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Southwest Florida cigarette sales go up in smoke

Gas station business down 30 percent

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It's been a month since cigarette smokers in Florida have been paying more than \$6 a pack — and the state says the new \$1 tax is on track to net about \$1 billion next year.

Amy Baker, coordinator for the Florida Legislature's Economic & Demographic Research office, said the total in new tax money for July won't be known until mid-month, but the \$899 million predicted for the year in cigarette taxes would more than triple what the state brought in last year on all tobacco products.

That extra buck has many smokers changing, if not quitting their habits, including buying cartons online. And some retailers in Lee report sales are off as much as 30 percent.

"People are cutting down. They're trying to make a pack last longer," said Sue Burbar, owner of Gas & Shop Food Mart on Hancock Bridge Parkway in Cape Coral. "One of my employees goes outside, smokes a half of a cigarette, puts it out and then finishes the rest later."

Burbar said sales are down 30 to 40 percent.

Jim Smith, president of the Petroleum Marketers Association, which represents 5,300 of the state's 9,200 convenience stores/gas stations, said from his Tallahassee office that the tax is hurting small businesses.

"All we have right now is anecdotal evidence and what our members along the northern border of the state are telling us is that sales here are down 10 to 15 percent," Smith said, adding that tobacco products account for 34 percent of a convenience store's sales outside of gasoline. "That's a third of their profit — gone."

Looking elsewhere

The reason for the decline doesn't have much to do with people quitting, Smith suspects.

"Certainly some people have chosen not to smoke," he said. Others, however, are driving across the Florida border to Alabama and Georgia and stocking up. Others are finding Internet sites that offer cartons for as low as \$16 compared to the \$46 price tag of a store-bought carton, he said.

The state collected \$279 million in taxes on all tobacco products last year and generated between \$18 million to \$22 million per month from taxes on cigarettes alone, Baker said.

Retailers and wholesalers pay a portion of the tax based on their in-store merchandise, and Baker said that is running higher this year than last. It could put the total tax collected even higher than current predictions.

"The retailers and wholesalers have to pay a portion of the new tax based on their inventory," Baker said. "That was better than expected."

The Florida Legislature voted for the tax to help balance the \$66.5 billion budget; some maintained that along with raising money, it would force smokers to quit and help people save on medical bills. The long-term health impact savings from adult and youth smoking decline is estimated at \$6.9 billion.

The increase hasn't curbed Helen Beaver's habit.

Beaver, 58, of Fort Myers, has smoked for 45 years.

"My smoking habit hasn't changed, but my living habit has," she said. "I'm not eating as well as I used to. The only change I've seen with my smoking is that I'm now smoking my cigarette right down to the filter."

Feres John, a clerk at Subco — a gas station/convenience store in San Carlos Park — said people are doing whatever they can to feed their habit.

"They're trying to quit, but they can't," he said. "They're buying cheaper cigarettes (including generic brands and new shorter cigarettes) and we're stocking more cheap cigarettes and the small Marlboros." Marlboro is promoting its "72s" cigarettes, shorter than regular smokes and usually offered at about \$1 less.

People are also using more coupons and looking for deals such as \$2.50 off for smokers who buy two packs at once, he said.

Cigarette sales at Subco are down about 30 percent, John said.

One place smokers can't find cheap cigarettes anymore is a Seminole Indian Reservation. Seminole Casino Immokalee closed its smoke shop this spring, said Gary Bitner, spokesman for the Seminole tribe.

"And beginning July 1, the tribe started collecting state sales tax (on all cigarettes) everywhere," Bitner said. When the tax was 34 cents, the reservations did not add it on, he said.

But, "The tribe's position is that it wants to keep its good relationship with the state," Bitner said. "The plan is to negotiate an (agreement) with the governor at a later date." The Seminoles are currently negotiating a gaming contract with Gov. Charlie Crist.

Quitting, starting

Brendan Donohue, the tobacco coordinator at the Lee County Health Department, said it's too early to determine how many people may have decided to quit after the tax hike, but said it should have a big impact — especially on young people who may not be able to afford to smoke at more than \$6 a pack.

"If they're not smoking by 18, we have a good chance at keeping them smoke free for their entire life," he said.

In the wake of the hike, the department is also changing tactics in curbing smoking. Thanks to a recent \$630,000 grant, the Health Department and the Tobacco Free Lee Coalition are targeting hospitals, colleges and universities and encouraging them to be smoke-free. Lee Memorial Health System properties will be smoke-free Nov. 19, Donohue said.

Beaver said she and others need help quitting.

Donohue said the Health Department is offering a quit smoking line — 877-UCANNOW, counseling sessions on the phone, group programs and nicotine replacement therapy.

“I got two calls at 6:30 a.m. the other day from neighbors who wanted to bum some smokes,” Beaver said. “I was an alcoholic, and it’s a lot more difficult to quit smoking than quit drinking. People want to quit, but they can’t.”
