

# Zyn and Nicotine Pouches: What Local Tobacco Officials Need to Know

NACCHO

Truth Initiative

For audio, please call (1) 301 715 8592 (Washington, D.C.)

Webinar ID: 818 8117 1373

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- All participants are in listen-only mode
- Please enter any questions in the Q&A
- This webinar is being recorded, and the recording and slides will be sent out post webinar
- If you are having technical or audio issues, please use the chat box to reach out to myself or Stephanie Weiss

# Agenda

Welcome

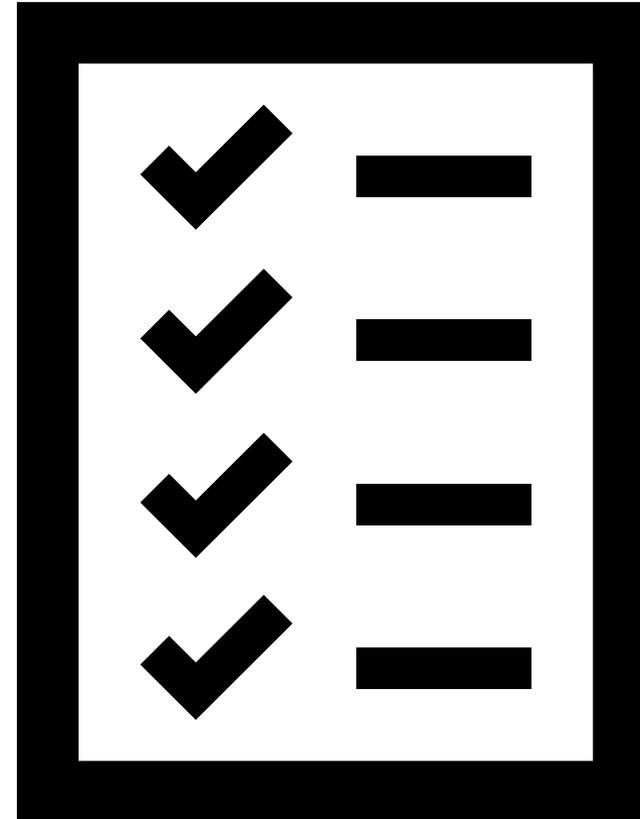
Dan Hamilton, NACCHO

Megan Diaz & Andrew Seidenberg – Truth Initiative

Q&A

# Tobacco Community of Practice

- The Tobacco Community of Practice provides a space for those interested working in tobacco control and prevention to connect and share ideas, resources, and best practices
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# Learning Objectives

1. Receive a high-level introduction of Zyn and nicotine pouches and their health effects
2. Take a retrospective look at how Zyn and nicotine pouches grew on the market
3. Understand how Zyn and other nicotine pouch products are regulated

# Speakers



Megan Diaz, PhD



Andrew Seidenberg, PhD,  
MPH

# A Deep Dive into Nicotine Pouches: What They Are & Why We Should Care?

December 9, 2024

Andrew B. Seidenberg, PhD, MPH

Megan C. Diaz, PhD



# Disclosure

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- The data presented are for information purposes only. Don't hesitate to contact us with questions.
- The conclusions drawn from the NielsenIQ data are those of the researcher(s) and do not reflect the views of NielsenIQ. NielsenIQ is not responsible for, had no role in, and was not involved in analyzing and preparing the results reported.
- We have no conflicts of interest to declare.

# What is a Nicotine Pouch?

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Pouch filled with nicotine powder

No tobacco leaf

Ingredients typically include:

- Nicotine
- Sweeteners/flavors
- pH stabilizers
- Fillers (cellulose/plant material)

To use, the pouch is placed between the top lip and gum

Usually, no spitting



# Types of Oral Tobacco Products

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Moist snuff/dip



Snus



Chewing tobacco



Nicotine pouches

# Pouched Products

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Moist Snuff/Dip



Snus



Nicotine Pouch

# Flavors

# Nicotine Pouch Flavors

## Mint Flavors



## Fruit Flavors



# Nicotine Pouch Flavors

## Coffee Flavors



## Cinnamon Flavors



# Nicotine Pouch Flavors

## Ambiguous/Concept Flavors



## Tobacco Flavors



# Nicotine in Nicotine Pouches

# Nicotine - Sources

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Tobacco plant



Other nightshade plants



Synthetic nicotine

# What Type of Nicotine is in Nicotine Pouches?



Some brands are made with **tobacco-derived nicotine**

Some brands are made with **synthetic nicotine**

Despite not being made with tobacco, **nicotine pouches are regulated as tobacco products** in the US (regardless of nicotine source).

# Wide Range of Nicotine Levels

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Stanfill *et al.* tested 37 nicotine pouch products sold in Atlanta (2019) and found:

- Total nicotine content ranged from 1.29 to 6.1 mg/pouch
- “...**nicotine and pH levels** found in some of these nicotine pouches are **similar to conventional tobacco products, such as moist snuff and snus...**”

Review by Travis *et al.* reported that higher level nicotine pouch strengths ( $\geq 6$  mg) “may **deliver comparable or higher nicotine than conventional SLT products and cigarettes.**” (some industry studies included)



2 mg/pouch



15 mg/pouch



21 mg/pouch

<https://pubmed.ncbi.nlm.nih.gov/34233354/>  
<https://pubmed.ncbi.nlm.nih.gov/38880491/>

# Nicotine Analogs

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US

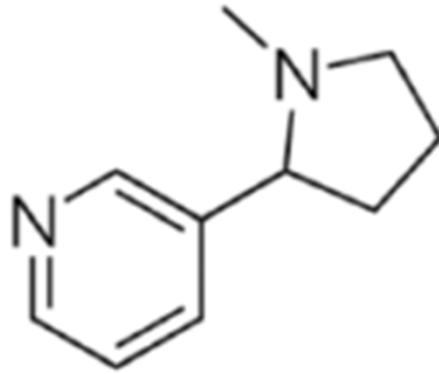
## **FDA warns that nicotine-like chemicals in vapes may be more potent than nicotine**

Synthetic substances are not regulated by US tobacco and vaping laws that control traditional nicotine

· Reuters

# Nicotine Analogs

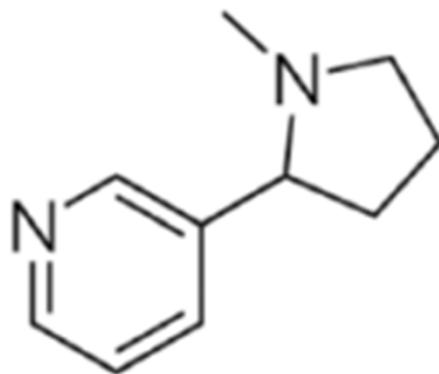
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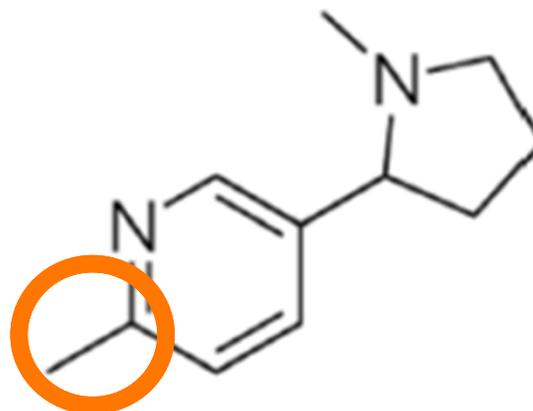
Nicotine

# Nicotine Analogs

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Nicotine



6-methylnicotine

*\*One example of a nicotine analog*

# Pouches with Nicotine Analogs



**PMTA EXEMPT**      **TOBACCO TAX EXEMPT**

## STR8UP™

Oral Novatine™ Pouches

**NO TOBACCO LICENSE REQUIRED**

- NOVATINE™ IS A COMPOUND SIMILAR TO TOBACCO & SYNTHETIC NICOTINE
- 8 AMAZING FLAVORS IN 4MG, 8MG, & 12MG STRENGTHS
- 100% BIODEGRADABLE POUCHES

CALL FOR MORE INFO  
+818-564-6055  
SCAN FOR WEBSITE

[www.GetSTR8UP.com](http://www.GetSTR8UP.com)  
PRODUCT OF JUST GOOD VIBES LLC

## CA Updated Its Flavored Tobacco Law

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“Nicotine” means any form of the chemical nicotine, including any salt or complex, regardless of whether the chemical is naturally or synthetically derived, ***and includes nicotinic alkaloids and nicotine analogs.***

# Health Effects

# Any Harmful Chemicals in Nicotine Pouches?

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Mallock-Ohnesorg *et al.* tested 48 nicotine pouch products and found:

