies show that by reducing your nicotine intake, you may crave nicotine less, enabling you to cut back or quit.</p> <p>www.parecigarettes.com</p>	RR #1	<ul style="list-style-type: none"> Some confused by the 0.6 mg of nicotine; no frame of reference. Others liked it due to it being specific. Important to call out the fact that study data was collected; many want to know the source. Some noted that it would be worthwhile to include study data on the website. Mixed response to the inclusion of the website: some would visit, some wouldn't.
<p>Addiction to nicotine drives people to smoke, but other harmful chemicals in cigarettes cause tobacco-related diseases. Studies show that by smoking PARE / VLN™, you will likely experience less craving for nicotine and may be able to cut back or quit.</p> <p>For more information, go to www.parecigarettes.com</p>	RR #2	<ul style="list-style-type: none"> Some felt the statement was too wordy. The "For Your Information" lead-in works well and does a good job of guiding the consumer to the website. Some noted that the statement "ties everything together." The "for more information" resonated well with respondents as it suggests taking action. Many noted that all mentions of the website should include this wording.
<p>While nicotine creates the urge to smoke, smoking-related disease is caused by other harmful chemicals in cigarettes. Reduced cravings from the very low nicotine in PARE / VLN™ can help you reduce or quite smoking.</p>	RR #3	<ul style="list-style-type: none"> Good information to include. Several mentions of the statement tying back to the TOFP statement. Statement provides a positive level of encouragement to smokers trying to quit. Provides two benefits: speaks to what is harmful and how PARE / VLN™ can help to cut back or stop.
<p>Nicotine creates the urge to smoke. Studies show that Very Low Nicotine smokers will likely experience less craving for nicotine over time. That can help reduce the numbers of cigarettes smoked and increase your motivation to quit.</p>	RR #4	<ul style="list-style-type: none"> Statement answers questions about PARE / VLN™'s purpose and is good to include. Communicates that PARE / VLN™ might be a tool to use to quit smoking. Some felt the statement provides hope in a helpful way as opposed to lecturing the customer. Some mentions of cutting the first sentence as it is a known fact.

Notable differences between respondent types

There are a few points of difference to call out when considering the feedback from across all the different participant subsets:

- Female Current Smokers (all ages) and Smokers Intending to Quit were more open to the PARE / VLN™ concept and expressed a higher likelihood of using PARE / VLN™.
- As compared to other groups, younger females tend to view e-cigarettes as riskier in terms of exposure to hazardous chemicals.
 - In contrast, males tend to view them as a less-risky option.
- Nicotine replacement therapy rated higher on intent to use for those smokers intending to quit.
- Long-Term Quitters and Never Users had much lower intent to use traditional cigarettes as compared to other respondents; Current Smokers had much higher intent to use them.
- Females in all age groups were less likely than males to use moist snuff.
 - As a category, moist snuff rated as having the lowest intent to use.
- Younger smokers (18-34) indicated a likelihood to try PARE / VLN™ at least once more often than those who were older, longer-term smokers (50+). Rationales for this difference may include:
 - Younger smokers (18-34) are not as risk averse to “switching brands.”
 - Younger smokers (18-34) are not as committed to the flavor of their current brand.
- Younger smokers also did not mention an aversion to the term “genetically modified” as often as older smokers (50+). Rationales for this difference may include:
 - Younger smokers (18-34) may be more educated on the terminology.
 - Younger smokers (18-34) may have been exposed to the term more.

VI. Phase 4 Findings

Common Themes

- Participants noted high overall awareness of tobacco/nicotine product types shown.
 - As seen in earlier work, traditional cigarettes and snuff were perceived to have the highest risk of use.
- Most respondents preferred the PARE package concept over VLN™.

Risk and Intent to Use Evaluation

Statement 1: “Likelihood of Exposure to Harmful and Potentially Harmful Compounds”

“When a tobacco product is consumed, there is a risk of exposure to harmful and potentially harmful compounds that are produced and transferred either through smoke (in a combustion-based product) or saliva (in an oral product). As you consume the product, you are exposed to these compounds through inhalation as you smoke a cigarette or via the GI tract as you use an oral product.”

