Turning Point Brands, Inc.
Form S-1
November 05, 2015

As filed with the Securities and Exchange Commission on November 5, 2015

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Turning Point Brands, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**2100**	**20-0709285**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(IRS Employer Identification Number)**

5201 Interchange Way
Louisville, Kentucky 40229
(502) 778-4421
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Lawrence Wexler
Chief Executive Officer
5201 Interchange Way
Louisville, Kentucky 40229
(502) 778-4421
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a Copy to:

David Zeltner **Brett Nadritch** **Milbank, Tweed, Hadley & McCloy LLP** **28 Liberty Street** **New York, NY 10005** **(212) 530-5301**	**James W. Dobbins** **General Counsel** **5201 Interchange Way** **Louisville, KY 40229** **(502) 778-4421**	**Howard B. Adler** **Gibson, Dunn & Crutcher LLP** **1050 Connecticut Avenue, N.W.** **Washington, DC 20036** **(202) 955-8500**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(C) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o		***Accelerated filer***	o
Non-accelerated filer	***(Do not check if a smaller reporting company)***	***Smaller reporting company***	o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee(3)
Common Stock, par value $0.01	100,000,000	$ 10,070

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o).
(2) Includes common stock issuable upon exercise of the underwriters' option to purchase additional common stock.
(3) Calculated pursuant to Rule 457(o) of the Securities Act of 1933, as amended.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF CONTENTS

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 5, 2015

PRELIMINARY PROSPECTUS

Shares

Common Stock

Turning Point Brands, Inc.

This is the initial public offering of our common stock, $0.01 par value per share. Prior to this offering, there has been no public market for the shares of our common stock. We anticipate that the initial public offering price will be between $ and $ per share. We have applied to list our shares on the New York Stock Exchange (the NYSE) under the symbol TPB.

We are an emerging growth company (an Emerging Growth Company) as defined under the federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements for this prospectus and future filings. See Prospectus Summary—Implications of Being an Emerging Growth Company.

Investment in our common stock involves a high degree of risk. See Risk Factors beginning on page 15 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial Public Offering Price	$	$
Underwriting Discounts and Commissions	$	$
Proceeds to Turning Point Brands, Inc. (before expenses)	$	$

We have granted the underwriters a 30-day option to purchase up to an additional shares at the public offering price less the underwriting discount. We refer to this option as the overallotment option.

The underwriters expect to deliver the shares to purchasers on or about , 2015, through the book-entry facility of The Depository Trust Company.

Sole Book-Running Manager

FBR

The date of this prospectus is , 2015.

TABLE OF CONTENTS

We have not authorized anyone to provide you with information different from that contained in this prospectus or in any free writing prospectus we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of any other information that others may give you. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. You should not assume that the information appearing in this prospectus or any free writing prospectus prepared by us is accurate as of any date other than the respective dates of such documents. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

Persons who come into possession of this prospectus and any such free writing prospectus in jurisdictions outside the U.S. are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus and any such free writing prospectus applicable to that jurisdiction.

Numerical figures included in this prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in various tables may not be arithmetic aggregations of the figures that precede them.

TABLE OF CONTENTS

TABLE OF CONTENTS

INDUSTRY AND MARKET DATA

This prospectus includes industry data and forecasts derived from our own internal estimates and research, as well as from industry and general publications and research, surveys and studies conducted by third parties, such as Management Science Associates, Inc. (MSAi) and Nielsen Holdings, N.V. (Nielsen). Third-party industry and general publications, research, surveys and studies generally state that the information contained therein has been obtained from sources believed to be reliable. Although there can be no assurance as to the accuracy or completeness of the included information, we believe that this information is reliable. While we are not aware of any misstatements regarding the market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the headings Cautionary Note Regarding Forward-Looking Statements and Risk Factors in this prospectus. Similarly, we believe our own internal estimates and research have a good faith basis but they have not been verified by any independent source.

MSAi administers a proprietary information system that captures sales from approximately 1,000 wholesalers to over 250,000 retailers. Unless otherwise indicated, data for market share, category rank, industry ranking and other metrics that describe the position of our products and product categories is derived from MSAi data. In addition, we also provide estimates of market size for certain of our product categories throughout this prospectus. Management estimates the size of each category using external sources, such as information from the Alcohol Tobacco Tax and Trade Bureau (the TTB), MSAi, industry manufacturer price lists as well as other data, including its estimates of MSAi s coverage of the total segment when deemed necessary or appropriate by management.

Throughout this prospectus we use the term Equivalent Unit or EQ unit to describe our market share of certain product categories in which we compete, which is also how MSAi reports data.

The following table provides a definition of an Equivalent Unit for each of these product categories.

