

# EXHIBIT 7



**FEDERAL TRADE COMMISSION**  
PROTECTING AMERICA'S CONSUMERS

# Administrative Law Judge Dismisses FTC Antitrust Complaint against Altria Group and JUUL Labs, Inc.

February 24, 2022

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In an [Initial Decision](#) announced on Feb. 24, 2022, Chief Administrative Law Judge D. Michael Chappell dismissed the antitrust charges in a [complaint](#) issued by the Federal Trade Commission staff against tobacco company Altria Group, Inc. and electronic cigarette maker JUUL Labs, Inc.

The FTC's [April 2020 complaint](#) alleged that Altria and Juul entered a series of agreements, including Altria's acquisition of a 35% stake in JUUL, that eliminated competition in violation of federal antitrust laws. According to the complaint, this series of agreements involved Altria ceasing to compete in the U.S. market for closed-system electronic cigarettes in return for a substantial ownership interest in JUUL, by far the dominant player in that market.

Judge Chappell concluded that Complaint Counsel failed to demonstrate both the anticompetitive effects of the non-compete provision, and a reasonable probability that Altria would have competed in the e-cigarette market in the near future, through marketing a competing product independently, or through collaboration or acquisition.

Judge Chappell also noted that:

- since Altria acquired its stake in JUUL, the closed-system e-cigarette market has become more competitive, not less.
- the evidence failed to prove that Altria's removal of its own e-cigarette products from the market substantially harmed competition or is likely to do so in the future.
- Complaint Counsel failed to prove that the transaction was a violation of Section 5 of the Federal Trade Commission Act, Section 1 of the Sherman Act, or Section 7 of the Clayton Act.

*The Appeals Process.* The Judge's Initial Decision is subject to review by the full Federal Trade Commission on its own motion, or at the request of any party, and Complaint Counsel have filed a [Notice of Appeal](#). The Initial Decision will become the final decision of the Commission 30 days after it is served upon the parties unless, prior to that date,

Complaint Counsel perfect their appeal by filing an Appeal Brief or the Commission places the case on its own docket for review.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about how competition benefits consumers or file an antitrust complaint. For the latest news and resources, follow the FTC on social media, subscribe to press releases and read our blog.

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