



Blossom Coffee Roasters Transparency Report 2022

Ever since starting Blossom, our mission has been clear: we want people to fall in love with speciality coffee and encourage them to be part of a movement that helps to protect it for future generations.

While we enjoy the incredible luxury of speciality coffee on a daily basis, the farmers responsible for producing these lots too often do not receive the necessary income to ensure financial stability for their businesses. When prices are low, roasters and retailers reap the benefits of the margins available along the supply chain, and it becomes clear that the vast majority of price risk therefore falls with the producer. In these instances, often the best case scenario is that farmers will start to cut corners on sustainable and quality-focused production, while in the worst case scenarios they will be driven out of the industry altogether and into more profitable crops.



Didier Javier Pajoy Ico, taken during our visit to Colombia in December 2022.



Fernando Lima, taken during our visit to El Salvador in January 2023.

Why Transparency?

We feel a responsibility to work in a way which ensures financial stability for the producers with whom we work, as it is only by increasing sustainability throughout the value chain that we believe speciality coffee production can be secured. We see transparency as absolutely central to this.

By publishing our data and openly communicating how much is being paid for our coffees, we hope to be part of a movement which normalises prioritising living incomes for producers and increases awareness for consumers, while in doing so distinguishing ourselves from those that use 'transparency' only as a marketing tool.

The Pledge

In 2022, we became just the second UK coffee roaster to sign The Pledge.

The idea to create The Pledge was developed during the transparent trade colloquium in Hamburg in 2018. As a group of likeminded professionals in the coffee supply chain, signatories of The Pledge feel that transparency should necessarily mean one thing: transparency of pricing in coffee negotiations.

"Companies that sign The Pledge agree to share a fixed set of variables when reporting on green coffee purchases. Together, we aim to create a common standard for transparency reporting that is applicable throughout the coffee world. By disclosing additional information like the name of the producer organisation, the lot size and the cup quality of the coffee, we add context to our transparency reports that makes them comparable and truly transparent."

To sign The Pledge, a minimum of one coffee that we have bought must be considered transparent according to the agreed criteria. However, we are proud to be publishing data for 100% of coffees bought in 2022.

Our Approach to Sourcing

We believe that the greatest value is to be found by going deeper into our sourcing relationships rather than wider, which is why in most of the origins in which we source, we work exclusively with just one producer or group and always with a single importer.

Our ambition is to buy from these same producers every year. Although working in this way is more challenging and less fashionable than simply buying one-off microlots, we believe by taking a long term approach in which we prioritise building genuine relationships with producers, that we can provide their businesses with stability while seeing gradual improvements in the consistency and quality of our coffee over time.

We are reluctant to buy coffee from producers and supply chains where there is little opportunity for repeated consistent buying every year. Instead, we believe we can have the greatest impact by sourcing a variety of qualities from each producer with whom we work, for different uses across our entire menu. We have already achieved this with Mártir, Pedro Aguilar (Las Peñas), Mauricio Jimenez and Nemba Washing Station in 2022 and we have plans to roll this out with Fernando Lima (Las Laderas) in 2023.



Colombia

All of our sourcing in Colombia is done in partnership with Osito Coffee.

Mártir

This was our third year buying coffee from Mártir, a small group of producers located in La Plata, Huila. Our aim is for all of our Colombian coffee to be sourced from members of the Mártir group. This year we bought the group's community lot as well as microlots from group members David Ruben Gomez and Robert Pillimue.

Gildardo Lopez, Diego Hoyos and Otoniel Hoyos

This is our first year buying from Gildardo, Diego and Otoniel. Gildardo's and Diego's microlots were winners in the 2022 Copa de Oro, a cup competition held by Osito in December 2022. Our founder, Josh, was lucky enough to be one of the judges and it was a privilege to meet both producers.

Divino Niño

This was our first year buying from Divino Niño, a group of producers located in Suaza, Huila, that work closely with Osito. We bought two community decaf lots and a pink bourbon lot. In the long term we hope to buy decaf from the Mártir group, our main partner in Colombia.

