

SPECIALTY COFFEE TRANSACTION GUIDE

2023 Specialty Coffee Transaction Guide

A collaboration between researchers at Emory University's Goizueta Business School and a committed roster of specialty coffee cooperatives, exporters, importers, and roasters.

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For more information, visit www.transactionguide.coffee

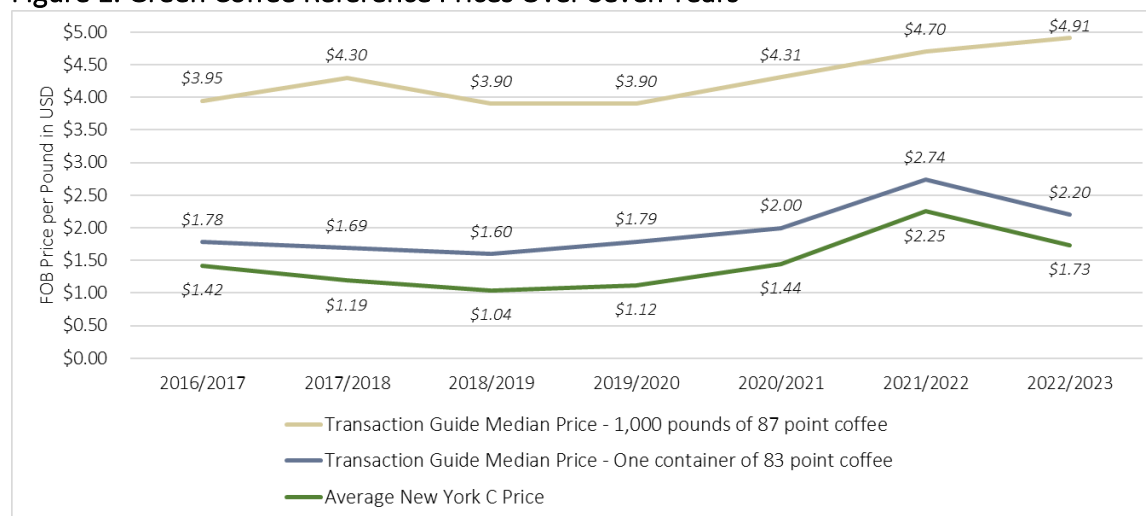
Direct questions or comments to contact@transactionguide.coffee

* The numbers in this Transaction Guide represent our best efforts to organize and analyze contract data provided by data donors in compliance with applicable laws. As the project develops, we will make every effort to expand the roster of data donors. We will also develop and implement additional plans to validate data, to identify and remove duplicate observations (i.e., same-contract data supplied by different data donors), and to improve the presentation of the patterns revealed in the data.

Introduction

The first *Specialty Coffee Transaction Guide* included specialty coffee contracts from the 2016/2017 harvest year, when the average New York C price was \$1.42 (see **Figure 1**). Over the next two harvest years, this average fell to \$1.04. These low and falling commodity prices created serious concerns about ongoing access to both commercial and differentiated green coffees. Over the ensuing three harvest years, the New York C price rose and averaged \$2.25 per pound in the 2021/2022 harvest year. In the most recent harvest year, the New York C price retreated to an average of \$1.73 per pound. This led coffee producers and buyers to wonder how green specialty coffee prices would react.

Figure 1. Green Coffee Reference Prices Over Seven Years



Specialty Coffee Transaction Guides rely on a group of specialty coffee cooperatives, exporters, importers, and roasters who provide detailed contract data covering specialty coffee transactions on a confidential basis.¹ Researchers at Emory University use this anonymized and appropriately aggregated information to create tables and figures that describe the distributions of recent prices for green (unroasted) differentiated coffees.²

Annual releases of the *Specialty Coffee Transaction Guide* provide more relevant reference prices for differentiated specialty coffees. Consider how the median price for containers of green coffee that cup at 83 points rose from \$1.60 in 2018/2019 to \$2.74 in 2021/2022. Over the same period, the median price for lots of 1,000 pounds that cup at 87 points rose from \$3.90 to \$4.70

¹ Data donors agree to “provide information on all of our green coffee transactions for the period covered by the Transaction Guide”; that “all of the information that we provide will be accurate to the best of our knowledge”; and would “support efforts to verify a small number of contracts by seeking confirmation from the affected contract counterparties.”

² *Specialty Coffee Transaction Guides* are designed to comply with applicable antitrust and competition laws by providing appropriately anonymized, aged, and aggregated information that allows industry participants to better understand the marketplace in which they participate so they can independently develop strategies to achieve value propositions that meet consumer demand.

per pound (see **Figure 1**). Both these increases were more modest than the \$1.21 per pound increase in the New York C price.

In the most recent harvest year, **Figure 1** reveals different responses to the downturn in the New York C price. The median price for a container of 83 point coffee fell from \$2.74 to \$2.20 per pound. This 54 cent decline roughly matched the 52 cent decline in the New York C price. However, the median price for a 1,000 pound lot of 87 point coffee rose 21 cents to \$4.91 per green pound.

The *2023 Transaction Guide* relies on data from 115 companies headquartered in countries around the world (see the **Appendix**). They summarize information from contracts signed in the October 2020 to September 2023 period.³ This three-year window is divided into three periods based on harvest timelines: 2020/2021, 2021/2022, and 2022/2023.

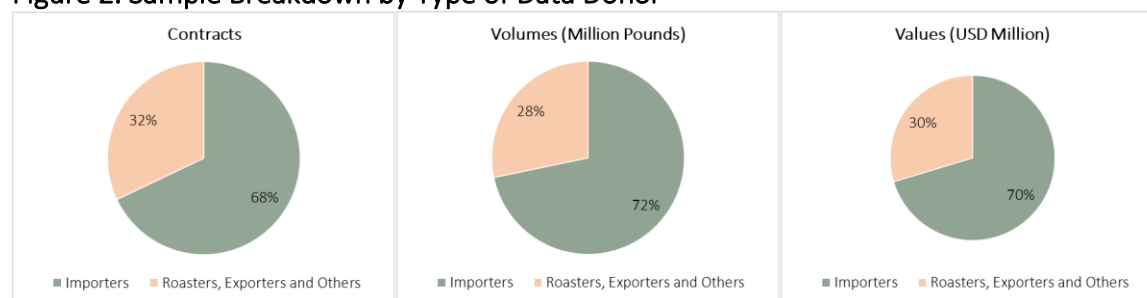
The *2023 Transaction Guide* summarizes more than 53,000 contracts that cover almost 1 billion pounds of green specialty coffee valued at almost \$2.5 billion (see **Table 1**).⁴ Roughly 70% of the three-year sample represents contracts from specialty coffee importers (see **Figure 2**).

Table 1. Current Sample

Period	Contracts	Total Pounds (Million)	Total Value* (USD Million)
2022/2023	14,448	255.69	\$662.62
2021/2022	18,081	328.21	\$956.76
2020/2021	20,634	346.60	\$803.79
3 Years	53,163	930.49	\$2,423.17

* Sum of contracted volumes multiplied by FOB prices

Figure 2. Sample Breakdown by Type of Data Donor



Because these tables describe actual prices paid for green specialty coffees, they provide relevant information to consider as part of current and future price negotiations.

