

**IN THE CIRCUIT COURT FOR
BALTIMORE CITY**

MAYOR AND CITY COUNCIL OF
BALTIMORE, *ex rel.* Ebony M. Thompson,

Plaintiff,

v.

PHILIP MORRIS INTERNATIONAL,
INC., SWEDISH MATCH NORTH
AMERICA LLC, and SWEDISH MATCH
USA, INC.,

Defendants.

Case No.

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff, the Mayor and City Council of Baltimore (“Baltimore” or “the City”), by Ebony M. Thompson of the Baltimore City Law Department (“Plaintiff”), brings this action against Philip Morris International, Inc. (“PMI”), Swedish Match North America LLC (“Swedish Match NA”), and Swedish Match USA, Inc. (“Swedish Match USA”),¹ seeking civil penalties and injunctive relief to remedy Defendants’ violations of the City of Baltimore’s Consumer Protection Ordinance, Baltimore City Code Art. 2, § 4 (“CPO”).

Baltimore alleges the following based on knowledge, the investigation of counsel, and information and belief.

¹ Swedish Match NA and Swedish Match USA are collectively referred to as the “Swedish Match Defendants.” The Swedish Match Defendants and PMI are collectively referred to as “Defendants.”

I. INTRODUCTION

1. Described by Senator Chuck Schumer as a “pouch packed with problems,”² Zyn is a small, rectangular pouch that users nestle between their lip and gums for the discreet delivery of nicotine into the bloodstream. Launched by the Swedish Match Defendants in 2014, Zyn is comprised of stabilizers, fillers, pH adjusters, flavoring, sweeteners and nicotine salt.

2. Nicotine—often likened to cocaine and heroin, due to its addictive nature³—hooks users by causing a release of dopamine, which is the “feel-good” neurotransmitter that influences motivation, attention, mood, movement and more.⁴

3. As of 2020, roughly “23.6 million Americans aged 12 and older were dependent on nicotine.”⁵ This number only stands to grow, with companies such as PMI⁶ now pushing nicotine products on younger generations via targeted marketing campaigns.

² Malissa Rodenburg, *NICOTINE POUCHES ARE GROWING IN POPULARITY. ARE THEY SAFE?*, Hub (Mar. 8, 2024), <https://hub.jhu.edu/2024/03/08/zyn-nicotine-pouch-tory-spindle/#:~:text=and%20health%20effects,-Tory%20Spindle,between%20January%20and%20March%202022>.

³ *Nicotine Dependence*, UCSF Health, <https://www.ucsfhealth.org/conditions/nicotine-dependence> (last accessed Apr. 14, 2025).

⁴ *Dopamine*, Cleveland Clinic, <https://my.clevelandclinic.org/health/articles/22581-dopamine> (last accessed Apr. 14, 2025).

⁵ Jessica Miller, *Nicotine Addiction Statistics*, AddictionHelp.com, <https://www.addictionhelp.com/nicotine-addiction/statistics/> (last updated Jan. 1, 2025).

⁶ PMI acquired the Swedish Match Defendants in 2022.

4. Specifically, PMI devised and executed an extensive campaign to create new nicotine addicts to ensure profits—with an emphasis on ensuring nicotine addiction in the City of Baltimore’s children and adolescents.

5. While facing widespread litigation arising from its deceptive marketing practices that targeted children and adolescents and contributed to the JUUL epidemic, PMI continued to use its marketing tactics and addiction prowess to peddle Zyn oral nicotine pouches to the children and adolescents within the City of Baltimore.

6. Zyn is advertised as “smoke-free” and “spit-free,” with the brand noting that the pouches “come in a wide variety of flavors and strengths, for a fresh experience [users] can enjoy anywhere, anytime.”⁷

7. PMI strategically introduced a product that allows for inconspicuous nicotine use. Instead of attempting to secretly puff on a vape or cigarette—both of which produce smoke—children and adolescents can now subtly tuck a gum-shaped nicotine pouch in their mouths without revealing their nicotine use to parents, teachers, coaches, or other authority figures. As Zyn advertised: its pouches can be used “*anywhere, anytime.*”⁸

⁷ *Fresh Nicotine Satisfaction*, Zyn, <https://us.zyn.com/#:~:text=Care%20By%20ZYN-,FRESH%20NICOTINE%20SATISFACTION,you%20can%20enjoy%20anywhere%2C%20anytime.> (last accessed Apr. 22, 2025) (login required).

⁸ *Id.*

8. “In 2024, 1.8% of middle and high school students—amounting to an estimated 480,000 students—reported currently using nicotine pouches.”⁹

9. The University of Michigan’s “Monitoring the Future” 2024 survey indicated that the number of tenth graders who reported to have used oral nicotine pouches in the last twelve months nearly doubled from 2023.¹⁰ Nicotine pouch users in twelfth grade more than doubled since 2023.

10. Without intervention, oral nicotine product (“ONP”) usage poses a significant threat to children and adolescents in the City of Baltimore.

11. Plaintiff City of Baltimore brings this action, pursuant to the City of Baltimore’s Consumer Protection Ordinance, Baltimore City Code Art. 2, § 4, to prevent and abate the serious health consequences posed by Defendants’ unlawful practices to the children and adolescents of the City of Baltimore. Plaintiff seeks all legal and equitable relief allowed by law, including civil penalties for each violation of the CPO, injunctive relief to prevent Defendants from continuing to engage in the

⁹ Tayler Shaw, *Why Children and Teens Should Avoid Nicotine Pouches Like Zyn*, Univ. of Colorado Dept. of Med. (Oct. 17, 2024), <https://news.cuanschutz.edu/departments-of-medicine/health-nicotine-pouches-zyn>.

¹⁰ “The Monitoring the Future survey is conducted by researchers at the University of Michigan, Ann Arbor, and funded by NIDA. The survey is given annually to students in eighth, 10th, and 12th grades who self-report their substance use behaviors over various time periods, such as past 30 days, past 12 months, and lifetime. The survey also documents students’ perceptions of harm, disapproval of use, and perceived availability of drugs. The survey results are released the same year the data are collected. From February through June 2024, the Monitoring the Future investigators collected 24,257 surveys from students enrolled across 272 public and private schools in the United States.”

unfair, abusive, and deceptive trade practices described herein, restitution, and disgorgement.