Product	MSAi Unit of Measurement	MSAi Equivalent Unit (EQ Unit)	TTB Reported Category
Chewing Tobacco	1 pound	1	Yes
Moist Snuff	1 pound	1	Yes
Cigarette Paper	1 booklet	1	No
Cigars	1 stick	1	Yes
Electronic Cigarettes	1 electronic cigarette	1	No
Cartomizers	1 cartomizer	1	No
Liquid Vaporizers	1 vaporizer	1	No
Tobacco Vaporizers	1 tobacco vaporizer	1	No
E-liquids	1 milliliter	1	No
MYO Cigar Wraps	1 cigar wrap	1	No
Pipe Tobacco	1 pound	1	Yes

TABLE OF CONTENTS

TRADEMARKS

This prospectus contains references to our trademarks and service marks and to those belonging to other entities. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

We regard our patent, trademarks, service marks, domain names and similar intellectual property as important to our success, and we rely on patent, trademark and copyright law, trade secret protection, and confidentiality or license agreements with our customers, employees, partners, suppliers and others to protect our proprietary rights. Our primary trademarks, which we own, include *Beech-Nut* , *Trophy* , *Havana Blossom* , *Durango* and *Stoker s* , as w *Zig-Zag* in connection with tobacco products only, all of which are registered in the U.S. with the U.S. Patent and Trademark Office. We have the right to market *V2Cigs*® branded products in the U.S. and *Zig-Zag*® cigarette papers and related products in North America under exclusive licenses. We also own numerous internet domain names related to several of our trademarks, including *Zig-Zag*®, *Trophy*®, *Stoker s*®, *Durango*® and *Beech-Nut*®. Other trademarks and trade names referred to in this prospectus are the property of their respective owners.

TABLE OF CONTENTS

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations, Selected Historical Condensed Consolidated Financial and Other Information and our consolidated financial statements and the notes to those financial statements, before investing in our common stock.

References in this prospectus to we, us, our, our Company or similar terms refer to Turning Point Brands, Inc. and its subsidiaries. References to TPB refer to Turning Point Brands, Inc., not including any of its subsidiaries. We were incorporated in 2004 under the name North Atlantic Holding Company, Inc. On November 4, 2015, we changed our name to Turning Point Brands, Inc.

Throughout this prospectus, we refer to our voting common stock as our common stock and our non-voting common stock as our non-voting common stock.

Unless otherwise noted, references to information being as adjusted or on an as adjusted basis mean such information is presented after giving effect to the Stock Split and Conversion (each as defined herein) and references to information being as further adjusted or on an as further adjusted basis give effect to the Conversion and Stock Split as well as this offering and the anticipated use of proceeds therefrom, as well as the other transactions described under Use of Proceeds.

Overview

We are a leading independent provider of Other Tobacco Products (OTP) in the U.S. We sell a wide range of products across the OTP spectrum, including moist snuff, loose leaf chewing tobacco, premium cigarette papers, make-your-own (MYO) cigar wraps and cigar smoking tobacco, cigars, liquid vapor products and tobacco vaporizer products. We do not sell cigarettes. We estimate that the OTP industry generated approximately $10.0 billion in manufacturer revenue in 2014. In contrast to manufactured cigarettes, which have been experiencing declining sales for decades based on data published by the Alcohol and Tobacco Tax and Trade Bureau (the TTB), the OTP industry is demonstrating increased consumer appeal. For instance, according to Management Science Incorporated (MSAi), OTP consumer units shipped to retail increased by approximately 2% from 2013 to 2014.

Our portfolio of brands includes some of the most widely recognized names in the OTP industry, such as *Zig-Zag*®, *Beech-Nut*®, *Stoker s*®, *Trophy*®, *Havana Blossom*®, *Durango*®, *Our Pride*® and *Red Cap*™. The following table sets forth the market share and category rank of our core products and demonstrates their industry positions:

Brand	Product	TPB Segment	Market Share(1)	Category Rank(1)
Stoker's®	Chewing Tobacco	Smokeless Products	15.1%	#1 discount / #2 overall
Beech-Nut®	Chewing Tobacco	Smokeless Products	4.4%	#3 premium
Stoker's®	Moist Snuff	Smokeless Products	2.3%	#6 discount / #7 overall
Zig-Zag®	Cigarette Papers	Smoking Products	31.4%	#1 premium
Zig-Zag®	MYO Cigar Wraps	Smoking Products	76.6%	#1 overall
V2®	E-cigarettes	NewGen Products	7.0%	#5 overall
Zig-Zag®	E-liquid	NewGen Products	4.7%	#6 overall

(1) Market share and category rank data for all products are derived from MSAi data as of July 11, 2015.

