

Inter-regional case study

Promoting fair trade organic mountain coffee

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The Mountain Institute

Dean Cycon of Dean's Beans®

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1. History of the initiative

Dean's Beans® was initiated as a vehicle for economic and social change, but it is also profitable. Dean's Beans'® Chief Executive Officer (CEO), Dean Cycon, considers the coffee industry to be one of the most heinous in terms of its treatment of upland peoples. With the recent drop in coffee prices, many farmers in developing countries now sell their coffee beans for less than they cost to produce. Dean believes that enlightened business is the most effective route to positive change in the world.

The history of Dean's Beans® is also the history of its founder and CEO. Dean's background is in law, international trade and environment. He has been involved in development work since 1975, initially through teaching and social and environmental activism. In the late 1980s Dean was asked to help start a development group focusing on coffee villages by a group of cafe owners led by Bill Fishbein, who owns a coffee shop in Rhode Island, the United States. Dean was responsible for creating the community development activities of Coffee Kids. Rather than investing in existing aid programmes, such as the foster-parent programme, Coffee Kids staff instead decided to begin a dialogue with specific coffee villages in Guatemala. The outcome of this dialogue was a micro-enterprise initiative for women, which began in 1989 and integrated health care with banking. Dean remained on the board of directors for Coffee Kids for ten years. All of the current major Coffee Kids' initiatives were started by him, indicating an excellent sustainability record.

Photograph 1: Dean Cycon with Alberta Ruiz (Bolivia), Rigoberta Menchu (Guatemala) and Vandana Shiva (India) at the World Trade Organization (WTO) meeting in 2003



During his work at Coffee Kids, Dean began to feel that there was an even better way to bring about good community development. Rather than going to each coffee company, hat in hand, asking for donations to help with village development work, Dean decided to set up a business that simply respects farmers.

Dean's Beans® was founded in 1993, with US\$7 000 of Dean's own money. He purchased a used coffee roaster, and began building a business that respects people and the environment at every level and in every transaction.

Growth has been steady but carefully monitored. Dean's philosophy of growth is that it happens naturally and sustainably only when all environmental conditions are ready to support it. Growth must be carefully managed so that it is done with integrity and respect for the environment. Dean's Beans® could easily have grown more quickly, but it has not

pursued growth for the sake of growth – rather, it has expanded when the human and environmental resources were ready to support scaling up.

Even with this careful approach, the business has been remarkably successful, and now has more than US\$1.3 million in annual sales. Dean’s Beans® buys from coffee growers’ cooperatives in 11 countries, and maintains direct personal relations with each one of these cooperatives. The newest cooperative, Association of Small Producers of Poco Fundo in the Atlantic Highlands of Brazil, has been added this year.

Despite its modest size, Dean’s Beans® offers the largest selection of organic fair trade coffee in the United States. Bill Fishbein, Director of Coffee Kids, writes, “Dean’s work with farmers is legendary.”

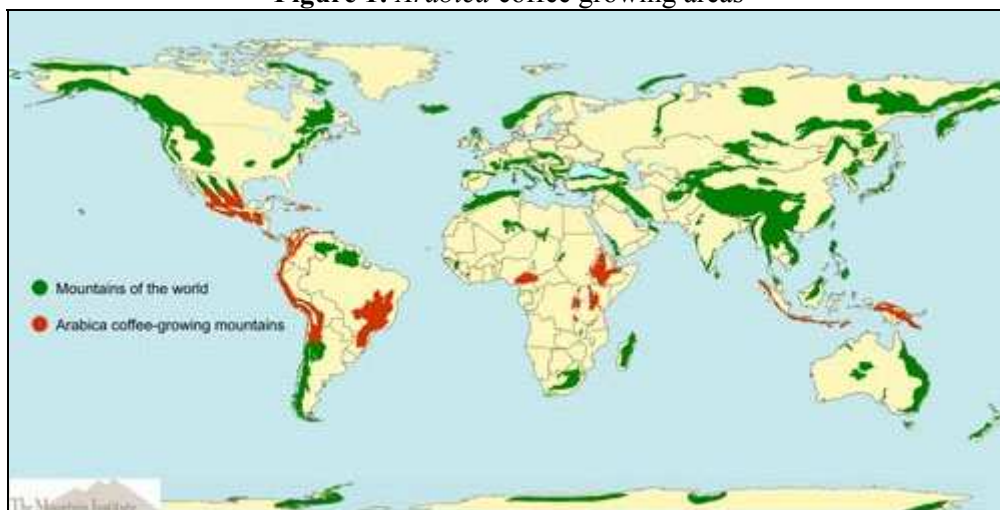
2. The product

MOUNTAIN PRODUCTS INVOLVED

The mountain products involved are *arabica* coffee, and a small amount of highland-grown *robusta* coffee from Sumatra.

