

## Minnesota Achieves a \$60.5M Settlement with Juul and Altria in Another Historic Tobacco Case

*Minnesota is the only state to take the two tobacco companies to trial related to e-cigarettes.*

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MINNEAPOLIS—Zimmerman Reed and Robins Kaplan today announced the terms of Minnesota’s historic settlement with JUUL and Altria. Under the settlement, Juul and Altria will pay the State \$60.5 million and will be forced to comply with strict limits on their marketing and sales practices. The settlement also requires that documents produced in the litigation will be made available to the public. Attorney General Keith Ellison retained Zimmerman Reed and Robins Kaplan to work with his Office to hold Juul and Altria accountable for their deceptive e-cigarette marketing and targeting of youth.

The successful result was reached after three and a half years in litigation against the tobacco companies and three weeks at trial. According to Zimmerman Reed partner June Hoidal, “We knew from the outset that this litigation would be exceptionally hard-fought. And it was. But we also knew that protecting Minnesota’s youth from the dangers and addictiveness of e-cigarettes was a responsibility we owed to the future. We had to challenge these tobacco companies over their role in fueling Minnesota’s youth e-cigarette epidemic.” The settlement was reached on the eve of closing arguments.

The litigation commenced on December 4, 2019, at a time when 26% of all 11th graders were using e-cigarettes in Minnesota and the epidemic of youth vaping was reaching its peak in Minnesota and across the country. The State’s 2019 lawsuit detailed allegations that the design of Juul’s devices, choice of flavors, and deceptive marketing attracted, targeted, and addicted Minnesota’s youth, fueling the State’s e-cigarette epidemic. The State amended its complaint in 2020 to add Altria (previously, Philip Morris) as a defendant to hold Altria accountable for its role in expanding the reach of Juul to youth. Altria spent \$12.8 billion in 2018 to acquire a 35% share in Juul and provided marketing and logistical services to Juul that the State alleged were instrumental in increasing and prolonging the youth vaping epidemic.

The State’s case against Juul and Altria included substantial pre-trial successes for the State. “That we were able to conduct such an effective and persuasive trial is a testament to the groundwork and diligence by the Attorney General’s Office, our firm, and our co-counsel at Robins Kaplan,” said Zimmerman Reed partner Behdad Sadeghi. “We successfully defended against numerous attempts by Juul and Altria to dismiss the State’s claims, and we positioned

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Minnesota to conduct a compelling trial that revealed Juul and Altria's wrongful conduct to the jury and the public."

According to Hoidal, "It has been an honor to work alongside our Attorney General, his Office, and our co-counsel at Robins Kaplan to achieve such a significant result for our State. We are grateful for the work we were able to contribute to this case and take satisfaction knowing that our success has made Minnesota, our cities, and our communities healthier and better places for the next generation."

Both Zimmerman Reed and Robins Kaplan have experience in tobacco litigation and representation of public entities. Zimmerman Reed participated in litigation in Minnesota, California, and Louisiana in the 1990s as part of various class actions to hold tobacco companies accountable. Those efforts were coordinated with various state attorneys general. Robins Kaplan represented the State of Minnesota during this same period, resulting in the State's \$6.5 billion settlement. Both firms have also been instrumental in the national opioids litigation, with Zimmerman Reed representing various states in that litigation and Robins Kaplan representing Tribes.

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