



# A GRIND OF A JOB

Ontario coffee producer thrives through selective target marketing and heads-up use of machinery and technology

There are more than a few folks out there who wake up in a catatonic state and are hard-pressed to register a heartbeat without their morning coffee. These are just the type of folks for whom companies like **Reunion Island Coffee** of Oakville, Ont., are busy making just the right blend to get them going.

Founded in 1995—and located at its current 25,000-square-foot location, sitting on a 2.6-acre site, since last May—the 22-employee company produces approximately 1.5 million pounds of coffee annually for an array of clients across North America. All told, the company's product line includes up to 60 different blends, and around 40 of the so-called 'flavored' coffee brands.

And business is coming along quite nicely.

In fact, president Peter Pesce says the company could well be doubling the size of its production space in the foreseeable future to accommodate the growth.

"We normally grow at a rate of about 20 to 25 per cent [annually]," says Pesce. "What we've done, particularly in the last year, is really expand into the United States. It's the main thrust of our growth this year."

"We increased our customer base from 800 to 950 in the last year [but] without the U.S. business, we would only be up about five or 10 per cent. We wouldn't have had this type of growth."

While there are no major national coffee chains on Reunion Island's customer list just yet, the company's client roster is impressive nevertheless.

"We specialize in smaller businesses," explains Pesce. "Most of our clients are specialty stores, like restaurants and cafés."

A typical client, he adds, would be **Java Joe's**, a Toronto-area coffee-shop chain with about 15 locations.

The company operates both as a private-label co-packer, and as a full-fledged manufacturer of its own product line.

The history of Reunion Island traces back a few years ago to when Pesce, a 30-year veteran of the coffee business, sold a coffee company he was running at the time, got restless in semi-retirement, and eventually bought a company called Universal Coffee.

Right away, Pesce wanted a name change and—when it was noted that Pesce had recruited some people who worked for him before—it was suggested that he rename the company Reunion Coffee. Initially he rejected the idea because he did not think that the name really related to the product—until one day he stumbled across a book reference to the Reunion Island, a piece of land in the Indian Ocean where coffee was planted by missionaries from North Yemen.

Pesce says he has seen his fair share of the ups and downs in the coffee industry over the years.

"When I first started in the business, North American and worldwide coffee sales were declining," he recalls. "What had happened, at that point, was that there was a lot of cheap, inexpensive coffees.

"There are two types of coffees that are commercially

important: there's arabica and there's robusta.

"With robusta beans, it lowers the price of the coffee, but it also lowers the quality," he elaborates.

"We don't use robustas, we only use arabica. And we only use the best arabica. Arabica coffee grows from 2,000 to 5,500 feet above the sea level. Most of the beans we use are from around 5,000 feet above the sea level."

Coffee beans grown at higher altitudes, explains Pesce, take longer to develop—around six or seven months—which is why they end up with more aroma and better flavor.

For a long time, he recalls, a lot of the coffees in the marketplace were robusta-based and, hence, somewhat on the bland side. Then came the 1980s, which is when



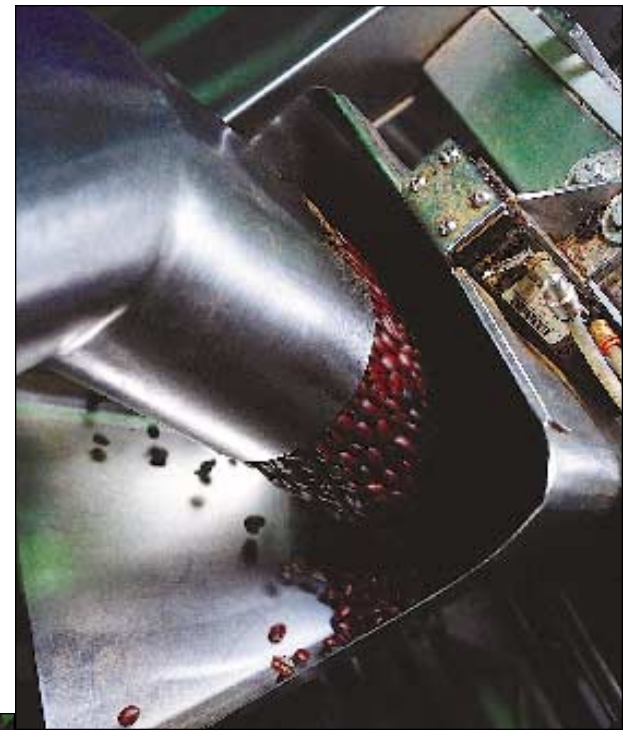
Company president Peter Pesce.

the likes of **Starbucks** and others prompted something of a renaissance for high-quality coffees.