Coffee is the world’s second largest legally traded commodity, after petroleum. It is also one of the few internationally traded commodities that is still mainly produced on smallholdings farmed by peasant households, rather than on large plantations. More than 60 percent of coffee production comes from family farms of less than 10 ha. *Arabica* coffee, which represents about 70 percent of the world coffee trade, is grown exclusively in the tropical mountains and uplands of the world.

Figure 1: *Arabica* coffee growing areas



A 2003 study by the World Bank, International Institute for Sustainable Development, International Coffee Organization, International Development Research Centre, and United Nations Conference on Trade and Development examined the characteristics and trends of the sustainable coffee markets in 11 European countries – Belgium, Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom – and Japan. By 2004, the major European sustainable coffee markets were conservatively expected to have grown by about 55 to 65 percent from their 1999 level.

This single crop represents more than 20 percent of export earnings for nine developing countries, and accounts for more than half of all export earnings in four countries. Approximately 25 million farmers depend on coffee incomes. The report calls for environmental and social standards, improved governance structures, better communication channels and price premiums for the coffee market to provide help to nearly 1 million coffee farmers, particularly smallholders affected by the dramatic drop in international coffee prices.

MOUNTAIN-SPECIFICITY

All *arabica* coffee producers are in upland areas. Mountains and farmers are featured on the company logo. Dean's Beans® is located in the Pioneer Valley, about 45 minutes east of the Berkshire Hills.

Figure 2: Dean's Beans'® logo



Dean's Beans® is a small roaster and importer in Orange, Massachusetts, United States, with producers in the highlands of Brazil, Colombia, Costa Rica, East Timor, Ethiopia, Guatemala, Mexico, Nicaragua, Papua New Guinea, Peru and Sumatra. The characterization of the agro-ecological zones where the coffee is produced, according to the FAO classification scheme (2003), is "mainly closed forest" and "mixed use: closed forest, cropland and grazing land".

Transportation and communications infrastructure at the importer/roaster location in the United States is outstanding. Dean's Beans® is close to major interstate highways and less than two hours from an international airport in Boston. Over the last four years, the company has built a state-of-the-art Web site, including an on-line custom blending and ordering service for its coffee products.

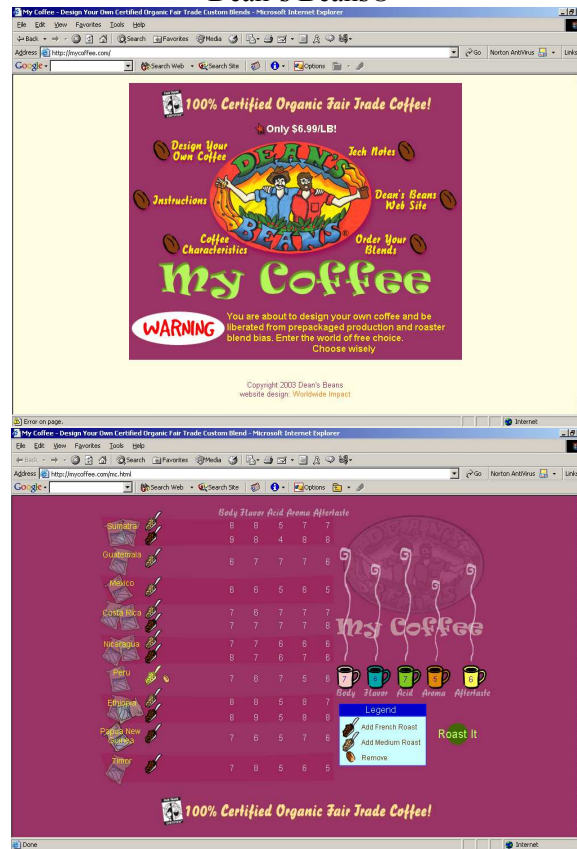
Dean's Beans® recently moved to a new location in Orange, Massachusetts. This town was chosen for several reasons. Orange has the highest unemployment rate in the state, and needs high-paying jobs that have dignity. This location presents challenges in terms of recruiting an educated workforce, but Dean's Beans® felt it was important to locate in a place where good jobs are needed. Deans Beans® employs eight full-time staff with full benefits.

