



INTER-CONTINENTAL: FIVE TASTES OF OHM

# Tobacco Outlet BUSINESS

NOVEMBER/DECEMBER 2011  
VOLUME 14 • NUMBER 6

INTERNATIONAL

*All Aboard the  
Tobacco Plus Expo  
Express*

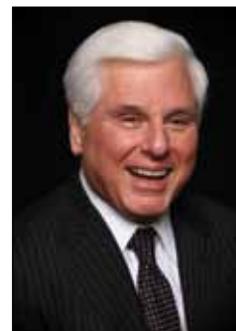
## ALSO IN THIS ISSUE

Cigar Sense: Making the Most  
of Social Media

Marketing Tips from  
Michigan-based Nano Seconds

Smoking Advocates: A Movement  
Building Momentum

# All Aboard the Tobacco Plus Expo EXPRESS!



On June 5, 1883, the first "Express d'Orient" left Paris for Vienna, then on to Istanbul. The train was officially renamed the Orient Express in 1891.

The international character of the Tobacco Plus Expo (TPE 2012) draws this year's inspiration from the "Express d'Orient," bringing marketers and attendees from around the globe to a great show destination in Las Vegas on Feb. 1-2, 2012. TPE 2012, alongside the great U.S. tobacco companies, will welcome the thousands of retailers and wholesalers journeying from China, the Middle East, India, Denmark, Germany, France, the Low Countries, Canada and Greece to Las Vegas to participate in this all-encompassing tobacco trade show.

Come aboard...enjoy the camaraderie, attend the seminars. Don't miss the "Cigar Rock Stars," hosted by Cigar Rights of America's executive director, Glynn Loope. Industry advocate Seth Mailhot of the Washington law firm Sheppard Mullin, an expert on the FDA/tobacco industry "burning issues," will kick off this year's program. Seminar attendees will be treated to a hot breakfast.

Enjoy the Super Bowl-themed opening night reception on Wednesday evening. Get an early 8:30 a.m. start to the show opening on Thursday. Arrive early to ensure you're able to take advantage of *all* of the show's opportunities.

Enjoy a complimentary continental breakfast on the way into the show.

Spend time with your suppliers and associates in the Ci-

gar Bar and Lounge, located on the exhibit hall floor, offering complimentary beer, wine and soft drinks—no need to get off the train. Just come to the lounge.

Say hello to the "General," Cigar Dave, broadcasting live from the show.

You'll have a great time and be impressed that TPE 2012 is "All About Business," *your* business, offering the certainty that you'll be able to stock your shelves with special, unique and different items along with getting special prices on the tried-and-true staples.

Believing the No. 1 element in your merchandising mix is your shelf space, we scoured the tobacco world to bring you the best of the best merchandise. A similar passion pervades work to bring you the best information on the tobacco industry as we chronicle your need to know within *Tobacco Outlet Business* magazine.

Tobacco Plus Expo (TPE 2012) and *Tobacco Outlet Business* magazine (*TOB*): We're all about business, your business.

See you in Las Vegas at TPE 2012. All aboard!

Best to you,

A handwritten signature in black ink, appearing to read "Ed O'Connor".


**FDA WATCH**

## FDA Defends Cig Warnings

**Agency charges that public interest should outweigh right to free speech.**

Major tobacco companies Lorillard Inc., R.J. Reynolds Tobacco Company, Commonwealth Brands Inc. and Liggett Group LLC joined forces in a suit charging that new cigarette health warnings mandated by the FDA are a violation of free speech (see *TOB*, September/October 2011). In September, the FDA responded by arguing that the public interest in conveying the dangers of smoking outweighs the companies' free speech rights. The agency also noted the financial costs to the companies of switching to incorporate the new graphics equals about one-tenth of their annual net sales, an amount too small to justify the injunction against the warning that the companies sought.

"The public interest strongly militates against delaying health warnings that more effectively convey the extraordinary, undisputed health risks created by the use of plaintiffs' products," stated the FDA filing. "(W)hen used as intended by the manufacturers, tobacco products are deadly."

The FDA also pointed out that Congress gave it the authority to regulate packaging because existing health warnings dating to 1984 were going unnoticed and health concerns were not being conveyed effectively.

## HIGHLIGHTS

### SFI Continues E-Cig Agreement

Smoker Friendly International renewed its exclusive private-brand manufacturing agreement with Freedom Smokeless, a manufacturer of U.S.-made, premium-brand electronic cigarettes. Since 2009, Freedom has been manufacturing and distributing Smoker Friendly-branded electronic cigarette starter kits, express kits, cartridge refills, disposables, and accessories to the Smoker Friendly chain.

### Louisiana Tax Extended

Louisiana voters agreed to renew a 4-cents sales tax on cigarettes that was set to expire July 1, 2012. The \$12 million generated by the plan annually will be earmarked for health care programs. A portion of the state's share in the settlement will be allocated to the Taylor Opportunity Program for Students.

## FDA and NIH Plan Joint Study

**The two entities will team up to study tobacco use and risk.**

The U.S. Food and Drug Administration (FDA) and the National Institute of Health (NIH) will join forces to conduct the first large-scale collaboration on tobacco regulatory research since Congress granted the FDA the authority to regulate tobacco products in 2009. The planned Tobacco Control Act National Longitudinal Study of Tobacco Users will study tobacco users to monitor and assess the behavioral and health impacts of the new government regulations.

"The launch of this study signals a major milestone in addressing one of the most significant public health burdens of the 21st century," said FDA Commissioner Margaret

A. Hamburg. "The results will strengthen the FDA's ability to fulfill our mission to make tobacco-related death and disease part of America's past and will further guide us in targeting the most effective actions to decrease the huge toll of tobacco use on our nation's health."

Scientific experts at the NIH's National Institute on Drug Abuse and the FDA's Center for Tobacco Products will coordinate the effort, which will involve following more than 40,000 users of tobacco products and those at risk for tobacco use ages 12 and older. Among the issues examined will be what makes people susceptible to tobacco use; use patterns

and resulting health problems; patterns of tobacco cessation and relapse in the era of tobacco regulation; the effects of regulatory changes on risk perceptions and other tobacco-related attitudes; and differences in attitudes, behaviors and key health outcomes in racial/ethnic, gender and age subgroups.

Study findings will be used to help the FDA assess the impact of the Tobacco Control Act and to determine how best to use its tobacco regulatory authorities, such as making decisions about the marketing of products, setting product standards, and communicating the risks from tobacco use to protect the public health.

## Celebrating Angelo Dundee with Cigars

**Toraño Family Cigars honors Hall of Fame boxing trainer.**

Hall of Fame boxing trainer Angelo Dundee celebrated 90 years of age with a reunion with a piece of his glorious past and a gift from the Toraño Family Cigar Company. The legendary Dundee, who trained 12 world boxing champions (most famously Muhammad Ali and Sugar Ray Leonard), turned 90 on Aug. 30.

He celebrated that milestone at the new incarnation of the 5th Street Gym in Miami Beach, which opened last year. Still spry, Dundee sat ringside giving pointers to young boxers, posing for pictures and signing autographs as friends streamed by to wish him well for his birthday. Boxing fan Ken Drodvillo surprised Dundee with a brick from the original 5th Street Gym, which was torn down in 1994. Toraño family member Carlos "Llaca" Toraño presented him with a box of Toraño Reserva Selecta cigars. "It's an honor to represent the Toraño family during special moments like these," said Toraño in presenting the gift. "To be in the presence of a living legend like Angelo Dundee as he turns 90 is quite humbling."



Carlos "Llaca" Toraño with Angelo Dundee and a signed 5th Street Gym T-shirt.

## PM Extends Price Program

**Philip Morris USA will run its Marlboro Leadership Price (MLP) option through the end of the year.**

Previously set to expire Oct. 1, PM's MLP promotion will run through the end of the year for retailers participating at the program's highest level. The MLP program imposes a retail price ceiling in exchange for a 20-cent per-pack discount and state-specific price incentives.

A Philip Morris spokesperson notes that the rules of the program, which is an optional promotional program that has been available to retailers since April 2011, remain the same. While the program has been criticized by competitors as a "move toward price fixing," Philip Morris has billed it as an effort to help smokers hurt by the country's economic downturn.

PM's parent company has declined to share specific numbers as to what percent of operators in its upper-level Retail Leaders program have switched to the MLP promotion, but industry experts report that it's more than anticipated.

## Star Scientific's Patent Claims Denied

**Company wins a reversal of ruling against its patents' validity.**

An appeals court denied tobacco-products company Star Scientific's patent infringement claims against Reynolds American and its motion for a new trial in a case involving lawsuits filed in 2001 and 2002.

Star Scientific had been seeking to reverse a prior verdict finding that R.J. Reynolds didn't infringe on Star Scientific's patent for a method of curing tobacco that reduces some toxins and that the patent was invalid.

While the appeals court ruled against the company on the patent infringement charge, it also reversed the lower court's denial of Star's motion involving the validity of the patents.

"We are gratified that the Federal Circuit Court of Appeals has affirmed the validity of the patents at issue in our prosecution of patent infringement against R.J. Reynolds," said a spokesperson for Star Scientific commenting on the ruling. "The court specifically rejected each of the four invalidity defenses raised by RJR, and the panel also reversed the District Court's 2007 summary judgment ruling on priority date.... We nonetheless are disappointed that the Federal Circuit did not reverse the jury trial verdict of non-infringement."

"However, today's decision fully re-establishes and reinforces the company's rights to assert its patents against all prior and future infringers," added the spokesperson. "In particular, we anticipate that our litigation against RJR for curing seasons after the two years addressed in this case now can move forward. That litigation had been stayed pending the outcome of the appeal."

## Cig Smuggling Rampant in New Jersey

**Forty percent of cigarettes smoked in New Jersey are reportedly illicit.**

Cigarettes smuggled illegally into New Jersey could be costing the state more than \$500 million in uncollected tax revenue each year, according to *The Star-Ledger*, which cited a 2008 State Treasury Department report. New Jersey's state excise tax rate, at \$2.70, is more than \$1 more than the rates of neighboring Delaware (\$1.60) and Pennsylvania (\$1.60).

The report encouraged controlled buys, video surveillance, and the use of paid informants to combat the smuggling, as well as new leadership at the state Office of Criminal Investigation. Such actions have led to an increase in the number of smugglers caught, according to *The Star-Ledger*, which says such incidents rose from 45 in 2009 to 192 last year. The state is also considering the use of high-tech tax stamps, encrypted with codes that include the history of each pack of cigarettes, according to the article, as much smuggling activity uses cheap, counterfeit tax stamps.