- 8 hazardous substances detected (European CLP regulation)
- 13 substances detected that are not authorized food flavorings by European regulators
- 3 possible carcinogens detected (methyl eugenol, benzophenone, and  $\beta$ -myrcene)

Mallock *et al.* tested 44 nicotine pouch products and found:

- TSNA (carcinogenic) detected in 26 products at very low levels

Generally, nicotine pouches contain fewer chemicals and lower levels of chemicals compared to cigarette smoke and smokeless tobacco

# Nicotine Pouch Potential Health Risks

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Nicotine pouches deliver nicotine and use can lead to nicotine addiction

- Nicotine is harmful to developing brains
- Nicotine exposure can negatively affect the cardiovascular system
  - Especially in those with cardiovascular disease

Prolonged pouch use could lead to gum recession and oral lesions

**Long-term health risks not known**

# Case Report: Nicotine Toxicity

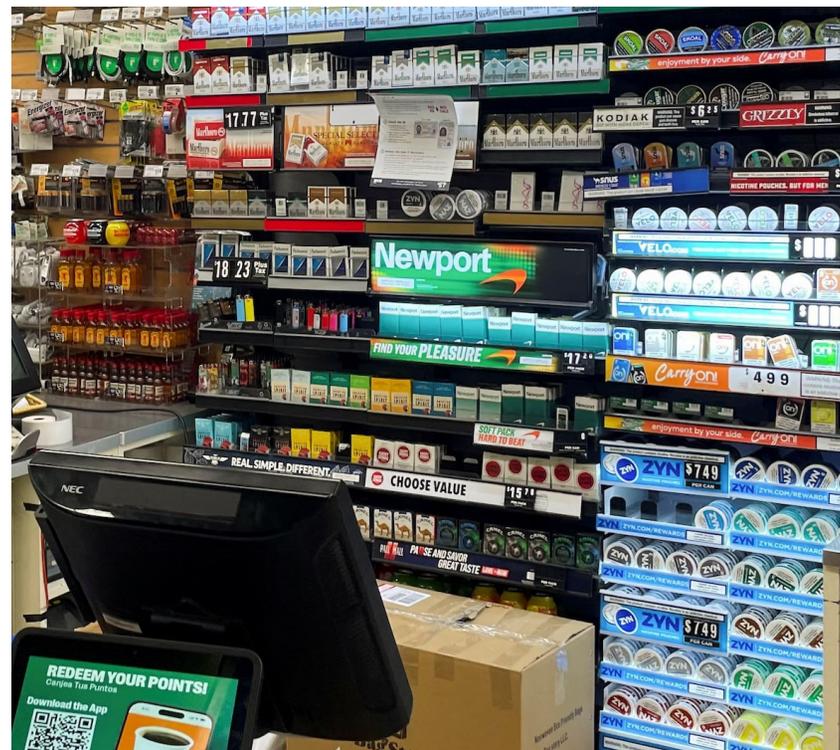
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- 21-year-old student used 15 nicotine pouches over a 12-hour period as a study aid
- Taken to ER via ambulance
- Symptoms: Confused, nonsensical language, unable to sit in a chair, nausea, hypertension
- Treated and discharged within 24 hours

“Repeated” use can lead to  
nicotine toxicity

# Marketing

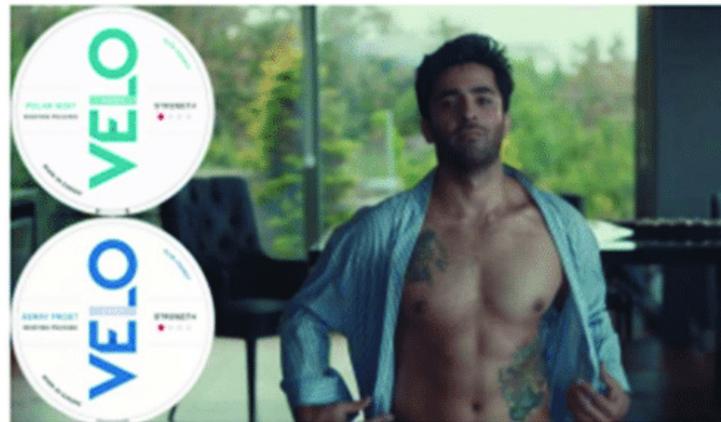
# Point of Sale



# Advertising Spending Data from Numerator

Duan *et al.* reported that between January 2019 – September 2021, 3 leading nicotine pouch brands spent \$24,774,650 on marketing

- Radio **Most ad \$ and occurrences**
- TV
- Mobile and online ads
- Print



# Event Marketing



# Zyn Rewards Program

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## HOW IT WORKS

[Watch the Introductory Video](#)



### SCAN CODES

Using your phone, scan the QR code on the back of your can to receive your points. Enter up to 60 codes per month. Keep in mind codes are case-sensitive!



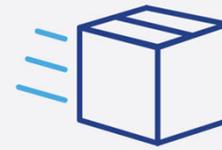
### COLLECT POINTS

Get 15 points for every reward code and look out for chances to earn bonus points.



### SHOP REWARDS

Browse more than 50 reward items and choose one to start saving for.



### ORDER, ENJOY

Use points to purchase rewards. Every order ships for free!

# Zyn Rewards Program

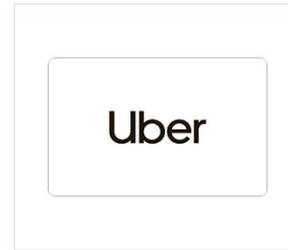
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**CUISINART MINI-PREP  
FOOD PROCESSOR**  
1450 POINTS



**E-GIFT CARD: UBER \$50**  
1650 POINTS



**E-GIFT CARD: UBER \$25**  
925 POINTS

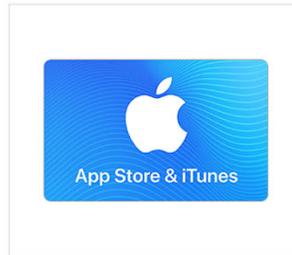


**SUNNY HEALTH WALK  
STATION SLIM FLAT  
TREADMILL**  
7560 POINTS

**614  
cans  
needed**



**APPLE WATCH SERIES 8**  
9200 POINTS



**E-GIFT CARD: APP STORE  
& ITUNES \$25**  
925 POINTS



**E-GIFT CARD: AIRBNB \$50**  
1650 POINTS



**PUR AND CALM  
MICROFIBER WEIGHTED  
BLANKET**  
2400 POINTS

# Zyn Rewards Program

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**TORY BURCH PERRY TOTE**  
10030 POINTS



**SONOS BEAM SOUND SYSTEM**  
9000 POINTS



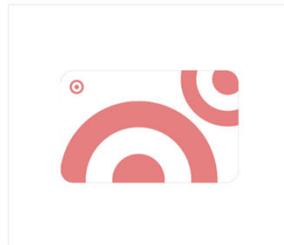
**GOPRO HERO11 BLACK MINI**  
7560 POINTS



**KATE SPADE BLACK NYLON BAND**  
2400 POINTS



**E-GIFT CARD: TARGET \$50**  
1650 POINTS



**E-GIFT CARD: TARGET \$25**  
925 POINTS

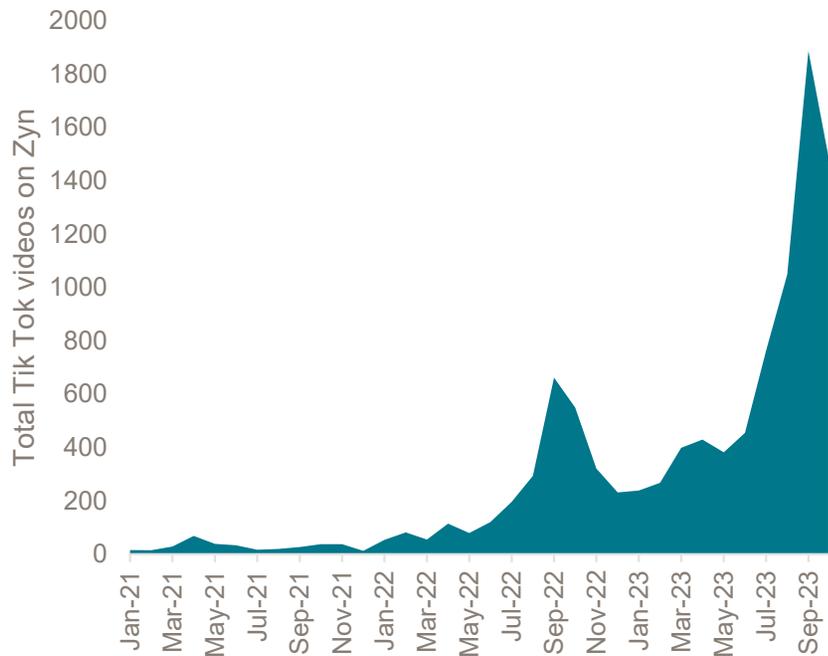


**LEATHERMAN WINGMAN**  
2340 POINTS



**PEAK SINGLE SPHERE ICE MOLD**  
840 POINTS

# Zyn sub-culture on Tik Tok



When you ask your 21 yr old friend to get you zyns but he

## Zynbabwe

A country almost like [Zimbabwe](#), except every man and child has a [pack](#) of zynachinos and an [upper decky lip pillow](#) at all times.

