

GTNay News:

Latest Cupping Results Very POSITIVE!

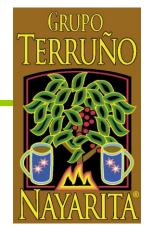
.....and other news.

James Kosalos jamesk@sancristocafe.com

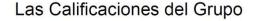
F. Marcela Ladron de Guevara Salazar marcelals@cafesumex.com

Summary

- GTN's 2018-2019 harvest is approaching the halfway point; about 5 containers of fruit have been received; we are now confident of quality; it is very good!
- Coffee Producers from Cofradia de Chocolon are asking to rejoin the group; as a start, we have promised to buy two weeks of their production.
- Jim Kosalos was asked to speak to coffee producers at a food fair in Xalisco, a suburb of Tepic, on 13 February with focus on improving quality to survive currently low prices; presentation attached.
- An intern from Ethiopia is arriving at last! Mengistu Itefa leaves Addis Ababa on 8 March for the start of a four month internship with GTNay in Tepic.

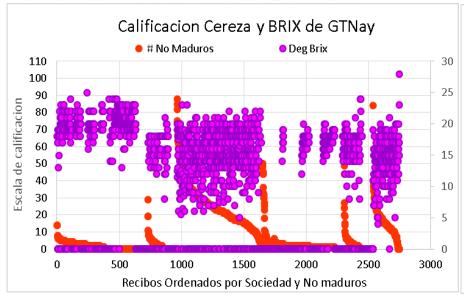


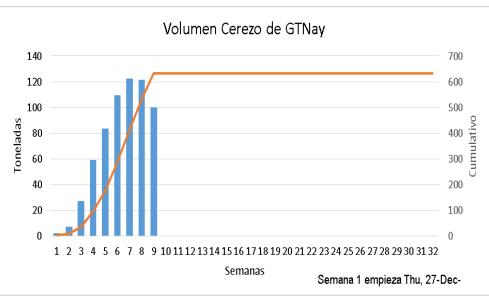
The Group's Incoming Fruit Quality





- The Group pays producer's premiums based on fruit quality standards
- Sugar content and the number of not perfectly ripe cherries are measured at the fruit reception point
 - As of 25 February, 640 Tons of fruit had been received by the Group's societies





Fruit sugar (BRIX, purple above) and the number of not perfectly ripe cherries in a half liter measure (red above) are shown for each society, receipt by receipt/

Weekly fruit reception. The red line shows cumulative tons....640, appx. 5.5 containers

Latest Cupping: Great Coffee Ahead!

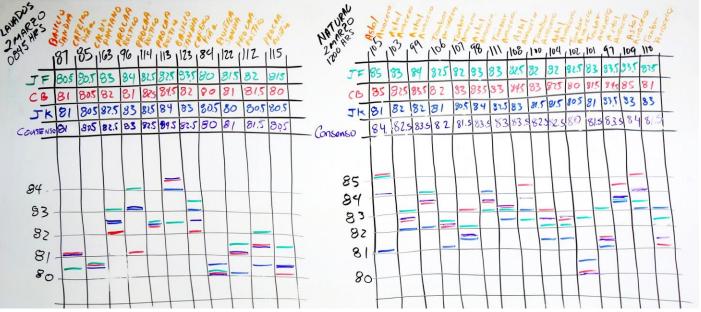


The last cupping of Washed and Natural coffee shows very good results; not one sub-lot under 80 in the cup. The most recent sub-lots on the table are about 15% of the way by volume into the harvest.

All coffees very sweet; all roast very evenly

We are now confident of quality; it is very good!

Carlos Bustamante, operations manager, and intern Jacob Frankel, cupping 15 sub-lots of Naturals. The results of their efforts are shown on the white board. Cuppers were JF-Jacob Frankel, CB-Carlos Bustamante, and JK-Jim Kosalos. The CONSENSUS score is logged



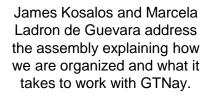
Asamblea Ejidal, Cofradia de Chocolon

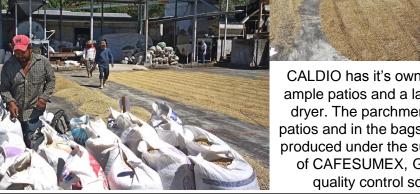


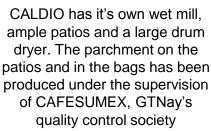
GTN agreed to support the purchase and processing of fruit from the CALDIO producer society in Cofradia de Chocolon, a village south of Tepic

CALDIO and it's coffee are well known to us; we worked with them extensively several years ago

The first lot produced for GTNay cupped very well, the score is in the third column from the left on the previous slide





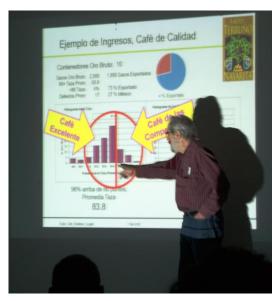


Encouraging Producers To Cooperate

- Xalisco Municipal President, L.A.E Nadia Alejandra Ramirez Lopez, asked us to speak to coffee producers. She wanted us to show producers in her municipality how to better achieve success
- The actual message:

Individual producer Direct Trade does very little for social development; it takes a village!





James Kosalos explains why coffee cherry sugar content is so important and how a manufacturing mentality and process controls can move cup quality upwards and simultaneously lower the cost of production for a group of cooperating producers

