

Convince Store and Fuel News

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Japan Tobacco Acquires E-Cig Maker Logic Agreement gives JT global footprint in electronic cigarette market

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GENEVA -- Japan Tobacco Inc. (JT) has entered into an agreement to acquire Logic Technology Development LLC, one of the leading U.S. electronic cigarette brands.

Founded in 2010, Logic sells a full range of rechargeable, ready-to-use and disposable e-cigarettes and the newly launched Logic Pro tank system.

"With the Logic brand and its strong portfolio of products, the JT Group has a sizeable participation in the largest and fast-growing U.S. e-cigarette market," said Masamichi Terabatake, executive vice president and deputy CEO of Japan Tobacco International (JTI). "Logic's well-established presence in the U.S., in addition to our acquisition of E-Lites in the U.K., further underpins our global ambitions to become the leader in emerging products."

The executive management team of Logic will remain with the JT Group post-acquisition in order to benefit from their extensive knowledge and experience of the U.S. e-cigarette market.

"With the backing of JT Group's global resources, we believe Logic is uniquely positioned to accelerate its growth in the U.S. market and further enhance its product offering." said Eli Alelov, co-founder and CEO of Logic, Pompano Beach, Fla.

"We are excited about the transaction and look forward to the next phase of Logic's development with the JT Group," said Howard Panes, Logic's co-founder. The group will fund the transaction through existing cash and loan facilities, with an expected minor effect on the group's consolidated performance for the fiscal year 2015. JT expects to complete the acquisition in the third quarter of fiscal-year 2015 following regulatory clearance.

Geneva-based JT is a leading international tobacco company, selling products in more than 120 countries. Its internationally recognized brands include Winston, Camel, Mevius and LD. With diversified operations, JT is also actively present in pharmaceuticals and processed foods.

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