

**September 10, 2020**

**ATTORNEY GENERAL RAOUL FILES LAWSUIT AGAINST E-CIGARETTE MANUFACTURER JUICE MAN**

***Raoul's Complaint Alleges Marketing Targeted Toward Minors***

**Chicago** — Attorney General Kwame Raoul today [filed a lawsuit](#) against Juice Man, LLC, (Juice Man) over allegations the company allegedly developed and marketed its products to attract minors. Juice Man manufactures and sells electronic cigarettes and accessories through its website.

The lawsuit filed today by Raoul in Cook County Circuit Court against California-based Juice Man alleges the company intentionally developed nicotine products that appeal to minors and has marketed its harmful nicotine products to minors. Raoul also is asserting that Juice Man misrepresented the potency of nicotine in its products.

"The Stanford University School of Medicine recently released data showing that teens and young adults who vape are at a significantly higher risk of COVID-19, a virus that attacks the lungs. The need to prevent youth e-cigarette use has never been more urgent," Raoul said. "Juice Man combined its marketing that relied heavily on cartoon characters and social media hashtags with a product that contained higher concentrations of addictive nicotine masked by fruity and candy flavors – all in an effort to appeal to youths. I filed this lawsuit because I am absolutely committed to holding accountable e-cigarette manufacturers that blatantly develop and market their products to teens and young adults."

In the lawsuit, Raoul is alleging that Juice Man intentionally directed its products toward minors by combining a less-harsh nicotine solution, an offering of sweet and fruity flavors, and marketing designed to attract minors. According to the lawsuit, Juice Man developed an e-cigarette formula containing a much higher concentration of nicotine than traditional combustible cigarettes and many e-cigarettes, which makes Juice Man's e-cigarettes more addictive, particularly for inexperienced smokers and minors. While Juice Man's formula contains higher levels of nicotine, Raoul alleges the nicotine flavor is less harsh and masked by other flavors.

In addition to developing a formula that is more addictive and usable for inexperienced smokers, Raoul is alleging that Juice Man offers its products in a variety of flavors that are appealing to youths. Raoul's lawsuit argues that flavors such as pink lemonade, cotton candy, unicorn frappe and cherry blue cola are clearly developed and marketed to youth smokers. For example, unicorn frappe is described as an "explosion of tarts, fruits, and creams." The 2019 National Youth Tobacco Survey identified top flavor categories chosen by youth as being fruit; candy, desserts, or other sweets; and mint and menthol. Raoul notes that nearly all of Juice Man's flavored nicotine solutions fall into one of those flavor categories.

Additionally, Raoul's lawsuit alleges that Juice Man unfairly and deceptively markets its products to minors. The company relies heavily on social media to advertise its products, using hashtags such as "#vapebabes," "#vapeporn" and "#vapelyfe." Raoul says that prior to 2016 social media advertising featured images of Juice Man's products in front of a neutral background. More recently, Juice Man's advertisements use bright colors, cartoon characters and children's cereal. A number of flavored products distributed under Juice Man's "Zonk!" line have packaging that features graphics similar to those in comic books. Juice Man also markets variety packs of flavors including watermelon-strawberry and mixed berry as "Lunch Box" assortments. Furthermore, Raoul argues that Juice Man's age-verification system allows the company to easily interact with and promote products to minors.

Attorney General Raoul's lawsuit against Juice Man is the latest action the Attorney General's office has taken to hold e-cigarette manufacturers accountable for epidemic usage levels among youth and teens. In 2019, Raoul's office filed a lawsuit against the nation's largest e-cigarette manufacturer, JUUL Labs, and the litigation is ongoing. The Attorney General's office is continuing to investigate other e-cigarette manufacturers as part of an ongoing investigation into the e-cigarette industry. Additionally, Raoul has urged the FDA to ban flavored tobacco products and to strengthen e-cigarette guidance by prioritizing enforcement actions against flavored e-cigarettes.

In the lawsuit, Raoul is seeking to permanently enjoin Juice Man from engaging in unfair and deceptive practices and hold the company accountable for its role in the youth e-cigarette epidemic. Raoul is also seeking a civil penalty of \$50,000 per deceptive or unfair act or practice and an additional \$50,000 for each act or practice committed with the intent to defraud.

For more information and free resources to help quit tobacco, please visit the Illinois Tobacco Quitline [website](#) or call 1-866-QUIT-YES.

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT – CHANCERY DIVISION**

THE PEOPLE OF THE STATE OF ILLINOIS, )  
)  
Plaintiff, ) 10404792  
)  
v. ) No. 2020CH05812  
)  
JUICE MAN, LLC, )  
)  
Defendant. )

**COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF**

The Plaintiff, the People of the State of Illinois, by Kwame Raoul, Attorney General of the State of Illinois, brings this action against Defendant, Juice Man, LLC (“Juice Man”) for violating the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS § 505/1-1 *et seq.* and the Illinois Uniform Deceptive Trade Practices Act, 815 ILCS § 510/1 *et seq.*, and states as follows:

**PUBLIC INTEREST**

1. The People of the State of Illinois, by Kwame Raoul, Attorney General of the State of Illinois, believes this action to be in the public interest of the citizens of the State of Illinois and brings this lawsuit pursuant to the Consumer Fraud Act, 815 ILCS 505/7(a).

**JURISDICTION AND VENUE**

2. This action is brought for and on behalf of the People of the State of Illinois, by Kwame Raoul, the Attorney General of the State of Illinois, pursuant to the provisions of the Consumer Fraud Act, the Uniform Deceptive Trade Practices Act and common law.

3. Venue for this action properly lies in Cook County, Illinois, pursuant to Section 2-101 of the Illinois Code of Civil Procedure, 735 ILCS 5/2-101, in that some of the activities complained of herein out of which this action arose occurred in Cook County.

FILED DATE: 9/10/2020 3:20 PM 2020CH05812

## PARTIES

4. Plaintiff, the People of the State of Illinois, by Kwame Raoul, the Attorney General of the State of Illinois, is charged with enforcement of the Consumer Fraud Act.

5. Defendant Juice Man, LLC is a California corporation with its principal place of business in Dana Point, California.

6. Juice Man was first registered as a limited liability company with the State of California on August 14, 2014, but according to its online store, the company was established in 2013. Juice Man manufactures numerous nicotine solution products that it then sells and distributes through its online store located at [www.juicemanusa.com](http://www.juicemanusa.com).

