

JUUL and the Vaping Epidemic

Vaping Litigation Proposal for
Wake County Public Schools



The Vaping Epidemic In America:

An overview of the current vaping crisis, its relationship to JUUL vaping products and the strategic plan for a successful resolution.

JUUL is the leading manufacturer of e-cigarettes and controls the domestic market. JUUL is a vaping device used to deliver high concentrations of nicotine.



JUUL & the Vaping Epidemic



Vaping Growth

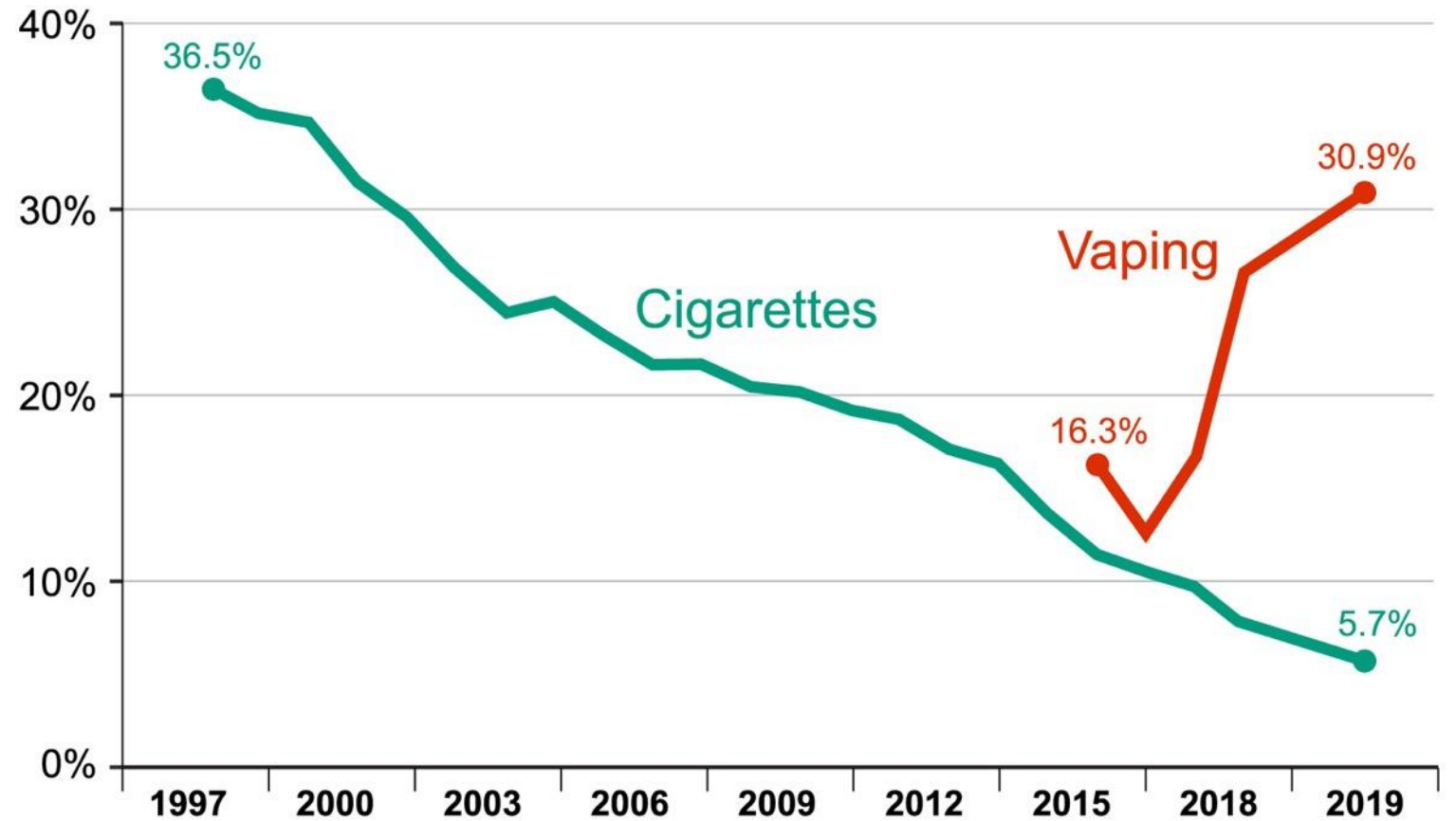
- JUUL gained significant traction after being introduced to the market in 2015.
- Correspondingly, a spike in vaping occurred, especially among teens and young adults.

