

US Coffee Consumption

Presented by:

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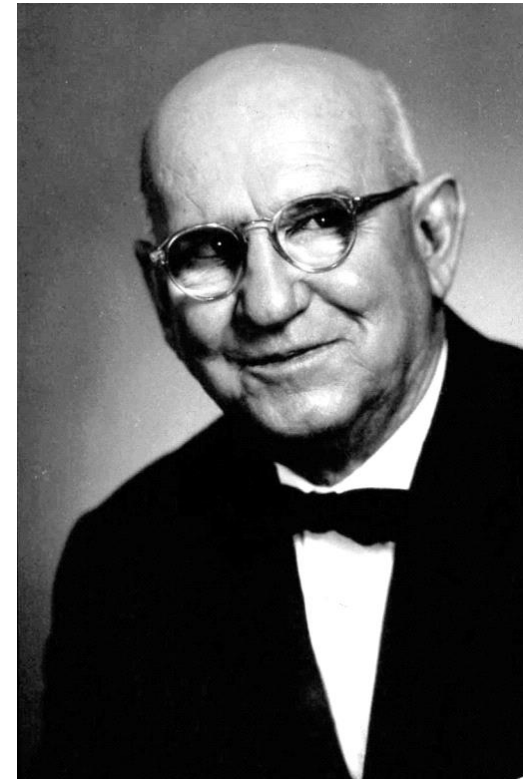
Vice President Green Coffee Department

Community Coffee Company, LLC.



Community Coffee Company

- Founded by Henry Norman “Cap” Saurage in Baton Rouge, Louisiana in 1919.
- Named "Community" in honor of Cap’s friends and customers in the local community.
- The largest family-owned retail coffee brand in the United States of America.



