



AND THE WINNERS ARE ...

Announcing the 2007 winners of the BMJ-sponsored Golden Leaf Awards

TR Staff Report

Tobacco Reporter is proud to announce the winners of the second Golden Leaf Awards competition. The winners are ILTD, the Uncommitted Tobacco Auction, GCH, Colin Mear Engineering and Andromeda Forwarding. Sponsored exclusively by Indonesian paper manufacturer BMJ, the Golden Leaf Awards were created to recognize professional excellence and dedication in the tobacco industry.

We've granted awards in our traditional categories—most impressive public service initiative, most promising new product introduction, most exciting newcomer to the industry, most outstanding service to the industry and the BMJ Most Committed to Quality Award. For the first time, we also handed out a People's Choice Award.

The judge panel included Rick Lewis, whose company, Winter, Bell, won the BMJ Most Committed to Quality Award in 2006.

The awards were presented on Nov. 27 during TABEXPO 2007 in Paris, in Les Cariatides restaurant. In addition to a commemorative trophy, the winners received \$1,000 for donation to a charity of their choice.

This is the second year of the contest. The first ceremony took place last year in Bali, Indonesia. The next Golden Leaf Awards will be presented during TABINFO São Paulo in October 2008. Entries can be submitted starting in March 2008.

Following is a series of short descriptions of the companies and their winning entries.

ILTD

ITC's Leaf Tobacco Division (ILTD) won *two* Golden Leaf Awards in this year's contest, a first in the short history of the competition. The Indian company was recognized in the most impressive service initiative and most committed to quality categories.

The judges were particularly impressed by ILTD's international quality rating system (IQRS). IQRS is a business excellence model designed to steer organizations to grow their maturity levels in total quality management. It has 10 levels, with No. 3 being equivalent to ISO 9000. ILTD has achieved level seven.

IQRS covers all aspects of business, including management controls, primary processes, and feed-forward and feedback loops. Management controls comprise areas such as leadership and strategy, employee involvement and communication and management systems and documentations. Primary processes covers marketing and sales, design and development, purchasing and contracting, etc., while feed-forward and feedback loops include monitoring and measurement, quality audits, and stakeholder satisfaction and relationship management.

The system helps ILTD provide its customers with a common approach to quality and related processes. It also enables



Many of ILTD's community initiatives target women, an approach that has had powerful incremental benefits contributing to better nutrition, health and education.

company managers to find answers to questions through self-assessment and initiation of actions.

In the ultimate analyses, the system translates into operational excellence, people alignment and cost savings across the value chain, leading to improved quality of ILTD's products and services.

ILTD's community projects in Chirala, Andhra Pradesh, were recognized as the most impressive public service. Motivated by its "commitment beyond the market," ILTD has always felt a larger societal purpose on top of its commercial objectives. Even as the company attains new milestones in wealth creation, it remains eager to enlarge its contribution to Indian society.

As a big employer in Chirala, ILTD takes a keen interest in the well-being of its community. Many of its initiatives have targeted women and children, aiming to improve the community's overall quality of life. This has had powerful incremental benefits contributing to better nutrition, health and education. Helping to build family incomes and assets, women are emerging as a positive force for social change and community enterprise.

ILTD's initiatives cover 20 villages, with more than 100 micro-credit groups, 1,000 active members and more than 200 female entrepreneurs.

In addition to the Chirala initiative, ILTD is helping India's rural communities by campaigning against child labor. The company is also investing in water-conservation and harvesting projects.

UTA

The Uncommitted Tobacco Auction (UTA) won a Golden Leaf Award in the most exciting newcomer category. Like death and taxes, uncommitted tobacco stocks are hard to avoid. Contracts, political considerations and the whims of nature mean leaf traders sometimes end up with more tobacco than confirmed orders. While uncommitted stocks are nothing new, they are increasingly hard to justify. Operating on thin profit margins, leaf merchants are under pressure to control cost. What's more, with overall business fundamentals deteriorating, tobacco companies no longer enjoy the easy access of credit they once had. ▶



The Uncommitted Tobacco Auction provides leaf merchants with an additional avenue to move their stocks.

UTA provides tobacco companies with an online auction platform to sell their stocks. By connecting companies that weren't trading previously, UTA hopes to fill a gap in the system. The company stresses that it's not out to change the existing leaf trading system but merely to add to it. The first UTA auction took place in late 2006 at the warehouses of Tabaknatie in Antwerp, Belgium. During its most recent auction, in September, customers viewed more than 20 million kg of tobacco from 17 origins. UTA's mission is to be accepted as a serious, cost-effective facilitator and provide a neutral platform to the trade.

GCH

GCH's fully automated burley harvester won a Golden Leaf Award in the most promising new product introduction category. The machine was developed to eliminate some of the grueling manual tasks that have been a way of life for more than two centuries. The burley harvester can harvest between four and five acres per day and reduces labor requirements by approximately 80 percent—a welcome development in a time when many farmers are facing labor shortages.

The machine cuts, conveys and inverts the leaves, which are then hung down along the stalk to prevent breakage. Because the only mechanical contact occurs near the base of the stalk, the only leaves at risk of detachment are the least valuable ones.

The harvester dispenses and fills portable curing frames, which are offloaded in the field and then moved to a nearby area by tractor. After approximately one week of wilting, the portable frames are covered by waterproof material. The tobacco remains in the covered frames until curing is complete.

In addition to labor savings, the machine eliminates the need for storage and curing barns.

Colin Mear Engineering

Colin Mear Engineering finished first in the most outstanding service to the industry category. In today's highly regulated tobacco market, creative packaging presents an opportunity to support marketing efforts and boost sales. Changing cigarette pack styles at regular intervals keeps brands relevant and in the forefront of the consumer's mind but also carries risk. Existing packaging machinery is



British American Tobacco's famous "wallet pack" is a prime example of Colin Mear Engineering's flexibility and engineering prowess.



GCH's automatic burley harvester helps farmers reduce labor requirements by up to 80 percent.