*[Himmy Neutron packs](#) so many [upper decky](#) lip cushions, he must be from Zynbabwe*

by [Ferda\\_Kanye](#) October 21, 2022

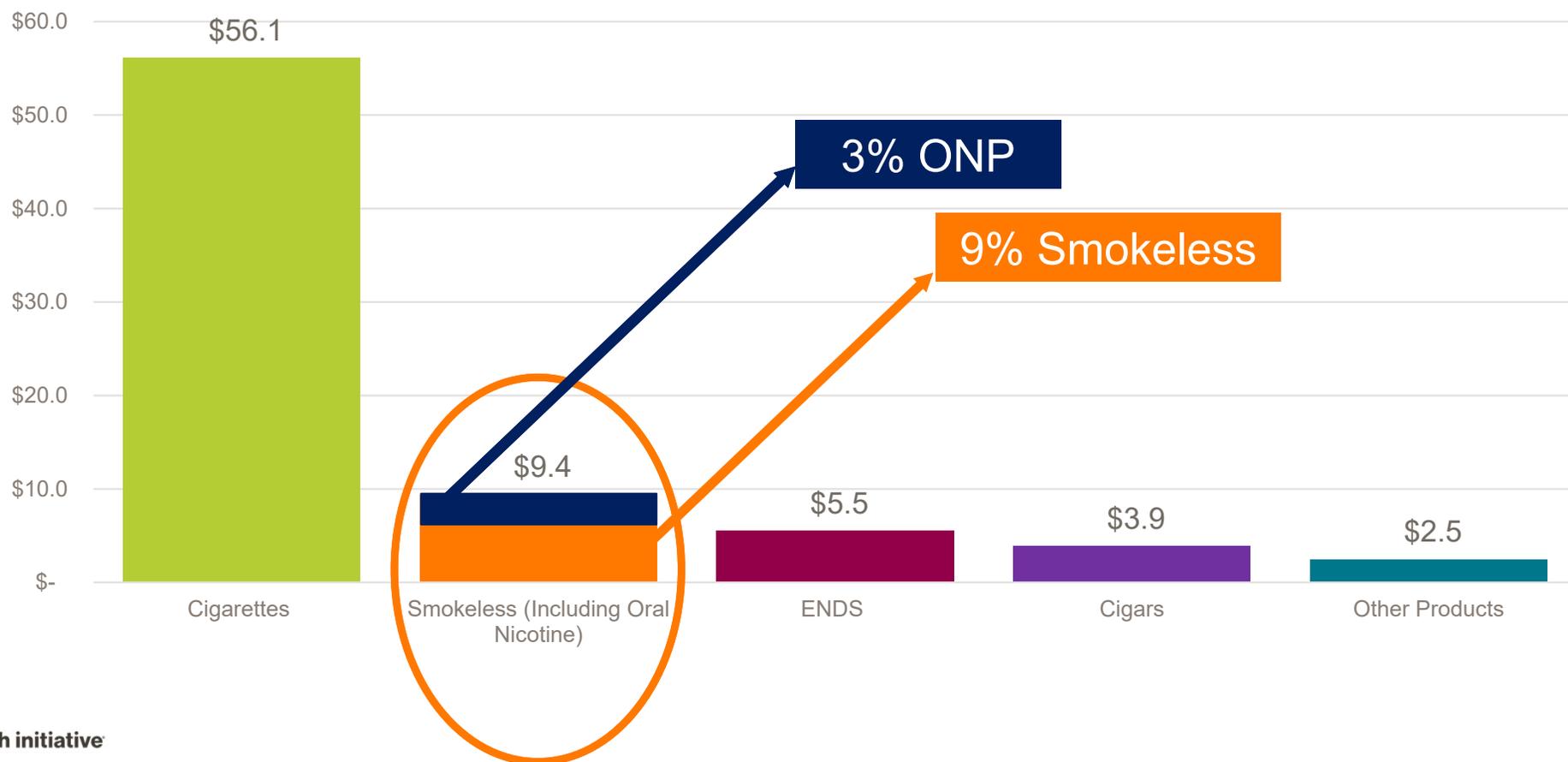
# Wear your identity

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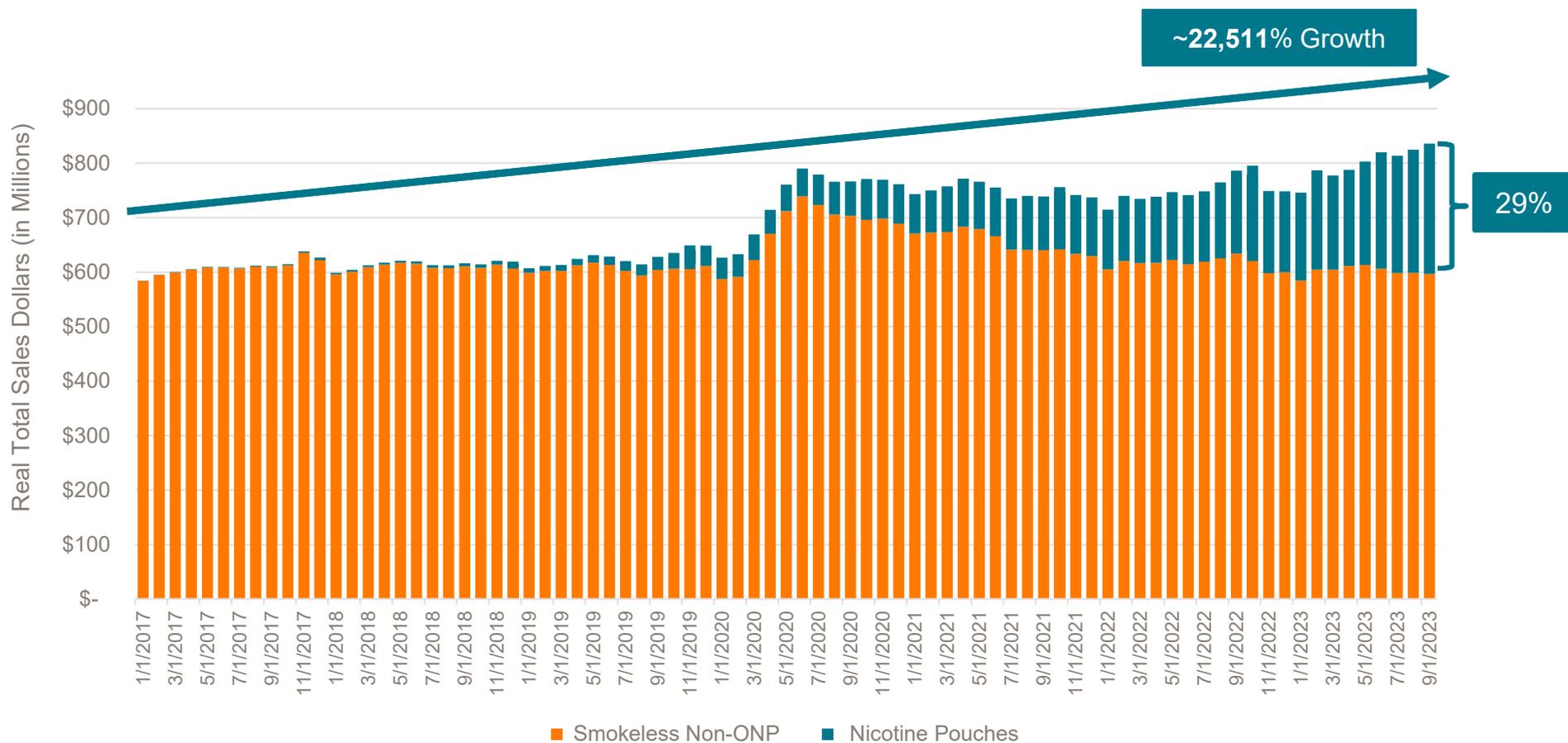


