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Business

Competition brewing on coffee scene

Calgary-based chain wants to open four outlets in city



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There are 45 Good Earth Coffeehouse locations in Canada. The company plans on adding as many as four locations in Winnipeg over the next two to three years.

Another player is entering the highly competitive coffee-retailing market in Winnipeg.

Good Earth Coffeehouse, a Calgary-based chain with 45 locations in British Columbia, Alberta, Saskatchewan and Ontario, hopes to open as many as four coffeehouses in Winnipeg over the next two to three years, company co-founder and CEO Michael Going said.

"Once we come into a new market, we definitely open a few locations. We don't saturate the marketplace like some other brands... but we'd certainly like to open three or four additional locations in Winnipeg over the next couple of years."

Going said Good Earth has already finalized a deal to be one of the retail tenants in a new 15,500-square-foot, mixed-use complex that will be part of phase 1 of the 117-acre Seasons retail/office/hotel/residential development under construction on the northwest corner of Kenaston Boulevard and Sterling Lyon Parkway. Seasons, formerly known as the Outlets of Seasons, is being developed by Regina-based Harvard Developments Inc. and Forster Projects Inc.

Going noted the Seasons coffeehouse may not be the first Good Earth opens in Winnipeg because that building won't be completed until sometime next year.

"We're also looking for other sites that may open before that one gets finished. We're interested in Charleswood, and (we'd) be crazy not to look at Osborne Village. We also do well just in the downtown."

Going said the chain also has had success opening coffeehouses on university and hospital/health-care campuses.

"We do really well when we can fit into communities, as opposed to being out on a pad site in a major big-box centre," he said. "That's not who we are."

He said the Seasons development is a good fit because it has a large residential component and is more a "lifestyle type of development" than a big-box retail development.

The building Good Earth has leased space in will have boutique-style retailers on the ground floor and three floors of rental apartments above.

Dan Woychuk, leasing manager for Harvard Developments, said there will be about 80 apartments of varying sizes in the complex. He said Harvard is in negotiations with a number of other prospective retail and restaurant tenants, some of whom already have outlets in Winnipeg, and others who would be new to marketplace. They also hope to attract some locally owned restaurants and retailers.

Woychuk said work on the mixed-use building should get underway later this year. It's one of a number of multi-tenant and stand-alone retail and mixed-used buildings planned for the development. The centrepiece will be the \$200-million Outlet Collection Winnipeg fashion outlet mall, which is under construction and is slated to open in May of next year.

Although there is no shortage of coffee shops and coffeehouses in Winnipeg, Going said Good Earth tries to differentiate itself by offering "a true coffeehouse experience."

In addition to quality coffees, Good Earth also sells a variety of comfort foods made on-site: baked goods, muffins, soups, salads, sandwiches, flatbreads and desserts.

Good Earth locations are also larger than a typical coffee shop, sell wine and beer during the evening, and feature live music some nights of the week.

Sri Lankan tea shop

While there are plenty of coffee shops in the city, a new tea shop opened last month in City Place which bills itself as "Winnipeg's first exclusive pure Ceylon tea store."

Chizma Tea Collections sells only blended teas and infusions imported from tea factories in Sri Lanka (formerly known as Ceylon).

The shop is owned by the brother-sister team of Ralston and Amanda De Zilva, who grew up in Sri Lanka and are long-time tea-drinkers.

Amanda worked in the tea industry in Sri Lanka for five years before immigrating to Winnipeg seven years ago.

"I know a lot about tea, so I thought why not use that knowledge here," she said.

Although Ceylon teas are the only type of tea the store carries, it also sells locally produced honey and gourmet cookies, including a brand of cookie that has tea as an ingredient.

Amanda said once she completes a food-handling course, customers will be able to sample the teas and tea-flavoured cookies in their store.

Their products can also be purchased online through the company's website (www.chizmatea.com).

Ralston said they're negotiating with a national grocery chain which is interested in carrying some of their tea products in its stores.

If the City Place store does well, Amanda said, they also hope to open stores in other parts of the city.

Know of any newsworthy or interesting trends or developments in the local office, retail or industrial real estate sectors? Let real estate reporter Murray McNeill know at the email address below, or at 204-697-7254.

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