We currently ship to in excess of 900 direct wholesale customers with an additional 240 secondary, indirect wholesalers in the U.S. that carry and sell our products. As of July 11, 2015, our products are available in over

176,000 U.S. retail locations which, with the addition of retail stores in Canada, brings our total North American retail presence to an estimated 200,000 points of distribution. Our sales team targets widespread distribution to all traditional retail channels, including convenience stores, where over 60% of all OTP volume is currently sold according to MSAi data, achieving product availability in each of the top ten convenience store chains in the U.S. as of July 11, 2015. We achieved net sales for the nine months ended September 30, 2015 and the year ended December 31, 2014 of $150.5 million and $200.3 million, respectively. For the nine months ended September 30, 2015 and the year ended December 31, 2014, our Adjusted EBITDA was $38.8 million and $48.8 million, respectively, and we had net income of $6.8 million and a net loss of $29.4 million, respectively.

1

TABLE OF CONTENTS

Since 2005, we have transitioned from a traditional OTP provider with significant in-house manufacturing and limited outsourced manufacturing to a leaner, asset-light sourcing and marketing model, with a strategy that relies on outsourced product manufacturing and supply relationships and increased use of information technology and market analytics, which together allow us to maintain relatively low levels of capital expenditures compared to market participants with more significant manufacturing operations. For example, we have formed long-lasting relationships with some of the most well-known names in the industry, including an 18-year relationship with Bolloré, S.A. (Bolloré) – the trademark holder for *Zig-Zag*® for the exclusive rights to purchase and sell *Zig-Zag*® cigarette paper and accessory products in the U.S. and Canada. In 2008, we partnered with Swedish Match NA, a subsidiary of Swedish Match AB (Swedish Match) for the manufacture of all of our loose leaf chewing tobacco products. We have a 2-year relationship with JJA Distributors LLC (JJA) for the sourcing of our cigars and cigarillos and a 7-year relationship with Durfort Holdings, S.A. (Durfort) for the sourcing of our MYO cigar wraps, each of which are marketed under the *Zig-Zag*® tobacco brand. More recently, we have established a relationship with VMR Products, LLC (VMR) for the exclusive supply and distribution of VMR s *V2 Cigs*® (*V2*®) brand of liquid vapor products and tobacco vaporizer products to retail outlets throughout the U.S.

We have a successful track record of rapidly commercializing new products and leveraging the value of our existing brands into new OTP categories. For example, in our smokeless products category, we leveraged our *Stoker s*® brand legacy in loose leaf chewing tobacco (the #2 loose leaf chewing tobacco brand in the U.S.), to create our *Stoker s*® moist snuff, which was introduced in 2009 using value-sized, 12 oz. tub packaging as opposed to the industry standard 1.2 oz. can. By the end of 2014, *Stoker s*® had grown to be among the fastest growing moist snuff brands in the U.S., based on pounds sold, as reported by MSAi. We believe that *Stoker s*® moist snuff is poised for continued strong growth and, in the second half of 2015, introduced a traditional 1.2 oz. can of *Stoker s*® moist snuff. This smaller packaging will allow us to expand our presence from the approximately 26,000 retail stores that carry the large tub by targeting the over 145,000 convenience stores (which sell 75% of all moist snuff tobacco (MST) volumes) for which our current large tub footprint is less commercially viable.

We have a portfolio of widely recognized brands with significant customer loyalty and an experienced management team that possesses long-standing industry relationships and a deep understanding of the OTP industry. However, we have historically been capital constrained by high leverage – our total long-term debt was $310.4 million as of September 30, 2015 – and as a result we believe our brands, management and our management s relationships are underutilized. Notwithstanding our high leverage, our management team has grown net sales from $147.5 million in 2009 to $200.3 million in 2014. We have identified additional opportunities to grow revenue, including the launch of new products and expanding our distribution and salesforce. We also believe there are meaningful opportunities to grow through acquisitions (for which we could use cash or our stock) and joint ventures. We intend to use the proceeds of this offering to reduce our leverage, which will give us the flexibility to pursue these opportunities, facilitating our strategy of increasing revenue and our share of the OTP market. Additionally, because we expect our reduced leverage in combination with our asset-light model and attendant minimal capital expenditures to improve our cash flow, we intend to initiate the payment of a dividend of between and , commencing with the first full fiscal quarter after completion of this offering.

Our Industry

We currently compete in three distinct markets within the OTP industry: (i) the smokeless products market, which includes loose leaf chewing tobacco and moist snuff, (ii) the smoking products market, which includes cigarette papers, MYO cigar wraps and related products as well as cigars, MYO cigarettes and traditional pipe tobacco, and (iii) the new generation (NewGen) products market, which includes liquid vapor products, tobacco vaporizer products and other products without tobacco and/or nicotine.

We believe that the OTP industry is characterized by non-cyclical demand, relative brand loyalty, consistent profit margins, and the ability to generate consistent cash flows. In addition, the smokeless and smoking products markets have meaningful barriers to entry as a result of, among other things, applicable regulation, and relatively defined channels of distribution. In contrast to the traditional cigarette market that is in decline, the OTP industry has areas of significant growth, such as for moist snuff, liquid vapor products and cigarillo cigars.

