

AN ENTREPRENEURIAL SUCCESS: GAGAN PRADHAN

Ideally, you'd want to start a business in an economy where the market is ready. But that isn't always the case. Under the Captainship of Gagan Pradhan, Himalayan Java went in with all guns blazing at a time when the coffee market of Kathmandu was far from welcoming. For a predominantly tea drinking community the internationally loved bitter beverage turned out to be a bit of an acquired taste. It took a while for Himalayan Java to get things rolling, but despite going against the grain the name has prospered into a brand that initiated and sustained an entirely new culture and industry.

Sometimes, it isn't just about waiting for the things to be just right. Sometimes you have to go and create opportunities and follow your instincts, even if it means that you have to work harder at it than everyone else. Gagan Pradhan followed his gut feeling and persevered to turn his entrepreneurial venture into a success despite the odds. There are many people who seek opportunities abroad believing that Nepal has absolutely nothing to offer, Gagan Pradhan had set out to prove these people wrong. Sixteen years later he has done just that.

"I make quick decisions," he explained as we drank coffee at a meeting table in his office. I had ordered an Americano for myself while I waited for him. He got me another one, insisting the one I had was too cold to drink. The well lit room had several boxes of coffee equipment stacked on the wall mounted racks; I'd never seen them before and couldn't really tell what any of them did. "I'll deal with the consequences of my decisions, but there is no point taking forever to make a decision. While you contemplate the pros and cons of your idea, someone else will make a quicker decision and start things off."

Gagan Pradhan studied in Australia and like many students studying abroad, he survived on coffee and chocolate. Once he came back to Nepal, he worked as a front desk manager in a five-star hotel for a while and soon realized he could do much better. There were no coffee houses in Nepal, and Gagan acted promptly to fill the gap. But it wasn't just about filling a gap that seemed like a lucrative opportunity. He knew more about coffee than the average man, so he had an edge; and he was skilled with numbers and unafraid to work hard. But Gagan was also passionate about coffee and he wanted to create a place where people like him could enjoy the services of a good coffee house.

Not too surprisingly, the business wasn't an overnight success, not by a long shot. Negative feedbacks outweighed positive ones. That was partly because the market wasn't accustomed to the culture of drinking coffee or to the environment of coffee houses. Stories were shared over roadside tea shops or in a generic cafés with marble top tables and metal chairs. People complained about the name of Himalayan Java because many found it misleading.

"There were so many times when people came in looking for a computer service shop and went back disappointed," reminisced Pradhan "But I was enjoying that. I was trying to create something completely new in the market and I knew it was going to take some time before it finally caught on." While opening a coffee shop and integrating a new culture into the country was the primary objective, Gagan Pradhan was adamant on promoting Nepali coffee. Sixteen years later, this mission still drives the company forward.

“Most investments have a payback period of 3-5 years.” he explained, “so when you do a business patience is the most important thing. As an investor I always believed that you need to dream big. There were difficult times, but I never felt like I had made a wrong decision. I never had the time to sit and think or regret or anything because I was happily involved in what I was doing. “

When Himalayan Java first started out, it functioned under the efforts of a small team that was headed by Gagan Pradhan himself. The day started at seven in the morning and ended when the clock struck 10 in the evening. He made sure he put in hard work every day. He worked the coffee machines, cash counters, and mopped the floors.

“The best way to get the people around to put in their best effort is by setting an example. When your employees see you cleaning tables and mopping floors, they automatically work harder.” Pradhan might not be wiping tables and cleaning floors anymore, but his energy and effort has not depleted. He starts the day out at seven in the morning and makes it a point to try and visit each of the Himalayan Java outlets inside the city every day. Now that he isn’t involved in the operational functioning, he has had the chance to strategize and expand his business. Today, there are several outlets all over the country and a very recent one was opened in Omaha, Nebraska USA.

Himalayan Java changed the face of the coffee industry in Nepal. Gagan Pradhan went a step further and expanded the business’s portfolio by opening Nepal’s first Barista workshop. They are also the sole distributors of various coffee equipment and products such as coffee machines, grinders, blenders, tamping pad etc.

The fact that whether or not Nepal has a conducive environment for a lucrative business to prosper has been hotly debated. Gagan Pradhan has in many ways proved the potential of Nepal’s economy and possibilities for sustaining a successful business. “People who have not done business in Nepal are reluctant to start something here. It is my personal judgment but that is what I believe. I’m running a coffee shop and a couple of things are important to the operation of my business: electricity, good quality water, and good quality milk. Our country lacks in all three, I’m still running a coffee shop. And the FnB business is still growing.

It is difficult to sustain in Nepal, but it isn’t impossible. People are so used to working 9 to 5 that they can’t imagine risking the routine life. They do nothing for the country yet make comments about the country. Either come back to the country, or don’t make comments about it.” We met up again at Bouddha’s Himalayan Java outlet. It took him over a decade to find an available and suitable place in Bouddha for his Java outlet. At long last, he was able to work out a deal for a beautiful spot right next to the Bouddhanath stupa that was on sale. The location was previously occupied by a thakali food restaurant which happened to catch Pradhan’s fancy. It wasn’t only because of the location but the food and service too. Gagan Pradhan has always had a penchant for acting on instinct and he saw an opportunity here too. Moreover, the idea of a thakali kitchen coincided with the mission of his institution: promoting Nepali products and values.

So, instead of selling the restaurant equipment and furniture for scrap value, Gagan Pradhan opened up a premium joint dedicated to Thakali food. The head chef really impressed Pradhan too. "We decided we were going to use his expertise, our investment to start something in the FNB industry with this combo.

I did not just hire him as a chef but made him my business partner." Gagan elucidated on how Nilgiri Thakali Delights was established.

Gagan Pradhan has made a mark in the industry and played an integral role in the establishment of the coffee shop industry. Today there are hundreds of coffee houses all over the Capital, but it is important to keep in mind that when Gagan Pradhan decided to open up Himalayan Java the coffee drinking culture was almost nonexistent. Despite the shaky economic environment and reluctant market, Himalayan Java was able to prosper into a booming business. There are few other businesses in the industry that have as many outlets as Himalayan Java and now Pradhan has expanded with Nilgiri Thakali Delights.

Taking things further, Gagan Pradhan is finally looking into coffee agriculture. The government and several agencies including Himalayan Java have been encouraging farmers to grow coffee. According to official figures, Nepal now has 1,700 hectares of coffee plantation, more than 10 times the area 20 years ago, when coffee cultivation started picking up. "I don't think importing coffee matches with my mission and I still stick with the vision of promoting Nepali coffee. Now, after 16 years of running Himalayan Java, this year I am finally getting into farming.

I do not think that it is okay to do everything at once. I believe in doing what I am good at. I was good at managing and running a coffee shop. This time I have my hands on farming I have to be more careful."

His journey from an entrepreneur treading into murky waters as a coffee shop owner to a juggernaut of the food and beverage industry has been spectacular. There are few other businesses that have expanded as aggressively and successfully as Himalayan Java. And from the looks of it, Gagan Pradhan is not slowing down any time soon.

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