40 Under 40 Awards: Meet the Class of 2023

Altomatic

GDLSS, INC. D/B/A

Convenience services for vending, micro markets and workplace beverages

Work Smarter Not Harder

REPORT

State of the Coffee Service Industry

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Sustainability: A key selling point

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September/October 2023

American Vending & Coffee Service combines calculation and passion to grow business. Page 40





Congratulations to the 2023 Award Winners!



Alex Braun Braun Distributing



Charlotte Callahan Canteen Miami



Kaitlin Dobson Sheehan Brothers Vending



Detlev Goedbloed Structural Concepts



Phil Hettlinger AVB Sales and Marketing



Mark Houseknecht Crickler Vending Company



Ashley Hubler The Wittern Group/ U-Select-It

Turn to page 22



Nicole Hughes Aramark Refreshments



Jayce Kalmbach 365 Retail Markets



Ann Kolman Aramark Refreshments



Allison Krupp 365 Retail Markets



Maddie Muncie All State Manufacturing



Yusuf Sharif Bluff City Vending

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The OCS industry continues to **ake a comeback**

Sales climbed in 2022 with a 20% increase over previous year's revenue.

Success Story



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Work Smarter, Not Harder

Third-generation operator, American Vending & Coffee Service, combines calculation and passion to grow business the right way.



On the cover: American Vending's team from the Randolph division gather at headquarters.

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Features



OCS Update: **Technology** is not enough without customer satisfaction

The Amazon Fresh debacle is a lesson for all operators: Technology is not always the answer if the fundamentals of customer satisfaction are not being met.



40 Under 40 Awards Automatic Merchandiser recognizes young leaders in

recognizes young leaders in the vending, micro market and office coffee service industry.



Sustainability: A critical issue and key selling point for OCS operators

With customers demanding sustainable solutions, both operators and suppliers are riding the momentum, capitalizing on the opportunity and recognizing the value of protecting the environment.

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What's happening in the industry on social media



ONLINE EXCLUSIVES

Visit vendingmarketwatch.com for more on hot topics in vending, micro markets and office coffee service

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OCS Operator

Hard work, tenacity and technology – How Barry Rosenberg survived and thrived



IN A RECENT EPISODE OF AUTOMATIC MERCHANDISER'S Vending & OCS Nation podcast, host Bob Tullio spoke with Los Angeles-area operator, Barry Rosenberg, who shares his advice for operators. Any operator who has ever been in the trenches will

Bob Tullio

certainly relate to his story. VendingMarketWatch.com/53069245

Webinar | Micro Markets: Gaining a Competitive Advantage

This recent Automatic Merchandiser and VendingMarketWatch.com webinar, available for on-demand viewing, explored the steps and strategies of some of the leading operators in the country, with a focus on technology, products and the expansion of unattended retail beyond the workplace.

VendingMarketWatch.com/ 53066509

Powerful planogramming: A demonstration on merchandising

In the education session from the 2023 NAMA Show, a panel of operators explored three areas relating to merchandising for various location types. They discussed solutions for multiple locations and how to create attractive and functional spaces with product merchandising in mind. VendingMarketWatch.com/ 53066832

• • • Micro Market

PizzaForno partners with Chartwells Higher Education



PizzaForno, a 24/7 automated pizzeria, announced a partnership with Chartwells Higher Education, a subsidiary company of Compass Group USA, to bring accessible dining options to students at University of New Orleans.

VendingMarketWatch.com/53066500



Published by Endeavor Business Media, LLC 30 Burton Hills Blvd, Ste. 185, Nashville, TN 37215 800-547-7377

Vol. 65, No. 5

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Article reprints reprints@endeavorb2b.com

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Automatic Merchandiser (USPS Permit 017-280, ISSN 1061-1797 print, ISSN 1948-5697 online) is published 6 times per year in February/March, April, June/July, August, September/October, and November by Endeavor Business Media (LLC. 1233 Janesville Ave., Fort Atkinson, WI S3538. Periodical postage paid at Sort Atkinson, WI S3538. Periodical postage paid at Bort Atkinson, WI address changes to Automatic Merchandiser, PO Box 3257. Northbrook, IL 60065-3257. SUBSCRIPTIONS: Publisher reserves the right to reject non-qualified subscriptions. Subscription prices: U.S. 347.50 per year, Canado/ Mexico S81.25 per year; All other countries S118.25 per year. All subscriptions inquiries to Automatic Merchandiser, PO Box 3257, Northbrook, IL 60065-3257. Sustemer service can be reached toll-free at 877-382-9187 or at circ vendingmarketwatch@omeda.com for magazine subscription service rusetions.

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A continued comeback for office coffee service



Molly Rogers Managing Editor mrogers@endeavorb2b.com

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The nomination period for the 2024 Readers' Choice New Products of the Year Awards is now open. New product submissions will be accepted until January 5, 2024.

IN THIS ISSUE OF AUTOMATIC MERCHANDISER, WE'VE RELEASED

our annual State of the Office Coffee Service Industry Report beginning on page 16. This year's report for 2022 shows that the industry continues to make a comeback, with revenue increasing 20% from 2021 to \$2.49 billion. The report examines survey responses from small, medium and large OCS providers, as well as full-line vending operations offering office refreshments, and analyzes data from 2022 and performance in product and equipment categories. OCS operators shared how they are handling rising costs, what trends they are seeing in their operations such as more demand for bean-to-cup and cold brew offerings, and location types, new services and sustainability concerns.

And, you can read more about how operators are meeting customer demands for sustainable solutions on page 34.

We are also honored to present Automatic Merchandiser's 40 Under 40 award winners, class of 2023. Meet the young leaders, starting on page 22, who have demonstrated leadership and a commitment to advancing convenience services for vending, micro markets and office coffee service.

In this issue's operation profile, we turn the spotlight on New Jersey-based American Vending & Coffee Service. Drew Warner, who took the helm of American Vending & Coffee Service in 1996, carries on the legacy of the 56-year-old workplace refreshment service founded by his grandfather, Morris Rood. "My grandfather poured his heart into American Vending," Warner said. "It is so important for me to maintain that, not just for myself, but also for my family."

Next issue, we will feature our prestigious Pros to Knows Awards, which recognize convenience services industry professionals who are leading initiatives to help prepare their company, organization and the industry for the significant challenges of today's business climate. The recognition program highlights both individual and group achievements that promote industry innovation and future growth.

Lastly, the nomination period for our 2024 Readers' Choice New Products of the Year Awards is open. The Products of the Year Awards recognize new products for vending, micro market and office coffee service that were introduced in 2023. The deadline to submit a product is January 5, 2024. Product categories include: salted snack, healthy, protein or meat snack, cold beverage, equipment, cookie and pastry, candy, food, technology, OCS products, OCS equipment and systems, and micro market solutions. Once nominations are received, readers will have a chance to cast a vote. Editorial Advisory Board

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PLUS, TWO RUNNERS-UP WILL ALSO RECEIVE CHECKS WORTH \$250!

No Purchase or Subscription Necessary to enter or win. A purchase or subscription will not increase a nominee's chances of winning a prize. Nominators and Nominees must be residents of the 50 U.S./D.C. and 18 years or older (19 or older in AL and NE). Nominators must be employed by an active vending operation or a customer of an active vending operation. Nominees must be employed as a route driver of an active vending operation. Drivers may nominate themselves. Ends 12/31/23. Void where prohibited. Entries will be judged. For full entry/prize details and judging criteria, access: bit.ly/40NZtns. Sponsored solely by Endeavor Business Media, LLC., Fort Atkinson, Wisconsin. Mondelēz Global LLC is not a sponsor.

Vending MARKETWATCH

Cantaloupe CEO Ravi Venkatesan appointed to the NAMA board of directors

[APPOINTMENTS]



CANTALOUPE INC.,

a digital payments and software services company that provides end-to-end technology solutions for self-service commerce, announced that its CEO Ravi Venkatesan has been appointed to the board of directors of the National Automatic Merchandising Association (NAMA). Venkatesan commences a

three-year term of service, that was effective July 1, 2023.

Since becoming CEO of Cantaloupe Inc. in October 2022, Venkatesan has led the company by driving innovation with new product introductions, streamlining the business and building a strategic initiative to broaden the company's product offerings globally. Prior to his role as CEO, he served as the company's COO and CTO. Venkatesan brings 20+ years of experience as a proven leader in product development, information systems, software development and program management.

"I'm honored to be appointed to the NAMA Board of Directors," Venkatesan said in the announcement. "NAMA has been a leader and strong voice in the convenience and foodservice industry, and I'm pleased to play a role in its future governance and advocacy."

Carla Balakgie, FASAE, CAE, president and CEO of NAMA, added in the announcement: "On behalf of the convenience services industry, we are honored to welcome Ravi Venkatesan to the NAMA Board of Directors. Ravi's unique expertise in the FinTech industry and experience in self-service retail will undoubtedly contribute to the advancement of NAMA and the industry."

CPI launches new cash automation solution

Crane Payment Innovations (CPI) announced the launch of Paypod Compact – the latest addition to the company's portfolio of automated cash management



solutions. Paypod Compact delivers fast, secure compact cash acceptance in all checkout designs. VendingMarketWatch.com/53068526

Sodexo to acquire A.H. Management

With the acquisition of A.H. Management, Sodexo will extend InReach's food offerings in the fast-growing North American market. A.H. Management, a premier convenience solutions operator in the Chicago region and southeast Wisconsin, is one of the largest operators in the Midwest. With A.H. Management, Sodexo will broaden its multi-channel offerings through InReach including micro markets, vending, office coffee, pantry, water, catering, fresh food and on-site foodservice. VendingMarketWatch.com/53067480

Tech 2 Success adds business development manager



Tech 2 Success, a leading IT solutions provider in North America, added Juan Jorquera to the team as business development

manager. Jorquera joins the Tech 2 Success team following a successful journey with Vagabond Inc., which was sold to PayRange Inc. earlier this year. Jorquera brings his experience as co-founder of Vagabond, where he held various positions including chief sales officer and chief marketing officer, to the Tech 2 Success team.