All of the coffee growing cooperatives that work with Dean's Beans® are in upland areas of developing countries and face significant challenges and costs in transporting their products and communicating with buyers. The direct link between fair trade buyers such as Dean's Beans® allows producer cooperatives to overcome many of the logistical challenges of bringing their coffee to market at a fair price.

In the mountains of Chiapas, Mexico, the Mut Vitz cooperative encountered many problems when it tried to organize transportation of its coffee beans outside the controlling pattern of intermediaries. Last year, two of its trucks were hijacked by armed men – unfortunately, too often this is considered "business as usual" in the world of coffee production. Cooperative Coffees, the association of local roasters and importers that Dean's Beans® helped to found, has been sending visitors down to Mexico regularly in order to secure international observation, which helps to reduce the hijacking of trucks. Pre-finance payments also help

producers to break out of abuse in the chain of commerce, by allowing them to cover the cost of hiring their own trucks to get their coffee down to markets.

Figure 3: “My Coffee”, the innovative on-line custom blending and ordering service by Dean’s Beans®



The distance that producers must transport their beans begins with moving the harvested beans from the fields to the cooperative, which is done by the farmers, often on steep, narrow mountain paths. In this initial phase of transport, farmers carry the coffee on their own backs, or with the help of their livestock. The cooperative is generally located on a motorized road, although the road may be in very poor condition and subject to closure by landslides or floods. In Ethiopia, it is a ten-hour drive from the coffee cooperative to the processing plant. In Sumatra, it takes 15 hours to drive to the place where the processing plants are located.

Photograph 2: Makeshift crossing for coffee truck after flooding on the Rio Napo, Peru



In Peru, it is a ten-hour drive from the mountains to the cleaner/bagger that processes the coffee for export. In September 2003, the main bridge on this route washed out after a flood. Farmers had to carry 200 150-pound¹ bags on their backs across the fragments of the reconstructed bridge, and then had to hire a second truck to take their beans to the processor.

As far as the communications infrastructure is concerned, e-mail has transformed importer–producer dialogue. E-mail communications are still sporadic because in-country infrastructure is dismal in many developing countries, but it is improving rapidly as countries invest in infrastructure and communications satellites offer wider service. Four years ago, Deans Beans® relied on difficult and expensive telephone contacts. The telephone was normally located in the town, many hours away from the farmers in the mountains. In Guatemala, farmers had to come down from the mountains and take a boat across a lake to reach the phone. Calls had to be arranged in advance, and many were missed. Time zone differences added yet another element of difficulty. Now, with e-mail, direct international communications are much easier. E-mail is much cheaper than the telephone, and farmers can check and respond to messages according to their own schedules, when they come to town.

ACTORS: BENEFICIARIES

Dean’s Beans® has personal relationships with the producers and helps sponsor development projects with each coffee growing cooperative, in addition to buying their products. Dean’s Beans® is an autonomous business, not sponsored by any outside companies, grants or non-governmental organizations (NGOs). It is certified by Transfair USA and Quality Assurance International.

Producers are coffee growing cooperatives located in the highlands of Brazil, Colombia, Costa Rica, East Timor, Ethiopia, Guatemala, Mexico, Nicaragua, Papua New Guinea, Peru and Sumatra. A brief description of each coffee growing cooperative is given in the following, including its collaborative activities with Dean’s Beans®.

Brazil

The growers’ cooperative Association of Small Producers of Poco Fundo is a dynamic group of farmers that has been working since 1985 to gain international accreditation for its work in organic cultivation and to be accepted on the fair trade registry. The group’s mission is to improve the social, economic and ecological conditions of the families of Poco Fundo, a small municipality of 15 000 people, located in the southern part of the state of Minas Gerais. The coffee is rich, tangy and earthy with many facets. Dean Cycon has taught courses on environmental conflict resolution and worked with indigenous communities to confront oil and gas development in Brazil.

Photograph 3: Brazil



¹ One pound equals approximately 0.45 kg.