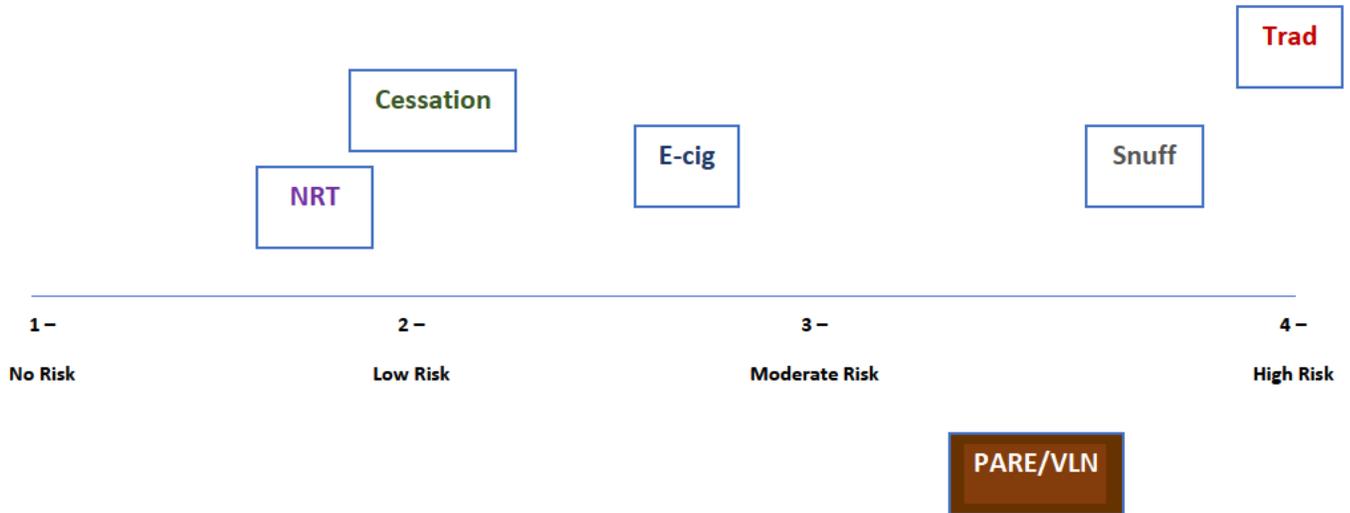
Likelihood of Exposure to Harmful Compounds



Statement 2: “Risk of developing smoking/tobacco related diseases”

“The risk of developing smoking or tobacco-related diseases means the chance of developing a disease, depending on the product, such as heart disease, lung cancer, and emphysema when using a combustion-based product, and heart disease, gum disease or lesions, oral cancer, throat cancer and pancreatic cancer, when using an oral product.”

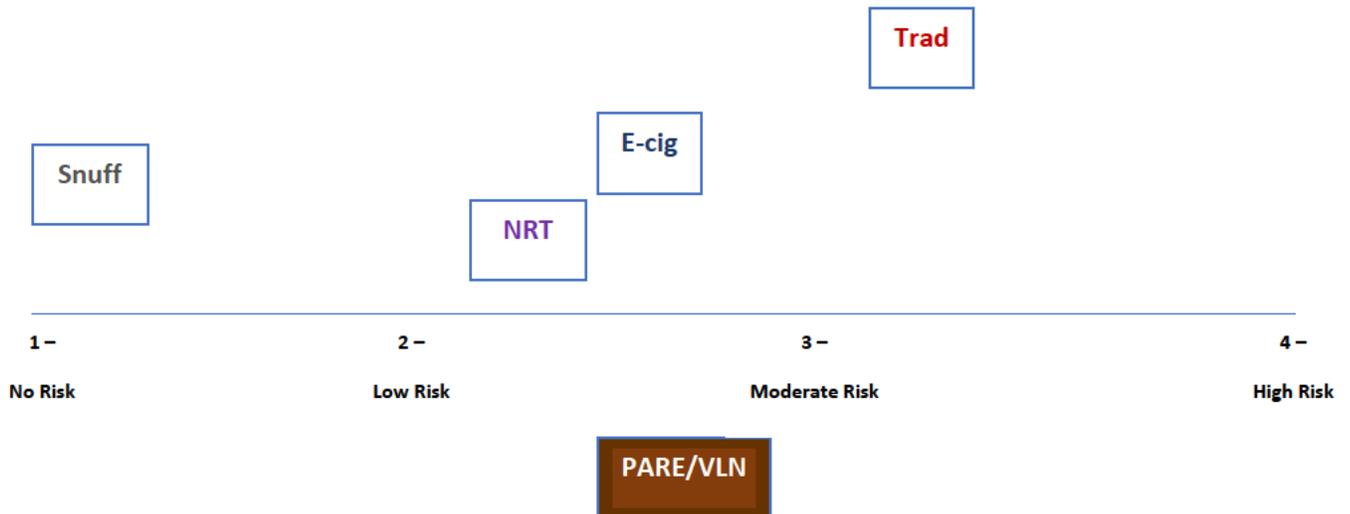
Risk of Developing Smoking/Tobacco-Related Diseases



