



Clifton-based e-tailer caters to a growing national thirst

by Martha McKay

Call it tea-commerce.

Tea drinking in the United States is on the rise and with it has come a growing number of Web sites devoted to selling the ancient leaf.

One of the more well-known is Clifton-based Adagio Tea, a thriving dot-com that blends sales with customer education and may be an e-commerce venture that promises to pay off.

After all, tea keeps well, it doesn't cost much to ship, and online retailing gives true aficionados access to specialty teas they're not likely to find in a local supermarket.

So says Michael Cramer, founder and president of privately held Adagio, which sells more than 100 traditional and exotic teas exclusively online (www.adagio.com).

The company counts about 35,000 customers, predicts sales will top \$1 million this year, and is one of the most frequently visited tea Web sites, according to Alexa, a Web traffic monitoring site owned and operated by Amazon.com.

Driven in part by publicity over the possible health benefits of black and green teas, total U.S. tea sales have jumped from \$1 billion to about \$5.1 billion over the past decade, according to the New York-based U.S. Tea Council, an industry trade group. Some of that growth comes from popular bottled iced-tea drinks such as Snapple.

But during the same time period, higher-end specialty tea sales have grown from \$200 million to \$500 million, the Tea Council reports. Though no one tracks Internet tea sales, experts say the market is expanding quickly.

"There are hundreds of tea Web sites active today," said Brian Keating, president of Sage Group International, a tea industry market research firm.

A former investment banker, Adagio's Cramer, 36, speaks with a hint of an accent that reveals one of the real reasons he quit the finance business to spend his days on the top floor of an old silk factory overseeing shipments of tea.

Born in Moscow, Cramer, his parents, and younger brother, Ilya, moved to Fair Lawn in 1979.

His mother, Sofya Kreymerman (Cramer Anglicized his name), kept the tea-drinking tradition alive in New Jersey, trekking to lower Manhattan's Chinatown to find good tea to serve her family and friends.

"Growing up we always had it in the house," said Cramer, adding, with a grin: "It's the No. 2 drink in Russia - after vodka, of course."

Several years ago, Sofya Kreymerman's tea passion led her to

consider opening a tea shop where customers could come for a cup and a pastry. But after looking at the economics, instead of a tea shop in downtown Englewood where the challenge would be to attract customers from nearby, Kreymerman and her two sons decided to start a Web company where the potential customer base would be in the millions.

With Cramer's business acumen, his brother's Web design expertise, and their mother's knowledge and love of tea, the family founded Adagio in 1999 at their home in Fair Lawn.

By October 2001, when boxes of tea overflowed the basement, the upstairs, and a rented storage locker, Cramer moved the business to the top floor of the old Henry Doherty Silk Factory in Clifton.

Cramer and a small team - the company employs eight including his mother and brother - run the packing and shipping operation in a giant 13,000-square-foot loft dominated by 52 towering windows that overlook the neighborhood treetops.

Neatly lined up on two long racks of shelves stand more than 100 kinds of tea packed and labeled in various size tins and bags.

Between the familiar Earl Grey and English Breakfast was something called Eroica Caravan, a black tea from China's Fujian province dried in bamboo baskets over a pine fire.

There were all sorts of teas - blacks, rooibos, oolongs, greens, whites, and organics - with names like ice needle, dragonwell, and pi lo chun. Nearby, bigger boxes brimmed with tea leaves newly arrived via cargo ship from China, Japan, India, Sri Lanka, and Taiwan.

On a recent afternoon, sun streamed through the windows, the air smelled sweet and spiced in the cavernous space, and Cramer rattled off fast facts about tea.

"It's the most popular drink in the world outside the U.S.," he said.

With the exception of herbal teas, all tea comes from the same plant, *Camellia sinensis*, he explained. And, much like wine, the enormous variations result from things such as soil differences, climate, and the way the plant is processed.

There is tea that, when brewed, is darker than coffee. Other tea is as clear as water, he said.

Most Americans are not aware of the variety and quality of tea available and it's this last fact that Cramer hopes will help grow his business. Many of Adagio's customers have spent time in tea-drinking countries where they learned about so-called specialty teas.

Joseph Simrany, president of the U.S. Tea Council, said one challenge for companies like Adagio is educating customers.

He compared high-end teas to other products such as olive oil, wine, and beer, which saw their markets expand after American consumers learned terms like first-cold pressed and micro-brewed.

In the way that Starbucks is credited with expanding Americans' coffee habits, Cramer hopes Adagio will be able to teach customers the difference between Ceylon sonata and genmaicha - and sell them some along the way.

After all, said Cramer, "once you walk into a Starbucks, the chances are you're not going back to Folgers crystals," he said.