



A Guide to Starting a Home Coffee Roasting Business



A Coffee Crafters Publication

Coffee Crafters

Post Falls, Idaho, USA

www.CoffeeCrafters.com

Coffee Roasting Made Easy

Coffee Crafters – 708 S. Clearwater Loop Ste 105 Post Falls, ID 85854
Phone 509-228-6916 Websites www.coffeecrafters.com YouTube Page
Contact US: info@coffeecrafters.com





Build a profitable business roasting coffee in your spare time!

Take your passion for coffee and turn it into a simple, profitable business. It is easy to become a successful roaster of gourmet coffee, and with the right roasting equipment, you will be on your way to profitable results roasting coffee in your spare time.

With 65% of Americans drinking coffee daily, you would think that every coffee-related business opportunity would already have been exploited. Fortunately, for those coffee lovers who dream of getting into the coffee business, perhaps the greatest opportunity in coffee has just been made available. This opportunity is micro-roasting. To make this opportunity a reality, a new generation of affordable equipment had to be developed. Along with new equipment, coffee roasting basics needed to be simplified and made available to the general public.

This opportunity has now become a reality for an increasing number of micro-roasters across the country and abroad. We hope the information we provide gives



you the confidence to turn your dream of owning a coffee roasting business into a reality. We have helped over 1,000 new roasters start businesses. Let us help you!

Read on to learn how simple it is to become a roaster of gourmet coffee and start your own successful business.





About the Author

Ken Lathrop has a lifetime of experience inventing and building practical products. A native of the Pacific Northwest of the United States, he spent many of his happiest hours alongside his dad in the workshop with tools and ideas. That early experience saw him go on to build houses and micro light planes, while working as a corporate business consultant.

Ken's passion for world travel and entrepreneurship came together in Thailand in 2010, where he discovered the joy of coffee roasting. He saw a virtually untapped business opportunity in micro-roasting and went on to invent a unique coffee roaster that could travel the world as widely as he had. Coffee Crafters has rapidly established itself as a global leader in manufacturing affordable coffee roasting equipment. Using his own experience and the experience of a growing number of micro-roasters, Ken and the Coffee Crafters crew have helped thousands of new roasters to start successful coffee roasting businesses. He now divides his time between product research, product design and developing educational resources for new roasters.





Contents

Chapter 1	hapter 1 What is Micro Roasting?		
Chapter 2	Buying Green Coffee Beans>How Many Varieties Should I Stock?	_	
Chapter 3	Should I Wholesale or Retail?>Wholesale	•	
	>Retail	_	
	>Sizing Your Roaster >Income Calculator	_	
Chapter 4	Meet Your Customers!	_	
	>Sit-Down Coffee Shops	_	
	>Drive-Thru Coffee Stands	Page 8 Page 9 Page 9 Page 10 Page 11 Page 11 Page 11 Page 12 Page 12 Page 13 Page 14 Page 15 Page 16 Page 16	
	>Restaurants	Page 13	
	>Businesses	•	
	>Grocery Stores	_	
	>Farmers Markets and Craft Fairs	Page 16	
Chapter 5	Where Should I Roast?	Page 17	
	>Blue Marlin Interview	Page 18	





Chapter 6	Starting a Business		
	>Develop a Business Plan	Page 20	
	>Licensing and Permits	Page 20	
Chapter 7	Marketing	Page 21	
·	>Websites	Page 21	
	>Social Media	Page 21	
	>Branding	Page 21	
	>Videos	Page 22	
	>Marketing Video	Page 23	
Chapter 8	Links	Page 25	





1. What is Micro-Roasting?

Micro-roasting presents a unique business opportunity because the pool of potential customers is so big and the quality of coffee most people drink is so bad! The difference between fresh roasted coffee and stale coffee is the same difference between fresh baked bread out of your oven compared to the bread you find on the supermarket shelf. Even coffee sold as whole beans you see on display in supermarkets are mostly stale.

Four factors make coffee go stale: light, air, heat, and time. Coffee displays at grocery stores provide all four. Coffee reaches its peak of freshness five days after roasting so it is important to get your fresh roasted coffee to your customers as soon as possible. Using terms like "clean, hot air roasted" or "fresh roasted coffee" in your marketing will help you stand out from other roasters. We will cover this more in a later chapter.

