



# "Percolating Passion Brews in Water Mill"

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Coffee isn't just a business for Pepe Martinez and Jason Belkin. It's their passion.

The two entrepreneurs, who own Hampton Coffee Company Espresso Bar & Cafe in Water Mill, say every bean must pass a stringent inspection before it is served to customers or shipped to a retailer.

"The coffee will tell you when it's done," Martinez says. "I eat the bean to see if it's ready. If it's overroasted it has a bitter taste."

Belkin and Martinez, who purchased the 6-year-old coffee company from a Wall Street investor just over a year ago, now say they are poised to take on some high-octane competition-including Seattle-based Starbucks Coffee and Green Mountain Coffee in Vermont.

The duo is selling their Hampton blend in about a dozen local retail outlets, as well as Dean & DeLuca in Manhattan and Washington.

In addition, they are planning to set up more displays in local supermarkets, as well as establish contacts with more off-Island distributors. They are currently negotiating with distributors in Connecticut and Boston.

They say the market is strong: There are 110 million daily coffee drinkers in the United States and another 51 million occasional drinkers, according to the National Coffee Association in Manhattan. Furthermore, the number of gourmet coffee houses has jumped from 450 in 1991 to 8,000 last year, more than half still independently owned.

Before buying the business, Martinez, 36, served in several capacities at the coffee shop, including running operations. Belkin, 26, a former reporter and producer for Cablevision's News 12, also worked there his last year while a student at New York University.

In the spring, Hampton Coffee will introduce a dinner menu. They currently serve breakfast and lunch, including a full Mexican menu. And last summer, Hampton Coffee opened its first satellite location at the Racquet Club of East Hampton.

The company's coffee is sold in King Kullen supermarkets in Commack, Port Washington and Bridgehampton, as well as restaurants and markets, including The Village Latch in Southampton, The Babylon Bean and Gurney's Inn in Montauk.

"It's very well sold and it's a very good coffee," says Steve Izzo, coffee and candy buyer for Dean & DeLuca, which sells the Hampton Classic Blend as one of 40 coffee varieties and blends at its Manhattan and Washington locations.

In general, Hampton Coffee roasts more than 2,000 pounds of coffee a week-roasting about 50 pounds at a time-and sells at least 100,000 pounds of coffee annually between its wholesale and retail operations. It purchases its 32 varieties of coffee from Coffee Royal New York, which has a warehouse in Staten Island.

Martinez and Belkin say they have an advantage in freshness over chains like Starbucks and Green Mountain because they roast their coffee on the premises. Starbucks, which has 39 locations on Long Island and nine in Queens, roasts its coffee for this area in York, Pa.

"Our coffee stays roaster-fresh in flavor-lock packaging," counters Alan Hilowitz, regional spokesman for Starbucks, which recently opened its first East End store.

But Cathleen Stewart, who owns an antique and home furnishing business in Sag Harbor, says she prefers Hampton Coffee over Starbucks.

"I am the queen of coffee," says Stewart, who lives in Southampton. "I go through about two pounds of beans a week. Going there is the high point of my week."