

**October 24, 2011****SMOKEY JOE'S STILL IN BUSINESS**

Shawano Leader

By Lee Pulaski

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Big, bold lettering outside Smokey Joe's on Main Street states you can roll 190 cigarettes for less than \$30 before the sales tax kicks in.

Store owner Amber Arneson's customers used to do just that, until the Department of Revenue in late September ordered tobacco shops across the state to immediately cease operating roll-your-own cigarette machines because the shops were deemed to be manufacturing cigarettes without the proper permit.

Arneson lost an estimated half of her business overnight, she said.

Arneson's machines were dormant for two weeks before a Dane County judge issued a temporary injunction that allowed tobacco shops to start rolling again. But the customers have not come back, Arneson said, and some have called to see if Smokey Joe's was even open for business.

"A lot of people thought the whole store got shut down. That hurt," she said.

That is not the case, Arneson said.

Smokey Joe's received a letter on Sept. 26 stating the machines could not run unless she applied for a manufacturing permit, which would be an addition to her \$3,000 tobacco distributor license. The letter also ordered her to remove the machines from the premises if she opted to not get the permit.

After a tobacco shop owner from Rib Mountain sued the state, the temporary restraining order was granted, and a hearing has been set in Madison for Nov. 16 to determine if the state's

interpretation of the manufacturing laws is valid.

Rolling machines give smokers a cheaper option to buying pre-packed cigarettes. It also helped those who like rolling their own cigarettes but do not have the time to do it at home, she said.

She noted that shutting down the machines did not deter smoking; it just moved her business elsewhere. Some are paying more for pre-packed smokes, and others are traveling to a Clintonville tobacco shop, Arneson said.

"A lot of people misunderstood and thought that we were doing something illegal," she said. "They thought I was doing something illegal and others weren't, but they didn't realize it affected everyone."

A petition she has been circulating over the last month to protest the state's action has more than 400 signatures, she said, including some non-smokers.

"They just didn't feel it was right for the government to do something to small businesses who are trying to create jobs and do something for our community," said Arneson, who reduced her staff from two full-time employees to one part-timer when the machines were shut down.

For now, all she can do is spread the word that she is not closing, regardless of the court's decision, and that the machines are running.

"We're nervous every day. We just don't know what to think," she said.

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