

Wegmans will stop selling cigarettes, citing health concerns

Anti-smoking groups hail Feb. 10 end to tobacco sales

By Matt Glynn - News Business Reporter

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Wegmans is stamping out sales of cigarettes and other tobacco products at its supermarkets, becoming the first grocery chain in New York State to do so.

The Rochester-based company, which has 10 stores in Erie and Niagara counties, announced it will halt tobacco sales effective Feb. 10. Wegmans will continue to sell tobacco products until then, but will not replenish its inventory. "As a company, we respect a person's right to smoke, but we also understand the destructive role smoking plays in health," Wegmans chief executive officer Danny Wegman said in a statement.

Anti-smoking advocates hailed Wegmans' decision and expressed hope that it would start a trend.

"We're so thrilled that Wegmans has shown this kind of leadership, and we're hoping that other people will follow suit," said Gretchen Leffler, Western New York regional vice president of the American Cancer Society.

Wegmans sells tobacco products from behind the service desk. Even though Wegmans' cigarette sales have declined over the years, the category has remained profitable for the chain, said Ann McCarthy, a Wegmans spokeswoman. She declined to disclose sales figures.

Wegmans does not accept promotional dollars or displays available from tobacco companies, McCarthy said. For that reason, she said, the stores do not discount tobacco products and consequently have not been competitive on price. In addition to cigarettes, Wegmans is stopping the sale of pipe tobacco, chewing tobacco, snuff and cigars. "We're a company who has always taken a leading role in health and wellness," McCarthy said. "This, to us, is a logical step."

Wegmans has sent letters to its employees notifying them of the upcoming change and offering a company-paid smoking cessation program to employees. Signs will be posted in stores soon explaining the change to customers.

"We're very pleased they're going to stop selling tobacco," said Dr. Michael Cummings, chairman of Roswell Park Cancer Institute's department of health behavior.

"I don't think they're going to lose any business as a result of this," Cummings said.

Cummings said he felt it only makes sense for retailers with pharmacy operations, who are trying to promote their role in the health care business, to drop cigarette sales.

The American Heart Association's local chapter and the Washington, D.C.-based Campaign for Tobacco-Free Kids praised Wegmans' decision in statements.

Representatives from the Food Industry Alliance of New York State and the Retail Council of New York State said Wegmans is the first supermarket chain in the state that they have heard will ban tobacco sales.

"It will now be a matter of how other businesses respond to what [Wegmans] decided to do," said Rebecca Marion, a council spokeswoman. Target Corp., based in Minnesota, halted cigarette sales back in 1996.

A spokesman for Philip Morris declined to comment on Wegmans' decision. In 2006, tobacco products and accessories accounted for about \$5.4 billion in sales in supermarkets, according to one estimate.

Tops Markets, Buffalo Niagara's No. 1 supermarket chain by market share, will continue to sell tobacco products, said Katie McKenna, a Tops spokeswoman. She said tobacco sales account for only a small percentage of its overall sales.

"We let the market determine which products we carry, and we will continue to respond to our customers' product requirements, and if that includes tobacco products, we will continue to carry them," McKenna said.

McCarthy said Wegmans had received only positive comments from customers on Friday as word spread of the new policy. But Arun Jain, a University at Buffalo marketing professor who tracks the supermarket industry, said he considered the move a poor management decision.

Jain, who is a nonsmoker, questioned why the chain was singling out tobacco products for banishment for health reasons, despite the fact those products are legal, while continuing to sell other products that are criticized as unhealthy.

"If you really want to do that, let's look at the whole portfolio they have," Jain said, citing examples like beer, butter and fatty meats.

McCarthy called such criticism "a fair question," but said Wegmans believes tobacco products are different from other criticized items.

"We think this is a product that stands alone," she said. "We believe there is no appropriate moderate use of tobacco products."

Convenience stores have come under pressure from anti-smoking advocates to restrict their own displays and in-store advertising of tobacco products.

In Western New York, tobacco sales can account for 15 percent to 30 percent of total sales inside a convenience store, excluding gasoline sales, said James Calvin, president of the New York Association of Convenience Stores. Calvin said local sales tend to be on the lower end of the range, due to competition from Indian reservations.

“I’m sure there are groups and individuals that would like to abolish cigarettes,” he said. “As it stands now, tobacco is a legal product, and we continue to responsibly sell it to adult customers.”