

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 2/1/2012

GAIN Report Number: RSATO 1202

Russian Federation

Post: St. Petersburg

Aloha Kona Coffee! ATO brings Kona to St. Petersburg

Report Categories:

Export Accomplishments - Other

Approved By:
Deanna Ayala
Prepared By:
Svetlana Ilyina

Report Highlights:

As a result of a promotional Kona coffee tasting and follow-up ATO matchmaking services, the first ever shipment of Kona coffee (green beans) weighing 590 kg and valued at \$14,920 arrived in the port of St. Petersburg in December 2011. The importer reports demand has exceeded initial estimates and thus they plan to boost imports to 5,665kg (equivalent to \$143,200).

General Information:

As a result of a promotional Kona coffee tasting event for the trade and press organized by the Consulate and ATO St. Petersburg, ATO identified a potential Kona coffee importer. After working with the ATO in St. Petersburg directly, this coffee importer is now selling Kona coffee in Russia. On July 8, 2011, the U.S. Consulate's Public Affairs Section (PAS) together with the Agricultural Trade Office and the Foreign Commercial Service organized the first-ever Kona Coffee tasting in the Coffee Museum in St. Petersburg. Over 70 participants got together for the coffee presentation and tasting of Kona coffee that had been sent especially for the tasting by the Kona Coffee Council. Sheila Gwaltney, the Consul General in St. Petersburg, greeted the journalists, coffee industry representatives, and coffee lovers and gave interviews to the press. In order to showcase the Kona coffee it was prepared in different ways by one of the best baristas in the city. http://www.youtube.com/watch?v=m329xS7BNWo A contest sponsored by PAS encouraged journalists to publish the "best" article about Hawaii and Kona coffee, resulting in 15 press publications and media stories. The publication in St. Petersburgskiye Vedomosti was recognized the as best and the author got the first prize -- a coffee machine.



Sheila Gwaltney (second from right) and other participants toasted with Kona coffee



Journalist photographing Kona coffee display

After the event the Agricultural Trade Office received a request from a Russian company interested in buying Kona green beans. Post worked with the Kona Coffee Council to find interested farmers and suppliers of Kona coffee who were then introduced to the Russian company. The negotiations – including an in-person visit to Kona – resulted in a contract and subsequently the first shipment of 590 kg of new-crop Kona green coffee beans – valued at \$14,920 – arrived in St. Petersburg in December 2011 and is already almost sold out as of January 26, 2012. The company has already ordered a second lot. The Russian importer has actively promoted its product in tastings and by other means and so far roasting companies and coffee chains are receiving the Kona coffee well and buying it. The importer conservatively estimates that annual imports of Hawaiian coffee will exceed initial estimates and thus have increased planned imports to 5,665 kg (equivalent to \$143,200).