

2021  
**ROASTER**  
*of the* **YEAR**  
 MACRO CATEGORY

**TONY'S COFFEE**



*By Emily Puro*

*Photos courtesy of Tony's Coffee*

**TO MARK THE 50TH ANNIVERSARY** of Tony's Coffee in Bellingham, Washington, the company's management team and staff have set a big, hairy, audacious goal for themselves. It's not enough that they're on track to be carbon neutral in their roasting and delivery operations this year. They've committed to offsetting the company's entire historic carbon footprint by 2030.

Big, hairy, audacious goals—commonly known as BHAGs to Tony's staff—aren't new for the company. Every year for more than a decade, each employee has been asked to share one. What's more, one of the first BHAGs CEO Todd Elliott remembers setting just came true—to earn the distinction of being named Roaster of the Year.

Coincidentally, the week before learning that Tony's had been selected as *Roast's* 2021 Macro Roaster of the Year, Elliott ordered Chinese food, and the message inside his fortune cookie read: "A long-term goal will soon be achieved."

Not thinking too much about it, he crumpled the fortune and put it in the recycle bin. When *Roast* publisher Connie Blumhardt delivered the exciting news, he says, "I had to go dig it out and tape it back together, but I've got it."

**A LONG AND WINDING ORIGIN STORY**

Tony's was founded in 1971, when Tony Campbell decided to roast coffee on an old nut roaster and sell it, along with spices and other staples, in Bellingham's historic Fairhaven district. A few years later, he sold the business to two faculty members from nearby Western Washington University (WWU) who were looking for a new venture in retirement. They, in turn, sold the business to Elliott's parents in the mid-1980s, but he had little interest in the family business at the time.

"When my parents moved to Bellingham, I was in college, then I went to law school," Elliott recalls, "so



A fan hoists a Tony's Coffee scarf.

**THE WINNER'S STATS**

- ROASTING OUTPUT:** Approximately 1.1 million pounds
- ESTABLISHED:** 1971
- LOCATION:** Bellingham, Washington
- EMPLOYEES:** 41
- LEADERSHIP:** Todd Elliott, CEO
- RETAIL LOCATIONS:** One
- ROASTERS (MACHINES):** Probat G60; Diedrich IR-24; and Loring Peregrine S70

**WEBSITE:** [tonyscoffee.com](http://tonyscoffee.com)

"I wasn't really all that involved with the company." It wasn't until the early 1990s, after practicing law in the Bay Area for a couple years "and hating it," he says, that he "hit the ejector button" from his law practice and began looking for a new career. He ended up buying a roasting company in the Bay Area called Vigal Coffee, which he ran for several years. In 2000, when Elliott's parents began thinking about retirement, the family merged the two companies under the Tony's Coffee name and, shortly thereafter, Elliott took over as CEO.



**ABOVE**  
Lead Roaster  
Justin Freeman.

**PRECEDING PAGE**  
The Tony's Coffee team.

In the midst of the Great Recession of 2008, Tony's—like so many other businesses—was struggling. Elliott started working with a business consultant named Jim Bergquist, and invited him to facilitate a two-day seminar for Tony's staff called "The Technology of Being." The activity was intended to create an organizational culture in which every employee feels a responsibility to work toward the company's success.

"As an organization, you team up, band together and create your own future," Elliott explains.

As part of his work with Bergquist, Elliott read a number of books about business and management. One that stood out was called *Open-Book Management*, by John Case, which details the benefits of being transparent with and involving the entire staff in a company's financial well-being.

The idea was that employees would "take ownership of what was going on and act like owners," Elliott says, "but you have to have the feedback loop for that."

That's where the idea of implementing profit sharing for Tony's employees began. After researching different models, Elliott landed on a system that

involves "buckets," which, when filled, are distributed equally among all eligible employees. For every "bucket" of \$50,000 the company fills with profits, 20 percent—or \$10,000—is distributed equally among all full-time employees who have been with the company for at least six months.

"We started doing that over 10 years ago, and it took a long time [to fill a bucket]," Elliott notes. "Then finally, when we filled a bucket, it was a big deal. At the time, it worked out to about \$500 per employee, which was a pretty nice bonus, a nice *earned* bonus."

Beyond that monetary incentive, Tony's has successfully established a truly inclusive management style that encourages employees to take ownership of the company's operations.

