

# passion to **PROFIT**



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**The Australian subtropical  
coffee industry**

**Finding your feet online**

**NRIA conference 2012**

**NRIA welcomes new CEO**

# Jos and Wendy Webber

## KAHAWA ESTATE COFFEE

*Products: Dry green coffee bean and roasted coffee*



Kahawa Estate coffee plantation is located in the Byron Bay hinterland on the far north coast of New South Wales. Situated on fertile, red volcanic soils and surrounded by sub-tropical rainforest, Kahawa Estate coffee plantation was established by our family in 2004 with the planting of 8000 trees. A further 3500 trees were planted in 2008. Our sub-tropical location provides an ideal environment in which *Coffea arabica* thrives, producing an award-winning aromatic, well rounded coffee with low acidity and no bitterness. We use environmentally friendly farming practices and our coffee is pesticide free.

**Q.** What inspired you to get involved in a new rural industry?

While living and working in Canberra, we developed itchy feet and the need for a fresh and different challenge. The cold climate did not help either and our eyes turned north to new opportunities in warmer and greener pastures. After some research (RIRDC publications were very helpful), we zeroed in on coffee growing in the subtropics – the attraction for us was the locality, the abundant and reliable rainfall, an opportunity to indulge our interest in things horticultural and with a crop that did not require the use of pesticides. Coffee ticked all the boxes for us.

**Q.** What have been the pitfalls you have overcome? How?

### **Finding suitable land for growing coffee.**

Our requirement was for frost-free cleared land with a gentle slope and a north facing aspect and with an irrigation license. With the help of a consultant with years of experience in the industry and a successful coffee grower to advise us, we changed our mind set and bought an old avocado/ macadamia orchard that had the attributes we were looking for.

### **Cost of establishment of the plantation**

To economise we chose to clear the land with large efficient machinery and grew our own seedlings under the guidance of our consultants.

### **Cost of acquiring machinery**

To cut costs we bought second hand equipment which we had renovated and reconfigured to suit our situation by excellent trades people under the

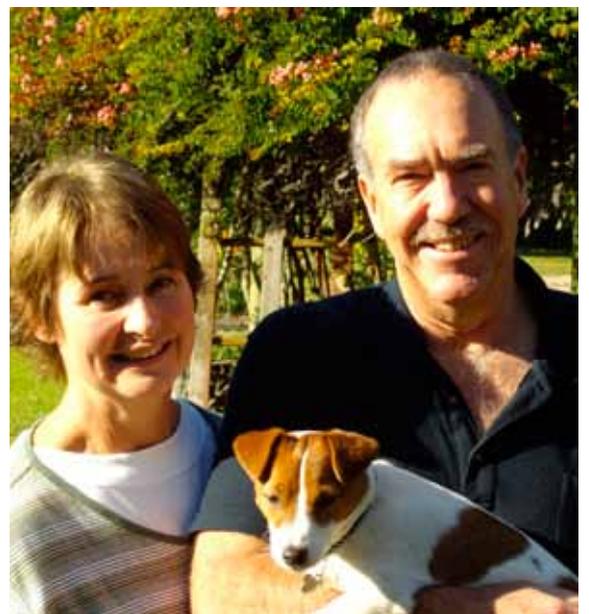
guidance of a retired coffee grower who became our mentor.

### **Financial challenges**

The setting up process was more expensive than we had anticipated and it was very helpful to have a second off-farm income to help during the period of establishment. We soon realised that value-adding would provide us with a better income. Through the coffee association we learned more about the skills of roasting and cupping. We decided instead of simply selling our raw coffee, we would move to roasting and retailing our own coffee under our own brand as a single estate coffee. This has given us great personal satisfaction and an exciting new challenge to develop our skills in marketing.

**Q.** What do you consider your successes? What do you attribute these to?

The proof is in the pudding ... or in the coffee in this case!! We have been successful in gaining awards for our coffee at the Sydney Royal and the Royal Hobart Fine Food Shows in 2010 and 2011. Contributing factors have been the support we have received from family and friends, our willingness to ask questions and to listen and learn from those around us. Being part of a small but supportive and vibrant group through our local industry association has been critical to our success.