II. JURISDICTION

12. This Court has personal jurisdiction over Defendant PMI, because PMI has committed the acts complained of herein in the State of Maryland and the City of Baltimore. PMI publicly represents, among other things, that it sells Zyn, and has invested in—and is continuing to invest in—facilities to manufacture and commercialize Zyn in the United States. The State of Maryland and the City of Baltimore are among the markets where Zyn is sold. Based on the allegations herein, PMI also controls the Swedish Match Defendants. PMI, therefore, has personally availed itself of doing business in this jurisdiction.

13. This Court has personal jurisdiction over the Swedish Match Defendants because they have committed the acts complained of herein in this State and in this District. The Swedish Match Defendants design, manufacture, promote, market, and sell Zyn in the United States, including in the State of Maryland and the City of Baltimore. The Swedish Match Defendants personally availed themselves of doing business in this jurisdiction.

14. Defendants entered the State of Maryland and the City of Baltimore with the knowledge and intent that their products would be widely disseminated therein. Defendants possessed further knowledge that the adverse effects of their

pernicious targeting of children and adolescents would be felt in both the State of Maryland and in the City of Baltimore.

15. By advertising Zyn in the State of Maryland and the City of Baltimore, Defendants have purposefully availed themselves, through specific acts, of the privilege of conducting activities within the State and have conducted illegal acts within the State of Maryland and the City of Baltimore. *See CSR, Ltd. v. Taylor*, 411 Md. 457, 485–86 (2009) (noting that to satisfy the purposeful availment requirement in Maryland, the defendant must have “engage[d] in significant activities in the State or create[d] continuing obligations with the State’s residents, thus taking advantage of the benefits and protections of Maryland law.” Examples of such availment include advertising in the forum state and registering to provide services to Maryland residents.) (citing *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 475–76 (1985); *Asahi Metal Industry Co., Ltd. v. Superior Ct. of Cal., Solano County*, 480 U.S. 102, 112 (1987); *Mohamed v. Michael*, 279 Md. 653, 659 (1977)).

16. Defendants are, therefore, subject to specific personal jurisdiction of the courts of this State. Md. Code Ann., Cts & Jud. Proc. § 6-103 (“A court may exercise personal jurisdiction over a person, who directly or by an agent: (1) Transacts any business or performs any character of work or service in the State; (2) Contracts to supply goods, food, services, or manufactured products in the State; (3) Causes tortious injury in the State by an act or omission in the State[.]”).

17. This Court's exercise of personal jurisdiction over Defendants is consistent with due process, as Defendants purposefully directed Zyn products, advertisements, and marketing campaigns into the State of Maryland and the City of Baltimore and otherwise availed themselves of the benefits and protections of the laws of the State of Maryland and the City of Baltimore.

18. This Court has subject matter jurisdiction because the claims at issue arise under a City of Baltimore ordinance. Md. Code Ann., Cts & Jud. Proc. § 1-501 ("The circuit courts are the highest common-law and equity courts of record exercising original jurisdiction within the State. Each has full common law and equity powers and jurisdiction in all civil. . . cases within its county[.]").

III. VENUE

19. Venue is proper in this Court under Md. Code Ann., Cts & Jud. Proc. § 6-201, because a substantial part of the acts or omissions giving rise to the claims occurred in the City of Baltimore and Baltimore County. Md. Code Ann. § 6-201 ("[A] civil action shall be brought in a county where the defendant. . . carries on a regular business[.]").

IV. PARTIES

20. Plaintiff Mayor and City Council of Baltimore is a municipal corporation organized pursuant to Articles XI and XI-A of the Maryland Constitution, and entrusted with all of the powers of local self-government and home

rule afforded by those articles. It is the corporate identity of the City of Baltimore, the most populous city in the State of Maryland.

21. Article I, Section 1 of the Charter of Baltimore City empowers Plaintiff to sue on behalf of the people of Baltimore. Baltimore Charter, Art. I, § 1. Further, Plaintiff has the full authority to exercise the powers granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland.

22. Defendant Philip Morris International is a corporation organized and existing under the laws of the Commonwealth of Virginia and is a citizen of the State of Connecticut and the Commonwealth of Virginia. PMI is headquartered in Stamford, Connecticut and is incorporated in the Commonwealth of Virginia. At all relevant times, PMI has manufactured, advertised, and sold Zyn oral nicotine pouches.

23. Defendant Swedish Match USA, Inc. is a corporation headquartered in Virginia and is a citizen of the Commonwealth of Virginia. Swedish Match USA, Inc. is the sole member of Swedish Match North America LLC. Swedish Match USA, Inc. is a wholly owned subsidiary of PMI. At all relevant times, Swedish Match USA, Inc. has manufactured, advertised, and sold Zyn oral nicotine pouches.

24. Defendant PMI is the holding company and/or parent company of various subsidiaries, including the Swedish Match Defendants.

25. PMI exerts operational control over all of its subsidiaries, including the Swedish Match Defendants. These subsidiaries function solely to achieve PMI's business purposes, which, as PMI describes in its 2023 Integrated Report, includes:

- a. Actively delivering a smoke-free future and evolving its product portfolio for the long term to include products outside the tobacco and nicotine sector;
- b. Since 2008, investing \$12.5 billion (USD) to develop, scientifically substantiate, and commercialize innovative smoke-free products; and
- c. In 2022, acquiring Swedish Match—a leader in oral nicotine delivery—and creating a global smoke-free champion led by the companies' IQOS¹¹ and ZYN brands.¹²

26. PMI and the Swedish Match Defendants function as one unit with a unified purpose.

27. In PMI's 2023 Annual Report, PMI's Chief Executive Officer, Jacek Olczak, and Executive Chairman of the Board, Andre Calantzopoulos, wrote an open letter, suggesting that PMI controls and benefits financially from ZYN, stating that:

¹¹ IQOS is a device that heats, rather than burns, tobacco for consumption.

¹² *Integrated Report 2023*, Philip Morris International, <https://www.pmi.com/resources/docs/default-source/ir2023-documents/pmi-integrated-report-2023.pdf> (last accessed Apr. 8, 2025).

