



# CORA AIT Strategy

Raising Public Awareness &  
Demanding Government Action

August 2012

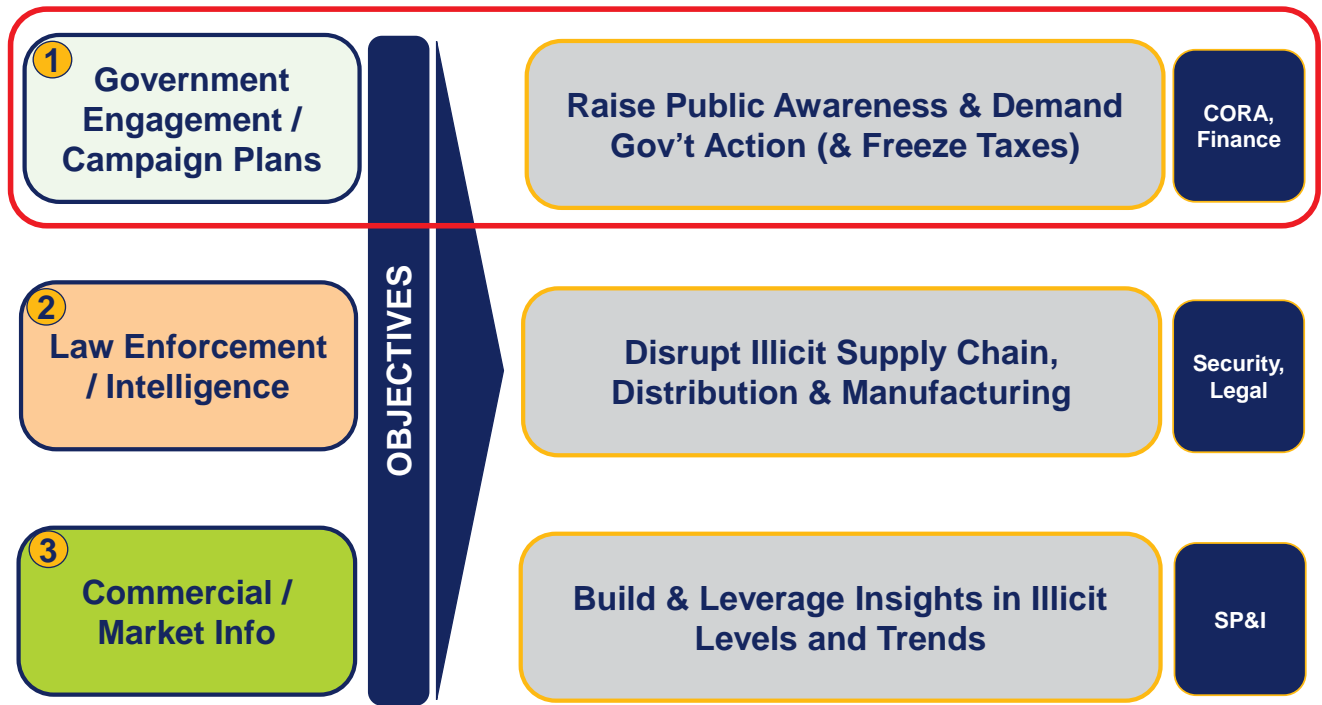


## AGENDA

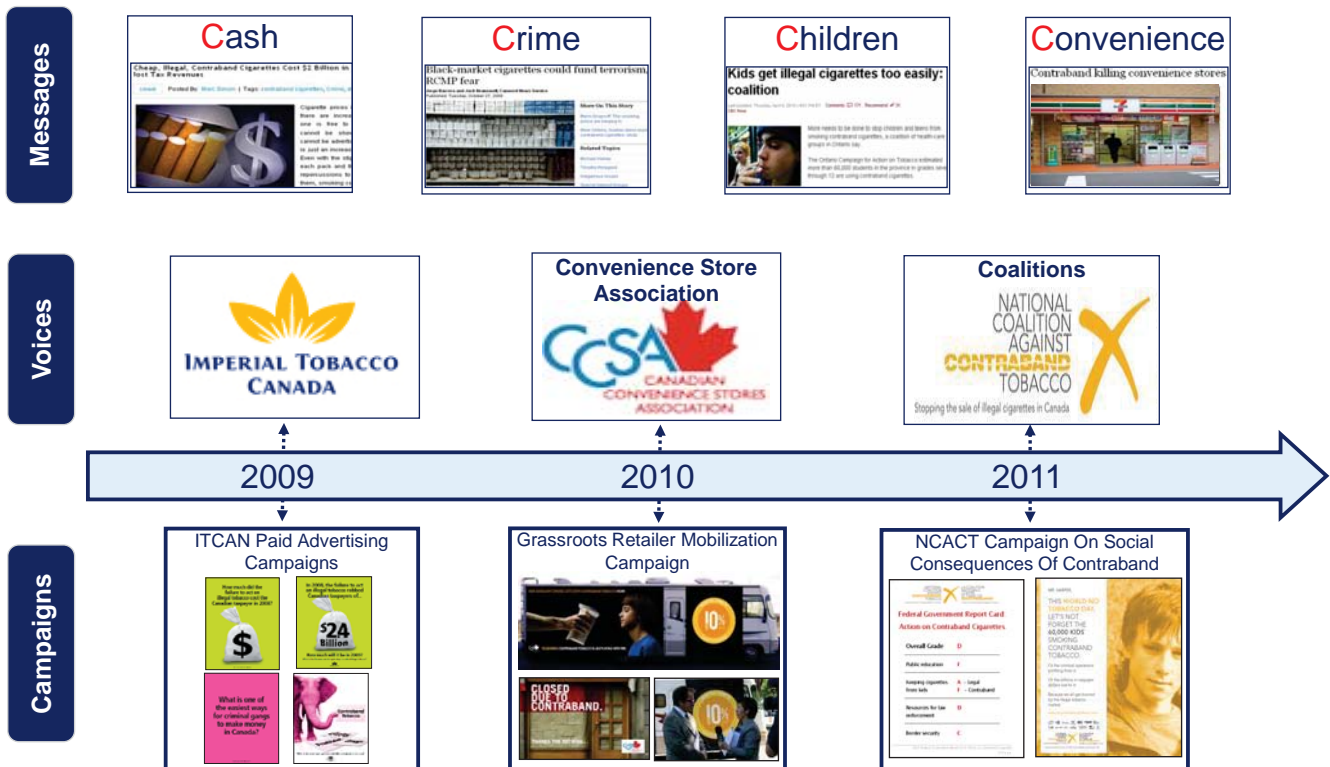
- CORA AIT strategy
- Previous advocacy efforts
- 2012 Activities



