



REUNION ISLAND

CAFFÈ · COFFEE · CAFÉ



A SPECIALTY COFFEE ADVENTURE

OFFICE COFFEE PROGRAMS 2007



As coffee tastes become more sophisticated, OCS operators are faced with challenges, along with unprecedented opportunities

INTRODUCTION

Coffee drinkers are more educated than ever before. An increasing number of consumers will leave the office to purchase coffee rather than consume a mediocre product. Reunion Island's coffee programs help operators successfully profit from the demand for specialty coffee. The programs combine exotic coffees with marketing and sales tools that increase consumption and simplify the sales process.

Our Reunion Island single-cup pod program creates further opportunities for OCS profitability. Our foundation in the foodservice sector also equips us to support operators that are branching out into new markets.

We recommend the following product lines for today's OCS needs:

Reunion Island: World-class specialty and flavored coffees available in portion packages, whole bean, bulk ground and single-cup coffee pods. A wide variety of sales and marketing tools accompany these coffees.

Authentic Donut Shop Blend: This is a classic coffee with wide appeal. Its retro packaging and wide range of marketing and point-of-use tools make this one of our most popular coffees. Available in portion packages, whole bean and vending format.

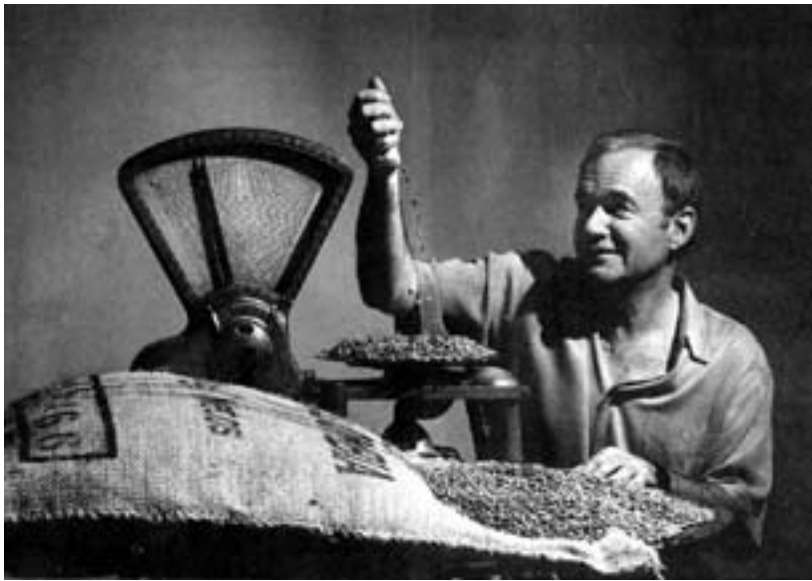
We look forward to discussing your specific requirements and demonstrating how Reunion Island's programs can contribute significantly to your success.



REUNION ISLAND

CAFFÈ · COFFEE · CAFÉ





Peter Pesce has been at the forefront of the specialty coffee industry in Canada for over 30 years.

(Photo by J M Ross for the Toronto Star)

ABOUT US

Our company president, Peter Pesce, has played a key role in the development of the national specialty coffee market. He has served as chairman of the Coffee Association of Canada, among other leadership roles within the industry. The Toronto Star referred to Peter as “reputedly the best ‘cupper’ in Canada...Not only is Pesce a cupper (taster) par excellence, he is a walking encyclopedia of coffee facts, figures and esoterica.” (See Appendix)

Peter’s son, Adam Pesce is continuing the family tradition and quickly earning a reputation within the specialty coffee industry. Through his travels to origin countries and studies in Political Science, Adam has a particular interest in growing our sustainability programs. He has worked to increase our Fair Trade and Organic coffee selections, along with helping more of our farming partners to become Rainforest Alliance certified. Adam has also spearheaded our Las Hermosas project in Colombia.

As a company we are members of many foodservice and coffee trade organizations including the Specialty Coffee Association of America, the Coffee Association of Canada, the Canadian Restaurant and Foodservices Association and the Oakville Chamber of Commerce. We are also CTPAT approved and registered with the FDA to expedite cross-border shipping.

We are especially proud of our roasting facility in Oakville, Ontario and invite all of our customers to book a tour of our plant.



