

Flavoring the World

Exporter Has Customers Sipping Syrups

by Curt Cultice
ITA Office of Public Affairs

Calvin Coolidge could have been the first sitting president to sip on this syrupy delight, but as history would have it, he probably just missed out. The year was 1925, when Rinaldo and Ezilda Torre began blending flavorings made from recipes that they brought to the United States from their home in Lucca, Italy.

Fortunately for the Torres, the syrups soon caught on and became all the rage in North Beach, a flourishing Italian community in San Francisco. Here, the Torres worked feverishly to mix the rich, flavorful syrups with sparkling water and ice in the back room of their grocery store. And the outcome? Why, Italian soda, of course! Today, these syrups are branded Torani, and are being stirred and sipped in everything from espressos and lattes to specialty beverages such as iced teas and lemonades.

“Our products add something special to what otherwise might be an ordinary beverage,” says Paul Lucheta, one of the principals of R. Torre & Company. He and his father, Harry, and sister, Lisa, work with 80 employees to produce and market Torani syrups. “We offer more than 55 flavors, ranging from tiramisu and hazelnut to pink grapefruit and strawberry, and we now offer a complete sugar-free line as well.”

Delicious. But just how might one enjoy a Torani? “Offer his-and-her chocolate and vanilla martinis at a wedding shower, or provide the mom-to-be at a baby shower with a non-alcoholic version of a Torani Sparkler,” says Torani’s literature. “Silly games are a lot more bearable with a delicious Torani beverage in hand.”

PERCOLATING PARTNERSHIPS

Over the years, R. Torre & Company has expanded its line of products, which are sold or used in soda shops, restaurants, cafes, and grocery stores, with considerable success.

“What we do best is continually redefine the specialty syrup industry by creating distinctive flavors and innovative uses,” Lucheta says. “For example, our partnership with renowned coffee and confectionery leader Brown & Haley led us to develop the first and only co-branded syrup in the industry: Torani Almond Roca Buttercrunch.”

Buttercrunch or not, the folks at R. Torre & Company thrive on their ability to build and nurture multiple successful business relationships.

“Our coffee-roaster partners talk with cafe owners and show them all the new drinks they can make with their coffees and Torani syrups,” says Lucheta. “They might prepare a butterscotch latte or a new flavor that could appeal to their customers.”



Photo courtesy of R. Torre & Company.

Cafe owners would do well to heed these words of wisdom from Torani: “Keep your coffeeholics smiling all month long. Offer delicious, frosty Torani Caffioco coffee drinks.... Your customers will love the opportunity to cool down with their coffee—morning, noon, or night.”

Yes, indeed. But good sales also result from good product research—like that day in the early 1980s, when Torani associate “Brandy” Brandenburger was looking to build on the popularity of coffee. Experimenting with Torani syrups, espresso, and steamed milk, he took a refreshing sip and was captivated: “Eureka, a flavored latte!”

Taking a last chug, Brandenburger excitedly contacted his colleagues managing the Nordstrom Espresso Cart at the flagship store in downtown Seattle. Soon, the Nordstrom Espresso Cart began making flavored lattes and its business flourished, expanding from two to 25 carts in less than two years. Shortly thereafter, street vendors across the globe were carting around this Torani creation, launching Torani's international market expansion.

TORANI AROUND THE WORLD

Thanks to Brandenburger, the flavored latte is the cornerstone of good conversation and coffeehouse gatherings everywhere from Texas to Timbuktu. Safe to say, R. Torre & Company and its customers know a good thing when they drink one.

"We took his invention and combined it with great business partnering to develop our product line," Lucheta says. "We like to think our strategy of establishing dedicated business partners in a country has proven to be a catalyst for our international growth."

Refill, please. This strategy has "percolated" to annual export sales growth of about 60 percent, with a distribution network in more than 35 countries, featuring famous brand-name partners, including Matthew Algie Co., United Kingdom; Gustav Paulig, Ltd., Finland; and Boncafé International Pte., Ltd., Singapore and Thailand. The company also has a very strong partner in Japan, Toyo Beverage, K.K., which has developed partnerships with major coffee companies and cafes.

This proactive approach has made Torani's unique red, yellow, and blue labels recognizable in some of the most remote markets. In fact, exports, which now account for about 10 percent of R. Torre's total sales, continue to grow.

"Our fruit flavors, especially pink grapefruit, are very popular in Japan

for sparkling sodas and specialty beverages," Lucheta says. "We have done a special blueberry promotion in China for the past three years, and in Mexico, they love our Irish cream in cappuccinos or lattes."

Well, how about enjoying a hot chocolate? Torani's literature makes it easy: "In a 12 oz. glass, stir together Torani chocolate sauce, raspberry syrup and milk. Heat in the microwave on medium setting for one minute, or to your liking." Gulp.

The syrup-maker has also benefited from business counseling provided by the U.S. Commerce Department's San Francisco U.S. Export Assistance Center, and its partner, the Center for International Trade Development. "Our office helped Torre obtain health certificates from California for several Torani shipments that were being held at customs in Indonesia and the United Arab Emirates," says Stephen Johnson of the San Francisco Export Assistance Center. "We were able to help move these products on their way."

Lucheta says its been a productive partnership: "We've found the export



Photo courtesy of R. Torre & Company.

counseling and market research provided by Commerce and its partners to be extremely helpful in opening new markets for our Torani syrups," he says. "We were thrilled to be presented this year with the department's Presidential E-Award for our exporting success."

Lucheta says R. Torre also works through distribution channels in several countries to advertise its products internationally. One example is a special beverage menu that was generated with Hilton Hotels in Japan, for use in hotel bars and restaurants. In fact, Lucheta says the firm's first export was to Japan in 1994. A round of sushi and Torani, please.

A GLASS HALF FULL

While Torani's focus is on the cafe market, the firm sees huge potential in expanding its presence in the restaurant industry through specialty drinks.

"What we want to do more is educate the restaurant industry about the great potential for serving specialty beverages, such as flavored iced teas, lemonade, milkshakes, and fruit-flavored drinks," Lucheta says. "Right now we are working with Red Robin restaurants, and we also hope to do this internationally."

The firm is also involved in its share of creative advertising. "We've had Torani used in television shows such as 'Friends' and 'Frazier,'" Lucheta says. "The television shows have contacted us, asking about having our products on the set."

Lucheta says he also wants to expand R. Torre's presence into various food categories: "We want to promote pioneering culinary uses, and inspire creativity in kitchens worldwide with recipes for salsas, sauces, sodas, coffees, and desserts. As we move forward, my sister will be focusing on this aspect of the business."

"Hey, have you tried our peppermint Torani coffeecake?" ■