

# SCAE Chapter Update on Unification



March 1, 2016

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# Where We Started

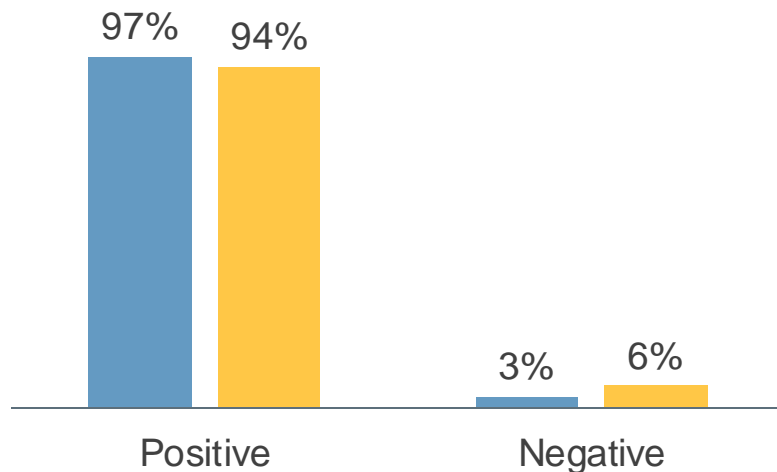


# Outlook on the industry is positive in general, both currently and for the future.

## State of Speciality Coffee Industry

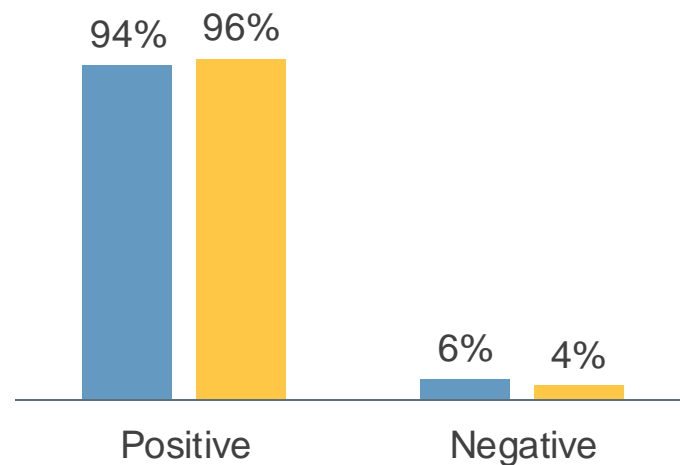
### Currently

■ SCAA Members ■ SCAE Members



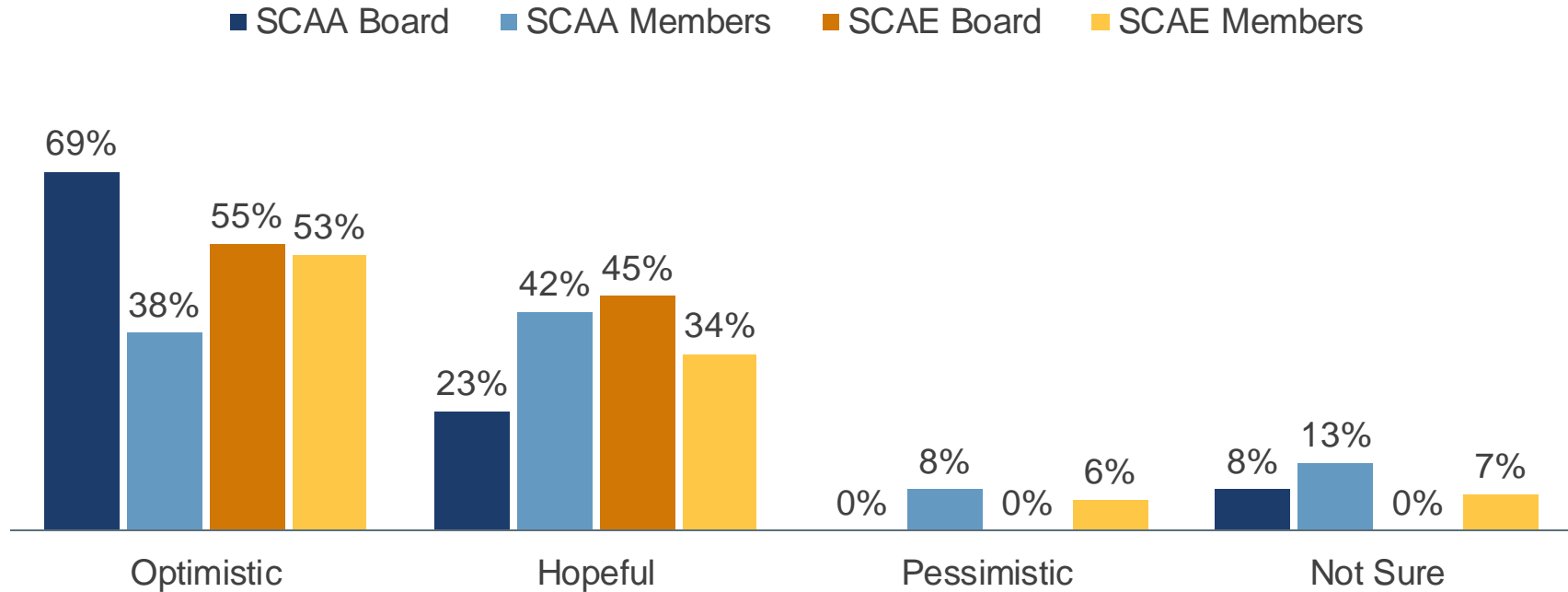
### Future Outlook

■ SCAA Members ■ SCAE Members



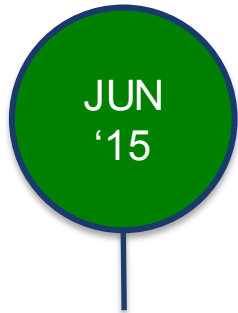
# More than 90% are optimistic or hopeful regarding the possibility of a unified, global organization.

## Outlook on Unified Organization



# The journey to Unification





'Collaboration'  
Talk @ Re:co  
World of Coffee  
Gothenburg



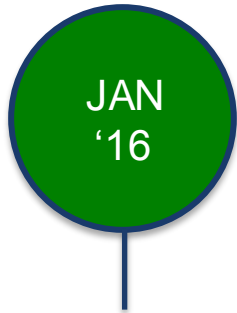
SCAE & SCAA  
appoint external  
advisors



SCAE & SCAA  
member  
communications



SCAE & SCAA  
member  
survey input



SCAE & SCAA  
boards approve  
unification  
proposal



SCAE Member  
and Chapter Q&A  
Forums



SCAE & SCAA  
members vote to  
support unification

# The Unified Association





# SCAA+SCAE Combined Association Brand Framework

## Vision

*Together we will be an effective, dynamic, and authentic organization that gives voice and substance to the possibilities for speciality coffee worldwide.*



# SCAA+SCAE Combined Association Brand Framework

## Mission

*To engage, inspire and expand a sustainable global speciality coffee community through shared values and core commitments.*



# SCAA+SCAE Combined Association Brand Framework

## Core Commitments

- Global/Local Reach
