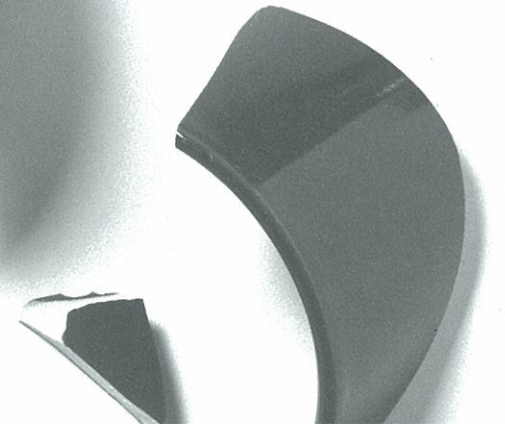


# Not Business As Usual

Annual Report 1999



From the Co-Directors, Rink Dickinson and Rob Everts

NINETEEN NINETY NINE was a challenging and ultimately—a deeply rewarding year. Early in the year our financial systems were in weak shape. We devoted substantial time and resources to rebuilding our finance department, such that by mid-year we were better able to understand our profitability and the results of marketing and operational investments. This new analysis was instrumental to our strong economic performance, including growth of 10 percent, and a year-end profit of \$321,261.

## Taking Fair Trade to

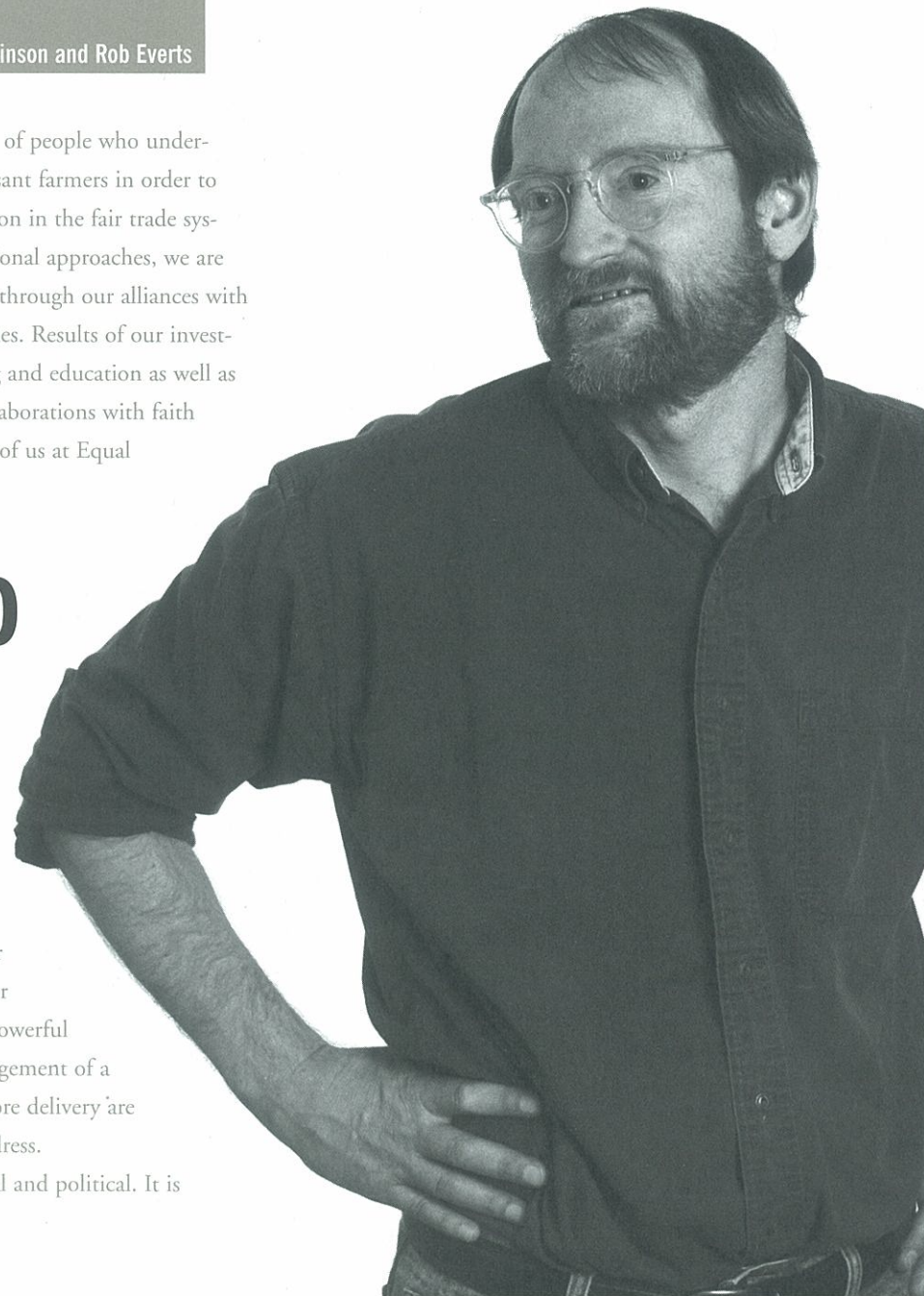
This year was a watershed for public dialogue on trade issues. The World Trade Organization meeting in Seattle highlighted a coalition of citizens, environmentalists and trade unionists questioning the dominant free trade model. At the same time activists began to focus attention on traditional coffee companies for propagating a model of “sweatshop coffee” with their coffee laborers. Against this backdrop, Equal Exchange received national recognition for our pioneering role in establishing direct trade with small farmers.

