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Fair Trade for a Better World

January 17, 2018

Kroger
Gil Phipps, Vice President Our Brands
Tom Rauf, Senior Category Manager
Nate Wolejsza, Coffee/Tea Category Manager
1014 Vine Street
Cincinnati, OH 45242-1100

Dear Mr. Phipps, Mr. Rauf and Mr. Nate,

The recent press release and news coverage of Kroger's commitment to fair trade has caught our attention. Fair World Project (FWP) is a non-profit organization whose mission is to protect the use of the term "fair trade" in the marketplace, expand markets for authentic fair trade, educate consumers about key issues in trade and agriculture, advocate for policies leading to a just economy, and facilitate collaborative relationships to create true system change.

We applaud Kroger's commitment to fair and transparent supply chains and offerings of a wide variety of ethical, and especially fair trade, products in its Simple Truth brand as well as other store offerings.

At the same time, we are concerned with the emphasis on Kroger's partnership with Fair Trade USA. Fair Trade USA is only one of several fair trade certifications available. In our experience facilitating fair trade programs with over 1400 retailers throughout the U.S. and partnering with fair brands over the past seven years, the most innovative, transparent, and committed brands choose one of the other certification labels based on the strengths and integrity of these other labels.

We encourage Kroger to consider partnering with these other fair trade labels for both Simple Truth offerings as well as promotion of branded offerings throughout the store.

Fairtrade International is the most widely recognized fair trade label worldwide and is partially owned and governed by the largest networks of fair trade producers in Latin America, Africa, and Asia. It is Fairtrade International, along with its producer members, that sets fair trade minimum prices largely adopted by other fair trade labels. This label shows strong support for democratic organizations and the most marginalized small-scale farmers. This is the label used by Ben & Jerry's, Green & Blacks, Divine Chocolate, Nature's Path, and other internationally respected brands and would be an excellent label to partner with in addition to Fair Trade USA for Kroger's Simple Truth brands.

Fair for Life is a fair trade label that has the strongest and most transparent labeling policy in that it requires 50% of a product's ingredients to be fair trade before a front of pack label is used. Research has shown consumers assume that the majority of the ingredients in a fair trade product are certified, but not all labels make this a requirement. Fair for Life also has some of the strongest environmental criteria of

the fair trade labels and because of their fairwashing policy that excludes bad actor companies, it is a favorite label among prominent mission-driven brands like Dr. Bronner's, Alaffia, Theo Chocolate, and Alter Eco. Fair for Life

manufacturers are able to offer private label products for retailers under a set of rules that uphold the type of transparency and integrity that many consumers are looking for.

Small Producer Symbol is the only fair trade label created by and for small-scale producers themselves. Because the label is restricted to small-scale producers and mission-driven brands, it is used by pioneering fair traders such as Equal Exchange. Although the Small Producer Symbol is not an option for private label products, including brands and coffee roasters that have adopted this label in the wider store offerings ensures consumers have access to products that support a farmer-led vision for fair trade.

The recent press release highlighting Kroger's commitment to fair trade appropriately highlights the growing commitment to fair trade and ethical products among consumers. However, we are concerned that highlighting a partnership with only one fair trade certifier may inadvertently undermine the other fair trade labels. Partnerships with Fairtrade International, Fair for Life, and Small Producer Symbol for both the Simple Truth brand and additional store offerings would improve Kroger's position in meeting the growing demand among consumers for ethical products from transparent supply chains contributing to farmer well-being. By partnering with all of these fair trade labels, Kroger will be well positioned to offer a range of fair trade and ethical products, including those from the brands leading the way in terms of ethics and activism.

We understand that you already have many products carrying these labels in Kroger stores. As part of our core mission, we conduct retailer trainings on fair trade all over the world and have developed several resources and tools. We would be happy to discuss further how to promote and explain these labels in stores as well as how to expand the offerings of products carrying these labels.

We are excited to see a large and popular retailer such as Kroger committed to fair trade and look forward to seeing this commitment grow.

Sincerely,

Dana Geffner
Executive Director
503-803-1432

Enclosures:

International Guide to Fair Trade Labels written by Fair World Project, French Fair Trade Platform, and the Fairness Network of Academic Researchers

Most recent edition of Fair World Project's free publication *For a Better World* – which is free semi-annual and free of advertising which has a distribution of 200,000 in grocery stores around the US and Canada. Reference guide to Fairness labels is included in each issue.