- Community Involvement
- Support Volunteers and Chapters
- Standards, Research and Education
- Value Chain Sustainability
- Growth in the Speciality Coffee Industry
- Personal Relevancy
- One Member One Vote



# Benefits and Challenges Associated with Unification



- Global Voice
- Movement Based
- Desirability
- Strong Vision
- Growth Advantages
- Scale Service Lines
- Flexible/Adaptive Structure, Tax, Legal
- Minimizes Tax Liability
- Physical and Virtual Presence
- Leverages Staff Strengths
- Cross-Functional, Collaborative, Non-Hierarchical
- Minimizes Disruption
- Member Benefit Based
- Avoids Optics of Takeover
- Preserves Cultures
- European & US Balance
- Governance Controls
- Community & Guild Focused



- Detailed Budgets and Time to Implement
- Language Barriers
- Operationalize Transition; Avoid Bureaucracy
- Cultural Integration
- Clarify Link of Value Chain Benefit to Consumer

# A financially strong, unified business plan delivers member value.

- ✓ Combined revenues of \$15 million USD
- ✓ Tax exempt status
- ✓ No debt, limited liabilities
- ✓ Financial metrics and ratios reflect best practices to deliver member value





A world map with orange outlines of continents and countries. Two light blue rectangular callout boxes are present. The first box, labeled 'Legal Entity', is positioned over North America and has a blue arrow pointing to the West Coast of the United States. The second box, labeled 'HQ – Global Operations Centre', is positioned over Europe and has a blue arrow pointing to the United Kingdom. A thin red line connects the two boxes across the Atlantic Ocean.