There are many definitions for micro-roasting. Some say it is roasting batches of 30 lbs. or less. We define micro-roasting as roasting 100 lbs. a day or less. Whatever your definition, the advantage is getting coffee in the hands of customers immediately after roasting. With so many coffee drinkers out there, you would think neighborhood roasters would be everywhere. There is a particularly good reason why they are not and it is because of the lack of affordable, easy-to-operate equipment and general knowledge about coffee roasting.

If you google "coffee roasting" and start reading about what it takes to roast coffee, you would think a PhD is required to roast great coffee and that you need to have computer controls to duplicate roast profiles. That was one of my biggest surprises when I started talking to actual coffee roasters. The truth is, it's mostly large roasting plants that use computer controls to roast, and they do it for production reasons, not quality.

Most roasters would no more use a computer to tell them their batch is finished than a chef in a fine restaurant would use a computer to tell him when the steak is done. Sight, sound, smell, and a good bean thermometer are a coffee roaster's tools of choice.

Micro-roasters have an advantage over bulk production roasters because they can deliver coffee to customers immediately after roasting. It is a supply chain advantage that large production roasters cannot duplicate. So, can anybody learn to roast good coffee quickly? Absolutely, and here is how.





2. Buying Green Coffee Beans

First, you do not have to be an expert to source top quality coffee beans. That is the job of your bean



supplier. Finding a reputable supplier is the most important part of starting a coffee roasting business. They are the experts and it is their job to provide you with a consistent, quality product.

The critical element is freight. Here is the bottom line; coffee prices vary from one broker to the next but the #1 factor you have control over in your delivered coffee price is freight. Green coffee beans weigh about 40lbs per cubic foot, so they are expensive to ship.

Here is an example of how freight affects your delivered coffee price. If we order one 70kg bag of Guatemala green coffee beans and pay \$2.93 per pound, then add the freight cost of one bag of beans on one pallet at \$150, that will equal 98 cents per pound. Your total bean cost would then be \$3.91 per pound. If you order a full pallet of beans, 10 mixed weight bags on one pallet at 1462 pounds it will cost \$280. Your freight cost per pound would be 20 cents per pound. Your overall cost per pound would be \$3.13 per pound. That is a savings of 74 cents per pound.

Long story short, you are paying for the pallet to ship on anyway so you might as well load it up with beans to save money in the long run. Additional bags add very little cost to the shipping price, which brings down your delivered bean cost. Green coffee beans last over two years when stored properly so do not be afraid to stock up!

If you would like to order small, less-than-full bag quantities to get started, you will get some sticker shock. Expect to pay double or more per pound over full bag prices. That same Guatemala bean that costs \$2.93 per pound in full bags will cost \$5 to \$7 per pound in small quantities. Making money roasting coffee purchased in small quantities is very difficult, so stock-up whenever possible.

The good news is that importers are starting to figure out that accommodating small roasters is also a profitable business. For example, we have partnered with Wholesale Origin to offer all sizes from as little as 10 lbs. all the way to full bags. Visit our green coffee bean website, coffeecraftersgreen.com, and you will see what is available and at what price to give you an idea of the cost of green coffee beans.





Also, here is a video we made with tips on buying green beans:



How many varieties should I stock?

First off, as a small roaster just getting started, you may want to purchase beans in less than full bag quantities. Full bags run between 132 and 154 lbs. It is nice to have a less than full bag option when you get started. There are many small quantity green bean suppliers out there, but this is where it can get tricky. Most small quantity suppliers do not sell full bags. Most full bag suppliers do not sell small quantities. So, if you find a bean from a small quantity supplier that you love and decide to purchase full bags of the same, you will see a dramatic change in the price.

