

New Look

Pepin's

America's hottest cigarmaker has a grand new factory in Nicaragua

BY DAVID SAVONA • PHOTOGRAPHS BY RICHARD LEONARDI

THE BUILDING IS huge and bright, quite out of place on the Pan American highway in Estelí, Nicaragua, where construction tends to be modest, dusty and far more drab. With its high, cream-colored walls, oversized arched windows and prominent entry porch complete with a red terra-cotta roof, one might mistake it for a Spanish mission, but it's one of Nicaragua's newest and grandest cigar factories. Inside, José "Pepin" Garcia, perhaps the hottest name in the cigar business, has found his new home: My Father Cigars. • Garcia's business has changed dramatically in a very short time. Three years ago (when he was last profiled, in the December 2007 CIGAR AFICIONADO), he was making cigars with but a dozen rollers in a tiny Miami factory the size of a New York City apartment and had recently expanded into a modest Nicaraguan factory with about 80 workers. In Estelí, he focused primarily on making cigars under contract for a variety of clients around the United States. Then the cigars were becoming some of the hottest in America, but there were only so many: he was making fewer than 15,000 a day, shy of four million cigars annually. In his new facility, he makes ever more cigars, including not



José "Pepin" Garcia (upper right with his daughter Janny) recently opened a grand new factory in Nicaragua (bottom right), which affords him plenty of space for rolling cigars and processing tobacco.





For the Garcias, who emigrated from Cuba to the United States, making cigars is a family affair. Pepin, his daughter, Janny, and son, Jaime, have quickly built My Father Cigars into a powerhouse.

only well-known contract brands such as Tatuaje Havana VI and San Cristobal, but star brands all his own, most notably My Father. With more than 200 cigarmakers, production has soared to some 35,000 cigars daily, in the neighborhood of eight million cigars a year.

My Father Cigars is the cigar factory arm of the Garcia Family Industrial Park, a seven-acre complex in Estelí. Visitors entering the factory are greeted by a wall of photos of Garcia and his family that include a black-and-white shot taken in Cuba when Pepin (pronounced Peh-PEEN) was a younger man. In the photo he's broad chested, wide shouldered, snapped in the midst of a rolling contest against another cigarmaker. Standing in front of the photo, Garcia happily points to the piles of well-rolled double coronas, or prominentes, that sit before him. His stacks far outstrip his competition's. Today, at age 60, Pepin is well-tanned, his hair thinner and mostly gray, a bit of a paunch where there was none before, but he is still in robust shape. The pleasure in his eyes is evident as he describes his earlier prowess at the rolling table.

Garcia was already a great roller in Cuba before setting out to make his own cigars, but the creation of My Father Cigars is clearly his grandest achievement. "Having a large and elaborate factory in Nicaragua allows us, first of all, to be able to have a bigger production, more organization, capacity. Since this factory follows the process from A to Z we have now the possibility to grow our own tobacco leaves. We have more control of what we want to create. It is definitely our dream come true," says Garcia, through an interpreter. "It means quality for us. We are taking care of everything, from the beginning, in the farms, the pre-industry, the production and even the final process. It means everything for us."

It's an utter transformation from his previous operation, where tobacco was jammed into cramped quarters in Miami and every single item (and person) seemed on top of the other. Nicaragua has become the home base for the Garcias. Most of the tobacco the company uses is processed here. Even with hundreds of people working, the factory seems half empty, and that's intentional. There is room to add rollers in the rolling gallery, room

for more tobacco in the warehouse, room for more cigars in the aging room. There is plenty of room to expand. Room to breathe.

Here the Garcias make cigars for themselves (My Father and the Tabacos Baez brands) as well for other clients, including brand owner Pete Johnson (Tatuaje Havana VI, La Riqueza, Ambos Mundos), Ashton Distributors Inc. (San Cristobal, La Aroma de Cuba Edición Especial) and United Tobacco (Murcielago and 601). Ashton, Garcia's biggest client, became so pleased with his work that it recently gave him production of La Aroma de Cuba, a brand that had been made in Honduras since 2002 by Altadis U.S.A. Inc. Garcia changed the blend, replacing the Honduran wrapper with dark, Connecticut broadleaf and adding Nicaraguan components on the inside. The rebled cigar departed the gate with a 93-point rating in CIGAR AFICIONADO.

The succession of high scores from Garcia-made cigars in CIGAR AFICIONADO and *Cigar Insider* blind tastings has not slowed since he

moved to Nicaragua. In fact, the results have grown even more impressive. He's had at least one cigar in all six of CIGAR AFICIONADO's Top 25 listings, including four in the most recent list, which included his best showing ever with the No. 3 ranking of his My Father No. 1.

The My Father brand was actually created by Pepin's son, Jaime, a 39-year-old with a haircut like a marine and dark, sleepy eyes. Jaime has become Pepin's right hand, and an accomplished blender in his own right. He worked on the My Father blend in secret, trying to hide the project from his father. Jaime swore the factory to silence and started working on the blend in private. Then someone slipped up and Pepin found out about what Jaime was doing. Pepin asked his son for three of the new cigars, took them home and puffed them, enjoying them immensely. It was then that Jaime told his father he intended to name the cigar brand "My Father."