**Q.** What are 5 tips you could give others in new rural industries?

1. Know why it is that you are entering this industry—is it purely to make money, or is there an element of lifestyle that discounts some of the financial profitability. Frame your business in this context.
2. Engage a consultant that has a passion for the industry and absorb all they have to give.
3. Find a mentor who has had success in the industry and listen and learn from them.
4. Join the local industry association and though this you will gain access to a range of support systems and learning experiences.
5. Offer your property to participate in research trials if you can—new ideas and ways of doing things, and exposure of your business to the public are all potential benefits.

**Q.** What is your future vision for your business?

In a wider vision we look to be part of a thriving subtropical coffee industry that is renowned for the top quality and flavor of the coffee produced in this region. On a more personal level, we are looking to continue to expand our sales of roasted coffee through fine food retail outlets and the internet. In doing so, our challenge is not to over-commit ourselves so that we can maintain the integrity of our single estate label.

[www.kahawaestate.com.au](http://www.kahawaestate.com.au)



PROFILE

# The Australian subtropical coffee industry

Coffee originated as an understory plant in the highland tropical rainforests of Ethiopia. In Australia, coffee growing began in 1880 but was defunct by 1926 due to Australia's high labour costs. With the advent of mechanised harvesting in the 1980's the industry was rekindled and coffee is now grown in two major regions:

- the subtropics, with most of the plantations in the Northern Rivers area of NSW.
- the Atherton Tablelands in far north Queensland centred around Mareeba.

In 2006-07 there was around 590 ha of coffee planted in Australia, producing 973 tonnes of dry green bean. Almost all coffee grown in Australia is *Coffea arabica* (arabica coffee). Australian coffee commands a premium price of around \$10/kg for dry green bean compared with the average imported price of \$3-4/kg. It is estimated that 97% of coffee consumed in Australia is from imported beans.

Coffee is largely self-pollinated and propagated from seed. Growers propagate their own seedlings or obtain them from specialist wholesale nurseries. Seedlings are ready for field-planting in 8-12 months.

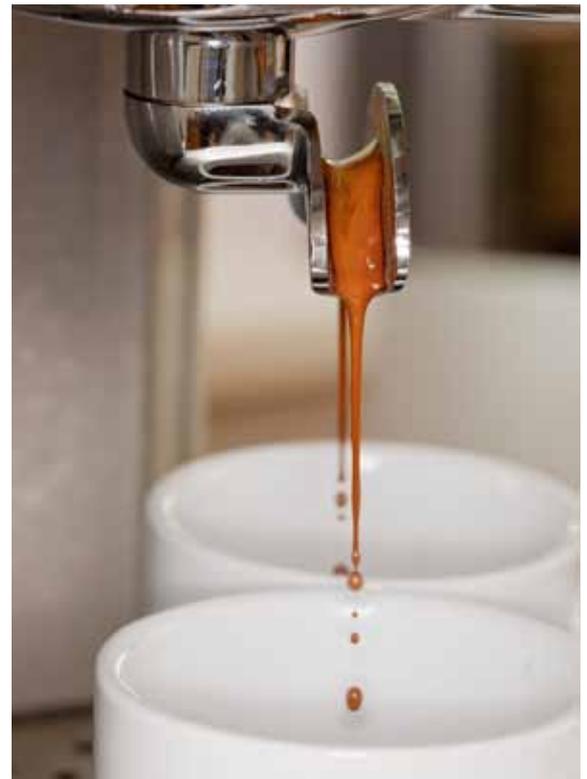
Trees are planted in hedge-rows for ease of machine harvesting, weed control, irrigation and fertilising. Trees are generally spaced 80-100 cm apart and the rows 3.5-4 m apart. This gives plant densities in the order of 3000 plants/ha.