³ We assign contracts to specific periods based on the “date the contract was finalized/signed.”

⁴ We set aside contracts that do not report FOB prices or lot sizes, and that report quality scores below 80. We also set aside contracts that are likely duplicates by identifying those that report the involvement of another organization that is also a current data donor.

FOB Prices

To provide context for sellers and buyers of specialty coffees, *Specialty Coffee Transaction Guides* describe recent FOB price distributions, all in USD per green pound. Because we do not want observations to be influenced by outliers, we report median prices when describing the middle of each market category.⁵ Lower prices and higher prices refer to the 25th and 75th percentile of prices, respectively, observed in each category.

Thinking about FOB prices. Free on board (FOB) prices are “paid for coffees that are delivered and placed onto the ship at the port in the country of embarkation. They typically cover any overland transportation costs from mills or warehouses to the port of origin, but not any overseas shipping, insurance, or any transportation, customs, and overland freight costs incurred on arrival to the port of destination” (International Chamber of Commerce). These prices, which are consistently reported in most export contracts, speak to pre-export valuations and indicate the amounts of money that stay in the countries where coffees are produced. However, FOB prices only tell part of the economic story because they do not indicate how much of the contracted revenues make it back to coffee farms. Moreover, a number of transactions between farm gates and ports do not stipulate prices in USD per green pound. These shortcomings must be kept in mind when interpreting the numbers presented in the following tables.

Table 2. Three Harvest Years of FOB Prices

Harvest Year	Contracts	Lower Price (25 th percentile)	Middle Price (median)	Higher Price (75 th percentile)
2022/2023	14,448	\$2.45	\$3.40	\$4.50
2021/2022	18,081	\$2.83	\$3.50	\$4.47
2020/2021	20,634	\$2.20	\$2.86	\$3.70
3 Years	53,163	\$2.45	\$3.23	\$4.21

* All prices are reported in USD per green pound. Each harvest year runs from October 1st to September 30th.

Key Observations:

- Overall, the median price for green specialty coffees fell 3%, from \$3.50 per pound in 2021/2022 to \$3.40 per pound in 2022/2023.
- Lower (i.e., 25th percentile) prices fell 13% to \$2.45 in 2022/2023 from \$2.83 per pound in 2021/2022, while higher (i.e., 75th percentile) prices rose less than 1% to \$4.50 in 2022/2023, a \$0.03 per pound increase over 2021/2022.
- In each harvest year, the range of prices paid for green specialty coffees was quite large. In 2022/2023, 50% of the prices in the sample covered a range of \$2.05 (from \$2.45 to \$4.50).

FOB Prices by Quality Level

One variable that influences prices for specialty coffees is quality. **Table 3** organizes FOB prices into seven quality bands.

⁵ The median price is the middle – or 50th percentile – observation in the sample.

Table 3. FOB Prices in Different Quality Bands

Period	Contracts	Pounds (Million)	Value (\$ Million)	Lower Price (25 th %ile)	Middle Price (median)	Higher Price (75 th %ile)
From 80 to 81.9						
2022/2023	1,011	45.46	\$91.65	\$1.89	\$2.09	\$2.28
2021/2022	1,515	67.52	\$167.29	\$2.23	\$2.53	\$2.77
2020/2021	1,423	62.66	\$118.46	\$1.59	\$1.88	\$2.18
3 Years	3,949	175.65	\$377.41	\$1.84	\$2.17	\$2.56
From 82 to 83.9						
2022/2023	2,827	98.20	\$224.78	\$2.06	\$2.30	\$2.72
2021/2022	2,730	98.33	\$265.72	\$2.50	\$2.78	\$3.06
2020/2021	3,983	131.70	\$276.15	\$1.81	\$2.03	\$2.42
3 Years	9,540	328.23	\$766.65	\$1.95	\$2.35	\$2.80
From 84 to 84.9						
2022/2023	1,691	36.37	\$99.74	\$2.50	\$3.01	\$3.64
2021/2022	2,337	54.52	\$164.47	\$2.79	\$3.15	\$3.50
2020/2021	2,609	49.79	\$122.33	\$2.16	\$2.50	\$3.00
3 Years	6,637	140.68	\$386.54	\$2.40	\$2.90	\$3.36
From 85 to 85.9						
2022/2023	1,473	19.60	\$61.76	\$3.00	\$3.50	\$4.12
2021/2022	2,120	30.12	\$98.44	\$3.18	\$3.52	\$4.08
2020/2021	2,087	28.95	\$77.26	\$2.49	\$3.00	\$3.40
3 Years	5,680	78.67	\$237.46	\$2.85	\$3.30	\$3.95
From 86 to 87.9						
2022/2023	3,615	17.98	\$68.87	\$3.48	\$4.20	\$5.10
2021/2022	4,258	22.39	\$87.41	\$3.61	\$4.21	\$4.99
2020/2021	4,795	26.11	\$85.53	\$3.01	\$3.60	\$4.45
3 Years	12,668	66.47	\$241.80	\$3.35	\$4.00	\$4.85
88 Plus						
2022/2023	961	2.43	\$14.02	\$4.60	\$6.68	\$15.30
2021/2022	1,267	3.00	\$17.17	\$4.52	\$6.00	\$10.00
2020/2021	1,564	3.69	\$18.73	\$4.00	\$5.44	\$8.55
3 Years	3,792	9.12	\$49.92	\$4.35	\$5.80	\$10.30
No Quality Score						
2022/2023	2,870	35.65	\$101.79	\$2.95	\$3.90	\$4.75
2021/2022	3,854	52.34	\$156.27	\$3.00	\$3.90	\$4.75
2020/2021	4,173	43.69	\$105.33	\$2.36	\$3.00	\$3.75
3 Years	10,897	131.68	\$363.40	\$2.69	\$3.50	\$4.50

* All prices are reported in USD per green pound.

Thinking about Quality Scores. Quality scores in the Transaction Guides rely on Specialty Coffee Association (SCA) standards reported in a range of 80 to 100. Despite ongoing efforts to develop standardized cupping scores, coffee quality is subjective and different sellers and buyers will arrive at different scores. The scores and ranges in these tables provide a general indication of prices paid for coffees at different quality levels. However, the data donors exhibit different biases when assessing coffee quality. Moreover, some donors report specific quality scores, others report quality ranges, while others do not provide any quality information. When quality scores

are reported in ranges, we assign the lowest value in the range. To account for coffees contracted without reference to a quality score, we include a separate “No Quality Score” category.⁶

Key Observations:

- Higher-quality coffees tend to receive higher prices. In 2022/2023, the median price for 86-87.9 coffees (\$4.20) was 83% higher than the median price for 82-83.9 coffees (\$2.30).
- For lower-quality coffees, lower-end prices rose and then fell over the last three harvest years. For example, the 25th percentile price for 82-83.9 coffees rose 38% (\$0.69), from \$1.81 in 2020/2021 to \$2.50 in 2021/2022, before falling 18% (\$0.44), to \$2.06 in 2022/2023.
- For higher-quality coffees, lower-end price swings were less dramatic. The 25th percentile price for 86-87.9 coffees rose 20%, from \$3.01 in 2020/2021 to \$3.61 in 2021/2022, before falling just 4%, to \$3.48 in 2022/2023.
- The range of prices for lower-quality coffees is lower than for higher-quality coffees. In 2022/2023, 50% of the 82-83.9 coffee prices covered a range of \$0.66, from \$2.06 to \$2.72, while 50% of the 86-87.9 coffee prices covered a range of \$1.62, from \$3.48 to \$5.10.