Adam Pesce’s appearance on CBC’s The Gill Deacon Show (Nov. 1, 2006)

ROAST & GROUND COFFEES

PRIVATE RESERVE

24 x 2.5 oz

- Colombia, Fair Trade & Organic
- Colombia Las Hermosas
- Costa Rica Tarrazu
- Decaffeinated Dark, Swiss Water Process
- French Roast, Fair Trade & Organic
- House Blend
- Island Reserve
- Privateer Dark
- Sumatra Ketambe Dark

COFFEE PODS

4 x 25 CT

- Colombia Las Hermosas™
- Costa Rica Tarrazu
- Decaffeinated Dark, Swiss Water Process
- Decaffeinated (Colombian)
- French Roast, Fair Trade & Organic
- Honduras, Rainforest Alliance Certified
- House Blend
- Island Reserve
- Privateer Dark
- Sumatra Ketambe Dark
- French Caramel
- French Vanilla
- French Vanilla Decaf
- Irish Cream
- Swiss Mocha Almond
- Vanilla Hazelnut Cream
- Vanilla Hazelnut Cream Decaf

FLAVORED COFFEE

20 x 2.5 oz

*ALSO IN 20 x 2 oz

- Bavarian Chocolate
- Butter Pecan
- French Caramel
- French Vanilla*
- Irish Cream*
- Raspberry Chocolate
- Swiss Mocha Almond*
- Vanilla Hazelnut Cream*
- Vanilla Hazelnut Cream Decaf

CLASSICS

32 x 1.5, 1.75 AND 2 oz

*ALSO IN 32 x 2.25, 2.5, 2.75
& 3.0 OZ AND 1 LB GROUND

- 100% Colombian
- Breakfast Blend
- Decaffeinated*
- French Roast

FOODSERVICE

64 x 2.25 & 2.5 oz

*ALSO IN 64 x 2.75 oz

- 100% Colombian*
- Five Star*
- Special Reserve
- West Coast Dark

AUTHENTIC DONUT SHOP BLEND

42 x 2 oz & 1 LB GROUND

* ALSO IN 42 x 2.5 oz

- Donut Shop Blend*
- Donut Shop Blend Decaf

WHOLE BEAN COFFEES

SINGLE ORIGIN COFFEES

5LB WHOLE BEAN

* | KG, SEASONAL

- Colombia **FTO**
- Colombia Las Hermosas
- Colombia Supremo
- Colombia Supremo **SWP Decaf**
- Costa Rica Tarrazu
- El Salvador
- Ethiopia Sidamo **FTO**
- Guatemala Antigua
- Guatemala **FTO**
- Honduras RA
- Jamaica Blue Mountain*
- Jamaica High Mountain
- Kenya AA
- Kona Extra Fancy*
- Mexico **FTO**
- Mocha
- Mocha French
- Papua New Guinea
- Peaberry
- Peaberry Dark
- Sumatra **FTO**
- Sumatra Ketambe
- Sumatra Ketambe Dark

COFFEE BLENDS

5LB WHOLE BEAN

* | KG

- African Pride Dark
- Black Gold
- Breakfast Blend
- Continental
- Continental Breakfast
- Continental Dark
- Espresso Barlino*
- Espresso Riserva **FTO**
- Espresso Riserva*
- Espresso Decaf
- Espresso **SWP Decaf**
- Five Star
- French Roast **FTO**
- French Roast **SWP**
- Island Reserve
- Mocha Java
- Mocha Java **SWP**
- Privateer
- Privateer Dark
- Privateer Dark **FTO**
- Siesta **FTO SWP Decaf**
- Special Reserve
- Viennese
- Villa D'Oro
- West Coast Dark

FLAVORED COFFEE

5LB WHOLE BEAN

- Amaretto Almond
- Amaretto Almond Decaf
- Banana Cream
- Bavarian Chocolate
- Butter Pecan
- Café Crème Liqueur
- Chocolate Raspberry
- Cinnamon Hazelnut
- Crème Brûlée
- Elmer Fudge
- French Caramel
- French Caramel Decaf
- French Vanilla
- French Vanilla Decaf
- Highlander & Cream
- Irish Cream
- Irish Cream Decaf
- Irish Cream **SWP Decaf**
- Jamaica Me Crazy
- Maple Cream
- Noisette
- Noisette Decaf
- Raspberry Chocolate
- Snicker Doodle
- Swiss Mocha Almond
- Tiramisu
- Vanilla Haz. Cream **SWP Decaf**
- Vanilla Hazelnut Cream
- Vanilla Hazelnut Cream Decaf
- Vanilla Hazelnut Cream **FTO**

FTO = Fair Trade & Organic

SWP = Swiss Water Process Decaffeinated



Our unique signature graphics create an upscale look with coffeehouse character

PACKAGING

It's often been observed that the OCS salesperson's most valuable tool, after the coffee itself, is the packaging. Reunion Island's distinct packaging communicates the rare quality and craftsmanship that goes into our coffee.

Unique, upscale packaging secures the loyalty of your customer base. It is difficult for a competitor to win accounts based on price alone when their packaging image reflects inferior quality.

Portion Packages

Reunion Island packaging features our elegant new symbol, a crimson Reunion Island orchid. Packaging design and photography tie in with POS items and sales tools. Donut Shop Blend packaging features a retro style that has helped turn this coffee into one of our most popular lines.