Colombia

Cosurca is made up of more than 600 families in the eastern cordillera of the Colombian Andes, near Cauca. This is a group of young coffee farmers trying desperately to break away from conflict and rebuild their shattered lives. The beans they grow are classic Colombian – a smooth, round cup, known for its consistency and flavour. Dean’s Beans® does not blend this coffee; rather it is used straight up. Many of the farmers see organic, fair trade coffee as a means of reaching their objectives, including disengaging from illicit crops.

Photograph 4: Colombia



Costa Rica

Cooperativo Montes de Oro, a member of Coo Cafe, is a strong farmer-run cooperative near the famous Monte Verde Rainforest. The high-grown, strictly hard beans are cultivated by farmers on plots averaging 2.5 acres². Much of the coffee is dried with solar coffee dryers, a new technology that alleviates the pressure on fuelwood use (a leading cause of deforestation) and fossil fuels. The solar technology also allows the farmer greater control over the drying process. The coffee is extremely complex, yet well balanced in terms of acidity and body. Dean’s Beans® provided the original funds for the first solar drying unit in 1989. Dean’s Beans® has been providing funds to Hijos del Campo, the farmer-run scholarship programme for the high school- and college-age children of the coffee farms for several years. It has also purchased rain forest land and donated it to a new land reserve called Aula Reserve.

Photograph 5: Costa Rica



² One acre equals approximately 0.4 ha.

East Timor

The coffee comes from the mountainous Ermera district, southwest of the capital, Dili. It grows on misty slopes, but requires heavy shade to resist the scorching sun of the long dry season. The Timor beans are Aifu (1 000 to 1 400 m growing altitude) and Maubesse (above 1 400 m). The hard beans keep their character through the dark roasting process, retaining their spicy, solid taste. The farmers are organized into 15 rural grower cooperatives that sell to the national cooperative federation, CCT. The federation processes and sells the coffee to Dean's Beans® under fair trade terms. The independent coffee farmers of East Timor struggled for years against Indonesian rule, and won their freedom peacefully. During that time, Dean's Beans® provided funds for democratic organization by pro-independence groups. At the farmers' request, Dean's Beans® is now funding much needed rural health care clinics in the coffee areas, staffed totally by Timorese.

Photograph 6: Children of coffee growers in East Timor



Ethiopia

Ethiopia is the birthplace of coffee. Many of the beans are sun-dried while still in the coffee cherry, having been picked from wild-looking trees hidden in lush forest. It is these aspects that bring out the unique fruitiness and slightly earthy tones associated with Ethiopian coffees, which are used straight up. The Oromia Coffee Farmers' Cooperative Union is made up of 34 member coops (1 500 households) spread throughout the central plateau of Yirgacheffe, Sidamo and Jimma. Dean's Beans® worked with Oromia to introduce the first ever fair trade, organic Ethiopian coffee into the United States. When Dean's Beans® staff first brought back their roasted Oromia blend to the farmers, few had ever tasted their own coffee and none had ever seen it packaged with their name on it. They were proud to hear how respected they are in the coffee world.

Working with the farmers, Dean's Beans® has designed and funded Miriam's Well, a revolving loan fund that each community can use to build badly needed water wells in the villages. In the initial stages of this project, small member coops within Oromia created committees to decide among themselves how to manage the loan money and how to construct the well. What outside services were needed? What would be the terms of repayment? Dean's Beans® put the initial loan of US\$8 000 in escrow with Oromia 18 months ago, to be released when the member coop felt that everything was in place. It has taken a year for farmers to decide how to control and manage the fund. The first well is now being built in Jimma, Ethiopia, the birthplace of coffee.

Photograph 7: Rahema Hussein, age 13, demonstrates the daily coffee ritual. Her family is a member of the Oromia Cooperative in Jimma, in the western Ethiopian highlands



Guatemala

The imported coffee is grown on the 1 500-m slopes of the high volcanoes that surround Lake Atitlan, an area often called “the heart of the Mayan empire”. The coffee is a small dark-green bean that is fully washed and sun-dried. It has medium body, and is acidic with a smoky flavour. It is produced by indigenous Tzutzil people from Santiago Atitlan and San Juan La Laguna. These people have maintained their culture and traditional dress in spite of centuries of political and social pressure to assimilate, and they have paid a high price for their beliefs. The farmers are very conscious of the importance of shade as an ecological niche for migratory songbirds, for the health of the soil and for the additional sustenance that the hardwoods and fruit trees provide their families. Dean’s Beans® has worked on behalf of indigenous political parties as an international election observer during very dangerous times, and for many years as international project director for Coffee Kids to bring women’s microcredit and health promotional projects to the communities.