## MLB Considers Ban

**Major League Baseball is weighing a ban on chewing tobacco.**

If Congress has its way, chewing tobacco—which has been synonymous with professional baseball for more than 150 years—will be outlawed from the game. A campaign backed by members of Congress and Commissioner Bud Selig

## Wisconsin Targets RYO Machines

**State-issued letter seeks tax revenues from owners of in-store rolling machines.**

At the urging of Wisconsin Gov. Scott Walker, the state's Department of Revenue sent out a letter warning owners of roll-your-own tobacco machines that they are required to comply with state laws and must stop avoiding paying cigarette taxes. According to state law, if a retailer—or one of that retailer's customers—operates a roll-your-own machine on the retailer's premises to make cigarettes, the retailer is deemed to be a cigarette manufacturer and distributor,

in which case the retailer must obtain manufacturer and distributor permits from the Department of Revenue.

Such retailers are required to have certification from the state Department of Justice that places them on the state's list of approved cigarette retailers, and they must also receive certification from the state Department of Safety and Professional Services that confirms that the RYO cigarettes meet fire safety performance standards.

## California: Sales to Minors Down

**Tobacco sales to minors is at all-time low.**

According to health officials in California, sales of tobacco products to minors have reached an all-time low. The 2011 Youth Tobacco Purchase Survey shows that only 5.6 percent of retail outlets sold tobacco to minors, the lowest rate in the 16-year history of the survey. In reporting the story,

San Jose's *Mercury News* said that tobacco shops, convenience stores, drugstores, liquor stores, gas stations and supermarkets have experienced the sharpest declines, with non-traditional tobacco retailers responsible for a much higher number of illegal sales to minors.

## José Blanco Joins Joya de Nicaragua

Blanco will oversee brand and blend development.

Joya de Nicaragua, S.A. (JDN) has appointed José Blanco, formerly a director of La Aurora Cigars, as senior vice president. Blanco brings 29 years of marketing, public relations and tobacco-blending experience to the role. He will be responsible for overall brand and blend development and will be reporting directly to its owner, Dr. Alejandro Martínez Cuenca, and the company's board of directors. Working closely with Drew Estate, the company's U.S. distributor, and the company's worldwide partners, Blanco will also be responsible for interacting with the public. He will be relocating from the Dominican Republic to Nicaragua to fulfill his duties.

"Joining Joya de Nicaragua allows me to do what I love and feel passion for: working with tobacco," said Blanco, age 61, who started his career in the cigar world sorting tobacco from his father's farm and began regularly smoking cigars at the age of 16. "Joya de Nicaragua is in my opinion an honorable company with strong tradition and history, which I value highly. Furthermore, it will be a great honor to work with my dear friend, Dr. Alejandro Martínez Cuenca. In this company I visualize growth, creativity and overall great potential."

Cuenca, in turn, expressed enthusiasm about the experience and skills Blanco will bring to the company. "José



will bring new blood and fresh ideas that will allow us to expand our lines of production. His experience in blending and marketing will complement our own efforts and will undoubtedly result in a great contribution to the development and growth of Joya de Nicaragua in both the U.S. and worldwide markets."

"I have always respected José," said Steve Saka, president of Drew Estate, commenting on Blanco's appointment. "He is one of the few guys in our business who will tell you what he really thinks. I like that in an individual; plus,

he is as crazy about cigars and tobacco as I am. He is a total cigar geek, so I am really looking forward to having the opportunity to work with him to grow the love for Joya de Nicaragua. He is going to be a great fit."

"Yeah, yeah, yeah, sure he knows all about cigars," added Jonathan Drew, owner and co-founder of Drew Estate, commenting via an iPhone video. "But the thing I like best about Blanco is his accent. Sometimes it is Dominican, sometimes it is Bronx, but it is never one of those Dominican-Bronx accents."

## Missouri Coalition Seeks to Quintuple Cig Tax

The state's 17-cents-per-pack tax would jump to 97 cents.

A coalition in Missouri has filed for a ballot initiative seeking to raise the state's cigarette excise tax to 97 cents. Behind the effort are the American Cancer Society and a coalition of health, education and busi-

ness groups, which will have to collect more than 90,000 petition signatures by May 2012 to get the measure on the ballot for the November 2012 general election.

While the American Cancer Society

claims the increase would raise about \$308 million, critics note that tax hikes generally send smokers over state borders and to the Internet to purchase cigarettes.

## Boise Ban Would Exclude E-Cigs

A proposal to expand Boise, Idaho's smoke-free workplace ordinance to ban smoking in bars, private clubs, retail stores and outdoor parks will exclude e-cigarettes. As written, the proposal defines "smoking" as "inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or other tobacco or plant

product intended for inhalation in any manner or in any form. 'Smoking' does not include the use of an e-cigarette, which creates only a vapor without any smoke." The wording of the ordinance suggests what harm-reduction advocates have long been expounding: E-cigarettes eliminate the risks associated with secondhand smoke.



## Boston Seeks E-Cig Ban

**Proposed rules would restrict sale and smoking of electronic cigarettes.**

The Boston Public Health Commission unanimously approved proposed rules that would crack down on the sale of electronic cigarettes, popularly known as e-cigarettes, regulating them like actual cigarettes.

The commission's proposal would require retailers to obtain a permit to sell them and prohibit their sale to minors. Despite the fact that e-cigarettes do not emit smoke, the proposal would also ban use of e-cigarettes in the workplace.

"We don't know what people are inhaling with these e-cigarettes," said Nikysha Harding, director of tobacco control for the commission. "We see these as a gateway for youth to become addicted to nicotine."

The board also gave initial approval for doubling the fines for retailers who sell tobacco products to

consumers under age 18 or violate other tobacco control regulations. The rules also would prohibit the sale of low-cost, single cigars just slightly larger than cigarettes that have become an attractive option for price-conscious youth looking for alternatives to cigarettes. Called cigarillos, these sell for as little as 50 cents each.

After a monthlong public comment period and a public hearing, the commission will vote on Nov. 10 whether to make the rules final. They would become effective within 30 days, except the cigarillo restrictions would go into force 60 days later.

If the rules become final, retailers would have to apply for a permit through the commission's Tobacco Control office to sell e-cigarettes, which are often marketed as nicotine replacement therapy. The

regulations would require that the devices be placed behind the store counter, like tobacco products, and that they not be sold to minors. E-cigarette use would be banned in the workplace, which includes restaurant patios and decks, and loading docks.

At least two other Massachusetts communities—South Hadley and North Attleborough—already regulate the sale of e-cigarettes, according to the Boston commission.

Under the rules, cigarillos would have to be sold in their original manufacturer packaging of at least five and bear a health warning.

Fines for retailers found in violation of the city's tobacco control regulations would rise from \$100 for the first offense and \$400 for the fourth offense in 12 months to \$200 for the first offense and \$800 for the fourth offense in 24 months.

## Jack Toraño Joins Toraño

**The Toraño Family Cigar Company has named family member Jack Toraño as marketing and customer relations manager.**

Jack Toraño began his career in tobacco at Lopez Leaf Tobacco in the early '80s. But then he took a detour into the music business, working with his brother, Sandy Toraño, in Chicago at a company called Scandal Music. Working on developing jingles for television and radio commercials, he helped create ads for McDonald's and Nintendo.

Jack's love of premium cigars has since brought him back to Miami and into the family business, says Charlie Toraño, where his background in adver-

tising will be an asset to Toraño Family Cigars. "Jack is the prodigal son of the Toraño family," he says. "It took us 16 years to get him back in Miami."

Jack Toraño will replace Oliver Hyams, who is going to work with his father, Gary Hyams (see "Going With Gurkha," p. 74). "Oliver has been an important member of our team, but I, more than most, understand Oliver's desire to work with his father," says Charlie Toraño. "I wish him much success."



The appointment is one of many changes that have taken place recently, he adds. "I feel strongly that we have all the right pieces and persons in place to move the Toraño Family Cigar Company into a position to provide retailers and ultimately our customers with the best cigars and service possible."

# Talking Tobacco Regulations with the FDA



By Thomas A. Briant, Executive Director, National Association of Tobacco Outlets

On Aug. 24, the staff of the FDA's Center for Tobacco Products met with retail representatives in Dallas, Texas, as a part of the agency's ongoing Stakeholder Discussion Series to discuss issues and allow industry input on the current FDA tobacco regulations.

NATO Executive Tom Briant and nine NATO members attended the FDA Stakeholder Discussion. Representation included NATO President Andrew Kerstein; NATO Vice President Mary Szarmach of Smoker Friendly; NATO board members Anne Flint of Cumberland Farms and Nef Garcia of McLane Company; and NATO members Paul Francis of Farner-Bocken; Jay Fox of Up In Smoke Stores; Keith Jones of 7-Eleven; Keith Canning of Pine State Trading; and Bhavani Parameswar of King Maker Marketing.

Dr. Lawrence Deyton, the director of the FDA's Center for Tobacco Products, opened the meeting and assured the retailers and wholesalers in attendance that the FDA wants to develop open lines of communication and allow for industry feedback on regulations. He noted that the FDA is currently reviewing the Tobacco Products Scientific Advisory Committee (TPSAC) report on menthol in cigarettes; the TPSAC is conducting a review of dissolvable tobacco products; the agency just recently issued a final rule on cigarette graphic warning labels; and the FDA is considering whether to regulate other tobacco products, including cigars and pipe tobacco.

During the meeting, NATO representatives renewed the association's request that the FDA consider hiring a staff person to send out letters to those retailers that successfully pass FDA-sponsored compliance inspections to provide positive reinforcement of complying with tobacco regulations. With more than 19,000 retail store compliance inspections completed, and with approximately 97 percent of the retailers inspected successfully passing the inspection, NATO staff explained that a FDA notification letter informing the store personnel that they passed the compliance inspection would reinforce the importance of complying with tobacco regulations and allow store managers to commend the performance of store clerks.

A second issue that involved a significant amount of

discussion was the status of a set of standards for retail clerk training programs. While the FDA tobacco regulations do not require a retailer to have a clerk training program, the FDA did issue a draft Guidance in July 2010 with suggested elements for a clerk training program. Even though the FDA will not certify any particular commercial retail training program, the tobacco regulatory law does require the agency to issue a set of standards to be included in training programs in order to be an approved training program under the law.

