

COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance



Issue No. 387

10th – 14th May 2010

Cocoa Producers' Alliance



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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)
10 th May	2190.19	3279.92	2311.67	3101.00
11 th May	2129.85	3161.21	2237.67	2978.67
12 th May	2138.07	3172.36	2258.33	2991.67
13 th May	2094.94	3099.78	2227.00	2936.00
14 th May	2051.31	3022.27	2189.00	2859.33
Average	2121.00	3147.00	2245.00	2973.00

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

Monday 10th May 2010

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
May 2010	2332	2331	2	2350	2323	1,347
Jul 2010	2356	2353	4	2374S	2343	5,851
Sep 2010	2312	2309	1	2331S	2305	1,237
Dec 2010	2275	2273	2	2292S	2267S	338
Mar 2011	2254	2239	1	2256S	2237S	92
May 2011	2249	2241	1	2255S	2249	23
Jul 2011		2246	2			0
Sep 2011		2251	0			0
Dec 2011		2254	2			0
Mar 2012		2261	2			0
Average/Totals		2276				8,888

Tuesday 11th May 2010

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2010	2322	2252	-79	2324	2248	23,971
Jul 2010	2342	2273	-80	2344	2265	28,703
Sep 2010	2300	2235	-74	2301	2227S	5,453
Dec 2010	2249	2205	-68	2251S	2196S	2,869
Mar 2011	2219	2175	-64	2224S	2163S	813
May 2011	2227	2176	-65	2227	2166S	98
Jul 2011	2222	2180	-66	2225S	2180	14
Sep 2011		2185	-66			0
Dec 2011		2188	-66			0
Mar 2012		2195	-66			0
Average/Totals		2206				61,921

Wednesday 12th May 2010

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2010	2248	2265	13	2276S	2232S	18,989
Jul 2010	2267	2287	14	2305	2252	21,988
Sep 2010	2239	2261	26	2276S	2222	4,625
Dec 2010	2200	2227	22	2240S	2195	2,418
Mar 2011	2165	2201	26	2219	2165	453
May 2011	2216	2202	26	2217S	2179	9
Jul 2011	2205	2204	24	2207S	2200	20
Sep 2011	2215	2207	22	2215	2198	8
Dec 2011		2212	24			0
Mar 2012		2211	16			0
Average/Totals		2228				48,510

Thursday 13th May 2010

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2010	2253	2259	-6	2264	2250	93
Jul 2010	2,282	2256	-31	2291	2252	5,745
Sep 2010	2,250	2229	-32	2261	2226	4,010
Dec 2010	2219	2196	-31	2227S	2190	1,478
Mar 2011	2191	2174	-27	2202S	2168	1,326
May 2011		2175	-27			0
Jul 2011		2179	-25			0
Sep 2011		2183	-24			0
Dec 2011		2185	-27			0
Mar 2012	2198	2184	-27	2198	2198	6
Average/Totals		2202				12,658

Friday 21st May 2010

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2010		N/A	N/A	N/A	N/A	N/A
Jul 2010	2250	2218	-38	2253	2212	7,414
Sep 2010	2221	2192	-37	2228	2186	2,574
Dec 2010	2193	2157	-39	2193	2153	872
Mar 2011	2143	2141	-33	2164S	2135S	252
May 2011	2144	2144	-31	2163	2138S	45
Jul 2011	2153	2148	-31	2153	2151S	15
Sep 2011		2152	-31			0
Dec 2011		2154	-31			0
Mar 2012		2153	-31			0
Mary 2012		2153	-31			0
Average/Totals		2161				11,172

Average for the week	2161				28630
					143,149

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

Monday 10th May 2010

Month	Open	Price	Change	High	Low	Volume
May 2010	0	3061	61	0	0	0
Jul 2010	3063	3077	61	3113	3050	11,061
Sep 2010	3077	3098	61	3133	3075	1,372
Dec 2010	3113	3119	61	3154	3103	419
Mar 2011	3163	3141	63	3163	3139	202
May 2011	0	3151	65	0	0	55
Jul 2011	0	3160	68	0	0	53
Sep 2011	0	3164	73	0	0	54
Dec 2011	3206	3192	61	3206	3206	79
Mar 2012	0	3232	52	0	0	0
Average/Totals		3148				13295

Tuesday 11th May 2010

Month	Open	Price	Change	High	Low	Volume
May 2010	3010	2955	-106	3010	2945	4
Jul 2010	3077	2951	-126	3080	2936	15,867
Sep 2010	3098	2973	-125	3098	2962	1,850
Dec 2010	3098	3001	-118	3098	2988	1,241
Mar 2011	3070	3025	-116	3070	3020	454
May 2011	3037	3035	-116	3037	3037	20
Jul 2011	3047	3045	-115	3047	3047	42
Sep 2011	3052	3050	-114	3059	3052	41
Dec 2011	3107	3069	-123	3107	3057	468
Mar 2012	3167	3140	-92	3167	3135	597
Average/Totals		3024				20584

Wednesday 12th May 2010

Month	Open	Price	Change	High	Low	Volume
May 2010	2960	2959	4	2960	2960	6
Jul 2010	2949	2972	21	3000	2943	9,576
Sep 2010	2971	2992	19	3022	2966	1,801
Dec 2010	3000	3023	22	3045	2995	1,193
Mar 2011	3043	3048	23	3070	3024	380
May 2011	3038	3060	25	3063	3038	51
Jul 2011	3072	3070	25	3073	3072	38
Sep 2011	3075	3073	23	3075	3075	77
Dec 2011	0	3086	17	0	0	77
Mar 2012	0	3154	14	0	0	12
Average/Totals		3044				13211

Thursday 13th May 2010

Month	Open	Price	Change	High	Low	Volume
May 2010	2931	2900	-59	2946	2931	10
Jul 2010	2955	2913	-59	2970	2898	10,001
Sep 2010	2970	2934	-58	2986	2920	1,565
Dec 2010	3010	2964	-59	3012	2950	1,051
Mar 2011	3028	2991	-57	3040	3023	177
May 2011	3039	3003	-57	3051	3001	25
Jul 2011	3051	3013	-57	3061	3010	30
Sep 2011	3068	3017	-56	3068	3023	52
Dec 2011	3071	3025	-61	3071	3052	52
Mar 2012	3117	3088	-66	3118	3117	7
Average/Totals		2985				12970

Friday 14th May 2010

Month	Open	Price	Change	High	Low	Volume
May 2010	0	0	0	0	0	0
Jul 2010	2908	2812	-101	2912	2806	12,766
Sep 2010	2941	2836	-98	2941	2833	2,489
Dec 2010	2952	2868	-96	2952	2864	1,246
Mar 2011	2985	2896	-95	2985	2902	683
May 2011	2996	2907	-96	2996	2915	80
Jul 2011	3006	2912	-101	3006	2920	68
Sep 2011	2956	2922	-95	2956	2956	9
Dec 2011	2929	2934	-91	2933	2925	71
Mar 2012	2995	2996	-92	2995	2995	69
Average/Totals		2608				17481

Average for the week	2608				3178
					3178

NEWS

Health and Nutrition

Healthy chocolates may need more sugar: Kraft study

NutraIngredients.com (press release)

By Stephen Daniells,

10-May-2010

Ensuring consumers reap the benefits from the beneficial compounds in cocoa may mean formulating products with more sugar, suggests a new study from Kraft.

Tests with rats published in the Journal of Agricultural and Food Chemistry indicated that metabolites of the beneficial chocolate compounds catechin and epicatechin were affected by the formulation of the product, with high sugar confectionery giving higher blood levels of the metabolites than dark chocolate.

The health benefits of polyphenols from cocoa have been gathering increasing column inches in the national media. To date studies have reported potential benefits for cardiovascular health, skin health, and even brain health.