Photograph 8: Guatemala



Mexico

The big, tasty Mexican beans come from the Mut Vitz (hill of birds) Coffee Cooperative in the northern highlands of Chiapas. The beans are large and smooth, making for easy roasting. They have excellent aroma and medium body with slight acidity. This is a mellow coffee with a softly sweet flavour. As are other indigenous peoples of Mexico, the Tzotzil farmers of Mut Vitz are under intense pressure from the government and the international corporate world to give up their identities and their lands. The pressures are as indirect as the international

market price and the destruction of traditional landholding laws in Mexico, and as direct as armed incursions into the villages and the theft of coffee harvests by paramilitaries.

Photograph 9: Mexico



Nicaragua

The coffee is strictly high grown – over 1 100 m – on small plots that are often communally owned. The large bean delivers a smooth, full taste with a complex aroma. There is a slightly dry cocoa taste that comes out in the dark roast. It comes from mountainous Esteli, which continues to be a stronghold of support for people-centred social change. The growers' managing cooperative, Prodecoop, is made up of 44 producer coops representing 4 000 people, many of whom are farmers displaced by the war and now resettled on the large landholdings of former Somoza henchmen. Dean's Beans® has created a groundbreaking project in Leon: a cafe/roasterie owned and operated by a prosthetics clinic that gives free limbs and therapy to landmine victims and the poor. All profits from the Cafe Ben Linder go to the clinic, and post-therapy patients can work in the cafe to normalize their disability in a well-paying job with dignity. Dean's Beans® also supports the Leon baseball team. When Hurricane Mitch hit Nicaragua, Dean's Beans® put together the HurricAid concert and sent US\$9 000 directly to the farmers for food and rebuilding.

Photograph 10: Nicaragua



Papua New Guinea

This is a washed coffee with a curious preparation. Deliveries typically feature a mixture of bean sizes. Many beans have an orange and purple cast in contrast to the uniform green of most other coffees. This appearance is most likely due to the on-farm processing methods of the small grower and the paucity of water used in the washing of the beans. The resultant cup is thus wilder and fruitier than the other New Guinea coffees, as well as heavier in body, but slightly lower in acidity. The coffee is grown by the Kway Organic Farmers' Cooperative in the remotest part of the eastern highlands of this distant Pacific nation, around Marawaka in the Simbari District. The coffee is shade-grown on extremely small farms or family gardens. In most cases, coffee is the only source of cash income for the growers, as all other land is used to grow food crops for family consumption.

Photograph 11: Papua New Guinea



Peru

High in the Cordillera Oriental, in the Amazon drainage basin near Cusco in southeastern Peru, the 150 farmer households of the Cochapampa Cooperative work the soil tilled by their ancestors for hundreds of years. The land is high (over 1 500 m) and steeply sloped, so the farmers must take advantage of traditional agricultural methods to preserve the soil, and leave intact the encompassing forests to ensure that the birds, animals and plant varieties they depend on will be there for the future. Because the production of this cooperative is so small, it pools together with other coops to process and export fine coffees. The beans are well prepared with a good bean size, and in the cup the coffee is well-bodied with good acidity and a sweet flavour. Some years ago, Dean's Beans® staff worked with another indigenous Peruvian group, the Secoya people, to help them obtain legal and technical help to organize and fight oil exploration in their territories.