In 2023, PMI delivered another year of strong financial performance with excellent organic top-line growth and the very positive contribution of smoke-free products. . . . This reflects the ... outstanding growth of ZYN[.] In 2023, our smoke-free portfolio accounted for 36.5% of total net revenues. . . . As of year-end, our smoke-free products had approximately 33 million users and were available in 84 markets. In the attractive oral smoke-free category, ZYN in the U.S. delivered a truly remarkable performance and solidified its position as the clear nicotine pouch category leader. Outstanding volume growth and a substantial increase in category share in the U.S. were driven by accelerated momentum in consumer off-take and velocities at the retail level (measured in cans per store per week) as well as distribution expansion...[W]e have launched or relaunched ZYN in 10 markets as we work to establish it as a truly global brand.¹³

V. FACTUAL BACKGROUND

a. *PMI's Problem and Its Successful Strategy to Target Children and Adolescents*

28. As noted by PMI, cigarette shipments have fallen from 927 billion units in 2012 to 617 billion units in 2024.¹⁴

29. In response to the declining social acceptability of smoking, PMI launched a long-term strategy called ““Project Sunrise”” to lead to the ““dawn of a new day”” for PMI.¹⁵

¹³ 2023 Annual Report, Philip Morris International, https://www.pmi.com/resources/docs/default-source/investor_relation/pmi-2023-annual-report.pdf (last accessed Apr. 8, 2025).

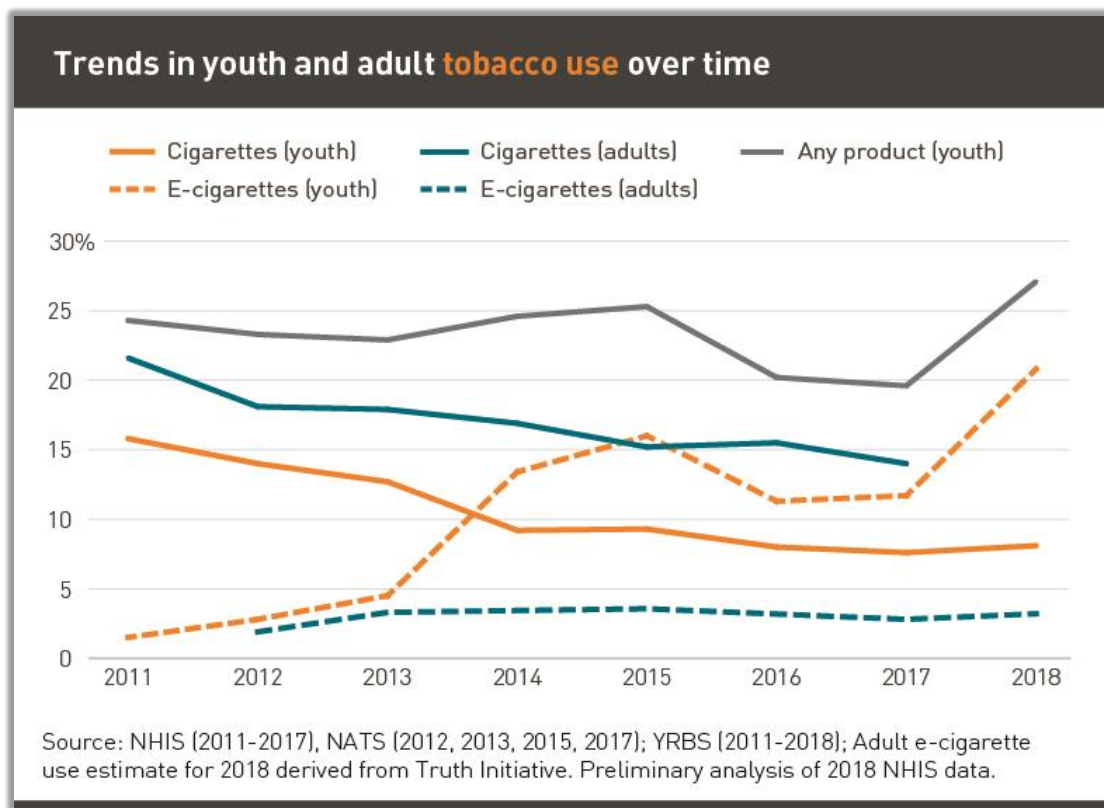
¹⁴ PMI: Committed to the decline of cigarettes, Philip Morris International, <https://www.pmi.com/our-progress/pmi-committed-to-the-decline-of-cigarettes#:~:text=PMI's%20cigarette%20shipment%20volume%20has,617%20billion%20units%20in%202024.&text=The%20shipment%20volume%20of%20our,to%20140%20billion%20in%202024> (last accessed Apr. 8, 2025).

¹⁵ P A McDaniel, et al., *Philip Morris's Project Sunrise: weakening tobacco control by working with it*, Nat'l Lib. of Med. (June 2006), <https://pmc.ncbi.nlm.nih.gov/articles/PMC2564663/>.

30. PMI's strategies to address the decline in smoking included extensive and complex research on smoker psychographics and communications.¹⁶

31. In addition to its successful strategies in ensuring that JUUL became an epidemic, PMI's strategy to create addicts necessarily led to its entry into the ONP market.

32. ONPs emerged as a new tobacco product category after 2016. ONPs are frequently marketed as tobacco-free alternatives to smoking.¹⁷



¹⁶ *Id.*

¹⁷ See Liane M Schneller, *et al.*, *Tobacco-Free Oral Nicotine Product Use Among Youth in the U.S., 2019–2021*, Nat'l Libr. of Med. (Dec. 22, 2022), <https://pmc.ncbi.nlm.nih.gov/articles/PMC10546555/#:~:text=Introduction,be%20gaining%20popularity%20among%20youth.>

33. In truth, ONPs, and, specifically, Zyn, are manufactured and marketed with a core goal of appealing to a lucrative class of future nicotine users—children and adolescents.

34. Baltimore’s children and adolescents are being targeted and groomed to be future customers of PMI—through the targeted design of a dangerous product, and through modern marketing enhancements to Big Tobacco’s well-developed playbook.

35. As the American Lung Association noted, “[c]igarette companies have always recognized youth as their “replacement generation” and have employed a myriad of strategies and tactics to target, attract and addict them to tobacco products.”¹⁸

36. PMI further stated that:

[i]t is important to know as much as possible about teenage smoking patterns and attitudes. Today’s teenager is tomorrow’s potential regular customer and the overwhelming majority of smokers begin to smoke while in their teens. . . . The smoking patterns of teen-agers are particularly important to Philip Morris. . . the share index is highest in the youngest group for all Marlboro and Virginia Slims packings. At least a part of the success of Marlboro Red during its most rapid growth period was because it became the brand of choice among teenagers who then stuck with it as they grew older.¹⁹

¹⁸ *9 of the Strategies Big Tobacco Uses to Target Kids*, American Lung Association, <https://www.lung.org/research/sotc/by-the-numbers/8-things-industry-ecigs> (last updated Jan. 27, 2025).