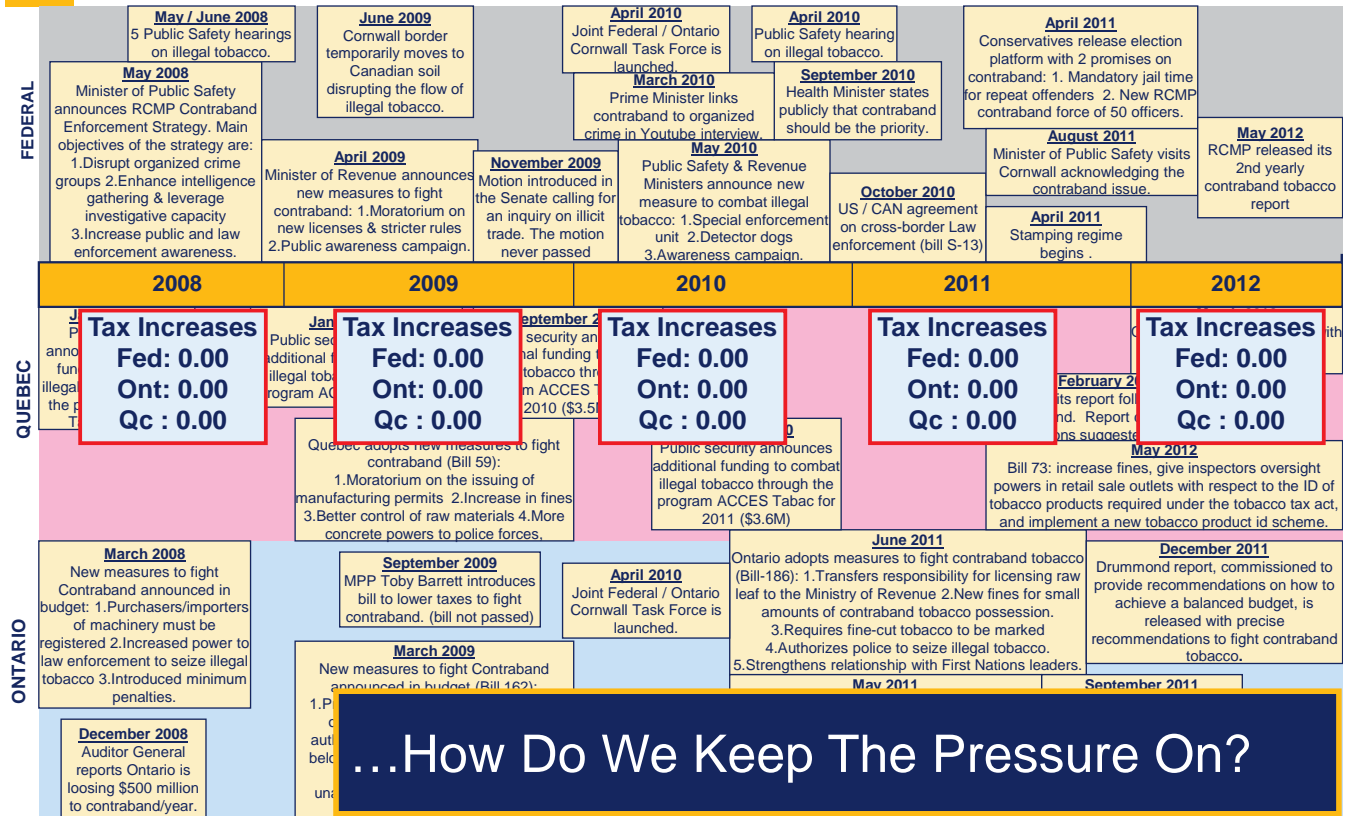
# Reducing Illicit Trade In Canada: Three-Pronged Strategy – Key Focus Areas



## But First – A Look Back At Past Campaigns 2009 - 2011



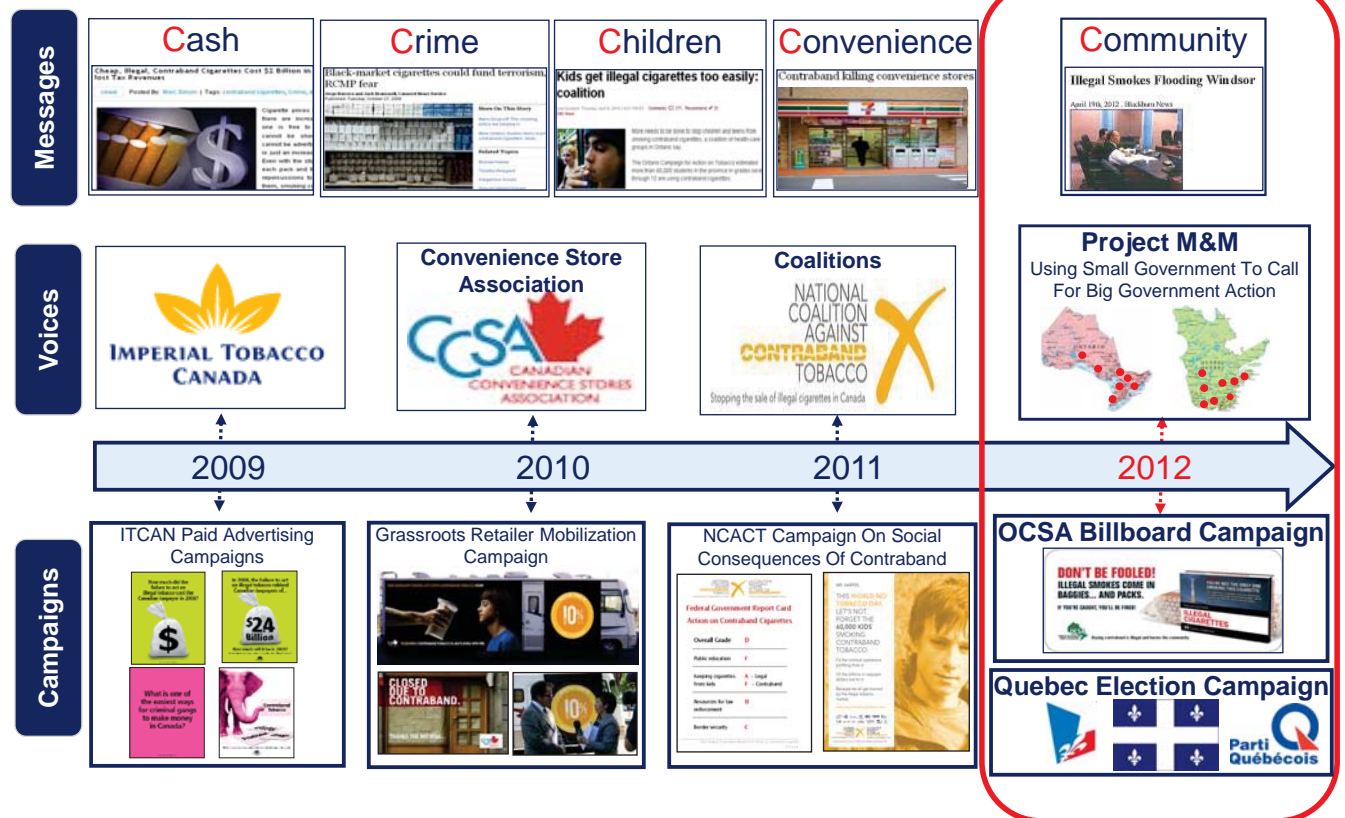
# Our Campaigns Have Delivered Some Success...



