

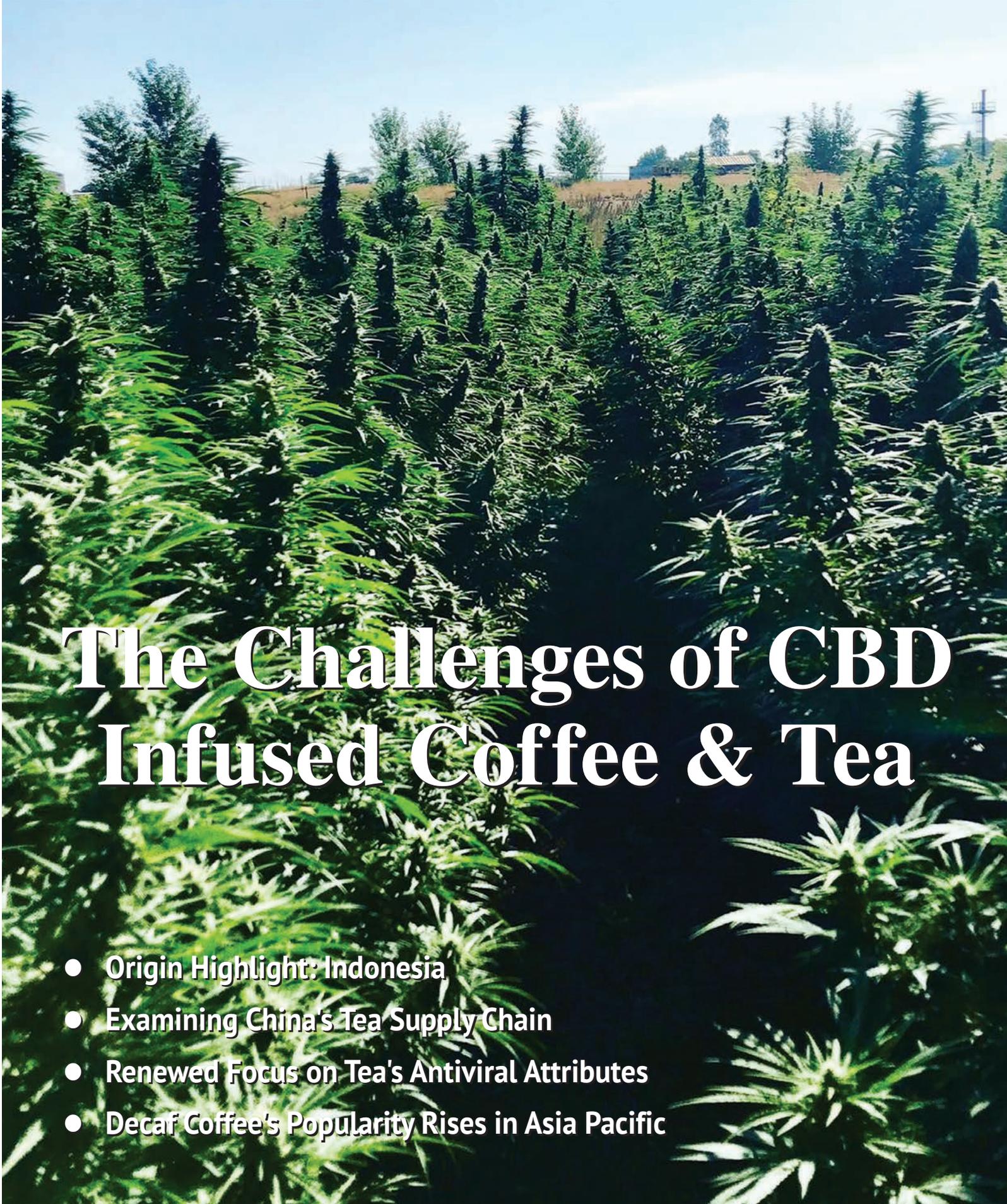
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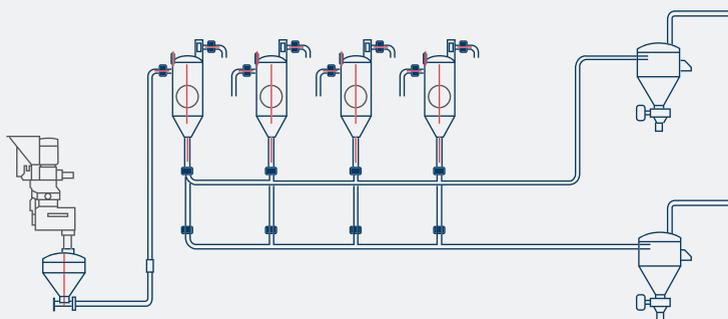


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CONTACTS

- Editorial Director**
Sarah McRitchie
sarah@bellpublishing.com
- Editor**
Vanessa L Facenda
vanessa@bellpublishing.com
- Specialties Editor**
Donald N Schoenholt
- Art Editor**
Sue Burke
prepress@bellpublishing.com
- Digital Editor**
Alex Rivers
arivers@bellpublishing.com
- Contributing Writers**
Joseph DeRupo
Barbara Dufrêne
Maria Ferrante
Anne-Marie Hardie
Yumi Nakatsugawa
Alexis Rubinstein
Maria Uspenski
Jason Walker
Peter Wong

Group Sales Manager
Mark Neilson
mark@bellpublishing.com

Head of Sales
Steve Crowhurst
steve@bellpublishing.com

Events Manager
Megan Freeman
megan@bellpublishing.com

Assistant Events Manager
Kyra O'Sheen
kyraosheen@bellpublishing.com

Accounts Payable
Yee Yau (Miss)
yee@bellpublishing.com

Publishing Director
Neil McRitchie
neil@bellpublishing.com

Taiwan Sales Agent
Worldwide Services Co Ltd
11F-B No 540, Wen Hsin Road,
Section 1
Taichung 40848, Taiwan
Email: wilson@acw.com.tw
Tel: +886 4 2325 1784
Fax: +886 4 2325 2967
Web: acw.com.tw

Tea & Coffee Trade Journal
Editorial & Sales Office:
The Maltings, 57 Bath Street,
Gravesend, Kent DA11 0DF, UK
Tel: +44 1474 532202
Web: www.teaandcoffee.net

DEPARTMENTS

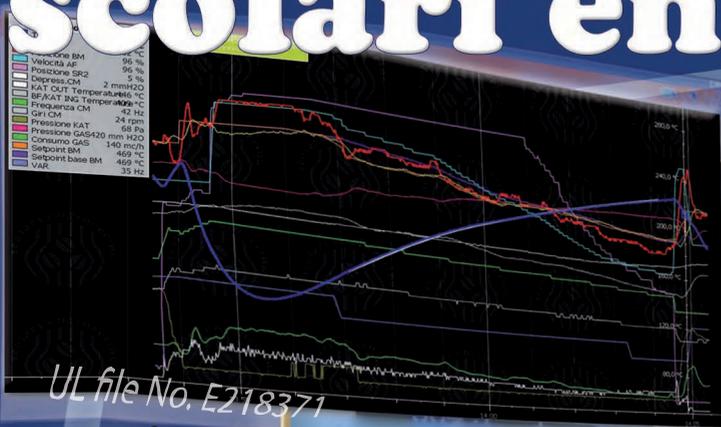
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A New “Business as Usual”

Not much has changed since we closed our April issue. Covid-19 remains a global pandemic with many people still required to stay home – although some countries are seeing improvements and having their lockdowns gradually lifted. Non-essential retailers and other businesses including many foodservice establishments are still closed, and “virtual everything” has become our new way of life (Zoom Happy Hours seem to be taking place as frequently as Zoom business meetings!). Here in New York City, our stay-at-home directive is in place until at least 15 May, when it will be re-assessed, we must wear masks or some sort of “facial covering” when in public, and it is still incredibly difficult to find an open coffeehouse though some are starting to do only mobile orders or delivery (most of these are located near hospitals).

Mere hours after uploading the April issue, which was originally the Specialty Coffee Expo issue, the SCA cancelled – not postponed – both the Re:co Symposium and the Expo (see the story in *New & Notable*, page 7), and are focusing their attention on the 2021 events (although plans for the World Barista Championships are still in the works) as well as the postponed World of Coffee, now being held in October. We have an extensive listing of cancelled/postponed 2020 shows and their revised dates – if available – in our Calendar of Events (page 14) as well as on our website (www.teaandcoffee.net). Interestingly, at press time, there were still a couple of shows scheduled to take place in May that had not yet announced postponements or cancellations.

We intended to distribute the May issue at Interpack (now in February 2021 in Düsseldorf, Germany) and World Tea Expo (now in October in Denver, Colorado). Several companies that planned to exhibit at Interpack announced that they would be hosting “virtual trade shows” during the dates the show would have taken place to highlight their newest packaging and processing equipment/machinery. Many players in the tea industry have also escalated their virtual presence, from more webinars and online classes to “tea parties” and even a virtual tea festival. The SCA held an “Expo Weekend” with digital

education content and a virtual Barista Guild-hosted after-party. It is wonderful to see so many companies and industry associations “upping their games” in innovative and creative ways to continue to provide services to and engage with clients and members, as well as the overall coffee and tea industries.

Speaking of providing...our Company News section is filled with companies that are offering relief by means of donating food, beverages, funds, essential materials and/or services and resources to local and global communities amid the Covid-19 crisis. Kudos to all the companies that are stepping up in such a generous fashion!

A special Equipment & Packaging section was scheduled to run in this issue to coincide with Interpack. As the show is no longer taking place, we have omitted that section since it was promoting equipment/machinery that would have been exhibited at the show. The next E&P section will appear in the issue that will be distributed at Pack Expo International in Chicago (if the fall show in fact takes place). However, although World Tea Expo is no longer being held this month, we’ve kept the tea features in the issue as many are highly topical, such as the stories on China’s tea supply chain and on tea’s antiviral components, which are being re-analysed to confirm these properties.

Could CBD-infused coffee and tea beverages be the next “cold brew?” Many seem to think so. In fact, in the United States, e-commerce sales of CBD-products have reportedly spiked during the Covid-19 epidemic as quarantined consumers look for anxiety and stress relief. Our cover story focuses on the challenges of marketing CBD coffee and tea products in the face of regulatory uncertainty, overcrowding (with myriad untrustworthy brands) and credibility claims.

I look forward to seeing everyone again in person when travel, trade shows, conferences, conventions, and even small events resume, whenever that may be...Stay safe and be well!

Vanessa L Facenda Editor
vanessa@bellpublishing.com



Vanessa L Facenda in New York City in April 2020.

FOR SUBSCRIPTION & CIRCULATION ENQUIRIES CONTACT:

subscriptions@bellpublishing.com

Subscription Rates

UK: £110 (1 year), £198 (2 years)
Europe: £110 (1 year), £198 (2 years)
USA: \$125 (1 year), \$225 (2 years)
Rest of World: \$178 (1 year), \$322 (2 years).
Digital Only (1 year): £99/\$125

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Celebrating 20 years of magazines and events, Bell Publishing Ltd, Gravesend, Kent, UK produces *Tea & Coffee Trade Journal*, *Dairy Industries International*, *Confectionery Production*, *Food & Drink Technology*, *CanTech International* and *SweetsandSavourySnacksWorld.com* as well as the *Ukers' Tea & Coffee Global Directory & Buyers' Guide*.

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Each year, *Tea & Coffee Trade Journal* publishes the *Ukers' Tea & Coffee Global Directory & Buyers' Guide*, a comprehensive reference guide to the industry and its allied industries. Qualified companies are entitled to a free listing. Visit www.teaandcoffee.net/ukers to complete a listing form or reserve your copy.

TEA & COFFEE TRADE JOURNAL (ISSN 0040-0343 print; ISSN 2331-8546 online) is published monthly by Bell Publishing Ltd. © Copyright 2020 by Bell Publishing Ltd. Printed in the UK by Buxton Press.

Member: *National Coffee Association, Green Coffee Association, Pacific Coast Coffee Association, Coffee Association of Canada, Specialty Coffee Association, Specialty Tea Institute, Tea Association of USA, Tea Council of Canada.*



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NEW & NOTABLE

TEA & COFFEE REPORTS BREWING WORLDWIDE

The Colombo Tea Auction Transitions to an e-Auction in Light of Covid-19



Image courtesy of CTTA

The Colombo Tea Auction in Sri Lanka has switched to an online platform as a countermeasure against the Covid-19 pandemic. The Colombo Tea Traders Association (CTTA) made this quick and crucial decision knowing that this is the only method to keep the tea trade operational. With the utmost support and cooperation of all stakeholders, the historical first online auction was successfully conducted on 4 April.

In Sri Lanka, the first Covid-19 patient was confirmed on 27 January to be a Chinese woman from Hubei Province. After she had recovered and returned to China, the country had been considered relatively safe from the disease until 10 March, when the first Sri Lankan patient was detected.

The situation changed at high speed after many Sri Lankan migrant workers who had been working in Italy started to come back and many of them were confirmed positive with the virus.

The government took immediate action, suspending inbound passenger flights to Colombo International Airport starting 18 March; a three-day closure from 17-19 March for the public sector; and a nationwide curfew from 20 March with very limited liftings. However, the agricultural section, including tea, is exempted and both plantations and smallholders continue producing tea.

Sri Lanka annually manufactures about 300,000 metric tonnes of tea, and exports 90 percent through buyers at the Colombo Tea Auction. As the world's second largest tea-trading centre next to Mombasa, Kenya, the Colombo Auction handles on an average of 6,000 to 7,000 metric tonnes of tea weekly. It means even one week's cancellation of the trade will cause a heavy burden for the following sales.

Along with eight tea brokers' representatives, several hundred buyers gather in three auction rooms in the building of the Ceylon Chamber of Commerce on two consecutive days every week. The bids had been put by "cry-out" since its beginning in 1883.

The hazardous factors for the infection of the virus are now known as enclosed rooms, big gatherings and close person-to-person contacts. Unfortunately, the traditional cry-out tea auction bears all of them. The CTTA together with the Sri Lanka Tea Board (SLTB) made the one-day delayed manual auction possible on 19-20 March with stringent precautions. However, many buyers hesitated to appear at the auction to avoid the infection.

Consequently, the sales dates were rescheduled again, and special passes were issued for tea traders to come to the venue during the curfew. Under these difficult circumstances, how to conduct tea auctions without physical attendance became the imminent issue.

Although the manual tea auction in Colombo had been well established and coordinated to its best possible state, the computerisation of the auction has been discussed and some trials were made in the last 20 years in order to reduce cost and improve efficiency. However, those efforts could not be accomplished until Covid-19 started to spread throughout the country.

