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Photos courtesy of Tabacalera El Artista

Tabacalera El Artista's Ram Rodriguez

# SON

## OF TOBACCO

As a third-generation owner of **Tabacalera El Artista**, Ram Rodriguez is leading his family's tobacco business into new territories and growth with a bold new vision and challenge to traditions.

**BY ANTOINE REID**

As a child, Ram Rodriguez didn't care much for tobacco. That was something he would eventually grow out of as he assumed more responsibility at Tabacalera El Artista, his family's tobacco business based in the Dominican Republic.

Rodriguez grew up surrounded by tobacco. His grandfather founded the company in 1956 after spending years working as a cigarmaker in the Dominican Republic. In 1956, his grandfather teamed up with a friend to found Puros Cibao, a company his grandfather would later come to run on his own. Rodriguez's father took over operations of the factory following the passing of his grandfather in the 1980s. Then, during the Cigar Boom of the 1990s, operations were moved to the U.S. As the boom came to a close, his father focused on growing the family's business within European markets.

Rodriguez was born in 1990 and, similar to his father, tobacco had a heavy presence in his life from his childhood through his teenage years. His father wanted him to learn about the family's business and the different processes involved in running it. During his teenage years, Rodriguez worked in the family's factory in the Dominican Republic after he finished his homework. His father treated him like any other employee and taught him different parts of the business: how to sort tobacco, how to roll a cigar and how the products were distributed. Despite the family's roots in tobacco, Rodriguez didn't really connect with the business until he attended his first International Premium Cigar & Pipe Retailers Association (IPCPR) trade show and international convention in 2007. That's when things changed for him. ➤



Ram Rodríguez is a third-generation tobacco manufacturer, now leading Tabacalera El Artista, a company his grandfather founded back in the 1950s.

### El Artista Continued

“When I was 18, I went to my very first IPCPR show,” he recalls. “That’s when I realized what happens to the cigars after we put them into a box and onto a truck to ship them to a container that was sent to the U.S. Cigars are a big deal for a lot of people, not just a product they consume. It’s a way of life.”

After having this epiphany, Rodríguez realized that not only did he want to take on a bigger role in his family’s business, but he also wanted to challenge himself to have his own cigar brand. This process began in 2012 with Rodríguez working full time in the family’s factory, where he has been applying the lessons about life and business he learned from his family to the challenge of boldly taking the business in a new direction and expanding his company’s product portfolio.

### A New Way Forward

While Rodríguez studied business administration at college in upstate New York and has worked for years in his family’s factory, he admits that he’s still learning. With all of the regulatory and legislative changes impacting the tobacco industry both in the U.S. and internationally, and due to the size of the industry itself, Rodríguez is always working toward expanding his experience and knowledge.

“This industry is so big, and there are so many things to learn. Sometimes I feel like I haven’t learned anything,” he confesses. “The great thing about this industry is that everybody’s open and everybody likes to help. I’ve learned a lot from my father, but I’ve learned a lot from other people, too.”

Cigar-making is an important part of Tabacalera El Artista’s business plan, but it’s not the only part of the business. In fact, according to Rodríguez, tobacco trading is actually the company’s main business. The company also has its own Dominican Republic-based factory, which Rodríguez manages. Since the family’s business is multifaceted, he is constantly on the move and making sure the different parts of the business are running smoothly. Still in his 20s, Rodríguez has a desire to honor the precedent set by his father and grandfather, but he is also driven to innovate by doing things differently. Challenging his father

and the company to consider a new way of doing business after so many years of doing things a certain way has not been easy, he says.

“In the beginning, I was getting a lot of opposition to changes,” he says. “For example, it was a challenge convincing my father that the way I wanted to do things was better. It took a long time and a lot of arguments with my father to make some of the changes. At the end, he saw the results and began to trust my decisions more.”

Rodríguez made changes to the working process in the factory, improving the flow of products. He also hired new staff positions, including a blender and an operations manager, which took some time for many people to get used to. He also introduced new quality-control procedures that he knew would benefit the business in the long run. One thing he didn’t change, however, was his family’s focus on creating an ideal working environment for those that they employ.

“Now that I have this company on my hands, I feel I need to grow our business but at the same time keep the traditions of the way we did business in the factories and work with our labor force,” Rodríguez says. “When my grandfather ran the company, the working environment was very good and he cared for all the people. My father kept doing this, and I try to do the same. We try to be in touch with everybody, making sure they are getting the best. That’s one of the traditions I try to upkeep: the working environment.”