...How Do We Keep The Pressure On?

Last updated: March, 2012

# 2012: Expanding On Previous Campaigns By Adding A New Voices & Message





**Strategic Imperative**  
Raise Public Awareness & Demand Gov't Action (& Freeze Taxes )

**2012 TACTICS / ACTIVITIES**

**PROJECT M&M**  
Mobilizing Local Governments To Pressure Big Government

**QUEBEC ELECTION**  
Rallying Retailers To Keep Contraband A Political Issue

**AWARENESS CAMPAIGN**  
Educating Consumers On The Effects Of Contraband

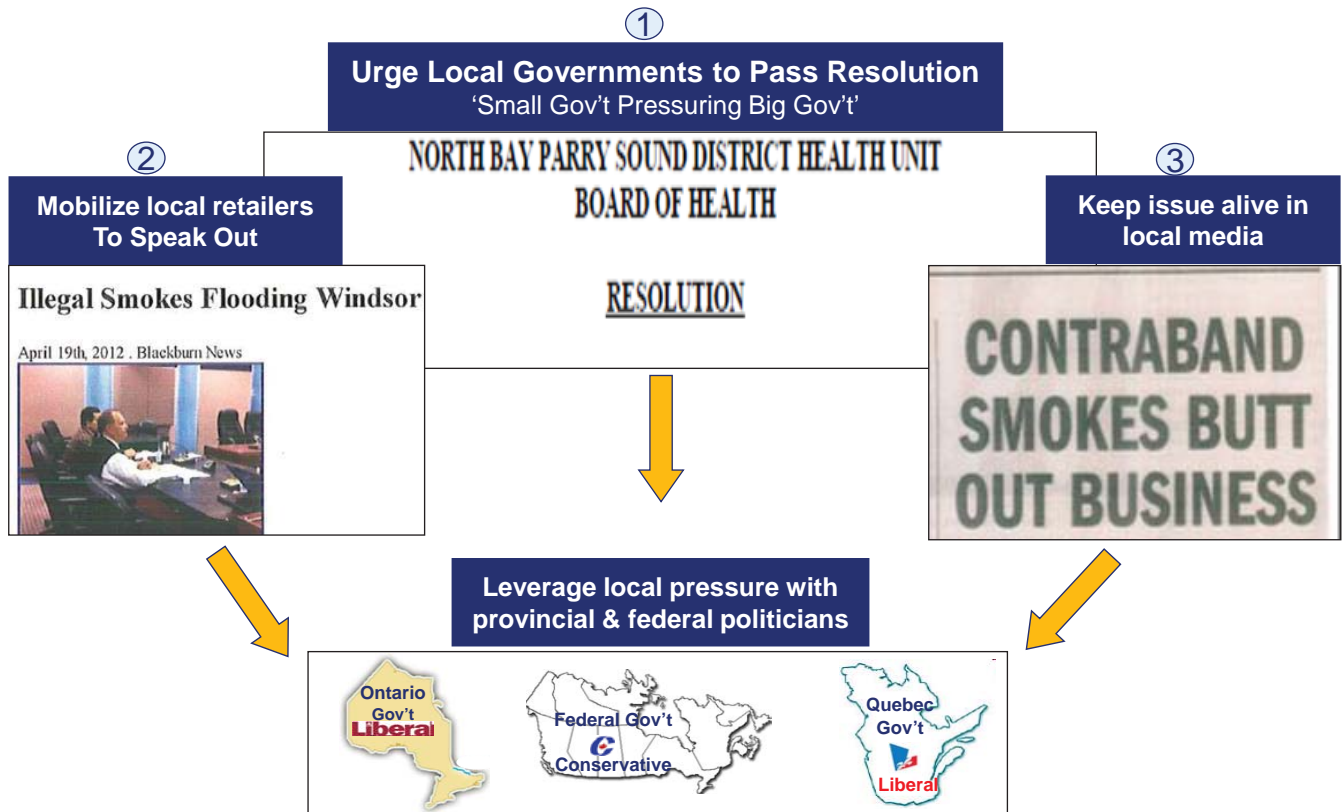
**National Coalition Against Contraband Tobacco**  
Ensuring Contraband Is Front And Center In The Media