2

Competitive Strengths

We believe that our competitive strengths include the following:

Large, Leading Brands with Significant Scale

We have built a portfolio of leading brands with significant scale that are well recognized by consumers, retailers and wholesalers. Our *Zig-Zag*®, *Stoker s*®, and *Beech-Nut*® brands are each well established and date back 115 years, 75 years, and 118 years, respectively. In 2014, *Zig-Zag*®, *Stoker s*®*, and Beech-Nut*® together generated approximately $175.0 million, or 80.3%, of our total gross sales. Specifically:

- *Zig-Zag*® is the #1 cigarette paper brand in terms of retail dollar sales in the U.S. as measured by Nielsen Convenience and the #1 MYO cigar wraps brand.
- *Stoker's*® is the #2 loose leaf chewing tobacco brand and among the fastest growing MST brands in the industry.
- *Beech-Nut*® is the #3 premium brand in the loose leaf chewing tobacco segment.
- *V2*® is the #5 e-cigarette brand.

The *Zig-Zag*® brand has long-standing brand recognition. The *Stoker s*® brand is seen as an innovator in both the loose leaf chewing tobacco and in the moist snuff markets. The *Beech-Nut*® brand has a long and enduring name in premium loose leaf chewing tobacco.

Successful Track Record of New Product Launches and Category Expansions

We have successfully launched new products and entered new product categories by leveraging the strength of our brands. For example:

- In 2009 we extended the *Zig-Zag*® tobacco brand into the MYO cigar market and captured a 50% market share within the first two years. We are now the market share leader for MYO cigar wraps, with over a 75% share.
- We leveraged the proud legacy and value of the *Stoker's*® brand to introduce a first-of-its-kind 12 oz. MST tub, which was not offered by any other market participant. Through the five years ending December 31, 2014, *Stoker's*® MST was among the fastest growing moist snuff brands in the industry based on pounds sold.
- In 2013, we recognized the growing popularity of e-cigarettes and partnered with VMR to secure the retail bricks and mortar rights to distribute their popular *V2*® brand. We believe that with *V2*®, which is now the #5 e-cigarette brand, we are well positioned to capitalize on the emerging vapor category growth in traditional retail.

We strategically target product categories that we believe demonstrate significant growth potential and for which the value of our brands are likely to have a meaningful impact. As we continue to evaluate opportunities to extend our product lines or expand into new categories, we believe that our track record and existing portfolio of brands provide growth advantages.

Extensive Distribution Network and Effective Sales Organization

We have taken important steps to enhance our selling and distribution network and our consumer marketing capabilities, while keeping our capital expense requirements relatively low. We service our customer base with an experienced salesforce of approximately 120 professionals who possess in-depth knowledge of the tobacco industry. On average, each sales employee has over 14 years of tobacco-related experience as of September 30, 2015. We have also adopted a data-driven culture supported by leading technology, which enables our salesforce to analyze changing trends and effectively identify evolving consumer preferences. In particular, we have subscribed to a robust sales tracking system provided by MSAi that measures all OTP product shipments by all market participants on a weekly basis from approximately 1,000 wholesalers to over 250,000 retail stores in the U.S. As the initial sales effort is critical to the success of a product launch, we believe that our experienced salesforce, expansive distribution network and our market analytics put us in a strong position to execute new product launches in response to evolving consumer and market preferences.

3

Long-standing, Strong Relationships with an Established Set of Producers

As part of our asset-light operating model, we built long-standing and extensive relationships with leading, high-quality producers. In 2014, our five most important producers were:

- Bolloré, which provides us with exclusive access to the *Zig-Zag*® cigarette paper and accessories brand for the U.S. and Canada;
- Swedish Match, which manufactures all of our loose leaf chewing tobacco;
- VMR, which provides us with the exclusive supply of *V2*® branded electronic cigarettes, e-liquids, and vaporizers in the U.S.;
- Durfort, from which we source our MYO cigar wraps; and
- JJA, from which we source our *Zig-Zag*® branded cigarillos.

By outsourcing over 87% of our production and manufacturing to a select group of producers with whom we have strong relationships, we are able to maintain low overhead and minimal capital expenditures, which together drive our margins.

Experienced Management Team

With an average of 23 years of consumer products experience, including an average of 19 years in the tobacco industry, our senior management team has enabled us to grow and diversify our business while improving operational efficiency. Members of management have previous experience at other leading tobacco companies, including Altria Group, Inc. (formerly Philip Morris), Liggett & Myers Tobacco Company (now Liggett Group, a subsidiary of Vector Group ltd), Swedish Match, American Brands, Inc., and U.S. Smokeless Tobacco Company (a subsidiary of Altria). Notably, Lawrence Wexler, our President and CEO, brings over 20 years of experience from Altria Group, Inc., where he held various leadership positions within the finance, marketing, planning, manufacturing and sales departments. Our senior leadership has embraced a collaborative culture, in which all of our combined experience is leveraged to assess opportunities and deliver products that consumers demand.

