



2020 VISION

Better Coffee For Us and the Planet

**Looking back, 2019 was miserable for coffee,
but this decade we envision a brighter, greener future.**

2020 VISION:

Better Coffee For Us and the Planet

Coffee Drinkers, We Have a Problem

As coffee lovers and insiders, we can't help but begin our company's 2020 Vision Document by pointing out that this past decade was miserable for coffee ...

To start, high quality coffee growing regions and their finite ecosystems are at serious risk; deforestation is ever-increasing; soils are degrading and eroding; rivers are drying up; birds, insects and other animals are disappearing; and at the root of it all, coffee growers (who wake up to face all of these problems and do most of the work) are caught in a cycle of poverty. These truths threaten the very concept of sustainable coffee and contribute to a decline in the overall quality of coffee being produced. But this decade, we can make coffee better for us and for the planet.

Starting with the root cause of the problem: the fact that growers have never been paid a stable wage and make less money than the cost of producing our coffee. In contrast today's abundance of "green" coffee marketing is leading consumers into thinking that the industry is becoming more sustainable, but the real data paints a very different picture ...

Back in the 1980's, the International Coffee Organization (ICO); an organization representing the broadest interests in coffee, tried to address the coffee price problem for producing countries by publishing data reporting the average cost of growing at \$1.20/lb USD. And yet in 2019, the average global trading price for coffee hit a staggeringly low \$0.99/lb USD!

The cost of "growing" coffee includes the costs to grow and process the coffee for export.

→ 1980's Established Average Global Cost of Growing Coffee - \$1.20/lb USD (not adjusted for inflation)

→ 2019 Average Global Trading Price (Commodities Markets) - \$0.99/lb USD

This means that today's growers are being paid less than what it took to produce a pound of coffee in 1980! These commodity price fluctuations barely affect the end price of coffee to the consumer, but greatly affect the growers. Even a modest price fluctuation threatens a grower's ability to meet their basic needs, let alone produce a crop of coffee year after year.

Today's Real Cost of Growing Coffee

On the brighter side, consumers can be guaranteed that real, tangible, positive change is possible when we start by addressing the root of the problem. Merchants of Green Coffee with the combined expertise of our partners in the coffee supply chain calculate today's real cost of growing coffee (broken down by grade). Here it is ...

→ 2020 Real Costs of Growing Coffee, published by Merchants of Green Coffee Inc.

\$3.25++/lb USD

**Tier 1 - Highest Grade
(Certified Restorative)**

\$2.25-\$3.00/lb USD

**Tier 2 - Average+ Grade
(with or w/o Certification)**

\$1.40-\$2.00/lb USD

**Tier 3 - Lower Grade
(Typical Average Grade)**

Merchants of Green Coffee pays a minimum of \$3.25/lb USD for certified special grade coffee. This is the price we pay directly to our growers of Cafe Solar® and have been paying for more than two decades. In doing so, we are proving that this is a sustainable price for high-quality, organically grown arabica beans; one which leads to restorative practices in coffee production.

Calling Coffee Lovers, Informed Consumers, Roasters & Resellers to Action!

As coffee consumers ourselves, we don't discount the consumer in the supply chain. We've learned that our customers and partners take pride in bettering their coffee experience and many of them also care about contributing to a better, greener world.

This is where Merchants of Green Coffee education, offering, and online platform come in. Our priority is to inform consumers about the issues and provide a platform that pays a fair price to growers while restoring coffee regions; And after 25 years, we've finally built the supply that restores forests and mitigates climate change ... just ask the US Forestry Services!

3 sq.cm of forest wood is used to process each cup of coffee we consume!

Honduras is projected to lose all of its remaining forest area by 2030.

Most of Us Drink Coffee

The coffee industry is massive; at \$125 billion dollars, it's the second largest traded commodity next to oil, and tasking big industry with global change is an idea that can seem daunting. At the same time, the size and nature of the coffee industry also presents the opportunity.

First, we need critical mass to power the system; so it helps that there are billions of us coffee drinkers! Second, coffee grows on trees and the planet needs more trees, so the more restorative coffee we sell the more forests we grow! Third, coffee growers (especially women, and in particular Honduras) are desperate for help.