Using a training program that complies with the yet-to-be-released standards will allow retailers to receive a lower fine if store employees violate the FDA tobacco regulations by such actions as not checking photo identification of customers younger than 27 years old or selling tobacco products to a minor. NATO staff urged the FDA personnel to prioritize the release of these training program standards so that retailers can determine if they are using an approved training program.

Another issue discussed by several attendees was the need for the FDA to clarify what steps adult-only tobacco stores need to take to be allowed to have self-service displays of cigarettes, RYO tobacco, and/or smokeless tobacco products. This is a concern because the FDA has been issuing warning letters to adult-only stores indicating that because a minor could walk into the store, the presence of self-service displays is a violation of the FDA regulations even though a minor was not present in the store at the time of inspection. NATO intends to seek further clarification from the FDA on this issue.

One final issue discussed at length was the how the FDA will classify retailer violations of the regulations and how money fines will be assessed. The FDA indicated that the first time a retailer violates one or more of the regulations on an initial compliance inspection, the retailer will receive a warning letter that does not include any fine. The FDA staff indicated that they are working with the agency's attorneys to determine exactly how fines will be assessed on subsequent inspections if more than one regulation is violated during a subsequent inspection.

NATO will continue to work with the FDA and provide input and feedback on regulations that impact tobacco retailers. **TOB**

# Retail Trend Report

What the latest trend data say about where retail is going.

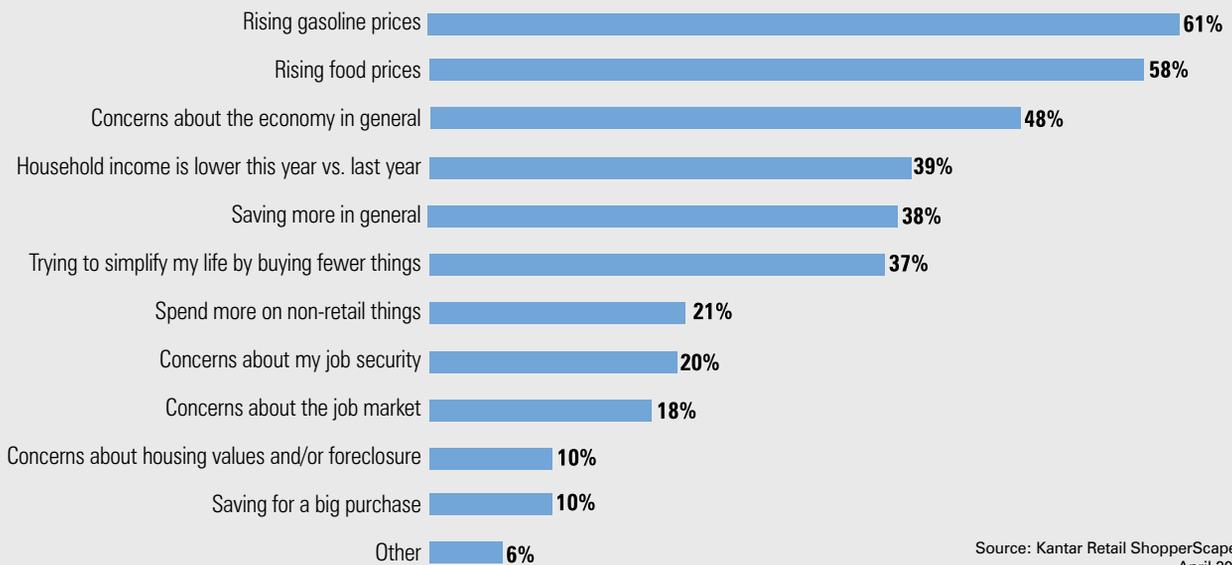
Recently *TOB* had the opportunity—courtesy of our friends at Enterprise Ireland—to attend a seminar on the U.S. Retail Landscape of Today and Tomorrow, presented by leading retail consultancy Kantar Retail. While the data covered retail broadly, rather than a specific category, we felt the information compelling enough to justify a departure from our traditional format.

In leading off the session, Bryan Gildenberg, chief knowledge officer at Kantar, noted that the retail industry as a whole has weathered the recent economic uncertainty relatively well, but cautioned that this happy state of affairs is unlikely to continue. “The things that drive consumption recovery are people having jobs and feeling good about the value of their homes, and both are problematic at the moment,”

he noted. “Retail as a whole has been outperforming GDP for the past 12 to 15 months, but in a [tight] credit market, that is not sustainable. So our estimate is that right now, 2012 will be an interesting year for the economy, and it will be a relatively tough year for retail.”

Already, he noted, shoppers are spending less and changing their spending patterns due to the economic climate. Rising gas prices, for example, are prompting shoppers to make less frequent trips and to seek out ways of limiting travel, such as buying online. In fact, 25 percent of consumers surveyed about changing shopping patterns reported doing more shopping online (See “Measures Taken to Offset Recession Concerns,” p. 28). “You have seen shoppers probably change behavior more in the last two to three years

## Reasons Consumers Plan to Spend Less



Source: Kantar Retail ShopperScape™  
April 2011

While U.S. retail sales grew at **2.5%** over the last five years, e-commerce grew at **10%**.



than in history," said Gildenberg. "The economy is pushing people to shop differently—that is, pushing them to buy digitally, which is pushing what they will pay."

These trends have important implications for retailers seeking to safeguard their market share, suggesting that:

- Front-end solutions and displays will be more critical than ever for retailers who rely on impulse purchases for profits;
- Shorter trips and budgeting pressures will make smaller sizes and packs more attractive buys for shoppers;
- As Americans increasingly buy products online and use social media, an online presence will be more critical to retail success.

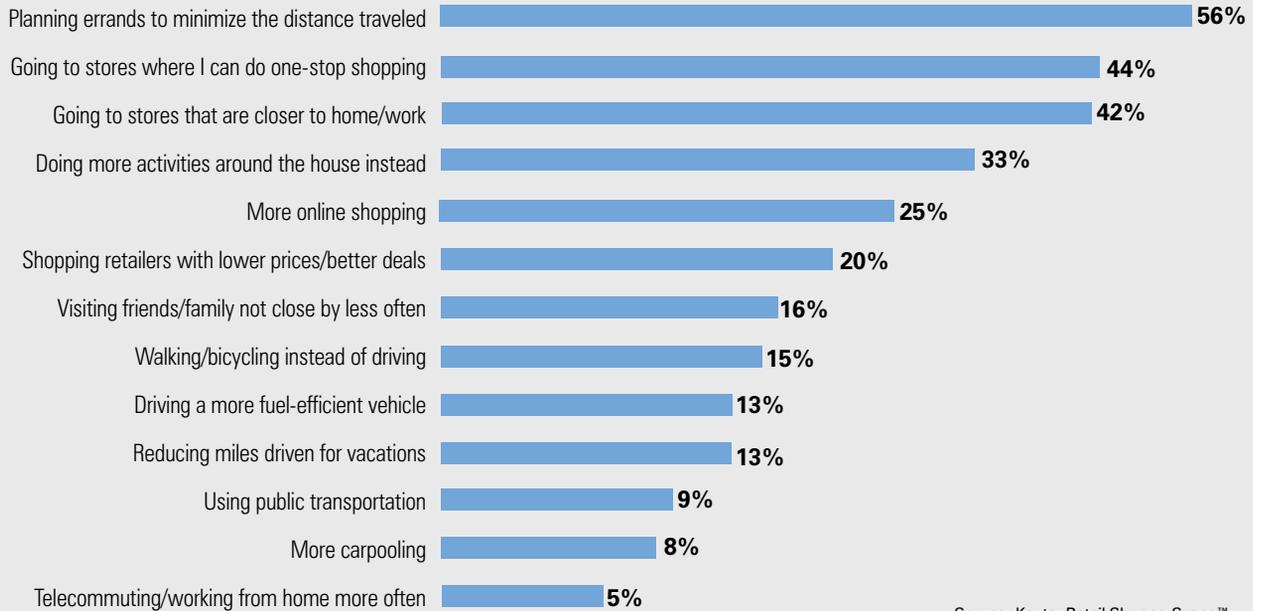
Additional highlights of the data presented at the seminar

follow. *TOB* thanks Enterprise Ireland and Kantar Retail for sharing these findings with our readers. **TOB**

**Eight Top Economic Factors Currently Affecting Retail**

- Jobs and Income
- Investment
- Confidence
- Prices
- Interest Rates
- Housing Market
- Wealth
- Demographics

**Measures Taken to Offset Recession Concerns**



Source: Kantar Retail ShopperScape™  
April 2011

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# CIGAR SENSE



## Social Networking, Stogie-Style

Who knew cigar smokers, purveyors and manufacturers would turn out to be such social-media butterflies?

By Renee M. Covino

Cigars and social activity seem to go hand in hand: On the golf course, at a poker game, in a smoking lounge, cigar lovers unite, typically enjoying their beloved stogies en masse. And even when they enjoy them solo, they often love to talk about them later. So it makes sense that cigar consumers, manufacturers and retailers would gravitate toward the social gratification of social media. And they have. Consider just a handful of social networking/stogie examples:

### TORAÑO TALK

With about 2,900 followers on Facebook at press time, the **Toraño Family Cigar Company** posts about every day on its page. Each post currently gets, on average, a half-dozen responses, according to Jack Toraño, recently appointed marketing and customer relations manager, whose new job, in part, includes managing social media. “It’s a form of communication that everybody seems to be enjoying; it’s an easy way to communicate in a world where people actually talk less and less,” he relays to *Tobacco Outlet Business*.

While he’s just starting to put together and test company contests, promotions and other social media excitement, he observes that cigar lovers are notorious for wanting to pass around online images of themselves enjoying their favorite pastime. “We see that more and more, people love to take pictures of themselves smoking cigars—it makes for a great shot and great publicity for the industry,” he adds.

### DRIVING DREW

**Drew Estate** is a cigar manufacturer even more entrenched in social media currently, with about 3,700 followers on its Facebook group page, nearly 5,000 followers and friends linked to company personnel profile pages (such as the page for Jonathan Drew, chairman of the company), and nearly 2,000 Facebook fans “liking” its Cigar Safari Facebook profile (promoting its Nicaragua factory tour and trip, which is open to all cigar lovers). It also is “very active” on Twitter with about 3,800 followers, according to John Brooke, public and media relations

manager for Drew Estate, who says he introduced Jonathan Drew to Facebook a couple years ago, and then when it really took off for the company, was hired to manage it. Drew Estate recognizes that social media is “a great way to connect with our consumers and fans—we have an awesome fan base, die-hard people who show us a lot of love on Facebook and Twitter,” says Brooke. “It’s cool to be able to connect with them on a personal level.”