VendingMarketWatch.com/53068820



Flowers Foods appoints president/COO and chief growth officer

Heeth Varnedoe, chief operating officer at Flowers, will begin serving as president and chief operating officer of Flowers Foods. Varnedoe has held several key management roles at Flowers, including chief transformation officer, senior VP of DSD regions/sales, and president of the Phoenix bakery. Terry S. Thomas, currently a member of the board of directors of Flowers Foods, will resign as a member of the board and join the company as chief growth officer, responsible for leading growth initiatives, product development and innovation, marketing and customer partnerships. VendingMarketWatch.com/53070314

Five Star Food Service acquires Franks Vending

Five Star Food Service acquired the Canteen franchise, Franks Vending, a vending machine and micro market operator in Pulaski, Tennessee. The acquisition will expand Five Star's presence into the southern Middle Tennessee area.

VendingMarketWatch.com/53068201

AVS Companies is master distributor of Cantaloupe equipment and parts

AVS Companies has worked with Cantaloupe to offer its customers new ways to accept cashless payments while they optimize their results with data-driven insights. As a certified Cantaloupe distributor, AVS Companies will offer special pricing to ensure customers are getting the most ROI for their equipment.

VendingMarketWatch.com/53070125



Florida Fresh Vending and Markets names Meskin as general manager

Cardinal Vending and Markets, LLC, which operates as Florida Fresh Vending and Markets, named Scott Meskin general manager of the company. He will lead strategic and operational direction. Meskin is a seasoned professional with more than 40 years of experience in the vending industry. He founded Black Tie Services and served as president for 30 years. VendingMarketWatch.com/53070152





Technology is not enough without **customer** satisfaction

The Amazon Fresh debacle is a lesson for all operators: Technology is not always the answer if the fundamentals of customer satisfaction are not being met.

By Bob Tullio, Contributing Editor

AN AMAZON FRESH STORE OPENED DOWN THE

street from our home in Encino, California, part of the sprawling LA urban landscape. Have you been to one of these? I could not resist. As a customer, you enter the store (a full-size supermarket), scan your Prime app, get your shopping bags, do your shopping, fill your bags with groceries, including fresh fruit and vegetables, scan your app on the way out and leave. No checkout required. In two hours, a receipt arrives on your smartphone.

IT WORKS

More than half of Amazon Fresh stores in the U.S. use Amazon's Just Walk Out technology. From my experience, it works. Although, on one occasion, I was billed for boysenberries instead of blueberries. On another trip, I was not billed for two greasy \$4.99 roasted chickens (a draw item), probably because I was all over those birds before the attendant could mark them with their magical electronic tags. When I explained the errors to the Amazon returns people in the store, they had no way to remedy either situation.

SOMETHING IS MISSING

My last visit was six months ago. While I did enjoy the technology, beyond that, there was something missing. Apparently, I am not alone in my ambivalence for the brand and the concept. In the first week of August, there were significant layoffs at Amazon Fresh. Regarding the layoffs, Amazon spokesperson Jessica Martin said Amazon

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is assessing the Fresh stores' organizational needs, according to a company statement. And, the Washington Post reported that hundreds of workers lost their jobs.

NEW 'ZOMBIE MARKETS'

At stores around the country, Amazon has put a hold on Fresh openings. Many of the on-hold locations have signage placed in front of the store. Bloomberg reported that Amazon has paused expansion of its line of Amazon Fresh grocery stores, as it evaluates "how to make the chain stand out to shoppers," according to Amazon chief executive officer, Andy Jassy. Some of the unopened stores are now being referred to as zombie markets.

AN EXPERT OPINION

What went wrong? How can such incredible technology fail to resonate with consumers? Technology is a key component of Amazon's grocery challenges. In an NPR report, Karan Girotra, a professor at Cornell Tech, said "the Amazon Fresh job cuts underscore Amazon's failure to lure in shoppers and secure a competitive edge through its automated shopping experience." (I am happy to let Karen do the talking for fear of losing my Prime membership).

"When Amazon entered this business, their assumption was they could use technology to compensate for their late entry, for their lack of scale and lack of a large physical network," Girotra noted in the NPR article. "The hope was technology would give them an edge, but it didn't really happen."

Apparently, many shoppers haven't bought into Amazon's futuristic grocery experience. Foot traffic data analyzed by Bloomberg Intelligence shows customers shop at nearby competitors far more frequently than they do at Amazon Fresh locations.

A LESSON FOR OPERATORS

I searched my soul, trying to understand why I hadn't been back to my local Amazon Fresh store, because I love the concept. The real problem: There wasn't one product in that store that was compelling enough to bring me back.

There is an important lesson here for office coffee service (OCS) operators:

- Quality is important. If you have the best coffee, and your client absolutely loves it and they cannot get it anywhere else, the client will put up with a lot. We have all seen that happen when trying to take over an OCS account from an operator who is failing on the service side. It takes time.
- **Prices** are excellent at Amazon Fresh, but price only goes so far. It can get an operator in the door, but when it is accompanied by mediocre quality, that will only

be tolerated by the customer for so long. In fact, my favorite stores are ridiculously overpriced, like Gelson's and Bristol Farms, but they have those certain products – tuna salad, wild caught salmon, lemon bars – that just keep reeling me back in.

• Service – How can you beat the service that allows you to walk in and walk out without having to check out? It's good, but convenience is not good enough. In a recent Automatic Merchandiser Vending & OCS Nation podcast, operator Barry Rosenberg compared the recipe for business success to baking a cake. "It's not all sugar, it's not all flour, it's not all eggs – it has to be a variety of ingredients in all right proportions."

"

The fact that it takes more than technology and price to satisfy the customer should be encouraging to all OCS operators."

WE CAN COMPETE

Operators compete in the OCS space with Amazon every day. The fact that Amazon does not understand that it takes more than technology and price to satisfy the customer should be encouraging to all OCS operators. We can deliver the combination that Amazon will never be able to provide: quality products, a personalized approach designed to meet the specific needs of a client, and a level of service (along with technology) that will be appreciated as a key part of the mix. When we add customer service and human interaction to the recipe, we can take on Amazon anytime.



About the author

VendingMarketWatch.com contributing editor and industry consultant Bob Tullio is a content specialist who advises operators in the convenience services industry on how to build a successful business from the ground up and advises suppliers on how to successfully connect with operators. Tullio's YouTube channel, b2b Perspective, is designed to "elevate your business in two minutes." Visit www.tulliob2b.com or email bob@tulliob2b.com.



How Easy Ice is Revolutionizing the Ice Machine Scene for OCS Operators



As micro markets and coffee stations become more commonplace in office buildings and corporate campuses, so does customer demand for ice. The beverages in your coolers and vending machines are just better over ice! Not only does an ice machine drive up consumption of your coffee, tea, and soda, but it can also contribute to higher sales overall simply by sending consumers to your micro-market or coffee station more often.

Why Partnering with Easy Ice is the Wise Financial Move

You don't charge customers for ice, yet you'll spend thousands of dollars to purchase and maintain ice machines and dispensers. In fact, 80% of commercial ice machine costs occur after purchase, thanks to maintenance and repairs.* Factor in the possibility of your ice equipment spending time in storage after contract terminations, and it's tough to justify the expense–no matter how much your customers want ice.

Easy Ice offers vending and convenience services operators a way out of this dilemma. As the only provider of a national ice machine rental solution, Easy Ice is prepared to deliver the ice your customers want, sparing you from buying and managing your own ice equipment. Referring your customers to Easy Ice eliminates the cost and responsibility of ice equipment for your business altogether, without rendering you less competitive in the OCS space. Alternatively, you could rent ice machines from Easy Ice yourself, then turn around and offer them to customers at a higher rate to generate profit.

Either way, it beats dealing with ice machines on your own, doesn't it?

How Easy Ice Keeps Ice Sustainable

More consumers pay attention to sustainability now than ever before, and if it's important to your customers, Easy lce is an ideal partner to have on the ice equipment front. Ice machines are not the most eco-friendly pieces of equipment in the world. They consume staggering amounts of water and will obviously contribute to a customer's electric bill. While there's no way to reduce



an ice machine's environmental impact to nothing, Easy lce covers all the bases of ice machine sustainability to minimize that impact.

- Proper installation A badly installed ice machine can consume more water and power than it should. That's one reason Easy Ice performs ice machine installation carefully, ensuring the drain, electrical, water, and space conditions all meet our standards for optimal ice machine performance.
- Professional maintenance Ice machines harboring dirt and debris or damaged and failing parts can also use extra water and electricity. With an Easy Ice Subscription, customers won't have to worry about that, as we include two professional maintenance visits a year at no extra charge.
- Energy Star equipment Some ice machines and dispensers are more eco-friendly than others! We carry Energy Star-qualified models from Hoshizaki, Manitowoc, and other major brands that use less water and power than other models.

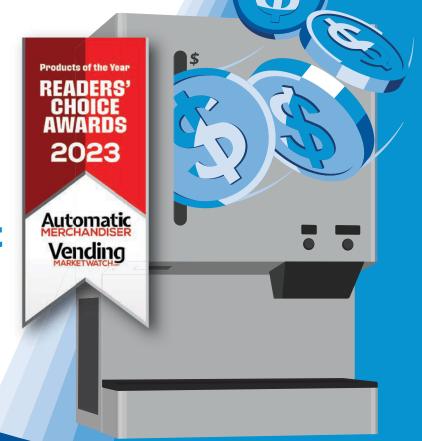
If you want to stay competitive without wasting money and other resources on ice equipment, partner with Easy Ice to help your customers get their ice the Easy way!

