

# BRITISH AMERICAN TOBACCO **NIGERIA**

[www.batnigeria.com](http://www.batnigeria.com)



# TOBACCO AND RESPONSIBILITY

*British American Tobacco's Nigerian subsidiary has a near-monopoly, commanding 80 per cent of the market—but this position has not been achieved without hard work and a positive strategy towards health and economic development*



Though British American Tobacco Nigeria (BATN) was incorporated as an indigenous entity only 10 years ago in 2002, we are now coming up to the centenary of the parent company BAT's presence in Nigeria. So 2012 will be the occasion for a double celebration among the 14,000 or more Nigerians employed, directly or indirectly, through BATN's activities from leaf growing to distribution. Because BATN doesn't just make cigarettes, though manufacturing is a core part of the business.

The group runs 45 cigarette factories in 39 countries. Two of these factories are in Nigeria: a state-of-the-art, NIS ISO 9001:2008-accredited plant in Ibadan completed in May 2003 and an older facility at Zaria in Kaduna State which has been operating since 1978. The Ibadan plant cost \$150 million to build and has recently been extended and improved with a \$70 million investment in new production and packaging machinery. The decision to invest in localised cigarette production and to manufacture in Nigeria international brands that were previously imported from Europe or South Africa—including Benson and Hedges, St. Moritz, Rothmans, Consulate, London, Pall Mall and Royal Standard—was taken in 2002. Today almost all brands—22 in all—sold in West Africa's ECOWAS markets are manufactured in Nigeria: only Dunhill is imported.

The many challenges that face the tobacco industry including image, counterfeiting and competition from unregulated and contraband manufacturers, are manifest in

BAT Group runs  
45 cigarette factories  
in 39 countries



# Our advantage



**...world class large format printing**

when next you need to achieve the best in any Advertising support service, think nowhere else, think Pomat Peters, we beat time like no one does.



### **Pomat Peters Nigeria Limited**

1, Pomat Drive, Off Ahmed Mohammed Way, Abule - Egba, Lagos.  
P. O. Box 1684 Agege, Lagos, Nigeria. Tel: 01-7747604, 7738844  
E-mail: info@pomatpetersng.com, Website: www.pomatpetersng.com

**. Advertising Support Services . Silk Screen Process / Digital Printers**



BAT is the only international tobacco group with a significant interest in tobacco leaf growing

Nigeria. Enormous progress has been made in meeting these challenges, says Sade Morgan, BATN’s legal director. “BAT made a decision to face any problems, not by firefighting but by defining, sharing and promoting best practice in the industry.” This approach is

embedded in the business model, whereby the company controls the entire supply chain. BAT is the only international tobacco group with a significant interest in tobacco leaf growing: it provides direct agronomy support to farmers covering all aspects of

crop production and environmental best practice.

A good example is found in BATN’s approach to child labour. Though BAT will not employ children directly, there were indications

**“BAT MADE A DECISION TO FACE ANY PROBLEMS NOT BY FIREFIGHTING, BUT BY DEFINING, SHARING AND PROMOTING BEST PRACTICE IN THE INDUSTRY”**



*Engineering Service...  
all we know*

**ADEKASS TECHNICAL SERVICES LTD**

is an indigenous company incorporated under the laws of the Federal Republic of Nigeria in the year 2000. We are committed to providing Top class engineering, technical & allied services of Equipment (Power Systems, marine, Construction, Roto-machineries, etc) covering major Brands including, CATERPILLAR, Cummins, Perkins, ATLAS, etc.

We work to build enduring relationships, adapting to the dynamic needs of our Clientele & the industry, to always meet & exceed expectations & thus be of immense benefit to our community.

People are our greatest asset, so we have strategically & habitually attracted & retained a team of service men that deliver efficient & timely service to our pool of Clients.

E-mail: [gmadekass@yahoo.com](mailto:gmadekass@yahoo.com)  
[info@adekassltd.com](mailto:info@adekassltd.com)  
 Tel: 234-8033014376  
 234-8088268057  
 234-702805173

[www.adekassltd.com](http://www.adekassltd.com)

that under-age labour was present among the 10,000 people directly involved in the tobacco growing operation at Iseyin in Oyo State, where more than 2,000 tonnes of leaf is grown annually. BATN has met this challenge head-on by emphasising the distinction between the traditional attitude that a child should assist its parents and the reality that where work impedes a child's welfare, safety or educational development, it is considered child labour. The company carries out unscheduled

