



Kevin Pedeaux
Coast Roast Coffee

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[00:00:00]

Justin N.: I'm gonna go ahead and record. Okay we are recording. Today is February 12, 2021. I am here at 3618 Magazine Street at **CR Coffee Shop** with Kevin Pedeaux. We're doing our follow up interview. We talked to Kevin last August, early August for part one of the SFA COVID-19 Oral History project and we're here what is amazingly now six months later.

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Kevin P.: Yes, okay so it's been six months.

[00:00:36]

Justin N.: Yeah

[00:00:37]

Kevin P.: Alright, Okay. I do remember wanting to be-if there's one thing that I wanted to be in the last interview, I wanted to be me in this interview right now. [Laughs]. This is – you know I wanted to be six months in the future. It was exhausting.

[00:00:52]

Justin N.: And of course in early August- and by the way, I'm Justin Nystrom. I don't think I introduced myself on the recording. I think we six months ago were thinking we were going to be as a society a little further along when it came to this pandemic, no?

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Kevin P.: Probably. I don't remember what my exact prediction was on what the timeline would look like. I think we are definitely moving along the timeline like I thought we would- in other words like progressing as I thought we would but it probably is taking I guess a little bit longer than I would have imagined.

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Justin N.: Yeah I think that's true for a lot of us, especially when we all got very excited about there being a vaccine and they're like, oh we have a vaccine and then.

[00:01:40]

Kevin P.: Well you see for us I think the vaccine's been extremely wonderful because -like I'm sure I spoke about in my previous thing one of the things that really helped us was having the healthcare workers now coming through so that also helped us again because they healthcare workers are all vaccinated so pretty much – you know we've got a good percentage of our customer base today that's vaccinated. And when I say a good percentage, I don't know, somewhere between ten and twenty I would guess of the people that are walking in the door are vaccinated which is better than zero you know so we're pretty-I'm pretty excited about that. And obviously the more vaccines we get out, the better it gets but we definitely, I'm excited about the amount of vaccines that we have.

[00:02:35]

Justin N.: Yeah. So, when I walked in her today, I conspicuously noticed a very large stack of king cakes-

[00:02:44]

Kevin P: Yes

[00:02:45]

Justin N: Waiting in your lobby and I know we talked a little bit about your relationship with Mama **Randaz (Nonna Randazzo's Bakery)** working when I came to get some photographs –

[00:02:51]

Kevin P: Yes

[00:02:52]

Justin N:- in- I think it was October. So tell me a little bit. Mardi Gras of course is Next Tuesday, today is Friday.

[00:03:01]

Kevin P: Yes, so this is the big weekend, you know today is the big day going into stuff, usually, so it's definitely, I think there's an aura around the city. Everyone's kind of wondering what's gonna happen. I think that – and obviously the mayor put in a lot of restrictions, it really took the wind out of a lot of bus-took the wind out of a lot of business's sails for just the morale I think. I was just talking to a business owner who does catering events, he's like, Kevin I know I shouldn't

say this but I'm just so to hell with this city, you know the mayor can just do whatever whenever-

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Justin N: So just to follow up for the recording, the mayor rather abruptly about a week and a half ago announced that everything was gonna be shut down for the Mardi Gras week and bars, a lot of businesses.

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Kevin P: -And you know I think a lot of people were expecting something and she has been-really truly, I think probably in my last interview I said you know the mayor's had to make some tough decisions and I don't fault her for that but this one I think and you said, rather abruptly, I think is an understatement. I think that people were-as far as we're expecting to be fifty percent or whatever percent, you know they weren't expecting a windfall but you know it really shifted her message. She was telling people to come visit New Orleans and eat in a restaurant and you know distance safely outside to everything shut down yes, within a week before **carnival** so people had booked hotel rooms and such so people are still gonna come down and still not have anything to do. It's a very questionable weekend in regards to where people are gonna go and what they're gonna do. You know that being said the weather is gonna be cold and rainy and I think that's gonna keep people inside more than any restriction ever could. Twenty in New Orleans is very cold so I think that's gonna be one of the more bigger issues of keeping people inside for carnival than the restrictions.

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Justin N: Definitely it will cut down on the public exposure.

[00:05:24]

Kevin P.: Yes

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Justin N.: So have you talked to business owners who you know the nature of the food business is anticipating business you need to place your order for goods that you are going to turn around and sell to your customers. Have you talked to businesses who've been stuck with goods that they've ordered?