## BACKGROUND

### **A. The History of Traditional Tobacco Regulation**

7. A 2014 Surgeon General report noted that, when surveyed, 86.9% of adults between the ages of 30-39 that had ever smoked daily reported they had tried their first cigarette by the time they were 18 years of age.<sup>1</sup> The tobacco industry historically has heavily marketed its product to minors.<sup>2</sup> This marketing glamorized the use of tobacco in many ways including through cartoon characters like Joe Camel, attractive models, celebrity endorsements, and dramatization of tobacco use such as the Marlboro Man.

8. Big Tobacco's marketing strategy was one consideration that resulted in a wave of litigation of State Attorneys General against the tobacco industry. This litigation resulted in the Master Settlement Agreement ("MSA") in 1998. The MSA included extensive limitations on

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<sup>1</sup> U.S. DEP'T OF HEALTH AND HUMAN SERVICES, THE HEALTH CONSEQUENCES OF SMOKING—50 YEARS OF PROGRESS: A REPORT OF THE SURGEON GENERAL 708 (2014), *available at* [https://www.ncbi.nlm.nih.gov/books/NBK179276/pdf/Bookshelf\\_NBK179276.pdf](https://www.ncbi.nlm.nih.gov/books/NBK179276/pdf/Bookshelf_NBK179276.pdf).

<sup>2</sup> Cheryl L. Perry, *The Tobacco Industry and Underage Youth Smoking: Tobacco Industry Documents from the Minnesota Litigation*, 153 ARCH. OF PEDIATR. ADOLESC. MED. 935-41 (1999).

the tobacco industry's ability to market to youth. These restrictions include a prohibition on youth targeting, a ban on the use of cartoons such as Joe Camel, as well as restrictions on advertising, free samples, and sponsorships.

9. Following the enactment of the MSA, tobacco rates among adults and youth were dramatically reduced. In 2017, these rates of combustible tobacco use hit a record low since 1965, when National Health Interview Survey first started tracking smoking statistics, with only 14% of adults and 5% of high-school students smoking cigarettes, a decrease of 67%.<sup>3</sup>

## **B. The Rise of Electronic Cigarettes**

### *1. How electronic cigarettes work.*

10. E-cigarettes commonly have three main components: 1) a battery, 2) a heating element, and 3) a place to hold a liquid.<sup>4</sup> E-cigarettes come in a variety of shapes and sizes and the different designs that evolved over time are sometimes categorized by “generation.”

11. Electronic cigarettes work by heating a liquid to produce an aerosol that is then puffed or inhaled by the user from the device.<sup>5</sup> Using an e-cigarette is sometimes referred to as “vaping.”

12. The liquid used with electronic cigarettes commonly contains nicotine, flavorings and other chemicals, such as propylene glycol, which help create the aerosol when heated.<sup>6</sup> E-

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<sup>3</sup> Teresa W. Wang et al., *Tobacco Product Use Among Adults — United States, 2017*, 67 MORBIDITY AND MORTALITY WEEKLY REPORT 1225–32 (Nov. 9, 2018), available at <https://www.cdc.gov/mmwr/volumes/67/wr/pdfs/mm6744a2-H.pdf>.

<sup>4</sup> CTRS. FOR DISEASE CONTROL AND PREVENTION, ABOUT ELECTRONIC CIGARETTES (E-CIGARETTES), [https://www.cdc.gov/tobacco/basic\\_information/e-cigarettes/about-e-cigarettes.html](https://www.cdc.gov/tobacco/basic_information/e-cigarettes/about-e-cigarettes.html) (last visited Nov. 11, 2019).

<sup>5</sup> *Id.*; CONSUMER ADVOCATES FOR SMOKE FREE ALTERNATIVES ASSOC., ABOUT ELECTRONIC CIGARETTES, <http://www.casaa.org/electronic-cigarettes/> (last visited Nov. 11, 2019).

<sup>6</sup> National Academies of Sciences, Engineering, and Medicine et al., *Toxicology of E-Cigarette Constituents*, PUBLIC HEALTH CONSEQUENCES OF E-CIGARETTES (Jan. 23, 2018), available at <https://www.ncbi.nlm.nih.gov/books/NBK507184/>.

cigarettes are available in tobacco, mint, menthol and a variety of other flavors, including a plethora of candy, dessert, and fruit flavors.

13. For the most part, e-cigarettes were introduced into the U.S. market between the mid-2000's and early 2010's.

2. *The current electronic cigarette public health epidemic.*

14. In more recent years there has been an alarming trend of increased e-cigarette use amongst young people in the United States.

15. In 2018, more than 3 million U.S. high school students reported using e-cigarettes within the previous 30 days, compared to just 220,000 in 2011, an over 1,200% increase.<sup>7</sup>

16. In 2019, e-cigarette use continued to rise at alarming rates. Over 5 million young people reporting having used e-cigarettes in the past 30 days and nearly one million reporting daily use.<sup>8</sup>

17. These distressing statistics are very similar for Illinois. In 2018, more than 1 in 4, or 27%, of 12<sup>th</sup> graders in Illinois reported using an electronic cigarette within the last 30 days, up from 18% in 2016.<sup>9</sup> That percentage of e-cigarette use was as high as 31% amongst 12<sup>th</sup>

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<sup>7</sup> Karen A. Cullen et al., *Notes from the Field: Use of Electronic Cigarettes and Any Tobacco Product Among Middle and High School Students – United States, 2011–2018*, 67 MORBIDITY AND MORTALITY WEEKLY REPORT 1276, 1276 (Nov. 16, 2018), available at <https://www.cdc.gov/mmwr/volumes/67/wr/pdfs/mm6745a5-H.pdf>.

<sup>8</sup> U.S. FOOD AND DRUG ADMIN., YOUTH TOBACCO USE: RESULTS FROM THE NATIONAL YOUTH TOBACCO SURVEY, <https://www.fda.gov/tobacco-products/youth-and-tobacco/youth-tobacco-use-results-national-youth-tobacco-survey>.