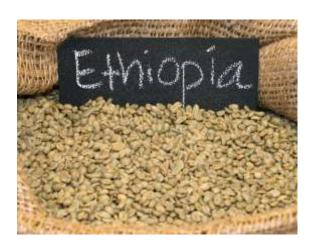
If you are a budding coffee snob like I am, it can be tempting to offer a lot of different coffee varieties to customers. There are hundreds of varieties to choose from. If your business model is to offer many varieties that are custom roasted in one-pound batches, be prepared to substantially increase your start-up costs and decrease your potential hourly gross income. We do the math for you in the "Meet Your Customers" section, but a rule of thumb is to add \$450 for every variety you stock. If you have four





varieties in full bags you have a start-up bean cost of \$1,800. If you want to stock 10 varieties, you have a start-up cost of \$4,500.

Not all small quantity bean suppliers are reputable. Many people search the warehouses for old stock, purchase it cheap and double or triple the per pound price for small quantity sales. This practice is becoming more common as the micro-roasting industry grows. To avoid getting ripped off, we suggest sticking to reputable, ethical suppliers.



My suggestion is to get started by creating no more than

four offerings. You can offer a medium or dark roast of each if you want but try to keep it simple. It is more important to create great fresh-roasted coffee consistently when you get started than to offer every variety under the sun.

3. Should I Wholesale or Retail?

There are two avenues, wholesale and retail. It is important to understand how both these options affect your bottom line. You should think about the amount of gross profit you generate per roasting hour.

For example, let us take one person on a coffee roaster that can roast 18 pounds per hour of finished product. We will look at roasting for one hour per day and compare the gross income potential for both types.

Wholesale—Wholesale coffee prices currently run between \$8.00 and \$9.00 per pound. For the purpose of being conservative the table below shows the \$8.00 per pound price. If you do a good job of sourcing your beans, you should have a total bean cost including power consumption and shrinkage of around \$4.00 per pound. Shrinkage refers to the weight lost during roasting. Coffee beans will lose about 15-20 percent of its weight after roasting due to the natural gases being released from the beans.

If you take your \$4.00 bean and power cost from your \$8.00 wholesale price you get a gross profit of \$4.00 per pound. Roasting one hour a day for the 251 business days in 2019 you're looking at a gross income of \$18,072.





Retail—Retail craft-roasted coffee sells from \$12.00 to \$16.00 or more per pound. For our example, we will use the low end of \$12.00 per pound for our retail price. With the same total bean cost of \$4.00 per pound and a \$12.00 retail price you get a gross profit of \$8.00 per pound. Roasting one hour a day for the business days in 2019 you get a gross income of \$36,144.

(Per pound)	Cost price (\$)	Total cost (\$)	Gross profit (\$)	Annual income
Wholesale	8	4	4	\$18,072
Retail	12	4	8	\$36,144

Bottom line, you can double your profits by selling retail. Most of our customers will have a blend of both wholesale and retail. Wholesale customers can be easier to obtain to get you started but a steady build-up of retail customers will increase your per hour profits.

If you are doing the math in your head, you can make a solid income roasting with a 3 lbs. roaster, roasting only four hours a day—even if you do 100% wholesale. Even a roaster roasting 18 pounds per hour can produce an income of \$36,000 annually.

The above numbers are for roasting on a 3 lbs. roaster at 18 pounds per hour. Imagine the income you could generate roasting on a 10 lbs. roaster at 50/60 pounds per hour.

Sizing Your Roaster – So, you may be asking yourself, "what size roaster do I need"? To determine what size roaster you need, you must first figure out two things: how much coffee you expect to be roasting and how much time you have to spend roasting. In order to keep your operating costs down you should aim for roasting between one and two hours a day. If you find that you are expecting to be roasting more than two hours per day on a smaller roaster, then you should consider upgrading to a bigger roaster.

Here is a good rule of thumb, if you are looking to do just retail, then a roaster doing 15-18 lbs. per hour should be plenty to get started. If you are wanting to roast for wholesale, then you will need a roaster that does 50-60 lbs. per hour since your customers will be buying in large quantities. Your time is precious, and you need to make sure you have time to do marketing and packaging as well.





4. Meet your customers!

Individuals—Selling fresh roasted coffee to individuals is a great way to get started in the business. It gives you experience while creating some buzz around the community about how great your coffee is. Do not be afraid to promote yourself and your coffee. I guarantee people will be telling you it is the best coffee they have ever tasted. Sell to friends and family first and let them spread the word for you.

