

# Do not leave your bags unattended

## Transparency

By Miles Small

This ubiquitous announcement heard in airports worldwide may soon be moving to a different type of bag – the coffee bags from origin. It is likely that within the next 5 years importers will have to declare a full and transparent providence (a clear and unbroken chain of possession) for all coffee entering the United States. This poses some daunting questions for the US coffee industry.

The transparent movement of coffee from the field to the cup has been, at best, haphazard. This is especially true for specialty coffees that often are lost within the milling process because of blending and misinformation. In specialty, unless your company is substantial enough to ensure the providence of coffees from grower through processing and into logistics and delivery to the port of entry, ensuring absolutely the chain of possession of coffee; the possibility of absolute assurance is, at best, iffy.

9/11 suddenly raised the specter of food chain vulnerability to tampering, especially from food and other products imported into the United States that are not subject to USDA inspection at origin. This heightened sensitivity was further exasperated by a chain of imported food borne illnesses brought in on fresh and prepared foods from Latin America and China. Possibly spurred on by mob hysteria, the potential for tampering is nonetheless real.

At the center of the controversy associated with international food safety is Senate Bill 510, to expand the authority of the Secretary of Health and Human Services to regulate food. The primary sections of the bill as they relate to coffee are the authority to 1) promote the safety and security of food, and 2) promulgate regulations regarding sanitary and safe food transportation. Additionally the Secretary is empowered to establish systems for foreign supplier verification, a voluntary qualified importer program, and the inspection of foreign facilities registered to import food. The bill is currently before the Senate for consideration having been reported out of the Committee on Health, Education, Labor, and Pensions to the Senate calendar. It is currently stalled behind the Financial Reform legislation under consideration in the Senate.

The National Coffee Association is vigorously lobbying against passage of this bill, along with the SCAA. Coffee's position is that these added regulations will increase costs and subject coffee to unnecessary scrutiny. The furor revolves around the definition of coffee as a 'food.'

Regardless of whether or not this legislation passes, it is inevitable that coffee will have to begin verifying and tracking green coffee throughout the entire supply chain eventually. The writing is clearly on the wall, either from S510 or through promulgation of rules and regulations within HHS and the Dept. of Homeland Security.

Traceability, through the use of identity databases will, in theory allow for the government to search and discover where dangerous food products originated, leading to greater food security in the United States. A potential added benefit to being required to document full providence of coffees from seed to cup is that we, in the coffee industry, will for the first time have a functional database of all members of the supply chain. Transparency will make the roaster-grower relationship a permanent and transparent feature of coffee transactions. Large organizations may want to kill S510, but for small roasters, traceability and transparency may be the most powerful marketing and purchasing tool to come around for a long time.

Knowing this, the many methods that have been attempting to develop proprietary systems for traceability and transparency within

the supply chain have been spurred to redouble their efforts to perfect their methods of tracking their coffees.

Among those dedicated to developing a method of seed-to-cup transparency is Jim Kosalos from San Cristobal Coffee Importers. Importing coffees primarily from Mexico, Kosalos has devised a bar coding protocol for exactly tracing the source of the coffees he sells. Using the coding standards already in place from the International Coffee Organization, Kosalos has enhanced the coding specifically to pinpoint the origin, method of processing, and quality elements of each bag of coffee.

Through this method, roasters and importers are able to tell an extreme amount about their coffee; and the Department of Homeland Security requirements for international food safety through traceability can be satisfied.

Most producers label their bags of processed coffee with only the mandated ICO codes, which do not reflect any information about the grower or quality. The system developed by San Cristobal Coffee enhances this numbering system. Importers, customs, warehouses, and roasters are able to drill deeper into origin and quality grading of the coffee.

This same process, to a great or lesser degree is spreading across specialty coffee as the ability to produce reliable databases; the use of the internet for information gathering, and access to in-country information becomes more accessible. Any form of bar coding however does require a higher degree of technology and expense than is typically available at farms. Systems such as the one design by Kosalos must by necessity begin through cooperatives and gradually emerge into the greater coffee grower communities.

Whatever the timeline is for deployment of a traceability system globally, there is a powerful need for standardization of protocols. Of course, some small holders will not be able to afford sophisticated tracking systems and potentially will be harmed by the US demand for traceable food products. This may be mitigated through altering the chain of custody to take delivery FOB the farm gate. This however requires importers to take significantly more risk than is traditional. One way or another, the time is fast approaching when all coffees imported into the United States will have to arrive with certified providence and a fully transparent chain of custody.

The recent phenomenon of guided roaster trips to origin, roasters developing direct relationships with individual growers and co-ops; what used to be called 'putting the face on coffee,' has brought the coffee story much closer to consumers. Establishing full and transparent traceability for coffee will provide a powerful tool to small roasters and cafes that want to help their customers to understand, to feel, the story of coffee. ☞