Statement 3: “Intent to Use”

“By intent to use, we mean you intend to use the product on a regular, ongoing basis.”

Intent to Use



Reaction to the PARE Package Concept

- Respondents noted that the PARE package concept looks more like a “natural” product and is attention-grabbing.
- Several noted a dislike for the yellow package color and were confused by what the “tree” or “mountain” image represented.
- The name “PARE” was easy to remember and say, but some said it reminded them fruit and was confusing.

Reaction to the VLN Package Concept Reaction

- Participants noted that the VLN package was sleek and streamlined and resembled a Marlboro pack.
- Some felt the simple packaging made VLN look like a cheap generic brand.
- The VLN acronym was confusing to some, and they were unsure what it stands for. A few respondents guessed the L and N in the name stood for Low Nicotine.
- Once respondents were told that the name stands for Very Low Nicotine, several said it could lead to branding opportunities.

Impressions

- According to respondents, PARE / VLN™ is intended for:
 - Those trying to quit smoking or cut back.
 - In general, respondents were quick to understand the intended product purpose.
 - Appeal to Casual and New smokers were infrequently mentioned.
- The “95% Less Nicotine” on the top grabs attention and sets PARE / VLN™ apart from other cigarettes.

Top Secondary Statements

- The Top Secondary statements that focus on *reducing urge to smoke or reducing nicotine consumption* were the most appealing.

	Positive comments	Negative comments
(b) (4)	<ul style="list-style-type: none"> • [Redacted] • [Redacted] • [Redacted] • [Redacted] 	<ul style="list-style-type: none"> • [Redacted] • [Redacted] • [Redacted] • [Redacted]
Helps reduce your nicotine consumption	<ul style="list-style-type: none"> • Clearly ties into the <i>95% less nicotine</i> statement • Establishes what the product is meant to do • Straight-forward, truthful 	<ul style="list-style-type: none"> • Doesn't explain the link between lower nicotine content and reduction in smoking • “Consumption” sounds too fancy to some
(b) (4)	<ul style="list-style-type: none"> • [Redacted] • [Redacted] • [Redacted] 	<ul style="list-style-type: none"> • [Redacted] • [Redacted] • [Redacted]
[Redacted]	<ul style="list-style-type: none"> • [Redacted] • [Redacted] 	<ul style="list-style-type: none"> • [Redacted] • [Redacted] • [Redacted] • [Redacted]

Bottom of Pack Statements

- The “disease and death” Bottom Front disclaimer was the most preferred.
 - Some felt that “death” is a more blunt term, but it clearly communicates the facts in an “honest manner.”
 - The word “toxic” brings up images of poisoning; many stated that it says “don’t buy this product.”
 - Many respondents did not know what “carcinogenic” meant, although they knew it was bad.
 - Feedback was mixed on use of the alternative “Nicotine is addictive” disclaimer:
 - Some felt it was too wordy and didn’t add much new information, while others liked the phrasing and said it helped cut back on the repetitive “95% less message.”
- There were few comments on the Back of Pack wording
 - Smokers did state that the taste of the product would be very important, as bad taste would dissuade use.
 - Likelihood of looking at the website was mixed.

