



BEING DREW ESTATE

Jonathan Drew, Marvin Samel and
Drew Estate make cigars their own way

Take one look at Jonathan Drew and you'd never think he was the head of a cigar company. With his blue- or tangerine-tinted eyeglasses, ever-present flood-level pants, sandals and New York accent, one would sooner place him as a hipster artist or poet than a guy who makes his living overseeing the production of tens of millions of cigars per year. With his new, thick, wild beard to go along with his colorful style of dress, the man behind Acid, Liga Privada and Chateau Real cigars bears more than a passing resemblance to artist Julian Schnabel or actor Joaquin Phoenix. • But 40-year-old Drew, who cofounded Drew Estate 15 years ago with his fraternity brother Marvin Samel, has done more than just put a new, artistic twist on the world of making premium cigars, he's earned the respect of traditional cigarmakers and some of the biggest cigar retailers in the word. • "I think Jonathan is brilliant," says Jeff Borysiewicz, the owner and founder of mega-cigar retailer Corona Cigar Co. of Orlando, Florida. Michael Argenti of Berger & Argenti Cigars calls Jon "one of the

BY DAVID SAVONA
PHOTOGRAPHS BY RICHARD LEONARDI



Even the loading dock matches the artistic vision of Drew Estate founders Jonathan Drew (left) and Marvin Samel.

smartest guys in the business.” José Orlando Padrón, the dean of Nicaraguan cigarmaking and the polar opposite of Drew, affectionately calls him “El Gringo Loco.”

Samel, 39, is eccentric in his own right. Although he eschews the uber-casual look favored by Drew, he’s typically found in a suit jacket, shirt collar open wide, perhaps some French cuffs folded back to reveal a striking, over-the-top pattern, dark hair gelled and brushed back and up. “Marvin has a great work ethic,” says Borysiewicz. “They’re very different—and a good combination.”

La Gran Fabrica Drew Estate, the Nicaraguan headquarters of Drew and Samel’s company mirrors the artistic vision of both men, with pillars, terra cotta rooftops, balconies, arches, guest rooms, art throughout all of the facilities—even the loading dock. This 96,000-square-foot operation is one of the world’s bigger cigar factories. Designed Spanish Grenada style on a rise overlooking tobacco fields, it makes about 68,000 cigars a day, 16 million a year, according to the people who run it. That would make this company the second largest producer of cigars in Nicaragua. Most of the cigars are nontraditional smokes, infused with botanicals, coffee or other flavorings, and many of them are small, but every one is crafted by hand.

Formerly made in a section of the original Tabacalera Perdomo, Drew Estate later took over the entire factory when Perdomo moved to larger quarters. In July 2007, Drew Estate consolidated, moving production from some nine smaller facilities into the impressive La Gran Fabrica Drew Estate. Steve Saka, the president of the company and the main businessman in the group, calls the factory “an extension of Jon’s personality.”

Drew acknowledges that he built the \$7 million factory larger and grander than he needed. “I built the factory so big because it [only] cost me an extra \$1 million to make it humongous,” he says. The extra cash was spent on extras that make it one part hotel as well as fabrica.

A tour is testament to the money spent, and shows many things that simply don’t exist in other factories. Even the cleanest, best maintained cigar

factories are sturdy buildings with wooden tables, perhaps a nice paint job, maybe some pleasant woodwork. Drew Estate looks like a playground. “You notice a lot of things in this factory that you don’t see in other factories,” says Drew in an understatement during a tour. He is wearing a green Brooklyn T-shirt that matches the color of his sneakers. In his hand is a freshly lit and very fat Liga Privada, the wrapper is dark, toothy and gleaming with oils.

Drew points out the details that make Drew Estate different, starting with the art that is all over the walls, much of it replicas of old stamps. All of it was done in house. The lights are not your typical fluorescent tubes. “I’m a stickler on lighting,” Drew says. The loading dock, perhaps the least likely spot in any factory anywhere in the world to be cherished out, has a mural of a high-rise custom auto known as a Donk. Saka seems to sweat the often-expensive artistic eccentricities of his boss. “We have the fanciest loading dock in all of Central America,” he says.

