

E-cig industry fights city to avoid going up in smoke

Council bill would ban indoor use, but both sides admit to a lack of research

BY KEN CHRISTENSEN AND CHRIS BRAGG

Spike Babaian loved the way the first puff hit her lips. She never thought electronic cigarettes would be her gateway into the business world.

"I thought it was a miracle device," she said. "I just wanted everybody to have one."

Four years later, Ms. Babaian is New York City's reigning maven of e-cigarettes—battery-powered devices used to heat up and inhale liquid nicotine. She's president of the National Vapers Club, founder of a national summit for e-cig vendors, Vapefest, and co-owner of the city's first e-cigarette store, VapeNY.

But Ms. Babaian and an industry that is expected to grow tenfold in the next several years, to \$10 billion in U.S. retail sales, face a threat in

New York. In late November, a month after banning the sale of the devices to people under 21, the City Council surprised the sector by introducing a bill that would treat electronic cigarettes like their tobacco counterparts, prohibiting use in restaurants, bars, workplaces and even parks. Ms. Babaian said the law would deter a million potential customers, the city's population of cigarette smokers, from buying her product as a way to wean themselves off cigarettes.

"One of the biggest selling points is indoor use," she said. "If people have to stand outside with smokers, there's less incentive to switch over."

Proponents of the product were blindsided by the council's proposed prohibition, which is being fast-tracked by council leaders for approval at its last slated meeting this week. Mayor Michael Bloomberg would sign the bill into law before he leaves office Dec. 31.

Opponents of e-cigarettes say the industry is being taken over by Big Tobacco interests that soon will be powerful enough to insulate themselves from regulations. But

e-cigarette manufacturers argue that the Bloomberg administration is simply trying to ram through a late-term ban even though there's no academic research indicating that the product is harmful.

"I can't for the life of me understand how you can pass regulations without any sort of research behind them," said David Schwartz, a lobbyist at the firm Gotham Government Relations, who recently founded a coalition called New Yorkers for Smarter Smoking Alternatives to fight the Bloomberg regulations. "They are looking to pass it before the next administration can look at the issue."

Mr. Schwartz's firm represents electronic cigarette company LOGIC, which is not affiliated with Big Tobacco, even though other companies pushing against the restrictions do have ties to tobacco firms. The Bloomberg administration and City Council effort came too quickly for the e-cigarette industry, restaurant and bar owners and others to effectively mobilize against it, he said.

At a recent public hearing of the

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LEFT TO HER OWN DEVICES: Spike Babaian co-owns the city's first e-cig store, VapeNY.



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