In the process, a whole new generation of coffee aficionados was spawned.

"Specialty coffees were virtually nonexistent in the 1970s," says Pesce, "but now they account for five per cent of all coffee sales worldwide."

"Consumers are much more aware of high quality



*"Specialty coffees were virtually nonexistent in the 1970s, but now they account for five per cent of all coffee sales worldwide. Consumers are much more aware of high quality because of the specialty stores."*



Machine operator Stanley Reeves checking out the statistical production data obtained and printed out in real time from the Weighpack MULTI-TRIX scale, with its 100-recipe memory.

because of the specialty stores. Years ago, for instance, we couldn't have sold a straight Kenyan coffee. Now it's one of our top sellers."

In essence, the beverage has taken on a lofty air of prestige, being transcended from a mere liquid eye-opener into integral part of the overall dining experience.

"Ten, 15 years ago, if you were opening a restaurant and you said you were going to buy an espresso machine, I would have said, 'Don't waste your money. It's not worth it. You will never get your money back,'" says Pesce.

"Today, if you're opening a restaurant and you say you're not going to buy an espresso machine, I would

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## The Right STUFF *Continued from page 13*

within five-years-old, and it is all-automated.”

Over the last two years alone, he adds, the company's capital investment into new equipment has exceeded seven figures.

“We don't believe in old equipment,” says Crispi. “We believe that it has got to perform, and that it has got to perform every day.”

When it comes to fillers, for example, The Right Solutions uses 12-head, all-stainless-steel pressure gravity filler from **Control Pak Ltd.**, a 25-year-old Toronto company which has supplied The Right Solutions with three filling systems—each customized specifically for its applications.

“All of our conveyORIZED machines are pressure-gravity models,” says Control Pak president Neil Edmunds. “It's the only way to go.”

The pressure system has several advantages over the conventional gravity fillers—particularly since it's more suited for handling different types and thicknesses of liquids. A single tank feeds the pump, which in turn pressurizes the manifold, which then feeds the nozzles.

Crispi cites a few reasons for going with Control Pak.

For one, he says, “Their [machines] are very well-engineered.” Moreover, because Control Pak is located nearby, any technical problems or issues can be remedied immediately.

“There's some excellent American manufacturers out there, but Control Pak is there to service us right away in case we have any downtime.”

Right Solutions also employs labelers from **Artel Packaging Systems Ltd.** and **Label Systems**, and has recently added a **Domino A100** coder to its operations, which is used for the product marking applications requiring up to two lines of print, at slow to medium speeds.

“When we first started out, people weren't demanding date codes on the outside of every package,” recalls Crispi. “Today, with quality controls and contingent liabilities, people want to be able to look at a product and know when it was made, who made it, and what batch.”

“We didn't start with out Domino; we went with a competitor,” he recounts. “But when we interviewed for our second date-coder on our second line, I found the personnel at Domino to be very flexible to my needs.”

“They were able to give me the delivery date I needed, and they were able to sit down, as entrepreneurs, and work out a package that suited us.”

Advantages of the A100 include Domino's sealed fluid cartridge/reservoir system. The system has a high-capacity ink reservoir that cuts down on line stops, and operators can replace a cartridge in seconds, with virtually no mess.

Some other technical advantages offered by the A100 systems include an auto start/stop feature with a self-cleaning printhead, which virtually eliminates the involved cleaning requirements associated with some inkjet printer systems. The machine is capable of producing up to two lines of print at a maximum speed of 482 feet per minute for a single line.

Much like with the fillers, Crispi says he looks for quick service and maintenance help when choosing his printing systems suppliers.

“People like Domino, Control Pak, Artel and Label Systems are all resident here. If we have a problem, they will send someone right over.”

“We sold [our older] fillers and other components to get rid of them,” says Crispi, “because, if we had a problem, we could never get anybody to fix it.”

“The people had to come from Chicago or Philadelphia, or some place like that.”

With the astute investment in state-of-the-art machinery, Crispi says he has found the “right solution” for delivering a product to a market segment that he doesn't see slowing down any time soon.

“There will always be a segment of the market that will spend the top, top money for a top, top brand,” he says, “but I'm suggesting that it's a declining segment of the market.”

“I feel the largest segment of the market is looking for better value, a better bang for the buck.” □

*For more information on:*

<b>The Right Solutions Corporation</b>	<b>Circle 410</b>
<b>Control Pak Ltd.</b>	<b>Circle 411</b>
<b>Artel Packaging Systems Ltd.</b>	<b>Circle 412</b>
<b>Domino Canada</b>	<b>Circle 413</b>
<b>Label Systems</b>	<b>Circle 414</b>

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say, ‘Don't open your restaurant.’