Brazil

All of our sourcing in Brazil is done in partnership with Osito Coffee.

Sitio Boa Vista

This year we have started a new relationship with Jacinto Hofmann, owner of Sitio Boa Vista. As this is our largest volume purchased, Osito put a lot of work into finding a producer who has the capacity and quality standards to meet our needs. We look forward to hopefully buying from Jacinto for many years to come.

Ethiopia

All of our sourcing in Ethiopia is done in partnership with Osito Coffee.

Telila Washing Station

Telila Washing Station is owned and operated by Mike Mamo who is himself a partner in Osito Coffee. This year we bought coffee from Telila for the first time and we plan to continue buying from Telila every year.

Sookoo Coffee

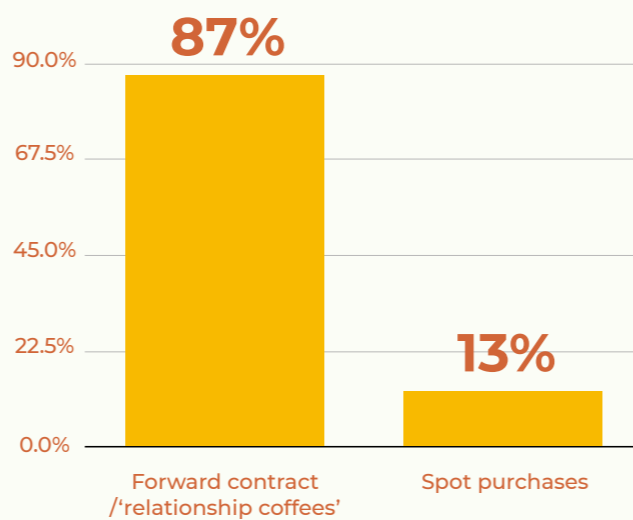
Sookoo Coffee was founded by Ture Waji and his brother, Assefa. This was our second year buying coffee from Sookoo Coffee and we plan to continue buying from Sookoo every year.

El Salvador

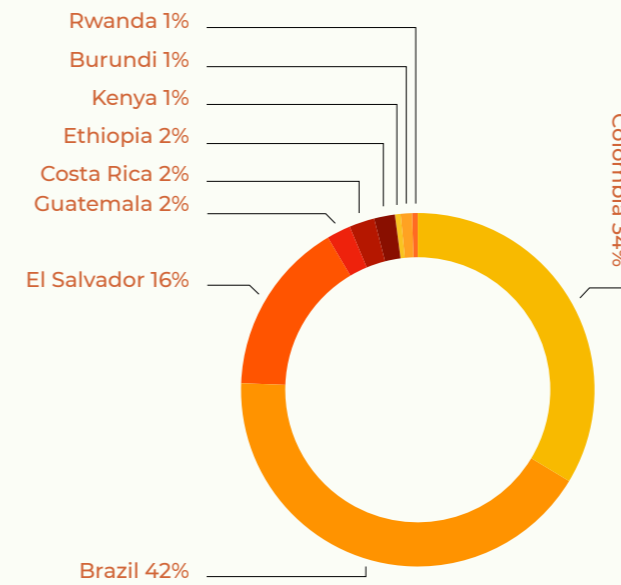
All of our sourcing in El Salvador is done in partnership with Volcafe.

Las Laderas

This was our second year buying from Fernando Lima. Our founder, Josh, visited Fernando in January 2023 and we have already selected several lots from Las Laderas for our 2023 menu.



Total volume purchased: **34687kg**



Guatemala

All of our sourcing in Guatemala is done in partnership with Primavera.

Las Peñas

This was our second year buying from Pedro Aguilar. We bought two separate lots in 2022 and we are working closely with Primavera on significantly increasing our volumes in 2023 and every year going forward.

Costa Rica

All of our sourcing in Costa Rica is done in partnership with Selva.

Mauricio Jimenez

This was our second year buying from Mauricio Jimenez. We bought three separate lots from Mauricio in 2022 and we plan to continue buying his coffee every year.

Burundi

All of our sourcing in Burundi is done in partnership with Sucafina.

