

# Will Canada's Tim Hortons win over UK coffee fans?

National institution to take on Costa and Starbucks with its 'double double' and Timbits

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With plans for its first outlet in Glasgow, can Tim Hortons compete in a busy market? Photograph: Bloomberg/Getty Images

The [Tim Hortons](#) coffee chain is so inextricably linked to Canadian national identity that the venue for its [UK launch this week](#) was obvious: Canada House, in central London. Never mind that the first British outlet will be in Glasgow – choosing the home of the Canadian high commission to mark its British debut reflects a certain national pride in the

brand.

“Being associated with [Canada](#) at this particular moment in history is no bad thing,” says the company’s chief marketing officer, Neil Littler. “But,” he adds, “we won’t be sticking maple leaves on everything.”

While Hortons is an institution in its home country, this may well count for little in the UK, where the high street is dense with competition in the coffee, sandwich and doughnut markets. The chain at least has a signature product to mark it out from the opposition: the Timbit, a small globe of fried dough meant to represent the missing hole in a doughnut.

Hortons says, however, that it will focus more on fresh food. “Pret a Manger assembles its sandwiches on site, yes, but not in front of the customers,” explains Littler in a nod to one of its biggest UK rivals. Hortons says its expansion will be “nationwide” but is coy about details, aside from identifying its first British outlet. So the mass conversion to Timbits and a cup of Canadian filter will not be immediate, if at all.

But the potential prize is big. According to market research firm [Mintel](#), the UK retail coffee market has raced from a value of £137m in 1997 to £3.4bn by 2016. The market has grown by £1bn alone since 2011.

However, wresting a meaningful share of that growth from established rivals will be difficult. Mark Brumby, analyst with leisure industry advisory firm Langton Capital, says the Canadian firm will not find the UK an easy market to crack.

"I was in Canada the year before last and [Tim Hortons] is an institution there, but I struggle to see what it's going to add in the UK that we haven't got already," he says. "I can't remember the last time I couldn't find a coffee shop."

He acknowledges that some players believe the market can expand. "Costa and the others insist there is room for more, they say we don't drink as much coffee as the Scandinavians, and we don't. But whether we ever will is the question."

Hortons claims to pour eight out of 10 cups of coffee sold in Canada but it will not repeat that feat in the UK. "It's competitive in the UK and we're good at retail and leisure," says Brumby. "Costs are high and it's high profile but also high risk. If you don't succeed, the world is going to see it."

Founded in 1964 by former ice hockey player Tim Horton, who played for the Toronto Maple Leafs, the chain was originally conceived as a kind of diner for baked goods. Ten years later, Horton died in a car accident, and the chain that bore his name went on to win itself a kind of nostalgic respect, along with a dedicated customer base made up of everyone from students to builders to working professionals looking for a cheap lunch. For the last two decades or so, Tim Hortons has doubled down with advertising that ties the chain to another Canadian institution: ice hockey.

The Canadian high commissioner to the UK, Janice Charette, inadvertently plays to that image at the launch. "I'm a hockey mom, so for me that meant a lot of mornings in Ottawa piling my children into the minivan and then shivering in the rink with a cup of Tim Hortons."

But that loyalty will not travel far across the Atlantic. Littler, the marketing head, makes much of the response on social media to the announcement, but admits it's hard to tell how much of the excitement comes from Canadian expats.

Gurprit Dhaliwal, chief operation officer at Hortons, stresses that for now they will test the waters in Scotland, where many people have relatives in Canada, before eyeing a rollout to other British cities within a year – although London is not on the list for now. But how will the company sell itself? Will there be an advertising campaign? "When you find out, let me know!"

There is a twist to this all-Canadian tale. Tim Hortons is owned by Burger King parent Restaurant Brands International (RBI), which is located in Canada but controlled by an ownership structure of Brazilian private equity group 3G and US investment firm Berkshire Hathaway. The Tim Hortons rollout in the UK has been outsourced to SK Group, a franchise operator that helped Domino's Pizza get a foothold in Britain; Dhaliwal himself runs a Domino's franchise company with his co-director of Tim Hortons UK & Ireland, Surinder Singh Kandola.

Charette admits that there's something strange about the Canadian embassy hosting a launch event for a company with predominantly US ownership, but says the high commission's role is not just to encourage Canadian business but Canadian employers, as well as to promote awareness of the country in Britain. "Tim Hortons means a lot to Canada," she says. What it will mean to Britons remains a tricky question.