The cigar became a cornerstone for the Garcias and later the Nicaraguan cigar company was named for it. (They originally called the factory Tabacalera Cubana, changed the name to Tabacalera Garcia S.A., but that was too close to Altadis's Tabacalera de Garcia Ltd.)

ONA TOUR of the My Father facility, the Garcia father-and-son team is joined by Pepin's daughter Janny as well as Johnson, the heavily tattooed owner of the Tatuaje cigar brand.

"We have enough space here," says Janny, in a typical understatement as she moves through the cavernous facility. Janny, an attractive 31-year-old with dark hair and eyes, is one of the more influential women executives in the premium cigar business, running the details of the operation as her father and brother make the cigar blends.

"Everybody triple caps the cigar here, every bunch is entubado," says Jaime Garcia. Entubado refers to a painstaking bunching method where a cigar buncher rolls each filler leaf into a sort of straw, or tube, before wrapping it within the binder leaves to make the bunch. Making cigars by entubado allows a cigarmaker to put in more tobacco leaves without worrying about draw problems. The triple cap is a Cuban-style cap, also called a mounted

head. The name comes from the three lines that appear around the shoulder of such cigars, beneath the head. Making a triple cap takes a considerable amount of time. Most non-Cuban cigar manufacturers eschew this method for the quicker form of rounded cap, which has one seam.

Every Garcia cigar, whether it's made here in Nicaragua or at their original Miami facility, is also rolled with two binder leaves to add complexity. (New hires start off making Cuban sandwiches, the industry term for mixed filler cigars, those made with a blend of short- and long-filler tobacco. The cigars are cheaper, so mistakes by newbies are less costly. A little less than 10 percent of the factory's production is mixed-fill smokes, brands such as Tabacos Baez SF and Tatuaje Serie P.)

The cigars made at My Father Cigars display the same attention-grabbing style the Garcias became known for in Miami, except here in Nicaragua the labor is divided between buncher and roller.

"The only difference is they have pairs here," says Johnson. "In Miami, it's one person on the whole cigar."

When Garcia expanded into Nicaragua, some worried that it would be impossible to replicate his Miami success. He was moving from a small, controlled environment where he supervised only a handful of workers into a new country, using a factory that rivaled nearly every other in Nicaragua in terms of size. The results so far have been impressive.

"We are continuing rolling cigars in the same style as of the beginning, the Cuban style. It does not differ at all from the El Rey de los Habanos [his original cigar factory, in Miami] style," says Pepin. "For us, the quality is the most important goal to pursue. You can get proof of that in the ratings we have received in the cigars made in Nicaragua."

The My Father cigar factory began rolling test cigars in June 2009 and formally opened its doors on August 29. The complex was built in stages. The first construction phase was the box factory. "They needed boxes, so they built the box factory first," says Johnson. Next came the building on the left, called Tabacalera del Centro, which is for pre-industry, where tobacco is prepared so it can be made into cigars. The Garcias used this space to roll cigars while the main rolling building was being completed. It took one year and nine months, says Jaime, to construct. Jaime says it's the largest cigar factory in the country, save for the massive Drew Estate facility.

The move into a sparkling new facility in Nicaragua has given the Garcias something more precious than space—the new setup allows them a level of vertical integration they simply did not have before, growing their own tobacco, including wrapper, and making their own boxes. They control the process from seed to box.

"It's very impressive, to say the least," says Sathya Levin, vice president of Ashton Distributors. "It's very centralized: you don't see a lot of operations that do everything in one place, the pre-industry, the cigar rolling, the box factory. It's all right there. A lot of thought went into the design process, and it shows. It gives them the ability to grow their brands, as well as our brands. Now there's a lot of room for that."

On a walking tour, visitors can see the natural flow through the complex. Cured tobacco leaf comes in on the left, going into Tabacalera

del Centro. There it is fermented in pilónes, huge bulks of tobacco put together by hand, where pressure and moisture turn raw, young leaf into something rich and smokable. The fermented leaf is then put into bales and aged, until it's finally ready for use. Then the ready tobacco moves next door into My Father Cigars, where it is made into blends, then given to the cigar workers to roll into cigars. Finished cigars go into the wooden boxes that are constructed on site, then are shipped out the door.

Taking vertical integration to the next level, the Garcias began growing their own tobacco in 2006 on a farm near Estelí called La Estrella, or The Star, and they now have a second Nicaraguan farm. The first cigars using their own tobacco was the My Father blend, which has La Estrella tobacco on the inside. Johnson's L'Esprit de Verite has La Estrella wrapper leaf. Ashton's new San Cristobal Selección del Sol has sun-grown wrapper leaf from the same farm.

When he worked in Cuba, Pepin Garcia never dreamed he would admire tobacco grown anywhere else. "I thought only in Cuba could you make good cigars," he said in 2007. "Estelí is similar to Las Villas, Jalapa is like Pinar del Río, Condega like Habana. The combination? Cubano!"