<sup>9</sup> CTR. FOR PREVENTION RESEARCH AND DEV., ILLINOIS YOUTH SURVEY 2018 FREQUENCY REPORT: STATE OF ILLINOIS 3 (2018), available at [https://iys.cprd.illinois.edu/UserFiles/Servers/Server\\_178052/File/state-reports/2018/Freq18\\_IYS\\_Statewide.pdf](https://iys.cprd.illinois.edu/UserFiles/Servers/Server_178052/File/state-reports/2018/Freq18_IYS_Statewide.pdf); CTR. FOR PREVENTION RESEARCH AND DEV., ILLINOIS YOUTH SURVEY 2016 FREQUENCY REPORT: STATE OF ILLINOIS 3 (2017), available at [https://iys.cprd.illinois.edu/UserFiles/Servers/Server\\_178052/File/state-reports/2016/Freq16\\_IYS\\_Statewide.pdf](https://iys.cprd.illinois.edu/UserFiles/Servers/Server_178052/File/state-reports/2016/Freq16_IYS_Statewide.pdf).

graders in urban/suburban counties outside of the Chicago metro area.<sup>10</sup> This rate is double the reported rate of adult combustible cigarette smokers in Illinois in 2018.<sup>11</sup>

18. Even amongst kids as young as 8<sup>th</sup> grade, 7% of surveyed students reported using an electronic cigarette within the last 30 days.<sup>12</sup>

19. One high school in Cook County found that the percentage of freshman who reported using an electronic cigarette during the prior month quintupled between 2016 and 2018, going from 6% to 30%.<sup>13</sup>

20. Similarly alarming, in 2018, 15% of 12<sup>th</sup> graders in urban/suburban Illinois counties reported that they perceived “no risk” with the use of electronic cigarettes and another 36% reported perceiving only a “slight risk” with such use.<sup>14</sup>

21. Relatedly, a 2018 nationwide survey found that 24.7% of 10<sup>th</sup> graders and 25.7% of 12<sup>th</sup> graders reported that they thought they were only vaping flavoring when using vaping devices.<sup>15</sup>

22. The exponential growth in the use of e-cigarettes by youth is especially concerning given that young people are at particular risk for the damaging effects of nicotine.

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<sup>10</sup> CTR. FOR PREVENTION RESEARCH AND DEV., ILLINOIS YOUTH SURVEY 2018 FREQUENCY REPORT: OTHER URBAN/SUBURBAN 3 (2018), *available at* [https://iys.cprd.illinois.edu/UserFiles/Servers/Server\\_178052/File/state-reports/2018/Freq18\\_IYS\\_OtherUrbanSuburban.pdf](https://iys.cprd.illinois.edu/UserFiles/Servers/Server_178052/File/state-reports/2018/Freq18_IYS_OtherUrbanSuburban.pdf).

<sup>11</sup> UNITED HEALTH FOUNDATION, AMERICA’S HEALTH RANKINGS, <https://www.americashealthrankings.org/explore/annual/measure/Smoking/state/IL> (last visited Nov. 25, 2019).

<sup>12</sup> CTR. FOR PREVENTION RESEARCH AND DEV., ILLINOIS YOUTH SURVEY 2018 FREQUENCY REPORT: STATE OF ILLINOIS 3 (2018), *available at* [https://iys.cprd.illinois.edu/UserFiles/Servers/Server\\_178052/File/state-reports/2018/Freq18\\_IYS\\_Statewide.pdf](https://iys.cprd.illinois.edu/UserFiles/Servers/Server_178052/File/state-reports/2018/Freq18_IYS_Statewide.pdf).

<sup>13</sup> Jonah Meadows, *Huge Spike In Vaping Among New Trier Freshmen*, PATCH (Aug. 28, 2018, 2:16 PM), <https://patch.com/illinois/winnetka/vaping-rate-among-new-trier-freshman-rises-sharply>.

<sup>14</sup> CTR. FOR PREVENTION RESEARCH AND DEV., ILLINOIS YOUTH SURVEY 2018 FREQUENCY REPORT: OTHER URBAN/SUBURBAN 15 (2018), *available at* [https://iys.cprd.illinois.edu/UserFiles/Servers/Server\\_178052/File/state-reports/2018/Freq18\\_IYS\\_OtherUrbanSuburban.pdf](https://iys.cprd.illinois.edu/UserFiles/Servers/Server_178052/File/state-reports/2018/Freq18_IYS_OtherUrbanSuburban.pdf).

<sup>15</sup> NATIONAL INSTITUTE ON DRUG ABUSE, MONITORING THE FUTURE 2018 SURVEY RESULTS, *available at* <https://www.drugabuse.gov/related-topics/trends-statistics/infographics/monitoring-future-2018-survey-results>.

23. A person’s brain continues to develop until approximately 25 years of age, making exposure to nicotine during this time especially damaging.

24. In December 2018, the Surgeon General issued an Advisory on e-cigarette use, identifying use of e-cigarettes among young people as a public health epidemic. He stated that “[n]icotine exposure during adolescence can impact learning, memory and attention. Using nicotine in adolescence can also increase risk for future addiction to other drugs.”<sup>16</sup>

25. Added to impacts on brain function is that e-cigarettes often contain much higher concentrations of nicotine than combustible cigarettes.<sup>17</sup>

26. Studies on the flavorants used in e-cigarettes have found evidence that chemicals in these e-liquids can react to create new compounds and molecules that are especially harmful.<sup>18</sup>

#### **DEFENDANT’S TRADE AND COMMERCE IN ILLINOIS**

27. Subsection 19(f) of the Consumer Fraud Act, 815 ILCS § 505/1(f), defines “trade” and “commerce” as follows:

The terms ‘trade’ and ‘commerce’ mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the people of this State.

28. Defendant is at all times relevant hereto engaged in trade and commerce in the State of Illinois by offering, selling, marketing and promoting its e-cigarette products, including liquid nicotine solutions, to Illinois consumers.

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<sup>16</sup> U.S. DEP’T OF HEALTH AND HUMAN SERVICES, SURGEON GENERAL’S ADVISORY ON E-CIGARETTE USE AMONG YOUTH, available at <https://e-cigarettes.surgeongeneral.gov/documents/surgeon-generals-advisory-on-e-cigarette-use-among-youth-2018.pdf>.

<sup>17</sup> See, e.g., Robert K. Jackler and Divya Ramamurthi, *Nicotine Arms Race: JUUL And The High-Nicotine Product Market*, 28 TOBACCO CONTROL 623 (Nov. 2019).