FOB Prices by Lot Size

Another variable that influences coffee prices is lot size. **Table 4** divides the sample into five quantity bands.

Thinking about Lot Sizes. Most green specialty coffees are delivered in sacks (or bags) that weigh between 100 and 154 pounds each. Large lots are purchased and exported in containers that hold roughly 40,000 pounds. At the other extreme, the smallest “microlots” come in lot sizes smaller than 1,000 pounds.⁷

Key Observations:

- Median prices are higher for coffees purchased in smaller quantities. In 2022/2023, the median price per pound for lots of less than 1,000 pounds (\$4.90) was more than double that paid for lots of 40,000+ pounds (\$2.24).
- For coffees sold in larger lot sizes, lower-end prices fell in 2022/2023. The 25th percentile price for lots of 40,000+ pounds fell 17% (\$0.41), from \$2.40 in 2021/2022 to \$1.99 in 2022/2023. Lower-end prices for coffees sold in smaller lot sizes remained stable.
- The range of prices was higher in smaller-size contracts. In 2022/2023, 50% of the prices paid for lots of 40,000+ pounds covered \$0.65, from \$1.99 to \$2.64. However, 50% of the prices paid in lots of less than 1,000 pounds covered a range of \$3.30, from \$3.85 to \$7.15.

⁶ The “No Quality Score” band also includes contracts where quality was considered during price negotiations, but where data donors’ current records do not link contract data with the relevant quality information.

⁷ When thinking about FOB prices paid for green coffees versus retail prices paid for roasted coffees, remember that costs are incurred moving coffee from export ports into a coffee roastery and that there is a loss (or shrinkage) of roughly 15-20% of bean weight when coffees are roasted.

Table 4. FOB Prices in Different Lot Size Bands

Period	Contracts	Pounds (Million)	Value (\$ Million)	Lower Price (25 th %ile)	Middle Price (Median)	Higher Price (75 th %ile)
More than 40,000 Pounds						
2022/2023	4,304	200.43	\$471.38	\$1.99	\$2.24	\$2.64
2021/2022	5,543	258.08	\$704.23	\$2.40	\$2.74	\$3.07
2020/2021	5,372	248.80	\$531.71	\$1.80	\$2.10	\$2.45
3 Years	15,219	707.31	\$1,707.32	\$1.99	\$2.36	\$2.82
From 10,001 to 40,000 Pounds						
2022/2023	1,695	36.71	\$114.56	\$2.53	\$3.02	\$3.70
2021/2022	2,140	45.90	\$151.11	\$2.83	\$3.25	\$3.75
2020/2021	2,861	67.78	\$166.98	\$2.03	\$2.45	\$3.00
3 Years	6,696	150.39	\$432.64	\$2.30	\$2.90	\$3.44
From 3,001 to 10,000 Pounds						
2022/2023	2,208	12.20	\$44.54	\$3.06	\$3.60	\$4.20
2021/2022	3,079	16.85	\$63.73	\$3.25	\$3.75	\$4.25
2020/2021	3,691	20.41	\$63.79	\$2.50	\$3.02	\$3.50
3 Years	8,978	49.47	\$172.06	\$2.83	\$3.41	\$4.00
From 1,001 to 3,000 Pounds						
2022/2023	2,649	4.72	\$20.45	\$3.48	\$4.01	\$4.79
2021/2022	3,150	5.63	\$25.48	\$3.53	\$4.20	\$4.85
2020/2021	4,232	7.50	\$28.72	\$2.75	\$3.36	\$4.12
3 Years	10,031	17.85	\$74.65	\$3.17	\$3.81	\$4.60
Less than 1,000 Pounds						
2022/2023	3,592	1.63	\$11.70	\$3.85	\$4.90	\$7.15
2021/2022	4,169	1.74	\$12.21	\$3.83	\$4.75	\$6.50
2020/2021	4,478	2.10	\$12.59	\$3.19	\$4.17	\$5.89
3 Years	12,239	5.47	\$36.50	\$3.54	\$4.54	\$6.50

* All prices are reported in USD per green pound. Quantity bands are set to include roughly the same number of contracts in each group.

FOB Prices by Quality Level and Lot Size

The main feature of each *Transaction Guide* is a single table that captures FOB prices for specialty coffees with different quality scores and purchased at different lot sizes (see **Table 5**).

Key Observations:

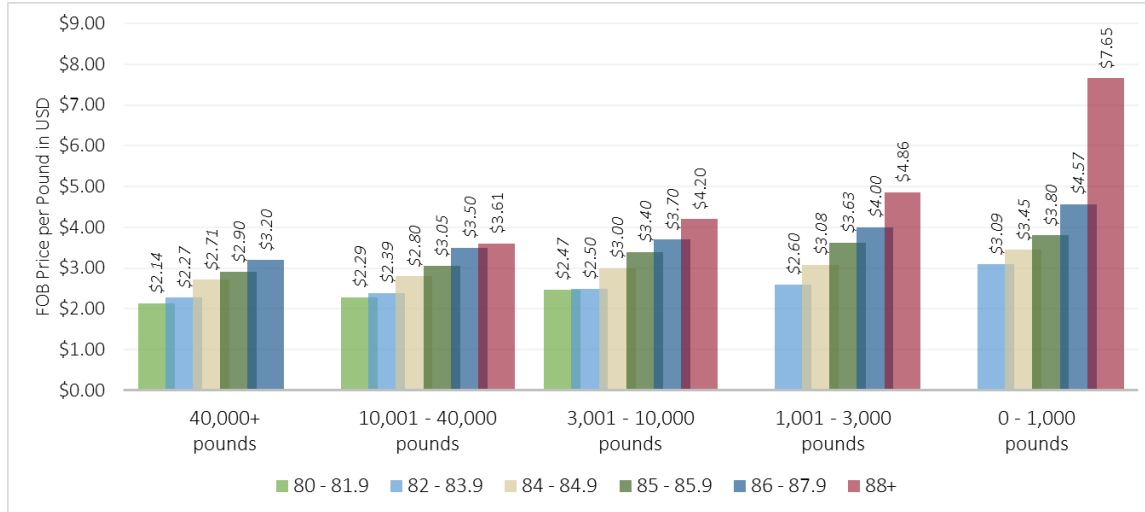
- In 2022/2023, median prices in the most-populated buckets were very different. The median price for the largest lots of coffees that cupped between 82-83.9 was \$2.20, while the median price for the smallest lots of coffees (less than 1,000 pounds) that cupped between 86-87.9 was \$4.91.
- Across all three harvest years, there were consistent pricing slopes within each quantity and quality band. For example, median FOB prices for lot sizes of 10,001 to 40,000 pounds rose in tandem with quality scores, from \$2.29 to \$3.61 as quality scores rose from 80-81.9 points to 88+ points (see **Figure 3**).