Henry Norman “Cap” Saurage

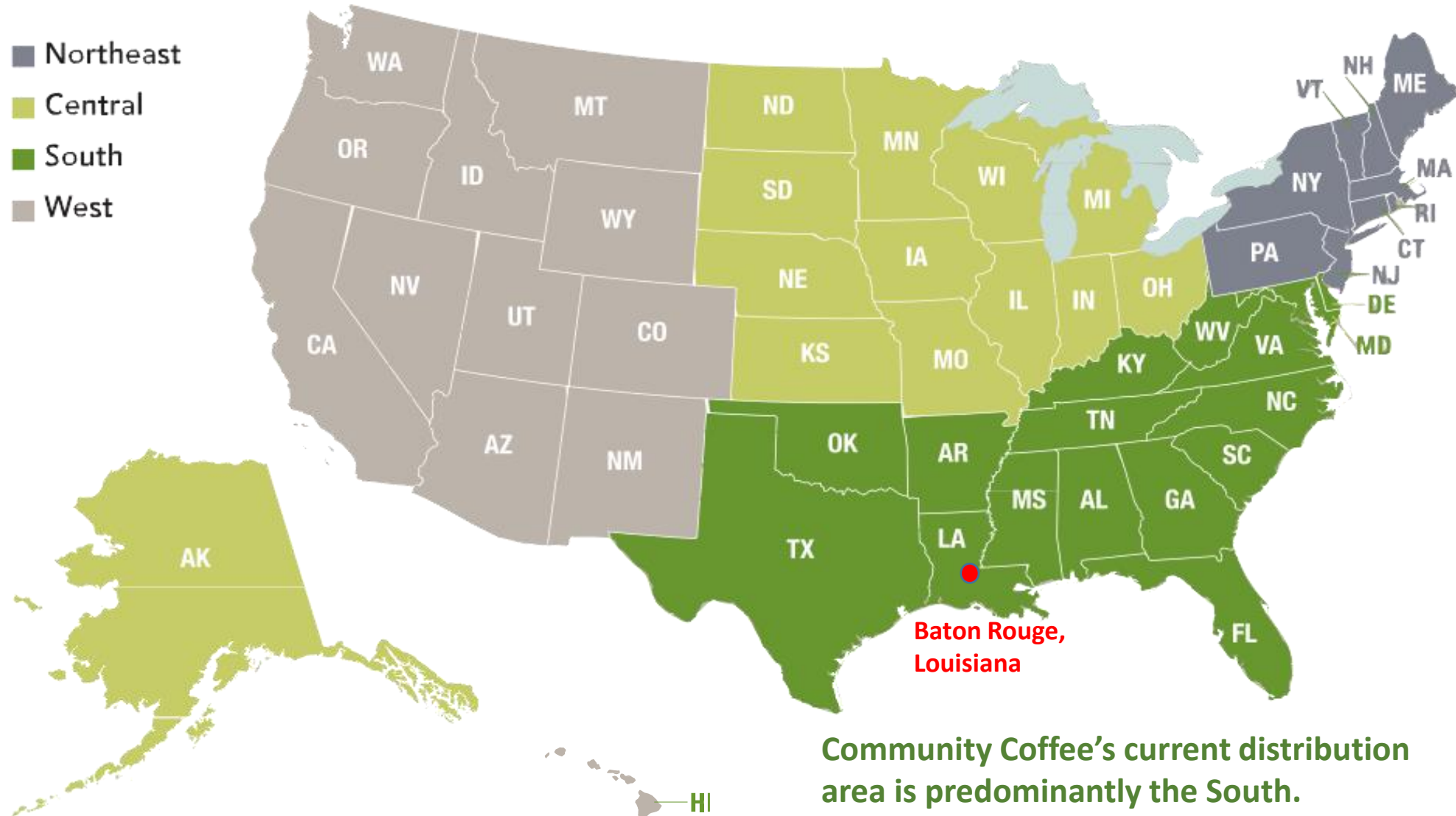


4th Generation Owner, Matt Saurage touring Brazilian coffee fields.



Relationships with Brazilian producers/exporters for over 50 years

Coffee Consumption & Trends in the U.S.



Source:
National Coffee Drinking Trend Report 2015

Consumer Roast Preference:

➤ Dark Roast	36%
➤ Medium Roast	60%
➤ Light Roast	9%

(Total above 100% because some consumers advised they drank several different roast)

Source:

National Coffee Drinking Trend Report 2015

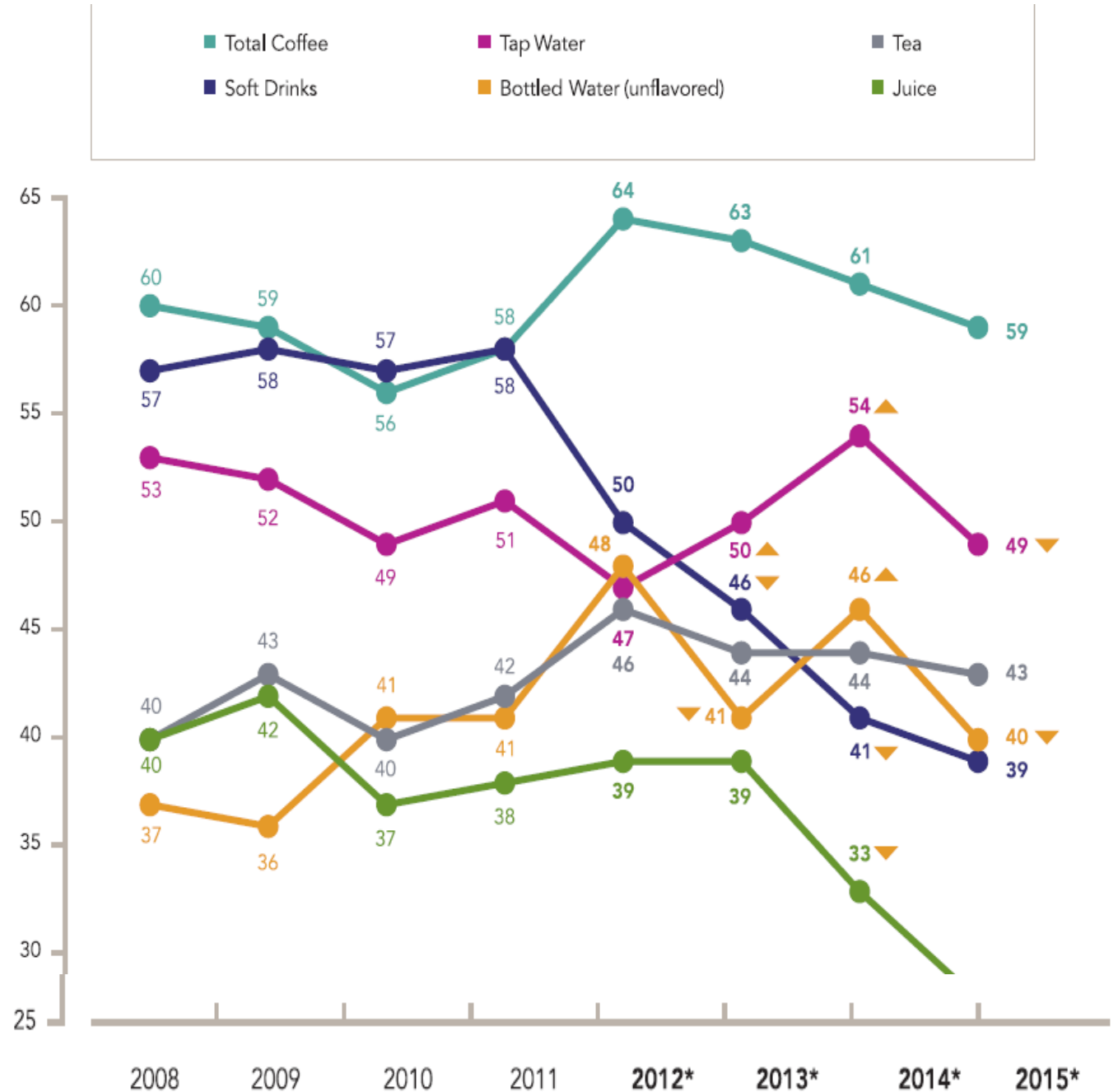
US Coffee Consumption:

Adults 18 years old and up.

When asked what beverages had you consumed yesterday 59% answered that they had coffee.

