

COVID-19: Interview with Maxwell Colonna-Dashwood, Founder of Colonna Coffee

Maxwell Colonna-Dashwood is an entrepreneur and a Champion barista. He is founder and MD of Colonna Coffee, an award-winning and innovative roastery and coffee business selling B2B and D2C. Maxwell invented and recently launched Peak Water, bringing cafe quality water filtration to your home. Maddyness caught up with Maxwell to discuss life and business in lockdown and the future.

Temps de lecture : minute

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[Maddyness] What is the biggest professional challenge for you today?

[Maxwell] The pandemic has created a surge in online coffee sales straight to the consumer. This is great of course for Colonna Coffee, but it also creates a challenge - pivoting our team and resource from being a B2B driven company to a B2C driven company. We need to make sure we can adapt fast enough in order to make the most of the opportunity to compensate for the B2B losses.

Is remote working a new thing for you?

I travelled a lot with the business before, so I was often connecting with the teams remotely before lockdown. I must say the slowdown in travel is actually a positive break in many ways!

How do you keep your employees happy?

During this time, I feel it is critical to up communications and offer as much clarity as possible, even if that is around subjects that you don't know and areas of real uncertainty. Employees were getting a lot of information from many sources when the pandemic hit and it was important to answer all of their questions and thoughts. We have a strong company culture and that comes into its own at this time. Creating a culture that employees can be a part of and find rewarding is in my opinion, the most crucial way to keep the team rewarded and committed, doing this helps to prepare you for a crisis.

As a leader, what do you do to successfully manage your mental resilience amid lockdown?

I approach it like a new set of problems to be addressed, bigger ones than normal, of course, but its the same process. I think breaking it down and working through things stops the situation becoming overwhelming.

What changes have you made to keep your business running?

I think like many businesses we have implemented a mixture of changes to adapt and keep the business running. The uncertainty was so extreme at the beginning that we created a worst case scenario to work from, focusing on how much we could feasibly "shrink" the business and its resources and still be viable. We reduced staff, assessed our stock position and negotiated all costs and contracts. Luckily the business has performed better than our worst case model and in fact with the online growth we have actually upped marketing spend in that area of the

business.

What have you implemented to stay competitive?

I think we are lucky to have such a diverse business that we simply needed to focus on the channels and offerings across our business that are more suited to this odd situation such as e-commerce. It of course helps that there was a boom in coffee at home! The key was to pivot resources and focus quickly to maximise the different opportunities whilst looking after the other parts of the business. For me it was about adapting quickly, we have been building a brand and story for a long time which opened up more options to pivot at this time.

How is your relationship with your investors?

We have a great relationship. Many of the key investors are in various sister businesses which means there is a real understanding of operations, especially at this strange time. Together we have taken this time to re-calibrate and re-focus our businesses.

What advice would you give to keep managing costs and cash flow efficiently during a crisis?

