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Brewing passion fuels entrepreneur

Mike Ralls rides out coronavirus, eyes on coffee's future

By SUSAN WOOD North Bay Business Journal

As Marin County businessman Mike Ralls got sober nearly 15 years ago, he soon learned some addictions are worth pursuing.

He's convinced of that every morning, whether he's grabbing his morning fix or his surfboard before reporting into an upgraded operation now anchored by a new, 1,900-square-foot coffee roasting facility at 1945 Francisco Blvd. in San Rafael.

Ralls launched Addictive Coffee Roasters in 2017 as a lifestyle choice for those "fueling (their) healthy obsessions," as the tag line says. He enjoys surfing, boating, skiing and other outdoor activities.

"The Addictive Coffee name has nothing to do with the coffee. It's my personal story and has been a passion of mine for over 12 years," Ralls told the Business Journal, referencing his active, healthy lifestyle while recovering from alcohol addiction.

He and his wife Jen have blended his coffee operation harvested from beans in higher elevations at locales over 4,000 feet in Central- and South America into a fitness craze. She works for Fitbit, one of a handful of techrelated companies that through the years selected the grounds for their office grounds.

In the spirit of tech startups, Ralls started his self-taught roasting obsession in his garage. It soon morphed into a chemist's dream, when he started to hone his Colombian-, Guatemalan-, Ethiopianand African blends by the hour at a rental roasting business in the East Bay.

Like most things in the tech world, word caught on fast that Addictive Coffee was chosen by the social media company, LinkedIn, to be the guest roaster. Within a year, Fitbit, Mozilla Firefox, Oracle, Survey Monkey, Electronic Arts, Twitter and Facebook followed suit with their partnerships.

The fast-track evolution represents a bit of a far cry from his early days, growing up "to be an entrepreneur." At 7 years old, he sold lizards and snakes before later graduating as a young man to sell futons while he lived in Boston. When he entered the corporate world as a business development manager, he discovered an unhealthy environment he escaped from.

"I focused on what's important in life — eating right and surfing, and I've always loved to create things from scratch," he said.

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MIKE RALLS, CEO, explaining his company's name

A different kind of getting high that simply involves life and work's passions, his dedication to developing brews from his home found its way to a friend's San Rafael airplane hangar.

There, he perfected an ice cream made with real coffee.

Using the location on Francisco Boulevard, Ralls has produced up to 1,000 pounds of coffee a day, with the coffee gracing the shelves of smaller markets like Andy's, Scotty's and Mill Valley local markets.

"I roast small batches with attention to the development cycle. That's how you get to the high quality. It's like the attention paid to wine grapes," Ralls said.

The Zen of coffee roasting has taken the couple to Peru, where they visited Machu Picchu, an ancient Inca empire renowned for its spiritual essence. From there, the Ralls met coffee farmers, and Mike furthered his roasting education.



His need to advance a sustainable, eco-friendly operation has taken off with a unique packaging design, with coffee bags deemed completely biodegradable with plant-based material upon the removal of two labels.

The design expanded into a single-serve product line that may be placed in compost. Everything was looking up.

Then, COVID-19 made the scene.

Addictive Coffee Roasters returned to its earlier direct-to-consumer retail days, and Ralls said he was grateful for developing the single-serve packets that have turned out to be best sellers.

"That's the trajectory we're on," he said. "With COVID, it was a blow."

The Ralls' contract with Twitter on March 2 was cut short. He was forced to essentially donate 1,000 pounds which normally would have gone to Facebook to the Marin Food Bank. The social media giant was on the path to ordering an average of 3,500 bags a week over the last three months.

He was also forced to cut his staff from 10 people to three.

With retail sales up 50% in the last month, Ralls' hope is the retail orders off the Addictive Coffee Roasters website will help the business ride out the coronavirus crisis wave. His plan is to eventually increase to 15 staffers once the pandemic eases.

The roasting company has sustained itself through peaks and valleys, the ebb and flow of life Ralls is all too familiar with.

Ralls' Canteen O'Sullivan distributor Adam Bonilla, who introduced Addictive Coffee to Facebook's 16 micro-kitchens, has much faith in Ralls' abilities, gumption and product line.

"I credit Mike for being out there promoting his product. There are a lot of good roasts out there, but sometimes the face doesn't match the roast," Bonilla said. "It shows that he loves what he does. It's amazing to see his excitement."

A high point in Addictive Coffee Roasters' reinvention of the business, Ralls has jumped on the cold brew craze with a Nitro-fueled concoction that's ideal for summer months. Pond Farm, a beer brewer that popped up in downtown San Rafael a year ago, even partnered with Addictive Coffee to place its cold coffee on tap.

"We wanted a non-alcoholic option (for our customers). There are members of our community who don't enjoy beer," Pond Farm Brewing Co. co-owner Stephanie Martens said.

The two beverage companies also co-developed a stout brew. The "Wrong Side of the Bed" was made in a limited supply, but Martens plans to bring it back because "it was really popular."

Martens commended Ralls for his ambition and sourcing of "quality beans" as factors in their successful partnership.

"It matters to have good ingredients," she said.

In the heart of the Marin County business scene, San Rafael Chamber of Commerce Executive Director Joanne Webster said she's not surprised Addictive Coffee Roasters has taken off in popularity as it has — minus the coronavirus outbreak.

"There's a lot of talent here. We welcome many entrepreneurs," Webster said, adding a healthy lifestyle goes hand in hand with the region. "He's obviously done his homework."



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