<sup>18</sup> See, e.g., Hanno C. Erythropel et al., *Flavorant-Solvent Reaction Products And Menthol in JUUL E-Cigarettes and Aerosol*, 57 AM. J. OF PREVENTIVE MED. 425–27 (Sept. 2019), available at [https://www.ajpmonline.org/article/S0749-3797\(19\)30187-4/pdf](https://www.ajpmonline.org/article/S0749-3797(19)30187-4/pdf).



29. In the course of this trade or commerce, Defendant has engaged in acts and practices declared unlawful under the Illinois Consumer Fraud Act. Defendant's conduct, described in more detail below, is ongoing and has the potential to impact Illinois consumers.

**DEFENDANT'S UNFAIR AND DECEPTIVE ACTS AND PRACTICES**

**A. Juice Man unfairly and deceptively created a product that would appeal to minors.**

30. In Illinois, prior to July 1, 2019 it was illegal to sell tobacco products to an individual under the age of 18 years old. Effective July 1, 2019, this age was raised to 21 years old. 720 ILCS 675/1.

31. Juice Man created a product that attracted minors, including through the chemical formula and the child-friendly flavors of its nicotine solutions.

*1. Juice Man created a formula agreeable to youth's lack of experience with cigarettes.*

32. Traditional combustible cigarettes and many e-cigarettes contain solutions with an unprotonated nicotine formula, also known as free-base nicotine. This form of nicotine has a strong nicotine concentration which can cause an adverse experience for the user, such as harsh throat irritation.<sup>19</sup>

33. Instead of containing unprotonated nicotine, Juice Man's "Nic Slt" line of liquid e-juice solution contains protonated nicotine derived from the nicotine salts found in loose-leaf tobacco.

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<sup>19</sup> Jessica L. Barrington-Trimis and Adam M. Leventhal, *Adolescents' Use of "Pod Mod" E-Cigarettes — Urgent Concerns*, THE NEW ENGLAND JOURNAL OF MEDICINE 1099-1102 (Sept. 26, 2018), available at <https://www.nejm.org/doi/full/10.1056/NEJMp1805758>.

34. Using protonated nicotine allows for an even higher concentration of nicotine than found in e-cigarettes that use a free-base formula, but it also drastically reduces the harshness associated with unprotonated nicotine.<sup>20</sup>

35. Nicotine in such a high concentration is a cause for concern for many reasons but, in particular, the ease at which an individual could become addicted is greater with higher concentrations of nicotine.

36. Further, by masking the harshness of nicotine, Juice Man created a product targeted at and attractive to inexperienced smokers, including minors.

2. *Juice Man's products come in a variety of youth-friendly flavors.*

37. It is not just Juice Man's chemical formula that makes its products more palatable to youth but also the flavors that Juice Man offers.

38. Flavors readily available on Juice Man's online store include "Pink Lemonade", "Cotton Candy", "Orange Mango", "Cherry Blue Cola", "Snow Man on Ice", and "Unicorn Frappé". Unicorn Frappé is described as an "explosion of tarts, fruits, and creams."

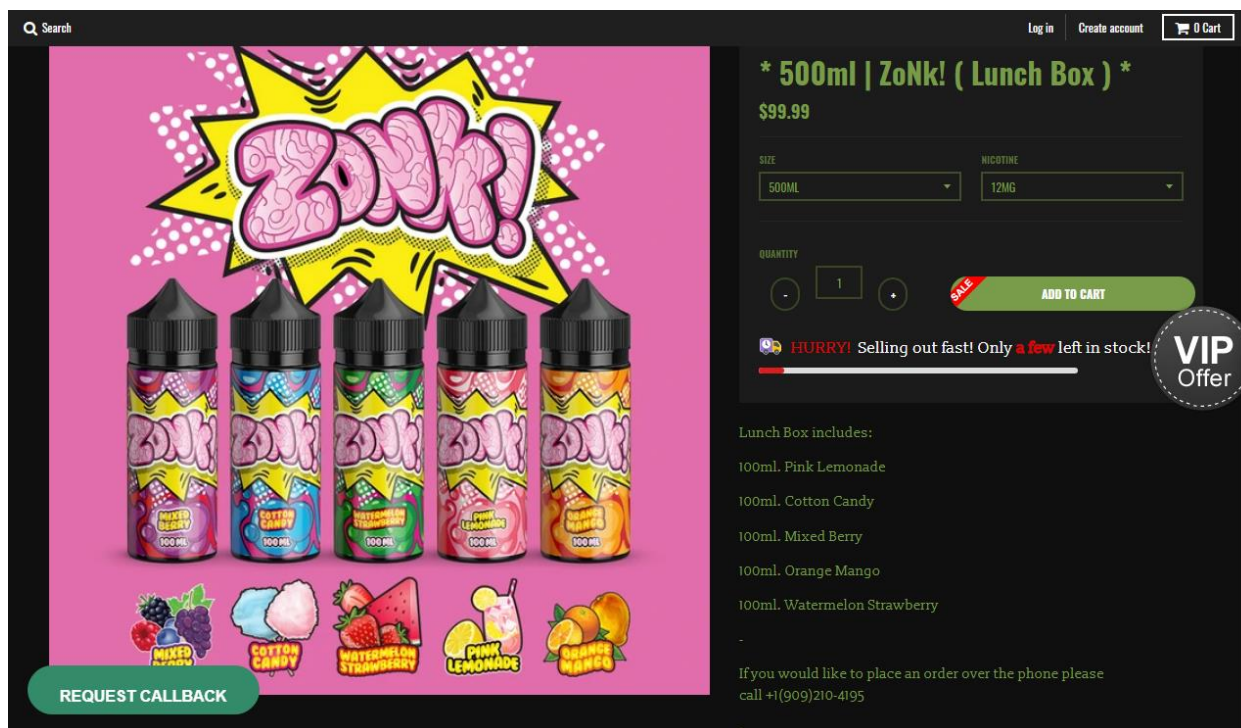
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<sup>20</sup> *Id.*



39. Juice Man even offers a variety pack of youthful flavors like “watermelon strawberry” and “mixed berry” which it marketed as a “Lunch Box” under the Juice Man-created-and-distributed line of nicotine solution called “Zonk!”. In addition to calling this

product a “Lunch Box”, this line of Juice Man-manufactured nicotine solution also uses lettering and comic book-style graphics to appear even more child-friendly. The marketing of youth-friendly flavors as a lunch box, which clearly pays homage to a product associated with school-aged children, is just another way Juice Man targets youth with its nicotine products.