**CORNWALL**  
Mitigating The Potential Impacts Of A New Border Location

**INT'L ENGAGEMNT**  
Engaging Canadian Government To Ensure Global Alignment

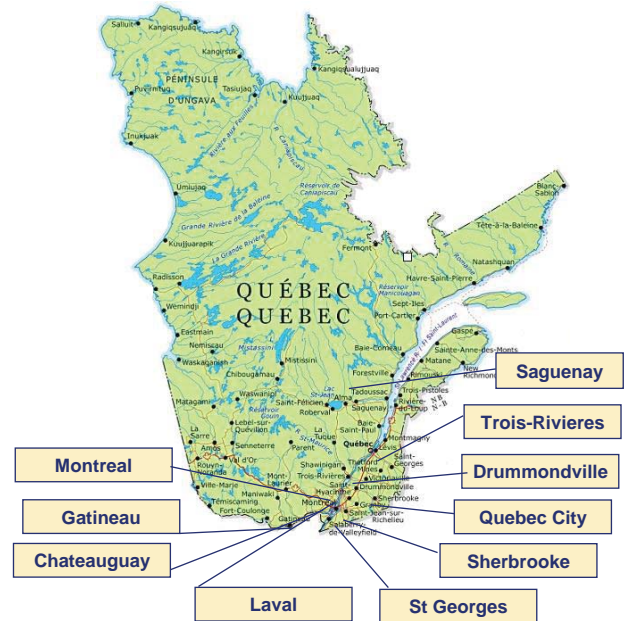


**Project M&M: Mobilizing Municipalities To Pressure For Big Government Action**





# Engage In Strategic Municipalities In Ontario & Quebec



- Criteria:**
- Proximity to illicit
  - Seizure activity
  - Internal sales data
  - Political weight
  - Likelihood of buy in



## M&M In Action - Mobilizing Local Pressure

Example: Windsor Ontario



Council urges government to  
step up  
contrab

**Windsor City Council Commits to Fighting Contraband Tobacco**

In Canada, one town formalizes its fight against illegal tobacco, with OCSA offering strong support.

**Windsor, Ont., leads province in illegal cigarette busts**

Convenience store association says illegal smokes are causing stores to close

[CBC News](#)

Posted: Apr 19, 2012 9:04 AM ET

Share:

Reader Photos: Dollarama Fire

Posted: May 11, 2012

With Vid: Contraband smokes butt out business in Windsor

Black market luring patrons, group says

BY DOUG SCHMIDT, THE WINDSOR STAR APRIL 12, 2012 6:22 AM

**Terry Yaldo**  
owner of Midway Convenience

1 Resolution Passed

8 Media Hits

6 Retailers Speaking Out



# 1 Results

## Local Government's Are Signing On



### Ontario: 8

#### NOTICE OF COUNCIL DECISION

Windsor City Council adopted the following resolution at its meeting held May 8, 2012

Moved by Councillor Jones, seconded by Councillor Maghnieh,  
M226-2012 That Report No. 26 of the Public Safety Standing Committee of its meeting held April 18, 2012 regarding Contraband Tobacco and Community Safety **BE ADOPTED** as presented. Carried.