**Legal Entity**

**HQ – Global Operations  
Centre**

# Global Member Value Centre





# SCAE SCAA Balance

The balance has been provided in three aspects:

- ① Between the two Boards; Equal membership
  - ② Between the two executive teams
  - ③ Between the Board and the Executive (Governance)
- 
- ✓ Balance is built-in for an initial integration period.
  - ✓ This structure is guaranteed for the initial period of 5 years.



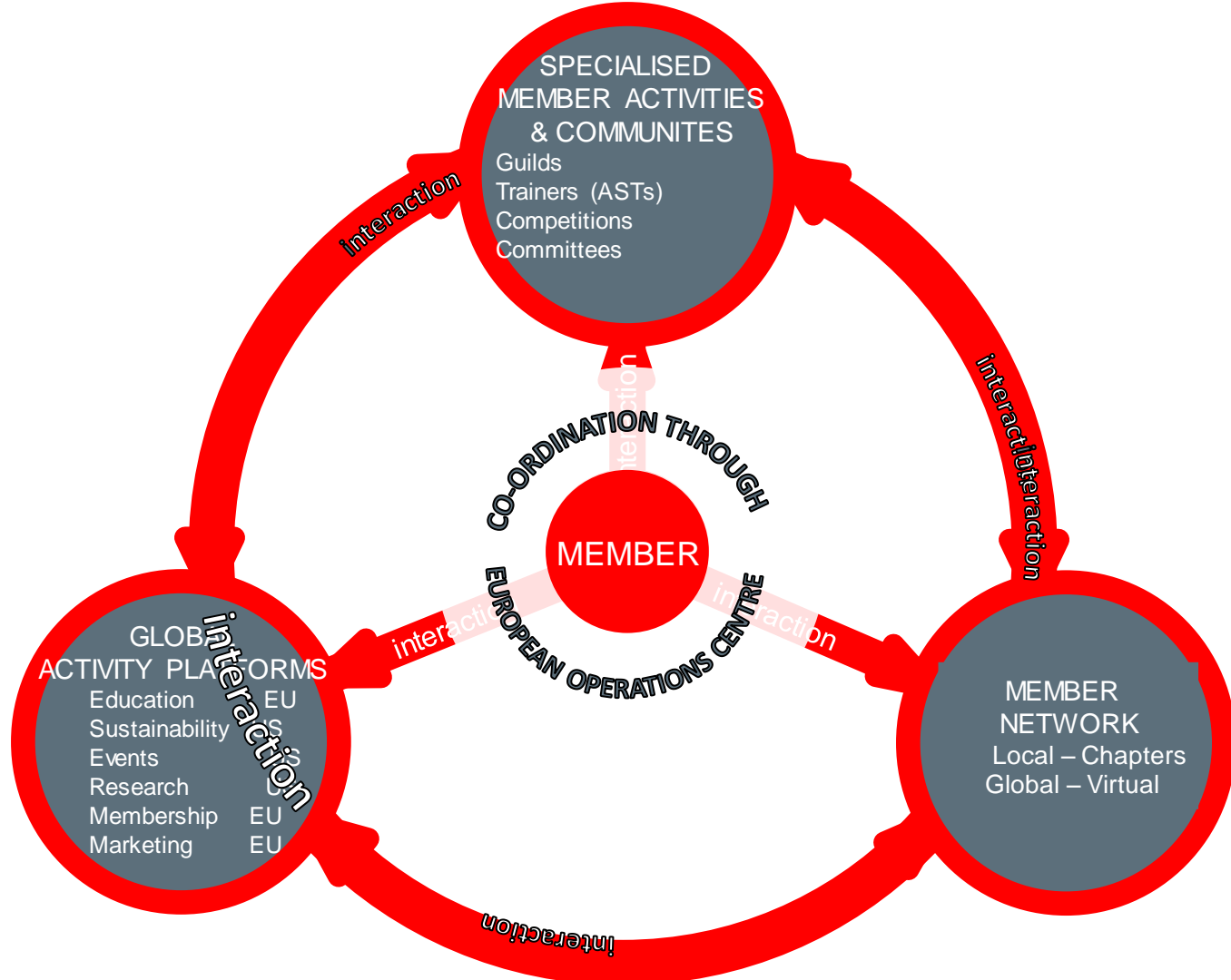


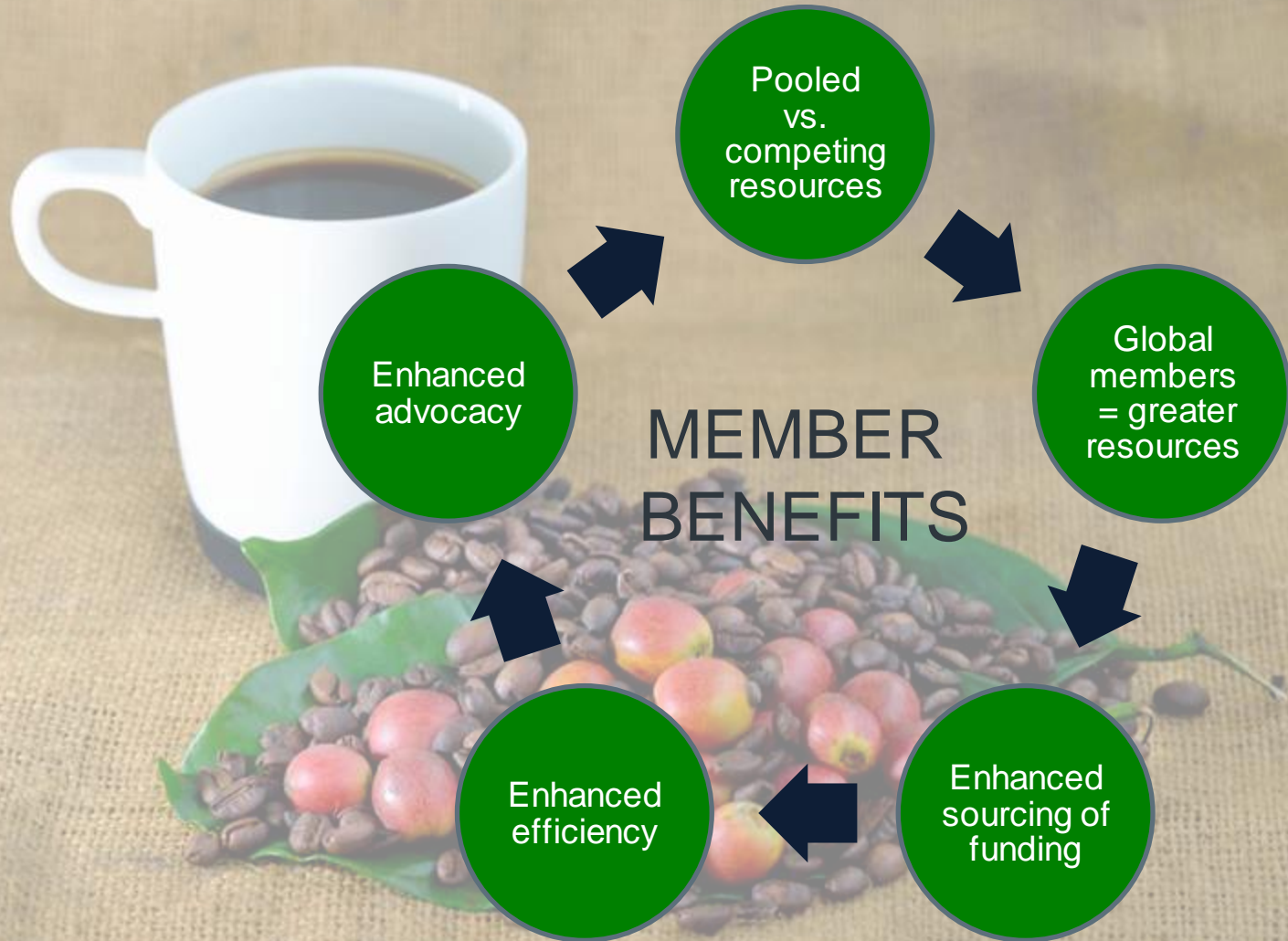
# Member Benefits

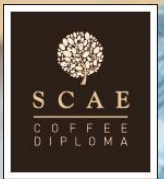




Decentralised to foster representation, inclusivity, collaboration, and communications