The mural in the loading dock is only the second-largest mural at La Gran Fabrica Drew Estate. The biggest one, some 50 feet high, shows a tableau of cigar rolling, tobacco growing, even a dove with a banner of peace in its beak. It’s eye grabbing. The same artists created the décor inside, and are the power behind the in-house art studio known as Subculture, blasting out artwork of all sorts. (A recent promotion for the cigar industry tradeshow involved decorated sneakers that were given to cigar shops that placed sizeable orders. The shoes were a huge hit.) Other cigar companies receive visitors—Drew Estate hosts what it calls the “Cigar Safari.” And this cigar factory is almost certainly the only one that includes a swimming pool.

Drew Estate, the cigars it makes and the men who founded it are the most unlikely of cigar-industry survivor stories, one that began in downtown Manhattan.



THE TWIN TOWERS

Nine out of 10 cigar companies trace their roots to Cuban émigrés in Miami, the Dominican Republic, Nicaragua or Honduras, but Drew Estate’s story begins in New York City. In 1995, New Yorkers Drew and Samel, former fraternity brothers, went into business together, opening a cigar kiosk at the World Trade Center Mall in downtown Manhattan with all

of 16 square feet. “It was the size of your desk,” says Samel, firing up a Liga Privada. Drew and Samel created a cigar brand called La Vieja Habana, which they had rolled at La Rosa Cigars, the old-time chinchalle located on Sixth Avenue in Manhattan. They began small. “Our first order was 20 boxes, 30 boxes,” says Samel.

Samel, Drew and Steve Saka (far right) in the main rolling gallery at La Gran Fabrica Drew Estate. The company’s biggest brand is Acid (above).

The kiosk wasn’t much, but Drew and Samel showed signs of style and flash early on—the company phone line in the cart was an attractive antique, something from Drew’s mother, an antiques dealer. They did fine selling to consumers, but when they began selling to other cigar shops they didn’t take all their expenses into account—every sale they made at the wholesale level was putting them in the red. “When we added up all of our costs, we were actually losing money by selling wholesale to other shops,” says Samel.

Drew and Samel soon outgrew the tiny production capacity of La Rosa and met up with Nick Perdomo, owner of Tabacalera Perdomo. They



reformulated La Vieja and Perdomo started making the cigars. For their first tradeshow, Drew and Samel drove their wares from New York to Orlando. Consumers responded, and the cigar also caught the eye of critics, scoring 89 points in a May, 1998 copy of *Cigar Insider* newsletter, published by CIGAR AFICIONADO. The 1998 tradeshow was a home run for Drew Estate. “We really hit it out of the park,” says Samel. But months after the tradeshow, Hurricane Mitch struck Central America, dumping torrential rain on the region and killing some 19,000 in Nicaragua and Honduras. The storm washed away roads and tobacco fields, and disrupted La Vieja production. “We didn’t see a box of cigars for eight months.”

The year that began well turned tough. Drew and Samel had received start-up capital from their parents, but they had blown through all the cash. Living on Ramen noodles, running on fumes, without cigars to sell and with no reserve of cash to lean on, their financial adviser looked at their books right before Thanksgiving and made a grim assessment. “He looks us square in the eyes and says, ‘Boys, it’s over,’” says Samel.

The two partners took their last \$20 bill, went to Heartland Brewery in Union Square and poured a few suds on their troubles as they planned the future. They needed their own source of cigars, but they didn’t have the money to get going, and were completely out of traditional options. “I borrowed money from people I really didn’t want to borrow from,” says Samel.

The partners decided salvation meant controlling their own destiny. They had to make something different.

ACID IS BORN

Drew moved to Nicaragua in late 1998 with the borrowed money to start production while Samel stayed in New York to run the U.S. side of the business. That move laid the foundation for the respect he now gets from the Nicaraguan cigar cognoscenti. “At first, the tobacco growers didn’t trust me because the boom had just ended and they saw me as just another gringo out to make a quick buck,” Drew told CIGAR AFICIONADO in 2005. “When they saw that I was living inside the factory and I was relentlessly working hard every day, I began to earn their respect.”

“I’ve never seen him in a suit,” says Padrón. “But what I have seen is a tireless fighter. There are some in the cigar industry who dedicate themselves to copying somebody else’s work. I admire Jonathan because he dedicates himself to developing original ideas.”