### Quebec: 70

**RÉSOLUTION NUMÉRO : 153-0412**

**APPUI ENVERS LE PREMIER CONSENSUS QUÉBÉCOIS ET CANADIEN DE LUTTE À LA CONTREBANDE DE TABAC**

**CONSIDÉRANT** que le Comité des Finances publiques de l'Assemblée nationale a déposé en février 2012 un rapport unanime sur les mesures à prendre pour combattre la contrebande de tabac;

**CONSIDÉRANT** que la première recommandation proposée se lit comme suit (extrait) : *Que le gouvernement du Québec fasse des représentations auprès du gouvernement canadien, du gouvernement américain, du gouvernement ontarien et de la nation mohawk en vue de créer une commission mixte formée de 5 parties consacrées à la lutte à la contrebande de tabac. Son objectif premier serait de proposer un plan d'action intégré qui porterait, entre autres, sur une entente « gagnant-gagnant » entre les gouvernements et les Autochtones afin que cesse la vente de tabac sans taxe à grande échelle aux non-autochtones;*



# 2 Results

## Retailers Eager To Speak Out



### 45+ Vocal Retailers in Ontario



### 50+ Vocal Retailers in Quebec



# 3 Results

## Local Media Coverage In Both Provinces



**Ontario**  
35+ Media Hits

**Quebec**  
40+ Media Hits



## Phase 2: Bringing It All Together

Leveraging The Results On Parliament Hill



November

- Event on Parliament Hill
  - 3 Convenience store association presidents
  - Councilmen & mayors
  - Local retailers from QC & Ont
  - Key account representatives
  - 100+ resolutions
  - One call to action on behalf of the municipalities



**Using Small Government to Call for Big Government Action**



# Project M&M: Adding An Additional Voice To The Debate



Council urges government to step up efforts to end contraband smokes



## 2012 – 6 Activities Targeting Supply & Demand



**Strategic Imperative**  
 Raise Public Awareness & Demand Gov't Action (& Freeze Taxes )

### 2012 TACTICS / ACTIVITIES

**PROJECT M&M**  
 Mobilizing Local Governments To Pressure Big Government

**QUEBEC ELECTION**  
 Rallying Retailers To Keep Contraband A Political Issue

**AWARENESS CAMPAIGN**  
 Educating Consumers On The Effects Of Contraband

**National Coalition Against Contraband Tobacco**  
 Ensuring Contraband Is Front And Center In The Media

**CORNWALL**  
 Mitigating The Potential Impacts Of A New Border Location

**INT'L ENGAGEMNT**  
 Engaging Canadian Government To Ensure Global Alignment





# Quebec Election

Leverage Project M&M & Launch Targeted QCSA Tour In Targeted Ridings



**Objective: Make contraband a priority issue during election**

- Tight race
- Finance Committee recommendations on contraband
- 70 municipalities have called for action (M&M)

**CRUNCHING NUMBERS**  
**In Quebec election, three-way races could make the difference**  
**ÉRIC GRENIER**  
 The Globe and Mail



## 2012 – 6 Activities Targeting Supply & Demand



**Strategic Imperative**  
 Raise Public Awareness & Demand Gov't Action (& Freeze Taxes )

### 2012 TACTICS / ACTIVITIES

**PROJECT M&M**  
 Mobilizing Local Governments To Pressure Big Government

**QUEBEC ELECTION**  
 Rallying Retailers To Keep Contraband A Political Issue

**AWARENESS CAMPAIGN**  
 Educating Consumers On The Effects Of Contraband

**National Coalition Against Contraband Tobacco**  
 Ensuring Contraband Is Front And Center In The Media

**CORNWALL**  
 Mitigating The Potential Impacts Of A New Border Location

**INT'L ENGAGEMNT**  
 Engaging Canadian Government To Ensure Global Alignment



# Public awareness campaign



50%

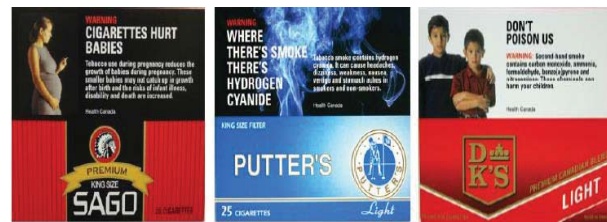


75%



June 2012

RISK



Limit consumer down-trading to illegal market



# Strategy



Roll-out awareness campaign aimed at educating illicit tobacco consumers and legal consumers