The CTTA called the first emer-

gency committee meeting on 31 March attended by representatives of the auction brokers and information technology (IT) engineers. "Its original concept was to simply list the tea but later the team designed a bidding system. From there it became more sophisticated. We worked 20 to 22 hours a day and started live tests on the third day," explained Anil Cooke, managing director of Asia Siyaka Commodities PLC, an auction broker, and the leader of the CTTA task force to implement the e-auction.

He noted that the hardest barrier to complete the e-platform was the mental block of human beings. "Many of us were skeptical and fearful that it wouldn't work. Or the load was too heavy to carry which may hamper the access speed and device compatibility," added Cooke. The committee provided the software and permitted two to three IDs to each of the approximately 350 registered buyers. The fourth ID will be given shortly before they start to run four channels or catalogues simultaneously.

After amending some issues found during trials, the first ever e-auction was held on 4 April beginning at 11am, with sales extended on 5 and 6 April. "We were delighted that there has been no serious system error so far, but we continue improving the interface to make it more user friendly," said Cooke.

The e-platform seems to be well accepted by buyers. The tea-buying department of Mabroc Teas (Pvt) Ltd stated, "It is indeed a huge step for the tea trade. The bidding process is similar as before. However, there is a small margin for improvement in terms of efficiency. We will surely achieve such advancements in the near future. Transparency is kept as open as the original auction process."

Yumi Nakatsugawa

SCA Cancels the 2020 Expo & Re:co Symposium, Looks to New Orleans in 2021

After many weeks without any news regarding the status of the 2020 Re:co Symposium and Specialty Coffee Expo, the Specialty Coffee Association (SCA) announced on 24 March that both events, which were scheduled to take place in Portland, Oregon in April, were cancelled – not postponed.

The SCA had announced on 16 March that its World of Coffee, originally scheduled for June in Warsaw, Poland, was being postponed until 15-17 October.

In a letter to exhibitors and SCA members (24 March), the association's CEO, Yannis Apostolopoulos, said, "Unfortunately, no other viable dates were available for the show to take place in Portland in 2020. We will be working with the SCA USA Chapter to explore options to hold the final US Coffee Championships of the year at a later date as appropriate. Re:co and Expo will return in April 2021 in the city of New Orleans, Louisiana."

The 2021 Re:co Symposium is scheduled for 21-22 April. The Specialty Coffee Expo will immediately follow, taking place 23-25 April at the Ernest N Morial Convention Center.

"I would like to send a heartfelt thank you to every single one of our sponsors, exhibitors, attendees, and volunteers for your patience and understanding over the past few weeks while we negotiated the future of these two events with our partners," said Apostolopoulos in the letter. "Many of you [have been wondering] why it has taken so long to announce the cancellation of these two events."

He noted that the Expo is the largest specialty coffee event in North America, and in order to make

it happen, "we engage in contracts with the venue and with over two dozen other partners, including hotels and other local businesses."

A few days prior to the Expo and Re:co cancellation announcement, in a webinar organised by Sustainable Harvest, Apostolopoulos reiterated what he had addressed in his 18 March letter and video to SCA members, that despite recommendations from the United States Center for Disease Control that all mass events (exceeding more than 50 people) scheduled through May be cancelled, the Oregon Convention Center (OCC) was not allowing the SCA out of its contract, leaving the SCA and its business partners in the city of Portland in legal jeopardy.

"We're actively working to postpone Re:co and Expo but cancelling outright puts the liability burden on the SCA [and its partners]," said Apostolopoulos during the webinar. "If the directive comes from the state of Oregon, it allows [us] to disengage without legal or financial repercussions...[Basically,] unless we get a directive to [undo] our contract with the [OCC], we're stuck."

Upon announcing the cancellation of both events, he explained that when it became clear that it would not be possible to find new dates for later in the year in Portland, the SCA's negotiations with these partners focused on ending these contracts without putting the SCA, a non-profit association, in danger of legal retribution from these businesses, many of which are also experiencing similar difficulties amid this crisis.

"The SCA staff and volunteers who gather at Expo every year are heartbroken that we will not be

able to see you in Portland this year, but we look forward to seeing you in New Orleans in April 2021," said Apostolopoulos.

For any company registered as an exhibitor for Expo 2020, the SCA will automatically credit the exhibitor registration fees to Expo New Orleans.

Those unable to attend Expo 2021 may contact the SCA via email at: exhibit@sca.coffee and they will issue a full refund for the exhibitor fees paid for Expo 2020.

The SCA also announced that though there is no "physical Specialty Coffee Expo" in Portland this year, it will instead be featuring some of the Expo's features online, calling it #ExpoSeason. The "season" began on 30 April with a full roster of activities (#ExpoWeekend) running until 3 May, the weekend after Expo Portland's original date. The events offered digital education content open to everyone. On Sunday, the SCA hosted community rooms followed by a virtual after-party led by the Barista Guild.

The SCA will be offering more chances to connect and learn in the coming weeks and will be revealing more information about the #ExpoSeason soon.

The SCA is also providing resources related to the impact of Covid-19 on the coffee industry by visiting sca.coffee/covid19. For more information about the 2021 Re:co Symposium and Specialty Coffee Expo, visit: sca.coffee.

Vanessa L Facenda



The next Re:co Symposium and Specialty Coffee Expo will take place in New Orleans in April 2021.



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FSMA Tackles Intentional Adulteration

Enforcement of FSMA's Intentional Adulteration rule began taking effect in March. Below are guidelines companies need to know regarding IA and its Food Defense Plan.

After nine years, the Food Safety Modernization Act (FSMA) of the United States is still a work in process. Partial enforcement of the seventh of FSMA's seven foundational rules has just gotten under way. "Mitigation Strategies to Protect Food Against Intentional Adulteration" requires registered facilities to protect food from intentional contamination that could harm consumers and/or defile the food supply.

The Intentional Adulteration (IA) rule targets acts intended to cause widespread harm to public health, including acts of terrorism against the food supply. Compliance revolves around a Food Defense Plan (FDP), a new concept introduced by the rule. The FDP mimics the approach of the Hazard Analysis and Critical Control Point (HACCP) concept used to satisfy FSMA's preventive controls rule. However, food defense diverges from food safety by



FDA FOOD SAFETY
MODERNIZATION ACT



extending to an intention to cause harm as well as the opportunity for contamination.

The rule applies to the owner, operator or agent in charge of any food facility required to register with the FDA under the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 – that is, domestic or foreign food facilities that manufacture, process, pack or hold food for consumption in the US. Facilities that simply hold, pack, re-pack, label or re-label foods where the food container remains intact are exempt.

Food Defense Plan

A Food Defense Plan is a set of written documents that deploys food defense principles to minimize or prevent significant vulnerabilities

related to the intentional adulteration of food. As such, the FDP sets forth a comprehensive set of procedures to identify vulnerabilities, mitigate risk, correct missteps, document and track compliance, and train personnel.

The FDP consists of seven essential elements:

- Vulnerability Assessment
- Mitigation Strategies
- Monitoring of Mitigation Implementation
- Corrective Action Procedures
- Verification Procedures
- Food Defense Plan Reanalysis
- Training and Recordkeeping.

Vulnerability Assessment

First up, registered food facilities should conduct a vulnerability assessment to identify all points, steps and procedures throughout their production line that call for mitigation strategies. Risk reduction must be evaluated by considering three elements:

- The severity and scale of the potential impact on public health if a contaminant were added, including considerations such as volume of product, agents of concern, infectious doses, potential degree of harm, etc.
- The degree of physical access to the product, including considerations such as the presence of physical barriers such as gates, railings, doors, lids, seals and shields.
- The ability of an attacker to successfully contaminate the product, including any suspicions



of a potential inside attacker.

All identified vulnerabilities, associated with each individual point, step and procedure, in turn become actionable process steps to which mitigation strategies must be applied.

Mitigation Strategies

Following the vulnerability assessment, covered facilities must outline mitigation strategies; that is, risk-based measures to minimise or prevent significant vulnerabilities at each actionable process step. Mitigation strategies are usually implemented to reduce access to the product at a particular point, to reduce the ability of an attacker to contaminate the product at that point, or both. Mitigation strategies must be tailored specifically to the facility and its procedures.

Food Defense Monitoring

Food defense monitoring is a planned sequence of observations or measurements to assess whether mitigation strategies are operating as intended. Through monitoring, a facility can immediately ensure appropriate action is taken to identify and correct a problem that has occurred.

Food defense monitoring procedures should answer four questions:

- What will be monitored?
- How will monitoring be done?
- How often will monitoring be done?
- Who will do the monitoring?

Corrective Action Procedures

If mitigation strategies are not properly implemented or are not operating as intended, in turn, the facility must establish and implement written food defense corrective action procedures.

These procedures must describe the corrective steps a facility would deploy to ensure that appropriate action is taken to identify and correct a problem that has occurred with implementation of a mitigation strategy and, when necessary, to reduce the likelihood that the problem will recur.

Corrective actions must be appropriate to the nature of the

actionable process step and of the mitigation strategy. Food defense corrective actions must be documented in records and are subject to food defense verification.

Verification Procedures

Verification activities, in turn, are a check that monitoring is being conducted properly to determine whether mitigation strategies, monitoring and corrective actions are being deployed. These procedures must cover verification that:

- Mitigation strategies are properly implemented and are significantly minimising or preventing the significant vulnerabilities.
- Monitoring is being conducted as required.
- Appropriate decisions about corrective actions are being made.

Reanalysis

The purpose of the reanalysis is to determine whether the FDP continues to be current and accurately reflects the facility's significant vulnerabilities, as well as to determine whether its mitigation strategies, monitoring and corrective actions remain appropriate. Reanalyses must be conducted:

- At least once every three years.
- If a significant change in the activities conducted at your facility creates a reasonable potential for a new vulnerability or a significant increase in a previously identified vulnerability.
- The facility becomes aware of information about new vulnerabilities, credible threats to the food supply, or scientific developments related to new biological, chemical or radiological risks.
- The facility finds that mitigation strategies, or the FDP as a whole, has not been properly implemented.

The results of the reanalysis will vary depending on each situation and may not always lead to changes to the FDP. If the reanalysis concludes that a significant change in the activities conducted at the facility has created a reasonable potential for a new vulnerability or



a significant increase in a previously identified vulnerability, then the written FDP must be revised or document the basis for the conclusion that no revision is needed.

Training and Recordkeeping

Facilities must ensure that personnel assigned to the vulnerable areas, as defined by the actionable process steps, receive appropriate training to implement monitoring activities and corrective actions as required. The rule also requires that facilities make and keep records related to the FDP, mitigation strategies, corrective actions, verification activities, reanalyses and training.

Effective Dates

The FDA began inspections under the IA rule as of March 2020. However, the rule is effective only for businesses with fewer than 500 employees. For larger businesses, the effective date is 27 July 2020 while for very small businesses, it is 26 July 2021.

Additional Information

The FDA offers a series of educational resources to assist with IA rule compliance via an Intentional Adulteration homepage – www.fda.gov/fooddefense. Among the resources are a Mitigation Strategies Database, Food Defense Plan Builder, FAQs, and a webinar series. [📺](#)

Joseph F DeRupo is the founder of CoffeeInk Consulting, based in New York. He consults on FSMA compliance and Customs-Trade Partnership Against Terrorism memberships, focusing primarily on coffee importation. Previously, he served as director, external relations for the National Coffee Association (NCA) of the USA.



Authenticating Arabica Varieties Through DNA Fingerprinting

A new study of DNA fingerprinting for Arabica coffee finds widespread lack of genetic conformity across farms, nurseries, and seed gardens.



Image courtesy of World Coffee Research

Most coffee farms – and even seed lots and nurseries – do not know which varieties they are using. But identifying the optimal varieties for coffee cultivation is a key condition for long-term sustainable production.

A new study, “Authentication of *Coffea Arabica* Varieties through DNA Fingerprinting and its Significance for the Coffee Sector,” published 18 March in the *Journal of AOAC International*, describes a way to authenticate Arabica coffee varieties using an SSR DNA fingerprinting method and describes how the method can help move the needle toward a more professional seed sector.

World Coffee Research (WCR) has used this method on over 2,500 coffee samples from farms, seed lots, and nurseries around the world; the authors confirm that, depending on the variety, genetic conformity (the tested plant is the variety it is thought to be) can range from under 40 percent (for Gesha) to over 90 percent (for Marsellesa).

The authors write, “DNA fingerprinting provides different actors in the coffee sector with a powerful new tool – farmers can verify the identity of their cultivated varieties, coffee roasters can be assured that marketing claims related to varieties are correct, and most of all, those looking to establish the a

more professional and reliable coffee seed sector have a reliable new monitoring tool to establish and check genetic purity of seed stock and nursery plants.”

In many coffee-producing countries the widespread cultivation of improved varieties is low, with the notable exceptions of Colombia and Honduras (for Arabica), and Vietnam (for Robusta), where significant renovation and replanting schemes have taken place. Even in major or well-known producing countries like Brazil or Costa Rica, most coffee land is still cultivated using varieties selected in the 1950s, such as Caturra, Catuai or Mundo Novo. Because of past limited appetite for improved varieties, the coffee seed sector has remained poorly organised in most parts of the coffee world.

Modernising Coffee Agriculture

The study finds the genetic conformity of coffee material – on farms, in seed lots, and in nurseries – is often questionable, likely due to the lack of order and good practices in the coffee seed sector (the network of systems that propagates new coffee plants and gets them into the hands of farmers). After decades of informal seed exchange, sometimes over borders, it is difficult to ascertain the true-to-typeness of cultivated varieties, creating a major barrier to getting improved materials into the hands of farmers.

This is a concern when improved varieties are increasingly acknowledged to be essential for a sustainable coffee industry, namely for disease resistance, adaptation to climate change and market demand for high quality coffees.

The study finds that a significant share of cultivated Arabica coffee trees in the field are mixes derived from one or several generations of

uncontrolled pollinations between existing varieties. This is the case in Central America for Catimors and Sarchimors. In East Africa, “true” SL28 and SL34 are widespread, but so are populations that evolved from varieties like the SLs and K7, which were initially well defined, but have drifted. Samples of Gesha, one of the most famous coffee varieties in the world, matched the “reference” variety only 39 percent of the time.

Experience with the WCR genetic database points to the conclusion that a recently selected variety in a region with a relatively organised research and nurseries network exhibit higher genetic conformity. The best example of this currently is the Marsellesa variety, with 91 percent of genetic conformity. However, when varieties are older and/or the research and nurseries network is poorly organised, the percentage of genetic conformity can drastically decrease.