Single-Cup Coffee Pods

We offer one of the industry's largest selections of gourmet single-cup coffee pods in upscale signature packaging. Our single-cup coffee pods are individually sealed and in 25-count dispenser carton, four per shipper. Our pods work well in all commercial pod brewers and most home brewers.

Our custom display rack holds four cartons to maximize counter space usage. The rack is also wall-mountable. Optional header cards for the pod display rack contribute to the café-style presentation.





The Café Xpress brewer is calibrated for use with Reunion Island coffee pods

CAFÉ XPRESS

We are proud to introduce the Café XPress—the next-generation in pod brewing technology. This American-made brewer, combines commercial quality with simple, user-friendly functionality. This is the brewer that will make pods a serious option for single-cup coffee brewing in the office environment.

This versatile coffeemaker creates unprecedented possibilities for increasing both coffee consumption and allied product sales. The Café Xpress uses Reunion Island coffee pods and all-natural powdered milk and dark chocolate to brew a range of popular hot beverages:

- **Regular coffees**
- **Espressos**
- **Caffè Lattes**
- **Cappuccinos**
- **Mochaccinos**
- **Hot Chocolates**
- **Hot Tea**

These are not the lackluster “imitations” of specialty drinks typically produced in fully automatic coffeemakers. The Café XPress creates beverages that compare favorably with those prepared by specialty coffee retailers. The unit is pre-programmed with over 250 optimized beverage recipes to ensure consistent quality.



We support hundreds of independent cafés with branded POS materials, and offer these to our Reunion Island partners to create a coffeehouse ambience in office kitchens

THE AT-WORK CAFÉ

Specialty coffee retailers have proven that consumers will pay more and go out of their way to enjoy the higher perceived quality of “café coffee”. OCS operators that have successfully created an at-work café ambience have seen consumption rise, while successfully maintaining or improving profit margins.

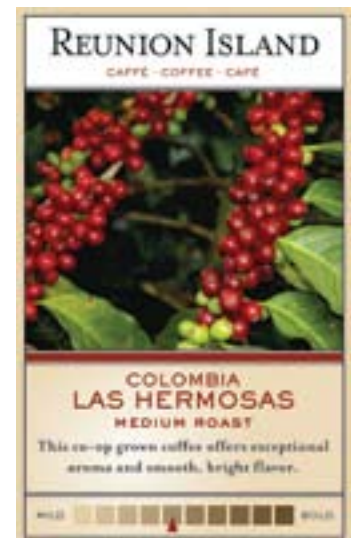
The Reunion Island program equips operators to meet these objectives with both packaging and point-of-use support tools. With our foundation in the foodservice market, we stock a large selection of point-of-use materials that are used in the cafés that brew our coffee. These materials are also available to our OCS partners.

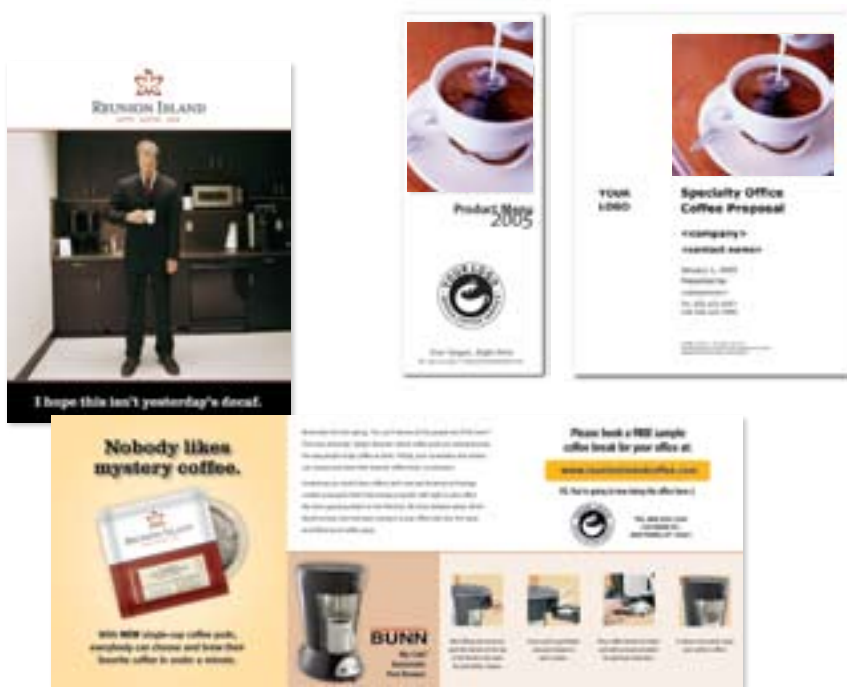
The core support tools are the branded thermos wrap, paper cup and description card. These three items work together to immediately create a vibrant coffeehouse atmosphere in any office kitchen. Based on the account, you may wish to add other support items from our menu of materials. A number of these items may also be used to create gift baskets or as promotional giveaways.

