

COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance



Issue No. 359

26th – 30th October 2009

Cocoa Producers' Alliance



UP-COMING EVENTS

- ❖ 16th International Cocoa Research Conference, Hyatt Hotel, Nusa Dua, Denpasar, Bali – Indonesia, 16 – 21 November, 2009.

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Do your health a favour, drink Cocoa everyday
'It's nature's miracle food'

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ICCO Daily Cocoa Prices

	ICCO daily price (SDR/tonne)	ICCO daily price (\$US/tonne)	London futures (£/tonne)	New York futures (\$US/tonne)
26 th October	2183.14	3483.54	2205.67	3367.00
27 th October	2190.19	3482.11	2205.00	3365.00
28 th October	2182.34	3463.60	2185.00	3344.67
29 th October	2197.78	3488.38	2179.00	3373.67
30 th October	2164.42	3441.19	2162.00	3330.00
Average	2184.00	3472.00	2187.00	3356.00

International Financial Futures and Options Exchange (LIFFE)
London Futures Market – Summary of Trading Activities
 (£ per tone)

Monday 26th October 2009

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Dec 2009	2179	2175	1	2192	2127	6,976
Mar 2010	2210	2208	1	2226	2165	3,006
May 2010	2236	2234	2	2250	2190	2,052
Jul 2010	2168	2166	5	2181	2130	484
Sep 2010	2144	2151	4	2161S	2144	7
Dec 2010	2125	2135	4	2125	2102	6
Mar 2011		2117	4			0
May 2011		2106	4			0
Jul 2011		2121	4			0
Sep 2011		2135	4			0
Average/Totals		2155				12,531

Tuesday 27th October 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2009	2167	2172	-3	2185	2159	3,567
Mar 2010	2210	2207	-1	2219	2193	2,323
May 2010	2228	2236	2	2246	2221	1,901
Jul 2010	2173	2163	-3	2173S	2155	120
Sep 2010	2145	2146	-5	2145S	2142S	6
Dec 2010	2126	2126	-9	2126S	2126S	1
Mar 2011		2108	-9			0
May 2011		2097	-9			0
Jul 2011		2112	-9			0
Sep 2011		2126	-9			0
Average/Totals		2149				7,918

Wednesday 28th October 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2009	2159	2153	-19	2168	2122	6,105
Mar 2010	2194	2186	-21	2203S	2156	3,478
May 2010	2221	2216	-20	2232S	2186	2,452
Jul 2010	2145	2145	-18	2145	2117S	331
Sep 2010	2130	2129	-17	2130S	2111S	11
Dec 2010		2108	-18			0
Mar 2011		2094	-14			0
May 2011		2079	-18			0
Jul 2011		2094	-18			0
Sep 2011		2108	-18			0
Average/Totals		1958				12,377

Thursday 29th October 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2009	2142	2147	-6	2158	2122	3,155
Mar 2010	2176	2182	-4	2193	2156	2,235
May 2010	2205	2208	-8	2219	2183	1,413
Jul 2010	2116	2137	-8	2149S	2115S	454
Sep 2010	2099	2117	-12	2130	2097S	317
Dec 2010	2098	2099	-9	2107S	2095S	76
Mar 2011		2083	-11			0
May 2011		2068	-11			0
Jul 2011		2083	-11			0
Sep 2011		2097	-11			0
Average/Totals		2122				7,650

Friday 30th October 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2009	2143	2127	-20	2146	2122	4,583
Mar 2010	2177	2168	-14	2183	2163	3,578
May 2010	2203	2191	-17	2206S	2186	1,564
Jul 2010	2128	2120	-17	2135	2118	442
Sep 2010	2109	2100	-17	2117	2100	261
Dec 2010	2090	2081	-18	2096S	2081S	58
Mar 2011	2067	2068	-15	2067	2067	8
May 2011		2063	-5			0
Jul 2011		2078	-5			0
Sep 2011		2092	-5			0
Average/Totals		2109				10,494

Average for the week	2109				10194
					50,970

New York Board of Trade
(New York Futures Market – Summary of Trading Activities)
(US\$ per tonne)

Monday 26th October 2009

Month	Open	Price	Change	High	Low	Volume
Dec 2009	3370	3354	-11	3405	3283	10,541
Mar 2010	3392	3379	-11	3430	3310	3,006
May 2010	3397	3386	-11	3435	3321	324
Jul 2010	3395	3379	-11	3419	3327	97
Sep 2010	3400	3375	-11	3420	3324	58
Dec 2010	3363	3373	-9	3396	3363	7
Mar 2011	3380	3368	-11	3392	3378	15
May 2011	0	3378	-11	0	0	0
Jul 2011	0	3377	-11	0	0	0
Sep 2011	0	3377	-11	0	0	0
Average/Totals		3375				14048

Tuesday 27th October 2009

Month	Open	Price	Change	High	Low	Volume
Dec 2009	3374	3347	-7	3384	3315	6,679
Mar 2010	3394	3374	-5	3409	3343	1,731
May 2010	3402	3385	-1	3417	3364	482
Jul 2010	3377	3382	3	3388	3362	264
Sep 2010	3394	3377	2	3407	3364	131
Dec 2010	0	3369	-4	0	0	86
Mar 2011	0	3369	1	0	0	53
May 2011	0	3377	-1	0	0	0
Jul 2011	0	3377	0	0	0	0
Sep 2011	0	3377	0	0	0	0
Average/Totals		3298				9426