[00:05:44]

Kevin P.: I have not talked see cause I'm kind of working in a little bit more of- the businesses I deal with are coffee shops so coffee, even though we did stack up on coffee for this week, I mean we can still cut the order back next week and still kind of roll in fresh stuff so we won't lose anything like that. Milk has a far enough date on it that we'll be okay. But I mean we definitely did ramp up our orders. We actually switched service- we switched food providers, service providers recently so we, oh you know let's order a bunch of stuff from them, try it out, you know and stuff. So we're definitely sittin' on a lot of stuff. Cause I really did expect, I would have expected Magazine (Street) here to be very busy because of the fact that they shut down Bourbon (Street) and they shut down **Frenchman (Street)**, they shut down **Claiborne (Street)** I

believe, I think so. So, I kind of expected people to meander around Magazine, alright let's park somewhere around Magazine, go see the house floats or whatever and you know grab a cup of coffee while they're doing that but with the weather being so cold, I don't think we're gonna see it. So even like the king cakes we've – I'm cuttin the numbers that I have projected way back cause I just don't expect- and if we sell out I guess we sell out and we're done you know but I was kinda expecting more pe- you know cause think about it, if it had been a pretty day you can go walk around outside you go see you know the house floats and everything-you'd want to at least get out if it had been a pretty day and if you'd walk past a coffee shop with a stack of king cakes you know let's get it and cut it up you know it's Mardi Gras.

[00:07:31]

Justin N.: Yeah king cake has been one of the things that's been really gettin' people through this Mardi Gras I think.

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Kevin P.: Yeah it's definitely-I'll tell you I think I haven't run the final numbers on the sales but it's definitely I would say down from last year

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Justin N.: Really

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Kevin P.: Just because while king cakes are- they're probably, Randazzo's is probably shipping more- I don't know this for a fact yet but I would guess they're shipping more king cakes this year. But you know a king cake is such a gesture gift. I'm going to see- we're going to so and so's house for dinner and it's king cake season let's grab a king cake or we're going to school- a lot of schools you can't have king cakes. We used to sell a lot on Friday mornings, I know stack up on king cakes because Friday- you see 'em out there. Friday morning, stack up on king cakes, everybody's bringing king cakes to the office and what not. You know? So that's not going on right now. Or my favorite, hey so and so let us you know park by their house and use their bathroom for the parades, let's grab a king cake to bring when we go. It's a gesture gift and it's something that- the gestures not, you're not getting together for that purpose. But I think you're still buying king cakes to eat at the house but how many king cakes can you eat at the house?

[00:08:58]

Justin N.: Fair enough. Absolutely. I'll definitely have to tweet out a picture of your king cakes before I leave and say come and get it.

[00:09:04]

Kevin P.: Oh yeah. It's time, it is time. Come and get 'em, you know it's now or never.

[00:09:10]

Justin N.: Yeah, yeah, yeah. But that's a really great point cause it is very much people are gathering together and when a New Orleans gathering occurs at this time of year, king cake usually is involved.

[00:09:22]

Kevin P.: Its involved, for anything, anything. Oh, I'm going to see my mom, bring a king- oh yeah let's bring a king cake or you know we're going to visit the grandkids, let's bring a king cake with us. So having them in the coffee shop has always been like- cause you know coffee shops are a lot of people on the go, coming in, grabbing coffee, and going. Alright well they're going somewhere and if they're going somewhere they're gonna take that king cake with 'em. You know so we generally, especially probably the bakeries much more destination like alright I'm going to get a king cake you know but for us I mean we're kind of a- and I'm not-people come in here and get a king cake you know specifically for a king cake, I don't wanna down play that but we do sell a lot of king cakes just for people if they're on their way to work, I want to bring a king cake to the office for everybody today. It's something that when a stack of 'em is in your face like that you know what I mean, you tend to grab 'em.

[00:10:19]

Justin N.: Yeah, I was just having a conversation on Twitter with somebody who said they were headed here to get a king cake.

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Kevin P.: Oh cool, nice.

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Justin N.: Yeah, yeah, yeah. Very good. So what's interesting to me is that you have made the decision in the midst of all this to expand.

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Kevin P.: To expand yes. Yes. We've over doubled the size of the coffeeshop so that actually gives us, with the social distancing that actually gives us more seating than we had before which is kind of funny, I think we might be one of the only businesses that might have more seating.

[00:10:55]

Justin N.: And right now in this interview we're in your rather spacious and airy new conference room.

[00:11:00]

Kevin P.: Yes, yes, we're calling it the Crescent Room is what we're calling. Yeah, you know get it CR, crescent room?

[00:11:05]

Justin N.: Ahh, yeah yeah yeah.

[00:11:07]

Kevin P.: And also where this particular coffee shop, we're at the bottom of Magazine's Crescent. We're right in the middle of Magazine's Crescent so we're marketing as the crescent room because I didn't want to like-I've been calling it-the idea was originally a conference room but I'm trying to get off the conference room thing because we just have so many different

community things that can happen in this room besides like a private conference like we're doing here or whatever so you know I've got someone that wants to record a radio show here, you and I are recording this interview here, we've got a guy who wants to start up a little kids hair salon so he's gonna be coming on Thursday afternoons and cuttin' kids hair you know

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Justin N.: Oh that's a cool idea.