Growth Strategies

We adopted the following strategies in order to drive growth in our business and to enhance stockholder value:

Grow Share of Existing Product Lines, Domestically and Internationally

We believe that there are meaningful opportunities for growth within the traditional OTP market. We maintain a robust product pipeline and plan to strategically introduce new products in attractive, growing OTP segments, both domestically and internationally. For example, in addition to our successful launch of *Stoker s*® smaller 1.2 oz. MST cans, we believe there are opportunities for new products in the MST pouch, cigar and MYO cigar wrap markets.

In 2014, less than 5% of our revenues were generated outside of the U.S. Having established a strong infrastructure and negotiated relationships across multiple segments and products, we intend to pursue an international growth strategy to broaden sales and strengthen margins. For example, we have begun to introduce our moist snuff tobacco products in South America and expect to begin rolling out our *Primal*® brand internationally by the end of 2015. To support our international expansion, we intend to pursue a dual path of introducing our own products and brands as well as partnering with other industry leaders to improve market access and profitability.

Expand into Adjacent Categories through Innovation and New Partnerships

We continually evaluate opportunities to expand into adjacent product categories, by leveraging our portfolio or through new partnerships. In 2009, we leveraged the *Zig-Zag*® brand and introduced *Zig-Zag*® MYO cigar wraps with favorable results, and we now command the #1 market share position for that product. Recently, we expanded our *Zig-Zag*® MYO cigar wraps through the introduction of the *Zig-Zag*® *'Rillo*™ size cigar wraps, which are similar in size to machine made cigarillos, the most popular and rapidly growing cigar type. In addition, in 2015, we negotiated the worldwide exclusive distribution rights to an herbal sheet material that does not contain tobacco or nicotine, affording us the opportunity to sell on a global basis an assortment of products that meet new and emerging consumer preferences. We intend to continue to identify new adjacent categories for which we are able to leverage our existing brands and partnerships and expand in a cost effective way.

4

TABLE OF CONTENTS

Continue to Grow a Strong NewGen Platform

The OTP category is continually evolving as consumers actively seek out new products and product forms. Given this market demand, we have developed our NewGen Product platform, which we believe will serve new and evolving consumer demands across multiple product categories. Core products within our existing NewGen segment include:

- E-cigarette and vapor products, including liquids,
- Tobacco vaporizers, which heat rather than combust the smoking material,
- Herbal smoking products, which contain no tobacco or nicotine, and
- Shisha-related products, including tobacco- and nicotine-free fruits and gels designed to be used in a traditional Shisha pipe.

Among these categories, we believe that the emerging liquid vapor segment may present the greatest growth opportunity as it allows each consumer to customize their experience by being able to choose both flavor and nicotine level. Although the liquid vapor segment is in its infancy, we believe that when properly commercialized, it may be highly disruptive to the traditional cigarette industry and emerge as a significant segment of the OTP market. We have established a firm foothold and are well positioned in the traditional retail liquid vapor space, with a 7% EQ unit market share, or #5 market rank, of closed system e-cigarettes under the *V2*® brand. We have also observed a growing interest among consumers for tobacco vaporizer products and believe the *Zig-Zag*® brand equity will be a valuable competitive advantage in this emerging segment.

We believe that the categories within our NewGen segment are poised to be the key industry growth drivers in the future, and we are well-positioned to capitalize on this growth.

Strategically Pursue Acquisitions

We have a strong track record of enhancing our OTP business with strategic and accretive acquisitions. For example, our acquisition of the North American *Zig-Zag*® cigarette papers distribution rights in 1997 has made us the #1 cigarette paper brand in the U.S. in terms of retail dollar sales as measured by Nielsen. Perhaps more importantly, we own the *Zig-Zag*® tobacco trademark in the U.S. and have leveraged this asset effectively, with over 50% of our total 2014 *Zig-Zag*®-branded sales under our own *Zig-Zag*® marks, rather than those we license from Bolloré. Although we have no commitments or firm agreements for any material acquisitions at this time, we will continue to evaluate acquisition opportunities as they may arise that would strengthen our current product offerings or enable category expansion.

Maintain Lean, Low-Cost Operating Model

We have successfully transitioned our business model to a leaner, asset-light manufacturing and sourcing model, with a strategy of maintaining low capital requirements, outsourced relationships, and increased utilization of market and consumer analytics. In 2014, approximately $190.2 million of our gross sales, or 87%, were from outsourced production operations and our capital expenditures have ranged between $700,000 and $2.7 million per year over the last 5 years. We believe that our asset-light model allows us to achieve favorable margins while generating strong EBITDA and our market analytics allow us to efficiently and effectively address evolving consumer and market demands. In addition, our relationships allow us to quickly enter new OTP markets as management is able to focus on brand building and innovation. We intend to continue to optimize our asset-light operating model as we grow in order to maintain a low cost of operations and healthy margins.

