Buy Global, Think Local: Direct Trade Coffee and Community Renaissance in Olympia, Washington

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CLAREMONT McKENNA COLLEGE

BUY GLOBAL, THINK LOCAL: DIRECT TRADE COFFEE AND COMMUNITY RENAISSANCE IN OLYMPIA, WASHINGTON

SUBMITTED TO
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AND
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\FOR
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"Afar their crystal summits rise
Like gems against the sunset skies,
While far below, the shadowy mist
In waves of pearl and amethyst,
'Round somber fir and stately pine,
   Its dewy, jeweled fingers twine;
Olympia's gods might view with grace,
Nor scorn so fair a dwelling place."

—Colonel I. Ebey, 1850
INTRODUCTION

COFFEE: A CULTURAL GAME-CHANGER

In 1878, nearly thirty-five years after first settling in what would eventually become the city of Olympia, Washington, co-founder Edmund Sylvester outlined in an oral narrative the goods he and Levi Smith brought with them to the Olympic Peninsula as they travelled up the Pacific coastline in 1846: “Our load consisted of provisions... bacon was the mainstay; we had some flour, tea, coffee and such things.”¹ Coffee’s inclusion in this brief list suggests its role as an indispensable staple to Sylvester and his pioneering contemporaries. Consuming the small daily luxury made rough frontier lives a little more pleasurable for the New England natives. Coffee beans, unlike the ingredients in the era’s other popular beverages, beer and cider, could not be grown in Washington. This justified the burden of toting the beans across the steep Cascade Mountain passes as Sylvester searched for the perfect place to put down roots.

The pioneering spirit displayed by Sylvester remains in Olympia to this day, explaining the presence of roasters and consumers of Direct Trade coffee, an innovative new model of sustainable and equitable business practices within the agricultural commodities market. A point of pride in Olympia—local officials aptly named one school Pioneer Elementary—this spirit defined generations of Pacific Northwest residents. The first Americans to arrive in the Pacific Northwest were mountaineers

yearning for adventure, discontented with contemporary life and, sometimes, seeking riches.

The Pacific Northwest’s modern culinary pioneers are not dissimilar: they are entrepreneurs who have emerged since the late 1960s as the vanguard of a new gourmet nation, forerunners of a dietary metamorphosis tantamount to a cultural renaissance. Defining new gastronomical buzzwords like ‘organic,’ ‘sustainable,’ ‘free range,’ ‘and sun-dried,’ these entrepreneurs are sometimes described as leaders of a revolution. More appropriately, however, they are leaders of an evolution in the American food industry characterized by “a series of overlapping movements and subtle shifts” that arose in the wake of World War II.2 These movements, coupled with economic and cultural shifts, profoundly affected Olympia’s character, and with that the products Olympians choose to consume.

Direct Trade, a rejection of homogenized American culture, encompasses Olympia residents’ desire for authenticity and differentiation from the stereotypical, sterile suburban towns that surround large cities. Adoption of trends like gourmet food shifts allows communities to reject what is viewed as the ordinary and the inauthentic, a means of cultural differentiation. In the 1970s and through the 1990s, Starbucks best represented this shift in the specialty coffee market for American consumers.

In the 2000s, however, Starbucks’ image rapidly shifted from cool to quotidian, while hip, independent roasters—the anti-Starbucks—became the new coffee elite.3 As historian Bryant Simon, who studied Starbucks’ place and meaning in American society,

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notes, after 2005 “Customers who really cared about coffee—or wanted to look like they
cared and knew about coffee—went to places where employees make a point of talking
about coffee taste profiles and roasting the beans in small batches, sometimes right in the
store.” This shift reflects these changing notions of authenticity within the coffee
industry in the 2000s, which paralleled much earlier backlashes against foods seen as
unhealthy or unnatural in the 1970s.

Coffee is a uniquely multifaceted product within the emergent food revolution.
Gourmet coffee’s ubiquity in 21st century life differentiates it from other specialty foods.
Coffee is defined by its prominence as an economic status symbol, its unrivaled
importance in Pacific Northwest cultural life, and the intersection of environmental and
ethical movements with the coffee industry. Most recently, coffee is distinguished by its
progressively wide spread across various orders of price magnitude—a sure sign of its
increasingly select status. Specialty coffee is just one part of these interrelated
movements, but it is one of the most important parts, particularly in Olympia where a
thriving coffee subculture emerged in the 1980s.

Olympia is a valuable case study of how and why markets emerge for “direct” or
“relationship” trade coffee, the most expensive and unique type of specialty coffee.
While flash food fads like Asian fusion, French nouvelle cuisine, or macrobiotic diets
came and went in the latter half of the twentieth century, the specialty coffee industry in
the United States continued to develop and evolve. Olympia, too, evolved during this
period, facing an existential crisis as the city’s leading industries—agriculture, logging,
and finished timber production—diminished. The consolidation of all state government

4 Simon 57.
offices in Olympia after 1954; the environmental movement’s growing prominence in the 1960s; the foundation of an unusually liberal university, Evergreen State College, in 1971; waterfront gentrification projects in the 1980s; and Olympia’s central role in the underground, feminist punk-rock Riot Grrrl movement of the early 1990s all contributed to Olympia’s postwar cultural redefinition as a bastion of liberal tree-huggers and Birkenstock-wearing, coffee-sipping granolas. The Pacific Northwest evolved not only internally, but also became a model of re-invention that encompassed everything from grunge rock to innovative corporations like Microsoft and Amazon.

A popular bumper sticker adorning many of the cars seen in the parking lots of Olympia’s local farmers market and two food co-ops reads “Buy Local, Think Global,” a nod to the city’s agricultural past, strong sense of community, and environmental activism. Direct Trade is an inverted but related phenomenon. It captures the essence of the message, that consumers are part of a global, rather than local, community. “Buy Global, Think Local,” describes Direct Trade’s model. Essentially, Direct Trade bridges communities and builds relationships across traditional community lines, using coffee as a medium of communication and exchange. Direct Trade’s use of long-term contracts is an investment in both farmers and in the business itself; the success of both is dependent on the long-term health of the local community.

Although Olympia is now home to many delicious types of world cuisine, the popularity of Direct Trade coffee remains one of the best measures of Olympia’s core cultural values. Combining ethics, environmentalism, quality, and innovation, Direct Trade invites discussions of commercial transparency between businesses, producers, and consumers, issues at the forefront of the concerns of many activist Olympians. Presence
of, and participation in, weekly lectures, fundraisers, concerts, and film screenings in Olympia suggests that in the creation of local community, Olympians are engaged citizens rather than passive participants. This, Bryant Simon claims, is essential for the larger social good of a community. Conscious consumerism, anti-corporatism, and the de-commodification of coffee and other foods: these seemingly disparate elements converge in Olympia’s coffee subculture, providing a dual narrative of the transformation of a product and a place.

Direct Trade emphasizes quality standards, social and economic development for farmers and local consumption, a signal of the evolution of ethical consumption patterns and a symptom of the rapid increase in niche markets in the U.S. food industry that arose in the 1970s. Direct Trade is conducted via personal relationships developed between roasters and green coffee buyers on one end of the exchange and producers or farmers’ co-ops on the other. This business model ideally transforms a multi-link commodity chain into a two-party, direct interaction. In a typical Direct Trade transaction, coffee is “sourced” by roasters or green coffee buyers who travel directly to a country to meet with farmers “at origin” and perform cuppings—specialized tastings of the coffee or coffees offered by a particular farm used to determine quality and tasting characteristics—offering farmers higher prices in exchange for higher quality coffee. Like a wine sommelier, coffee cuppers, or “liquorers,” are highly trained professional tasters who spend years learning to discern flavor “notes” used to identify the highest quality coffee.

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6 Simon 101.
coffees. Cuppers assess quality on a quantitative, point-based scale used internationally. This ensures both roasters and customers that the beans they are purchasing meet a specific quality standard.

Sourcing at origin appeals to trade appeals to roasters and consumers for a variety of important reasons. Roasters, and through them, consumers, establish long-term relationships with producers. Roasters can guide production over time based on their personal preferences and their individual business needs, ideally increasing the quality of the coffee while guiding social enterprise initiatives for the farmers. These secondary initiatives benefit the farmers while emphasizing both economic and environmental sustainability. These elements differentiate Direct Trade coffee from traditional (non-specialty) coffee purchased in bulk on the commodity market, as well as other specialty third-party-certified labels.

Specialty labels, including Fair Trade Certified, Certified Organic, and Rain Forest Alliance shade-grown coffee, typically emphasize ethical sourcing but not coffee quality. Each of these labels ensure that the coffee was produced with some measure of sustainability, a term that when applied to agriculture indicates “a crop that is grown in a healthy environment, that is economically viable for farmers, and that promotes social equity among farmers and workers.” Certification thus guarantees to consumers that the coffee was produced under certain criteria specific to the label and verified by an independent outside organization. Similar to the USDA Organic certification label, these

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7 Defined by the Specialty Coffee Association of America as those earning scores of 85 points and above on a 100 point scale.

labels promise transparency and accountability, placing the onus of verification and oversight on independent organizations rather than the roasters.\textsuperscript{9} Customers do not have to trust the roaster to deliver upon the commitments, the label itself serves as proof that the coffee is sustainable.

Paying a premium price for a premium product, though not a new business concept, is nevertheless a recent development for the U.S. coffee industry. Attention to excellence emerged as a new phenomenon in the nascent specialty coffee trade of the late 1960s and early 1970s. Starbucks’ aggressive expansion, which garnered national attention, popularized specialty coffee for the average American consumer in the 1990s. The near-impossibility for the typical customer of obtaining a high-quality product made this a problem of supply, rather than demand, throughout most of the twentieth century. Though a market for gourmet coffee may have existed, the product itself largely did not. Specialty coffee did not reach an eager national market until importers began separating coffee into commodity and non-commodity grade, a process dependent on the larger American food evolution’s spread beyond a tiny elite of gourmet foodies. Direct Trade, with its emphasis on both coffee quality and individuality, plays an incomparable role within this new market. Direct Trade is the latest stage in an evolutionary process encompassing two major elements: the larger history and context of the commercial coffee industry, and the recent developments of social justice through conscious consumption and ethical consumerism, which resulted in fair trade.

