

This french foodie sensation is coming to the states

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In January 2015, the French cookie sensation dispatched a scout to New York. His mission: to begin to replicate the company's considerable Gallic success in the United States. " We wanted trendsetting stores, where we know buyers, important people, go to get the future," says the one-man, English-isn't-his-first-language advance team, Antoine Chauvel, now VP of sales in the U. S.

His biggest score, it turned out, was at Manhattan's Bedford Cheese Shop. There, in the springtime, someone from Starbucks purchased a small packet of the cookies. And on a Thursday afternoon in June of that year, Starbucks CEO Howard Schultz's assistant placed a call to Michel et Augustin's Brooklyn HQ: Could they send samples in time for a tasting on Monday?

A caper rapidly unfolded. The requested cookies weren't stocked in Brooklyn, and weren't guaranteed to arrive in one piece or on time if they were shipped, so two Paris staffers were lined up to hand-deliver the samples. Then Augustin Paluel-Marmont, the company's CEO, cofounder and partial namesake, concocted a social media plan. In the States, Michel et Augustin meant nothing -- yet -- but in France, it's a household name with an active tribe. It enlisted its followers to tweet and Instagram photos of themselves enjoying Michel et Augustin products with Starbucks coffee, using the hashtag #allezhowarduncafe. (Loose translation: " Howard, let's go have a coffee.") Hundreds did so while the brand's Seattle-bound ambassadors live-chronicled their journey. Schultz's wife somehow came across the campaign and alerted her husband. A week later, the cookies made their debut in 26

Starbucks outlets in Manhattan. Within six months, they had gone nationwide.

Bonjour, America.

Even a crumb of success in " the homeland of the cookie" would represent massive growth.

This combination of , stunt and speed is exactly how Michel et Augustin conquered the high end of the French market, where the biscuits-and-cakes category posts total sales of just over \$3 billion annually. The 11-year-old company, which will record about \$50 million in revenues this year, has attracted significant investment from the influential Pinaultfamilyand thefoodgiant Danone. While Paluel-Marmont could certainly be content with that -- along with his status as an entrepreneurial celebrity in France -- he is thinking bigger. That's why he's chasing success in what he frequently calls " the homeland of the cookie," where that same biscuits-and-cakes category is worth more than \$20 billion. Even a crumb of the U. S. market would represent massive .

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This is a natural path for the ambitious entrepreneur: Gain your footing in a smaller market, and then walk confidently into a larger one. Paluel-Marmont says he has budgeted \$10 million for the U. S. launch -- a sizable sum for his company. He is also investing himself: To oversee the effort, in August 2015,

he and his wife packed up their belongings, left their Paris home, and, with their five children, moved to Brooklyn.

“ The is so, so big,” says Michel de Rovira, his cofounder and the company’s other partial namesake, who remains in France and is in charge of everything except the U. S. business, recipes and communications. “

Augustin has a lot of , and he’s good at making connections. He’s good at choosing the people with whom we would like to work. It’s a good asset to develop the company in the U. S.”

The subsequent months have been a season of extremes for the CEO, his family, and his company. “ We thought we knew the U. S.,” says Paluel-Marmont. To start, Brooklyn real estate was far more expensive than he’d thought; his home costs \$10, 000 a month. And although he anticipated some degree of cultural adjustment, he wasn’t totally prepared for the reality. “ In France, when people are enthusiastic, it’s deeply real,” he says. “ Here, it’s so welcoming and friendly. ‘ These are the best cookies of my life!’ And then they don’t buy them. They go, ‘ Wow! Wow! Wow!’ And then you say, ‘ So, cool, we’re going to work together?’ And it’s, ‘ No! No! No!’”

Michel and Augustin make strawberry shortcake

Photographs courtesy of Michel et Augustin

When Augustin Paluel-Marmont and Michel de Rovira were 16, they wanted to change the world. The plan was to go to Africa for the summer on a humanitarian mission. They would build a medical clinic. They’d save lives. “

We were going to solve the problems!” he recalls, laughing. “ I was crazy.” They held fund-raisers, managed to earn 35, 000 French francs -- about \$6, 000 -- and, with eight friends, flew to Burkina Faso, where they were instantly liberated from their naïveté. “ I think we dug two holes and laid three bricks. We didn’t know how to do it, and it was a big mess. Then I said, ‘ Is it my talent to manually build a hospital?’ Of course not. I have no muscles,” he says. Even today he maintains the lanky build of a long-distance runner. But the experience highlighted his actual talent: “ It was being an .”

He went on to business school but came away uninspired. Then he recalled the childhood joy of baking with his grandmother, so he went to pastry school. With de Rovira, also a trained pastry chef, he began making cookies in his Paris apartment as well as tasting baguettes and pains au chocolat around town. (By their count, they tried 1, 432 of the former and 432 of the latter in a year -- and that, too, became an entrepreneurial venture: The pair published a guide to the best.) From this, Michel et Augustin was born.

