

ORGANIZATION
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**IPCPR
BECOMES
PREMIUM
CIGAR
ASSOCIATION**

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IN 1936, three years after the founding of the Retail Tobacco Dealers of America (RTDA), then-president W.A. Hollingsworth delivered a report at the RTDA's fourth annual convention. He noted the purpose of the RTDA was "to marshal all the retail tobacco dealers and many other elements in the tobacco industry behind a common goal—the correction of the destructive merchandising practices and piratical price-cutting"

He went on to say: "This Association was born of torment and was dedicated to the proposition that the tobacco industry could only be so prosperous as the retailers' cash registers allowed, and, that the retailers were entitled to be paid for the manifold services they performed. Within the past three years, 380,000 retailers were marshalled to uphold and support this proposition." (You read that correctly ... 380,000 retailers!)

Hollingsworth outlined the RTDA's activities to address unfair trade practices: lobbying Congress to amend laws on fair trade; working with regulatory agencies to protect retailers and consumers; petitioning state legislatures and governors to consider fair trade laws; and assisting members with best practices. Sound familiar?

Granted, the issues facing the industry have changed over the years, but the goals of the organization remain consistent. That is not to say, however, there hasn't been a need for the organization to adapt. Much of the impetus for changing the name of the organization in 2007 to the International Premium Cigar and Pipe Retailers Association (IPCPR) was to clearly differentiate handmade, premium tobacco products from the machine-made products.

And now in 2019, the leadership of IPCPR sees the need to adapt once again, officially changing the organization to the Premium Cigar Association (PCA). So what's in a name? Why change the name of the organization again just 12 years after rebranding it IPCPR? How will this better help the organization defend premium tobacco in the future? I sat down with Scott Pearce, executive director of the PCA, to find out. →

BY GREG GIRARD

GG: When did the idea of rebranding the organization start?

SP: It actually came up during my interview process (in 2018). One of the key factors for the search committee in finding a new executive director was to find somebody to modernize the association, someone with a background in helping associations create a brand. I've done that with a couple of other associations, so during my interview one of the questions I asked was about the name itself, IPCPR. They asked me why I brought that up, and I just said it seems a little counterintuitive to me that you'd have a tobacco lobbying organization that had "CPR" in your name. We laughed about that—it was funny—but there was also some truth behind it. And as we talked, we all started to understand it was probably time for a change.

Where did it go from there?

We took a long look at it. We engaged a prestigious agency that's done this kind of work for other big brands. We interviewed dozens of stakeholders across all sectors of the industry, with the goal of really diving in and asking, "What is the heart of this organization? What does it need to be able to move forward?"

So in deciding on Premium Cigar Association, we really tried to capture the historical context of where we've been and who we are, but also with an eye toward asking, "What do we need to be for the industry and who does this brand need to connect with?"



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Sounds like the two primary questions. How did you answer them?