The benefits of the bean revolve around the flavanols (also known as flavan-3-ols or catechins), and particularly the monomeric flavanol (-)epicatechin.

Good with bad

Regulations in Europe, specifically nutrient profiling for foods that bear nutrition and health claims, could work against chocolate makers, however. The idea behind nutrient profiling is to determine which foods should be barred from bearing claims, because they also contain high fat, sugar and salt levels.

The new findings from researchers from Purdue University and Kraft Foods suggest that more sugar may mean more of the flavanol metabolites in the blood stream, but this could prevent such a formulation being able to make a claim in Europe.

The researchers also report that milk detrimentally affected the metabolism of the compounds.

However, when formulated as beverages, the inhibiting effect of milk was reduced, compared to confections, reported Purdue's Mario Ferruzzi and his co-workers. "This may be due to the rapid emptying of beverages from the stomach, which facilitates more rapid appearance in the blood, as well as the relative ease of digestive release and solubilization from beverages as compared to confections," wrote the researchers. "This process would serve to facilitate subsequent catechin absorption."

Test details

Ferruzzi and his co-workers expanded on previous studies that investigated the effects of carbohydrates and milk on the bioavailability of cocoa flavanols by assessing the impact of the food matrix on the levels of circulating catechins and their metabolites.

Sprague-Dawley rats were given 1.5 g of "commercially relevant chocolate confections", including dark chocolate, high sucrose, or milk chocolate and blood levels measured over eight hours. The animals received the confections via a tube straight into their stomach.

Results showed that the predominant metabolites were O-glucuronides and O-Me-O-glucuronides. The highest blood levels of these compounds were observed when the animals were given the high sucrose chocolate, and the lowest levels were observed for the milk chocolate.

"Our data combined with that of previous investigations suggest that chocolate confections containing high levels of sucrose may enhance plasma levels of the predominant catechin and epicatechin metabolites as

compared to milk chocolate confections, while confections containing moderate levels of sucrose and no milk deliver intermediate plasma levels of these compounds,” wrote the researchers.

“However, the physical state of the product may significantly modulate this effect, as our prior study comparing confections and beverages demonstrated that milk-containing beverages produced generally higher serum [levels] than confections with or without milk, and numerous studies have shown no difference in the overall bioavailability of EC between cocoa beverages formulated with milk versus water.

“In the future, simultaneous investigation of the distribution of native species and phase II metabolites into both plasma and urine will be required to quantitatively assess the influence of chocolate matrix composition and physical form on the bioavailability, metabolism, and systemic distribution of catechin and epicatechin from chocolate,” they concluded.

Cocoa: Protects the Brain during a Stroke

NewsBlaze

By Marcella Glenn

May 10, 2010

Research brings hope for stroke victims

Researchers discovered an element in cocoa that offers protection for the brain during a stroke.

Sylvain Dore- John Hopkins University's School of Medicine- with other researchers revealed that cocoa has epicatechin that shows positive in protecting brain cells from a stroke. The effects of the cocoa treatment last longer than what's used now. Cocoa, epicatechin, could be used in future treatment of strokes.

The study was of Kuna Indians who drank a local cocoa beverage, near Panama. They have a low rate of strokes and cardiovascular diseases per a previous study. The team ruled out genetics. "There are a lot of steps before going to human trials, potential risks and side effects," Dore explained.

Marcella Glenn is a freelance writer, blogger, novelist, and former business editor. She looks forward to hearing from you. Scribble a note to her through NewsBlaze, or her blog at critiqueandwrite.blogspot.com

Cocoa may be used in future Stroke Treatment

Tech Jackal

Monday, 10 May 2010



Researchers have found an ingredient in cocoa that is believed to have agents that will protect the brain against damage from a stroke.

A team of researchers, led by Sylvain Dore of John Hopkins University's School of Medicine, have found that cocoa contains a flavanol called epicatechin that is believed to increase certain cellular signals that have been shown to protect cells in the brain from the damage produced by a stroke. These pathways have been found to have a longer effect than what is used currently to treat strokes. Epicatechin's protective effects were seen three hours after treatment. This may encourage its use in future treatments of strokes.

Though dark chocolate has been proven to contain a cardio protective effect, Dore says that he prefers to focus mainly on cocoa because it is not high in saturated fat and calories.

Dore's study was based on findings linked to the Kuna Indians who are known for drinking a local cocoa drink. This population of people, who live on islands near Panama, was found to have a very low rate of strokes and other cardiovascular diseases in a previous study. Because they could not link this to their genetics, the team attributed it to their consumption of cocoa.

Dore's team is hesitant to use the newest finding on humans so soon as the initial research was done on mice. "There are a lot of steps before going to human trials, potential risks and side effects," he says. "We need more work and more funding."

Production & Quality

Agriculture: Cocoa farmers schooled on improved farming techniques

Cameroon Radio Television

Robinson Ebong

10/05/2010



Experts in the cocoa sector from Africa and America met in Yaoundé to map out strategies to regenerate and intensify cocoa cultivation in the continent.

Opening the joint meeting of the Sustainable Tree Crops Program and the World Cocoa Foundation the Minister Delegate at the Ministry of Agriculture, Mrs Atanga Mesina assured participants of governments support. She called on cooperatives to become more professional in their activities.

According to studies conducted by the Sustainable Tree Crops Program-STCP, many farmers in the West and Central Africa lose as much as 40% of their produce due to the ageing farms. As a proposal, farmers were advised to regenerate and intensify their cocoa cultivation.

A number of group-based training methods and tools have been developed by STCP to improve productivity. To facilitate comprehension, STCP lays emphasis on field demonstration and discussions on their new approach that has been applied in all STCP countries including Cameroon.

West and Central Africa alone accounts for close to 70% of global exports making it Africa's most important tree crop.

Members attending this joint meeting were drawn from partner countries including Cameroon, Ivory Coast, Ghana, Nigeria, Liberia and the USA. The encounter is organised every six months.

Cargill Gives First Sustainable Premiums to Increase Cocoa Farmer Incomes

PR Newswire (press release)

May 10, 2010

WORMER, Netherlands, /PRNewswire/ -- Cargill's Cocoa & Chocolate business has handed over the first UTZ CERTIFIED premiums to two farmer cooperatives in Cote d'Ivoire. The two farmer cooperatives – Co-operative Agricole de Fiedifoue and Coopaga – received over U.S. \$400,000 (200,000,000 CFA) for deliveries of UTZ CERTIFIED sustainable cocoa beans since the beginning of October 2009.

The premiums will be shared amongst the cooperatives and their members totalling almost 1,600 farmers. More than half of the overall amount is going directly to farmers according to their individual deliveries since the beginning of October. For maximum transparency farmers are able to consult the list of the deliveries they made and check against the related amount that is payable to them. The remainder of the money is retained by the farmer cooperatives to strengthen their operations, help improve their organisation and provide support to all of their farmer members.

"We are delighted to be able to hand over these premiums to the farmer cooperatives," said Harold Poelma, managing director of cocoa, Cargill Cocoa & Chocolate. "The UTZ CERTIFIED cocoa programme was set-up to help produce cocoa more sustainably and to improve the incomes and livelihoods of the farmers that produce it. These premiums recognise the hard work undertaken by the farmers and demonstrate that we are fulfilling our aims."

The UTZ CERTIFIED cocoa programme – co-founded by Cargill, along with Dutch development organisation Solidaridad and others in the cocoa sector – has introduced independent certification to improve agricultural, environmental and social practices in cocoa production. It is supporting small-scale farmers to improve their farming practices, thereby producing a higher quality crop with increased productivity. The certification of the cooperatives in Cote d'Ivoire was the result of an intensive 10 month training programme run by Cargill for the farmers in the cooperatives.