Their first product was a butter cookie. They quickly expanded into other categories, introducing kefir-like drinkable yogurt to France. Targeting mainly affluent consumers in France’s cities, Michel et Augustin now also has a line of lemonades as well as fresh chocolate mousse and rice pudding, plus pita chips and savory biscuits that pair exceptionally with cheese.

The expansion has been so successful that sweet cookies now account for just under 40 percent of Michel et Augustin’s revenues in France. But they

remain the company's heart and passion, and all employees must, within two years of being hired, earn a certificate in pastry.

Michel et Augustin's cookies play on one of three themes. The stereotypically Frenchest are buttery, puff-pastry rectangles flecked with chocolate or dotted with raspberry. Shortbread comes in chocolate-covered sticks or squares with various toppings -- lemon "meringue" (super popular in France); raspberry and pistachio; dark chocolate and sea salt. Several best-sellers are Gallic interpretations of the all-American chocolate chip cookie -- when Paluel-Marmont refers to the "homeland of the cookie," he's right on this one count. Michel et Augustin's large, slightly chewy ones have what the company calls a "melty middle," while the quarter-size mini-cookies are crunchier and easy to eat by the decadent dozen.

The company's French tagline is "*Les trublions du goût*" -- literally, "the troublemakers of taste." It quickly also became the troublemaker of marketing. De Rovira and Paluel-Marmont wandered Metro stations dressed in little more than body paint meant to make them look like cows, handing out free samples of their cookies and yogurt; photos of the two young entrepreneurs made their way into newspapers. In 2007, when Bill Gates was doing an onstage, televised interview at an entrepreneurs' gathering in Paris, Paluel-Marmont barged his way into the venue, telling security he was catering the event. Before Gates appeared, Paluel-Marmont went onstage, placing bottles of drinkable yogurt on the podiums. Gates's entire Q&A became free product placement.

The company's French tagline is " Les trublions du goût"--literally, " the troublemakers of taste."

As the brand's grew, it began hosting events. It started monthly, free open houses at its Paris headquarters. Guest speakers such as former French president Nicolas Sarkozy, Michelin-starred chef Yannick Alléno, and mathematician Cédric Villani addressed the masses. In May, the speaker was former prime minister François Fillon, who is running for president of France. And each June, Michel et Augustin hosts the Night Under the Stars, a campout in a Paris park boasting balloon artists and giant bubbles, musical performances and, of course, lots and lots of free cookies. One hundred thousand people entered the lottery for the 3, 000 free tickets to this year's campout.

All this is meant to reinforce Paluel-Marmont's growing conviction that, as a brand, Michel et Augustin must represent more than mere consumption. " It's friendship. It's conviviality," he says. " The brand is about sharing happiness and joy."

Likewise, as the company has evolved, Paluel-Marmont's philosophy on business has, too. " To be a successful entrepreneur -- and I want to be modest, because we are still on the way -- is not that much about having a great idea," he says. " It's more about having common sense. You have a dream. But what makes it work is more logical and basic. It's common sense, energy, . And it's listening to others." These are the lessons he'd planned to take to America.

Three-story "squadruplets," with milk chocolate and "melty caramel."

The decision to focus first on the New York City area was largely practical: It's the country's largest metro area as well as a culinary trendsetter. The team hypothesized that what they learned in the number-one market would prepare them well for the rest of America. So, as in Paris, Michel et Augustin led with hospitality and generosity. It has two dozen "brand ambassadors," whom you might call salespeople, except they don't sell anything -- they just stand on Manhattan streets, wearing the company's orange aprons and giving away cookies. In one springtime push, they gave away one million cookies -- always full-size packages, so people have something to share when they get home -- as well as tens of thousands of pink-edged tote bags with the company's branding. By year's end, the company wants to have 100,000 bags out there -- little mobile billboards for the brand.

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The U. S. team has also replicated the company's open houses in Paris. All comers are welcome to Michel et Augustin's American HQ, called the Banana Farm (for its zany ideas), on the ground floor of a converted industrial building in the Brooklyn neighborhood of Gowanus. During one open house this summer, at least a dozen types of cookies were available to taste, served with milk and orange juice -- "the Americans always take the milk," an employee said, "and the French, the juice." The crowd was diverse: black, white, Hispanic, Asian, with chatter in English, French and Spanish. (This being Gowanus, with its disproportionately high hipster quotient, two men

<https://assignbuster.com/this-french-foodie-sensation-is-coming-to-the-states/>

were wearing fedoras.) A few attendees knew Michel et Augustin from traveling and living in Europe, but most became fans after receiving free samples on the street.