The popularization of specialty coffee occurred in tandem with the emergence in the early 1970s of the slow food, organic, and local food movements in the United States.

\textsuperscript{9} Ibid.
The growing prevalence and popularity of farmers markets, food co-ops, and farm to fork initiatives in Olympia and the Pacific Northwest during this period parallel the increase in specialty coffee roasters and cafés. The Pacific Northwest, as a pioneering hub of new culinary developments over the past forty years, is a useful geographical marker for analyzing how and why local economies have successfully incorporated Direct Trade models. Olympia in particular enjoys distinct cultural and historic traditions that celebrate entrepreneurism and individuality in equal measure, a spirit necessary for embracing the tenets of Direct Trade.

In Olympia, three specialty coffee roasters advertise their products as Direct Trade, demonstrating the penetration that Direct Trade coffee can achieve even in a relatively small market. Each of these businesses affects the local community in complementary ways and contributes to a thriving coffee subculture in Olympia. Established in 1986, Batdorf and Bronson Coffee Roasters is the oldest, largest, and most well known of the three. Known locally as simply ‘Batdorf,’ the business has a large roasting plant and tasting room at the Port of Olympia and a spacious, airy café on the city’s main street in the heart of downtown. A small-batch, artisan roaster, Olympia Coffee Roasting Co., founded in 2005, is the hippest and most elite. The company’s owner, head roaster, and sourcer, Oliver Stormshak, worked for Batdorf for a decade as a green coffee buyer before purchasing and revamping the business, known as ‘Oly Coffee,’ in 2009. The final company, Mud Bay Coffee Co., is the only one located outside of the heart of downtown, near the local mall. Despite its setting, ‘Mud Bay’ is also the most intensely ethically focused, due in large part to owner Brian Gregory’s idealistic personal vision for his company’s dual role in the local and global communities.
The most hyper-local company of the three—unlike most other roasters, they do not even sell coffee from their simple website—Mud Bay is also the most accessible to new consumers because of the variety of non-coffee related community events they sponsor, including frequent networking classes and comedy shows. Regardless of their differences, each roaster strives to make coffee mean something more—not just a beverage, but also a community building block, and an invitation for dialogue on the cultivation of ‘conscious’ consumers—still a niche market.¹⁰

Like so many other products became during the twentieth century food revolution, coffee is more than a simple commodity. A drug, a ritual, an obsession—coffee is now the most easily accessible of “everyday luxuries”, one absorbed by Olympians as their own. The embrace of Direct Trade distinctly reflects the intertwined nature of Olympia’s economic and cultural development since the 1950s. Understanding the roots of Direct Trade’s precursors, in particular fair trade, and Direct Trade coffee’s adoption in Olympia first requires a brief detour deeper into coffee’s past.

Coffee invites speculation, wonder, and conversation like few other agricultural products, sometimes leading to new ideas or breakthroughs, often inspiring social revolution. The coffee plant’s very provenance invites speculation and debate, inspired by coffee’s many origin myths, to which Direct Trade has an unequivocal connection. Today these myths inspire many aspects of Direct Trade, in particular the unrelenting search for the perfect crop of green (unroasted) beans.

The most favored legend of coffee’s discovery concerns an Ethiopian goat herder named Kaldi, whose name aptly translates to “hot” in ancient Arabic—a word applicable to both the beverage and the heatedness of debates over the legend’s veracity. The myth contends that Kaldi, upon noticing his herd jumping around excitedly after eating the small red berries of an indigenous shrub, tried the berries of the magical tree himself and experienced a similarly euphoric sensation. Kaldi reportedly brought the berries (now known as “coffee cherries”) to some Islamic holy men, who immediately embraced the cherries. Upon experimenting with the beans contained within, they discovered that by roasting and brewing them they created a delicious beverage that would allow them to pray long into the night.

For example, Boston’s Green Dragon coffeehouse-tavern was dubbed the “headquarters of the American Revolution” by Daniel Webster, and history provides many examples of rulers prohibiting coffeehouses as meeting spaces that fomented revolution. In one way or another, coffee and its cultivation fueled other prominent revolutions as well, including Haitian rebel Toussaint Louverture’s 1791 slave revolt in Haiti and the industrial revolution, when “the drink of the aristocracy [became] the necessary drug of the masses, and morning coffee replaced beer soup for breakfast.”. (Pendergrast, 14-19).


Most scholars believe that coffee did in fact originate in the Ethiopian highlands. Controversy remains among historians and plant biologists, however, as by the twelfth century written evidence proliferated linking commercial and agricultural coffee sales and cultivation to the Port of Mocha in Yemen.\(^4\) This evidence leads some historians to contend that coffee originated in Yemen rather than in Ethiopia. Debate over coffee’s birthplace and its religious past is reminiscent of the modern day quest for the perfect coffee cultivar that is taking Direct Trade roasters and green coffee buyers “javatrekking” all over the world in search of “God in a cup.”\(^5\)

Whatever the true story may be, the “dancing goats” of the Kaldi legend lend both their name and image to Batdorf’s most popular blend and small chain of espresso bars. A statue celebrating the spirited billy goats graces the entrance to Batdorf and Bronson’s Olympia roasting plant and tasting room where freshly roasted coffee is sold and shipped.


\(^5\) Dean Cycon’s *Javatrekking: Dispatches From the World of Fair Trade* and Michaele Weissman’s *God in a Cup: The Obsessive Quest for the Perfect Coffee* provide detailed descriptions of the sourcing process as well as the other factors involved in sourcing the highest quality sustainable coffee.
Once the novelty of dancing goats wore off, people found other uses for the plant. Originally, the bean was crushed and mixed with fat to form small portable balls, high in protein from the raw coffee and caloric energy from the fat. Tribes in the region used the plant’s leaves and cherries as a food source, medicine, and a beverage long before coffee beans became a valuable and heavily traded commodity in the Arabian Peninsula, around the 15th century. These early aspects of coffee consumption again mirror the contemporary specialty coffee industry, in which innovation and experimentation are crucial for discovering the highest-quality coffee and determining the preferred brewing methods for each cultivar.

In 1536, Ottoman Turks conquered Yemen, commanding a monopoly on the coffee trade for the next fifty years. Despite rigorous precautions established in an effort to control their monopoly, including threat of death, the Turks could not prevent an industrious pilgrim from smuggling coffee seeds away from the Arabian Peninsula. Spreading from the region throughout the Islamic world and beyond over the next four

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6 Pendergrast 7.
centuries, by 1600 coffee had reached Europe and by 1616 the Dutch managed to obtain live coffee plants. The Netherlands soon became the first European country to grow coffee in colonial holdings, establishing coffee farming in Malabar and Java in the late 17th century. As coffee took Europe by storm, other European colonizers quickly followed the Dutch, frequently utilizing extreme measures to obtain coffee plants and bring them safely to distant colonies where they were able to grow. They also resorted to extreme measures to farm the coffee, enslaving local populations and creating an enduring colonial legacy in coffee-growing countries that many farmers still struggle to overcome. Prior to the 19th century, the U.S. played only a secondary role in this narrative.

Coffee enjoyed popularity in the U.S. since early colonial times, influenced in part by its exposure in Britain, where coffeehouses were known as “penny universities” for the hours of lively debate coffee drinkers received for the price of a cup. The first explicit mention of American coffee trading in official records did not appear until the 1683 purchase by William Penn of coffee in the New York market. A century later, however, the beverage emerged as a national drink after the Boston Tea Party and American Revolution made tea drinking both prohibitively expensive and unpatriotic. “Tea or coffee?” became a political question rather than a polite inquiry. This affinity only strengthened when the U.S. secured colonial holdings in locations suited to coffee cultivation, lowering the price even further relative to tea—a virtue to spendthrift

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8 Pendergrast 12.
9 Historians speculate, however, that Captain John Smith, who had previously travelled through Turkey, was likely the first to bring knowledge of coffee to North America. (Ukers, 101).
10 Luttinger and Dicum 33.
Americans.\(^{11}\) This pattern of seeking ever cheaper coffee of increasingly lower quality continued over the next two and a half centuries in the U.S.

Consumers were not solely to blame for coffee’s poor quality during this era. Coffee quality deteriorated in part because of a devastating blight that occurred a century before the first prominent specialty coffee roasters emerged in the U.S. In the decades after the 1860s, *Hemileia vastatrix*, known colloquially as coffee leaf rust or CLR, proved a near-devastating blow to the coffee industry. First appearing in Sri Lanka in 1869, CLR over the next twenty years effectively eradicated coffee cultivation in Asia. It fundamentally shifted the economies of countries like Indonesia, Sri Lanka, and Brazil, which stratified into either tea exporters or coffee exporters depending on the CLR blight’s devastation.