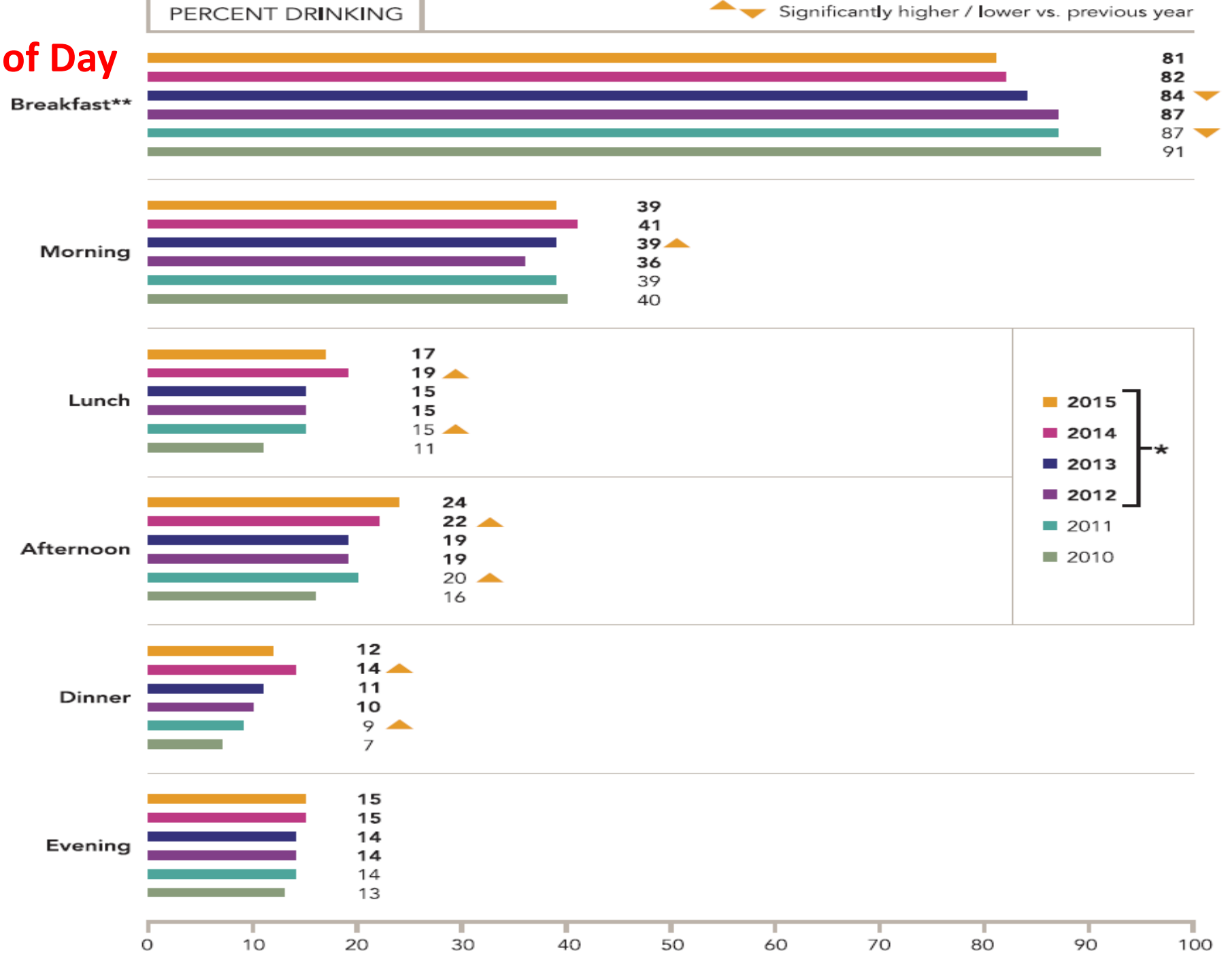
Coffee clearly dominates an increasingly fragmented beverage market. More U.S. Americans aged 18+ drink coffee on a given day than any other beverage, with daily penetration declining slightly over the last four years.