Wednesday 28th October 2009

Month	Open	Price	Change	High	Low	Volume
Dec 2009	3349	3328	-19	3349	3263	11,696
Mar 2010	3372	3358	-16	3377	3296	5,566
May 2010	3350	3369	-16	3388	3313	248
Jul 2010	3338	3367	-15	3385	3313	67
Sep 2010	0	3363	-14	0	0	25
Dec 2010	0	3355	-14	0	0	15
Mar 2011	0	3355	-14	0	0	6
May 2011	0	3365	-12	0	0	0
Jul 2011	0	3364	-13	0	0	0
Sep 2011	0	3365	-12	0	0	0
Average/Totals		3359				17623

Thursday 29th October 2009

Month	Open	Price	Change	High	Low	Volume
Dec 2009	3330	3355	27	3366	3280	7,712
Mar 2010	3359	3386	28	3395	3309	3,750
May 2010	3363	3397	28	3403	3324	568
Jul 2010	3360	3391	24	3398	3354	360
Sep 2010	3357	3386	23	3396	3356	241
Dec 2010	3358	3378	23	3391	3358	126
Mar 2011	3386	3381	26	3386	3386	4
May 2011	0	3393	28	0	0	0
Jul 2009	0	3393	29	0	0	0
Sep 2011	0	3393	28	0	0	0
Average/Totals		3385				12761

Friday 30th October 2009

Month	Open	Price	Change	High	Low	Volume
Dec 2009	3345	3297	-58	3347	3290	12,142
Mar 2010	3356	3333	-53	3378	3325	7,296
May 2010	3380	3342	-55	3380	3336	538
Jul 2010	3351	3337	-54	3353	3337	107
Sep 2010	3371	3332	-54	3371	3331	186
Dec 2010	0	3323	-55	0	0	0
Mar 2011	0	3323	-58	0	0	9
May 2011	0	3331	-62	0	0	0
Jul 2011	0	3331	-62	0	0	0
Sep 2011	0	3331	-62	0	0	0
Average/Totals		3328				20278

Average for the week	3328				3687
					3687

News

Health and Nutrition

Researchers: Cocoa may be heart healthy

abc7.com

October 26, 2009

LOS ANGELES (KABC) -- Drinking chocolate milk may be good for your heart. That's according to a group of researchers in Spain who gave study participants skim milk mixed with unsweetened cocoa powder.

The researchers say those who drank the chocolate milk had lower levels of inflammatory markers associated with heart disease compared with those who drank plain milk. Those markers, called adhesion molecules, cause plaque to form in the heart. "One of the major strengths of the study was they were measuring adhesion molecules, which we have recently learned are very important in the formation of atherosclerosis," said Shelley McGuire, spokeswoman for the American Society for Nutrition.

"Another strength is that the study was randomized and controlled. Because of this, we can pretty confidently say there was something in the cocoa powder that had an effect," she said.

Production & Quality

Northern States to lift Brazil from Cocoa Doldrums

Source: Reuters

26/10/2009

Sao Paulo, Oct 23 - Cursed by witch's broom disease, Brazilian cocoa farming has been languishing for two decades but new farms in the far north are bringing about a slow recovery, a government cocoa official said on Friday. Raymundo Mello, Para state chief of Ceplac, the government executive commission for cocoa, said new farms and a favorable climate in the northern state on the Atlantic coast would see it dethrone Bahia in the northeast as top cocoa grower. "In five or six years we will quite easily overtake Bahia. Bahia will stagnate," Mello said.

The chocolate industry should welcome any increase supplies amid worries that output from the world's top grower, Ivory Coast, will fall in the long term as taxes and disease grind at farmers' resolve. High quality soil and a government-sponsored production model based on large numbers of small family farms are giving growers high yields and luring more farmers to cultivate cocoa. Para also has more distinct rainy seasons, which are followed by dry periods that help subdue the witch's broom fungus.

Ceplac is spending around 4 million reais (\$2.32 million) a year creating new cocoa plantations for growers free of charge, helping expand the state's cocoa sector work force to 30,000. "These are new fields, not fields being replanted. We have demand for 25,000 hectares a year but we are planting about 15,000," Mello told Reuters from Para in a phone interview. The expansion could hardly come at a better time. Prices for the beverage and chocolate ingredient soared to a 30-year high this week of \$3,412 per tonne due to a tight supply outlook and the weak dollar.

But growers in Bahia say the government has done little to help them recover from a devastating witch's broom pandemic that slashed output and left them deeply in debt after they borrowed to take part in an aggressive plan to combat it.

FAVORABLE YIELDS, COSTS

Para has been the driving force behind a rise in cocoa output from states outside Bahia while the same favorable climate also exists in smaller cocoa-growing states Amazonas and Rondonia. Total output from states other than Bahia thus far in the 2009/10 (May-April) season is 13 percent higher than this time a year ago, data from Bahia Cocoa Association showed, and 52 percent above the crop two years ago.

Mello said Para cocoa trees only produced one significant crop per year between March and October, with only a negligible number of pods obtained from the second growing cycle each year. He estimated that in around five years, Para state alone could turn out about 100,000 tonnes a year, roughly what Bahia produces now, and said it had produced about 60,000 tonnes since March. Total cocoa bean deliveries in Brazil totaled about 157,000 tonnes in the 2008/09 Oct-Sept international crop year.

