

Reinhold Schärf with his son Marco: "Without the support from my son, plus his personality and skills, it wouldn't be possible for me to manage all the challenges in my business life."



■■■ Schärf Group ■■■

**Founded** 1955 by Dr. Alexander Schärf. He retired in the 1980s and died, at the age of 85, in 2009. His son Reinhold became co-owner and MD in the mid-1970s.

**Customers** complete concepts to nearly 1,000 bakery shop customers and 900 coffee houses. Coffee and machine supplied to 5,000 customers.

**Employees** 85

**Group sales** €65 m (including €20 m revenue from the CC franchise)

**Coffeeshop Company (CC)**

**First unit opened** 1999

**Total units** 212 in 20 countries

**Average spend** €6.50-8.00

**Main formats** Lounge (120-200 sq m); Classic (40-100 sq m); Modular shop-in-shop kiosk for bookshops, petrol stations etc. (20x30m). Investment (in Austria) ranges from €35,000 to €250,000. Stand-alone and drive-thru variations available

**Locations** Austria, Germany, Switzerland, USA (Carnival cruise ships), Slovakia, Czech Republic, Hungary, Poland, Slovenia, Croatia, Serbia, Macedonia, Turkey, Morocco, Russia, Egypt, Bahrain, Saudi Arabia, Kuwait, China, Kosovo.

**Planned locations** Bosnia Herzegovina, Albania, Bulgaria, Romania, Oman, Qatar, Lebanon, UAE, Jordan, Yemen, Sudan, Syria, Mexico

**Expansion rate** 35-50 units per year

[www.schaerf.at](http://www.schaerf.at)

■■■ Coffeeshop Company: Product - Mix ■■■



all our franchisees personally and rely a great deal on instinct. I can see very fast what is behind the face and soon tell if things are not going to work within our structure. I gained a lot of this ability from my father, who was very good in personal relationships.

It sometimes doesn't work out. We had one franchisee in the eastern part of Germany where I allowed him to sell his shops to a competitor. I felt it was better to lose him than risk the damage to our brand when he made changes that we did not agree with.

**With branches spread across countries as varied as Mexico, Kuwait and Kosovo, how do you manage with languages?**

**Schärf:** It normally works with English except in France and some parts of Italy. It would be relatively easy to operate in France since we make machines in Monaco but there is a big problem: the French are simply not interested in good coffee.

**What about local regulatory issues?**

**Schärf:** Hastily-introduced legislation can be a problem. For example, the market in Croatia has been distorted by recent changes which make it impossible to sell food if you allow smoking on any part of the premises. This would be a problem in any country but makes life extremely difficult in the Balkans where over 60% of the adult population smokes.

**What about new markets? Would you try Italy, for example?**

**Schärf:** Originally we planned to try and do something there but I moved it back because too many other countries started taking an interest. I think we will maybe try something in Canada and also perhaps the USA, since we now have a franchisee in Mexico. We are already there in a small way with units on Carnival cruise ships, headquartered in Miami. They started with a different coffee partner and were serving the coffee for free as part of cruise packages. A Carnival vice-president got interested in CC after seeing one of our units in Vienna. They gave us a deal where we operate CC units on the promenade deck but guests have to pay as a proviso of getting the business. It worked and they are now making \$20 m annually from selling an Austrian coffee experience. And we also now serve our coffee in other parts of the ships. We got our first Carnival ship in 2001 and we are now on 28 of their ships.

Ramadan is a religious period when Muslims of all nationalities observe their daytime with prayer and spiritual contemplation and fast between dawn and dusk. The traditional meal before sunrise is called Suhour, usually a lighter meal taken at home with the family, but also provided for by hotels and restaurants. The breaking of the fast after sunset is celebrated with the evening meal, Iftar, which is the main social event of the day. Families and friends meet at homes and in restaurants and people are served free meals in front of the mosques and in charity tents erected in the neighbourhoods. Ramadan ends with a three-day holiday to commemorate the festival known as Eid Al Fitr.

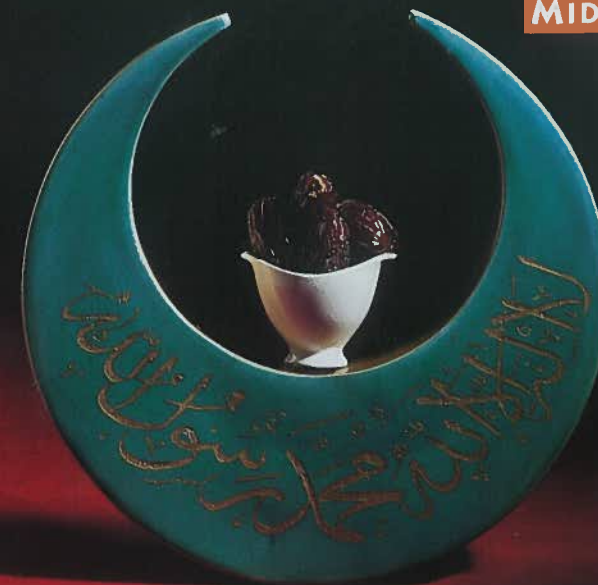
**Change to the rhythm of work and life**

The everyday rhythm of life changes completely, most cafés and restaurants are closed during daytime but open for Iftar until the early hours of the morning. Though non-Muslims are not requested to fast during Ramadan, they are, however, not allowed to eat and drink in public. Nevertheless, all hotels continue to provide room service and often keep one outlet open for breakfast, lunch and dinner, where guests can have their meals in private with premises curtained or partitioned off.

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This year, the holy month fell entirely on the hot month of August which is usually a quiet season for the region's tourist industry with travellers staying away on account of the high temperatures (sometimes more than 45 degrees Celsius) and expats fleeing the heat for their homelands. Ramadan thus provided an extra challenging time for hotel and restaurant operators this year.

Most of the foodservice business was restricted to early and later evenings with Iftar and Suhour events. Work-related activities like meetings & conferences, workshops or internal meetings usually aren't held during Ramadan, so this seg-



**From Fast to Feast**

Ramadan, the holy month in the Islamic calendar, is a very special time of the year and affects everyone in the Middle East, whether Muslim or non-Muslim. This is particularly true for the foodservice industry in the region where it brings major challenges as well as business opportunities. By Bettina Quabius.

