BUSINESS SMALL BUSINESS

From lawyer to Matcha Maiden

By **Cara Waters**May 26, 2017 — 12.46pm



Sarah Holloway was working as a mergers and acquisitions lawyer for King & Wood Mallesons when she discovered matcha.

Based in the Australian law firm's Hong Kong office and unable to drink coffee because of illness, she switched to matcha lattes.



Sarah Holloway is the co-founder of Matcha Maiden and Matcha Mylk Bar.

The <u>fine powder made from ground green tea</u> can be traced back to the Tang Dynasty, where it was used by Zen Buddhists to help them focus during meditation.

"I got totally hooked and I didn't go back to drinking coffee," she says. After moving back to the law firm's Melbourne office Holloway struggled to get her matcha fix.



Matcha Mylkbar offers 10 super-food lattes, from matcha to turmeric.

"You could only find it in Asian grocers with no English packaging and added sugar," she says.
"There was none that really tapped into the benefits for your adrenal system and metabolism."

The Matcha business that keeps growing and growing

Holloway and her boyfriend Nick Davidson tried to import their own matcha from Japan but could only get a 10 kilogram bag.

"I thought if I sell one bag I can call myself an entrepreneur on LinkedIn and that's all that counts," Holloway says. "We Googled everything about how to start a tea business it was all so DIY. We launched through social media and did a little pre build up and it sold out in a week and we were blown away by how much demand was just sitting there."

The couple started with \$5000 in capital, dubbed the business Matcha Maiden and promoted it using beautiful packaging and carefully curated shots on social media.



Matcha is made from ground green tea. GRAHAM DENHOLM

Matcha Maiden broke even in its first month.

"It just kept growing and growing I was still at the law firm and not a good employee," she says. "Six months in, Urban Outfitters saw us on Instagram. We were just winging it but it obviously resonated and they said 'We love what you are doing, can you do something for our beauty section?'"



Matcha Maiden founders Nic Davidson and Sarah Holloway. CAMERON L'ESTRANGE

In 2015 Urban Outfitters placed an order for 3000 packages every month for a six-month period and Holloway realised the only way they could fulfil the order was to turn what had been a side project into her full-time job.

"I resigned the next day and that was the best moment of my entire life," she says.



Inside Matcha Mylkbar in St Kilda. SIMON SCHLUTER

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Sarah Holloway

Matcha Maiden now turns over \$500,000 a year with 83,000 Instagram followers, distributors in every state and a warehouse in the United States to cope with demand there.

Cafe life

Holloway and Davidson have taken their online business into a bricks and mortar store with the opening of Matcha Mylkbar in St Kilda last year.



Matcha pancake stack with chocolate sauce from Matcha Mylkbar in Melbourne.

They teamed up with long-time friend and hospitality veteran Mark Filippell after a trip to Los Angeles to scout out the cafe scene.

The vegan cafe serves matcha burgers and matcha pancakes alongside matcha lattes and Holloway says there have been two-hour queues for tables "since day one".

"None of us are vegan," Holloway says. "In LA we noticed that the amount of vegan eating and matcha drinking is exploding beyond every trend. Because we don't serve meat or dairy our costs of goods would be less than most although labour costs are high."

The Hemsworths have declared themselves fans and Holloway is opening another Matcha Mylkbar in Sydney in August.

Meanwhile she says Matcha Maiden "just keeps growing by itself".

"We were totally ready for it being a fad but it has continued to grow," she says. "We got in early but now there are millions of Instagram matcha companies."

Loyal drinkers

One of those Instagram matcha companies is newcomer Matcha.lab founded by Bridget Waddell and Ziggy Huang.

"We are both designers and we do a lot of branding for small business so we thought why not create something ourselves," Waddell says. "We really enjoyed the product. So the time it was starting to get pushed into the mainstream but a lot of people didn't know what it was."

Matcha.lab sells matcha powder and matcha accessories such as whisks and scoops online and with selected retailers with turnover of around \$2000 a month.

Waddell says Matcha.lab is still a very small business at this stage.

"There is a positive to being small and manageable in terms of quality control and communication to our customers and stockists," she says. "It's a case of knowing when it's the right time [to grow] and knowing when to do it properly. At the moment it's a side project it's an outlet for us to have fun with a product that we love."

She says Matcha.lab customers are loyal.

"When you find a matcha that is very palatable you find people stick with your brand and they recognise quality from inferior products," she says. "I don't think it's a fad. I started drinking it and from drinking it I felt better. When people incorporate [matcha] into their diets, you can't not notice the benefits. The Japanese have been drinking this for centuries and I think there's a reason behind that."

Risky business

Ken Burgin, the owner of Profitable Hospitality, a consultancy that advises restaurants and catering groups, warns it's "quite risky" to build a business based on on trend ingredients.

"I think people are using this for colour, we see green lattes and pink lattes and blue lattes, we have a giggle and take a photo it goes on Instagram," he says. "Has it peaked?"

But Burgin says there is an ongoing movement towards wellness in food and beverages.

"Every cafe owner I talk to, they put their vegan menu on and it just goes nuts," he says.

That's certainly been Holloway's experience.

"Its gone gang busters and I sometimes wake up and think, I can't believe what has happened with my life," she says.

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