THE OFFICIAL MAGAZINE OF TOBACCO PLUS EXPO - - VOL24 NO2 * MARCH/APRIL 2021

NESTOR ANDRÉS Plasencia Jr.

Talking business, tobacco growing and investing in employees

PLASENCIA

REIMAGINING TEAMS

How tobacco businesses are rethinking teams, collaborations and partnerships

2021 LEGISLATION OUTLOOK The latest federal and state

The latest federal and state tobacco legislation impacting your business

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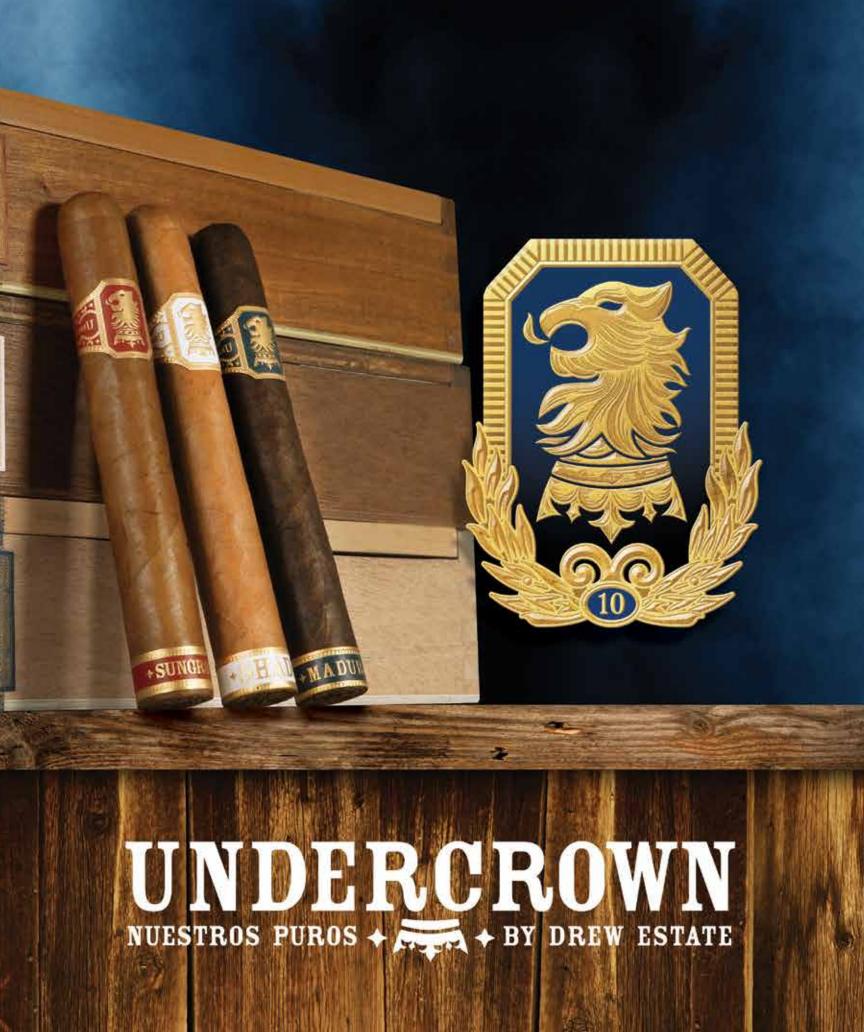
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LETTER FROM THE EDITOR

All Together Now

Each issue, I'm usually asked the same question: What's the theme of this issue? I'd love to be able to share with you that the world of magazine editorial planning works much like what you may see on television and in other works of fiction, or to tell you that I have the prophetic vision to shape and mold the magazine's content a year in advance, but the truth is that, in most cases, I don't know what the theme is until the very end of the production process.

I'm the type of editor that enjoys letting stories go where those featured dictate rather than coming into each issue with an agenda and forcing every story and interview to conform or risk being cut. That being said, yes—most issues of *Tobacco Business* do indeed have a theme, and those are sometimes publicized and other times left to coyly play out in the background.

We began working on this particular issue of the magazine back in December 2020, although the bulk of the stories weren't written until early to late January 2021. If you'll recall, a lot has played out and happened in our world from December 2020 to these early weeks in March 2021. From the world of politics to the ongoing COVID-19 pandemic, there has been a focus in our culture on unity, togetherness and teamwork in different contexts and manners. This theme, unintentionally on our editorial team's part, also came up often in the stories you'll read in this issue.

Teamwork, partnership and collaboration all are themes that don't get much attention in today's business world. These words and the ideas that they spark can at times feel dated and lost as we now praise and lift up the individual and singular entrepreneur. The successful businesses and brands of today realize, however, that nothing worthwhile is done in isolation or alone. One person is not responsible for Coca-Cola; Amazon requires a Herculean effort beyond Jeff Bezos to make a real profit; and Nike makes awesome shoes, but if it weren't for the collaborations and different styles and perspectives at play, it would just be another shoe brand. The tobacco industry works much in the same way. Andrew Carnegie once said, "Teamwork is the ability to work together toward a common vision—the ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results."

Nestor Andrés Plasencia Jr., who is featured on the cover of this issue, said in his interview that while you have to fight for your dreams and not let anything get in your way, the only way to achieve this is to take care of your team and the people that make a business work.

"Everything you want to achieve is impossible to do by yourself," he says. "That is why taking care of your team is very important."

The story of the Plasencia family, if you don't already know it, is inspiring, but it's a story about teamwork and how the right team can make or break a brand. There are other stories in this issue that explore teamwork and collaboration from different angles. Retailer Scott Bendett had to build the right team to allow him to have a business that operates both as a brickand-mortar retailer and an e-commerce website. The owners of the brand Humi-Smart expanded their team to include experts and skill sets that would complement their strengths. It took a group of friends with a passion for good cigars to combine their resources and experiences to create a cigar brand like Emperors Cut that could compete on a global scale.

If there were a moral of the story for you to take away from this issue of *Tobacco Business*, it would be a simple one: You can't do it alone, and if you think you can, think again! Together, we can do amazing things, build great businesses and accomplish what may seem like the impossible.

Antoine D. Reid Senior Editor antoinereid@tobaccobusiness.com

MAGAZINE



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MANAGING DIRECTOR Ben Stimpson

GENERAL MANAGER, CIRCULATION AND ADMINISTRATION Lea Edmondson

TOBAC

SENIOR EDITOR AND DIGITAL DIRECTOR Antoine D. Reid

ART DIRECTOR Harrison Brackett

COPY EDITOR Stephanie Banfield

CONTRIBUTORS Thomas Briant Maxi Benbassat Storm Boen David Joyce Gabriel Pineres Alan Rubin Craig Williamson

TPE MANAGEMENT

Ben Stimpson – Managing Director Ellie Hansen – Trade Show Director Dawn Conger – TMG Sales Manager Brian Rodak – Digital Marketing Manager Scott Gibson – Trade Show Operations & Logistics Manager Rachel Esteffe – Senior Graphic Designer Carly Gegorek – TMG Sales Associate

BUSINE

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Raleigh, NC 27615

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STARTUP / TECHNOLOGY

Using Your Business Website to Drive Revenue



Simply put, your smoky business cannot afford to ignore its website. Whether it's been some time since the site has been updated or you're just starting out, a well-designed and user-friendly website will be an important supplemental tool to help drive revenue. This is as true for e-commerce brands as it is for tobacco retailers.

Website views, lead generation, content subscribers and, ultimately, sales—they all begin with well-designed websites that are built with the bottom line in mind. While this can seem like a daunting process, partnering with a website designer can offer important insight into what it takes for a business's website to really shine. Make sure you and your designer are focusing on all of these critical areas.

Lead Generation

Once customers find your website, you need to convert them into leads, and this starts with design optimization. Calls to action like "call now" or "try for free" could help convince your ideal customers to take another step in the buyer's journey. Think about building calls to action that include the following conversion strategies:

- Schedule a free demo
- Get a consultation
- Read a real-world case study
- See customer testimonials
- Receive a product discount
- Download educational content

The above list isn't complete, but those strategies can be the foundation on which you build other areas of your website to help grow your business.

Sales Conversions

The next step in the purchase process is turning leads into sales. This can be done in a number of ways, but the most effective is with an inbound sales strategy. The goal here isn't to close the deal as quickly as possible. Instead, you'll want to use content that helps touch on a potential customer's pain points, provide solutions to challenges and meet their needs along each step of the decision-making process.

Great examples of inbound sales tools are optimized landing pages, consistent and educational blog updates, and an aesthetically pleasing design that speaks to your overall branding. For e-commerce brands, this means high-resolution images and detailed product descriptions, along with navigable category pages and products that will help shoppers locate what they're looking for without getting frustrated.

Reputation Management

Word of mouth is still the most effective marketing strategy that businesses can leverage, even if it looks a little different in the digital world. A website designer can integrate widgets that update your website to show third-party reviews from other platforms, such as Google. A separate landing page for testimonials and case studies can be used as links in paid ads or on social media posts. Local service-based businesses, such as cigar lounges or CBD dispensaries, can show pictures of the employees that regularly interact with customers or perform services in their homes. Showing website visitors this level of transparency also builds trust, which is a cornerstone of customer loyalty and a revenue driver.

Improved Design

User experience (UX) goes a long way toward helping convince website visitors to visit your store or make an online purchase. Simple, streamlined webpage design that limits the number of options for users to click on will help reduce the sense of overwhelm that could lead to a lost sale. Limiting the number of options allows your customers to focus on a few key areas, and it means your business can find ways to enhance products or services in those areas.

It's a mistake to think that you need to fit as many products or as much service information on your website pages as you can. Since many customers use their smartphones to browse the internet, your website should be mobile-responsive so it looks and performs the same as it would on a desktop computer.

Innovative Tech Tools

Now more than ever, there are countless tech tools you can add to your website that will give visitors on-demand answers to questions that will help them make a purchase. Chatbots are automated, artificial intelligence-based features that will interact in real time, giving information when shoppers are looking for it—even if it's not during the normal operating hours for your business. Service-based businesses should invest in website upgrades that allow customers to set their own appointments at their own convenience. Cigar lounges should upgrade their sites to offer online ordering with customizable menus. Working closely with an experienced website designer will help you understand which tool is best for your business website. **TB**

Contributed by Maxi Benbassat, owner of Benbassat Digital Consultants in Greensboro, North Carolina. Benbassat and his team work with other businesses to help them build and grow a strong online presence.

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STARTUP / MARKETING

Giving Your Tobacco Brand a Public Relations Refresh

Like many companies, the coronavirus has affected, if not changed, your business entirely. Marketing strategies have had to change, right on the heels of changes with company processes (and budgets). The word "pivot" has been used numerous times, ultimately referring to companies shifting direction due to the COVID-19 pandemic.

These points will ultimately help position your company and brand. If your cigar company does not have an in-house team of marketing professionals or an agency helping with your marketing and communications efforts, these are some particularly important things to consider. Fair warning: Do not take a do-it-yourself approach to marketing and public relations if they are not your main profession.

As experts with knowledge of the cigar industry and a true passion for its products and the businesses that work within it, here are some things to consider and advice to get more eyes on you and your brands.

Connect

Communication is key! With all the changes going on in our world and businesses, it is important to connect using e-marketing, social media and any other opportunity to reassure your clients and customers of your brand and what you are offering. You need to have a clear idea of who your brand is talking to and the right messaging to position your brand. Using your company's voice through powerful tools like public relations, you can introduce—or reintroduce—your products or services in a multitude of ways. From press releases, articles and interviews to partnerships and collaborations with media, this tool can elevate your brand exponentially. Working with those who have relationships in the industry can move mountains.

Be Creative

As much as it's great to be straightforward about who you are and what products or services you offer, you must have a message, a brand voice and proper representation of your brand. Every brand has a "personality." This comes through visually through all of your communication. All of your creative—advertising included—should be cohesive. Many companies work with agencies or freelance professionals, and others "have a kid studying marketing in school" or have someone "who knows Photoshop." Leave the way your brand is being communicated to those who are experts in their field. After all, this is your brand. If you do collaborate with an outside agency, choose one that understands the tobacco industry, your brand, its history, your direction and your goals.

Boost Social Media

Prior to the pandemic, it was a known fact that social media was the most powerful tool in your marketing mix. As a result of the effects of COVID-19 on the marketplace, a plethora of companies and their efforts went virtual. With so many still working remotely and people embracing the "virtual era," social media has become even more important. But one thing to remember is that just because everyone has access to social media does not mean you are using it correctly. You can hurt your brand by using this medium without proper knowledge. There is a formula. Trust us.

Strengthen Relationships Online and Off

People are doing all they can online, from business communication to shopping as well as staying in contact with friends and family. Make sure that if you do see customers and clients you are truly making time to listen to them. If you are selling in person, visit your customers just so they can see you, as it's likely been a minute. Online, make sure you are paying attention and answering inquiries and reviews in a timely, friendly and professional manner. Use this opportunity to remind them how you appreciate their support as well as their trust in you and your brand or retail shop. Nowadays, people have also gone back to the old ways of doing things. Phone calls versus texting and emailing (when you can) go a long way.

Focus on Your Online Presence

Now is the time to launch, enhance or fully update your website. Make sure people can find you easily when searching on the web. Pay attention to industry websites where you are featured or included, and make sure you keep up with any review sites. You want to be well-represented in cyberspace and use it to your advantage to move your customers and sales for your retail store or brand(s). **TB**

Contributed by Gabriel Pineres and Liza Santana, principals at Creativas Group Public Relations, Branding & Events, a leading full-service multicultural communications and public relations firm based in Miami, Florida. Creativas Group has been providing marketing and public relations services to tobacco industry clients for over a decade. Follow us on social media @creativasgrouppr on Instagram and Creativas Group on Facebook.



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STARTUP / SALES

A Pandemic Sales Plan

Tips for how to deal with tough times and a pandemic that won't go away.

2020 was a year like no other—and no one knows what the rest of 2021 will bring. But what we do know is this: There is plenty that we in the cigar industry can and should be doing to adapt to changing times.

Lessons Learned

While industry-wide cigar sales have increased in the past year, the COVID-19 pandemic has brought a number of challenges to the way we live and operate. With an unclear picture as to when the pandemic will end, we all need to focus on what we've learned from this difficult year and what we can do to improve business in the future.

Adaptability and diversification are key. Creating online sites, offering curbside pickup services and delivering cigars directly to customers' homes are three examples of how those within our industry have adjusted how they operate in order to serve the needs of our customers. By creating an online shopping site, retailers have an opportunity to increase their customer base. We've spoken to many online retailers in the industry these past several months, and most have said their online traffic and sales have increased dramatically.

Many retailers who had to temporarily close during the pandemic wisely used that time as an opportunity to reconfigure their store's layout and adjust their seating to adhere to social distancing guidelines.

A number of retailers ramped up activities by offering virtual events when they were unable to have the in-store kind, which allowed adult consumers to still interact with manufacturers. Many found these virtual events helpful in increasing their customer base beyond the confines of brick-and-mortar retailers. In addition to selling product, many of these interactive virtual events focused on education and engagement. In fact, the payoff for many retailers taking actions to ensure patron safety—such as offering virtual events and increasing their online presence—was an increase in sales performance.