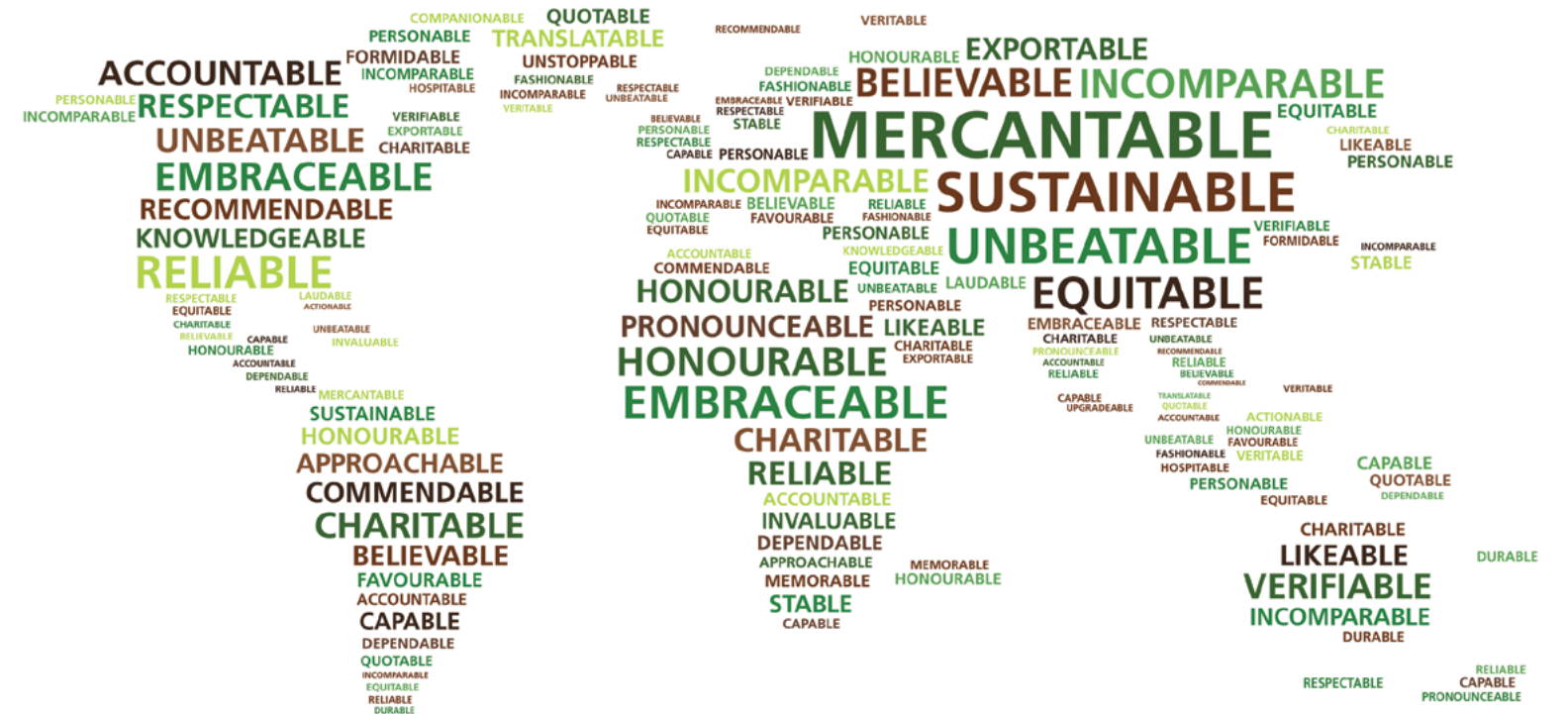
"We go over our financial performance as a company monthly, and I have learned so much about how a business is run from that alone," says Inside Sales Manager Andrea Harron. "Our CEO and the rest of the management team are always willing to hear about and hash out new ideas and innovations to our processes. Our entire operation is a very collaborative effort."

### A GREEN BOTTOM LINE

While profit sharing has nurtured the financial sustainability of the company, environmental sustainability has long been a key focus as well. Still, offsetting 50 years of carbon emissions over the next 10 years seems like a pretty big leap.

"Tony's has a long history of working toward greater sustainability with our producer partners, and also our own practices and the operation of our roastery," says Director of Sales and Marketing David Yake. While the company had been considering working toward carbon neutrality for some time, Yake adds, the management team was inspired to pursue it in earnest after visiting the world's first carbon-neutral coffee cooperative, Coopedota in Costa Rica, earlier this year.