More importantly for the modern specialty coffee industry, the blight’s arrival prompted the cultivation of a new hardier and more disease resistant coffee species, *Coffea canephora*. Also known as Robusta, the species is of lower quality than Arabica, the variety almost exclusively cultivated before 1860.\(^{12}\) Robusta’s greater crop yield, higher resistance to diseases like CLR, lower growing altitude, and higher caffeine content—almost double that of Arabica—made the variety popular with major coffee companies in the United States, where cost-conscious consumers responded positively to lower prices.\(^{13}\) Consumers also began ‘stretching’ their coffee (increasing the water to

11 Pendergrast 15.
12 Arabica is the genus that produces virtually all specialty coffee. Derived from this variety are the three well-known specialty sub-varieties, Bourbon, Typica, and Caturra. Further sub-genuses of *Coffea Arabica*, labeled “cultivars,” comprise the vast majority of all specialty coffees. These sub-genuses include varieties like Jamaica’s lauded Blue Mountain cultivar and Hawaii’s Kona coffee.
13 Pendergrast 42-44, 85. Robusta now finds its place in low-quality “industrial” coffee blends and instant coffees like Folgers, Maxwell House, and Nescafe, the coffees of choice for offices, gas stations, and other
coffee ratio, reducing the strength of the brew) in the mid-twentieth century. In turn, per capita coffee consumption decreased as Americans halved the average amount of beans used to make a cup over the course of the century. In spite of the national trend towards cheaper, weaker coffee, in the 1950s small pockets of post-WWII European immigrants frustrated with the poor quality of commercial American coffee began to import and roast their own Arabica beans. Although seemingly insignificant at the time, these small roasters, with no knowledge of the brewing food revolution, inspired the founders of the specialty coffee industry.

As coffee consumption spread throughout the world, coffee emerged as a global commodity, and the bean became an increasingly valuable cash crop. Most of the profit went not to farmers but to speculators, exporters, importers, and other intermediaries. Only in 1988—nearly four centuries after coffee first spread to the European mainland—did green coffee buyers and consumers finally begin attempts to make coffee growing sustainable for farmers, by paying them livable wages through practices like fair trade and now Direct Trade, the new frontier in specialty coffee.

Although large, industrialized coffee farms and fincas (large estates or plantations) exist, particularly in larger and more economically developed countries like Brazil, small farmers and landholders with little education or access to information about quick-hit caffeine dependent locations. These blends grew popular in the mid-twentieth century in the United States because of their extensive marketing campaigns, competitive prices, and market prevalence.


15 These roasters and importers included Zabar’s and regional roaster Sam Schonbrunn in New York city, Peet’s, Cafe Trieste, and other small establishments in San Francisco and other major cities. Pendergrast 265-66, 287, 293.
how their coffee is sold grow the majority of coffee. These producers must work through middlemen who sell their coffee in the C market, receiving only a tiny fraction of the price that consumers pay. Prices may vary sharply from year to year and even month to month, leaving farmers unsure what their profits might be for the coming harvest. For several years in the 1990s and 2000s, coffee traded at less than $1.00 per pound and lower, with farmers receiving just pennies of this price.

This boom-bust cycle in the coffee commodity market began in 1823—when the first coffee “bubble” emerged on market speculation over threat of war between France and Spain—and would continue unimpeded for more than a century. During the second half of the twentieth century, an association of international coffee importing and exporting governments, in a series of multilateral agreements, established the International Coffee Agreements (ICA) to address the problems associated with boom-bust cycles of overproduction followed by brief shortages and corresponding price shocks. Brokered by the newly formed International Coffee Organization after an extensive negotiation process, the first ICA came into effect in 1962. The first ICA agreement followed in the wake of a ten-year period between 1953 and 1963 that saw extreme price fluctuations caused by shortages linked to the Korean War and Brazilian drought. In turn, these events led to substantial overproduction and dramatic price

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18 Pendergrast 20.
decreases. In addition to the obvious macroeconomic and political impact on both producing and consuming countries that these fluctuations caused, the human costs of these price shocks on producers were enormous.

In response, governments implemented the ICA to stabilize the coffee commodity market, acting as a cartel that controlled the price and supply of coffee on the international market. Despite frequent disputes among member countries about prices and per-country producing quotas, it continued to function in this role until 1989. In that year, the ICA effectively collapsed due to Cold War politics and supply side rigidities that did not align with shifts in consuming preferences, sending coffee prices plummeting. Prices averaged over $1.00 per pound throughout the 1970s and 1980s, holding relatively steady throughout this period. Without the agreement to regulate production quotas and establish minimum price regulations, new producers found incentive to enter the market—namely, Vietnam. Brazil, no longer facing ICA-enforced export caps, increased production. The resultant falling prices pushed many smaller and less efficient Arabica producers out of the market as production costs became higher than the prices at which farmers could sell coffee.

Excess supply of both Arabica and Robusta beans exacerbated the problem. In response to historically high prices, Vietnam and other Southeast Asian countries began growing ever-larger amounts of Robusta coffee. Vietnam quickly became the second-

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21 Ibid.
22 Pendergrast 295-298.
23 Ponte 1099-122.
largest grower of coffee by volume in the world, second only to Brazil. Because the coffee tree maturation process takes four to five years, there is a historical trend of prices rising and new producers planting trees, a process that inevitably floods the market with a greater supply of beans than it demands. 25 This cycle drives price back down, often drastically and dramatically, as occurred during the devastating “Coffee Crisis” of 2001-2003. 26 During this period, prices fell to their lowest level ever in real terms, an average of just 42 cents per pound. 27

A key precursor to this crisis, the Specialty Coffee Association of America formed in 1982, more than twenty years after the industry first began to coalesce. At last roasters, importers, and café owners had a forum in which to coordinate activities, form a coherent community, and learn from one another. The creation of the SCAA provided coffee professionals and amateurs alike a place to discuss issues and set quality standards. It is responsible for much to the innovation in the coffee industry in recent history. The most important of these innovations was the development of various third-party-certification labels for coffees.

Inspired by the repeated crises, in 1988 a Dutch nongovernmental organization created the first fair trade label, Max Havelaar. The organization’s certification process ensured consumers that coffee affixed with this label met ‘fair’ pricing and labor

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26 Stein 2002.
standards for farmers. The primary goal of fair trade was to insulate producers from these fluctuations in the C Market by ensuring them a minimum price significantly higher than that on the commodity market. However, the label could apply only to specialty coffee grown in countries with government regulations that allowed producers to work directly with sourcers, one major limitation of fair trade in countries where the government controlled the commodity exchange.

This crisis was crucial in publicizing and popularizing the concept of fair trade for American consumers concerned with the moral implications of paying more for their morning coffee than producers earned in a day’s work. Over the past twenty years, specialty roasters adopted these labels en masse, first in Europe, and then in the U.S., by roasters like Batdorf, Oly, and Mud Bay, whose collective coffee labels include nearly every major certification. Speciality roasters using these labels brought to the forefront of the supply chain the 25 million small-scale coffee farmers most affected by this legacy of colonialism and enslavement. Sheer size ensured that the United States played a pivotal role in determining the trajectory of the coffee industry, and with that the state of the world’s coffee producing farmers.

Third-party fair trade certification arrived in the United States for the first time in 1999, with the launch of TransFair USA (since renamed Fair Trade USA). With the 2001 crisis, fair trade became an issue deserving of national media attention. Both

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28 The name is taken from the title of Dutch civil servant Eduard Douwes Dekker’s (pen name Multatuli) 1860 novel Max Havelaar. Havelaar, the novel’s protagonist, protested the way Dutch landowners treated laborers, blaming them for famine and poverty in the Dutch colonial holding of Java.

29 For example, Batdorf sells relationship trade, 100% organic, and shade-grown coffees. Oly’s offerings include Direct Trade, Rainforest Alliance Certified, USDA Organic, Cup of Excellence competition winners, and Mountain Water Decaffeinated coffees. Mud Bay sells Direct Trade and Swiss Water Process Decaffeinated coffees.

30 Luttinger and Dicum 199.
scholars and journalists examined the role of specialty coffee labeling initiatives in sustainable development and long-term resolution of these types of “Coffee Crises,” and fair trade earned free, mostly positive publicity.\(^{31}\) Subsequently, in 2011 Fair Trade USA certified 130 million pounds of coffee. Though this number seems staggering, it represented less than five percent of the U.S. coffee market.\(^ {32}\)

Small-scale specialty roasters like Olympia’s Direct Trade roasters were some of the most ardent supporters of sustainability initiatives since the 1999 TransFair USA launch. Led by organizations like the Specialty Coffee Association of America, which institutionalized and legitimized fair trade from its inception in the United States, these businesses had strong personal relationships with their customers. These connections allowed them to introduce them to new products like fair trade coffee and now, Direct Trade.\(^ {33}\) Direct Trade has existed since at least the mid-1990s as a concretely developed concept, if not a term. By this time, smaller specialty roasters in the United States were growing disillusioned with traditional importation methods and dealing with sometimes-unreliable, locally-based middlemen, or ‘coyotes,’ who purchased coffee directly from farmers. Predating Direct Trade, a roughly analogous term, “Relationship Coffee,” also already existed. Trademarked by Portland-based Sustainable Harvest founder David Griswold in 2000 and developed over a decade of Griswold’s work, Relationship Coffee was the next step towards Direct Trade—and is still the preferred term for some older companies like Olympia’s Batdorf. This trade model emphasized investment in training

\(^{31}\) See Christopher Bacon in *World Development*, Robert Rice in *SAIS World Review* for extensive research regarding this particular crisis.