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Kevin P.: in this room, Yeah so, we're really trying to' and even the table that we're sitting at. My idea originally was to have one big gigantic table but then I'm like oh no let's do four bigger tables and we can move these tables around and it can go into different configurations so it really is more of a community room for public events- like say the guy cuttin' kids hair or you know if you want to book the room privately if you and the pod of people you associate with want to have a meeting or whatever and grab coffee and you don't want to be around the public at large you can jump online and book the room for a certain amount of time and you can come in here and have a meeting you know. So you can kind of get away from the public. I had a guy-and we're hoping to flick it on, cause right now you and I are sitting in the only two chairs in this rooms. So the chairs are actually on order. The chairs are actually supposed to be delivered today. I'll have to catch up with him and as soon as the chairs get in, I've got several telephone numbers sittin' on my desk of people- you know one's a real estate agent, wants to use it, wants to book it. I've got another guy whose law class wants to book it for studying. So the anticipation for it seems great. Like I said, I haven't really announced it at all and I can rattle off names of

things that are already going to happen in this space. So I'm pretty excited about, I think we're gonna book it out all the time so we'll see how it goes.

[00:13:38]

Justin N.: Is this a reflection of the new normal?

[00:13:41]

Kevin P.: Yes, yes, I think it is. My theory is that if people are working from home- and one of the things that I've found out from the neighborhood is that the neighborhood works from home. A lot of the people that live around here, if they're not in healthcare industry you know work downtown, so they've been working out their house. So people- my thinking is as restrictions loosen up and as people don't return to the office- I think some people will of course return to the office, some people will not return to the office and those people that do not return to the office are still gonna need a meeting space- you know a private sort of meeting room so this is something that they can jump online cause if they're working at home they're probably more tech savvy, they can jump online they can book the-if it's available in the next ten minutes they can jump online, book it, you know for an hour or two or whatever they need and they can come run over here and meet with whoever you know, whoever they need to collaborate with.

[00:14:42]

Justin N.: Gosh soon you'll have a key punch, a number, they'll get an access code when they book it online.

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Kevin P.: -book it online, grab the key [laughs]

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Justin N.: They can punch themselves in.

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Kevin P.: Yeah you're right, you know right now I've got a physical key so when they go get their cup of coffee they'll have to get the physical key but um-

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Justin N.: Yeah over at Loyola I've been in the process of paying for punch keys for student access rooms so students can access them twenty-four hours a day.

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Kevin P.: Oh, uh huh

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Justin N.: -And you know it does thinking about the online world is also a very twenty-four hour world,

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Kevin P.: Yeah, yeah, yeah,

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Justin N.: -leveraging distance. I would love to have a graduate seminar in this room you know if I taught graduate students. It would be amazing.

[00:15:24]

Kevin P.: I think there's kind of uses for it. It really got started cause even like some of the like small business groups that I'm involved with you know have been wanting to get together and meet in smaller numbers and this- the coffee shop is just such a great place for that. Yeah lets go grab a cup of coffee and do it. One of the other things that a lot of business groups and organizations get together at restaurants and you know not only is the price point much higher at a restaurant, what happens too is this person's keto and this person's vegan you know and the ordering of the food and where to go becomes more of a headache than anything so the way this would work is that when you book the room, you pay for your food and bev minimum up front and then you'll just have a running tab at the bar so you'll be able to go back and get whatever snacks and whatever you wanna do- you know you'll have a bunch of people who will sail past that minimum but if you've got a couple of people you might hit that minimum but you go and get whatever you want from the coffee bar and it'll be prepaid ahead of time.

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Justin N.: Seems like a really great innovation. So, from a real estate standpoint, this expansion, now we're on Magazine Street, I think the perception is that rents are fairly high on Magazine Street.

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Kevin P.: Yes and they still are fairly high [laughs].

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Justin N.: So from an economic stand point is this uh-

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Kevin P.: Going out on a limb?

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Justin N.: Yeah.

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Kevin P.: Yeah. Is this a stab in the dark? Absolutely, it's certainly a risky move. The neighborhood has been so- and I probably went into more expansion on this in the previous, in our previous conversation. But the neighborhood has been so supportive of everything that we've been doing that it was sort of I felt like I had to. I don't know. I felt like our tables were always full. Yes, do we have- we finally got it to where the business how I originally envisioned the business plan to be working, working and then I went and threw this big wrench into the business plan of doubling the rent. Yes absolutely it was a very frightening thing cause more tables doesn't necessarily mean more revenue. The tables aren't working, they aren't generating rent.