**What:** Billboard campaign

**Where:** Targeted locations across Ontario

38 boards across Ontario, 20 located in Toronto

**When:** 1<sup>ST</sup> Billboard - July 16th – for 10 weeks

**Who:** Signed by the Ontario Convenience Store Association

Cornwall  
Niagara Falls  
Thunder Bay  
Toronto East  
Belleville  
Kingston



- All MPs will be back in their districts for the summer!
- Post GFK study

BONUS



# Execution



1

**DON'T BE FOOLED!**  
**ILLEGAL SMOKES COME IN BAGGIES... AND PACKS.**

**IF YOU'RE CAUGHT, YOU'LL BE FINED!**



Buying contraband is illegal and harms the community.



2

**DON'T BE FOOLED!**  
**CONTRABAND CIGARETTES CAN COST YOU MORE THAN YOU THINK.**

**UP TO \$500 FOR POSSESSION OF 1 BAGGIE\***

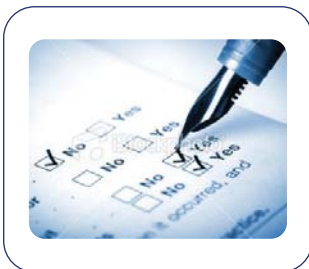
\*[http://www.fin.gov.on.ca/en/tax/tfaq\\_illegal.html#tbl1](http://www.fin.gov.on.ca/en/tax/tfaq_illegal.html#tbl1)



Buying contraband is illegal and harms the community.



# Measurement



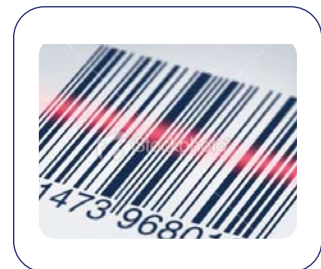
**GCS – Call Back Survey**



**Internal Shipments vs Target Shipments**



**Pricing on Reserve**



**In-store POS Data**

**Does speaking directly to consumers have an impact?**

**Strategic Imperative**  
 Raise Public Awareness & Demand Gov't Action (& Freeze Taxes )

**2012 TACTICS / ACTIVITIES**

**PROJECT M&M**  
 Mobilizing Local Governments To Pressure Big Government

**QUEBEC ELECTION**  
 Rallying Retailers To Keep Contraband A Political Issue

**AWARENESS CAMPAIGN**  
 Educating Consumers On The Effects Of Contraband

**National Coalition Against Contraband Tobacco**  
 Ensuring Contraband Is Front And Center In The Media

**CORNWALL**  
 Mitigating The Potential Impacts Of A New Border Location

**INT'L ENGAGEMNT**  
 Engaging Canadian Government To Ensure Global Alignment

**The Contraband Watchdog**



NATIONAL COALITION AGAINST CONTRABAND TOBACCO  
 Stopping the sale of illegal cigarettes in Canada

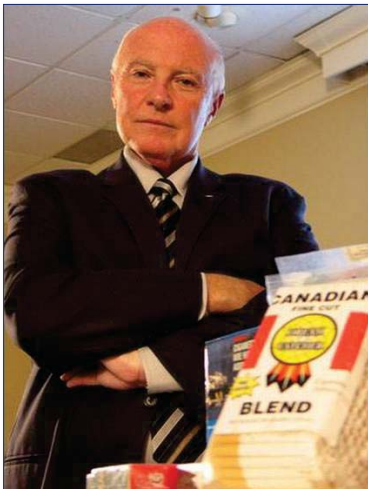
LA COALITION NATIONALE CONTRE LE TABAC DE CONTREBANDE  
 Enrayer la vente de cigarettes illégales au Canada



**Not just "big tobacco"!**



# One issue – Two angles



**Gary Grant – Official spokesperson**  
Retired police officer and current director and founder of Toronto Crime Stoppers



