

Economics of the Coffee Supply Chain

An Illustrative Outlook



Green Coffee Price, Per Pound	\$3.24
Shipping and Customs Entry	0.10
Warehouse and Logistics	0.025
Finance and Storage	0.03
Importer Margin	0.15
Total Importer Add	0.31
Cost to Roaster at Warehouse	\$3.55
Shipping Cost/Release/Devanning	0.08
Shrink Loss of 18%	0.80
Roasted Cost, Per Pound	\$4.42
Packaging Cost	0.41
Direct Labor Cost	0.53
Certification Cost	0.04
Material Cost Total	\$5.40
Sales, General & Administrative (SG&A)	2.93
Interest, Depreciation, Amortization & Lease	0.40
Total Cost to Roaster, Per Pound	\$8.73

Sales Price from Roaster, Per Pound	9.40
Total Cost to Roaster, Per Pound	8.73
Pre-tax Profit on Sale of One Pound	0.67
State & Federal Taxes	0.23
Net Profit, Per Pound	\$0.44 7.1%

Retail Price of Brewed Cup of Coffee (475ml)	2.80
Number of Cups of Coffee in One Pound	15
Yield Per Pound of Coffee	42.00
Coffee Cost	9.40
Cups	1.80
Lids	0.80
Stir Sticks	0.30
Condiment Cost	0.70
Gross Profit, Per Pound	\$29.00

Labor Cost (21%)	8.82
Leasehold (10%)	4.20
Utilities (2.5%)	1.05
Marketing (3%)	1.26
Repairs & Maintenance (2%)	0.84
G&A (15%)	6.30
Net Operating Profit, Per Pound	\$6.53

Depreciation, Interest, Amortization	1.69
State & Federal Taxes	1.94
Net Profit Per Pound	\$2.90 6.9%

**Numbers are meant to be illustrative
Sources include the SCA Benchmarking Report &
the SCA/Square Coffee Price Report*

Fuente: Specialty Coffee Association (2021)