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Justin N.: Especially now right.

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Kevin P.: Yeah especially now, especially now. But I've had several people since the reopening- and of course we're only about three weeks in to the new renovation so we've doubled the general seating and again we haven't even kicked the conference room into use yet. So even with that I've had people saying, oh yeah we're coming more often now cause I know there'll be a table and I meet with my nursing students or whatever you know our nursing class meets here to meet and sometimes we're like if it's cold and we know you've got a lot of outdoor seating but if it's like cold and rainy we probably wouldn't come because we're not sure you've only had two- cause with the COVID restrictions we've only got two indoor tables, so now we've been able to double that. And so, I think that people are-people are telling me they're coming more and from my brief glance at the data you know cause the register tracks everybody with credit card and what not, I'm seeing more return visits. So again, we're still early and so I hope to see that number continue to change but I'm seeing more people coming more often already so I'm starting to breathe a little sigh of relief like maybe we're moving in the right direction, build it and they will come situation, but it is definitely still a very nerve wracking move. I joke with people, yeah I'm just doubling the rent cause I don't like to sleep at night.

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Justin N.: Yeah definitely. It's a bold move. Is it a sign of optimism in the future?

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Kevin P.: Oh for sure. Yeah I think the more we get this vaccine out. I mean the more people get the vaccine out, the more people also, what do I want to say, abide by the new norms of masking and social distancing the more people I think feel comfortable you know going out. And of course we've still got spring is coming, we've still got our beautiful outdoor space, we've got more spaces across the front of the building now that we've taken over the whole building so we've got more outdoor seating and so I still think I think that definitely with the spring and with the weather being nice I think more people will want to come out and I think that people are starting to learn to adapt to live with this and so I think more people are coming out, and coming to coffee shops and getting out and starting to do stuff because it's been so long. Are people gonna go to restaurants less and bars less? I think so, for a time. but I think that people are kinda like you know, it's my birthday, or whatever, I haven't been to this in restaurant in a long time, let's make a reservation. And people know who the good actors are and who the bad actors and so if you're nervous about COVID you know you want to go to a place that's taking it more seriously than other business and we've obviously taken it very seriously and I feel like that definitely shows in our customer base and reviews and what not. But you know other businesses are- I mean if you cater to twenty-year olds and they're all partying I mean how do ya, it's a who different- that's a whole different animal that's not my world.

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Justin N.: You don't run **Monkey Hill**

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Kevin P.: I don't run it. [laughs]. So it's hard for me to sit here and either judge- you know I'm just glad I don't have to make those difficult decisions you know.

[00:22:07]

Justin N.: Fair. So you've done a number of what I would call kind of side hustle aspects to your business to expand and you have a pretty attractive merchandise line that you I think – the impression I have is successfully gotten out to the customers. You've started coffee delivery during the pandemic correct?

[00:22:31]

Kevin P.: We've done coffee delivery during the pandemic but lately- and curbside also falls under the same umbrella. What we've done is- the online ordering has really shifted to like order online and pick up in the store. So even people that were doing the-I shouldn't say everyone cause I have some people that were doing the- so we shifted the deliveries to a subscription model so people have- I do have people that I go run coffees to their house, they subscribe to every month, so we have that. But even- I'm kinda jumpin' around so to answer your question more directly, yes, we've done the deliveries, but the delivery seemed to be kinda of like waning except for the people that have signed up for the monthly, oh yeah actually I love you showing up at my front door with coffee, this is like nice. So, we still have people that have signed up on the website for the monthly subscription and they can sign up whatever level of coffee they use for the month and then we deliver or we ship coffee to them. So, we have a lot of people out of state that we ship coffee to for that. Now some of the people that I was delivering the coffee to their door have gotten more easy with it and of course it's much more cost effective to pick it up in the store so

what we've done is-and I've probably talked about this, in the previous thing- we've got a rack by the back door that people go online, order whatever they want in the store and we have it sitting on the rack so we do do a break for like five pound bags online so people go on order the five pound bag we have the five pound bag of coffee sitting on the rack and they come pick it up. So that's gotten more and more and more. And even- we were doing curbside for a while but as people really were feeling more comfortable getting out their car- the curbside really it got to be where I pulled it off because it wasn't being used enough to where we have a system in place for it if that makes sense. Like we'd get one a week and it's like oh it's curbside like another thing to pay attention to cause most people that were doing curbside will come in walk to the back door, grab their drink and go you know. So, it's definitely much more order online and pick up at the thing. And really if one of your questions is you know do we see more online pick up than we did yes, but I think it is proportionally to the amount of business that we've gotten. So, you know if we get a new customer, they come in, they order, they come in, they order than they find the online order and thinking like oh isn't this easy I can just save my drink in the cart and order it, boom, you know with one button push you know. So, I think as we get new customers that come then they find the drink that they like then they kinda switch to the online order and so they know that their drink's sittin' there waitin' for 'em.