Cargill's farmer training programme has resulted in farmers benefitting from a 30% increase in their incomes from higher yields, as well as an improvement in the quality of their crop. The better quality and compliance with UTZ CERTIFIED standards is being rewarded with these first payments of the UTZ Certification premium.

"We believe training farmers to increase yields, improve quality and adopt more sustainable practices can directly contribute to increased earnings for cocoa farmers," continued Harold Poelma. "While increases for each farmer may vary depending on the market price, quality and yields, farmers who adopt better farming practices are benefitting from higher incomes, as well as improving their long-term success."

During the 10 month Farmer Field School training programme, farmers are trained in good and safe practices focusing on farming techniques and post-harvest activities such as pruning, plantation renewal and cocoa fermentation methods. In addition the programme also stresses broader social aspects, such as the importance of ensuring children's education and HIV awareness.

To continue to support cocoa farmers in Cote d'Ivoire, Cargill has made a commitment to train 10,000 farmers in 300 Farmer Field Schools across 35 cooperatives by the end of 2010. The Farmer Field Schools will enable cooperatives to become UTZ CERTIFIED, and this means that by the end of this year more than 10,000 tonnes of cocoa beans will be available for use in sustainably certified chocolate and cocoa products.

About UTZ CERTIFIED Good Inside

UTZ CERTIFIED Good Inside is a sustainability program dedicated to creating an open and transparent marketplace for agricultural products. UTZ CERTIFIED has developed sustainability models for the production of cocoa, coffee and tea, and offers traceability services for palm oil. UTZ CERTIFIED's vision is to achieve sustainable agricultural supply chains in which farmers are trained to be professionals. The industry takes responsibility by demanding and sourcing sustainably grown products and consumers buy products that meet their standard for social and environmental responsibility.

In 2007, Cargill, Ecom Agroindustrial, Heinz Benelux, Mars, Nestle, Royal Ahold, Solidaridad, Oxfam Novib, WWF and UTZ CERTIFIED founded the Good Inside cocoa program. In August 2009, two co-operatives in Cote d'Ivoire received the first UTZ CERTIFIED cocoa certificates for 1,590 member farmers after working with Cargill and Solidaridad in an intensive eight month program, with support of the Dutch Sustainable Trade Initiative. The first certified cocoa beans were officially presented on November 7th, 2009 to Mr. Bert Koenders, the Dutch Minister of Development Co-operation.

The first UTZ CERTIFIED cocoa and chocolate products are now available in the market. For more information visit: www.utzcertified.org.

About Cargill Cocoa & Chocolate:

Cargill Cocoa & Chocolate offers the food industry a wide range of both standard and customised cocoa and chocolate ingredients to be used in delicious bakery, confectionery, and dairy applications all over the world. Our product range includes high quality Gerkens® cocoa powders, chocolate including Wilbur®, Peter's® and Veliche®, coatings, fillings, cocoa liquors and cocoa butters. With years of experience in technical food expertise Cargill supports its customers in new recipes and new product development.

Our facilities in Belgium, Brazil, Canada, Cote d'Ivoire, France, Germany, Ghana, the Netherlands, UK and the USA are fully dedicated to produce in accordance with the highest food safety standards. To secure a good quality and sustainable supply of cocoa beans we have our own cocoa bean sourcing operations for buying, handling and/or exporting of cocoa beans in Brazil, Cameroon, Cote d'Ivoire, Indonesia and Vietnam. Presence in all the leading producing countries allows Cargill to oversee the supply chain from beans at origin to cocoa and chocolate products on our customers' doorstep. In addition, extensive market research and analysis proves to be a source of valuable information to our customers.

For more information visit: for EMEA www.cargillcocoachocolate.com and for North America www.cargill.com/food/cocoachocolate

DCCD eyes 75,000 hectares under cocoa by FY12

Press Trust of India

May 10, 2010

Kochi, (PTI) Enthused over the Centre raising financial assistance by nearly 80 per cent for cocoa growers, Directorate of Cashew and Cocoa Development (DCCD) is eyeing an area of 75,000 hectare under cocoa by 2011-12. "We are targeting to increase the acreage to 75,000 hectares under cocoa cultivation after the government's move to increase financial assistance to planters to Rs 20,000 per hectare," DCCD Director Venkatesh Hubballi told PTI.

The government was earlier giving Rs 11,250 assistance for replanting and new planting of cocoa.

Currently, 40,000 hectares area in four southern states -- Andhra Pradesh, Tamil Nadu, Kerala and Karnataka -- is under cocoa cultivation. DCCD is also planning to foray into non-traditional states like Goa and Orissa for cocoa cultivation.

Ivory Coast says cocoa output to fall in 2010

Reuters Ethiopia

By Loucoumane Coulibaly

May 12, 2010



ABIDJAN (Reuters) - Ivory Coast's cocoa output in the calendar year 2010 is expected to fall to 1.225 million tonnes, down from 1.305 million tonnes in 2009, a Finance Ministry document obtained by Reuters on Wednesday showed.

The Finance Ministry normally calculates cocoa production figures on the calendar year, rather than the cocoa season, which starts in October, as Ivorian financial years run from January.

The document was a provisional estimate made in March but has not yet been published, the ministry source who leaked it told Reuters.

A protracted political crisis since a 2002-3 civil war and a lack of investment in ageing trees has started to hit cocoa arrivals at ports in the world's top grower.

Arrivals for the season starting last October reached some 931,000 tonnes by May 9, exporters estimated on Monday, down from 961,414 tonnes in the same period of the previous season, which was the worst in five years.

In March, Saint-Cyr Djikalou, Ivory Coast's representative to the International Cocoa Organisation, told Reuters that production in the 2009/10 season would slip to 1.2 million tonnes.

"HEAVILY TAXED"

Analysts say Ivorian farmers have been unable to capitalise on 30-year highs cocoa prices as a result of lack of government support, and high taxes that whittle away their margins. "Despite the high prices over the past 12 months and an expectation that this might have fed through to higher production, the indication is that ... the 2010 main crop will disappoint," said Barclays Capital commodities analyst Nicholas Snowden, reacting to the Finance Ministry forecast. "It's a heavily taxed sector -- the Ivory Coast farmers receive only a fraction of revenues," he said.

Benchmark world cocoa prices as traded in New York hovered just below \$3,000 per tonne on Wednesday, up \$500 since May 2009.

On a trip to Ivory Coast in late January, World Bank President Robert Zoellick urged the government to cut taxes on cocoa growers, which he blamed for underinvestment in new plants and fertiliser.

Snowdon said that, as most Ivorian farmers were small holders, lack of support from the authorities in improving their farming techniques or fight disease had taken its toll. "There isn't a system of incentives and support measures by the government," he said.

Ivorian officials say a lot of farmers are moving into rubber farming because it is easier to grow, pays regular monthly revenues and is less affected by disease.

A committee set up to reform the country's cocoa sector made recommendations to the government last year, but few analysts believe any reforms will be carried out until polls take place and end years of crisis.

Those elections were meant to happen in 2005, but the process has been stalled ever since, most recently because of rows between President Laurent Gbagbo and the opposition over voter registration and rebel disarmament.

Farmers attend rally on CSSVD Control

Ghana Broadcasting Corporation

Source: GNA

12, May, 2010



The supply of agro-chemicals, fungicides and insecticides would be part of efforts by the government to help arrest the decline in cocoa production

Participants at a farmers' rally at Suhum in the Eastern Region have described as laudable, the government's decision to allocate pesticides directly to farmers without cost.

The forum was organised by the Cocoa Swollen Shoot Virus Disease (CSSVD) Control Unit of the Cocoa Board.