When people post on Drew Estate’s wall or send a message, “we try to respond to everyone,” maintains Brooke. “We have a handful of ‘super fans’—that’s what we call them internally—who make it their goal to smoke as many of our products as they can and they promote us, bring people into the Drew Estate flock or fold,” just by their posts. The company is grateful for these super fans “who know who they are,” according to Brooke.

Drew Estate also has “quite a few retail friends with us,” relays Brooke. “They post events on our wall and then we can share



that with our whole fan base. This has really grown quite a bit.”

## SMOKE STACK'S SOCIALIZING

One such retail friend of Drew Estate is Ruben Abreu, president and owner of **Ruben's Smoke Stack** in Hackensack, New Jersey, in business for 16 years and into social media for the past three. “We think it's pretty neat to be able to communicate with people all over the world about cigars,” says Abreu. He says the connections to both customers and sources have been invaluable in growing his business. “Social media basically gives us access to new brands, new arrivals; we put a picture up with a write-up and that generates buzz, and pretty soon, people are calling from everywhere about our cigars,” Abreu tells *Tobacco Outlet Business*.

Huge social media buzz was created around this October's fourth release of Tatuaje Monster Series cigars, The Wolfman, which are highly limited, with 13 “unlucky” retailers being chosen to carry the dressed-up boxes; Ruben's Smoke Stack was one of them. “All 31 boxes we received sold out on day one,” relays Abreu. “It was crazy, we were getting congrats on Facebook for

being one of the chosen 13, people were calling, it all happened so fast.”

Abreu also says that social media has given him access to reach out to small companies he might never have heard about. One example of that is Alberto Medina, a very limited boutique cigar manufacturer in Miami. “I met him through Facebook and learned about his PIO Resurrection brand, and discovered it was the No. 2 cigar in 2009 in *Cigar Aficionado*, which compared it to the Padrón 26, which I love; so I reached out to him, he sent me samples, and the next thing I know, I'm on the phone with the guy and now the brand has been in my store for the last six months,” Abreu relays. “He's also coming to the New York area and doing an event

for me. This all happened through social media; it's a cool way of reaching out to manufacturers of small boutique companies.”

## ORIENTING OUTLAW

**The Outlaw Cigar Company**, with its flagship store in Kansas City, Missouri, and a “south” store location in Overland Park, Kansas, is definitely having a lot of fun with social media, thanks in part to the creativity and spirit of owner Kendall Culbertson. The company is known for its playfully “bad” attitude—telling customers on its website “don't leave your attitude at the door. You'll be needin' it inside.” Regarding Facebook and Twitter followers, it dares customers to “become a fan... or else!”

While it has been involved in social media for a while, it has gone after it aggressively for the past two years, according to Culbertson. “Aggressively” means I have a full-time social media

marketing guy who's out there and very involved in the cigar community,” he explains. “It's not just him and our bloggers talking about The Outlaw and what we offer, it's about getting involved in the cigar community, knowing what's hot and what's driving the market. To be successful, we have to understand what's going on, and I don't want to get there standing on the sidelines. We have to be involved in everything social media first-hand.”

That means the usual blogging and posting of events, products and issues on Facebook and Twitter. But it also means something more—whatever Culbertson can dream up to get people interested and to respond. One of his recent social media traveling “stunts” involved him tweeting a photo of himself standing under a legitimate road sign that said “F U.” Culbertson asked his followers, “Where am I?” and offered a free cigar to the first three people to respond correctly. (The answer was where Highway F intersects with Highway U in the small town of Cole Camp, Missouri.)

Culbertson also utilizes tweet and text programs whereby when new products come out, he will text customers and offer them a 25 percent discount if they come

CONTINUED ON PAGE 36



## SOCIAL STATUS

Think social media doesn't affect your cigar business? Think again. Consider some of the ever-growing statistics that reflect a changing e-communicating world of consumers—i.e., your changing customers:

Social media accounts for one out of every six minutes spent online in the U.S. (Adage.com, Journalism.co.uk).

Social media has overtaken porn as the No. 1 activity on the Web (Socialnomics.com).

Facebook tops Google for weekly Internet traffic in the U.S. (Socialnomics.com).

If Facebook were a country, it would be the world's third-largest and two times the size of the U.S. population (Socialnomics.com).

**PEOPLE ON FACEBOOK:** There are more than 800 million active users; more than 50 percent of those active users log on to Facebook on any given day; the average user has 130 friends (Facebook.com).

**ACTIVITY ON FACEBOOK:** More than 900 million "objects" (pages, groups, events, community pages) are interacted with on Facebook; the average user is connected to 80 community pages, groups and events (Facebook.com).

**MOBILE USE OF FACEBOOK:** More than 350 million active users currently access Facebook through their mobile devices (Facebook.com).

40 percent of U.S. mobile subscribers regularly browse the Internet on their phone; 12.5 percent of all e-commerce transactions will go mobile by the end of the year; mobile Web traffic will surpass PC traffic by 2013 (Adage.com, 60 Second Marketer).

59 percent of adult Facebook users had "liked" a brand as of April 2011, up from 47 percent the previous September; uptake among the oldest users appears to have been a major factor in this rise (Adage.com, eMarketer.com).

Groupon is on track to bring in between \$3 billion and \$4 billion in revenue for 2011 (Adage.com, Knowledge@Wharton via MSNBC).

Social media advertising spending will increase from \$2.1 billion in 2010 to \$8.3 billion by 2015 (Adage.com, BIA/Kelsey via Direct Marketing News).

80 percent of U.S. companies use social media for recruitment (Socialnomics.com).



## CONTINUED FROM PAGE 32

in and purchase them in the next 48 hours. It's all meant to get customers engaged on a regular basis, keeping their excitement and momentum high for cigars.

Coveted cigar events at The Outlaw are also posted on social media. The reminders go out the morning of and photos go out actually during the event. "Email is more of what's happening this week, this month, but Facebook and Twitter are what's happening right now, a this-minute type of communication," Culbertson explains. The store also uses YouTube and its website to post videos from its parties. "Our videos on YouTube are near 1 million views—probably the most in the industry," Culbertson tells *TOB*.

Perhaps even more cutting-edge, The Outlaw is using QR codes (Quick Response codes are a type of barcode) to launch its videos from a smart phone. "When we advertise our store we focus the ad on a QR code that launches a video that highlights our store and events," says Culbertson. "In our calendar that we produce for each year, we imbed a QR code in each month that plays that month's party video from your smart phone."

## SOMETHING FOR EVERYONE

Beyond those offered by manufacturers and retailers, many cigar groups have formed on Facebook and other social media sites. "**Chicks That Smoke Cigars and Guys That Love Them**" is a popular cigar forum on Facebook currently, with nearly 1,200 members at press time. "**Social Cigar**" is another one, also with a website claiming to be the "ultimate social network for cigar aficionados and cigar enthusiasts, featuring cigar forums, photos, video, live chat, groups, etc."

For those who think social media is mostly for the young, they might want to consider what Drew Estate's Brooke observes. "This really bridges the entire spectrum of age, just like cigar smoking. It's surprising really, but it's true. And older adults who may not have paid much attention to social media initially are jumping on board very quickly now."



It's important for cigar retailers to understand who their customers are "and what level of technology they're comfortable with and utilize every day," according to Culbertson. "Email is absolutely still the No. 1 Internet communication for the older cigar customers, but it's slowly changing," he says. "A lot of consumers in the 40-to-70 age range still don't use social media, but the next thing you know, they're signing up on it because they want to follow you. They want to know about that new cigar on the market, they want the deal you're giving out on it. I got guys texting with us that swore they would never text."

From Brooke's standpoint, "there's no reason not to get into it" for those in the cigar industry where it has truly taken off. "It takes five minutes a day" to post a picture and some thoughts—"and that's enough to keep people interested." On the flip side, he believes there's not much point in having a social media profile if you don't update it at least once a day.

Abreu of Ruben's Smoke Stack certainly posts every day, and he keeps it fresh by mixing it up—everything from new cigars to silly pictures to serious thoughts of the day. Recent postings at press time included a mention of "The new CRA Sampler #3 from Cigar Rights of America. 10 great smokes and a year's membership for \$100. Great smokes and great cause!" Just for a laugh, a picture of a dressed-up skeleton

smoking a cigar was also posted in the month of October with the caption: "New member: Bite the Dust." And showing Abreu's serious and spiritual side, he will often post quotes such as: "When we admit that our lives have become unmanageable, we don't have to argue our point of view... We no longer have to be right all the time."

"The information that flows both ways is invaluable," says Abreu. "You can learn and talk about a topic on a moment's notice. It's also great to be able to tell customers when they call, 'You can follow us on Facebook.' People put it all together, they like making a new social media connection."

And it didn't take anything fancy to get started—Abreu began with his store's email and customer data. "I have a box where customers register with their name and email; they get weekly news happenings of what's in my store, new arrivals," he explains. "About a year ago, we linked all that to Facebook. We probably had under 1,000 contact names—now we have 3,000 fans."

Perhaps the most important point regarding the benefits of social media for cigar retailers and manufacturers—and any company utilizing it today—is that they are not necessarily tangible results, especially at first.

"Most people want to figure out the ROI on their time and money spent doing this type of thing, and when you look at the ROI of being on Facebook or Twitter, it does not look good, we're not getting orders through it," offers Culbertson. "It's more about an overall impression consumers get from your company from doing this; it's about your level of professionalism, as well as how trendy and innovative you are."

Culbertson challenges other cigar retailers to make a decision about whether they want a growing business—or a stagnant one. He says it's not enough to have nice, informative employees, a great atmosphere and fresh products. "That's what everybody doing business in cigars offers," he states. "Now, it's about what are you doing above and beyond that—and social media is a big part of that." **TOB**

# *All Aboard the* **TPE** **EXPRESS!**

**Don't miss the excitement at the Tobacco Plus Expo International 2012 in Las Vegas.**

**T**he largest tobacco show in the United States will open at the Las Vegas Convention Center in Nevada on Feb. 1. The not-to-be-missed event promises to be the year's best opportunity for retailers, manufacturers, distributors and wholesalers to share insights, do business, and learn about industry news and trends.

The show will feature more than 36,000 square feet of exhibits showcasing tobacco products and accessories, including many international exhibitors. With approximately 90 percent of those exhibitors offering show deals exclusively available to TPE International attendees, TPE International is an industry event you can't afford to miss.