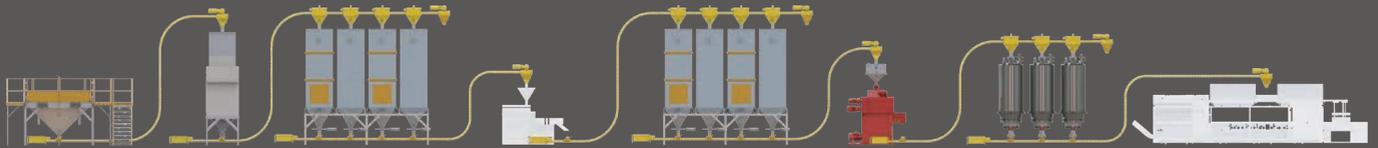
For coffee producers to benefit from genetic improvement, and to meet the growing demand for specific varieties, there is great need to professionalise the coffee seed sector. This DNA fingerprinting method provides nurseries, farmers and the whole coffee industry with a unique opportunity to increase knowledge about the genetic identity of trees that are planted or seeds that are traded. The study’s results show that most varieties can be easily identified through SSR-based DNA fingerprinting methods.

WCR’s DNA fingerprinting service for Arabica coffee is available to nurseries, coffee farmers, green coffee suppliers, and roasters for the authentication of Arabica coffee varieties. For more information, email dna@worldcoffeeresearch.org.

To read the full study, visit: bit.ly/2RYBwcc 📄

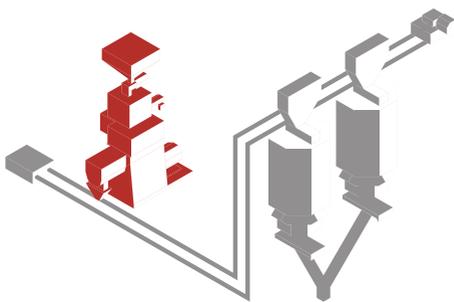
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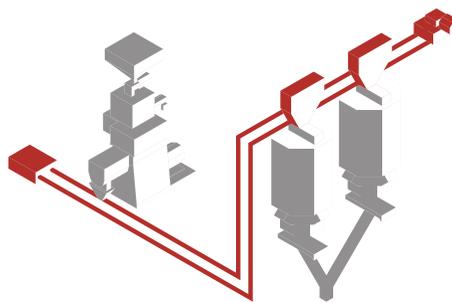
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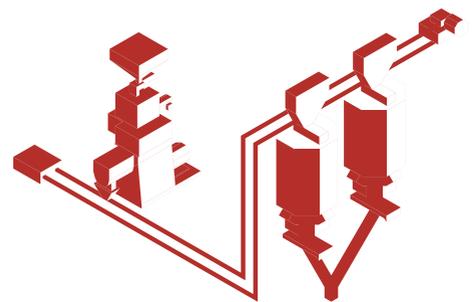
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The Impact of Covid-19 on Coffee & Tea



The coronavirus pandemic has caused massive closures of restaurants, coffeehouses, cafés, and other dining establishments globally due to stay-at-home and social distancing directives. In turn, this has dramatically changed consumers consumption and purchasing behaviours.

The foodservice channel accounts for more than 20 percent of global tea and coffee sales, which leaves both categories susceptible to an impending narrowing in the channel, reveals Euromonitor International in its new report, “The Impact of Coronavirus on Hot Drinks.”

Euromonitor’s report finds that just shy of a quarter of all global coffee occasions occur through foodservice. “This is the highest rate among hot drinks categories. Less than a fifth of all tea occasions and a tenth of all other hot drinks occasions are seen in the foodservice channel,” said Matthew Barry, beverages consultant, for London-based Euromonitor International, in the report. “This means that the coffee category is most vulnerable to the effects of Covid-19.” He noted that there will be no country in which foodservice remains unscathed.

Additionally, the economic effects of the virus – vast unemployment as well as reduced pay for many workers – also mean less consumer expenditure on non-essential items like foodservice coffee.

While the situation for tea is similar to coffee in many ways, the category will likely be less affected overall. “There are fewer potential foodservice occasions to lose for tea compared to coffee, and the effects of mass closures of cafés and restaurants, though devastating to tea consumption in some countries,

should not be as disruptive as in coffee,” said Barry, adding that the countries most impacted will be those where tea is a core part of socialising (Iran, Turkey) or where an unusually large portion of total sales come from foodservice (the United States) that will see the most negative effects.

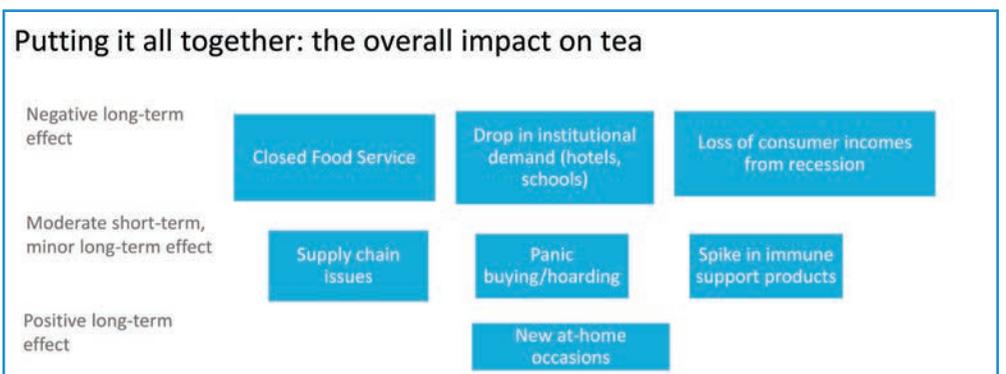
Teas (all types – green, black, herbal, etc) will also benefit from its long-standing, strong health positioning throughout the world.

Euromonitor’s report shows that in many cases, teas have seen spikes in sales as nervous consumers turn to products whose health positioning they

trust. (Many consumers have also likely increased their purchases of tea due to its purported relaxing and calming effects.)

On a positive note, both coffee and tea have seen an uptick in retail spending during the current crisis – without evidence of hoarding.

In relation to coffee, while the retail spending does compensate for lost occasions outside the home, the report suggests that it could also be because consumers are becoming more used to brewing coffee at home during their quarantines and at least some are likely to keep doing so once restrictions are lifted. ☺



Source: Euromonitor International “The Impact of Coronavirus on Hot Drinks” Report



MAY 2020

126th Session of the International Coffee Council & other International Coffee Organisation (ICO) bodies

CANCELLED
27 April – 1 May
London, England
www.ico.org

Toronto Coffee & Tea Expo*

2 – 3
Toronto, Ontario
www.torontocoffeeandtea.com

The National Automatic Merchandising Association (NAMA) Show

CANCELLED
6 – 8
Nashville, Tennessee
www.namanow.org
New dates: 28 – 30 April 2021
New Orleans, Louisiana

National Restaurant Association (NRA) Show

CANCELLED
16 – 19
Chicago, Illinois
www.nationalrestaurantshow.com
New dates: 22 – 25 May 2021
Chicago, Illinois

European Coffee, Tea & Soft Drinks Festival

POSTPONED
19 – 20
London, England
www.european-coffee-tea-soft-drinks-expo.com
New dates: TBA

International Tea Day

21
www.tea.ca
www.teausa.org

China Xiamen International Tea Fair (Spring Edition)

CANCELLED
21 – 25
Xiamen, China
www.teafair.com.cn/en

**Still scheduled to take place as of this issue's printing*

Private Label Manufacturer's Association (PLMA) World of Private Label Show

POSTPONED
26 – 27
Amsterdam, Netherlands
www.plmainternational.com
New dates: 2 – 3 December 2020

Vietnam International Café Show

POSTPONED
28 – 30
Ho Chi Minh City, Vietnam
www.cafeshow.com.vn
New dates: TBA

17th Shanghai International Tea Trade Expo (Spring)*

28 – 31
Shanghai, China
tea-shexpo.com

JUNE 2020

World Tea Expo

POSTPONED
8 – 11
Denver, Colorado
worldteaexpo.com
New dates: 15 – 18 October 2020

28th ASIC Conference

CANCELLED
22 – 25
Montpellier, France
www.alphavisa.com/asic/2021
New dates: 28 June – 1 July 2021

Global Tea Fair*

25 – 29
Shenzhen, China
www.globalteafair.com

Coffee Fest Chicago

POSTPONED
26 – 28
Chicago, Illinois
www.coffeefest.com
New dates: 28 – 30 August 2020

Summer Fancy Food Show

New York, New York
CANCELLED

JULY 2020

Japan International Tea Show

1 – 3
Tokyo, Japan
www.teashow.jp

Tea Fest PDX

18
Tokyo, Japan
www.teafestpdx.com

Canadian Kombucha Festival

19
Ottawa, Ontario
www.boochfest.ca/canadian-kombuchafestival

NAMA Fly-In & Advocacy Summit

20 – 22 July
Washington, DC USA
www.namanow.org/nama-events

London Coffee Festival

23 – 26 July
London, England
www.londoncoffeefestival.com

AUGUST 2020

CoffeeFest Anaheim

9 – 11
Anaheim, California
www.coffeefest.com

Hong Kong International Tea Fair

13 – 15
Hong Kong, China
event.hktdc.com/fair/hktea-fair-en/Hong-Kong-International-Tea-Fair/

Coffee, Tea & Cocoa Fall ECRM

16 – 18
Anaheim, California
ecrm.marketgate.com/Sessions/2020/08/FallCoffeeTea-Cocoa

10th Annual Los Angeles Tea Festival

22 – 23
Los Angeles, California
teafestivalla.com

SEPTEMBER 2020

COTECA

Hamburg, Germany
CANCELLED

5th World Coffee Conference & Expo & 127th Session of the International Coffee Council & other International Coffee



Organisation (ICO) bodies

7 – 12
Bangalore, India
www.wcc2020.com

BevTech Europe 2020

10
Amsterdam, Netherlands
www.bevtech.org/bevtech-europe.asp

BevTech Canada 2020

17
Mississauga, Ontario
www.bevtech.org/bevtech-canada.asp

Pacific Coast Coffee Association (PCCA) 89th Annual Convention

17 – 19
Aptos, California
www.paccoffee.com

Canadian Coffee & Tea Show

20 – 21
Toronto, Ontario
www.coffeeteashow.ca

Natural Products Expo East

23 – 26
Philadelphia, Pennsylvania
www.expoeast.com

10th Shanghai International Tea Trade Expo (Autumn Edition)

24 – 27
Shanghai, China
tea-shexpo.com

13th Northwest Tea Festival

26 – 27
Seattle, Washington
www.nwteafestival.com

Single-Serve Capsules Europe

29 – 30
Berlin, Germany
www.ami.international/event

Global Dubai Tea Forum

29 September – 1 October
Dubai, United Arab Emirates
www.globaldubaiteaforum.ae

North American Tea Conference

29 September – 1 October
Queens Landing, Ontario
Website: TBA

OCTOBER 2020

International Coffee Day

1
www.ico.org

SCTA Gala & Forum

1 – 2
Basel, Switzerland
www.sc-ta/gala-dinner/information

BevTech Latin America 2020

8 – 9
Mexico City, Mexico
www.bevtech.org/bevtech-latin-america.asp

Specialty Coffee Association of Japan (SCAJ) Conference

14 – 16
Tokyo, Japan
www.scajconference.jp

SCA World of Coffee

15 – 17
Warsaw, Poland
www.worldofcoffee.org

China Xiamen International Tea Fair Autumn Edition

15 – 19
Xiamen, China
www.teafair.com.cn/en

10th Triestespresso

22 – 24
Trieste, Italy
www.triestespresso.it

NEW DATES FOR PREVIOUSLY ANNOUNCED POSTPONED SHOWS DUE TO COVID-19

Melbourne International Coffee Expo (MICE)

4 – 7 May
Melbourne, Australia
www.internationalcoffeeexpo.com
New dates: 3 – 6 November 2020

Interpack

7 – 13
Düsseldorf, Germany
www.interpack.com
New dates: 25 February - 03 March 2021

Re:co Symposium

21 – 22 April 2021
New Orleans, Louisiana
www.recosymposium.org

Specialty Coffee Association (SCA) Expo

23 – 25 April 2021
New Orleans, Louisiana
www.sca.coffee

BevTech 2021

26 – 28 April 2021
Orlando, Florida
www.bevtech.org

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The Challenges of CBD Infused Coffee & Tea

The CBD industry is still in its infancy, but that has not stopped many coffee and tea brands from eyeing CBD as a potential huge growth opportunity. However, the path is a tricky one that must be navigated carefully.

By Anne-Marie Hardie

Image courtesy of Exactus Hemp

To state that the cannabidiol (CBD) industry is a complicated one is far from an understatement. This ingredient is confronted with struggles as policymakers and industry leaders globally are striving to develop standards and regulations. However, the potential for this controversial ingredient cannot be ignored.

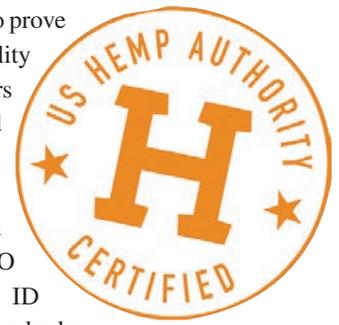
“The global CBD beverages market was valued at USD \$2.09 million in 2018 and is expected to reach \$11.38 million by 2025 with a 27.4 percent CAGR,” said Blake Schroeder, CEO, Kannaway, San Diego, California. “There’s a lot of room for coffee and tea companies to partner with CBD companies and create innovations in the beverage market including sustainable packaging, ready-to-drink solutions, and personalised products based on the desired effect.”

In addition to providing support for those considering entering the beverage marketplace, Kannaway has launched its own CBD tisane, Kannaway CBD Rooibos and Citrus Tea, and CBD infused French Roast Coffee. The Arabica coffee beans are blended with 10 mg of CBD and delivered in a single serve pod format.

CBD is the non-psychoactive cannabinoid found in the *Cannabis sativa* plant. CBD, which is derived directly from the hemp plant – a strain of cannabis – is currently garnering a lot of attention from media, consumers and food processors. The ingredient is increasingly growing in popularity, both in the United States and globally, with claims that it can aid with inflammation, anxiety, general relaxation, and sleep. However, research and regulations are still in their infancy, which is causing challenges for financing, marketing and product placement.

In addition, there is a risk of litigation as brands attempt to establish a set of standards for the industry. “The hemp industry as a whole, in these

early stages of rapid growth, needs to prove itself as a consistent, credible, quality producer of goods that consumers can use with confidence,” said David Gould, global head, sustainability programs, Food Chain ID, Fairfield, Iowa. Known for its work with the non-GMO certification standard, Food Chain ID was named the official certification body



for the US Hemp Authority certification seal. At the moment, leaders in the industry are attempting to self regulate, including engaging with the private and public sector, to help make federal and state regulations clearer and more uniform.

