

NewCo's New Take

A profile of one company's bold new plan to reinvent the global leaf industry.

As the tobacco industry becomes more global, it becomes more difficult for smaller leaf companies to survive, let alone compete. One leaf dealer is trying to shift some of this imbalance back towards the small, independent, local leaf enterprise. NewCo is a global tobacco dealer that uses their extensive reach to connect small regional leaf companies with customers around the world. A small leaf enterprise is now able to sell their product to customers halfway around the globe that they otherwise might never have access to. In short: NewCo provides small leaf companies with the same reach as the big boys.

NewCo expects to facilitate the sale of 100 mn kilos by the middle of this year, incorporating various tobacco products to and from all over the world. NewCo's concept is to assist non-multi-national leaf factories by marketing their tobaccos on behalf of them.

Several smaller, mainly family run companies are not capable to cover world wide sales, or to afford the travel to make the contacts necessary to build a global enterprise. Time, travel cost, languages, sales contacts and knowledge are the main handicaps of those company structures. NewCo offers those companies the chance to market their tobaccos around the world. The companies are only charged when a sale is totally completed. NewCo deals with a wide array of tobacco varieties from most tobacco origins in all packing forms as per the request of their clients.

Co-owner, Rainer Busch comments on his company's objectives "For us it is

important to consult our suppliers and clients as objective as possible and to be creative to fulfill their needs. Transparency and trust are two key factors of our success."

NewCo works with a minimum margin, which allows them to be competitive and attractive. Clients working with the company have the ability to be offered any type of tobacco product from any part of the world. The company can boast cooperation agreements with the factories they represent and they have representatives in most major tobacco countries for local follow-up. NewCo's main team tries to be always updated in the news and happenings in all markets and tries to visit all their clients at least once a year in order to be able to inform about news and trends in the tobacco world. There is constant communication in order to keep all parts of the system running at optimal level.

NewCo was founded in 2006 and is run by two partners with decades of tobacco experience between them: Mr. Rainer Busch and Ms. Birgul Sandal. The two met through a mutual friend with connections to the industry and they have used their combined knowledge and extensive rolodexes to create this new endeavor.

Rainer Busch has a long history in the tobacco industry, and he has lived around the world and worked for several companies as the industry has globalized and undergone many mergers. He began in 1982 with Gebrüder Kulenkampff (GK), where he began his training in Brazil. By the time he was 27, he had already managed to become



Mr. Rainer Busch and Ms. Birgul Sandal are equal partners in the new undertaking.

GK's managing director in Argentina.

One year later, GK was acquired by Universal leaf, Busch left to become the managing director of Dibrell in Italy. Rainer remained in Rome for 15 years and eventually was promoted to be in charge of all big leaf operations for all of the European region, as well as in charge of Dibrell (since morphed into a new company, DIMON) in Eastern Europe and the CIS countries. Eventually DIMON underwent a merger and became part of Alliance One, and another part of the company took over for his region.

Afterwards Busch moved back to his native Germany, to Munich where in 2005 where he founded Uncommitted Tobacco Auction (UTA) and NewCo as a servicing company in tobacco trade. The company began with offices in both Serbia and Germany, helping small factories find global clients to purchase their tobacco.

Birgul Sandal also has more than 20 years of experience in the tobacco industry. She started off working as a sales director with Sunel while in Turkey. Before leaving the company and starting her own tobacco business based in Indonesia, she worked as a private consultant. Her new business centered on the far east and dealt primarily with oriental tobacco.

This combined experience and client portfolio was the perfect combination for a dynamic new tobacco company. 