For the third year running TPE 2012 will host the Cigar Bar and Lounge, a comfortable retreat where attendees can gather for informal meetings or to simply to take a break while enjoying a complimentary beer, wine or soft drink. Attendees will also have the opportunity to attend two educational seminars. Seth Mailhot, special counsel in the food and drug law group of Sheppard Mullin Richter & Hampton, will present "A Lot of Smoke But Is There Really a Fire? FDA's Enforcement of Tobacco." His session will be followed by a premium cigar panel moderated by the Cigar Rights of America's Glynn Loope.

The first day of the show will culminate with a Super Bowl-themed opening night reception. This tickets-only event will be presented as a massive Tailgate Party featuring an oldies-focused rock-and-roll band, as well as giveaways, games, drinks and food.

All of this excitement takes place against the vibrant backdrop of Las Vegas, where you'll find plenty to enjoy during your downtime—from exploring its world-famous casinos and restaurants to enjoying spectacular shows.

Don't miss this opportunity to learn about and experience innovative tobacco products and accessories and to explore ways to grow your business in 2012 and beyond. Visit [www.tobaccoplusexpo.com](http://www.tobaccoplusexpo.com) today to find out more or to register for TPE 2012.





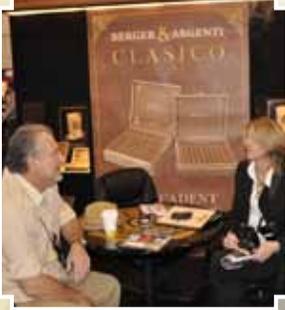
These photos show highlights from last year's Tobacco Plus Expo—2012's event promises to be bigger and better than ever!





As always, 2012 TPE attendees will enjoy educational seminars and networking opportunities, as well as browsing 36,000 square feet of product displays. These photos show highlights from last year's event.





## SHOW SENSE

Follow these five steps to make the most of your trade-show trip.

Sealing deals, making valuable connections, learning about new trends and business opportunities—attending a trade show can be a huge boon for your business. But it also means laying out travel cash and being away from your stores, so you'll want to make the most of the time and expense you're investing. These five steps will help you do just that.

1

**PLAN AHEAD.** Do your homework before you even set out for the show. Take the time to think through what you're most interested in accomplishing, whether that be forging connections with certain companies, learning about product innovations, or sharing information and experience with your peers. Having your priorities in place will help you meet your show goals.

2

**PRIORITIZE.** When an exhibitor list is available, sit down and go through it to create a "hit list" of the companies most critical to your business. Then go back through and prioritize those and set a realistic time to visit each. If, for example, your top priority is a company with broad appeal, don't head straight there as soon as the show opens, when the booth will be swamped.

3

**PARTICIPATE.** A quiet night might seem more inviting than an industry cocktail hour after a long day of meetings and walking the show floor. Or maybe you're yearning to explore the town. Resist temptation. The best use of your trade-show time is to socialize with other attendees. You'll build your network and get an opportunity to share ideas and experiences with peers.

4

**CONSERVE YOUR ENERGY.** Do everything possible—for example, planning to arrive at a reasonable hour the day before the show opens—to get a good night's rest before the show. Ditto for the first night of the show. Staying out until the wee hours will cost you productivity the next day.

5

**KEEP AN OPEN MIND.** You never know exactly where you'll find opportunities. You may spy an unusual non-tobacco product category that might broaden your customer base or start chatting with the guy standing in line behind you at the buffet and find out he's a potential business partner. That's part of the fun—and the opportunity—of a trade show.

# Ready to Rally?



**Smokers and tobacco retailers need to position themselves as minority victims, says one Libertarian; other industry allies just agree that it's time to collectively organize a strong offense.**

**By Renee M. Covino**

**W**hat if smoking was more typically viewed as a chosen lifestyle versus a deadly habit? What if tobacco retailers were more popularly seen as merchants of liberty versus merchants of addiction?

Persuading the tobacco industry to

reposition itself as a political, minority, and victims movement was the focal point of a speech made by Jon Caldara, president of Libertarian think tank The Independence Institute and a news radio host in Boulder, Colorado, at the 15th annual Smoker Friendly

International Tobacco Festival & Conference, held this past August in Boulder. (See Event Highlight, p. 68.)

“You are in an industry that is dying; if smokers do not get organized and sell themselves as victims, tobacco will become a completely controlled

# Ready to Rally?

substance,” declared Caldara. “But as soon as you embrace your ‘victimhood,’ you will win.” He further urged retail attendees to “remember you’re selling a wee bit of liberty” and “to sell it with gusto.”

More recently, Caldara elaborated on his ideas for *Tobacco Outlet Business*, explaining that “an organized minority is more effective than a disorganized majority—and that’s what needs to happen with smokers.” He urges the industry to think of it in terms of a “mega-shift in attitude” and having a sense of “smoker’s pride”—that is, those who choose to smoke need to get their message across as “I understand the risks, this is my lifestyle, this is America, how the hell dare you use the power of government to discriminate against me and separate me from my chosen pursuit of happiness,” he suggests.

He provides examples where this type of attitude, coupled with intelligent rallying, has worked well for minority groups: In Caldara’s state of Colorado, motorcyclists (certainly a minority on roads and highways) fought and won their right to not have to wear helmets while riding, which, Caldara points out, is counterintuitive to state seatbelt laws. His even more widespread example goes to the homosexual rights groups across the country, which have been gaining acceptance and freedoms (such as to legally marry) for their

community over the last few decades. He believes there is something to be learned from them.

“Here is a group that’s only about 3 percent of the population, garnering that much acceptance for their lifestyle,

smokers don’t see themselves as a victims group, whereas homosexuals came together and started to identify themselves as those who didn’t want to be forced in the closet anymore.”

## STEP 1: LET GO OF SHAME.

Caldara (who admits he’s neither a smoker nor one who fights for the homosexual community, but rather a strong proponent of diversity) says smokers, as a first step, need to begin to see a “bond” among their chosen lifestyles, using their collective strength to walk taller and let go of shame.

“I find, as a general characteristic, smokers are self-loathing and embarrassed about their lifestyle; there is no pride, there is mostly shame,” states Caldara. He understands that there are those who want to quit, but for those who don’t want to stop smoking, “They should view their lifestyle as a choice and stand up for themselves, not be embarrassed by it,” he adds. From his perspective, the attitude should be, “We need to celebrate this perk of adulthood called smoking, and we need to do it in a way that is not shameful, because we’re here and we’re staying.”

And that shame should be replaced with more industry spokespersons, suggests Joseph

which a vast majority of people previously found repugnant, immoral, however you want to put it, and yet smokers, now about 20 percent of the population, have a lifestyle that is not tolerated in the slightest and punished by outlandish taxes—how is this so?” Caldara asks rhetorically. “It’s because

Bast, president of The Heartland Institute, a nonprofit free-market think tank based in Chicago. Like Caldara, Bast is a nonsmoker who defends the rights of smokers. “The main reason I think this is important is the question of individual freedom,” he tells *TOB*. “The idea that you can tax, without limit, people using



# Ready to Rally?

a legal product is an outrageous threat to our other freedoms.”

He agrees with Caldara that as a group, smokers typically have low self-esteem and generally appear to blame themselves for their shortcomings, rather than standing up for themselves and saying, “Hey, you’re violating my rights.”

“This is enormously annoying to me; why don’t we have more smoking spokespersons?” offers Bast, who in 2006 wrote a policy document entitled, “Leave Those Poor Smokers Alone!”

In his paper, Bast criticized the “\$600-million-a-year antismoking industry, funded largely by taxes on tobacco products, willing to use junk science, scare tactics, lawsuit abuse and government force to demonize a product and its users. It’s a textbook campaign for stealing the rights of a minority and making government bigger and more powerful. It should be repugnant to anyone who is a friend of freedom,” he wrote.

And now, five years later, with smoking bans and legislation strangling even more smokers’ rights, Bast says it’s imperative that they stick up for themselves. “Smokers need to wake up; it’s time they got off their asses and did something,” he states frankly.

## **STEP 2: ORGANIZE MORE EFFECTIVELY.**

And this means coming together and organizing. Caldara says that as passionate as he is about the rights and freedoms of

smokers being taken away, “I’m almost as angry at smokers who refuse to stand up and organize and say, ‘I’m not taking this anymore.’”

Bast suggests that every major city form a smokers’ club—“How tough is that?” he

## **STEP 3: MAKE TOBACCO OUTLETS THE RALLYING AND COLLECTION POINTS.**

The most logical home base for this or any rallying is the tobacco outlets.

First of all, Bast says, “Social movements need funding, and it’s not going to come out of the tobacco companies, but it could come from retailers who see the writing on the wall—they could agree to collect contributions for these smokers’ clubs.” He suggests that even a glass jar on the counter that reads, “Support your local smokers’ club,” where patrons could throw in their leftover change, would be effective in covering the cost of designing a website and mailing to legislators, “all the nuts and bolts of local rallying,” he says.

Caldara agrees and calls tobacco outlets the “natural collection points.”

But even putting collections aside, tobacco outlet retailers have a clear edge, and perhaps even responsibility in all this, that they’re not fully standing up to.

According to Farrell Delman, president of the Tobacco Merchants Association, tobacco retailers across the country “are often now the only venues in town where people can consume [combustible tobacco] indoors.

A bunch has decided to get licenses to serve alcohol and host parties, but every outlet store in America should be promoting that,” he advises. “They have a huge advantage over everybody else and most haven’t taken advantage of that.”

The way Caldara sees it, “Owners and proprietors need to see themselves as the



says. Off the top of his head, Bast offers “Smokers of Chicago Unite” as a naming example. “You trademark it, put up a website, smokers sign up, you create a blog, you defend your rights, you get a national network of these and you’re on your way. It’s an entrepreneurial niche or opportunity for somebody to start pushing it.”

# Ready to Rally?

rallying point, because if they don't, those shops are going away."

## STEP 4: POSITION CIGAR BUSINESS AS THE FIRST LINE OF PUBLIC RELATIONS.

Of all the tobacco consumer segments, "Cigar smokers and pipe smokers have a stylist edge," maintains Caldara, and therefore "will probably be our first line of public relations" in what he hopes, for the industry's sake, will be near-future rallying.

