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ITG Brands to Keep Reidsville Factory Open Until 2020

Will Move Reidsville Operations to Greensboro Plant

GREENSBORO, N.C. – ITG Brands has announced plans to keep the more than 100-year old Reidsville, N.C. tobacco manufacturing facility operating until early 2020, but all of its cigarette production will shift to the company’s Greensboro, N.C. facility, a move that is planned to be completed by the end of the first quarter 2020.

The company held meetings with Reidsville-based employees earlier today to discuss the plans.

ITG Brands’ products made at its Reidsville facility include USA Gold, Sonoma, Montclair and Rave cigarette brands. It manufactures Winston, Kool, Salem and Maverick brands in Greensboro.

Some 117 manufacturing employees – 89 hourly and 28 salaried – currently work at the Reidsville facility. Displaced employees will receive severance.

“Deciding to shift operations from Reidsville to our Greensboro plant was not an easy decision to make, especially given the long tradition of tobacco operations in Reidsville,” said Dan Carr, President & CEO of ITG Brands. “Reidsville has experienced and dedicated employees, a great business climate and cooperative public officials, however, it is a business decision we had to make,” he said.

By moving operations to Greensboro, ITG Brands will lower manufacturing and regulatory costs, allowing the company to continue to reinvest in its business and continue growing its brands, he said.

Originally constructed in 1892 and added to over the years, the Reidsville tobacco factory was owned for the majority of its existence by the former American Tobacco Company, which was purchased by Brown & Williamson Tobacco in 1995. Prior to that change in ownership, American Tobacco reportedly employed more than 1,000 at the facility.

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In 1996, B&W moved Reidsville's cigarette making to its factory in Macon, Georgia, and sold the Reidsville building to Commonwealth Brands, which reopened the facility in 1997. In 2007, British-based Imperial Tobacco purchased Commonwealth Brands and kept tobacco production at the Reidsville building.

In June 2015, Imperial created ITG Brands as part of the deal that saw Reynolds American buy the Greensboro-based Lorillard Tobacco Company. As part of the three-way purchase agreement, Imperial purchased Winston, Kool and Salem brands from Reynolds along with the Lorillard cigarette brand, Maverick, and Lorillard's corporate headquarters, research facilities and manufacturing plant in Greensboro. The purchase gave Imperial two manufacturing facilities – in Reidsville and Greensboro – within 25 miles of each other.

ITG Brands, LLC, is the third-largest tobacco company in the United States and offers a broad portfolio of some of the most well-known cigarette, cigar and electronic cigarette brands—including Winston, Kool, Salem, Maverick and USA Gold cigarettes; Dutch Masters, Backwoods and Phillies cigars; and blu eCigs electronic cigarettes. ITG Brands maintains its corporate headquarters in Greensboro, N.C. For additional information, please visit www.itgbrands.com.

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