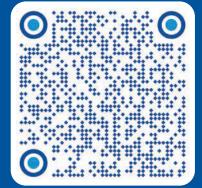
*https://www.easyice.com/the-total-cost-of-commercial-ice-machine-ownership/



If you're going to gamble in the ice machine game, bet on a sure winner.

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STATE OF THE OFFICE COFFEE SERVICE INDUSTRY REPORT

The OCS industry continues to male come back

Sales climbed in 2022 with a 20% increase over previous year's revenue.

S MORE EMPLOYEES RETURN to the office, the office coffee service (OCS) industry continues to recover from the COVID-19 pandemic slowdown – with revenue increasing 20% from 2021 to \$2.49 billion in 2022.

In this year's State of the Office Coffee Service Industry Report, 64% of respondents reported an increase in sales in 2022, and 20% reported no change in revenue.

For the number of locations served in 2022, more than half of respondents (62%) reported an increase in locations – compared with 42% in 2021. The rise in locations was accompanied by a reported increase in OCS staff as well with 57% of respondents reporting that they added staff in 2022.

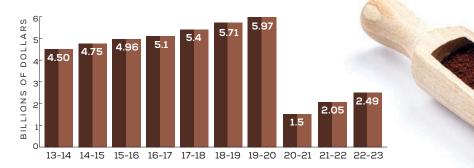
STRATEGIES TO COMBAT HIGH COSTS

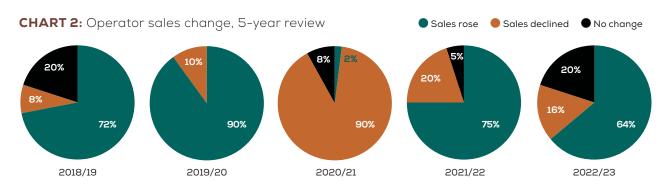
While green coffee prices somewhat stabilized by the end of 2022 after

reaching a 10-year high in late 2021, OCS operators continued to face challenges of inflation, transportation costs, product costs and labor costs.

To handle rising costs, half of the respondents said they relied on a combination of raising prices and

CHART 1: OCS revenues - 10-year history







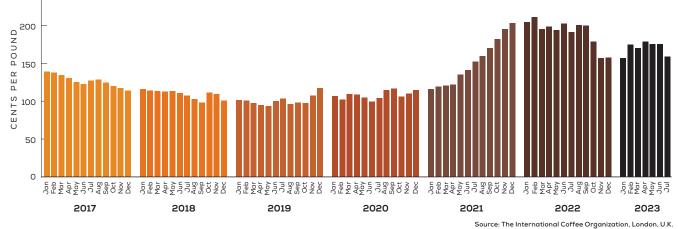


CHART 3B: How rising

costs are being handled

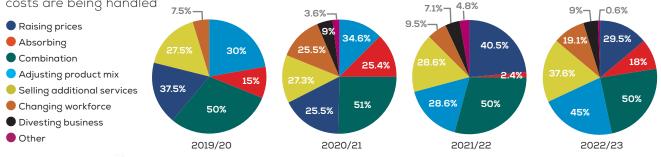


CHART 4A: Revenue per cup in cents per cup,

Fraction p	raction pack automatic/pourover coffee, 5-year review					
	2018	2019	2020	2021	2022	
Revenue	11c	10.6¢	11.4c	12.97c	11.67c	

*Previous numbers have been adjusted based on additional data

CHART 4B: Revenue per cup, single-cup coffee, 5-year review

	2018	2019	2020	2021	2022
Single-Cup Capsule	46¢	46¢	49.4¢	46.6¢	44.4¢
Bean-To-Cup per cup cost	43¢	36¢	44.8¢	40.9¢	41.7¢

CHART 5A: % OCS sales

by supplier type	
SUPPLIER TYPE	2023
Private label	16.4%
Local coffee brands (known to customers)	25.6
National brand - value coffee	29.5
National brand - specialty coffee	18.4
Espresso coffee	10.10

CHART 5B: % OCS sales

by product category	
PRODUCT CATEGORY	2023
Frac pack	29.5%
Whole bean coffee	39
K-cups	14.1
Single cup (non K-cup)	17.3

CHART 5C: Top-selling OCS products for past 12 months, by volume

TOP PRODUCT	2023
Local coffee brands	25%
Private label	7
Value frac packs	9
Specialty drinks	5
Whole bean	22
National brand coffees	17
K-Cups	3
Single-cup	6
Tea	1
Pantry or direct delivery service (food/snacks/beverages delivered to locations)	5
Water filtration service (point-of-use/POU)	0

CHART 5D: OCS product

calegory, % of sales	
PRODUCT CATEGORY	2023
Coffee	41%
Non-coffee hot beverages	7.1
Soft drinks	7.9
Bottled water (5 gallon)	6.4
Creamers/sweeteners	6.0
Cups/plates/paper	8.1
products	
Теа	4.7
Pantry service/micro	6.5
kitchen (paid by employer	
offered to employees)	
Water filtration service	7.2
(non bottled)	
lce machines	5.1

absorbing costs, and 45% said they adjusted their product mix. Others began selling additional services (37%), and 9% divested.

It has been the ability of OCS operators to adapt to an ever-changing environment, and 2022 was no different – with 34% of operators reported that they added pantry service, 24% said they added micro markets, while 31% added water service.

BEAN-TO-CUP IS NOW A DOMINANT CHOICE

In 2022, whole-bean varieties increased again from the previous year, becoming the dominate coffee product sold, making up 39% of OCS sales over frac packs (29.5% of OCS sales), followed by single cup (17%) and K-cup at 14%.

To meet the demands by clients to offer high-end coffee service as a reward for returning to the office, most operators provided high-quality coffee, with local coffee brands familiar to clients (25%) as the top-selling OCS product, then whole bean (22%), nationally branded coffee (17%), private-label products (7%), and single cup at 6%.

For OCS product categories, pantry service as well as water filtration service and ice machines all showed a notable jump in 2022 sales due to customer demand.

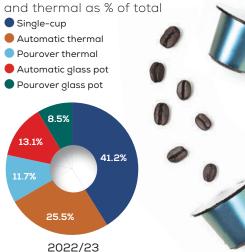
An increase in respondents (81%) said they offered online ordering of coffee or related products in 2022. And, 75% said they are using industry-specific software to manage OCS business; 9% are using the same software for vending.

SUSTAINABILITY AND COFFEE TRENDS

In 2022, a higher number of OCS operators reported that they offered



CHART 6: Plumbed-in, automatic



more water filtration devices to reduce bottled water (29.5%), as well as an increase in coffee with sustainability features, such as organic or fair trade (26.3%), and about 35% said they offered recycled products (cups, filters, pods, utensils). Only 9% said they do not offer any products to address environmental concerns.

Consumer demand also was reflected in the percentage of OCS operators reporting they offered cold brew options in 2022 – 83% compared with 66% in the previous year. Among those, 13% offered on-draft kegs, 30% offered single-serve bottles, and 34% said in packages the location can brew.

About 90% of operators offered iced coffee options. Also, a higher number of operators reported an increase in espresso in their OCS sales by supplier type – 10% in 2022, up from 5.5% in 2021.

Single-cup brewers also showed an increase in 2022 – at 41% compared with 39% in the previous year.

LOCATIONS AND POPULATION SIZE

In 2022, the typical location population of coffee service accounts from respondents had 20-29 employees (27%), followed by 30-49 employees (17%), and then 15-19 employees (16%).

CHART 7: Estima	ted market share of single-cup bi	rewer pla	cements ir	n the U.S.,	5-year re	view
MARKETER	PRODUCT(S)	2018/19	2019/20	2020/21	2021/22	2022/23
Cafection	Avalon, Total Lite, Total 1, Alternative	7.5%	8.35%	7.40%	5.69%	8.1%
Bodecker Brewed	Bodecker	0.5	3.59	3.50	2.46	3.8
VE Global Solutions	Brio, Colibri, Koro, Korinto, Kinvivo, Trophy, Venus, Cypris, Juno, Prosyd	5.8	0.95	1.00	0.00	0.7
Crane	Coti, Café System, Genesis	3.4	2.56	2.50	0.00	1.7
Cafejo	Cafejo	0.2	1.03	1.00	2.40	2.6
Technologies Coffea	Coffea, Pro-II G2	1.2	0.00	1.00	5.73	3.6
JM Smucker's	Douwe Egberts C-300, C-600, C-60, N110, NG-300	4.6	5.87	5.10	1.88	4.9
VKI Technologies	Eccellenza Express, Eccellenza Touch, Eccellenza Cafe, Latte Lounge	2.0	2.05	1.90	3.82	3.7
Lavazza	Espresso Point, Lavazza Blue, Dual Espresso, EP 2500	2.0	1.03	0.90	1.14	1.5
Mars Drinks	Flavia Barista, Flavia Creation 500, Flavia Creation 400, Flavia Creation 200, Aroma	9.4	2.42	2.50	2.99	3.1
Filterfresh	Filterfresh	1.7	1.28	1.30	0.00	0.9
Grindmaster	Grindmaster	1.0	10.18	9.80	14.72	13.2
Kraft/Heinz	Gevalia, Tassimo T-3000, T-65	0.5	0.28	0.30	0.84	0.5
Keurig	K3000, K150, K145, B155, K155, K130	33.2	20.72	19.80	14.24	13.9
Rheavendors	Rhea, Cino	0.5	0	0.40	0.00	0.2
Saeco USA	Saeco, Estro	1.3	0	1.00	1.27	1.1
Newco	Smartcup, Freshcup, Freshcup Touch	7.4	7.59	7.80	13.89	13.3
Starbucks	Starbucks	2.7	4.48	4.50	2.83	4.1
Bunn	My Cafe Pod, AutPOD, Trifecta MB	15.8	7.80	8.30	11.37	11.2
Nespresso	Nespresso	1.8	5.90	7.20	2.34	4.7
Wilbur Curtis	Gold Cup, Expressions	5.8	0	0.50	1.39	1.1
Comobar	Comobar	0.2	1.96	1.80	0.00	0.2
MZB	La San Marco OC System	0.7	6.39	6.10	0.96	2.8
Cafe Primo	Cappuccino	1.4	2.31	2.20	3.13	2.9
Other		13.6	2.56	2.20	6.92	3.2