Delman agrees, maintaining that of all the consumers of tobacco products, "I would place the premium-cigar smoker as the most vigilant." He goes on to explain that while the consumption of cigarettes has declined in the last several years, and consumers would never stand up for their rights, the consumption of cigars has grown. From a public relations standpoint, "In the absence of inhaling smoke, there is no real good data out there that says holding cigar smoke in your mouth is bad for you—other than some questionable data pointing to tongue-related issues," he relays. "And premium-cigar smokers, or large-cigar smokers, do not smoke very frequently; it is not a mass product consumed by a mass society. It is a 'relax and enjoy' experience done by consumers who are prepared to stand up for their right to choose what they like."

And so because cigars are viewed by

most as being more "social" in nature, "It's easier politically to sell the message that the cigar segment needs to be treated differently than tobacco as a whole," offers Glynn Loope, executive director of Cigar Rights of America (CRA).

to legislators—that is, make them more aware of "the role many cigar shops have in the community fabric," he says.

He likens the established community tobacconist to "the modern-day version of barber shops and haberdasheries on Main Street. So we need to do a better job of making the local tobacconist part of the institutional framework of these communities."

Recently, the CRA brought in a local congressman to an area cigar shop one Saturday morning for "politics and coffee"—and to let him "use the shop and know how our folks were thinking," Loope explains. "He learned about cigars, our business, and the threats to our business." He digested the day's events and later signed onto a tax cut bill for cigars. "This is what needs to be happening all over the country," adds Loope.

New York Assemblywoman Michelle Schimel is an advocate for small-business tobacco shops and a sponsor of the tax cut bill in New York for cigars, who, according to Loope, recently stated that the issue is not about tobacco but about another empty building on Main Street, America. "This is a fabulous statement for our industry, perhaps the best I've heard in a long time, and from a female Democrat nonsmoker," says Loope.

Schimel also pointed out at an October legislative breakfast that the feeling in New York's capital is that if smoke shops are successful and you tax them, tax them some more. As a result, she continued, they are being forced out and being driven to the Internet. Apparently, she's one who gets it, but the industry needs to channel more like her. **TOB**

## STEP 5: INVITE • LEGISLATORS INTO ESTABLISHED TOBACCO AND CIGAR SHOPS TO APPEAL TO THEIR BUSINESS SENSE.

Loope believes the cigar industry needs to be more effective in getting its small-business entrepreneurship message across



# Celebrating with Smoker Friendly

## Highlights from SFI's 15th Annual Tobacco Festival & Conference

**I**n August, more than 200 retailers gathered in Boulder, Colorado, for Smoker Friendly International's sports-and-team-themed annual festival and conference. In addition to browsing the displays of more than 80 vendors, attendees enjoyed a host of activities and events.

On the first day, Walt Gavin, of Leadership i2i, led a retailer session on leadership, followed by an afternoon session of roundtable discussions, where retailers compared notes and

shared ideas on best practices and profit opportunities. The day culminated with a cocktail party and dinner.

On Tuesday, all attendees gathered for conference sessions and award presentations, followed by the Tobacco Festival in the Gardens along Boulder Creek, a festival with music, cocktails and food, as well as buying opportunities for retail attendees. The pages to follow offer photo highlights from the festivities.



Marilynn Pepper, Mike Cole, Gary Poehlmann, Paul Charonnet and Terry Gallagher at the presentation of the 2011 Smoker Friendly Manufacturer Visionary Award to Swedish Match.



Joe Young, Lee Silverman, Terry Gallagher, Randy Silverman, and Jim Cohen at the presentation of the 2011 Smoker Friendly Retailer of the Year Award.

EVENT HIGHLIGHT



In addition to food and drink, festivities included playing hula hoops, browsing display booths, and competing in a golf tournament, which closed out the event.





## SFI Raises Funding to Fight Juvenile Diabetes

The company's Walk to Cure Diabetes effort raised more than \$36,000.

On the second day of the festival, Smoker Friendly International announced the results of its joint effort with The Cigarette Store Corp. to raise money for the Juvenile Diabetes Research Foundation (JDRF)'s Walk to Cure Diabetes by selling paper sneakers in their stores. The stores raised \$36,669 in a 45-day period in 2011. The two top-selling stores were the Smoker Friendly/Gasamat locations in Cheyenne, Wyoming, and Aurora, Colorado, each of which raised more than \$2,000.

Each paper sneaker sold for \$1. Another way customers could contribute was by rounding up their purchases to the nearest dollar for donation. By the end of the campaign, the stores' walls were covered with paper sneakers. "We are so proud to have the opportunity to raise these dollars through the dedication of our store crews and generous customers," says Kathleen Gallagher, vice president of business development for Smoker Friendly International LLC.

Smoker Friendly continued the effort in Boulder, Colorado, at its two-day 2011 Tobacco Festival & Conference, raising \$11,500 in donations from other Smoker Friendly retailers and participating manufacturers. These dollars combined with additional donations from The Cigarette Store have brought the



total contribution to more than \$80,000 so far in 2011.

JDRF funding and leadership are associated with most major scientific breakthroughs in Type 1 diabetes research to date. The foundation remains a global leader in driving Type 1 diabetes research science forward by funding more Type 1 research than any other charity. Each year, more than 15,000 children and teenagers are diagnosed with Type 1 diabetes in the United States—more than 40 per day.

Smoker Friendly has participated in the Walk to Cure Diabetes since 2007 and is very grateful for the dedication of the stores and humbled by the charitable hearts of all who contributed. **TOB**

# Going With Gurkha

A new CEO brings a fresh take to a company known for super-premium cigars and innovative packaging.

By Jennifer Gelfand

“Dream team” was the phrase that came to mind when the news that former CAO Chairman Gary Hyams had joined Gurkha Cigars as president and CEO hit the street back in June. The company already possesses a near-legendary reputation for brand-building prowess, courtesy of Kaizad Hansotia, the company’s formidable founder and creator of the “Rolls Royce of Cigars.” Hyams, meanwhile, boasts a similarly successful track record.

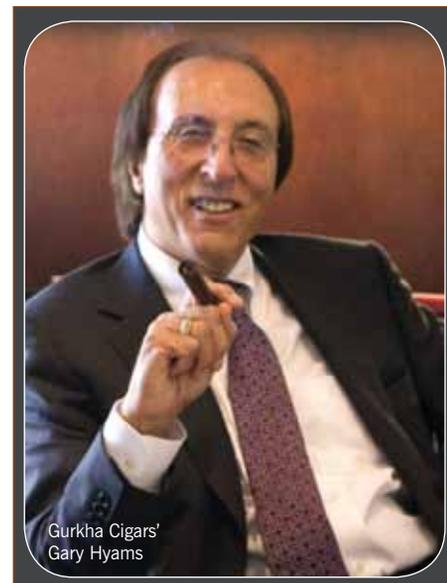
Originally from the United Kingdom, Hyams’ cigar career began with a home run when he played an instrumental role in building a small cigar company then known as Loretta Cigars into the second-largest cigar importer in the U.K. In his spare time he also managed to find success writing and playing music, penning several major hits, including “Close to You,” which became a No. 1-selling single for Maxi Priest.

In 2000, the company was sold to Henri Wintermans, which was part of the Scandinavian Tobacco Group, and he was named managing director of the new entity and charged with

helping it expand. “Because of my connections with U.S. companies, I was asked to search for an acquisition in the United States,” recalls Hyams. “However, most of the major mass-market companies had already been bought.”

Then, on a visit to the U.S. market, Hyams was invited by the Ozgener family to tour the new Nashville, Tennessee offices of CAO International. While sitting in the boardroom there he was asked, “What kind of company are you looking for?” “Maybe something like this one,” Hyams responded.

Several years passed before the remark was brought to fruition, but when the deal closed in 2007, Hyams was asked by the board of Scandinavian Tobacco to serve as chairman of the company. Under his leadership, CAO launched many strong new brands, including the enormously successful La Traviata. He also oversaw the 2009 acquisition of the Toraño and Olivas cigar factories in Nicaragua and Honduras, all the while working to maintain the culture of CAO International. “It was a great



Gurkha Cigars’  
Gary Hyams

company with very innovative people,” he says. “I think one of my greatest achievements was succeeding to keep that special boutique culture intact while making the necessary changes to integrate it with a corporate entity.”

Consolidation being the new norm in the cigar world, in 2010, Scandinavian Tobacco opted to merge with Swedish Match, setting the wheels of change in motion for both CAO and Hyams.

“Obviously, this was a very difficult year for me and the company as a whole, although I fully understood the rationale, as it had huge global implications for our Group,” he says. “These kinds of consolidation are happening in many other industries, but

especially in tobacco, because in static and sometimes declining markets, this is the only way to increase market share.”

Hyams worked closely with Dan Carr, president of General Cigar, to complete the merger, a task that he describes as

“not easy for either of us.” In January, with the deal-making done, he left the company to “take some time out. Then he spoke to the very persuasive Kaizad Hansotia (aka “Kaiser,” see “Gurkha: Going Places,” *TOB* March/April 2011), who requested that Hyams to do some consulting for Gurkha, which quickly turned into an offer to run the company.

In the months to follow, he’s been on something of a tear—traveling extensively to visit Gurkha’s operations, visiting with its customers, and working to restructure the company and develop new brands (see sidebar, “New From Gurkha”). “We have brought in senior management to run the international side of the business and the mass-market side with the company’s flavored brand, Cojimar, as well as a new financial controller,” Hyams notes. In addition, at press time Hyams’ son, Oliver, joined Gurkha to assist with the marketing, PR and communications efforts. Going forward, the company plans to leverage its boutique-brand strength to build a more global business. “Ultimately, we hope to be in a much better position to capitalize on opportunities in both premium and mass-market sectors, and to develop our products into global brands.” **TOB**

**NEW FROM GURKHA**



**Gurkha Royal Challenge:** A mild-to medium-bodied blend featuring a Connecticut Ecuadorean wrapper, a habano Honduran binder, and a Dominican/Nicaraguan filler. Retail price: \$5.98 to \$8.50.

Gurkha is in the process of rolling out three new retail-exclusive brands, all produced in the Dominican Republic factories (Cuevas) and Nicaragua (San Raphael).



**Gurkha Cellar Reserve:** A medium-bodied blend featuring a Criollo 98 wrapper, a Dominican olor binder, and a 15-year-aged Dominican filler. Retail price: \$7.99 to \$12.95.



**Gurkha Seduction:** A medium-bodied blend featuring an Ecuadorean habano wrapper, Dominican olor binder, and a corajo filler. Retail price: \$6.80 to \$9.50.