JUUL & the Vaping Epidemic: Teen Vaping



Surge of Vaping in High Schools

Trends in use of cigarettes and vape devices among 12th Graders

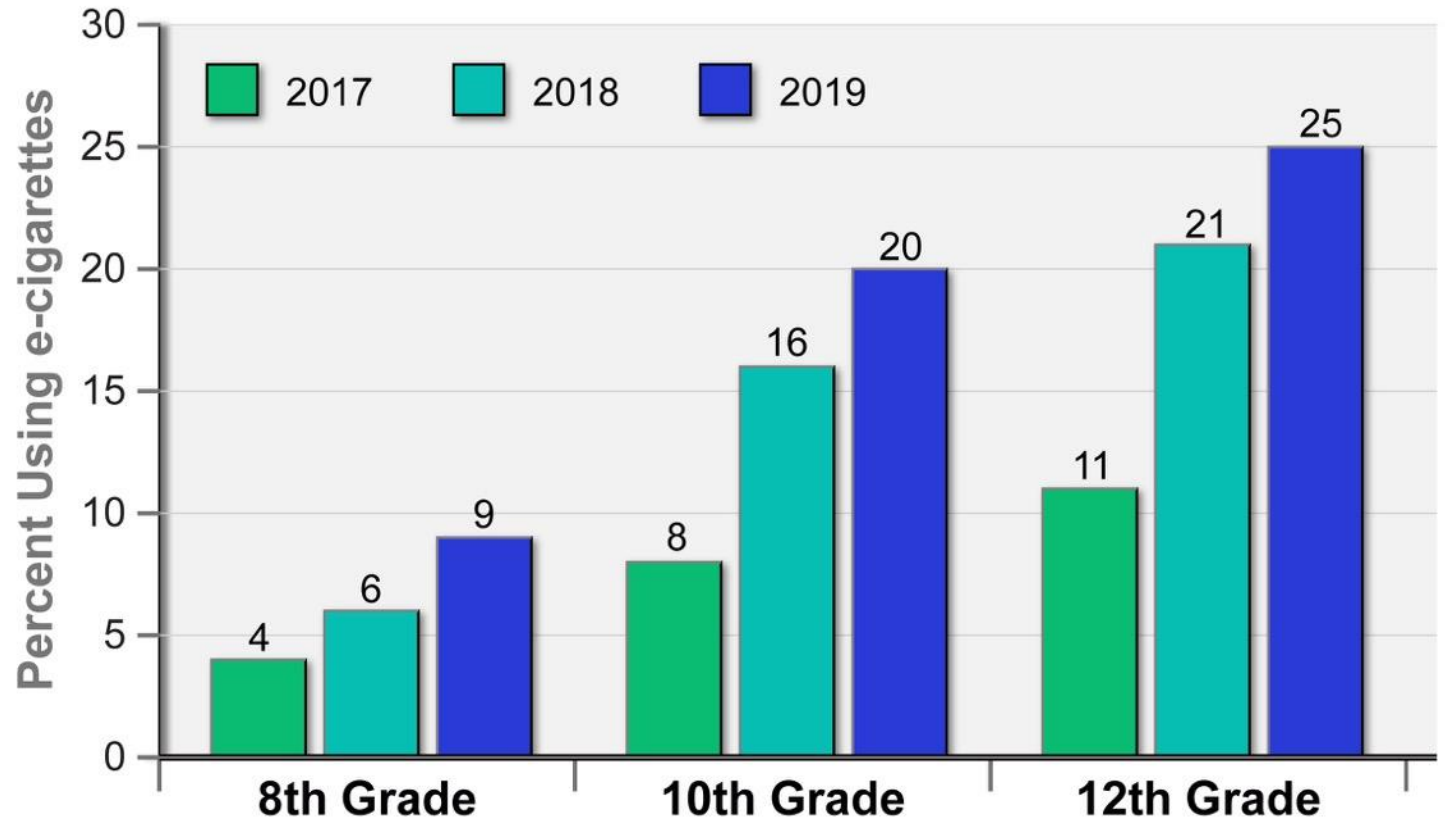


JUUL & the Vaping Epidemic: Teen Vaping



Middle School and High School Vaping

Percent of teenagers who said they tried nicotine vaping products in 2017, 2018, and 2019



Source: New England Journal of Medicine, New York Times

History of JUUL: Marketing campaigns aimed at young audiences

The makers of PAX invite you to the
JUUL LAUNCH PARTY



Thursday, June 4th | 7 - 11 PM | New York City

JUUL Marketing Campaigns:2015



Source: Stanford Article

History of JUUL: Marketing campaigns aimed at young audiences

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2015 JUUL Marketing Campaigns

JUUL was targeting young nonsmokers during its launch period, from June 2015 through early 2016.

- JUUL's ads appeared on Cartoon Network and Nickelodeon.
- JUUL placed ads on educational sites for middle school and high school students (such as coolmath.com).
- JUUL targeted websites for young girls (such as Seventeen Magazine).
- Flavors were appealing to children – such as fruit and dessert flavors.