40. According to the 2019 National Youth Tobacco Survey, the top flavors categories chosen by youth were fruit; candy, desserts, or other sweets; and menthol or mint.<sup>21</sup>

41. Nearly all of the flavored nicotine solutions that Juice Man sells falls into one of the categories most likely chosen by youth.

<sup>21</sup> Karen A Cullen, Andrea S. Gentzke, et al., *e-Cigarette Use Among Youth in the United States, 2019*. JAMA. (Nov. 5, 2019), doi: 10.1001/jama.2019.18387

42. Additionally, almost 81% of youth ages 12-to-17 reported that their first use of an e-cigarette was a flavored product. Clearly, flavors play an important role in initiating youth usage of tobacco products.<sup>22</sup>

43. Further, of high school students currently using tobacco products, 73% reported using a flavored tobacco product.<sup>23</sup>

44. Comparatively, only 38.5% of adults aged 45-to-64 and 28.6% of adults over 65 who are currently using tobacco products reported using a flavored tobacco product.<sup>24</sup>

45. Juice Man's focus on the creation of flavored tobacco products, especially those in the fruit and dessert categories, was not geared toward adults, who according to data are less likely to use flavored tobacco products than youth. Rather, Juice Man focused on flavored tobacco products and marketed them with cartoonish appearances and with childlike terms to appeal to minors.

## **B. Juice Man unfairly and deceptively marketed its products to minors**

### *1. Juice Man promoted and marketed its products to minors by using social media platforms.*

46. Since nearly its inception, Juice Man has relied on social media marketing to advertise its products. Juice Man has its own Instagram and Facebook accounts where it promotes its products using various hashtags such as “#vapebabes”, “#vapeporn”, and “#vapelyfe”. By doing so, Juice Man was able to use word-of-mouth-marketing on social media platforms to promote its products to minors.

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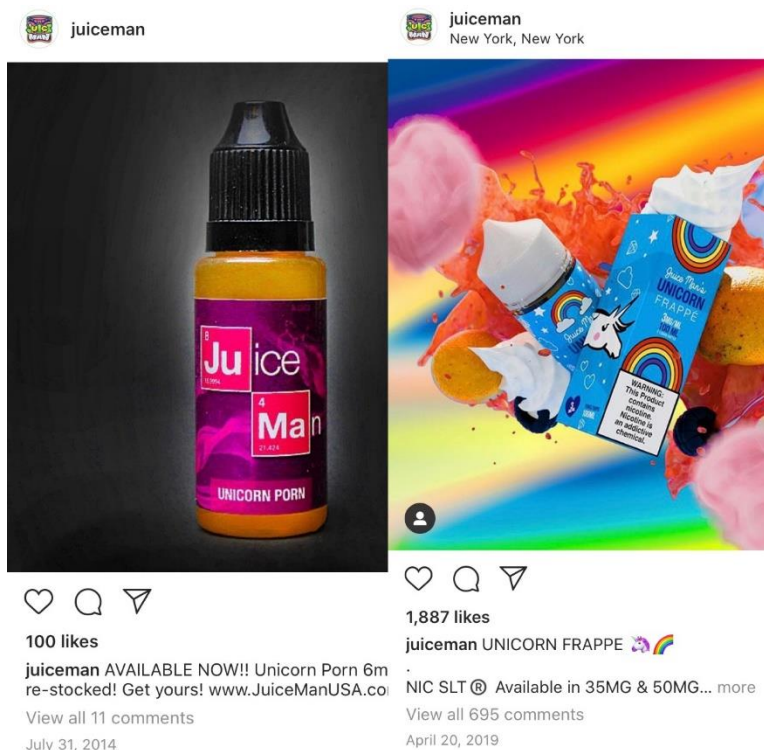
<sup>22</sup> Ambrose BK et al., *Flavored Tobacco Product Use Among US Youth Aged 12-17 Years, 2013-2014*, 314(17) JAMA 1871-73 (Nov. 3, 2015), available at <https://jamanetwork.com/journals/jama/fullarticle/2464690>.

<sup>23</sup> Corey CG et al., *Flavored Tobacco Product Use Among Middle and High School Students - United States, 2014*, 64(38) MORBIDITY AND MORTALITY WEEKLY REPORT 1066-70 (Oct. 2, 2015), available at <https://www.cdc.gov/mmwr/preview/mmwrhtml/mm6438a2.htm>.

<sup>24</sup> Villanti AC et al., *Flavored Tobacco Product Use in Youth and Adults: Findings from the First Wave of the PATH Study (2013-2014)*, 53(2) AMERICAN JOURNAL OF PREVENTIVE MEDICINE 139-51 (Mar. 16, 2017), available at <https://www.ncbi.nlm.nih.gov/pubmed/28318902>.

47. Juice Man then promotes its social media accounts by printing its Instagram username on the packaging of its products. Further, Juice Man’s online store has a pop-up window that asks website visitors to follow it on Facebook and Instagram.

48. Prior to spring of 2016, Juice Man promoted its flavored nicotine solutions without relying on images and advertising that clearly are attractive to children. During this time period, Juice Man’s social media accounts are filled with pictures of the tobacco product alone in front of a neutral background. In more recent years, Juice Man dramatically changed the look of its social media posts and marketing materials, mainly using a combination of bright colors, cartoon characters, and depictions of food and drinks that are popular with youth in order to advertise its flavored nicotine solutions. Below are two side-by-side comparisons of Juice Man’s social media posts depicting the dramatic change in marketing.





49. Since making the marketing switch, Juice Man has gotten increasingly bold in the types of child-like imagery it relies on for the marketing of its nicotine solutions. For example, to promote its “Snow Man on Ice” flavor of nicotine solution, which is described as “Ice cold rainbow snow-cone doused with tropical fruit syrup”, Juice Man posted the below cartoon, depicting a snowman holding a snow cone, to its Instagram account.



50. Juice Man’s choice of imagery and media platform were not targeted to adult consumers, but rather to youth.

51. Beyond utilizing social media to advertise its products, Juice Man also uses its social media platforms to promote its products by advertising giveaway competitions.