Paluel-Marmont is well aware the brand's did not make the journey across the Atlantic with him. " You have to demonstrate from zero what you've done and how you can bring value," he says. " What you've done outside the U. S. is completely irrelevant."

Building is not just for consumers, though. It serves to help get the product on more and more store shelves. This is especially true in New York, where, unlike in France, sales growth is not a matter of getting into the good graces of a few powerful distributors. From a grocery standpoint, " New York is the world's most advanced Third World city," says Paluel-Marmont. He was shocked to discover that most product orders aren't automated or computerized. Instead, salespeople must assiduously track down each store's grocery manager, and everything is done by hand and handshake. That's why Michel et Augustin now has a team that canvases the city daily, walking from store to store, selling, checking stock and fixing messes.

One July morning, Erik Lucas, VP of sales in the greater New York area, prepares to do the rounds in Queens with one of his salespeople, Aurélie Lorthiois. " I was in coconut water for three years," he says cheerily by way of introduction. It's a searingly hot day, and Lucas is wearing a suburban dad's summer uniform -- UnderArmour polo, khakis -- while Lorthiois, in her

cream sundress and Stan Smiths, could be heading for the tennis courts, if not for the granny cart full of cookie samples she pulls behind her.

The work involves not just sales but also guerrilla shelf rearrangement; in one store, Lucas and Lorthiois grumble at their cookies' haphazard placement -- none of the five kinds of cookies are next to each other, and some are nearest to Manischewitz matzo, which makes no sense. So they proceed to rearrange three shelves of cookies and crackers, creating a mini Michel et Augustin section next to other premium, imported biscuits.

The stores they visit range from ginormous and well-kept to small and ramshackle. It's difficult to predict which will do well: There's an apparent lack of correlation between physical condition and sales. In another, messy store, Lucas says, " This place doesn't look premium, but you never know. You have to look closely. If all they have is Kraft and Nabisco, our products are probably not going to sell. But do they have Tate's cookies?" *They do.* " Do they have Evian?" *Yes.* " Also, they have Kind bars, so I'm thinking, maybe."

Further into the store, he notices a Godiva display with no Godiva products but several packages of Michel et Augustin cookies. It's by a cash register, at eye level -- and the product has been selling. Lorthiois tracks down a man who says he's not the manager but is in charge. " It's not our rack," she tells him, in her lightly French-accented English. " For me, it's fine," he says, smiling and shrugging. He agrees to take more product.

“ This is a great spot,” Lucas says after the non-manager walks away. “ I don’t know if they think we’re Godiva? But it’s selling.” He shakes his head as we look around. The aisles are narrow, the displays completely disorganized, products piled higgledy-piggledy. “ Sometimes you just don’t know. It doesn’t look like a great location, but it just sells.”

Paris HQ is tasty: Staffers prep vanilla éclairs days before their mandated pastry exam.

Paluel-Marmont’s mode of entrepreneurship is constant. He draws no lines between his personal and professional lives, says he is never really on vacation, insists that he is always both entrepreneur and husband, businessman and dad, and admits to having no “ off” switch for any of these roles. He credits his fourth child, Sarah, 8, with reminding him, constantly and implicitly, of his priorities on all these fronts. “ We discovered at the birth that she had Down Syndrome. We were lucky not to know before. I would think it’s a nightmare to have to choose -- we didn’t have to,” he says, his voice full of tenderness. Parenting Sarah has been “ *un bonheur*,” he shares, slipping into French. The word can mean both 'privilege' and 'happiness.' “ It’s a happiness that I wish nobody else to live. It’s hard work.”

Sarah reminds him what’s important and what’s not. “ We spend so much energy on questions that, in fact, do not matter,” he says. She also inspires him to be transparent. “ Normal people, we have all these filters -- social filters, emotional controls. With these kids, they just say what they think. It’s like, boom!” he says. “ Being true is very helpful. It’s important to be true.”

Paluel-Marmont is unusually blunt and open. On his company's initial decision to operate out of a Manhattan coworking space, he says: "Very shit." Its early efforts to move into the U. S. market: "Very slow. We were not ready, from the packaging to the nutrition facts." His new office's tech setup: "Very poor internet connection. Cellphone is shit. We lose a lot of time." His feelings on gluten-free cookies: "Don't give a shit. It's not my sensibility."

By extension, Michel et Augustin's is equally open. It keeps a working list of U. S. accounts, as well as targets, on full display on a wall at the Banana Farm -- even during open houses. Paluel-Marmont separates accounts into two parts, which in conversation he calls the Cake and the Cherry on Top. The Cake is distribution in specialty-foods stores and supermarkets across New York City and other major urban centers -- stores such as Fairway, Gelson's in California, Central Market in Texas, Mid-Atlantic Whole Foods Markets and Stop & Shops (but not yet in other desirable high-end outlets like Citarella and Dean & DeLuca). The Cherry on Top is large short- to mid-term accounts with big clients such as Starbucks and Delta Airlines.