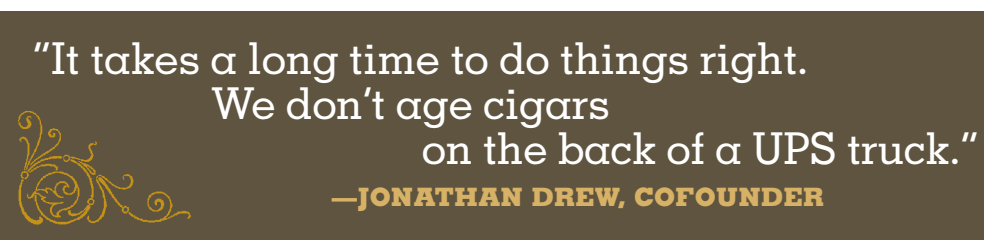
One of the ideas Drew worked on would become a cigar known as Acid, named for the artist Scott “Acid” Chester. (That’s his spiky hair in the Acid silhouette.) You won’t find this extremely nontraditional cigar rated in the pages of CIGAR AFICIONADO. This magazine would classify the cigar as flavored (a category we decline to rate), but Drew prefers the term “infused.” “We don’t use the ‘F’ word,” he says. “We’ve never once met with a professional flavoring company.” Acids borrow taste from oils, botanicals, herbs and even red wine. The shapes are also unconventional—fat figurados with extra long pigtails that could double as fuses on old bombs. The names are just as unusual: Atom Maduro. Cold Infusion. Extra Ordinary Larry.

Call Acids strange, but they sell. Discounting the brands that are made specifically for his stores, Acids are the biggest seller (by single stick sales) for Borysiewicz’s Corona Cigar Co., which sells an awful lot of cigars. “You’d be surprised who buys them,” says Borysiewicz. “From the younger generation to middle-aged guys. Most of them buy it as a

change-of-pace cigar. It’s also a really good beginner cigar.”

“You have a lot of Acid smokers out there,” says Drew. He believes it could be perhaps the fourth-largest handmade cigar brand sold in the United States. It’s certainly Drew Estate’s biggest and best-known cigar, accounting for some 40 percent of the company’s annual sales, which Drew says are about \$30 million a year. Whether the cigar really is a top-five brand in the U.S. cigar market is debatable, but one thing is certain—Drew Estate makes an awful lot of them, cigar retailers sell a ton of them, and cigar smokers know and buy Acid cigars in very large quantities.

Drew Estate may be open about a lot of subjects, but the Acid cigar line is not one of them. The company protects its infusion process, and says very little about it. Samel claims only four people in the world know the entire process. Drew is mum about the details of how his Acids and other



infused smokes get their flavors, but he does claim to use top-quality ingredients, beginning with good tobacco. “When you think of flavored cigars you think of short-fill, quick-flavored cigars,” Drew says. “It takes a long time to do things right.” (The fact that Acids are different from the typical grape- or cherry-flavored cigar makes Drew Estate feel they wouldn’t be subject to any type of ban that might befall flavored smokes.)

While Drew doesn’t show the infusion process to visitors, he does give some hints about the finishing stage, which is key to the process. Every Acid and other infused smoke goes into plastic wrap in a cool room, where they sit after rolling to let every essence get locked in. Drew and company says it’s a critical step in the process. It’s also very time consuming. “All of our infused cigars, from the time we make it to the time we sell it in stores, is three to eight months,” says Drew.

Drew says his cool rooms can hold up to 20 million handmade smokes. He looks through his tinted glasses, mouth straight, proud of his process. “We don’t age cigars on the back of a UPS truck.”

A NOD TO TRADITION

Drew Estate has expanded from its core model of Acid smokes. It started in 2006 with the mild Chateau Real, then in 2008 it created Liga Privada No. 9, a premium cigar with a medium to full body made with a dark Connecticut broadleaf wrapper. Liga has been the attention grabber. Most have scored well with CIGAR AFICIONADO, rating 88 or 89 points. Drew Estate doesn’t make very many of them, but by dollar volume Liga might soon be the company’s second-biggest moneymaker behind Acid. “Liga is going to be our second-biggest brand in the stable,” says Drew, adding that the cigar is closing in on 15 percent of his sales. The company recently added a few intriguing sizes, the Dirty Rat and the Flying Pig, and expanded the line with a version called T52 with a Connecticut Habano wrapper. “People are clamoring for them,” says Samel. “It allows traditional cigar smokers who may not have known Drew Estate to see us in a different light.” Drew calls Ligas the “heavy leaf” segment of the company, and it’s where he sees his future.

For a time, that future looked in jeopardy. In September 2008, Drew



Samel and Drew take a moment to relax in front of their grand factory with their heavy-leaf Liga Privada cigars.