**“Ultimately, we hope to be in a much better position to capitalize on opportunities in both premium and mass-market sectors, and to develop our products into global brands.”**

# Triple-Play Tactics

**This savvy retailer is actually three retailers in one—a tobacco outlet store, a specialty coffee shop, and a convenience store—with three times the marketing opportunity.**

Business author and speaker Tom Peters got companies to think in terms of “nano” seconds back in the ‘90s—putting forth the idea that speed and moving forward are of the essence for cutting-edge companies, especially during times of crisis management.

The terminology struck a chord with Michigan entrepreneur Will Carne and his wife and business partner, Debbie—so much so, they aptly named their new convenience business “Nano Seconds” in 1995.

And true to its cutting-edge name, the business was not about to sit on status quo and stagnation. After four years of not realizing their intended business results, the Carnes did something radical—in 1999 they turned Escanaba, Michigan-based Nano Seconds into a mixed-format retail business, adding completely separate Smoker Friendly and Coffee Bean concepts, with separate entrances and canopies but also accessed once inside the main front door (the Smoker Friendly store naturally allows only adult customers to

enter)—thereby making it three stores in one.

“The three really go well together,” Debbie Carne tells *Tobacco Outlet Business*. “We thought we’d get good crossover traffic and it’s true,” adds Will Carne. “Everything just flows together—product-wise and customer-wise.”

So while the Carnes embarked on the tobacco outlet channel secondarily, to enhance their c-store business, many tobacco outlet retailers can learn from them in reverse—indeed, many are investigating adding to their assortments with coffee, alcohol and other related concepts. The Carnes are proving that if done right, diversion can offer real value to shoppers today, and smoking shoppers are no different. If anything, they are looking to purchase as much as possible from an establishment where they feel welcomed.

## TOBACCO STORE AND C-STORE AS ALLIES

And from a multiple-retail perspective, this concept is working well. All too



often, tobacco outlet stores compete with convenience stores on cigarettes and tobacco products, but in this case, they coexist in merchandising harmony, thanks to separate packs, cartons, brands and private-label strategies put in place by the Carnes. That is, the Smoker Friendly store basically sells cartons and its SF private-label products, while the Nano Seconds c-store sells packs, mostly premium brands.

The Smoker Friendly store enabled the Carnes to “give Philip Morris and RJR the boot,” according to Debbie

Carne. "We got rid of the contracts because we didn't want them coming in and telling us where we had to put our cigarettes and what to sell them for—no, this is our store," she says. While they are on contract with the major tobacco companies at the Nano Seconds store, she relays that it's tolerable because "they don't even walk into the Smoker Friendly store anymore."

Of course, part of what makes the business as a whole so successful is that flexibility is woven in. Debbie Carne explains that she will take special orders for certain Smoker Friendly customers who want to purchase cartons of premium cigarettes. "Because we're not on contract, they're not getting the buy-downs, they're not getting \$3.50 off a carton; but they've gotten to know us over the years, we treat them nicely, and they like to buy from us because they're not hassled."

Special orders on other "specialty" items such as Nat Sherman cigarillos and Djarums are also offered to customers upon request. "Special orders keep them coming, we absolutely do that," says Debbie Carne.

Here are other business and marketing tactics learned and employed by the Carnes over the years that help set their triple-play business apart:

**Location matters—a lot:** Even though the Nano Seconds trio of stores has been in business for 12 years, Will Carne admits it wasn't until three years ago that "business picked up considerably"—and that's because a big-box home improvement store was built right behind it. "We were on a dead-end road and used to be in the middle of nowhere—now we're on the second busiest road in our city," says Debbie Carne. This was indeed a blessing to business, and the Carnes admit they lucked out—but they realize most are not as fortunate unless a

location strategy is in play to begin with.

**Customers respond to "sense" appeal:** What do customers notice immediately upon entering the Nano Seconds business? They smell the fresh coffee from the Coffee Bean, the freshly baked cookies, bread, croissants and rolls from the c-store, and the fresh bulk tobacco being sold at Smoker Friendly, according to Will Carne. This kind of sense appeal is priceless, and it conveys a fresh image to customers that he believes contributes greatly to them coming back.

**Frequent buyers can be found in the cards:** Simple loyalty programs work for the Carnes' customers. They currently offer the Coffee Bean frequent buyer's card, which gives a free cup of coffee after ten previous purchases, as well as the Smoker Friendly e-club, which lets the business advertise through the Internet using customer email addresses to promote products or specials. "We usually do something from each tobacco category each month—cigarettes, cigars, premium cigars, RYO, smokeless," Will Carne explains. "The program also offers customers a percentage-off coupon on their birthdays as well as specials around holiday times." Debbie Carne advises other retailers not to underestimate the power of coupons and freebies in these difficult economic times. She mentions special end-of-the-month raffles that she does with customer business cards for free coffee or free mugs; she says the excitement is so high "you'd think I was giving away a car."

**Premium cigars deserve premium surroundings:** The Carnes say their Smoker Friendly humididor is the only retail humididor within 60 miles and it gets great business. But that's not just a factor of it being the only "cigar show in town"—the 8-foot-by-6-foot cigar home "goes in the way of high-end



humidors,” according to Will Carne. “It’s got Spanish cedar and marble floors—the cedar is imported from Central America.” The Carnes believe premium cigars should be treated with premium respect.

**Outside signs point to increased business:** Nano Seconds makes good use of its out-front signage, a letter-board that alternates business specials from the three groups—promoting all-natural smoothies one day, a pumpkin spice latte another day, a premium cigar or “Visit our Walk-in Humidor” the next day.

Phone orders can ring up more sales: Regular customers enjoy the fact that the Nano Seconds business allows them to phone orders in for items such as coffee and cigarettes. “We put \$100 or \$50 on their account with a credit card, they phone their order in and they pick it up at the drive-through, allowing them to get into work as quickly as they can,” Debbie Carne relays.

**Drive-up windows can drive business:** Nano Seconds doesn’t have gas pumps but it does have a drive-up window that takes orders for all three businesses, especially catering to handicapped customers and tobacco customers with children in the car who can’t be brought inside. It is also a useful service in inclement weather. All employees are trained to handle all three businesses both inside the store and at the drive-through window. Will Carne says that while most customers will ring up higher sales if they come inside and shop, the drive-through service does attract customers who might not come inside at all, thereby increasing overall business. The service is also perceived as a value-add.

**Cigar events can be exclusive community events:** The Smoker Friendly in the Nano Seconds complex has had four very successful cigar events, in part by getting local

restaurants involved. “The first event we had, we rented a huge tent for the parking lot, but then we had bad weather,” recalls Debbie Carne. So then the business got really smart and got local bars and restaurants in town involved to host the event with Nano Seconds. “They closed down their bar and dining area and we offered a five-course meal, fine wine, beer and cigars—all for \$50,” she explains. Most of the cost covers the expense of the meal. Again, word of mouth has heightened the excitement for these events, as has the exclusivity of attending. “We advertise them in-store with a sign-up sheet on the counter and we post signs on the door, but we can have only 30 people max at the restaurants, so we actually don’t go overboard with advertising.”

**RYO machines roll out loyalty and sometimes ancillary purchases:** While legislation is pending on how retailers with RYO machines in Michigan should be taxed, the Carnes’ business is doing well with not one but two RYO machines it “rents” out to loyal, repeat customers. All employees are trained to verbally teach customers step by step how to roll their own cigarettes, and the trend has really caught on through word of mouth, according to Debbie Carne. While the machine is working, customers aren’t allowed to leave the building, but they often stroll to other parts of the store and buy more accessories, beverages and other items, she adds.

**Seasons have selling power:** A store that knows its best selling seasons and markets appropriately will have a handle on an effective tool: niche marketing. For Nano Seconds, those selling seasons are the hunting/deer season and the golf season. Specials and an overall sense of catering to these seasonal crowds have worked their selling magic, according to the Carnes. **TOB**





### King Wingate

Daughters & Ryan Inc. has introduced Wingate King Size, a new menthol tube. Wingate Menthol tubes are a brown-tipped, standard king-size, full menthol 20mm filter tube. D&R Tobacco has Wingate Menthol tubes custom-manufactured to its exacting standards to ensure customers get a premium, high-quality menthol tube. A green-and-gold band

is printed on each brown tip, with the Wingate name and the designation "Menthol" printed on each tube. Daughters & Ryan Inc., 919-284-2058, Gloria@daughtersandryan.com.



### Accessories from D&R

Daughters & Ryan is now the U.S. distributor of Tsubota Pearl pipe and cigar accessories, which include the Eddie Pipe Lighter, the Bolbo Pipe Lighter, a Triple Blade Cigar Cutter and a Triple Blade Mini Cigar Cutter. The Eddie Pipe Lighter is a premium butane pipe lighter with a fold-out tamper and ash pick concealed into its side. The Bolbo Pipe Lighter is similar to the Eddie Lighter, but without the tamper or pick. Both lighters employ two separate gas jets that feed butane into a strong, wind-resistant flame. Tsubota Pearl's stainless-steel Triple Blade Cigar Cutters are precision-made, heavy-duty cigar cutters that come in two sizes, Standard and Mini. Both operate like a pair of scissors, but with three sharp blades that operate like the iris of a camera lens as it closes down. "The Tsubota Pearl line is a terrific complement to our existing premium tobacco products and reflects our commitment to offer superior quality products to our customers," says Mark Ryan, owner of Daughters & Ryan Inc. Daughters & Ryan, Smithfield, North Carolina, 919-284-2058, Gloria@daughtersandryan.com.

### BIC: Support the Troops!

Each of BIC's "Support the Troops" Collectors Series lighter designs features a patriotic or military theme; and each lighter sold brings a donation of 9 cents to the United Service Organizations, a nonprofit that supports members of the armed forces and their families. Available through Dec. 31, 2012, the lighters come in six designs, with a suggested retail price of \$1.79. BIC USA, 800-546-1111, ext. 2461, www.biclighter.com.





**OMG, OHM!**

Inter-Continental Trading USA Inc. recently introduced its new OHM Filtered Cigars to the market. OHM Filtered Cigars are made in five different flavors: Red, Blue, Menthol, Cherry and Vanilla. Featuring colorful attractive packaging and quality second to none, OHM Filtered Cigars are packaged in hard flip-top boxes and made in the USA. Inter-Continental Trading, 800-595-0796.

