

Coffee Heads Ride Third Wave

Inside Tucson Business January 04, 2005



The American obsession with coffee is riding its third major wave. First came the mass production of coffee with the Maxwell House and Folgers of the Industry. Starting in the 1950's, the drip percolators on timers were fixtures of many American homes. Next came the neighborhood specialty shops a la Starbucks and its imitators. Although Starbucks and clones still ride high, the third wave is rolling in. In every city across the country, there is a representative of the third wave – the small drive or walk through excellent java joint. These independent shops with their fiercely loyal clientele specialize in delicious coffee and other tantalizing goodies – always fresh and reasonably priced.

People in Tucson laughed at proprietor Tom Mannell when he opened his “coffee box” but with dedicated customers who won’t go anywhere else, he has the last laugh. “Business is good”, said Mannell. You might say that is an understatement. Every morning and throughout the day, focused coffee lovers enter the quick moving queue of cars and leave the windows with steaming cups of java made to order. Mannell owned a café in Tucson for 8 years and started Coffee Times in 1996 after traveling in the Northwestern United States and enjoying drive through espresso shops in the Seattle area. He visited quite a few small shops, decided he could enjoy that business and became convinced that it would work in Tucson where at the time there were few drive through shops.

After Mannell had been in business for several years, Starbucks moved just down the street and another chain a few blocks away. You might wonder: how can Coffee Times compete? “Very well,” said Mannell who welcomed Starbucks to the neighborhood on his marquee. “I am happy to go head to head with Starbucks on price, quality and service. Starbucks has one thing that I can never have and that is a nationally recognized brand but I can compete with them on everything else.” Tom Mannell has three best practices that keep him ahead of the pack:

1. Hire great people and keep them. Mannell’s turnover is very small for any business and definitely for the coffee business. His newest barista -espresso shops use this Italian term in honor of the home of espresso- has been with him six months and everyone else has been there for over two

years. They make more money than baristas anywhere in town according to Mannell, have a generous retirement fund, a medical saving plan and enjoy good working conditions.

2. “There is continuous constant attention to quality of product and speed of service,” Mannell said. “I work right along side of employees so I understand what they need to do their job well.” He learned how to move a line from years of experience in a counter service coffee house. “Counter service is quite different from table service – it was easy for me to generalize counter production layout to a drive through – I know how to move two lines fast and efficiently,” said Mannell. His operation perks along like an elegant Italian espresso machine.
3. Responsiveness to customers and employees is a major practice. “My employees can always reach me if there is a problem. We take this business seriously. It is hard to own and operate a small business -if it were easy, there wouldn’t be so many small business failures and everyone would do it,” observes Mannell.

Price, Quality and Service – the folks at Coffee Times are relentless in their efforts to deliver a delicious cup of coffee.

Sharon Youngblood is a Certified Management Consultant, coach and speaker. She improves performance and profitability of firms. Contact her at say@youngbloodconsulting.com or (520) 795-7498. Additional articles are available: www.youngbloodconsulting.com