



COFFEE SHOP WORLD

Your free newsletter - downloadable from www.howtsetupacoffeeshop.co.uk/newsletter.htm

Coffee Shops boost business on the High Street!

Allegra Strategies have recently completed a study of the role of coffee shops on the high street and their findings bode well for would be coffee shop entrepreneurs.

The survey, developed with the support of Starbucks and conducted with nearly 5,000 consumers, found that 35% of adults in Britain visit a coffee shop each week, and that coffee shops contribute up to 25% of footfall to high streets. Coffee shops are welcomed by 89% of local businesses as they add a vibrancy to the area. Furthermore, 40% of local businesses believed their sales improved due to the presence of a local coffee shop.

The importance of a visit to the coffee shop as a social event (referred to in *How to Set Up a Coffee Shop!*) is reinforced by 71% of consumers stating that coffee shops create a sense of community in their local high

street. Interestingly, 52% of those interviewed said they planned their visits to their local coffee shop, rather than just dropping in whilst shopping. And 6% confirmed they use coffee shops to hold business meetings.

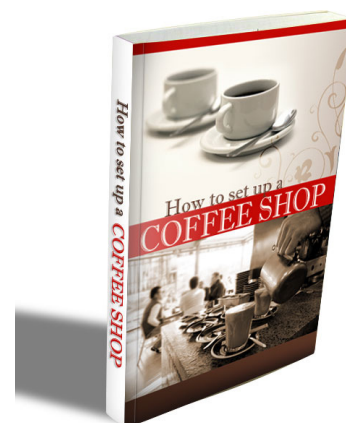
So if you are in the midst of planning your new shop, now might be the time to consider what you will offer your customers that will meet their social and business needs as well as just a great cup of coffee!

For further details of Allegra's report, you can watch this news report online:

<http://www.reuters.com/news/video/story?videoId=68157371&videoChannel=5>

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How to set up a Coffee Shop, a 136 page guide to setting up in the business, is available at:

www.howtsetupacoffeeshop.co.uk

Cadburys to open Chocolate Café's

Plans are underway for Cadburys to launch a chain of Cocoa Houses.

Customers will be able to choose from a variety of hot chocolate drinks, afternoon tea and a range of chocolate gifts will be on sale.

Cadburys are yet to decide on the number of shops, and locations, but the deal to set up the Cadbury Cocoa Houses was signed before the take over by Krafts in January.

It will not be the first time Cadburys has been involved with cafes - a Cocoa House was opened and ran in Bath for 6 years before closing in 2007,



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News Digest

Costa Coffee has added another new item to its menu board - the flat white. A popular drink with Antipodeans, it has helped increase sales at the chains since its introduction in January, achieving a 8.5% rise in sales in the three months to mid February. Costa is currently Whitbread's star performer, with sales up by 35%. Coffeeheaven, recently bought by Whitbread, will be boosting Costa's overseas sales in central and eastern Europe.

Huddersfield based coffee company, Cooper's Coffee, will be supplying sobering cups of coffee to sports fans. It has signed a £50,000 contract with event catering specialists EMC to provide half time

coffee at stadia across the north. Arabica filter coffee will be served at functions and in corporate boxes

Coffee companies fined millions for price-fixing

Eight of Germany's most recognized coffee companies have been fined a total of 30 million euros for price-fixing. The country's competition regulator said the companies coordinated prices for ten years.

Germany's Federal Cartel Office announced on Wednesday that it was fining eight German coffee companies or their local subsidiaries a total of 30 million euros (\$35.9 million) for illegally fixing the price of wholesale

coffee sold to bulk customers such as restaurants, hotels and automatic coffee machine companies.

The authorities say the heads of Tchibo, Darboven, Melitta, Kraft Foods, Seeberger, Westhoff, Lavazza and Segafredo Zanetti met from 1997 through mid-2008 to agree on price increases or cuts.