Reunion Island branded items include:

- Aprons, hats, t-shirts
- Ceramic mugs
- Travel mugs
- Airpot backdrops
- Banners

For a complete list of support item, see our Product Catalogue.





Our in-house creative department creates custom solutions to help you market Reunion Island Coffee

SALES & PROMO TOOLS

For many of our OCS clients, the sales tools and training that we offer are among the most valued aspects of this program. Our in-house creative team has worked with many of the country's most successful OCS companies to create support programs that work. Please see the sample plans in the appendices to see how these tools might be used in your business.

Product Menu

Using our full color template, we will layout and produce your custom product menu. These are a great way to grow allied sales.

Brochure

Our tri-fold brochure outlines our Private Reserve coffees in pod format and can be printed with your logo and contact info. It also works as an addressable mailer card.

Proposal Template

This Powerpoint template allows salespeople to complete a professional, customized presentation in just minutes. One company achieved a 70% close rate using this method.

Presentation Folder

Branded presentation folder is ideal when presenting sell sheets or other unbound materials.

On-line Demo Booking Form

We will create an on-line form that allows prospective customer to request a sample coffee break for their office from your company.





*Our telemarketing program has a proven track record;
please ask for references for more information*

LEAD GENERATION

Most (honest) salespeople will tell you that cold calling is their least favorite activity. Our successful telemarketing program eliminates this aspect of the sales process, increasing both productivity and morale for your sales staff. Here's a brief outline of how it works...

1. Reunion Island generates a list of target businesses in the markets you serve (good credit rating, 25+ employees);
2. We work with you to create a weekly calling schedule (i.e. number of appointments per week, special requirements);
4. Callers gather contact information and book appointments for demos of the Reunion Island single-cup coffee system and this info is forwarded to you each Friday for the following week's appointments;
5. We recommend confirming each appointment one day in advance;
6. For demos, we suggest using the BUNN pourover and bringing a supply of 8 pod selections, racks and biscotti or pastries;
7. Follow-up in one or two days with a copy of the RI Coffee Proposal, customized for the account.

Cost per appointment is \$40 (info requests are \$5 ea). Billing is done weekly to a credit card. There are no start-up or other costs.



Our Seasonal Harvest Award winners are promoted with a poster, tent card, description cards and invoice stuffers or handouts

FEATURE COFFEE PROGRAM

Every month, our president, Peter Pesce samples coffees from dozens of estates around the globe. All of our coffees are specialty-grade high-grown Arabicas, but every once in a while a coffee estate enjoys a harvest that is exceptional. We often purchase as much of this harvest as possible to bring our customers a unique coffee experience.

This program is designed to help our OCS partners position themselves as the coffee experts in their markets. Customers that are always on the lookout for a new and exotic coffee experience will appreciate being offered the latest award-winning coffee from Reunion Island.

The free accompanying promotional materials will help promote the coffee to existing Reunion Island customers, renewing their excitement with the program. Also, it is a great opportunity to contact existing clients on less profitable coffees (national brands or private label) and interest them in the Reunion Island program.

Another successful technique for upselling is to encourage customers to 'treat the staff' with an occasional box. Best of all, research, shows that one of the most effective ways to increase same-account coffee consumption is to introduce a new coffee blend that recaptures the interest of coffee drinkers in that office.

We launch one of these limited edition coffees seasonally as part of our 'Private Reserve' coffee adventure program. We also introduce a new featured flavored coffee every two or three months to coincide with seasonal promotions (ie. Pumpkin spice for Fall and Spiced Eggnog for the Holiday season).



Feature flavored coffees are promoted with a mini-poster & description cards



A.



B.



C.



D.



E.



F.



G.



H.



I.



J.



K.

DSB MARKETING TOOLS

To support the Donut Shop Blend program, we offer a full selection of lead-generation tools, along with point-of-use graphics and promotional items.

A. Sample Box

B. Mug

C. Paper cup

D. Hat

E. Online Demo Form

F. Direct mail card

G. Brochure

H. Description card

I. Thermal wrap

J. Apron

K. Removable decal

(for airpots and vending machines)



BEFORE



AFTER

CORPORATE MAKEOVER

Finding marketing and design consultants that understand the OCS industry can be a time-consuming and costly project. Yet, the industry is becoming increasingly sophisticated, with national companies rolling out products with retail-style packaging. Our marketing support services are the perfect complement to our coffee and packaging options.

We assist with private label programs at every level, including designing new labels, or using your existing packaging material (minimum annual volume of 50,000 lbs). The combined effect of better coffee and an upscale presentation is powerful. As an example, one OCS operator that switched their private label to Reunion Island enjoyed a 62% increase in gross profit dollars from the collection after both the packaging and coffee were upgraded. This increase was the combined result of increased volume and higher selling price.

