

**Gerry LaRue**  
**VP Operations, Coffee**

Gerry LaRue's business knowledge and experience in origin coffee production, supply chain logistics, coffee roasting and packaging operations are what make up his expertise, to the point that his facilitating coffee innovations have come to impact the industry globally. His ability to implement innovations within the coffee industry extends from the farm to competitive end-customer markets in consuming countries. Gerry's cupping and sourcing skills go far beyond knowing what makes a good cup of coffee. He is also skilled at blending and creating targeted flavor profiles

Gerry was born in Nicaragua within a coffee farming community. His early education began with a family working relationship with farmers and agricultural communities. Gerry has an understanding of the land which he gained in a very complex political and cultural setting impacted by his bi-cultural family background. After completing his university degree in the US, Gerry developed mechanisms for the dry milling process for coffee by utilizing microclimate regions in Nicaragua suitable for solar dehydration of washed coffee. Today, the process has been replicated and 65% of Nicaragua's coffee dry milling in the Jinotega and Matagalpa regions (900,000 / 60 Kg bags) is now processed utilizing the system. Following the 1979 Sandinista Revolution in Nicaragua, and unsuccessfully attempting to work with the new regime, Gerry and his family returned to Texas in March, 1982.

Gerry's primary focus has been on connecting other business interests to the coffee industry, especially with his tenure in with Café Britt, S.A. in Costa Rica from 1990-1995. In Britt, his leadership assignments involved developing business models for export of origin roasted coffee, transfer of technology for roasting specialty grade coffees and implementation of operational procedures such as GMPs and Organic certifications. Gerry helped develop a marketing program utilizing the tourism trade within Costa Rica to sell Britt® single origin coffee to US and Canadian tourists. The program created an alliance between the airline and cruise ship industries and Café Britt, to bring passengers to the Café Britt facility to purchase coffee and learn how to continue to buy Britt coffee over the phone once they returned home. Gerry developed a training program to build a bilingual customer service call center to support this new business segment. While at Britt, Gerry was also involved in further business segment expansion with the launch of a program to supply Britt coffee to local hotels, restaurants and the Taca® airline group based in El Salvador. Gerry established the procedures for customer service and logistical support personnel at Britt. Annual roasting during this period was 3,400 metric tons per year.

Returning to the US in 1995, Gerry went to work as General Manager at Partners Coffee Co., Inc. in Atlanta, GA. While at Partners, Gerry was responsible for the purchase of 5 small regional roasters and he incorporated their accounts into the company. Gerry increased the volume of production by standardizing blends and packaging, and he reduced the change-over requirements by designing new employee training programs for teams. The combination of volume increases and cost reductions positively impacted retained earnings by 37% annually.

In addition to operational improvements at Partners, Gerry was responsible for blend development for new products. Seven blends were created for a new specialty product line for Standard Coffee Co., the largest office service coffee company in the US. Gerry also created the blend used to successfully re-launch Mellow Joy, a brand that had been retired for 15 years. In addition, Gerry designed the blend for the full product line of Fair Trade / Organic coffee sold by Pura Vida Coffee via Internet. As a result of these efforts, 1.2 million pounds of contract manufacturing were added to Partners total production.

During 2003-2005, the coffee industry experienced a shift of prices and demand. In order to lessen the coffee crisis, USAID in Central American implemented several measures to assist farmers. One of these mechanisms was to implement a standardized cupping system. Gerry was the first volunteer for this endeavor and subsequently became the Director of Operations of the Coffee Quality Institute (CQI). The idea of teaching farmer cooperatives how to improve the quality of coffee by learning how to separate and measure cup quality was very successful. As a consequence, the link between farmers and markets was based on quality and consistency. This cupping standardization was deployed successfully in consuming countries such as Japan and the US. During 2004-2005, standardized cupping yielded increases in trade between Central America and Japan equal to 300 million dollars annually.

Since 2006, Gerry has helped build alliances between producers and final consumers by utilizing business models based on sustainable developmental systems. He has established strong relationships with cooperatives in Mexico, Central America, Peru, Ecuador and Colombia. While employed by Voyava, Gerry's efforts to share this concept gained the trust of many farmers and produced tangible social benefits which could be replicated throughout coffee producing regions. With the collaboration of the La Selva Cooperative Leadership Board and the State Government of Chiapas, the Producer Roaster Business Enterprise (PRBE) was implemented to transfer the fortification technology developed by Voyava to the base of the production pyramid, to serve the market segment deficient in micronutrients such as folic acid and iron. The pilot program in Chiapas, Mexico has been very successful. It has produced a volume equivalent to 8.9 million cups of coffee fortified with iron and calcium, all initiated without customer complaints. The fortified coffee, NutriSelva<sup>®</sup>, has been distributed within the Chamula region of Chiapas by the Sistema Nacional para el Desarrollo Integral de la Familia (DIF, Spanish acronym), Mexico's Federal and State Relief Agency, linked to UNICEF.

Gerry's relationship with farming communities has built a business supply chain mechanism for Brim during the two years that the PRBE program has been in operation. Gerry's efforts have helped create an alliance between Brim and coffee producers which has now expanded to include expressions of interest by 8 indigenous cooperatives which represent 8,000 small farmers in 5 coffee producing states in Mexico. These groups call themselves Integradora Monarca and operate as a corporate organization capable of doing business within other NAFTA agreement countries. The production capacity of the Integradora Monarca represents an annual production of 60,000 / 60Kg. bags of green coffee. Currently 40% of the available coffee is Fair Trade Certified and about 10% - 20% can be certified as Organic / Rain Forest Alliance.

Gerry and the Integradora Monarca team have been instrumental in leading the efforts to secure financing through Mexican investment banks. The PRBE business operations model was presented to the InterAmerican Development Bank (IDB) for consideration of financing for replication of the PRBE for Indigenous producer organizations throughout Mexico. Provisional approval of an investment package in the amount of 5.5 million dollars has been accepted by the Integradora Monarca. The goal of the Integradora Monarca is to vertically integrate the small farmer cooperatives to develop their own competitive edge within national markets by creating an alliance with Brim to market branded products within Mexico.

Additionally, Gerry has replicated the supply chain mechanism within Central America. By year end, a coffee farmer association in Quetzaltenango, Guatemala (FECCEG) and in Jinotega, Nicaragua (SOPPEXCA) will form an alliance with Brim Coffee. The total amount of green coffee available to Brim utilizing this alliance in Mexico and Central America is estimated to be 40,000 / 60 Kg bags of Fair Trade Certified coffee for the 2010-2011 crop. The supply of green coffee represents 8 million, 10 oz Brim retail bags.

#### Personal Interests

Through the years of traveling and making contacts with people of different cultures and circumstances, Gerry has two personal goals that are lifelong ambitions. The first goal is to speak and present best practices of life experiences to 30,000 High School students in the US and emerging countries. To date, Gerry has presented in 6 countries and connected to over 5,000 students. In the US, Gerry works by recruiting Latino executives to present to High School students of schools that have graduation rates less than 50%.

The second goal is to develop a mechanism to increase the level of parental involvement in doing home-work with their children. Gerry has observed that this simple mechanism for self-improvement is absent in agriculture dependent societies. The parent-child involvement project has a pilot program in which young people with a farming background are provided with a used laptop. The laptop is not a donation. A contract between the donor and the recipient is written, whereby the student (who in most cases is female) pledges to complete at least High School and/or two years of technical school in order to own the personal computer. The pilot program is operating in Nicaragua, Guatemala and Mexico with 50 PCs already distributed and the project has a graduation rate of 97%.