Addressing over 360 farmers drawn from the Suhum Kraboa Coalatar District, Mr George Asante, Eastern Regional Manager of Cocoa Services Division, was emphatic that the supply of agro-chemicals, fungicides and insecticides was part of efforts by the government to help arrest the decline in cocoa production.

Mr Asante noted that the government through Cocoa Board had initiated a National Cocoa Diseases and Pest Control (CODAPEC) programme, dubbed: "Mass Spraying" to assist all cocoa farmers in the country to combat the capsid/mired and the black pod diseases. He stressed that the spraying programme had been a source of employment for the youth, involving sprayers, supervisors and mechanics in the rural communities, adding that the programme had also reduced significantly, the black pod disease and mired infestation.

The Regional Manager warned that the practice of some spraying gangs to charge fees before farms are sprayed is illegal, untenable and seriously undermines the spraying exercise. Mr Asante advised cocoa farmers to report whoever plays politics with the "mass spraying" exercise to either his office, the District Chief Executive or the Eastern Regional Minister.

He pointed out that to ensure a reduction in diversion, the police and other security agencies had been involved in checking and controlling the pilfering and illegal sale of the inputs at agro-chemical centres throughout the country and making periodic swoops to arrest and prosecute offenders. According to him, "with the additional measures put in place, the 2010 programme will be more successful and would make a significant contribution towards the attainment of the one million metric tonnes target by 2012."

Mr William Wiafe Mintah, Deputy Regional Manager of Cocoa Services Division, spoke on replanting and rehabilitation, reminding cocoa farmers to be always responsible for the 'cultural practices,' which he explained to include pruning, brushing, shade management and removal of all other diseased pods, to ensure proper and satisfactory farming. Mr Mintah urged the participants to allow their diseased cocoa trees to be cut down for replanting to ensure better yields, since cocoa farming is a business and their source of livelihood.

Earlier in a welcome address, Mr Michael Gyasi, District Cocoa Officer, said the first recorded export of beans from Ghana was in 1891 and since then cocoa had been the main export crop and a major source of foreign exchange for the nation.

Cocoa farmers doing well

Solomon Star

By CHARLES KADAMANA

14 May 2010



COCOA farmers in north Guadalcanal say they are still managing their businesses even though there's no assistance from the government or aid donors.

Farmer Solomon Sodu said this during the Cocoa field day held at Bethsaida village yesterday. The field day was organised by Commodities Export Marketing Authority (CEMA) under the Agriculture Livelihood Programme.

This is to give cocoa farmers the opportunity to see and learn about the benefits the Cocoa Livelihood Improvement Project (CLIP) is bringing to cocoa farmers.

The project is being funded by AusAid.

Mr Sodu, who has been exporting and running cocoa over the past 10 years, said he has been struggling to manage his cocoa business without any assistance until March last year he got held under the project. He said during his times of struggle, he had gone through many challenges that almost stopped the business.

But he said they are now things of the past. "Today, I am proud because I am now starting to see increased yields from my trees after attending training provided under this project," Mr Sodu said. "My advice to all farmers is don't sit down and wait or go to Honiara looking for money because the money you are looking for comes from your cocoa. "Let's keep on working and we will harvest what we sow," he said.

Host farmer David Kebu, who has been into cocoa business since 1980s, proved to all what CLIP has been doing for him by showing one of his trees bearing a total of 130 fruits. "I've never seen this before," he said. He also received mini cocoa drier and other tools. Since he started into cocoa in the 1980s, Mr Kebu said he now has a total of 10,300 trees, from which he could harvest up to 37 bags. The field day has proved to the farmers that managing their cocoa plants from day one is important.

The farmers during the field visit were taken for a tour around various stations covering Production, Pod values, Crop loss and causes, Light Management, Competition affecting production, Weed, shade, Self shading, Sanitation, Pest and disease, Chupon control, IPDM inputs in relation to crop cycle, Improving planting materials in the cocoa farm, Mini-fermenting boxes and mini-dryer, CEMA Information Stall and CLIP Information booth (Slides, movies, leaflets etc).

Meanwhile, the farmers said they were disappointed no reps from the national and provincial governments who were invited turned up for the field day.

Ghana cocoa purchases running 10 pct below last year

Reuters Uganda

May 11, 2010



ACCRA (Reuters) - Cocoa purchases declared by private buyers to Ghana's regulator Cocobod are running 10 percent below last year, according to data seen by Reuters on Tuesday.

Purchases hit 534,217 tonnes by April 29 since the start of the season in October, from 594,862 tonnes in the same period of the previous season, according to the Cocobod figures.

Ghana, the world's second largest producer of the main ingredient in chocolate, has blamed the lag in official purchases volumes on smuggling into neighbouring Ivory Coast and Togo, where prices are higher.

The Market

Cocoa Declines as Rising Dollar Curbs Demand; Coffee Climbs

BusinessWeek

By Debarati Roy

May 11, 2010

(Bloomberg) -- Cocoa dropped to a three-week low in New York as the rising dollar eroded the appeal of some commodities as alternative assets. Coffee gained for the third- straight session.

The euro fell for the first time in three days versus the dollar on concern that debt-strapped nations in Europe still face widening deficits and slow growth even after a bailout of almost \$1 trillion was announced. The 16-nation currency has lost 11 percent this year against the greenback. "I would attribute today's fall to the strong dollar," said Tom Schweer, a senior market strategist at LaSalle Futures Group Inc. in Chicago.

Cocoa for July delivery declined \$126, or 4.1 percent, to \$2,951 a metric ton on ICE Futures U.S. in New York. Earlier, the price dropped to \$2,936, the lowest level for a most-active contract since April 19. Cocoa has lost 10 percent this year.

Cocoa processing, an indication of demand, is "far below" levels of two years ago, down 6.4 percent, the Bonn-based Association of the German Confectionery Industry said last week.

In another ICE market, arabica-coffee futures for July delivery rose 2 cents, or 1.5 percent, to \$1.3615 a pound. Prices gained 0.7 percent in the previous two sessions.

In London, cocoa futures for July delivery declined 80 pounds, or 3.4 percent, to 2,273 pounds (\$3,404) a ton after falling to 2,265 pounds, the lowest price since April 22. Robusta-coffee futures for July delivery gained \$13, or 0.9 percent, to \$1,398 a ton. Earlier, the most-active contract touched \$1,400, the highest price since Nov. 9.

World coffee output probably will decline 4.8 percent to 122 million bags in the year that began on Oct. 1, the International Coffee Organization said in a report today.

ICCO to help cocoa small producers for stable income

People's Daily Online

Source:Xinhua

May 12, 2010

The International Organization of Cocoa (ICCO) is holding a meeting on a pilot project to protect small scale producers from price fluctuations while guaranteeing stable income.

Cote d'Ivoire and international experts are making an assessment of the pilot project launched in the West African country between February 2006 and March 2008.

At the end of the workshop on Friday, the experts are expected to publish the results of the assessment and make recommendations to cocoa producing countries, especially Cameroon and Nigeria, which currently do not have a national mechanism to stabilize prices.

Many producers under pressure from the Bretton Woods institutions have initiated liberalization programs for their cocoa and coffee industries by dismantling their stabilization structures. This resulted in a 50 percent fall in the average income of producers and almost a drop by half of the price of cocoa.

The weakening of the prices had the consequences of increased poverty within the rural areas, low income and drop in the economic growth of countries depending on cocoa.

Faced with this situation, ICCO launched two projects: one was about improvement of consumption and commerce in Cote d'Ivoire: and the other was aimed at better control of price fluctuations in the country. Cote d'Ivoire is the biggest cocoa producer in the world with its annual output nearing one million tons.

The price of cocoa has fluctuated with its ceiling reaching 3,000 U. S. dollars per ton on the American market and 2,300 pounds on the London market.