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Justin N.: So that kind of leads into my next question, what's here to stay out of all the pandemic business model wise for you?

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Kevin P.: Business model wise, what's here to stay? So something that we did during the pandemic, or had to switch to during the pandemic that's here to stay is what you're asking?

[00:26:17]

Justin N.: Yeah, correct.

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Kevin P.: See, that's a good question because a lot of the stuff like say like the online ordering thing which is definitely a big part of what's going on now, I had that when we first ordered- when we first opened

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Justin N.: - But you never used it

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Kevin P.: But no one used it so now that people are using it you know I definitely have to keep it up more, you know like keep it up to date cause now like you can grab your Randazzo's King Cake on it. If you want a traditional – I can't, all the fillings is too much to keep up with online, but if you want the traditional and you know you want it you can purchase it online and it will be sittin' up on that back thing waitin on ya you know what I mean. We'll grab it for you. So those kinds of things, last year we definitely didn't have the king cake numbers in the system and that so definitely much more you know online is definitely here to stay. And even stuff like, one of the things I would say is like definitely a focus on the outdoor but I can't say that the outdoor wouldn't have gotten prettier over time anyway you know so I don't think that there's anything

that was like something that was like a you know maybe the online, the monthly subscription thing is not something we were doing before.

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Justin N.: Let me ask you this cause I know this was a conversation I saw on twitter a while back is cash dead?

[00:27:36]

Kevin P.: Oh yeah, cash that's a good question. So, our Auction House (Market) location does not take cash. We were at ninety percent credit card at Auction House prior to this. The Magazine location, this location here, we were at sixty, forty before this and now we're like ninety credit card ten cash. And St. Roch, I would have to really look at it and see. St. Roch was almost sixty forty, sixty *cash* forty credit card.

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Justin N.: Mm interesting.

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Kevin P.: And St. Roch is probably sitting somewhere around seventy, thirty to eight, twenty credit card to cash so more credit card than cash. One of the things with cash is it's so- because we're doing less than ten percent of our sales in cash, we still have to go through the procedure of counting the cash, accounting for the cash, getting change, sitting in at line at the bank which forever

closed. I mean this bank, the Whitney up here is just, the inside is always closed so I have to sit at the drive through-

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Justin N.: You need to call your brother-in -aw

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Kevin P.: Yeah, he's at the Whitney. I do, I text him in the line, this is a pain. But the cash situation really is taking that amount of time for such a small amount of the sales. I don't want to get rid of cash. I don't like that. I'm very thankful when people wanna come in and purchase a cup of coffee, I don't wanna have that conversation of you know well I'm sorry, thank you for coming in to purchase coffee but I don't want your cash.

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Justin N.: Your money's no good here.

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Kevin P.: You're money, actual money is no good here. It's just I don't want that, even though its less than ten percent of our customer base here I just don't wanna have that exchange so I don't foresee us removing- when do we get rid of it? I don't know. We're already at the point where it doesn't make sense money wise to take cash like if we just got rid of cash right now it would save it would be a more profitable- yes you'd have credit card fees yes but it's only an extra ten percent for the amount of time I'm going to the bank or manager is counting cash and going to

the bank. There's a lot of extra hours put in for less than ten percent of the sales you know. So is it dead? I hope so. I just don't want to be the one to do it. I don't like it. The way it is right now is really tough on a business like mine cause it's a tough decision. I don't wanna have that conversation, I don't wanna be that guy. I'm very thankful for people coming in to purchase coffee. So, then it becomes, if you saw that on Twitter, somebody asks well when I come to your store, so you don't want me to use cash. Well, no, not necessarily, since we're going through the procedures here, you know more cash is better than more credit cards right now, but if everyone could agree not to, and be good with it, you know that would be-so I don't know, it's gonna be interesting to see in the next coming years definitely the pandemic, the pandemic has pushed everything five years into the future so I think our cash to credit card use would have been here five years from now if-

[00:31:31]

Justin N.: That's very quotable. The pandemic has pushed us five years into the future.

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Kevin P.: I think so. I think that's my little saying I say all the time, cause everything that we've done, everything that's happening I feel like would have happened, you know. I would've built this business out and expanded into the whole building at some point in time. I think everything that has happened would have happened, it would've just taken five years it just happened overnight, basically like pulling a Band-Aid off.

[00:32:07]

Justin N.: How has the reopening gone at your other locations?

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Kevin P.: How's the what?

