

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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<http://oversight.house.gov>

September 17, 2019

Mr. Kevin Burns
Chief Executive Officer
JUUL Labs, Inc.
560 20th Street
San Francisco, CA 94107

Dear Mr. Burns:

The Subcommittee is writing to inform you that if JUUL continues to fail to comply with the requests for documents made by the Subcommittee on Economic and Consumer Policy, we may have no choice but to seek compulsory process.

The Subcommittee first requested documents from JUUL more than three months ago. Yet, you have made only two productions during that entire time—one set of apparently prepackaged documents that was already provided to state Attorneys General and another set of documents that included nothing but publicly available scientific studies.

JUUL's record is woefully inadequate and appears to directly contradict the sworn testimony of your Co-Founder and Chief Product Officer, James Monsees, at our hearing in July, when he proclaimed:

We are committed to cooperating with this Committee, state attorneys general, and other officials who wish to examine our practices, and we are dedicated to learning from our mistakes and not repeating them. In doing so, we hope to earn the trust of this Committee, Congress, our regulators, our customers, and the American public.¹

JUUL's Failure to Produce Requested Documents

On June 7, 2019, the Subcommittee wrote to you to request documents relating to various aspects of JUUL's products and marketing practices. We asked that you produce those documents by June 21, 2019.² On June 21, you sent a letter that did not include any of the

¹ Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, *Hearing on Examining JUUL's Role in the Youth Nicotine Epidemic: Part 2* (July 25, 2019) (online at <https://oversight.house.gov/legislation/hearings/examining-juul-s-role-in-the-youth-nicotine-epidemic-part-ii>).

² Letter from Chairman Raja Krishnamoorthi, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, to Kevin Burns, Chief Executive Officer, JUUL Labs, Inc. (June 7, 2019) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/2019-06->

documents we requested, but indicated that you would be producing documents and information “on a rolling basis to the Subcommittee.”³

On June 28, your counsel sent documents in response to one of our requests, for all documents that JUUL produced to the Massachusetts Attorney General’s Office and the North Carolina Attorney General’s Office.⁴ This appears to have been a prepackaged set of documents your company had already collected and produced to these other entities.

On July 5, your counsel offered to provide a briefing on JUUL’s “marketing practices, youth prevention efforts, scientific research, etc.”⁵ The Subcommittee agreed, and that briefing took place on July 18, 2019, but no documents were produced.

On July 9, 2019, Subcommittee staff requested that your company prioritize documents in response to our requests numbered 12, 13, and 15.⁶ Staff reiterated that request during the briefing from company officials on July 18, 2019. Despite stating that JUUL would produce documents during the week of July 22, that production did not occur.

On July 25, the Subcommittee held a hearing with JUUL’s Co-Founder, Mr. Monsees, and JUUL’s Chief Administrative Officer, Ashley Gould. During that hearing, Committee Members asked them to produce the following categories of documents and information:

- the list of schools that received funding from JUUL to implement programming to prevent teen vaping, and which of those schools used the JUUL curriculum;
- the list of grants made to programs that were focused on youth prevention or wellness;
- the contract between JUUL and Altria relating to Altria’s purchase of 35% of JUUL;
- JUUL’s settlement agreement with PMI; and
- the list of JUUL’s limited SKU launches introduced between February 2, 2016, and the present, and when those products stopped being sold.⁷

07.RK%20to%20Burns-JUUL%20re%20E-Cigarette%20Epidemic.pdf).

³ Letter from Counsel to JUUL Labs, Inc. to Chairman Raja Krishnamoorthi, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform (June 21, 2019).

⁴ Letter from Counsel to JUUL Labs, Inc. to Chairman Raja Krishnamoorthi, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform (June 28, 2019).

⁵ Email from Counsel to JUUL Labs, Inc. to Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform (July 5, 2019).

⁶ Email from Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, to Counsel for JUUL Labs, Inc. (July 9, 2019).

⁷ Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, *Hearing on Examining JUUL’s Role in the Youth Nicotine Epidemic: Part 2* (July 25, 2019) (online at

On July 31, staff sent an email requesting a call to discuss JUUL's production of documents in response to the requests in our June 7 letter and at our July 25 hearing.⁸ Your counsel did not respond to that request for a call.

On August 9, 2019, staff sent another email requesting a call regarding your failure to produce the documents requested in our June 7 letter and July 25 hearing. Given your company's previous failure to participate in a call, staff offered to allow written responses for each of the 18 requests in our letter that included the following information:

(1) whether you have provided all documents and information responsive to that request; (2) if not, what efforts are being undertaken to identify and produce responsive documents, and (3) a specific date by which you will complete production of all documents responsive to the request.⁹

Your counsel responded by email that he would not be available for a call until August 21, and he did not respond to our request to provide us with a written update.¹⁰

On August 12, your company produced 84 pages of documents in response to our requests. However, these documents were entirely publicly-available scientific studies.¹¹

On August 14, staff sent an email notifying your counsel that your responses to the Subcommittee were inadequate and again requested a call.¹²

In response, your counsel agreed to a call, which took place on August 29. It became clear during that call that JUUL has not made a serious effort to collect the remainder of the documents we requested. During that call, staff asked for a detailed written breakdown of the company's timelines for producing responsive documents to each of the outstanding requests from our letter on June 7 and hearing on July 25. Your counsel committed to providing that written breakdown by September 6. Staff sent your counsel an email on August 30 memorializing that commitment.¹³ Unfortunately, JUUL failed to deliver the written breakdown.

<https://oversight.house.gov/legislation/hearings/examining-juul-s-role-in-the-youth-nicotine-epidemic-part-ii>).

⁸ Email from Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, to Counsel for JUUL Labs, Inc. (July 31, 2019).

⁹ Email from Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, to Counsel for JUUL Labs Inc. (Aug. 9, 2019).

¹⁰ Email from Counsel to JUUL Labs, Inc. to Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform (August 9, 2019).

¹¹ Letter from Counsel to JUUL Labs, Inc. to Chairman Raja Krishnamoorthi, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform (August 12, 2019).

¹² Email from Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, to Counsel for JUUL Labs Inc. (Aug. 14, 2019).

¹³ Email from Staff, Subcommittee on Economic and Consumer Policy, Committee on Oversight and Reform, to Counsel for JUUL Labs Inc. (Aug. 30, 2019).

Conclusion

For these reasons, the Subcommittee requests that you produce, by October 1, 2019, all outstanding documents requested in our letter on June 7 and at our hearing on July 25, 2019. If you fail to do so, we will be forced to consider alternative means of obtaining compliance, including compulsory process.

The Committee on Oversight and Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. An attachment to this letter provides additional instructions for responding to the Committee’s request. If you have any questions regarding this request, please contact Subcommittee staff at (202) 225-5051.

Sincerely,



Raja Krishnamoorthi
Chairman

Subcommittee on Economic and Consumer Policy

cc: The Honorable Mike Cloud, Ranking Member
Subcommittee on Economic and Consumer Policy