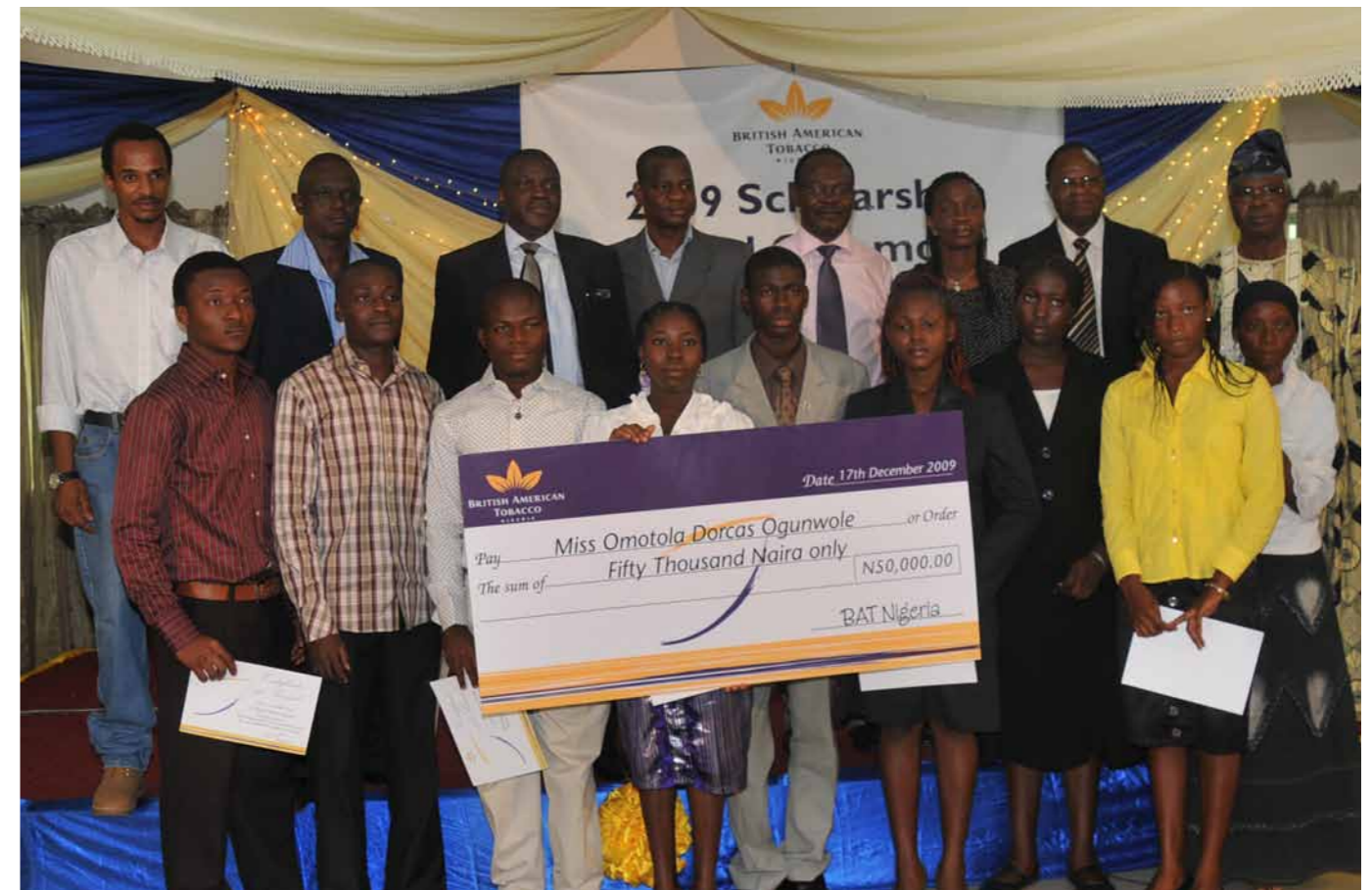
spot checks for child labour on the farms in its supply chain.

In 2004, BATN established a scholarship scheme primarily aimed at the children of tobacco farmers. The scheme provides

candidates aged 18 and above with grants to study agriculture or related courses in any Nigerian tertiary education establishment. To date, 76 students have received scholarship grants. "It's a co-operative model," says Morgan. "The farmers are also supported with interest-free loans and

**2004**

**Year BATN established a scholarship scheme primarily aimed at the children of tobacco farmers**



Scholarship awards beneficiary

# creatiiv Spirit

We work under the influence



Advertising • Content • Experiential

Address: 19 Adekunle Fajuyi Crescent, Off Olutoye Crescent, off Adeniyi Jones Avenue, Ikeja.  
E-mail: info@batescasse.com www.batescasse.com



Oyo state governor's visit to Ibadan factory

encouraged to go in for the Best Farmer of the Year awards in which they can win tractors or other machinery.”

Nor is best practice is all about addressing abuses, Morgan points out. “We have a good working relationship with the National Office for Technology Acquisition and Promotion (NOTAP), which regulates technology transfer and development throughout the country.” A recent visit to

the Ibadan factory by the director-general of NOTAP, Dr Umar Buba Bindir, led to the lauding of BATN’s leaf growing system as a benchmark technology. During 2012 BATN will be extending its growing operations—and its skills base—to another state to increase its percentage of home-grown leaf and reduce its dependency on the Global Leaf Pool.

