

Introduction

I'm a respected and sought after consultant to the Specialty Coffee Industry, and have been for the past 17 years. During that time I've guided hundreds of individuals as they created and opened their new coffee businesses. I've also assisted countless others to face the often overwhelming challenges of their existing businesses. I've witnessed many successes, and sadly a few failures. Throughout it all, the growth of our industry has remained vibrant and consistent, and our future outlook bright. That was then, this is now; our nation's current economic crisis has changed the rules!

Since the stock market meltdown and bank collapses of late 2008, the business environment and our entire economy have deteriorated significantly.

Uncertainty about how deep and long this recession will last, and fears that it might develop into a full-fledged depression, have made would-be entrepreneurs gun shy about opening new coffee businesses. Those still bold enough to pursue their plans, and those whose plans were already in progress, are finding that capital is difficult, if not impossible to borrow.

Worse yet, not only has the crisis slowed or blocked entry into our industry, it has spread across our country resulting in widespread fiscal chaos. Businesses have collapsed and millions of people have lost incomes and homes. In an economy where the majority of people are understandably concerned, if not downright frightened, cavalier discretionary spending has become a thing of the past.

This sudden shift in the public mind-set presents a fundamental challenge for our industry. For years we've been selling an affordable LUXURY: that \$3 to \$4 "Cup-o-Jo," that "splurge," that "go for it - you deserve it attitude!" With

tightfisted consumers limiting their spending like never before, and companies like McDonald's advertising their new, no frills, value priced espresso beverages, how do you compete and maintain your market share? How does your coffee business survive if you loose half your customers?

I've been around for over half a century, but this economic environment is different than anything I've previously experienced, or for that matter, from what anyone else my age has experienced! During the weak economy of the 1980s, I managed failing restaurants back to profitability. In 1990, a few months after opening my own restaurant, I survived a dramatic drop in business due to the outbreak of the first Gulf War. The conditions in those times were challenging, but our current situation is worse. For many in our industry, their financial future has suddenly become uncertain.

Prior to my 17 years as a coffee consultant and educator, I worked successfully for a decade within the corporate restaurant industry. Because I was fortunate enough to be mentored by wise individuals, people with lifetimes of experience running profitable stores, I developed the skills needed to take control of businesses in almost any environment. Even during the best of times, countless food service operators are challenged to stay in business! For many struggling coffee bar owners, this recession will be the straw that breaks the camel's back, driving them into bankruptcy and wiping out their life savings.

Mulling over this sad fact, I decided to write this "rescue plan" for retail coffee business owners and managers. I've drawn upon everything I've learned over my 35-year-career owning, managing, and working in food service businesses, and poured it back into this book in hopes that it can help people through these turbulent times.

If you're like most operators, your time is a valuable commodity that's in short supply. Dealing with the daily demands of running your business, and all that goes along with it, leaves you little time and energy to reflect on business operations, or to develop the concise plans you need to deal with monumental challenges. This book is for you! It's the roadmap you don't have time to create, the ideas you're too worn out to dream up, and that all important action plan that you never quite finish!

This book examines public perceptions of our industry and how they need change. It provides you with powerful strategies to ensure that your customers view your business in the best possible light, and at its heart, it teaches you tested and proven ways to reduce your costs, while maintaining and building your customer base. The tasks it calls for will demand your effort and persistence, and will require that you to break your routine and push the boundaries of your comfort zone.

The plan this book presents can't guarantee your business prosperity, or even your business survival. Some people, who purchase this publication, will never bother to read it! Some will read it and do nothing, or do too little too late. Sadly, some will read it, apply all or most of its principals with conviction, yet their business may still flounder. Sometimes bad pre-opening decisions, or a disastrously depressed local economy, can present obstacles that simply can't be overcome.

Most businesses however, have a chance to succeed and just need a helping hand. Hopefully this book will provide one for yours. The guidance and strategies it offers have the potential to improve your coffee business and allow it to survive these turbulent economic times. One thing is certain; applying the principals in this book will only make your business stronger!

Good Luck!