

The Ambassador of Guatemala



Roberto Garcia Botrán

EDITORS' NOTE

Robert Garcia Botrán is also Chairman of the Board of Rum Creation and Products, Inc. (RCP) which produces Zacapa Rum.

COMPANY BRIEF *Industrias Licoreras de Guatemala* (www.industriaslicorerasdeguatemala.com) is a leading national organization dedicated to the production and distribution of the finest rums and other high quality spirits in domestic and international markets. The history of the production of alcoholic beverages in Guatemala is strongly linked to the Botrán family. Generation after generation, the secrets are transmitted, allowing continuous improvement of the entire production chain. Planting, distilling, brewing, bottling, packaging, and distribution are closely monitored to ensure the qualities that distinguish Botrán rums worldwide.

What is the history of this company?

Our company was founded by my grandfather and his four brothers, who came from Spain to Guatemala around 1935. We have been working since then on the production of quality spirits in Guatemala. The company was run by my grandfather and a couple of uncles, and now by me.

I began with the company in 1996 as a member of the board and six years later, I became its President. At that time, I decided to export our product outside of Central America and we started with Zacapa.

We choose some local distributors – small companies – because at the beginning we had limited funds to put behind the brand.

In the U.S., we focused on Miami. I went there one week or so per month in order to sell Zacapa in each liquor store and bar. We did the same thing in Europe, and Italy in particular.

Is Guatemala well known as a rum producer?

No. People understand that rum is from the Caribbean, but Guatemala is part of the larger “Caribbean.” We realized that for us to sell Zacapa here was going to be by having people try it because once they did, they were going to love it. That’s still how we sell.

Was it challenging to expand your distribution?

An Interview with
Roberto Garcia Botrán,
President and Chief Executive Officer,
Industrias Licoreras de Guatemala

Ten years ago, there were only a few rum brands and there was no rum in the ultra-premium category.

So when we brought Zacapa to the market, customers asked, why pay \$40 for your bottle of rum? I said, try it. This is not a rum – it’s more like a bourbon or a whiskey; it’s a totally different concept.

We saw a huge opportunity with the bartenders and we put a lot of resources behind educating them.

We also started hosting tours in Guatemala so visitors would go back to their countries and become our brand ambassadors.

Word-of-mouth also helped us in Miami and now it’s one of our top markets in the U.S.

How do you offer a premium product while maintaining a reasonable price point?

The suggested retail price is \$45, which is affordable for consumers, because they are getting a very high quality product.

We can suggest this price to retailers because we control and maintain consistency throughout the entire production process. We have the sugarcane fields, we have the sugar mill, the distillery, bottling – everything.

Over the past few years, we have invested in being more efficient so that we can reduce our costs.

Has technology changed the way you produce?

Change has come more in how we plant the sugarcane and in the sugar mill, but our distilling process is still the same. We put a lot of money into the distillery just to produce another type of rum.

Zacapa rums are produced the same as they were 40 years ago. I am afraid to make changes when it is such a great product.

How much do you produce each year for Zacapa?

We produce 250,000 cases of Zacapa a year but more of the local rums, which are aged between one and three years, so they are more affordable. We produce a lot of this for Guatemala and Central America.

Is rum attracting the desired visibility?

People are looking for an ultra-premium spirit, and when they taste Zacapa, they know this is a rum but it’s also something more. They’re willing to try it and to switch from whiskey and even from super-premium vodkas.

After Zacapa had been in the market and was getting more sales, many rums tried to

emulate it and even paid to be on the same shelf with it.

Currently, there are a few rums that compete with us and that is good for the category because there is more noise.

Is innovation taking place? Will there be changes to rum in the future?

I don’t want to change Zacapa, I think it’s perfect the way it is. In the distillery, I’m reluctant to change our machinery because I don’t want it to effect the distinct flavor profile and aromas that our fans have come to expect.

How do you ensure that you’re providing consistent quality?

The most important thing is our employees. They are committed to the rum and proud to produce it. Zacapa has become the ambassador of Guatemala.

Our employees are aware that quality is the most important thing and we have good technology that ensures that the quality is good.

How do you manage growth when you’re entering additional markets?

We recognize significant opportunities and we have a 15-year plan to realize them. For example, we are now launching in Russia as well as in Asia. We are investing in all rums according to this plan so we are prepared.

Is it challenging to run a family business?

It can be a challenge to mix family and business. Many years ago, my grandfather and his brother decided it would be forbidden to have family members in executive positions. The only executive position is the one I have but there are no other relatives working for the company. They can be on the board of directors, but not hold executive positions.

In leading the company, what are you most focused on to ensure that growth continues?

We are focused on growing the aging facility to have more aged rums. Five years from now, we want to be recognized as the best rum producer in the world. We would like to lead in this category.

We have a huge opportunity; one of the best assets we have is our Master Blender, Lorena Vásquez, who has been with Zacapa Rum for nearly 30 years. She is one of a handful of female Master Blenders in the world. Additionally, we have a department in the company led by professional women who are great at getting new rums and overseeing quality control. With our expertise, we can lead the category of rums worldwide. ●