When selling to individuals, be prepared to provide some education. You would think being the second-most traded commodity that more people would know about coffee quality, but they do not. Those of us who are coffee enthusiasts understand the difference between fresh roasted Arabica beans and what you buy from the grocery shelf, but the average person on the street does not. They will assume a coffee bag with "gourmet" on the label is high quality. If you're selling coffee for \$12.00 per pound, they'll need to know why it's worth more than the stuff they're buying for \$7.00.

The good news is they are usually one fresh roasted coffee sample away from converting. Charge for your samples! Get the small sample bags and sell them at a profit. Coffee can be expensive and giving it away will reduce its perceived value. Most people will be happy to purchase a sample bag and when they taste the coffee, they will be ecstatic. Remember, this is retail business, so it doubles the gross profit per roasting hour compared to wholesale.

One important consideration when selling to individuals is how many coffee origins to offer. I strongly recommend offering no more than four varieties to start with and establishing a house favorite as a staple. There is absolutely nothing wrong with roasting only one or two origins. This can be difficult as there are hundreds of varieties available but keep in mind that most customers want consistency and quality. A good house blend will give them both. Coffee Crafters can help you select beans to get you started.

It can be tempting to do one-pound custom roasts for individuals, but this is a profit per hour killer. Let's do the math. Let's say you have a 3 lbs. roaster that roasts 18 pounds of beans per hour roasting full 3-pound batches. Roasting one-pound batches cuts your production to 6 pounds per hour. That is a 66% loss of productivity because it takes the same time to roast a 1-pound batch as it does a 3-pound batch. Roasting one-pound batches will reduce your hourly gross profit from \$144 to \$48 selling retail.

If you want to do one-pound custom roasts, then you should charge for your efforts. Somewhere between \$14 to \$18 per pound is a fair price for custom roasting.





Things to remember when selling to individuals:

- Be prepared to educate individual customers about freshness and quality
- Provide small bag samples for sale
- Do not be afraid to promote yourself and your coffee
- Create house blends as staples to promote customer loyalty and profitability

Sit-down coffee shops—Coffee shops are popping up at an ever-increasing rate. Most towns with a population of 2,000 or more have at least one shop. Small coffee shops use between five and 10 pounds of whole bean coffee daily. Medium to large coffee shops use from 15 to 50 pounds daily.

The most approachable coffee shops for a new roaster are the smaller ones. Large coffee shops usually have long-term agreements with suppliers, so they are not likely to switch vendors quickly. This is especially true for larger franchise coffee shops. Do not expect to sell fresh roasted coffee to Starbucks.

Small coffee shops are always trying to differentiate themselves from their larger competitors. Having local, fresh roasted coffee is a great way for them to do that. It also allows them to add another line of business by selling coffee retail under their label. Remember this is wholesale business for you and retail for them.

Small coffee shops also have less bargaining power with suppliers because of their low monthly volume and lack of supplier choices. It is a good opportunity for a micro-roaster to provide better quality coffee at a lower price.



Drive-thru coffee stands—Drive-thru coffee stands are

everywhere on the west coast. If you have them in your area, they make great customers. Like small sitdown coffee shops, the small independent drive-thrus are the most approachable. In prime locations, they will consume more coffee beans daily than smaller coffee shops. Even in small communities it is common for the local drive-thru to consume 10 pounds or more of coffee per day.

That is a 300lb per month customer and at a \$4.00 per pound profit you can expect \$1,200 per month in gross revenue. It does not take too many drive-thru customers to make a nice monthly income.





Coffee shop and drive-thru owners will be more educated about coffee and the coffee they serve. You must be prepared to do some work on the front end to ease their fears at switching vendors.

Things to remember when selling to coffee shops and drive-thru coffee stands:

- Learn as much as you can about the origin and roast profile of the house blends they currently
 use
- Do not approach them before you have developed your own "espresso blend" to sample
- Find out how much they are currently paying for coffee and price yours competitively
- Offer to create a blend for them to sell under their label
- Promote your ability to deliver within 24 hours of roasting.