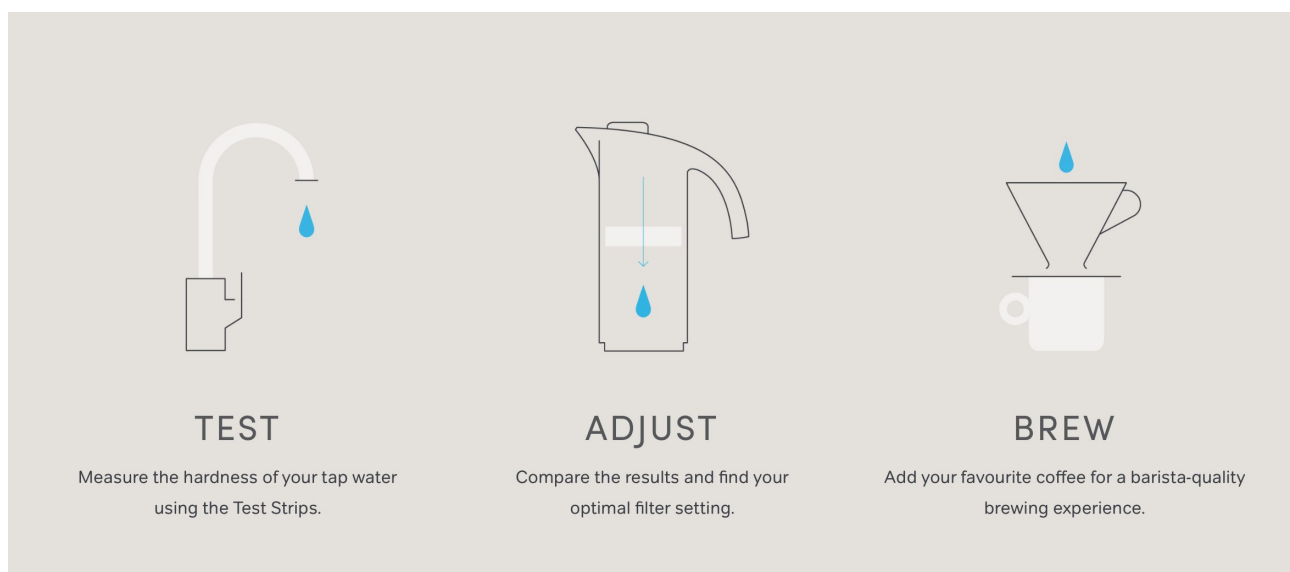
The danger when the lockdown hit was the temptation to go into an ultra aggressive “stop all payments” mentality. That’s a sure fire way to stop the business within a few months. On a very simple level you need to keep the cogs turning and create the opportunities to keep revenue coming even if its greatly reduced. The same goes for client terms, it's easy to pull away terms and pass the burden on to them, but its a domino situation and a balance has to be struck. This is easier said than done of

course. We have always run lean businesses and feel lucky we weren't in a "grow at a loss" phase. Which we have been in the past. A lot of it is about going through the whole business line by line, speaking to all stakeholders and completely re modelling what cash flow might look like. We moved to a week to week cash flow approach as soon as the crisis hit.


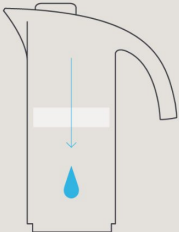

What do you think of the support packages for startups offered by the government? What have you been able to use?

I think it has been good on the whole. It's the legacy of the lending that feels like more of a concern.

The coffee shop got the 25K grant and rate relief quickly. Combined with furlough and very nice landlords, its in an ok place. The shop has re-opened for takeaway only and is at 50% revenues. The roastery business has made use of the bounce back loan and again with furlough has been well supported. Peak water is Innovate UK backed and is at the launch phase. The Innovate UK programme has been very supportive and understanding. The long term reduced operations of certain sectors is the biggest worry that can't be plugged with support.



The infographic is set against a light grey background and consists of three columns. Each column features a line-art icon at the top, a bolded title in the middle, and a descriptive sentence at the bottom. The first column shows a tap with a single blue drop of water falling from it. The second column shows a pitcher with a blue drop falling from its spout. The third column shows a coffee filter with a blue drop falling into a cup below it.

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| TEST | ADJUST | BREW |
| Measure the hardness of your tap water using the Test Strips. | Compare the results and find your optimal filter setting. | Add your favourite coffee for a barista-quality brewing experience. |

Discover Peak Water

Do you feel confident in your business post-COVID?

I do, but I also feel very lucky. Before the lockdown I was admiring highly focused businesses. Our spread was driven by our entrepreneurial and innovative spirit rather than a risk mitigation strategy. Saying that I do believe a diverse business has many merits as long as the diversity doesn't become disruptive. Ultimately we will utilise this situation as an opportunity for us to focus on the end customer.

Are there any changes in society/economy that you think will help you?

It's funny in that the changes will help some parts of our business and hurt others. The stay at home/work at home movement will support our straight to consumer coffee programme and our home water filter business but we feel the very same phenomena will hurt our wholesale business into cafés and offices. Cafés really boost the overall economic size of coffee and it will be fascinating to see how they can adapt to the socially distanced norms in the near future. We feel lucky that we are focused in coffee, a daily luxury that has in the past and seems to at this moment be a part of people's lives even in such unprecedented times.



Read also

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Article by Maddyness