Photograph 12: Ashaninkas coffee growers: Boka Kiatari, Central Andes, Peru



Sumatra

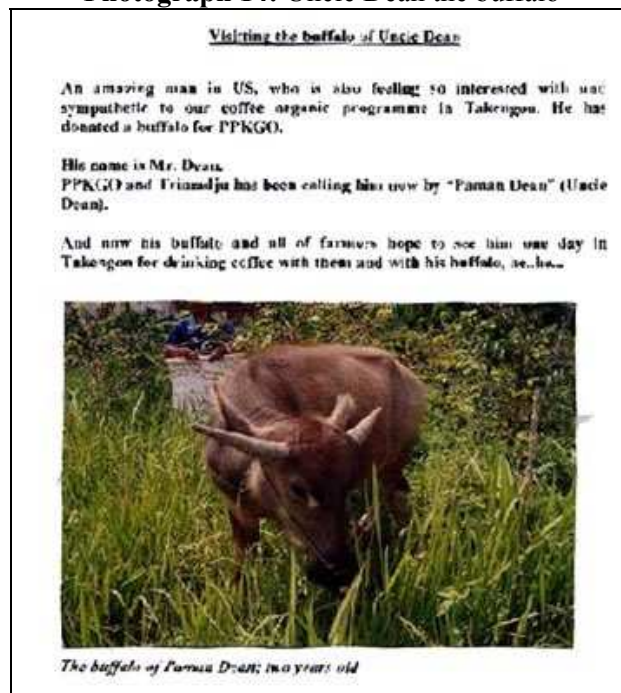
The coffee is a classic Mandheling, grown in the Takengon highlands of northern Sumatra, much of it in the buffer zone surrounding Gunung Leuser National Park. It is grown by a new organic, fair trade farmer group, PPKGO, organized by YPSI (an indigenous social foundation) with the assistance of ForesTrade. The coffee is grown on small, heavily shaded plots of 2 to 4 acres above 1 100 m. Much of it is sun-dried on raised drying tables. It is a singularly full-bodied coffee, very low in acidity. It is a very hard bean and holds its character deep into the dark roast stage. In 1990, Dean Cycon organized a project for Coffee Kids that brought running water for drinking to more than 1 500 coffee villagers. In the last few years, Dean's Beans® has created a project called Reclaiming Sumatra, which supports water projects, reforestation and land reclamation in coffee villages, and started a water buffalo ecomanagement project (the first buffalo is named Paman Dean or Uncle Dean).

Photograph 13: “Make coffee, not war” reads the Dean’s Beans® bumper sticker on a truck used by military personnel in Takengon, Gayo Highlands, Northern Sumatra



Also in the highlands of northern Sumatra, Dean’s Beans® has brought the first *robusta* coffee into the organic fair trade market. The village of Wanasari is situated in the middle of the “hot zone” where civil war is taking place. This village had lost all sources of income and would most likely have disappeared. Dean’s Beans’® purchase of 150 bags of organic beans from 50-year-old *robusta* trees (the average life of coffee trees is 20 years) at fair trade prices (US\$1.41 instead of \$0.20) profoundly changed the economics of this village.

Photograph 14: Uncle Dean the buffalo



3. Technological aspects

Dean’s Beans® follows organic certification requirements through each phase of production and processing (see section 5 on certification).

As part of its unusual, close connection to producers, Deans Beans® is perhaps the only roaster that packages its professional cupping reports and sends them to farmers. This allows farmers to understand better the kinds of quality requirements valued by the speciality coffee

market. The result is that farmers are able to improve the quality of their crop and get a better price for their coffee – not just from Deans Beans®, but on all of their sales.

As an example of production techniques, Dean’s Beans® supports a water buffalo loan fund in Sumatra to help integrate water buffalo as an ecologically friendly, organic source of fertilizer and weed control.

An example of processing techniques are the new drying beds and cupping laboratory that have been installed by CECOCAFEN cooperative in Nicaragua. In Costa Rica, the Cooperativo Montes de Oro dries its beans with solar coffee dryers, a new technology that alleviates the pressures on fuelwood (a leading cause of deforestation) and fossil fuels. The solar technology also allows the farmer greater control over the drying process. Dean Cycon provided the original funds for the first solar drying unit in 1989.

Roasting techniques include the full range of speciality coffee roasts, including dark roast, light/dark blends, medium roast, French roast, custom blends, Swiss water decaffeinated, and flavoured coffees. Dean’s Beans® uses two small-batch roasters instead of one large-batch roaster, which allows for microcontrol of the quality of the roast. Each country’s beans have their own quality, which changes at each roast level. Blending the beans and fine-tuning the roast is considered an art form at Dean’s Beans®.

Photograph 15: Cupping report for local farmers in Takengon, Gayo Highlands, Northern Sumatra



4. Economic aspects

Following a careful approach of environmentally supported growth, Dean’s Beans® now makes more than US\$1.3 million in annual sales, and offers the largest selection of organic fair trade coffee in the United States.

Pre-financing of producers is an important element in economic sustainability. Upfront payments allow the farmers to pay for harvesting and processing their crops without overreliance on local moneylenders. Dean’s Beans® follows fair trade practices in providing a floor price when the market price paid to farmers sinks below US\$1.41 for organic coffee.