\(^{33}\) Luttinger and Dicum 200.
and capacity building at origin as well as greater two-way transparency in the supply chain.\textsuperscript{34}

Coffee has enormous financial importance in the world market. It is the United States’ largest food import, and one of the largest traded commodities overall, second only to petroleum. With increasing emphasis on specialty coffee, which now commands a thirty percent and growing share of the coffee market, ethical and sustainable coffee has “gone mainstream,” particularly in Olympia. Socially conscious coffee, particularly fair trade, became a cause célèbre around the Puget Sound in the 2000s as consumers learned disquieting truths about the farmers growing their morning java.\textsuperscript{35} As early as 2001—five years before roasters defined “Direct Trade”—the local Olympia newspaper profiled Café Costa Rica, an early provider of coffee sourced using Direct Trade principles in the Puget Sound area. The author describes the nuances of fair trade, organic, and shade-grown coffees—what he terms “Coffee with a Cause.” He observed that in the Pacific Northwest, “The list of "cause coffees" hasn't grown that much in recent years, but there has been more exposure,” and quotes Café Costa Rica’s founder explaining to readers “Our cooperatives don't ask for a set minimum price based on charity while overlooking quality... Unlike fair trade, buyers obtain coffee directly from the farmers, obtaining the best quality at the best price.”\textsuperscript{36}

That same year, The Seattle Times covered area churches “Singing the Praises of Coffee for a Cause - A Natural Marriage,” highlighting the linkages between communities of faith and adoption of social justice issues. Focusing on the role of


\textsuperscript{35} "Brian Gregory, Mud Bay Coffee Co." Personal interview. 6 Jan. 2012.

churches in fair trade’s spread throughout the Seattle area, the article cautions that “to be successful in a java mecca like Seattle, coffee that promotes a noble cause has to be backed up by a product that is pleasing to the palate,” an early indicator of Direct Trade’s prospects for success.37

In Olympia, local businesses like Traditions Fair Trade Café, a local store that sells only low-income, artisan-produced folk art and foods from over 50 countries around the world, also publicized the issue. Founded in 1995, Traditions attempts to foster connections between Olympia and the rest of the world. With the two Olympia food co-ops and the Olympia farmers market, stores like these made fair trade organic products hip for young and old alike.38 Social consciousness did not emerge spontaneously though. The food revolution gave coffee roasters a useful new frame of reference and vernacular with which to define sustainable specialty coffee in a way that resonated with consumers.

BREWING DISSATISFACTION: THE SUCCESS OF THE SPECIALTY COFFEE INDUSTRY AND NICHE MARKETING LABELS

Inspired by the effort begun in the 1970s to return to eating seasonally harvested produce, Olympia’s Direct Trade roasters explain coffee as a seasonal fresh crop rather than a year-round commodity. Their offerings vary based on countries’ different growing seasons and harvest periods.¹ This is a fundamental break from the way coffee was traded and consumed for the past 400 years. When Edmund Sylvester transported his coffee up the Pacific coast, it was likely unroasted stale green beans from the West or East Indies that he roasted himself over a fire.² Though the coffee would have been freshly roasted, the beans would have been old, possibly even several seasons old. Until the 1970s, the quality and freshness of American ingredients—not just coffee, but herbs, produce varieties, meats, and spices—paled in comparison to European ingredients, limiting the food revolution.³

Low-level dissatisfaction among a few elite gourmands with the bland TV dinner, white bread, iceberg lettuce, and jello-molded American “cuisine” of the 1940s and 1950s solidified in the late 1950s as notable personalities like Julia Child and Henri Soulé, described as “haute cuisine’s greatest disseminator in America,” popularized

² Pendergrast, 46-48. Though the first commercial coffee roasters in the U.S. developed in the 1840s, they were concentrated in the East Coast urban areas. Most coffee was home-roasted and brewed, and though Europeans had developed several ingenious brewing methods by the early 19th century they had yet to reach North America.
European-style gourmet cooking and dining. Betty Fussel, a professor’s wife in Princeton, New Jersey, described in a 1999 memoir the sentiments of her peers upon the proliferation of foreign culinary influences during this first stage of the evolutionary process: “In food terms, we middle Americans were all nouveaux riches, giddy with a cornucopia of goods and techniques that poured in from Europe, along with its refugees, after the Second World War… we didn’t know how poor we’d been until we hit it rich.”

This influx of new products and people reached the coffee market in the late 1950s, just as Olympia began to experience a rapid population increase and shifting economic base. Disenchantment with the status quo was brewing in the United States, and the actions of a group of young culinary radicals and one cantankerous Dutchman in Berkeley, California, followed closely by a trio of ambitious educators in the late 1960s and early 1970s, would have a profound impact on the meaning of food and coffee in America.

With many concurrent developments in the coffee market and the cultural fabric of the United States, it is impossible to pinpoint an exact beginning of a U.S. specialty coffee market. In the latter half of the 1960s, the hippie movement, the largest youth subculture ever to emerge in the United States, spread from the Bay Area to the rest of America. The free-spirited hippies of the era were followed ten years later by the rise of the “yuppies,” a new class of highly status-conscious wealthy young urban professionals. On the surface, members of the two movements shared little in common. However, as a 1988 Newsweek cover story on the demise of the yuppie observes, “yuppedom carried over from hippiedom an appreciation for things deemed ‘natural’.”

Though only the

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4 Kamp 34.
5 Kamp 91.
yuppies claim the title of the “first native American gourmet class since the robber barons,” both hippies and yuppies embraced specialty coffee, and members of both movements began to call Olympia home in the 1970s. \(^7\)

As these cultural movements ebbed and flowed, several prominent personalities emerged who were responsible for leading the food revolution. Exemplifying the merger of social and culinary trends, in 1971 chef Alice Waters and a small group of friends opened a new restaurant in San Francisco’s East Bay. They called it Chez Panisse, after Waters’ favorite character in a French film trilogy. \(^8\)

The innovative restaurant’s menu, which changed daily to reflect local and seasonal ingredients, emphasized vegetables just out of the garden, fruit right off the branch, and fish straight out of the sea. Waters promoted and popularized the idea that customers should know the people who grow their food, and further that this food should be as natural, fresh, and organic as possible. Thirty-five years later, Direct Trade and relationship trade adopted this idea, identifying by name the farm and farmer who grew the coffee on each bag’s label. In the 1970s, though, few places offered whole bean, dark roasted Arabica beans, let alone specialty coffee. The “few lonely outposts” preserving the “fine art of coffee making” during the ‘Dark Ages’ of American coffee made it possible for Waters’ ideas to spread to coffee. \(^9\) These lonely outposts were primarily big-city, East Coast or Bay Area establishments, owned and operated by European immigrants familiar with high-quality coffee.

\(^8\) Kamp 138.
One of the most important of these people was Alfred Peet, a Dutch immigrant, and son of a coffee roaster in the Netherlands. Peet’s father, Henry, is credited with “beginning [the] chain of events that would pull America out of the coffee doldrums years later.” In April 1966, Alfred opened Peet’s Coffee and Tea in Berkeley, California, just a quarter mile from the site Waters would choose for Chez Panisse five years later. Peet was frustrated with the low quality and lack of availability of fresh-roasted whole beans in the United States, particularly on the West Coast. Influenced by his European upbringing, he was one of the first roaster/importers in the United States to use high quality beans and roasting methods. His importance lies in his business’ success though, rather than its relative novelty. The U.S. specialty coffee industry essentially did not exist before Peet’s. Though a few small roasters (described by preeminent coffee historian Mark Pendergrast as a “scattered, disparate band of fanatics”) operated in select markets in the 1950s, green bean sourcing limitations persisted and proved an impediment for anyone wishing to enter the industry. Alfred Peet, who apprenticed in European coffee roasting thanks to his father, knew what quality coffee tasted like, but more importantly he knew how and where to procure and import it. Peet’s resounding success occurred despite coffee consumption’s overall stagnation in the U.S. during the 1960s as coffee lost its cachet and soda became the beverage du jour, alarming the massive national roasters.

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10 Pendergrast 291-293.
11 Simon 27.
12 Pendergrast 291-293.
13 Pendergrast 291, 294.
During the same period, small, family-owned local roasters of whole bean Arabica coffee began popping up throughout the United States. These roasters were concentrated mainly in cities, and experienced moderate regional rather than national success. Many of these businesses, like Zabar’s in New York, used mail-order marketing and delivery methods to reach new customers. None grew as large as now-ubiquitous Starbucks, however, founded in Seattle 1971. English teacher Jerry Baldwin, history teacher Zev Siegl, and writer Gordon Bowker wanted to bring high-quality whole beans and coffee brewing equipment to the Seattle market.

A number of social, cultural, and political phenomena converged during the late 1960s and early 1970s to create an environment in which young, disaffected yet idealistic baby boomers like the Starbucks founders found entrepreneurial success. Theirs was a disenchanted generation seeking something new and authentic. Specialty coffee fit perfectly into this new cultural environment. As historian Bruce Schulman notes in his book, *The Seventies*, the rise of the “counterculture” was an essential feature of the 1970s and originated the ‘slow food,’ ‘organic,’ ‘farm-raised’ and ‘buy local’ trends that persist in the Pacific Northwest today. Schulman comments, “After 1970, the counterculture entirely banished processed foods. New foodways appeared, with an emphasis on natural, organic, largely vegetarian cuisine; whole grains and raw or home-cooked foods replaced bland, bleached, white bread and processed products.”

In its simplest form, specialty coffee is simply high-quality coffee made with good Arabica beans. The term “specialty coffee” dates to a 1974 interview in the *Tea &

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15 Pendergrast 294.
16 Pendergrast 308.
Coffee Trade Journal with Erna Knutsen, the first sourcer to use the methodology that inspired Direct Trade. Long before sourcing at origin was common, Knutsen travelled around the world developing exclusive relationships with buyers to purchase exorbitantly priced quality beans for the nascent gourmet coffee market.\textsuperscript{18} Based on her considerable personal experience and extensive expertise, Knutsen’s definition recognized that “special geographic microclimates produce beans with unique flavor profiles, which she referred to as ‘specialty coffees.’ Underlying this idea of coffee appellations was the fundamental premise that specialty coffee beans would always be well prepared, freshly roasted, and properly brewed.”\textsuperscript{19}

While Knutsen and her contemporaries charted new paths in search of better beans, bringing to the U.S. market new products from strange locations like the Yrgacheffe region of Ethiopia and the Blue Mountain region of Jamaica, city farmers markets grew in popularity. Throughout the 1970s, consumers became increasingly interested in learning about the sources of the foods they were consuming, a byproduct of both the rising environmental movement and Waters’ local food activism. The result of these attitudinal and trade changes was in effect the de-commodification of certain food and agricultural products and consumers’ means of interaction with those products, including coffee.\textsuperscript{20}

The growing counterculture movement in the San Francisco Bay area that allowed Peet’s and Chez Panisse to flourish also contributed to Starbucks’ early development and success. Mentor Alfred Peet heavily influenced the three Starbucks co-founders, who

\textsuperscript{18} Pendergrast 311.