JUUL's Marketing Efforts were Highly Successful

- 2015: Pax Labs launches JUUL.
- 2016: JUUL's sales increased 700%.
- 2017: JUUL's revenues jump to \$200 million.
- 2018: JUUL's revenues reach \$1 billion, and the company was valued at \$38 billion.
- 2019: JUUL's revenues nearly doubled.



JUUL & the Vaping Epidemic: Health Effects

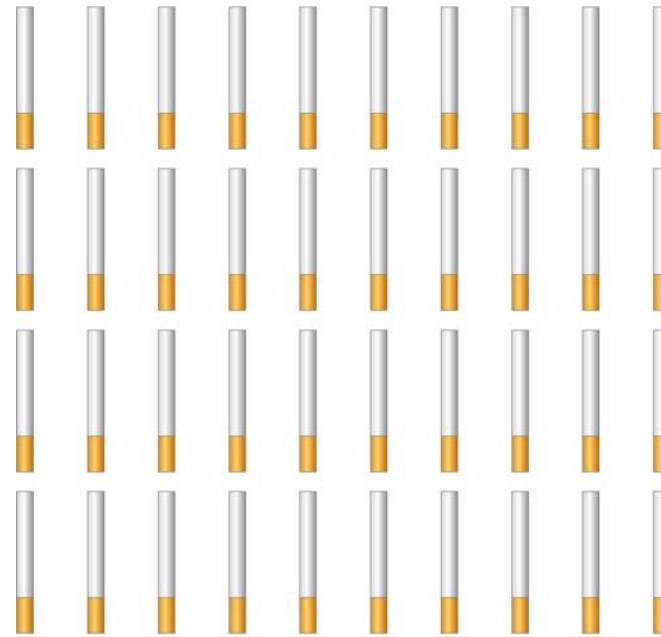


Adverse Health Effects of Vaping

- Acidified nicotine salts in JUUL deliver 5 times more nicotine than a cigarette.
- Nicotine is a highly addictive toxic substance.
- Per the CDC, nicotine can harm adolescent brain development, including attention, learning, mood, and impulse control.
- Recent study shows adolescents using e-cigarettes are four times more likely to smoke cigarettes.

JUUL & the Vaping Epidemic

Cigarettes to JUUL Pod Conversion



=



20 - 40
Cigarettes
are equal to

1

JUUL Pod



JUUL & the Vaping Epidemic:

Why Litigation?

Why Litigation?

- As JUUL use rises among school children, JUUL reaps enormous profits. Wake County Schools are left to deal with the costs and consequences of JUUL's acts. This litigation provides the opportunity to recover those costs and fund abatement.
- The State of North Carolina has already filed suit against JUUL for its marketing tactics. Trial is set for June 21, 2021.
- The School Board case will complement the state case as the School Board claim seeks to recover costs and create funding for abatement, while the state case seeks injunctive relief and civil penalties.



JUUL & the Vaping Epidemic: Litigation Process



The Litigation Process

- The Complaint to be filed on behalf of the Wake County Board of Education will include the following claims:
 - Negligence
 - Gross Negligence
 - Public Nuisance
 - Deceptive Trade Practices
 - RICO Violations
- Next Steps:
 - Discovery - Plaintiff's Fact Sheet in lieu of discovery
 - Bellwether selection and trial dates
 - Mediation Process/Global Settlement

JUUL & the Vaping Epidemic: Damages

Damages (Past and Future):

1. School discipline
2. Impact on School Personnel:
 - a. Teachers, administrators, and counselors
 - b. School resource officers
 - c. Law enforcement
 - d. Other
3. School Resources
 - a. Resources, including staff, for monitoring on-campus, in buses, at sports and extra-curricular events
 - b. Resources, including staff, for on-campus prevention education
 - c. Resources, including staff, for addiction/cessation, counseling and treatment
 - d. Resources for parent and community prevention education outreach
 - e. Resources related to student discipline and legal proceedings
 - f. Resources for storage and/or disposal of confiscated products



JUUL & the Vaping Epidemic: Abatement

Examples of Abatement:

1. Increased security and enforcement.
2. Student forums and anti-vaping campaigns.
3. Vaping education and cessation classes and materials.
4. Other funds to assist the School Board in remediating the effects of this epidemic.



JUUL & the Vaping Epidemic:

Considerations for Wake County:

- Low risk (contingency fee, costs advanced by counsel).
- Minimal investment of time (Plaintiff's Fact Sheet).
- Likelihood of recovery (i.e. tobacco, opioids) that may lessen long-term addictions.
- Importance of leading in North Carolina to fight for students, families, teachers, school administrators, and taxpayers.
- Truth, transparency, and accountability.