Our services can be as broad as redefining your corporate identity or as limited as developing a single sell sheet or product menu. In some cases, we have worked with our customers on complete corporate makeovers. Starting with a logo redesign, we've applied their new image to stationery, vehicles and other materials to create a consistent and updated look.

A major part of any marketing support that we offer is the logistics plan that outlines the program. We have cultivated the resources to help our customers lead the marketplace in the regions they serve. We look forward to working with you to provide ongoing marketing support.

INTRODUCING... THE NEW
new look for coffee
JAVA Cafe
By Corporate Essentials

For 20 years, the Java Cafe collection has represented the finest coffee to offer throughout the NY metro area. In honor of our 20th year, we are introducing a new Java Cafe program through the New York Packaging Solutions division of Corporate Essentials. This new program offers you the finest coffee available in the NY metro area, and we are proud to offer you the finest coffee available in the NY metro area.

We are proud to offer you the finest coffee available in the NY metro area. We are offering better coffee and more coffee per package for a limited time. This is our way of celebrating our 20th anniversary and offering the New York Original Java Blend and the corporate great, Colombia Fair Trade.

Please call your sales representative or email verrazano@drinkcoffee.com to request a free sample pack to try our new espresso pack of our new Java Cafe coffee. Thank you for your past patronage and please enjoy our best coffee for the year ahead.

Solo French Fair Trade Organic	Verrazano Blend	Corporate Blend	Colombia	Fully Aromatic Decaf
The finest organic coffee from the high altitudes of the French Alps. This coffee is a true gem, with a smooth, balanced flavor and a hint of citrus. It's the perfect choice for those who appreciate the subtle nuances of a single origin coffee.	The finest coffee from the high altitudes of the Verrazano region. This coffee is a true gem, with a smooth, balanced flavor and a hint of citrus. It's the perfect choice for those who appreciate the subtle nuances of a single origin coffee.	The finest coffee from the high altitudes of the Corporate region. This coffee is a true gem, with a smooth, balanced flavor and a hint of citrus. It's the perfect choice for those who appreciate the subtle nuances of a single origin coffee.	The finest coffee from the high altitudes of the Colombia region. This coffee is a true gem, with a smooth, balanced flavor and a hint of citrus. It's the perfect choice for those who appreciate the subtle nuances of a single origin coffee.	The finest decaffeinated coffee from the high altitudes of the Fully Aromatic region. This coffee is a true gem, with a smooth, balanced flavor and a hint of citrus. It's the perfect choice for those who appreciate the subtle nuances of a single origin coffee.

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INVOICE
Corporate Essentials
1234 Main Street
New York, NY 10001
Phone: (212) 123-4567
www.drinkcoffee.com

Item	Quantity	Price	Total
Java Cafe Coffee	100	1.50	150.00
Corporate Essentials	50	2.00	100.00
Total			250.00



Through our supply partners, we can assist in selecting store fixtures that will grow coffee sales

MORE OPPORTUNITIES

For OCS operators that are interesting in branching out into other sectors of the coffee business, we have the expertise and resources to assist in successfully diversifying.

Food service

Reunion Island's foundation is in the food service side of the coffee business; this is where our core strengths lie. We have worked with hundreds of successful food service operators to create profitable coffee programs.

Our Reunion Island branded program is ideal for independents and chain stores. For larger chains, we can develop private label support programs, including assisting with marketing planning and offering other consultation services.

Convenience stores

This market offers a growing opportunity for specialty coffee marketers. Our program starts with a kiosk that offers aesthetic and functional advantages. This unit, as shown above with header, cup dispensers, condiment trays, etc. is available for approximately \$2000 (based on an order of 12 units).

Vending

Vending operators are increasingly aware of the value of offering high-quality coffee and using POS materials to brand brewing equipment. We are equipped to support operators to prepare and launch high-end vending programs.

For more information on the above programs, please ask your Reunion Island representative or visit www.ricoffee.com.





THANK YOU

We hope that this introduction to Reunion Island will be the first step in building a long-term partnership with you. We are confident that we can offer the following unique advantages as your specialty coffee partner:

- Highest quality coffee;
- Premium comprehensive support programs;
- Unique, upscale packaging;
- Ongoing marketing and training support;
- Unparalleled turnaround times for freshness;
- Long-term commitment to partnership.

We are looking forward to working with you to share success stories and develop tools that are in line with your specific needs.

One rep selling Reunion Island commented, "I have had more success with the Reunion Island program in the past two months than with any other coffee in the last four years. I have closed 20 quality accounts. I attribute my success to the RI sales method and the great look and taste of Reunion Island coffee." We know your salespeople will have a similar experience!

We will be in touch shortly to provide more information and discuss how we can secure your partnership.

