



Farm: Pinheirinho

Area (ha): 25

City: Carmo de Minas

Region: Carmo de Minas

Altitude (masl): 1056-1140

Varieties: Yellow Icatu , Yellow Catuai, Yellow Catuai, Acaia

Processes: Naturals

About

Lilica is the third generation to manage the Pinheirinho farm, which was inherited from his father. When his father was still alive he oversaw the management of Pinheirinho and Lilica was not involved with the farm's activities. Lilica has gone through much adversity in his personal life, struggling with alcohol abuse, amongst other things, which heavily contributed to Lilica being absent from the family business of managing Pinheirinho.

Twenty years ago Lilica's father passed away and at this point Lilica had no experience with farming and continued struggling personally. During this difficult time Lilica sought the support of his family in order to overcome his alcohol addiction and to become focused on learning the activities of managing the farm he had inherited.

Over time Lilica began to better understand the process of coffee production but had little knowledge of coffee cup quality and therefore did not know the real value or potential value of his product. Five years ago, Lilica began working with Carmo Coffees and started to learn about the cup quality of his coffees and is now able to determine its flavours and attributes. In his words, "I discovered that my coffees on average reach 85 points and tastes like plum." When asked about future challenges to improve the quality of his coffee, Lilica responded, "[I] wish [in] the future to get a certificate of sustainability to the farm and a stable production of specialty coffees."

2014 marks the first year that CCS is working with Lilica and one of the two lots purchased from Lilica was produced from a *selective picking* project wherein the tradition of mechanically stripping coffee cherries off the branches of the trees were dismissed in favour of hand-picking selectively mature, fully ripened cherries. We are excited about the long-term possibilities in working with Lilica.

Background to Carmo de Minas

Over the past decade, Brazil as a nation has experienced fantastic economic growth in every field, with higher purchasing power and an ever-increasing standard of living. At least 20 million people have risen above the poverty-line and the middle-class has grown by 40 million in a relatively few number of years. The value of labor has also increased: Brazil now has full employment and rising wages. All of this naturally affects the cost of coffee production in general, but it especially affects labor-intensive coffee (read: new processing methods with even higher costs). In some cases it is difficult to find labor at all, especially for farm work. Incentives must be strengthened in order to keep people at work within coffee. And as the world's largest producer of coffee, Brazilian coffee is the main component of blends all over the world. Thus, the price paid for Brazilian coffee is a reflection of the fact that coffee from here is considered a base product. In parallel with fluctuations in world markets and in the pricing of coffee in general, the specialty coffee segment has established its own price dynamics.

Although coffee is an old commodity in Brazil, over the past 10-12 years, the country has been showcasing its very best coffee and it has only been in the last 7-8 years that coffee in the Carmo de Minas municipality has been particularly noteworthy.

Carmo is one village among twenty in the Mantiqueira region, south of the Minas Gerais county, in Sul de Minas. In the same way that Burgundy is an important name in the French world of wine, Carmo de Minas has become a destination in the Brazilian coffee world. Some of its distinction can be attributed to topographic and climatic conditions, but as always, there are *people* engaged – from picking coffee cherries to processing; both crucial to the quality of the product. People make the difference.

Although many of the farms in this area have won awards and garnered attention in recent years, there have not really been radical changes in farming and processing methods. Not even in terms of picking. We believe that the area has achieved its status with a little bit of luck, good growing conditions, good plant material – mostly Bourbon – but otherwise quite ordinary craft. However, good coffee has come out of all this and as a result, Carmo has experienced a “clean sweep” in Cup of Excellence competitions. But the quality can be even better, as well as the amount of the best coffee increased.

Jacques Pereira Carneiro represents the new generation in Carmo. Together with cousin Luis Paulo (who currently is president of Brazil Specialty Coffee Association (BSCA)), he runs the coffee export firm Carmo Coffees. These two men represent a 5th generation of coffee farmers and they collectively oversee 12 farms and 6 processing stations – altogether owned by their Pereira family. This family is also members of the cooperative Coca Rive, which offers its members courses on taste evaluation, distribution of fertilizer and storage facilities. Coca Rive has 400 members and is the smallest of the smallest cooperatives in the Carmo region, with its 8000 coffee farms. Previously Coca Rive worked almost exclusively with commercial coffee in this area and a few years ago it was a challenge to fill even one container (300 bags) of specialty coffee. Last year Carmo Coffees sold 150 containers of coffee over 80-points. We at CCS expect *true* specialty coffee from 86-points, but know that this proportion is also increasing in Carmo.

Carmo's reputation is so well established that there is an ever-increasing demand for more coffee of their quality. Carmo Coffees does not just work with its own family's production; it works hard to provide coffee from farms outside the family's, including coffee from other districts. Pedralva, for example, is just a few miles from Carmo de Minas and many of the farms here are good, with altitudes up to 1400 meters above sea level. The work now is for a few farmers to push the idea of working a little differently to achieve better quality. With higher prices in the specialty coffee segment comes the motivation to do better than before. According to Jacques, this change can be facilitated, but the first challenge is to pick a technique. On top of this are the added associated costs. Historically, the picking technique has been picking the coffee bush clean (stripping) during one picking and one harvesting season. Most people do this and even use partially mechanized equipment to do the job, which is more time-effective. But to get the sweetest coffee, you have to pick the sweetest, ripest cherries.

Minimum wage has increased to about \$500 per month and although this is a low salary on any scale, these wages mean that the work of selective hand-picking coffee cherries represents up to 2/3 of the total cost of coffee production, even when coffee is sold at a 100% premium over commodity coffee.