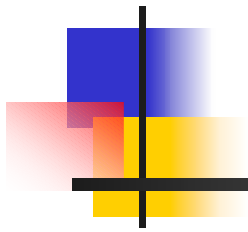


Guatemalan Coffee and e-Commerce





The Presentation

- An overview of the 2001 Cup of Excellence, Competition & Auction
- Some ideas Guatemala is considering into developing a strategy for e-Commerce

Guatemala's Cup of Excellence 2001

Competition & Auction
Our first step into e-Commerce





The idea

- The Gourmet Coffee Project
- The Brazilian Experience
- First approach



The Project

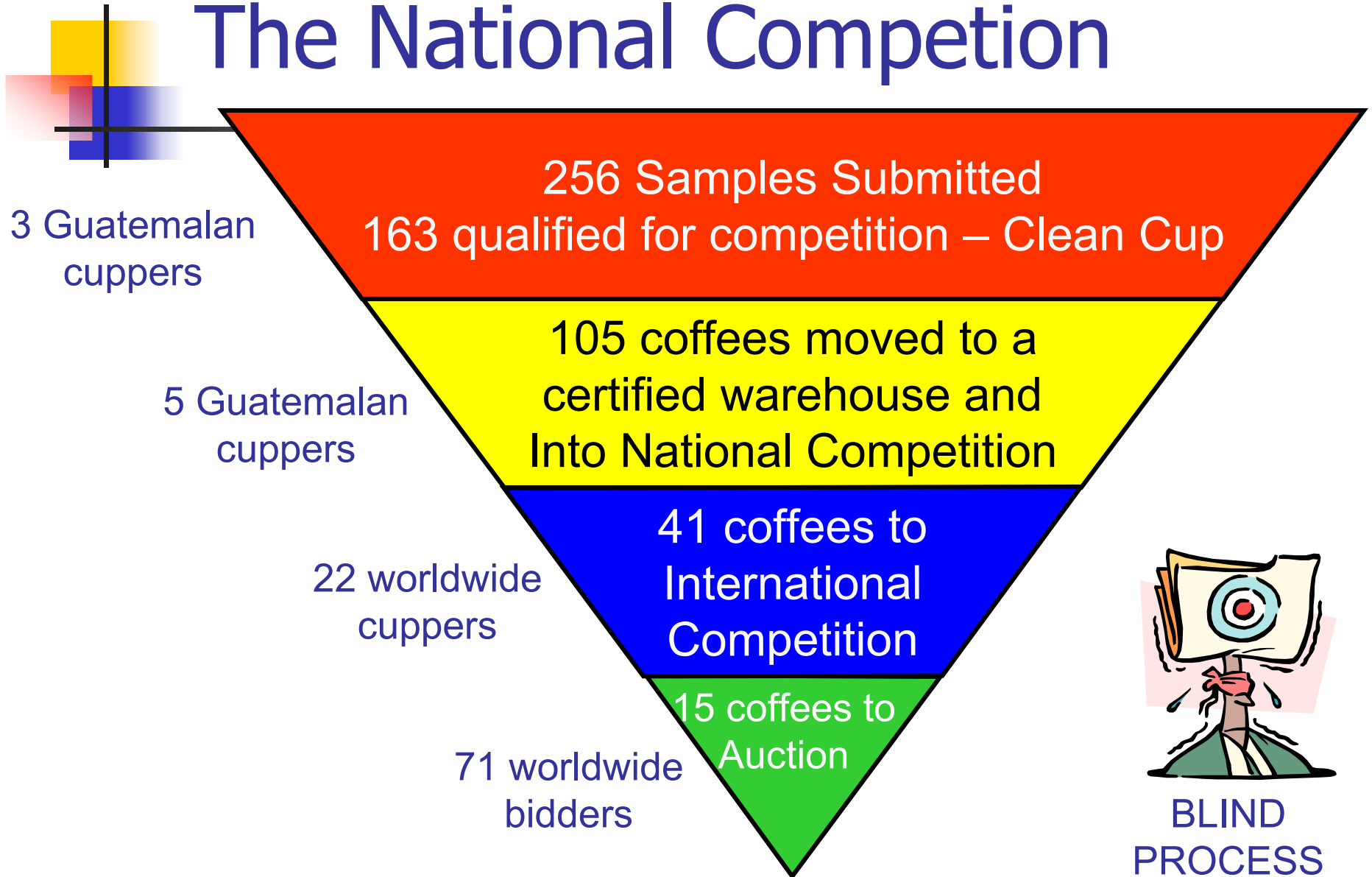
- Involvement of George Howell and Susan Spindler
- Open to every coffee
 - Type differentiation
- Coffees in the auction will be the ones with highest scores during competition
 - Participation filtered through several stages