¹⁹ *TOBACCO COMPANY QUOTES ON MARKETING TO KIDS*, Campaign for Tobacco-Free Kids, <https://assets.tobaccofreekids.org/factsheets/0114.pdf> (last accessed Apr. 8, 2025).

37. In 2023, researchers from the Division of Adolescent Medicine at Stanford University and the Center for Tobacco Control Research and Education of the University of California, San Francisco published a paper titled *Use, Marketing, and Appeal of Oral Nicotine Products Among Adolescents, Young Adults, and Adults* that included a sample size of over 22,025 users.

38. Most salient were the following findings: (1) adolescents and young adults are increasingly using oral nicotine products, including Zyn; (2) flavored nicotine pouches were the most used oral nicotine product; and (3) nearly one in five 13-20 year olds had used an oral nicotine product in the prior 30 day period.²⁰ The authors found that “[a]dolescents and young adult use of oral nicotine products and likelihood of buying products when exposed to marketing highlights the need for expanded tobacco use surveillance, marketing regulations, and counter marketing and educational efforts.”²¹

39. PMI successfully manufactured and marketed Zyn to addict children and adolescents to nicotine. PMI has been successful in creating an expanded marketplace for addiction amongst children and adolescents by: (1) marketing Zyn

²⁰ Shivani Mathur Gaiha, *et al.*, *Use, marketing, and appeal of oral nicotine products among adolescents, young adults, and adults*, Addictive Behaviors, Volume 140, 2023, 107632, ISSN 0306-4603, <https://doi.org/10.1016/j.addbeh.2023.107632>.

²¹ *Id.*

as a tobacco-free alternative to smoking, thus implying lower risk; and (2) targeting children and adolescents through the wrongful marketing tactics described herein.

40. “In 2024, 1.8% of middle and high school students reported current nicotine pouch use, including 2.4% of high school students and 1.0% of middle school students. Among students who used nicotine pouches, 29.3% reported frequent use, and 22.4% reported daily use. Among students reporting current nicotine pouch use, 68.7% used ZYN, followed by On! (14.2%), Rogue (13.6%), Velo (10.7%), and Juice Head ZTN (9.8%); 85.6% used a flavored product: mint (53.3%), fruit (22.4%), and menthol (19.3%) were the flavor types most frequently reported.”²²

41. National data indicates that while child and adolescent use of nicotine pouches has been lower than e-cigarette use, it has increased notably in recent years. The National Youth Tobacco Survey (“NYTS”) first measured ONP use in 2021, finding that only 0.8% of U.S. middle and high school students (about 200,000 children and adolescents) were current (past 30-day) users that year.²³ By 2024, current use had more than doubled to 1.8% of students (approximately 480,000

²² Eunice Park-Lee, Ph.D., *et al.*, *Notes from the Field: E-Cigarette and Nicotine Pouch Use Among Middle and High School Students — United States, 2024*, CDC (Sept. 5, 2024), https://www.cdc.gov/mmwr/volumes/73/wr/mm7335a3.htm?s_cid=mm7335a3_w

²³ Renee D. Kramer, *et al.*, Author’s Manuscript, *Nicotine Pouch Awareness and Use Among Youth, National Youth Tobacco Survey, 2021*, 25 NICOTINE TOBACCO RES. 1610, at *5 (Aug. 19, 2023), <https://doi.org/10.1093/ntr/ntad080>.

students).²⁴ This makes ONPs the second most-used tobacco product category among teens after e-cigarettes.²⁵ Most of these users are high schoolers, making up approximately 75% of the students who reported current ONP use in 2024.²⁶ A quarter of individuals who use ONPs are underage.²⁷

b. Zyn and its Effective Marketing Strategy

42. Zyn was one of the first ONP products to enter the U.S. market when the Swedish Match Defendants introduced the brand in 2014.²⁸ Zyn’s manufacturer, Swedish Match NA, was purchased by PMI in 2022 and remains a PMI subsidiary.²⁹

43. Zyn is an oral nicotine product that is shaped like a small pillow and is designed to discreetly (without smoke or spit) deliver nicotine to users. Though the nicotine in Zyn is derived from tobacco leaves, the pouches themselves do not contain tobacco leaf. Instead, the contents of the pouch are made of pharmaceutical

²⁴ Ahmed Jamal, *et al.*, *Tobacco Product Use Among Middle and High School Students — National Youth Tobacco Survey, United States, 2024*, 73 MORBIDITY & MORTALITY WEEKLY REPORT 917, 921 (Oct. 17, 2024), <http://dx.doi.org/10.15585/mmwr.mm7341a2>.

²⁵ *Id.* at 918.

²⁶ *Id.* at 921.

²⁷ *ZYN 101: What to Know About Big Tobacco’s Latest Addiction*, American Lung Association (July 31, 2024), <https://www.lung.org/blog/zyn-nicotine-addiction#:~:text=Zyn%20is%20the%20only%20brand,underage%20%2D%20ages%2018%2D20>.

²⁸ Anthony Ponichtera, *The History of Nicotine Pouches*, NICOKICK (June 13, 2023), <https://nicokick.com/us/pouch-perfect/news/brief-history-of-nicotine-pouches>.

²⁹ Philip Morris acquired Swedish Match in 2022 when it purchased 93% of the company’s shares.”

grade nicotine salt and other ingredients, including flavors.^{30, 31} The pouch itself is made of a permeable material that allows the nicotine in the ONP to be easily absorbed into the bloodstream through the mouth's oral mucosa.

44. The Swedish Match Defendants—and, since PMI's acquisition of the Swedish Match Defendants, all Defendants—falsely assert that Zyn is “tobacco-free,” but it is not. The nicotine in Zyn originated from tobacco. Advertisements suggesting that the product is “tobacco-free,” and “cleaner than anything out there,” intentionally mislead consumers by representing—both implicitly and explicitly—that Zyn presents fewer risks than comparable products.

45. Defendants' representations suggest that Zyn contains lower quantities of harmful substances, which is false and misleading. Defendants' ploy to market Zyn as a safer alternative to other nicotine-based products is a deliberate effort to strategically target young and naïve tobacco users.