Now, as we are a year into the pandemic, the industry is continuing to see periodic inventory shortages on some best-selling brands. Why is that? Because manufacturers were forced to close their factories for a short amount of time, and some continue to operate with smaller workforces due to social distancing guidelines.

So what are some of the things we can do?

- Be more strategic in your purchasing when manufacturers are not able to fulfill supply to meet demand.
- Instead of buying inventory for just a month at a time, consider buying larger quantities when the product is available.
- Buy more items when they are available for a deal. Not only will you save money and increase profit margins, but you'll also improve your long-term ROI.
- Remember that margin improvements are crucial if you're seeing a decrease in sales, pandemic or not.
- When you're consistently having trouble getting a specific item due to inventory shortages, consider temporarily replacing that item on your shelf with something similar.
- Consider using alternative sources, such as wholesalers for premium cigars, during shortages. If the manufacturer is out of stock of the products you need, seek out a viable alternative source, such as large wholesalers like Santa Clara who have large, proven inventory levels.

As 2021 unfolds and 2020 is in the rear-view mirror, here's something less tangible to consider—one's attitude. Yes, we can be more agile and creative in our business practices, but we also must be ever-more resilient in our resolve to get through tough times.

Adult cigar consumers can buy cigars anywhere, but they only become repeat customers when you provide great customer service. That's why your biggest threat as a retailer isn't the online catalog company or the store down the street—it's yourself. Be resilient, be positive, and be proactive. When you are, you are more apt to succeed in providing a great customer experience even during challenging times. Do so during this pandemic or the next crisis, and you will be well prepared for a successful future. **TB**

Contributed by David Joyce, director of wholesale operations, and Alan Rubin, business development, Santa Clara Inc.





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Significant Tobacco Issues for

With the New Year comes new challenges for retailers that sell tobacco products. Just like in 2020, key issues for retailers will encompass local, state, and federal legislative and regulatory actions.

Local Flavor Ban Ordinances

In February 2020, the U.S. Food and Drug Administration (FDA) made most flavored cartridge and pod-type vapor products illegal. Then, in September 2020, it became illegal to sell other vapor and tobacco products for which a required premarket tobacco product application (PMTA) was not filed with the FDA.

Local governments continue to propose flavor bans, claiming a need to address underage youth vaping, yet at the same time they are extending the bans to include a prohibition on the sale of traditional tobacco products (e.g., menthol cigarettes, flavored cigars, pipe tobacco, smokeless tobacco) and newer tobacco products, including some that the FDA has determined are "modified risk," which would be beneficial to tobacco consumers and the health of the entire population.

In 2020, the National Association of Tobacco Outlets (NATO) monitored or opposed over 160 such local flavor ban ordinances, most in California and Massachusetts, and both of those states have also passed statewide flavored tobacco bans. Minnesota and Colorado also had multiple local ban proposals. Opposition by local retailers has successfully modified, delayed or stopped many proposed bans, notably in Kansas City, Missouri; Missoula, Montana; and Phoenix, Arizona.

In addition, six lawsuits were filed in 2020 against local flavor ordinances, two against Philadelphia and others against Palo Alto, California; Edina, Minnesota; as well as California's Los Angeles County and San Diego County. In Los Angeles County, the court upheld the ban, but a Philadelphia court preliminarily issued an injunction against that city's ban.

California Flavored Tobacco Ban Law

California enacted Senate Bill 793, banning the sale of all flavored tobacco products, including vapor products, except shisha, premium cigars and loose-leaf tobacco, which was to be effective Jan. 1, 2021. The California Coalition for Fairness was formed to collect voter signatures on a referendum petition to have the state's voters decide whether the law goes into effect or is repealed. The coalition needed 623,212 valid voter signatures by Nov. 30, 2020. On Nov. 24, 2020, the coalition submitted 1,023,529 signatures, and on Dec. 7, 2020, the California Secretary of State issued a notice that county election

officials must verify the signatures, a process that would extend beyond Jan. 1, 2021. A lawsuit was then filed to suspend the law pending signature verification; on Dec. 10, 2020, the court suspended the law unless it is determined that there are not enough valid signatures or the voters approve the ban in the November 2022 election.

Proactive Measures Needed on 2021 Tax Increase Bills

The COVID-19 pandemic has resulted in significant state revenue shortfalls and increased expenses. Since states are required to balance their budgets every year, state lawmakers will likely consider tobacco product tax increases as one option during 2021 legislative sessions.

If you have not already done so, NATO urges you to communicate with the state lawmakers that represent the district(s) in which your store(s) are located and urge them to not support cigarette and tobacco tax increases.

New FDA Graphic Cigarette Warnings

In March 2020, the FDA ruled that 11 new text warnings with graphic color images must appear on cigarette packs, cartons and cigarette advertisements beginning on June 18, 2021. Two lawsuits were filed claiming that the warnings violated free speech, exceeded the FDA's authority and were improperly adopted. The original implementation date of Oct. 16, 2021, for the new warings has been extended by court order to Jan. 14, 2022.

Because of this postponement order, the FDA announced it strongly encourages manufacturers, wholesalers and retailers that create or produce their own cigarette advertising to submit their required warning rotational plans to the FDA by March 16, 2021, extending the original Dec. 16, 2020, deadline.

Both lawsuits continue, and whether the new graphic warnings will be struck down, become required in their current form, or be further delayed or amended may become known in 2021. **TB**

Contributed by Thomas Briant, Executive Director, National Association of Tobacco Outlets (NATO)

















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LEGISLATION / CIGAR ASSOCIATION OF AMERICA



Cigar Association of America (CAA) takes a look at upcoming bills and legislation that will impact tobacco businesses at the state level this year.

The 2021 state legislative season is now officially upon us. Barely two weeks into the year, with most states just now convening for formal session, it is obvious that this year will be unlike any other. Each state is tasked with completing their constitutionally mandated requirements to meet in formal session and adopt balanced state budgets, all while dealing with the unprecedented challenges created by the COVID-19 pandemic that continues to wreak havoc across large parts of the country.

It is too early in the legislative sessions to fully determine how much attention will be given to issues that lie outside of those that are constitutionally mandated. However, early indications suggest that the tobacco industry can expect to be dealing with legislative challenges across many of the states.

In just the first two weeks of 2021, bills banning the sale of flavored tobacco were introduced in Connecticut, Indiana, New York, Oregon and Vermont, and in Maryland a flavor ban bill was scheduled for the state's first committee hearing on Jan. 28, 2021. With more than 18 states considering flavor bans in 2020, and California passing a full flavor ban in the middle of last year, it can be expected that the industry will see state legislatures continue to look at this issue.

Many states continue to suffer large budget shortfalls caused by the pandemic. In almost all states, the formal adoption of the state budget is the last work completed before the end of their session. It will be at this time where the real threat for tobacco excise tax increases will surface.

Bills that would allow local governments to regulate-or, to put it more

accurately, prohibit the sale of tobacco products—have been introduced in Kentucky and are expected to surface in other states this year. New York is another hotbed of anti-tobacco legislation. So far, proposals that would impose massive excise tax increases on all tobacco products have been introduced, along with pack size restrictions, flavored tobacco bans and proposals to further restrict smoking that would even include smoking in private residences. Connecticut as well as other states will once again consider bills that would ban the sale of tobacco in pharmacies and at other retail outlets. Legislators in New Jersey are proposing to require tobacco retailers to also offer for sale tobacco cessation products whether they want to carry them or not.

Given the sheer volume and wide-ranging scope of anti-tobacco legislation introduced so early in the year, it is clear that many challenges remain ahead for the cigar and pipe tobacco industry. We at the Cigar Association of America, along with the support of our members and other industry stakeholders, will continue to fight to defeat these business and job-killing legislative proposals. **TB**

> Contributed by Craig Williamson, President, Cigar Association of America





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THE ETERNA APPRENDE By Antoine Reia

Ø PLASENCIA Nestor Andrés Plasencia Jr.'s family is known for the tobacco they grow and the cigars they make. Their story demonstrates how other tobacco businesses can grow and scale beyond adversity and obstacles.

THE PREMIUM TOBACCO INDUSTRY IS FULL OF RECOGNIZABLE FIGURES

and names, but few garner the level of respect and admiration as the name Plasencia. The Plasencia family has been known for growing some of the best tobacco in the industry. In addition to top-quality tobacco, the Plasencias have also made cigars for a number of companies, including Altadis U.S.A., Villiger and Rocky Patel, among many others.

Today, Plasencia Cigars is led by Nestor Andrés Plasencia Jr. Since 1998, Nestor Andrés has been working alongside his family, growing tobacco and making cigars. The Plasencias grow tobacco in several different countries, including Nicaragua, Honduras, Panama and Costa Rica. Between its farms and factories, Plasencia Cigars currently employs around 8,000 people, something Nestor Andrés and his family don't take lightly. While the Plasencia family sits at the top of the tobacco industry today, their road to success has been riddled with obstacles and challenges that they have managed to come together to overcome. Along the way, the family has also learned many lessons about business and the need to be flexible and pivot in order to scale and build a lasting business.

Rooted in Tobacco

Nestor Andrés Plasencia Jr. was born in Estelí, Nicaragua, but by the time of his birth, his family had been involved in tobacco and cigars in some manner for some time. The Plasencia family's love affair with tobacco dates back to 1865, when Eduardo Plasencia emigrated from the Canary Islands to Cuba. Eduardo started growing his own tobacco in a very small area and gradually increased it over time. In 1890, his nephew, Sixto, began working with him up until 1898, when he got his own farm. The Plasencia family was deep in the tobacco-growing business when the Cuban Revolution changed everything.

When Fidel Castro took control of all Cuban farms in 1963, all of those years of work were suddenly at risk. In 1965, Sixto and his family—including 15-year-old Nestor Sr.—left Cuba and relocated to Mexico with nothing, forced to completely rebuild their lives. After two weeks in Mexico, the family moved to Honduras, where Sixto began working for several tobacco companies. After three months, the family was able to relocate again to Nicaragua, where Nestor Sr. attended university and studied agriculture. When he graduated in 1969, Nestor Sr. began working on a farm with his father and was able to later purchase his own farm. Just as the family's situation began to change for the better, a revolution swept through Nicaragua, forcing the Plasencia family to move and abandon their farm and livelihoods once again. Sixto moved to the United States, relocating to Miami, Florida, while Nestor Sr. settled in Honduras.

The Plasencia family would face even more challenges going forward. In 1981, blue mold destroyed the family's entire crop. The following year, too much fungicide was used, and the mold became resistant. The family adapted and learned to work around the mold, but this led to fewer yields and challenges in being able to properly meet the demands of its customers. Mold continued to be a challenge for Nestor Sr., but like any good businessman, he took a challenge and flipped it into an opportunity.

Knowing he needed to support his family—and that the mold could continue to threaten their tobacco crops—Nestor Sr. made the decision to pivot to cigar production. The family's first customers were Cigars by Santa Clara and Inter-American Cigars, and as their cigars earned the family more recognition in the industry, new customers and opportunities

presented themselves. As their cigarmaking business continued to grow, the Cigar Boom of the 1990s enabled the family to buy new farms in Jalapa and Estelí, giving the Plasencias enough tobacco to produce their own cigars and to also sell to other manufacturers. By 1997, the Plasencia's business had made a turn for the better, and they were also now debt-free.

Passion for Work

As Nestor Andrés and his siblings were growing up, his parents did their best to shield their children from the stress and adversity they were grappling with. When looking back, Nestor Andrés doesn't easily recall the various hiccups in the family's business but instead fondly remembers the role tobacco and cigars played in the family and what he refers to as a happy childhood. Growing up, Nestor Andrés spent much of his time outdoors and in nature, riding horses and regularly visiting the family's farms.

"I always said that I wanted to dedicate myself to helping my family by being part of the family's business," he

point that Nestor Andrés received his real education and introduction to tobacco as a profession and business.

"I consider myself as an eternal apprentice, and I always seek to learn something from all the people that cross my path, but the greatest mentor I have had has been my father," Nestor Andrés says. "He taught all of his children that if you have a passion for what you do and your determination to achieve your dreams is extremely powerful, there is no difficult situation that can stop you. We try to instill that same principle in the culture of the company and to all our collaborators. I have also had the joy of working closely with great people in the tobacco industry, such as Daniel Núñez, [Hendrik] Henke Kelner and Manolo Quesada, to name a few of whom I have learned a lot from. Another source of inspiration is books. I really like to read, and there is a lot of wisdom in them."

Nestor Andrés was involved in the family's tobacco business long before his adult years. As a child, he would visit the family's farms with his grandfather, where the aroma of tobacco from the curing barns would greet him each time. He went to work with his father many times and

I consider myself as an eternal apprentice, and I always seek to learn something from all the people that cross my path, but the greatest mentor I have had has been my father. -Nestor Andrés Plasencia Jr.



says. "My earliest memories are those being surrounded by the aroma of tobacco and seeing my father, grandfather, uncles and cousins with a cigar, having a great time."

Nestor Andrés' fascination with cigars began early in his life. When he was four years old, he woke up early one day following a family reunion and discovered some cigars had been left out from a previous day's festivities. Nestor Andrés and another young cousin decided to take those cigars and smoke them-while hiding underneath a bed. Not only did they light the cigars up, but unintentionally they also lit the bed on fire. Nestor Andrés and his cousin ran out of the room, and the fire was put out quicklyangering his mother but making his father proud. As Nestor Andrés grew older, his father would teach him more about cigars, and the two would bond over tobacco.

From an early age, Nestor Andrés knew that he wanted to be an agronomist so he could work with land and in nature. Nestor Andrés studied agriculture in school, and after graduating in 1998, he began working within his family's tobacco business full time. One could say that it was at this

learned about selecting tobacco and assembling pilones, two things that would become a regular part of his job. After earning his degree in agricultural engineering from the Escuela Agricola Panamericana Zamorano in 1998, Nestor Andrés began learning and studying the art of cigarmaking, a process that taught him how to present an idea and also how to negotiate and compromise in order to get someone to accept an idea.

"I remember that I had to present my ideas very well to my father in order to put them into practice," Nestor Andrés explains. "He let me implement some of my ideas, while others had to wait for the right moment. It was also a very interesting negotiation 'school' for me. I have to give credit to my father. When he saw that I felt strongly about something, he would give me the opportunity to put it into practice."

One of his first tests came with the desire to create a completely organic cigar. Nestor Andrés' father was open to the idea, but there was still a lot of work required to create a cigar that could be considered 100 percent organic.







Nestor Andrés used a mix of both traditional methods and tools with the knowledge he had learned from earning his degree. Earthworm casting was used for fertilizer, and he opted for organic pesticide and garlic to keep unwanted insects away from the tobacco and a fungus named Trichoderma to prevent root disease. To remove nitrogen from the air and add it to the soil, velvet beans were grown between the tobacco crops.

"With the organic tobacco project, it was a lot of trial and error, but in the end we were able to achieve it," he says. "Best of all is that we continue to learn from it today. That will always be our attitude—of constantly continuing to learn to improve."

Many years of trial and error have helped Nestor Andrés hone his cigar blending skills since that organic cigar project. While working alongside others in the farm and factories, Nestor Andrés has come to understand a great deal about tobacco that has helped him become a better blender. Knowing the land where the tobacco is grown, knowing how tobacco has been harvested, and knowing how long the tobacco has undergone fermentation and aging are all factors that give him a unique understanding of tobaccos and how to blend them together to make a good cigar. He's quick to point out that all of the blends he's worked on have been a team effort and are the result of the many talented individuals working within the Plasencia family's company.