Tony's had generated its own sustainability report in the past, but this year the management team decided to bring in a third-party consultant, Kulshan



[www.coffeehunter.com](http://www.coffeehunter.com)

**Mercanta Europe**  
Tel. +44 (0)20 8439 7778  
[mercanta@coffeehunter.com](mailto:mercanta@coffeehunter.com)

**Mercanta Middle East**  
Tel. +971 58 549 9463  
[dondou@coffeehunter.com](mailto:dondou@coffeehunter.com)

**Mercanta North America**  
Tel. +1 206-322-2139  
[leah@coffeehunter.com](mailto:leah@coffeehunter.com)

**Mercanta Asia**  
Tel. +65 6223 4825  
[aster@coffeehunter.com](mailto:aster@coffeehunter.com)

Follow us @mercantacoffee





**LEFT**  
Charley Ault, production employee.

**MIDDLE**  
Hanna Shaffer shares organic cold brew samples at a Bellingham Bells game in 2019.

**RIGHT**  
Andrea Harron, inside sales manager.

Services, to assess the carbon impact of its operations and recommend ways to reduce and/or offset it. Turns out, the company was already on the right path. It had been purchasing 100 percent renewable electricity for the roastery for more than a decade, and the more recent purchase of a Loring roaster had reduced its natural gas consumption significantly.

“It was looking like it was going to be pretty achievable for us to offset our annual present-day carbon footprint,” Yake says, “and since we’re celebrating our 50th anniversary [in 2021], we decided it would be a good opportunity to talk within the company and make a very forward-thinking goal for our future sustainability. That’s where we landed on offsetting our historic carbon footprint.”

With comprehensive records dating back at least 15 years, the management team estimated the company’s carbon footprint from the previous 35 years based on total volume roasted, rounding up as necessary for good measure. Working with the carbon crediting and offsetting organization Gold Standard, Tony’s plans to offset five years’ worth of emissions every year for the next decade, with a goal of offsetting its entire historic carbon footprint, dating back to 1971, by 2030.

### ENGAGING AND EDUCATING EMPLOYEES

Along with its commitment to care for the environment, Tony’s is committed to caring for its staff. In addition to its noteworthy profit-sharing

program, the company pays its employees a living wage; provides health care and paid time off to all full-time employees; gives employees a free pound of coffee with each paycheck; and presents staff with gift cards from local businesses to mark work anniversaries. Tony’s also has introduced a “Green Commute” incentive program, which pays employees \$2 for each one-way commute using public transportation, bicycle, carpool or on foot, and there’s a company garden that employees can harvest seasonally.

Prior to covid-19, employees were invited to participate in regular outings, including excursions to the nearby San Juan Islands, but it’s the informal gatherings many seem to miss most.

“It wasn’t so much about team building as it was about genuinely enjoying each other’s company,” says Production Manager Lucy Molenda. “The past few months have been a struggle without Breakfast Club. Whenever there would be a quiet Friday, the production crew would meet for breakfast before heading to the warehouse. Sometimes folks that weren’t even scheduled to work that day would still show up. We would also occasionally fire up the grill in our backyard for lunch.”

Earlier this year, in response to nationwide protests and overwhelming support for the Black Lives Matter movement, Tony’s created a Diversity and Inclusivity Committee whose mission is “to raise our company’s collective awareness to the effects of racism, sexism, homophobia and transphobia, and to help us become a more inclusive, anti-racist organization.” Among the

COPYRIGHT 2020 HUHTAMAKI INC. ALL RIGHTS RESERVED.

## THE LEADING LINEUP



NEW PRINT!

Now available in three stock designs with custom branding available. The Comfort Cup® Hot Cup combines style with sturdy, double-wall construction for a to-go cup that can’t be beat.

**Huhtamaki**

Visit [us.huhtamaki.com/comfortcup](https://us.huhtamaki.com/comfortcup) to get your hands on it today.

committee's first actions was to advise management to retire the culturally and religiously insensitive name of its Ganesha Espresso blend. Along with renaming the blend, the company made a public apology and donation to the Hindu American Foundation. Tony's also has created a scholarship fund for African American students at WWU, and two employees are participating in an industry book club on coffee and colonialism.

To provide ongoing professional growth opportunities for staff, the company developed its own internal education program, based in large part on a preparatory course for the Q exam that Elliott helped design during his time as a board member for the Pacific Coast Coffee Association. Elliott, Yake and Tony's Director of Coffee Andrew Bowman are all licensed Q-Graders, and they wanted to share the knowledge they had gained through that program and through their years in the coffee industry with employees who want to further their own education.