52. These giveaway competitions provide rules for entry but noticeably absent is an age restriction on who may enter. An example set of rules for a giveaway competition can be seen in the below social media post to Juice Man’s Instagram account.





53. As demonstrated above, not only did Juice Man fail to include an age restriction on who may enter the competition, it is actually a rule to tag as many Instagram users as possible. Nowhere did Juice Man state an age restriction on who could be tagged in the post thus creating the opportunity for an unlimited number of minors to be tagged.

54. Nor did Juice Man take the simple step of age-gating its social media accounts, which would curtail the number of minors seeing such images and competitions.

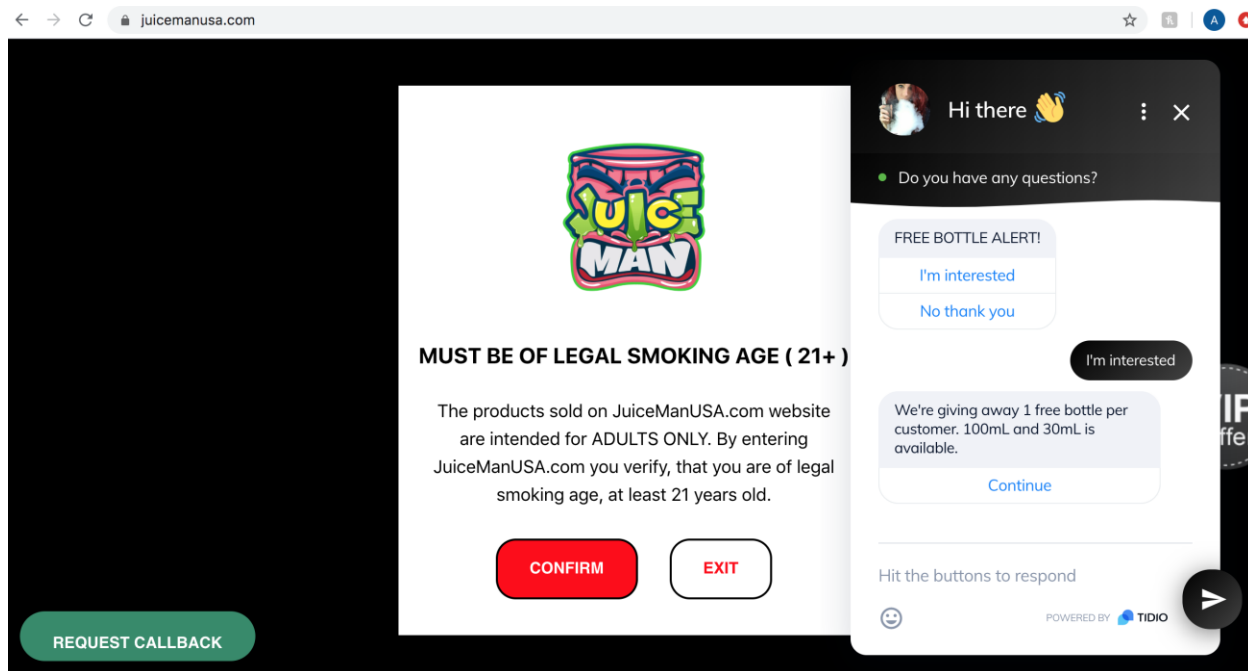
55. Much of Juice Man's marketing strategy relied on a strong online presence through its own social media accounts as evidenced by its promotion of its accounts on its website and product packaging. Juice Man utilized these platforms that are popular with youth to promote its flavorful nicotine solutions by using cartoons, colorful imagery, and giveaway competitions that were not age-gated. Juice Man then further contributed to minors' access to its nicotine products by using an inferior age-verification system on its online store.

2. *Juice Man uses an inadequate age-verification system.*

56. Juice Man’s age-verification system is inadequate and allows Juice Man to easily interact with and advertise its products to minors.

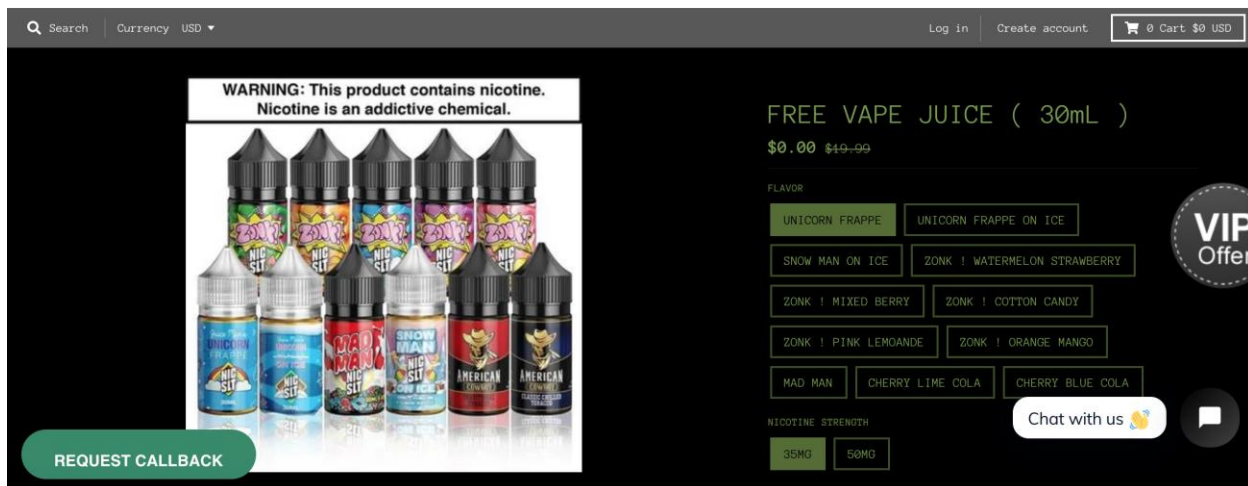
57. Juice Man’s website has a screen inquiring whether a consumer is over the age of 21 prior to allowing a consumer to view its online store. However, Juice Man does not even abide by this very basic method of age verification because the company interacts with visitors to its website prior to the attestation of age is complete.

58. When consumers of any age visit Juice Man’s online store, a message from Juice Man overtakes the screen to offer a free bottle of nicotine solution. As shown below, this occurs before a consumer attests that he or she is of legal age to purchase nicotine products.