Ownership Structure

The following chart displays our ownership structure after giving effect to the Stock Split, the Conversion, this offering and the use of proceeds therefrom:

(1) Unless otherwise indicated, all of our subsidiaries are wholly-owned.

(2) Standard General L.P. and the funds that it manages (together Standard General) own shares of our common stock and shares of our non-voting common stock. Our non-voting common stock is identical to our common stock, with the exception of voting rights. Holders of non-voting common stock have rights to share in the earnings, losses, dividends and distributions to which holders of our common stock are entitled. Our non-voting common stock is convertible into shares of our common stock on a one-for-one basis at the sole discretion of our board of directors. Our board of directors may give consideration to converting the shares of non-voting common stock into common stock at any time after the completion of this offering. Standard General also holds warrants to purchase shares of our common stock (the Standard General Warrants). The Standard General Warrants were issued in January 2014, have an exercise price of $0.01 and an expiration date of January 13, 2021.

(3) In January 2014, we granted certain of our stockholders that qualified as accredited investors under the Securities Act of 1933 (as amended, the Securities Act) rights to purchase our 7% senior PIK toggle notes due 2023 (the 7% Senior Notes) and warrants (the Intrepid Warrants) to purchase common units of our subsidiary, Intrepid Brands LLC (Intrepid Brands). The Intrepid Warrants issued in the rights offering represent the right to acquire 11,000,000, or approximately 40%, of the common units of Intrepid Brands on a

fully-diluted basis. The Intrepid Warrants have an exercise price of $1.00 per common unit, were exercisable beginning January 21, 2014 and expire on December 31, 2023. We expect to use a portion of the proceeds from this offering to repurchase at least % of the outstanding Intrepid Warrants and all 7% Senior Notes that remain outstanding following the Conversion. See —IPO Related Transactions.

(4) In August 2014, Intrepid Brands adopted the Intrepid Brands LLC 2014 Option Plan (the Intrepid Option Plan). As of September 30, 2015, 1,350,485 options were issued and outstanding under the Intrepid Option Plan (the Intrepid Options). We expect to use a portion of the proceeds from this offering to repurchase the Intrepid Options as permitted under the terms of the Intrepid Option Plan.

IPO Related Transactions

Amendment of First Lien Credit Agreement

In connection with this offering, we intend to amend and restate our first lien credit agreement (as amended and restated, the First Lien Credit Agreement) to provide additional flexibility to pay dividends to our stockholders as more fully described under Dividend Policy. After giving effect to this offering, the aggregate principal amount outstanding under the First Lien Credit Agreement will be $157.1 million.

Stock Split

Prior to the completion of this offering, we will increase our total authorized number of shares of capital stock and effect a to stock split (the Stock Split) of our common stock and non-voting common stock. Unless otherwise noted, all information in this prospectus gives effect to the Stock Split.

Conversion

As of September 30, 2015, we had $57.9 million aggregate principal amount of floating rate PIK Toggle Notes due 2021 (the PIK Toggle Notes) outstanding, all of which were held by Standard General and $12.1 million aggregate principal amount of our 7% Senior Notes outstanding, which were held by, among others, Standard General and certain of our executive officers. Standard General has agreed to exchange 50%, or approximately $28.9 million aggregate principal amount, of the PIK Toggle Notes for shares of our common stock and Standard General and certain executive officers that hold our 7% Senior Notes have agreed to exchange approximately $10.6 million of the 7% Senior Notes for shares or our common stock (in each case, equivalent to a conversion price equal to the initial public offering price of the shares in this offering), immediately prior to completion of this offering. We refer to this as the Conversion. All PIK Toggle Notes and 7% Senior Notes that remain outstanding following the Conversion (plus accrued and unpaid interest from September 30, 2015) will be redeemed for cash with a portion of the proceeds from this offering. See Use of Proceeds and Certain Relationships and Transactions—Conversion and Stock Split.

TABLE OF CONTENTS

Risk Factors

An investment in our common stock involves risks associated with our business, regulatory and legal matters. This is not a comprehensive list of risks to which we are subject, and you should carefully consider the risks described in Risk Factors and the other information in this prospectus before deciding whether to invest in our common stock.

- Declining sales of tobacco products, and expected continuing decline of sales, in the tobacco industry overall.
- Our dependence on a small number of third-party suppliers and producers.
- The possibility that we will be unable to identify or contract with new suppliers or producers in the event of a supply or production disruption.
- The possibility that our licenses to use certain brands or trademarks will be terminated, challenged or restricted.
- Failure to maintain consumer brand recognition and loyalty of our customers.
- Substantial and increasing U.S. regulation and taxation, particularly by the U.S. Food and Drug Administration (FDA).
- Possible increases in tobacco-related taxes and the commencement of taxation on NewGen products.
- Our significant amount of indebtedness.
- Intense competition and our ability to compete effectively.
- Contamination of our tobacco supply or products.
- Infringement on our intellectual property.
- Concentration of business with large customers.
- Departure of key management personnel or our inability to attract and retain talent.
- Our ability to pay dividends.