**Go for the Grotto**

Ocean State Cigars introduced its J. Grotto Series Reserve boutique premium cigar line at the recent IPCPR show. "For the first inch, J. Grotto Reserve gives the impression of a mild-to-medium smoke," says Paul Joyal, founder and president of Ocean State Cigars Inc. "But then the powerful, flavor-loaded nature of the cigar announces itself." The complexity comes from J. Grotto Reserve's five-leaf recipe, which includes three years of aging the tobacco as well as resting the finished cigars for three to four more months to allow the tobaccos to meld and mellow. The J. Grotto Reserve features a Nicaragua-grown Criollo 99 wrapper and Criollo 98 binder, plus a filler of Honduras-grown ligero and Jalapa leaves. It is available in four sizes: the Gran Corona (5-5/8x46); the Gran Robusto (5x52); the Gran Toro (6x52); and a new shape, the 6x60. The Reserve's MSRP settles at \$8.50 to \$9.50. Ocean State Cigars, West Warwick, Rhode Island, 401-822-0536.



**Fair in Foul Weather**

Scripto is making its Budweiser and Bud Light Wind Resistant Outdoor Utility Lighters available in a nine-count Display-A-Tray. Offering the convenience of a smaller footprint at the counter, the display is compact enough to fit on Scripto's four-tier racks. For added safety, lighters are displayed with shrink-wrap covering the trigger mechanism. Budweiser and Bud Light Wind Resistant Outdoor Utility Lighters are equipped with Scripto's patented "jet flame," allowing them to light and stay lit in windy conditions. In addition, they feature eye-catching graphics and lighter barrels. Scripto, 800-LIGHTER, [www.calicobrands.com](http://www.calicobrands.com).



### Deluxe from Daughters

Smoking Deluxe Tubes, made by Miquel Y Costas & Miquel, S.A., are now available from Daughters & Ryan Inc. Deluxe Tubes are a full-flavor standard king-size filter tube made by one of the world's leaders in cigarette papers. Smoking Deluxe will ship by the case or by the pallet, 50 boxes per case, 200 tubes per box. Daughters & Ryan Inc., Kenly, North Carolina, 919-284-2058, Gloria@daughtersandryan.com.

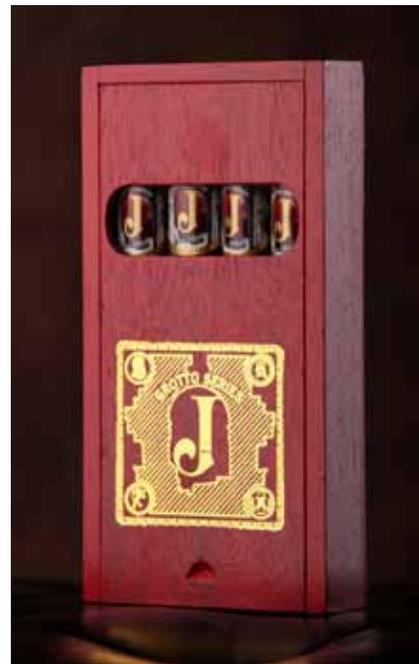


### Gifts from Grotto

Ocean State Cigars Inc. has added two four-cigar Gift Samplers following the debut of its two boutique premium cigar lines at the recent IPCPR show. Paul Joyal, company founder and president, describes the original J. Grotto line "as a mild-to-medium, spicy cigar." The wrapper and binder are Honduran; the filler is Nicaraguan and Honduran, with Honduran ligero. Its shapes are Gran Robusto (5x52), Gran Toro (6x52), Gigante (6x58), and Churchill (7x48).

J. Grotto Reserve, the newest cigar line, is a full-bodied smoke but without the spice. It is a five-leaf blend, with tobaccos aged three years for deep complexity and balance. The finished cigars sleep for another four months, to complete the marriage of the leaves' flavors. The wrapper and binder are Honduran Criollo 98, and the filler is Honduran with Nicaraguan ligero. There are four shapes: Gran Corona (5-5/8x46), Gran Robusto (5x52), Gran Toro (6x52), and a new 6x60 for veteran smokers seeking a commanding cigar.

Both lines are bunched in the superior, Cuban entubado style, which eliminates off-center burn and hard, or plugged, draw. Each base filler leaf is rolled lengthwise into a soda-straw tube and then placed in a circular array around the similarly-tubed ligero leaves. Both cigars are cellophane-sheathed, regularly packaged in cedar boxes of 20 cigars. The Samplers are also presented in cedar boxes with sliding cedar lids. The MSRP for the original J. Grotto Sampler is \$33.95; the J. Grotto Reserve Sampler's retail pricing is to be announced soon. Ocean State Cigars Inc., 401-822-0536, Paul@oceanstatecigars.com.



### Get the Blues

Extending its product lineup with a new flavor, Swisher has introduced the Swisher Sweets Blueberry Cigarillos, with special introductory pricing. The new flavor joins Swisher's existing lineup of Wine, Peach, Grape, Strawberry, White Grape, Chocolate and Original Sweet Cigarillos. Like all Swisher Sweets Cigarillos, the new blueberry flavor will come in Swisher's Sealed Fresh individual foil wrappers, which ensure freshness, and will be available in three-packs, box-60s and 25-count impulse displays. Swisher International, 800-874-9720.

### Case in Point

Nat Sherman International has introduced Nats' Point Fives Petit Cigars, a line extension to its original Nats' Cigarillos. The Nats' Point Fives Petit Cigars are premium handmade cigars crafted in the Dominican Republic. Each cigar is individually cellophane-wrapped. Five cigars come packed in Nat Sherman's traditional shoulder box, which is offered to retailers in a display cube that contains five boxes, totaling 25 cigars. Nats' Point Fives are available in natural and maduro wrappers with a Dominican binder and filler. The Natural is a medium-bodied cigar with a golden-hued "true" Connecticut-shade wrapper, which offers a touch of spice with a solid core of woody flavors and floral aromas. The Nats' Point Fives Maduro uses a dark Connecticut broadleaf maduro wrapper that delivers rich flavors of roasted nuts and bittersweet chocolate with a touch of earthiness in a medium-bodied smoke. Nat Sherman, 800-221-1690, [www.natsherman.com](http://www.natsherman.com).



### Skulls from Scripto

Scripto's new Skulls Designer Series features five assorted artistic skull designs inspired by tattoo artwork. Scripto Skulls Designer Lighters are available in a 50-count display-a-tray, two-pack open stock, and two-pack clip strip. The lighters have a manufacturer's suggested retail price of \$1.19 per lighter in a DAT and \$2.18 per two-pack. Calico Brands, 800-LIGHTER, [www.calicobrands.com](http://www.calicobrands.com).



### Vying for Value

The Value Pipe Blend (VPB) is a new family of tobaccos from Daughters & Ryan Inc. The VPB series offers a full range of pipe tobaccos, including Red (full-bodied), Blue (smooth blend), Green (cool blend), and Yellow (Oriental style, bulk only). The Red, Blue, and Green blends are available in 8-ounce and 16-ounce bags as well as in 5-pound and 25-pound bulk, and the Yellow blend is packaged in 5-pound and 25-pound bulk only. Daughters & Ryan Inc., 919 284-2058, [Gloria@daughtersandryan.com](mailto:Gloria@daughtersandryan.com).



### Filter Tips from GIZEH

GIZEH has been supplying the global market with fine cigarette papers, tubes, rollers and accessories since 1920. GIZEH's filter tips are available in three different sizes: 8mm, 6mm, and 5.3mm. In addition, GIZEH filter tips are available in boxes, bags, and a new, convenient filter stick. Some of the filters are also available in charcoal for an extra-smooth smoke. Samples are available at no charge, as are product displays. These and all GIZEH/Mascotte products are available through U.S. importer and distributor GIZEH of North America Ltd., 888-989-4662, info@gizehna.com.



### A Fresh Face in Humidity

Hydrostone is a new tobacco humidifier that is now available from Daughters & Ryan Inc. To use the Hydrostone, cigar smokers simply soak it in water for two to three minutes, then place it in a tobacco tin. Each Hydrostone holds close to 2 grams of water and is recommended for use in 50- to 100-gram tobacco tins. Hydrostones are sold individually wrapped in 20-count boxes that can be converted into countertop displays. Daughters & Ryan Inc. also offers a convenient 60-unit, point-of-sale Fish Bowl Display. Daughters & Ryan Inc., 919-284-2058, Gloria@daughtersandryan.com.

### Hola, Rio!

Rio Pipe Tobaccos feature bilingual packaging, allowing retailers to display an English language facing and/or a Spanish-language facing, depending upon consumer preference. Value-priced Rio Pipe Tobaccos are available in three popular flavors: Original/Clásico; Smooth/Suave; and Menthol/Menta Fresca, all offered in large and medium sizes in colorful, re-sealable bags to maintain freshness. SX Brands, 888-875-5510, www.sxbrands.com.





## Smoking With Sobranie

The legendary Balkan Sobranie Original Smoking Mixture has now been reintroduced by Arango Cigar Company. The once top-selling brand disappeared in 1998, when the Gallaher Group withdrew its tobacco products from the United States market, but is now returning with Arango Cigar Company as the exclusive U.S. distributor. J. F. Germain & Son Ltd. is manufacturing the brand using the original recipe. Sobranie Original Smoking Mixture was founded by a Russian family in 1879, making it one of the world's oldest tobacco companies. The English mixture's Virginia tobaccos mellow the Latakia, while Oriental and Cavendish leaves add balance and a "round" flavor. Smokers delight in its medium-to-robust body, incense-like aroma, and satisfying taste. It is available in 50-gram (1.76-ounce) tins, with a suggested retail price of about \$12. Arango Cigar Company, 800-222-4427.



## VISION HUNTER™

### New Vision Hunter

Lil' Brown Smoke Shack is introducing its Vision Hunter Turkish-blend pipe tobacco in a new size, a 5-pound bag. Available in Earth, Air, Fire and Water flavors, Vision Hunter also comes in 6-ounce and 16-ounce packages. Lil' Brown Smoke Shack also offers a line of Vision Hunter filtered cigars in the same flavors. Lil' Brown Smoke Shack, 800-706-2480, sales@lilbrown.com.

### Fun in the Sun

Republic Tobacco has introduced Largo Sun Grown Natural Pipe Tobacco, a bright twist to the existing line of Regular, Mint and Mellow styles. The flavorful combination of unique, natural premium tobaccos offers a smooth, satisfying taste consumers are sure to enjoy. Largo Pipe Tobacco re-sealable, Seal-Tite wrap-style pouches and re-sealable bags maintain product freshness and flavor. The 0.75-ounce pouches come packed 12 pouches per sleeve, 12 sleeves per case; the 5-ounce bags come packed 36 per case; and 12-ounce bags are packed 12 per case. Republic Tobacco, Glenview, Illinois, 800-288-8888.