# Retail Sales Data: Smokeless Tobacco & Oral Nicotine Pouches

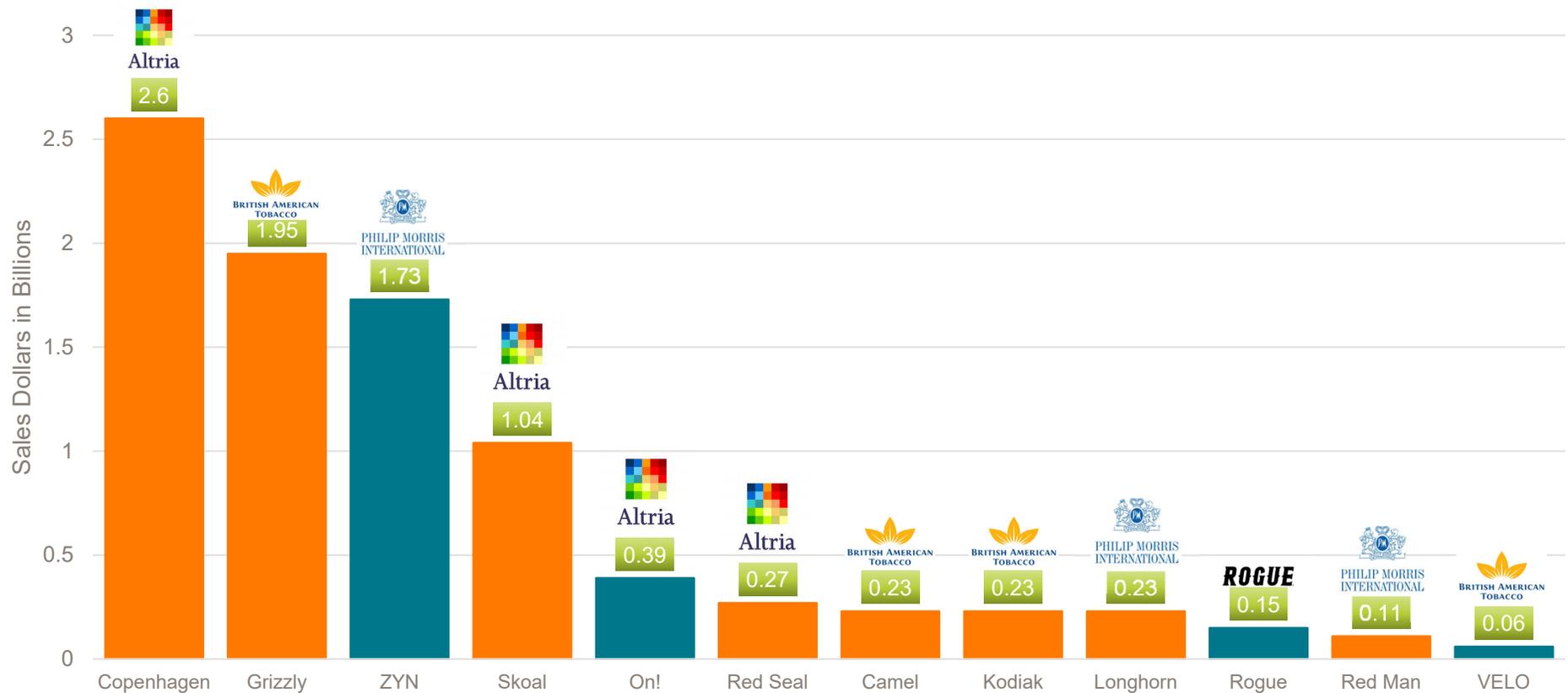
# Market share of smokeless tobacco/nicotine continues to increase, 2023



# Oral nicotine pouches have had explosive growth

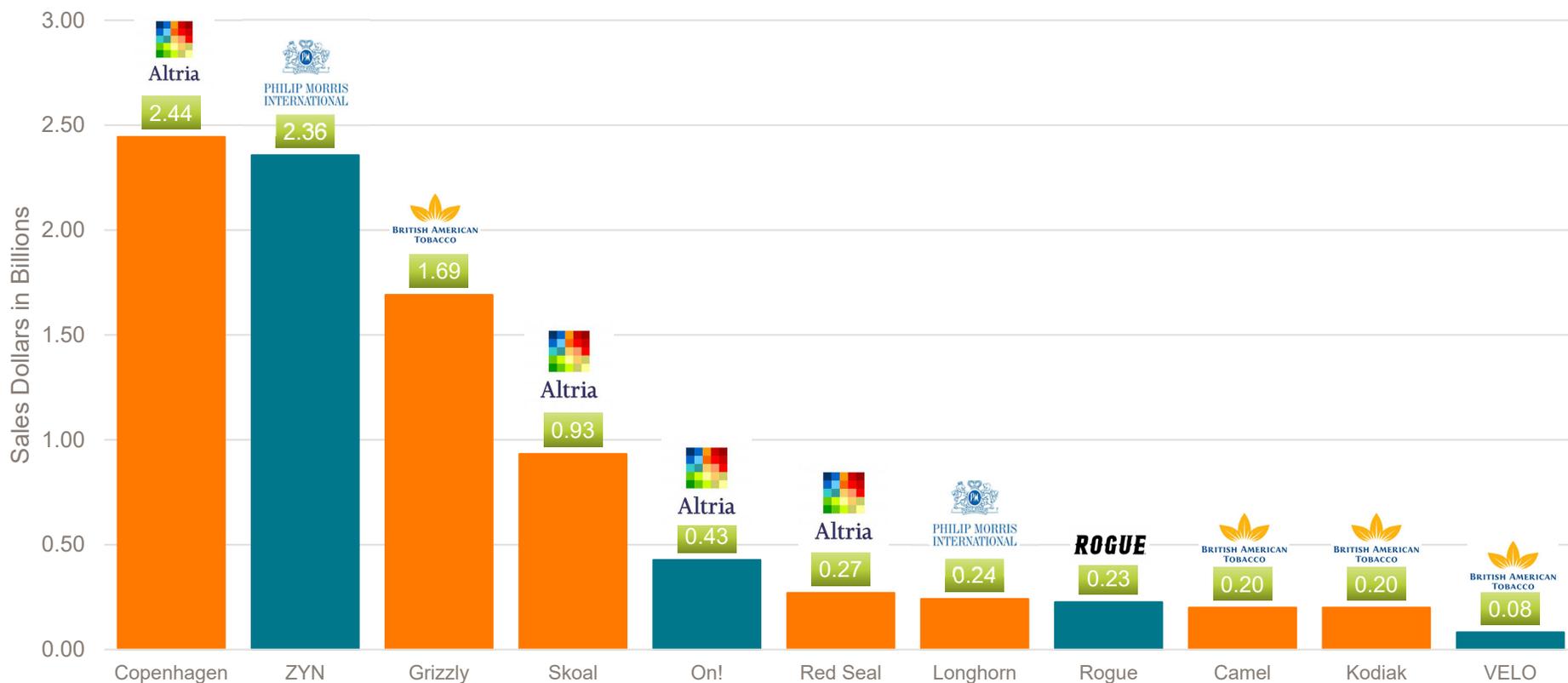


# Nicotine pouches gain market share – June 2023



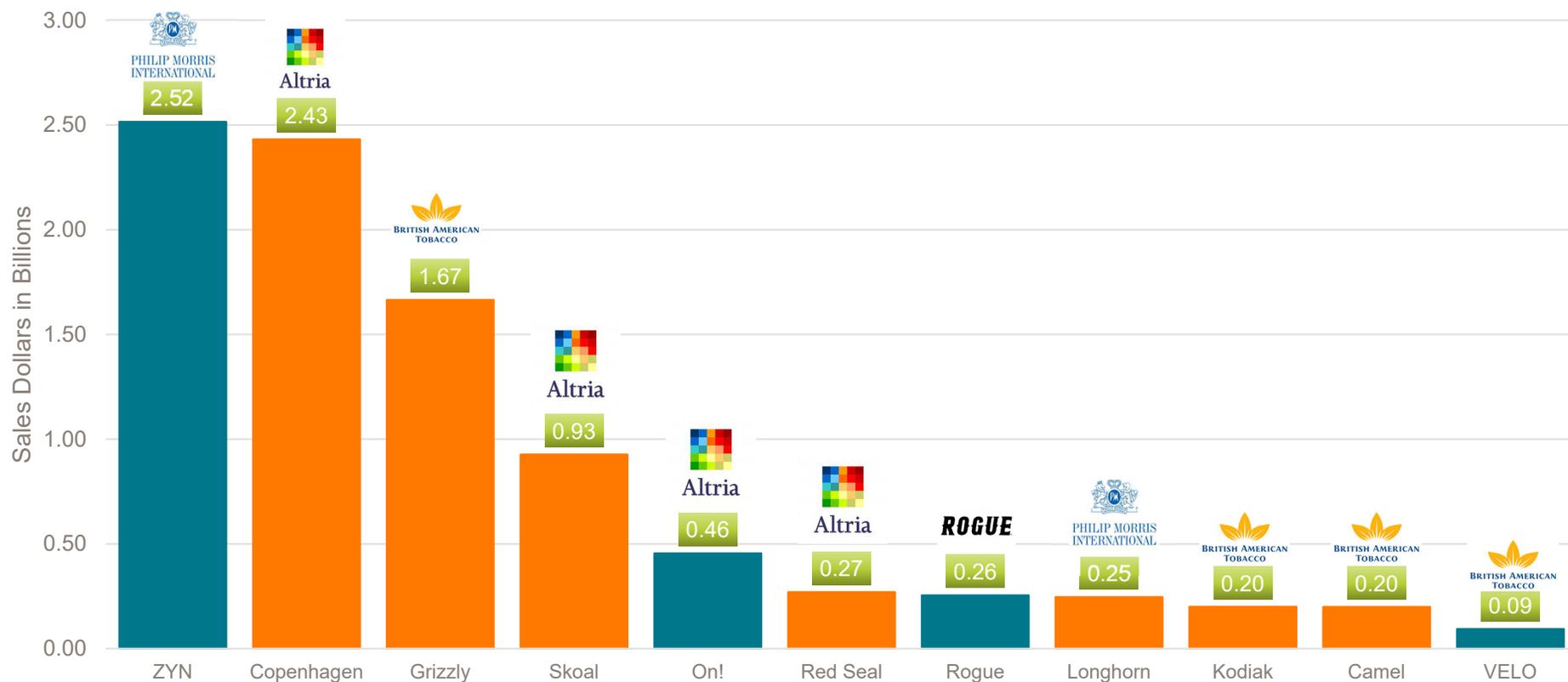
Herzog B. 2023. Americas Tobacco: NielsenIQ Data thru 7/29