"Coordinated price increases for consumer goods such as coffee have a direct impact on consumers' wallets," said Andreas Mundt, head of the competition office.

"Cartels appear in all kinds of industries. They are highly damaging to society and therefore have to be rigorously prosecuted".

Deutsche Welle

Caffe Culture Show Opens in London

It's not too late to register for the Caffe Culture show, one of the largest trade shows to take place in the UK for the coffee shop/ café market.

From 23rd to 25th June, you will be able to visit the show at Olympia in London. Representatives from practically all suppliers to the coffee shop business will be present, so you can seek advice on sourcing coffee, tea, coffee machines, hand baked cakes and biscuits, packaging, soft drinks, etc. It is a really good opportunity to find all the necessary contacts you will need in one place, so don't miss out.

The following workshops will also be

run over the three days, but you will need to book ahead:

Workshop 1 - Brewing, Barista and Coffee Bar

Workshop 2 - Green Coffee and Sensory

Workshop 3 - Roasting

Workshop 4 - Business Insight

A series of conferences will also be held:

Managing Change - A focus on change management strategies

A Whole New World - An exploration into changing retail concepts for different markets

Design 2020 - An insight into the evolution of the café bar concept

Speakers include senior management from Starbucks, and Caffe Nero.

You may also be interested in attending some of the seminars planned, full details available at:

<http://www.caffeculture.com/page.cfm/link=205>

The Secrets to Growing a Successful Chain of Coffee Shops

Ten years ago, investment banker James Shapland quit his job and set up his first coffee shop, *Coffee#1*, in Cardiff. This year his chain of coffee shops was named the best in Britain, beating competitors like Costa at the Café Society Awards in London.

Mr Shapland now has 12 shops across South Wales and South-West England.

So, how has his chain become so successful so quickly? And what advice does he offer other entrepreneurs?

Firstly, he believes his company's success

is due to limiting new shops to one a year. This avoids the company becoming too big too quickly and people becoming anonymous.

Secondly, they offer great coffee and produce and excellent service, factors acknowledged at the Beverage Service Association Awards, where they picked up first prize. They have concentrated on developing a really good cup of coffee, ensuring customers get value for their £2 they spend on coffee. And they offer warm and friendly customer service, appreciating their customers

and not taking them for granted. A warm, comfortable environment tempts their customers to stay longer, having a chat with friends or just reading a book on a sofa. Importance is also placed on clean tables and toilets.

Coffee #1 has featured in Wales Fast Growth 50 project, being in the top 50 fastest growing companies for three of the past four years.

Llandudno coffee shop brand to go nationwide

Mar 4 2010 by Eva Ketley, [North Wales Weekly News](#)

A SUCCESSFUL coffee shop owner is planning to take his concept nationwide.

Barry Mortlock, 51, from Llandudno, is keen to work with a major national retailer to franchise the successful *Coffee Culture* brand as the country emerges from the recession.

He established his first coffee shop on the first floor of Waterstone's book store in the resort in 2002, and has since opened a second outlet in the retailer's Swansea store.

And now he is ready to expand further.

"During the recession, everybody had to streamline and be proactive with marketing to hold their heads above water and those that have survived are in a strong position to take advantage of the economic upturn.

"It has given us time to make the *Coffee Culture* concept franchise-friendly and we are now looking to work with a major national retailer on the next phase of development," he said.

He's come a long way since leaving a management role at Lloyds TSB bank in Llandudno in 1997 to establish the multi-award winning

Badgers Tearooms and patisserie in the Victorian seaside resort.

Selling the tearooms in 2007 allowed the senior management team at his *Badgers Group* to focus on the expansion of the *Coffee Culture* concept.

Each of the two *Coffee Culture* shops employs a team of 12 staff who serve Fairtrade organic coffee and freshly prepared food.

"During the recession, everybody has had to streamline and be proactive with marketing to hold their heads above water and those that have survived are in a strong position to take advantage of the economic upturn," said Mr Mortlock.

