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## Pablo Gonzalez Cid

Cafe Punta del Cielo

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“ I saw an opportunity to create Mexico's first gourmet coffee brand. ”

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<b>COUNTRY</b>	Mexico
<b>INDUSTRY</b>	Consumer
<b>YEAR SELECTED</b>	2005
<b>WEBSITE</b>	<a href="http://www.puntadelcielo.com.mx">www.puntadelcielo.com.mx</a>

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## **COMPANY SNAPSHOT**

When the President of Mexico wants a cup of coffee he orders Punta del Cielo. Providing that cup is Pablo Gonzales, proud owner of Mexico's homegrown coffee shop franchise and distributor. With his innovative approach Pablo is changing Mexico's coffee consumption habits and the world's view of Mexican coffee. Café Punta del Cielo is diverting from the Starbucks "coffee bar" model as well as Mexico's traditional old-world coffee stores by becoming Mexico's first gourmet coffee brand.

Pablo's cafes have expanded at a rapid rate. Its initial flagship store opened in 1999 in Mexico City and now Punta del Cielo can now be found in 18 Mexican states and international locations such as Hong Kong and Spain. With more than 200 employees and growing, Pablo has turned down several generous buyout offers from industry giants like Starbucks and affiliates of Calos Slim, preferring to retain his own vision of Punta del Cielo.

In addition to traditional products, Pablo has invested in research and development. He traveled to Costa Rica, a country renowned for its coffee growing practices, and worked on plantations to learn about coffee cultivation and harvesting. He then went to Italy to "intern" at Illy café, eminent for their espresso and toasting processes. Applying the knowledge he learned firsthand to his home country, Pablo welcomed a younger generation looking for the "cafe experience." Customers from Sonora to the Yucatan no longer simply order Cafe Americano or Cafe de Olla due to Pablo introducing new beverage concepts and flavor options, as well as pressurized cans of gourmet coffee, espresso pods (Punta del Cielo is currently the only Mexican manufacturer of this product) and canned drinks like Xzo Icecap.

Pablo's tailor made business model is what has allowed him to succeed and differentiate himself from a major corporate player such as Starbucks. Geographic conditions make Mexico ideal for coffee bean harvesting, and Mexico is the 5th largest producer in the world. Recognizing this fact early on, Pablo took full advantage in designing a vertically integrated coffee-making process from bean to cup. This allowed him to offer lower prices and achieve a high profit margin.

Café Punta del Cielo's brand name has expanded and is now easily recognized throughout the country. Punta del Cielo's future is bright. The company has forged strong alliances with Mexicana and Aeromexico airlines to exclusively serve their coffee exclusively during in-flight service; signed contracts with Costco and other large-chain grocery stores; and become the coffee supplier of major hotel chains such as Posadas de Mexico, the largest hotel company in Latin America. Café Punta del Cielo expanded to Ecuador in 2011.

With a tremendous growth potential and an energetic workforce, Punta del Cielo is in good standing to become the next big Mexican brand.

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## **ENDEAVOR AND CAFE PUNTA DEL CIELO**

Strategic advice from Endeavor broadened Pablo's potential revenue streams, principally through the introduction of a franchising model. Global services have included the eMBA program, Immersion Tour, and Entrepreneur Summit. Locally, he benefited from an advisory board which helped develop a franchising strategy, professionalize the company and improve processes, leading to better decision-making. He has received ongoing sales advice from numerous mentors, and public exposure through talks and media interviews. He also received support raising financing.

Pablo remains a strong ambassador for Endeavor Mexico and helps established Endeavor Entrepreneurs make the most of their experience.