Growing Lessons

Heads of companies all start their days differently. For Nestor Andrés, his day typically starts very early and involves him using that extra time to figure out how to better use his time. Sometimes he chooses to dedicate more time to the factories as he tries to figure out how he and the Plasencia team can work together better. He also spends a lot of time trying to figure out how he and the team can improve as human beings—a lofty but important goal that he knows can be achieved

through the growing of tobacco and making of quality cigars.

"My intention is never to serve as a model," he says. "We can help companies be more successful by showing them how investing in staff and in the communities where we operate is a great business decision. Your staff will be more committed, and in the end their products will be of better quality, which helps the business in the short and long term. Being born in Estelí and seeing what the industry has achieved to improve the lives of the city's inhabitants fills me with great satisfaction, but there is still much to do."

When it comes to his job and responsibilities, what Nestor Andrés enjoys the most is the time he gets to spend on the farms, which he says is where his heart is and where the real magic happens.

"It is impossible to make an excellent-quality cigar if you do not have excellent-quality tobacco in the beginning," he explains.

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Despite being forced to move due to political unrest and different diseases impacting crops over the years, tobacco has remained a key to the Plasencia family's overall success throughout various generations. For Nestor Andrés, the importance of tobacco in his family's success and business stays at the top of mind in all he and the company set out to do. Nestor Andrés attributes much of his family's success to the great team the family has built over the years. Without these skilled and talented individuals, Nestor Andrés says that he does not believe the company or the Plasencia family would be in the great position it is today.

"For me, the most important of all the facets of this wonderful industry is the tobacco growing," he says. "It is in the fields where the magic begins. I like to refer to this as the triangle of success where, starting with soil that's full of nutrients together with microclimatic factors such as optimal temperatures, relative humidity, precipitation regime and wind speed, we add the most important factor: the know-how of our people. It is the human factor that determines our success because it is there where years of experience and passion for what is done determine what the best seeds are that we can plant. It is our people's knowledge that determines when those plants have to be irrigated, when those leaves have reached the ideal maturity to be harvested and can be transferred to the curing barns and then are ready to go to the fermentation rooms."

He adds, "It is the relationship with the land that makes it possible to obtain an excellent-quality tobacco. With those leaves that we were able to save from all the challenges over the years we were able to create some blends for all those passionate cigar lovers to enjoy. To all who are reading this article: If you have not had the opportunity to visit a tobacco field, do so, because I assure you that it will be a unique experience."

The changing climate, diseases and pests all remain the biggest challenges to the Plasencias' tobacco growing operation today. "In the '80s, we had a heavy infestation in our fields where my father lost everything he planted for many years due to a fungus called blue mold," says Nestor Andrés. Thanks to the development of improved varieties and better practices, we have been able to continue growing. I also remember that about seven years ago a tornado destroyed all the curing barns that we had on a farm. It is because of all of this that we decided many years ago to diversify the risk by growing in many different places. For example, in Nicaragua, we grow in Jalapa, Estelí, Condega and Ometepe. In Honduras, we also plant in different places such as Jamastran, Olancho and Talanga."

After years of making cigars for other manufacturers, the Plasencia family launched their own premium cigar brand in 2017. Since its launch, the Plasencias have produced highly rated cigar lines, including Alma de Fuego, Plasencia Reserva Original and the Alma Fuerte Sixto I.







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Today, the Plasencias are growing different varieties of Habano and Connecticut tobacco seeds. A few years ago, they also began planting Broadleaf seeds. Altogether, the Plasencias grow more than 3,500 acres of tobacco across all of their farms. Growing 100 percent organic tobacco remains a priority for the Plasencias, and it is achieved by using all of the knowledge of ecosystems, soil makeup and biology of the crop that the family and its team have gained through years of experience.

"It is a process that I am personally very passionate about because the tobaccos we grow are the basis for the Plasencia brand blends, and it reminds me of the first project I worked on after graduating from the agricultural school, the Plasencia Reserva Organica."

The Plasencias continue to face challenges to their tobacco business today. At the end of 2020, two hurricanes hit both Nicaragua and Honduras in what Nestor Andrés describes as something that was simply unprecedented. What happened last year with the hurricanes is another reason why the Plasencias view it as essential that they and others around the globe continue to mind natural resources like soil, which is essential to the quality of the tobaccos that are later rolled into cigars and sent out across the world.

"For example, our soils—which are the basis of everything that we do—have programs that produce organic fertilizers through vermicompost," he says. "We also institute reforestation efforts to take care of our water sources, and we have installed systems of drip irrigation that make for a more efficient use of irrigation. It is essential to take care of all our natural resources so that future generations of the family can continue in this beautiful industry."

Success and Happiness

Today, Nestor Andrés is more involved in the manufacturing side of cigars with an emphasis on developing the Plasencia brand. In a move to become completely vertical, the family created its own distribution company, Plasencia 1865. In 2017, the family went a step further and launched its own cigar company, Plasencia Cigars. Prior to launching their namesake brand, the family did produce its own cigar lines that included 1898, Clásica and Reserva Orgánica. Plasencia Cigars today consists of several well-received and well-rated cigar lines: Alma Fuerte, Cosecha 146 and Reserva Original, all of which were blended by Nestor Andrés and the Plasencia team.

"There are few things in this world that make me as happy as hearing what our consumers feel when enjoying a Plasencia cigar," says Nestor Andrés. "We put out Alma Fuerte after feeling a great responsibility to improve the lives of our consumers in a small way with an excellentquality cigar. We used all of the knowledge acquired in the 155 years of learning about this beautiful industry to create this blend."

Many in the tobacco industry have come to the Plasencias to help them bring a particular blend or cigar line to life. The processes around cigarmaking and perfecting a particular blend vary greatly based on what each of those companies are setting out to achieve. Many times, companies will come to the Plasencias with an idea in mind for what they want out of a blend. It could be that they want a 100 percent Nicaraguan cigar, and other times they may want to bring together tobaccos grown in multiple countries that will have a consistent flavor. Overall, Nestor Andrés enjoys the process of making a cigar and has fun creating

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cigars for the world to enjoy. The number of quality cigars on the market today is one of the positive changes Nestor Andrés has witnessed in recent years and one reason why the industry has continued to grow and expand beyond the boom that took place in the 1990s. Increasing regulations, on the other hand, have hindered the growth of the tobacco industry, but they haven't been able to slow the demand consumers have for quality cigars or their desire to enjoy the tobacco the Plasencia family grows around the world.

Whether it's growing tobacco or making cigars, the Plasencias' tobacco business is a dream that Nestor Andrés and many before him have had to fight for. "It's impossible to achieve anything by yourself," he says. "Taking care of your team is very important. When my father was starting from scratch in Hondu-

There are few things in this world that make me as happy as hearing what our consumers feel when enjoying a Plasencia cigar.

eyes so as not to miss opportunities that can help us all." Nestor Andrés defines success as being happy, and happiness is found and experienced when one has a passion for the work they do. Also, those seeking success should involve themselves in a profession that contributes to a greater good—not necessarily work that leads to financial gains. In addition to instilling the importance of investing in

ras, every time someone asked for help, he found a way to help them. It is for that reason that today we have different projects designed to improve the lives of our people and their families."

Even after spending so many years working within the tobacco

people, Nestor Andrés' father offered his son the following business advice: "Follow your passion and you will not work a day in your life." To that, Nestor Andrés adds that by following your passion you will be unstoppable in your pursuits. **TB**

industry, Nestor Andrés feels there's a lot he needs to learn in order to

not only become better at his job but to also become a better human

being in general. That's something that he feels will always be the case,

no matter how old or experienced he becomes. "I never want to be satis-

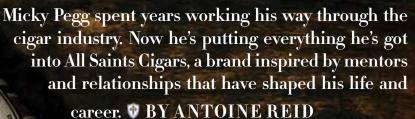
fied with the achievements because I think that is how momentum is lost.

I want to be a better leader for my team, and I want to lead with open



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Micky Pegg's first real interaction with cigars occurred when he worked part time on Capitol Hill while attending college. It was the spring of 1989, and Pegg was a junior attending the Catholic University of America in Washington, D.C., and he was in need of an internship to help beef up his resume. Knowing how important an internship was to his future professional career and how impressive time spent on Capitol Hill would be viewed by future employers, Pegg began interning for a senator, unaware of how this would set him up to become a future professional within the tobacco industry.

"If you did a good job, the senator's chief [of staff] would put you in a cab and send you down to Georgetown Tobacco with a fistful of

cash to go and pick up cigars," says Pegg. "You got to keep the change, so it was like getting a little bit of a tip. If somebody didn't show up for the cigar, you got to sit in the senator's room and smoke a cigar with those guys."

Cigars brought Pegg into a new world of possibilities. Georgetown Tobacco's owner, David Berkebile, went on to hire Pegg to work in his store, giving him exposure to more cigar brands and experience with sales and marketing by way

of in-store events that were held. After working at Georgetown Tobacco for some time, Pegg began working for Davidoff as a sales representative.

"When Davidoff said to me, 'Do you want to be a sales rep?' I'm like, 'So, you're gonna pay me to smoke cigars and go visit cigar shops? I get an expense report?' Like, yeah, absolutely! I jumped all over it."

It was while Pegg worked with Davidoff and traveled to different cigar stores that he learned that each store was unique and had its own personality. "I tend to say that if you've been to one retail shop, you've only been to one retail shop," he says. "There are people that have multiple shops, and the personality of the people that work there, the personality of the consumers, the personality of what they buy in terms of size, the vitola shape and the blends is all completely different."

Pegg's work in sales and marketing at Davidoff led to another opportunity within the cigar industry: national sales manager, and, later, vice president of sales, at CAO Cigars. Pegg had been approached to join CAO by the company's co-founder, Tim





The various sizes within All Saints Cigars' Dedicación line are named after or inspired by different individuals who have had an impact on co-owner Micky Pegg's life and career.

Mike Conder, who would later go on to start their own brand called Crowned Heads. While Pegg and the others at CAO had plenty of fun, he also learned a lot from the people he worked with about what it takes to build and maintain a successful cigar brand. In fact, throughout his career in the cigar industry, the teams he's been part of have all taught him different parts of the business that would later help him create his own brand, All Saints Cigars.

"I've been very fortunate, you know," Pegg says of the various teams and people he's worked with over the years. "By happenstance I walked into Georgetown Tobacco and then from there I went to Davidoff. I got to learn about the factories from a very high level

> from Henke [Hendrik] Kelner and Raymond Scheurer, who was the brand ambassador globally for Davidoff at the time. At CAO, I learned about branding, marketing, blending and choreographing with Perdomo, Plasencia and Torano. Watching Nestor [Plasencia] show us everything from the seed to planting them in the nursery to what it takes to cheesecloth and transport them to the fincas-it was just an amazing experience. Like with the retailers, if you've been to

one finca or one factory, you've only been to one finca or one factory. Everybody has a different approach and style. There might be some similarities in the architecture of how they put a cigar together, but there are different ways, things and philosophies of how to do it all."

These different approaches to business and its many facets are inspired by the consumers, who are much more educated and invested in the tobaccos that are grown and the brands that are making cigars today. Consumers are expecting manufacturers to bring something to the market that's going to be enjoyed, while retailers want products that they can easily sell.

What's in a Name?

Pegg left the cigar industry soon after CAO was acquired in 2007, but his departure was brief. At the time, Pegg felt that after all of his experiences working in the cigar industry there wasn't much else left for him to do. Although Pegg had an idea for his own brand, at the time he wasn't ready to be a brand owner just yet.

mostly because of the team that was there, including Jon Huber and

Ozgener. Pegg refers to his years at CAO as being some of his best, He began selling mutual funds for Lincoln Financial and went a year without smoking a cigar.

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Even though cigars appeared to be part of Pegg's past, he still thought about his time and experience in the industry often, so much so that he often would think about the similarities between mutual funds and cigars. Cigars were composed of wrapper, binder and fillers. In the world of mutual funds, stocks could be viewed as the filler. Binders, Pegg felt, were specific stocks, such as Apple, while the wrapper was the style one took when putting together a mutual fund. It was clear that no matter how much time he spent away from the industry, cigars were always on Pegg's mind, and a return to what he loved was on the horizon.

Pegg knew he couldn't do it alone, so he brought on two partners,

Cano Ozgener and George Brightman. Each size in the Dedicación line—Berkey, Commandant, Huge and Coach—is named after a specific person in Pegg's life. With the cigar blends settled on, all that was left to do was name the company itself. Because the different people that inspired the Dedicación line were all "saints" in Pegg's life, it seemed only natural for the company's name to also be inspired by them, so he chose the name All Saints Cigars.

"Martin looked at me, and he goes, 'Well, Micky, you're Saint Michael. Frank, you're Saint Francis.' And then he goes 'All Saints!' We all were like, 'Oh, wow. We like the name of it.' And we looked at Martin and said, 'There's no Saint Martin!' He goes, 'Yeah, there



Frank Layo and Martin Corboy, to help him start a cigar brand of his own. The three business partners began working diligently on their brand's first cigar blend, a process that was delayed slightly in 2018 by the civil unrest taking place in Nicaragua. Pegg knew that who he partnered with for the production of his soon-to-be company's first cigar was going to be important, so he sought the help of Rocky Patel.

When he discussed the idea of starting his own brand and using one of Patel's factories to help create the blend, Patel offered to help Pegg because of his reputation of hard work and years of work in the industry. With the help of Patel's Tabacalera Villa Cuba S.A. (Tavicusa) factory, the group was able to bring their first cigar to market in 2019, the limited edition Solamente, which was offered in just one size. In April 2020, the group introduced its first regular production line, Dedicación.

Dedicación's blend consists of a Mexican San Andrés wrapper and Nicaraguan tobaccos that make up the binder and filler. The Dedicación line was inspired by various meaningful people in Pegg's life, supporters, those working at the factory level and all of the mentors that shaped Pegg's career, including David Berkebile, Walter Gorski, is-there's an island named after me!' We all start laughing, and that's what stuck."

Though All Saints Cigars launched in late October 2019, the official launch date of the brand is listed as Nov. 1, 2019, which is All Saints' Day.

The Last Time

When it comes to promoting the All Saints Cigars' brands, Pegg is taking advantage of modern-day platforms and tools like Instagram and podcasts in order to connect with customers. He also doesn't discount the value of face-to-face interactions, even during the COVID-19 pandemic. Pegg tries to spend as much time as he can in stores where he can tell both his own story as well as that of his brand.

"You're only as good as your last visit, your last story or the last time somebody smoked your cigar," he says. "The competition out there is so strong, and a lot of people are coming up with innovative ideas and innovative things."

Innovation and how to differentiate All Saints Cigars from other brands on the market are something Pegg spends a lot of time thinking about. He knows that brand fatigue is a real issue among consumers



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today, and it's something he doesn't want them to experience with his own brand. All Saints Cigars is different from other brands on the market in that Pegg is building the brand and its portfolio to be reliable, stable and basic—something that's readily available

and will have a built-in audience that continues to buy it because consumers know what to expect from the smoking experience. Innovation, as defined by Pegg, is listening to consumers and reacting appropriately.

