



Stefanie Deutsch/Aspen Daily News

The corner of Cooper Street and Galena Street has been home to Paradise Bakery & Cafe since 1981. The company recently was bought back by original owners, who founded the company in 1976.

## Locals bringing Paradise to a posh mall near you

*SkiCo CFO, Danks, provides missing link to bakery chain's planned growth*

By Sarah Taylor  
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After 12 years, the founders of Paradise Bakery & Cafe can now say the company has returned into hands where it truly belongs. In October 1998, Dan and Mark Patterson bought back Paradise, which they founded in 1976 in Long Beach, California.

Owners of the current Paradise Bakery & Cafe Inc. now include Aspenites Dan Patterson, CEO and president; Mark Patterson, senior vice president of operations; Carter Holmes, senior vice president of development and marketing and David Birzon, director of operations.

Laurie Danks, current Aspen Skiing Co. vice president and chief financial officer, will complete the Paradise staff when she steps on board in April, as CFO and partner.

"She provides the missing piece we haven't had in 12 years," says Dan Patterson. "It's imperative to have a strong CFO for expansions. It's an integral part of the company."

In 1987, Paradise owners sold the company to the Chart House Restaurant. The Pattersons continued to run several of the stores for a year and a half, and then operated separate franchises throughout Colorado, California, Texas and Arizona.

In 1996, Java Centrale Inc. bought all assets from the Chart House and changed its name to Paradise Holdings. But in 1998, Paradise Holdings filed bankruptcy and the former owners jumped at the sudden opportunity.

"At that point, we had about 13 franchise stores," Mark says. "If the parent company wasn't in good hands, everything was out of control. We were at their mercy."

Paradise Bakery means more to the Pattersons than the fact that it's simply a commodity. It serves

## Bakery founders buy back company to grow it their way

as a personal investment — one that transpired through decades of experience.

"It could go from Java to who knows who," Mark said about the series of owners they've been through. "We thought, 'gosh, what if we're bounced around in that limbo?'"

To establish security of ownership, as well as an obvious financial security, they purchased the company for \$2.5 million with a loan obtained through Alpine Bank and Trust.

The new owners merged the 19 stores and 16 franchises, establishing Paradise Bakery & Cafe Inc. Main headquarters will soon be located at the Aspen Cybercare and Tech Center building. The center's technological resources will help with Paradise's expansion.

The buy-back also provides the owners with a better business efficiency and control. Since 1987, franchisees have been running their individual stores in their own, individual, way. The result, in some cases, were stores with inconsistent quality and products.

"There were other franchises that shouldn't have been in the business," Mark says. "They had the money and that's it. They weren't 'people people' and (they had) struggles. It bothered us."

Upon buy-back in October, the Pattersons and Holmes visited all the franchises, helping determine the elements needed for the stores to remain or become successful. David Birzon was promoted to director of operations, and is now based out of Phoenix. Birzon has managed the Aspen store since the '80s and knows the ins and outs of the business.

Goals include franchise development in select locations. Paradise Bakeries thrive in high traffic, upper-income areas, such as Denver suburbs and Scottsdale, Arizona. By the year 2000, four or five more "key deals" should be wrapped up and running in Phoenix and Denver.

Plans also include securing locations in airport and major malls. Currently, Phoenix airport's Paradise Bakery & Cafe Inc. grosses approximately \$2.6 million in sales a year and is the company's largest revenue producer.

Nevertheless, the Pattersons say they will strive to retain the "small town" character in their big business, grow selectively and endeavor to hire and promote from within.

"We don't care if other companies have more stores," Dan says. "They're not here in Aspen. We're locally-based, and with a growth operation."