Matt Aaron, co-founder of Crazy Calm in Austin, Texas, ventured into CBD coffee because of a personal interest in the wellness claims that the combination of these two ingredients offered. However, it didn’t take long before he identified an opportunity. “CBD will evolve into a new niche opportunity for coffee,” said Aaron. “It has the potential of becoming the next cold brew.”

Fairly new to the industry, Crazy Calm launched this past December, entering the marketplace with a line of CBD infused organic instant coffee. “We use the highest quality organic and fair-trade freeze-dried instant coffee,” said Aaron. “We wanted a taste that was both clean and functional.” The 10-sachet box retails for \$34.99 (\$3.50 per coffee). Although hemp is federally legal to grow in the US, CBD is still considered high-risk banking. To help respond to this challenge, Aaron is an advocate for using cryptocurrency to purchase the product.

“The main challenge facing reputable, quality-focused and consumer-safety conscious hemp companies is the prevalence of companies that are throwing products together and selling them with



Phivida Organics OKI brand CBD tea is available in gyms and health food stores among a number of other distribution points.

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Crazy Calm launched its CBD organic instant coffee in December 2019.

misleading labels and illegal or misleading claims,” said Marielle Weintraub, president, US Hemp Authority, Fairfield, Iowa. Now, all companies are lumped together, making it challenging for both regulators and consumers to identify which of these products are trustworthy and genuine.

Phivida Organics launched in 2018 at the same time as several other brands flooded the market with products. Today, Mike Cornwell, chief marketing and commercial officer for the Wilmington, Delaware-based company, said that the volume of new companies entering the field has waned. This decrease has been partially due to the push to establish regulations and standards. Although these regulations have increased the pressures and demands on brands coming into the space, Cornwell said this was a positive and necessary action. The hope is that these regulations will not only provide clear guidelines and standards for the industry but also improve consumer confidence in CBD, and in turn, aid with moving CBD products into the mainstream market.

Phivida Organics is a functional food and beverage company that infuses organic active hemp extract into a variety of food and beverages. Its OKI brand includes a line of four flavoured

iced teas with 20mg of CBD per 16oz bottle. The company currently has 1,000 points of distribution including health food stores and gyms; however, legislation continues to pose limits with market expansion. “A lot of the national and regional accounts have not opened up yet,” Cornwall said. “This is often because their legal team is advising them not to be in the category until CBD is black and white.” Phivida Organic’s long-term objective is to be on the grocery store shelf in the whole foods section.

Plus Products, New York, New York, launched a CBD-infused matcha product, Matchabis, this past year in response to the wellness trend, and despite the need for regulation. “The blend between matcha and CBD provides a symbiotic effect, which is also good for the immune system,” stated president, Albert Tenpenny. The product is offered in a single serve sachet. Tenpenny stated that the journey into the CBD space has been far from a simple one, with challenges from both financial institutions and distribution channels. However, he is optimistic that increased awareness and regulation will help to change these restrictions.

Know your Suppliers

The need for transparency is increasingly more important for those companies that are considering entering the CBD space. “Companies should ensure that they are partnering with a company that is fully transparent from soil to final testing,” said Schroeder. This includes ensuring that the company has an effective quality assurance protocol in place and can scale with the growth of the brand. These screening tools can help mitigate some of the risks that have been identified with CBD products including the use of synthetic CBD and the risk of high levels of metals and pesticides in the end product. “It is about going with a company that has a public track record of success, including transparency about how it’s

Hemp can now be legally grown in all 50 United States, but growers and CBD companies must still adhere to individual state’s laws.

Image courtesy of Exactus Hemp





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Rainbow Root's brand owner, Warfighter Hemp advises to take a detailed look at a hemp or CBD provider's reputation, testing process and length of time in the industry.

processed and the bandwidth to fully support the tea/coffee company,” said Derek Du Chesne, chief growth officer, Exactus Hemp, Delray Beach, Florida.

Focused on genetics, Exactus Hemp researches both strains and seeds to provide the best solutions for its clients. It is involved in the entire process, from isolating the seed strain to the finished products. “By doing it all in house, we have full transparency from start to finish,” said Du Chesne. “With the lack of regulations and standards available, it is critical to partner with a company that can be held accountable.”

This includes audits of new suppliers, visiting the manufacturing plants and warehouses (when possible), and choosing companies that adhere to good manufacturing practices. Industry-relevant and recognised certifications are one tool that can provide reassurance in the company and the materials that are being purchased. “When seeking a hemp or CBD provider, take a detailed look at their reputation, including how long they’ve been in the industry and their testing process,” said Steve Danyluk, founder of Warfighter Hemp, Eaton, Colorado. “Since the Farm Act was signed into federal law a little over a year ago, many new farms have popped up with many not being compliant with the rules and regulations governing the hemp and CBD industries.”

Warfighter Hemp’s CBD products include tinctures, capsules and a tisane, Rainbow Root Hemp Tea that has 400mg of CBD hemp extract.

The hemp industry’s self-regulation and certification process is another tool that will help establish a standard of production practices, processing and handling operations, and product quality and labelling. “The US Hemp Authority Guidance and Certification Program was developed to usher in a high industry standard focused on truth-in-labelling and transparency of products,” said Weintraub. The certification, which includes an annual third-party independent audit and licensing agreement, can be used to communicate to the public as a brand that can be trusted.

The US Hemp Authority has also established a glossary to provide standard definitions of commonly used terms in including isolate, full-spectrum, and broad-spectrum products. She added, “We want to set a consistent, reliable and

valid set of standards to build more confidence in the hemp industry and for products being sold.”

Work with Experienced Companies

In addition to the hemp guidelines, beverage companies would benefit by partnering with suppliers that have had previous experience in the hot beverage space. These suppliers will be able to provide guidance on several factors, including the type and amount of CBD product to use. “CBD oil, for example, is not really effective in beverages as it is not water-soluble, so most of its attributes go to waste,” said Du Chesne. “A water-soluble version, on the other hand, has a higher bio-availability, which better complements tea and/or coffee products.”

Schroeder, from Kannaway, also expressed the importance of shifting to water-soluble CBD for beverage products. “Many CBD companies have used nano-emulsion, a binding agent, to infuse CBD; however, these fat-based nanoparticles are known to accumulate in organs.”

When asked about future opportunities, Du Chesne predicted that the conversation would begin extending beyond CBD, to include some of the lesser-known cannabinoids, including CBG, CBC and CBN. “As genetics and technology continue to advance, people will begin to understand and seek out the other cannabinoids,” he said. “Companies should stay ahead of that curve and pay attention to the potential of these cannabinoids as they begin to enter the market.”

The CBD conversation is in its infancy. Research, regulations and certification are helping to increase consumer confidence and provide a set of tools that companies can use to determine where their company fits in. “Although our industries may seem different, a key growth factor that’s common to coffee, tea and hemp is product innovation,” said Weintraub.

Despite its challenges, all signs indicate that this is a segment that will continue to grow. Although the growth will most likely not be as rapid as cold brew, it looks like CBD has the potential of becoming a viable player in the beverage space. ☕

Plus Products introduced Matchabis within the last year in response to wellness and CBD trends.



Anne-Marie Hardie is a freelance writer, professor and speaker based in Barrie, Ontario. She may be reached at: annemariehardie1@gmail.com.

Tea garden in Hubei Province, the third largest tea-producing region in China.



Image courtesy of Barbara Dufrene

China's Tea Supply Chain & the Impact of Covid-19

As China continues to increase its tea production capabilities with expanded acreage, and new (and improved) processing facilities, its supply chain faces new challenges. The shift of growing tea in more westward areas puts more emphasis on the infrastructure needed to move tea toward eastern ports. The impact of Covid-19 in the early months of 2020 also serve as a test case of how quickly the chain can bounce back.

By Jason Walker

China holds dominance as the world's largest tea producer by volume. Between 2009 and 2018, total tea production doubled from 1.3 million metric tonnes to over 2.6 million metric tonnes. During that period, China's production grew from 28 percent to 44 percent of total global tea production. And China is on track to further increase production.

Established tea-producing provinces are maintaining or increasing their acreage while rural provinces have been significantly expanding tea fields. Some of the provinces expanding the most are Hubei, Jiangxi and Shaanxi – a band of provinces just west of the traditional producing areas in Anhui, Zhejiang and Fujian provinces. Guizhou Province, a neighbour of high-yielding Yunnan and Sichuan Provinces, also experienced an expansion of hectares. New tea fields planted with cuttings can take two to four years to reach the maturity needed to yield a viable crop, so some of the more newly expanded acreage has yet to reach its optimal productivity.

Primary Processing

Another important factor is the performance of primary processing facilities near these new fields. Initial processing by necessity must take place shortly after harvest to assure the stability and desired characteristics of the final product.

Reliable supply from new and existing tea fields is dependent on proficient and operationally efficient labour force at primary processing. Inasmuch as these expanding and new areas are less experienced with larger-scale tea production, the importance of a

qualified and ample labour force creates new challenges.

Transport

Most of the transport from field to processing facilities occurs by truck, so roadways and logistical infrastructure will become an increasingly important aspect of the tea supply chain in China. Many of the major tea-exporting companies maintain their final processing facilities in the coastal provinces, so average travel times between fields and ports will gradually increase as more tea is grown in the hinterlands. Transportation infrastructure throughout central China will play a larger role in China's tea supply chain.

While inland provinces are putting more plants in the ground, most tea producing provinces have made modest (or better) increases in output. Four of the more traditional tea-producing provinces still dominate – Fujian, Hubei, Sichuan, and Yunnan Provinces account for over 50 percent of all Chinese tea produced by weight.

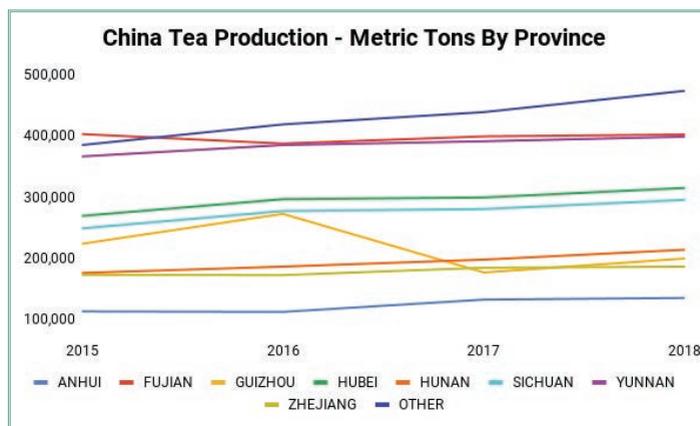
Coastal and more eastern provinces like Fujian, Zhejiang and Anhui, especially Zhejiang and Anhui, may be deferring their role as expanding growers in favour of contributing more to final processing and export. Zhejiang Tea Group, for example, is shifting to more fully automated production facilities in Zhejiang Province. Once the tea is loaded onto the production line, automation takes over, including packing and palletising units of finished tea. Automated production reduces time and labour costs, potentially offsetting some of the costs involved in transporting semi-processed teas from more distant growing regions.

Exports

In order to better appreciate the export side of China's tea industry, it helps to keep exports in perspective to China's domestic market. For the past few years:

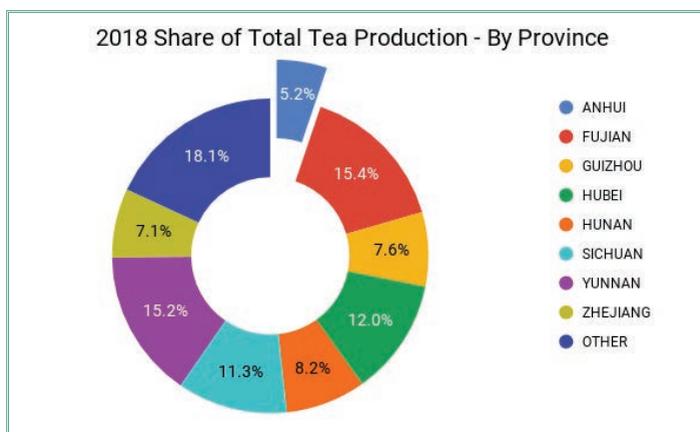
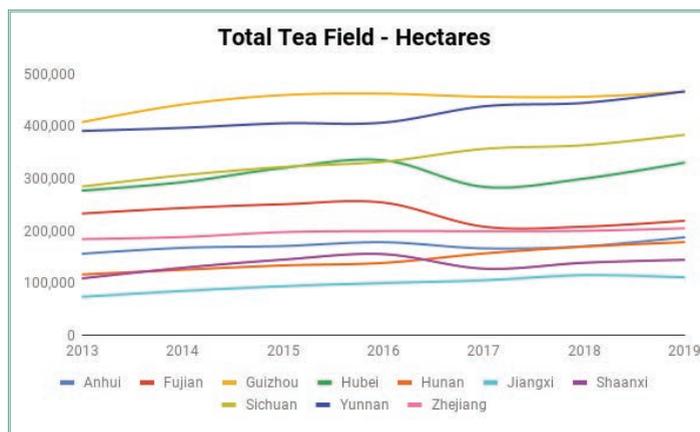
- Approximately 14 percent of China's total annual tea crop was exported.
- Over 80 percent of total global exports by volume were green tea.
- The majority of tea exports go through the ports of Shanghai and Ningbo-Zhoushan, the world's first and fourth largest container ports.
- China supplies more than 50 percent of all organic tea and over half of all Fair Trade tea imports to the United States.

These key points help illustrate some of



the logistical and demand-side effects that can impact global tea supply.

For example, in October 2019, Morocco lowered its MRL (Maximum Residue Level) for its imports of green tea. Morocco is China's largest tea trade partner: about 77,000 tonnes, or one quarter of all Chinese tea exports, go to Morocco. For a time, there was concern that China's quantities of conventional teas could not meet Morocco's new standards, and that China would have to offer organic and/or European Union (EU)-compliant teas to meet its demand. This could have had repercussions for the supply of organic and EU-compliant teas to Europe and North America. In the



All graphs courtesy of First Tea

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end, China was able to work with Morocco to transition toward compliance with the new standards.

Covid-19 Impact and Recovery

More recently, the national-level shutdown in China caused by the novel coronavirus resulted in delays and the effective shuttering of China's major ports. By the end of February, ports were operating at above average efficiency in order to catch up on the logjam of awaiting ships. As of mid-March, shipments by Firsd Tea (the US subsidiary of Zhejiang Tea Group) are leaving Chinese ports at their pre-virus rate, further suggesting that business at these ports is returning to normal.

Covid-19 created significant economic setbacks and business shutdowns in tea operations. Most factories and offices were closed for what became a prolonged Chinese New Year holiday. Some work was being done from home, but teas in and out of China came to a standstill.