Coffee Rises as Brazil Output May Trail Estimates; Cocoa Gains

BusinessWeek

By Yi Tian

May 12, 2010

(Bloomberg) -- Coffee rose in New York to the highest price in more than a week on speculation that output in Brazil, the world's largest producer, may fall short of forecasts. Cocoa also gained.

Growers in Brazil will harvest 47 million bags of coffee beans this year, the Agriculture Ministry's crop-forecasting agency said last week. That's "well below trade estimates," said Tom Mikulski, a senior market strategist at Lind-Waldock, a broker in Chicago. "There's a little bit of risk premium that got pumped back into the market," Mikulski said. Traders need to hedge their bearish bets because "something can go wrong," and Brazil may not have a bumper crop as expected, he said.

Arabica coffee for July delivery rose 0.7 cent, or 0.5 percent, to \$1.3685 a pound on ICE Futures U.S. in New York, after touching \$1.386, the highest price for a most-active contract since May 4.

Coffee will trade between \$1.30 and \$1.38 for the next seven to 10 days, Mikulski said. The commodity has gained 6.3 percent in the past year.

In another ICE market, cocoa for July delivery added \$21, or 0.7 percent, to \$2,972 a metric ton. The chocolate ingredient has jumped 25 percent in the past 12 months.

Demand for cocoa is "on the rise compared to last year," Pierrick Chouard, the chief executive officer of closely held Vintage Plantations Chocolates, said yesterday in an interview from New York. Prices may climb to \$3,500 by September, he said.

On London's Liffe exchange, cocoa futures for July delivery rose 14 pounds, or 0.6 percent, to 2,287 pounds (\$3,394) a ton. Robusta-coffee futures for July delivery gained \$10, or 0.7 percent, to \$1,408 a ton.

Processing & Manufacturing

UPDATE 1-Nestle plans to sweeten its UK market share

Reuters

By David Jones

May 14,

YORK, England, May 14 (Reuters) - Nestle (NESN.VX), the world's biggest food group, plans to grow its market share in the 4.5 billion pound (\$6.6 billion) UK confectionery market each year despite rivals getting bigger and more competitive.

The KitKat and Aero bar maker aims to gain share although it faces a new Kraft (KFT.N) and Cadbury combination, and hopes to safeguard 2,000 UK jobs as the industry comes under intense pressure as its key raw material, cocoa, hits 32-year highs.

Nestle's head of UK and Ireland confectionery David Rennie plans to grow his share up to 0.2 percentage points a year from 16 percent although its rivals Kraft and privately owned Mars have made acquisitions to heap the pressure on the Swiss group. "We aim to grow the business with steady market share growth of 10 to 20 basis points each year," Rennie told Reuters in an interview on Friday at its York plant in northern England that churns out one million KitKat bars a day.

Kraft took the lead in the UK market when it swallowed Cadbury earlier this year, boosting its relatively small 2 to 3 percent share to around 30 percent, while Mars after chewing up Wrigley in 2008 pushed its market share to

24 percent. "The two moves have concentrated the players, but not concentrated the brands. Consumers still have a similar number of brands to choose from," Rennie said.

VERY COMPETITIVE

The strengthening of its two bigger rivals with more marketing muscle and distribution reach along with soaring cocoa prices have put a microscope on costs, but Rennie does not see big job cuts like those made in 2006 to remain competitive.

"Cocoa prices are very high and the market is very competitive but I am not looking to cut jobs to allow myself to compete," he said.

Cocoa prices doubling over the last three years to around 2,400 pounds a tonne LCCN0 have put massive pressure on the business with modest price rises unable to absorb the cost increase.

The commodity has been pushed higher by tight supplies from major growing nations like the Ivory Coast, an anticipated upturn in demand as the world comes out of recession, and speculative buying.

"Cocoa is at a historic high level and the indications are that it will stay high for a while, with no big decline anticipated in the next 6 to 12 months," Rennie said.

"There is massive pressure on the business and had we not done massive restructuring 3 to 4 years ago it would have been very tough," he added.

Nestle went through big restructuring since acquiring Rowntree in 1988. Four years ago it cut a third of the staff in York and now employs about 2,000 confectionery staff across York and three other sites.

"MAGNIFICENT SEVEN"

Rennie's focus is on his "magnificent seven" brands -- KitKat, Aero, Smarties, Milky Bar, Quality Street, After Eight and Rowntree's -- which account for 70 percent of his sales, largely produced from Nestle's four northern English plants.

With UK industry volumes largely flat in recent years, manufacturers have relied on price rises to drive the annual market in the UK by 2 to 3 percent.

Rennie is looking to KitKat, his fastest-growing brand with high-single digit percent annual growth, and new innovations to drive that growth. Rennie has helped create a multi-million pound brand in 9 months with Randoms, fruit-flavour shapes that are made in a Nestle Czech factory.

Randoms are now Britain's No. 2 sugar confectionery brand after Nestle's own Fruit Pastilles, outselling Mars's Starbursts and Kraft/Cadbury's Maynards wine gums.

Confectionery is a core Nestle business that makes up 11 percent of sales, and one in which it ranks No. 3 in the world after Kraft and Mars. The business contains two of its 30 billionaire brands -- KitKat and Nestle chocolate -- with annual sales of over 1 billion Swiss francs.

Business & Economy

Cadbury introduces fair trade chocolate bar

Sydney Morning Herald

May 11, 2010



Fair trade cocoa beans ... almost two thirds of Australian consumers believe it is important to choose products that support fair trade.

As major players turn to fair trade, not everyone is happy, writes Linda Morris.

In the space of a decade, the fair trade movement in Australia has gone from charity store specialty to the shelves of Coles, Aldi and

Woolworths. Where once it was all about a conscious-salving caffeine fix and a few tribal handicrafts, today fair trade labelling covers a growing range of weekly grocery items including tea, sugar, quinoa, cotton, nuts, muffins and cakes.

Now Australia's biggest selling chocolate bar has jumped on board and Cadbury's Dairy Milk, the nation's biggest chocolate brand, is carrying the distinctive green-and-blue fair trade logo.

The multinational isn't the only confectioner in Australia and New Zealand selling this ethically sourced indulgence, it just happens to be the largest. Alter Eco, Chocolatier, Cocolo, Green & Black's Maya Gold, Heritage Fine Chocolates, Maestrani, Oxfam and Scarborough Fair all started before Cadbury. But the addition of an iconic brand has the fair trade movement in raptures, not only because of the 45,000 Ghanian growers estimated to benefit, but because it is expected to help build marketing momentum.

Malaysia could reduce imports of Indonesian cocoa

AgraNet (subscription)

May 13, 2010



Malaysia considers alternative after Jakarta's export tax on cocoa beans

PETALING JAYA: Malaysia is seriously considering to reduce cocoa bean imports from major supplier Indonesia this year following the latter's 10% unprocessed cocoa beans export tax imposed last month, said Malaysian Cocoa Board (MCB) director-general Datuk Dr Azhar Ismail.

He said the best alternative would be to source cocoa beans from West Africa, Papua New Guinea, Thailand and the Philippines. Based on the Malaysian cocoa officials' meeting with their Indonesian counterparts in Jakarta last week, Azhar said: "The Indonesian government is unlikely to retract its decision on March 22 to impose 5%-15% export tax on unprocessed cocoa beans to encourage its domestic cocoa processing industry."

The export tax fluctuates on a monthly basis and is calculated based on the average futures price for cocoa in the United States. The duty was kept unchanged at 10% this month.

Azhar told StarBiz yesterday that many local cocoa grinders had expressed their dissatisfaction over the new export tax which would drastically push up their cost of production especially in terms of importing cost.