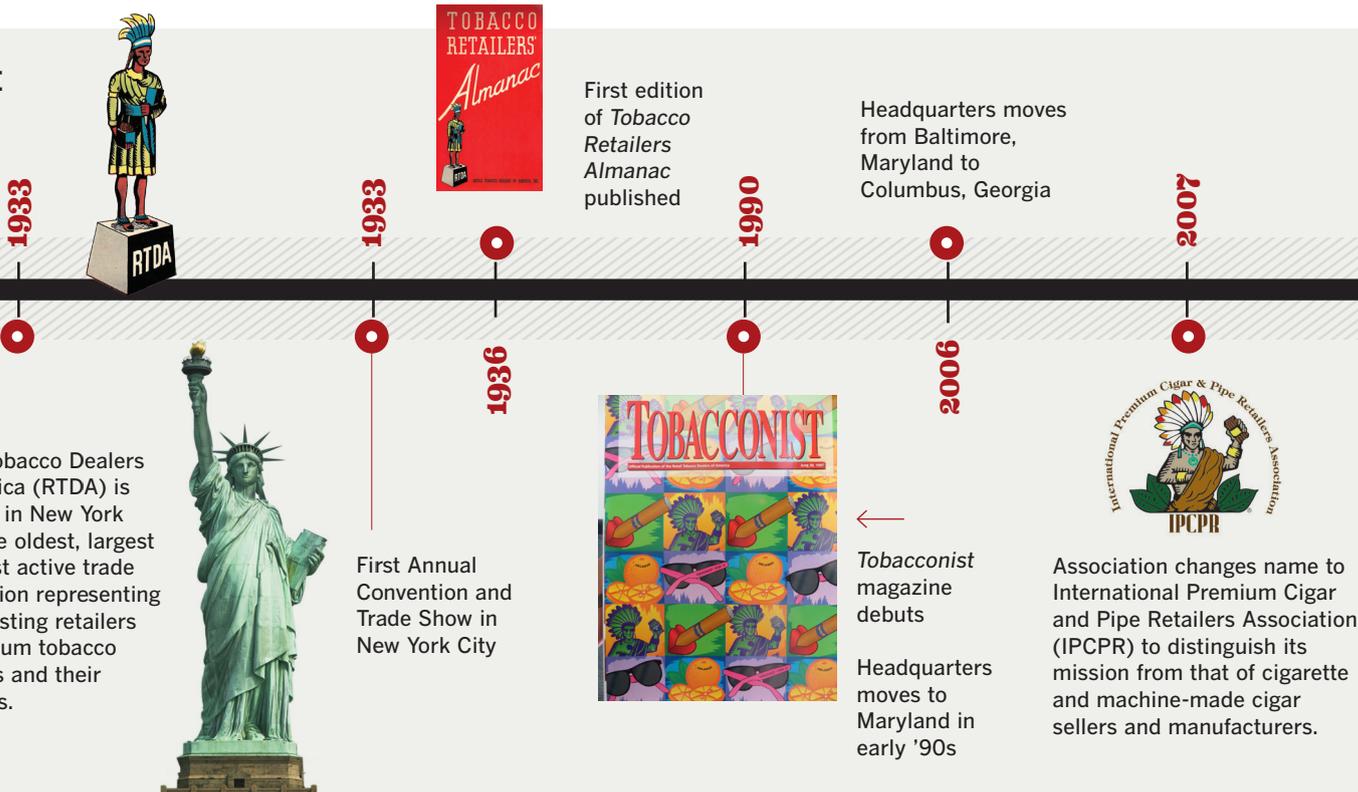
Historically, the name primarily needed to connect with the retailers, the brick-and-mortar owners. But I think it's a lot more complex now. Today, we need a brand that resonates with four or five different layers and segments that are out there, from retailers and manufacturers to government and consumers. So that's kind of how it all came about, and really where it started.

So you were looking for a name that would resonate both inside and outside the industry?

Yes. The rebrand is not just about the name or the logo or the color palettes, although those are obviously very important because that provides the personality, our identity. But ultimately it was a way for us to put together the foundation to become a center of excellence for the premium cigar and pipe industry. And that center of excellence obviously includes the trade show as our core business, but it also includes what our name means on Capitol Hill. Our effectiveness at being able to reach key policymakers within the administration, whether it's the FDA, whether it's SBA, whether it's different congressional committees, et cetera. That's where we need to be.

Then the other part is developing the appropriate business model for the organization, which is all about helping retailers and manufacturers—helping them sell more. How do we become that center of excellence that's

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going to help all of our members continue to get better at their business and at the same time defend their business from onerous regulations and policies? So that's really the two-pronged approach that will allow us to carry out our mission to grow and protect the premium cigar and pipe industry.

How did you come up with Premium Cigar Association?

In talking with all of our stakeholders and going through the rebranding process, it was really understood that we needed to be very clear and simple and concise, especially after working with the long acronym of IPCPR for all these years. The best example is when we're on Capitol Hill, you have a finite amount of time in terms of meetings and you don't want to waste it by taking the first five minutes explaining your name.