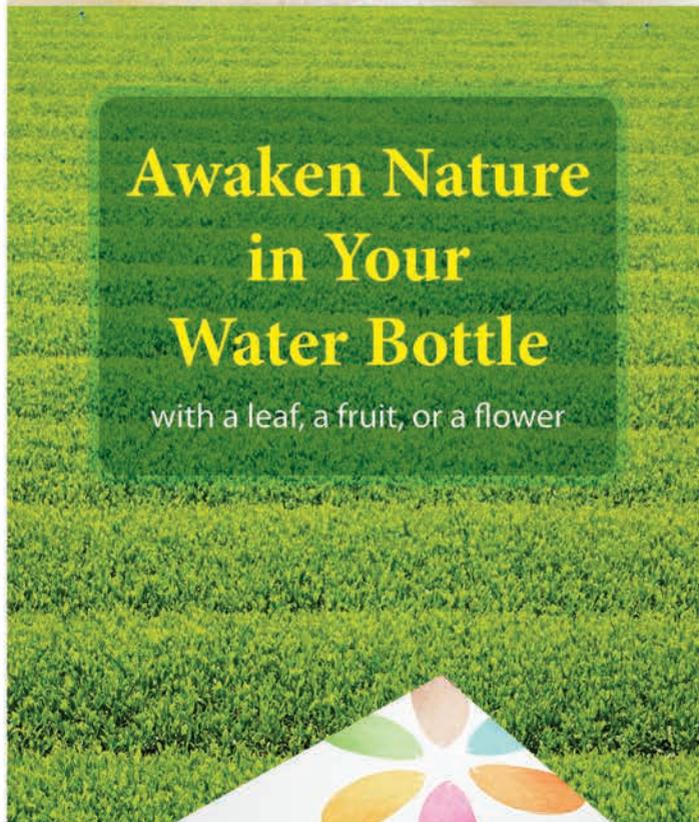
Fortunately, the brunt of the virus came at a time before the majority of spring harvests, especially for teas for the global market. Most of the teas for export are harvested later in the season.

As of writing (mid-March 2020), even Hubei Province is resuming its tea activities. The province is the third largest producer of tea in China, and Zhejiang Tea Group reports truckloads of tea passing through Wuhan on their way to Zhejiang for final processing, packing, and shipment.

The past few years have shown China's tea supply chain making gains in terms of expansion, adaptation and resiliency. More, and potentially new teas, can now pass through the domestic supply network to global markets.

New growing areas and infrastructure improvements affirm that a steady, reliable flow of teas can continue to pour out of China. ☕

Jason Walker is marketing director of Firsd Tea North America. Prior to his work with Firsd Tea, Walker served in a variety of roles in tea and beverage business capacities. His experience includes business services for small tea companies, a top-ranked online destination for tea consumer education and co-founding a coffee business. His insights draw upon his diverse range of experience in sales, operations and management in the tea world. He may be reached at: jason.walker@firsdtea.com.



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Re-Examining Tea's Antiviral Components

From a Chinese medicinal potion some 5,000 years ago, tea has become a global daily beverage, consumed for pleasure, refreshment and hydration; the cup's reported health benefits have always been a significant part of its profile and may now attract premium attention.

By Barbara Dufrêne

All images are courtesy of Barbara Dufrêne unless stated

Brewed from the processed leaves of the several *Camellia sinensis* varieties, from the start, tea has been the customary hot drink in the traditional producing countries, which are: China, the cradle of tea, followed by Japan, Korea, Vietnam, Laos, Myanmar, and Assam. Tea was also a major item for trade with China's neighbours, in particular Tibet and Mongolia. Good money was paid for these cups, which were considered necessary for people's well-being.

Tea was introduced to Russia on the land



Image courtesy of Tetley Tea



road via Siberia, before moving gradually to the West by the sea route from the 16th century onwards. Both production and consumption have spread widely covering all five continents, with the growing of tea being limited only by climatic parameters. Tea became the leading global hot cup some ten years ago.

With an immense cultural heritage in the original producing countries, where the vast majority of cups consumed is green tea, the reported health benefits of the various kinds of teas have always been an integral part of tea-drinking habits and customs, such as cooling or warming the body, wetting the mouth, easing digestion, clearing the mind etc. Upon arrival in the West, the tea leaves for brewing the cups were sold by the pharmacists for improving body and mind, and only step by step tea has become the everyday cup for everybody.

In every market, be it tea producing or tea importing, tea has always been linked to good/better health – by tradition, experience or word of the mouth. With this huge body of trusted evidence there seemed to be little need for investment into science and research to get peer reviewed proof of the obvious.

Re-Assessing the Cup Profile While Updating the Science

When China returned to the market beginning in the 1990s, there was a growing desire by the producing countries to enhance the immense variety of leaves and cups, to create premium origin products and to generate added value for the cup per se. This required consumer education and an appropriate set of references, which was successfully sourced from the wine industry with the tea sommelier approach that has since been widely enshrined in the West.

With the incredible progress of science and the overall need for ensuring food safety and food quality, the various components of the tea leaf and the brewed cup have been assessed and analysed during the past decades.

The same has been done for coffee. The next steps focused on scientifically investigating the authenticity of the teas for origin claims and then their physiological effects for claiming health benefits.

Coffee continues to be challenged for some possible potentially adverse effects, which has led the coffee industry to heavily engage in research studies and projects. Thus, the coffee industry has set up a highly proactive and hugely documented platform to deal with all the aspects of the “coffee and health” investigations, with an impressive library containing a wealth of peer reviewed publications and a regular newsletter (www.coffeeandhealth.org).

The tea industry, on the contrary, seems never to have felt the urgent need to put significant monies into scientific studies. It has been sitting back quietly after the conclusions of the 5th International Scientific Symposium about Tea and Human Health, which took place in Washington, DC, USA in September 2012. The findings listed an impressive number of major health benefits, demonstrated mainly through population studies, but without further proof through clinical or mechanistic studies, nor has there been any follow up to date concerning

Scientific studies continue to evidence the antiviral properties of multiple components of tea.

In every market, tea has always been linked to good/better health.



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the long-planned creation of a global platform collecting all published scientific evidence about teas physiological effects, ie, health benefits.

In countries like Japan and Taiwan, where tea consumption is ingrained and where population health concerns have been followed up by epidemiology, the link between tea drinking and the lower incidence of certain pathologies has been more closely investigated and many study results have been published in international papers. It appears there have not been as many in the West.

Facing Terrifying Global Health Scares

After the SARS outbreak, which occurred from late 2002 to summer 2003, a team of scientists from Taiwan, under the leadership of John TA Hsu, investigated several hundred food components to check whether any of them had significant antiviral effects. The study was published by Oxford Press in April 2005. It concluded that out of the 720 components under scrutiny, those which had the biggest SARS coronavirus de-activating effect were three molecules found in the cups of oxidised teas (ie, black and dark teas): tannic acid and two varieties of theaflavins, which all belong to the family of tea polyphenols.

The scientists also stated that these findings were highly promising, because tea is a widely consumed and readily available beverage, without any side effects. However, they noted that more work would have to be done to fully corroborate these first results.

In December 2019, Covid-19 struck China's Hubei province, before moving on to contaminate most of the world's populations. By early April, Europeans, North Americans, Indians and many other countries are in lockdown, with borders closed and markets under threat of collapsing. Hence, the topicality of the publication by a team of scientists from the Sri Lanka Tea Research Institute, issued on 27 March, displaying the existing scientific work done to date, to evidence the antiviral properties of several tea components. (www.tri.lk/news-details/news-details/70)

Their findings include a detailed reference to the 2005 Taiwanese study and state that "the broad-spectrum of antiviral activity of several compounds found in black and green tea against several influenza viruses has been demonstrated in a series of Japanese studies, which suggest that tea might be a promising



source of antiviral compounds in the prevention and therapeutic aspects against influenza and that group of viruses. Information on antiviral activity of black tea against SARS-CoV-2 is not fully clear yet but the fact that two theaflavins have emerged as promising candidates to inhibit SARS-CoV-2 augurs well in the search for a therapeutic agent against the Covid-19 pandemic."

The findings also show that in addition to the black tea theaflavins, "the other chemicals available in tea, which are green tea catechins and the methylxanthines (caffeine, theophylline and theobromine), have shown antiviral activity in previous studies."

The publication also underlines the beneficial effects of "theophylline, a proven drug in the treatment of respiratory diseases such as asthma, chronic bronchitis, emphysema, and other lung diseases. It relaxes and opens the bronchial tree or air passages in the lungs, making it easier to breathe."

This is a clear message of encouragement for drinking more tea, every day, in order to assist with preventing and help with fighting novel and suddenly appearing viral diseases of the respiratory tract.

More scientific studies will hopefully be carried out rapidly to assess and confirm that the ancestral cup of tea is not only a drink for pleasure but also a solid health promise. 🍵

A 2005 study found that three molecules found in oxidised teas had a de-activating effect on the SARS coronavirus.

Barbara Dufrière is the former Secretary General of the European Tea Committee and editor of *La Nouvelle du Thé*. She may be reached at: b-dufrère@orange.fr.

Indonesia has fertile land and a long history in tea growing, but while the tea industry is an important asset for the nation, both the quantity and cultivated area for tea have been declining for the past two decades as of result of several factors, including the conversion to more profitable crops.

By Yumi Nakatsugawa

All images are courtesy of Yumi Nakatsugawa



Indonesia's Tea Industry is Small but Strong

Indonesia, which produced 131,000 tonnes of tea in 2018, is ranked seventh in the world following China, India, Kenya, Sri Lanka, Turkey and Vietnam according to the International Tea Committee (ITC). Out of Indonesia's approximately 14,000 islands, over 2,000 are inhabited with a population of 268 million (2018, The World Bank), which is the fourth largest after China, India and the US.

According to the statistics available from the Indonesia Tea Board's (ITB) website, about 80 percent of the production is from Java Island, especially from West Java which accounts for 70 percent, followed by Sumatra with 15 percent. The rest is from a tea estate in South Sulawesi formerly managed by a Japanese company, as well as some from East Kalimantan and from a small private tea garden that started in Bali a few years ago. Per Indonesia Investments' website, the country's tea production peaked with 169,821 tonnes in 2003. Both quantity and cultivated area have been declining since then due to the conversion to more profitable crops such as palm oil and horticulture commodities, as well as for housing, infrastructure and industrial projects.

There are three types of producers: government-owned plantations, private estates and smallholders. Government plantations produce about 40 percent of the national output, smallholders, 35 percent and private estates, 25 percent, respectively. They manufacture black, green, jasmine and some specialty teas such as white, yellow or red teas. Large estates produce mainly black tea, and smallholders are more involved in pan-fried green tea with jasmine flavour which is popular in local market.

ITC statistics find that Indonesia contributed three percent of the world's tea exports, which totalled 1.85 million tonnes in 2018. Domestic consumption is calculated as 94,000 tonnes. The ITB's website shows that the country was exporting over 100,000 tonnes a year reaching its peak in 2005 when it recorded 102,389 tonnes but decreased to 61,915 tonnes in 2015. Conversely, tea imports were less than 0.3 tonnes in 1995, but has started to exceed 20,000 tonnes in some years since 2012.

The Role of the PTPNs

The current government plantations or State-Owned Enterprises (SOE) were originally developed in the 19th century under the Dutch colonial rule. After the Netherlands recognised the independence of Indonesia in 1949, which was proclaimed in 1945, the ownership of

the ex-Dutch administrative plantations was handed over to the Indonesian government. Those plantations are still playing an important role in the country's agricultural segment, growing palm oil, rubber, sugar, coconut, tobacco, coffee, cocoa and tea among others. After several mergers or transformations, the present fourteen PTPNs (Perusahaan Terbatas Perkebunan Nusantara, literally: Company Limited Plantation Archipelago) were formed in 1996, and 90 percent of the Indonesian government's shares of each PTPN were transferred to PTPN III in 2011, which made PTPN III the holding company of the other thirteen PTPNs.

Tea plantations are now managed by PTPN IV, VI, VII in Sumatra and PTPN VIII, IX, XII in Java. PTPN IV operating in North Sumatra is a producer of palm oil and tea. Its three tea plantations, namely, Sidamanik, Bah Butonneg and Tobasari are situated next to each other over the hills of an altitude of about 1,000 meters



above sea level. PTPN IV is about four-hour drive from the North Sumatra's capital city, Medan, and about 40 minutes before reaching Lake Toba, famous as the world's biggest caldera lake. PTPN IV produces orthodox black tea from 100 percent of its own green leaf plucked by shear or machine. The three estates have a total area of 6,373 hectares and about 4,000 hectares under tea.

Since Bah Butonneg factory's processing capacity was increased in 2012, green leaves from these three estates are manufactured there and in Tobasari's factories, amounting to about 7,000 tonnes a year. Building Sidamanik's factory is still on track and there is a plan to reopen it by installing CTC machinery some time this year. This challenge may lead to a new recognition of Sumatra tea in the near future.

The main cultivars in Sumatra and Java are ▶

PT Indoglobal has a special clone called Tambi Merah that is reddish in colour.

Gambung series from West Java and some TRI clones such as 2024, 2025 from the Tea Research Institute of Sri Lanka. The latter could be a reason for the similarity of some Indonesian and Ceylon teas. According to Dr Rohayati Suprihatini, a researcher in the Research Institute for Estate Crops in Bogor, West Java, the tea plantations in Indonesia grow mostly *Camellia sinensis var assamica* for 95 percent. *Camellia sinensis var sinensis* (Chinese variety) is limited to about five percent.

The Gambung clones, from 1 to 11, are released by the Research Institute for Tea and Cinchona located in Gambung, West Java. Their advantages are high yielding (with a potential of 3400 to 5800 kg/ha/year) and high catechin content (from 13.90 to 17.10 percent). However, they have a weakness in drought resistance if it lasts more than three months. In Indonesia, the dry season has been lasting four to five months in recent years, which is becoming a serious problem for the tea industry.

Production in East and West Java

All tea produced by PTPNs are encouraged to sell through the weekly Jakarta tea auction, which is conducted by PT Kharisma Pemasaran Bersama Nusantara (KPBN) on Wednesdays. KPBN is a subsidiary of PTPN I to XIV, which is involved in marketing their agricultural commodities such as palm oil, rubber, tea, sugar and molasses. In addition, KPBN is the only broker at the Jakarta tea auction, exclusively handling tea from PTPNs. This means more than half of Indonesian tea is marketed outside of the auction.

