

Reprinted from the

THE WALL STREET JOURNAL.

TUESDAY, APRIL 12, 2005

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Coffee on the Double

**As It Adds to Menu, Starbucks
Seeks to Speed Up Service;
'This Is a Game of Seconds'**

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April 12, 2005; Page B1

Steaming cup in hand, Kristin Kipper raced out of a Starbucks in downtown Chicago one recent morning and scowled. "I missed my bus," she complained. "I only ordered a hot chocolate, so I don't know what's up with that."

Ms. Kipper, 22 years old, had just stood for about two minutes in a line of about 10 people. She is one of millions of Americans who wait each morning to shell out, on average, between \$3.50 and \$4 for one of Starbucks Corp.'s premium beverages. But how long is too long to wait for a vanilla latte?

The question is a key one for the world's largest chain of coffee shops. In a survey last year by market-research firm Mintel International Group Ltd., 64% of Americans said they pick a restaurant based on how much time they have. And as Starbucks broadens its menu with hot breakfast sandwiches, which could take even longer to prepare than a time-consuming Double Chocolate Chip Frappuccino Blended Creme, the Seattle-based chain is loath to lose any of its 33 million world-wide weekly customers to Dunkin' Donuts or other rivals who are also trying to beat the clock.

"This is a game of seconds," says Silvia Peterson, Starbucks's director of store operations engineering, adding that she and her team of 10 engineers are constantly asking themselves: "How can we shave time off this?" A few years ago, engineers noticed that "baristas" -- the Starbucks employees who prepare drinks -- had to dig into ice bins twice to scoop up enough ice for a Venti-size cold beverage, Starbucks's biggest. "The old Venti scoop didn't give you enough ice," Ms. Peterson says. Engineers experimented with ceramic coffee mugs, which then led them to develop one-piece plastic "volumetric ice scoops." But the handles kept breaking, so engineers had stronger ones made. The new scoops helped cut 14 seconds off the average preparation time for blended beverages of about one minute.

Efforts like these have helped Starbucks outlets increase their average yearly volume by nearly \$200,000, to roughly \$940,000, since 1999, executives say.

Among other time-conscious players in the hotly competitive \$476 billion U.S. restaurant business, sandwich chain [Cosi Inc.](#) of Deerfield, Ill., has installed large menu boards on the walls of its restaurants so customers won't have to take time at the head of the line deciding what to order. [Wendy's International Inc.](#) of Dublin, Ohio, is touting its new double-sided grill that cuts the cooking time of a four-ounce hamburger patty to 85 seconds from more than five minutes. Caribou Coffee Co., a 310-unit chain based in Minneapolis, has stopped requiring signatures for credit-card purchases under \$10.

A Quick Cup?
The average time it takes to make basic and signature drinks at three different coffee shops:

Starbucks prep time		Dunkin' Donuts	Caribou Coffee
Tall black drip coffee	Under 20 sec.	Small black coffee	20 sec.
Grande vanilla latte	Under 30	Medium latte	60
Venti 'Double Chocolate Chip Frappuccino Blended Crème'	Under 90	Large 'Coolatta'	40-50
		Small coffee of the day	6 sec.
		Medium vanilla latte	49
		Large 'Mint Snowdrift'	55

Source: the companies

At Starbucks, it takes about three minutes on average from the time a customer gets in line until the order is delivered. That is down about 30 seconds from when the company started measuring five years ago. (Waiting times in busy urban outlets at peak hours can be considerably longer than the average.) Times for drink preparation range widely, from less than 20 seconds for a Tall black coffee to about 90 seconds for the Venti Double Chocolate Chip Frappuccino Blended Crème.

Starbucks was forced to focus harder on speed of delivery as its growth exploded in the 1990s. In 2000, the company recruited Ms. Peterson, an engineer by training who had spent years at Burger King and Denny's Corp., to start an industrial-engineering team that would break down the beverage-preparation process in hopes of correcting inefficiencies.

One step was to stop requiring signatures with credit-card purchases under \$25, encompassing a larger group than Caribou Coffee's \$10 cutoff. Processing credit cards had become the longest part of the transaction at the cash register, taking on average 30 seconds, Ms. Peterson says. Eliminating signatures sliced the time to 22 seconds.

In 2003, the company created a new role for restaurant employees called a "floater." The floater is like a quarterback, directing behind-the-scenes traffic, running to the storage room for syrup or coffee beans, and serving as back-up cashier or barista. One recent morning in a Chicago Starbucks, the floater moved up and down the line of waiting

customers, took orders, marked them on the sides of cups and passed the cups to the baristas, who could then start making drinks before customers reached the register.

Floater added costs, but Starbucks executives say they are worth it because restaurants can serve more customers more quickly. Since their creation, floaters have shaved 20 seconds from the overall service time, largely by getting the drink-preparation process started sooner. It also has a psychological benefit, says Jim Alling, president of Starbucks's U.S. division. "The customer doesn't feel like he's waiting in line. It's like a ballet, a well-choreographed play," he says.

Since 2000, Starbucks has been slowly installing special espresso machines in all of its 9,000 world-wide restaurants. With the push of a button, these machines grind coffee beans for espresso and then brew the beverage, allowing baristas to focus on steaming milk for latte drinks that are heavily in demand. The machines produce a more consistent amount and flavor of espresso, and have cut 24 seconds off the average time it takes to "pull an espresso shot," bringing it to about 36 seconds. "If there's ever a silver bullet in our world, that's it," Ms. Peterson says.

Despite the need for speed, Starbucks executives, who prefer to have their locations called "stores," are sensitive to being lumped in with fast-food outlets. "You don't want customers to feel they're in an Indy-500 pit stop," Mr. Alling says. "It's a real trade-off -- to move quickly, and not be rushed." The sharper focus on speed doesn't seem to have hurt the chain's order-accuracy rate, which has remained consistent at about 99.4%, the company says.

This spring, Starbucks is continuing its gradual nationwide rollout of hot breakfast sandwiches, including a sausage, egg and cheese combination on an English muffin, and another with eggs Florentine on an English muffin. The sandwiches offer an opportunity for increased revenue but take about 90 seconds to heat.

How to sell lots of hot sandwiches without slowing service "is probably the biggest question or issue with rolling out a warm item, in addition to product quality and consistency," says Andrew Barish, restaurant-industry analyst for Banc of America Securities LLC in San Francisco.

Executives insist the 90 seconds needed to heat sandwiches won't increase the targeted three-minute average service time. But they are fuzzy on the details of how they will achieve this.

Starbucks tested warming the sandwiches in various types of microwave ovens, which were fast but didn't meet expectations for taste and quality. Convection ovens produced better quality but were too slow. Now Starbucks plans to use a hybrid convection-and-microwave oven that it says will satisfy both concerns.

Starbucks also is considering assigning a floater to deal only with the sandwiches on busy mornings. Executives say they hope to learn more as the sandwiches are introduced in different markets.

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