

Coffee industry

[Food & Diet](#), [Coffee](#)



Coffee is an important commodity next to oil. It's one of the world's most popular beverages with over 501 billion cups consumed every year. It has been around for more than 1, 000 years. During that time, coffee has been considered a food, a medicine, an aphrodisiac, and even a wine. This was before the advent of specialty coffee shops in the country. Today, however, coffee is known as a beverage to be savoured and enjoyed. And thus, specialty coffee shops are a common sight especially in the Manila Metropolis.

Specialty/Gourmet coffee refers to the highest-quality green coffee beans roasted to their greatest flavour potential by true craftspeople and then properly brewed to well-established standards (Specialty Coffee Association of America/SCAA). The SCAA further explained that specialty/gourmet coffee tastes better than instant or mass-produced coffee because it is made from coffee beans grown only in ideal climates and prepared according to exacting standards. Also, specialty coffee possesses a richer and more balanced flavour.

The Specialty/Gourmet Coffee is not frequently purchased on commodities exchanges. For instance, Starbucks purchases nearly all its coffee through private contracts that often pay double the commodity price. Thus, it is also important to note that the coffee sold at retail is a different economic product than wholesale coffee traded as a commodity. Such has coffee's popularity grown through the centuries. Today, it can be safely assumed someone, somewhere is savouring a cup, a mug or any of coffee's delightful and delicious preparations at almost every hour of the day.

From sun up to sun down, it's coffee time! History Specialty coffee shops trace their roots from the coffee shops of Europe in the 16th and 17th century upon the introduction of coffee which became a popular drink. In the United States, specialty coffee shops are said to have been popularized by Starbucks Coffee. Starbucks Coffee was established in 1971 by Gordon Bowker, Jerry Baldwin, and Zev Siegl originally to sell coffee beans only.

The company's current business of retailing coffee beverages came about when then marketing person Howard Schultz (currently Chairman) got interested in selling espresso by the cup after visiting Italy. Initially, the company tested the new business model in one of its outlets and became an instant hit. Despite of this success, however, one of the owners opposed Schultz's idea of expanding the concept to all of its stores. In 1985, Schultz left Starbucks and opened his own specialty coffee shop called Il Giornale.

By 1987, the owners of Starbucks decided to sell the company to focus on a 1983 acquisition Peet's Coffee and & Tea, which was Starbucks's coffee bean supplier. Schultz, together with other investors, purchased Starbucks for US\$3.7 million. Schultz eventually changed Il Giornale's name to Starbucks Coffee Company. Starbucks currently has more than 10,000 outlets worldwide, with 93 located in the Philippines operated by its franchisee Rustan Coffee Corporation. In the Philippines, even before Starbucks came in 1997, there were enterprising Filipinos who had the foresight to put-up specialty coffee shops.

The pioneers in the local industry are Figaro Coffee Company and The Coffee Experience, both established in early 1993. Figaro Coffee Company was set up by a group headed by Pacita Juan, the company's president and chief

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executive officer. Its first outlet was a small kiosk located at the Glorietta mall in Makati. The outlet was initially called the F store. The Coffee Experience, meanwhile, started in the same mall in Makati, also under a different name - Coffee X. It now has 24 outlets located mainly in Metro Manila.