REUNION ISLAND COFFEE

TEL. 905.829.8520

800.565.5950

FAX 905.829.8521

WWW.RICOFFEE.COM

APPENDIX A

On a quest for coffee

Canadians are java snobs — we demand the best brew for our buck and mostly we get it. Find out what to look for when buying your next bagful of beans *by Donna Jean Mackinnon*

“I love coffee, I love tea,
I love the Java Jive and it loves me
Coffee and tea and the jiving and me,
A cup, a cup, a cup, a cup, a cup!
Oh slip me a slug from the wonderful mug
Waiter, waiter, percolator
I love coffee, I love tea, etc.”

“Java Jive,” an Ink Spots hit from 1940

Coffee Guru Peter Pesce, reputedly the best “cupper” in Canada, describes himself as a specialty roaster.

Not only is Pesce a cupper (taster) par excellence, he is a walking encyclopedia of coffee facts, figures and esoterica.

So we asked him to tell all when it comes to purchasing coffee for the home.

Pesce’s first tip on buying coffee beans (a must for the best results) is to look for uniformity of size, shape and colour.

“Watch for quakers,” Pesce says at his headquarters at Reunion Island Coffee in Oakville.

Quakers?

Pesce explains, if a bean is picked before it’s ripe, it will not roast and the result is a petrified, discoloured bean. Quakers give a “popcorn” taste to your coffee and indicate the beans haven’t been properly processed.

High quality beans are grown at high altitudes — 4,500 to 5,500 feet above sea level. As the Earth rotates around the sun, there is the right amount of sun and shade on a mountain top to nurture a bean.

Coffee grown at about 3,000 feet all tastes the same because it lacks the subtleties and nuances found in mountain top crops, Pesce says.

The just-picked beans should have nice white centres and some surface roughness.

Interestingly, coffee consumption is the highest in cold climates and it turns out that

as a nation we are connoisseurs of the bean.

Canadian consumption of premium coffee is increasing, causing the coffee import market to grow 3 to 4 per cent a year. Two out of three Canadians over 18 drink at least two cups a day, according to Sandy McAlpine, president of the Coffee Association of Canada.

“We have 7,000 coffee-focused outlets in this country, offering good-quality coffee,” he says.

This all adds up to a cornucopia of the world’s best coffee at the tip of our tongues.

And the tongue is where it’s at when it comes to judging coffee.

Pesce has a formal tasting room with a customized cupping (tasting) table. This table is equipped with spittoons and little taps attached to the edge, just like the tiny sinks adjacent to a dentist’s chair.

We have four cups each (really bowls) containing six ounces of coffee made with 1 ounce (6 grams) of ground coffee. We are tasting and testing for aroma, body and acidity.

Lesser quality coffee grounds float; high quality grounds fall to the bottom of the cup.

We are testing Colombia Supreme, Kenya, Sumatra, Colombian Continental Dark. We tongue the coffee — coat our tongues, roll each brew around and spit it out. Pesce explains that the tip of the tongue tastes sweetness, the sides sourness or acidity and the centre of the tongue picks up “heavier notes” in the coffee.

Pesce, assuming the air of a sommelier, discusses matching coffees to desserts. Colombia Supreme, with its malty aroma and hint of caramel on the tongue, complements sponge-type cakes. Kenya, with its fruity aroma and winey taste, is a match



The best coffee beans are grown at high altitudes. They should be consistent in quality and used as quickly as possible after roasting, says wholesaler Peter Pesce.

for a strawberry tart, while spicy Sumatra is ideal with carrot cake. Save the dark continental with its burnt-nut attributes for creamy mousses and crème caramel.

As a wholesaler, Pesce imports sacks of green coffee, weighing 60 to 70 kilograms. Before these beans are roasted in his pristine gas roaster — 230 kilograms at a time — a fan blows the dust and impurities away. After roasting at 425 degrees F for medium roast, stones and chaff are blown out and then the coffee is bagged and coded so Pesce knows exactly when it was roasted.

“The whole process is done with air — pneumatic equipment — so the beans don’t break,” Pesce says.

From the time a sample of coffee arrives at Reunion until the roasted beans are bagged, Pesce has tasted it at least 100 times to ensure quality is consistent.

“If there are different taste profiles from

Cover Story

Great coffee is all a matter of taste

COFFEE From M1

the same batch of beans, it means they are not consistent,” he says. “All cups have to taste the same.”

Once roasted, coffee’s biggest enemy is oxygen, which makes the coffee go stale. Reunion Island coffee is shipped within a week of roasting.

The freezer retards staleness, but then deterioration of the coffee accelerates when it’s taken out. The best storage is an airtight jar or tin kept in a cool dark place.

Caffeine is a complex subject, Pesce admits. Pesce, who facilitates workshops for retailers and their employees, covers caffeine in these sessions as well as the whole coffee story from its botany through the farming process to a final cupping.

The darker the roast, the lower the caffeine level, Pesce explains. Also the darkest roasts can be more bitter but not as strong as lighter roasts.

For the same pound of coffee, the amount of caffeine is determined by the proportion of coffee to water, not by the lightness or darkness of the beans.