Table 5. FOB Prices for Specialty Coffees, 2022/2023

	Contracts	Pounds (Million)	Value (\$ Million)	Lower Price (25 th %ile)	Middle Price (Median)	Higher Price (75 th %ile)	Median, 3 years
More than 40,000 Pounds							
80-81.9	862	43.60	\$86.92	\$1.86	\$2.03	\$2.20	\$2.14
82-83.9	1,901	87.07	\$194.38	\$1.98	\$2.20	\$2.40	\$2.27
84-84.9	632	27.31	\$72.13	\$2.23	\$2.64	\$3.04	\$2.71
85-85.9	277	11.81	\$35.42	\$2.68	\$3.05	\$3.30	\$2.90
86-87.9	143	6.11	\$20.03	\$2.82	\$3.30	\$3.64	\$3.20
88 plus	-	-	-	-	-	-	-
No score	478	24.06	\$60.63	\$1.99	\$2.30	\$2.83	\$2.30
From 10,001-40,000 Pounds							
80-81.9	-	-	-	-	-	-	\$2.29
82-83.9	380	9.47	\$25.16	\$2.28	\$2.56	\$2.86	\$2.39
84-84.9	318	6.95	\$20.41	\$2.51	\$2.95	\$3.35	\$2.80
85-85.9	259	5.29	\$17.02	\$2.74	\$3.13	\$3.65	\$3.05
86-87.9	279	5.15	\$20.05	\$3.30	\$4.00	\$4.40	\$3.50
88 plus	-	-	-	-	-	-	\$3.61
No score	340	7.35	\$24.18	\$2.65	\$3.30	\$3.79	\$3.01
From 3,001-10,000 Pounds							
80-81.9	-	-	-	-	-	-	\$2.47
82-83.9	226	1.33	\$4.09	\$2.54	\$2.82	\$3.40	\$2.50
84-84.9	279	1.62	\$5.29	\$2.80	\$3.20	\$3.70	\$3.00
85-85.9	327	1.85	\$6.50	\$3.08	\$3.50	\$3.95	\$3.40
86-87.9	755	4.07	\$16.24	\$3.38	\$3.88	\$4.60	\$3.70
88 plus	-	-	-	-	-	-	\$4.20
No score	501	2.69	\$9.85	\$3.07	\$3.70	\$4.15	\$3.46
From 1,001-3,000 Pounds							
80-81.9	-	-	-	-	-	-	\$2.65
82-83.9	151	0.27	\$0.92	\$2.61	\$3.20	\$4.00	\$2.60
84-84.9	195	0.37	\$1.43	\$3.24	\$3.66	\$4.36	\$3.08
85-85.9	288	0.53	\$2.17	\$3.50	\$3.95	\$4.52	\$3.63
86-87.9	1,110	1.98	\$8.60	\$3.45	\$4.00	\$4.86	\$4.00
88 plus	224	0.37	\$2.25	\$4.44	\$4.84	\$7.03	\$4.86
No score	653	1.15	\$4.88	\$3.60	\$4.10	\$4.75	\$3.80
Less than 1,000 Pounds							
80-81.9	-	-	-	-	-	-	-
82-83.9	169	0.06	\$0.23	\$2.83	\$3.15	\$4.10	\$3.09
84-84.9	267	0.11	\$0.48	\$3.20	\$3.95	\$4.80	\$3.45
85-85.9	322	0.13	\$0.65	\$3.50	\$4.16	\$5.35	\$3.80
86-87.9	1,328	0.67	\$3.95	\$3.85	\$4.91	\$6.58	\$4.57
88 plus	592	0.25	\$4.12	\$5.87	\$10.58	\$25.00	\$7.65
No score	898	0.40	\$2.25	\$4.00	\$4.90	\$6.85	\$4.50

* All prices are reported in USD per green pound. Price information redacted in buckets with fewer than 100 observations.

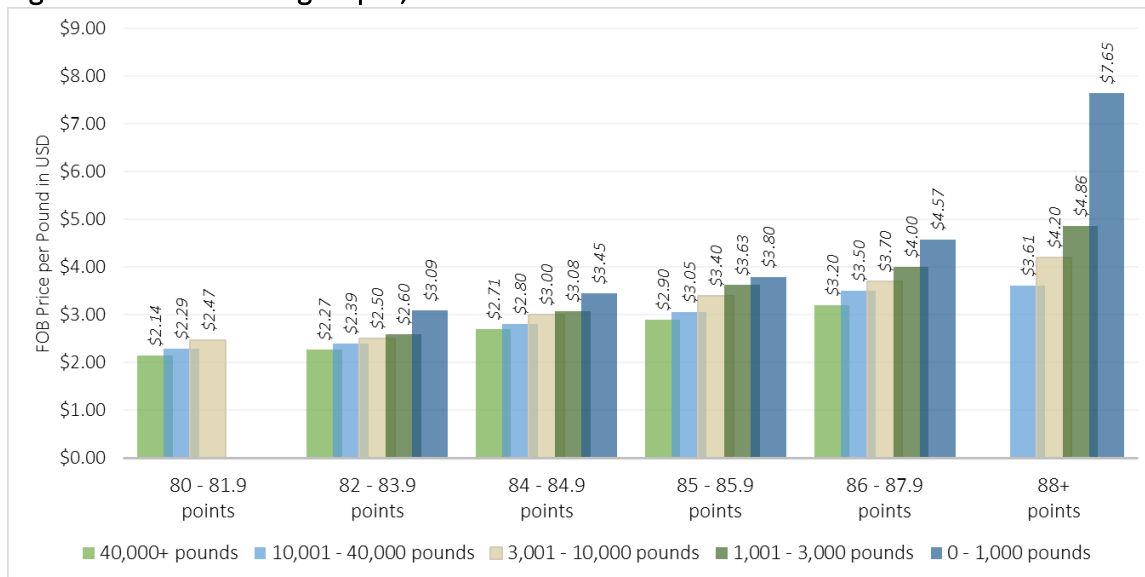
Figure 3. Quality Score Pricing Slopes, All Three Harvest Years



* All prices are reported in USD per green pound.

- Median FOB prices for coffees with quality scores from 86-87.9 points increased from \$3.20 to \$4.57 as lot sizes declined from 40,000+ pounds to less than 1,000 pounds (see **Figure 4**).