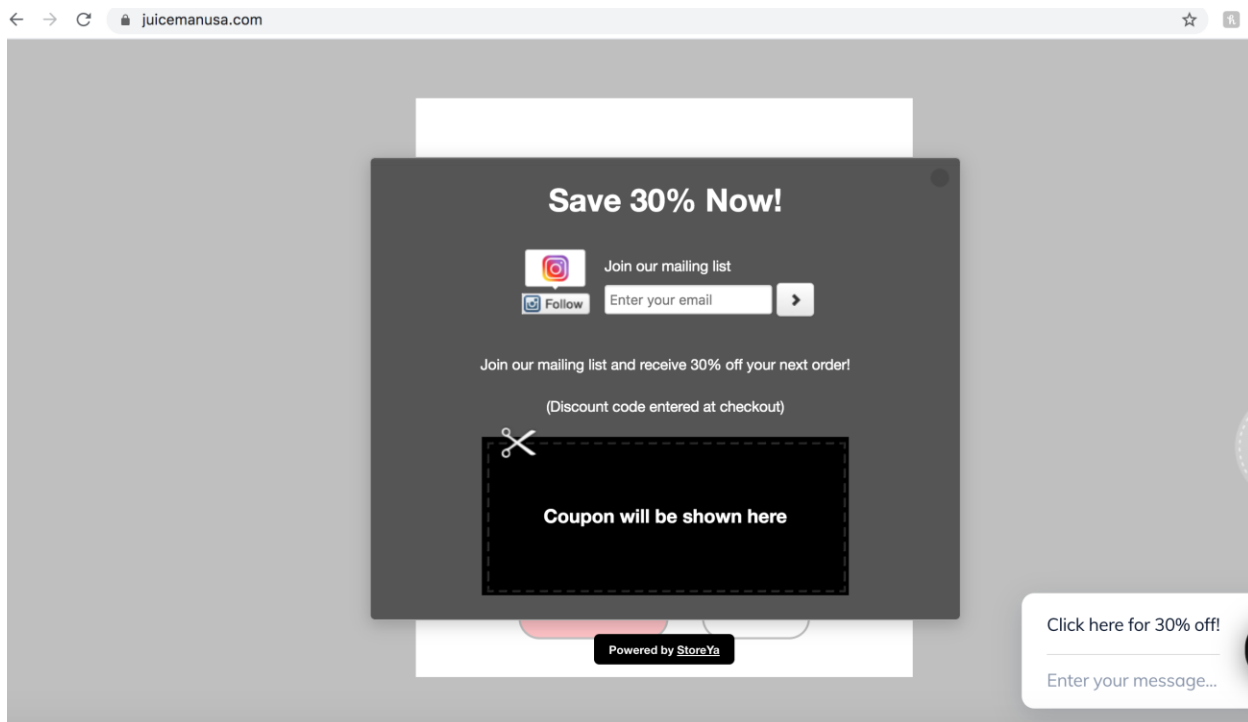
59. Consumers can directly interact with Juice Man and are even taken to the online store in order to select a free nicotine solution. Additionally, as shown below, Juice Man only offered its child-friendly flavors, such as “Zonk! Cotton Candy” and “Cherry Lime Cola” for free and did not offer any of its tobacco flavored products.

**WARNING: This product contains nicotine. Nicotine is an addictive chemical.**



60. Juice Man allowed a person of any age to receive and interact with these messages and only offered flavors that are attractive to youth.

61. Further, prior to attestation of age, Juice Man asked consumers to sign up for its email list and to follow the company on social media platforms.



62. Thus, Juice Man marketed its tobacco products in various ways prior to even requiring a basic form of age verification.

**C. Juice Man deceptively marketed the amount of nicotine contained in its products**

63. Juice Man made unfair and deceptive statements to consumers about the amount of nicotine contained in its solution by providing nicotine measurements in a deceptive and confusing manner.

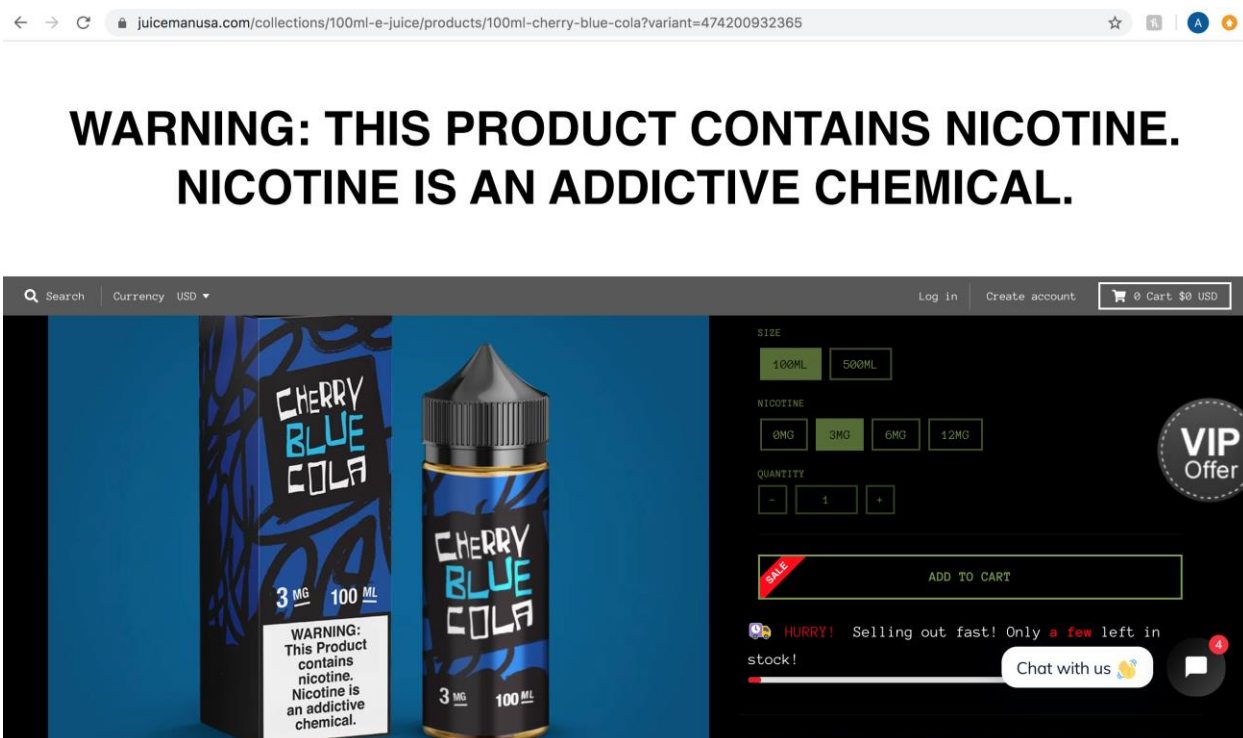
64. Although, the amount of nicotine contained in a liquid solution is often communicated to consumers in terms of percentage, Juice Man does not provide consumers with the percentage of nicotine in its solution. Instead, Juice Man advertises the amount of nicotine in its solutions through measurements that make it nearly impossible for the consumer to understand how much nicotine is actually in the product.