This brand of change—in which consumption is directly linked to social reform and reforestation—won't happen with just one person, company, or organization; it will only happen via the combined efforts of many. To these points and in this age of local and global networks of cooperation, we will be engaging in immediate outreach to all of our customers, investors, supporters, leaders, influencers, and change-makers, to join us in our pursuit to make coffee better for all .

Coffee wakes us up, fuels our thoughts and conversations, and it's time for it to become a driver of positive global actions!

2020 GOALS & ACTIVITIES:

For us here at Merchants of Green Coffee, 2020 is about bringing 25 years' worth of groundwork, based on UN Millennium Development environmental goals and targets, into mainstream coffee.

In this decade, with our Cafe Solar® program well underway and its supply secured, we will begin actively engaging in direct outreach to make restorative coffee an everyday cup in both the specialty and broader markets.

Our plans are bold and with good, green coffee fuelling our journey, our company priorities include ...

1. Increasing Global Coffee Awareness & Selling More Green Coffee

Involves: Building a robust online portal for coffee memberships, allowing consumers to act (your orders complete the green supply chain and help grow the system!); publishing the breakdown of the global coffee supply chain and relating it back to the world low coffee price that directly exploits growers and, ultimately, consumers; and making all coffee drinkers aware their morning cup should never be dried using firewood!



It is unacceptable that forest wood piles like the one above are being used to process coffee ...



... Solar power is cheap and clean. It's time that we invest in green infrastructure and supply

2. Growing Consumer & Stakeholder Engagement

Involves: Publishing truthful and educational coffee content on our website; detailed documentation and communication of company activities; and cultivating an active community of consumers in support of Climate Change Coffee®.

3. Channelling More Green Dollars Towards Restorative Programs

Involves: Scaling up the Cafe Solar® program; actively engaging in new/ other green coffee initiatives; and partnering with roasters and retailers in launching Climate Change Coffee® and signing up consumers worldwide.

Conclusion

New and improved coffee supply chains, including restorative programs like Cafe Solar® and Climate Change Coffee®, that earn the trust and support of informed consumers can lead to a future with better coffee ... but there's no time to waste! Forests are disappearing, temperatures are rising, and the best scientists have reached consensus that humans have exactly 10 years to reduce our carbon emissions before the damage to our planet becomes irreparable.

Merchants is and has been actively engaged in building restorative, green coffee supply lines, and now it will be up to consumers to make coffee better. On March 19th 2020 (spring equinox) with the sun directly over the equator, we are officially announcing the launch of Climate Change Coffee® memberships on our website.

Cafe Solar® Is Our Flagship Coffee

- Restoring forests via coffee farms
- Dried using clean, solar energy
- Women-managed production

Cafe Solar® = Restorative Coffee

Restorative Coffee is coffee that is produced sustainably (from an economic, social and environmental standpoint) and that adds forest or biodiversity to the region, thereby sequestering CO².

Climate Change Coffee®

Our earth-changing blend!
50% Cafe Solar® + 50% other certified origins = Versatile offering of coffee products that directly restore forests.

Coffee consumers can now sign up to help restore forests and sequester carbon through their coffee purchases ... all while drinking a better cup! Your orders build the system ... so sign up now!

Merchants of Green Coffee Inc.

Merchants of Green Coffee are supply chain developers and educators on fresh coffee, fair trade, and green business practices. These three guiding principals encompass our management of the supply chain in order to produce better cups of coffee. If it sounds complicated, that's because coffee is the most complex food product we consume! We make it our mission to simplify the information for consumers while working to make better coffee for us and for the planet.

For more info: www.merchantsofgreencoffee.com



Further Reading ...

It is our goal to operate a transparent organization. The following table summarizes our activities for this next decade, and we are actively engaged in and building teams for these programs:

PROGRAM	IMMEDIATE	WITHIN THIS DECADE
Platform *Connects the entire supply chain.	One Merchants (e) Shop - underway.	Billions Served. Better coffee made convenient across all markets.
Customer Engagement/ Marketing *Critical consumers help build the system!	(e) Shop, online Merchants of Green Coffee store, allowing consumers to act on making coffee better by giving us their coffee dollars. Publication of important coffee information and key company details on our website. Ramped up e-newsletter & social media updates. Multimedia documentation of company activities. Local: Flagship Cafe & HQ leveraging coffee + food to bring like-minded community in support of green supply chains together under one roof.	Better beans, better taste, better brand ... and Merchants of Green Coffee customers powering it all!
COFFEE BEANS: Quality Beans (Key #1)		
Cafe Solar® + Solar-Powered Coffee Dryer/Low-Temp Drying + Integrated Open Canopy (IOC)®/ Carbon Farming	Major program scale-up underway! Continued support of growers (Birding Coffee Processing Inc.) in Honduras, and new facility expansion. Immediate funding required (\$750,000 USD) to release \$5,000,000 bank loan to program. Loan to be applied towards building new, upgraded processing facility and installing 5 new solar-dryers. Container of 100 bags (154lb burlap) of the highest quality beans from this year's harvest are being organized. Purchase of annual carbon offsets from Cafe Solar® at \$8/metric tonne.	100 solar-powered dryers in operation. Widespread protection and promotion of forests.

PROGRAM	IMMEDIATE	WITHIN THIS DECADE
Certified Climate Change Coffee® (Green & Roasted) *Consume coffee and count carbon.	Minimum 10,000 memberships ASAP. Development of coffee platform by Southpaw/TACTIC for the purpose of taking and registering coffee purchases + integration of carbon offsets.	Restorative supply chains in all producing and consuming markets.
Other Certified Green Coffee Origins	Source and populate platform with new, unique and specialty origins.	Merchants are the #1 brand and source of certified green coffees worldwide.
COFFEE TOOLS: A Fresh Roast & Proper Brewing (Key #2 & #3)		
Key Coffee Tools *ACME Coffee Equipment.	Populate platform with <u>only</u> the best and lowest footprint coffee tools that produce quality coffee; including roasters, grinders, brewers, packaging and cups for consumer and commercial applications.	Best, low footprint brewers are “the norm” in coffee brewing; no more plastic, toxic materials or single-use waste.
1. Home & Micro Roasters	Secure/co-build the next generation.	Merchants serve top 1% of global micro roasting market.
2. Grinders	Populate platform with carefully chosen hand, home, and commercial grinders.	Grinders regain popularity and become fully recognized as critical to the specialty coffee supply chain.
3. Brewer - ACE	Merchants has sold more than 10,000 ACE Brewers. It's time to sell millions using the power of the internet. Hint: Slow Foodies are our “aces”.	Single most popular coffee brewer worldwide.

PROGRAM	IMMEDIATE	WITHIN THIS DECADE
4. Food + Coffee Service Tools	Introduce large volume brewing tools and knowledge to cafes, restaurants and food service industries.	<p>All 'star' type restaurants, foodies, professional chefs and celebrity leaders embrace Merchants' 3 (or 4) critical Keys to the Best Tasting Coffee.</p> <p>Coffee's foodservice footprint (i.e. university cafeterias, government offices, coffee catering, etc.) is addressed.</p>
COFFEE SERVICES: Good Company (Key #4)		
Coffee Education - School	<p><u>Refine</u> and <u>amplify</u> our coffee education and coffee school. Includes; publishing online education, training a strong fleet of coffee educators, and coffee trips (more below).</p> <p>Work to close existing coffee knowledge gaps!</p> <p>Develop expert green coffee consulting services.</p> <p>Local (Toronto): Diversifying class/demo offerings at Cafe & HQ.</p>	<p>Cultivate a coffee-fuelled global conversation.</p> <p>Better coffee consumer base increased worldwide.</p> <p>Global coffee knowledge increased, thus true awareness is achieved.</p>
Coffee Education - Trips	<p>Select roasters/customers/supporters will have the opportunity to visit our Cafe Solar® solar-powered dryer in Honduras!</p> <p>*Due to limited infrastructure, this trip may only be available to seasoned travellers.</p> <p>Other special coffee origins on the docket:</p> <ol style="list-style-type: none"> 1. Ethiopia - Birthplace of coffee: Protect coffee's biodiversity. 2. Yemen - Protect oldest cultivated coffee. 3. Cuba - Protect large scale organic production capability. 4. Colombia - Large scale coffee carbon reduction programs. 5. East Asia. (Searching for model supply) 	Full access to key growing regions that encourage/offset ecological travel.