

## Importer feasts on Asian food's growth

BY LESLIE MLADINICH

Epicurean International Inc. CEO Seth Jacobson was having dinner at Jack London Square last fall when he glanced out at the Oakland Estuary and saw imminent disaster looming for his company.

Several dozen ships were stacked next to each other with millions of dollars worth of imports sitting stagnant on their decks because the port's dockworkers were locked out.

### Seth Jacobson

**Title:** President  
**Company:** Epicurean International Inc.  
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Just a month's delay getting Epicurean International's Thai food products off the ships and to distributors had the potential to turn into a six-month crisis for Jacobson's firm. At one point, the Asian foods importer had more than 60, 40-foot containers stuck at the port.

"When it lasted more than a week, I knew it was time to call in favors from Asia," said the 37-year-old entrepreneur. The next day, he got on the phone.

"We pushed stuff as hard and as fast as we could," he recalls. He tripled some orders to have a healthy backstock, shipped the goods into ports on the East Coast, instead of the West Coast, and the crisis was averted.

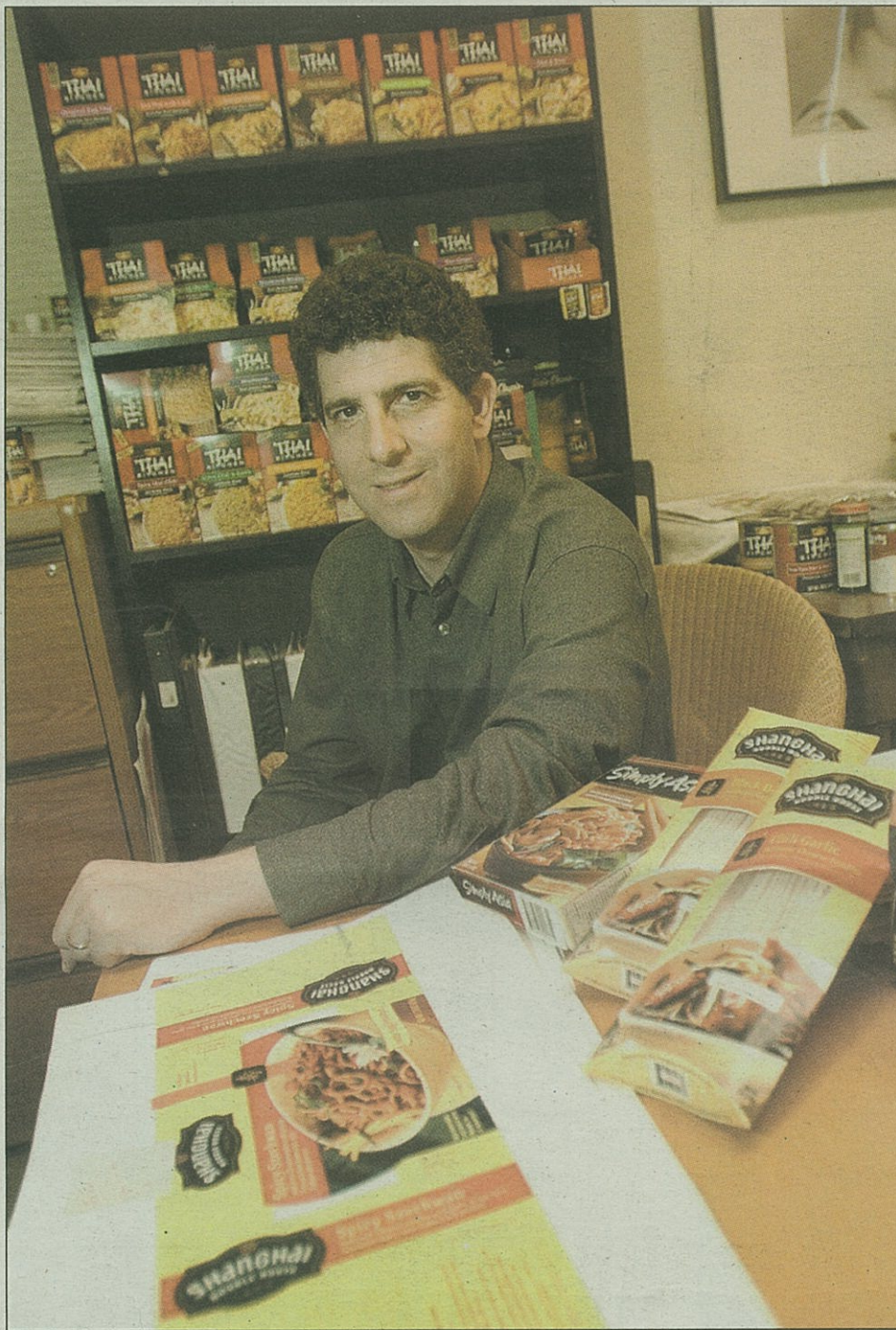
That shows how far Jacobson's company has come. The contacts he called were some of the same people who doubted his idea for founding Epicurean International 14 years ago: that Thai food could capture a big market in the United States. After all, Americans were still eating Cup O' Noodles, and Thai food restaurants were considered, at least outside the foodie Bay Area, avant garde at best.