OVERALL PREFERENCES: All Claims – Phase 4

Claim 1	Claim 7	Claim 3	Claim 4	Claim 5	Claim 6	Claim 2	Claim 8
<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> Helps reduce your nicotine consumption</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>	<p><i>TOP OF FRONT PANEL</i> 95% LESS NICOTINE</p> <p><i>TOP SECONDARY</i> (b) (4)</p>
<p><i>BOTTOM OF FRONT PANEL</i> 95% less nicotine does NOT mean a safer cigarette. All cigarettes, including _____ can cause smoking-related diseases and death.</p>	<p><i>BOTTOM OF FRONT PANEL</i> 95% less nicotine does NOT mean a safer cigarette. All cigarettes, including _____ can cause smoking-related diseases and death.</p>	<p><i>BOTTOM OF FRONT PANEL</i> 95% less nicotine does NOT mean a safer cigarette. All cigarettes, including _____ can cause smoking-related diseases and death.</p>	<p><i>BOTTOM OF FRONT PANEL</i> _____ cigarettes contain 95% less nicotine but are just as toxic and carcinogenic as other cigarettes.</p>	<p><i>BOTTOM OF FRONT PANEL</i> 95% less nicotine does NOT mean a safer cigarette. All cigarettes, including _____ can cause smoking-related diseases and death.</p>	<p><i>BOTTOM OF FRONT PANEL</i> _____ cigarettes contain 95% less nicotine but are just as toxic and carcinogenic as other cigarettes.</p>	<p><i>BOTTOM OF FRONT PANEL</i> _____ cigarettes contain 95% less nicotine but are just as toxic and carcinogenic as other cigarettes.</p>	<p><i>BOTTOM OF FRONT PANEL</i> _____ cigarettes contain 95% less nicotine but are just as toxic and carcinogenic as other cigarettes.</p>
<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>	<p><i>BACK OF PACK</i> _____, smells, burns, and tastes like a conventional cigarette, but greatly reduces your cigarette consumption. For more information, go to www._____.cigarettes.com.</p>

Most Preferred Claim Per Pack Location in Build-Your-Own Scenario (comparison across all claims)



Total Base = 54 Respondents (Paramus, NJ)

CLAIMS EVALUATION – PHASE 4

TOP OF PACK AND TOP SECONDARY STATEMENT	LOCATION	COMMENTS
95% LESS NICOTINE Helps reduce your nicotine consumption	Concepts #1 & #2	<ul style="list-style-type: none"> Everyone liked the 95% less nicotine statement at the top = relevant and impressive. No-brainer; honest and truthful, as stated in 95% less nicotine statement. Some said smokers don't think about their nicotine consumption, so this has less meaning.



DISCLAIMER (BOTTOM FRONT)	LOCATION	COMMENTS
<p>95% less nicotine does NOT mean a safer cigarette. All cigarettes, including ____, can cause smoking-related disease and death.</p>	<p>Concepts #1, #3, #5, #7</p>	<ul style="list-style-type: none"> • Honest and direct. • Considered to be less harsh than “toxic and carcinogenic” by many, even though it calls out death as a potential consequence. • Statement is in line with what consumers are used to seeing with the Surgeon General’s warning.
<p>____ cigarettes contain 95% less nicotine but are just as toxic and carcinogenic as other cigarettes.</p>	<p>Concepts #2, #4, #6, #8</p>	<ul style="list-style-type: none"> • Aggressive, blunt, truthful. • Some liked its honesty, some didn’t. • Even though it’s more aggressive with the words, some said it wasn’t as scary because it doesn’t come right out and say death, so they can “skim” over it or deny death. • Many did not know what “carcinogenic” meant.