In Cuba, Pepin Garcia never dreamed he would admire tobacco grown anywhere else. Now he grows his own leaf in Nicaragua.



Pepin protects the flowers of prized plants at his farm in Estelí.

Garcia and his family have also become quite fond of Habano wrapper grown in Ecuador by Oliva Tobacco Co. of Tampa, Florida. It grows at the foothills of the Andes mountains, and it's the wrapper leaf used on the cigar that the factory is named for, the My Father brand.

PEPIN GARCIA IS no stranger to large cigar factories. Born October 24, 1950 in Báez, a small town in the Villa Clara province of central Cuba, east of Havana, he's been making cigars since he was 11. While his starting role came in a tiny cigar factory run by his uncle, he later worked at the Félix Rodríguez cigar factory in Báez, rolling big Cuban brands such as Montecristo, Cohiba, Romeo y Julieta, Quai d'Orsay and Ramon Allones.

"The factory where I worked in Báez is considered one of the largest in Cuba," says Garcia, "but, doubtless, this is the largest one I have ever worked in."

Just as Smokin' Joe Frazier was born to be a boxer, Pepin was meant to roll cigars. Watching him work brings a smile to a cigar smoker's face: he can turn tobacco leaves into various wild shapes with ease. In Cuba, Garcia instructed other rollers how to work, an experience that would become invaluable when he began making cigars on his own. The family came to the United States between 1997 and 2002. Janny was the first to



(Above) Jaime and Pepin show leaf to Robert Levin, left, and Manny Ferrero, right, of Ashton Distributors. (Above right) The new factory also includes a box-making plant as well as space to inspect and pack cigars before they leave the facility (below right).

arrive in the United States, coming in 1997. Pepin and Jaime came in 2002, emigrating first to Nicaragua, then to Mexico, where they crossed the U.S. border and were welcomed into the country. In 2003, they opened El Rey de Los Habanos in Miami.

That was a modest operation, built upon making cigars under contract. Garcia's early clients included cigar retailers, small cigar brands such as Padilla, and a new brand in 2003 with the high-unpronounceable name Tatuaje.

Tatuajes made their debut at the 2003 cigar industry trade show. High ratings soon followed. Tatuaje and the Garcias became household names, and Tatuaje became one of the industry's most in-demand brands. It was named the hottest cigar brand in America in a 2009 *Cigar Insider* survey of top U.S. cigar shops.

It is hardly surprising that such success would bring a modicum of controversy. The Garcias' expansion into Nicaragua and refocusing of the business on certain clients as well as house brands meant an end to relationships with some old clients as well as business partners, which engendered some bruised feelings.

In 2003, the Garcias opened El Rey de Los Habanos on Calle Ocho in Miami, by partnering with Eduardo Fernandez, the owner of Nicaraguan tobacco giant Aganorsa, cigar company Tropical Tobacco and the Casa Fernandez brand. Fernandez backed them financially. "I put in the money, he put in the labor. That worked really fine," says Fernandez. "Everybody wanted Pepin." Fernandez also was an investor in Garcia's first Nicaraguan factory. "And then all of a sudden he built another factory that's all his," Fernandez says, referring to My Father Cigars.

Fernandez has praise for Pepin. "He gained a lot of knowledge and took it all in—he's a special individual in that sense," he says. But it's clear he doesn't enjoy the subject.

Fernandez says he owns half of El Rey de Los Habanos, the original venture, which still operates today in Miami, making boutique cigars. The Garcias confirm he is an investor, but won't discuss details. They clearly

don't enjoy speaking about Fernandez any more than he enjoys speaking about them. "We prefer to not talk anything about Eduardo Fernandez," says Janny Garcia. "In my consideration, it's not necessary."

Rumors persist of another financial backer the Garcias had in this newest venture, one who sold back a portion of their tobacco inventory when he wanted to recover some of his investment. (On a visit in December, My Father Cigars had tobacco in stock.) The Garcias have denied these rumors, and say they alone are the sole owners of My Father Cigars. "It's 100 percent owned by my family. There are no partners for My Father Cigars and we have never had one," says Janny Garcia. "Since its creation, the company has been owned by no one else than the Garcia family." Of Pepin's ownership of My Father Cigars, Fernandez says "That's all his."

PEPIN GARCIA'S JOURNEY out of Cuba has taken him to places he never imagined. "We came from Cuba full of dreams, but we were not able at that time to figure out what will be happening in the future. It was just a simple start," says the elder Garcia. "We have worked very hard and we have done the best we can. What you see today is the result.

"The love and consideration of the consumers is what make us proud. When any of us, including the rollers, go to an event and we can feel people like to see our job, give us their love, hugs and blessing, we feel really happy. I feel so proud of my family, their support and commitment following my dream, learning how to make cigars the same way I make them."

The man's desire to improve despite all his success achieved is clear in his words. "This still is just the beginning for us," he says. "We do not consider ourselves a big company and that we have given all that we can. We will continue working even harder to give, everyday, more and more." ❖

For video footage of Pepin in action at My Father Cigars, visit www.cigaraficionado.com.