Espresso has less caffeine (75 mg per cup) because of the brewing method. Espresso and regular coffee require the same measure of coffee. It takes only 15 seconds for grounds to go through an espresso machine, while regular coffee takes about seven minutes and therefore more caffeine is extracted from the beans (150 milligrams per cup). Naturally, the more coffee used per cup, the higher the caffeine count.

Pesce started in the food business in his early 20s and from the get-go was smitten with the coffee roasting process.

“I was fascinated that ugly green beans turned into a beautiful beverage. I wanted to be a coffee roaster,” he says.

In 1978, he imported secondhand equipment from Cincinnati and set up a small



Peter Pesce is a major coffee wholesaler in the GTA area. At right is a replica of a coffee machine from the early 1900’s, part of his collection at his Oakville headquarters.

warehouse in Downsview. After nine years, his coffee company had taken over 21,000 square feet and he had become the largest distributor of specialty coffee in Canada. Soon the large corporations — Mother Parker’s, Van Houtte, Kraft — were hounding him to sell. Eventually Pesce couldn’t say no to the money offered. He sold in 1988 and retired at 41. Bored, he started Reunion in 1995.

Over the years, Pesce has indulged in many fine brews. His personal unblended favourite is Guatemalan coffee, but, as a connoisseur, the most “exciting and exotic” are the coffees from Ethiopia and Kenya.

“You can blend them and get fruity and winy flavours,” he says.

Pesce drifts off into the memory of 100 bags of coffee he once acquired, grown by a small farmer on the side of a volcano in El Salvador.

“It was really unusual — nutty, heavy body and nice acidity,” he recalls. “You don’t usually get all these features in one bean.”

The farmer’s last crop all went to a German importer. He has since bought more

land and Pesce has an order in and hopes he will get some more of this memorable coffee.

On the subject of small growers, organic “Fair Trade” coffee is less than 2 per cent of total sales and it is not growing in market share.

“Generally, it is not very good quality and it’s sold mainly to university students,” Pesce says.

Casa Acoreana, in the Kensington Market, stocks all of Pesce’s labels. He describes this food emporium as the best retail coffee store in Canada. His coffee runs about \$10 a pound there. Of all his own roasts, he prefers the Privateer blend.

“Most of the specialty chains buy good beans,” he says. “Canadians are spoilt. The quality is significantly higher than that sold in U.S. outlets.”

On the other hand, Pesce says the beans in most supermarket bins are “gawdawful.”

“Look carefully at them and you will see the beans are broken. They are different sizes and there are quakers,” he says. “If the coffee doesn’t look good, it isn’t going to taste good.” [Edited for space]

APPENDIX B

SAMPLE PLAN FOR CONVERTING NATIONAL BRAND BUSINESS TO PL

ABC Coffee Donut Shop Blend Rollout Plan

Summary:

Our primary goal is to develop a promotional campaign that will encourage existing Folger's customers to switch to the new ABC's Donut Shop Blend (DSB). A secondary goal is to convert other existing customers to DSB. The third goal is to develop new business, leading with DSB.

Product Information:

DSB is quality 100% Arabica coffee blend with a flavor profile geared to appeal to the widest possible preferences. It is specifically designed to compare well against Folgers. It will be available in 1.25oz x 40 ct. [Question: should we offer 1.5 oz, as well, as an opportunity to upsell? Maybe keep this in mind for future.] It will be priced in the same ballpark as Folgers (case price) and promoted as offering better VALUE:

- 56% more coffee (1.25 oz vs. .8 oz)
- 100% Arabica vs. Robusta blend
- price based on product quality vs. advertising
- better flavor, developed specifically for local coffee lovers

Promotional Tools:

The list of promotional tools below will be followed by a timeline outlining their respective uses. Reunion Island will manage creative development of items below, along with sourcing materials, creating a budget and R.O.I. statistics.

DSB Introductory Letter

Letter from senior ABC executive proudly introducing DSB blend and discussing benefits. Letter encourages customers to request their FREE sample on-line.

DSB Brochure

Unique piece suitable for existing and prospective clients. Sized to fit into standard envelopes, as well as DSB sampler box (below). Content will include: comparison chart DSB vs. National Brand, as well as a basic description of the coffee.

DSB Mug

Promotional 12 oz ceramic mug with DSB logo.

DSB Sampler Box

Small printed carton to fit DSB Mug, sample package of coffee and DSB Brochure.

DSB Cap

Branded baseball cap featuring DSB logo.

DSB Shirt

Promotional t-shirt featuring DSB messaging. [If casual t-shirt is appropriate in local markets]

DSB Direct Mail Card x 2

Two different Direct Mail cards promoting DSB, offering free sample coffee break.

DSB Description Card

DSB i.d. tags for thermal servers. To be used especially when offering free sample coffee breaks, can also be given to new DSB accounts.