Parent company, *Badgers Group*, has been an Investor in People (IIP) company since 2001, having been reassessed three times.

The company has recently achieved the IIP Leadership and Management model with support from Welsh Assembly Government business adviser Michele Spratley.

"We originally committed to IIP because it was perfect for what the

business needed," he explained.

"The IIP programme has moved with the times and progressed over the years, which is what all businesses must do. I have encouraged at least three business colleagues to commit to IIP and they have also found it very valuable.

"I always believe in recognising and rewarding staff for their hard work and IIP is good for measuring results and achievements.

"We run a very proactive company that encourages staff to develop their skills and better themselves.

"Our low staff turnover is a good indicator that they are happy and motivated. I also have a great culture coordinator in Eileen Burrows who has superb people and customer service skills."

Mrs Burrows and her husband, Simon, who is general manager, form the senior management team with Mr Mortlock.

The Key to the Success of Your Coffee Shop

As you plan your coffee shop your head will be full of information, so much that it will probably keep you awake at nights. Subconsciously you will be making lists, lists of things to do, people to contact, and figuring out what will be the most important factors in ensuring the success of your new business.

Yes, the location is critical, and yes the interior design will be so important in attracting your new customers.

But what is key to keeping those customers coming back time after time?

Well, that will be down to your new staff.

So it is of critical importance that you begin now, before your shop opens for business, to think about how you will manage your staff and how you will use their skills, personality and abilities to empower your business. You will not be building a business - you will be building an organisation, and it is the organisation which builds a business.

For your new business to be a success you will need to foster the following in your staff's attitude to their work:

- Energy
- Drive
- Enthusiasm
- Excitement
- Commitment
- Ambition

Many managers only ever talk to their staff about finances - "how much have we taken this week? Are we meeting our targets?..." etc. And certainly you will have to keep a close eye on the bottom line, but to concentrate on finance to the detriment of everything else will not inspire your

staff and will not increase their levels of enthusiasm, excitement, commitment or ambition!

You will need to take a long term strategy of providing support, taking an interest in their lives, praising and supporting them as individuals and in some cases you will have to "put your money where your mouth is". This may involve offering training courses, flexible working hours or financial support in terms of childcare, etc and you should expect to cover these costs for the long term objective of keeping a well trained, happy, enthusiastic work force that will enjoy their work, display drive and passion and stay loyal to you as an employer.

As an employer you will need to demonstrate to your staff that you are:

- Disciplined about standards
- Even-handed and even-tempered
- Genuine and sincere
- Able to read your employees' characters and understand their skill levels.

And what are the rules followed by most successful managers?

- First you build your people, and the business will follow
- The job can be done with fun and discipline
- Monitor and manage how people treat each other
- There must be trust between management and employees
- Success comes from character, respect, trust, integrity, empowerment, confidence, loyalty and keeping promises
- Bet on the long term and avoid short term pressures
- Focus equally on staff, clients and finance
- Live up to your values every day

and create a great place to work.

Following these guidelines will help you to run a happy shop. Happy staff attract loyal customers, and you will have a head start in achieving and maintaining a profitable business.

Online Barista Training!
[For details click here!](#)



**The Perfect Little Coffee Shop:
Are You Afraid of Failure?
Are You Letting that Failure
Cripple You?**
By Ruth Bird

Ah, coffee, the drink of choice when I want to share a special moment with friends, when I want to sit and ponder life or when I want a moment alone. I am an avid coffee drinker. I love coffee and I love the atmosphere of a good coffee house, a café.

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Advice from a Coffee Shop Designer

By Nigel Witham

Why should I engage a professional designer for my restaurant, bar or cafe?