Brazil was once the world's No. 2 cocoa supplier before witch's broom began ravaging fields in the late 1980s, relegating it to sixth place. The Ivory Coast is No. 1, accounting for 40 percent of the world supply. The disease, which has no cure, can flourish then subside depending on weather conditions.

Mello said the economics of Para cocoa were good and attractive to new growers. Yields of 1 tonne per hectare were common, with costs about \$600 a tonne, he said. Farm gate prices, like in Bahia, were about 6 reais (\$3.50) a kilo. Para also produces a few hundred tonnes of organic cocoa, a small portion of which is exported.

Barry Callebaut Joins UTZ Certified Cocoa Program

Source: UTZ CERTIFIED

28/10/2009

Amsterdam/Zurich, 28 October 2009 – UTZ CERTIFIED is pleased to welcome Barry Callebaut to its Cocoa program. Barry Callebaut joins a number of other companies and NGOs all of whom are working with UTZ CERTIFIED towards sustainability in mainstream cocoa production.

The aim of the UTZ CERTIFIED Cocoa Program is to ensure professional practices in cocoa production with respect for people and environment. It enables small-scale farmers to improve their farming practices, thereby producing a higher quality crop with increased productivity. Farmers benefit from a higher income based on the principle "a better price for a better product" and participants throughout the supply chain can demonstrate their commitment to sustainable cocoa farming

The Market

Lindt warns Cocoa Prices Threaten EBIT Goal

Source: Reuters

29/10/2009

Zurich, Oct 29 - Switzerland's Lindt & Spruengli will struggle to meet its operating target for 2010 if cocoa prices stay at current high levels, the group's chief financial officer told Reuters on Thursday. "If cocoa prices stay at this level, it will be very difficult to meet our 2010 EBIT goal," CFO Dieter Weisskopf said at the group's headquarters outside Zurich after it said world No.1 tennis player Roger Federer would promote its brand.

The group, known for its gold-wrapped Easter bunnies, was aiming for earnings before interest and tax (EBIT) of 360 million Swiss francs (\$351.2 million) in 2010.

Chocolate makers are currently grappling with rocketing cocoa prices. Cocoa futures on ICE rose to the highest levels in about 30 years last week boosted by growing signs that demand is beginning to rebound after dipping earlier this year.

But Weisskopf said speculation was the main reason behind the soaring prices as many fund managers are selling commodities to customers who are looking to invest in assets that will protect them from inflationary risks. "The first estimates for 2009/10 show that the demand and supply are pretty much in line," Weisskopf said. "There is no fundamental reason why cocoa prices should be so high."

Lindt set its 2010 EBIT goal when cocoa prices were at 1,600 pounds a tonne, but they have since risen to around 2,200 pounds per tonne.

Lindt's shares, which had been in positive territory before Weisskopf's comments, fell as much as 1.7 percent shortly afterwards and were 0.9 percent lower at 1607 GMT at 2,207 Swiss francs, underperforming a 1.6 percent rise in the Dow Jones Stoxx European food and beverage index.

Cocoa price doubles

NEXT

October 29, 2009

The price of cocoa in Nigeria, the world's fourth-largest producer of the beans, doubled in the main crop season as a result of increased demand and disruptions to supplies because of protests in Ivory Coast, the Cocoa Association of Nigeria said.

The depreciation of the Nigerian currency, the Naira, has also pushed up the price paid to farmers, Neji Abang Neji, secretary-general of the association, said Friday from Ikom, in Cross River State, adding that a metric tonne now sells for about N450,000 (\$2,988) from N220,000 a year ago.

Sugar, Cocoa, Coffee Fall as Dollar Firms

Source: Reuters

30/10/2009

London, Oct 30 - Sugar, coffee and cocoa futures extended losses on Friday, weighed by a strengthening dollar as investors squared positions at the end of the month.

"My feeling is that the market needs to consolidate. We may see a bit of sideways or downward action today, with New York (ICE) moving between 22-23 cents a lb," said David Sadler, a senior sugar futures dealer.

"We're seeing profit taking from those who bought yesterday," he added, referring to Friday's downward technical correction after the market's rise on Thursday, inspired by better-than-expected U.S. Q3 GDP data.

Sugar futures have fallen in recent weeks as the dollar gained ground against a basket of currencies.

Traders also talked of Indian buying of Brazilian raw sugar cargoes at a discount to spot New York futures, which bears interpreted as signalling adequate availability of Q4 supplies.

Raw sugar futures have doubled this year, due to the combined impact of India's shift to become a net importer of sugar after a poor local crop, and concerns over the impact of excessive rains on cane yields in top producer Brazil.

ICE March raw sugar futures fell 0.27 cent to 22.54 cents a lb at 1450 GMT, while London (Liffe) December white sugar was down \$3.7 to \$572.90 per tonne in low volume of 1,674 lots.

DOLLAR UPTURN

Cocoa dealers also talked of position squaring before the end of the month, adding that the upturn of the dollar could add to selling pressure later in the session.

"Technically, both charts (New York and London) suggest that profit taking is taking place at the end of the month," said Ricardo Santos, head of the agri-commodities brokerage at BNP Paribas Fortis.

Cocoa dealers took stock of the latest bean arrivals data from top supplier Ivory Coast, noting that they were sharply up on last year.