Workers dry cocoa beans at a warehouse in Makassar in Indonesia's South Sulawesi province April 6. Indonesia hopes to boost domestic grinding with the tax enforced from April 1, but it could disrupt sales, the Indonesia Cocoa Association said. - Reuters

The export tax is also unpopular in Indonesia as many cocoa exporters there are reportedly facing a dilemma whether to export at a loss or default on their contracts.

Azhar noted that Malaysia is currently Asia's largest cocoa grinding and processing hub with 11 major cocoa-grinding players.

Although Malaysia is the world's fifth largest cocoa producer, he said local cocoa production of about 32,000 tonnes a year could not support the huge demand from the local grinding and processing industry which has an installed capacity of over 360,000 tonnes. "Local cocoa production can only cater to about 10% of grinders' demand while the remaining 90% or over 400,000 tonnes of cocoa beans will be imported annually," he added.

Azhar said the Government was also keen to increase the national cocoa production by encouraging state governments to open up more greenfields or idle land for cocoa cultivation.

By 2020, the Government is targeting cocoa hectareage and tonnage to reach 40,000 ha and 60,000 tonnes respectively. "Cocoa can also fetch attractive prices similar to palm oil. In fact, the cocoa price is now trading higher at about RM10,000 per tonne versus RM2,500 per tonne for palm oil," he added.

Based on MCB price centres nationwide, the highest cocoa beans farm gate price is in Raub, Pahang at about RM10,600 per tonne followed by Tawau, Sabah at RM9,300 per tonne.

Divine Chocolate Touts the Conscientious Business Model

The Atlanta Post

By Caletha Crawford

May 13, 2010



get their products to mass market.

"Cecilia Appianim with Divine Chocolate Bar"

In the U.S., eating chocolate is often referred to as a guilty pleasure. But Divine Chocolate gives confectionery lovers a way to feed their philanthropic tendencies as well as satisfy their sweet tooth. Through a unique farmer-owned and fair trade structure, the company supports and uplifts the cocoa growers who undertake the tedious task of farming and processing the beans that go into each ounce of the various chocolate products. The dividends of ownership not only provide monetary rewards but also a sense of dignity to the collective of workers laboring to

It all started with Kuapa Kokoo, a farmer cooperative in Ghana that was formed as a licensed buying company to institute fair pricing and ethical principles for its members. Without a structure like this, West African farmers—who produce 70 percent of the world's cocoa beans—suffer from poor work environments, unjust price gouging or other exploitative practices. According to the 2002 International Institute of Tropical Agriculture report, 284,000 West African children engage in hazardous tasks on cocoa farms.

For Kuapa Kokoo farmers, however, the chocolate business is a sweeter enterprise. Fair trade—which by definition brings equity to producers in the global market—means the farmers receive just compensation for their crops (\$1,600 per ton or the world price, whichever is higher, plus \$150 per ton as a fair trade premium). This, in turn, results in higher revenue for Kuapa that then funds improvements to its member communities. For example, building schools has been a focus for the cooperative and a boon to the regions that previously did not have them. In this way, Kuapa is not only able to support this generation but also those to come.



that sense of not mattering made them feel like they were 'tree minders' and not people."

"Ama Kade is a Kuapa Kokoo farmer, "

The cooperative further shored up its members' futures by electing to start its own chocolate brand, which became Divine Chocolate. In 1998, the company launched in the U.K. with funding from The Body Shop, Comic Relief, Christian Aid and the non-profit Twin Trading. Today Divine is a \$25 million company in Britain, which pays dividends back to the Kuapa farmer owners. Though not a princely sum, the money earned could be enough to pay for a year of school fees for several children.

But Erin Gorman, CEO of Divine USA, said the intangible benefits of the unique structure are of equal importance. "The farmers in Kuapa have a tremendous sense of pride because they know that they're not just cocoa farmers, they're owners of a chocolate company and their voices will be heard," she said. "If you're selling to any of another dozen licensed buying companies, they can buy your cocoa or someone else's. You don't matter. A farmer once explained to me that

Paul Buah, one of Kuapa's 45,000 farmers and the elected president of the Farmer's Union, has personally experienced the advantages of being a part of the cooperative. Buah lists access to clean water, additional

schools and new mobile health clinics among them but he said owning the company means even more to him. “Apart from the dividend we receive from co-owning Divine Chocolate, it has given cocoa farmers a kind of recognition in the global chocolate industry,” he said.

Stories like these are what gave Divine an entrée into the U.K. market, which is largely controlled by one company. “The British chocolate market is very mature and very consolidated and in Britain chocolate is Cadbury,” Gorman said. “We went into the market with a fantastic story that no one had ever told up to that point about the Ghanaian farmers. And it gave consumers a way of participating in changing the terms of trade by eating chocolate. It was the first time people could be in partnership—and not in a charitable sense—with people in a developing country to create an outcome they [both] valued.”

Divine also gave consumers something else: a way to do good and get a positive experience in return. Before Divine launched, Gorman said fair trade, which was in its infancy in the U.K., was not an attractive option for consumers given the market was limited to only a few low-quality coffee and craft products. At the time, it really took a good Samaritan to choose a fair trade cup of joe over a mainstream brand. Since then, experts agree the fair trade market and recognition there has far outpaced that of the U.S.



Recently, even the big players in the chocolate sector are adopting similar practices. Last year, Cadbury committed to sourcing fair trade beans for the brand’s top selling Dairy Milk chocolate bars. This move alone triples the sales of fair trade cocoa beans from Ghana. Divine takes some personal pride in industry-wide strides like these. “The success of companies like Divine and those that came afterward has really laid the groundwork on the things you see today,” stated Gorman, who also credits campaign and charitable organizations that work to create fair trade.

“Kuapa farmer Beatrice Asante is drying beans”

To further increase demand for fair trade cocoa, Divine launched its line of dark, milk and novelty chocolates into the \$16.9 billion U.S. chocolate market in 2006. “The thing that made us optimistic about the U.S. market is that it is so big,” she said. “Even capturing a very small percentage of that would make an enormous difference in the lives of cocoa farmers.” Before the farmers could profit, however, Divine needed to find a way into the market, which is dominated by market leaders like Hershey and Mars.

Prior to the start of the recession in 2008, small, premium and dark segments of the market were fueling the industry’s growth—all good indicators for companies like Divine. Since the economy began to slow, much has been made of the seemingly recession-proof candy sector, but Susan Smith, the senior vice president of strategic communications for the National Confectioners Association (NCA), cautions against overstating the industry’s resistance. “Confections does better than other products during a recession. It’s affordable and it’s a small pleasure, but they are affected like all industries” she said. Accordingly, market research firm Mintel adjusted its growth predictions for the market from 4 percent per year through 2012 to 2 percent. Both Mintel and the NCA agree that even the segment leaders, along with the rest of the market, are slowing as the categories reach saturation and consumers trade down to less expensive treats.

Even in the face of these market pressures, Divine reported 100-percent growth last year. This is partly attributable to Divine’s decision to sink its teeth into the maturing fair trade niche in the U.S. Though the company targeted conventional retail giants like Tesco and Sainsbury in the U.K., Divine decided that given the size and segmentation of the U.S. market, it needed another approach here. “We recognized that we weren’t going to be able to get into a supermarket shelf by going head to head with Hershey” said Smith. “We decided to go after that specialty and natural foods consumer as a way of catapulting us into more mainstream outlets.”



According to the Fair Trade Federation Interim Report, fair trade sales increased by 102 percent in the U.S. and Canada between 2004 and 2007. Though these numbers seem to bode well for brands like Divine, findings from Mintel suggest consumers here have yet to digest what fair trade means. In its March 2010 natural and organic food and beverages study, Mintel found that of the

respondents who were interested in natural foods, only 56 percent were interested in fair trade products and approximately a quarter had no opinion one way or the other, leading the firm to conclude “that part of the lack of demand for fair trade products is tied to the fact that many consumers—even those who use natural/organic products—do not know what fair trade is.”

