

Business perks

Coffee shops finally filter into Central Alabama

BY MELANIE LEMAY

According to a late 70s-era commercial, coffee could both "calm you down and pick you up."

It's no surprise, then, that this magic elixir has spawned an entire industry that caters to its devotees.

Both privately owned and franchised coffee shops are enjoying brisk business throughout the nation. Mike Ferguson of the Specialty Coffee Association of America said more than 11,000 such stores with an average of \$550,000 in annual sales make up the \$6 billion industry.

Central Alabama has been slow to embrace the coffee craze, but an influx of such shops in the last couple of years has left no doubt that the trend has caught on. Seattle-giant Starbucks now has two stand-alone locations in Montgomery, Prattville is home to House of Java and the Daily Grind, and Tiger Beans has opened up in Auburn.

The coffee shop concept isn't completely new in the area, of course. Shops such as Café Louisa and the Montgomery Street Coffee Shop in Montgomery and Taylor's Bakery and Gourmet Coffee in Auburn have been around for a while.

"There just seems to be a delay before national trends catch on in this area," said Missy Mercer, a Montgomery native who owns Café Louisa in Montgomery's Old Cloverdale section. "I lived in California, where coffee shops have been part of the landscape for years. When I moved back to Montgomery, I was surprised at how few coffee shops were here."

"It usually takes awhile for innovations to make it to Alabama," said sociologist Donald Bogie, director of the Center for Demographic Research and a professor of sociology at Auburn University in Montgomery.

"Areas like Central Alabama are playing catch-up on a 10-year trend, so it tends to be like the end of the whip," Ferguson said. "A lot happens quickly in a small area."

Now that coffee shops have taken hold in Central Alabama, the trend has gathered momentum. "There are several factors at work here," Bogie said. "First, there wasn't a lot of competition locally, making the area fertile ground of new businesses. Second, Montgomery has a somewhat cosmopolitan atmosphere with the presence of so many military personnel, who have been exposed to such products in other places, and the growing international community resulting from companies like Hyundai."

Bogie noted that the new coffee shops seem to be clustered in areas that cater to businesspeople and "the relatively affluent, white-collar population, many of



The Daily Grind in Prattville is among the growing trend of coffee shops in Central Alabama.



Café Louisa is an eclectic mix of geometric colors, with seating at a long banquette flanked by low, sleek tables



Taylor's Bakery and Gourmet Coffee in Auburn has a thriving catering business for locals.

whom are baby boomers with gourmet tastes and the money to satisfy those tastes. Plus, many of the shops offer Internet access, another boomer mainstay."

As coffee shop owners can attest, their clientele falls into two broad categories. "In this somewhat impersonal

society, many people go to coffee shops to meet others and enjoy a sense of community," Bogie said.

Jan Taylor, whose coffee shop on College Street in Auburn has been a popular gathering place for almost eight years, said it's often standing-room-only in her small shop. "It's an alternative to meeting your friends in a bar," she said. "It's easier to talk."

Shari Rossmann, who recently opened Cool Beans on Montgomery Street in the capital city, said coffee shops offer the public good alcohol-free places to congregate. Although her bistro-style shop caters more to the downtown breakfast and lunch crowd, she said shops such as the Montgomery Street Coffee Shop in Montgomery's Bell Building serve the community well by giving teenagers a nighttime place to gather.

Coffee shops are designing both their environments and their wares to appeal to their customers, many of who are young and techno-savvy. Taylor's in Auburn is designed with ceiling-sweeping swaths of fabric and a rounded coffee bar, a modern design that still manages to convey warmth and hospitality. An architecture student created the look for his senior project.

Café Louisa is an eclectic mix of geometric colors, with seating at a long banquette flanked by low, sleek tables. It's an understated, literary kind of atmosphere that appeals to young customers, including a teen who on one recent Friday afternoon sat sipping Sprite from a bottle and posting messages to a blog via notebook computer. "He's connected with a wireless Internet card," Mercer explained. "We offer free Wi-Fi access and our customers love it."

Coffee shop owners understand the expectations of an Internet generation. ComScore Media Matrix reports that as of August 2004, almost 80 percent of 19 to 24-year-olds in this country routinely used the Internet, along with some 60 percent of those in the 25-54 age group. As a result, coffee shops are making Wi-Fi available in record numbers.