The first small crop can be expected three years after seedlings are planted in the field with the first commercial crop at four years.

## Australian subtropical coffee

Australia's 'cool climate' subtropical coffee is grown in an area stretching from Coffs Harbour in NSW in the south to Noosa in SE Queensland in the north. It is estimated that there are approximately 35 growers on 300 ha with potential production of 600 tonnes of dry green bean per annum from 850,000 trees.

The cultivars grown in Australia prefer a relatively mild, frost-free, subtropical climate. Temperatures below 7°C and above 33°C slow growth and reduce production. Good rainfall and well-drained aerated soils are required for optimum production. The fertile volcanic soils and reliable rainfall of the





Northern Rivers make this an ideal area in which to grow coffee. Relatively flat ground is required for machine harvesting. One of the limitations to expansion of the industry is the availability of suitable land on which to grow coffee.

Australia is fortunate to be one of the few regions in the world to be free of the two most serious and widespread coffee diseases: coffee berry disease and coffee rust. As a result noxious pesticides are not used on Australian Subtropical coffee enabling subtropical coffee to be produced using natural production systems and to meet community expectations for a clean sustainable environment. Coffee plantations are compatible with urban development.

The mild subtropical climate allows an extended maturation and ripening of the fruit which gives this coffee a distinctive character increasingly recognised for its:

- complex flavour profile;
- medium to low acidity;
- natural sweetness.

Most coffee in this region is mechanically harvested in October/November. The self-propelled harvester consists of a frame that straddles the row. Attached to the frame are two vertical shaker shafts that have fibre-glass fingers that vibrate as the harvester moves along the row. This shakes the branches and the ripe cherries fall on a conveyor belt which moves the cherries into a bin for further processing.

Two methods are used for processing – wet and dry processing. In wet processing, the flesh is mechanically removed in a ‘pulping’ machine, yielding ‘parchment’. This is dried to 10-12% moisture and can be stored in stable conditions without loss of quality for years. Prior to roasting, the parchment is mechanically removed in a ‘hulling’ machine, yielding dry green bean. Dry processing is usually applied to the over-ripe cherries (*naturals*) that are not suitable for wet processing. They are dried to 10-12% moisture content and stored as such. Prior to roasting, the

adherent dry skin and parchment are removed in a ‘hulling’ machine, yielding dry ‘green bean’.

The local representative body is the Australian Subtropical Coffee Association (ASTCA). The former NSW Coffee Growers’ Association was restructured as ASTCA in 2008 and brings together growers, harvesting contractors, roasters, wholesalers and anyone else interested in the production and or advancement of the subtropical coffee industry.

A Strategic Plan for the Australian Subtropical Coffee Industry was developed in 2009/10 through industry consultation involving the entire supply chain and related educational and tourism organisations. Funding support was provided by the Rural Industries Research and Development Corporation and the Australian Subtropical Coffee Association.

The vision for the Australian Subtropical Coffee Industry is for the profitable and environmentally sustainable production of coffee that is recognised worldwide for its quality, purity and distinctive flavour.”

To achieve this vision the industry’s strategic objectives are to:

1. Establish an effective industry organisation that will implement the industry strategic plan.
2. Create a united industry and focus it on profitability and competitiveness to increase production and efficiency for the entire supply chain.
3. Drive innovation and research to underpin the product, industry development and profitability.
4. Utilise the natural attributes of the region to drive ethical and environmentally sustainable production of pest and disease-free coffee.
5. Produce high quality and distinctive tasting coffee that engenders consumer confidence in the consistency, quality and integrity of Australian Subtropical Coffee.
6. Establish and promote a regional, national and international identity for Australian Subtropical Coffee.
7. Respond to and develop consumer expectations and demand and seek out market opportunities accordingly

ASTCA is now in the process of establishing priorities and developing strategies to implement the strategic plan.

For further information contact Jos Webber, the President of ASTCA at [president@astca.org](mailto:president@astca.org) or [www.astca.org](http://www.astca.org)