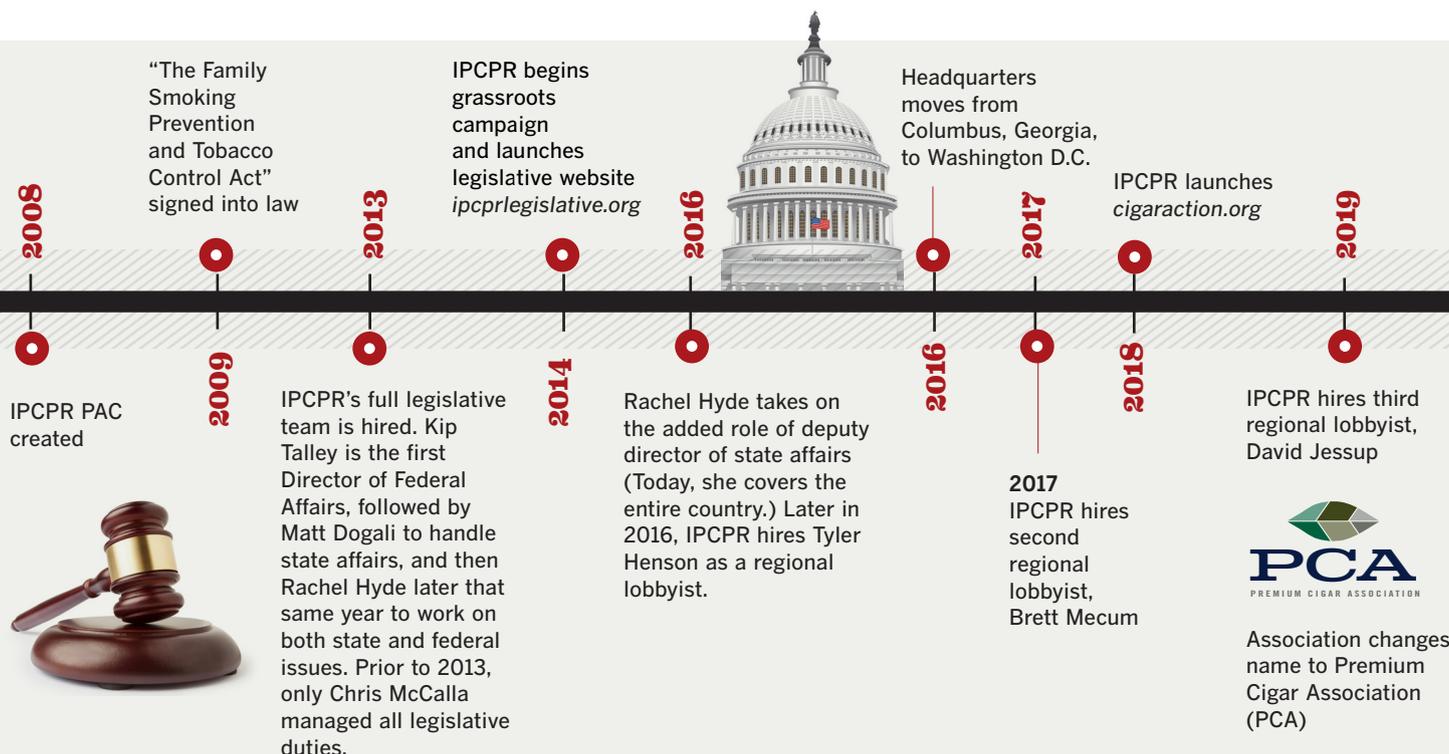
I often talk about this by using a Venn diagram. The overlap of manufacturers and retailers and consumers, if we rebranded solely toward those three groups, then the overlaps would have presented to us with a myriad of fun, creative name possibilities. But in the small, little space where it overlaps with policymakers and regulators and politicians—the space where we really needed to hit the mark—it made much more sense for a clean, straightforward approach. So, that's where it was settled. Premium Cigar Association is very straightforward and direct, which for an association, is always the best way forward.

To differentiate ourselves from other tobacco products and drive home those differences, using premium cigar in the name made the most sense. But we do specifically address the inclusiveness of the industry in our tagline: The Leading Advocate for the Premium Cigar and Pipe Industry.

What about including pipes or pipe tobacco as part of the name?

Our stakeholders understood, especially in terms of our public face with policymakers, any sort of version of the word tobacco in our name was going to be detrimental to our mission and what we were trying to do. Premium cigars are also a larger focus of regulation, by and large. Most of what we do is built around the premium cigar and the premium cigar exemption. To differentiate ourselves from other tobacco products and drive home those differences, using premium cigar in the name made the most sense. But we do specifically address the inclusiveness of the industry in our tagline: The Leading Advocate for the Premium Cigar and Pipe Industry.

Of course we're still going to be very devoted to pipes and pipe tobacco and we were very cognizant of that during this process. Just because we're the Premium Cigar Association doesn't mean we're not going to continue to fight for pipes or represent pipes or fight for our pipe manufacturers and pipe tobacco manufacturers, as well as our retailers, to sell these products. We recognize this is a change, but we still wanted to make sure that we do them justice within our messaging and the rest of the brand that we use. That's why the new logo is a tobacco leaf because that's what represents the entirety of this business—from manufacturing all the way to the consumer, and it includes both premium cigars and pipe tobacco.



OK, let's talk about the new logo. In addition to representing the entire industry, what's behind the color palette and shape?