Our Principal Stockholders

Standard General and its affiliates will own % of our common stock after giving effect to the Stock Split, the Conversion and this offering, on a fully-diluted basis (including the right to acquire an additional shares upon exercise of the Standard General Warrants). Standard General will also own 100% of our issued and outstanding non-voting common stock following this offering (which will be convertible into shares of our common stock on a one-for-one basis at the sole discretion of our board of directors). Standard General is a New York-based investment firm that manages event-driven opportunity funds. Standard General was founded in 2007 and has been an SEC-registered Investment Adviser since 2009. Standard General primarily manages capital for public and private pension plans, endowments, foundations, and high net worth individuals.

Our Executive Chairman, Thomas Helms, Jr., owns all of the outstanding capital stock of Helms Management Corp. Helms Management Corp. will own % of our common stock after giving effect to the Stock Split, the Conversion and this offering.

Corporate Information

We were incorporated in 2004 in Delaware under the name North Atlantic Holding Company, Inc. On November 4, 2015, we changed our name to Turning Point Brands, Inc. Our principal executive offices are located at 5201 Interchange Way, Louisville, Kentucky 40229, and our telephone number is (502) 778-4421. Our website address is www.turningpointbrands.com. We intend to make our periodic reports and other information filed with or furnished to the Securities and Exchange Commission (the SEC) available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus.

Implications of Being an Emerging Growth Company

As a company with less than $1.0 billion in gross revenue during our last fiscal year, we qualify as an Emerging Growth Company as defined in the Jumpstart Our Business Startups Act of 2012 (the JOBS Act). An Emerging Growth Company may take advantage of specified reduced regulatory and reporting requirements that are otherwise generally applicable to public companies, such as:

- we are not required to engage an auditor to report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act);
- we are not required to include more than two years of audited financial statements in this prospectus;
- we are not required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board (the PCAOB) regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- we are not required to submit certain executive compensation matters to stockholder advisory votes, such as say-on-pay, say-on-frequency and say-on-golden parachutes; and
- we are not required to disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

We may take advantage of these exemptions for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed $1 billion, (ii) the date that we become a large accelerated filer as defined in Rule 12b-2 under the Securities Exchange Act of 1934 (as amended, the Exchange Act), which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three-year period.

For as long as we continue to be an Emerging Growth Company, we expect that we will take advantage of certain reduced disclosure requirements available to us as a result of that classification. We have taken advantage of some of these reduced reporting requirements in this prospectus. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock.

The JOBS Act permits an Emerging Growth Company, such as us, to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have chosen to opt out of this provision and, as a result, we will comply with new or revised accounting standards as required for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

TABLE OF CONTENTS

THE OFFERING

Common stock and non-voting common stock outstanding before this offering
shares of common stock. shares of non-voting common stock.
Common stock offered by us
shares, or shares if the underwriters exercise in full their overallotment option.
Common stock and non-voting common stock outstanding after this offering
shares of common stock, or shares of common stock if the underwriters exercise in full their overallotment option.
shares of non-voting common stock.

Use of proceeds
We estimate the net proceeds from this offering to us will be approximately $ million, or approximately $ million if the underwriters exercise in full their overallotment option, based on an initial public offering price of $ per share after deducting estimated offering expenses payable by us and underwriting discounts and commissions.
We expect to use the net proceeds from this offering, together with cash on hand to: (i) repay all 7% Senior Notes and all PIK Toggle Notes that remain outstanding following the Conversion and all obligations under our second lien credit facility (the Second Lien Credit Facility), (ii) repurchase at least % of the Intrepid Warrants and all issued and outstanding Intrepid Options, and (iii) pay offering related fees and expenses.

Any excess proceeds will be used for working capital and general corporate purposes, including funding future acquisitions. We have no commitments or firm agreements for any material acquisitions at this time. See Use of Proceeds.

Dividend Policy
We have not paid dividends to holders of our common stock within the past five years. Following this offering and subject to applicable law, we intend to pay quarterly cash dividends to holders of our voting and non-voting common stock, initially equal to between and , commencing with the first full fiscal quarter after completion of this offering. The payment of dividends to holders of our common stock and non-voting common stock will be at the sole discretion of our board of directors and will depend on many factors, including, among others, general economic and business conditions, our financial condition and results of operations, earnings, cash flows, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends and other considerations that our board of directors deems relevant. See ‘Dividend Policy.
Risk Factors
You should read the Risk Factors section of this prospectus for a discussion of factors that you should consider carefully before deciding to invest in shares of our common stock.
NYSE listing
We have applied to list our shares on the NYSE under the symbol TPB.
Directed Share Program
At our request, the underwriters have reserved up to % of the shares of common stock offered in this offering for sale at the initial
10

public offering price to certain persons who are our directors, officers and employees, and certain friends and family members of these persons, and certain clients and prospective clients, through a directed share program.

Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of common stock. Participants in the directed share program who purchase more than $ of shares will be subject to a lock-up with respect to any shares sold to them pursuant to that program. Any shares sold in the directed share program to our directors or executive officers will be subject to 180-day lock-ups. Any of these lock-up agreements will have similar restrictions to the lock-up agreements described elsewhere in this prospectus. See Underwriting—Directed Share Program.

Unless we specifically state otherwise, the information in this prospectus:

- assumes an initial public offering price of $ per share, the mid-point of the offering range set forth on the cover of this prospectus;
- gives effect to the for Stock Split and the Conversion, each of which we will effect immediately prior to completion of this offering;
- the number of shares of our common stock outstanding after this offering excludes (i) options to purchase shares of common stock that are currently outstanding under our 2006 Equity Incentive Plan (the 2006 Plan), (ii) options to purchase shares of common stock and shares of restricted stock (based on the mid-point of the offering range set forth on the cover of this prospectus) that we expect to issue in connection with this offering under the Turning Point Brands, Inc. 2015 Equity Incentive Plan (the 2015 Plan), (iii) shares of our common stock issuable upon the exercise of the Standard General Warrants and (iv) shares of our common stock that may be issued upon conversion of our non-voting common stock (which is convertible into shares of our common stock on a one-for-one basis at the sole discretion of our board of directors). Our board of directors may give consideration to converting the shares of non-voting common stock into common stock at any time after the completion of this offering.
- assumes no exercise of the underwriters’ option to purchase up to additional shares of common stock. If the underwriters exercise in full their overallotment option, we will offer additional shares of common stock and any such shares that are sold will thereafter be outstanding. See Underwriting.

TABLE OF CONTENTS

SUMMARY HISTORICAL CONDENSED CONSOLIDATED FINANCIAL AND OTHER INFORMATION

The following tables set forth certain summary historical condensed consolidated financial data as of and for the periods indicated. The consolidated statements of operations data and cash flows data for the years ended December 31, 2014 and 2013 and the consolidated balance sheet data as of December 31, 2014 were derived from our audited consolidated financial statements included elsewhere in this prospectus. The consolidated statement of operations data and cash flows for the year ended December 31, 2012 were derived from our financial statements not included in this prospectus. The consolidated statements of operations and cash flows data for the nine months ended September 30, 2015 and 2014, and the consolidated balance sheet data as of September 30, 2015 were derived from our unaudited interim consolidated financial statements included elsewhere in this prospectus. In the opinion of management, the unaudited financial information includes all adjustments, consisting of normal recurring adjustments, considered necessary for a fair representation of this information. Our historical results are not necessarily indicative of the results that may be expected in the future and our results of operations for interim periods are not necessarily indicative of the results that may be expected for the entire year or any other interim period.

The information set forth below should be read in conjunction with Capitalization, Selected Historical Condensed Consolidated Financial and Other Information, Management s Discussion and Analysis of Financial Condition and Results of Operations, and our consolidated financial statements and related notes included elsewhere in this prospectus.

	Nine Months Ended September 30,		**Year Ended December 31,**		
(U.S. dollars in thousands except per share data)	**2015**	**2014**	**2014**	**2013**	**2012**
	(unaudited)				
Consolidated Statement of Operations Data:					
Net sales	$ 150,516	$ 152,334	$ 200,329	$ 193,304	$ 186,741
Cost of sales	77,889	82,482	107,165	103,043	100,856
Gross profit	72,627	69,852	93,164	90,261	85,885
Selling, general and administrative expenses	39,385	33,445	45,108	46,822	41,391
Amortization expense	—	—	—	27	38
Operating income	33,242	36,407	48,056	43,412	44,456
Interest expense and financing costs	25,732	25,706	34,311	44,094	43,048
Loss on extinguishment of debt	—	42,780	42,780	441	—
Income (loss) before income taxes	7,510	(32,079)	(29,035)	(1,123)	1,408
Income tax expense	734	323	370	486	978
Net income (loss)	$ 6,776	$ (32,402)	$ (29,405)	$ (1,609)	$ 430
Net income per share data[(1)]:					
Net income (loss) available per share:					
Basic	$ 9.82	$ (46.74)	$ (42.47)	$ (2.30)	$ 0.62

Diluted	$ 8.46	$ (46.74)	$ (42.47)	$ (2.30)	$ 0.52
Weighted average shares outstanding:					
Basic	690,010	693,287	692,442	698,732	698,732
Diluted	800,855	693,287	692,442	698,732	834,373
As adjusted net income available per share data[(1)(2)]:					
As adjusted net income available per share:					
Basic	$		$		