Cocoa arrivals at ports in Ivory Coast hit 121,155 tonnes between the start of the season on Oct. 1 and Oct. 25, reflecting new shipments and a revision of the previous tally, according to official figures.

Cocoa dealers talked of concerns over the weak demand outlook, although the latest upbeat U.S. wealth data was a welcome signal for consumption.

ICE December cocoa was down \$43 at \$3,312 per tonne, while Liffe March cocoa was down 9 pounds at 2,173 pounds per tonne in moderate volume of 2,862 lots.

ICE coffee futures fell on investor selling pressured by the greenback, but dealers said volumes were light in the absence of fresh leads to drive the market.

Traders remained focused on the arrival of the new crop in top robusta producer Vietnam, with the near-term supply outlook looking ample. ICE December arabica futures were down 1.60 cent to \$1.3515 per lb, while Liffe November robustas were down \$11 to \$1,395 per tonne.

Processing & Manufacturing

Business and Economy

Nigerian Cocoa Price Doubles on Increased Demand (Update1)

Bloomberg

By Vincent Nwanma

October 29, 2009

(Bloomberg) -- The price of cocoa in Nigeria, the world's fourth-largest producer of the beans, doubled in the main crop season as a result of increased demand and disruptions to supplies because of protests in Ivory Coast, the Cocoa Association of Nigeria said.

The depreciation of the Nigerian currency, the naira, has also pushed up the price paid to farmers, Neji Abang Neji, secretary-general of the association, said in a phone interview today from Ikom, in Cross River state, in the south of the West African country. Farmers now sell a metric ton of cocoa for about 450,000 naira (\$2,988) from 220,000 naira a ton a year ago, he said.

The improved quality of the beans being harvested means buyers are "competing" to get as much stock as possible to blend with the low-grade cocoa they are holding from the previous season, Neji Abang said. "Farmers are enjoying good prices now," he said. Buyers "are rushing to buy."

Nigeria ranks behind Ivory Coast, Ghana and Indonesia as the fourth-largest cocoa producer, according to the Web site of the International Cocoa Organization. Farmers in Ivory Coast recently threatened to disrupt supplies in protest over low, fixed prices for the commodity. In Nigeria, cocoa prices are deregulated, allowing farmers to bargain with buyers.

Naira Depreciation

The naira has depreciated by about 22 percent over the past year, from about 118 naira to the U.S. dollar, to the current rate of about 150.6. Lamido Sanusi, governor of the Central Bank of Nigeria, said this week that the bank planned to stabilize the currency at 150 to the dollar.

The higher price farmers are being paid is being eroded by increases in the price of fertilizer and other raw materials, according to Akinwale Ojo, a former secretary of the cocoa association. "When you factor in the chemicals, transportation costs and higher jute bag costs, you end up having a little left," he said by phone yesterday from Akure, in western Nigeria.

While higher prices may be benefiting farmers, buyers are finding it difficult to get credit, Robo Adhuze, a consultant to the cocoa association, said. "They are now looking offshore for funds," he said by phone yesterday, also from Akure.

Smaller Crop

Nigeria's crop this season may be smaller than last year because of the age of the country's cocoa trees, Neji Abang said. "Most of the farms are old and the trees are past their prime age," he said. The farms need to be replanted with high-yielding, fast-maturing varieties, and farmers should learn to spray their trees correctly and use the prescribed fertilizers, he added.

David Onyenwaku, a cocoa farmer, said output will improve if the government supplies chemicals that will allow farmers to spray their trees through October and not only the first week of the month. "We stopped spraying on October 5, and since then the trees have not performed well," he said by phone yesterday from Umuahia in southeastern Nigeria.

Cocoa for December delivery fell 25 pounds, or 1.2 percent, to 2,128 pounds (\$3,505) a metric ton on the Liffe exchange at 11:37 a.m. *To contact the reporter on this story: Vincent Nwanma in Lagos at nvwanma@bloomberg.net*

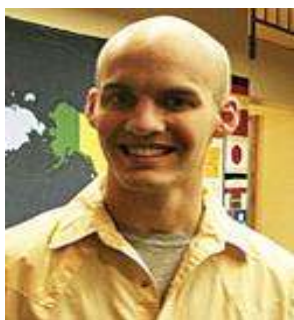
Labour Issues

The dark side of chocolate

UM Maneater

By Phil Klopfenstein

Oct. 30, 2009



Phil Klopfenstein

All ghosts, pirates, princesses and parties aside, when I mention Halloween, what comes to mind? That's right: candy. Candies composed of sugar, caramel, corn syrup and of course, chocolate. You might think you know all about chocolate, but even if you've traveled all the way to Pennsylvania to take the Hershey Company's factory tour, I've got some news here.

You might have heard of conflict diamonds, but do you know about conflict chocolate? No, I'm not talking about the chocolate that nurses you through your conflicts, though that candy probably could be called conflict chocolate. I'm speaking about the No. 1 source of the world's (and the chocolate manufacturers') cocoa: Côte d'Ivoire.

Côte d'Ivoire is a country in western Africa, the region that produces about three-fourths of the world's cocoa supply. Côte d'Ivoire alone accounts for about 40 percent of this supply, making it the leading world exporter of cocoa. As recently as 30 years ago, Côte d'Ivoire was one of the most prosperous countries of sub-Saharan Africa countries, but today it has sunk to 163 on the list of the 180 countries represented on the Human Development Index.