JUUL & the Vaping Epidemic: Legal Counsel



The Applicant Team:

Our team consists of law firms with decades of experience litigating complex matters. The firms are well known for their work in complex commercial litigation, health care law, and the class action arena.

The Applicant Team would operate as a unified law firm for purposes of this matter.

JUUL & the Vaping Epidemic: Legal Counsel



Ward Black Law – NC Local Counsel



JUUL & the Vaping Epidemic: Legal Counsel



The Applicant Team:

Ward Black Law

Attorney Janet Ward Black



President, North Carolina Bar Association 2007-2008

President, North Carolina Academy of Trial Lawyers 2002-2003

“Lawyer of the Year” in the Triad for Personal Injury Litigation,
U.S. News & World Report 2014, 2020

Thurgood Marshall Award, North Carolina Advocates for Justice
2013

Charles Murphy Award for Public Service, Duke Law School,
2013

Distinguished Service Award, NC State Bar 2009

Advocates Award, NC Bar Association Litigation Section 2018

Named as a NC “Super Lawyer” 2006-2021

Named in “Best Lawyers in America” by U.S. News & World
Report 2007 – 2021

JUUL & the Vaping Epidemic: Legal Counsel



The Applicant Team: Ward Black Law

Attorneys Gerard Davidson, Audrey Snyder, Gabe Snyder, Nichad Davis



Ward Black Law is one of the largest woman-owned law firms in North Carolina. The firm has successfully represented thousands of North Carolinians in mass tort and environmental injury cases since 1992.

The firm has been named in “Best Law Firms in America” by U.S. News & World Report each year since 2011.

The firm has served in roles in MDL mass tort litigation since 1998.



Recognition of the firm’s lawyers has included the National Trial Lawyers “Top 40 Under 40” (Audrey and Gabe Snyder), Lawyers Weekly “Rising Stars” (Audrey Snyder) as well as Martindale-Hubbell’s “AV Preeminent” ranking for skill and ethics (Gerard Davidson).

Attorney Nichad Davis served 3 years as a 7th grade Social Studies teacher in Duplin County, NC for Teach for America, prior to attending law school.

JUUL & the Vaping Epidemic: Legal Counsel



The Applicant Team:

Baron & Budd, P.C.

John Fiske



Mr. Fiske serves as co-lead counsel representing public entities, including schools, in the lawsuits against JUUL Labs, Inc. that has been consolidated in a Judicial Council Coordinated Proceeding (JCCP).

Mr. Fiske has obtained significant settlements on behalf of communities, having resolved more than \$2.233 billion for his public entity clients since December 2018 alone.

In 2020, Mr. Fiske was named California Lawyer of the Year in Environmental Litigation.

Mr. Fiske has been instrumental in the wildfire litigation in California. He has resolved \$1.415 billion worth of public resource damages for 46 public entities in the State of California.

JUUL & the Vaping Epidemic: Legal Counsel



The Applicant Team:

Walkup, Melodia, Kelly & Schoenberger

Khaldoun A. Baghdadi



Mr. Baghdadi currently serves as Liaison Counsel in the JUUL multidistrict litigation (MDL) in the Northern District of California (MDL Number 2913).

For more than 20 years, Mr. Baghdadi has handled matters ranging from wrongful death, defective products, insurance disputes, medical negligence, and public transit injuries. He has also prosecuted medical device defect and class action claims in courtrooms around the country.

In 2016, he was part of the trial team in the Pinnacle hip implant litigation trial which resulted in a total verdict in excess of \$1 billion.

Mr. Baghdadi is the former chair of the San Francisco Human Rights Commission.

JUUL & the Vaping Epidemic: Legal Counsel



The Applicant Team: Schochor, Federico & Staton, P.A.

Philip Federico, Kerry Staton, Brent Ceryes, Lauren Schochor, Matt Legg, Nicole Szeliga, Jon Huddleston, Tara Clary



Schochor, Federico & Staton devotes its practice to the investigation and litigation of complex civil matters involving medicine and the health care industry.

Since 1984, SFS has recovered over \$1 billion on behalf of its clients.



SFS currently represents over 40 cities and counties in National Prescription Opiate litigation.

Recent Recoveries Include:

Led recovery of \$123 million in *Doe v. Bradley* (Superior Court of Delaware, New Castle Co., C.A. No. N10C-05-023 (JRS))

Led recovery of \$190 million in *Doe v. The Johns Hopkins Hospital* (Circuit Court for Baltimore City, Maryland, Case No.: 24-C-13-001041)



Led recovery of \$205 million in *Cuppels v. Mountaire Corporation et al.*, C.A. No. S18C-06-009 (CAK); and *State of Delaware Department of Natural Resources & Environmental Control v. Mountaire Farms of Delaware, Inc.*, C.A. No. 18-838 (MN).