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Justin N.: How has the reopening gone? I mean you have two very different locations. Here, I mean I think about the Magazine Street your other place is more downtown and then you have St. Roch.

[00:32:21]

Kevin P.: Yeah, so let's talk about St. Roch first. Or let's talk about Auction House Market first so that's Magazine and Julia, 801 Magazine in the Warehouse District. Uh, that location I'm probably gonna close. We are- I'm talking to the landlord right now, you know the guy that runs the whole market because he knows-and this is from my conversations with the management team, I mean they know I'm not making-I'm losing money there every day. They want to have coffee, and I believe they want to have my coffee in the building but they know that I can't just lose money forever so we're talking about a plan where they would purchase coffee from me like any of my other wholesale accounts and then they would hire or they will be hiring a chef for one of their other stalls so that way this chef could also put more breakfast foods and stuff into the coffee stall and then- cause right now they have to have a manager there, my employee there you know just to even do anything and then we're not even doing food or anything, we're just doing coffee so you would need another vendor there. So for them it's like if they can get one of their employees to kinda like open the thing, run the place. There's just not a big enough pie in

the room right now without tourism, without -long story short I'm having good conversations with them about that and I would expect that to take place, I would expect them to start operating it, we'll train their employees, they may rebrand it and put a new breakfast b spin on it cause they need to raise their ticket average to make it work and that was my idea. I'm like, you need to raise the ticket average to make it work. And then I'm also talking to them about what does it look like a year from now or a year and a half from now. Like maybe, a year and a half from now maybe they do want me to come back in that space and take it over. I think they want me to be solvent and a good partner and so it's a very good exchange with them right now and so hopefully that'll work. So I don't see me being there by the end of the month really operating it there with my employees. But I think you'll still be able to go in there and get a cup of coffee.

[00:33:45]

Justin N.: Solvency is good.

[00:33:47]

Kevin P.: Solvency is good. You know I think they would prefer me to be a good vendor in the long run or a good coffee provider and a good training resource for their employees. And so I think that relationship is gonna continue, it's gonna be very different. And it's a very different world downtown than uptown and it's just without people in the office buildings, without tourism, without the conventions it's a ghost town down there it really-

[00:35:15]

Justin N.: Yeah, zero conventions.

[00:35:16]

Kevin P.: Zero conventions.

[00:35:17]

Justin N.: I mean if you don't count the swingers that came down in the middle of the summer.

[00:35:19]

Kevin P.: [laughs] That was another whole deal, and the swinger convention is usually very good for St. Roch cause they all end up there so we can- this is a good segway to St. Roch.

[00:35:33]

Justin N.: Okay.

[00:35:34]

Kevin P.: St. Rioux's been doing better and better and better. I think as the world reopens, I think as tourism comes, I'm actually expecting St. Roch to do fairly well for carnival. It's one of the only places that's big and open and airy and its open and you can go get food and you can get drinks and you can sit outside or inside

[00:35:55]

Justin N.: Cause of the space itself, of course this is an old public market that's been reimagined into a food hall

[00:36:00]

Kevin P.: Yeah, uh huh. And so, because it's a food hall, its operating under a restaurant permit, the bar is open so you know you could go in and drink and eat and carry on and it definitely comes up on all the tourism spots if you google things to do in New Orleans the St. Roch market is on that list and so it's gonna be one of the few things that's open for tourists to come do. I think we're gonna have- and it's all inside so it's not twenty degrees outside and wet. So I think that it's gonna be, I think we're gonna see some good business over at St. Roch this weekend. And St. St. Roch's been getting better and better. I think as more people go to work-I was working the bar at St. Roch on Thursday morning and somebody [phone rings] oh I'm sorry. I was working the bar at St. Roch on Thursday morning and somebody that had just got a job at a new store up here at Magazine Street you know- but further down, wasn't passing this store, she was stopping in and grabbin' coffee on her way to work and talkin' about her new job and that and it's like this is cool, people are starting to get back to it and as people are startin to get back to it, St. Roch was a very big on your way to work location. So, couple things that are gonna really help that, it's gonna be number one Gentilly (Blvd.), so we had a lot of people coming from Gentilly down Franklin (Ave.) to go downtown and then St. Bernard and Bywater. One of the biggest things with *that* corridor is the Hard Rock, so they need to get that- once the Hard Rock clears up, you know which seems to be moving at a better clip these days I think St. Roch's is gonna be you know fantastic. So, we're actually pretty close, like almost to adding a second barista over there already, which is a little bit further along than my guesstimate would've been for St Roch's recovery and then also St. Roch's when I say on the way to work, even people that live on the Bywater, Marigny that work in the Quarter at night, that's a whole element that's missing. So as

that hopefully starts to reopen, we'll see more of that coming through so I'm pretty optimistic about St. Roch. You know like I said, right now it's doing decent where like I said we're close to adding a second barista which is a hu-which is a fantastically good sign and I'm excited about where that one is gonna go.