\textsuperscript{20} Kamp 275-279.
originally purchased their unroasted beans wholesale from Peet’s.\textsuperscript{21} The company’s founders took further insight directly from Peet’s layout, which they copied with his blessing.\textsuperscript{22} Like fresh produce stalls at farmers markets, where stalls displayed vendors’ wares in large, open containers, Peet displayed bags full of fragrant beans customers could touch, smell, and even taste before purchasing.\textsuperscript{23} In 1984, Starbucks acquired Peet’s. Three years later the Starbucks founders sold Starbucks to Howard Shultz, under whose direction specialty coffee became an even more interactive experience. At Shultz’s Starbucks, the visual art of espresso making and the importance of customer-barista interaction as part of a complete customer experience received special attention.\textsuperscript{24}

In the 1990’s, Shultz’s Starbucks overtook Peet’s, which Baldwin retained in Starbucks’ sale, as Shultz implemented innovative new marketing schemes to popularize specialty coffee. As David Kamp, an investigative journalist who studied America’s evolution into the “United States of Arugula” notes, “The nineties were when the entrepreneurial spirit took hold of the food world, even before the words ‘dot-com’ and ‘Internet’ were on anyone’s lips,” the decade in which pioneers like Martha Stewart, Emeril Lagasse, and Shultz built modern empires.\textsuperscript{25} Shultz, a case study in entrepreneurialism and business acumen, pursued an invasive expansion strategy, initially concentrating on placing locations in affluent urban centers, making specialty coffee an elite status symbol in key demographics.\textsuperscript{26} During the late 1980s, as Starbucks began to

\begin{footnotes}
\item[21] Kamp 134.
\item[22] Pendergrast 308.
\item[23] Pendergrast 292-293.
\item[25] Kamp 320-322.
\item[26] Simon 7-8.
\end{footnotes}
aggressively expand, the specialty coffee industry as a whole made slow progress in building a loyal and educated customer base, using word of mouth to spread awareness. If gourmet coffee roasters spent the 1970s and 1980s focusing primarily on building and educating a loyal customer base, familiarizing them with dark roasts, the nuances of different sub-varieties, and a new coffee lexicon and quality-conscious attitude, then the 1990s represented a veritable explosion in the consumer base.\textsuperscript{27}

Starbucks’ success depended heavily on two unique elements—Starbucks served genuinely good coffee, and its cafes served as “third places” for social interaction outside of the home and work. They provided consumers with new spaces that represented a fundamental change in the relationship between customers and retailers.\textsuperscript{28} This changed not only what was being consumed, but how it was being consumed. Olympia’s motto: SPIRIT—Service, People, Integrity, Results, Innovation, and Team—captures the essence of these spaces and the employees that infused them with that very spirit.

Increasingly, coffee consumption away from home offset decreasing supermarket sales, as the growing popularity of specialty coffees, reflected in data on per capita consumption, began to rise after 1995 concurrent with the increase in cafés.\textsuperscript{29}

In 1995, husband and wife team Doug Zell and Emily Mange left San Francisco for Chicago, where they founded Intelligentsia, now a leader in Direct Trade. The company’s Vice President and chief green coffee buyer, Geoff Watts, coined the term itself in 2006. Major media outlets began covering Direct Trade the next year, when \textit{The


\textsuperscript{28} Simon 82-121.

New York Times ran an extensive piece on Portland-based roaster Stumptown’s Duane Sorenson travelling “To Burundi and Beyond for Coffee’s Holy Grail.” Since then, coverage has been minimal, confined mostly to coffee blogs and local newspapers or industry magazines featuring details on specific elements of Direct Trade or the opening of new shops featuring Direct Trade coffees. Following the low-level buzz Direct Trade gained with the national media, it quickly gained a loyal following among coffee importers and micro-roasters. Some, concerned with transparency issues, took measures to ensure the coffee they offered met consumers’ high standards.

In 2008, North Carolina-based Direct Trade roaster Counter Culture established an independent certification system of their own to address legitimacy within Direct Trade. When it implemented the program, the company explained that “the search for high-quality, sustainably produced coffee had become a little confusing... and those yearning to somehow engage or learn about the people who produced their coffee as they might with their favorite vendors at the farmers market must first navigate a sea of seemingly similar brands and marketing claims.”30 With the rare exception of Counter Culture, lack of third-party certification and the corresponding guarantees to consumers that these labels provide remains one of the primary arguments against Direct Trade.

Conversely, lack of independent certification is also one of the model’s greatest assets. Freeing sourcers from the need to operate within a rigid framework allows them to work with otherwise ineligible farmers, particularly those who are not part of a farmers’ cooperative. Additionally, each of these third-party certifications demands remuneration from often-impoverished farmers—either a fee, or increased transaction

costs, or membership in a cooperative. Direct Trade, precisely because it is not third-party certified, avoids these costs to farmers, maximizing their income and often, in the process, allowing farmers to adopt sustainability projects that mirror the effects of the previously mentioned programs. Similarly, though Direct Trade coffees might not be certified organic, Rain Forest Alliance, or shade grown, these are often practices that producers use spontaneously on the farms that Direct Trade coffee comes from.

Further, Direct Trade allows farmers to adopt only the practices that are relevant to their particular farm. Many of the processes required for organic certification, for example, are not feasible in certain regions. On the opposite end of the spectrum, many farms that use organic practices do so because they are some of the very poorest. They do not use chemical fertilizers and pesticides not because they desire organic certification, but because they are prohibitively expensive. This double-edged problem is common: farmers who might benefit the most from organic certification, and are in fact fully organic, cannot afford the cost of certification nor can they benefit from the use of pesticides and fertilizers. The organic certification process requires intensive reviews and inspections typically financed by the producers. These procedures, which also apply to other third-party certification labeling initiatives like fair trade, traditionally represent a barrier to entry into the specialty coffee market for smaller farmers. Those without the initial capital needed for certification or to implement changes to their farms cannot comply with certification regulations.

These brief examples clearly indicate that certification does not always ensure the best environmental practices, the best quality, or the best conditions for farmers. Rather than the presence or absence of purportedly-significant “official” labels, Olympia’s
Direct Trade roasters recognize the complicated nature of sustainable coffees and attempt to focus primarily on coffee quality as a metric for determining pricing.

Inspired by early pioneers like Erna Knutsen, and fueled by a mix of daring and frustration, in the 1990s an increasing number of high-end specialty coffee roasters began seeking out beans on their own regardless of certification. These roasters limited interactions with intermediaries to when they had a legitimate and necessary function that either the producer or the buyers could not perform. Unlike with fair trade and other certification labels, the primary concern for roasters was green bean quality, not ethics.

Four primary factors affect the quality of green bean coffee, and it is over these factors that Direct Trade uniquely allows roasters to maintain an enhanced degree of control: environmental standards, cultivation practices, the genotype of the coffee variety or cultivar, and the processing handling post-harvest. Because the roaster may have complete control of the other crucial stages beans go through after this—namely shipping, roasting, and delivery practices—what roasters are looking for in a direct relationship with producers is coffee grown with attention to exceptional green bean characteristics.

The production and shipment of coffee purchased from importers is dependent on growers’ and importers’ standards, giving the roaster minimal control over the finished product. Specialty coffee, and Direct Trade in particular, emphasize the extent of these factors by seeking to reward producers that recognize and prevent these problems. Without exceptional green beans, the factors roasters have control over become virtually meaningless—even the best roaster cannot make Robusta into a gourmet coffee.

More important even than feel-good labels for these roasters is taste. As Stormshak notes, “For a consumer and for a coffee roasting company, it’s nice to know that you’re doing the right thing but there’s no guarantee that it’s actually going to taste good,” which is why in 2008 and 2009, when Direct Trade first appeared on his radar, his interest peaked.32

Like the entire specialty food revolution, Direct Trade developed based on this unrelenting desire by a few key, highly-motivated individuals to transform the coffee drinking experience for the American consumer. Bob Benck, green coffee buyer for Olympia-based roaster Batdorf and Bronson, points to similar trade conducted with their producers for over a decade before Direct Trade emerged, though Stormshak (who worked there for ten years before moving to Oly Coffee and purchasing in six months later) criticizes Batdorf for the company’s use of importer Sustainable Harvest. He comments that while at Batdorf, “I could see and feel that we were getting our ass kicked in terms of quality.”33 Oly Coffee started in 2005 as a 100% Fair Trade organic roaster, and Stormshak observed it rapidly destroying Batdorf’s reputation as the best coffee in Olympia. In response, Batdorf, late to the fair trade game, began using certified fair trade coffee around 2008, nearly a decade after the efforts to promote economic sustainability for the farms began in the U.S. For Stormshak, prices had to correspond to cup quality, and he believed that farmers determined superior quality through their individual effort. His pithy philosophy that “effort in all endeavors makes true differences” inspired his decision to purchase and revamp Oly Coffee in 2009 and implement Direct Trade

32 Oliver Stormshak, Olympia Coffee Roasting Co.” Personal interview. 20 Dec. 2011.
33 Stormshak 2011.
strategies, since Direct Trade has the ability to reward the individual farmer while fair trade does not.\(^{34}\)

Just as Olympia roasters began hearing the phrase “Direct Trade,” major newspapers and magazines aimed at wealthy, cultured readers began to pick up on the topic in 2007. Stories in *The New York Times*, *The New Yorker*, the *Los Angeles Times*, and *Forbes* magazine featured Direct Trade, indicating the principle consumer segments to whom Direct Trade and other Third Wave coffees appeal—the educated, the affluent and the coffee obsessed. The costs associated with specialty coffee, including the cost of the beans themselves, ownership of an expensive high-quality burr grinder and professional brewing equipment, as well as the simple time constraints of proper preparation, limits consumption of gourmet coffee largely to these groups.