Nemba

This was our third year buying from Nemba Washing Station. Our purchasing volumes are very low and as such we're reluctant to describe this as a 'relationship' but we love these coffees and look forward to buying them every year - in fact, at the time of writing we have already received coffee from the latest harvest (our fourth year!)

Kenya

All of our sourcing in Kenya is done in partnership with Sucafina.

Faith Estate

This was our first year buying coffee from Cecilia Wanjiku Haniel. We have only ever sourced extremely small volumes in Kenya and as such have struggled to gain any momentum with developing meaningful relationships. We will be hoping to buy from Cecilia again in 2023.

Rwanda

All of our sourcing in Rwanda is done in partnership with Sucafina.

Musasa

This was our second year buying coffee from Musasa Washing Station. We have made the difficult decision to pause our sourcing from Rwanda for the next few years as we look to narrow our focus on fewer origins where we feel we can have greater impact.



Copa de Oro competitors, taken during our visit to Colombia in December 2022.

Limitations of this report

Our impact alone is minimal

As a single small business, reporting this data has very little impact. It is only by being part of a movement of like-minded coffee roasters that together we can demonstrate the benefits of transparency. Currently there are very few roasters globally engaging in transparency but we hope more will be inspired to do so.

What is a good price?

The data that we're publishing is just a starting point. Although the data shared demonstrates that the prices paid are significantly above the 'C' market value, it does not tell us anything about the cost of production or whether the producers' businesses are actually financially viable. By working with the same producers and supply chains every year, we are committed to learning more about these issues and exploring how we can best support these producers.

Imperfect farmgate data

The way in which farmgate prices are negotiated vary significantly between countries. In some origins they are negotiated between smallholder producer and washing station managers, while in others between the producer and exporter. Some producers are paid for cherry and some for parchment, and the volumes that they're paid for are different from country to country - for example, producers in Colombia are paid per carga (125kg of parchment) while producers in Ethiopia are paid per kilo of cherry. On top of all of this, some producers negotiate their pricing in their local currency and some in USD, which introduces the complexity of fluctuating exchange rates.

All of this is to say that gathering this data is extremely complex, and that's before we even think about how to display the data in a simple, fair way that makes it easily digestible and comparable.

This is our first year gathering farmgate data. We know that it's not perfect and we will be exploring ways to improve this in future reports. *[On the other hand FOB pricing is always negotiated in USD/lb and although it doesn't reflect exactly what producers are paid, it is the easiest way to directly compare money being paid to each of our supply chains.]*

Definitions

***FOB:** Free on Board is the price of the coffee packed and stacked in a container ready for shipping. The FOB price includes the total paid to the farmer plus domestic transportation, milling, sampling, packing, and so on. The reason why we use FOB data specifically is simply that this is the most common way of communicating price globally, and is the agreed way of communicating prices in The Pledge. While this is not a perfect indication of how much is paid to the farmer, we believe that by working with transparent supply chains and the same importers and producers year on year, we can be confident that the producers are receiving the majority of the FOB price. The FOB price does not include the cost of shipping to the UK, financing, storage, the importer's margin, transportation to our roastery and finally roasting (which results in a 15% weight loss), all of which are accounted for before adding our own margins.

***Farmgate:** The price paid by the buyer (importer/exporter) to the producer.

***Blossom Quality Score:** The score assigned to the coffee by our Head of Coffee, a qualified QGrader.

***Importer ('Purchased from'):** This is the partner with whom we work closely to source our coffee. Often, the importer's role is overlooked or even ignored by roasters in their marketing communications. However, the importers that we work with play an absolutely vital role in the success of our sourcing program, from managing relationships at origin through to logistics and quality control.

***Purchase history:** The number of consecutive years that we have bought coffee from the producer.

***Spot purchase:** 'Spot' coffees are available for immediate delivery from a UK warehouse. We try to plan our sourcing far in advance but sometimes due to delays to shipments or changes in our forecasting, we need to buy spot coffees. This year we bought three spot coffees: Divino Niño pink bourbon, La Montañita and Faith Estate. All other coffees were contracted prior to the coffee arriving in the UK.