It's not unusual to see coffee shop customers set up entire mobile offices in a cozy corner. On most any day, business people who work from home, travelers, freelancers and aspiring writers bring their books, files, laptops and PDAs to coffee shops for extended work sessions. Writers such as J.K. Rowling of "Harry Potter" fame have written entire books in the corner of a coffee shop.

"It's a reality of the business," Mercer said. "We have regulars who come in early and stay into the afternoon. You don't go into this business to turn tables."

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Coffee shops compensate, in part, because the markup on coffee drinks is so high. A flavored coffee, chai or iced cappuccino might cost \$4 or more. The Specialty Coffee Association estimates that one cup of high-grade coffee actually costs about 24 cents, making it even cheaper than bottled water.

Most coffee shops also sell fancy pastries, since sweets are so compatible with coffee. Mercer is not only a business school graduate, but also a pastry chef. She begins each morning at 5:45 in Café Louisa's kitchen, baking brownies and pies and banana nut bread from scratch. Taylor's specialty is cinnamon rolls, and makes up for slow business during AU's breaks with a thriving catering business for locals.

Cool Beans offers a complete lunch menu, including gourmet sandwiches named for famous directors. (The Sophia Coppola has French ham, avocado and goat cheese with Provençal vinaigrette on rosemary bread. The Tim Burton offers marinated London Broil on cheddar jalapeno bread.)

Some shops also sell coffee-related products such as espresso and cappuccino makers, travel mugs and bean grinders. Stores such as Joe Muggs, located locally in Books-A-Million stores, offer signature products.

Of course, almost all coffee shops sell gourmet coffee by the pound, either in whole beans or freshly ground. Most offer their own special blends. Both Café Louisa and Taylor's carry Higher Ground, an organic coffee, and Taylor, who ruefully admits that she prefers tea to coffee, carries a wide selection of gourmet teas, including flavors such as lavender mint from Tealogy.

Original artwork often hangs on coffee shop walls. Mercer displays and sells her mother's paintings at Café

COFFEE QUIZ

Want to test your coffee savvy? Take the coffee quiz at www.coffeeuniverse.com, where you can also learn how baristas judge fine coffee and get tips on making the ultimate cup of joe at home.

Louisa. "One of my dreams was to have a restaurant with her paintings hanging on the walls," Mercer said.

Taylor's maintains a rotating display of AU student artwork, including photography. Cool Beans also features original artwork on its walls, and shares its retail space with the New South Art Shop for fine art framing, as well as a large art gallery on the two floors above the shop.

Other coffee shops offer music, and at least one local shop, the Pottery Loft Café, lets customers craft their own pottery while they enjoy a cup of joe.

The coffee shop industry may be in for changes, if a report from International Communications Research is any indication. According to that study, today's most devoted coffee shop patrons fall into two groups - 18- to 34-year-olds and those with annual incomes exceeding \$75,000. More than 40 percent of these groups said they head straight for a coffee shop when they drink coffee outside the home, as opposed to only 32 percent of away-from-home drinkers from other demographic categories.

Those in the highest income bracket said coffee shops sell better coffee than other businesses, but only 34 percent of all adult coffee drinkers believe that's true.

Seven out of every 10 Americans drink coffee away from home at least some of the time, but only a third of this number frequent gourmet coffee shops. That

means, according to an article in American Demographics magazine, that the successful coffee shops of the future will find ways to attract customers from other demographic and socioeconomic groups. Already, stores with typically older clienteles such as Dunkin' Donuts, are offering flavored coffees, mochas and cappuccinos at lower prices.

In the meantime, the Central Alabama area is still prime ground for new coffee shops. In 2003, only 18 percent of such retailers were located in the Southeast, but that number represented a 50 percent increase over 1993. Consumers do like the quality and taste of gourmet coffee, Bogie said, but it's not necessarily the coffee itself that's responsible for the trend.

"More and more people live alone these days," Bogie said. "Family ties have declined significantly, and neighborhood relationships aren't as strong as they used to be. Many of us don't even know our next-door neighbors. Social beings that most of us are, we savor the companionship of others outside the work setting. Such an atmosphere gives us a sense of community."

"People often ask me if I think Café Louisa can compete with a giant like Starbucks," Mercer said. "It doesn't worry me at all. A shop like ours is a neighborhood gathering place, and coming here is part of daily life for people who live around here. We know their names and what they usually order, and the more often we see them, the more we share the little things about our everyday lives.

"In a good coffee shop, you have the best of both worlds - you can enjoy other people, or you can enjoy some quiet time by yourself. Either way, it's the perfect escape from a hectic world."

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