"My coffee knowledge was fairly limited when I started at Tony's," says Harron, who's been with the company for about

eight years. "Although it's not a requirement, employees in every department are encouraged to participate in cuppings. It's a great opportunity to learn from our roasting team and expand your knowledge and palate. The coffee market and our producer partners are also frequent topics at companywide meetings. When SCA [the Specialty Coffee Expo] is in Seattle or Portland, everyone is encouraged to attend and participate in classes and lectures."

That focus on education is central to Tony's culture.

"When I applied for a job with Tony's, it certainly wasn't with a career in mind," says Molenda, who started at the company in 2011 as a part-time packager. "It was because I really, really needed a job. I didn't know anything about coffee at the time, but once I got here, that changed quickly. I noticed my preference in roast profile start to evolve. The more questions I asked, the more I wanted to learn. I saw a lot of similarities between roasting and home-brewing beer, which has been a passion of mine for a while. This led to me apprenticing as a roaster, and eventually being a full-time production roaster."

Tony's commitment to staff growth extends beyond coffee, too. Take Carmen Gwin, who started at the company 39 years ago with a work-study job as a bookkeeper while pursuing a degree in accounting at WWU. Over the years, she has also worked as a barista and in the retail side of the business. After returning from maternity leave in 2005, Gwin took on the role of accounts payable manager, which allowed her to use her accounting degree and provided more flexibility for her new family.

Harron also has benefited from the company's focus on career growth and family-friendly flexibility.

"I have always felt supported as a parent," she says. "I had both of my children while working here, and the support and flexibility I had during pregnancy, maternity leaves, and now as a working mom have been much appreciated."

Harron started in the warehouse, then moved into a front office position, and now serves as inside sales manager. Most of her training has been gained on the job.

"We are a small business, so many of us wear multiple hats,"



Carmen Gwin, accounts payable manager.

she says. "I definitely feel encouraged to advance my career, and have always been encouraged in the pursuit of learning new things, whether it be office- or coffee-related."

Molenda believes the practice of promoting from within is central to Tony's success.

"Quite a few of the department managers were originally hired as packagers or in other entry-level positions," she says. "I certainly believe that makes us stronger as a group. I know I'm better able to relate to issues and hurdles that others may be going through because I spent time doing that job."

## Asset tracking and service management that scales with your needs. By coffee people, for coffee people.



Basic. Asset tracking done well, once-and-for-all.



Essential. Service solutions for difficult-to-manage actions.



Pro. Robust functionality for itemization and tasks.



✓ Now confirm health and safety compliance with CYA Plus

www.cya.coffee • info@cya.coffee • 224-600-3264



# JOSUMA COFFEE

The Authority on Indian Coffee Beans

Supplying Roasters with Top Shelf, Sustainably Grown Beans for Espresso, Drip and Cold Brew

Warehouses: SF Bay Area, The Annex and Continental

www.josuma.com

P: 650.366.5453

E: info@josuma.com



Eric Alexander,  
production employee.

### CARING FOR COMMUNITY

Tony's culture of camaraderie and caring encompasses the entire Bellingham community, and the company has long supported many local nonprofits. Perhaps its longest charitable relationship is with the Nooksack Salmon Enhancement Association (NSEA), which Tony's has supported with monetary and coffee donations, as well as hands-on volunteer hours from employees, since 1991.

"We were passionate about the environment, organic and fair trade, and our responsibility to growers and our fellow employees long before it was popular," says Distribution Manager Wendy Owen, who began working at Tony's in 1989 and played a key role in connecting the company with NSEA and its work to restore wild salmon runs in the area. "Thankfully, it is now the norm," she adds. "To us, it has always been the right thing to do."

Since the onset of covid-19, the company has introduced even more charitable campaigns to its already robust giving program. A new "Benefit Series" supports Tony's wholesale partners and their employees, many of whom have been impacted by the pandemic-related economic slowdown. The company also created a new blend called "Look for the Helpers," donating 100 percent of the profits to the Bellingham Food Bank. Quarterly fundraisers benefit local

nonprofits, with employees nominating and selecting a different recipient each month.

And while the company knows it's important to focus on the local community that has supported it for 50 years and counting, there is an equally strong emphasis on supporting the global coffee community.

In addition to participating in the World Coffee Research (WCR) "pennies per pound check-off" program, Tony's was among the visionary coffee companies that made an initial financial contribution to help get the organization off the ground. Last year, along with wholesale partner PCC Markets, Tony's created a blend that benefits WCR's efforts to build greater climate resiliency for smallholder farmers around the world. The company also is a longtime supporter of Grounds for Health, which provides cervical cancer screenings for women in producing countries.