Another important part of building a brand today is accessibility. Pegg looks at other brand owners and professionals in the cigar industry and sees the good that comes from those that engage directly with consumers.

"I mean, if you look at somebody that

does a lot—like Boofy [Matt Booth]—you know, here's a guy that's doing jewelry, he's doing cigars. He's like the most colorful guy on social media with the way he posts things and will react. I think that's important," says Pegg.

Pegg has learned a lot about marketing, branding and promotion from watching others in the industry. From La Palina's Sammy Phillips he's seen how one can cross-promote with brands and products outside of cigars to build brand awareness. From Crowned Heads' Jon Huber and Drew Estate's Jonathan Drew, Pegg has learned how turning every person within a company into their own celebrity can help expand a company's reach and customer base.

> "Other people in the organization can be just as effective and good for the consumer as well," Pegg says. "Not every consumer is going to connect with a brand owner, but they might connect with somebody else that's part of that team."

Fully Committed

According to Pegg, every company he has worked for has had an awesome support team. As a sales rep, Pegg was well aware of how many people were involved in getting a product to a retailer. Even when Pegg was

selling mutual funds, there was somebody on staff for every task from marketing to mailing to customer support. Now at All Saints Cigars, Pegg is forced to wear many hats because of the size of the company, although he shares many responsibilities with his business partners. Even though having his own brand requires him to put in a lot of time for managing the brand, Pegg gets a thrill out of having a brand to call his own.



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"It's exciting for me to be out here engaging with my old friends and meeting new friends," he says. "This is what I love. It's what I've always loved. I love people, and I love telling the story. I love listening to a story as well. It's just wonderful to be back out here."

Pegg, who is a self-professed numbers guy, is already looking at the trajectory ahead of All Saints Cigars and sees big things for the brand going forward. According to Pegg, All Saints Cigars is growing every month and is also finding a home among the THIS IS WHAT I LOVE. IT'S WHAT I'VE ALWAYS LOVED. I LOVE PEOPLE, AND I LOVE TELLING THE STORY. I LOVE LISTENING TO A STORY AS WELL. IT'S JUST WONDERFUL TO BE BACK OUT HERE. be prepared for these hiccups," he says. "We want to bring things on to market when they're ready and when the consumer wants them, so it's a juggling act right now."

Pegg is well aware of the many challenges that come with owning a business and building a brand in a competitive market such as the cigar industry, but he's ready to face whatever comes his way. Pegg's peers had commented on his big return to the industry, with many asking why he decided to come back after having made a clean exit. For Pegg,

right retailers. Despite a few hiccups he's had to work around, such as the global COVID-19 pandemic, Pegg and his business partners are excited about what they've accomplished so far and whatever is ahead for the brand.

"When we made this commitment, one of the things that I said was that if we were going to do this thing full time that we had to All Saints Cigars is his future and his family's future—he wouldn't take a risk on a business if he didn't believe in it. Pegg expects to grind 12-14 hours a day, and he expects headaches and bumpy roads, but he also expects All Saints Cigars to be here for a long time to come. Pegg is going all in on All Saints Cigars—and fully expects to win big. **TB**





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In the premium cigar industry, no one person is responsible for building a business or making a cigar brand a hit. It's often a team effort that makes a business or cigar soar, which is the case for Emperors Cut. The name "Emperors Cut" is based on the tradition of an emperor receiving the best part of the first "cut" of the harvest in his empire.

"We crafted the name 'Emperors Cut' to mean the best of the harvest with the highest quality standards," says Darnell Streat, head of procurement at Emperors Cut. "We consider the everyday cigar enthusiast to be the emperor of our product, so only the best will be considered for their smoking pleasure."

The idea for a cigar brand came when Streat and a group of his friends and colleagues decided to combine their knowledge and skill sets to bring a product to the market that would be competitive in the U.S. and abroad.

"We thought with our various industry knowledge across business and manufacturing we could bring a different approach to pro-

ducing and marketing cigars," says Darryl Redmon,

head of retail sales at Emperors Cut. "We spent several years talking about starting a cigar company, and the opportunity presented itself in 2017. We developed a business plan and started executing on our business objectives."

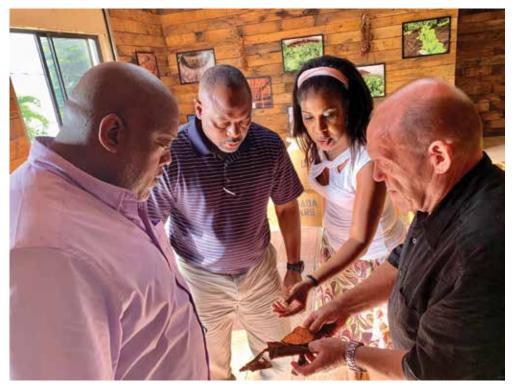
Greg Willis, who handles the company's production and manufacturing needs, added, "Understanding that the sales cycle would be longer, we were confident that we would capture both mind and market share."

As the team behind Emperors Cut set out to build their brand, funding remained a constant challenge to the desire to grow the brand in the U.S. and internationally. The team has what it refers to as an aggressive growth plan that ambitiously sets a goal of growing 100 percent year over year during their business's first three years. Three to four months before bringing the first Emperors Cut cigar to market, the team made investments in markets in order to generate cash flow. Today, managing cash flow is viewed as a full-time job within itself but one that is necessary to the growth of Emperors Cut.

A Team United

Emperors Cut's team consists of seven partners in total, each bringing his or her own knowledge of the tobacco industry and business management to the table. "We develop our own marketing concepts, we procure most of our materials associated with our cigars, we have partners focused on business development, and all partners engage in the sales process daily," says Willis, head of manufacturing operations. "Together, we are able to manage 85 percent of our cigar business in-house."

Willis oversees the manufacturing operation based on the annual



Darryl Redmon, Darnell Streat and Temi Bush examining tobacco for a new blend in the Dominican Republic.

forecast developed for the year. He handles all production requirements for the manufacturing process and also leads the marketing strategy associated with each Emperors Cut cigar. In addition to Willis, the Emperors Cut team includes Temi Bush, head of the company's business development team. Bush is in charge of seeking out new opportunities to grow the brand within cigar lounges and retail shops. As the sole female of the group, Bush also helps to make sure that Emperors Cut remains accessible and welcoming to women who enjoy smoking cigars.

"She makes sure we are in tune with the topics that are important to women," says Willis. "She provides engagement in a variety of social groups for women leaders and influencers. We work hard to support and understand the things that are important to women socially and personally through our public engagement."

Robert Howard provides in-house counsel for Emperors Cut, in addition to leading the company's compliance team to ensure that the company and its cigar products are following the U.S. Food and Drug Administration's (FDA) guidelines as well as local laws related to tobacco products. Redmon is in charge of the company's retail sales channel for small to medium-sized retail stores. He works closely with chain store owners to ensure they have regular access to Emperors Cut's products. He also works with retail owners to develop a sales strategy for Emperors Cut cigars based on their monthly sales volume. Maurice Holland and Greg Hurt jointly lead Emperors Cut's global logistics and fulfillment operations. Both men are responsible for all of the company's raw material, customs and the transportation of its finished goods. Rounding out the team roster is Streat, who oversees contract negotiations, IT and procurement.



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Each member of the team has a unique connection to or experience with cigars. Willis began smoking cigars with his father while he was in his early 20s. Bush's first experience with cigars occurred when she was just a teenager in Panama and she tried a cigar left out by one of her uncle's friends. Howard had his first cigar with his brother while at a friend's house. He can still recall the aftertaste of the cigar and how it lingered for two days after he smoked the cigar. Redmon began smoking cigars while playing golf in order to shift his attention away from the game, which he says could still use more of his attention to this day. Holland began smoking cigars with others on the team, while Streat would smoke cigars with his college and military buddies on the weekend. Hurt also began smoking cigars on weekends as a way to help relax and reflect during quiet moments after a busy work week.

C These principles touched on all the cornerstones of a good business and strong brand, including quality, customer service, accessibility and innovation.

Ground the Pound

From the early days of the company, the team had a vision for what Emperors Cut would become and the type of products and services it wanted to bring to market. Before any product was actually available, the team set out to establish a few guiding principles to help guide them through the creative process. These principles touched on all the cornerstones of a good business and strong brand, including quality, customer service, accessibility and innovation. Once the "guard rails" of the brand were clearly defined, the team set out to develop concepts that represented their upcoming brand. The team also decided to use a small test group to test how their brand and vision would resonate with customers before they launched the product on the market.

Coming up with the different blends was also a collective team effort. Each blend would start with a concept, and the process would progress much like that of baking a cake: Different tobaccos were combined to achieve a unique flavor profile that the team felt its customers would enjoy. The concept blend would then be allowed to age, and it was later smoked by the team member so they could decide if they had a winning blend on their hands. The team is continuously experimenting with different blend concepts throughout the year in anticipation of the future.

Top: Darryl Redmon and Maurice Holland at an Emperors Cut in-store event.Middle: Emperors Cut's Nicaraguan Original Natural Pleasure, presented in four
different sizes.

Bottom: Darnell Streat in Estelí, Nicaragua.









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For now, Emperors Cut consists of two lines: Natural Pleasure, a Nicaraguan blend, and Jazz Series, the company's Dominican blend. For Natural Pleasure, the Emperors Cut team met with several companies and shared its vision of the type of blend it wanted to create. Many of the companies the team reached out to never returned their call or answered their inquiries, but they were able to find a family-run operation in Nicaragua that agreed to help bring the Natural Pleasure concept to life. For the Jazz Series, Bush asked many women involved in the tobacco industry for their input on who would be best to work with for Emperors Cut's Dominican blend. The team was referred to different blenders, including Manuel Inoa of La Aurora Cigars.

"He was engaging from the start and captured our vision better than anyone," says Bush. "Because of his passion, it was easy for our team to develop a relationship with him, which worked for us over time."

Being a smaller company, the team behind Emperors Cut knew they would have to put in the work if they really wanted to compete within an already established market like that of the cigar industry. For the past three years, the company has engaged in what it calls "ground the pound." Different members of Emperors Cut's team will fly into a different U.S. city and work the local market until achieving a certain conversion rate with the city's retailers. They will then hold meet and greets with customers in that local area to engage with them and thank them in person for supporting the Emperors Cut brand.

"We invest our time following up with potential customers across the country," says Redmond. "The key to competing with the bigger brands is understanding what your value is with your customers and playing to that strength."

So far, the team has enjoyed a high level of acceptance for Emperors Cut among retailers across the country. To this day, the team spends a lot of time building business relationships with its current and future retail partners.

"Myself and my partners are engaging potential customers daily so we can expose them to our business concept and the cigar brand," says Bush. "We take a long-term approach to building relationships with our customers. We work on getting to know the owners and their business model before we attempt to sell cigars."

When it comes to working with retailers to move product, the team first sets out to understand a retailer's business model. Once they better understand each retailer's business, goals are set around sales volume for that retail location. The month-over-month performance is then measured in an effort to identify buying trends. With a combined 60 years of retail, operations, marketing and IT experience, the Emperors Cut team can offer retailers expert consultancy to help move their products within stores. "We share with our customers trend analysis and costsaving opportunities to improve margins," says Bush. "This helps us strengthen our relations with our customers along with having skin in the game."

Tenets of Business

The mission of Emperors Cut is to "build a cigar that the everyday man can enjoy while letting our customer service set us apart from the rest." Its mission, Bush explains, hinges on being able to reach its customers no matter where they are. That means listening to them, enjoying a cigar with them and sharing the team's business acumen with them.

"What inspires us most about staying the course in our business is the passion and energy we garner from others in this industry," says Bush. "Cigars unite us, and we enjoy the unity with each other, our customers and our communities. Each of these areas inspires us, but the seeds of our inspiration rest in the enjoyment and feedback we get from our customers."

While Emperors Cut may be a smaller business, it is in it for the long haul. Each partner at Emperors Cut is encouraged to keep up with all of the latest regulations and legal requirements of having a business based in cigars. There has been significant litigation in the past year concerning the implementation of parts of the FDA's deeming rule. With an attorney who practices government and healthcare law being a partner and team member at Emperors Cut, the brand stands ready to handle regulatory and compliance issues as they arise in an effort to ensure its business remains undisrupted.

"We have robust discussions during our regular partners meetings to make sure that the company stays on track with regulatory and compliance issues," Bush explains. "Robert [Howard, esq.] researches regulatory and compliance questions that the team has and forwards guidance and updates to the team that have been published by the FDA, trade organizations and trade magazines. He also provides the team with updates about how the outcomes of recent litigation may affect our business."

The partners and team behind Emperors Cut are also constantly working toward evolving the original vision that inspired the brand and its different cigar lines. They understand that to create a cigar that inspires the smoker's inner being one draw at a time, they must first go the extra mile in all the tenets that drive their business: quality, service, experience and community. Most important of all is the tenet of innovation. At Emperors Cut, innovation is defined as the spirit that drives the company's passion each and every day. It's the idea that seven people, together, can create and define fresh perspectives and ways to develop the business with an open sense of creativity. **TB**



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Humi-Smart is taking on humidity control with a different approach to business and product development. **† By Antoine Reid**

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There's a saying that goes, "Necessity is the mother of invention." In the case of Humi-Smart, it was the limited availability of a needed product that sparked the idea for a new business. About three years ago, Humi-Smart's ownership team was working on a new tobacco business that required two-way humidity control. The team found that, although there were products that could help control humidity already on the market, those products were very limited in quantity, and it was difficult getting through to those companies' customer service representatives to secure the needed humidity control product. With inventory in short supply and

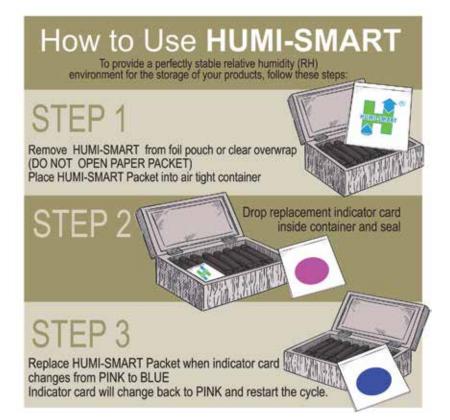
business's early challenge as being a "great start."

The key to the company's early success has been its ability to clearly identify its team's expertise and building on that with the addition of other experts that would not only enhance the company's knowledge base but also complement the skills that were already present. The ownership group behind Humi-Smart had experience and success in business management, development, marketing and sales, but it lacked knowledge of humidity control and tobacco. In order to achieve real success in this market, Humi-Smart's ownership team was going to

concerns about the quality of what was available, the team came up with an idea: Instead of waiting for the product they needed, why not create their own?

"Humi-Smart was born because we needed it," explains Brian Berken, managing partner at Humi-Smart. "Our group didn't start out specifically interested in humidity control or on a journey to invent a totally new method. We started out with a need for a small two-way humidity control packet that would add or reduce moisture levels and stumbled into an enormous market need for a different and better option."

Because the ownership group at Humi-Smart also owns and operates businesses in other con-



need to surround itself with the expertise and skills its founders lacked.