*Represents OCS provider placements only

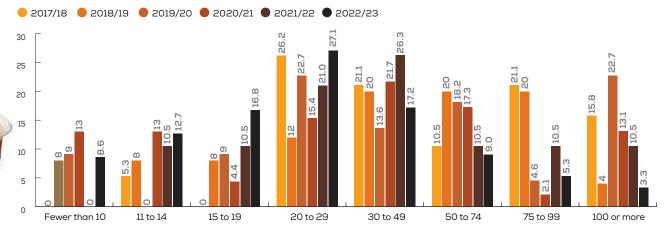


CHART 8: Account populations by size

CHART 9: Accounts by type, 5-year review

	0010/10	0010/00	0000/01	0001/00	0000/00
	2018/19	2019/20	2020/21	2021/22	2022/23
Offices	60.1%	47.7%	51.2%	36.5%	40.2%
Industrial plants	12.4	17.6	16.8	17.3	19.3
Schools/colleges	6.11	6.9	6.3	8.3	12.1
Convenience stores	4.2	9.0	8.6	8.0	4.1
Restaurants, delis, bakeries	4.8	7.3	4.1	8.0	3.6
Other (healthcare/ hotels)	3.2	3.0	3.8	9.5	12.8
Government/ military	4.6	4.3	4.1	6.1	4.2
Retail outlets	4.5	4.2	5.1	6.3	3.7

CHART 10: New services added in 2022/23

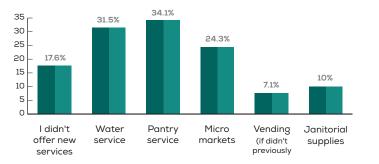


CHART 11: Where staff was added

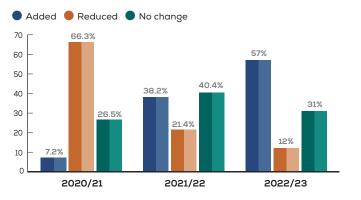


CHART 12: Most popular environmental product offerings

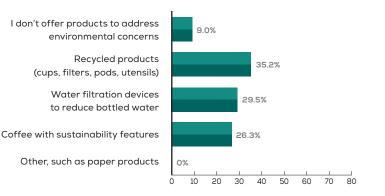


CHART 13: Company currently offers online ordering on its website



Respondent revenue profile:				
Less than \$500K	14.29%			
\$500K to \$1M	25.00			
\$1M to \$2.5M	26.79			
\$2.5M to \$5M	21.43			
\$5M to \$10M	8.48			
Over \$10M	4.02			

There was an increase in both whitecollar workplace populations (40%) and in blue-collar locations (19.3%). A continued increase was reported by operators in schools and colleges (12%), as well as other locations such as healthcare/hospitals, hotels and auto dealerships (12.8%).

OPERATOR SNAPSHOT

For the operator respondent profile, 26.8% reported revenue of \$1 million to \$2.5 million, followed by 25% with revenue of \$0.5 million to \$1 million, then 21.4% with revenue of \$2.5 million to \$5 million, 14.3% with revenue less than \$0.5 million, 8.5% with revenue of \$5 million to \$10 million, and 4% with revenue over \$10 million.

A BRIGHT OUTLOOK

Many operators reported that business is improving even more in 2023. They cite further upturns in office populations, their ability to meet increasing client demands, and employers' willingness to pay more for higher levels of convenience services as incentives for workers returning to the office. The OCS sector's ability to restructure operations, adapt to hybrid work models and add services all point to a steeper comeback trajectory from the disastrous pandemic year. This collective momentum marks a strong recovery from the setbacks of 2020 and underscores the resilient resurgence of the OCS industry as a whole. ■



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Automatic Merchandiser recognizes young leaders in the vending, micro market and office coffee service industry.



By Molly Rogers, Managing Editor

UTOMATIC MERCHANDISER IS HONORED TO PRESENT THE 2023 40 UNDER 40 AWARD WINNERS.

This annual program recognizes outstanding individuals who demonstrate leadership and a commitment to advancing convenience services for vending, micro markets and office coffee service. The following award winners have shown dedication to their companies, their customers and the industry.

MARCOS ACUÑA

Marcos Acuña is an Argentinian entrepreneur, founder and CEO of Quick Scan & Go, a Miami company with a mission to bring buying and selling experiences to the 21st century through the use of technology. Acuña has 20 years of executive experience in the food and beverage industry. The Quick team, led by Acuña, opened Latin

America's first fully autonomous supermarket in Buenos Aires, Argentina, in 2021. In 18 months of operation, they opened 16 Quick Scan & Go markets in Argentina and 18 in the U.S. Before founding Quick, Acuña led the FAN ID technology project for Latin America. He was also vice president of the Banfield Athletic Club and chairman of the members subcommittee and assembly member of the Argentine Soccer Association (AFA).

JARED BLACK

As a highly driven plant engineer for Everest, Jared Black played a pivotal role in the development of Everest's cutting-edge ice and water vending machine. His unwavering commitment to optimizing manufacturing efficiency was evident in the state-of-the-art technology utilized in the machine. The process of achieving this feat was not without challenges, but by conducting a

thorough analysis and optimization, Black was able to improve Everest's commitment to sustainability by implementing a bottled frame design that streamlined the manufacturing process and increased efficiency in machine production and assembly. As a leader, Black spearheaded an impressive team that brought in an expansion of new skills and ideas and fostered a culture of collaboration, leading Everest to unprecedented success in setting new standards for innovation and sustainability in the vending machine industry.



ALEX BRAUN

Alex Braun grew up working summers at his family-owned and operated business in Dickinson, North



Dakota. In 2017, he graduated from Bismarck State College with two degrees in pursuit of one day owning Braun Distributing. After college, it was his mission to help grow the vending and micro market side of the business. Braun Distributing had always operated the old-school way of showing up to a machine with a truck loaded with candy and filling the machine off the truck. And at that time, they had just opened its first micro market. Braun worked with Cantaloupe to purchase telemetry devices to install, which now allows them to pre-pick orders and deliver them in a more time and fuel-efficient fashion. In the last six years, they have opened 12 additional micro markets. Braun looks forward to seeing what's next in the vending industry as technology continues to develop.

JENNIFER (JB) BULCAO

JB Bulcao is the executive director of the NAMA Foundation, a charitable organization dedicated to strengthening and advancing the convenience services industry. Bulcao's current focus at the NAMA Foundation is to provide industry members the advocacy tools to make their voices heard and educate policymakers at every level, in addition to conducting research that empowers businesses to make



JARED DETWILER

Jared Detwiler has been with One Source Office Refreshment Services in Pottstown, Pennsylvania, for over 20 years including



both part-time and full-time work. Graduating college in 2007 from Shippensburg University with a BSBA, Detwiler accepted a role as a route supervisor. Later, he led One Source as its operations manager through the adoption of telemetry and cashless payments on all of its vending machines and the deployment of Cantaloupe in its organization. Detwiler is a member of the NAMA education committee and participates in many industry events. As vice president of operations, Detwiler now leads the operations and service/maintenance department at One Source, focusing on utilizing new technology in the unattended retail space to gain efficiency for the organization and deliver the best customer experience.

ANDREW DIDIER

Andrew Didier co-founded Agora Refreshments in 2009, embarking on a transformative journey alongside



his father. By 2018, he assumed full ownership, propelling Agora to become the Pacific Northwest (PNW)'s largest independent operator, marked by a significant expansion into Portland. In 2020, Didier's innovation adapted into "Remote Breakroom," a venture delivering custom snack boxes to remote employees. Through Didier's quick wit and ability to work through adversity, Agora navigated the pandemic, maintaining profitability and swiftly regaining pre-COVID revenues. In 2021, Didier harnessed the direct-to-consumer concept, creating Langskip Koffee Roasters - a testament to his Seattle roots, Norwegian heritage and passion for coffee. Now, Langskip Koffee graces Agora's clients and is independently available on Langskipkoffee.com. Didier humbly credits his remarkable achievements to his exceptional team. In an evolving business landscape, Didier's trajectory serves as a reminder that amid challenges lie unprecedented opportunities for growth.

informed decisions and inspires industry innovation by delivering critical data on workplace, consumer and technology trends. Additionally, Bulcao has served for over two years as the National Automatic Merchandising Association's board and governance liaison. In this capacity, she works closely with NAMA's president and CEO, Carla Balakgie, on designing and executing the association's leadership meetings. Bulcao finds this position extremely rewarding, as she works closely with the convenience services' top leaders on strategic planning for the continued growth of the industry. She has over 15 years of experience in fundraising, executive office management and governance meeting design.

CHARLOTTE CALLAHAN

Charlotte Callahan, regional director for Canteen in Miami, Florida, is a seasoned professional with a passion for the vending, coffee and foodservice industry. With a career spanning over 15 years, she has honed her skills in various critical areas, including operations, client management, team collaboration and strategic planning. As a thoughtful and forward-thinking leader, Callahan has shown an

exceptional ability to navigate dynamic and fluid environments. She thrives under pressure and consistently delivers measurable results through effective process improvements and the cultivation of high-performing teams. Known for her pragmatic and decisive nature, she takes ownership of her responsibilities, ensuring every aspect of her work is executed with precision and excellence. Her dedication to her clients has been instrumental in maintaining high standards of service and quality. With an unwavering commitment to excellence, Callahan continues to lead her team with inspiration and dedication, fostering a culture of collaboration and teamwork that drives the organization forward.