In its everyday operations, Tony's focuses on sourcing organic and fair-trade coffees, and reports more than \$1 million paid in fair-trade social premiums to date. The company also has focused on developing strong relationships with producer partners for many years. This recently led Tony's to be among the first U.S. roasters to purchase a new variety discovered by the Pacas family in El Salvador, a longtime partner of the company. The variety is called Bernardina, and it's thought to be related to Gesha, says Bowman.

"It's got a lot of Gesha characteristics," he notes. "It's really floral. It has a really great fruit character. It always jumps out on the cupping table. It's one of those really special, really delicate, super complex coffees that always get us excited."

### ADJUSTING TO THE PANDEMIC

After Gov. Jay Inslee issued a stay-at-home order for Washington state in March, Tony's had to close its cafe and furlough nearly its entire cafe staff. The roastery remained fully operational, with mandatory masks and enhanced sanitizing in place, and because grocery and online sales began to grow, the company was able to rehire a number of furloughed staff relatively quickly to work in production. At press time, after receiving a



# New Specialty Roasters

## Turn your creativity into reality

### The soft roasting solution for the Specialty coffee

TT5/10 and TT15/20 Specialty Roasters enable the roast master to succeed in achieving countless sensory profiles, from light roasting to the very darkest. Gentle drying and caramelisation of the coffee sugars are carried out by the indirect hot-air roasting, therefore developing the coffee's deepest aromas. The Specialty Roasters thus offer a soft roasting, taking care of the raw materials so as to achieve high quality and homogeneous product. Managing the burner power, air-to-bean ratio and drum speed rotation, the roast master can achieve the perfect balance between convection and conduction, according to the desired roasted coffee.



www.ima.it





Tony's Coffee thermos on a hike.

loan from the Small Business Administration's Payroll Protection Program and reopening its cafe for limited take-out service, the company had been able to rehire about half of its furloughed staff.

To try to mitigate the financial hardship for employees who experienced reduced hours and wages, Tony's created a relief fund using proceeds from its online store, splitting the fund evenly among furloughed employees. When longtime customers expressed concern and a desire to help, the company created a "tip jar" system through which customers could supplement the relief fund.

"The outpouring of support from our cafe regulars was pretty inspiring," says Yake.

Tony's also has had to reimagine its training and event program to fit the new socially distanced world.

"We used to host cuppings and brew classes and home espresso classes, all sorts of educational classes, at our cafe," says Yake. "Of course, we had to cancel all of those, and our sales and marketing teams couldn't be out among people, so we started brainstorming how to make the best use of our time and connect with our customers. A lot of our customers were brewing coffee at home for the first time, and we were realizing that they were under-equipped with coffee knowledge."

To meet these new demands, the company started offering online educational events for the public and professionals, including an introduction to the SCA cupping form, home espresso basics, roast identification, water chemistry, and social media tips for independent cafes. The courses are presented on Zoom and Instagram, with question-and-answer sessions and follow-up materials such as brew recipes and how-to videos.

The company also offers a home cupping kit to engage customers in sensory evaluation and education while they're confined to their homes. The set includes four coffees, often with a specific theme.

"We did an origin ID course with coffees from four different growing regions," says Yake. "We did the cupping live over Zoom, and then we talked about each coffee."

Tony's has involved its producing partners and other industry notables in these online events as well. Its online speaker series has included Mike Strumpf, director of coffee at Swiss Water; Hanna Neuschwander, communications director for World Coffee Research; and producers María Pacas from El Salvador and Benjamin Paz from Honduras.

With the decade-old goal of being named Roaster of the Year in the bag, what's next for Tony's Coffee?

"My current personal BHAG for Tony's centers around making a statement in 2021 charting our course for the next 50 years—our carbon neutral pledge and the launch of another significant initiative that we're keeping under wraps till our 50th," teases Elliott. "Sorry, but you can't expect us to divulge everything."



**EMILY PURO** is a freelance writer and editor living in Portland, Oregon. In addition to *Roast*, her articles and essays have appeared in *Writer's Digest*, *Better Homes and Gardens*, *Portland Monthly*, *Northwest Palate*, *The Oregonian* and numerous other publications. She enjoys learning about the art and science of coffee, as well as the social and environmental impacts of the industry, and she continues to be amazed by the remarkable professionals throughout the supply chain devoting their lives to this work.



**N.J. DOUEK**

A Tradition In Quality Since 1951



At **NJ DOUEK**, we are committed to bringing roasters and producers closer together while paving the way for a more sustainable future.

Trading in a wide selection of green coffees is one of the many ways we aim to satisfy the changing needs of the coffee world.

Visit us at [njdouek.com](http://njdouek.com)