The Goals

- Promote coffee quality on international markets
- More differentiation of our coffees to gain market recognition and market share
- Achieve more independence from the "C" contract
- Promote the production of exceptional coffees among quality producers



The National Competition





Technical considerations: The Information Site

- High availability
- Fast & standard
 - Problems with communications in developing countries
 - Redundancy – both local and international
- Bidder Application
 - SSL
 - Redundancy at SCAA's site
 - Sense of security for credit card numbers



Technical considerations: The Auction

- Concerns from the 2nd Brazil's Cup of Excellence
 - Approach to big auction sites over the Internet: eBay, Mercado Libre, HP
- SCAA servers located in the United States
 - One server running the auction – exclusive for bidders
 - One replicating results – exclusive for observers
- Replication to Guatemalan site



Technical considerations: The Auction Mechanics

- Proxy bidding
 - What is it?
 - Does it help?
- Auction closing procedure
 - Going – Going - Gone
- Some behavioral analysis of the auction process



Auction Results

Finca (Estate)	Lot Size (69 kilo bags)	Price per pound	Buyer	Country of buyer
Las Nubes	30	\$11.00	Solberg & Hansen AS	Norway
Filadelfia	125	\$4.21	Diedrich Coffee	USA
Santa Clara	23	\$5.01	Caravan Coffee Co., Ltd	Japan
Los Laureles	24	\$3.90	Unicafe Inc.	Japan
El Porvenir	29	\$4.71	Caffe Bontain SPA	Japan
San Rafael Urias	96	\$3.80	Wataru & Co. Ltd. Japan	Japan
La Perla	17	\$7.20	Solberg & Hansen AS	Norway
El Coyegual	19	\$3.90	Caravan Coffee Co., Ltd	Japan
El Paternal	30	\$2.65	Mercanta Ltd. / Cafes Meo	England
El Tempisque	25	\$3.41	Arab Coffee Co., Ltd.	Japan
El Bosque	18	\$5.00	Hayashi Coffee Inst.	Japan
Danilandia	40	\$3.60	Maruyama	Japan
El Injertal	22	\$4.55	Coffee Tree Roasters	USA
La Esperanza	85	\$3.50	Hayashi Coffee Inst.	Japan
Monte Carmelo	32	\$2.01	Mercanta Ltd. / Cafes Meo	England



Links of interest

- www.guatemalancoffees.com/cupofexcellence
- <http://www.scaa.org/auctions/>

Guatemalan Coffee & e-Commerce



The opportunity
for the world of coffee



The first ideas

- Allow transactional procedures over the internet to reduce costs for exporters
 - Better prices paid to producers
- To reduce the intermediaries between coffee producers and consumers
 - Fair and better prices to producers
 - Better quality for consumers
- A coffee community working together
 - Producers, exporters, suppliers,...



From ideas to projects

- Coffee Portal
 - Connection among the interested in the world of coffee
 - Cost reduction
 - Give more options to the coffee industry
 - Reach better prices for producers and increase benefits for consumers