

**Start your own café!**

FabJob Guide to

# Become a Coffee House Owner



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## 1. Introduction

### 1.1 Owning A Coffee House

In 1984, I was living in Santa Fe, New Mexico, managing a restaurant close to the downtown plaza. I was fortunate enough to live within walking distance of work. This was a real treat, because Santa Fe is an ideal location for walking. There is so much to see: beautiful Pueblo architecture connected by a street layout that was made for donkeys instead of automobiles. It truly is not like most state capitals.

One of my favorite stops on my way to work was a small coffee house on the corner of two well-traveled paths. It was a tiny place, with an espresso machine sitting on a counter and a few pastries displayed behind the glass case. One wall was full of magazines — maybe 75 titles. In between the counter and the magazines was a jumble of marble-top tables for customers to sit at. There was also a spiral staircase leading to a small loft of about 200 square feet. The loft had comfortable seating, and usually this area was filled with students reading or playing cards or chess. The aroma of coffee perfumed the air; it felt very European to be there, something of a throwback to bohemian Paris. You could see that the customers were truly enjoying the atmosphere.

## **A Coffee House is the Ideal Business**

Compared to my restaurant job, this seemed like the ideal business to operate. The idea of a coffee house appeared to be so simple. In my restaurant, I had a staff of about 75; at the coffee house, there were never more than two people working at a time. While my restaurant had a large menu that took hours to prepare, this place had only a few simple items made by a local bakery. I was hooked! My goal was to run a coffee house of my own.

Five years later, I opened my own café in Santa Fe. My business partners were also my best friends. We had already opened three other full-service restaurants, but the café was easier — and a lot more fun. It wasn't even that hard to do. I don't know why I waited so long.

What could be better after an early Sunday morning bike ride than stopping at the local coffee house to meet friends? Who isn't comforted at the idea of a fresh muffin and a steaming cup of aromatic, dark, robust coffee? After going through the process myself, I can tell you that there is only one thing better than going to your local coffee house: owning the local coffee house yourself.

## **The Origin of Coffee Houses**

When you own a coffee house, you become part of a rich culture that dates back to the time of King Solomon. In fact, the first public coffee houses recorded in history date back to 15th century Turkey and the idea quickly spread throughout Europe during the next century. Since that time, the coffee house has come to symbolize a more cultured side of humanity. Historically, it has provided a place for people to gather to discuss politics, music, poetry, romance, or even rebellion. In today's coffee culture, drinking coffee is seen as being social, affluent, and downright hip.

## **Understanding the Perfect Cup of Coffee**

One of the most important requirements of owning a coffee house is loving coffee. That means not only enjoying the flavor or aroma of the drink but also loving the coffee culture as well. I'm not saying coffee has to become a religion, but it's crucial to have an appreciation of the coffee roaster's craft.

Familiarize yourself with the roasting process. Get to know the character of the bean and how to ensure the perfect roast. Understand all the nuances of grinding and brewing a perfect cup of coffee. And finally, teach your staff how to do all of these things consistently too.

## 1.2 What a Coffee House Owner Does

A coffee house owner should be fully educated in all the nuances of coffee, from coffee house lingo to production to brewing to serving. Therefore, let's go over some of these basics before we get into the nuts and bolts of the coffee house business.

### 1.2.1 Coffee House Lingo

All businesses develop their own language, but I don't think any is as colorful as the coffee business. Remember that scene in the movie *L.A. Story* where a group of friends are sitting around a table in a trendy restaurant, and the waiter asks if anyone would like to have coffee after their meal? That begins a round of ordering every type of coffee drink imaginable — a very funny scene when “coffee house hip” culture was only thriving in a few places in North America.

What was hip then is the norm now. So to get familiar with the many ways your customers may be ordering coffee from you, it is best to go over the different types of coffee names, as well as other business lingo that is used in restaurants and coffee houses. It is a language all by itself, one that can be fun to learn.

86	To get rid of, as in “86 the cinnamonon.”
<i>Americano</i>	Espresso with hot water added to dilute it. Similar to drip coffee, except it is made to order with your espresso machine.
<i>Barista</i>	The person who operates the espresso machine, much like a bartender.
<i>Breve</i>	Espresso with half-and-half.
<i>Café Au Lait</i>	Drip coffee with hot or boiled milk poured into a cup at the same time.