# Nicotine pouches gain market share – September 2024



Source: Herzog B. 2024. Americas Tobacco: NielsenIQ Data thru 9/7/2024

# Nicotine pouches gain market share – November 2024



Source: Herzog B. 2024. Americas Tobacco; NielsenIQ Data thru 11/12/2024

# The Market Leaders in Oral Nicotine Pouches



76%



14%

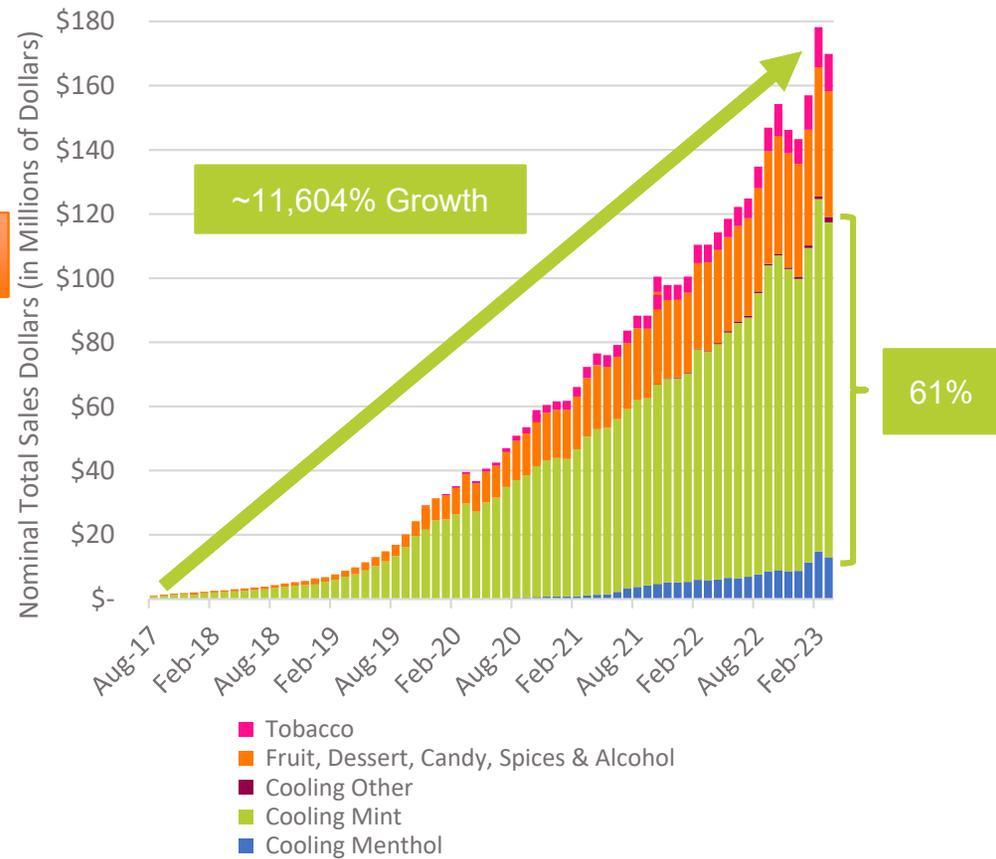
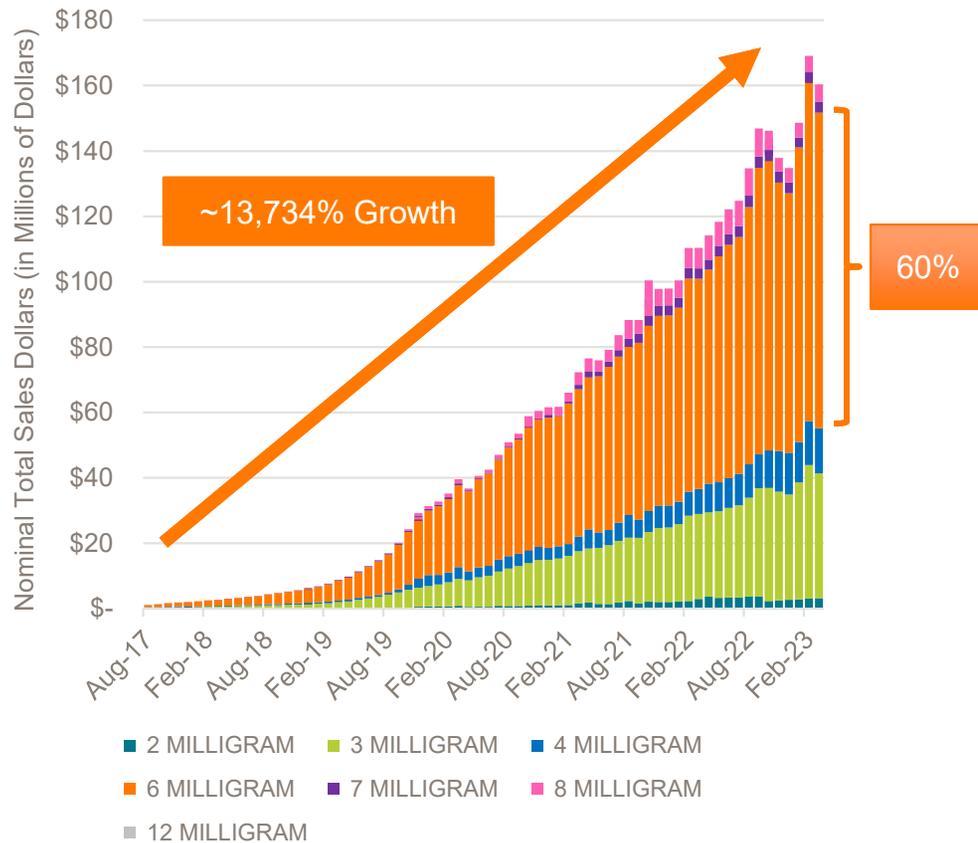


7%



3%

# Growth is driven by 6 milligram strength flavored like cooling mint



# ZYN's Timeline of Growth

# 2014-2015 Colorado Roll Out

*“It is therefore desirable to provide a nicotine product which rapidly delivers nicotine to the user and thereby provides the user with the desired effect. It is also desirable to provide a nicotine product which gives an almost complete delivery of the nicotine to the user to avoid unnecessary waste”*

**Zyn Patent Application, 2015**



# Why Colorado?

## CIGARETTE USE

among adults and high school students

COLORADO

ADULTS

15.6%

17.1%

2016

HIGH SCHOOL STUDENTS

7.0%

8.8%

2017

COLORADO

U.S.

