



EQUAL EXCHANGE BANANA PURCHASING

PROS EQUAL EXCHANGE

- 100 % fair trade and organic purchasing
- 100% purchasing from small farmer cooperatives
- Small farms promote organic integrity as farmers own their own land and often live on it or are part of a community living next to farms. The farms are often diversified with citrus, coffee and cocoa planted with bananas.
- 100% purchasing done at export price not farm gate price. This is the difference between purchasing boxed bananas at the port in country of origin vs buying bananas in the field. This means more money stays with the farmer coop which can develop as a business and employ more people to do more varied work.
- Equal pays above FT minimum pricing which in bananas barely cover costs of production and leaves no room for farm or community investment. Even though it is considered as a social fund, often the additional \$1 FT premium paid per box is spent by the coop to cover costs not to invest in social programs or community. This means the price is still too low.
- Equal pays for bananas when they leave country so that coops can pay farmers on time. This is not a common produce practice. Produce is usually paid for upon receipt and then often on 30-60 day terms after receipt.
- Equal maintains transparent stable relationships with producer coops. We do not cut and run when problems arise or price is cheaper somewhere else. We discuss customer quality claims with producers and share the costs of business instead of pushing costs back on those with the least power in the system.
- Equal extends credit to producer coops for things like printing our branded bananas boxes. Farmer coops often have no access to reasonable credit for capital purchases so this helps producers avoid predatory lenders. We deduct the funds from weekly payments to producers in a mutually agreed upon amount.
- Equal pays into the FT system and tries to represent farmers' needs in that system. We do not try to influence the system to pay farmers less.
- Equal is a respected brand in natural food stores and in the produce department. We support the brand through direct engagement and education of stores and consumers. We are people who do this work and can answer questions or engage in debate. We are not a nameless faceless supplier.
- Equal is a worker owned coop with transparent financials and worker democracy.

CONS EQUAL

- Equal is a small volume purchaser. We only purchase a portion of what small farmer coops produce in terms of weekly volume. The coops sell the remainder to European partners, to Dole or as just organic to Chiquita.
- The price of Equal Exchange Fair Trade Bananas is higher than other FT bananas on the U.S. market. As we only import small farmer fair trade bananas we do not blend our margin with just organic or conventional purchasing.
- Equal Exchange uses third party logistics to import. We do not own our own ships, ports, warehouses or trucks. We do not import volume that might give us breaks on logistics costs.
- Disruptions in supply happen due to the fact that we order weekly and the fruit is all pre-sold. We do not have supply on hand here in the U.S. that can be shifted to cover any disruptions due to producer shortages or steamship delays.
- Small farmers do not have efficiencies that plantations do. They have to consolidate product from many farms, transport to pack houses and use third party logistics. This drives up the price.

PROS OTHER FT

- Larger volume purchaser
- Lower costs due to vertical integration and volume purchasing
- Less supply chain disruption due to multiple sources and supply chains
- Blended margins between conventional, organic and FT purchasing
- Cheaper fair trade price to distributors and chain stores
- Better fit for traditional grocery store banana supply chain bc can offer conventional, organic and OGFT through the same distribution channels

CONS OTHER FT

- no real commitment or connection to the FT movement or producers
- if FT is only a portion of purchasing than there is no reflection of the true cost of FT bananas
- This type of FT purchasing is greenwashing. Conventional banana production is the second most chemically intensive production next to cotton. Labor practices are exploitative and harmful to workers. Crops are grown on plantations in a monocrop culture that promotes chemical use and is bad for the environment. Organic practices on plantations are limited due to the monoculture practice.
- Plantation fruit and small farmer coop fruit are both certified under the FT system. Plantation fruit is cheaper to produce but workers do not have the same power as small farmers who own their land and are organized.
- Consumers are getting more informed. They research brands and want real information. They want more than just a seal or a certification. They want a story. This type of FT rarely has that story or any people behind the supply chain.