<i>Café Con Leche</i>	Espresso with enough steamed milk to fill a regular-sized cup.
<i>Café Con Panna</i>	A demitasse (small cup) of espresso with a dollop of whipped cream.
<i>Café Corretto</i>	Espresso with cognac or some other spirit added.
<i>Café Crème</i>	A shot of espresso with an ounce of heavy cream.
<i>Café Freddo</i>	Espresso served in a chilled glass, mostly over ice.
<i>Café Latte</i>	The most popular coffee drink. A shot of espresso with steamed milk, topped with foamed milk.
<i>Café Macchiato</i>	A shot of espresso with a teaspoon or two of foamed milk. “Macchiato” means marked, so you are marking the espresso with a touch of foamed milk.
<i>Café Medici</i>	A double espresso with chocolate and a touch of whipped cream. Usually, this is made with chocolate syrup, but occasionally a barista may use a small chunk of real chocolate in the bottom of the cup, then brew the espresso on top. It will melt some of the chocolate – but not all of it – leaving a nice chocolate treat at the bottom.
<i>Café Mocha</i>	A café latte with chocolate added. It can just have the foamed milk on top, or have whipped cream with chocolate sprinkled as a finish.
<i>Café Ristretto</i>	A short shot of espresso, using the same amount of coffee as a regular shot. This just means that you don’t run the espresso machine as long, so there is less liquid. The result is a stronger, more concentrated coffee.
<i>Cake in a Cup</i>	A double shot of espresso with double cream and double sugar.
<i>Cappuccino</i>	A shot of espresso with foamed milk spooned on top.

<i>Crema</i>	The caramel-colored foam that comes to the surface of the espresso — much like the head on a beer, only slightly thinner. The crema is vital to a good espresso. It is made up of the solubles that pass through during the brewing process.
<i>Demitasse</i>	A small espresso cup. It should be only large enough for a single espresso. This attractive cup is for the straight espresso with nothing else added.
<i>Doppio</i>	This is just the Italian way to order a double. It sounds better than saying “double.”
<i>Drip</i>	Regular coffee.
<i>Dry</i>	With just foam and no steamed milk.
<i>Espresso</i>	The coffee brewed from an espresso machine. Hot water is pressed through the coffee by way of a pump or a piston, as compared to a drip machine, which uses gravity.
<i>Frappuccino</i>	A Starbucks creation. Basically a chilled cappuccino that is sweetened and has other flavor ingredients. The recipe is owned by Starbucks.
<i>Grande</i>	A 16-ounce cup.
<i>Granita</i>	A latte with frozen milk.
<i>Half-Caff</i>	Any coffee drink made half with caffeinated coffee and half with decaf.
<i>Harmless</i>	A cool way to say you want your drink as a decaf.
<i>Mochaccino</i>	Like a café mocha except on a cappuccino instead of a latte.
<i>Nico</i>	A breve with orange syrup and cinnamon.
<i>On a Leash</i>	Ordered to go with handles (referring to the cup).
<i>Quad</i>	Four shots, or a “double double.”

<i>Rice Dream Latte</i>	A latte made with rice dream — a non-dairy milk replacement.
<i>Short</i>	An 8-ounce cup.
<i>Shot</i>	A single dose of espresso.
<i>Shot in the Dark</i>	Drip coffee with a single shot of espresso in it.
<i>Single</i>	Same as a shot.
<i>Skinny</i>	A latte or cappuccino made with nonfat milk instead of regular milk.
<i>Skinny Harmless</i>	Nonfat, decaf. But I like the other name for it: “Why Bother?”
<i>Soy Latte</i>	A latte made with soy milk instead of regular milk.
<i>Tall</i>	A 12-ounce cup.
<i>Triple</i>	Three shots.
<i>Two-Top</i>	A table for two. (You’ll also encounter “three-top,” “four-top,” etc.)
<i>Unleaded</i>	Another good way of saying “decaf.”
<i>Venti</i>	A 20-ounce cup.
<i>Wet</i>	Add steamed milk with no foam.
<i>Whipless</i>	No whipped cream.
<i>With Legs</i>	A cup with handles.
<i>With Room</i>	Leaving space at the top so the customer can add cream.

You may decide to use all of these terms or just some of them, or you may learn new ones. In any case, they can be a lot of fun if you let your customers in on the lingo. Try printing a list of terms and putting them on a table-tent (a printed card that is placed on the tables). This way, your customers can learn the lingo while sipping their “tall skinny half-caff.”