“Chocolate bars are Divine Chocolate’s most popular product”

Though she concedes that the fair trade market is relatively small in the U.S., Smith thinks the growth is promising. “Fair trade is not as big yet as it is in Europe, particularly in the U.K.,” she said, adding that the segment has been on her radar. “We’ve seen fair trade products at our [Sweets & Snacks Expo] for the last few years. I think folks are aware of it and some consumers would be interested.” Smith points to the ethical standards of brands like Cadbury’s Green & Blacks organic chocolate and Hershey’s Dagoba as examples of interest in the segment.

Retailers also see increasing potential for the category. “The Food Emporium customer is more aware of what Fair Trade is and what it entails than ever before,” said Steven Kravets, grocery buyer for the Food Emporium supermarket chain. “As we bring in more and more items with the Fair Trade logo and story, it will only strengthen the knowledge.”

Today, Divine Chocolate is sold in natural stores like Whole Foods and Earth Fare as well as regional chains like Wegman’s and Publix and specialty outlets like Borders Books, Nordstrom’s Espresso Bar and movie theaters. Growth plans for the company, which expects to post sales of around \$4 million dollars for the 2009-2010 fiscal year, are to saturate the specialty market and spread throughout traditional locations.

As was the case in the U.K., it’s the story behind Divine that has helped set the brand apart. While the ownership model has proven valuable in securing shelf space at the specialty level, it has been vital in tempting conventional grocers. “When you get to that end of the market, you’re having to differentiate yourself in a market where differentiation is usually done by price point,” Gorman said. “So being unique and having a unique story about the farmer ownership has been a major asset.”

Like Kravets, who deems Divine’s chocolates “very good in taste and quality,” Biagio Abbatiello, owner of Biagio Fine Chocolates in Washington, D.C., said the company has all of the characteristics for success in this competitive market. “If a chocolate made from a bean to bar is lacking in complexity, not priced correctly and does not have a great story behind it, it will have a tough time with discerning customers,” he said. “Whenever we feature Divine Chocolate in our tastings, it always shines against some very heavy competition.”

As a small company, Divine relies on personal interactions like these to further its brand message. In lieu of pricey ad campaigns, the brand participates in in-store events and regional fairs. “People have a really irrational attachment in some ways to the chocolate they grew up with. Our task is to say, here’s something else you could try and here’s another reason to try it,” Gorman said. “It gives us an opportunity to tell them the story and that’s much more impactful than advertising at this stage.”

Divine’s target consumers are people who enjoy high-quality chocolate but more specifically, are content consumers. The company and its message tend to resonate most with people who hunger to learn more about the world, are well informed and active in their local communities. “Having tapped into that demographic, the flip side of wanting to know is wanting to share,” said Gorman. “So for everyone that we can get to change their mind, they’ll tell other people. That’s how you really start to go deeper into the population.”

People are not only talking about the brand and its message here in the U.S., the story of Divine and Kuapa Kokoo has garnered attention among fellow farmers in Africa. “Farmers that aren’t a part of Kuapa have started to question other licensed buying companies about why they don’t [operate in the same manner],” said Gorman. “And that’s where change begins to happen in an industry.” Recently Kuapa was able to help a farmer’s organization in Sierra Leone become a top-notch fair trade supplier.

Through Kuapa’s mentoring, those farmers were able to produce their first container of high-quality cocoa. To aid those farmers, Divine purchased that first batch and has plans to continue to source there. “It’s one of my favorite things that Divine has done with Kuapa because it shows the value of farmers owning their own brand,” she said. “They didn’t just lend assistance to these farmers, they provided them a market, which is really invaluable.”

Cocoa market's higher end

Trinidad News

May 13 2010

The challenge thrown out by UTT Professor, Denyse Thompson, that if more people could be encouraged to move up the value chain “we could take charge of the Caribbean brand of cocoa”, should not be taken lightly.

Prof. Thompson, who was addressing the launch of the Caribbean Fine Cocoa Forum (CFCF) last week, pointed out that fine cocoa produced in the Caribbean and sold to United Kingdom markets for US\$3 per kilogramme, was made into fine chocolate which was then sold to the Caribbean for US\$1,500 per kilogramme.

Continued regional development of a fine chocolate industry, along the lines of the United Kingdom's, would position Caribbean investors to gain a not insubstantial share of the higher end fine chocolate international market. The situation with respect to Caribbean fine cocoa is not unlike that of raw cane sugar which was imported by the UK under the former Convention of Lome. The sugar was then refined and the product sold to Caribbean countries, among other markets, at significantly higher prices.

Stakeholders in the CFCF include the UTT (University of Trinidad and Tobago), the Cocoa and Coffee Industry Board of Trinidad and Tobago, the Jamaica Cocoa Industry Board and the Cocoa Research Unit of the University of the West Indies.

Trinidad and Tobago's cocoa has long been regarded as the finest in the world and has been used to sweeten cocoa produced, for example, in the Ivory Coast, the world's largest producer of cocoa, and Cameroon, among other places.

UWI's Cocoa Research Unit moved, years ago, to establish a cocoa gene bank to make available to leading producers of cocoa in Africa, Central and South America, Asia and the Pacific more productive strains of cocoa.

Meanwhile, Minister of Agriculture, Arnold Piggott, disclosed at the CFCF's launch that his ministry had paid out some \$1 million in bonuses to 1,300 cocoa farmers in the country. The bonus payments are incentives designed to stimulate an increase in the production of high quality cocoa. This, in turn, would lead to greater employment in the cocoa industry; a higher volume of fine cocoa exports and increased Government revenue. In addition, more money would be turned around within Trinidad and Tobago's economy.

Already, as Minister Piggott noted, the sales, internationally, of TT produced cocoa by the Cocoa and Coffee Industry Board, had averaged for the periods 2007 to 2008 and 2008 to 2009, 300 metric tonnes. In turn, the thrust resulted in the sales of cocoa to international buyers in the United States and Europe for the six-month period, October, 2009 to March, 2010, reaching 270 metric tonnes. In addition, Piggott stressed that there were confirmed orders for the next six months of 300 metric tonnes, a virtual doubling of international sales. The incentive programme, the Agriculture Minister declared, was aimed at promoting the economic sustainability of the industry and increases when farmers' production levels surpass that of the previous year's.

Trinidad and Tobago's Cocoa and Coffee Industry Board should be praised for its efforts. Nonetheless, there is a need to refine the ministry's strategies to further increase the volume of cocoa exports. In the meantime, Minister Piggott should appraise the nation of the present status of the gene bank for cocoa. Trinidad and Tobago, it should be recalled, was specially chosen as the site for the bank, as a result of its vast genetic base, what with TT having what was once described as “the biggest and most important collection of cocoa genotypes” in the world.

Meanwhile, this country should seek to negotiate a better price structure for its cocoa exports. In turn, steps should be taken to optimise the development of the existing domestic fine chocolate industry to attract a larger share of the profits to Trinidad and Tobago.

Research & Development

Chocolate is personal - Survey reveals nearly half of Americans choose different chocolates based on mood

PR Newswire (press release)

SOURCE Lindt & Sprungli

May 11, 2010

STRATHAM, N.H., May 11 /PRNewswire/ -- Chocolate, like many things, is personal and often times the type of chocolate a person chooses to indulge in is influenced by their mood and personal situations. According to a new survey by Lindt Chocolate, three out of five Americans choose a chocolate based on conditions such as their mood, the occasion, the time of day, and even the weather. To help please any palate, Lindt Chocolate offers an extensive portfolio of chocolate bars, so there's something for any personality and every mood, from the richest dark to the creamiest milk, and everything in between.