65. Juice Man uses milligrams, which is a measurement by weight, for the amount of nicotine in the bottle but then uses milliliters, a measurement by liquid, for the total amount of solution in the bottle. By using two different types of measurement systems for one product, consumers cannot understand the percentage of nicotine in the product.

66. When mixing measurements like this, in order for a consumer to understand how much of the chemical solution is nicotine, he or she would need to know the density of the solution. Juice Man does not provide the density of the solution to a consumer. Therefore, a consumer cannot truly understand how much nicotine is actually in the solution.

67. Not only is it nearly impossible for consumers to figure out the amount of nicotine contained in Juice Man's products based on the measurements and numbers provided, but often times, Juice Man's advertised numbers are not even accurate.

68. In certain instances, Juice Man advertises its nicotine solution as simply having, for example, 3 milligrams of nicotine in a 100 milliliter bottle of solution, as shown in the example screen shot below. Juice Man’s nicotine solution actually contains 3 milligrams *per* milliliter. Therefore, a bottle of 100 milliliters of solution would actually contain 300 milligrams of nicotine, not 3 milligrams. Juice Man is grossly downplaying to consumers how much nicotine is actually contained in one bottle of its solution.



### APPLICABLE STATUTES

69. Section 2 of the Consumer Fraud Act provides:

Unfair methods of competition and unfair or deceptive acts or practices, including but not limited to the use or employment of any deception fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon that concealment, suppression or omission of such material fact, or the use or employment of any practice described in Section 2 of the “Uniform Deceptive Trade Practices Act”, approved August 5, 1965, in the conduct of any trade or commerce are hereby declared unlawful whether any person has in fact been misled, deceived or damaged thereby. In construing this

section consideration shall be given to the interpretations of the Federal Trade Commission and the federal courts relating to Section 5 (a) of the Federal Trade Commission Act.

815 ILCS 505/2

70. Section 2 of the Uniform Deceptive Trade Practices Act provides in relevant part:

A person engages in a deceptive trade practice when, in the course of his or her business, vocation, or occupation, the person represents that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he or she does not have.

815 ILCS 510/2(a)(5)

A person engages in a deceptive trade practice when, in the course of his or her business, vocation, or occupation, the person engages in any other conduct which similarly creates a likelihood of confusion or misunderstanding.

815 ILCS 510/2(a)(12)

### **COUNT I**

#### **VIOLATIONS OF THE ILLINOIS CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT, 815 ILCS 505/1-1, et seq.**

71. The State incorporates Paragraphs 1 through 70 herein as if set forth in their entirety.
72. While engaged in trade or commerce, Juice Man committed the following unfair and/or deceptive acts or practices declared unlawful under Section 2 of the Consumer Fraud Act, with the intent that consumers rely on the deceptive acts and practices, 815 ILCS 505/2:
- a. Designing, offering for sale, and selling nicotine products to appeal to minors, as more fully alleged in paragraphs 29 – 45;
  - b. Creating and using marketing and advertising strategies targeted to minors, as more fully alleged in paragraphs 46 – 55;

- c. Using inadequate age verification systems for its online store, thereby allowing Juice Man to market and sell its products to underage users, as more fully alleged in paragraphs 56 – 62;
- d. Advertising the nicotine potency of its e-cigarette products in a deceptive and confusing manner, as more fully alleged in paragraphs 63 - 68; and
- e. Misrepresenting the amount of nicotine in its products, as more fully alleged in paragraphs 63 – 68.

**COUNT II**

**VIOLATIONS OF THE ILLINOIS UNIFORM DECEPTIVE TRADE PRACTICES ACT, 815 ILCS 510/1, et seq.**

73. The State incorporates Paragraphs 1 through 70 herein as if set forth in their entirety.

74. While engaged in trade or commerce, Juice Man committed the following deceptive act or practice declared unlawful under Section 2 of the Uniform Deceptive Trade Practices Act; 815 ILCS 510/2, which also constitutes a violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2:

- a. Representing that its goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have, specifically by representing its nicotine product as having a quantity of nicotine that it does not have, as more fully alleged in paragraphs 63 – 68; and
- b. Creating a likelihood of confusion as to the amount of nicotine contained in its products, as more fully alleged in paragraphs 63 – 68.

**PRAYER FOR RELIEF**

Wherefore, the State prays for the following relief:

- A. Finding that Defendant violated Section 2 of the Consumer Fraud Act, 815 ILCS 505/2, by engaging in unlawful acts and practices including, but not limited to, the unlawful acts and practices alleged herein;
- B. Finding that Defendant violated Section 2 of the Uniform Deceptive Trade Practices Act, 815 ILCS 510/2, by engaging in unlawful acts and practices including, but not limited to, the unlawful acts and practices alleged herein;
- C. Permanently enjoining the Defendant from engaging in the unfair and/or deceptive acts or practices described herein;
- D. Ordering Defendant to pay a civil penalty of \$50,000 per deceptive or unfair act or practice, and an additional \$50,000 for each act or practice found to have been committed with the intent to defraud, all as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7;
- E. Disgorging all revenues, profits, and gains achieved in whole or in part through the deceptive and unfair acts or practices complained herein;
- F. Requiring full restitution be made to consumers;
- G. Requiring the Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- H. Providing such other and further relief as justice and equity may require.

THE PEOPLE OF THE STATE OF  
ILLINOIS, by KWAME RAOUL  
ATTORNEY GENERAL OF ILLINOIS

BY: /s/ Greg Grzeskiewicz  
GREG GRZESKIEWICZ  
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