What could cause such a sudden and drastic depression? The economy of Côte d'Ivoire is largely based on agricultural exports, which makes it highly sensitive to impositions of trade regulations by industrialized nations, international price fluctuations and changing climate factors. An economy relying on exports is highly subject to external control. Farmers are unable to set their prices in the face of international corporations, but at the same time these farmers are compelled to rely on a cash crop economy just to make ends meet.

But what could such a sudden and drastic depression in Côte d'Ivoire cause? Well, the cocoa economy of Côte d'Ivoire, which accounts for one-third of the total economy, is based largely on child slave labor. Although armed conflict and political crisis (which some claim are driven by the cocoa trade) make it difficult to be exact, there are an estimated 15,000 child slaves laboring in the cocoa farms of Côte d'Ivoire.

Laboring is a gentle term here — they are, in fact, suffering. But for what are they suffering? Perhaps Ivorian farmers are just trying to maintain their income in the face of dropping cocoa prices. But more immediate to many of the readers' lives: These child slaves might be suffering for that fun-size pleasure so readily available each Halloween.

Whether king-size or bite-size, the massive amounts of chocolate consumed in the United States can be traced back to Ivorian cocoa and the child slave labor that grew it. And it's not as if chocolate is expensive. Even the most frugal can't pass up post-Halloween candy liquidation. Nor is the demand for chocolate low. But the prices of cocoa imposed on these farmers by corporations have continued to drop, from 63 cents per pound to 51 cents per pound just between 1996 and 2001. This trend has only escalated in wake of the global economic crisis.

I already stated Côte d'Ivoire is the No. 1 exporter of cocoa, but did you know the No. 1 importer of Côte d'Ivoire's cocoa is America or the largest chocolate manufacturer in all of North America is Hershey's? Sounds like Hershey's could have some influential power in the economy of Côte d'Ivoire. So as you enjoy this Halloween, I would encourage you to think about what it took for that chocolate to get to your possession.

Research & Development

Promotion & Consumption

How the Irish went loco for cocoa

Irish Times

October 28, 2009



THIS WEEKEND, Temple Bar Cultural Trust is staging a chocolate festival – at the very time the chocolate industry is feeling the economic downturn. “It’s not a good time for anybody,” says Sarah Hehir, a partner in Cocoabean, a small maker of distinctive chocolate bars, with flavours such as gin and tonic, that are sold by mail order and through upmarket food halls. “A lot of speciality shops have closed down suddenly,” she says, and that means fewer outlets to sell in, writes KATE HOLMQUIST

This Christmas, Cocoabean is introducing a chocolate bar infused with Norwegian spruce, rosemary and Clementine zest, but it will be in a limited edition. “We’ve scaled down production and chosen more carefully this year, with Christmas items selling below €5, whereas other years some were over €20. People who were looking to spend up to €50 on a chocolate gift will now be spending €10 or €20. We’ve been battenning down the hatches. We’ve reduced our order of Christmas packaging by 45 per cent.”

The Irish are among Europe’s biggest buyers of chocolate. Boxes of assorted chocolates make up a domestic market worth about €35 million annually, dominated by multinationals such as Cadbury and Mars. Of this amount, about €9 million is spent on premium brands and Butler’s Chocolates reckon it has 50 per cent of this market. So, while sales of chocolate boxes in general fell by one per cent in the year to August 2009, sales of premium brands were up a healthy 9 per cent. (Perhaps staycationers were trying to cheer themselves up.)

But how did the Irish become so enthusiastic about gourmet chocolate in the first place? You can trace it back to 1986, when Lir chocolates set up in East Wall, Dublin to provide local employment. Senator Mary White, then an entrepreneur, set up in business with Connie Doody, making the sort of luxury chocolates that ended any proper dinner party in Belgium and France.

“At the time in Ireland, if you really wanted to compliment someone, you would give them the largest box of chocolates you could find – Contrast or Cadbury’s. Civil servants travelling back and forth between Dublin and Brussels saw that the Belgians gave each other small, exquisite boxes of high quality chocolates.”

It took White two years to convince Dublin Airport to take on her product, but when they did, she found a ready market among civil servants travelling to Europe who wanted to give something Irish that also had European sophistication. Charlie Haughey and Gay Byrne became fans – Haughey introduced White to French president François Mitterand, a chocolate connoisseur, and Byrne plugged Lir on the Late Late Show and his radio show.

“A lot of ‘me-too’ companies sprang up, but they didn’t last,” says White. Two years ago, she and her business partners sold Lir Chocolates to a UK company. As well as exporting to the US, Sweden and Germany, they

make “own brand” chocolates for multiples such as Marks & Spencer, Debenhams, Tesco and others. White remains a board member of the company, whose annual turn-over is now €13 million.

Whether it’s because they’re surrounded by chocolate all day, or because entrepreneurs tend to be naturally optimistic, Ireland’s niche chocolatiers are currently banking on the taste the Irish have developed for high quality hand-made chocolates, that have “tones” and “spices” and “citrusy” or “earthy” scents, to keep sales healthy. At this specialised end of the scale, there are a handful of small artisan chocolate makers left and because they are small, they can make chocolate to order at short notice without the complications of huge overheads and large factories.

