

Caffeine culture

What makes for a good relationship between a manufacturer and distributor? Over cups of espresso, Daria Illy of the famed coffee company and her Lebanese agent Marc Naman recount what has driven their success [aside from the caffeine].



You might call Marc Naman, founder of the Illy coffee importer Green & Co, a bit obsessive compulsive. On the one hand, it may be the way he punctuates his emails. "I'd never seen someone write with so many question marks and exclamation points," declares Daria Illy, the international key account director for Illy. (Though admittedly, a cascade of punctuation does reflect the way Naman speaks). On the other hand, it may be that he held Illy's director of exports hostage for seven hours in a hotel room in order to parse out every detail of the contract. Whatever it is, the mentality has paid off for both Naman and Illy: On September 6 he was awarded the 2011 prize for Distributor of the Year worldwide.

Naman and Daria Illy first met in person for a barista competition that Naman was painstakingly organizing in Damascus. There she encountered his tireless and apprehensive attention to detail. "Marc was just about hysterical because he's so passionate," Daria Illy remembers.

Both came to Illy from backgrounds well outside the industry. Daria Illy, while granddaughter of the company's founder, Francesco Illy, has a personal background in fitness: First an aerobics teacher and owner of a personal training studio, then a university professor on marketing in the fitness industry, she went on to receive a degree in nutrition. Her thesis was on caffeine – a paper that led to a position in the family trade.

Naman has a degree in finance, mercantile instincts and a love for the arts. "One of the biggest dilemmas I faced when I was younger is whether I should go into the arts or business." As for business, "It's not just the money; I have an interest in the exchange," Naman muses. As a young graduate he spent three years going back and forth between Lebanon and India and sold Indian handicrafts to the Lebanese market.

Nevertheless, he found himself one day writing to Illy to ship him a small quantity based off of his father's preference for the espresso. Naman senior, having tasted Illy's espresso in France, always asked friends to bring some back to Lebanon

after they'd travelled abroad. Naman junior sensed import opportunity. "At the time, the postal service in Lebanon didn't work efficiently; it'd take two months to get a letter out," he recalls. "So I thought I would write them next time I was in India. I wrote on a postcard that had a Sikh, 'by my mustache, Illy is the best coffee I ever tasted' and that I'd like to import a small quantity."

Naman then followed up the demonstration of his quirky passion for the brand with the persuasion that only cold numbers can achieve. He pulled together over the course of six months a 40 page proposal which he sent off to Illy's headquarters. Naman had come to realize that no big company had thought to invest in espresso because it was just a "drop in the ocean" for the Lebanese market — perfect for someone small as



himself. Soon Illy called back, and he was off to Italy for training.

As distributor for Illy coffee in Lebanon, Naman says he finds pleasure in instilling a new culture — that of the espresso drinker — in a country traditionally dominated by Turkish coffee and Nescafe. It's a job that now satisfies both Naman's business and artistic sides, he observes. The high quality product is not easy to sell; so to do so, he feels, is an art form. "We aren't in the business of selling caffeine," Naman continues. "We're in the business of delivering pleasure."

But creating that espresso culture does require a meticulous, hands-on approach to distribution that Naman has delivered day-in and day-out. "It takes us 125 quality controls to perfect the coffee blend in the company," remarks Daria Illy. "We do everything to maintain its aromas during

shipping. So when it lands here, we need someone that will take care of it in the way that Marc's doing with after-sales and technical assistance."

Early on, Naman developed the habit of visiting each of his clients every day – in part made possible by the size of the market and sparsity of competitors. It's a practice he keeps up, though on a weekly basis. And more help has been recruited. "Staying close to the client is very important," assures Naman. "There are so many variables that a little bit of ignorance can be catastrophic." Naman has personally trained hundreds on how to properly pull a shot of espresso, and he works closely with the University of Coffee in Trieste, Italy.

The product quality did help build a solid distribution in Lebanon, but it's only one of the reasons for the strong partnership:

Over the years, Daria Illy contends, Naman developed many products for Illy, successfully went after the entire Horeca (hotels, restaurants and cafés) segment and is now breaking ground on an Illy store in Foch Street, Downtown. "Naman has gotten us 40 to 50 percent of the market, which is a fantastic result," she continues.

"The five star hotels are becoming conscious

about the fact that coffee is within the top five most important elements that guests consider when thinking about their hotel experience," Naman says.

Naman describes the relationship between producer and distributor as symbiotic: "they rely on me and I rely on them." Daria Illy agrees: "you're just as good as your distributors are," and makes clear the company's appreciation for their relationship with Naman, as he tries to implement Illy's standards. "It's the way he communicates," She asserts. "He's loyal and transparent. And then there is the way the cafés and boutiques are branded."

Reflecting on the years as a distributor, Naman professed: "Winning this award for distributor of the year has been a sort of closure for me for all of these years of work. It's not about the profits – I would've stopped long ago if it was. We're instilling a new culture." — Joe Dagher