But on his first trip to Thailand, Jacobson figured Americans would be just as seduced by the popular piquant, fragrant noodles sold from carts there as he was. The trick was how to make the food a staple at home. He had a feeling, though, that he had a viable business idea.

"I was on a beach and thought, why not?" recalled Jacobson, who was hatching the plan in his head while trying to figure out a way to get out of starting law school.

Now, 50-employee Epicurean International, the umbrella for the Thai Kitchen division and its newest brand, Simply Asia, has products sold in more than 15,000 stores across the United States and Canada. Although Jacobson won't divulge financial details, he boasts that the company's revenues are growing seven times faster than those of other Asian food companies.

"He is very innovative and grew his company from a teeny, teeny little thing that was only available in the health food trade to one that is available in most food outlets across the country," said Leslie Reckler, a buyer for



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**Seth Jacobson's life changed when he traveled to Thailand and fell in love with its cuisine. Its immediate benefit: It helped him get out of going to law school.**

Cost Plus Inc., one of Jacobson's first major accounts. "He made Thai food accessible."

But Epicurean International wasn't an instant noodles kind of success. Just persuading Thai food makers of America's appetite for new foods was a big obstacle, for one thing.

"The hardest thing in the beginning was for the Thai companies to take us seriously, and I mean 'we' being me, one person," he said.

Intuition about specialty food runs in Jacobson's family, which had a gourmet coffee store on the East Coast decades before mainstream America knew the difference

between Mr. Coffee and dark-roast.

And Jacobson was willing to gamble on his hunch. So with no sales experience and an operational budget of \$15,000 in savings, Jacobson met his first shipment of eight products, including fish sauce and coconut milk, at the Port of Oakland and started cold calling local grocery and specialty food stores.

By contrast, an infusion of cash this year from Merrill Lynch will enable Epicurean International to finance a new 100,000-square-foot building in Union City, where the company has its distribution facility. The company

### Using its noodles

Epicurean International's five top sellers, all imported from Thailand, make up 30 percent of its revenue. It sold 10,000 units of the food products last year — most of them noodles.

1. Pad Thai Noodles, developed in 1994, were a first-of-its-kind in the U.S. market and remains a sales leader in its segment
2. Coconut Milk, 1993, first-of-its-kind, sales leader
3. Noodle Cart, 2002
4. Thai Rice Bowl Noodles, 2001, first-of-its-kind
5. Peanut Noodles, 2000, first-of-its-kind

will move from its West Oakland headquarters to Union City sometime next year.

No matter how many more square feet he is adding to the company, Jacobson seems to want to keep Epicurean International nimble.

Introducing new food products in a short time is one of the advantages of a smaller company, Jacobson has found. Its newest product, instant noodle bowls called Noodle Cart, took six months from development to market — a turnaround unheard of at larger food companies, he says.

"I like to ask, 'What would make sense in people's lives?'"

Yet being a small company — Jacobson started out selling products from his car — can also turn out to be its chief disadvantage. Jacobson has sought advice from other food company stewards on how to divide his time as the operation grows.

Recently, Jacobson was lunching with Clif Bar Inc. CEO Gary Erikson.

"I said, 'Gary, how do you do it?'"

Erikson's advice was to let go of some of the day-to-day duties. That has enabled Jacobson to trot the globe, looking for the next Thai Kitchen product, or as he puts it, "Be the vision for the brand."

Jacobson named the company Epicurean International so he could introduce tastes and new brands from other exotic locales. Since its founding in 1990, Epicurean International has imported products from Sri Lanka, Malaysia, China and Thailand.

Another of his challenges is selling these new products outside the Bay Area and dealing with large distributors like grocery store chains.

"They are all hard," Jacobson says with a laugh. "The larger supermarkets tend to make decisions by committee and more slowly."

Jacobson, who worked at UC-Berkeley's Pacific Film Archive when he was starting the company, enjoys film, travel and trying new restaurants. He is married and lives in San Francisco.

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