For dessert purists, Paluel-Marmont's metaphor may raise questions about France's consumption of cherry-topped cakes. But when he says "we need to focus on the Cake," his point is clear: Accounts are not all equally valuable.

This distinction isn't always immediately obvious. Starbucks is an important client, as is Delta Airlines, which, beginning in the fourth quarter of 2016, will

serve Michel et Augustin milk-chocolate-and-caramel cookies in first class on all domestic flights. This kind of visibility can presage success nationwide. And yet, the team considers them Cherry. They're really about exposure, and come with uncertainty. Starbucks, for instance, regularly swaps in new products. It won't be a " forever" account. And deals like these make the company's sales targets difficult to forecast with precision; it's why targets for 2016 in the U. S. have been loosely guesstimated at between \$2 million and \$3 million, significantly higher than the \$800, 000 it recorded last year.

Meanwhile, the decidedly less sexy category of New York corporate cafeterias is Cake. In France, 5 percent of revenue comes from them. In New York, Michel et Augustin sells to Sodexo and Aramark, which operate many cafeterias. In an effort to expand in this arena, Michel et Augustin has done demos in the Manhattan lunchrooms of Goldman Sachs and MasterCard, and is angling for WeWork spaces. The revenue isn't even the main point: The company wants to make sure it becomes part of people's .

" Most French people who fuck it up in America, they try to do it too fast, and at the first major hard stuff, they fly back to France," Paluel-Marmont says. " We're not going to stop." The company knows that its New York lessons won't necessarily apply beyond. For as confounding as this place has been, the city is structured in a way Parisians are familiar with. " In France, we have very old cities," says Chauvel, that first French employee the company sent here, " and the rich people still live in the heart of the city." But that's not all of America. " Take Houston -- you don't have the same retail profile,

with a dense city center. The stores are suburban.” The company has little experience in such settings.

And there have been notable . For instance, the milk-chocolate-and-hazelnut “ super cookie with melty middle” is the company’s best-selling cookie in France but has disappointed on this side of the Atlantic. Why? “ We don’t know,” Chauvel confesses. “ Is it the price? Is it the packaging? Is it the competition?” Paluel-Marmont considered this his own failing and ordered a quick redesign of the packaging in April. Three months later, he sent a staffer onto the subway with both the old and new packages, for informal polling. Eighty percent of those baited with free cookies picked the new packaging, which is now beginning to make its way onto store shelves.

Margaux Dauce describes her job as " the kooky club's penwoman" (she's brand content manager).

Paluel-Marmont often repeats the same description of himself:“ I am not clever.” At first, it seems like false modesty. But he insists. “ I’m not clever,” he says yet again. “ I just have the capacity to interact with others’ experiences and bring them into my own heart.” His mode of entrepreneurship seems to be more hunter-gatherer than visionary. Others have done all the elements of what Michel et Augustin has done, but Paluel-Marmont and his team have put them together in a unique way.

The cookie crew freely acknowledge that they are still learning about American tastes; meanwhile, they’re observing, adapting and experimenting.

When they launched their savory shortbreads and crackers in July, they quickly learned that few Americans are familiar with Beaufort cheese, the top-selling flavor in France. (“ It comes from the Alps!” huffed multiple incredulous M et A employees.) They also learned that chocolate sells better than fruit. (Shocker.) The company’s raspberryand-pistachio shortbread cookie squares sold so poorly that the company ditched them.

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Yet the move to the U. S. has also provided something unexpected: . About a 10-minute walk from the Banana Farm, there’s a branch of the third-wave coffee purveyor Blue Bottle, which has gone national with its version of iced coffee, flavored with cane sugar and chicory. Next year, Michel et Augustin plans to introduce iced coffee to France. “ We will adapt the recipe to French tastes,” Paluel-Marmont says. “ Smooth, and not too sweet.”

Also unexpected: His wife has fallen in love with the city. Midsummer, during a vacation back in France, his kids started asking when they will return to New York -- and whether they’re really only staying for two years. He doesn’t know. The French economy minister Emmanuel Macron, a good friend, is running for president; if he wins, Paluel-Marmont might be tempted to return home to serve in some capacity. And truthfully, he’s eager for Paris: He finds New York dirty and is frustrated by its public transportation. But the kids? “ They really love it.”

Paluel-Marmont relays this news by telephone, while in the Alps. And if surrender sounds like anything, it is his little exhale on the other end of the

line. “ We don’t always choose our life, but we can choose the way we live -- is mostly a decision,” he says. “ Every day, it’s a decision when you wake up. And this is a very authentic adventure.”

He hopes his cookies will find a home here. Maybe he will, too.