West Java is the largest tea producer in the country led by PTPN VIII, which operates 24 tea plantations as well as producing rubber, quinine and palm oil. The total cultivated tea area covers 19,342 hectares with 19 orthodox and six CTC factories (one plantation has both orthodox and CTC units). One of the tea estates, Malabar, is situated in the south



Machine harvesting on the Tambi Tea Plantation, a private estate located in Wonosobo, Central Java.

of Bandung with an elevation of 1,500-1,550 meters above sea level, produces 1,900 tonnes of orthodox black tea a year from 1,273 hectares of cultivated area. Malabar is one of the oldest and most significant tea estates for PTPN VIII, famed by a Dutch planter, Karel Albert Rudolf Bosscha (1865-1928), who served as the first and longest manager at Malabar, from 1896 to 1928. His original bungalow remains and now welcomes visitors as a part of Agrowisata (agricultural tourism). Malabar's current factory is scheduled to be rebuilt after the onset of dry season around June when crop lessens. The expectation is high for the improvement of the quality of Malabar tea when the new factory commences operation.

PTPN XII in East Java manages 34 plantations producing rubber, coffee, cocoa, woods and tea. It operates three CTC tea factories namely Sirah Kencong, Kamar Tengah and Wonosari, as well as one green tea factory called Gunung Gambir. Sirah Kencong is located in the west of Mount Kawi and belongs to Bantaran Plantation which originally started to grow quinine and cinnamon in the early 1990s. Tea planting began in 1984, and the CTC factory was inaugurated in 1988. The tea

Shear plucking on the Bah Butonneg Plantation in Sumatra.



field of 328 hectares is spread over the slopes at altitudes between 1,000 to 1,400 meters above sea level and produces about 300 tonnes a year. Wonosari, located in Malang in the southeast of Mount Arjuno, started tea growing in 1910, and founded the factory in 1914, which was converted to CTC in 1997. Wonosari still has about 40 percent seedling tea bush, some of them are now more than 100 years old. They produce approximately 800 tonnes from 528 hectares of tea field at elevations from 900 to 1200 meters above sea level.

Both Sirah Kencong and Wonosari conduct manual plucking (by hand or shear) with shorter cycle of 10 to 12 days for 60 percent or 40 percent respectively, the rest is harvested by machine every 25 to 30 days. Currently, they manufacture both manual and machine plucked green leaf together. However, if they segregate the leaf by plucking methods, the former has a potential to improve the quality as well as achieve higher prices in the auction.

Wonosari is also actively involved in tourism, being one of the models for Agrowisata. It established a hotel and home stays on the premises which can accommodate 300 guests at a time, as well as a camping site. Although it welcomes several thousand visitors on weekends, the primary business is still tea growing, which differentiates Wonosari from other sightseeing facilities.

The Private Estates

One of the private estates, Tambi Tea Plantation is situated in Wonosobo near Dieng Plateau, Central Java. It was initiated by a Dutch firm in 1865. The current managing company, PT Perkebunan Tambi, founded in 1957, has two shareholders now: the Wonosobo local government and PT Indoglobal Galang Pamitra (50:50 percent). It operates three units spreading 700 to 2,000 meters above sea level; Tambi (850 tonnes of made tea annually from 240 hectares); Bedakah (1,000 tonnes from 325 hectares) for black tea, and Tanjungsari (570 tonnes from 200 hectares) for green tea.

Indoglobal was established in 2010 by five founders, who acquired a 50 percent share of Tambi from the previous owner (one of the founders, Dr Ir Rachmad Gunadi, was appointed chairman of the Indonesia Tea Board in 2019). Since then, Indoglobal has been expanding its tea trade business as well, which is located in Bogor. Some seedling bush (18 percent) is still grown, and the other 82 percent are cultivars such as Gambung 3 to 7, TRI 2024/2025.

Additionally, Indoglobal has a special clone called Tambi Merah (red) 1 and 2, which has reddish-coloured flush and produces aromatic tea with smooth taste that resembles the renowned Darjeeling tea in India. As of now, the quantity of Tambi Merah is limited, but its quality has started to be recognised among the premium tea buyers. “Of course, we have an idea to expand the area of Tambi Merah. However, it will surely decrease the total production,” said Is Hartanto, the director of Tambi, who has a Unilever background and plenty of experience in tea trade. Tambi is also engaged in Agrowisata by offering 54 cottage type guest rooms.

Beautifully cultivated and carefully looked after, tea fields in Java and Sumatra present magnificent scenery, which is undoubtedly a charm of the islands. In large tea plantations, just carrying on the day-to-day operation is not an easy task. However, some of them are trying something new which can lead to improving the quality. Since Indonesia has fertile land, a large population as well as more than a century-long practice in tea growing, the tea industry is one of the nation’s important assets, which is expected to continue deriving not only profit for producers and traders but also joy for consumers worldwide. ☕



Ahmad Grazali Rahman (left) and Is Harhanto of PT Indoglobal cupping tea.

Yumi Nakatsugawa has been working as a freelance writer specializing in food and restaurant management. While freelancing, she developed a love of black tea as well as tea-producing countries and tea people. Her passion for black tea has brought her to Sri Lanka, India, Kenya, Indonesia, Nepal, Malaysia, and Papua New Guinea to see tea production firsthand. Based in Japan, Yumi may be reached at: ym_n@nifty.com.

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Asia Pacific: The Rising Star in Decaffeinated Coffee

Instant coffee is highly popular in Asia Pacific, but now instant decaf products are flooding the market in the region. With the continuous development of the coffee culture and the health and wellness trend, decaf coffee – both fresh and instant – has strong growth potential in Asia Pacific.

By Peter Wong

Decaffeinated instant coffee is emerging in Asia Pacific. According to Euromonitor International, retail volume sales of decaffeinated instant standard coffee in the region exceeded 3,600 tonnes in 2019, representing 8 percent of the global market. As the fastest-growing region in the world for decaffeinated instant coffee, Asia Pacific will observe retail volume growth of 10 percent for the category between 2019 and 2024.

Although decaffeinated coffee products have hit Asia Pacific, not every country consumes them equally. The category is more popular in Japan and South Korea than in other Asian markets. As shown in the graph (Figure 1, page 36), retail volume shares of Japan and South Korea together have gradually increased from 67 percent in 2014 to 73 percent in 2019, according to Euromonitor.

Coffee products are ubiquitous in Asia Pacific, but coffee culture – the prevalence of drinking coffee in the daily lives of consumers – is not. It is much stronger in Japan and South Korea than in countries like China. In fact, coffee has been an indispensable component in the daily routines of many consumers in Japan and South Korea.

In Japan, coffee became a popular beverage in the 1960-70s thanks to the country's rapid post-World War II economic expansion and the rise of the middle class. In South Korea, coffee gained popularity when modern cafés started focusing on selling coffee instead of traditional teas and sodas to distinguish themselves from Korean-style 'dabangs' ('tea houses' in English) in the 1980s during the country's economic boom. Presently, both countries observe an abundance and variety of coffee beverages in ready-to-drink and freshly



made formats as well as a thriving on-trade scene.

The global health and wellness trend is pushing consumer demand for products claiming to offer health benefits. According to Euromonitor International's Health and Nutrition Survey 2019, only 35 percent and 29 percent of respondents from Japan and South Korea, respectively, state that their current dietary habits are healthy enough – much lower than the global average of 44 percent. As a result, both Japanese and South Korean consumers are comparatively more willing to improve their diets. Opportunities exist for decaffeinated coffee, which is perceived as a healthier alternative to caffeinated products. Altogether, the combination of a sophisticated coffee culture and the health and wellness trend contributes to the rise of decaffeinated coffee in both countries.

Japan: Associating Decaf with Sleep

Japan, the largest market for decaffeinated instant standard coffee in Asia Pacific, has seen a steady growth of the decaffeinated and reduced-caffeine ▶

Decaffeinated instant coffee products are more popular in Japan and South Korea than in other Asia Pacific countries.



Source: Euromonitor International

trend in the last few years. Retail volume sales of decaffeinated instant standard coffee in Japan experienced an eight percent compound annual growth rate (CAGR) from 2014 to 2019. The key driver behind this is that consumers are concerned with the amount and quality of their sleep in a country where sleep is a luxury. As Euromonitor’s Health and Nutrition Survey 2019 shows, only four percent of Japanese consumers achieve an average of eight or more hours of sleep per night, far below the global average of 10 percent. Reducing caffeine consumption became particularly popular after the concept of ‘sleep debt’ – the cumulative effect of getting insufficient sleep – was widely promoted by Japanese media.

In response to this growing concern, manufacturers are innovating to advocate the smart use of caffeine by associating decaffeinated coffee with improved sleep. For example, Japanese coffee giant UCC is encouraging consumers to drink different types of coffee depending on usage occasions. One of the key product offerings of their

Café Rhythm series is the decaffeinated option. UCC is marketing this product for relaxation occasions like before bedtime, repositioning coffee from invigoration to relaxation.

The decaffeinated and reduced-caffeine trend is not only yielding an impact on grocery products sold in retail channels through new product developments, but also driving the development of cafés in Japan.

Nestlé Japan opened a Sleep Café in March 2019 where consumers can take a nap as they consume a variety of coffee beverages. During a typical visit, a cup of decaffeinated coffee is served to consumers before they rest, followed by a caffeinated one once they wake up. As a result, Nestlé Japan successfully and smartly positioned decaffeinated coffee as a complement to the sleeping and waking cycle of consumers.

South Korea: Caffeine Concerns Boost Decaf Consumption

Similar to Japan, South Korea has also experienced



Source: Euromonitor International

a fast advancement of decaffeinated products. Euromonitor says that retail volume sales of decaffeinated coffee in the country experienced an 11 percent CAGR between 2014 and 2019.

The data also indicates that South Korea will see the highest per capita volume consumption of coffee in Asia Pacific from 2014 to 2024. Coffee lovers who enjoy multiple cups per day thus see a need to consume decaf to control their caffeine intake. Consequently, more decaffeinated offerings appear in the market, and South Korean consumers are willing to pay a premium for such products.

In retail channels, decaffeinated coffee has a higher average unit price than regular instant coffee. For instance, within Dongsuh Foods' premium instant coffee brand Kanu, the decaffeinated coffee SKUs are approximately 20 percent higher than regular products.

A similar pattern of development can also be observed in on-trade channels. Specialty coffee franchises like Starbucks and The Coffee Bean and Tea Leaf also offer decaffeinated options and proactively promote them. Foodservice channels have created a general awareness of the benefits associated with decaffeinated coffee through

successful marketing campaigns. For example, Starbucks Korea hosted a series of large-scale promotional activities for its decaffeinated coffee in 2017. Similarly, the price of a cup of decaf coffee is higher than non-decaffeinated options.

More companies are launching premium coffee products to cater to increasingly diversified dietary habits of consumers, such as reduced intakes of caffeine. Retail volume sales of decaffeinated coffee will experience an 18 percent CAGR between 2019 and 2024 in South Korea, per Euromonitor, showing the demand and opportunities for the category.

Both Japan and South Korea are prime examples of how much potential decaffeinated coffee is currently demonstrating. With the continuous development of the coffee culture and the health and wellness trend, the significance of decaffeinated coffee in Asia Pacific will remain incremental for the foreseeable future. ☕

Peter Wong is an analyst specialising in the Drinks & Tobacco Industries in Euromonitor International's Hong Kong office. He is involved in analysing and delivering strategic market trends and insights.

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Advancing Labelling Operations

As tea and coffee brand owners focus on meeting consumer demands and increasing efficiency of operations, labelling technology is getting a facelift along with many other manufacturing systems. The advent of Big Data, the Industrial Internet of Things (IIoT), new regulations and the push to automate operations are all digitally transforming the way we work – from cloud infrastructure models to increasingly connected devices, as well as societal demands for greater consumer safety and organisational transparency.

These broader information technology (IT) trends of digitisation and modernisation are driving the evolution of labelling. Evolving technology, such as enterprise resource planning (ERP) and manufacturing execution systems (MES) are changing manufacturing operations. As these systems come online, companies need to update and modernise their labelling systems, which often means implementing or migrating to a new standard and centralised global labelling solution.

The addition of enterprise systems and new technology is driving tea and coffee producers to new opportunities such as cloud-based labelling solutions. Since cloud-based systems integrate with general business systems, moving labelling systems to the cloud reduces the complexity of the process for manufacturers and makes label management more efficient and simpler.

In addition to the software, labelling hardware, such as printers, are also being updated and streamlined. For example, as mobile Windows computers are nearing end-of-life, many organisations are switching over to Android-based devices.

The standardisation of printers allows manufacturers to stock fewer spare parts, reduce unplanned downtime and lessens administrative work as well as the need for support for basic tasks such as changing printer settings, loading media and training operators.

This standardisation of equipment and adoption of IIoT-friendly devices is reshaping the hardware market, requiring the printers themselves to be more connected. While the technology making this possible is not new, the evolving market is now advancing enough to take advantage of capabilities such as cloud-based driverless printers.

Traditionally most label printing has been done with thermal printing technology, while direct marking has typically involved continuous laser etching and inkjet printing. Brand owners are now looking for one solution for both types of printing. This centralisation through a label management system

Information technology trends along with new regulations and other compounding factors are fuelling the evolution of labelling.

By Maria Ferrante

with the capabilities to interface with a range of direct marking and labelling printers, regardless of brand, is making the use of one system to print both easier and more cost-effective.

Stricter Labelling Rules

With governments and consumers alike working to ensure safety and protect consumer rights, regulations around accurate packaging will continue to advance. Hence, labelling regulation across countless industries has become more stringent.

In the F&B space, new nutritional facts guidelines will be enforced by the US Food & Drug Administration this year (or 2021 depending on business size), while the rules around allergen labelling are now being tested in several market segments.

To protect consumers and stay ahead of these changing regulations, brand owners will need to ensure their labelling is completely accurate, not only for compliance but for the public's trust in their brand. These trends will push companies to adopt label management systems that offer a reliable method to maintain compliant and accurate labelling.