For Direct Trade to succeed at a larger scale, customers must act as conscious consumers and engaged citizens within a local coffee community. This customer base existed already in Olympia, but Olympia has other unique distinctions that make it especially suited to the adoption of Direct Trade models. Citing his reasons for entering the coffee business in 2005, Mud Bay roaster Brian Gregory notes that he “wanted to go into something more meaningful [than his then-employment at Costco], and that coffee seemed to be meaningful to a lot of people and there is a lot of community around it.”\(^{35}\) This community developed because of the close interpersonal relationships between roasters, consumers, producers, and baristas that specialty coffee fostered.

Sustainable coffee initiatives resonate with Olympia consumers, who fervently support the dozens of local cafés and markets offering fair trade coffees. By including

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\(^{34}\) Stormshak 2011.

\(^{35}\) “Brian Gregory, Mud Bay Coffee Co.” Personal interview. 6 Jan. 2012.
details about the farmers on the packaging, roasters or baristas can begin conversations with consumers about the particular coffee's origin and 'tasting notes,' supplemented by free coffee tastings that serve the same purpose. In Olympia, Mud Bay’s Gregory claims, this conversation is easier than in other places. His café, located near Evergreen College, is a popular spot for students, who always want to know whether his coffee is fair trade. Such dialogue opens the door to “No, but...” conversations with baristas that introduce consumers to the concept of Direct Trade. ⁶

This leads to the key question, however, of what made students and other Olympians curious about fair trade, and now Direct Trade, in the first place? Olympia’s historical development since the late 1950s is largely responsible for this support. As population growth, coupled with the rising environmental movement and changes within the food industry, reached the city, they inspired ideological shifts that define the city’s character in the twenty-first century. A process of gentrification and liberalization during the latter half of the twentieth century created the perfect environment for Direct Trade coffee roasters to thrive.

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OLYMPIA – IT’S THE WATER

Labeled by *Time* magazine as “The Hippest Town in the West” in 2000, Olympia’s unique characteristics made it a particularly hospitable location for the adoption of new ethically and quality-minded initiatives like Direct Trade. A vivid description from *Time* magazine beautifully captures Olympia’s essence and defines the features that differentiate the city from its larger, more cosmopolitan neighbors:

“Olympia... used to be Seattle's unpopular sister, sequestered in a state capital of 40,000 with a Norman Rockwellish downtown specializing in hiking gear and Italian sodas, and a local college, Evergreen, that is one of America's most left-wing and unconventional fonts of higher learning. While Seattle's bands headbanged on MTV in the alternative-rock heyday of the early '90s, Olympia was locked in her bedroom reading postmodern gender theory and writing songs on her eight-track for college-radio cognoscenti.”

At first glance, Norman Rockwell and postmodern gender theory appear an incongruous mix. These seemingly contradictory elements meld, however, to make Olympia the distinctive cultural center of the Puget Sound. Rockwell’s art, the artistic embodiment of everyday Americana, might approximate downtown Olympia in appearance, but Olympia is decidedly not a microcosm of the larger United States in either spirit or practice.

This was not always true. The city’s character transformed as it experienced severe economic, demographic, and cultural shifts beginning in the late 1950s. The first harbinger of change came in August 1954, the result of a momentous (for Olympia)

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<http://www.time.com/time/magazine/article/0,9171,51245,00.html#ixzz1llRzn7Eu>. 
Washington State Supreme Court case. That year, the court ruled 5-4 that all state
government offices must be headquartered in Olympia. The decision forced thirteen
agencies that had drifted north to Seattle to return to Olympia, the culmination of a
century-long battle by Olympians to make the city the official seat of state government.²
Prior to this ruling, state government played a secondary role to Olympia’s other
industries. After 1954, state government dominated Olympia’s economy.

Olympia’s early economy depended on logging and timber, with the Port of
Olympia acting as an important point of export for the industry. When Edmund Sylvester
chose to settle in what would eventually become Olympia, he noted that “All these rivers
[flowing] into the [Puget] Sound have rich bottoms, and they are going to have rich
settlements. The timber is all conveniently placed along the water’s edge. Nature could
have not done more for a country, as far as lumbering country is concerned.”³ Sylvester
and his contemporaries’ early focus transformed Olympia into a profitable timber-
exporter.

Over a century later, the environmental movement would swiftly derail the
lumber industry. In 1962, Rachel Carson’s seminal manifesto Silent Spring launched the
environmental movement. Seven years later, the Santa Barbara Oil Spill “alerted middle
class Americans to the dangers of environmental danger,” bringing the environmental
movement into the mainstream.⁴ The nation celebrated the first Earth Day a year later,

² “Thurston County - Thumbnail History.” HistoryLink.org. HistoryLink: The Free Online Encyclopedia of
⁴ Schulman, Bruce J. The Seventies: The Great Shift in American Culture, Society, and Politics. New York:
on April 22, 1970. As historian Bruce Schulman observes, “During the seventies, new ecology action groups burgeoned in communes, college towns, hip neighborhoods, and minority communities.”\(^5\) In Olympia, the new Evergreen State College led the environmental movement, starting the Rachel Carson forum for environmental activism and conservation and, beginning in 1975, offering a Masters in Environmental Studies program to develop young environmental professionals.

These events shaped Olympia’s future as the city took a leadership role in addressing issues of climate change and ecological conservation.\(^6\) The 1969 implementation of the National Environmental Policy Act would also have a profound impact on Olympia’s evolving character and economic climate. The act established the first national environmental protectionism measures, which Olympians and researchers with the Washington State Department of Natural Resources quickly embraced.\(^7\) Fueled by increasing environmental activism and rigorous conservation programs, the logging and finished timber industries declined. Three of the Port Peninsula’s plywood mills closed in quick succession in 1967, unable to keep pace with the increasingly stringent environmental regulations.\(^8\)

Although the industry was on the descent, vestiges of the timber-centric past still remained in the 1970s. Former Evergreen student J. Pennelope Goforth related her first impressions upon arriving in Olympia in 1972 to the Olympia Historical Society. She

\(^5\) Ibid. 90.
\(^7\) Hotvedt, Dr. James E. Telephone interview. 9 Apr. 2012.
first observed “the downtown and dock [were] lined with delightfully decorated storefronts, [including] a popular greasy spoon ‘truck stop’ for loggers and truck drivers as well as the locals.” Driving through downtown during this period proved risky due to “the ever present threat of left-turning, fully loaded logging trucks trailing black diesel plumes through the town,” departing from “the charming run-down port with half rotted buildings seeping back into the waters at high tide.”

Though the city charmed her, Goforth’s comments make clear that the city required reinvention. As the timber and agricultural industries slowly declined, the Port Commission and city council sought opportunities for revitalization and economic diversification. The year of Goforth’s arrival, The Evergreen State College opened as a non-traditional experimental college. This brought new young people and an unusually liberal collegiate atmosphere to the town. Buoyed by this success, the city’s population rapidly increased in the 1970s, as students, state employees, workers from the Seattle-Tacoma area, and military families from nearby Army Base Fort Lewis chose to call Olympia home. With this population increase, the cities of Lacey, Tumwater, and Olympia grew into a metropolitan area housing 125,000 residents in 1980, an increase of 80,000 residents in just 30 years. Faced with these accelerating changes, by the 1980s city council members and Port of Olympia officials agreed that the waterfront, no longer the substantial operating port it once was, needed revitalization. The project that

emerged, Percival Landing, included a park, boardwalk, and marina popular with tourists and locals. In 1996, the Olympia Farmers Market moved to the waterfront as well, ensuring that Thursday through Sunday a steady stream of customers visited the small businesses lining Percival Landing.

The themes of revolution and evolution that characterized the American culinary scene during this era and the entrepreneurial spirit of the 1990s affected Olympia’s music scene as well, putting Olympia on the map as a center of rebellion against the status quo. Due in large part to Evergreen, Olympia grew famous in the early 1990s as epicenter of the covert punk feminist Riot Grrrl movement. The movement, which promised “Revolution—Girl Style” attempted to “overturn gender norms in a way that you could sing, or scream, along to.” Olympia’s Riot Grrrls promoted “a new kind of youthful, D.I.Y. feminism, a grass-roots uprising aimed less at liberating women from the institutions that oppressed them than inviting women to create new ones.” As one contemporary historian notes, “Seattle/Olympia was one of the areas with the most sophisticated "do it yourself" infrastructure: it was not difficult for these girls to begin releasing their own cassettes and CDs.” This do it yourself attitude reflects the tenets of Direct Trade, where on-the-ground sourcing allows roasters to control all aspects of their businesses, imparting their personal flavor—and achieving success—in a traditionally commercialized and impersonal industry.

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13 Ryzik 2011.

As the revolutionary movement spread beyond the nascent feminist punk subculture, it popularized Evergreen, influencing disaffected youth migration to Olympia and further adding to the city’s increasingly eclectic cultural blend. Olympia’s underground alt-rock music scene of the 90s spawned famous bands and artists including Bikini Kill, Sleater-Kinney, Courtney Love, and Kurt Cobain (who reportedly “found his true artistic muse” in Olympia). During this era, subversion and creativity converged in Olympia to create a thriving community centered on the new music subculture. The coffee scene, too, changed in the mid-1990s, as sustainability initiatives—the precursors to Direct Trade—slowly gained footing.

Cultural elements notwithstanding, economics are also crucial to Direct Trade’s success in Olympia. Direct Trade and other ethical and quality-focused food initiatives require societal preconditions, particularly economically and culturally, in order for them to be effective promotional tools in a given consumer market. Consumers must desire quality over quantity, prioritizing taste and ethics over cost—needs which coincide with Olympia’s economy and ethos.

