

A rising industry for a state with sky-high consumption

Anchorage is No. 2 in

capita coffee shops.

the nation for per

By **NEAL FRIED**

ocha Motion, A Whole Latte of Love, Latte Dah, Elim Café, Java Junkie, The Grind, Fish Eye Coffee, All Hopped Up Brother Expresso, and The Daily Buzz are just a few of the names that adorn Alaska's many coffee houses.

According to the National Coffee Association, 59 per-

cent of Americans 18 and older drink coffee daily, and water is the only more popular beverage. And when it comes to coffee consumption, Alaskans put even their fellow Americans to shame. You could say coffee shops all over the state contribute to the daily productivity of Alaska's workforce through many drips, lattes,

espresso shots, Americanos, cappuccinos, and a long

list of other drinks.

It's not your imagination

It is hard avoiding the purveyors of the coffee bean in Alaska, wherever you live. Fancy downtown glass and steel structures dot the cities, and coffee huts are common along some of our rural highways and in tiny communities. They dispense their product from small coffee huts in parking lots, storefronts in strip malls, freestanding buildings, and the increasingly common coffee truck.

Locals and visitors alike often comment on coffee shops' omnipresence in this state, and this ubiquity is no accident. Although there are no statewide statistics for coffee consumption, according to NDP Group, Anchorage has repeatedly vied for the top spot in the country for per capita espresso shops. At last count, Seattle had edged Anchorage out of the No. 1 spot nationally. There is little doubt the rest of the state shares Anchorage's obsession with coffee.

One popular opinion is that Alaskans drink so much

coffee because of our proximity to Seattle and the strong premium coffee culture found throughout the Pacific Northwest. That's probably true, as Seattle is the coffee roasting center of the world. Our patronage may also have something to do with staying warm in such a cold climate. The top two

coffee-consuming countries, Finland and Sweden, share similar latitudes with Alaska.

Coffee shops are everywhere

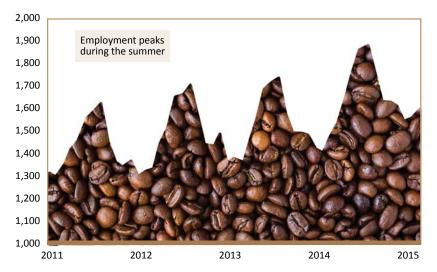
Coffee shop jobs are counted in the broader category of snack and nonalcoholic beverage bars, which also covers businesses that serve ice cream, frozen yogurt, pretzels, donuts, and cookies. Coffee shops dominate this category and represented nearly three-quarters of its jobs in 2014.

In 2014, Alaska had nearly 200 individual coffee operators that had at least one employee, and this doesn't

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More Jobs at Coffee and Snack Bars

AVERAGE MONTHLY EMPLOYMENT, ALASKA, 2011 TO 2015



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

factor in businesses with more than one location, such as Heritage Coffee of Juneau, Mocha Dan's of Fairbanks, or Kaladi Brothers of Anchorage, which has 13 different locations. This figure also doesn't include businesses run by a single owner/operator, nor reflect the many places you can buy coffee outside of these shops, such as in restaurants, gas stations, grocery stores, and hotel lobbies.

Growing much faster than average

Although the snack and nonalcoholic bar category is small and represents less than 1 percent of statewide employment, it's continuously growing. (See Exhibit 1.) In 2014, coffee shops alone represented about 1,500 jobs.

Growth in this industry's number of establishments and employment outpaced overall job growth in recent years. Between 2011 and 2015, jobs at snack and nonalcoholic drink bars grew by 20 percent versus 4 percent for jobs overall.

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These jobs don't pay much, as they're often part-time and entry-level and many begin near the minimum wage. The average annual wage for employees in the snack and nonalcoholic beverage bars industry in 2014 was \$13,094, just a fraction of the statewide average wage of \$52,848. However, this doesn't figure in tips, which can be a big part of these workers' take-home pay.

More than just a jolt for some

Besides helping Alaskans get going in the morning, coffee shops provide other economic and social benefits that can't be measured. They're a primary place to meet with friends or discuss business. For some customers with a laptop, the local coffee house can be their primary workplace or "portable office" away from home.

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