In this centenary year, BATN is

**“THE FARMERS ARE SUPPORTED WITH INTEREST-FREE LOANS AND ENCOURAGED TO GO IN FOR THE BEST FARMER OF THE YEAR AWARDS”**




*Domestications / Cuma Ventures Ltd*

*Domestications: the ultimate in interior decoration*

SUITES 9/ 11 GROUND FLOOR, PEES GALLERIA SHOPPING MALL,  
2A OSBORNE ROAD, IKOYI, LAGOS, NIGERIA. WEST AFRICA.

TEL: +234803 800 2106 | +234803 304 2106 | +234 1271 4863  
E MAIL: OTOOLA2000@YAHOO.CO.UK



*Blood Type - Unusual  
Genotype - Rare*

*There's something different about us.  
That's why we act the way we do.  
Creativity flows in our veins; and has kept  
us and our clients at the top of our game since  
we started six years ago. So if your business  
needs a creative transfusion, talk to us.*

**141** worldwide

3, Umaru Abass close, by 75, Oduoluwa Crescent, GRA,  
P.O.Box 17021, Ikeja, Lagos - Nigeria.  
Tel: +234-1-7742051, 2790581

stepping up its focus on training, Morgan continues. “The technical training programme is outstanding. We tend to identify students at the Ordinary National Diploma level rather than students with higher degrees, and put them through our nine months of training prior to employing them in the organisation. That way we develop a core of employees with the technical skills we require in our operations, right through from marketing to production.” It’s an approach supported by the Nigerian government, which sets a high priority on job creation and indigenous skills development.

A major challenge over the last 10 years has been the illegal importation of cigarettes. Tackling this was not easy, says Morgan, but the success of BATN’s strategy of education is shown in the figures. Illicit trade dropped from over 80 per cent in 2001 to around 20 per cent of the total market in 2009. “In Mali for example, consumers are being educated on the ills of illicit products: if demand dries up, then the traffickers will turn their attention to something else.” It’s largely a problem of perception, she says: consumers must realize that by buying

**DOMESTICATIONS**

We at Domestications are interior decorators. We specialise in turning the four walls of a house into stunning comfortable homes and your dull offices into attractive work spaces. Our services range from window covering to supply of furnishing requirements for every room in the house and office. Our services are turnkey, to ensure your stay is stress-free and memorable. Domestications: the ultimate in interior decoration. [otoola2000@yahoo.co.uk](mailto:otoola2000@yahoo.co.uk)



Distributor supplying goods to a retailer

“A MAJOR CHALLENGE OVER THE LAST 10 YEARS HAS BEEN THE ILLEGAL IMPORTATION OF CIGARETTES”



Tree planting campaign, Jabata, Oyo State

## “IT’S ACTUALLY IN OUR COMMERCIAL INTERESTS TO HAVE EFFECTIVE AND ORDERLY REGULATION OF THE TOBACCO MARKET”

duty-evaded cigarettes they are directly damaging the country, and cutting the revenues that can be spent on things they value, like education and healthcare. The message has been put across via the press, radio and television, and it has had a huge effect, linking cross-border trafficking of cigarettes with the negative associations of people, drugs or arms trafficking.

A particularly intransigent problem,

Morgan adds, has been to counteract a certain in-built prejudice against locally produced materials: the idea that if a product is imported, it must be better.

The absence of any regulatory framework for the tobacco industry in Nigeria threw the onus of defining standards on BATN, and the company has been in the enviable position of leading the development of legislation in consultation with the

government. As a result, the appearance of the National Tobacco Control Bill in 2009 presented no problems—after all, the BAT Group has for many years actively supported the restriction of cigarette advertising to under 18s and a responsible approach to smoking on the part of adults. “It’s actually in our commercial interests to have effective and orderly regulation of the tobacco market,” says Morgan. “As people realise that ‘made in Nigeria’ equates to quality standards as high as anywhere in the world, they also realise that illicit trade harms legitimate business and increases the likelihood of more underage smoking, and cheap unregulated products that can

pose a much greater risk to health.”

This attitude is complemented by the BATN Foundation, established in 2002 to promote sustainable agricultural development, drinking water, environmental protection, poverty alleviation and skill acquisition. The Foundation has been twice nominated for the Africa Investors Award and has received further awards and recognition for its work in all regions of Nigeria. **BE**

For more information about British American Tobacco Nigeria visit:  
[www.batnigeria.com](http://www.batnigeria.com)



# BRITISH AMERICAN TOBACCO **NIGERIA**

[www.batnigeria.com](http://www.batnigeria.com)