



## Interview with Ian Breminer of Alan J. Ridge & Breminer Ltd.

**T**ea & Coffee Trade Journal visited with Ian Breminer, managing director of Alan J. Ridge & Breminer Ltd. and chairman of CECA, at his office at No. 1 Kentish Buildings, 125 Borough High Street in London. The firm is one of the top three independently owned companies in the U.K., and also includes two sister companies — Ridge Futures Ltd. and The 'Priory' Tea & Coffee Co. Ltd.

Sitting in his spacious boardroom, among paintings and sculptures that portray slices of coffee life, Breminer discussed the role of the green coffee importer and the direction the trade has taken.

**Tea & Coffee:** Speaking with several roasters in Britain, they stated that the green trade should be more innovative with them. Would you agree?

**Breminer:** Yes and no. 'Yes' because it is the job of the green trade to suggest innovations to our clients, whether in Britain or anywhere else in the world. We in the green trade view it as our responsibility to encourage roasters to look at different segments in the market — for example, encouraging the roaster to consider gourmet coffees which are growing, albeit slowly, in the U.K. market. We also encourage roasters to look at other origins which they have not considered before, where there may be a price advantage or the coffee could become an alternative to the ones that they have habitually used. Certainly we discuss with our roasters any ideas that they may have and do attempt to put forward these suggestions in any event.

**Tea & Coffee:** With the ICA now defunct, is that really a good thing for the market?

**Breminer:** Historically, Ridge & Breminer has been a supporter of the ICA following the accepted position of The U.K. Coffee Trade Federation, and this was despite the fact that in its last few years the ICA did not work very well. The whole essence of whether one needs some form of agreement is, of course, price. The termination of the ICA has certainly forced some countries to make dynamic decisions which has brought about far-reaching changes in their operations. Uganda and Vietnam are two such countries. Although one could argue that in some senses it has been beneficial that the ICA has ended, there are still immense problems for producers in a free market. This has been borne out by the very low level of price which the growers received up until recently, when the fundamentals finally forced a change in the market. Since then, we have seen a meteoric rise with daily roller-coaster movements on the futures market which, frankly, are not what our industry needs. It seems that for most countries, prices are remunerative in the \$120-140/lb. range, but there seems to be no mechanism available to ensure this level.

**Tea & Coffee:** Are there any fears facing the industry?

**Breminer:** One of the areas which I think bears watching is the standardization of products which could come about because of the concentration of the number of roasters in each country; in other words, the continued swallowing-up of the smaller roasters by multi-nationals. Each country should retain its national taste, and I sincerely hope that we don't find a product standardization throughout Europe, which would take this national identity away. On the positive side, the advent of more activity in the gourmet coffee market is perhaps helping

to redress the situation.

**Tea & Coffee:** Do you see continued growth in quality coffee?

**Breminer:** The British public is slowly becoming more aware of quality coffee. They are being introduced to the possibilities not only with the advent of high quality coffee bars offering gourmet coffee, but also through the larger roasters offering the public a tremendous choice of high quality blends and single origin coffees. Considering that the coffee market in the U.K. is 90% soluble, the choice in roast and ground coffee on supermarket shelves, and in the small gourmet coffee shops, is phenomenal. It is also interesting that the soluble industry is being innovative, producing exciting, high-quality products for the British public. The range of freeze dried coffees, which encompasses single-growth origins, is also doing very well, indeed, and is expanding. On a worldwide basis, the potential for China opening up has to be the most exciting prospect for the future, and this has been recognized by the International Coffee Organization, who will be targeting this area of the world very strongly in the coming years.

**Tea & Coffee:** We've seen a shrinkage in the number of coffee importers. As we've read in an earlier edition of the magazine, "Where have all the greenies gone?" What do you see for green traders in the future?

**Breminer:** With the collapse of the ICA, and the subsequent collapse in the market for several years, as we all know, a great number of green coffee companies went out of the market. This then had the knock-on effect of liquidity going out of the terminal markets for quite some time, although the activities of the funds have helped to put some of the liquidity back in again. We at Ridge & Breminer, along with most of the other dealers in the market, consider ourselves to be a service industry for both producers and the roasters/manufacturers. We believe that if we offer this service to the best of our ability, there will be a place for companies such as ourselves well into the future. In the main, roasters still appreciate having the safety net of a green coffee trader to ensure their supply. We have to be flexible to try to help them out of any problems which may occur, and this is a role which the green coffee trade accepts as their responsibility.

**Tea & Coffee:** Do you see soluble coffee imports increasing?

**Breminer:** Off-shore soluble will still continue to grow as producing countries make the decision to gain added value for their products. However, it is important that they consider very carefully what segment of the market they should enter, as there is a huge amount of competition. They must also make sure that quality aspects are fully taken into consideration.

**Tea & Coffee:** Is there enough good quality coffee available worldwide?

**Breminer:** Generally, there is enough coffee available. However, it is obvious that at the moment there is not enough of the right good quality Arabica coffees coming to market and hence the enormous rise we have seen in the 'C' contract. We believe that this shortage could continue for quite some time to come. There are, however, a number of things that can be done to encourage Robusta producers in particular to improve the quality of their coffees. A lot of advice is being made available through many different fora to encourage good husbandry practices as well as improve preparation, storage, and transport methods.

**Tea & Coffee:** You've been the president/chairman of CECA for some time now. What is the role of CECA?

**Breminer:** CECA stands for Committee of European Coffee Associations and is the body in Europe which supports green coffee dealers and brokers. Traditionally, CECA used to have a larger role than EUCA (which represents the roasters) due to its role in International Coffee Organization matters and as trade advisors. CECA was also responsible for the European Coffee Contract. In recent years, EUCA has become more prominent due to the enormous amount of legislation coming out of the European Union regarding all manner of topics such as packaging, waste disposal, etc. As you may know, CECA and EUCA are the member bodies of the European Coffee Federation (ECF) and we work very closely together on many items, but it is our responsibility to look after the needs and interests of the green trade when and if they diverge from those of our colleagues in the roasting industry.

**Tea & Coffee:** Thank you for all your time

**Breminer:** My pleasure.