DSB Thermal Wrap/Sticker

Lexan DSB wrap or sticker for thermal servers. To be used especially when offering free sample coffee breaks, can also

be given to new DSB accounts. [What kind of thermal servers does ABC use?]

DSB Disposable Cup

(Option) Branded DSB disposable cups (paper or styro, TBD). One size, 10 or 12 oz. See attached Excel spreadsheet "Cup Size GP Comparison" for more info.

DSB On-Hold Message

Brief message promoting DSB blend to play on ABC's on-hold commercial system.

Website

Integrate DSB promotions into www.abccoffeeservice.com. Include on-line booking form for sample DSB coffee break (for new and existing clients).

Email

Email announcement to customers where acceptable.

Telemarketing

(Option) Telemarketing follow-up to either direct mail campaign to prospective clients or sample drop-off to current customers. Message would include the key point that Folgers is raising costs and ABC has created a new coffee program to offer better value and quality to its customers. Mention key comparison points from brochure.

DSB Post-It Note

(Option – may be too aggressive) 3" x 4" custom post-it note introducing DSB and outlining the advantages over national brands, affixed to cases of Folgers (and other brands, if desired). Could be stuck on by drivers just before delivery or in the warehouse.

DSB Vehicle Graphic

(Option) Show image of DSB mug on delivery vehicles.

Rollout / Promotional Plan

Week 1 & 2 and On-going Promotions

- Staff meetings to review plans, sample coffee, train on marketing tools
- Distribute DSB Introductory Letter to all existing customers via drivers
- Add DSB info into ABC Website, w/online sample request form (on-going)
- Add DSB On-Hold Message to commercial on-hold system (on-going)
- Include DSB Brochure with all mail-outs (statements, etc.) (on-going)
- (Option) Sales staff create key account list of Folgers customers and book sample sessions with DSB (on-going project until list is complete).

Weeks 3 – 6

- Drivers, wearing DSB hat and shirt, deliver DSB Sampler Box on all deliveries (could limit to Folger's customers only, if desired)
- (Option) Telemarketer or CSR calls Folger's customers 2 days after customer has received samples from driver and asks if they can switch their standard order from Folgers to DSB.

Week 7 – 10

- Email DSB promo info, inviting requests for free sample to all customers
- (Option) Attach DSB Post-It to Folger's (and other) selected cases
- Follow-up on requests for samples created in past two months
- (Option) Start Direct Mail campaign to prospective clients

Week 11-12

- Develop new conversion plan based on number of Folgers customers left
- Focus effort on building DSB sales through new accounts

APPENDIX C

REUNION ISLAND: 2007 OCS MARKETING CALENDAR

DAY	S Qty	S \$	M Qty	M \$	L Qty	L \$
JAN			480	\$1,416	720	\$2,124
	2	\$708				
FEBRUARY						
	5	\$0	Unlimited	\$0	Unlimited	\$0
	12	\$0	Unlimited	\$0	Unlimited	\$0
	28	\$25	500	\$50	750	\$75
MARCH						
	12	\$0	Unlimited	\$0	Unlimited	\$0
	30	\$25	500	\$50	750	\$75
APRIL						
	2	\$75	1000	\$150	1500	\$225
	16	\$350	200	\$700	300	\$1,050
	30	\$25	500	\$50	750	\$75
MAY						
	7	\$0	Unlimited	\$0	Unlimited	\$0
	13	\$0	Unlimited	\$0	Unlimited	\$0
	28	\$25	500	\$50	750	\$75
JUNE						
	1	\$0	Unlimited	\$0	Unlimited	\$0
	29	\$25	500	\$50	750	\$75
JULY						
	2	\$75	1000	\$150	1500	\$225
	16	\$500	500	\$1,000	750	\$1,500
	31	\$25	500	\$50	750	\$75
AUGUST						
	6	\$0	Unlimited	\$0	Unlimited	\$0
	12	\$0	Unlimited	\$0	Unlimited	\$0
	26	\$200	400	\$400	600	\$600
SEPTEMBER						
	4	\$25	500	\$50	750	\$75
	17	\$800	40	\$1,600	60	\$2,400
	27	\$0	Unlimited	\$0	Unlimited	\$0
OCTOBER						
	1	\$0	Unlimited	\$0	Unlimited	\$0
	31	\$75	1000	\$150	1500	\$225
NOVEMBER						
	12	\$0	Unlimited	\$0	Unlimited	\$0
	19	\$600	75	\$900	100	\$1,200
DECEMBER						
	3	\$0	Unlimited	\$0	Unlimited	\$0
	10	\$0	Unlimited	\$0	Unlimited	\$0
TOTAL		\$3,558		\$6,816		\$10,074

RI pays 30%
Operator pays 70%

\$1,067 \$2,045 \$3,022
\$2,491 \$4,771 \$7,052

Note: Some costs are approximate and do not include courier charges, if required.
* "Clean" prospect list will be smaller than the original purchased list.