Restaurants—Small, independent restaurants can be excellent new customers. Like small coffee shops they want to find new ways to differentiate themselves from larger franchise restaurants and serving fresh roasted coffee is a good way to do that.

One thing to consider when selling to restaurants is, like cafes, many of the larger ones have coffee contracts with vendors of coffee makers and coffee-related supplies. The contracts often include the pre-packaged coffee used for these machines. This creates a challenge when trying to sell them fresh roasted coffee, but trends are changing. We hear more and more customers telling us they are now supplying coffee to customers who lease equipment from a coffee supplier.

Smaller independent restaurants are much more approachable and are more likely to see this as providing a competitive advantage over larger restaurants. You may also increase your odds of gaining these customers if you are willing to grind, package, and seal their coffee in the small packets they use to supply their machines. The downside is that this will take more work. The upside is that you can charge more for the pre-packaged coffee.

Things to remember when approaching restaurants:

- Focus on the smaller, independent restaurants
- Be prepared to offer a coffee solution to accommodate their existing equipment
- Promote your coffee as roasted and delivered same day
- Find out how much they are currently paying and see if you can price more competitively.





Businesses—Businesses that supply coffee to their employees make excellent customers. Many businesses use coffee service providers who supply the equipment as well as the coffee. The quality of the coffee provided has become the brunt of many jokes, and for good reason. This pre-packaged coffee is almost always stale, bitter, and disgusting. Pass the cream and sugar!

For convenience, many coffee services offer "K-Cup" coffee options. These are 8-12 gram pods of single serve ground coffee that makes one cup of coffee. Grinding and packaging does take extra time, but it also boosts your per pound price. K-Cups usually sell for around a dollar per cup for gourmet coffee. You can also convert them to grinding fresh whole bean coffee. Be prepared to offer a measuring a



fresh whole bean coffee. Be prepared to offer a measuring and grinding solution.

For a commercial coffee grinder option, click here. For measuring equipment, click here

Although I do not promote giving coffee away, it might be a good investment in this case. If you show up with a grinding and measuring solution and make them a fresh pot of coffee, you are likely to gain a customer quickly. As with all your new customers, promote the "within 24-hours of roasting" delivery method. That is something the competition cannot do and your most important quality selling point.

When you gain a business as a customer you also have access to all their employees as potential individual customers. Give them an employee discount coupon to bring them on board as a new retail customer.

Things to remember when approaching businesses:

- Come prepared to make them a fresh pot of coffee
- Be prepared to accommodate their coffee equipment
- Once established, market to their employees
- Offer Frac Pack options if they are not interested in grinding whole beans
- Promote your "within 24-hours of roasting" freshness





Grocery Stores—Selling locally grown and processed food is becoming very popular. This is especially true for small to medium sized grocery stores. We have many customers who make grocery stores a substantial or exclusive part of their business.

There are things you must consider when approaching this market. Like restaurants and coffee shops, small independent supermarkets present a great business opportunity. Our customers who market to grocery stores tell us that local grocers are very approachable. Being small, they are constantly looking for opportunities that separate them from the larger supermarket chains. Fresh locally roasted coffee is something that most large chain suppliers cannot offer.

One thing you must keep in mind is packaging. You'll be competing with coffees in those pretty glossy bags with fancy labels. Pretty bags make even poor coffee look attractive to uneducated coffee buyers. For brands who buy bags by the tens of thousands, these fancy bags are very affordable. For small micro-roasters they can be expensive. You can expect to pay a dollar a bag or more if purchased in quantities under 10,000. You might consider some creative designing of craft paper bags with gas valves.

At Coffee Crafters, we research packaging solutions continuously in order to help educate our customers on what is available and what works best depending on the situation. Click here for a video on packaging. Click here for a video on K-Cup packaging. Visit the following website to see examples of bags and prices: https://www.stockbagdepot.com/. Do not forget to check with your local and state governments for packaging and labeling requirements. Visit https://forrager.com/laws/ for a quick look at your state's requirements.