***COP/Carga:** COP is the currency in Colombia. A carga is a unit of measurement used in Colombia, equivalent to 125kg. Colombian coffee producers are typically paid per carga of parchment. For the quality of coffee we buy, approximately 90kg of parchment is required to fill a 70kg bag of green coffee.

***Birr/kg cherry:** Birr is the currency in Ethiopia. The producers delivering to Sookoo and Telila are paid in burr by the kilo of cherry. The volume of cherry required to make 1kg of green coffee for the lots we bought was 7kg.

Farm/group/ coop	Producers	Lot	Country	Purchase history	Purchased from	Quantity purchased (kg)	Quantity purchased (lb)	FOB \$/lb	Farmgate \$/lb	Blossom quality score
Martir	Mártir group members	Community lot 1	Colombia	3	Osito	2100	4620	3.90	\$3.1 million COP/ carga	85.5
		Community lot 2	Colombia	3	Osito	5950	13090	3.8	\$2.9 million COP/ carga	85.5
	David Ruben Gomez	Geisha	Colombia	3	Osito	140	308	6	\$4.5 million COP/ carga	88
	Robert Pillimue	Copa de Oro pink bourbon	Colombia	3	Osito	60	132	9.6	\$3.1 million COP/ carga	86.5
El Calamar	Gildardo Lopez	Copa de Oro pink bourbon	Colombia	1	Osito	30	66	9.6	\$7 million COP/ carga	86.5
La Fortuna	Diego Hoyos	Copa de Oro pink bourbon	Colombia	1	Osito	30	66	10.85	\$8 million COP/ carga	88
Divino Niño	Divino Niño group members	Decaf community lot	Colombia	1	Osito	700	1540	4.15	\$2.82 million COP/ carga	84
		Decaf community lot	Colombia	1	Osito	2100	4620	4.27	\$2.9 million COP/ carga	84
		Pink bourbon	Colombia	1	Osito	210	462	4.62	\$2.85 million COP/ carga	86.5
La Montañita	Otoniel Hoyos	Pink bourbon and tabi	Colombia	1	Osito	350	770	4.75	\$2.9 million COP/ carga	87
Sitio Boa Vista	Jacinto Hofmann	Red and yellow catuai	Brazil	1	Osito	14550	32010	2.61	2.07	84.5
Sookoo Coffee	Smallholder producers	Bookkisa natural 74110 & 74112	Ethiopia	2	Osito	300	660	4.06	55 birr/kg cherry	87.5
Telila	Smallholder producers	Kecho Anderacha honey 74110 & 74112	Ethiopia	1	Osito	360	792	3.8	46 birr/kg cherry	87
Las Laderas	Fernando Lima	Bourbon	El Salvador	2	Volcafe	5520	12144	3.10	3.05	85
Las Penas	Pedro Aguilar	Caturra and bourbon	Guatemala	2	Primavera	552	1214.4	2.87	2.05	85
		Bourbon	Guatemala	2	Primavera	210	462	3.55	2.73	86
El Granadilla	Mauricio Jimenez	Anaerobic natural geisha	Costa Rica	2	Selva	46	101.2	14	12	88
El Delfin		Yellow honey catuai	Costa Rica	2	Selva	552	1214.4	5.30	4.7	86
San Martin		Anaerobic honey catuai	Costa Rica	2	Selva	207	455.4	6.80	6	87
Nemba	Smallholder producers	Washed red bourbon	Burundi	3	Sucafina	180	396	3	-	86.5
		Natural red bourbon	Burundi	3	Sucafina	180	396	3.20	-	86
Faith Estate	Cecilia Wanjiku Haniel	SL28, SL34 and Ruiru 11	Kenya	1	Sucafina	180	396	3.47	-	87
Musasa	Smallholder producers	Bourbon	Rwanda	2	Sucafina	180	396	3	-	86
Percentage of transparent coffees in relation to the total volume of coffee: 100%					Total	34687	76311.4			