Building on the Expertise

Humi-Smart's team had interests casual in the tobacco industry long before they had a physical product to promote. In particular, different partners behind humidity the product had interests in cigars, though none would refer to themselves as being aficionados. Instead, they were cigar enthusiasts who would occasionally smoke one in their leisure time. Knowing they personally had a lot to learn about tobacco and cigars, the group also knew that their company's success would hinge on bringing in experts who knew far more about the market and industry that

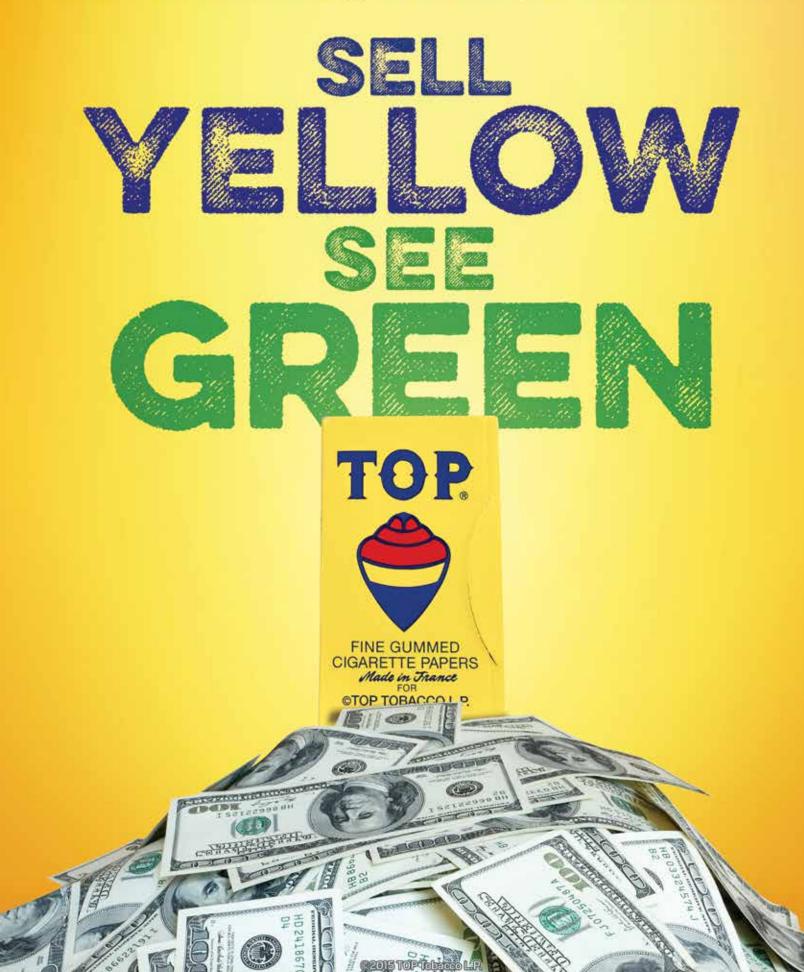
sumer and commercial industries, starting a new business meant it needed to expand its team. The group hired specialty chemists and those with experience in the tobacco industry to help the company create a humidity control product that would be different from what was already available on the market. Taking a methodological and purposeful approach to product development, the team was able to create something it felt was new rather than a product that would be viewed as simply being "good enough."

Dozens of ideas and several early iterations were developed through hard work, extreme dedication and exceptional imagination. Early on in the process, the biggest challenge to the business was actually finding the appropriate workspace necessary to allow the business to grow and expand. For months, the ownership team was running multiple businesses in one space that quickly became filled with all of the raw materials needed for the humidity control products, including samples and eventually boxes full of the final product. While the lack of space may have been an issue initially, in retrospect, Berken refers to his they would be based in. Though its team has what Berken refers to as an excellent base of knowledge, the team as a whole continues to learn and grow each day with the goal of focusing on the needs of its customers and becoming strong partners for other tobacco businesses.

Advancing its knowledge is key to Humi-Smart's overall development and growth plan. "We have been disciplined and precise about every step from when we started until today. We developed what we truly believe is a different and better product. It looks different, it feels different, and it is truly different. We hired people with diverse and expert backgrounds in every field from research and development to manufacturing, customer service, marketing and sales. We intentionally and purposely started with the strongest foundation we could find, so as we grew, the parts would grow and work together," Berken explains.

After years of development, Humi-Smart had a soft launch in August 2019, although it took until Jan. 1, 2020, for the product to begin to be distributed nationally. The COVID-19 pandemic threatened the rollout of the product last year, but it hasn't hindered

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the growth of the company. In the span of the past year, Humi-Smart has been forced to move into a new office space and also expand its warehouse space to accommodate the growing demand as cigar consumption increases with the pandemic.

During the past year, Humi-Smart has also leveraged its social media accounts to increase brand awareness. Instagram, Facebook and appearances on different podcasts have all helped the new business to gain traction in new markets outside of the U.S., including Canada, the United Kingdom, the European Union, Asia and Australia. Humi-Smart has also managed to get its products on Amazon, eBay, and in Walmart, as well as several smaller online retailers.

How retailers, manufacturers and consumers can use Humi-Smart packs to maintain the quality of their cigars is simple: Add a Humi-Smart pack in with your product in an airtight container, such as a humidor or jar, and the pack immediately begins to control the humidity level of that container to the benefit of your products. This is accomplished by each pack's ability to control the humidity level by either adding or removing moisture to achieve the relative humidity (RH) level noted on the pack.

The contents of each Humi-Smart pack do all of the hard work. Within each package is a highly proficient humidity buffering agent that is individually processed and combined with an all-natural plant fiber immersed in a solution that is blended with different types of organic polymers that is then dried to an exact moisture content that produces a stabilized humidity level as noted on the pack. Each Humi-Smart pack also comes with a humidity indicator card that is included with the packs. When the card turns from its pinkish color to blue, it's time to replace the pack.

"Again, we wanted to be different, so we designed our product in a way so you're not forced to open your humidor or jar to check your pack," says Berken. "The humidity indicator card is another simple way of knowing when it's time to swap your pack for a new fresh Humi-Smart pack."

For those that prefer to check the pack rather than rely on the card, it's easy to figure out when it's time to change the pack. If the pack feels firm or bumpy, it's time to change it out for a new pack. When asked what makes Humi-Smart different from other products that deal with two-way humidity control, Berken provided a laundry list of the product's highlights: it's all natural, it's plant-based, and it's earth-friendly. Humi-Smart contains no preservatives or corrosive salts, and Humi-Smart packs will not spill or leak. Berken also added that Humi-Smart is stable, accurate in its control of humidity, experiences fewer fluctuations than other products, and that it will not change the flavor of premium cigars that are stored with it.



Humi-Smart's two-way humidity packs can help preserve the quality of tobacco products, such as cigars. An included indicator card helps notify you when it's time to replace the pack.

Expanding into Greener Markets

Humi-Smart's two-way humidity control packs can also be used for nontobacco products, including cannabis, musical instruments, food and documents, expanding its utility and potential customer base. Today, about 99 percent of Humi-Smart's sales come from the tobacco and cannabis markets. While most of the company's attention and push are in these two markets, it's keeping the door open to other markets and opportunities that will help Humi-Smart expand its reach.

"Based on our admitted limited knowledge of the unique markets, we started with cigars and tobacco," says Berken. "We knew we could change the RH percent performance of the packs by altering the formula, so we knew we would expand quickly into new markets as needed, if needed. Within several weeks, we had customers calling, emailing and contacting us through social media asking—and at times demanding—for expansion. We continue to partner with new groups and develop new product offerings, especially within the cannabis industry, because of the explosive growth due to continuously changing federal regulations."

Meeting demands and scaling Humi-Smart has been done either by luck or through extreme dedication, Berken explains. The company and its team are constantly looking for more expansion opportunities and considering new partnerships that will increase both brand awareness and Humi-Smart's sales volume by creating loyal customers who will also become returning customers. Because Humi-Smart is a relatively new company, its team is continuously working on product quality, product esthetics and new products to help fuel its growth.

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The different types of markets the company operates in, especially that of cannabis, are also going through many changes and evolutions, forcing Humi-Smart to be introspective in an attempt to proactively offer customers what they want and need. As an example of this, Humi-Smart is currently working on accessories targeting the tobacco and cannabis industries: packet holders, humidors, custom-designed cigar tubes, stash kits and cannabis jars.

"We don't want to be a one-trick pony," Berken explains. "We truly want to be the very best partner for all of our valued customers and their humidity control needs."

Berken believes Humi-Smart has built an excellent foundation over the past three years. So far, Humi-Smart's team has developed a product that is available worldwide and has found a home in multiple product categories. With a team now in place to oversee the company's management, development, manufacturing, marketing and sales, Berken believes Humi-Smart is well-positioned to continue to grow and make its impact on the humidity control market.

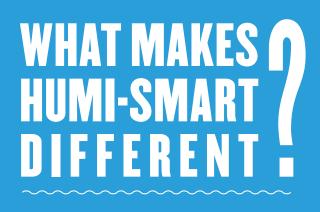


True North

Humi-Smart's plan for staying competitive comes down to remembering why the business was started to begin with: to fill a need in the market for a different and better option in humidity control. Remembering their own experiences as customers in need of a product and a solution to a problem continues to steer the company forward today.

"Every day, we remember why we were driven to say, 'Let's create our own solution," Berken says. "If we keep that memory fresh in our minds and it helps drive the decisions we make every day in every way, we will become the market leader very quickly. We call it the philosophy of true north—each person's job, each decision, each thought, each action needs to keep our Humi-Smart family on course and moving forward to attain our goal of being different and better. If all team members are pointing 'true north,' we know for certain that Humi-Smart will be the best!"

Berken's advice to other entrepreneurs that are competing in already established markets is simple: Be different. That simple advice must be applied in practice as well as taken on as a mindset. Berken believes that the world has enough "me too" products and not enough unique products with distinctive features and benefits. That's why Humi-Smart was developed and created to stand out the moment it was released onto the market. The Humi-Smart team continues to build on the two-way humidity control market by striving to be eco-friendly in addition to being effective and accurate, one pack at a time. **TB**







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[62] TOBACCO BUSINESS [MARCH / APRIL | 21]

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Despite the increase in regulations, the cigar industry is showing no signs of slowing down anytime soon. A recent report published in *Bloomberg* revealed that the Dominican Republic had seen an increase in cigar exports in 2020. A recent retail survey conducted by *Tobacco Business* in the past year also revealed that many retailers saw an increase in sales in 2020 despite the ongoing COVID-19 pandemic, and that for many tobacco retailers, premium cigars were the dominant product category in their stores. These are just a few reasons why the industry is seeing an influx of new tobacconists, or dealers of tobacco and related accessories and products.

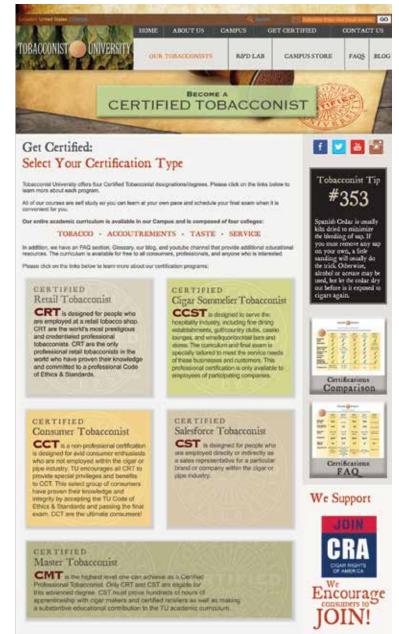
New businesses are entering into the cigar product category each day. For some, cigars are complementary to their core business. For example, Total Wine and ABC Fine Wine & Spirits both specialize in spirits, but in recent years they have extended their businesses to premium cigar products with the addition of walk-in humidors. Other retailers, such as Shop Rite, have added premium cigars to their stores. Cigars being sold as add-ons within stores is increasing at a breakneck pace, also leading to an increase in new tobacconists that may not always be familiar with the cigar industry or its products. That's where Tobacconist University hopes to help with its Certified Cigar Sommelier Tobacconist (CCST) certification program, which is designed for these non-traditional retailers and their unique businesses and clientele.

The CCST degree was inspired by a real need for professional and consumer education. According to Tobacconist University founder Jorge Armenteros, the CCST degree program arose out of the need to ensure that people selling premium cigars did not do the products a disservice.

"There are innumerable gas stations, bodegas, markets and businesses selling cigars that hurt the industry and consumers because of their ignorance," Armenteros said. "While we would prefer that manufacturers not sell to such businesses, we have no recourse. Ultimately, we wanted to give the industry a better option that was streamlined and affordable and would also help their businesses. With our vision to build and project the credibility of the luxury tobacco industry, we had to do something to improve the retail experience for consumers, and from that desire came the CCST degree."

Tobacco Business: What is a Certified Cigar Sommelier Tobacconist? Who should consider obtaining this level of certification?

JORGE ARMENTEROS: Tobacconist University's Certified Cigar Sommelier Tobacconist (CCST) degree is designed to serve the hospitality industry, which includes fine dining establishments, golf and country clubs, event promoters, cigar clubs, casino lounges, and wine/liquor/ cocktail bars and stores. The curriculum and final exam are tailored to meet the service needs of these organizations and customers. CCSTs are not typically full-service retail tobacconists, but rather they provide luxury cigars as a service enhancement to their customers. To that end, the CCST degree focuses on product fundamentals, upselling and service processes. The CCST degree exists to improve appreciation, customer service and sales.



Our CCST degree is a professional degree that ensures the student gets a strong fundamental education in premium cigars. Interestingly, because it is a professional degree, we have seen many people in varied niches pursue the degree. There are many event coordinators, beverage reps, vloggers and hobbyists who have pursued the certification. To our surprise, the CCST degree has become an excellent credential for many more industrious consumers and professionals than we ever imagined or intended it for.

With that said, it is important to note that the CCST degree is not nearly as challenging as our Certified Retail Tobacconist (CRT) degree. Our CRT degree is the hardcore, deep-dive, full-spectrum, most professional program in existence for retail tobacconists, but this level of education is not for everybody. So the CCST degree serves an important niche for others.

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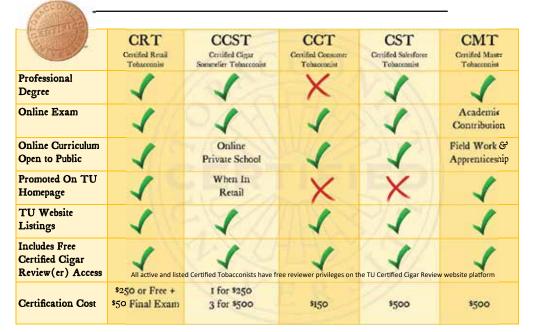
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CERTIFICATIONS COMPARISON



Tobacconist University offers a variety of degrees and certifications based on different professional backgrounds and settings.

Tobacconist University offers Cigar Sommelier Schools. What are these schools and how can tobacco retailers and businesses use them to their advantage?

Businesses are already challenged by having to train their employees on their point-of-sale systems, cleaning, inventory management, maintenance and selling, among other things. Product knowledge and training take even more time and money to teach, so our CCST School takes that burden off of the business and empowers the employees. Having the ability to direct your employees to your CCST School takes a huge burden off of your hands and frees you up to do the things you need to do to make money and pay the bills. That's why we say the CCST program pays for itself on day one and exponentially increases your revenue by creating trained professionals very inexpensively.