## OTHER TOBACCO PRODUCT USE

among adults and high school students

COLORADO

ADULTS (2015)

E-CIGARETTES

2.6%

SMOKELESS TOBACCO

1.8%

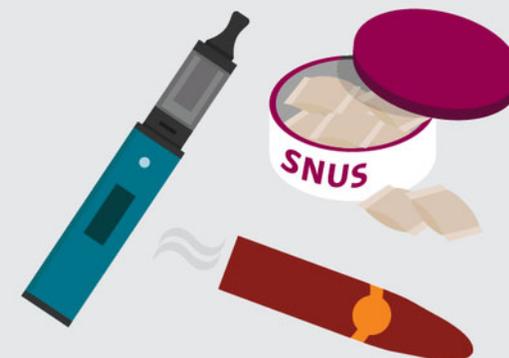
CIGARS

2.1%

HIGH SCHOOL STUDENTS (2017)

E-CIGARETTES

26.2%

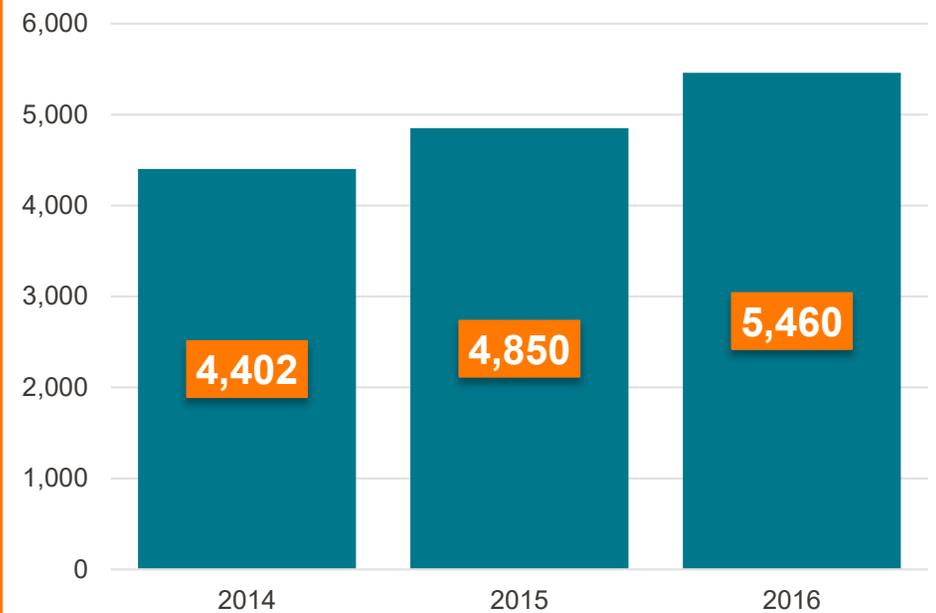


# 2016 Expansion out West

*“Market related costs are expected to increase somewhat primarily related to the expansion of ZYN in the US market.”*



Swedish Match Total Number of Employees\*



# 2017 Retail Explosion

One of the most exciting developments in the US smokeless market has been the very positive reception for ZYN ... **Volume growth has been impressive.** Not only have we expanded our distribution in the western US, but also **have experienced growth through faster turnover in existing stores.**

“We are currently **building new capacity** in the US in our Owensboro, Kentucky facility, investing more than **60 million dollars** to enable us to produce locally to **support the growth of ZYN.**”



Data from: [https://www.swedishmatch.com/globalassets/reports/annual-reports/2017\\_swedishmatchannualreport\\_en.pdf](https://www.swedishmatch.com/globalassets/reports/annual-reports/2017_swedishmatchannualreport_en.pdf)

# 2018 Market Health?

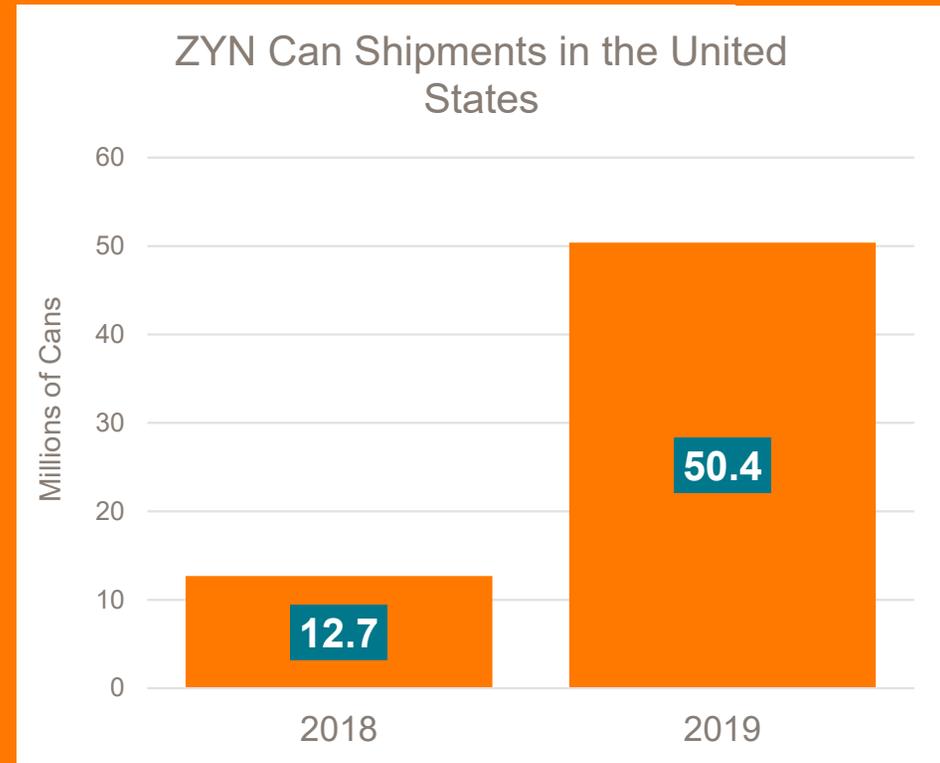
*“Engaged in public awareness campaigns with the objective of increasing understanding of the health benefits of snus and ZYN compared to cigarettes.”*

*“The very strong demand that we have experienced for ZYN in the western region has prompted us to twice decide to scale up the investment in manufacturing capacity for ZYN”*

