

Eric and Michael Gantz are expanding the family business into a new arena of caffeinated beverages - coffee.

The Gantz cousins are part of a long-standing line of Dubuque beverage bottlers and distributors, from flavored soft drinks, to Pepsi, to coffee and snack foods.

What was Gantz Bottling Works in 1916 grew to become known as Lime Rock Springs then Vendors Unlimited, a company that included an in-house coffee brand known as Coremill Coffee.

The cousins recently decided to delve further into the coffee business, by creating a local roasting operation and coffee.

Named Verena Street Coffee Co., the company harkens to the Dubuque street the cousins grew up on.

The company includes a local roasting operation and coffee beans coming from many regions, including Panama, Brazil, Honduras, Indonesia and Mexico.

The Gantz cousins are hoping that the entrepreneurial effort will put them at the forefront of a relatively small industry - Midwest craft coffee.

And their coffees are designed to appeal to consumers who want to support local brands and to reach some untapped markets, like decaf coffee consumers.

While the start-up process has sometimes been stressful, Michael Gantz said he believes it will prove rewarding.

"There is a lot of pride in this," he said.

LOCAL RELEVANCE

The business is located in a small building near the intersection of U.S. 52 and the Northwest Arterial, near where Verena Street was located before larger economic development projects arrived.

The building has been renovated to include a front office area, and roasting setup in the back. The smell of coffee wafts through the austere room, and packaging and roasting equipment line the walls.

Verena Street Coffee Co. brands will be made in small batches from specialty Arabica coffee beans, which Eric Gantz explained are grown at higher altitudes and have

less caffeine than robusta beans.

Eric and Michael Gantz are in charge of day-to-day business operations. Verena Street Coffee operates under Roasting Solutions LLC, and their fathers, Jim Gantz and CJ Gantz, also are owners of the new business.

Michael and Eric Gantz said they are hoping to create awareness about Dubuque through the company name and story, along with locally inspired names of some of the coffee brands, like Julien's Breakfast Blend and Union Park Blend.

A lot of thought went into the business logo. It shows the Gantz cousins on their bicycles as young boys in the Verena Street neighborhood, and includes a brief narrative about the history behind the company name.

"It's not another bag on the shelf with a logo. It has a meaning. It's easier to get behind something that has a background,"

Michael Gantz said.

PLANNING AHEAD

Eric Gantz said they began seriously talking about the opportunity for expansion about five years ago.

The driving factor in the decision was the desire for quality; not wanting to distribute or sell anything less than the best. And Michael Gantz noted that as the producers, Verena Street will have 100 percent control over product quality.

They aren't the first to the high-end coffee market. For years, Starbucks has been capitalizing nationally on consumers willing-

ness to pay more for their brands of coffee.

Eric Gantz said he preferred not to discuss competing businesses, and said they are focusing on their operation. The business has about 60 accounts, many in Wisconsin but also in Iowa, including the Quad Cities.

Ultimately, they are hoping to expand the business, because they have the capability to produce much more.

"We built it for growth," Michael Gantz said.

On a recent morning, he noted there was 37,000 pounds of beans in storage on site. The company has the equipment to roast

1 million pounds annually.

Chad Adam and Matt Asche also work at the company as the sales and production managers. Michael Gantz said the four of them are getting the operation going, but they hope to be able to hire more workers in the future.

The products will appear on local grocery store shelves in mid-January, and will be available for purchase online at www.verenastreet.com.

Michael Gantz said it is difficult to produce identical blends in general because of shifts in crop production. "Coffee's always changing," he said.

And Eric Gantz noted that with the completely artisan production, it can be extremely difficult to produce a similar blend.

But the cousins said their equipment will help them find a balance. It allows for some manual control,

but also avoids the human error often found in traditional artisan roasting.

A CLEAR VISION

etting the business started meant remodeling the building and finding the specific equipment needed.

The Gantz cousins declined to say the cost of the business upstart, but Michael Gantz said it was more than they had anticipated.

The venture is a gamble, but Eric Gantz said their grandfather took a similar gamble getting into Pepsi-Cola distribution when that company was relatively unknown.

That decision is why the business is still around, he said, while many of the distributors of that era are now out of business.

The Gantz cousins say they are looking into markets they believe are overlooked, like decaffeinated coffee. Michael Gantz said they bought the best decaffeinated beans they could find that are not chemically processed.

They also will produce private labels for customers who want to develop their own brands.

Eric and Michael Gantz say they know their coffee will not be the cheapest product available, but that isn't what they were aiming for.

"The coffee consumer can kind of see through you. You get what you pay for," Michael Gantz said.

The business is designed so new products can be created when needed. Michael Gantz said there are "unlimited opportunities."

"As the consumer tastes change, we can change right along with it," he said.



Eric Gantz



Michael Gantz

the Gantz family business

1916: L.B. Gantz founded Gantz Bottling Works.

1917: L.B. Gantz sold the company to his son, John C. Gantz, and it became North End Carbonating Co.

Early 1920s: The company name changed to Lime Rock Springs, named for the natural springs on which the bottling facility was originally constructed, and offered a full line of flavored soft drinks bottled under its own label.

1936: John C. Gantz obtained franchise rights to Pepsi-Cola, then a little-known brand.

1948: Vendors Unlimited was started. It included a full line of vending supplies including beverages, snacks, food and office coffee.

2006: Vendors Unlimited began selling coffee to convenience stores under Pronto Cafe, a premium coffee program.

2008: Coremill Coffee, an in-house coffee brand, was developed.

2009: Decision was made to start a new roasting business, deposits were made on roasting and packaging equipment.

2010: Verena Street branding and product development began. Roasting equipment was put in place. Production set to begin in late December, with products on store shelves sometime in January.



A coffee roaster at Verena Street Coffee Co.