## 1.2.2 Coffee Basics

Coffee comes from bean-shaped seeds found inside the cherrylike fruits of coffee trees and shrubs. While the coffee plant originated in Africa, it eventually found its way to other continents as well. There are many types of coffee plants, but we only need to concentrate on two types: Arabica and Robusta.

Robusta coffee is grown at lower elevations and is used in cheaper blends and instant coffees. When you buy coffee in a can, it is usually Robusta. It has more caffeine than its Arabica cousin. The beans have a more rounded shape to them, which makes them easy to recognize.

Arabica coffee is grown at higher elevations and has more of an oval-shaped bean. These beans are of a higher quality and represent the majority of the beans grown in the world. As the owner of a quality coffee house, you will be buying this type of bean.

### Processing

A single coffee tree will produce approximately one pound of coffee — around 2,000 beans. Each cherry is handpicked and then fed into a machine to separate the cherry meat from the seeds, or beans. The beans are held long enough to ferment, which breaks down their coating and raises their acidity.

Afterwards, the beans are dried, either in the sun on concrete slabs or in drum-style dryers. When the beans have dried sufficiently, a protective husk needs to be removed. This is accomplished by milling the beans, which gently crushes them, removing this protective skin. Finally, the beans are sorted, graded, and allowed to dry before shipping to the roaster.

### Roasting

Once the person doing the roasting receives the beans, he or she will determine the type of roast that is best for that particular variety. While there are general guidelines, much depends on the roaster's preferences and tastes.

The actual roasting machine is a rotating drum with a heat source underneath it. Once the desired temperature is reached inside the machine, the beans are added and the drum constantly turns until the target roast is achieved. This process is timed down to the exact second. Meanwhile, the roaster pulls samples to visually inspect the beans.

During the roasting process, heat breaks down the cellular structure of the beans, which allows the aromatic oils and other flavor compounds to escape. How long and dark the beans are roasted dictates the character of the flavors the beans will yield. Different characteristics can also be achieved by blending various types of beans from different geographic locations and at different roasts to achieve a coffee that is truly a signature flavor.

**TIP:** Working at a Starbucks or at some other large coffee house is the best way to get hands-on experience. Even if you only work one day a week, you will still get great ideas to carry over to your own coffee house.

## 1.3 Inside This Guide

The *FabJob Guide to Become a Coffee House Owner* is a step-by-step guide that show you how to open your own coffee house and how to keep it going.

Chapter 2 will get you thinking about what kind of coffee house you want to own. We'll cover different approaches to starting this type of business and show you how to tackle writing a business plan. You'll also learn about hiring a lawyer and an accountant and tapping into funding sources.

In Chapter 3, we'll take you through the process of finding the right location for your coffee house and making sure that the space you choose is inviting. You'll also learn how to hire the right contractor and meet coding and inspection requirements. Buying the right supplies and equipment and teaming up with quality food distributors are also important, and we'll tell you what you need to know.

Chapter 4 focuses on how to run your coffee house. Here, we'll delve into the details of the business, covering everything from how to roast

your own beans to how to choose the best lighting, from planning a tempting menu to getting to know your customers. You'll also get detailed information about creating the right atmosphere for your shop.

Chapter 5 covers the big moment: opening your coffee house. In this chapter, you'll find out how to get bodies through the door — and keep them there.

Chapter 6 will fill you in on the daily operations of managing your coffee house. This includes hiring staff, training employees, keeping the books, and lots of other information crucial to helping you maintain a well-run business.

Chapter 7 takes you through everything you'll need to keep your business financially viable, from keeping a budget to tracking sales. We'll also give you tips on building wealth and paying off debt, vital skills for any successful business owner to have a handle on.

Finally, the list of resources at the end of the book lists valuable websites, books, and trade magazines that can help you gain even more knowledge about this rewarding career.

The purpose of owning a coffee house is to be able to do something interesting for a living. The goal is to build a business that will last a long time. You may want to keep it simple and still know all of your customers by their first names, or you may want to expand. Either way, if you apply what you learn in this guide, you'll become a successful coffee house owner in no time.

As of 2006, that coffee house in Santa Fe is still in business. So don't let people tell you that owning a coffee house is too risky. Failing to live your dreams is the only real risk in life.