Anne Rudden, a qualified chocolate master, has for 18 years been making Áine chocolates at her base in Co Cavan, and has a turnover of about €500,000 per year. She has seen other artisan chocolate makers come and go. “A lot of people jumped on the bandwagon because they believed making chocolate is easy, it’s nice and there’s a high profit margin, but it’s not like that. It’s a tough business and there is a lot of competition. It takes years to get your brand recognised and it’s tough to maintain.”

Colm Healy, who bought Skellig Chocolates during the boom and is in partnership with Cocoabeau, which is manufactured and sold at the same factory, says sales are down 10 per cent, but walk-in traffic to the factory has remained strong. Fifty per cent of Skellig Chocolates’ business, worth about €1 million annually, is mail-order business within Ireland, and the rest is exports to the US, the UK and Europe. “Shops are taking a more cautious view, they’re reluctant to go with the big orders and are making smaller orders more frequently,” says Healy.

Lily O’Brien’s, which mostly exports, is also suffering from the high value of the euro and hasn’t benefited from the increase in the purchase of premium brand chocolate in Ireland.

The downturn in the hotel and restaurant industries has impacted on Benoit Lorge, a French pastry chef who worked for five years at the Sheen Falls Lodge hotel in Kenmare, Co Kerry, and then set up on his own five years ago making chocolates in small batches for his shop in Kenmare and for the hospitality industry.

“Pillow chocolates” for five-star hotels were an important part of his €400,000 annual turnover during the boom, but now these lovingly-made treats are no longer offered. He simply changed to making more chocolates for his own shops, which thrived as more people holidayed at home this year.

“People like a treat and can spend as little as €5 if they want to. I haven’t felt the downturn, but it is more difficult to get investment,” he says.

Jimmy O’Neill, who owns Choconeill with his wife and business partner, Beatrice O’Neill, says the customer base is widening for his product, which focuses on single origin chocolate beans from particular places, such as Tanzania (which have an earthy tone) and Granada (which have notes of spice). Over the past five years, he has sold in Naas farmer’s market, where customer feedback is immediate. People have developed more of a taste for dark chocolate and are interested in the health benefits of the antioxidants that it contains.

Meanwhile, by a long-shot the country in Europe with the greatest growth in gourmet chocolate is Poland. Now that their country is benefiting from economic growth, it seems a love of fancy chocolates is one passion Polish emigrants to Ireland may be bringing home with them.

Temple Bar Chocolate Festival ’09 takes place from October 30th to November 1st templebar.ie

Top of the Chocs

CHOCONEILL

The Longford-based company makes a range that includes single origin and single bean truffles; a brand for the connoisseur

MUST TRY: Their Boite en Chocolate — a selection from their handmade range in a presentation box made of chocolate

SKELLIGS CHOCOLATE CO

Truffles are a speciality, and they make them in more than 40 different flavours.

MUST TRY: When you've demolished the contents, you can still derive pleasure from the empty box, a handsome cylinder handpainted by one of two Kerry artists.

COCOABEAN ARTISAN CHOCOLATES Sisters Sarah Hehir and Emily Sandford set up their artisan chocolate stall in Limerick market in 2002.

MUST TRY: The Gin & Tonic bar, made with juniper and lime zest and a winter spice bar.

LORGE CHOCOLATIER

Lorge's extensive range is the haute couture of Irish artisan chocolate making.

MUST TRY: The range of fillings is huge, and you can decide exactly what selection you want in your box.

ÁINE HANDMADE CHOCOLATES

Ann Rudden's truffles, pralines and crème fraîche chocolates have won 21 Great Taste food industry awards.

MUST TRY: The seven-chocolate selection of her gold medal winners.

Cocoa Expo a good fit

Florida Today

MARK DeCOTIS • e-mail mdecotis@floridatoday.com.

October 28, 2009

The Space Coast Surge are playing at antiquated, 5,000-seat Cocoa Expo for a simple reason: because 8,100-seat Space Coast Stadium in Viera was too large. "Realistically . . . our goal would be 1,000 fans per night," Surge General Manager Sean Boudreaux said. "One thousand fans in that big stadium is just more than that we were looking for . . . if you look at all the venues across the FWBL, they're moderately sized."

Miami will play its games at 2,000-seat University Park on the campus of FIU, Seminole County at 2,015-seat Historic Sanford Memorial Stadium and Lake County at 1,500-seat Pat Thomas Stadium in Leesburg.

The Expo's main stadium, built in 1963, last hosted professional baseball in 1993 when the Florida Marlins held their inaugural spring training at the complex off State Road 520. It also was home to Houston Astros spring training from 1964 through 1984.

The field is showing its age. On Monday, five days before the Surge opener, the infield was rock-hard and uneven with rough-hewn basepaths, pitching mound and home plate area.

Surge Manager Jim Gabella hopes for improvements.

"They're working on it," he said. "With the Cocoa Expo here they've had a lot of tournaments and stuff like that. So the fields are getting worn a little bit, it does need some work. They're working real hard at it. We'll be ready to play when it's time to go."

Boudreaux isn't concerned.

"They've been really making some progress on it," he said on Monday. "I guess my mind is a little different because I saw what it was a couple months back and they've actually made a lot of progress. It will definitely be ready for Friday."

Expo Athletic Director Matt Yurish said the Expo staff will have the field ready: "We've been working on it over the last couple months when we've known they've been coming in," he said. "We will be working on it all week."