Estate ran into money problems. Caught with too many cigars, too many projects, and with the world financial crisis in full bloom, the company's lenders began cutting Drew Estate's credit. "We were overproduced to the tune of two or three million units," says Drew. The bank reigned in more than \$1 million worth of the company's credit, forcing Drew Estate to lay off more than 100 workers. "That was the blackest moment, other than the early days," says Drew. "We've gone through a tremendous amount of struggles," says Samel. Rumors began to swirl that the company was going on the auction block. "We worked through that with help from some of our dearest suppliers," says Drew. "Friends who lent us some money." He says the financial scare taught him to be more disciplined with his business moves, with better communication between accounting, production and marketing.

While Drew and Samel are the majority partners, eight people own a chunk of Drew Estate, including Saka, vice president of sales Michael Cellucci and Nicholas Melillo, Drew Estate's director of tobacco and production. Drew says he has "never taken money out of the company."

Drew Estate certainly puts money into tobacco. In a cigar world where making puros (cigars made entirely with tobacco from one country) is a bragging point, Drew Estate goes the other way. "We make a blended product—we blend with two, three, four different countries. We like fillers," says Drew. Ligas, for example, are made from a four-nation blend of tobacco. Walking into a sizeable warehouse full of cigar tobacco, Drew says, "this is nothing—this is six to eight weeks of production." He then begins

pointing out the leaves in stock. "We've got Connecticut, Indonesia, Brazil...." Melillo says the company has 900,000 pounds of tobacco in inventory. Saka says Drew Estate has "40 different [cigar] blends—we use 32 in current production."

The expansive main rolling area in Drew Estate is colorful and lively, with workers making handmade smokes. Energetic music pumps through the entire factory. Drew takes pride in the workers, and in the work they do. He's particularly proud of the way the cigars draw. "The most important success of Drew Estate is our draw," he says. It's noteworthy since Drew eschews the use of draw-testing machines, which are standard for much of the industry. "Draw machines are garbage—quote me," says Drew, walking through his galleria. "Every cigarmaker can make a perfect cigar if they're trained right." The cigars are tested by weight.

Finished cigars are wrapped in newspaper, and receive four bar codes that show the buncher, roller, supervisor and other details. (Melillo created the system.) Inside Drew Estate's quality-control room, supervisors stand in front of an ashtray containing several lit cigars, checking the blends. Behind them are a series of oversized line graphs in various colors, showing the level of rejected cigars on a daily basis.

Drew Estate is now a major presence in the cigar market, with a broad product portfolio, making everything from tiny tinned smokes to hefty, heavy-bodied double coronas. The size of the portfolio and the range of cigar quality allows the company to buy tobacco in large chunks, rather than piecemeal. "Now everything we do is a crop purchase," says Drew. Buying in bulk allows the company to sort on its own, pick out the finer things for higher-end production and use lesser-quality leaves on cheaper products. "Everything about a cigar factory is moving it up, not down," says Drew. The goal is to buy binder leaves, sort them, and find gems that can be wrappers. Experience has taught them to be hands-on in their tobacco buying. "We don't ship any tobacco from any country until we check the bales, and Nick watches them load the truck," says Drew.

LOOKING AHEAD

Drew Estate has its eyes on other businesses outside of cigars. This summer it put its Acid brand on a line of tobacco used to fill hookahs, which is known as shisha (or sheesha). At press time it started shipping Acid Shisha by Starbuzz, a brand made by the priciest producer of shisha tobacco on the market. Once smoked strictly in the Middle East, hookahs are hot among the younger aficionado crowd. "It used to be 100 percent ethnic," says Drew, "now the market has changed—it's 10 percent ethnic."

Drew Estate was built on big dreams, and the cigar guys behind it have plans to be even larger. At full capacity, the factory could produce almost twice what it's doing now, some 130,000 cigars a day. And the company is considering expanding across the street, with another 30,000 feet of space for tobacco processing.

"I had a brand that was a blockbuster, but it wasn't built for the purist. It was built for a nontraditional smoker," says Drew. "While it is true that the company has grown into a 'real' business, the romance and intrigue of tobacco continues to be the dominating factor that pushes Drew Estate forward. The Liga Privada brand was the first substantial step toward fully utilizing our experience in tobacco and capabilities at the Gran Fabrica. I think that it is safe to say that this is the direction we will be heading in as we continue into 2011 and beyond."

The guys who make cigars their own way have no plans to change. ❖