

# Alabama Diamond

BY BARBARA SLOAN

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Red Diamond CEO Bill Bowron Jr.

A visit to the Red Diamond Coffee plant in north Birmingham takes a guest past a few run-of-the-mill warehouses and then there's the bright red lozenge-shaped logo that beckons like, well, a diamond in the rough. Crimson roses entwine the fence, softening the industrial feel of the surroundings. A security guard monitors food service and delivery trucks, which seem to chase each other in and out, in a constant stream of activity.

The smell of coffee roasting permeates the air for blocks. Inside is a quiet, serene oasis. Guffaws of laughter float from the back, and everyone is cordial and considerate. William (“Bill”) Bowron, Jr., president of Red Diamond, dressed jauntily in a suit with a black and white tie, seems extremely energetic despite jetlag. He is just back from a family trip to England, Ireland and Scotland where he says the group “walked their legs off.” Maybe the vigor comes from that cup of Red Diamond he is sipping.

“We are poised for growth,” the ever so slightly graying Bowron says in his comfortable office with deep couches, patterned rugs and dark furniture. “As the third oldest family-owned coffee and tea company in America, we have a legacy. It is wonderful from the standpoint of identity. It is a great foundation, building on our inheritance as we go forward. We have employees whose grandchildren work for us, customers whose grandchildren buy our products. I’m proud to be president of a fourth-generation company.”

Celebrating a centennial this year, and with the company’s recent growth, such a scenario seems impossible. Back in 1906, founder of the company and Bill Bowron’s maternal great grandfather William Fitz Donovan owned Donovan Provision Company. Searching for an ideal name for a new aromatic coffee, Donovan thought of a

red diamond’s incomparable quality, so he chose this name and standard to follow. Soon, the product became so popular, he decided to devote his labor to fine coffees and teas, becoming Donovan Coffee Company. One hundred years later, Donovan Coffee Company is now simply known as Red Diamond, Inc.

Rather than throw one big party for its centenary celebration, Bill Bowron explains that the company decided to put money into the community, hosting a series of cultural events mainly focused on children, education and the arts. Bowron says the unexpected, but pleasant result is that the firm has received a lot of attention from this approach.

Some of the ventures Red Diamond has sponsored include the annual visit of the Barnum and Bailey Circus, which 550 of their employees and family members attended; the Alabama Symphony’s 2005-2006 “Red Diamond Family Concert Series,” which featured “American

Heritage,” “The Young People’s Guide to the Orchestra,” and “The Lost Elephant”; the White Alligator exhibit at the Birmingham Zoo (where they hand out free coffee and tea once a month); and the Birmingham Museum of Art’s Chinese New Year Celebration. Red Diamond also bought a table at the American Heart Association Ball, where their corporate attorney, Jim Hughey, was honored.



With Fox Channel 6, the company is hosting “Thirsty Wednesdays,” where they go to a venue and give out Red Diamond products every two weeks. The company funded Jubilee in Montgomery and an arts event in Huntsville, as well as the Red Diamond Restaurant Tour in Anniston during the Sunny King Criterium bicycle race, selected by the Alabama Department of Tourism and Travel as a “Top 10 Event” for the State of Alabama in 2006.

**B**owron says one of the most rewarding things Red Diamond supports, along with St. Luke’s Episcopal Church and Southside Baptist, is the Norwood Pre-School Partner program in a high-risk section of North Birmingham near the coffee plant. “This plan takes 30 kids a year,” he explains, “and requires a parent to come to school one day a week, where they are taught attitude, homework techniques, dress, and other parenting skills to prepare their children for success.

Kindergarten teachers fight to get one of these kids in their classes, because they become leaders and role models. It is a fabulous idea.”

To help develop the physical aspect of a child’s growth, the company has pledged to become annual backers of what is now called The Red Diamond Vulcan Cup Soccer Tournament, one of the top three revenue-producing events in the state and one of the

top 20 youth soccer events in the U.S. In November, they will subsidize Disney on Ice and have funded similar cultural events in Savannah, Ga., and other places where Red Diamond has a presence. To remind the community of its 100 years here, Bowron has addressed or will talk to several Kiwanis and Rotary Clubs, and other service organizations.

Bowron says the company is set to continue building on its legacy and has plans for a \$13.5 million extension. He remembers when the large room beyond the entry, now a pleasant honeycomb of cubicles framed with marble, used to be filled with 40 wooden desks filled with salesmen, and the place was then as noisy as it is now quiet.

To set foot into the plant, a visitor dons a fibrous elasticized cap, creating what Bowron calls “the Q-tip look.” He says the company could run 24 hours a day but now operates Monday through Friday,

with two shifts per day. Lots of honking, clicking, plopping and other plant noises make hearing his comments difficult. Green beans come in from Central and South America to the plant that roasts, packages, and distributes every weekday.