“You have to be able to offer an espresso, a cappuccino, or a laté after dinner.”

The coffee culture is everywhere. For example, Pesce recalls being in Florida recently, where he came across a business that combined an upscale café with a bicycle repair shop.

“Coffee consumption has levelled off a little bit, but specialty coffee is continuing to increase.”

When a company works on a basis of multiple SKUs (stock-keeping units) and relatively small volumes per SKU, it will need very specialized machinery.

This is where **Weighpack Systems Inc.** of Montreal entered the picture for Reunion Island with its Zippy Bagger automatic bag-and-seal machine.

“If I didn't have the Zippy Bagger, I would have to do larger runs for some very small companies, and that coffee would stay around for several weeks,” figures Pesce. “The way we do it now, we can pretty well be assured that our customers will have their orders within a couple of days.”

An inviting feature of the machine is its wicket loading system which, in Reunion Island's case, gives it an advantage over rollstock bag-and-seal machinery.

By loading bags on the wicket, with its 80-bag capacity, Reunion Island can run, for example, 20 bags of one client's coffee, 30 for another customer and 30 of Reunion's own label—provided they're all of the same blend.

After the bags are loaded on the wicket—a 10-minute process at the most—they are sent down the line, where two suction grips open the bag and the bag gets filled. From there, the bag proceeds down the conveyor and is sealed. The top of the bag is then is trimmed at the top, and the waste material is removed from the line for disposal.

As part of the process, a Model 9064 continuous inkjet coder supplied by **MARKEM Corporation** of Kitchener, Ont., marks the passing bags with the month and day of the year.

Digitally controlled by a **Paxiom PLC** (programmable logic controller), the stainless-steel Zippy Bagger has speed capabilities of up to 35 bags per minute, and it can handle most types of bags, including the reclosable variety.

The Zippy Bagger also offers such options as gas flushing, embossed or ink code-dating, a bag deflating mechanism, and a product settling mechanism.

The machine at Reunion Island is augmented by Weighpack's **MULTI-TRiX** scale.

With single keypad access for multihead use, the **MULTI-TRiX** has a 100-recipe memory setup, a two-level password, and real-time printing on a serial printer. Capable of printing statistical operating results, and featuring a diagnosis menu for testing outputs, it offers a choice of an automatic or footswitch-activated dump, and it can also perform multi-dump staggering sequences.

### IT'S A GAS

Reunion Island runs four lines at its Oakville plant. In cases where the coffee is roasted and ground, a gas flush is deployed to maintain freshness.

In the case of whole-bean roasting, however, a gas flush isn't necessarily needed, due to roasted coffee's inclination to “degas,” or “gas off.”

“It takes about three weeks for whole-bean coffee to gas off,” explains Pesce. “As long as we keep the coffee in a whole-bean form, there's going to be a degree of freshness over a three-week period.”

“The problem is, that as it's gassing off, it's losing flavor. It's just the nature of the beast. There's no way you can stop that coffee from gassing off.”

What “gassing off” means is that the coffee, after it's roasted, gives off carbon dioxide.

When Reunion packs a five-pound bag, the oxygen content of the atmosphere within the bag hovers at around 21 per cent before the coffee starts to gas off.

When it does this, it emits carbon dioxide which, in turn, forces the oxygen out of a one-way valve in the bag. After a couple of days, the oxygen content in the atmosphere is down to about eight per cent. After four



The Zippy Bagger automatic bag-and-seal machine provides the versatility and flexibility needed for optimal small runs.

days, it decreases to about five per cent. Whatever oxygen remains is diluted by the carbon dioxide. In essence, the coffee performs its own flushing.

While the gassing off process takes about three weeks with whole beans, it's reduced to around 16 hours if the coffee is ground, which is why a gas flush becomes necessary.

The valved bags used at Reunion Island—supplied by **Seville Packaging** of Mississauga, Ont.—come in a glossy 48-gauge metallized mylar with clear polyester on the outside and 1.5-ml layer of cellophane on the inside.

While the coffee roasting business has its share of imposing challenges, Pesce says he has no regrets about coming out of retirement.

“Why would you retire if you don't have to? As long as it's fun, and it doesn't seem like work, I'll keep on doing it.”

“We're having this nice growth happening, so there's always some excitement around, as long as we're getting new customers. Whether he buys five pounds a week, or five hundred, it doesn't matter.”

“It's not about pound sales or dollar sales; it's about getting the new customers. That's the most fun.” □

*For more information on:*

<b>Weighpack Systems Inc.</b>	<b>Circle 415</b>
<b>MARKEM Corporation</b>	<b>Circle 416</b>
<b>Seville Packaging</b>	<b>Circle 417</b>