³⁰ Ramamurthi, Divya, *et al.*, *Marketing of “Tobacco-Free” and “Synthetic Nicotine” Products*, White Paper, Stanford Research into the Impact of Tobacco Advertising. March 8, 2022, (available at) <https://tobacco-img.stanford.edu/wp-content/uploads/2022/03/13161808/Synthetic-Nicotine-White-Paper-3-8-2022F.pdf>

³¹ Dani Blum, *Can Nicotine Pouches Like Zyn Harm Your Health?* <https://www.nytimes.com/2024/01/25/well/live/zyn-nicotine-pouches-health-risks.html> (last updated Jan. 29, 2024).

46. Samples of Defendants' representations include the following:



47. Each small microfiber pouch contains nicotine salt derived from tobacco leaves, along with food-grade additives and flavorings.

48. The nicotine salts in Zyn deliver exceedingly high levels of nicotine by leaching from the porous pouch into the bloodstream.

49. Once in the bloodstream, nicotine molecules bind to the body's nicotinic acetylcholine receptors (nAChRs), which triggers the release of dopamine in the brain's reward pathways, facilitating and sustaining addiction.

50. Zyn was and is designed to create, facilitate, and sustain nicotine addiction.³²

51. A typical smoker absorbs approximately one milligram of nicotine from each cigarette. By comparison, Zyn delivers materially more nicotine to users on a per-use basis.

52. Zyn is sold in nicotine concentrations of 3mg and 6mg. Defendants' own research establishes that the average user of Zyn 3mg nicotine concentration absorbs 1.59mg. For its 6mg concentration, 3.51mg of nicotine is absorbed.³³

³² Lunell, Erik, *et al.*, *Pharmacokinetic Comparison of a Novel Non-tobacco-Based Nicotine Pouch (ZYN) With Conventional, Tobacco-Based Swedish Snus and American Moist Snuff*. Nicotine & Tobacco Research, 2020, 1757-1763

³³ *Id.*

53. From 2016 onward, Zyn has remained a dominant force in the oral nicotine pouch industry.³⁴

54. Zyn sold 6,000,000 cans of its product in the first quarter of 2019, according to company filings. Two years later, the company reported 37,000,000 cans sold, a 516% increase.³⁵ *In the last six years, Zyn’s shipments in the U.S. have surged from 1,000,000 cans to 334,000,000 cans.*³⁶



55. In 2023, Zyn accounted for approximately 38.6% of the global retail volume for nicotine pouches, followed by British American Tobacco’s (BAT) “Velo” (23.4%), Altria Group’s “On!” (13.5%), Swisher International Group’s “Rogue”

³⁴ Ling, Pamela M., et al., *Tobacco-Derived Nicotine Pouch Brands and Marketing Messages on Internet and Traditional Media: Content Analysis*. JMIR Formative Research (Feb. 15, 2023), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9978966>.

³⁵ Jake Mintz, *MLB players turning to nicotine pouches amid tobacco bans*, Fox Sports (Mar. 3, 2023 6:34 p.m. ET), <https://www.foxsports.com/stories/mlb/mlb-players-turning-to-nicotine-pouches-amid-tobacco-bans>.

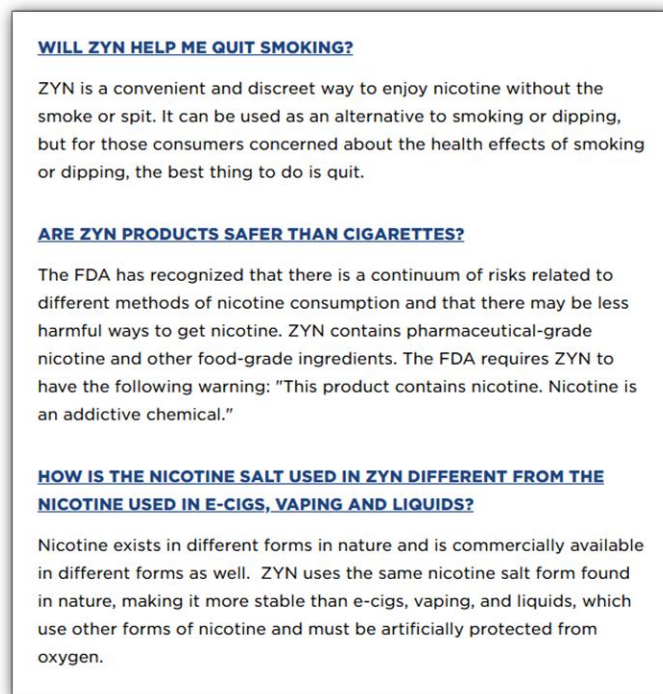
³⁶ Peter Westberg, *The Rise of ZYN: Redefining Nicotine Consumption*, QUARTAR (Feb. 2, 2024), quartr.com/insights/company-research/the-rise-of-zyn-redefining-nicotine-consumption.

(9.5%), and JTI's "Nordic Sprint" (1.3%).³⁷ Zyn also held 48.5% of the global market share for nicotine pouches in 2023.³⁸

56. In the United States, Zyn accounts for 76% of the retail market share for ONPs.³⁹

57. Defendant PMI makes false representations regarding the safety and nature of Zyn, including, but not limited to, the assertion that Zyn is tobacco-free, which it is not, and that Zyn serves as a smoking cessation aid, which it is not.

58. Representations on Zyn's website include:⁴⁰



³⁷ *Global Issues Nicotine Pouches*, Campaign for Tobacco-Free Kids, <https://www.tobaccofreekids.org/what-we-do/global/nicotine-pouches> (last updated Oct. 1, 2024).

³⁸ *Id.*

³⁹ Peter Westberg, *supra* note 36.

⁴⁰ *FAQ*, Zyn, <https://us.zyn.com/questions/> (last accessed Apr. 22, 2025) (login required).



59. Both the design and marketing of Zyn is focused on adolescent users and creating “nicotine naïve” addicts.

60. Core to PMI’s rebranding strategy is to market Zyn as tobacco-free. By “separating” tobacco from nicotine, PMI’s strategy has been to transform—for marketing purposes—nicotine into an “innocent chemical,” rather than the known and dangerous toxin that nicotine is.

61. Most telling is that Zyn is manufactured in various flavors. For instance, popular Zyn flavors include citrus, wintergreen, and cool mint. Research shows that children and adolescents disproportionately use “fruity” flavors.

62. The use of flavors to entice minors is well documented and has led to legislation and enforcement in a number of jurisdictions.

