



Top: Many coffee-producing regions are in developing countries. Innovating the coffee industry will help solve a wide range of issues from poverty and human rights to the environment.
 Right: LATTEST, a Tokyo-based roaster using TYPICA. For small roasters, it is beneficial to purchase coffee beans in small quantities.

AN ONLINE COFFEE TRADING PLATFORM

MAKING THE INDUSTRY SUSTAINABLE

TYPICA is the world's first global online platform enabling the direct trade of green coffee beans. The startup venture from Japan aims to create a more sustainable coffee industry by making it easier for smallholder farmers to sell green beans in small quantities, thereby increasing their profitability.

The production of coffee—one of the most widely beloved drinks in the world—is concentrated in relatively low-income countries, where it constitutes a significant portion of export earnings. Since 2000, the coffee market has been growing rapidly, driven

by increased consumption in emerging economies and a rising preference for higher quality in developed countries. Despite that, coffee producers say their livelihoods are unstable. Why is that happening?

In response to that question,

entrepreneur GOTO Masashi explained, “There’s a power imbalance between sellers and buyers. Also, the futures market, where the price of coffee is set, fails to achieve fair pricing.” He went on, “With the internet connecting 5.4 billion people through digital



devices, we should be able to create a model where producers and roasters can negotiate directly, determine their own prices, and maintain stable, long-term trading relationships.”

With that vision in mind, Goto launched TYPICA in 2019 as the world’s first global online platform for the direct trade of green coffee beans. The online service facilitates direct trading between smallholder producers and roasters by allowing transactions as small as a single jute bag of green coffee beans, rather than the conventional unit of container load quantities.

TYPICA co-founder YAMADA Ayane, with her extensive experience in the coffee industry, also shares a desire to transform the sector. She said, “When the third-wave coffee movement, with its emphasis on bean quality, supply chain transparency, and fine roasting and brewing, came to Japan, people successfully replicated the coffee flavors and store designs. But they failed to grasp the core principles,

and the movement seemed to become a hollow imitation. Many consumers, and even roasters, were not concerned about where their coffee was coming from. They were also oblivious to the fact that climate change is reducing the number and size of the areas suitable for growing coffee. I personally did not feel comfortable with that.”

Goto and Yamada focus on the uniqueness, freshness, transparency, and narratives of coffee beans. To meet those four criteria, TYPICA ensures traceability and rigorously screens all its beans before listing them. In addition to visualizing the distribution channel—from harvest to green bean processing, and to delivery at roasteries—TYPICA also provides a detailed breakdown of costs at each stage, including the fees that it takes. All the information on production and distribution also weaves into a narrative of the beans, along with the producer’s aspirations and background. And thanks to direct trading in quantities

down to single 60-kg jute bags, it is possible to buy and sell fresh and unique beans that hadn’t always been available on the open market.

Nearly five years after its founding, TYPICA has established operations in five locations worldwide: Japan, Taiwan, the Republic of Korea, the Netherlands, and the United States. Its user network now spans producers in 36 countries and roasters in 40 countries.



The TYPICA coffee trading platform. Users can also read articles about the coffee producers and take virtual tours of coffee farms.

Unlike conventional market trading, TYPICA’s platform has revolutionized the coffee industry by allowing producers to set their own selling prices. Being able to trade at higher prices than in the past has encouraged farmers to grow higher quality beans, which has boosted their income by more than 2.2 times on average. And with an eye on further improving sustainability, TYPICA will soon be able to increase transparency about greenhouse gas emissions throughout the entire supply chain.

“Coffee is the second most traded commodity after oil; it connects people around the world on a level similar to language or currency,” asserted Yamada. “By democratizing coffee distribution, we can make its production more sustainable and help bring the world closer together.” Goto added, “First and foremost, coffee must taste good. After all, the joy it brings is what makes our efforts sustainable.”

Whenever you enjoy coffee—whether it’s your first cup of the day, a companion to work, or during a break—thinking about where it comes from will change the lives of those who produce it, making the coffee taste that little bit better.



GOTO Masashi (left), CEO of TYPICA Holdings, Inc., and YAMADA Ayane (second from left), the company’s Chief Quality Officer (CQO) pictured on a visit to a coffee producer in Bolivia.