[00:38:45]

Justin N.: Yeah, yeah, yeah. So we're running on almost forty minutes and I know I gotta be respectful of your time but I did have one last question about employees. Has the employee situation stabilized? I know you had especially—there was whole unemployment situation and employees having to the stress of dealing with customers who weren't necessarily masked. Have you found a good rhythm now with your employees?

[00:39:17]

Kevin P.: A good rhythm. I would say yes. Definitely, we hired a new- my core team is still intact from COVID- I mean from after COVID, the new management team that I put together is still going strong and doing a fantastic job. We have several of our employees that came back from previous, you know before COVID that are still working. We have several employees that have started and have continued to work with us. So I would say eighty percent of the employees that we currently have have stabilized. We do have another twenty percent that's still unstable if you will and really, it's an interesting thing. We just had one girl that we hired her, and she came in and worked for a while and she was here for several weeks, several weeks and then decided- there's too many people, "I cant." It was interesting you've been here for several week, we haven't seen- I mean sales are going up and people are going up but it's really not-nothing has

changed drastically in three weeks, you know. If you expect for me to be able to employ you, we have to have customers coming through you know, so I think that there's a-that was a weird one. If you don't feel comfortable, I get it, you gotta go ahead and go you know. So stable, I think everybody's still- we're eighty percent of the way there to really stabilizing a good -which for a coffee shop is probably par for the course but not for my coffee shops. Generally- I had guys that had been with me up until COVID that had helped me opened St. Roch you know so I don't generally lose employees, so eighty percent seems rather low to me and like I said for a coffee shop, it's probably rather high.

[00:41:24]

Justin N.: Yeah it might be high.

[00:41:27]

Kevin P.: But it's just interesting to see the different reasons maybe people give to come and go. We had like you know one girl who was a student, came in and did that and then she found a job that was more in her field and that kind of the thing is par for the course.

[00:41:46]

Justin N.: That's always.

[00:41:46]

Kevin P.: That's always, yeah, but like COVID we're almost there, we're almost there but it's funny it's like people think they can do it, they wanna do it, they come in to do the job but then after a couple weeks kinda like get skittish about it you know?

[00:41:59]

Justin N.: Yeah. Yeah, yeah, yeah. Totally. Totally. Yeah. So, I guess we should think about some sort of closing idea. I was tryna tell you this has been really good, you've given me a lot of really, really great observations, I don't know how we can top that. I don't wanna put any pressure on you to do so. But I guess going forward, you know I asked you I think probably six months ago where you saw us to be in six months and you know six months from now that would put us back in August

[00:42:38]

Kevin P.: Yeah

[00:42:39]

Justin N.: So what would August hopefully look like?

[00:42:42]

Kevin P.: What would August, well you know I think the bigger goal post milestone that businesses are tryna get to is October cause-

[00:42:53]

Justin N.: October's big.

[00:42:54]

Kevin P.: October would be the biggest month that New Orleans has ever seen. If we could pull off a French Quarter Fest, Jazz Fest, Voodoo Fest month- a big, one of the biggest money generators in the city back to back to back to back cause from that point we would go-if we could get to there and do that, then we're gonna get-so we've got festival, festival, festival, then we've got the holidays and then carnival again and then festival, festival, festival, festival. So that would be one of the busiest- that would be the longest busy season stretch I think New Orleans has ever seen. You know we like to- New Orleans's busy season like I've talked about is you know say mid-October until I say July. June's pretty good for me. I don't have any issue with June.

[00:43:55]

Justin N.: Yeah. There was a time when the city was very dead over the summer but that's ancient history- well pre-COVID ancient history.

[00:44:03]

Kevin P.: Pre-COVID ancient history. Now we're slow between- now I'm finding that we're slower between mid-July, August, and September, and even into the beginning of October. Those are our bad months. My bad months anyway.

[00:44:19]

Justin N.: Well it's coffee too.

[00:44:21]

Kevin P.: Yeah, it's coffee. Right. And then coming into October once Halloween kicks back up, you know what I mean which Halloween is also in that. So, moving forward those are the goal posts. So we are looking at, I feel like, a pretty tough summer ahead, you know. It's gonna be-the city's gonna be cash strapped, out of money, out of wits, you know. Maybe I'm wrong. Maybe there'll be enough people vaccinated and maybe there'll be enough push to go do something that people weren't able to do before, you know and if maybe music halls could re-open or somethin by that time that could be something that gets people out and about and doin stuff so I think there's a possibility but that would surprise me.

[00:45:20]

Justin N: Do you think that its important that the government flush some more money into the economy right now for this?