How does the curriculum for the CCST program differ from the other certifications Tobacconist University has to offer?

The structure and design of our CCST program is completely different from our other degrees. The CCST educational content is derived from our broad academic curriculum, but it is streamlined and distilled. It is also located behind a paywall, so the company who purchases the CCST School has a level of customization and branding tailoring the school to their employees.

The CCST School is divided into the Retail School, Pairing School and Cigar Fundamentals. Our Cigar Fundamentals curriculum is more than two hours of video and narrated slideshow content, which makes studying easier for many. In terms of the school structure, once a company purchases their school, they can send their employees "inside," where they sign up as apprentices. Once they become a CCST apprentice, they get their listing on our website—a proof of participation—and they can take the final exam when they are ready. There is no penalty for failing the exam, so they can take it again. Once the student passes, their listing gets updated and customized with their logo, and it rotates on our homepage along with our other professional tobacconists. As always, we want to promote substantive and credentialed professionals.

What costs are associated with the CCST program?

Our CCST School for three people is \$500, and a school for one person is \$250. On the upside, if a person leaves your company, you can use that slot to certify another person at no extra cost. Additionally, you can let as many people "inside" the school as you want, so the education is free once you purchase the school; only the certifications are limited. We also offer discounts for larger companies and multiple locations.

I can say with confidence that our CCST program provides the greatest ROI of any program we offer. While a retail tobacconist already has experience and knowledge, the CCST student benefits the most from the education we give them. Just the confidence and fundamental knowledge a student gets is enough to exponentially grow their sales and improve their customers' experience.

What sort of things will those completing the Certified Cigar Sommelier Tobacconist program learn?

Fundamentals! Fundamentals! Fundamentals! This is so important. Cigars are sanitary products with legal restrictions, so everyone must understand these fundamentals. We start the Retail School with, "You don't have to like cigars to sell them—just respect your customers' taste." Then we have sections on legal compliance, temperature and humidity,



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sanitary standards, merchandising, point-of-sale, upselling, selling luxury and other topics. We start building professionalism from the bottom up, making sure our students are qualified to sell premium cigars, not just hacks trying to make a buck. In our Cigar Fundamentals School, we teach you everything you need to know from seed to cigars and everything in between. This section is enhanced with our videos, images and PDFs. It is an impressive education that is unparalleled. Lastly, we have the Cigar Pairing School, which is designed to empower students to enhance their customers' experience, increasing satisfaction and sales!

There's another level of the Certified Cigar Sommelier Tobacconist program called Maestro. Tell us about this special designation.

First, I must state that our CCST program has been much more successful than we ever imagined. We even have retail tobacconists using the program because it is so cost- and time-efficient. Frankly speaking, not every store sells pipes and is "full service," so the CCST degree is perfect for many dedicated cigar retailers. We even have stores that use the CCST program for some of their employees and the CRT for others. It is a way to strategically train, reward and promote employees in a tiered system.

Over the last few years, we have seen many cigar "educators" in the marketplace. Some are retailers while others are hobbyists on social media or members of cigar clubs that get together in real life and and libations or whatever. A retailer can combine their own education with the Tobacconist University CCST curriculum and give their customers all of the benefits of Tobacconist University Certification. Then their students will have the ability to take a test and print their own diploma. All of this occurs under the umbrella of Tobacconist University, but it is managed by our most accomplished Certified Tobacconists. While this program has just been released, we see it as extremely empowering for those who want to educate, promote and potentially profit from their unique skills.

Tell us about the actual process of applying for this certification and completing it.

Go to the "Get Certified – CCST" section of our website and register your company. After submitting payment, your CCST School will immediately open with the logo you uploaded during registration. You can literally start your employee training program in minutes. Once your school is open, you can share the credentials with employees you want to educate, and they will study at their own pace. Those seeking certification will sign up as apprentices and take the final exam at their own convenience.

We estimate studying should take between five and 15 hours, but many people take less time. Once they pass the final exam, the CCST will be able to print their own diploma, and their listing will be enhanced with their company logo and rotate on our homepage. All

First, I must state that our CCST program has been much more successful than we ever imagined. We even have retail tobacconists using the program because it is so cost- and time-efficient. Frankly speaking, not every store sells pipes and is "full service," so the CCST degree is perfect for many dedicated cigar retailers. —Jorge Armenteros

virtually. Many serious educators have gravitated toward our CCST program, and we are happy to see that because there is a lot more bad information out there than good education. If people want to go out and educate others, we want to help them do it right. As always, we are concerned about the substance and credibility of our industry. To that end, we saw an opportunity to empower our students and retailers to educate others and do it well. The just-released CCST Maestro degree is available to any CRT or CST who also has a CCST degree.

A CCST Maestro has the ability to administer their own CCST School and purchase certification slots at a deep discount. They can choose to give the certifications away for free or sell them at whatever price they choose. This is a particularly unique opportunity for retailers who do in-house educational seminars, often charging a price for cigars active CCSTs also get free use of our Certified Cigar Reviews platform to create and share reviews as well as print shelf-talkers. There are no ongoing renewal or testing requirements, but the school and listings will stay active and open for three years.

Once someone completes their Certified Cigar Sommelier Tobacconist test and passes, how might they use their newfound certification in the real world?

Sales is about confidence and competence, and our CCST degree delivers all that and much more. Just like with all of Tobacconist University's other degrees, it is up to the person to leverage their own credibility and knowledge to further their own success. The more you proactively leverage, the better off you will be. **TB**





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TOBACCONIST / RETAIL



Scott Bendett has over two decades of experience as an online tobacconist. As he launches his latest online store, Bendett shares his tips and insights for building a successful tobacco-centric e-commerce site.

Long before the COVID-19 pandemic hit, Scott Bendett was a tobacconist who set his sights on the "new frontier" of retail: e-commerce. In 1999, Bendett launched *PipesandCigars.com*, a website he owned and operated for 14 years before selling it to Cigars International. During those years, Bendett admits that he made more mistakes than he can count, and in retrospect he has an endless number of ideas of what he could have done differently. While most business owners find second chances few and far between, Bendett is an exception.

Bendett started selling cigars in 1995 out of a cart parked outside of a Macy's store at a local mall. At the time, he had just started enjoying cigars and saw how popular cigars were becoming among the masses. Anticipating the popularity of cigars would spread far and wide, Bendett saw how the luxury experience surrounding cigars would continue to resonate with many consumers for years to come. Cigars became not only a product he enjoyed selling, but they offered him a new way to engage with and serve his community. Bendett kept the mall kiosk but wanted to get into e-commerce, which was just beginning to take off in 1999. That inspired him to start *PipesandCigars.com*. By this time, he had two brick-and-mortar stores that he maintained, and he also continued to sell nontobacco items online through another website he started, *RYOSupply.com*.

When his non-compete agreement expired, he decided he wanted to return to the world of online premium cigar sales. Starting a new online cigar business would allow him to reconnect with *PipesandCigars.com*'s former marketing director, Travis Lord, who had experience with digital marketing and web development. Their past success made Bendett feel confident that they could recapture the magic that had made their previous website so successful. The second factor came a bit later: the COVID-19 pandemic.

"It's no secret that brick-and-mortar shops are suffering these days due to the restrictions on our business and the public's lack of desire to leave the house," Bendett explains. "Online sales are booming across all industries, so with the right people on my team and more room in the marketplace than ever, getting back on the web was a natural step."

Bendett's new online venture, Scotty's Cigars (*ScottysCigars.com*), is a business that is both built from experience and inspired by



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current trends and events. As tobacconists continue to grapple with changing consumer behavior brought on by the pandemic, Bendett's latest tobacco business can serve as inspiration for other retailers who want to expand their businesses online.

Bringing In-Store Experiences Online

Bendett chose to name his new online business and website Scotty's Cigars because he wanted to create a bond and connection with customers from the moment they heard his business's name. "When someone is shopping on my website, they are shopping with me. Another online retailer I admire says, 'Everyone who orders from us is not just an order number; they are a customer.' I feel exactly the same way."

Just as any retailer can attest to, the most challenging aspect of launching an online business is attracting new customers to it. Many of the most popular methods of advertising online, such as Facebook ads and other forms of online advertising, are off limits to many tobacco also been with me for over a decade. The two of them are among the most knowledgeable people in the entire industry, in my opinion, and having people like them available to answer questions for customers and oversee production is something that few other online shops can boast. Their ability to ensure every order that leaves our shop arrives in the same condition that it would arrive in the hands of a brickand-mortar customer is invaluable. During the recent holiday season, we had a handful of orders get caught up in shipping delays caused by the carrier backups. Because of our careful packaging and having Alex, Kaira and our other customer service folks keeping customers updated with the best info we had, every last order arrived in pristine condition, and we had zero complaints or returns."

Another key team member is Travis Lord, who built the website for Scotty's Cigars. "His experience of innovating with the biggest online retailers out there is invaluable and helps us to compete with the big-box evil discounting online giants we're up against every day," Bendett explains. "His efforts lead into the other major area of my



Even though Bendett has vast experience with e-commerce, he continues to run two traditional brick-and-mortar stores as well.

businesses due to restrictions. This requires retailers like Bendett to be creative and leverage what is available to them the best they can, including organic results on Google and other search engines and social media engagement. Bendett is also counting on word-of-mouth referrals to help Scotty's Cigars gain new customers and attention.

"While it's clear that the online cigar business is booming like never before, there is also a lot more competition than there was in the old days. Trying to rise above the noise and make customers aware that we are here, open and ready to digitally provide as much of the outstanding experience as shopping at one of my brick-and-mortar shops can offer is our main focus these days."

When it comes to what sets Scotty's Cigars apart from other e-commerce cigar websites, Bendett says he credits his extremely talented staff for helping him build a site and business that will have customers wanting to make a return visit.

"Alex [Waters] has worked in my largest store for over a decade and has managed it for many years now," he says. "Kaira [Ouellette] has company that makes us unique, which is our website. My goal was to bring the full brick-and-mortar experience to the web, and the many interactive features serve that goal. Travis and I worked hard to consider the many different ways people like to shop in the store and used his knowledge of technology to bring them to life on the web."

One of those brick-and-mortar experiences that Bendett wanted to bring online was a loyalty program. Scotty's Cigar Club is an interactive rewards program that offers points for a wide variety of non-purchase actions that make it beneficial for people to come to the website for reasons beyond just making a purchase. There are other features under review that will make Scotty's Cigar Club even more important to customer retention and engagement. Customers can also negotiate prices, request a price match or join the loyalty program, all through the Scotty's Cigars website.

When it comes to orders made online, Bendett and his team handle each transaction with the same care and attention that a customer would get if they made a purchase in a brick-and-mortar store.



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Casa Cuevas Cigars was established in 2016 but has decades of history behind it. Cuban-born Master Blender Luis Cuevas Sr. has been the man behind the curtain, blending cigars from his factory in the Dominican Republic for many well-known cigar brands. Now, together with son Luis Cuevas Jr., the Casa Cuevas Cigar brands were created to honor their five-generation cigar heritage. We invite you to share our passion for tobacco.

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"We pack up each order carefully and include a humidification device to make sure the cigars arrive on the other side of the country in the same condition they would be in if the customer was selecting them out of our humidor. On the very rare occasion that we have a hiccup in inventory or some other issue with an order, our customers don't get shuffled off to the side. They get a personal contact from one of our expert staff members quickly—and with a substitution or other solution already prepared. Much like we might toss a nice accessory or a freebie cigar or two in with the purchase of an in-store regular, unannounced freebies find their way into our outgoing shipments frequently."

Building Relationships

Product selection is key to the success of Scotty's Cigars and any e-commerce business. Bendett's approach to choosing which products to feature on his website is simple: He makes sure to stock what his customers want. "My business wouldn't exist without my customers, and so what they want is always king," he says. "We all monitor overall consumer demand as well as take feedback from our customers very seriously. We even have a specific 'request a cigar' feature on our website for customers to let us know about brands they would like to see on our site that we don't currently offer."

There are plenty of other decisions that have to be made once a product is stocked. Bendett strives to offer a wide range of cigar brands, but that doesn't mean each brand and product will receive the same promotion and marketing. Bendett relies on the relationships he has established with different manufacturers over his time in the tobacco industry to optimize sales.

"Relationships that I've established over my 25 years in the industry play a significant role in terms of being treated well, and, in

Relationships that I've established over my 25 years in the industry play a significant role in terms of being treated well, and, in turn, my position allows me to provide great benefits for the vendors who provide us with outstanding service.

turn, my position allows me to provide great benefits for the vendors who provide us with outstanding service. By the same token, if I feel like a certain vendor is not working with me to foster a mutually beneficial partnership, I am less inclined to do business with them or take on products of theirs that may be on the margins in terms of consumer demand."

Building lasting relationships with vendors can be a challenge for many retailers, but Bendett says this can be overcome with a change in mentality. A business should be run like a business, not like a hobby. This important distinction and understanding will make all relationships, especially those with vendors, extremely important. "No one can succeed alone," he says. "From relationships with folks like the UPS drivers or low-level employees to top-level brand owners, no business can succeed without strong relationships."

Creating and maintaining a good relationship with customers is also an important part of Bendett's business plan. Bendett and his staff treat online customers just as they do those that come into his brickand-mortar stores. This means they make sure customers receive the correct item, that what they order is shipped quickly and that all orders are packed correctly so items arrive to customers in perfect shape. All orders that come in before 2 p.m. are shipped that same day, and those that come in after that are shipped the next business day. Ensuring customers experience as short of a wait in between making their purchase and being able to smoke it is a major initiative for Bendett and the Scotty's Cigars team.

Problems do occasionally arise, but Bendett sees these challenges are opportunities to let his business's customer service truly shine. "Our staff is extremely experienced, so in the rare event of an issue, they are making the phone call with a great solution or substitution already in place," he says. "We find that honesty, transparency and forthrightness work best. If we're honest about what went wrong, why it went wrong and what we can do to fix it, most folks are appreciative, and the interaction ends in a positive way that leaves the customer feeling appreciated."

Bendett also tries to anticipate potential problems and plans for how he and his staff will respond to them well in advance. Some small e-commerce sites only offer customer service through email, while the larger sites have call centers filled with people who lack knowledge of

> the products being sold. Bendett's solution to this issue for his business has been to make sure that during regular business hours, someone will be on hand to answer any calls received and that customers will be able to get a response without being kept on hold for long.

> Customers will also be able to speak to someone with knowledge of the cigars who will not only provide them with excellent customer service but who loves cigars and tobacco as a personal hobby. For those customers who prefer to communicate through email, an online support ticket

system is also available. Customers have access to a personalized account dashboard as well that includes their full order history and the ability to open a support ticket associated with any individual order that's been placed with the store. Bendett has also developed an extremely customer-friendly return policy to ensure customers are satisfied with their purchases and have the ability to easily return something they may have an issue with.



Select either a toothy Mexican San Andres Maduro wrapper or a smooth Ecuadorian Habano Natural wrapper. Each offers a unique taste, both are flavorful beyond the price.