Bowron talks about innovative ways the firm controls the dust made by fine coffee grinds and tea leaves, and believes they are on their way to becoming the most efficient





plant in the country. He shows off a machine the firm acquired from Italy last year made for specialty coffee production, a rapidly growing part of the business. Beyond that is a brand new \$1.2 million automatic tea machine, one of the best in the world, Bowron boasts.

Tea drinking is an ancient tradition dating back 5,000 years, starting in China and India. Long regarded in those cultures as an aid to good health, tea is now promoted by American health experts who say its antioxidants, called flavonoids,

may inhibit the growth of cancer. “Red Diamond has a higher content of flavonoids than any other tea,” Bowron says, “and these also help cardiovascular health.” He remarks that his company is finding a lot of younger consumers who enjoy coffee and tea beverages in social situations.

Just two years before the Donovan Company was founded, iced tea debuted in 1904 in the United States and soon after, like grits, became indelibly linked to the South. In the mid-1990s, with con-

sumer demand for more prepared foods at the grocery store, Red Diamond began to develop a ready-to-drink iced tea, called by some “the table wine of the South.” The firm wanted to distribute the real thing, not a concoction made of instant or concentrate tea, and so officials began working with a local dairy to create a “fresh-brewed” iced tea. Today, in association with several dairies around the country, millions of gallons of Red Diamond RTD Tea are distributed to stores, making the company one of the largest refrigerated tea producers in the country.

Outside, walking to the food-service plant next door, Bowron passes a number of employees who all greet him warmly. “Hey, John,” he says to a young man on a work mission. “Hey, Boss, how’re you today, sir?” Bowron explains that anyone eating in a restaurant, nursing home, hospital or school could be enjoying food and drink provided by their food-service division.

“We were already selling coffee and tea, and Dad thought why not provide food as well?” he explains. Everything in the warehouse is bar coded and organized so that sales people and delivery folks in the field can instantaneously keep up with any price changes as well as inventory. Boxes of noodles and cans of green beans sit next to Cinnamon Toast Crunch cereal, and bottles of ketchup snuggle up to Red Diamond water.

“We need more space!” Bowron says, passing through a wall of heavy plastic strips and an automatic door into a 36-degree cooler, and then inside a 12-degree-below freezer. The worker moving boxes of French fries is dressed in a ski mask and

heavy quilted suit. Back in the cooler, Bowron points out onions and Ken's Salad dressing nestled beside Carolina turkeys.

Today, the company serves its customers with over 6,000 beverage and food service products. Red Diamond's five divisions are: food service, coffee service, coffee and tea sold to retail stores, private labels for retail companies, and private label food service for people who want their own coffee or tea. They also prepare coffee for airline distribution. "It enables us to seek customers nationwide," Bowron notes. A growing Coca-Cola BreakMate and Coca-Cola fountain distribution has recently become part of the company's long heritage of quality and customer service. Employees take pride in the history of integrity, competitive pricing and exceptional products.

“Red Diamond has been fortunate to have a series of groundbreaking advertising campaigns,” Bowron says. He recently told the Rotary Club of Birmingham that Red Diamond has been an innovator in this area, having had Jim Henson's Muppets appear in a series of Red Diamond ads. The company was the first to advertise on Birmingham radio, and on black-and-white television, he remarks. It also had the state's first color TV commercial, which appeared on a Mobile station.

And why not be pioneering in advertising when the company itself is groundbreaking? “We were the first company to introduce the ‘brickpack’ to coffee distribution,” Bowron recalls. “Before, all coffee was packaged in paper bags or cans,



and the beans got stale because of air exposure. With the brickpack, a true vacuum is created to keep the beans fresh. We were the first company in the nation to introduce gallon-size tea bags, the first in the South to offer quart-size tea bags, and the first in the U.S. to market decaffeinated tea.”

Just after World War II, Red Diamond, along with 10 other independent coffee companies, created Tenco, to build a single facility to make and market instant coffee. Bowron says this era was the golden age for soluble coffee. “People were looking for what they believed was modern and convenient. At the time, they loved the idea of anything instant. After a few years in the business, we later sold the production to Coca Cola.”

Reflecting, Bowron says, “A company survives for 100 years by luck, foresight, and the dedication of its

employees, and fortunately, we have had that combination. Birmingham workers, at least our employees, are loyal and committed.”

Bill Bowron says his employees always go the extra mile, even before you ask. “I do worry a bit about the younger generation and where we might find employees to replace these remarkable ones. The marketplace is rapidly changing and manufacturing jobs are becoming more technically oriented. There is a lot of competition for young people who do desire to report for work in a self-rewarding environment. However, we have recently had a huge growth spurt and we continue to expand. We have become a national company and our tea and coffee distribution now extends nationwide.” He seems fairly certain his company will find the work force to see the business through maybe the next 100 years. ■