Another consideration is how much coffee to put in each bag. Traditional ground coffee is sold by the pound and customers are used to seeing coffee prices posted in that weight. It can create sticker shock if a customer is cruising down the aisle and finds a price posted at \$12 among all the cheap coffee advertised for \$8. A common practice for specialty coffee roasters is to sell 12oz bags of coffee. This puts a bag of locally fresh roasted coffee at \$9 sitting beside that \$8 bag. Next time you're in the supermarket look at the weight on the specialty coffee bags and you will see what we mean.

Things to remember when selling to grocery stores:

- Focus on small independent supermarkets
- Be prepared to do some creative packaging to compete with other brands
- Promote roasted locally and delivered fresh
- Consider selling in 12oz bags.
- Use the "Clean, Hot Air Roasted" tag line on your bags





Farmers' markets and craft fairs—Farmers' markets and craft fairs are one of the top marketing opportunities to promote ongoing retail sales. Do not forget, retail can double your profit margin over wholesale. People like supporting local businesses and it is a wonderful venue for showing off your specialty roasted coffee and gaining loyal retail customers.

Some of our customers have tried roasting at the farmers' market to promote their fresh roasted brands. A word of caution if you are thinking about roasting on site, going mobile is expensive! Roasting is noisy, which makes talking to customers a challenge if you are spending your time at the roaster. It also makes you unpopular with your vendor neighbors.



A better approach is to get a nice A-frame sign board with "Roasted Fresh This Morning!" written on it and a list of your offerings. This will get you the attention you desire and leave you free to talk to your customers. Remember, you are there to gain long-term retail customers. Customers need to be educated about how wonderful fresh roasted coffee is, so create an environment where you can promote your product. It is a good idea to create a nice marketing business card as a takeaway for everyone you talk to.

You might consider investing in some large coffee carafes and providing small samples of your fresh roasted coffee. Nothing sells fresh roasted coffee like experiencing it first-hand. While a prospective new customer is trying your sample, you have a captive audience to whom you can promote the fresh roasted coffee experience.

Things to remember for farmers' markets and craft fairs:

- Promote "Roasted This Morning" to create attention
- Provide small, fresh brewed samples
- Your main purpose for attending is to gain long-term retail customers
- Create a marketing business card with your contact information that promotes your brand.





Check out our video on Farmer's Markets here:



5. Where should I roast?

Deciding where to set up your roasting operation is particularly important. My favorite operations are the ones people run out of their homes. Around 75% of our customers roast out of their basements, garages, spare rooms, or out-buildings. Obviously, this is the cheapest solution but there are more benefits associated with the home roasting operation. If you only roast for one hour a day it makes it very efficient to eliminate driving to another location and allows you to fit those quick roasts into your daily schedule.

Not all residential neighborhoods allow this type of home business but it is worth checking with your local government to see if your area qualifies. Our factory is in Idaho, just east of Spokane, Washington. We have several local roasters who have gone through the process with no problems. We recently did a video interview with Donlee Marlin from Blue Marlin Coffee who had some great insights about permitting and starting a home business.





Check out the Blue Marlin Interview here:







Setting up a roasting operation with a fluid bed roaster does not require a lot of space. Most roasters are designed to fit in small spaces. If you watch the Blue Marlin video, you'll see that Donlee set up her operation in an $8' \times 10'$ storage room in her basement. This is plenty of room for an entire roasting, packaging, and bean storage space, but check the specifications of the roaster and compare it to your own space. Concrete or tile floors work best for cleaning and if you have an errant bean escape from the

hopper, you will not burn your carpet.

This picture to the right shows a few examples of how our customers have set up their roasters in various spaces.

If your area does not permit home roasting, you can consider a commercial space. Make sure your roasting system is NSF and UL/CA approved so you can put them in any public space including coffee shops and restaurants. Because the roasting operation takes up so little space, you might consider leasing a small area in an established business. This can save you money over renting an entire building or retail space. Our customers regularly rent spaces in a shared commercial kitchen.



If you are roasting inside, you must consider where your exhaust duct will go. This system vents just like a clothes dryer and you must have access to clean the exhaust ducts. Setting up your roaster near an outside wall works best. Shorter exhaust runs make for more efficient venting and cooling. If you have questions about installation call the roaster manufacturer so you can make an informed decision.