The Digital Future

Bendett has long been a supporter of brick-and-mortar, but he does see e-commerce and online retailers having a bigger role in the industry going forward. With brick-and-mortar retailers facing restrictions due to the pandemic and more consumers choosing to shop online for cigars, Bendett says that he feels online sales have the potential to capture a larger portion of the overall cigar market. He also doesn't see the recent increase in cigar smoking slowing down any time soon since it's a hobby that can be done in solitude or smaller groups while large events and gatherings are on hold. Online retailers face their own unique regulatory and legislative challenges, but Bendett feels consumer demand for more shopping options will help keep online tobacconists in business for some time.

"While the risk is there, I like to believe that a full ban of online sales is unlikely," he says. "First of all, the stated goal of such regulation is to keep tobacco out of the hands of minors. I take comfort in knowing that the nature of our product naturally weeds out demand from underage folks. Between the fact that most minors don't even want to buy our cigars in the first place, combined with the new technologies we're able to utilize to age verify every customer who orders from us, I am confident that we can easily continue selling online and achieving the stated goal of ensuring that we don't supply tobacco to minors. In addition, the world economy as a whole is shifting more and more towards online shopping. With each year that passes, consumers view being able to shop online for whatever they want to be even more of an essential freedom. Legislation banning a legal product from being sold over the web appears more egregiously restrictive, outdated and impractical as e-commerce more fully entrenches itself in all of our lives. The current health crisis only magnifies the issue, having pushed our economy drastically towards the future of e-commerce in a short period of time."

Due to all of the uncertainty, Bendett tries to excel in both brickand-mortar retail and e-commerce. His brick-and-mortar business allows him to serve his local customers while his online store opens his business to customers far beyond the borders of his community. For other retailers who are looking to better position their businesses for the future by taking their businesses online, Bendett's first tip is to know that building and maintaining an online store is more complicated than one may think.

"I've met so many shop owners who think they can just build a website, add a few items and watch the sales roll in. It takes much more than that," he says. "You need to have a strong plan, a strong team, and a decent amount of startup cash. Sales don't come right away, but you need to have staff, inventory and infrastructure in place to ensure the early orders are well taken care of. People aren't just going to come to you either; you need to have a plan in place to spread the word and acquire customers."

It may seem like common sense, but in order to be a successful online tobacconist, one needs a quality website. Online retailers must compete against big-box retailers that have far more resources than most smaller retailers have access to. Having worked with a large retailer when selling his previous website, Bendett became more aware of what it would take to be a successful retailer and attract new customers. Maintaining accurate inventory is especially important for online retailers because customers aren't going to continue to purchase from a retailer with inventory issues. Also, merchandising is just as important in an online store as it is in a traditional brick-and-mortar shop. Bendett tries to make everything he stocks in his store also available online.

"The large portfolio is difficult to manage, but we want to set ourselves apart from companies who just try to streamline their inventory and business model by focusing solely on their top-selling products. We have endless hidden gems throughout our shop, and since a big part of the shop experience is finding those gems, we want our online shoppers to be able to do the same thing."

One of the biggest challenges Bendett and his team face is finding a way to organize the wide range of products that are available on the Scotty's Cigars website in a way that makes them easy to find but not overwhelming. Bendett relied on his staff and their different perspectives to come up with merchandising solutions that would make things easy to find on the website while also showcasing the massive depth of the store's inventory.

Becoming Great

According to Bendett, being a great tobacconist is the combination of many factors. It's about showing up, being present, treating people the way you want to be treated, doing your best at all times and keeping good records. Being a great tobacconist is also an ongoing process because there's always something to learn. Even though Bendett had previous experience in e-commerce, there's a lot of technology that exists now that didn't when he was running his previous online venture, as well as advancements in e-commerce that he's having to learn about.

With all of the uncertainty surrounding tobacco retail and the cigar industry today, Bendett strives to excel in both the brick-and-mortar and online arenas: "No matter which way the industry goes, my goal is to be in the best position possible to succeed." **TB**

GOING ONLINE

Consumers are shopping for tobacco products like cigars online in big numbers, so you're missing out if your store is offline. Many online retailers are selling the same thing for the same price, and the only way to set yourself apart is with the overall experience, explains Scott Bendett of Scotty's Cigars. The following three tips will help you build an online tobacco retail business in no time.





Integrate Early: Make certain that you have a system that brings together your retail operation with your online operation to ensure smooth inventory management on both sides.

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Reinvest Often: Put aside money to reinvest into your business and don't just spend when times are good.

Package it Well: Be sure that every order that ships out is packaged perfectly to ensure a flawless customer experience.

These tips are key to building a long-lasting business that will survive and thrive over time rather than just be a quick flash-in-the-pan cash grab.

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March 2021 marks the 20th anniversary of the National Association of Tobacco Outlets (NATO). It was a conversation between retailers Felton Harley and Fred Hoyland and *Tobacco Outlet Business* chairman and publisher Don Bores and Paul Walsh that sparked the idea to launch NATO, a trade association that would represent and fight for the interests of tobacco retailers around the U.S. The onslaught of tobacco-related legislation and the increased taxation of tobacco products were both the topic of conversation and the realization that there was a dire need for an individual or an organization to speak on behalf of tobacco retailers that didn't have the

background in advocacy or legislation that was needed.

Following this conversation, Bores and Walsh reached out to Thomas Briant, who now serves as the executive director of NATO and who had a reputation and background in legislative advocacy within the tobacco industry. At the time, Briant was leading the Minnesota Tobacco Store Association, an association that he formed to represent the interests of tobacco retailers and to respond to tobacco legislative issues impacting retailers in the state. Briant used the Minnesota Tobacco Store Association as a blueprint for what eventually became NATO.

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As an association, NATO sets out to accomplish the following initiatives:

- improve business conditions for retailers located throughout the U.S. that sell tobacco products
- provide information to association members about federal, state and local regulations and laws regarding the sale, advertising, promotion, regulation and taxation of tobacco products and how to comply with such regulations and laws
- assist association members in responding to proposed federal, state, and local regulations or legislation that may impact the sale, advertising, promotion, regulation and taxation of tobacco products

Today, NATO's membership includes more than 62,000 retail stores that sell tobacco products, including convenience stores, service stations, grocery stores, liquor stores, corner retailers and other tobacconists. Due to its broad membership demographics, NATO is among the largest retail associations in the country by store count alone. Nearly 30 manufacturers from every segment of the tobacco industry are also counted among NATO's membership, in addition to a number of wholesale companies. Though the association's membership includes many convenience stores, its efforts to oppose unfair excise tax increases and broad flavor bans make its work relevant and important to all segments of the tobacco industry, including those retailers and manufacturers working with premium cigars.

"NATO is the only national trade association that devotes all of its resources to local, state, federal and FDA [U.S. Food and Drug Administration] tobacco-related issues," says Briant. "It has always been a vision of NATO that every retailer that sells tobacco products would be a NATO member. A common theme among those retailers that do join NATO is the realization that they did not know how much they were missing in terms of information and engagement on legislative issues until they joined NATO."

Where some trade associations focus on a specific product category, NATO has a different approach that keeps the focus on tobacco retailers rather than one particular segment of the tobacco industry.

"NATO considers every kind of retailer that sells tobacco products to be important to the industry because they all sell tobacco products. At the same time, convenience stores do make up a majority of NATO's members," Briant explains. "It is not so much that a particular kind of retail store is important to NATO but rather that the association and what it does on tobacco issues is important to every kind of retailer. For convenience stores, there is a need for up-to-date information on local, state and federal legislation as well as FDA regulations. NATO has a special expertise on each of these levels of government, which is beneficial to the convenience store segment."

Changing with the Times

NATO has adapted to the many changes that have shaped the tobacco industry over the past two decades. Among the biggest changes that NATO has had to learn to work with has been the regulation of tobacco products by the FDA. The federal regulation of tobacco has added a new dimension to the way tobacco products



NATO is the only national trade association that devotes all of its resources to local, state, federal and FDA [U.S. Food and Drug Administration] tobacco-related issues.

are handled by local and state governments and has made the work that NATO does even more important.

"From a legislative point of view, cigarette and tobacco taxes have always been a concern, especially in more recent years when the increases have been significant. This has led to large differences in excise tax rates between states and led to a serious illicit market for cigarettes and tobacco products. More recently, legislation has focused on restricting what kinds of tobacco products can be sold. An example is a local or state law that bans the sale of all flavored tobacco products, including menthol cigarettes, flavored smokeless tobacco, flavored cigars, pipe tobacco and flavored electronic cigarettes/vapor products. Unlike tax increases, these kinds of bans actually remove legal tobacco products from store shelves and create the conditions for an expanding illicit market and crossborder purchasing," Briant explains.





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From a legislative point of view, cigarette and tobacco taxes have always been a concern, especially in more recent years when the increases have been significant. This has led to large differences in excise tax rates between states and led to a serious illicit market for cigarettes and tobacco products.

NATO has seen more of a need to monitor and help retailers respond to local tobacco ordinances as there are typically fewer advocates on the local level who will speak and fight on their behalf. Local ordinances can also lead to similar legislation being introduced on the state level.

How NATO goes about completing its work has also changed slightly over the years. NATO has used technology to customize its grassroots advocacy program, allowing retail members to send a letter to all of the state and federal lawmakers that represent the legislative districts where its members' stores are located with just a few clicks of a button. This has allowed retailers to easily and very quickly voice their opinions with lawmakers. In addition, NATO has embraced the use of social media to push out news, updates and information to its members as well as the general public. These updates, typically about proposed ordinances, are used to urge businesses to speak out against legislation that could impose restrictions on legal tobacco products.

Strength in Numbers

NATO has accomplished much on the behalf of tobacco retailers over the course of 20 years, but it's the organization's focus on togetherness that often gets overlooked. Since those early conversations before the association officially launched in 2001, the primary vision that brought NATO's mission into focus was the desire to create an organization that brought the entire industry together. NATO, it was decided early on, would be a collection of voices and individuals that would work together to protect and preserve the right to sell and purchase legal tobacco products anywhere in the U.S. "That vision has been achieved based on the growth and size of NATO. Moreover, working with retailers, wholesalers and manufacturers has allowed NATO to be the premier tobacco-related trade association in the country," proclaims Briant.

Since launching in 2001, NATO has formed a close working relationship with a number of state and national trade groups to help it respond to local and state legislative issues. Out of these relationships, NATO formed the National Response Network (NRN) over two years ago, which comprises more than 70 state and national trade organizations. Through the NRN, NATO sends alerts on local tobacco ordinances to trade associations in the state where a local ordinance is proposed along with key talking points and other information about the ordinance. The state association will then send information on to any of its members with stores in the locality where tobacco regulations are being considered for the purpose of making it easier for retailers to become active and oppose any potentially harmful local anti-tobacco ordinances.

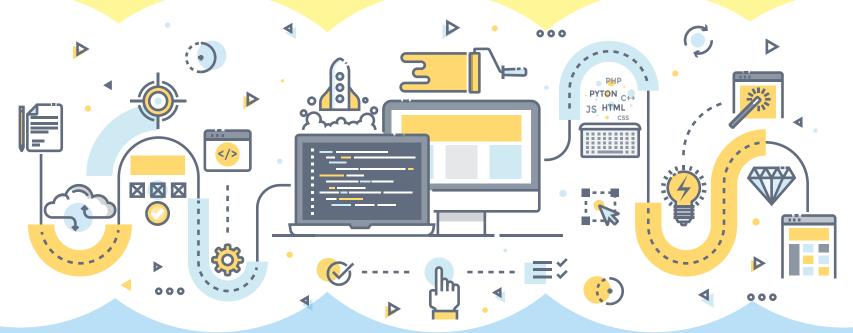
Trade associations are not the only ones that NATO wants to see involved in its work. Retailers and manufacturers of tobacco products are also encouraged to join NATO. The information that the association shares with its members and the actions it takes on behalf of tobacco retailers and manufacturers stem from an engaged membership. With new regulations being introduced each year and impacting tobacco products' ability to be sold and enjoyed freely in the U.S., there's no better time than the present for retailers to get involved and become members of NATO.

"NATO is the only national trade association that expends all of its resources on tobacco-related issues that impact retailers," says Briant. "The expertise of NATO is second to none on tobacco legislation and FDA regulations. Retailers need to belong to NATO so they can be educated about local, state and federal issues and then become engaged on the issue by communicating with lawmakers and testifying at hearings."

By becoming a member of NATO, retailers are provided all of the information and tools needed to communicate with lawmakers. Briant stresses the importance of retailers communicating with their local and state lawmakers and doing the work of educating them on the impact of proposed tobacco restrictions. "The advocates who are proposing these restrictions are influencing lawmakers on these issues, and it is incumbent on retailers to provide lawmakers with factual information to make an informed decision," adds Briant.

Retailers can become better advocates by attending public hearings that involve a proposed local ordinance or state bill that would have negative consequences for their stores and businesses. One positive change brought on by the COVID-19 pandemic is the rise of virtual meetings, allowing for retailers to engage with lawmakers from the safety and comfort of their stores and homes as they speak out against unreasonable and unfair restrictions. It's one of Briant's and NATO's ongoing hopes that elected officials begin to understand the important roles that tobacco retailers have in local economies and the burden that unreasonable taxes and restrictive regulations have on those businesses. That desire is driving much of NATO's work today, as it has for the past 20 years, and as it will for the years to come. **TB**

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A conversation between Operation: Cigars for Warriors chairman Storm Boen and U.S. Army Captain Daniel McDougal.

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Storm Boen: Where did you go to college and what did you study? DANIEL MCDOUGAL: I went to Washington State University. I received my B.A. in economics.

I assume you did ROTC there?

Yes, I did. I was in the [Army National Guard Simultaneous Membership Program]. Basically, that means that I went to college, [participated in] ROTC, and I also did drill with the 792nd Chemical Company in Grandview, Washington. It was an amazing experience, and I learned so much.

What did you do in the Army and how long were you in?

I was a 12A combat engineer officer. I spent eight years and nine months, and I can even tell you the amount of days, if you like.

Ha! That is OK. How many tours in the Middle East did you do?

I had a few tours. I went to Iraq twice and to Afghanistan once. I have over 36 months of combat time.

What was your rank when you got out?

I left the Army as a captain and proudly left with an honorable discharge.

Where were you when you requested and received your Operation: Cigars for Warriors (CFW) warrior package?

I received my first package—that I happily shared with my men—in early 2012 while I was deployed in Afghanistan. Let me tell you, I never expected such an amazing care package. There were so many cigars from so many different companies.

How did you hear about Operation: Cigars for Warriors?

Well, I had gone to an event at Outlaw Cigar shop in Kansas City, Missouri, and met someone who would later become a Cigars for Warriors volunteer. His name was John Krump, and he was telling me about a new cigar charity, something that had never been done before on a national level. When I deployed again, I found Cigars for Warriors, and I submitted my request for one of its warrior packages. It has been so long ago, and I'm not sure what method I used to request my package, but I believe I contacted CFW via Facebook.

I knew your name way before I ever actually got to meet you. As you can imagine, being the first recipient of the newly formed Operation: Cigars for

Warriors was a big deal—especially to all of the volunteers and supporters. What is one of your favorite experiences since becoming a recipient of CFW?

One of my favorite experiences involving Cigars for Warriors was coming back to the states and attending a festival that was created to support the charity. It was C.A.T.S. Fest in San Antonio.

I remember you introducing yourself to me at that festival. I also remember asking what your rank was, and you told me you were a captain. I told you that since your rank was higher than an E5, you were going to give a speech on stage. How did you feel making that speech?