Dean’s Beans® instituted a new profit-sharing programme in January 2004. The company pays farmers a “social equity premium” of an extra US\$0.05 per pound for each pound of coffee that is roasted each quarter. It also pays a quarterly “cooperative development premium” of \$0.02 per pound above the fair trade price.

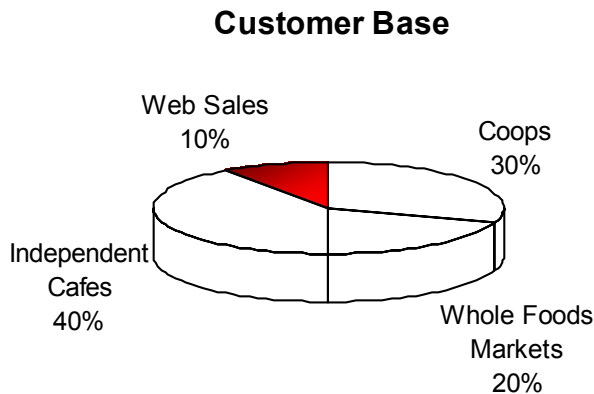
A recent visit by Dean’s Beans® staff to the Ethiopian cooperative verified that farmers were getting 300 percent more for their coffee through fair trade importers.

Retail prices for Dean’s Beans® coffee are shown in Table 1

Table 1: Prices for Dean’s Beans® coffee (January 2004)

Dark roast	US\$6.5/lb	US\$30/5 lbs
Medium roast	US\$6.5/lb	US\$30/5 lbs
Light/dark roast blend	US\$6.5/lb	US\$30/5 lbs
Custom blend or roast	US\$6.99/lb	
Flavoured coffee	US\$7–8/lb	US\$32.5–37.5/5 lbs
Decaffeinated	US\$7.5/lb	US\$35/5 lbs

Figure 4: Customer base for Dean’s Beans®



All sales by Dean’s Beans® are either wholesale or e-commerce sales (see Figure 4). Wholesale customers include retailers, coops, whole food markets and independent cafes. E-commerce is the fastest-growing segment.

5. Institutional aspects

Dean’s Beans® is a founding member of Cooperative Coffees, Inc., a United States- and Canada-based roasters’ cooperative created to buy direct, fair trade coffee from farmer coops and make it available to any small roaster who wants to participate in the fair trade movement.

Laws controlling exports from producer countries have been one of the largest impediments to fair trade in coffee. Most African countries use an auction system to sell coffee, making it almost impossible to purchase coffee from a particular grower group. The identities of the growers and any unique product qualities are lost, as they are consolidated by the auction process. In Ethiopia, the Oromia Cooperative recently managed to get the first exemption from auction system, and is now able to supply Dean’s Beans® directly. There is some movement in Kenya now to re-evaluate the effectiveness of the auction system, which could represent an important policy opportunity for fair trade growers.

Export licences are legally controlled by national governments, but this is a major area of socio-legal change today. Exporters in many countries manipulate the flow of goods, and often try to force importers to take unwanted goods. For example, in 2003 a cooperative in Colombia wanted to sell an entire container of organic fair trade coffee, and Dean's Beans® was ready to purchase the full amount. However, exporters only wanted to sell a mixed container, which included non-fair trade coffee. Dean's Beans® is now working with the cooperative to get its own export licence.

Photograph 16: Dean Cycon organized a panel at the alternative trade symposium at WTO/Cancun entitled 100 Percent Fair Trade: The Power of Commitment.



As another example of progress, ten years ago Dean Cycon was admonished by an Indonesian general for doing fair trade and development work with farmers in Sumatra without the general's approval. Now these same farmers are exporting under their own licence without outside interference.

ACCREDITATION/CERTIFICATION

Dean's Beans® is fair trade certified by Transfair United States for all of its products. All its products are certified organic by Quality Assurance International, which includes both farmer and processor certification. For farmers, organic certification requires a three-year commitment to be free of all chemical and artificial inputs. Farmers are also trained in land and water conservation, and waste recycling. The coffee "miel", or honey, and "cherry" are somewhat toxic, and if disposed of in waterways can cause fish kills or algae blooms. Farmers are required to compost this waste, which converts into a natural insecticide that can be used to protect coffee plants. Processor certification requires a strict audit trail of all processing inputs. No non-organic inputs are allowed. Dean's Beans® can trace every pound of coffee throughout its entire process, from the farmer to the final sale.