6. Starting a Business

As you can see, the coffee roasting industry provides us with many options and opportunities to start a business. Hopefully the previous information has given you a feel for the direction you want to take for your new coffee roasting business. Our next step (for some) is the hardest. Like it or not, running a business is not just about the love of coffee. It is prudent to treat your business like a business and not just a hobby. Every great business starts with a plan.

Develop a Business Plan—If you plan to start a business you should develop, at a minimum, a simple business plan that includes startup costs and projected sales. We will not go into the specifics on how to write a business plan here. There are hundreds of free templates and resources online to help with that. Use the following link to help you get started:

https://www.bplans.com/sample-business-plans/

Licensing and permits - Something that you will want to do right away is investigate the licensing and permitting requirements for the area where you intend to do business. This will have an impact on what kind of business you can legally develop so I would do it right away. You may need to contact your state department of agriculture to

acquire a processing permit. This permit, if required, will determine how your roasting setup is structured. We recommend doing this first to see if this type of permit is required in your state.

Roasting from your home may be restricted due to city zoning laws. An agricultural processing permit will also call out certain requirements for the room you roast in. Be prepared with your business details when you speak to your city, county, or state official. This way you will have all the answers when they ask you critical questions about your proposed roasting business. Use the following link to learn the basic licensing/permit requirements for setting up a home roasting business in your state: https://forrager.com/laws/

As Donlee Marlin suggested in her video interview, it is a good idea to invite the official to your home to give you suggestions on your installation. Once they see your space and understand more about your equipment, they can provide suggestions that will save you a lot of time trying to guess what their objections might be. See page 18 for the video interview.





7. Marketing

We get a lot of questions from prospective customers about how people do their marketing. Thinking of how to find new customers can create a lot of anxiety and stop many people in their tracks. This does not have to be the case and there are some easy ways to attract your first customers.

Having good coffee will make you popular with you friends and family, but if you want to expand beyond that, you need to market your product. The most successful roasters make marketing their top priority. You can spend all the time in the world creating the perfect roast profile, but it won't mean anything if no one knows about it. Let us look at some obvious places for you to start your marketing campaign.

Websites—It used to be an expensive proposition to create a website. This is not the case today. You can now create a website with a store for very little money and low monthly fees. If your customers know they can order online, it will save you time by knowing what your daily roasting orders are. The convenience will boost your sales and give you some additional marketing tools to keep your customers engaged. Create specials to promote on your social media pages and link them back to your online store!

Social media—The absolute number one way to start promoting your fresh roasted coffee is through social media. Do you have a Facebook account? If so, how many friends do you have? If you have an existing Facebook account, I strongly suggest creating a business page. This can highlight your brand and you can invite all your friends to "like" this new page. The page becomes a wonderful place to promote your brand and keep followers up to date on coffee-related news and specials. Social media drives traffic to your website and is an easy way to create your own exposure.

To get some ideas on how to set up your Facebook business page, go to our "Customer Stories" page on our website (<u>click here</u>). You will see a long list of customer websites of which most have a Facebook page link. Look at how many people like their pages! Lots of potential "retail" customers.

Social media is a great way to engage your co-workers and work-related customers. For our customers who use coffee roasting as extra income, business contacts can quickly turn into great ongoing business. Make sure to have small sample bags for sale to get them hooked. Avoid giving samples away. As stated earlier, giving samples away decreases the perceived value and gets expensive quickly.

Branding—This is where you get to have some fun. It is also an area where many people feel uncomfortable. Creating a brand and promoting yourself when you may not feel you have the expertise can be a challenge. Just remember this: once you get the basics of roasting down in your first few hours, you will be roasting coffee just as well as someone with years of experience. It is not rocket science, so get out there and let terms like "fresh roasted coffee" and "clean, hot air roasted" support your brand.





In the middle of the CoffeeCrafters.com homepage, you will see a testimonials section (<u>click here</u> to go to testimonials page). Look at the variety of creative brands our customers have created: Most of these roasters started just where you are now, with an idea of starting a coffee roasting business. They created brands, blends, taglines, and logos.