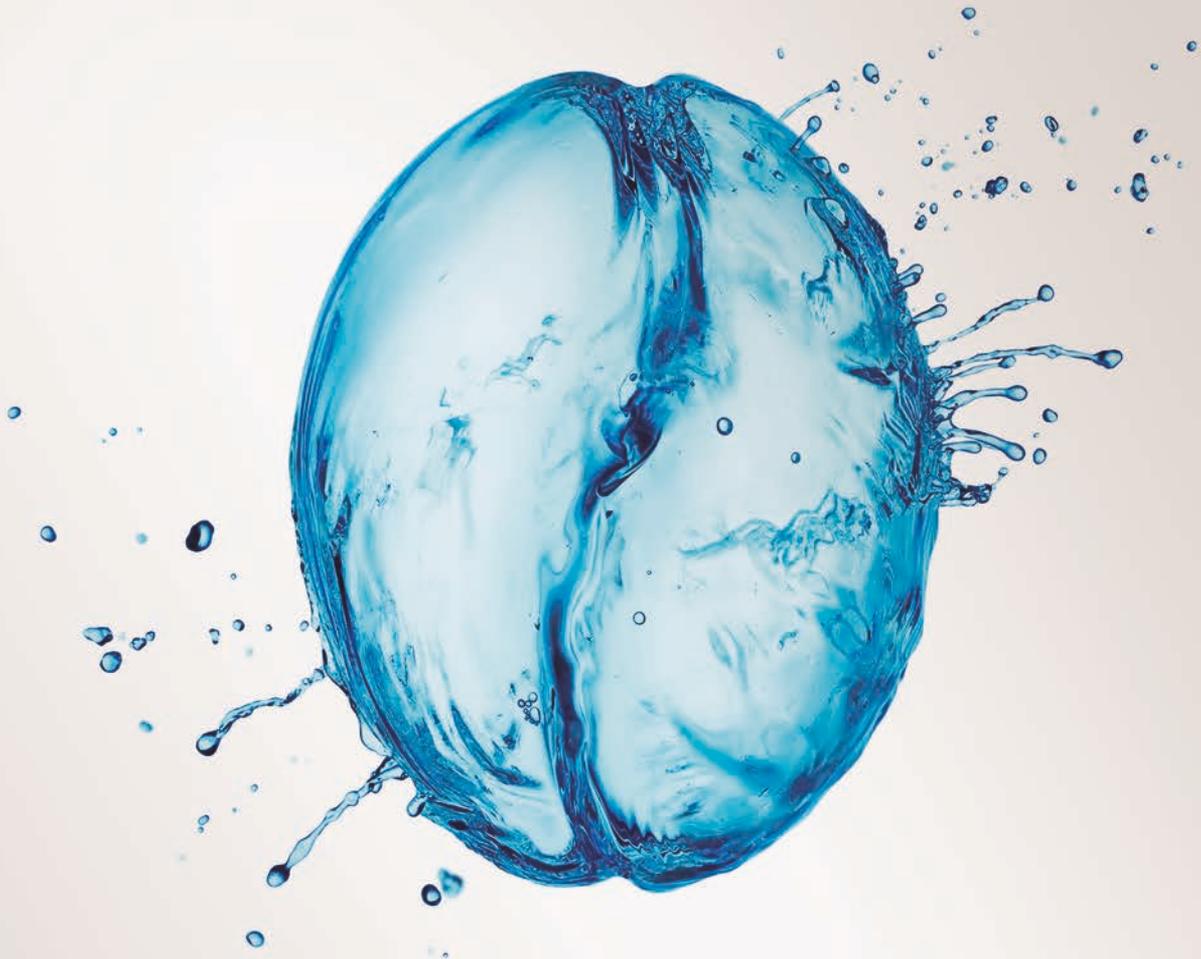
This movement toward reliable labelling systems amplifies as consumers seek out products with clean labels such as tea from tea leaves. Health conscience consumers want healthy ingredients that they recognise on a label, versus additives and preservatives they can't pronounce. Responding to these demands and meeting regulatory changes are critical for coffee and tea makers.

This year looks to be a compelling one for label management and the entire labelling industry. Stricter regulations continue to challenge organisations and consumer demands such as the clean label movement are issues manufacturers need to stay ahead of. At the same time, movements toward modernisation, digital transformation, the adoption of cloud technology and increasingly connected hardware will dramatically impact labelling today and into tomorrow.

Maria Ferrante is senior director, marketing and communications, at PMMI (the Association for Packaging and Processing Technologies).



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March 2020 Green Coffee Report



March was a month like no other. Both the Arabica and Robusta market saw significant increases in March, as worries regarding the Covid-19 pandemic worsened, in-home coffee sales soared and physical supplies continued to tighten.

International Coffee Exchange (ICE) certified stocks dwindled to more than two-year lows as roasters and traders bought coffee in an effort to ensure comfortable supply should global coronavirus restrictions impact logistics and international trade. ICE Certified Arabica stocks totalled 1.98 million bags as of 1 April, down 20.5 percent from the 2.49 million bags registered at the same time last year.

Coffee stocks in the United States also continued to fall. The latest data from the Green Coffee Association (GCA) showed coffee stocks in warehouses in all ports of the US totalled 6.024 million bags for the month ending March 31, which is 288,658 bags, or 4.6 percent lower than the previous month and 86,543 bags (1.4 percent) lower from March 2019. This is the lowest level for stocks at the

end of March in the last five years.

While there were numerous reports of a lack of shipping containers in Brazil, as most containers coming from China and Chinese operations were halted during the outbreak, official data from Brazil's Coffee Exporters Association, CeCafe, showed that green coffee exports were, in fact, not impacted. Brazil exported 2.82 million 60-kg bags of green coffee in March, up 2.4 percent from the 2.75 million 60-kg bags exported during the same month last year.

However, the impact of Covid-19 is certainly being felt throughout the coffee sector. Coffee warehouses in the US are experiencing "slowdowns," intermittent closures and inconsistent port operations.

For Brazil, in Espirito Santo, the largest Robusta coffee-producing state, a booklet was published by the Secretary of Agriculture outlining proper measures to be taken during the harvest time to avoid the spread of Covid-19. The booklet also highlights that a state law has established 14 May as the official start date of the harvest.

The Colombian Coffee Grow-

ers Federation (FNC) is calling on some 135,000 coffee pickers and regular workers to join forces and help pick 6.5 million bags of 60-kg between April and June when the secondary harvest is harvested, following a strict protocol. The FNC published a 24-page protocol to allow regular people and pickers to help in the recollection of beans ensuring the health of workers.

In Vietnam, coffee trading basically halted as the country observed 15 days of isolation. Ports in India are seeing significant slowdowns and exports are being impacted.

A very stiff lockdown in Peru prevented the first ripening beans being produced in lower-altitudes areas to be collected and brought to coffee cooperatives as the government of President Martin Vizcarra banned coffee growers, pickers and other agricultural workers from leaving their houses.

Fundamental focus remains on the upcoming harvesting of the Brazil 2020-21 crop. As harvesting activities enter their peak, more accurate assessments of yields are generally released.

CONAB is scheduled to release its second estimate for the crop on 19 May. 🇺🇸

For more in-depth coffee news, insight and analysis, please sign up for a free two-week Coffee Network trial at: <https://bit.ly/2WxCEGN>

This report was compiled by Alexis Rubinstein, senior editor, Coffee Network, a division of New York, New York-based INTL FCStone, a Fortune 500 company focused on diversified financial markets. Email: Alexis.Rubinstein@intlfcstone.com. **INTL · FCStone**

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Nestlé Expands Global Response to Covid-19, Joins Forces with the IFRC

Nestlé AG has been working since beginning of the Covid-19 crisis to provide local relief efforts in the communities around the globe where the multinational company operates. Nestlé has offered support to charities, medical institutions and other organisations, and has worked closely with physicians to develop new tailored Covid-19 medical nutrition and supplement treatment protocols.

Nestlé also donated to food banks and food delivery organisations to support people in need as well as its business partners throughout its supply chains.

Building on these humanitarian efforts, Nestlé announced that it is joining forces with the International Federation of the Red Cross and Red Crescent Societies (IFRC) in response to its emergency appeal.

The IFRC is a strong and trusted global partner of Nestlé, with unmatched presence and expertise in providing first aid, emergency

response and epidemic control. As part of the emergency response, the IFRC is providing immediate help to strengthen health care systems, where the need is greatest. Nestlé and IFRC will work together in four ways to provide urgent help for emergency services and caregivers and strengthen healthcare systems. Together, Nestlé and IFRC will:

- Donate food, medical nutrition products and bottled water to bring relief to those most affected by the pandemic.
- Deploy available logistics capacities from our out-of-home business to support the needs of the IFRC in various countries.
- Donate CHF 10 million (USD \$10.4 million) for immediate deployment in countries where it is most needed.
- Match 1:1 any donations to the Red Cross and Red Crescent National Societies or Federation made by our employees.

“Now is the time to demon-



strate the values of the Nestlé family. I am deeply impressed and humbled by what our team has accomplished to support individuals and communities affected by this crisis. The Covid-19 pandemic is a global problem and consequently we are offering help on the ground everywhere, drawing on our extensive presence and experience in 187 countries,” said Mark Schneider, CEO of Nestlé AG.

He added, “In addition, we give our full support to those who are fighting tirelessly against the spread of the virus, every day. This is where our trusted and long-standing partnership with the IFRC comes in. We applaud the relentless efforts of the millions of Red Cross and Red Crescent volunteers and admire their determination to make a difference on the ground.”

Tea Origin Responses to Covid-19 Outbreak

On behalf of the Tea Association of the USA, its president, Peter F Goggi, issued the following update on origin tea countries' responses to the Covid-19 pandemic:

India:

- All tea gardens are under lockdown and not operational.
- For more information, visit: www.teaboard.gov.in/home.

Sri Lanka:

- Continuing under safety precautions within the curfew period.
- People can engage in the agricultural sector including the tea sector.
- Government directive that tea production must continue still stands.
- For more information, visit: www.srilankateaboard.lk/.

Kenya:

- Kenya now has 28 confirmed cases of coronavirus, the second highest in the region after Rwanda that has 41.
- “Social distancing is now our

new norm, it is our new way of life,” President Kenyatta said on 25 March. He also announced a nationwide nighttime curfew.

- Exempted are organisations rendering critical and essential services which include food dealers and transporters of farm produce.
- Tea producers have taken it that they are exempt as well and are currently seeking further clarification from the government.
- For more information, visit: agricultureauthority.go.ke/

China:

- After consecutive days without new cases in March, China resumed work and production in every sector by early April.
- Tea production is at full capacity.
- Foreign airlines have been limited to one flight per week as of 22 March.
- Government is beginning to allow internal travel and a return to work in light of several days of no new cases.



Image courtesy of Yumi Nakatsugawa

Argentina:

- On 20 March, the Argentine government announced a lockdown through 31 March.
- For more information, visit: <https://bit.ly/2WKvbV3>.

Starbucks Expands Plant-Based Ingredients and Products in China

Starbucks has joined forces with plant-based innovators in China, Beyond Meat and Oatly, to continue its strategic focus on expanding plant-based ingredients and products. Starting in April, Starbucks stores across China began offering a new plant-based food and beverage menu, as well as new merchandise made from recycled content.

The new plant-based platform in China marks another step towards Starbucks' global aspiration to become a resource positive company, giving more than it takes from the planet.

"Through our new plant-based platform, we seek to inspire new routines by inviting everyone to eat good, feel good and do good. Together, we can take a small, humble step to make a better world," said Leo Tsoi, svp, COO and president, Starbucks China Retail.

Starbucks constantly re-imagines its menu to offer a range of food and beverage choices for customers and continues to explore creative new solutions with customers beyond its menu to create a positive impact on the environment and support their lifestyles.

Packaging for the new menu items is made from plant-based material which have received OK Compost HOME and INDUSTRIAL certifications, two widely recognized international standards. Products also feature a sleeve made from recycled from milk cartons which opens to form a meal mat, reducing the need for cleaning up. A handle is integrated into the packaging design to remove any need for secondary packaging.

On the beverages side, Starbucks is introducing oatmilk to the core beverage menu in all stores across China with Oatly. Customers at all Starbucks stores across the Chinese mainland may now customise their favourite Starbucks beverages with oatmilk. The smooth and mellow texture of oatmilk pairs well with the Starbucks signature espresso, accentuating its full-bodied taste



and velvety microfoam.

In addition to the new customisation choices, Starbucks has created oatmilk versions of two signature Starbucks beverages, as well as a special limited time offer beverage.

Available in all Starbucks stores across the Chinese mainland from 22 April, the new beverages include:

- **Oatmilk Latte:** A classic hand-crafted beverage re-imagined with Starbucks intense signature espresso and velvety smooth steamed oatmilk.

- **Oatmilk Matcha Latte:** Featuring aromatic green notes of matcha, Starbucks signature tea beverage creates a unique yet familiar pairing with the smooth, mellow taste of oatmilk, providing a balanced lingering sweetness.

- **Berries Oatmilk Black Tea Macchiato:** Available for a limited time, this seasonal beverage infuses a black tea macchiato with a fruity medley of berry flavour notes.

Starbucks has offered soymilk in China since 2007, and the introduction of oatmilk provides customers with another unique way to customise their Starbucks Experience.

Starbucks has also launched a

line of stylish and creative merchandise that can be woven into customers' everyday lifestyles. This includes tumblers and notebooks that are made with recycled coffee grounds collected from Starbucks stores. The coffee grounds are processed and mixed with polypropene to form an industrial grade material with over 30 percent recycled coffee ground content, which can potentially be used to manufacture a variety of lifestyle items.

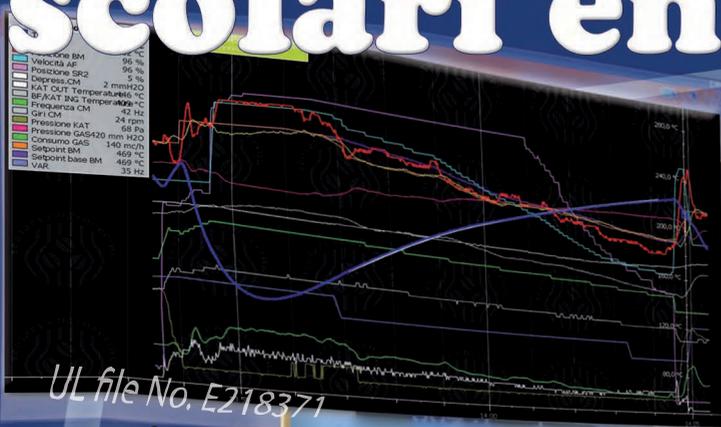
To further bring this new approach to sustainability to life in Starbucks cafés, furniture made from this material will be rolled out into stores soon. The new platform marks the latest chapter in the company's sustainability commitment announced earlier this year. As part of this commitment, the company plans to build a Coffee Innovation Park in China by 2022, which aims to become the most energy, water and waste efficient roasting operations for Starbucks around the world.

Last year, Starbucks also eliminated plastic straws from all its stores in the Chinese mainland, saving about 200 tons of plastic waste annually.

It is now accelerating the roll out of new waste sorting stations and will complete installation in over 80 percent of its stores by the end of September 2020.



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With the MAC 5 and Angel, Colombini Aims to Revolutionise the Grinder Market

Coffee is a beverage with such complex aromas that it is vital to process the beans in the best possible way. Colombini grinders do so in a way that preserves all those aromas by cutting the bean instead of smashing it. This is just one of the advantages offered by Colombini grinders such as the new MAC 5.

The MAC 5 is a machine that will revolutionise the market, according to the company. Thanks to a new patented system for the adjustment of the rotational speed of both the upper and lower grinders, it is now possible to obtain any granulometric distribution, with high hourly production rates.

It is compact and light, yet at the same time it is an extremely high performing industrial grinder that can process amounts of coffee matching the output of much larger machines.

