

Locals say their alt-tobacco company worth \$200 million



Schroepfer-Baetsen

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Rauchless Inc., a Nashville-based company, will soon test-market its smokeless cigarette-like device in Europe, and hopes to enter the U.S. market before 2009.

The Rauchless smokeless cigarette is a [system for delivering nicotine](#) and the aroma of tobacco at temperature, taste and intensity familiar to tobacco smokers, without carcinogens. The porcelain device is managed by a computer chip and includes a heating element.

Rauchless President Thomas Schroepfer-Baetsen told *NashvillePost.com* this afternoon that an appraisal of the company by an independent U.S. accountant whom he declined to identify for publication shows the company and its technology are worth \$200 million, despite being pre-revenue and pre-market.

Schroepfer said he and Dutch-born Rauchless Chairman Evert Wilbrink, a music-industry entrepreneur who is also based here, have invested a total of about \$700,000. He said they are preparing to pursue about \$20 million in venture capital.

He noted that, beginning yesterday, Rauchless has a new CEO — a former German Olympic medalist in rowing, Peter Niehusen, whose resume includes 20 years in the German cigarette industry, including membership on the board of manufacturer Reemtsma Cigarettenfabriken GmbH.

German-born Schroepfer also said the company has received assurances from the Justice Department's Division of Alcohol, Tobacco & Firearms that the agency has no challenges to the venture, which involves no tobacco. He expressed confidence that ongoing discussions between the firm's lawyers and the U.S. Food & Drug Administration will also end with no objections.