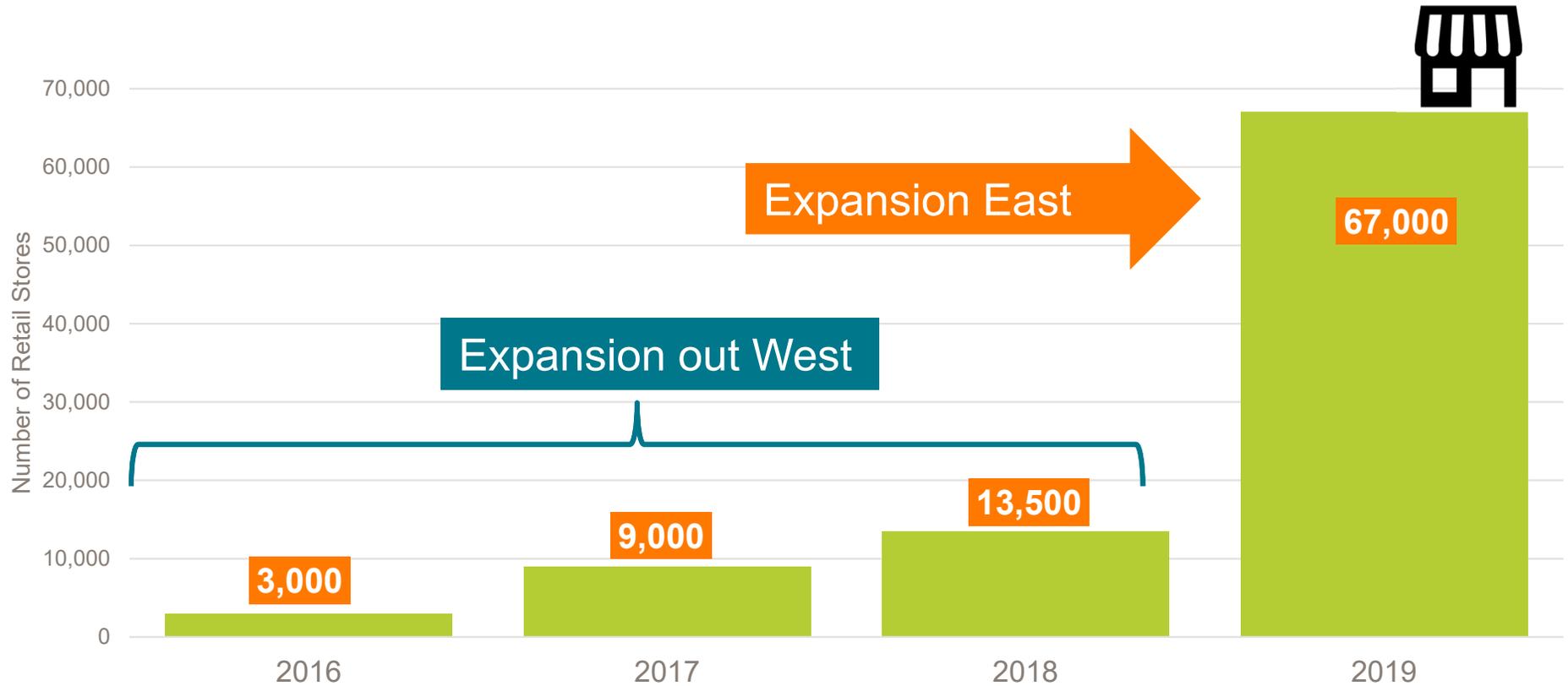


# 2019 Increasing Profit

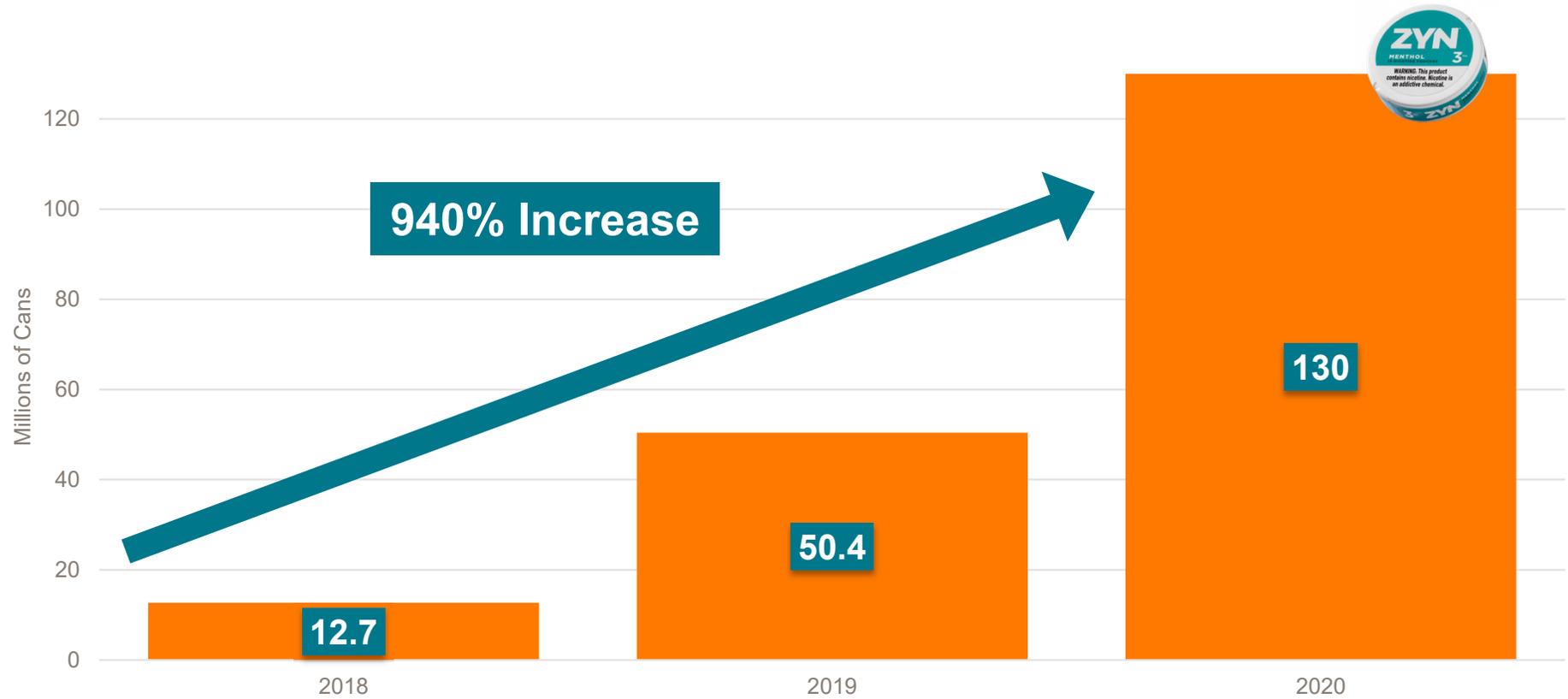
“While the distribution footprint for ZYN expanded more than fourfold during the year, **growing volumes for ZYN were also attributable to increased sales volume per store.**”



# 2016-2019: ZYN's Continued Expansion and Increasing Availability



# 2020: Positive Covid Effects



# 2021: Investing in the US

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*“During the year, we have once again scaled up the ZYN production capacity in the US. Out of our total R&D expenditure, 91 percent was related to smokefree products.”*

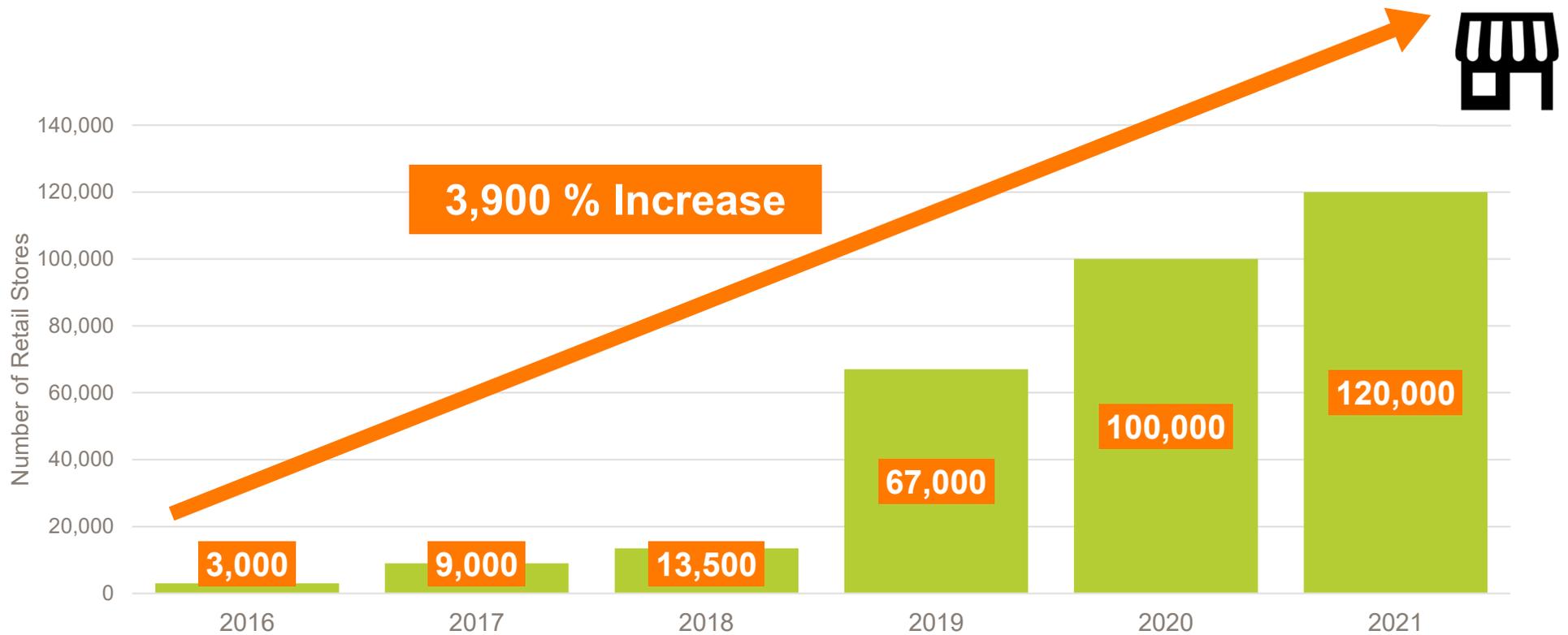


198 Millions of Cans Shipped in  
2021



- United States
- All Other Countries

# 2021 ZYN's Expansion Continues



## 2022: Success Under Swedish Match

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**Number of  
Employees**

**73%**

**(4,402 – 7,536)**

**2014-2022**

**Number of  
Stores**

**4,500%**

**(3,000 – 138,000)**

**2016-2022**

**Number of  
Cans  
Shipped**

**1,633%**

**(12.7M-220M)**

**2018-2022**

# End 2022: Phillip Morris International

Reuters

World Business Markets Sustainability Legal Breakingviews Technology Investigations

Reuters Econ world: Is the inflation battle really over? Join Carmel Crimmins for a discussion about possible interest rat

Deals

## Philip Morris to de-list Swedish Match after raising stake to 93%

By Marie Mannes

November 28, 2022 6:58 AM EST · Updated 2 years ago



# Phillip Morris International becomes sole owner of Swedish Match and Zyn



# 2023: ZYN US Goals

## Strong Category Outlook 2024-26

### U.S.:

ZYN driving strong top and bottom-line of total PMI U.S. business

### International:

Leveraging IQOS infrastructure with disciplined investments to drive mid-term growth

