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June 27, 2008

Ms. Rianna Brown
Baltimore City Health Department
210 Guilford Avenue
Baltimore MD 21202

Re: Comments Proposed Ban on Single Sale Cigars

Dear Ms. Brown:

I write to express the opposition of 7-Eleven, Inc. to the Baltimore Department of Health's proposed regulation to ban the sale of single cigars in Baltimore City. The proposed regulation, which would ban the sale of cigars except in packages of five or more, would negatively impact our adult customers who purchase tobacco products as well as our franchise locations in Baltimore City.

We do sell single cigars. There is an adult market for this legal product. Our customers' buying trends and tastes have changed, making single sales of cigars a popular and economical option.

7-Eleven has a strict policy for tobacco sales in Baltimore City to deter and prevent sales to minors. By banning the single sale of cigars we do believe the unintended consequence will be placing single sales of cigars outside of the retailer environment and onto the streets where sellers will not check ID, refuse a sale to a minor, have the proper license or collect tax revenue.

Banning the sale of a legal tobacco product will likely bring about a costly and lengthy lawsuit that should be avoided. The goals you seek to accomplish can be accomplished through continued retailer enforcement and accountability and continued anti-tobacco youth education.

Finally, we have signed the Assurance of Voluntary Compliance with the Maryland Attorney General's office regarding tobacco sales. In addition, we have developed a "Come of Age Awareness" program for our stores. A part of that program includes a letter (ATTACHED) to all of our franchisees three times a year to remind them of the importance and urgency of this issue.

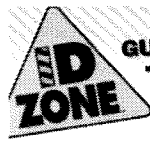
Please do not hesitate to contact me at 972-828-7709 if you need additional information.

Very truly yours,

A handwritten signature in black ink that reads "Steve Watson". The signature is written in a cursive, flowing style.

Steve Watson

Cc: Ellen Valentino



GUESSING'S HARD...
THAT'S WHY WE CARD.



May 2008

To All Franchisees

From PLC Government Affairs Subcommittee

**RE: Come Of Age Awareness:
Preparing for Prom and Graduation Time**

Ladies and Gentlemen;

May is a time for high school proms and graduations – and a time for heightened age-restricted product sales awareness as minors hoping to celebrate these special events in an “adult” manner come into our stores.

Many of you may recall the “Suzy Collins” poster from a decade or so ago. Suzy – age 16 – was shown with half her face and hair done appropriate to her age. The other half was very different, and Suzy was suddenly a sophisticated adult. The poster was a graphic illustration of why every retailer of tobacco and alcohol should verify the customer’s age before making the sale. It’s not just the best way to ensure minors are not able to purchase age-restricted products, it’s the ONLY way.

What can happen to your business if your store mistakes a 16 year old “Suzy” for a legal age adult wishing to purchase an age-restricted product? The consequences are serious and the price is high – from the suspension or loss of your permit or license to sell such products, to the termination of your franchise agreement in the event of a revocation or lengthy suspension, to civil or criminal liability.

Here’s what a 1st violation cost one 7-Eleven store:

The store’s license to sell tobacco was suspended for 30 days for selling cigarettes to a minor. During the Suspension Period, the store’s total merchandise sales fell 45% - and in the month following the Suspension Period, sales were still down 25%.

If we aren’t diligent 24/7, this could happen to any of us. ***Don’t let it happen to you.*** Protect your business. Set aside time to review and discuss age-restricted policies and practices with your employees. Routinely observe, coach and counsel your employees. Beef up your training efforts – and check your records to make sure all your employees have taken and passed Come of Age CBT Training within the past year.

An ounce of prevention is worth a pound of cure. Be prepared to prevent... during prom and graduation time and every time!

The Members of the PLC Government Affairs Subcommittee:

Jas Dhillon	Southwest
Bill Bindal	North Pacific
Mike Foster	Central
Bill Simmons	Chesapeake
Al Haffar	Northeast

Attachment

Come of Age CBT Training

Compliance with age-restricted product sales laws and regulations is not just a legal responsibility; it is a responsibility owed to our customers – and proper training of your employees on the sale of age-restricted products is an essential element of customer service.

7-Eleven's Come of Age Training Program is designed to support your age-restricted product training efforts, and we strongly encourage you to take full advantage of it:

- Before assuming any job duties that involve or may involve the sale of age-restricted products, have all newly hired employees (or an employee being assigned to such a position for the first time) complete the Come of Age CBT Training module
- Require each employee to pass the test prior to assuming any job duties that involve or may involve the sale of age-restricted products
- Require each employee to pass the test on an annual basis, and retain a record of tests completed by each employee
- Provide supplemental training to any employee you desire to retain who: fails to pass the Come of Age CBT test; allegedly sells age-restricted products to a minor and you receive notice from a governmental agency of the alleged violation; fails to pass a compliance check pursuant to any program now existing or hereafter implemented by you or 7-Eleven

Identifying Minors

Since people don't come equipped with ages tattooed on their foreheads, here are some clues to help identify minors:

Physical Characteristics

- Face (acne, pimples, complexion, peach fuzz, baby face)
- Eyes (lack of wrinkles, no eye contact, downcast eyes)
- Hands (girlish nails and polish; absence of prominent veins)
- Body type (underdeveloped, skinny, plumpish)
- Voice (high pitched, effort made to be deep, nervous, stuttering, whispering)
- Sweating

Behavior and Mannerisms

- Verbal (giggling, loud, arguing)
- Acting (immature, nervous, childish, inconsiderate, insecure, confused, silly)
- Lack of confidence
- Trying too hard
- Look (uncoordinated, sheepish)
- Sound (vocabulary, talking "cool")
- Your impression (furtiveness, guarded, sneaky, evasive)

Dress Style and Accessories

- The fashion look (trendy, over-dressed, faddish)
- Type of clothes (jeans, gym shoes, rock T-shirts)
- Hair (unusual length, unusual style)
- Jewelry (class ring, friendship ring, cheap-looking imitations)
- Make-up (too much, unevenly applied)
- School logos

Companions

- Young-looking group
- Discussion outside before entering
- Whispering in the group
- Older person in group orders