MEDIA INFORMATION
For immediate release

FMCG Brands Under Attack

JTI's Future of Brands Exhibit Highlights Domino Effect of Tobacco-Style Regulation to Other Products

International Food & Drink Event, London ExCel, March 19, 2017 – JTI (Japan Tobacco International) is hosting a stand called *"The Future of Brands"* (www.thefutureofbrands.com) which is designed as a wake-up call to global food and drinks companies that their brands are under increasing attack of excessive regulation.

"JTI has been on the front line fighting bad regulation for several years, and as regulators look to hit food and drinks companies with the same punitive taxes, pictorial health warnings and even 'plain' packaging – a measure which bans any form of branding on packs – we have experience and expertise that we would like to share", says Jonathan Duce, Head of External Communications at JTI's global HQ in Geneva.

Whether it's a bottle of wine, a chocolate bar or a fizzy drink, excessive regulation not only impacts large product manufacturers: small businesses, including design and packaging suppliers, are also under threat.

Small shops – often central to the community – can be hit hard by ill thought-through regulation such as 'plain' packaging, as they struggle with implementation costs and logistical constraints, confused customers who can't find their products, slower transaction times, product inventory issues and impacted margins.

The creative industry is indirectly under attack too, as branding bans will affect their other FMCG clients, while smaller boutique/craft businesses who are becoming increasingly popular, will suffer disproportionately from the attack on their brands.

"Regulators are 'copy and pasting' tobacco-style regulations into other sectors without any thought as to whether they worked elsewhere", adds Jonathan Duce. "Australia failed to speed up the already existing decline in smoking rates after banning branding on tobacco packs more than four years ago. In fact, the measure backfired and distorted the whole competitive landscape. It didn't change whether people smoke, it changed *what* they smoke. Between two products, smokers now choose the cheapest. This includes illegal tobacco, which has increased by over 20% since the introduction of the policy", he concludes.

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For further information, please contact:

JTI Press Office
Phone: +41 22 703 0291
pressoffice@jti.com

JTI, a member of the Japan Tobacco Group of Companies, is a leading international tobacco manufacturer. It markets global brands such as Winston, Camel, Mevius and LD. JTI is a major player in the e-cigarette market with Logic, and has been present in the heated tobacco sector with Ploom since 2011. Headquartered in Geneva, Switzerland, and with operations in more than 120 countries, JTI employs more than 26,000 people worldwide. Its core revenue in the fiscal year ended December 31, 2016, was USD 10.5 billion. For more information, visit www.jti.com.