BACK OF PACK	LOCATION	COMMENTS
<p>___ smells, burns, and tastes like a conventional cigarette, but greatly reduces your nicotine consumption. For more information, go to: www.____cigarettes.com.</p>	<p>All</p>	<ul style="list-style-type: none"> • Not much commentary overall on the verbiage. • Taste is an important element when considering a cigarette. • Respondents who were more in-tune with the products they use liked the inclusion of the website and would consider taking a look to learn more.

Perceptions by Segment

Current Smokers (No Intent to Quit)

- Heavier smokers seemed to be more skeptical of the product's ability to aid them in cutting back or quitting.
 - Smokers "want their nicotine."
 - Might smoke more cigarettes to get the same amount of nicotine.
- Clearly called out how brand-loyal smokers can be.

Current Smokers (Intend to Quit)

- Noted that PARE / VLN™ offers an important factor not addressed by NRT or e-cigs: the ability to continue smoking an actual cigarette while cutting down on nicotine consumption.
- Most expressed an interest in trying PARE / VLN™ if it were available.
- Several noted an interest in using PARE / VLN™ in concert with a NRT to help satisfy the hand-to-mouth activity.

Quitters (Recent and Long-Term)

- Generally liked the concept, but many stressed that total abstinence from cigarettes was a key in successfully quitting.
- Noted that PARE / VLN™ offers a "softer" alternative to going cold turkey, assuming quitters use the product as they should.

- Some quitters said they could see themselves using a product like this if they absolutely "needed a smoke" due to stress.

Never Smoked

- Expressed no interest in personally using the product.
- Many had family and friends who actively smoked, and several mentioned that they would recommend PARE / VLN™ as an alternative to regular cigarettes or as a way to quit.

Age Group

- Younger participants (21-24, 25-34) very quickly picked up on both the product's intended use and the target audience, several noting that the product was to help current smokers quit smoking immediately after seeing the first package concept.
- PARE / VLN™ seemed to garner a more positive reaction overall from the younger audience, including current smokers who indicated a strong interest in product trial.
- Older participants including all use types seemed more skeptical of the product and its ability to be an aid in quitting.

VII. Recommendations

- **Be careful with the use of blunt terminology in pack claims.** Phrases and terms such as “diseases and death,” “toxic,” and “addiction” can be perceived negatively, especially by current smokers.
 - “Diseases and death” works better than “toxic” in terms of informing consumers.
- **Strike a balance in providing useful information versus being too verbose.** Many statements, particularly on the Back of Pack, are seen as being wordy and won’t necessarily be read. “Short and sweet” works well with pack statements, provided all the necessary information is conveyed
- **Use specifics when possible to call out nicotine levels.** “95% Less Nicotine” resonates well and works best overall. If using the term “Very Low Nicotine,” use it in conjunction with the “95% Less” phrasing as it provides a level of clearer level of comparison. Most respondents do not know how much nicotine is in a cigarette; therefore, the “Less than 0.6 mg of Nicotine” wording has little meaning.
- **Use of larger lettering is preferred when possible.** many respondents noted that small lettering is seen as “fine print” and may contain negative information.
 - However, strike a balance with lettering size; too large is overwhelming and turns off some respondents.
- **Many respondents noted that including benefits and drawbacks on the same panel can create confusion with consumers.** However, it was seen as “honest” for PARE / VLN™ to state its own hazards.
- **When listing the website, use the terms “For More Information” or “To Learn More.”** This wording suggests that PARE / VLN™ is offering additional insight into the product’s use and its potential as a smoking cessation aid and is a novel approach for a cigarette company.
- **Use definitive words such as “can” or “will” when possible.** For example, “can help” is stronger and more positive than “may help.”
- **Be cautious with repetitive use of words.** Terms such as “tar” lose their impact when shown multiple times without clear explanation as to what the words mean.
- **Clearly stating that PARE / VLN™ is a tool to help smokers cut back or quit is key.** Respondents expressed confusion as to the product’s purpose without it being called out early on. Phrases such as “reduce cravings” or “break the addiction” draw attention.
- **Be mindful of using terms such as “genetically modified” or “patented” in describing PARE / VLN™.** Overall, participants stated that anything tied to GMOs was generally negative, even though most knew that tobacco is already significantly modified.