

GRAHAM & DUNN PC

RENE REY CHOCOLATES DELIVERS OLD WORLD PERFECTION IN CONFECTION

Graham & Dunn helps chocolate maker achieve business expansion goals in U.S. Markets

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Mention the name Rene Rey in Canada and people will smile, nod knowingly or maybe even lick their lips. Who is Rene Rey? He's not a movie actor. He's not a hockey player. He's a chocolatier-maker and purveyor of fine, European-style chocolates.

For the past 28 years, Rey's company, Rene Rey Chocolates Ltd., has provided people in Canada and abroad with unique, high quality chocolates using old, original Swiss recipes. Thanks to legal counsel from Graham & Dunn, now US citizens will be more likely to see Rene Rey products on the shelves of gourmet markets or in specialty catalogs.

DISTINCTIVE PRODUCT LINE SETS RENE REY APART

Part of what makes Rey's chocolates memorable is his ability to take traditional chocolate techniques and apply them in ways that reflect modern tastes.

For example, Rene Rey Chocolates recently introduced a line of wine chocolates. Technically difficult to make because of the way wine ferments, Rey nonetheless converted Canadian-made ice wine into a liquid gel and extruded it into a chocolate coating. To his knowledge, no other chocolate maker has been able to offer a comparable product. "It took us over a year to produce our ice wine chocolates," Rey said. "We tested and tested to perfect the recipe."

Another unique example is Rene Rey Chocolates' 100 percent pure maple sugar chocolates. Instead of using white granulated sugar as a sweetener, Rey dries maple syrup into maple sugar to make a light chocolate with the subtle flavor of maple. He uses the maple sugar chocolate in some of his creative recipes and also dips cookies in the concoction.

FAMILY WINS GOLD MEDALS FOR ITS CHOCOLATE

Rey grew up in Switzerland the way many of us only dream about-smelling, making and selling chocolate every day. His family owned a specialty business famous in the region for its chocolate. Under the tutelage of his father Eugene, Rey learned the fine art of making confections. He then formalized his training with internships at renowned chocolate and confectionery companies in Switzerland, Sweden and England.

The Rey family achieved acclaim at international food competitions for its chocolate making abilities. "My father and I won seven gold medals at two prestigious events-the Hospes Exhibition in Berne, Switzerland in 1954 and the Swiss National Exhibition in Lausanne, Switzerland in 1964," Rey recalled. "The awards reinforced my ambition. When I moved to British Columbia, I decided to try my hand at making high quality chocolate on Canadian soil. Rene Rey Chocolates was established in 1974."

The family name lives on through Rey's own family, as his daughters are actively involved in the business. For example, Jackie Rey works as general manager. "My responsibilities include new product development, production, quality control, purchasing and administration."

TURNING RAW COCOA INTO A TRUFFLE

Making chocolate is a complex process. The raw ingredient is the cacao bean, which contains kernels, called nibs. The nibs are ground and heated to extract the cocoa butter; the remaining thick brown paste is called chocolate liquor. Rene Rey Chocolates imports raw cocoa from West Africa's Ivory Coast, one of the creams of the crop for cacao beans.

Next Rene Rey refines, or mixes continually, the cocoa butter and chocolate liquor to create a smooth texture for the chocolate. Average chocolate makers refine for 15 to 24 hours, but Rene Rey refines for 40 hours for its distinctive products.

Depending on the type of chocolate being produced, Rene Rey then adds milk solids and sugar to make sweet, bittersweet, dark or milk chocolate. Finally, Rene Rey puts the chocolate through a process called conching to extract acids and achieve smoothness. The result is bulk chocolate, called chocolate couverture. Premium couverture such as Rene Rey's contains less sugar and more cocoa ingredients.

To make individual chocolates, Rene Rey melts the couverture, makes fillings and deposits it into molds. The chocolates are cooled, then removed from the molds and packaged.

For the first 15 years of business, Rey imported bulk chocolate from Switzerland. In 1989, he purchased his own refining and conching equipment, as well as automated molding lines and high-speed packaging machinery. Today the Rene Rey Chocolates

factory is one of only two chocolate couverture plants in Western Canada. The 24,000 square foot factory can produce as much as 7000 pounds of chocolate products per day, and employs between 20 to 30 people at a time, based on the season. The dollar value from daily production is between \$15,000 and \$20,000 (Canadian).

DISTRIBUTING FINE CHOCOLATES AROUND THE GLOBE

Supplying Canada with fine chocolate products is about 30 percent of Rene Rey's business; over 60 percent is in the export market to Japan. "The Japanese are willing to shop the world over for fine food products, and they prefer the less sweet taste of my chocolates," said Rey. For example, Rene Rey supplies Walt Disney Japan, major department stores and hundreds of gift shops with wrapped Disney characters, such as Winnie the Pooh and many others. The company also supports the Japan Travel Bureau (JTB) with chocolates and truffles for its specialty gift catalog business.

Now Rene Rey Chocolates is setting its sights on the US market. "Population and proximity make this a perfect target for us," said Gerald Pinton, director of marketing. One opportunity is in sugar free chocolate, which is gaining popularity in the US and other markets. The company is actively pursuing this trend by manufacturing its own brand of sugar free chocolate.

GRAHAM & DUNN PROVIDES TRADEMARK AND DISTRIBUTION COUNSEL

Currently, Graham & Dunn is helping Rene Rey with US trademark work to protect its unique product shapes, labels and packaging in the United States. "We prepare, file and prosecute new applications as well as maintain existing US trademark registrations for Rene's company," said Bob Cumbow, a Graham & Dunn shareholder whose practice focuses on advertising and intellectual property.

"Graham & Dunn has an excellent knowledge of trademark law," Rey said. "My experience with them has been very pleasant. We consistently receive fast and helpful service."

To support the company's expansion plans in the U.S., Graham & Dunn is gearing up to provide counsel on compliance with state and federal regulations.

On a recent trip to Vancouver to meet Rey and his team, Cumbow toured the facility and sampled the various chocolate products. "I returned with several boxes and shared them with MY co-workers," Cumbow said. "They were such a hit that we've decided to use Rene Rey Chocolates as client and employee appreciation gifts."

For more information, visit the Rene Rey Chocolates Web site at www.chocolate-canada.com or call Gerald Pinton at 604-985-0949. You also may contact [Bob Cumbow](mailto:Bob.Cumbow) at 206-340-9619 or rcumbow@grahamdunn.com.