63. For instance, in 2022, the District of Columbia issued a ban on all flavored tobacco and nicotine products. That same year, Washington, D.C. Attorney General Brian L. Schwab issued an investigative subpoena to Swedish Match and

Zyn, and Swedish Match ultimately paid \$1.2M for violating D.C.’s 2022 ban. California, Massachusetts, New Jersey, New York, Rhode Island, and Utah also all ban flavored tobacco products.

64. The purpose of creating a flavored tobacco product is clear—it is meant to capture children and adolescents.

65. Zyn also uses a rewards system, where users can save up rewards points to exchange for prizes such as a Yeti Cooler and other premium products.⁴¹ Zyn Rewards is a loyalty program that allows users to collect points whenever they purchase Zyn pouches.

66. As addressed in Fortune Magazine’s May 11, 2024, article, titled “Forget airline miles—Gen Z⁴² and millennials are obsessed with nicotine pouch Zyn’s lucrative rewards program, which includes \$400 Apple watches and \$600 Dyson AirWraps,”⁴³ one user stated “I feel like a kid in an arcade who’s getting all their tickets, and they’re going to earn a prize.” “After months of hoarding ZYN containers and painstakingly scanning in each unique code, Darlene was able to

⁴¹ Ashwin Rodrigues, *Why Are Zyn Nicotine Pouches Suddenly Everywhere?*, GQ (June 22, 2023), <https://www.gq.com/story/zyn-nicotine-pouches-suddenly-everywhere>

⁴² Generation Z (Gen Z), is the demographic cohort succeeding Millennials and preceding Generation Alpha, typically defined as those born between 1997 and 2012.

⁴³ Jasmine Li, *Forget airline miles—Gen Z and millennials are obsessed with nicotine pouch Zyn’s lucrative rewards program, which includes \$400 Apple watches and \$600 Dyson AirWraps*, Fortune (May 11, 2024 at 8:58 AM EDT), <https://fortune.com/2024/05/11/zyn-rewards-nicotine-pouch-prizes-millennial-gen-z/>

score a \$50 Amazon gift card. Now, she’s trying to rack up 7,560 points—504 containers—for a ninth-generation iPad, or even 15,000 points—1,000 cans—for a Dyson AirWrap hair styler.”⁴⁴

67. Indeed, the very name of “Zyn” is meant to invoke “Zen.” In fact, part of the campaign’s slogan is encouraging young users to “Find Your Zyn.”⁴⁵ As noted by Dr. Robert Jackler, the Edward C. & Amy H. Sewall Professor Emeritus Professor of the Stanford University School of Medicine, the use of the Zen framework is a technique to drive young people to the product.⁴⁶

68. Like the vaping industry before it, Zyn relies heavily on influencer promotions on social media, sending representatives to events like music festivals, and sponsoring extreme sports events—environments where prominent exposure to children and adolescents is guaranteed.⁴⁷

⁴⁴ *Id.*

⁴⁵ *Find Your Zyn*, Zyn, <https://us.zyn.com/find-your-zyn/> (last accessed Apr. 22, 2025) (login required).

⁴⁶ The Screenagers Podcast, *How ZYN's Social Media Strategy is Driving Teen Nicotine Addiction*, <https://www.screenagersmovie.com/podcasts/zyns-social-teen-nicotine-addiction> (last accessed Apr. 8, 2025).

⁴⁷ Beale Street Music Festival, *ZYN STAGE*, Facebook (Apr. 7, 2023), <https://www.facebook.com/photo/?fbid=10158899892076174&set=a.190493641173;Calffryok,SponsorSpotlight>, Instagram (Apr. 10, 2023), <https://www.instagram.com/calffryok/p/CrRzON9AgBY/>; ND Country Fest, *Zyn Zone*, Facebook (July 7, 2021), <https://www.facebook.com/NDCountryFest/videos/zyn-zone/1220789595043816/>.

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ZYN

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I'm really surprised at how many people don't know who Young the Giant are. 🤔 The first time I heard them was on Lightning 100 in Nashville many years ago. Y'all missed out on a good show. Some of the dates on their Summer tour are already sold out months in advance.

1y

Ray Karpur

ANY headliners??

2y

Olivia Jowers Crump

24

69. As proof of its dominance in the ONP market, terms like “Zyn,” “Zyns,” and “Zynnies” have become synonymous with the category, almost like “Coke” is to “soda.” The one syllable name also easily lends itself to puns like “Zyn-babe,” “Zyn-aloa Cartel” and “Zyn-dney Crosby,” which have been picked up by multiple influencers and users across social media.



70. Zyn has gained significant traction on social media platforms, largely due to the efforts of influencers—dubbed “Zynfluencers”—who promote these products to their followers. The influencers often highlight the convenience and discreet nature of Zyn pouches, portraying them as a modern, smoke-free alternative to traditional tobacco products—which is core to PMI’s rebranding strategy. This trend has led to the hashtag #ZYN amassing more than 700 million views on TikTok as of early 2024.

71. On TikTok, videos promoting—or even just depicting—Zyn use rack up massive engagement. One recent video involves a woman preparing her boyfriend a “Zyn birthday cake,” which is really just a tray of stacked Zyn containers.⁴⁸

72. Among children and adolescents who do use ONPs, Zyn overwhelmingly dominates.

73. In recent surveys, more than two-thirds (68.7%) of child and adolescent ONP users reported Zyn as their usual brand, far ahead of other brands like On! or Velo.⁴⁹ This reflects Zyn’s market leadership and indicates that trends in “nicotine pouch” use among children and adolescents are largely driven by Zyn’s popularity. Public health observers also note that ONPs were the only tobacco product category that saw an increase in child and adolescent usage in recent years, prompting concern that their popularity could continue to climb.⁵⁰

⁴⁸ Morgan Middendorf, TikTok, <https://www.tiktok.com/@morganmiddendorf/video/7321020357010525486> (last accessed Apr. 11, 2025).

⁴⁹ Eunice Park-Lee, *et al.*, E-Cigarette and Nicotine Pouch Use Among Middle and High School Students—United States, 2024, 73 MORBIDITY & MORTALITY WEEKLY REPORT 774, 776 (Sep. 5, 2024), <http://dx.doi.org/10.15585/mmwr.mm7335a3>.