THOMAS DENARDO

Thomas Denardo, national service manager for Everest, has been instrumental in transforming the department into a proactive and results-driven team since joining the company. Through his leadership, they have implemented new policies and procedures that have led to remarkable growth. Denardo's commitment to data-based decision-making and dedication to the department's success have influenced his



team to make informed choices and provide dynamic solutions, resulting in a retention rate of 100% for customers. Together, they have successfully resolved approximately 4,000 tickets this past year. By establishing strategic partnerships with national service providers like Tech24 and Ken's Beverage, his team has improved their reach and service, enabling them to become more customerfocused and efficient. Denardo's dedication to fostering a high-performing team and allowing continuous improvement opportunities has influenced excellence in Everest's service department, contributing to its overall success.

Charlotte Callahan's dedication to her clients has been instrumental in maintaining high standards of service and quality.



KAITLIN DOBSON

Kaitlin Dobson is the director of operations at Sheehan Brothers Vending (SBV). She joined SBV in 2015 and played a key role in launching the micro market program for the local Ohio company. Dobson leads four operations managers who are responsible for 26 routes, and her marketing expertise and problem-solving skills make her a great leader both internally and externally. She is talented at leveraging technology and manipulating reports with Excel to drive efficiencies that increase profit and create great customer service experiences. Dobson has developed employee incentive programs around important KPIs, created various custom promotional campaigns and has built out a micro market



program from the ground up two times in the last eight years with two different kiosks providers and backend systems.

SCOTT EDWARDS

Scott Edwards, the visionary CEO of Drop Water, spearheads a sustainability revolution in the realm of bottled beverages. A Cal Poly alumnus in industrial technology and packaging, Edwards' trajectory has been illuminated by his unwavering commitment to environmental stewardship and innovation. Recognized as a



recipient of the Cal Poly Alumni Spotlight, his leadership steered Drop Water to triumph in startup competitions and the acquisition of the FedEx Small Business Grant. Notably, the company's pivotal series A financing round, led by Culligan Water in late 2022, marked a defining moment. Expanding into diverse venues such as hotels, airports, gyms and campuses, Drop Water pioneers eco-friendly alternatives to conventional plastic, aluminum and aseptic packaging. Guided by Edwards' vision, the company merges business acumen, environmental responsibility and technical expertise, laying a path toward a greener future within the beverage industry. Drop Water is not only turning biodegradable bottled drinks into reality but also cultivating a profitable venture for forward-thinking operators and venues worldwide.

BRANDON EMMONS

Brandon Emmons, vice president with DeMitri Chesapeake Sales, has taken on a key leadership roll within the company and has excelled in developing new business with suppliers. He has shown true commitment to not only customers and suppliers but also to the convenience services industry overall.



DETLEV GOEDBLOED

Detlev Goedbloed became the product manager at Structural Concepts in 2023, focusing on new product development and managing the current product portfolio. The company's latest innovation is the Automated Retail Merchandiser, a refrigerated smart solution for autonomous



shopping, and Goedbloed is dedicated to driving the company's growth and improving its financial results. Goedbloed received a Master of Science in business studying in Belgium and France before moving to Morocco to gain experience in the field. His success led to a job in China where he was responsible for sales in Asia-Pacific. During this time, he received an MBA from UBC Sauder School of Business and began a position as management consultant in Australia. He moved to the U.S. in 2019 and partnered with a French smart machine manufacturer, as chief development officer, to build its presence in North America.

PHIL HETTLINGER

With extensive sales experience and a sales career spanning 15 years, Phil Hettlinger has spent the last eight of those years focusing on the food and beverage



industry as a regional sales manager. While his career and accolades tell part of the story, Hettlinger credits his time at Bowling Green State University playing Division I baseball as the real impetus for sculpting his work ethic and developing his hard-working mindset. Even though he has only been with AVB Sales and Marketing for a year, he has built fundamental relationships with his customers. Hettlinger continues to set a standard of quality work and customer relations within the vending and OCS channels. His passion for the industry and pride in his work have both helped him as a territory sales manager, supporting his Ohio, Pennsylvania, and West Virginia-based customers in expanding their businesses through new product innovations and insights.

MARK HOUSEKNECHT

Mark Houseknecht, VP of operations at Crickler Vending Company, has overseen all aspects of the business for the past nine years. Throughout his tenure, he



has led Crickler through significant growth and change to become a leader in technology utilization and provider of quality service. Following his family's history of community service, Houseknecht is involved in multiple local community organizations and nurtured a partnership with the Arc of Monroe to provide employment opportunities to its clients. He also helps in ensuring the industry's success through his active membership in NAMA and the NYSAVA and assistance in lobbying efforts to create a successful business environment. He has worked in family businesses since graduating from Providence College in 2012 and enjoys working with family to build a strong organization that provides the highest quality service in western New York.



40 Under 40 Honoree Charlotte Callahan

Charlotte joined Canteen in 2014 as a Customer Service Manager for Office Coffee Services, focused on client relations and growing the business. Today in her role as Regional Director for Canteen in Miami, FL, she has honed her skills and expertise in various critical areas, including operations, client management, team collaboration, and strategic planning. As a thoughtful and forward-thinking leader, Charlotte has shown an exceptional ability to navigate

dynamic and fluid environments. With an unwavering commitment to excellence, Charlotte continues to lead her team with inspiration and dedication, fostering a culture of collaboration and teamwork that drives the organization forward. As she continues to leverage her extensive experience and expertise, Charlotte remains committed to making a lasting impact on Canteen's growth and success in the Miami, FL region.

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ASHLEY HUBLER

As chief marketing officer for The Wittern Group/U-Select-It since 2015, Ashley Hubler oversees all aspects of the marketing and brand communication efforts for the company and Wittern's portfolio companies. Hubler currently serves as the government affairs liaison on NAMA's Emerging Leaders Network (ELN) steering committee. She has represented The Wittern Group/U-Select-It, as well as the State of Iowa and convenience services industry as a whole, at six previous NAMA Fly-In & Advocacy summits. Over the past 18 months, she has worked closely with NAMA's government



affairs team on several key initiatives to advocate for expanding Supplemental Nutrition Assistance Program (SNAP) retail acceptance to include the convenience services industry. In 2018, Hubler was selected by the NAMA Foundation as a NAMA scholar to attend NAMA's Executive Development Program (EDP) at Michigan State University's Eli Broad College of Business.

NICOLE HUGHES

Nicole Hughes is the training manager for Aramark Refreshments. She joined Aramark's Workplace Hospitality division in 2011 after



graduating from Drexel University in 2008. Working in the food and beverage industry prepared Hughes for her move into the Refreshments division in 2017. She joined Aramark Refreshments as an account executive where she focused on new business sales. With a passion for people and Aramark's ability to reimagine the breakroom, she was inspired to further her career. In 2021, she was promoted to field sales training manager, where she uses her experience and passion to create onboarding programs for new hires. She believes that learning can be fun and information should be accessible to all. Her goal for the future is to expand business by identifying and closing the gaps in the sales process through hands-on education.

JAYCE KALMBACH

Jayce Kalmbach is the director of sales at 365 Retail Markets, a global provider of unattended retail technology. Kalmbach has had a



successful career in sales for the last 16 years, and he has spent the last 12 years in a sales management role. In these leadership positions, he has set new sales records for overall and single deal value while achieving rapid company growth, focusing on both internal and external relationships for motivation and loyalty. Kalmbach is skilled in coaching and implementing sales, strategic planning, business development, customer service, negotiation and sales operations. He has a bachelor's degree in agricultural development from Texas A&M University.

SUSANNA KAUTO

Susanna Kauto, an accomplished product manager at Selfly Store, stands out for her business and customer-driven focus. She has achieved remarkable milestones; notably, Kauto spearheaded the successful launch of the first intelligent vending freezer on the market, the



Selfly Freezer, a testament to her visionary product management skills. Her unwavering customer-centric approach has propelled Selfly Store's product development to new heights, amplifying customer experiences and successfully positioning Selfly Store as an innovative growth leader in the vending, micro market and office coffee service industry. With a proven track record of transforming customer needs into winning offerings, Kauto continues to reshape the intelligent vending landscape and solidify her position as an industry player.

ANN KOLMAN

Ann Kolman, director of operational excellence, has been with Aramark for over seven years and is responsible for driving continuous improvement initiatives in all aspects of the business – sales, service, operations and client engagement through Salesforce. Kolman is also Aramark Refreshment's project manager for



larger initiatives. She was honored with Aramark's 2023 40 under 40 Award too, and she is currently enrolled in the KPMG Executive Leadership Institute for Women program.

ALLISON KRUPP

Allison Krupp joined 365 Retail Markets in 2017 when she was 25. Her first role was sales admin but quickly made her way to the international team. She immediately wanted to learn as much as possible about the vending, micro market and unattended retail industry. Not only has she engrossed herself



with 365's products and processes but also with networking and involvement within the industry, which helped pave her path forward to where she is now, the manager of international customer operations at 365 Retail Markets. She previously served as the membership chair of NAMA's ELN from 2019 to 2023. She was also a part of the team that won Associated Vending Services Best Micro Market Service Provider in the U.K. for 2023, and she is currently serving as an executive committee member on behalf of 365 for the Leukemia & Lymphoma Society's Light the Night Fundraiser.