Others

Cocoa farmers decry bags scarcity

NEXT

October 28, 2009

The President of the Nigeria Cocoa Producers Association, Victor Iyama, on Wednesday, decried the scarcity of jute bags, saying it was affecting cocoa packaging in the country.

He said, in Abuja, that the Federal Government's removal of duty waiver on imported jute bags had led to their shortage, while calling for more attention to cocoa production in view of the current low yield per hectare, adding that the waiver removal posed a great danger to the fortunes of Nigerian cocoa in the international market.

We have not short changed cocoa farmers

Ghana News Agency

October 29, 2009

Kumasi, Oct. 29, GNA - Armajaro Ghana Limited (AGL), a Licensed Buying Company (LBC), has denied refusing to pay bonuses to some cocoa farmers and said short changing the farmer was totally unacceptable. "We have been open, honest and transparent in our dealings with our valued farmers."

A statement signed by the Operations Director, Mr Nelson Kpodo-Tay, described the allegation by its former buying agent at Agona Nyakrom, Mr Malik Asare, that AGL was withholding bonuses due some farmers in the Central Region as completely false. "It is a disingenuous ploy to hurt the good corporate image we have earned in the eight years of our operation." The statement claimed that the former buying agent, who now works with a rival LBC, owes the company 46 bags of cocoa and has pledged to make up for this with proceeds from his two acre cocoa farm. "AGL attempts at getting Mr Asare to assist us to track the farmers, who Mr Asare alleges have not been paid their bonuses totalling GH¢1,400 so that we take care of them have been unsuccessful, as he has not been forthcoming with the names and other relevant details."

The statement re-affirmed the company's unwavering resolve to uphold best practices to enable Ghanaian cocoa farmers receive what they legitimately deserve. It invited its other competitors in the internal cocoa buying trade to accept to play it fair and clean.

The Ghana News Agency on Sunday, October 25, carried a story that Armajaro has failed to pay some cocoa farmers at Agona Nyakrom their bonuses.

Kraft Foods Extends Commitment to Sustainable Cocoa Farming

Reuters

Source Kraft Foods

Oct 29, 2009

First Mainstream Chocolate Brands Launched in Europe with Rainforest Alliance Certified(TM) Seal; Commitment to Buy 30,000 Tons of Sustainable Cocoa Beans by End 2012

ZURICH, Oct. 29 /PRNewswire-FirstCall/ -- Kraft Foods today announced a major step forward in its long-standing support of sustainable cocoa farming. Based on pioneering work started in 2005 in the Cote d'Ivoire, the company has launched the first mainstream chocolate products in Europe to carry the Rainforest Alliance Certified(TM) seal. Additionally, it has committed to increase current purchases of cocoa beans from Rainforest Alliance Certified(TM) farms ten-fold by the end of 2012, to 30,000 tons.

Beginning in France and Belgium, Cote d'Or premium dark chocolate will now contain cocoa from farms that meet the sustainability standard of the Rainforest Alliance Certified(TM) program. Over the coming months, the certified Cote d'Or range will be rolled out to consumers in the United Kingdom, Germany, Spain, Hungary, Poland, Portugal, the Netherlands, Canada and the United States. It will also be made available to chocolate lovers in Sweden, Denmark and Finland under the Marabou brand; and using the Suchard brand in Austria and Switzerland.

The brands represent the first mainstream European chocolate to carry the Rainforest Alliance Certified(TM) seal. By the end of 2012, the company has committed to use only cocoa beans from Rainforest Alliance Certified(TM) farms across its entire Cote d'Or and Marabou ranges, equal to some 30,000 tons of beans.

This commitment results from a pioneering project with internationally respected partners. Since 2005, Kraft Foods has been working with the Rainforest Alliance, leading development organizations in Germany and the US - Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) on behalf of the German Federal Ministry for Economic Cooperation and Development and the United States Agency for International Development (USAID) - as well as with the cocoa trader, Armajaro, to support sustainable cocoa production in the Cote d'Ivoire, West Africa.

The commitment also builds on Kraft Food's experience and long-standing collaboration with Rainforest Alliance to develop sustainable coffee growing for use in mainstream brands - a relationship that has resulted in the company becoming the world's leading buyer of coffee beans from Rainforest Alliance Certified(TM) farms.

Edward Millard, Director for Sustainable Landscapes at the Rainforest Alliance, believes that taking Rainforest Alliance Certified(TM) cocoa to mainstream brands is key to making a real difference. "Our collaboration with Kraft Foods and grassroots groups in Cote d'Ivoire will result in long-term, positive changes in the lives of cocoa farmers, their families, communities and the ecosystems on which they depend," said Millard. "Working together, we are protecting water, wildlife and soils, while training a new generation of farmers in the economic, environmental and social benefits of sustainable agriculture."

The public-private partnership, known as the "Market-Oriented Promotion of Sustainable Certified Cocoa Production" project, has enabled six Ivorian cooperatives, representing over 2000 farmers in the Daloa/Issia and Abengourou areas, to gain the Rainforest Alliance Certified(TM) seal. The results have been encouraging. The last crop year alone witnessed improved yields and significant productivity gains, in some cases above 50%. The incidence of cocoa 'black pod' disease was also reduced by one third and farmer incomes have improved. "This is very good news for all involved," explained Carsten Schmitz-Hoffmann, responsible for social and ecological standards at the GTZ, a key partner in the project. "GTZ sees Kraft Foods as an industry pioneer enabling us to advance our work in support of sustainable cocoa and coffee farming practices. We are particularly excited that sustainably-produced Ivorian cocoa is now available in an outstanding brand like Cote d'Or."