⁵⁰ Yolonda C. Richardson, *FDA Authorization of Flavored Zyn Products Ignores Appeal to Kids and Risks Another Juul*, CAMPAIGN FOR TOBACCO-FREE KIDS (Jan. 16, 2025), https://www.tobaccofreekids.org/press-releases/2025_01_16-fda-authorization-flavored-zyn-products#:~:text=peppermint,cigarette%20epidemic.

c. *How Zyn Hurts Children and Adolescents—Nicotine is Dangerous*

74. Nicotine salts are created by combining freebase nicotine (the natural form of nicotine found in tobacco) with an acid, such as benzoic acid or citric acid.

75. Originally patented by R.J. Reynolds as a manner by which to deliver higher doses of nicotine to young people without burning their throats,⁵¹ nicotine salt allows users to increase their nicotine use with minimal effort and product expenditure. Now, instead of burning through multiple cigarettes, users can receive the same satisfying nicotine buzz from a single Zyn pouch.

76. Researchers from the Department of Chemical and Product Safety, German Federal Institute for Risk Assessment (BfR) supported the notion that ONPs contain “alarmingly high”⁵² levels of nicotine in a recent study.

77. The study also found cancer-causing chemicals called tobacco-specific nitrosamines (TSNAs) in more than half the samples of ONPs researchers tested. TSNAs are the most harmful cancer-causing substances in smokeless tobacco.⁵³ For children and adolescents, this is especially dangerous.

⁵¹ Baumgaertner E., *Juul wanted to revolutionize vaping. It took a page from big tobacco’s chemical formulas*, Los Angeles Times (Nov. 20, 2019), <https://www.latimes.com/politics/story/2019-11-19/juul-vaping-chemical-formulas-based-in-big-tobacco>.

⁵² Mallock N., Schulz T., Malke S., *et al.*, Levels of nicotine and tobacco-specific nitrosamines in oral nicotine pouches, *Tobacco Control* 2024; 33:193-199. <https://tobaccocontrol.bmj.com/content/33/2/193>

⁵³ *Id.*

78. It is recognized and accepted in the scientific community that when children and adolescents use nicotine, it alters the manner in which their brains work. It can also create a framework for a lifetime addiction to nicotine.⁵⁴

79. Research has demonstrated that individuals who use nicotine at an early age are more likely to develop lifetime nicotine dependence.⁵⁵ This is because nicotine use damages children's and adolescents' brains while they are forming important pathways that control attention, learning, and susceptibility to addiction.^{56,}

57

⁵⁴ Marina Kopf & Vicky Nguyen, *The dark side of Zyn: How tobacco-free nicotine pouches may harm your health*, NBC News, https://www.yahoo.com/news/dark-side-zyn-tobacco-free-002541058.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2x1LmNvbS8&guce_referrer_sig=AQAAABWVy4i8fF22noYf0epJMp7kG-HWCRWnF92Fe5qYVD_syZrz4BQEb5hKE_JARWA91jxRhfw28fF-aS1kitepqvIGGMF6O5NmC9ypO0ohtxS6aCoBTywVQnSDmLUJKYk JrAIUisedqx3YUOnzTLWhlocO fvzxhx8_0WePld3W7SeI (last updated July 11, 2024, 10:27 AM CDT); *Nicotine and the young brain*. Truth Initiative (June 8, 2022), <https://truthinitiative.org/research-resources/harmful-effects-tobacco/nicotine-and-young-brain>; Yuan M, Cross SJ, Loughlin SE, Leslie FM. Nicotine and the adolescent brain. *J Physiol*. 2015;593(16):3397-3412. doi:10.1113/JP270492; U.S. Surgeon General. Surgeon General's Advisory on E-cigarette Use Among Youth. e-cigarettes.surgeongeneral.gov. Published 2018. Accessed April 19, 2024. <https://e-cigarettes.surgeongeneral.gov/documents/surgeon-generals-advisory-on-e-cigarette-use-among-youth-2018.pdf>; Kutlu MG, Gould TJ. Nicotine modulation of fear memories and anxiety: Implications for learning and anxiety disorders. *Biochem Pharmacol*. 2015;97(4):498–511. doi:10.1016/j.bcp.2015.07.029

⁵⁵ *Nicotine and the young brain*. Truth Initiative (June 8, 2022), <https://truthinitiative.org/research-resources/harmful-effects-tobacco/nicotine-and-young-brain>.

⁵⁶ U.S. Department of Health and Human Services. *E-Cigarette Use Among Youth and Young Adults. A Report of the Surgeon General*, Nat'l Lib. of Med., <https://www.ncbi.nlm.nih.gov/books/NBK538680/> (last accessed Apr. 14, 2025).

⁵⁷ *Neurochemical Effects of Nicotine*, Tobacco Dependence and Treatment for Smokers with Co-occurring mental illnesses, https://iprc.indiana.edu/training/courses/Tobacco%20Dependence%20and%20Treatment/a_04_05_01.html (last accessed Apr. 14, 2025).

80. The Iowa Department of Health & Human Resources specifically noted how nicotine damages a developing brain and can easily addict children and adolescents:

Until about age 25, the brain is still growing. Each time a new memory is created, or a new skill is learned, stronger connections—or synapses—are built between brain cells. Young people’s brains build synapses faster than adult brains. Because addiction is a form of learning, adolescents can get addicted more easily than adults.⁵⁸

81. Recent studies have revealed that nicotine use can also intensify symptoms of depression and anxiety, while also increasing stress levels.⁵⁹

82. Beyond the psychological damage caused by nicotine, ONPs, including Zyn, have also been linked to cardiovascular effects⁶⁰ and oral injury.⁶¹

⁵⁸ *Help for Teens & Young Adults*, Iowa Health & Human Services (Apr. 15, 2025), <https://hhs.iowa.gov/programs/programs-and-services/tobacco-use-prevention-control/vaping-electronic-smoking/teens>

⁵⁹ *Nicotine and the young brain*. Truth Initiative (June 8, 2022), <https://truthinitiative.org/research-resources/harmful-effects-tobacco/nicotine-and-young-brain>.

⁶⁰ Cheryl R. Dennison Himmelfarb, PhD, RN, *et al.*, *Impact of Smokeless Oral Nicotine Products on Cardiovascular Disease: Implications for Policy, Prevention, and Treatment: A Policy Statement From the American Heart Association*, AHA (Dec. 3, 2024), <https://www.ahajournals.org/doi/10.1161/CIR.0000000000001293>

⁶¹ Dulyapong Rungraungrayabkul, *et al.*, *What is the impact of nicotine pouches on oral health: a systematic review*, NLM (Aug. 3, 2024), <https://pmc.ncbi.nlm.nih.gov/articles/PMC11297755/>

VI. CLAIM FOR RELIEF

Unfair, Abusive, And Deceptive Trade Practices Baltimore City Code Art. 2, § 4

83. The City of Baltimore reasserts, realleges, and incorporates by reference each of Paragraphs 1–82, above, as though fully set forth herein.