Source:
National Coffee Drinking Trend Report 2015



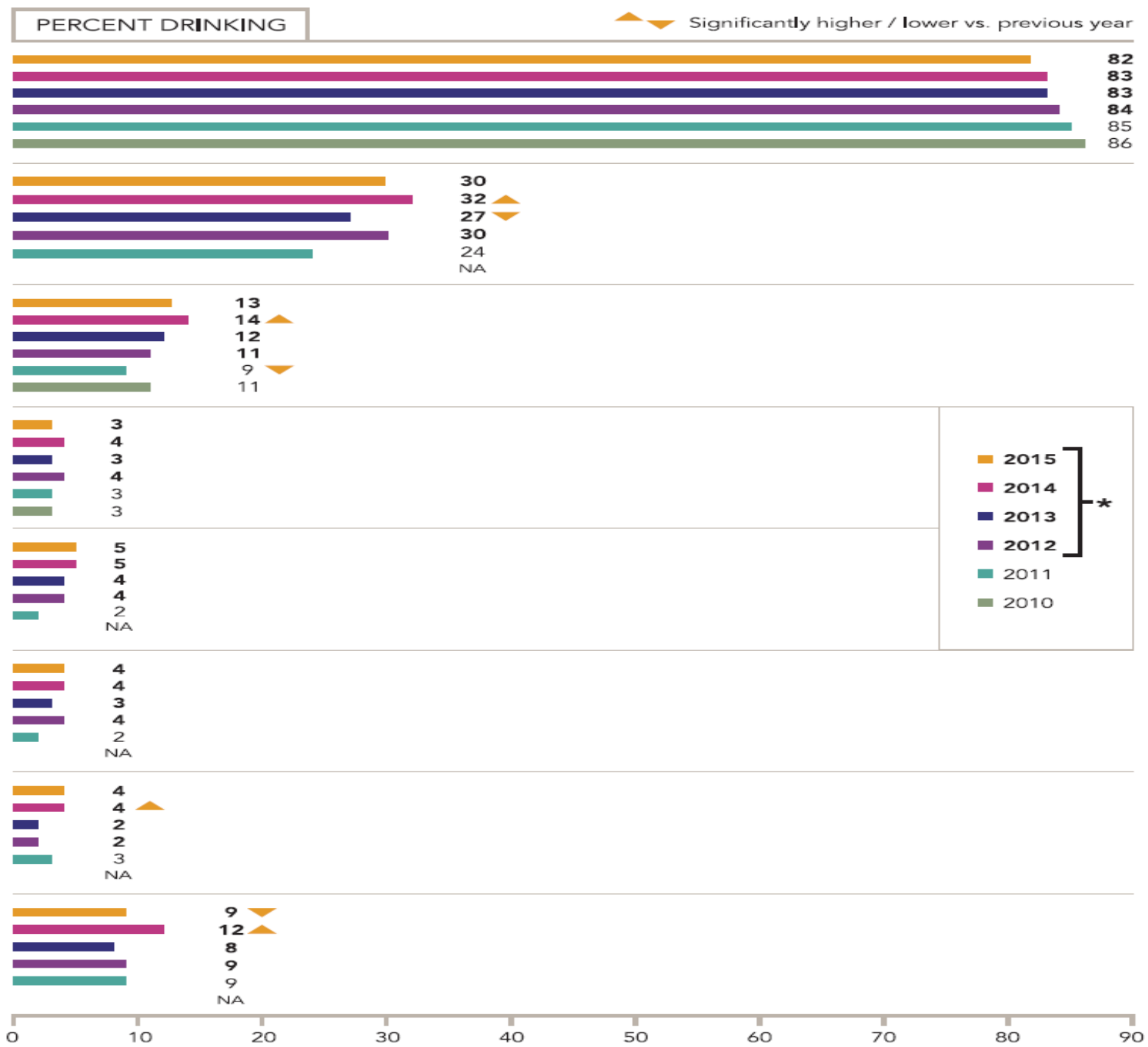
Consumption – by Time of Day

Coffee Consumption at Breakfast has been falling while growing in other times of day.



Source:
 © 2015 National Coffee Association USA
 National Coffee Drinking Trends Study

Place of Preparation – Total Coffee



In Home Preparation continues to be dominant.

Source:
 © 2015 National Coffee Association USA
 National Coffee Drinking Trends Study

Method of Preparation:

➤ Drip Coffee Makers	54%
➤ Single Serve Cup brewers	25%
➤ Instant Coffee (can/Jar)	10%
➤ Espresso Machine	9%
➤ Ready to Drink	5%
➤ Instant Coffee (stick)	3%
➤ Percolator	3%

(Total above 100% because some consumers advised they used several methods of preparation.)

Source:

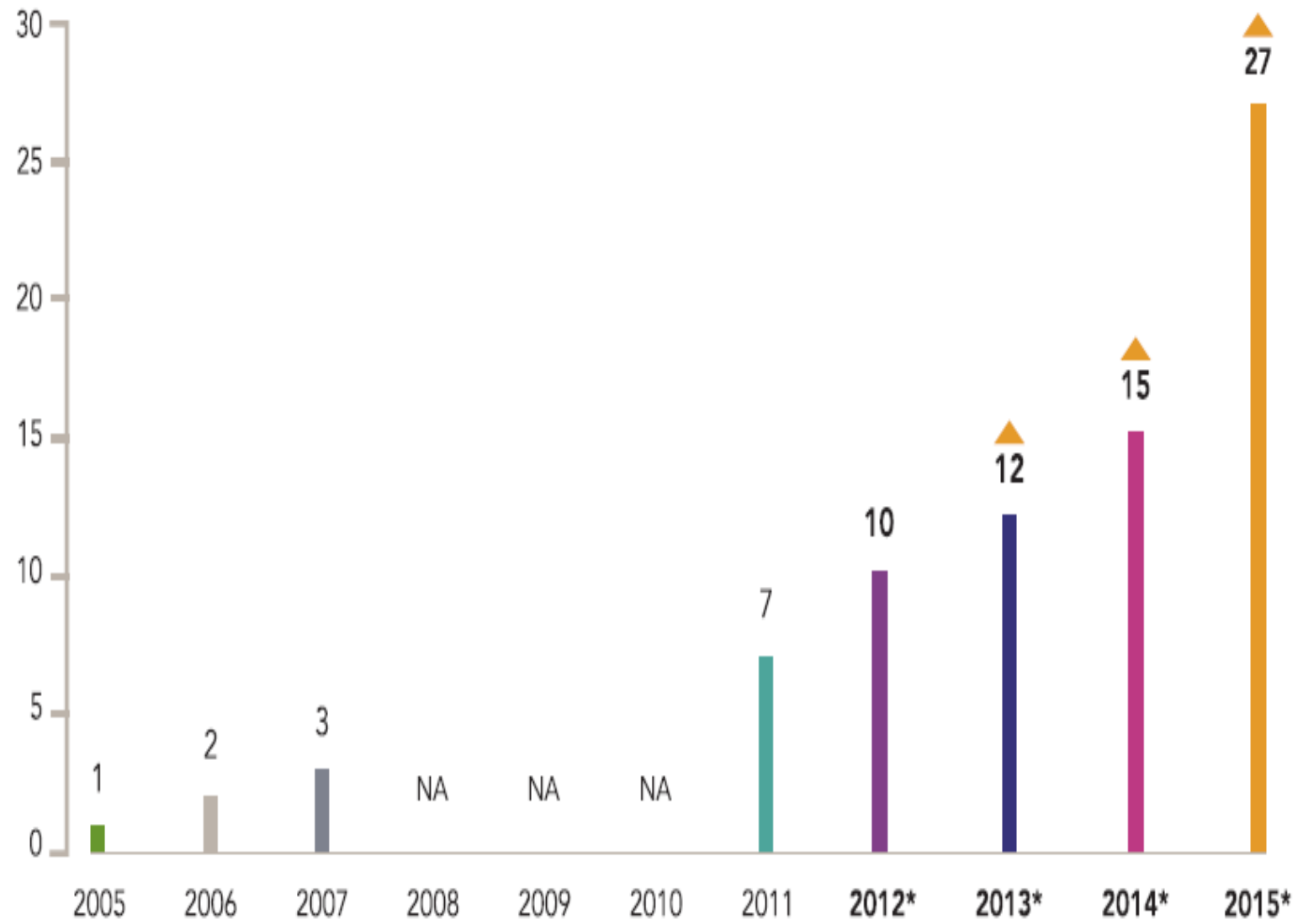
National Coffee Drinking Trend Report 2015

Single-Cup Brewing Systems – Ownership

In 2015, 27% of U.S. households own a single cup brewer (27%).

PERCENT OWN SINGLE-CUP SYSTEM

▲ ▼ Significantly higher / lower vs. previous year



Source:
© 2015 National Coffee Association USA
National Coffee Drinking Trends Study

Single-Serve Coffee Demand Boosts U.S. Sales This Year: Study Logic (2015-11-19)