According to Schmitz-Hoffmann, it is important for cocoa farmers to improve their incomes by introducing better agricultural practices, improving selling methods and ensuring that the certified cocoa they produce has broader appeal beyond niche markets.

Pascal Bourdin, Senior Vice President of Kraft Foods and General Manager of its European chocolate business, agrees and believes that sustainably farmed cocoa will provide high quality cocoa beans over the long term. "Cote d'Or and Marabou are two of our premium chocolate brands. By using sustainably grown Ivorian cocoa, we can continue to offer the most intense chocolate pleasure to our consumers while improving the lives of cocoa farmers and helping secure high quality cocoa for the longer term."

Bourdin underlines that this latest initiative represents only one step in Kraft Foods' broader sustainability commitment. The company intends to continue its efforts to encourage sustainable cocoa farming, working individually in cocoa producing regions as well as with others as part of broader initiatives such as those led by the Bill & Melinda Gates Foundation and the World Cocoa Foundation. "I believe we've made a great start. My dream is to see every piece of chocolate worldwide made with cocoa from certified farms," says Bourdin.

About Kraft Foods

Kraft Foods (www.kraftfoodscompany.com) makes today delicious in 150 countries around the globe. Our 100,000 employees work tirelessly to make delicious foods consumers can feel good about. With global powerhouse brands like Oreo and LU biscuits, Philadelphia cream cheeses, Jacobs and Carte Noire coffees, Tang powdered beverages and Milka, Cote d'Or and Toblerone chocolates, we deliver millions of smiles every day. Kraft Foods (NYSE: KFT) is the world's second largest food company with annual revenues of \$42 billion. The company is a member of the Dow Jones Industrial Average, Standard & Poor's 500, the Dow Jones Sustainability Index and the Ethibel Sustainability Index.

TIT BITS

(Source: Business Recorder – www.brecorder.com)

US MIDDAY: coffee, sugar and cocoa weak

NEW YORK (October 29, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Wednesday. December arabica coffee contract fell 1.55 cents to \$1.3480 per lb at 11:05 am EDT (1505 GMT). Session range from \$1.3455 to \$1.3655. Arabica coffee futures were weakened by fund selling that pressured the commodity complex as the strong dollar weighed on prices, said brokers.

London sugar, cocoa and coffee down

LONDON (October 29, 2009): December white sugar in London ended \$11.50 lower at \$558.70 per tonne on Wednesday, tracking broad-based losses in commodity markets driven by a stronger dollar and weaker equities. March cocoa in London ended 21 pounds lower at 2,186 pounds a tonne, also weighed by weak commodity markets.

Ivorian cocoa prices remain firm

ABIDJAN (October 29, 2009): Ivory Coast's cocoa farmgate prices in the main growing regions remained firm last week, supported by high port prices and strong competition between buyers, farmers and exporters said on Wednesday. After its worst harvest in five years, which has deepened fears of a long-term decline in output from the world's top grower, Ivory Coast is enjoying a better start to the 2009/10 crop.

US MIDDAY: coffee, cocoa and sugar rally

NEW YORK (October 30, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Thursday. December arabica coffee contract rose 1.30 cents to \$1.3590 per lb at 11:07 am EDT (1507 GMT). Session range from \$1.3355 to \$1.3590. Arabica coffee futures turned higher as buying moved to the market after data showed the US economy grew faster than expected in the last quarter, said brokers.

London sugar, coffee up

LONDON (October 30, 2009): December white sugar in London ended \$17.9 higher at \$576.60 per tonne on Thursday, tracking broad-based gains in commodity markets driven by a weaker dollar. London November robusta coffee ended up \$13 at \$1,406 a tonne, swept higher by gains in other commodity markets. The upside was seen limited by large Vietnamese crop with harvesting beginning to gather pace.

US MIDDAY: coffee, sugar and cocoa fall

NEW YORK (October 31, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Friday. December arabica coffee contract fell 1.70 cents to \$1.3505 per lb at 11:06 am EDT (1506 GMT). Session range from \$1.3465 to \$1.3850. Moved lower on pressure from the strong US dollar, said brokers. March raw sugar contract dropped 0.29 cent at 22.52 cents per lb at 11:06 am.

London coffee and cocoa dip; sugar rises

LONDON (October 31, 2009): Robusta coffee ends off \$20 at \$1,386 a tonne in London on Friday, weighed by broad-based losses in commodity markets linked to a strengthening dollar. March cocoa in London ends 14 pounds lower at 2,168 pounds a tonne. End of the month profit-taking contributes to the market's decline. December white sugar in London ends \$3.90 higher at \$580.50 per tonne.

Ivorian cocoa arrivals rise

ABIDJAN (October 31, 2009): cocoa arrivals at ports in top grower Ivory Coast hit 121,155 tonnes between the start of the season October 1 and October 25, reflecting new shipments and a revision of the previous tally, according to official figures. The arrivals performance compares with 58,534 tonnes in the October 1-26 period last year, according to data from the Coffee and cocoa Bourse (BCC) obtained by Reuters on Friday.