Honestly, Storm, I was very honored to be asked and happy to share my gratitude with all of the supporters of Cigars for Warriors and to the attendees who were getting their first exposure to the charity.

What did the cigars and other goodies mean to you while deployed?

I want the folks that are in their homes to understand how much our deployed troops need to decompress, and what better way to do



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DREW ESTATE | THE REBIRTH OF CIGARS CALL FOR INFO & ORDERING: (786) 581-1800 that than with a cigar? Another benefit of cigars was how I was able to get to know my troops better while smoking them and vice versa, which is a game-changer as a new commander. Someone who has not been in that situation cannot imagine what an impressive morale booster these care packages can be.

Also, it was super nice to get something that I knew was very expensive. I remember being very overwhelmed with gratitude by the public's generosity. We received almost 50 cigars in the care packages Cigars for Warriors sent!

Daniel, remind me how and why you joined Operation: Cigars for Warriors.

It was at the first C.A.T.S. Fest, after you got me to do a speech on stage in front of all those people, and you told me about the event coordinator program. It wasn't until a year later, after leaving the military, at C.A.T.S. Fest II, that I officially joined Cigars for Warriors as a Houston events coordinator.

Was there anything else memorable about C.A.T.S. Fest II besides you becoming a volunteer?

Truthfully, the whole weekend was amazing. A huge part of that was meeting many fellow cigar enthusiasts and knowing that they were there to celebrate the military by supporting Cigars for Warriors. Also, meeting the late Ben Edmundson, who loaded me up with a ton of Cigars for Warriors materials. I remember I was very blessed to win a ton of raffle prizes too. Between the two, my car was stuffed to the hilt.

Since joining Operation: Cigars for Warriors, what do you consider one of your favorite memories?

I remember being so excited at one of the last Wing Dings that Stogies Cigar Shop in Houston put on and seeing the amazing success of Cigars for Warriors and all the donations it received. Then, days later, doing Cigar Warehouse's annual Cigars for Warriors fundraiser. These guys brought in donations from all of the participating cigar shops in Houston. They gathered an amazing amount of donations amounting to thousands of cigars and dollars. Also, again, I enjoy all of the people that I get to meet.

What helps you when you start feeling burned out as a volunteer?

That's easy: meeting other passionate volunteers—and especially other recipients. Since I've moved to Arizona, I have had the pleasure of meeting a ton of recipients of care packages at cigar shops. I love visiting with them and, a lot of times, comparing notes of what it meant to them versus what it meant to me to be a recipient of a warrior package. To this day, it still blows my mind how similar my feelings are of having a cigar in combat compared to those who served before and after me.

What would you like for the public to know about your experience either as an event coordinator or as a recipient of an Operation: Cigars for Warriors care package?

A little bit of work as a Cigars for Warriors event coordinator goes an amazingly long way to actually supporting our deployed troops. In other words, it doesn't take a lot of work to make a huge difference.

Some of my favorite memories are going to C.A.T.S. Fest because so many of the participants come in from all over the world and many are volunteers. It is like a huge family reunion. I also loved doing events when I lived in Texas where there was at least one almost every month. Seriously, volunteering for a couple of hours is truly fun and makes a huge difference in what Cigars for Warriors can do for our troops.

Daniel, thank you for your volunteer work, and, most importantly, thank you for your service to our country as a U.S. Army captain and for your multiple tours in combat zones.

Thank you to our readers for your continuous support of our deployed men and women of the U.S. Armed Forces. **TB**

Contributed by Storm Boen, Chairman, Operation: Cigars for Warriors



2021 Cigars for Warriors Releases

Due to COVID-19, some release dates for upcoming Operation: Cigars for Warriors (CFW) items have changed. CFW "Honorable" and "Loyalty" coffees will be released on Valentine's Day. For every bag of coffee purchased, CFW will receive a large portion of the proceeds. Additionally, Janus Coffee Roasters will donate an 8-ounce bag of boutique coffee to CFW that will be sent to our deployed troops.

The Hiram & Solomon's Live 2 Serve cigar will be released on Cinco De Mayo (May 5, 2021), and CFW's collaboration with Caldwell Cigars will be released on July 4, 2021. There are several other additional collaborations that will be released this year that we are also excited about, and more details on those will be announced later.

Retailers who want to sell these limited-edition cigars will need to be an official Operation: Cigars for Warriors donation center. If you are not one yet, or want to verify that you are, please contact CFW's donation center supervisor, John Chernogeric, at *john.chernogeric@cigarsforwarriors.net*.

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Kare

Leaf

Manufacturer: Aganorsa Leaf Sizes: Robusto (5 1/4 x 52), Toro (6 x 54), Titan (6 x 60) MSRP: \$10.99-\$12.10 per cigar

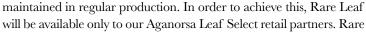
Rare Leaf Reserve is a cigar line from Aganorsa Leaf that takes the best qualities of a limited edition and a core line product and combines them into one premium cigar. The Rare Reserve Leaf blend

Keserve

utilizes unique tobaccos from specific lots on Aganorsa's best farms. Normally, due to the low yield these small sections produce each year, these distinct tobaccos would be viable only in a limited edition; however, Aganorsa Leaf restricted access to these tobaccos to those retailers with designated Aganorsa Select Accounts. This ensures Rare Leaf Reserve will be available regularly to this select group of tobacconists in small quantities. Rare Leaf Reserve features a cafe cover leaf from Jalapa, Nicaragua, that envelops a double binder as well as filler tobaccos of predominantly Criollo '98 with a small amount of Corojo '99.

"A constant challenge we face is utilizing tobaccos to create blends which are outstanding expressions of our signature flavor and aroma while still producing them in quantities viable to sustain production consistently rather than just as one-time limited editions or available only

sporadically throughout the year," says Terence Reilly, vice president of sales and marketing at Aganorsa Leaf. "Rare Leaf will be the first project using selections of our Leaf in short supply that will be



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Criollo '98 varietals are more dominant in this blend, but our Corojo '99 is present as well and plays an important role

RARE LEAF 15 ROBUSTO

[in] rounding out the flavor and aroma." Beyond the typical Aganorsa Leaf customer, Rare

Leaf Reserve will appeal to any retailer or consumer that is in search of an ultra-premium cigar offered at a reasonable price.

"We are vertically integrated, and controlling the whole process from seed to cigar allows us to put out what should be a \$20 cigar at the \$10-\$12 price point. In today's world, that has a lot of appeal," says Reilly.

Rare Leaf Reserve is exclusive to Aganorsa Select Accounts. Each January, retailers that carry Aganorsa Leaf products are given the opportunity to join this select group of retail partners that are all willing to make the commitment to Aganorsa Leaf's core line brands.

"It's not for everyone, of course, and there is no pressure

to partake," says Reilly. "We appreciate everyone's business. That said, we simply felt it was important to reward those who prioritize us in their humidors with something special."



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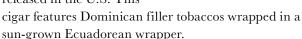
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Avo Classic Belicoso

Manufacturer: Avo Cigars Size: Belicoso (6 x 48) MSRP: \$12 per cigar

The Avo Classic Belicoso, released in 2005, is a unique vitola available for a limited time with only 2,000 25-count boxes being released in the U.S. This



"For over 25 years, the Avo Classic has pleased consumers with its consistently smooth yet flavorful blending and flawless construction," says Lana Fraser, director of marketing and retail at Davidoff of Geneva USA. "The Belicoso shape further intensifies the flavor delivered in this blend while maintaining the mild, creamy character you've come to expect and appreciate from Avo Classic."

The Avo Classic Belicoso is a mild to medium-strength cigar that has a creamy flavor profile with notes of earth and nuts that are complemented by a subtle pepper spice.

Havana Q

Manufacturer: J.C. Newman Cigar Co. Sizes: Double Grande (6 x 60), Double Robusto (5 x 56), Double Toro (6 x 54), Double Churchill (7 x 52)

J.C. Newman Cigar Co.'s new value cigar, Havana Q, will come in a variety of different ring gauges to cater to the modern cigar smoker's varied preferences. It will also be offered in a vacuum-sealed humidor bag, making it easy to store and merchandise within brick-and-mortar locations and also making it more available to cigar smokers everywhere.

"We wanted to bring the essence of Cuba to consumers without breaking the bank. With larger sizes and convenient 'humi-bag' packaging, all varieties of smokers will find something they like in Havana Q," says Drew Newman, fourthgeneration owner and general counsel at J.C. Newman Cigar Co.

Havana Q is rolled at the J.C. Newman PENSA factory located in Estelí, Nicaragua, and will be sold as individual cigars as well as in a resealable 20-count humidor bag.



Juarez Shots Le 2021

Manufacturer: Crowned Heads Size: Petit Robusto (4 x 50) MSRP: \$5.60 per cigar

Crowned Heads' Juarez Shots returns in 2021, brought back due its popularity following last year's release. Juarez Shots is presented as a Petit Robusto in 50-count cabinet boxes. The cigar is named after a lyric in Johnny Cash's song "Cocaine Blues" from the 1968 album "At Folsom Prison."

"Juarez, as a brand, experienced dramatic growth in 2020," says Crowned Heads co-owner/founder Jon Huber. "The Shots are a great limited seasonal release that gives fans of Juarez a short-format option to enjoy the blend not only during the cold weather months but any time of year as well."

Only 500 50-count cabinet boxes of Juarez Shots are being released this year. This cigar is rolled at Tabacalera Pichardo in Estelí, Nicaragua.



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Plasencia Alma Fuerte Sixto I Hexagon -Colorado Claro

Manufacturer: Plasencia Cigars Size: Hexagono (6 x 60) MSRP: \$21 per cigar

Plasencia Cigars has begun shipping the Plasencia Alma Fuerte Sixto I Hexagon – Colorado Claro to retailers. This blend is an extension to the Plasencia Alma Fuerte brand and features 10-year-aged tobacco presented in an innovative hexagon shape.

The Plasencia Alma Fuerte Sixto I Hexagon – Colorado Claro's blend is set apart from its predecessor through a slight tweaking of the binder and filler that is housed in a unique wrapper. The wrapper comes from the vast Plasencia tobacco library and was aged for 10 years, resulting in an overall smooth smoking experience. Smokers can expect notes of cocoa and almonds that transition into a hint of nutmeg and cedar in this cigar's final notes.





Winston Churchill Limited Edition 2021 Toro

Manufacturer: Davidoff Cigars Size: Toro (6 x 52)

Davidoff's new limited edition Winston Churchill Toro cigar takes cues from the existing Winston Churchill cigars. The multi-origin blend combines the creaminess and caramel sweetness of the Original Collection with the earthy and nutty nature of The Late Hour. The medium to full-bodied limited edition Winston Churchill Toro gives cigar enthusiasts the perfect combination of these complex flavors in the wildly popular Toro format.

According to Davidoff, this cigar has notes of dry fruits and spices that the cigar smoker will experience when first lighting up the cigar while notes of leather and cream develop as the smoke goes onward. Hints of nuts and cacao are present toward the last third of the cigar. Only 11,100 10-count boxes of the Winston Churchill Limited Edition 2021 Toro will be released this year.

Filthy Hooligan Shamrock

Manufacturer: Alec Bradley Cigars Size: Toro (6 x 50) MSRP: \$12.50 per cigar

Filthy Hooligan is making its return for 2021, marking the third year the cigar has been released by Alec Bradley Cigars. This cigar is based on the popular Alec Bradley Black Market blend but has been tweaked to enhance its flavor through the introduction of multiple wrappers. Filthy Hooligan Shamrock is triple-wrapped with the same Candela wrapper as Alec Bradley's Filthy Hooligan, accentuated by Nicaraguan Habano Maduro and Habano Natural wrapper leaves.

"The Filthy Hooligan series is a perennial hit and highly anticipated by cigar enthusiasts every spring," says Jonathan Lipson, Alec Bradley's director of sales and marketing. "We are fortunate to have secured a superior lot of unique and flavorful Candela wrapper that has allowed us to continue these projects and give our fans what they want."



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Punch Kung Pow!

Manufacturer: Punch Cigars Size: Parejo (6 x 52) MSRP: \$5.99 per cigar

Punch Cigars is celebrating the Year of the Ox with a limited edition release, Punch Kung Pow!, the third release in the brand's Chinese New Year Series. This cigar is handmade at HATSA in Danlí, Honduras, and includes tobaccos from five different countries.

Punch Kung Pow! features a Connecticut Broadleaf wrapper, Honduran Habano binder, and filler leaves from Brazil, Honduras, the Dominican Republic and Mexico.



"The Chinese New Year Series for Punch has become a new tradition, and for the 2021 release, we took a page from the Szechuan cookbooks," says Ed Lahmann, senior brand manager for Punch Cigars. "The medium to full-bodied blend is vaguely sweet with an undercurrent of spice, just like the popular Chinese food dish of the differently spelled name. We put a new spin on the takeout container for this year's release, and we've once again hit the post-holiday sweet spot for cigar lovers with a per-cigar price of just \$5.99."

Punch Kung Pow! will be available in 20-count bundles packaged in a takeout-style box with a design that acknowledges the Year of the Ox.

Manzanita

Manufacturer: Southern Draw Cigars Size: Toro (6 x 52) MSRP: \$14.99 per cigar

Southern Draw Cigars has tapped A.J. Fernandez Cigar Co. to help blend its latest cigar, Manzanita. This cigar was inspired by the legacy of traditional tobacco—tobacco and other plant mixtures used by Native Americans for the purposes of sacred rituals, ceremonies, healing and giving thanks.



According to Southern Draw Cigars, "manzanita" is a term that was used years ago during a planning session while A.J. Fernandez, Rafael Freddy, and Sharon and Robert Holt all inspected bales of a rich Habano hybrid tobacco. During this inspection, it was noted that the tobacco's deep-red oily leaves were indicative of the shimmering "red" bark of a manzanita tree. These fermented leaves ended up being used as the cigar's wrapper. Each tobacco included in Manzanita's blend come from an undisclosed origin. The blends include varieties of Pelo d'pro, Corojo '99, Habano and ligero.

Some of the proceeds from the Manzanita will go to the First Nations Development Institute, an organization that focuses on the sustainable, economic, spiritual and cultural well-being of its community. Southern Draw Cigars will also dedicate some of the proceeds to Nourishing Native Foods & Health (*firstnations.org*). This initiative is expected to raise a total of \$30,000 for this charity in 2021, with the intention of exceeding that number by the end of the program.



Xikar Pipeline Manufacturer: Quality Importers/Xikar MSRP: \$64.99

Quality Importers is expanding its Xikar Pipeline soft flame lighter series with an upgraded body treatment, durable plated finishes and three new color combinations, including all black, chrome, black/gold-tone and black/rose.

The Xikar Pipeline can be used on both cigars and pipes and has a retro-style hinged flame cover. For pipe smokers, there's also an integrated tamper and scraper on the bottom. **TB**



Rouseco Inc. introduces the latest addition to their premium pipe tobacco lineup, Golden Harvest SELECT, an age old blend that delivers unmatched taste and aroma that will make your grandfather jealous.



This produ nicotine. N addictive

WARNING: This product contains nicotine. Nicotine is an addictive chemical.

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chemical.





For more information please contact us at 888-372-8622

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