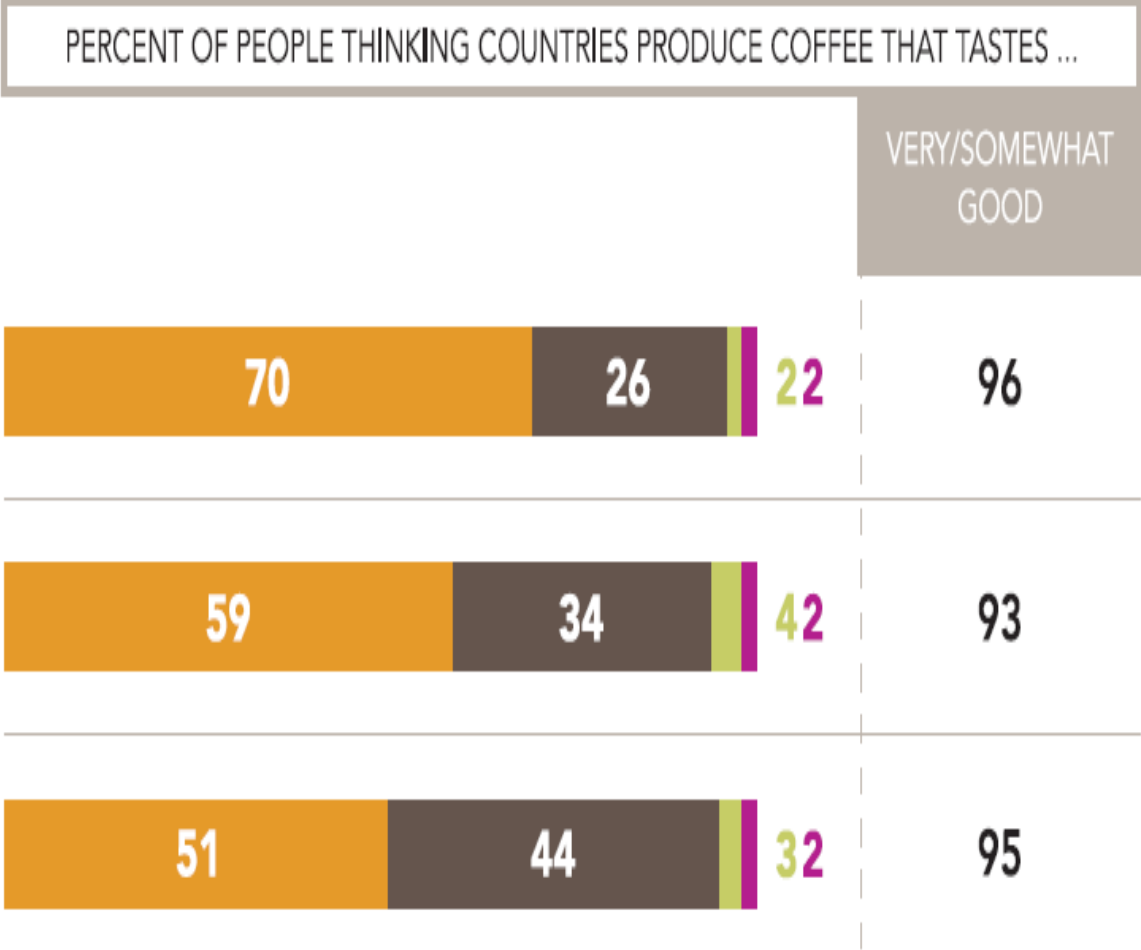
In 10 mos. through Oct., U.S. sales rose 2.3% to 78.42 billion cups from 76.67 billion a year earlier, according to Cedarhurst, New York-based Study Logic, a research company.

- Data includes consumption in retail, restaurant and office location
- Single-serve sales +16%
- Instant coffee sales -2.6%
- Traditional sales -0.5%, including drip, percolator and made-to order
- Total sales rose to \$45.74 billion from \$42.14 billion, with single-serve format climbing 18% to \$13.88 billion.

Quality of Coffee Produced – by Countries

When we look at perceptions of whether the coffee produced by different origins “tastes very good,” we see some differences:

Colombia, Hawaii (Kona), and **Brazil** were rated highest among the origins, with one- half or more of consumers who are aware of them as coffee producing origins associating them with producing coffee that “tastes very good.”



Source:
 © 2015 National Coffee Association USA
 National Coffee Drinking Trends Study

- Very good
- Somewhat good
- Somewhat poor
- Very poor

World Coffee Exports over 6 months ending February 2016

All origins = about 54 million bags

Brazil = about 19 million bags

Brazil continues to be the number one producer and exporter of coffee in the World.