Figure 4. Lot Size Pricing Slopes, All Three Harvest Years

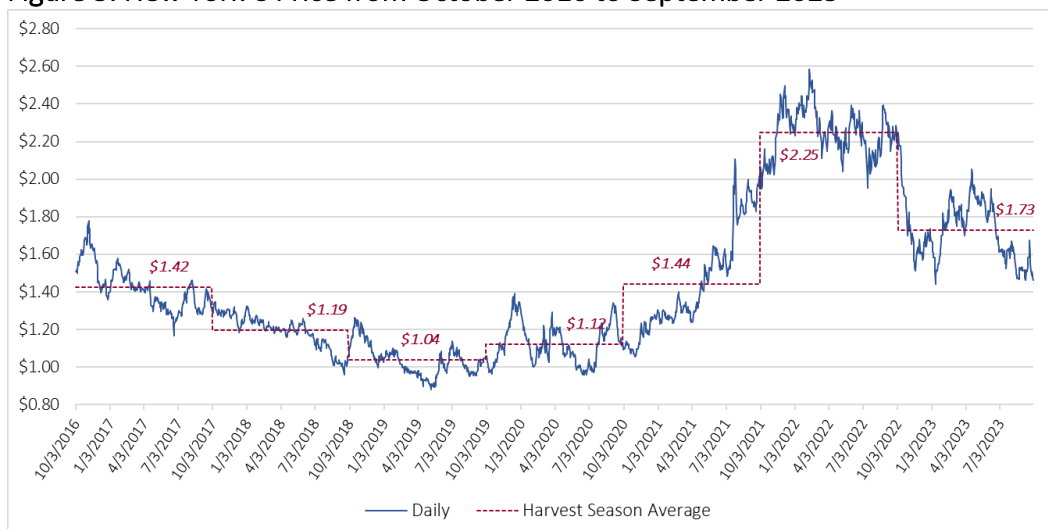


* All prices are reported in USD per green pound.

Year-over-Year FOB Price Changes

The *2023 Transaction Guide* covers a three-year period during which commodity prices rose 81 cents per pound and then fell 52 cents per pound (see **Figure 5**). **Table 6** shows median prices for every quality-quantity bucket in each of the last three harvest years.

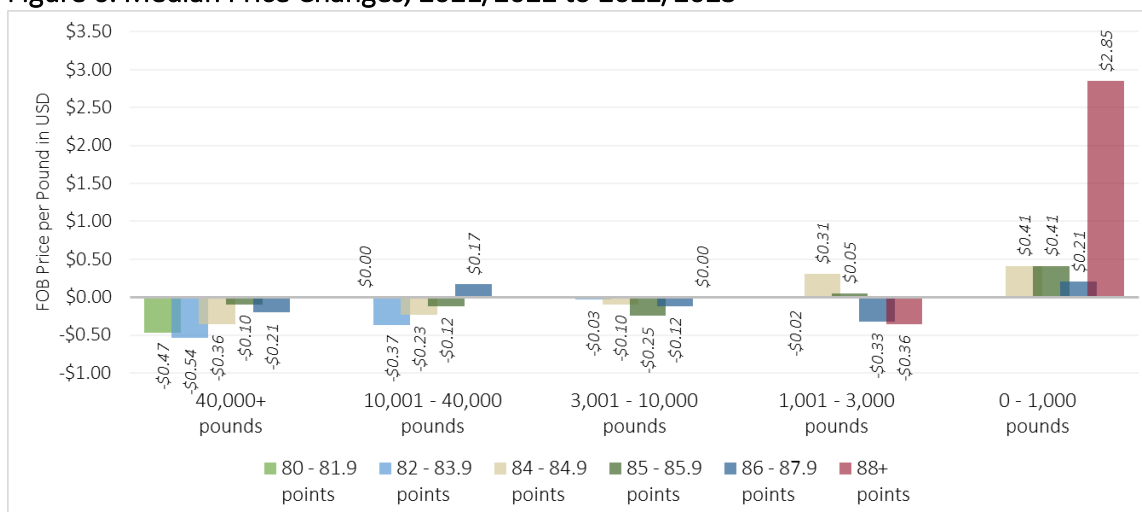
Figure 5. New York C Price from October 2016 to September 2023



Key Observations:

- The largest year-over-year median price decrease was $-\$0.54$, for 82-83.9 coffees sold in lot sizes greater than 40,000 pounds. The largest median price increase was observed for the highest quality coffees sold in lot sizes less than 1,000 pounds.
- The median of the median price changes in **Table 6** is $-\$0.11$ per pound, which is favorable when compared to a corresponding commodity price decrease of $-\$0.52$ (see **Figure 5**).
- In 22 buckets where we observe price changes, they fell in 15 cases, although price declines were more modest than the New York C price decrease in all but one case (see **Table 6**).

Figure 6. Median Price Changes, 2021/2022 to 2022/2023



* All prices are reported in USD per green pound.

Table 6. Median FOB Prices Across Three Harvest Years

	2020/2021 Median Price	2021/2022 Median Price	2022/2023 Median Price	2021/2022 to 2022/2023 Price Change	Relative to New York C Change (\$-0.52)
More than 40,000 Pounds					
80-81.9	\$1.83	\$2.50	\$2.03	-\$0.47	\$0.05
82-83.9	\$2.00	\$2.74	\$2.20	-\$0.54	-\$0.02
84-84.9	\$2.30	\$3.00	\$2.64	-\$0.36	\$0.16
85-85.9	\$2.48	\$3.15	\$3.05	-\$0.10	\$0.42
86-87.9	\$2.80	\$3.51	\$3.30	-\$0.21	\$0.32
88 plus	-	-	-	-	-
From 10,001-40,000 Pounds					
80-81.9	\$1.98	\$2.80	-	-	-
82-83.9	\$2.02	\$2.93	\$2.56	-\$0.37	\$0.15
84-84.9	\$2.40	\$3.18	\$2.95	-\$0.23	\$0.29
85-85.9	\$2.70	\$3.25	\$3.13	-\$0.12	\$0.40
86-87.9	\$3.18	\$3.83	\$4.00	\$0.17	\$0.69
88 plus	-	-	-	-	-
From 3,001-10,000 Pounds					
80-81.9	-	-	-	-	-
82-83.9	\$2.17	\$2.85	\$2.82	-\$0.03	\$0.49
84-84.9	\$2.67	\$3.30	\$3.20	-\$0.10	\$0.42
85-85.9	\$3.10	\$3.75	\$3.50	-\$0.25	\$0.27
86-87.9	\$3.35	\$4.00	\$3.88	-\$0.12	\$0.40
88 plus	\$3.75	\$4.60	-	-	-
From 1,001-3,000 Pounds					
80-81.9	-	-	-	-	-
82-83.9	\$2.10	\$3.23	\$3.20	-\$0.02	\$0.50
84-84.9	\$2.80	\$3.35	\$3.66	\$0.31	\$0.83
85-85.9	\$3.25	\$3.90	\$3.95	\$0.05	\$0.57
86-87.9	\$3.64	\$4.33	\$4.00	-\$0.33	\$0.20
88 plus	\$4.54	\$5.20	\$4.84	-\$0.36	\$0.17
Less than 1,000 Pounds					
80-81.9	-	-	-	-	-
82-83.9	\$2.26	-	\$3.15	-	-
84-84.9	\$2.86	\$3.54	\$3.95	\$0.41	\$0.93
85-85.9	\$3.40	\$3.75	\$4.16	\$0.41	\$0.93
86-87.9	\$4.31	\$4.70	\$4.91	\$0.21	\$0.73
88 plus	\$6.75	\$7.73	\$10.58	\$2.85	\$3.37

* All prices are reported in USD per green pound. Price information redacted in buckets with fewer than 100 observations.

