

Brazilian Coffee Producer to Open Factory in Europe

Contributed by Geovana Pagel
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Café Iguaçú, based in the city of Cornélio Procópio, in the southern Brazilian state of Paraná, has established a joint venture with Seda Solubles, the largest soluble coffee producer in Spain.

The Brazilian company is going to invest 15 million euros in the construction of an industrial plant in the Spanish city of Palência.

The new factory, to go into operation in the second half of 2006, is going to be called Alliance Coffee Company Liofilizados (ACCL) and will have a productive capacity of 4,000 tons of freeze-dried soluble coffee, which has a greater added value, per year.

"The foreign market demand for freeze-dried coffee has grown very much, as it has its flavor and aroma more preserved during industrialization," explained the commercial director at Iguaçú, Edivaldo Barrancos.

According to him, of the 16,000 tons that Iguaçú produces per year, just 2,400 are freeze-dried coffee. "For this reason, the factory in Spain will only produce this kind of coffee," he explained.

As this coffee requires high investment in technology, it may cost as much as 50% more. "But the coffee has an incomparable flavor," guarantees Barrancos.

The director also explained that Café Iguaçú is not only concerned with the foreign market. A proof of this is the recent release of new products like milky coffee, cappuccino and Iguaçú Premium - which is freeze-dried - in the largest supermarket chains in Brazil.

Arab Market

Café Iguaçú has been exporting to two Arab countries, Tunisia and Lebanon, for five years and has already registered significant growth in sales to the region.

"Between 2003 and 2005 we have already identified a significant 56% increase in exports to Tunisia," commemorates Barrancos.

According to him, the Arabs purchase all kinds of soluble coffee: powdered, granulated and freeze-dried.

"We are always aware of the quality of the product and of the preferences of each country. For Lebanon, the packages are printed in Arabic. For Tunisia, in Arabic and French (the official language in the country)," he explained.

According to Barrancos, although exports to the Arab countries are still small, Café Iguaçú believes in the growth potential of sales to the region.

"We hope to grow around 15% on the Tunisian market in 2006 and to enter new countries in the Middle East and North Africa in the near future," he evaluated.

Profile

Established 38 years ago by coffee farmers from the state of Paraná, Café Iguazu began its activities focussing on exports. The company currently generates 1,000 direct jobs and exports to over 40 countries. The main markets are Japan, Germany, Australia and the United States.

Located in Cornélio Procópio, in the interior of the state of Paraná, the industrial unit covers an area of 121,000 square meters and counts on latest generation equipment. The soluble coffee production process includes the choice of the finest coffees from the best productive regions in the country.

According to Barrancos, the Café Iguazu objective has always been the development of specific and quality products, 100% made from the purest Brazilian coffee answering to the needs of each of these markets.

Today the Iguazu group includes eight subsidiary companies and has a series of certifications that open the doors to the foreign market making it one of the few soluble coffee producers in the world to have all phases of production certified by various organizations.

In 2002, they implemented the Integrated Management System (SIG), which includes important certifications such as the ISO 9001 (Quality), ISO 14001 (Environment), Norm 18001 (Labor Health and Safety), HACCP (Hazard Analysis and Critical Control Points), Fair Trade, BRC (British Retail Consortium - for the United Kingdom) and are currently working on IBD (Biodynamic Institute) certification for production of organic coffee.

Café Iguazu - www.iguacu.com.br

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