84. The CPO, Baltimore City Code Art. 2, § 4, protects consumers and others against “unfair, abusive, or deceptive trade practices,” which are defined in line with the Maryland Consumer Protection Act (“MCPA”), Md. Code Ann., Com. Law, § 13-301. *See* Baltimore City Code Art. 2, § 4-1 (13).⁶²

85. These “[u]nfair, abusive, or deceptive trade practices include” any:

- a. False, falsely disparaging, or misleading oral or written statement, visual description, or other representation of any kind which has the capacity, tendency, or effect of deceiving or misleading consumers, Md. Code Ann., Com. Law, § 13-301(1);
- b. Failure to state a material fact if the failure deceives or tends to deceive, Md. Code Ann., Com. Law, § 13-301(3);
- c. Deception, fraud, false pretense, false premise, misrepresentation, or knowing concealment, suppression, or omission of any material

⁶² *See also* Law 23-0424 (*Comments from Baltimore Law Department and Chief Solicitor*), City Council of Baltimore, <https://baltimore.legistar.com/LegislationDetail.aspx?ID=6322280&GUID=04376B1E-3696-45E8-8DC8-8457391147DE&Options=&Search=&FullText=1> (last accessed Apr. 14, 2025).

fact with the intent that a consumer rely on the same in connection with:

- (i) The promotion or sale of any consumer goods, consumer realty, or consumer service, Md. Code Ann., Com. Law, § 13-301(9)(i).

86. Any “practice prohibited by this title is a violation of this title, whether or not any consumer in fact has been misled, deceived, or damaged as a result of that practice.” *Id.* § 13-302. While specific practices are enumerated in the MCPA (and, by extension, the CPO), “[i]t is the intent of the [Maryland] General Assembly that in construing the term ‘unfair or deceptive trade practices,’ due consideration and weight be given to the interpretations of § 5 (a)(1) of the Federal Trade Commission Act [(15 U.S.C. § 45)] by the Federal Trade Commission and the federal courts.” Md. Code Ann., Com. Law § 13-105. The Federal Trade Commission has explained that unfairness under 15 U.S.C. § 45 is determined in part by a consideration of “(1) whether the practice injures consumers,” and “(2) whether it violates established public policy.”⁶³

87. Defendants are “merchants” within the meaning of, and subject to, the provisions of the CPO. Baltimore City Code Art. 2, § 4-1 (9).

⁶³ *FTC Policy Statement on Unfairness*, FTC (Dec. 17, 1980), <https://www.ftc.gov/legal-library/browse/ftc-policy-statement-unfairness> (last accessed Apr. 14, 2025).

88. Defendants' actions are deceptive and unfair. Without limitation, Defendants have violated and continue to violate the CPO by:

- d. Targeting children and adolescents in the design and marketing of Zyn, including, but not limited to, through the use of flavors;
- e. Targeting children and adolescents in the design and marketing of Zyn, including, but not limited to, through the use of flavors;
- f. Falsely representing that Zyn is tobacco-free;
- g. Failing to warn the public, children, and adolescents regarding the significant increase in nicotine absorption through use of Zyn, as opposed to use of cigarettes;
- h. Using exploitative means to trick Baltimore's children and adolescents into using Zyn, including through social media and false advertising;
- i. Misrepresenting the nature, terms, and conditions of these promotional offers by failing to adequately disclose material terms and conditions, including wagering requirements before funds can be withdrawn;
- j. Offering escalating rewards through Zyn Rewards programs directly proportional to the purchase of Zyn, thereby incentivizing harmful

behavior, and targeting those programs to Baltimore’s children and adolescents; and,

- k. Failing to implement effective responsible measures to identify those Baltimore children and adolescents whom Defendants should not be targeting for their nicotine products, despite having sophisticated technology capable of identifying child and adolescent users.

89. Defendants’ unfair and deceptive practices and caused—and continue to cause—substantial injury to Baltimore consumers that is not reasonably avoidable by consumers themselves.

90. Defendants’ actions are against explicit public policy. Public law and policy, as set forth in Md. Code, Crim. Law § 10-107 and COMAR 36.10.13.41(C)(2)(d), prohibits the distribution of tobacco products to minors. This aligns with the stated goals of the Maryland Department of Health Center for Tobacco Prevention and Control.⁶⁴

91. Each misleading inducement that Defendants used to generate new child or adolescent users is a separate CPO violation. Each sale of a package of Zyn

⁶⁴ *About*, The Center for Tobacco Prevention and Control, https://health.maryland.gov/phpa/ohpetup/pages/tob_home.aspx (last accessed Apr. 8, 2025).

to a child or adolescent user into or within the City of Baltimore likewise constitutes an independent violation giving rise to civil penalties.

92. Defendants' actions demonstrate a callous disregard not only for the rule of law, but also for the public health, safety, and well-being of Baltimore's children and adolescents. While engaging in the unlawful practices alleged herein, Defendants have, at all times, acted willfully. Defendants knew or should have known that their actions were of nature prohibited by the CPO.

93. As a result of the foregoing, the City seeks all legal and equitable relief as allowed by law, including civil penalties, injunctive relief, restitution, and disgorgement.

VII. REQUEST FOR RELIEF

WHEREFORE, Plaintiff, the City of Baltimore, respectfully requests that the Court enter judgment in its favor and against Defendants, as follows:

- a. Awarding the maximum amount of statutory penalties available under Baltimore City Code Art. 2, § 4-3(a), for each violation of Baltimore's CPO, Baltimore City Code Art. 2, § 4;
- b. Granting injunctive relief, mandating that Defendants cease the targeting and exploitation of Baltimore's children and adolescents;

- c. Granting injunctive relief requiring Defendants to reform their exploitative platform design feature restrictions and enhanced marketing restrictions, Baltimore City Code Art. 2, § 4-5(d); and
- d. Awarding such other relief as may be available and appropriate under the law or in equity.

Dated: May 7, 2025

Respectfully submitted,

**THE MAYOR AND CITY COUNCIL
OF BALTIMORE, MARYLAND**

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