MADISON MUNCIE

Madison Muncie joined All State Manufacturing in January 2023 as the general manager. While this is her first position in the vending industry, she is no stranger



to manufacturing and hard work. Muncie graduated in 2019 from Rose-Hulman Institute of Technology and immediately joined the automotive industry where she was part of a leadership development program. She has worked as a financial analyst, industrial engineer and program manager in the fast-paced automotive environment. In her short time with All State Manufacturing, she has overseen the implementation of new product designs and driven the reengineering of product assembly, and she is a key leader in the transition of new equipment in All State's fabrication process. Muncie is excited to apply her knowledge and experience to the industry with high expectations for efficiency, quality and continuous improvement at All State Manufacturing.

DILLON NICHOLS

Dillon Nichols has been a standout account executive for Vistar during his four-year career with the company. He has grown his sales year-over-year and showed massive growth in new channels. Along with being a mentor in the region, Nichols was recently recognized with an Account Executive of the Year award for Vistar in 2022. He is from Denver, Colorado, and happily married to his wife, Jenna, with two young children together.



MALIN ÖSTMAN

Malin Östman, a visionary and creative leader, serves as the chief marketing officer at Selfly Store. Since joining in summer 2022, she has been instrumental in redefining the company's brand and marketing strategy, successfully positioning Selfly Store as an innovative growth leader in the vending, micro market and office coffee service



industry. Leveraging her background in management consulting and communications, Östman has championed innovative marketing approaches, such as the Metaverse launch of the first intelligent vending freezer on the market, the Selfly Freezer. Her commitment to embracing cutting-edge technology and creative solutions has fueled the company's rapid growth. Östman's passion for driving change and pushing the boundaries of the vending industry is evident in her work. Her inspiring leadership continues to motivate others in the sector to explore new possibilities and advance the industry as a whole.



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NICK PAVEY

Nick Pavey has worked with Azkoyen Group for over 20 years. He has held nearly all technical and commercial positions, both in the U.K. and the U.S., which gives him a key understanding of the highly technical beverage dispense products being introduced to the U.S. market. Through his work at Azkoyen, Pavey has helped educate operators on methods and best practices to improve their business. Since moving to the U.S. in 2018, he has been successful in his training strategy in the U.S. market, creating specific training materials to assist the transition of customers away from their existing equipment suppliers into the coffee equipment that Azkoyen has brought to the U.S. market. For the past couple of years, as technical and key account manager, North America, he has been instrumental in helping Azkoyen become one of the fastest growing companies in the U.S. He is passionate in anything he does, and he goes the extra mile for his colleagues, peers and customers.



ANITA PETROVA

Anita Petrova joined Vendon in 2012 as a key account manager and became the bridge between the development team and the end user of the Vendon solution. It required learning the product insideout, which was a challenge for someone



without a technical background. At the start, she managed everything from customer support to logistics, accounting, sales and development projects. She even sorted cables and compiled the first manuals. Seven years ago, she was given the role of head of R&D. Since then, Petrova's career has been on an upward trajectory, and it was her achievement in leading Vendon's cashless payment project to market in just 18 months that sealed her reputation within the business and beyond. Today, Petrova and her R&D team are focused on making existing products even better with added value for the customer.

KEVIN POSEY

Kevin Posey's career started when he was still in high school in 2000 and began working with Dan Holt at Lincoln County Vending. As the company expanded, Posey was named the operations manager in 2008. He completed the NAMA Executive



Development Program in 2014, was elected to the Tennessee Automatic Merchandising Association (TAMA) board in 2015 and served as president for 2020-2021. In 2020, Posey was elected to the Southeastern Vending Association (SEVA) board and served as chairman in 2022. Lincoln County Vending was acquired by Five Star Food Service in February 2023, and Posey currently serves as the vice president of retail operation over the Fayetteville, Tennessee, branch. Posey says it has been exciting for him to see the many changes and technological advances in his over 20-year career and looks forward to continuing to grow the industry. Posey and his wife, Hannah, have four children.

GILBERT RAMIREZ JR.

As Everest's marketing manager and a two-time recipient of the Automatic Merchandiser's 40 Under 40 awards, Gilbert Ramirez Jr. strives to implement new strategies and achieve exceptional results. His



cross-departmental collaboration has led to remarkable growth in website traffic and contacts for Everest. His vision and work influenced Everest to expand into the convenience sector, which will be the focus of the company in 2023. Ramirez is always seeking customer feedback and leveraging their insights to refine marketing strategies and ensure satisfaction. With his expertise, creativity and dedication, he is continuously driving Everest's success and pushing the company to new heights.

MARSHALL RICHTER

Marshall Richter has over 17 years of industry knowledge. In 2013, he joined Aramark's Refreshment division as a route sales representative and later transitioned into the business development manager role five years later, where he ensured that clients had the support, products and services they needed, which included not only breakroom amenities but also micro market retail solutions. At his time at Aramark, Richter provided knowledge to help others who were new to the role or needed direction. He believes that success is a team effort and measured as a whole.

CADE RIDENOUR

Cade Ridenour has been instrumental in moving Illinois-based Vander Vending forward. His depth and understanding of technology and its application of what's possible has astounded his team members. Ridenour has been a beacon of inspiration as he has helped Vander Vending grow quickly from one level to the next, turning Vander Vending from a single soda machine to a multimillion-dollar company in a few short years.

JUSTAVO RIOS

Justavo Rios is a service representative at Capital Provisions, based in San Diego. Since joining the technology-focused company, he has set high standards on his position, making sure he does everything he can to be a great asset to the company.

continue to grow in his position.

Rios strives daily to make sure to go above and beyond expectations to assure his job is being fulfilled in a safe and

timely manner. He takes pride in making sure everything is

set for customer satisfaction. He contributes all of this to

the amazing teamwork and great communication of the

team at Capital Provisions. He wishes to thank his fellow employees in the company for giving him the opportunity to



knowledge of the ever-changing digital landscape has enabled him to execute progressive marketing strategies that captivate the company's target audience across multiple platforms. By fostering a collaborative and empowering work environment, Ramirez has enabled marketing team members to thrive, resulting in enhanced productivity and exceptional campaign outcomes. His commitment to customer engagement and

365 Retail Markets is Proud to Recognize Allison Krupp and Jayce Kalmbach

40 Under 40 Award Recipients



From her time serving as Membership Chair for NAMA's Emerging Leaders Network (ELN) to recent achievements pushing 365 Retail Markets' growth internationally, Allison Krupp in undeniably deserving of the 40 under 40 honor.

In 2017, Allison joined 365 Retail Markets in a Sales Admin role and moved quickly to the international team to help with various projects. She then transitioned to a role in Marketing and Events, elevating 365 to new heights in its event presence throughout the industry.

During the pandemic, Allison returned to the international side of the business, where she now sits in her role as Manager of International Customer Operations, a pivotal position in driving the company's overall growth strategy.

Allison's active involvement in professional organizations across the industry is a testament to her commitment and desire to perform at an incredibly high caliber while maintaining a broad perspective. This dedication to learning helps both herself and 365 Retail Markets continue to be recognized as leaders in the industry.



Jayce Kalmbach Director of Sales 365 Retail Markets

Jayce Kalmbach is the Director of Sales at 365 Retail Markets, the most trusted global provider of unattended retail technology. Jayce has had a successful career in sales for the last sixteen years, and he has spent the last twelve years in a sales management role. In these leadership positions, Jayce has set new sales records for overall and single deal value while achieving rapid company growth - focusing on both internal and external relationships for motivation and loyalty. Jayce is skilled in coaching and implementing sales, strategic planning, business development, customer service, negotiation, and sales operations. These are all traits which have proved invaluable to 365's customers and his colleagues alike, allowing him to drive growth while focusing on the success of our operator partners.





Allison Krupp Manager of International Customer Operations



Nikola Runjavec's unwavering commitment to understanding customers' needs and concerns is key to his success.

NIKOLA RUNJAVEC

Nikola Runjavec, Televend's customer success director, is involved in all aspects of the business. His exceptional capabilities, determination, strong work ethic and growth mindset set him apart. Runjavec possesses unique skills, qualities and



expertise that contribute to his effectiveness in driving customer satisfaction, retention and business growth. His unwavering commitment to understanding customers' needs and concerns is key to his success. By actively listening to clients, he seamlessly guides them through the onboarding process and effectively communicates the benefits of the solutions, ultimately resulting in unmatched customer satisfaction. He is committed not only to Televend and its customers but also to developing trust in innovative products that the company creates. By setting bold goals, inspiring his team and consistently exceeding expectations, Runjavec has made an incredible mark on the company and the customer success field.

Congratulations Phil Hettlinger For Being Named Top 40 Under 40!



DANELLE RUSSELL

Danelle Russell began her career at Five Star Food Service in 2012 as a marketing intern. Then, she graduated from Brenau University with a bachelor's degree in mass communication. Russell is currently the



senior director of brand marketing, leading marketing initiatives across the company including creating new brands, sales materials, digital marketing and creative. She has also been recognized as one of Automatic Merchandiser's Pros to Know award winners, and she enjoys coaching and mentoring the next generation of leaders.

RICHARD RUSSELL

Richard Russell is a regional sales manager for the Southeast region at Holiday House Distributing, a leading parts supplier to office coffee, vending and point-of-use water equipment operators. He has been in the industry



for eight years, with seven of those years working with Holiday House Distributing. Russell is a member of NAMA's Emerging Leaders Network.

CRAMER SCHNEIDER

Cramer Schneider, owner of WBF Food Service LLC, has been totally blind since he was 3 years old and has operated locations within state facilities in Kentucky as a licensed blind vendor since early 2019. The



1936 federal legislation Randolph Shepherd Act gave blind and visually impaired individuals the opportunity to become licensed vendors and have priority to operate foodservice businesses on state and federal properties. In the last four-plus years, Schneider has added a cafeteria and two micro markets to his original canteen location and weathered the pandemic, while learning and growing exponentially as a businessperson and individual. He enjoys being part of his operations on a daily basis, serving his customers and evolving through all the changes the industry has seen as he takes on new and different locations.