A professional designer will know how to design so that your restaurant, bar or cafe will best appeal to your customers. Restaurants are known to be amongst the most technically-difficult interiors to design. An experienced restaurant designer will understand the technical matters but will also be trained in design history, science and about design tools (such as computers and complex software). They will have time to do your work thoroughly. An experienced designer will tell you honestly if your own ideas will work and if they will not they should not be afraid to tell you and explain why and to come up with other suggestions.

A professional designer will take time to learn about you and your business, where it is and what it is trying to achieve. They will help prepare a detailed design brief to record these things. This brief will help you to control and focus your ideas to stand the best chance of winning business from your competitors so that you are not just relying on your personal tastes and assumptions. For more information I have written a separate help sheet called How To Brief Us.

A professional designer will help you develop and build a strong, marketable brand with clear, focused objectives. They will work with you over the whole life of your business.

I am a member of the Chartered

Society of Designers, who vet all their members for quality of work and professional practice. You can download a copy of this Chartered Society of Designers Code of Professional Practice here. <http://www.csd.org.uk> where you may also check if your designer is a member

Why should I pay design fees for my cafe, bar or restaurant?

All Chartered Designers are obliged to charge fees at normal professional rates but they can only earn money from commissions and recommendations if they tell you first. So that my advice is impartial I only charge fees and I do not earn any other money from commissions or other inducements or secret profits. These fees are an investment in the future success of your business.

To see some examples of how successful professional design is why not visit the Design Council web site where there are independent research data and well known examples? www.designcouncil.org.uk

According to the Design Council

- 91% of rapidly growing UK businesses use design compared to 49% of average businesses
- 71% of fast growing companies see design as integral or significant. For static companies the figure is 20%
- 62% of static businesses see design as irrelevant. No rapidly growing company agrees.

Do you take responsibility if the builder or supplier you recommend fails to perform?

We are responsible for making sure, so far as our specific terms of engagement permit, that the builders and suppliers for your project are engaged on clear terms with detailed, written agreements signed by all

parties. If necessary, we will take legal advice when necessary to make sure we do this work properly.

In the unlikely event that things do not work out properly you will then be protected and compensated as far as the law allows and we will advise you how to deal with such problems. However, ultimately we don't guarantee anyone else's obligations, responsibilities or work, we guarantee our own and we have professional liability insurance for this.

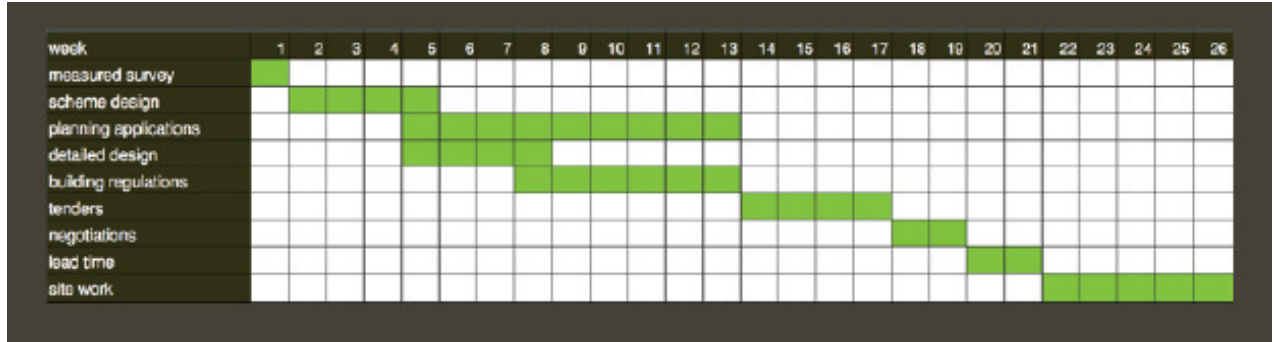
How long will my project take?

The shortest time for a minor project (up to £250k contract cost) is 16 weeks from starting design work to commencing trading but this depends on the availability of contractors and is best avoided since working so fast can add to costs. The chart shows a typical 26 week program which can be followed comfortably for the interior design and building of most minor projects. This program can only start once the design brief is ready and once all your branding is designed (otherwise the interior and brand designs will not match up).