FOB Prices by Region and Country

Figure 7 combines data from the three harvest years and isolates four growing regions. It shows that a majority of the contracts in the current sample cover coffees grown in South America and Central America & Mexico. A smaller but still substantial number of contracts cover African

Figure 7. Current Sample across Regions, All Three Harvest Years



coffees. The median FOB price was highest for African coffees (\$3.79) and lowest for coffees grown in Asia (\$2.86).⁸ However, there were also differences across regions in terms of median quality scores and lot sizes.

To see how distributions of green specialty coffee prices differ across regions, **Table 7** replicates key elements of **Table 5**, focusing on the three regions that dominate the current sample.⁹

Key Observations:

- Across 29 quality-quantity buckets, median prices in South America exceeded those in the Three Regions sample in only 23 cases. Median prices for coffees grown in Central America & Mexico were above those in the Three Regions sample in 15 of 28 buckets. Finally, median prices for African coffees were above the Three Regions medians in 20 of 27 buckets.

⁸ Preliminary analysis indicates that FOB price distributions are different for coffees from Brazil, which represent a large part of the South American sample. If we set the Brazilian coffees aside, the median FOB price for South America (in 16,144 contracts) increases to \$3.25.

⁹ Presenting price information for a few major growing regions glosses over important differences around the world of specialty coffee. As such, we will keep working to expand the pool of data donors. As the sample of contracts continues to grow, we will be able to produce similar tables for other regions, as well as country-specific tables.

Table 7. Median FOB Prices by Region, All Three Harvest Years

	Three Regions		South America		Central America & Mexico		Africa	
	N	Median Price	N	Median Price	N	Median Price	N	Median Price
More than 40,000 Pounds								
80-81.9	3,238	\$2.15	1,366	\$2.00	1,743	\$2.20	129	\$2.45
82-83.9	5,695	\$2.25	3,192	\$2.17	2,222	\$2.40	281	\$2.45
84-84.9	2,080	\$2.70	1,059	\$2.52	795	\$2.85	226	\$3.00
85-85.9	1,044	\$2.91	454	\$2.79	371	\$2.85	219	\$3.20
86-87.9	513	\$3.20	193	\$3.00	-	-	270	\$3.40
88 plus	-	-	-	-	-	-	-	-
No score	1,592	\$2.33	790	\$2.20	672	\$2.41	130	\$3.06
From 10,001-40,000 Pounds								
80-81.9	295	\$2.25	170	\$2.15	102	\$2.44	-	-
82-83.9	1,439	\$2.39	674	\$2.33	678	\$2.43	-	-
84-84.9	1,242	\$2.81	570	\$2.75	451	\$2.65	221	\$3.20
85-85.9	919	\$3.05	359	\$2.93	354	\$3.05	206	\$3.25
86-87.9	1,073	\$3.50	332	\$3.30	154	\$3.50	587	\$3.74
88 plus	166	\$3.72	-	-	-	-	158	\$3.72
No score	1,120	\$3.03	483	\$2.70	358	\$3.05	279	\$3.48
From 3,001-10,000 Pounds								
80-81.9	146	\$2.45	-	-	-	-	-	-
82-83.9	755	\$2.50	367	\$2.45	287	\$2.60	101	\$3.40
84-84.9	1,279	\$3.00	604	\$2.99	524	\$2.80	151	\$3.32
85-85.9	1,338	\$3.40	571	\$3.38	512	\$3.33	255	\$3.51
86-87.9	2,704	\$3.70	1,056	\$3.65	751	\$3.75	897	\$3.65
88 plus	385	\$4.20	-	-	-	-	292	\$4.20
No score	1,975	\$3.45	603	\$3.15	948	\$3.50	424	\$3.79
From 1,001-3,000 Pounds								
80-81.9	-	-	-	-	-	-	-	-
82-83.9	472	\$2.60	208	\$2.40	208	\$2.88	-	-
84-84.9	823	\$3.18	324	\$2.97	346	\$3.00	153	\$3.90
85-85.9	1,140	\$3.63	467	\$3.60	469	\$3.60	204	\$3.75
86-87.9	3,662	\$4.00	1,623	\$4.00	1,243	\$4.00	796	\$4.13
88 plus	905	\$4.86	253	\$5.53	201	\$6.03	451	\$4.70
No score	2,575	\$3.80	806	\$3.50	1,373	\$3.80	396	\$4.08
Less than 1,000 Pounds								
80-81.9	-	-	-	-	-	-	-	-
82-83.9	372	\$3.10	176	\$3.00	156	\$3.12	-	-
84-84.9	668	\$3.45	267	\$3.14	260	\$3.44	141	\$4.30
85-85.9	985	\$3.75	349	\$3.75	460	\$3.70	176	\$4.00
86-87.9	4,393	\$4.55	2,102	\$4.65	1,674	\$4.63	617	\$4.36
88 plus	2,182	\$7.50	1,044	\$7.38	773	\$12.90	365	\$4.48
No score	3,128	\$4.50	948	\$4.45	1,867	\$4.50	313	\$4.15

* All prices are reported in USD per green pound. Price information redacted in buckets with fewer than 100 observations.

There was also considerable variability in prices, lot sizes, and quality scores across countries (see **Table 8**).

Table 8. Median Prices, Quality, and Lot Sizes across Countries, All Three Harvest Years

	N	Total Pounds (Million)	Median Price	Median Quality Score	Median Lot Size
Bolivia	451	2.53	\$4.60	85.5	1,058
Brazil	5,475	157.53	\$2.23	83.0	31,223
Burundi	463	3.16	\$3.40	86.8	2,910
Colombia	10,211	155.27	\$3.48	85.5	3,858
Costa Rica	2,558	36.50	\$4.20	85.0	2,315
DR Congo	111	1.48	\$3.40	86.0	7,937
East Timor	239	6.89	\$2.39	83.5	42,328
Ecuador	677	2.37	\$5.25	86.0	661
El Salvador	1,872	15.43	\$3.99	86.0	1,521
Ethiopia	4,002	67.87	\$3.64	86.0	10,582
Guatemala	5,446	112.63	\$3.25	85.0	5,324
Honduras	4,914	81.69	\$3.29	84.0	3,042
India	285	3.73	\$3.15	84.0	2,646
Indonesia	1,174	25.78	\$3.08	84.0	17,046
Kenya	2,168	10.26	\$4.48	87.0	1,984
Mexico	2,223	33.41	\$3.09	85.0	3,803
Nicaragua	2,821	69.88	\$2.60	82.8	38,030
Panama	310	0.60	\$9.77	87.9	370
Peru	4,805	96.32	\$2.75	84.0	7,938
PNG	532	19.13	\$2.38	84.0	42,328
Rwanda	1,196	9.31	\$3.50	86.0	2,646
Tanzania	366	3.82	\$2.95	85.0	4,233
Uganda	362	7.57	\$2.85	84.5	11,905

* All prices are reported in USD per green pound. These values do not necessarily apply to all coffees produced in each country; only to those observed in the current sample.