Thurston County, where Olympia is located, had a median household income estimated at $60,930, well above the 2010 U.S. median household income of just $49,445. As a state capital, a large number of highly-educated state government employees live in Olympia, and the city is assured an annual influx of affluent lobbyists and lawmakers during legislative session each spring. The existence of a relatively wealthy, well-educated, and sizable population with a liberal political and philosophical

bent is important in explaining the presence of multiple successful Direct Trade roasters in the Olympia area, but so are the city’s small-town, community-oriented values, which persisted despite the growing population.

In 2009, Pennelope Goforth returned to the city after several decades away and described the differences she observed:

Altered yet still recognizable, Olympia 2009 retains the quaint rain forest town atmosphere of Olympia 1972... Radiance herbal and massage place—a shocker for the more staid Olympians when it first opened in the early 1970s—along with the timeless YMCA and the theater on 5th Avenue held fast; remnants of a time of family-owned and operated businesses when you knew the people who ran the store and sharing news was as much a part of running errands as was the shopping. That spirit seemed alive and thriving.17

Part of this spirit is attributable to the annual events Olympia holds to foster community. Every April Olympia is home to the annual parade Procession of the Species, a celebration of environmental conservation.18 Community members dress in nature-themed costumes and traverse the city’s main streets to celebrate Earth Day. The city hosts the parade in conjunction with Arts Walk, a biannual celebration of local artists. During these events, the popular downtown area closes to traffic and becomes a pedestrian-only zone. All three Olympia Direct Trade roasters are located within two miles of this downtown area, a key factor in their success.

The heart of Thurston County, downtown was the site of first development in
Olympia and remains the county’s most richly historical area, the county center for retail,
dining, and entertainment. As the city expanded, the city council and the Olympia
Downtown Association took measures to ensure that expanded economic development
would not harm the unique character of the downtown core. The Association adopted a
vision statement promising “To nurture the growth of a thriving, vibrant downtown
where an eclectic community will flourish… filled with workers who spend breaks and

19 The northern blue marker is the Olympia Farmer’s Market. Directly East of that is Batdorf’s roasting
plant and tasting room. Olympia Coffee Roasting Co’s roasting plant and cafe are southeast of that, on 4th
Avenue. A few blocks from away, on Capitol Way, is Batdorf’s large downtown cafe, just a five minute
walk down from the Capitol Complex (the southern blue marker), which houses the state capitol, Supreme
Court, and various government departments. On the “West Side” of Olympia is Oly’s new drive-through
location and, in the southwest, Mud Bay Coffee’s only location. On the corner of Legion and Capitol is the
only downtown Starbucks (not mapped).
lunches in delightful coffee bars, restaurants and bistros… And over it all, where
downtown patrons will feel a fulfilling sense of livability, sustainability and
community.”

In addition to the annual events and eclectic downtown that give Olympia its
distinct cultural flavor, Olympia's two food co-ops (established 1978), which carry
primarily local goods and produce, including Batdorf coffee, and the downtown farmers
market—the second largest in the Pacific Northwest—are well known and give the city
its literal flavor. Farmers markets and food co-ops are now popular vehicles to directly
connect producers and consumers, but like Olympia’s waterfront they required
revitalization and a change of focus as they grew increasingly marginalized in the post-
WWII American economy.

Throughout the 1950s and early 1960s local agriculture waned in Thurston
County as supermarkets supplanted farmers markets. Washington’s largest market is
Seattle’s Pike Place, the “Soul of the City” famously known as the site of the original
Starbucks. In 1971, however, the year Starbucks’ founders first edged their way into
the nascent Seattle coffee scene, the fate of Pike Place Market seemed doomed. After
WWII, the market lost customers to the new supermarkets cropping up across the U.S., a
phenomenon that killed many similar historic urban open-air markets. Only a spirited
campaign by the Friends of the Market saved it from demolition.

Though the campaign saved the market, Starbucks’ arrival in 1976 at their Pike
Place location helped re-popularize the market with locals seeking fresher produce and

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21 Shorrett, Alice, and Murray Morgan. Soul of the City: The Pike Place Public Market. Seattle: Market
22 Shorrett and Morgan 112-145.
other goods than supermarkets could provide. Starbucks co-founder Jerry Baldwin explained to Bryant Simon the reason for choosing that location: “[Pike Place] was where you shopped for food, if you were serious about food. Buying it directly from vendors—that was about authenticity.” Backlash against supermarkets, already spreading in the early 1970s as some American consumers sought more diverse and high quality foods had arrived in Seattle. The city proved an early example of the term “Starbucks effect,” which has come to signify the beneficial spillover effects the popular chain engendered upon arriving in local neighborhoods, invigorating communities’ economies and popularizing specialty coffee. Due in large part to Starbucks’ integral role in community-building, as well as more recent development of a specialty coffee scene, coffee consumption—particularly specialty coffee—is often associated with the Pacific Northwest.

Forty years after Starbucks’ arrival, Seattle, Portland, and San Francisco, stretching vertically along the I-5 corridor, now boast some of the most vibrant coffee subcultures in the United States, and perhaps even the world. However, Seattle-based Starbucks’ dominance in the popularization of specialty coffee in America does not solely explain the development of these coffee scenes. More nuanced explanations for this phenomenon range from the meteorological to the monetary.

One roaster points to the need to be inside and warm as integral to his business’ success. Olympia roasters note the difference between the Pacific Northwest and the Southwest as indicative of this phenomenon, claiming the near impossibility of finding

23 Simon 28.
quality coffee in Arizona or Southern California. A humorous and telling anecdote recounted by journalist Michaele Weissman, who trekked around the world with the “founding fathers” of Direct Trade in search of the perfect coffee, perhaps highlights the reasons for the popularity of coffee (and other substances) in the Pacific Northwest. She recounts the following story from her time at revolutionary Portland-based Direct Trade roaster Stumptown, where she analyzed the tendencies towards vice among Stumptown employees and Pacific Northwest locals:

> It’s caffeine and pot and beer. Everyone in the Northwest is depressed. [They] get no sun all winter. [They] all suffer from seasonal affective disorder. Winter melancholy. The whole [of Portland] is self-medicating... The balance is between caffeine, beer, exercise, cupping, and atomizing a six-foot bong.”

This story highlights many of the aspects unique to the Pacific Northwest that particularly suit Direct Trade: the weather, cultural factors, pioneering spirit, and an affinity for mind-altering substances, both illicit and every day.

As Weissman’s story indicates, strong affinity for another popular liquid, micro-brew beer, also differentiates the Pacific Northwest. The Olympia Brewing Company, founded in 1896 by Leopold F. Schmidt, operated for over a century. Its buildings still act as a dominant landmark nestled in the verdant hills next to the state capitol. The company’s slogan, “It’s the water,” can be seen throughout downtown, emblazoned on everything from bumper stickers to buildings. The beer’s famously high quality,

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27 Caffeine is the most widely consumed psychoactive drug in the world, and coffee is one of its most effective forms of delivery.
attributed in ad campaigns to its use of Olympia’s artesian water, and Schmidt’s business model, “Quality First—Quantity Next” point to Olympia residents’ early attraction to excellence. The beer, now supplanted by coffee, was a daily staple for many Olympia-area consumers in the first half of the twentieth century. It became popular during the Klondike Gold Rush and was later marketed to “rugged outdoor types who drove pickup trucks and spent the weekend fishing or rock climbing.” This marketing strategy would likely still appeal to Olympian consumers, who are primarily “yuppie do-gooder granolas,” as one of the local roasters colorfully described his customers. A second roaster similarly portrays Olympia as a microcosm of “hippie foodies.”

Despite this, even in Olympia Direct Trade has not fully found purchase. In a March 2012 article from the local newspaper, The Olympian, spotlighting five local roasters that prove “in Northwest coffee culture, small is good,” Oly Coffee’s Stormshak makes only oblique reference to Direct Trade. Describing the business’ coffee philosophy, Stormshak explains “All of us roasters are quite different. We [Olympia Coffee] buy the highest priced coffee we can get, and are the only ones directly sourcing our beans. I travel every year to Central and South America to visit plantations and choose the beans in the field... which has a huge effect on cupping quality.”

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31 Brian Gregory, Mud Bay Coffee Co.” Personal interview. 6 Jan. 2012.

Stormshak’s remark suggests that the simple use of the term Direct Trade—which he is in essence defining with this comment—would be lost on the newspaper’s readers.

The prevalence of the archetypal “Olympian” both helps and hinders those trying to promote Direct Trade. Consumers are typically socially conscious, and are willing to pay a premium price for products that they believe are ethically superior to their counterparts. They are not always willing, however, to hear the alternative messages offered about those products.

Explains Batdorf’s Benck, “People don’t want to know about it. They just want to feel good about drinking their coffee, they don’t ask questions.” Only those who take the time to both do the research and ask the baristas, are learning about and embracing relationship trade.33 In contrast to Gregory’s experience with Evergreen College students, Benck, whose company provides wholesale coffee to the school itself, says his customers still insist on third-party Organic and Fair Trade Certifications.

With respect to Direct Trade, consumer education is crucial. Most consumers know about fair trade, but Direct Trade is both newer and more obscure, without the backing of large labeling organizations to brand and promote it. Customer involvement in the learning process is necessary—they must be active, rather than passive, consumers in order to fully embrace Direct Trade and for it to catch on as a consumer movement in the same manner that fair trade did.

In Olympia, each of the Direct Trade roasters profiled actively participates in non-coffee related community initiatives to spread awareness. Gregory, owner of Mud Bay, works with Sustainable South Sound as a member of their Buy Local Business Advisory

33 “Bob Benck, Batdorf and Bronson.” Personal interview. 9 Jan. 2012.
Committee. He also offers free weekly “Nose-to-Nose Networking” workshops teaching networking skills, and all three roasters offer professional cuppings for customers. These cross-marketing and customer education events allow Olympia Direct Trade roasters’ cafés to become third places in which community enhancement and social connections are essential components of the owners’ company philosophy. Despite their limitations, Direct Trade models represent Olympia’s community values more than other specialty coffee labels, including fair trade. At the broadest level, all specialty coffee roasters emphasize community connection—particularly micro-roasters and small independently owned cafés. Not all extend this community beyond the local, however.