Monthly export data for the last six months
In thousand 60kg bags

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
TOTAL	9 122	8 536	8 987	8 594	9 320	8 964
Angola	0	0	0	0	3	0
Bolivia	1	4	6	5	5	5
Brazil	2 881	3 079	3 524	3 492	3 231	2 746
Burundi	36	33	39	40	30	20
Cameroon	40	48	27	5	18	20
Central African Republic	1	0	0	0	0	0
Colombia	1 078	1 086	1 174	1 111	1 196	1 098
Congo, Dem. Rep. of	11	4	6	7	8	10
Costa Rica	70	37	25	30	39	75
Côte d'Ivoire	101	122	93	173	140	100
Cuba	0	0	0	0	1	1
Dominican Republic	2	1	1	2	2	2
Ecuador	69	77	87	68	95	80
El Salvador	14	12	8	4	16	30
Ethiopia	263	245	277	208	201	142
Gabon	0	0	0	0	0	0
Ghana	3	3	3	3	3	3
Guatemala	245	200	100	110	115	200
Honduras	147	43	20	90	313	580
India	403	360	356	328	409	369
Indonesia	1 150	725	650	360	325	225
Jamaica	1	1	0	0	0	1
Kenya	43	40	45	50	52	48
Liberia	0	0	0	0	0	0
Madagascar	13	14	15	15	12	10
Malawi	1	1	1	1	1	1
Mexico	199	186	100	140	180	200
Nicaragua	125	50	42	33	65	120
Panama	3	3	3	3	3	3
Papua New Guinea	95	70	63	45	59	29
Paraguay	0	0	0	0	0	0
Peru	340	467	452	490	310	100
Philippines	1	0	1	0	0	1
Rwanda	20	25	30	35	30	25
Sierra Leone	3	2	2	2	2	2
Tanzania	21	35	73	61	83	87
Thailand	3	2	2	2	2	2
Timor-Leste	1	1	1	1	1	1
Togo	9	4	4	0	0	5
Uganda	320	286	223	249	342	334
Vietnam	1 361	1 237	1 500	1 400	2 000	2 250
Yemen	1	1	1	1	1	1
Zambia	0	0	0	0	0	0
Zimbabwe	1	1	1	1	1	1
Others	47	33	34	30	26	38

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Next update: 31 March 2016

Imports of coffee by selected importing countries June 2015 - November 2015

In thousand 60kg bags

U.S. continues to be the number one single country importer of coffee in the world.

Over a 6 month period ending in February 2016. U.S. imported about 14 million bags.

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Total	11 071	9 873	9 567	10 145	10 579	10 026
European Union	6 964	5 821	5 552	6 248	6 741	6 341
Japan	694	833	773	665	677	546
Norway	81	61	75	67	56	63
Russian Federation	407	362	430	442	491	442
Switzerland	246	215	220	229	264	234
Tunisia	41	41	41	41	41	41
Turkey	127	87	89	71	96	103
USA	2 511	2 453	2 386	2 383	2 214	2 254

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Next update: 31 March 2016

Points to Remember:

1. Coffee consumption is outpacing all other beverage consumption in the U.S.
2. There has been a shift in brewing technique in the U.S. with the Single Serve brewers. This shift is helping to provide an increase in U.S. Coffee dollar sales.
3. U.S. consumers rank Brazil in the top 3 as a producing country that provides great tasting coffee.
4. Brazil by far is the number one producer and exporter of coffee in the World.
5. Our countries' significance to each other In the World of Coffee can not be overstated.

Due to:

- a. Brazil's capability to produce large volumes of high quality great tasting coffee.
- b. U.S. as a single country ranks number one in coffee imports.

Other US facts worth mentioning:

- Daily consumption of espresso-based beverages has nearly tripled since 2008.
- Millennial coffee drinkers (age 18 to 39) are driving the espresso-based beverage growth. “Younger consumers entering the category”.
- Daily coffee consumption of all types of coffee for Millennial coffee drinkers has nearly doubled since 2000.