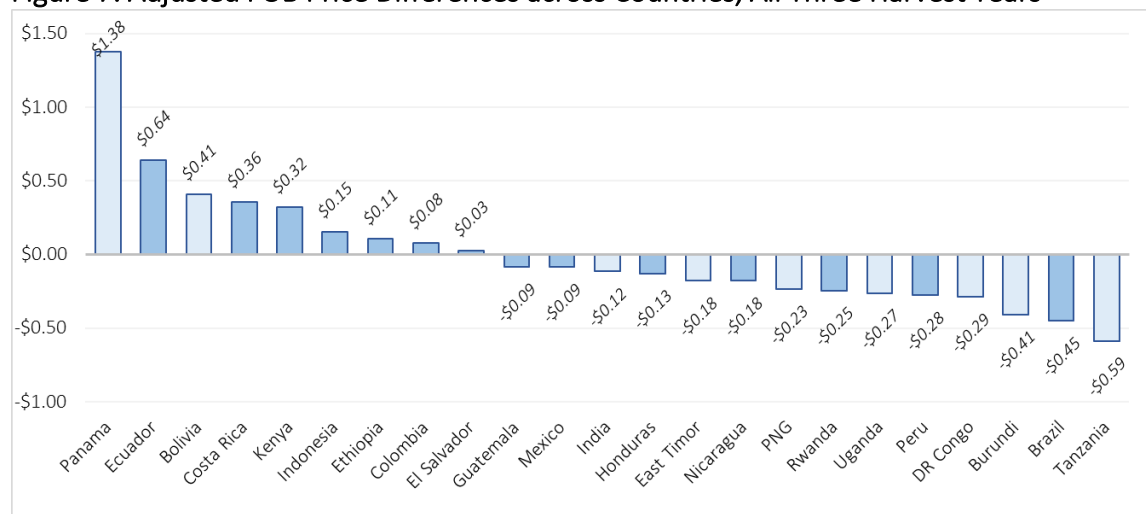
Key Observations:

- Coffees grown in Panama, Ecuador, and Bolivia had the highest three-year median prices (\$9.77, \$5.25, and \$4.60). Coffees from Panama and Ecuador also had the lowest median lot sizes (370 and 661 pounds), while those from Panama had the highest median quality scores (87.9 points).
- At the other end of the pricing spectrum was Brazil, with a median price of \$2.23. Brazilian coffees also had a relatively low median quality score (83.0) and a high median lot size (31,223 pounds).

Given the variability in quality scores and lot sizes, we present a set of estimates of country price differences that account for these differences. Using the three-year sample, we estimate a regression model with FOB price as the dependent variable and a series of indicator variables – representing each of the quality-quantity buckets in **Table 5** – as explanatory variables. We also

account for systematic price differences across harvest years.¹⁰ The predicted values from this regression model indicate the part of an FOB price that is explained by these variables. The residual values represent the leftover (or unexplained) part, which is closer to the true effect of country-of-origin. **Figure 7** reports the median values of these residuals for each country. A value of \$0.00 suggests that coffees from that country tend to fetch prices that are consistent with the overall sample, while positive (negative) values indicate quality and quantity adjusted prices that are higher (lower).

Figure 7. Adjusted FOB Price Differences across Countries, All Three Harvest Years



* All prices are reported in USD per green pound. Observations for countries represented by light blue are more speculative given smaller sample sizes.

Key Observations:

- In **Table 8**, the highest median price comes from Panama, while the lowest comes from Brazil. After adjusting for quality, lot size and harvest years, the Panamanian price premium is +\$1.38 per pound, while the Brazilian price discount is -\$0.45.

Concluding Comments

Specialty Coffee Transaction Guides offer participants in specialty coffee markets a different, more stable, and more sensible information source than commodity indices to utilize as part of their independent pricing strategies. To achieve this goal, we use actual contract data from a range of companies to summarize recent FOB prices paid for green specialty coffees produced at different qualities, sold in different lot sizes, and exported from different growing areas.

The tables and figures in the *2023 Transaction Guide* provide contextual information for future price negotiations. Buyers and sellers can now consider price references that are more relevant for differentiated and specialty coffees. For example, consider the expanded marketplace

¹⁰ To minimize the influence of outlier observations, we first set aside contracts with the lowest and highest 5% of reported FOB prices.

information that is now available to parties independently negotiating two hypothetical specialty coffee transactions:

Scenario:	Price reference from the <i>2023 Transaction Guide</i> :
Selling/buying <u>a container</u> of coffee <u>grown in El Salvador</u> that <u>cups at 83</u> .	\$2.20 (median from Table 5) plus adjusted El Salvador premium of \$0.03 (from Figure 7); or \$2.23.
Selling/buying <u>2,000 pounds</u> of coffee <u>grown in Guatemala</u> that <u>cups at 87</u> .	\$4.00 (median from Table 5) minus adjusted Guatemala discount of \$0.09 (from Figure 7); or \$3.91.

Of course, the median prices presented in **Table 5** do not – and should not – represent mandatory, correct, or appropriate prices in any interpretation of these numbers. Rather, they are statistical references that may be useful to contracting parties seeking to understand their market positions and develop value-based pricing strategies. This is evident in the wide range of prices paid for similar coffees over the last three years. Prices reported here do show generally what recent FOB prices look like in a segment of the specialty coffee market where pricing appears to be less tethered to commodity prices. Therefore, they provide relevant contextual information for price negotiations (which are accomplished at arm’s length by the parties to those transactions based on individual circumstances).

The numbers in the *2023 Transaction Guide* represent many contracts and substantial volumes of specialty coffee (see **Table 2**). However, sellers and buyers should consider that the current roster of data donors does not yet reflect the entire specialty market. It is therefore possible that many specialty coffees do not sell within the reported price ranges.

Sellers and buyers should also consider that these numbers do not indicate how much of the FOB price makes it back to the farm gate, or whether that price allows farmers to cover costs of production, support living incomes, or pay themselves and their employees national minimum wages. As annual pricing data accumulate, our data will support research efforts that help us better understand the complex relationships between FOB prices, farm gate prices, and production costs. We encourage readers to visit www.transactionguide.coffee to learn about all these research insights as they become available.

As the *Specialty Coffee Transaction Guide* develops and expands in the coming years, the updated pricing tables combined with accumulating data briefs and research reports should provide a more robust informational foundation for the independent pricing of the value offered by specialty coffees in ways that support short-term equity and longer-term sector sustainability.

