

NJ coffee company sues Elmsford roaster Barrie House for \$6M

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A Newark coffee company claims that Elmsford coffee roaster Barrie House Coffee Co. messed up its formula for success in the online market for coffee pods.

Office Coffee Services and its 26 Flavors affiliate sued Barrie House Coffee Co. for \$6 million last month in Westchester Supreme Court.

“We vehemently deny all the allegations in the complaint,” Tab Rosenfeld, Barrie House’s Manhattan attorney, responded. He said Office Coffee owes money to Barrie House and his client plans to file a counterclaim to collect the debt.



Photo and illustration by Bob Rozycki

Office Coffee, according to its complaint, saw an opportunity in 2012 when Green Mountain Coffee Roasters’ patent expired on single-serve capsules used in Keurig coffee machines.

Office Coffee began working with Barrie House in early 2013 on developing new brands and unique flavors. It was crucial to get to market quickly and to produce a product with a flavor and availability that were consistent and reliable.

The online market was dominated by Amazon, according to the complaint, and demand was driven by cost, product features and customer reviews.

Office Coffee needed to ensure that its products “meet or exceed customer expectations,” the complaint states, “so the reviews are consistently positive.”

The coffee company worked with Barrie House to develop the Crazy Cups brand. The formula used artificial flavorings, and the pod lid was designed to showcase the brand name and flavor, “to make the correct first impression.”

Office Coffee also worked with Barrie House on an organic brand, Ekocups, the Alloro brand for Nespresso coffee machines, and Indie Bean Pods.

But Alloro got into the market late, Office Coffee alleges, because Barrie House took too much time to produce the pods. And then, the complaint states, a lot of the pods were unusable.

“As a result of the poor quality of the pods,” the complaint states, Office Coffee “discontinued the sale and marketing of the Alloro and Indie Bean pods.”

In 2017, Barrie House asked Office Coffee to switch to universal lids to save money, according to the complaint. Universal lids are smaller, less legible, and unable to handle Office Coffee’s unique designs and coloring, according to the complaint. But Office Coffee agreed to test the lids on a few flavors.

Instead, the coffee company claims, Barrie House used universal lids on all Crazy Cups, Double Donut and Ekocups products, and sales suffered.

Around 2018, customers were complaining that Crazy Cups had a chemical or sour taste and that the lids were difficult to read.

Barrie House had been using natural flavors instead of the artificial flavoring specified in the formula, according to the complaint.

Office Coffee also claims it discovered that its proprietary flavors were being used in Barrie House’s brand of single serve pods.

The complaint accuses Barrie House of theft of trade secrets, fraud, negligence and breaches of contract, warranty and covenant. It is demanding judgments ranging from \$500,000 to \$6 millions per cause of action.

Office Coffee is represented by Manhattan attorney Jeffrey Ruderman.