### Overall Oral Smoke-Free:

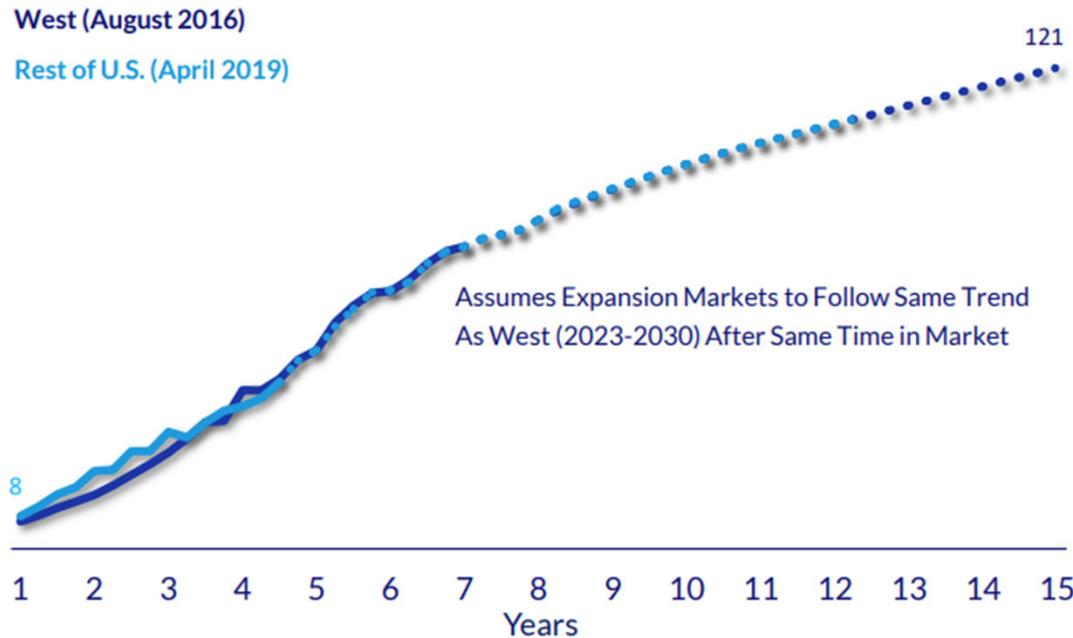
Continue innovating with high quality, serious propositions for adult nicotine users

Target  
800m-1bn  
Nicotine Pouch Cans  
by 2026,  
mostly from U.S.



# The Future of ZYN in the US

## Category Cans/Store/Week (13W rolling)



Potential Scenario of Velocity Growth Would Imply a 2030 Category Size of:

**~3x**

Current Category Size

Note: Expansion of store universe assumed to be 5% per year for modelling purpose; expansion markets assumed to follow same trend as West (2023-2030) after same time in market  
Source: Company illustrative calculations based on IRI Unify

# PMI is investing \$600M to build a new Zyn manufacturing facility

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- In summer 2024 numerous nationwide Zyn shortages were reported
- This expansion is in addition to their plan to increase production in Kentucky

5

Source: <https://www.nbcnews.com/business/business-news/zyn-maker-increases-production-capacity-new-600-million-facility-color-rcna162072>



# Who is Using Zyn?

## 2020 Who is using ZYN?

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*“But I think it's fair to say that in our portfolio, it seems like the majority of the consumers are those with smokeless experience or previous smokeless experience. But it's about half. So about half is also coming from other sources...”*



**UNDER THE  
ZYNFLUENCE**

~~More doctors smoke Marlboro~~  
than any other cigarette!

*kids take zyn*  
*pouch!*

A woman with blonde hair, wearing a black strapless dress and a pearl necklace, is holding a blue ZYN pouch. The pouch is labeled 'COOL MINT ZYN RECYCLED POUCH MENTHOL FREE'.

# 2023 Who is Using ZYN?



## ZYN Consumer Fact Sheet

### Demographics

**39yrs**  
Average Age

**33%**  
Women

### Average Weekly Consumption (cans)

**4.2**  
ZYN Rewards Members

**3.2**  
Total Average

### Split on Flavor & Nicotine Strength

**62%**  
Mint Flavors

**70%**  
6mg Nicotine

Who are the 19% missing?

**36%**  
Traditional Oral

**20% 25%**

Maybe nicotine naïve users???

### Income & Education

**\$89k**  
Avg Household Income

**60%**  
Graduates

## A Few Use a Lot

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*“So we -- a little bit of caution there to say exactly what the average consumption is. What we can say definitively is that if you look in -- among those consumers that are registered in the ZYN loyalty program, the average consumption is higher, around 4 or north of 4 cans per consumer in a week...”*

65% of sales are driven  
by 20% of users

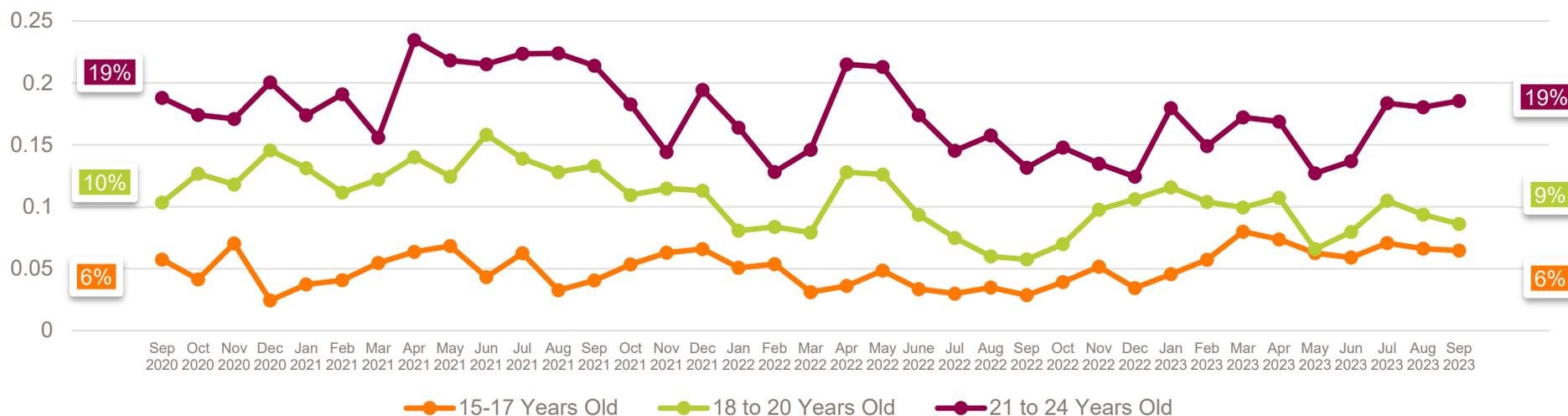


Quote from: [https://www.swedishmatch.com/globalassets/reports/annual-reports/2022\\_swedishmatchannualreport\\_en.pdf](https://www.swedishmatch.com/globalassets/reports/annual-reports/2022_swedishmatchannualreport_en.pdf)

Image: ZYN Travel Tube from: <https://flfablab.com/products/zyn-can-travel-tube-holds-5-cans-with-33665>

# Monitoring Use

- Surveillance systems have been slow to include Nicotine Pouches in the products being monitored.
  - Adults - 2022 **CPS-TUS data** reported **2.9%** of US adults had ever used nicotine pouches
  - Youth - 2024 **NYTS** reported **3.5%** of Middle and High School students had ever used nicotine pouches
  - **Truth Continuous Tracker Online** shows higher rates in online convenience samples:



# ZYN: Inspiring Competitors

# More and More and More Copycats



# ALP owned by Tucker Carlson

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**Does this feel familiar?**

# Remember JUUL?

HEALTH AND SCIENCE

## Tobacco giant Altria takes 35% stake in Juul, valuing e-cigarette company at \$38 billion

PUBLISHED THU, DEC 20 2018-7:04 AM EST | UPDATED THU, DEC 20 2018-4:43 PM EST

 **Angela Peebles**  
@IN/ANGELICAPEEBLES/  
ANGELICAPEEBLES

SHARE    

### KEY POINTS

- Altria has taken a 35 percent stake in Juul, the companies announce.
- Juul represents about 75 percent of the e-cigarette market.



# Familiar? Remember Disposable Vapes



# Key Takeaways

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Oral nicotine pouches, with Zyn as the market leader, are a new and rapidly growing product category

Youth use is currently low, BUT nicotine pouches may appeal to youth because they are flavored and can be used discreetly

Nicotine pouches are marketed through a variety of channels (e.g., radio, TV, point of sale)

Long-term health risks are not known

# Questions?

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Megan C. Diaz, PhD  
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# Q&A





Thank you!

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