

Fair Trade Coffee: The case of Nicaraguan smallholder cooperatives and Seattle University

Mid-term Report

Submitted by Quan Vu Le

In fall quarter 2016 I continued to work with the Fair Trade Team on several initiatives with the primary objective of building a new team to continue with the project. At the beginning of the quarter we hired four students as business interns to expand and grow the coffee business offering real-world experience and case study opportunity for Albers students. Indirectly, we have 12 additional students from across the Global Business Club, American Marketing Association, and Enactus actively assisting the project.

In October, the Fair Trade Team under the leadership of Braden Wild completed the Business Plan Report structuring a sustainable model of a student run business at Seattle University. A Board of Management was formed with the new business interns: Braden Wild (Economics and International Business, CEO); Justin Totura (Finance and Accounting, CFO); Benjamin Fuller (Management, COO); Samantha Henry (Marketing, VP of Marketing); and Lucy Wilhelm (Business and Law, VP of Sales) In addition, an Advisory Board was formally established consisting of 6 members: Braden Wild (Albers student, Chair of the board); Quan Le (Albers faculty); Nathan Colaner (Albers faculty); Joe Barnes (Albers Faculty); Sue Jackels (Professor Emerita of Chemistry); Zev Siegl (Co-Founder of Starbuck Corporation, small business consult, and coffee industry expert).

In November I applied and received the Global Grant to take five students and two faculty members to Nicaragua during Spring break 2017. The purpose of the trip is to assess the improvement of the quality of coffee and the impact of the student run business on the farmers and their family. This trip is vital to maintaining the relationship with the coffee farmers, and training new students about coffee supply chain management from processing green bean order to packaging and retailing. The trip allows students to get a hands-on experience with the project and to observe the realities on the ground to help them generate their own ideas about how to carry the business forward.

In December we participated in the Fair Trade Fair at Seattle University and sold over 60 bags of coffee. Overall, the Fair Trade Team sold around 400 pounds of coffee in fall quarter on campus averaging about 100 lbs/month.

During the winter break I collected articles on the economic analysis of fair trade coffee in developing countries and prepared lecture notes for the pre-departure meetings in winter quarter. We are planning to have bi-monthly meetings in winter quarter to prepare students for the trip. Students will learn how to design questionnaire, content analysis, and impact evaluation. They will apply these skills to conduct interviews with the coffee farmers at CECOCEMAC cooperatives in Matagalpa, Nicaragua.

In January 2017, the Fair Trade Team registered the business with the State of Washington as a social enterprise – Café Ambiental S.P.C. This is a milestone for the project. We now hope to expand the project by reaching out to vendors in the community. The team is currently working on a business plan enter the Harriet Stephenson Business Plan Competition this year.