[00:45:27]

Kevin P.: For the summertime? See I think the summer time's gonna be a uniquely New Orleans's problem.

[00:45:32]

Justin N.: Okay.

[00:45:33]

Kevin P.: Cause I think the Florida beaches are gonna be fine this- I think the fact that this is New Orleans's slow season and it's falling at the, what would hopefully be the end of COVID that people would be doing more summery activities. My thought was it would be awesome if it could be, alright well we haven't been to New Orleans and the jazz clubs are back open let's do that this summer instead-

[00:46:04]

Justin N.: We have air conditioning

[00:46:05]

Kevin P.: -They have air conditioning, let's do it, you know what I mean? But I'm doubtful that that's gonna be the case. I think our goal post is gonna be October and hopefully you know outdoor festivals can happen in October and you know enough people vaccinated will be in October. Right now it's kinda like hunkering down and tryna get through it. Obviously the second round of PPP has been funded on that and it was a huge help, that's a big deal. I think but that PPP's gonna be running out in the summer time when things are probably gonna be slower so I think it's gonna be alright we're gonna have to just buckle down and just get to October and then hopefully- but again, you know hopefully the mayor doesn't pull a thing a on us, you know pull a fast one on us like this. You know either let's plan for not having it or plan for having it but we need a plan. There needs to be something.

[00:47:13]

Justin N.: I know there was some kind of, obviously on social media, oh you know how can you plan Jazz Fest, but then if you don't plan Jazz Fest, it won't happen. You can't plan it in two weeks. You've gotta do it.

[00:47:26]

Kevin P.: Twitter seems to be a little bit more negative than what's going on in the real world.

[00:47:31]

Justin N.: I think that's right.

[00:47:32]

Kevin P.: You know, I don't know where- those people are in their house, I guess tweeting and they're not out and about. That's – cause sometimes I see stuff on Twitter I'm like that ain't even close to the reality of the situation you know. If people are vac- if more people are vaccinated and you can be outside for an outdoor festival, you know why not? You know, I mean it's a little discouraging and it pulls like my time off of that cause sometimes I get sucked down that rabbit hole but I gotta realize wait that's not the- that ain't the real world.

[00:48:12]

Justin N.: Is that – you know and maybe this is like one last kinda ending, closing kinda thing. You know I think about you're in a Catch-22 as a business owner and somebody who has a business that is a public serving, public facing business that you want to do things like every other

business owner, every restaurateur, every bar owner you want people to come in the door and so you're look is to how can we make it so people can come in the door and other people who aren't in those businesses are like, oh my goodness, let's close everything.

[00:48:44]

Kevin P.: Yeah, and I think the people that are like oh well let's close everything, you know they're also saying, oh well we just need to keep funnelin PPP cash at these businesses but that's just not-PPP cash is PPP cash, but that's not the reality of the situation. You know, how do you keep- 'til when. Til when? What do you- what? We've been following our CDC guidelines. We've been trying to keep everyone as safe as we can, you know we haven't had, knock on [tapping]- we haven't had any COVID issues at all in this coffee shop at all, this entire time. I'll repeat. That's a good one to end on. You know we've been keeping the doors and windows mostly open except when its extreme weather. So I mean even if it a little bit hot or a little cold I've got the ceiling fans in the front too you know tryna to kinda keep things-

[00:49:52]

Justin N.: Yeah I came dressed-

[00:49:55]

Kevin P.: Yeah [laughs] -you know tryna kind of keep things going. We haven't had any issue. So I would say to them that they're-I mean and if we do have an in issue, if we have one issue, two you know what I mean, we have not had it. So I think that's a big- that would be my biggest- if somebody wanted to come to me in business and say, you shouldn't be open, you're puting

people's lives at risk, well we've been open and we haven't and it's been bad and it's getting better.

[00:50:25]

Justin N.: You have a data point for sure.

[00:50:27]

Kevin P.: Yeah, zero. The number is, the number is zero, you know [laughs].

[00:50:32]

Justin N.: Well Kevin this has been great. We're fifty minutes in. They told us make these a half-an-hour, I'm like well it's really hard for me to do a half hour and I think it's hard for Kevin to do a half-hour so that's what we want so we've done our job I think.

[00:50:49]

Kevin P.: Sounds great.

[00:50:50]

Justin N.: This is great. I'm gonna take a few pictures before I leave-

[00:50:53]

Kevin P.: Sure.

[00:50:53]

Justin N.: If that's okay with you

[00:50:55]

Kevin P.: Absolutely.

[00:50:56]

Justin N.: and document the occasion.

[00:50:57]

Kevin P.: Sounds great.

[00:50:58]

Justin N.: Alright excellent.

[00:50:59]

Kevin P.: Alright, been fun. Take care.