I love what Blue Marlin Coffee Co. did with their brand. Look at their website (click here to go to the Blue Marlin website) with that great Blue Marlin logo and the tagline "Get Hooked". Look at their products page and see the fun they had naming their different offerings: Marooned, Buried Treasure, Castaway, Island Buzzard and Smuggler. As Donlee explains in her video interview, she started marketing before they roasted their first bean because they knew from being familiar with our equipment that the roasting was the easy part.



Videos—Ask anyone at Coffee Crafters what our number one marketing tool is and you will get "video" with no hesitation. We have had tens of thousands of video views and 100% of our customers who purchase roasters say they have watched our videos multiple times. We have a professional media person producing our videos now but, in the beginning, we made our own and they still had amazing traffic. Click here for our full library of videos.

So, you are wondering how you would use a video to promote your coffee roasting business? Well, nothing is better on your homepage than a video of you roasting coffee and explaining how special your fresh roasted and delivered coffee is. People love coffee, and if you can express your passion for delivering the freshest coffee they have ever tasted, you will sell more of it. Make a weekly video clip with your smartphone and post it your business Facebook page. Simple facts about coffee quality, storage and brewing make great video clips that your followers will love.

A tip we have learned from our professional media person is make the videos short and spend more time describing how much your customers will love your product and less time explaining how you do it. You want to leave them imagining they can smell those fresh roasted beans and can taste the difference.

What is the main thing to remember about marketing as a new roaster? Do it! Just because you are a new roaster does not mean you are not qualified to promote coffee. You are not promoting yourself as the seasoned expert. You are promoting the benefits of the freshest, best-tasting, clean hot air roasted coffee your new customers will have ever tasted!





Here is a video about marketing as a new roaster:







Join the micro-roast movement

We hope this material has been useful and informative. This is an exciting time and we believe by leveraging the information provided, you will be successful with your new business.

But wait, there is more! This book is just an introduction to the resources we provide to micro roasters. Continue on to the "Links" page in this book to find links to our YouTube channel, downloadable roaster manuals and more!

Let us be a part of your new venture. We do not just sell coffee roasting equipment and green beans; it is our passion to help new roasters experience success. Call us today (509)228-6916 or email us at info@coffeecrafters.com

Meet our Team:

Ken Lathrop – President, equipment designer, certified coffee snob and customer coach. Ken's son, Max, runs Rebel Joe Coffee using one of our Artisan 3-e fluid bed roasters.

Anick Marie Weed – Vice President, Sales manager and customer coach. Former barista and lover of all things coffee related.

Karie Riley – Production manager for Coffee Crafters. Karie and her sister run Sisters Coffee Roasting with an Artisan 9 and 3-e roaster. Karie is also a roasting coach specializing in answering any questions about green beans.

Dawn Maciosek - Dawn works with Coffee Crafters' Accounting and customer service.

Bryce Bull - Marketing Manager for Coffee Crafters.

Chris Hammock – Coffee Crafters' in-house engineer. Chris works with Ken to develop and design new products and accessories for our roasters.





8. LINKS

Page 7: >Coffee Crafter Green: https://coffeecraftersgreen.com/

Page 8: >Buying Green Coffee Beans Video: click here

Page 14: >Commercial grinder https://www.webstaurantstore.com/search/coffee-grinder.html

>Measuring equipment: click here

Page 15: >Coffee Packaging Video: click here

>K-Cup Packaging Video: click here

>Coffee Bag Purchasing Option: https://www.stockbagdepot.com/

>Cottage Food State Laws: https://forrager.com/laws/

Page 17: >Farmers Market Video: click here

Page 18: >Blue Marlin Interview Video: click here

Page 20: Sample Business Plans: https://www.bplans.com/sample-business-plans/

>Licensing and Permits: https://forrager.com/laws/

Page 21: >Customer Stories: https://coffeecrafters.com/customer-stories/

Page 22: >Testimonials: https://coffeecrafters.com/testimonials/

>Blue Marlin Coffee website: https://bluemarlincoffee.com/

>Coffee Crafters YouTube Channel: youtube.com/coffeecraftersllc

Page 23: >Marketing Video: click here

Published by Coffee Crafters LLC

Copyright© 2015 Ken Lathrop

Cover Image ©Coffee Crafters LLC