Cramer Schneider, owner of WBF Food Service and a licensed blind vendor, enjoys being part of his operations, serving his customers.

LUKE SCHNEIDER

Luke Schneider is the CEO and founder of Fire Department Coffee (FDC). After the company launched in 2016, it has grown into a global sensation, providing high-quality coffee and gear in both e-commerce and retail environments.



As a veteran and retired firefighter, Schneider has made FDC's core mission to give back to sick and injured firefighters and first responders through FDC's Charitable Foundation. Notably, the company has created a proprietary spirit infusion process to craft coffee with the essence of premium spirits in its line of non-alcoholic Spirit Infused Coffees. Most recently, Schneider has initiated new growth by fostering relationships with like-minded companies that want to support FDC and its mission to give back by serving FDC in their storefront and office locations.

YUSUF SHARIF

Yusuf Sharif is the co-founder of Bluff City Vending in Memphis, Tennessee, where he serves as CEO and director of operations. Sharif began his professional career in education. He also



maintained several small business ventures before co-founding Bluff City Vending in 2016 alongside his wife and business partner, Kristyl Gipson-Sharif. They have two children, Yusuf II and Leila. In 2016, Sharif wrote a business plan for their new company, and in seven years, helped grow Bluff City Vending into a company that serves over 300 locations in the Memphis area via vending, OCS and water. He worked as a full-time licensed teacher and championship track coach while scaling the business to where it is today. With a focus on customer service, Sharif has developed great relationships with clients leading to high customer retention. The company has maintained yearly growth of over 40% under his leadership. Some of the solutions that Yusuf has developed include employee incentives, growth acquisitions and client relations programs. Bluff City is a member of NAMA and the Greater Memphis Chamber.

SHANE SPIKES

Shane Spikes, general manager with Deli-Matic, is committed to the growth of the industry. He has served as a VAMA board member for over 15 years and an ACE Committee member, and he has been honored with Vendor of the



Year for Virginia. Spikes was an integral figure between VAMA and the State of Virginia to set standards for micro markets. He is continuously pushing to grow Deli-Matic's business and the overall growth of the industry. He is always open to helping other operators with questions and gaining insight into how others run their respective companies. His number-one goal with Deli-Matic is providing great customer service to customers.

SHANE SWANSON

Shane Swanson, sales and customer service manager at Coley Canteen, has more than seven years of industry experience. After graduating from Ferris State University in 2012 with a bachelor's degree in business management, Swanson began working for



his father, Mitch Swanson, and business partner, Randy Coley, at Coley Canteen Food Services. Swanson is a motivated, team-oriented individual who thinks outside the box to develop new, creative solutions. His interests include technological advancement, business acquisitions, account management and micro market analysis. Swanson values creating and maintaining long-lasting relationships with his accounts and industry peers. Working for a family business has allowed Swanson to wear many hats, focusing on serving his fellow employees and customers.

Yusuf Sharif has helped grow Bluff City Vending, which serves over 300 locations in the Memphis area.



Congratulations to Mark Houseknecht for making the 40 Under 40 list! We are so proud of you and all the work you do for Crickler Vending!



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Zack Swindale's attention to detail and communication skills make him an integral part of ZippyAssist's product development.



ZACK SWINDALE

Zack Swindale has been part of the vending world since his dad's vending machine



days as a kid. At the time, he wasn't interested in joining, as he had a strong focus on technology, service and fixing problems. But eventually, he became cloud operations specialist at VendCentral, assisting vending operators nationwide with website issues and backend troubleshooting. Moreover, his character, attention to detail and communication skills make him an integral part of ZippyAssist's product development as well as customer onboarding and retention. Today, Swindale is the operations lead at ZippyAssist, supporting its customers in getting up and running and working with the development team to continually build out new features that best help its customers. Like the rest of his team, he believes ZippyAssist has the power to help vending operators and many other companies globally improve their customer service and support.

GEOFF WILCOX

Geoff Wilcox is the director of retail execution at Five Star Food Service based



in Chattanooga, Tennessee. He is responsible for leading the execution of strategic company initiatives and supporting the daily operations for the company, which has led to the success of the company's 40-plus branch distribution center operations across the Southeast. Wilcox is a servant leader with over 13 years of experience in marketing and operations management. He currently serves on the board for NAMA's Emerging Leaders Network (ELN), serves as a board member for the nonprofit Feeding the Future, and was named one of Automatic Merchandiser's Pros to Know in 2022.

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With customers demanding sustainable solutions, both operators and suppliers are riding the momentum, capitalizing on the opportunity and recognizing the value of protecting the environment.

By Bob Tullio, Contributing Editor



A critical issue point A critical selling point and key selling operators and box USTAINABILITY MEANS "MEETING THE NEEDS OF THE PRESENT

without compromising the ability of future generations to meet their own needs." This most common definition was defined in 1987 by the United Nations Brundtland Commission, and according to many OCS operators, it is right in line with what sustainability means to their customers.

SUSTAINABILITY EXPECTATIONS

Jennifer Ridnour, client relations representative at First Class Vending and Coffee, has seen the importance of sustainability grow and evolve over her 23 years in the industry. Ridnour said that customers today are asking for more than just eco-friendly products; they want to be sure that their supplier is good to their own employees and the community. They also expect their suppliers to minimize their carbon footprint.

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"Most of our vehicles are either hybrid or electric," said Ridnour. "So, we are delivering products in a sustainable way." Ridnour added that First Class makes extensive use of solar power and uses technology to improve route efficiency, cutting down on needless trips and further lessening their carbon footprint.

IMPACT OF TECHNOLOGY

Barry Rosenberg of Los Angeles-based Vending One said he uses sustainability as a front-line selling point when he is dealing with OCS accounts. "It is a key issue today," he said. "We don't even carry foam cups anymore, and when a client brings them up because they want to cut costs, I remind them that those cups are not eco-friendly and that usually puts an end to it."

At the same time, Rosenberg said that his company's reliance on technology has helped him to operate more sustainably. "One of the things I did when we started prekitting and using dynamic scheduling, was we got rid of all our 14-to-16-foot box trucks. Every one of our drivers





Photo 165113982 © Igoriss | Dreamstime.com

is in a van today. We drive smaller vehicles – they are fuel efficient, easier to maintain, anyone can drive them – that is a direct result of pre-kitting and dynamic scheduling our routes for optimum efficiency," he said.

EMERALD BRAND RESOURCES

Operators have more choices than ever when it comes to supplying "green" products, especially for the office kitchen. Ralph Bianculli, founder and CEO of Paradigm Group, Emerald Brand, said operators have an opportunity to enjoy a competitive advantage when they use the resources that his company makes available. "Operators who work with us have access to a portfolio of 300 sustainable products for their office customers," said Bianculli. He pointed to the importance of the ESA (Emerald Sustainability Accreditation) program offered by Emerald Brand, which is available to educate operators about sustainable products, improving their selling skills. Additionally, Emerald Brand offers an impact report for operators, allowing them to show their customers how their responsible purchases had a positive impact on the environment. "Operators need to evolve and become more proactive about selling sustainability," he added.

GROWTH OF COMPOSTING

There are many ways to sell sustainability. According to Miguel Gonzalez Jr. of Güdpod, the exclusive distributor of Green Packaging Solutions, the manufacturer of commercially compostable capsules for single-cup brewers, including Keurig machines, customers are looking to operators for guidance. "When you look at the workplace – in this case, some of the bigger workplace employers – they all have their sustainability scorecard to check off," said Gonzalez. "A lot of them are looking for sustainable products to purchase."

Gonzalez predicts incredible growth in compostable coffee capsules over the next 18 months. He said the momentum toward 100% recyclable and compostable



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products is moving like a freight train, and there is no stopping it. "In the next 18 months, we will be producing just shy of 500 million fully compostable coffee capsules," Gonzalez said. "Big name roasters and brands are getting behind composting."

GOOD FOR EVERYONE

Another company that plans to make a big impact in the coming months with its sustainable solution is ansā Coffee, which is releasing a micro roaster designed to roast fresh coffee at the point of consumption, such as a workplace. Matan Scharf, CMO and a founder of ansā Coffee, said it wasn't their intention to make the world a better place when they designed the micro roaster. It was all about producing a good cup of coffee. "What does it mean to be good? Good can also mean good for the farmer and to make sure that the producers are treated equally, to make sure that they receive compensation proportional to the quality of coffee that they produce," said Scharf.

"Every time we came up with a solution to a problem, whether it was a mechanical problem or a business



- 66

The momentum toward 100% recyclable and compostable products is moving like a freight train, and there is no stopping it."

- Miguel Gonzalez Jr., Güdpod

problem or a quality issue, whatever solution we came up with ... it proved to be the more sustainable solution, the more sustainable alternative. We ended up finding ourselves in a situation where the solution that we devised, which again was built only thinking about making good coffee, turned out to also be good for the environment, good for the farmer, good for everyone," Scharf added.

NOT SUSTAINABLE – PLASTIC BOTTLES AND COLD BREW KEGS

Matt Dudley of Marco Beverage Systems said his company offers a sustainability solution for operators that takes on the environmental menace of plastic bottles with Marco's stylish FRIAA unit, a single font that rises from a countertop, providing cold and sparkling water – creating a hydration station.

With the same sleek look as FRIAA, Marco's POUR'D unit is a beverage dispense system that allows a user to access a variety of different beverages, usually cold brew, from a bag in the box or other container source. "It allows operators to eliminate the hassle of dealing with kegs and keg systems. If you think about everything that goes into kegs – the cold storage, the logistics around delivering the kegs, picking up the keg, washing the keg – everything that's involved with keg systems is not sustainable," Dudley said.