The Lindt Chocolate survey asked 1,000 men and women nationwide about their chocolate eating habits and preferences. Survey insights include:

- * Chocolate is personal! Seventy percent of Americans agree choosing their own chocolate is just as personal of a decision as choosing their own menu choice.

- o Two out of three women say chocolate is just as personal of a decision as choosing their own lipstick or make-up.

- * What are you in the mood for? Three out of five (61 percent) Americans choose a chocolate based on conditions such as the time of day, the occasion, and even the weather.

- o Nearly half of Americans (46 percent) choose a different type of chocolate based on their mood.

- * Decisions, decisions. More than half of Americans (55 percent) eat creamy milk chocolate when they need an escape, followed by any type of chocolate with nuts (44 percent), intense dark chocolate (36 percent), and smooth white chocolate (23 percent).

"Personal taste preferences differ, and people aren't always drawn to the same type of chocolate," said Ann Czaja, Lindt Master Chocolatier. "Eating premium chocolate is truly an experience to be slowly savored. As an expert in all things chocolate, I encourage chocolate lovers to think outside their traditional chocolate choice and fully appreciate the different flavors found in each type of chocolate, to create a truly memorable chocolate experience."

No matter what the mood or occasion, Lindt is inviting consumers to take a deeper look into the company's premium chocolate bar collections, including the newest creation, Excellence 50% Cocoa. The 50% Cocoa dark chocolate bar delivers a hint of intensity found in higher percentage dark chocolate bars combined with a sweetness found in milk chocolate bars, a great option for any chocolate craving.

All of Lindt's chocolate bars are crafted by the Lindt Master Chocolatiers and each is made with the finest cocoa beans and highest quality ingredients, yet each collection has something different to offer. The various Lindt bar collections include:

- Excellence offers a wide range of premium dark chocolate bars including high cocoa percentages and innovative flavor combinations
- Classic Recipe delivers traditional, smooth and creamy milk, dark and white chocolate bars with or without nuts
- Grandeur pairs premium chocolates with whole toasted nuts mixed with caramelized, crunchy nut slivers
- Lindor offers indulgent, premium chocolate with a smooth-melting center in every bite-size piece

Promotion & Consumption

National indicators to promote cocoa quality

Jakarta Post

05/14/2010

Cocoa industry stakeholders, including government officials, representatives of cacao processing companies and farmers, as well as international certification organizations, have launched national indicators for sustainable cocoa production to ensure the growth and development of cacao farming.

According to cacao processing company PT Mars Symbioscience Indonesia, which sponsored the launching, Agriculture Ministry, the Research Center for Indonesian Cocoa and Coffee, two international certification organizations – the Rainforest Alliance of Britain and Utz Certified of the Netherlands were involved in the formulation of the indicators. “We hope that the national indicators will become a key to the improvement of the quality of Indonesian cocoa,” Mars president director Noel Janetski said after the launching ceremony on Wednesday.

An Agriculture Ministry report says that currently Indonesia, the third largest cocoa producer in the world after Ivory Coast and Ghana, has the worst quality cacao. The quality problem has forced Indonesian exporters to sell their cocoa beans at lower prices. For example, US importers buy low quality cacao from Indonesia at a discount of US\$200 per ton. By comparison, importers buy good quality cacao from Ghana with a premium price.

The national indicators, which consist of criteria and implicit strategies needed to increase cacao productivity and quality without harming the environment, would hopefully increase the price of Indonesian cacao in the international market, said Janetski.

Rainforest Alliance official Peter Sprang said that the national indicators still needed modification because some of the draft guidelines were difficult for farmers to understand and implement. He added that by following good agricultural practices, average yields would likely be increased from the current average of 700 kilogram per hectare to 1 ton per hectare. “However, in Indonesia, I realize that about 90 percent of cacao plantations are owned by [smaller] farmers spread over thousands of different areas, making it difficult to transfer knowledge and technology,” Sprang told The Jakarta Post. He added that if Indonesia wanted the national indicators to be implemented fully, there would be an urgent need for the government and concerned companies to support cocoa farmers. (rch)

TIT BITS

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

US MIDDAY: sugar, coffee and cocoa move up

NEW YORK (May 13, 2010): Raw sugar and arabica coffee futures moved higher early Wednesday, along with the commodity complex, while US cocoa inched upward. Arabica coffee futures inched upward, on follow-through strength from Tuesday and outside support as the commodity complex was firm, said traders.

Liffe sugar, cocoa and coffee rise

LONDON (May 13, 2010): ICE raw sugar futures rose on Wednesday, boosted by signs of a pick-up in physical demand following a slide in prices and increased risk appetite among investors linked to stronger financial markets. Arabica coffee and cocoa price also advanced. ICE July raw sugar was up 0.25 cent or 1.8 percent at 14.16 cents a lb by 1533 GMT while Liffe August white sugar was up \$12.20 or 2.7 percent at \$463.40 per tonne.

US sugar down, coffee up

NEW YORK (May 13, 2010): US cocoa futures slumped to close down 4 percent at a three-week low Tuesday, while arabica coffee surged and raw sugar dipped. July coffee jumped 2 cents to finish at \$1.3615 per lb, trading within Friday's session band. Arabica futures bucked the day's weak trend in commodities, heading for the 100-day moving average at \$1.3765 in the July.

White sugar buoyant on tight supply

LONDON (May 14, 2010): ICE raw sugar and arabica futures edged up on Thursday, with a firmer dollar capping gains, while strength in the white sugar premium signalled strong physical demand for refined sugar. ICE cocoa extended losses, as the market digested comments by the head of the International cocoa Organisation (ICCO) to Reuters Insider that global output was set to rise sharply next season in response to a rally in prices, dealers said.

US MIDDAY: sugar and cocoa falter

NEW YORK (May 14, 2010): Raw sugar and US cocoa futures eased early Thursday, while arabica coffee bucked the trend and inched higher. Arabica coffee futures moved higher in a narrow range as

the market looked for direction, ignoring the strong dollar and weak commodity complex, said traders.

US sugar, cocoa and coffee up

NEW YORK (May 14, 2010): Raw sugar closed up 5.5 percent Wednesday, while arabica coffee and US cocoa also finished stronger in a consolidative day as the commodity complex recovered. July coffee rose 0.70 cent to close at \$1.3685 per lb. The key July raw sugar contract jumped 0.76 cent or 5.5 percent to settle at 14.67 cents per lb. Analysts still worry key July contract may again take a stab at one-year low of 13 cents.

Soft commodities slip in London

LONDON (May 15, 2010): Soft commodities extended losses on Friday, with ICE raw sugar futures falling over 5 percent, as commodities took their cue from external factors including the euro and stock markets. "It's all to do with the usual risk aversion; the euro is still getting hammered, equities are coming off as well, overall the sentiment is not very good," said Andrey Kryuchenkov, commodities analyst at VTB Capital.

US cocoa at four-week low, sugar and coffee up

NEW YORK (May 15, 2010): US cocoa futures closed down 2 percent at a four-week low Thursday, while raw sugar was little changed and arabica coffee inched higher in thin dealings. July coffee rose 0.25 cent to finish at \$1.3710 per lb. ICE certified arabica stocks fell to 2,380,315 bags by May 12, down 9,591 bags with 3,820 bags pending grading.

US MIDDAY: cocoa at one-month low

NEW YORK (May 15, 2010): US cocoa futures dropped to a one-month low early Friday, while raw sugar also dropped and arabica coffee inched upward in sideways dealings. Arabica coffee futures inched up in sideways dealings as the market lacked firm direction ahead of the main Brazil harvest, said traders. ICE certified arabica stocks at 2,374,831 bags by May 13, down 5,484 bags, with 3,820 bags pending grading.