**Jacqueline Bradley – Executive Director of the NCACT**  
Concerned mother of two, married to a police officer

**The credible voice for contraband tobacco**



# Tactics and techniques



**Federal Government Report on Action on Contraband**

Overall Grade	D
Public education	F
Keeping cigarettes from kids	A – Legal F – Contraband
Resources for law enforcement	D

**Border Security**

Overall Grade	D
Public education	F
Keeping cigarettes from kids	A – Legal F – Contraband
Resources for law enforcement	D



**Stop Illegal Tobacco**  
@StopContraband  
National organization fighting against spread of contraband tobacco in Canada  
Canada <http://www.stopcontrabandtobacco.ca>

408 TWEETS  
381 FOLLOWING  
258 FOLLOWERS



**Activities with Impact and Staying Power**



# The vigilant watchdog



**Keeping contraband front and center**



## 2012 – 6 Activities Targeting Supply & Demand



**Strategic Imperative**  
Raise Public Awareness & Demand Gov't Action (& Freeze Taxes )

### 2012 TACTICS / ACTIVITIES

**PROJECT M&M**  
Mobilizing Local Governments To Pressure Big Government

**QUEBEC ELECTION**  
Rallying Retailers To Keep Contraband A Political Issue

**AWARENESS CAMPAIGN**  
Educating Consumers On The Effects Of Contraband

**National Coalition Against Contraband Tobacco**  
Ensuring Contraband Is Front And Center In The Media

**CORNWALL**  
Mitigating The Potential Impacts Of A New Border Location

**INT'L ENGAGEMNT**  
Engaging Canadian Government To Ensure Global Alignment



# Cornwall Overview



**July, 2009**  
Cornwall port of entry moves to Canadian side cutting off main smuggling route.

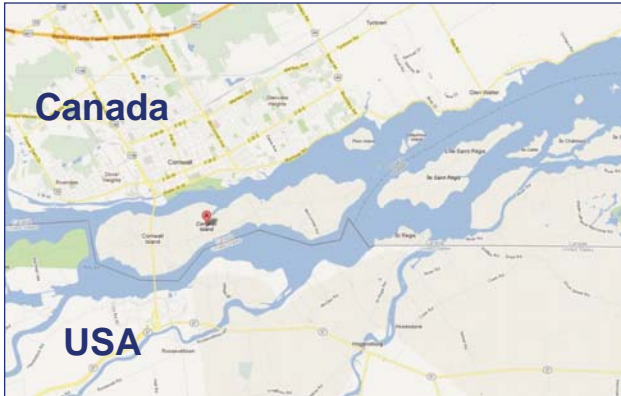
**2010**  
CRTF created

**December, 2011**

**March, 2012**  
  
NCACT meets with Cornwall CAO

**Q1, 2013**  
Earliest the new bridge could open

**Q1 – Q2, 2013**  
Port of entry moved to Massena, NY



**NEXT STEPS**

- Identify potential business risks
- Use opportunity to engage government



## 2012 – 6 Activities Targeting Supply & Demand



**Strategic Imperative**  
Raise Public Awareness & Demand Gov't Action (& Freeze Taxes )

**2012 TACTICS / ACTIVITIES**

**PROJECT M&M**  
Mobilizing Local Governments To Pressure Big Government

**QUEBEC ELECTION**  
Rallying Retailers To Keep Contraband A Political Issue

**AWARENESS CAMPAIGN**  
Educating Consumers On The Effects Of Contraband

**National Coalition Against Contraband Tobacco**  
Ensuring Contraband Is Front And Center In The Media

**CORNWALL**  
Mitigating The Potential Impacts Of A New Border Location

**INT'L ENGAGEMENT**  
Engaging Canadian Government To Ensure Global Alignment



# Keeping The Contraband Issue Alive



**Q1**

**Windsor City Council Commits to Fighting Contraband Tobacco**  
In Canada, one town formalizes its fight against illegal tobacco, with OCSA offering strong support.

~~REGULATION~~

**Q2**

**Kids can get a baggie of illegal cigarettes that costs less than the cost of a movie ticket.**  
By Mark Anderson, Ottawa Citizen, 10/17/12

**Illegal Smokes Flooding**

April 19th, 2012 - Blackburn News



~~TAXATION~~



**QCSA Election Plan**



**Q3**

**Q4**



# THANK YOU