DO THE MATH - UNLOCK THE VALUE

Melissa Brown, a former operator and current CEO of Well-Bean Coffee Roasters, pointed out that the word "sustainability" is almost always associated with being more expensive. "This was one of my biggest topics when I would go in for a sales appointment. I walk into the breakroom and see pods everywhere. I wanted to use my coffee, and I didn't want to put it in a pod at that point because I wanted it to be fresh," said Brown. This meant embracing beanto-cup brewers – a move that ultimately fit into her sales strategy, gave her a sustainable solution and gave her clients better coffee with savings. Once her clients saw the cost-percup difference and understood they could save money with a sustainable solution, it was a done deal, she noted.

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OPERATION PROFILE



Work Smarter, Not Harder

Third-generation operator, American Vending & Coffee Service, combines calculation and passion to grow business the right way.

By Aaron Jed, contributor

ORN IN THE BUSTLING WORLD OF NEW YORK CITY, WHERE BUSINESSES come and go like a speeding subway, one company has grown far beyond its humble beginnings. For over six decades, American Vending & Coffee Service (AVCS) has employed a customer-centric approach to become the premiere provider of office coffee service, vending and water for over half of the United States.

Drew Warner, who took the helm of American Vending & Coffee Service in 1996, carries on the legacy of the 56-year-old pioneering workplace refreshment service founded by his grandfather, Morris Rood. While much has changed over the decades, Rood's vision to offer the most comprehensive refreshment variety, backed up by timely and trusted service, remains deeply ingrained.

LIKE GRANDFATHER, LIKE FATHER, LIKE UNCLE, LIKE SON

Warner's grandfather was a salesman for amusement operator and distributor Runyon Sales, before he launched AVCS from a gas station basement in 1967. Rood's son-in-law,

Jeff Kraus (Warner's uncle), soon joined him in the business. The duo had grown the business into a 15-route operation when Warner, a college student at the time, began working part-time at the family operation in 1987.

"I would wake up at 4:30 in the morning every day to drive from Edison to Randolph," Warner recalled. "I was learning everything from the bottom up."

Warner wore many hats in the business, from running routes and working in the warehouse to processing orders and counting money. Along the way, Warner's grandfather mentored and groomed him to master the art of operations and customer service that remain the very foundation of the company's multi-generational success.

Warner's vending roots run deep in his DNA, not only from his grandfather but also beginning in his childhood alongside his father, Art Warner, who was a coin-op amusement operator serving the lively New Jersey shore hot spot. The young Warner rode along the route with his father, learning by observing how to master communication and build relationships and how a routebased, service-oriented operation functions.

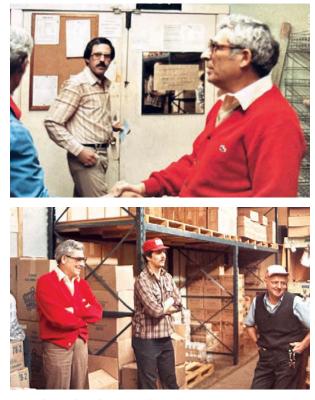
"My father was an icon in the business world," Drew Warner noted. "I learned so much by just watching the way he interacted with people."

OPPORTUNITY SMELLS LIKE COFFEE

After graduating from college in 1990, Warner joined his grandfather's vending business full-time. Specialty coffee was beginning to boom and was ripe for a whole new wave of possibilities in the workplaces they served, so he made it his personal mission to grow the company's OCS business. The company had provided OCS since 1973, but only on a very small scale to accommodate its vending customers.

Providing office coffee service in the discerning and demanding metropolitan New York City area set the bar high for American Vending & Coffee Service and has kept it on the cutting edge of the coffeehouse trends its customers demand. Today, AVCS offers a comprehensive portfolio of bean-to-cup, single cup, glass pot and espresso coffee machines, with coffee from over 20 reputable brands from which to choose.

American Vending & Coffee Service has since expanded its services, kept on the forefront of technology, and adapted its product offerings every step along the way to cater to its customers' ever-changing demands. If customers have a special request outside of the company's



Morris Rood, John Barna and Pete Walker observe warehouse operations in the 1980s.

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AVCS president and CEO Drew Warner hopes to bring four-year-old Austin Warner into the family business one day.

expansive offerings, they can rest assured Warner and his team will accommodate it. "The word 'no' isn't in our vocabulary," Warner proclaimed. "If we have the ability to provide something to our customer, we will."

CARRYING THE FIRE

Eight years after Drew Warner joined the family business, his uncle left it, and the young protégé became president. As a third-generation business owner, Warner and AVCS are an anomaly in the business world. According to the Family Business Institute, only one-third of businesses reach a second generation and just 12% make it to a third. Warner talks highly of his family who laid the foundation of the company and equipped him with the necessary traits to succeed.

"My grandfather, my father and my uncle were all entrepreneurs," he said. "I watched them wake up very early and come home late at night, every day. I saw that it was a grind, and not every day was going to be a good day. Their work ethic inspired me and I still carry that with me in American Vending."

Warner emphasized that the only way to succeed as an entrepreneur, whether first, second or third



Four year-old Austin Warner being trained on administrative duties.



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Please note that all products considered for the award MUST have been launched in 2023.

Automatic Vending



American Vending's team from the Randolph division gather at headquarters.

generation, is to have a true passion for the craft. "You can have everything handed to you, but if you don't have that burning desire inside you, you won't make it," Warner said. "That inner fire got us through 9/11, COVID, and many other challenges along the way. You need to be willing to go in head-first and embrace the challenges as they come."

While Warner finds motivation in economic reward and business success, his passion is primarily fueled by maintaining his family's legacy. "My grandfather poured his heart into American Vending," he said. "It is so important for me to maintain that, not just for myself, but also for my family. I want to show my four-year-old son that money

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comes after a person's character and reputation. I strive to conduct my business with the utmost dignity and respect, both internally and externally."

A CALCULATED APPROACH

When Warner assumed the helm at AVCS, he was immediately the person solely responsible for a highly complex and busy operation. Despite his predisposition to hustle, he understood he needed to assume a calculated approach to running the business.

"I treat my business like it's not even my own," Warner remarked. "I am not only responsible for myself, but also all of my employees and their families. I am responsible for serving the customers that rely on us. So every decision we make must account for everyone who depends on American Vending."

Before he accepts a new venture, he carefully analyzes it to see how it will fit into the landscape of his current business. He accounts for cost, logistics, route structure and man hours to ensure that both old and new customers will receive exemplary service. "It has to make sense," Warner



Office manager Stefanie takes a phone call from an account.

explained. "If we're going to take something on, we're going to do it the right way."

For added security, Warner ensures that AVCS always has a large cash reserve set aside in the case of an emergency. "At a very early age, I learned from my parents that a 'rainy day account' isn't enough," he emphasized. "You need a tropical storm account. You never know what tomorrow's going to bring, so we make sure that we are prepared for anything."

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THE COVID STORM

For AVCS, that "tropical storm" came in 2020 with the COVID-19 pandemic. When business screeched to a halt, Warner's hefty emergency fund kept the business afloat. "There really wasn't any business," the operator recalled. "The lights were basically out."



Although operations slowed, Warner kept his sights on the future. From backend software upgrades and optimizing logistics to expanding offerings and building an aggressive marketing campaign, he worked furiously to ensure AVCS returned with a vengeance.

"It was an absolute grind," Warner reflected. "I was working 14 to 15 hour days. I had to become way more hands-on. Like most business owners at the time, I was really humbled by the pandemic." His hard work paid off when restrictions eased, as AVCS made a quick bounce back, bringing back all of its employees and is now exceeding its pre-pandemic revenue.

CHANGING WITH THE TIMES

The entire landscape of the vending industry changed following the pandemic. As companies downsized and workers went remote, offices were left largely unoccupied. While the situation seemed dire to some, Warner saw an opportunity to move beyond AVCS's traditional offerings and fill the gaps in the market. "With less staff in the offices, and many of our competitors working at a limited capacity, our customers turned to us for extra services," he said. "We are really becoming a one-stop shop."

While maintaining its bread-and-butter services – coffee, water and vending – AVCS looks to continue diversifying its offerings with micro markets, equipment maintenance services and pantry services.

POWERED BY A STRONG TEAM

As AVCS continues to expand its customer base at a rapid pace, the company's staff grows at the same rate. According to Warner, having an exceptional team is the cornerstone to the growth and success of AVCS. "I am confident that I have



the best team on the planet," the operator said. "My people are dedicated, hard-working and passionate. As we grow, I'll make sure to maintain the great culture we have established at American Vending."

To attract and retain top talent, Warner invests heavily in his employees, providing a variety of generous benefits, growth opportunities and a supportive and empathetic work environment.

5 DECADES OF COFFEE, AND MANY MORE TO COME

On June 1, 2023, AVCS celebrated the 50th anniversary of the company's coffee service. With family and friends in attendance, Warner was joined by the mayor of Parsippany, New Jersey, and other public officials to honor the milestone with a ceremonial ribbon-cutting.

"It was an emotional day," the operator remarked. "It gave us an opportunity to look back on how much we've accomplished and grown."



We will continue growing at our current pace, and we will continue to grow smart ... The future of American Vending is very bright."

– Drew Warner, president and CEO, American Vending & Coffee Service

Empowered by the rich history of AVCS, Warner plans to cement a legacy of his own. "We will continue growing at our current pace, and we will continue to grow smart," he said. "We have a few surprises coming in the near future that will really elevate our company. I'm just as excited about the business now as when I first started. The future of American Vending is very bright."

Marketplace

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