6. Environmental benefits

All products are 100 percent organic. Each player in Dean's Beans'® cycle of production and distribution, from the farmer to the consumer, participates in environmentally responsible trade (see section 5 on certification).

Support for organic, shade-grown coffee farmers brings immediate and far-reaching environmental benefits. On the high, steeply sloping land where *arabica* coffee is grown,

these farming techniques preserve the soil and leave intact the encompassing forests, thereby ensuring that the birds, animals and plant varieties they depend on will be there for the future.

In addition to supporting organic, shade-grown coffee, Dean's Beans® supports solar drying technology and has purchased rain forest land and donated it to a new land reserve called Aula Reserve in Costa Rica. In Sumatra, the company has supported reforestation projects.

Since its inception, Dean's Beans® has been actively involved in the ecological and social struggles of the farm communities it supports, acting as international election observers, designing and supporting women's banks and health projects, and fighting for territorial and ecological protection for indigenous communities.

7. Cultural and social benefits

Each player in Dean's Beans® cycle of production and distribution, from the farmer to the consumer, participates in socially just trade. Examples include the Miriam's Well initiative, which supports a revolving loan fund to build wells to provide a safe, accessible source of water in coffee villages in Ethiopia. The producer cooperatives all engage in activities that enhance social welfare, for example, CEPCO in Mexico invests in micro-enterprise, revolving loans and infrastructure (bridges, roads, electricity) for its communities.

As part of its community outreach, Dean's Beans® makes a great effort to convey information about producers to its customers. Customers seem to enjoy reading about the lives of real farmers and the unique mountain cultures where coffee is grown.

Photograph 17: Dean's Beans® funds health care clinics staffed by Timorese near Maubesse, in the highlands beyond the capital, Dili



In Costa Rica, for several years, Dean's Beans® has been providing funds to Hijos del Campo, the farmer-run scholarship programme for the high school- and college-age children of the coffee farms. In East Timor, Dean's Beans® provided funds for democratic organization by pro-independence groups of coffee farmers. At the farmers' request, Dean's Beans® is now funding much needed rural health care clinics in the coffee areas, staffed totally by Timorese. Dean's Beans® has assisted indigenous political parties in providing an international election observer in Guatemala.

In Nicaragua, Dean's Beans® sponsored a cafe/roasterie owned and operated by a prosthetics clinic that gives free limbs and therapy to landmine victims and the poor. All profits go to the clinic, and post-therapy patients can work in the cafe to normalize their disability in a paying

job. When Hurricane Mitch hit Nicaragua, Dean's Beans® put together the HurricAid concert and sent US\$9 000 directly to the farmers for food and rebuilding.

Dean's Beans® only purchases beans from villages and importers that are committed to fair trade and to working towards better economic opportunity and improved health and nutrition in the villages. The company also sponsors projects in the United States with disenfranchised communities such as Native Americans, the homeless and the disabled.

8. Sustainability and replicability

Dean's Beans® has tried to provide a model of involvement for other businesses, to show that "business as usual" can mean taking responsibility for the system within which a business profits, and that a successful business does not require ecological or economic oppression.

As do many progressive social initiatives and small businesses, Dean's Beans® depends largely on a single passionate, energetic person, in this case its founder and CEO Dean Cycon, who works relentlessly to keep the company focused on its goals. Dean's Beans® is currently C corporation, with all stock held by Dean Cycon.

Dean Cycon is currently giving much thought to the challenge of institutionalizing the company's goals, so that it can eventually survive without his particular individual energy. The precedents are not especially encouraging. For example, the progressive Ben and Jerry's company is now owned by Unilever, which appears to be slowly dismantling its commitment to social responsibility. Stoneyfield Farms Yogurt Company is now owned by The Dannon Company, and seems to be heading in the same direction, i.e. dilution of its commitment to organic production. Dean Cycon feels that there has to be another way. He is trying to build an institutional ethic and broadly held commitment to social and environmental goals, and is currently working with experts at Babson College on these applications. In the early years of his business career, when sales were just US\$50 000 annually, his ideas were often dismissed. Now, however, with sales above the US\$1 million mark, he is beginning to be taken seriously by other business leaders.

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