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## Grounds For Hope

China Daily • March 28, 2003

While analysts say the recent boom in coffee culture can be attributed partly to the presence of US-based Starbucks coffee shops in Beijing and Shanghai, American entrepreneur Stuart Eunson has a slightly different spin. It would be more appropriate to say that "Starbucks picked the right time to enter China's market," he argues. The 33-year-old Boston native is managing director and part owner of Beijing-based Arabica Coffee Roasters set up in 1994.

"1999 was the year Beijing's coffee consumption evolved to the point that many were ready to take on coffee culture," said Eunson, who co-founded ACR in 1994 with two fellow Americans. The company was among the first private roast and ground coffee providers in Beijing. After five years of stumbling progress, Eunson saw an upturn in his business in 1999.

Before that, he was fighting an uphill battle to educate a tea-drinking nation about coffee.

Like many other foreigners, Eunson came to China as a student. But before he knew it, he and a couple of friends had brewed up a get-rich-quick scheme.

Their idea was to import coffee and make their fortune selling it to the tea-weary expat community in Beijing.

"I was responsible for the market survey that said we'd be rich in six months," admits Eunson.

That rose-tinted market survey led to the birth of Arabica Coffee Roasters in 1994, a wholly foreign-owned company that imported high quality coffees from around the world to China.

"We expected a monthly sale of 10 tons of coffee beans," says Eunson.

Ten tons of coffee beans can produce 1.5 million cups of coffee, Eunson explains. Even today, with a booming coffee consumption, ACR still falls short of that goal.

Eunson and his partners soon discovered that expat coffee drinkers were a fickle bunch and many were devoted to drinking a coffee brand they were familiar with from their own country.

So Eunson and his partners turned to the hotel and restaurant market and began the difficult process of building a client base.

"You may laugh if someone ask you what coffee is today, but that is exactly what we were trying to explain to Beijing's general public in 1994," he said.

Three years later the trio found they were far from rich and worn out by the endless problems they faced.

With the knowledge that their fledgling business was not bringing in enough to support three expatriates,

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Eunson's two other partners bowed out of the day-to-day operations and went to work for multinationals operating in China.

Eunson soon found himself overwhelmed with the responsibility of running a struggling business in China on his own.

"Why did I decide to do this?" he ponders. "I ask myself that question when I get out of bed every day!"

A firm believer in the saying "Winners never quit and quitters never win," and with a confidence in China's great potential market, he struggled on.

And although Arabica Roasters still hasn't amassed the fortune Eunson and his friends originally envisioned, the company does a respectable US\$500,000 in annual sales and has expanded to Shanghai.

<http://www1.chinadaily.com.cn/bjweekend/2003-03-28.html>

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