Larger projects costing over £500,000 usually take 9 months to a year or more to complete.

If we are managing a complete refurbishment we will act as quickly as we can. In the UK the slowest parts of the process are usually obtaining planning consent and building regulations approval from your council and obtaining tenders and quotations from builders and other suppliers.

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For further information, see www.nigelw.com

The Perfect Little Coffee Shop (cont.)

And, even if I buy take out coffee, which I do frequently, I like to get my coffee from one of these special cafes.

I often take my two certified therapy dogs with me and go for a ride. I get the coffee, they get a little treat, and off we go. Those are some of my special golden moments of life. Are you evaluating whether to start or buy a coffee shop & espresso cafe business?

Well, I was reading through some interesting information on the internet today. And, it taught me a few things as an internet marketer. First, when you are looking for that "niche", the one that feels right to you, look for ideas in your own "backyard". Second, when you get the idea, listen to your inner voice and pursue it, don't say it's too silly until the numbers tell you it's too silly!

And third, when the numbers are researched and they look good, go after it! Have you researched the coffee shop business opportunities and business for sale classifieds looking for that "perfect little coffee shop?"

Are you afraid of failure? Are you letting that failure cripple your chances for success?

Let's look at this success story. First, how many of you are "knitters"? How many of you share your knitting stories with other knitters? I bet quite a few of you do. How many of you are knitters, and at the same time are open for a business venture? How many are even looking for that special business venture?

Well, here is the success story. I mean, if you are into knitting, how good does this sound? What a great place to get away to for a while, pursue your hobby, and have a

social life.

This is the story that caught my eye. Mabel's Cafe and Knittery offers "knit-wits" a chance to feed their love for knitting and purling in a cozy Southeast coffee shop.

There are brightly colored skeins of yarn in different textures and thicknesses that can actually be purchased in the cafe, along with coffee and locally made pie. Now that part



sounds good, even without knitting. There are tables, sofas, and chairs along with knitting books strategically scattered for inspiration.

The owner said, "It was a natural idea for me to mix knitting with other things. I also think that people need more opportunities to be social." How very true. She was able to incorporate this need into a success story.

Mabel's Cafe, even offers a variety of knitting workshops for beginners and seasoned pros alike. There are new mothers' classes, and of course dads are welcome too. Here the parents can socialize and learn to knit while introducing their little ones to the neighbors. What a great idea. Somebody followed their dream.

I did further research on this subject, and here is another success story. The Knitty Gritty Cafe is "a one-stop place for women who love to knit and love the smell and taste of freshly brewed coffee. Whether you are an expert knitter or a beginner, they also sell

a variety of products ranging from books to tote bags to a wide selection of yarns".

Here are some more interesting ideas people have had for coffee shops.

l'Abacadabar The second Monday of each month: evening aperitif games at the Abacadabar (19th), the biggest free evening of board games in Paris.

les Trois Bornes The fourth Sunday of each month : round off your Sunday by playing board games at the Trois Bornes cafe (11th).

Le Cafezoide If you've brought the kids, this is for you: you'll only find one of its kind in Paris and even in France: a cafe exclusively reserved for children from 0 to 16 yrs (accompanied by a parent).

It's the **Café zode**, a cafe where you won't find alcohol or cigarettes, but a real café nonetheless, with a bar, games, shows, cosy corners and workshops.

So, if this is what you want, and if you have your own "personal niche" well, at least do the research, do the numbers. Who knows, you may come up with a real winner. You too may have your dreams come true. And lets face it, coffee "is where it's at".

My Name is Ruth Bird. I have 2 therapy dogs, and I love coffee. I am always impressed by those that have dreams, and follow them. Besides health for pets and people, I am an internet business person.

<http://www.mimfreedom.com> <http://www.marketersinmotion.com>