By making Direct Trade a forum for discourse and a model for transparency, Olympia’s roasters are connecting farmers and consumers in a novel way. Differentiation between the “old” and “new” industry goes beyond simply bean quality to actors’ altered behaviors, as one insider observes in comparing the attitudes of the Big Four conglomerates of the twentieth century against the twenty-first-century specialty coffee industry.

Where the conglomerates had been concerned only with price and consistency, this new industry considers origin, quality, processing, and cultivation methods as relevant qualities of the bean. It also extends the option of choosing roasts, grinds, and so on to the consumer, thus creating a much richer, personal coffee landscape and necessitating a structurally distinct trading system.34

For consumers, Direct Trade is the most accessible form of coffee sourcing short of travelling to origin themselves. Olympia residents’ emphasis on community development and participation make this a popular model. Because of the strong ties

Olympia’s Direct Trade roasters have to the local community, aided by all of the community-building activities they facilitate, issues of trust and transparency are mitigated.

In an attempt to publicize Direct Trade and demonstrate for customers what he does when sourcing coffee, Olympia Coffee Roasting Co.’s Stormshak produced a video that shows his customers the interactions he has with producers. He explains “I feel like part of what I do is to really shed light and honesty, full transparency on what we do sourcing coffees… a lot of it has to do with the intuition and passion that our coffee producers have to better their own lives… [we seek] people who really want to make change, have their own small business, and make a living for their families.”

By helping customers to make coffee choice a thoughtful and informed decision, rather than a rote action, Stormshak and the other roasters elevate coffee to a higher plane of consciousness. Their businesses reflect Olympians’ continual desire to think meaningfully about consumption. This value, ostensibly present in Olympia from the town’s inception in the nineteenth century, solidified in the latter half of the twentieth century as Olympia evolved from a sleepy agricultural port town to a thriving cultural center of the Puget Sound.

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When Edmund Sylvester brought the first coffee beans to Olympia in January 1846, he could not have known that more than 160 years later the town would evolve into a thriving mini-metropolis. He commented “I do not know what attracted my attention [to Olympia’s land] except that I was destined to settle here I suppose.”¹ Now, it seems as though Direct Trade is destined to settle in Olympia, though it is difficult to imagine Sylvester conceptualizing contemporary Olympia. At just 25, Sylvester exemplified the adventurous spirit that would come to define residents of his city. However, he never got to see the full results of his work. Sylvester’s biographer laments Sylvester’s desire to see the city grow more rapidly. When, decades after first arriving, he gave a narrative of the city’s founding, Sylvester lamented that “I have been here 32 years waiting for something to turn, and I think the growth of it has been very slow... but trade is bound to come here, and the heavy capitalists will be here on the Sound.” Yet, Sylvester had to confess that ‘Olympia is yet in the future.’”² In this, Sylvester was correct, for though Olympia was just beginning to flourish, it was another century before Olympia outgrew its status as timber-centric state capital to become the cultural capital of the South Puget Sound. Olympia has evolved into a center for environmental and social activism,

² Ibid.
enhanced by its citizens’ hearty embrace of individuality. Forging new frontiers it seems is ingrained from inception in the soul of the city.

Direct Trade is important for allowing people like Olympians to define themselves through their consumption choices. It allows them to serve as model citizens of a global community by acknowledging coffee farmers’ livelihoods as important and the hard work they devote to producing quality products. Direct Trade may be only a slight evolutionary ripple rather than a revolutionary wave, but it is an important ripple. By bridging ethics and quality, Direct Trade coffee exemplifies Olympia’s core values, distilled through social and economic shifts since the city’s inception some 160 years ago. As a culmination of overlapping cultural, political, moral, and culinary movements after the 1970s, Direct Trade’s and the Olympia roasters who use this model ensure that the evolution continues. Sylvester, Waters, and Peet represent only the initial catalysts for Direct Trade’s arrival in Olympia. The onus to remain in an evolutionary state is on people like Olympia’s citizens, who continue to choose the ‘alternate route,’ and the Direct Trade roasters providing them with a new way to value consumption and quality.

Coffee’s deep ties to revolution date back centuries. In this early stage, it is unclear whether Direct Trade is a revolutionary movement that will fundamentally alter the way Americans trade agricultural products and build an international community consciousness, or whether it is simply another evolutionary stage in the food revolution. It is not yet a revolution in its own right, like the development of the specialty coffee industry or the popularization of locally produced foods were in the 1970s. Direct Trade is still just a piecemeal compilation of aspects of the food revolution, environmental sustainability movements, farmers markets, fair trade, ethical and conscious
consumerism, and farm-to-fork initiatives. It is therefore impossible to determine whether Batdorf and Bronson, Olympia Coffee Roasting Co., or Mud Bay Coffee will become the next Starbucks or Chez Panisse, or if they will each simply remain popular third places in Olympia. *The New York Times* travel guide claims, “Californian cuisine is so much a product of Alice Waters’ genius that all other restaurants following in her wake should be dated A.A.W. (After Alice Waters).”**3** Olympia’s Direct Trade roasters have yet to make a mark that deep and lasting in the blossoming specialty coffee industry.

Nevertheless, making some predictions regarding the future of Direct Trade, particularly in Olympia, helps to gauge how far it has come already. Following the developments of the past sixty years in Olympia, it seems as though Direct Trade, like Edmund Sylvester, was “destined to settle” there. However, Direct Trade still faces many barriers before it can viably become nationally prevalent.

One impediment is the association with snobbery and elitism that ‘fancier’ specialty coffees engender—a problem that Waters, too, faced as her restaurant became ever more popular and bourgeois.**4** Some roasters fear that adopting an elitist attitude might push consumers back to second wave places like Starbucks, while others embrace this attitude.**5** As *Time* magazine presciently observed about Third-Wave Coffee in a story on the top ten food trends of 2010, “Conservatives who mocked Obama during the [2008] presidential election as a venti-latte-sipping elitist were far behind the curve: the *real* elitists would never dream of polluting themselves with the overroasted and morally

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**4** Kamp 159-160.

**5** Mud Bay’s Brian Gregory represents the former attitude, while Olympia Coffee Roasting Co.’s Stormshak identified with the latter.
questionable beans from the likes of Starbucks.” Consumers need to feel comfortable extensively interacting with roasters and baristas, participating in cupping events, or researching on their own. Snobbish behavior may prevent this from occurring on a broad scale.

Economic issues will also influence the spread of Direct Trade models. As the demand increases (not just in the U.S. but also across the globe, and particularly in quickly developing countries) the price of specialty coffee will correspondingly increase. There is currently a limited supply of high-quality specialty coffee (scoring 85 points and above on the SCAA scale) relative to the growing consumer market. Though the international specialty coffee industry remains small compared to the overall coffee commodity market, because of the impediments to growing high quality coffee the industry trade magazine *Roast* doubts the feasibility of production keeping pace with demand in the coming decade. How long it will take to find solutions to this impending problem, and at what cost to farmers in developing countries, remains uncertain.

Financial limitations affect roasters as well. Many of the companies in the United States using Direct Trade models are small businesses restricted in their access to top-quality coffees. Though online auctions and other Internet communications allow roasters to identify and sample coffees of interest and connect with farmers across the globe, actually visiting farms in person is both expensive and difficult to coordinate for those without industry connections in a given exporting country. This makes Direct

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Trade difficult to establish for those without connections or a long history in the business. Even people with over a decade in the coffee business, like Gregory, experience this limitation. He travels most frequently with Atlas Importers, a Seattle-based Direct Trade coffee importer. This connection makes it possible for his business to use Direct Trade, but without the costs and impediments associated with independent travel that larger roasters—including Batdorf and Oly Coffee—are able to absorb.

The best possible scenario for Direct Trade would be for coffee to follow the business development model the wine industry followed. The price of wine easily ranges over several orders of magnitude based on quality and consumer preference. As green buyer Benck observes, roasters are still waiting for the day when average consumers are willing to pay $30 or $40 a pound for coffee. He likens this price to that of a nice bottle of wine, which he notes is often consumed in only an hour or two. Would people be willing to pay the same amount for a bag of coffee that lasts four or five days? That market is not yet seen in the U.S., but it exists to some extent in other countries, particularly Japan and the Scandinavian countries. In these countries, people pay more and consume primarily only specialty coffee and Arabica beans. Benck sees youth, particularly those in their thirties and younger, as the vanguards of paying more for quality coffee. Generations X and Y grew up with awareness and an image of specialty coffee as a “trendy, sophisticated, urban, and intellectual” part of a “look.” Even if they do know much about it or have not necessarily tasted it yet, they are a vast, largely untapped market for specialty roasters.

9 "Bob Benck, Batdorf and Bronson." Personal interview. 9 Jan. 2012.
In light of these factors, in the early 2000s producers began to develop comprehensive and recognizable systems of appellation, terroir, and flavor nuances (origin name branding and trademarking), bringing in wine experts to consult in a creative marketing strategy. Producers believe that these efforts serve a multitude of purposes, particularly in advertising and product cross-marketing. The rapid development of new technologies and application platforms like Facebook and Twitter, which allow virtually free marketing and extensive customer access, allow roasters to market their products to ever-larger audiences in novel, interactive ways. This is a luxury Sylvester did not have in marketing Olympia to new settlers and traders in the mid-nineteenth century, and that Chez Panisse, Peet’s, and Starbucks did not have either. In the future, these tools will allow producers and marketers of other agricultural products to apply the Direct Trade model, and spread awareness beyond communities like Olympia.

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