MAC 5 is the result of Colombini's R&D and effort to always innovate and develop new products, to fit any need. MAC 5 is perfect for large-scale production, it can be used for the direct feeding of

packaging machines, stocking silos and for the creation of centralized modular plants. No grinder on the market can guarantee such a productive output, the company says, with capacity of over two tonnes per hour for filter coffee, with a weight of only 460kg.

MAC 5 performs at an average of 11kW per hour and grinds over a tonne per hour of any type of coffee, apart from Turkish coffee, where the hourly output is nearly half a tonne.

MAC 5 not only has incredible performance but it is also at the forefront of technological innovation, allowing for the remote adjustment of ground size and of blade distance with millimetric precision and as mentioned before, the adjustment of the rotational speed of both the upper and lower grinders, thanks to a patented system.

Colombini's Angel is designed to be used in small productions facilities, labs, coffee shops and grocery stores – one of the best solutions for grinding coffee in limited spaces.

Even though it is not as big as

other industrial grinders, Angel maintains all Colombini's characteristics, such as precision, extremely high productive output, constant ground quality and the sturdiness and reliability typical of Colombini.

Angel mounts the same grinders as the TA Series of industrial grinders. It features blades in tungsten carbide steel with 1300 Vickers hardness. So durable they can grind over 70 tonnes of coffee without deteriorating. It is also at the forefront of innovation as thanks to its digital display, Angel allows the adjustment of the thickness of the grinding, always maintaining the process under control. It guarantees low and constant output temperatures even at continuous production cycle.

Passion is what distinguishes Colombini from others. For over 65 years the Colombini family has been designing and building tools for grinding, with particular attention dedicated to the coffee sector.



NCA Shares Resources & Highlights Coffee Companies that are "Stepping Up"

Along with keeping its members updated on how the Covid-19 pandemic is affecting the coffee industry, the National Coffee Association (NCA) of the USA has been providing Covid-19 resources. Now, the NCA is offering these resources to non-members.

"We've reorganised and added important new materials to our NCA Covid-19 Resource Center," said William "Bill" Murray, president and CEO of the New York-based association.

The NCA Covid-19 Resource Center (www.ncausa.org/Industry-Resources/Coronavirus-Covid-19-Resource-Center) is now organised by audience: For (a) consumers, and (b) coffee roasters/retailers/manufacturers.

New information has been added to the Covid-19 Resource Center regarding:

- Economic relief – new information from the Small Business Administration on how to apply for Economic Injury Disaster Loans, Express Bridge Loans, the new (up to) 100 percent forgivable Paycheck Protection Program, and other debt-relief measures.
- Clarified eligibility requirements for receiving assistance, including an important exemption for retail coffee shops with multiple locations.
- New regulations on paid leave policies for employers – including new mandatory paid sick leave requirements.

Amid these challenging times, coffee companies large and small are helping, each in their own way, many providing coffee to first responders. The NCA would like to honour coffee companies that are stepping up and helping others

during the crisis. The NCA is asking people to do what they can and make sure to inspire others by tagging good work on social media using the hashtag #FuelTheHeroes. If you let the NCA know, they will help spread the word.

Furthermore, while the NCA cannot give specific advice relating to the unique circumstances of individual businesses and facilities, they have added a form to their Resource Center (form.jotform.com/NCAUSA/covid-19-question-submission-form) where members and non-members may submit questions to NCA regarding Covid-19, "which we will do our best to answer," said Murray, adding, "We pass along these resources with thanks to NCA members, who pay the dues that have made our work possible for over 100 years."





Flavourtech's Instant Coffee Tastes Like Freshly Brewed

Australian company Flavourtech Pty Ltd has developed a range of equipment to revolutionise the instant coffee process, allowing producers to lock in the taste, aroma and volatile compounds typically lost in traditional processing.

Used by ready-to-drink (RTD) tea and coffee companies for over 20 years, the Integrated Extraction System (IES) now combines Flavourtech's core technology of the Spinning Cone Column (SCC) with the Rotating Disc Column (RDC) and Centritherm evaporator, producing a continuous, automated processing line that is ideal for instant, cold brew and RTD tea and coffee.

For over 35 years, the Spinning Cone Column (SCC) has been used in the production of instant coffee to capture the aroma that is left after the traditional high-temperature extraction process. In Flavourtech's new Integrated Extraction System (IES) the aroma recovery step has been positioned before the extraction process thereby protecting the coffee's delicate aromas from extreme temperatures.

For the manufacturer, the key benefit is being able to produce instant coffee that tastes like freshly brewed coffee. It can retain

those natural and desirable coffee flavours, whether the beans are from Brazil, Colombia, Guatemala, or Ethiopia.

The SCC's distinct advantage is that it uses vacuum and steam to extract and recover volatile compounds, a gentler process than standard methods. When the aroma and high temperature extract are recombined at the end of the manufacturing process, the result is a coffee that tastes as though it has been freshly brewed, with the convenience of instant coffee. This is also true when using the IES for RTD and cold brew coffees – two of the fastest-growing beverage segments globally.

The IES is now helping manufacturers across the globe to provide premium tasting instant coffee. The IES has a small footprint, is easy to operate and is flexible in design. Not only can it be used to produce instant and RTD coffee, but the same system can be used for instant and RTD tea, maximising the possibilities for beverage manufacturers.

All this amounts to a significant step forward for the coffee industry. Instant coffee companies can now become true beverage companies with lower capital and lower infrastructure costs than

ever before.

The IES is a compact and continuous processing line that is easy to use and requires less infrastructure than traditional coffee extraction lines.

The unmatched flexibility of this modular approach means that some of the individual modules can be combined with existing processes or installed in stages. It also means that installation takes two to three weeks and the system can be installed in a single-story building with a ceiling height of just eight metres.

The IES couples state-of-the-art flavour recovery technology, as used by international flavour houses, with the high-temperature extraction of soluble solids in a continuous process.

Importantly for instant coffee producers, the IES now allows the valuable flavour of the roast coffee beans to be captured by the SCC and protected prior to high-temperature extraction taking place. The result: a premium instant coffee for domestic or export markets.

Beverage companies must find ways to continuously excite consumers with coffee and tea products at both the retail and food-service levels.

Flavourtech's technologies are giving these producers the tools they require to maintain innovation and take advantage of new opportunities while producing high quality products easily, consistently and flexibly.

Just as the proof of the pudding is in the eating, the proof of Flavourtech's instant coffee process is in the tasting.

The next step for prospective manufacturers is to conduct trials on their own roasted coffee at Flavourtech's pilot plant facilities in Griffith, Australia.

Coffee is about to get much better; and the Flavourtech IES ensures that you will be leading the pack in producing the best, most flavoursome coffee.

More information on the IES can be found at www.flavourtech.com.



Lavazza Donates Coffee to Workers in the US Combatting Covid-19

In response to the global health emergency in the US, Lavazza Premium Coffee has donated more than 50,000 bags of coffee to support healthcare and public safety workers as they work to fight the Covid-19 pandemic. This follows monetary donations the Turin, Italy-based Lavazza Group pledged in its home country.

Lavazza's North American subsidiary has partnered with New York Health + Hospitals, Morrison Healthcare, UCLA Health, Los Angeles Fire Department, and Los Angeles Police Department to deliver coffee to the following facilities:

New York City Metro Area

- NYC Health + Hospitals: Bellevue, Harlem, Coney Island, Kings County, Woodhull, Elmhurst, Queens, Jacobi, Lincoln, and North Central Bronx;
- Mount Sinai Beth Israel;
- Mount Sinai: Brooklyn, New York Eye & Ear, Queens, Morningside,

and West;

- Burke Rehabilitation Hospital;
- Staten Island University Hospital North & South;
- Westchester Medical Center;
- White Plains Medical Center;

Los Angeles, California Metro Area

- LA Fire Dept (106 stations);
- LA Police Dept (21 stations);
- Ronald Reagan UCLA Medical Center;
- UCLA Medical Center.

In Italy, the Lavazza Group has pledged to allocate 10 million euros for projects to support healthcare, schools and the needy in the Piedmont region. Out of this amount, €6 million will be donated to the Coronavirus Emergency Support #IOCISONO fundraising appeal organised by the Piedmont Regional Council, to purchase material necessary to support the healthcare facilities and all the front line staff heavily engaged in dealing with this situation.

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A further €3m will be given to the La Stampa – Specchio dei Tempi Foundation, an organisation that has taken immediate action in three areas: providing hospitals with new equipment and medical supplies for intensive care and first aid, as well as advanced rapid testing equipment at the Amedeo di Savoia Hospital in Turin; issuing free sanitising kits on request to schools in Turin; and delivering basic necessities to the elderly in physical and economic hardship.

€1m will also be granted to a variety of groups and associations active in the Piedmont area, to help the weakest and most disadvantaged sections of the population.

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BCA Appoints Paul Rooke the New Executive Director

The British Coffee Association (BCA) announced that Paul Rooke has been named the organisation's new executive director, effective in March. Rooke will report to the current BCA chair, Thomas Blackwall.

Rooke joins the Charlbury, England-based BCA following 25 years at the Agricultural Industries Confederation (AIC) where he held the position of head of policy and external relations. The leadership appointment comes at a crucial time for the United Kingdom coffee industry as the deepening impacts of Covid-19 are felt, and as Brexit negotiations start to shape future trade, tariffs and labour movement and environmental policy continues to shape the UK's circular economy and infrastructure.

Commenting on his appointment, Rooke said, "The coffee industry is, like many other sectors, facing a period of massive upheaval and business uncertainty

from Covid-19. Coffee is an everyday part of so many peoples' lives and we will be looking to ensure its production and availability to customers can be maintained during this very difficult period and those members whose businesses are facing immense pressure can get some respite from the measures government is introducing. Whilst I am of course excited to be joining the UK coffee industry, we recognise that there is an immediate need to support our members, and UK coffee, through this crisis."

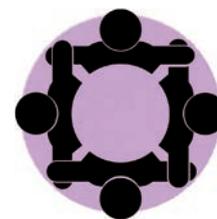
This year will also see several key government resources and waste consultations on the environment and packaging along with ongoing work for the BCA around wider sustainability issues such as improving the resilience of coffee farmers and driving responsible sourcing practices across supply chains.

At the start of the year, the BCA Board developed an ambitious set of new objectives and goals for the association that will provide new routes to growth, expand ca-

pabilities, and continually improve the relevance of the association for members. These renewed objectives will be pivotal to the new executive director's role in moving the organisation forward.

"Paul's extensive background working in policy and external affairs for wider trade associations will be hugely beneficial for the BCA, we couldn't be happier that he has accepted the role. With Paul coming on board we will start to see the BCA go through a rapid phase of expanding capability, building capacity and becoming an even stronger voice for the UK coffee industry," said BCA chair Thomas Blackwall.

"This is even more important given the business impacts from the coronavirus crisis and in prioritising the health, safety and well-being of people working throughout the coffee sector." ☕



Paul Rooke

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Adaptogenic Teas and the Wellness Market

In this age of the novel coronavirus and a strong focus on wellness, adaptogenic teas are a welcome trend and an opportunity for tea businesses of all kinds, from retailers to beverage manufacturers. In fact, the industry is seeing more adaptogenic tea blends on the market as consumers seek natural substances to reduce stress, provide a sense of calm and reap a variety of health benefits.

Adaptogens are natural, botanical substances and include Tulsi Holy Basil, ashwagandha, rhodiola and maca – or more common adaptogens such as turmeric and ginger – plus many more. They balance, restore and protect the body from physical, biochemical and mental stress. The strength of adaptogens is in their ability to produce what’s called a “non-specific” response. For example, if the stress your body encounters tends to spin you up, the adaptogenic response will help keep you grounded. Conversely, if the stressor brings the body down, the adaptogen’s effect would be to provide a lift.

Adaptogens work with many physiological systems in your body, with an emphasis on regulating the adrenal glands, which is where stress hormones are produced. This is the key to how they help reduce stress, maintain energy and reduce fatigue.

Although the term “adaptogens” has only been used for about 70 years, there’s a vast amount of research that’s been done on tea and adaptogenic herbs, citing their many wellness benefits. And the market for adaptogenic teas is only growing. In fact, a recent study from Transparency Market Research, based in Albany, New York, says the overall adaptogens market is expected to be USD \$10.3 billion by 2020 and estimated to be \$23.4 billion by 2030.

It’s important to note that tea itself is an adaptogen. In fact, the tea plant, *Camellia sinensis*, is the single most consumed adaptogen on the planet. Tea is refreshing while being only mildly stimulating and can produce a state of well-being in the body and mind. L-theanine, a balancing amino acid found in tea, can provide a measured boost while promoting clarity and focus. Tea’s active ingredients are polyphenols. They’re both an antioxidant as well as anti-inflammatory in their effects, serving as natural defense mechanisms, helping to mitigate the body’s stress response. The antioxidant capability in tea polyphenols makes it a first line adaptogen, meaning

it can help with immunity, thus preventing the body from even encountering an incoming stressor. It makes sense to combine tea with other adaptogenic herbs to help achieve a more targeted benefit for the desired response function.

On the whole, tea works synergistically, improving the effects of other adaptogens. When used together, tea can support the function and beneficial effects of adaptogens in the sympathetic nervous system’s response to stress, thus enhancing balancing effects.

Turmeric herbal tea, for example, is a popular option that many are familiar with and that’s available everywhere right now – including grocery stores and trendy cafés. Ginseng is another common adaptogen that’s blended with tea. Look for ginseng oolongs – a popular epicurean energy boost in China. Other beneficial adaptogens are routinely coupled with tea and tea beverage products.

If you’re looking to sell adaptogenic teas at your retail establishment, they’re available from almost every major tea company in North America. Look for “functional tea blends” or adaptogenic teas from companies like The Republic of Tea, Organic India and many other brands. There’s even an adaptogenic supplement powder from Four Sigmatic, which can be blended in coffee, tea or smoothies any time of day. The Tea Spot also launched a Flu Fighter with astragalus, honeysuckle, licorice, orange peel, tangerine peel, mulberry leaf, dandelion, red root and ginger, as well as Adaptogenic Chai with roasted dandelion root, chaga mushroom, ashwagandha, rhodiola, cardamom seeds, cinnamon, slippery elm, cascara shells, ginger, raw cacao nibs, cloves and maca; both of which are caffeine-free adaptogenic blends.

Many tea companies offer wholesale opportunities with adaptogenic teas, or co-branded and private label options. Overall, now’s the time to look into adaptogenic teas and the wellness market. ☕

Maria Uspenski is the founder and CEO of The Tea Spot. The Colorado-based company donates ten percent of all sales in-kind to cancer and community wellness, and offers wholesale, OEM/private label, corporate gifting and co-branding options. Uspenski is the author of *Cancer Hates Tea*.



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