Even though many tobacco companies and their executives are bothered by anti-tobacco challenges from around the world, Rodríguez says he’s open to all the new challenges the tobacco industry faces. From the U.S. Food and Drug Administration’s regulations to ordinances limiting smoking in different countries, he sees these obstacles as an opportunity to grow and do things differently. As someone who loves to innovate, he uses these new challenges as a reason to reevaluate the business and do things differently.

For example, the Tabacalera El Artista factory is the first in the Dominican Republic to use solar panels. This change has been an economic benefit to the company but also helps it be environmentally responsible. Rodríguez attributes this open-mindedness toward



Rodríguez relies on and empowers the team around him to drive innovation in his business, a lesson he learned from both his father and grandfather.

change to being younger than most in the industry. He also has hired many younger adults to work with him to help better identify areas of change and opportunity.

### Empowering the People

The best piece of advice Rodríguez ever received was from his father, who told him that in the factory, people always come first. For his father, it was always important for everyone who worked in the factory to get paid what they deserved and to live and work with dignity. He also taught Rodríguez that the main job of a factory was not to make money; it was to make sure that the people it employed were benefiting and growing from working there, because without a strong and happy workforce, nothing produced by the company would be worth anything.

The focus on employees is what sets Rodríguez apart from many other executives who may spend more time watching the bottom line or worrying about product development. When it comes to making decisions, Rodríguez rarely makes them alone. Instead, he relies on the company’s team in the Dominican Republic and the U.S. He’ll first explain any problem he’s facing to his team and will then ask them for possible solutions. While he’ll make the final decision, it’s never one that doesn’t have the approval or backing from his team. He involves many people in the decision-making process because he knows everyone must believe in the products to make and sell them effectively.

“I like people to feel that this company is not ‘the cigar factory for the Rodríguezes’ but instead is ‘the cigar factory for all of us.’ I do this by empowering everybody,” says Rodríguez.

He spends a lot of time building the trust and relationship between the family and their employees. When there’s an opening, he’ll have the research department see if there’s anyone in-house who is capable of taking on the new role before hiring someone from outside of the company. He only hires people who are capable of delivering what’s expected of them and those who are willing to go the extra mile and exceed expectations. This is especially true for the cigar rollers, who know that if they make a great cigar, the company will benefit and they all will do well financially. Rodríguez and those in management positions are always open to listen to any ideas people may have that can improve the business.

### Ram’s Children

Tabacalera El Artista’s business model is different from that of many other companies, calling for a unique handling of the different responsibilities and needs of the business. The company works from seed to distribution, making it vertically integrated and self-reliant.

“We grow our own tobacco, we do our own fermentation, we’re out sorting, we make the cigars, and we distribute them ourselves. This, I think, is the biggest difference between us and other factories, and the benefit we get from this is consistency,” Rodríguez explains.

There’s no middle company to deal with in Tabacalera El Artista’s business structure, which puts the company in a unique and powerful position. Having grown enough tobacco to last them five years, Rodríguez and his company can focus on brand development. Tabacalera El Artista made a big splash in the U.S. with the release of Big Papi, a cigar made in collaboration with Major League Baseball player David Ortiz. It’s become the company’s best-selling brand in the brick-and-mortar category, but it isn’t the company’s only cigar. With other brands like Exactus, Puro Ambar by Exactus, Pulita and Got Your 6, the company has steadily been building its portfolio of premium cigar products, something Rodríguez takes a lot of pride in.

“All of my brands are like my children. You see them grow, you need to take care of them. For me, it’s very beautiful,” he says. “When my father ran the company, he would do some private-label releases—which we still do—but having our own brands is very important, and it’s been quite a beautiful process watching the brands grow.”

With distribution and marketing plans for the U.S., Europe and other international markets, Tabacalera El Artista’s cigars will have an important role in helping Rodríguez fulfill his goals of increasing brand recognition and bringing more attention to the company’s work at its factory in the Dominican Republic. Rodríguez reveals he plans to continue to push innovation at Tabacalera El Artista by revisiting some products the company released in past years. For example, there are already plans to bring back one of the first lines the company made. It’s a good, solid blend that will be introduced to the U.S. market. There are also plans for new product releases for Italy and other international markets, which will continue to challenge the company to continue to improve on its quality and production values in the future. **TB**