Appendix. Transaction Guide Data Donors

We are grateful for the trust, support, and contract data provided by the following data donors.

3FE	Ireland	Roaster & Importer
49th Parallel Coffee Roasters	Canada	Roaster
Afterglow Coffee Cooperative	USA	Roaster
Agropecuaria Prima Luna	Colombia	Other
Aldea Coffee	Nicaragua	Cooperative & Exporter
Algrano	Switzerland	Digital Marketplace
Allegro Coffee	USA	Roaster
Artisan Coffee Imports	USA	Importer
Ascension	USA	Roaster
Atlas Coffee Importers	USA	Importer
Azahar Coffee Company	Colombia	Exporter
Balzac Brothers	USA	Importer
BD Imports	USA	Importer
Bellwether Coffee Company	USA	Other
Café Campesino	USA	Roaster
Cafe Imports	USA	Importer
Café Kreyol	USA	Importer
Calendar	Ireland	Roaster
Campos Coffee	Australia	Roaster
Capricornio Coffees	Brazil	Exporter
Caravela Coffee	UK	Importer & Exporter
Cima Café*	USA/EU	Importer
CleverCoffee	Denmark	Roaster
Kookaburra Coffee	Russia/Switzerland	Importer
Coffee Circle	Germany	Roaster
KaadKaapi	India	Exporter
Coffee Collective	Denmark	Roaster
Collaborative Coffee Source	Norway	Importer
Collective Bean*	Peru	Exporter
Condesa Co.Lab	Australia	Importer
Cooperative Coffees	USA	Importer
Counter Culture Coffee	USA	Roaster
Covoya Coffee	USA	Importer
Crop to Cup Coffee Importers	USA	Importer
Cultivar Coffees	Netherlands	Importer
Cup of Excellence	USA	Other
Dapper and Wise Roasters	USA	Roaster
De La Gente	Guatemala	NGO
Dear Green Coffee Roasters*	UK	Roaster
Desert Sun Coffee Roasters	USA	Roaster
Dispatch Coffee	Canada	Roaster
Drip Roasters	Switzerland	Roaster
Drop Coffee	Sweden	Roaster
Ensembles de Cafés Mexicanos	Mexico	Exporter
Equal Exchange	USA	Importer & Roaster
Equator Coffees	USA	Roaster

Fantine	UK	Exporter
Farmer to Farmer Coffee	UK	Importer
Five Senses Coffee	Australia	Importer
FTA Coffee	Australia	Importer
Gimme! Coffee	USA	Roaster
Hasbean + Ozone	UK & New Zealand	Roaster
Higa	Rwanda	Importer
Higher Grounds Trading Co.	USA	Roaster
Honduran Coffee Alliance	Honduras	Other
Idle Hands	USA	Roaster
Intelligentsia Coffee	USA	Roaster
J Hill & Cia	El Salvador	Exporter
Johan & Nystrom	Sweden	Roaster
Junior's Roasted Coffee	USA	Roaster
Just Us! Coffee Roasters Co-op	Canada	Roaster
Kaldi's Coffee	USA	Roaster
KARIOMONS COFFEE ROASTER	Japan	Roaster
Kilimanjaro Specialty Coffees	Spain	Importer
La Brulerie de Belleville	France	Roaster
Lohas Beans	Colombia	Exporter
MadCap Coffee	USA	Roaster
Manos Campesinas	Guatemala	Cooperative & Exporter
Market Lane Coffee	Australia	Roaster
Mastercol	Colombia	Exporter
Melbourne Coffee Merchants	Australia	Importer
Mercanta The Coffee Hunters	UK	Importer
MITKA	Germany	Importer
Nemesis Coffee	Canada	Roaster
Nomad Coffee	Spain	Roaster
Nordic Approach	Norway	Importer
O'Coffee - Brazilian Estates	Brazil	Producer & Exporter
Olympia Coffee Roasting	USA	Roaster
Onyx Coffee Lab	USA	Roaster
Origin Coffee	UK	Roaster
Passenger Coffee	USA	Roaster
Philz Coffee	USA	Roaster
Phoenix Coffee	USA	Roaster
PrimaVera Coffee	Guatemala	Importer & Exporter
Quijote Kaffee	Germany	Roaster
Red Fox Coffee Merchants	USA	Importer
Reunion Coffee Roasters	Canada	Roaster
Ritual Coffee Roasters	USA	Roaster
Royal Coffee	USA	Importer
Rumble Coffee Roasters	Australia	Roaster
Salt Spring Coffee	Canada	Roaster
SEATTLE COFFEE WORKS	USA	Roaster
Seven Seeds Coffee	Australia	Roaster
SEY	USA	Roaster
SPP Global	Mexico	Cooperative
Stumptown Coffee Roasters	USA	Roaster

SuCafina	Belgium	Importer
Sustainable Harvest	USA	Importer
Sweet Bloom Coffee*	USA	Roaster
Sweetwater Organic Coffee Company (CC)	USA	Roaster
Taylor's of Harrogate	UK	Roaster
The Coffee Quest	USA	Importer
The Coffee Source	Costa Rica	Importer
This Side Up Coffees	Netherlands	Importer
Thread Coffee Roasters	USA	Roaster
Tim Wendelboe	Norway	Roaster
Torque Coffees	USA	Roaster
Transcend Coffee	Canada	Roaster
UNEX El Salvador	El Salvador	Exporter
Union Hand-Roasted Coffee	UK	Roaster
UniTrade Coffee	Guatemala	Exporter
Upstream Coffee Imports	Australia	Importer
Verve Coffee Roasters	USA	Roaster
Village Coffee Imports	USA	Importer
Wonderstate Coffee	USA	Roaster

* New donors whose data are included in the *2023 Transaction Guide*.

We also thank the organizations and individuals who provided funding between 2019 and 2023: Ally Coffee, Atlas Coffee Importers, Allegro Coffee, Artisan Coffee Imports, Azahar Coffee Company, Café Kreyol, Caravela Limited, Catholic Relief Services, Coffee Collective, Cooperative Coffees, Counter Culture Coffee, Cup of Excellence, Dispatch Coffee, Equal Exchange, Geoff Watts, Gimme! Coffee, Intelligentsia Coffee, Johan & Nystrom, Just Us! Coffee Roasters Co-op, Madcap Coffee, Manos Campesinas, Melbourne Coffee Merchants, Mercanta The Coffee Hunters, Nordic Approach, O'Coffee - Brazilian Estates, Olympia Coffee Roasting, Onyx Coffee Lab, Rumble Coffee Roasters, S&D Coffee, Salt Spring Coffee, Seven Seeds Coffee, Social Enterprise @ Goizueta, Specialty Coffee Association, Stumptown Coffee Roasters, Taylor's of Harrogate, Tim Wendelboe, Transcend Coffee, Unitrade Coffee, Upstream Coffee Imports, and Wonderstate Coffee.