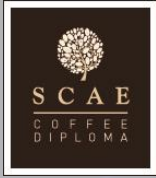
# BARISTA





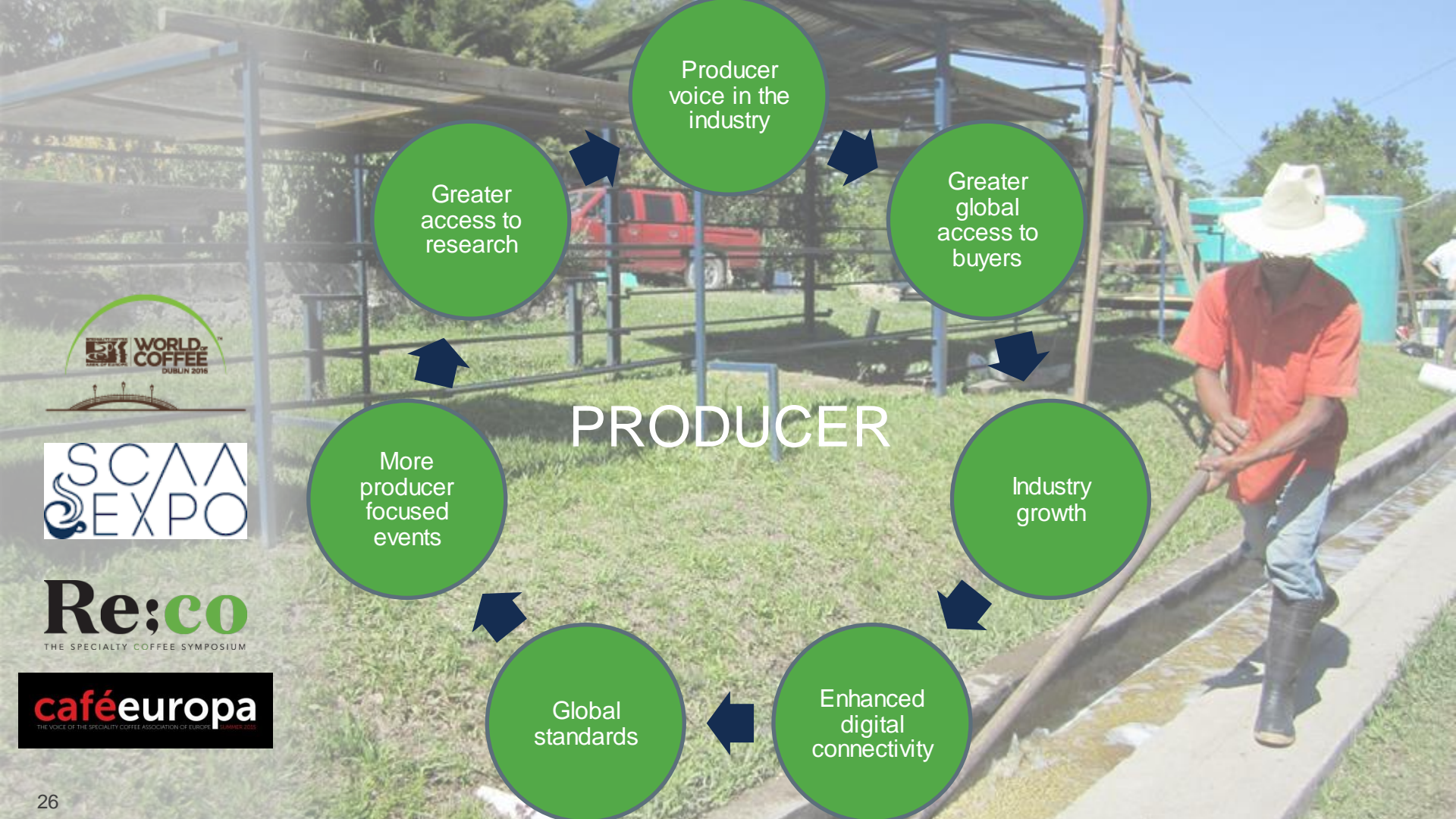












Greater  
access to  
research

Producer  
voice in the  
industry

Greater  
global  
access to  
buyers

Industry  
growth

Enhanced  
digital  
connectivity

Global  
standards

More  
producer  
focused  
events

PRODUCER



What happens now?





# COMPLETE CONSENT FORM

## IN FAVOUR of the Unification?



**membership** with SCAE be **transferred** to the **Unified Global Coffee Association**  
and

**authorise** any director of the **Board of SCAE** to agree and **execute any necessary forms** on your behalf to implement such membership transfer.

Please complete it electronically [www.scae.com/unification](http://www.scae.com/unification) by no later than 17 May 2016 23:59 GMT+1.

# COMPLETE PROXY FORM

To be represented at the Extraordinary General Meeting (**EGM**) by SCAE President Mr. Paul Stack or any other person who you appoint and you know will be present at EGM which will take place at 12pm on Monday, 23<sup>rd</sup> May 2016 at the Hilton Hotel, Paddington, London, United Kingdom.



You can complete both electronically at [www.scae.com/unification](http://www.scae.com/unification) by no later than 17 May 2016 23:59 GMT+1.