First, you'll notice the three sections, which represents the number 33, the year the organization was founded. The colors from the green to the brown to the gray represent the life cycle of the tobacco leaf: green for the tobacco fields, brown for the manufacturing and sale of the products, and gray for the ash that results from enjoying the product.

Everything is very clear as far as why the rebrand, particularly when it comes to the lobbying aspects of the organization. So now I'm just trying to put my feet in the shoes of a retailer who sees this change. What does that mean for me, as a retailer? How is this all going to impact me?

Hopefully it's going to have a positive impact. We have a renewed focus on how we can deliver added value for all of our members, specifically for our retailers. We're going to be seeing lots of new initiatives and tools retailers can use to improve their business, with one, as an example, being this new magazine. We're really going to bring to bear every single component and level of the research that we have at the organization to delivering value to our members.

The trade show, of course, helps with that because it provides this one-stop shop. You get the good discounts and put your orders in and meet the manufacturers. But to complement the trade show, we're really looking for ways in which we can leverage the entirety of our network and our resources to continue to provide better tools and services.

For example, in The Blend section of this issue with Tom Lazuka and Asylum's Ogre, the article offers the story behind the cigar. We know a story really helps sell the product. And being able to get inside tips from the guys who created the cigars, I think is a wonderful tool for our retailers to be able to use as crib notes essentially, when customers inevitably ask, "What's new?"

Our office is often used for welcoming policymakers—congressmen and senators as well as staffers. And I'm often asked about the cigars we have in our humidors. There are several instances of cigar makers explaining their cigars to me and then I would, in turn, convey that information to our guests. One that stands out is Omar de Frias of Fratello.

Omar really took the time to explain his cigars to me—the tastes, the blends and why he created them. A few days after his tutorial, we were hosting some folks and I was able to share that knowledge with our guests. About a month later, I reconnected with one of the guests and he said he went looking and found Fratello Cigars at Drapers after I had explained the cigar to him. So emphasizing and enhancing that direct link between the manufacturer and retailer can only benefit business.

We really exist to help the retailers and the retailers are selling those manufacturers' products. So with all of our



The bold simplicity of the PCA logo design expresses deeper layers of meaning: the three segments on the top and bottom of the leaf represent the founding year of the organization (1933), while the leaf's color palette is used to represent the lifecycle of tobacco, evolving from the vivid green of a tobacco plant to the rich brown of a processed leaf, and finally to a warm gray that evokes the ash of a freshly smoked and enjoyed cigar.

initiatives, we're trying to facilitate that type of commerce, and really help people be their best when doing it. We want to help all our members decrease costs, increase revenues and therefore realize more profit at the end of the day.

The organization is also making some changes to the charter, specifically allowing consumers to join. Can you talk about that?

The time has really come for us to represent the entirety of the premium category, and that includes the consumers. The main drivers for this are obviously our advocacy efforts. When we can involve the many thousands of consumers in our engagement with state and federal policymakers, we bring a much more powerful message. We are at our best when we think with one mind, speak with one voice and act with one heart.

It's great to be able to have four, five, 10 store owners within a congressional district to go to their state capitols or come here on Capitol Hill. It's even better that the store owners can be accompanied by dozens if not hundreds of enthusiasts and customers who are all taxpaying voters in those districts to say, "This is important to me." So that's one of the things that we're looking to do, to connect the consumer in a stronger way through our local retail stores in the lobbying fight.

In addition, involving consumers really allows us to facilitate even better brand relationships with both retailers and manufacturers.

This also means the debut of CigarCon in 2020. You can read in more detail about CigarCon in this issue, but we're excited to host an event that centers around the premium category and celebrates it from the consumer end. We've got a lot of people out there that really love the trade show. The consumers, they see it via social media, from influencers, the cigar media and elsewhere. So being able to engage with consumers through this event, I think just completes that industry circle. And it obviously can only help retailers and manufacturers in terms of brand building and customer relationships.

Strength in numbers, right?

Right. We face perpetual battles now. We need to have a mechanism in place that we can fund. We need to be able to do it in a manner that's going to be responsible, that's going to eliminate redundancies, and that's going to make sure that every dollar spent is focused on moving our strategy forward.

We're creating an infrastructure to be proactive. In the past, we've been reactive. So we want to get to the point where we're ahead of the game 90 percent of the time. There's always going to be those things that come up that just come out of nowhere and we couldn't foresee, but if we can be engaged and active on the local level, the federal level and with each segment of the premium cigar industry, I think we'll have a much greater chance of success. 🍷