THE YOUTH E-CIGARETTE EPIDEMIC: NEW ESTIMATES OF JUUL LABS’ REVENUES FROM YOUTH USERS IN THE US

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Background

• Past 30-day e-cigarette use increased by 78% among high school youth from 2017 to 2018, an increase attributable to USB device-shaped products

• JUUL Labs insists they do not market their product to youth

• We estimate JUUL Labs’ net revenue in 2018 attributable to youth use in the US

Methods

• We calculated the number of youth (aged 12-17) and adults (aged 18+) who were current e-cigarette users and stated “JUUL” as the name of the e-cigarette brand they own from the nationally representative Population Assessment of Tobacco and Health (PATH) Study wave 4 (Dec 2016 – Jan 2018)

• As a sensitivity analysis, we also used data from the nationally representative Truth Longitudinal Cohort (TLC) study to estimate the proportion of youth among JUUL users

• We applied several scenarios to estimate how much of JUUL Labs’ $1.3 billion net revenue were from youth in the US in 2018

Results

• Of the PATH Study JUUL users, 31% (95%CI: 18.3-47.2) (n=25) were youth (12-17 years)

• From the TLC study with 13,357 participants, 30% of current JUUL users were aged 15-17

• Based on the estimate of 30% youth use of device and pods, we calculated that JUUL Labs made approximately $390M from youth and $910M from adults (Best guess estimate)

• (Conservative estimate) Assuming lower overall estimates of youth device and pod use, JUUL Labs made $130 M, or 10% of its net revenue in 2018 from youth

• (Liberal estimate) Adjusting for possible under-reporting of youth device and pod use, JUUL Labs’ net revenue from youth in 2018 could be as high as $650 M, or 50% of total net revenue

Conclusion

• Quantifying the share of net revenues attributable to youth users can help hold e-cigarette companies accountable in the effort to minimize youth consumption of their products

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Acknowledgements: This research was supported by the National Institute on Drug Abuse of the National Institutes of Health under Award Number U54DA036105 and the Center for Tobacco Products of the U.S. Food and Drug Administration.

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JUUL Labs made an estimated $390M (30% of its net revenue) in 2018 from underaged users.