Equal Exchange faces three key challenges as we enter the new millennium. Our first challenge is in the area of marketing and communication. We need to

continue to broaden the base of people who understand how we trade with peasant farmers in order to increase consumer participation in the fair trade system. Beyond the more traditional approaches, we are trying to meet this challenge through our alliances with organizations and communities. Results of our investment in consumer organizing and education as well as the cultivation of unique collaborations with faith communities has inspired all of us at Equal Exchange.

Our second challenge is more basic. Our consistent growth for the last period has stressed most of our operating systems. They need to be re-worked and in many cases rebuilt. Tighter inventory management, better ability to take advantage of powerful computer software and management of a growing network of direct store delivery are among the areas we must address.

Our third challenge is social and political. It is





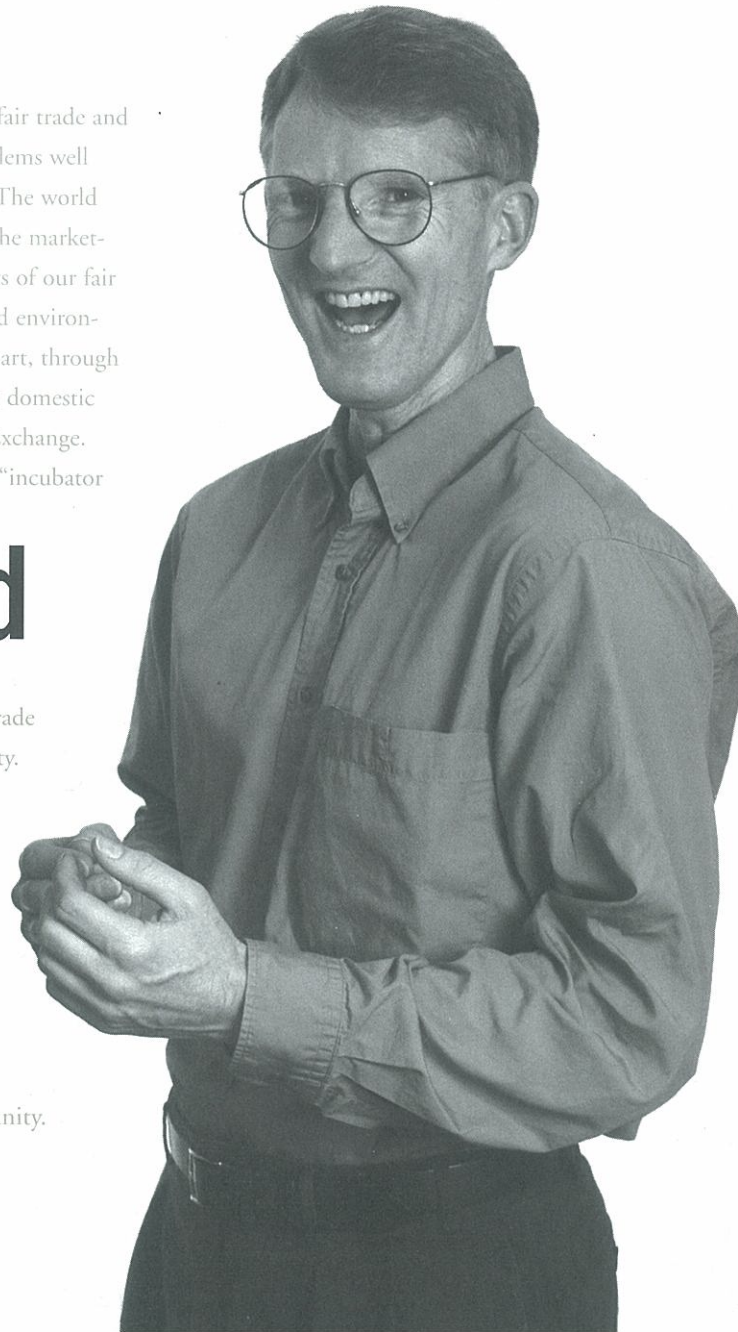
clear that the Equal Exchange model of fair trade and worker cooperativism is relevant to problems well beyond those of peasant coffee farmers. The world needs new models that can function in the marketplace. We need to share the best elements of our fair trade model with other organizations and environments. We are trying to address this in part, through our long-term support of Red Tomato, a domestic fair trade organization started at Equal Exchange. We are also creating an Equal Exchange "incubator

## the World

group" which will encourage more fair trade and worker cooperative economic activity.

On a personal note, we are excited and challenged by our appointment as co-directors by the board of directors. Appropriately unconventional, this structure has provided space for mutual support (and fun!) while maintaining clear accountability to the numerous stakeholders in the Equal Exchange community.

Rink Dickinson & Rob Everts



### A Message from the Ambassador Jonathan Rosenthal

After taking the first few months of 1999 off, I came back to establish a new position, fair trade ambassador. In my new role, I set about to build greater awareness and legitimacy for our unique model of fair trade. I attended conferences, did media interviews, wrote position papers and spent a lot of time training and educating internal staff about the history, the reality and the dream of making fair trade the standard rather than the exception.

I am excited about the great strides Equal Exchange and the fair trade community made in 1999. Many coffee companies are now talking and thinking about the social implications of how and where they buy their coffee.

Equal Exchange has been and continues to be an important voice within the industry as various models of social responsibility are discussed and critiqued. In addition to being a part of that ongoing dialogue, we are beginning to look more seriously at how we can broaden the impact of our fair trade work in the coffee industry and beyond.

Finally, we committed to benchmarking our efforts in 2000 through a comprehensive social audit in conjunction with a select group of companies in the Social Venture Network. This will allow us to set more measurable goals as we continue our work as fair trade diplomats here at home and in the world at large.

We are looking to broaden the impact of our fair trade work in the coffee industry and beyond.



# Solid Foundation, New Directions

AS FRANK SINATRA WOULD say, "It was a very good year."

The board of directors

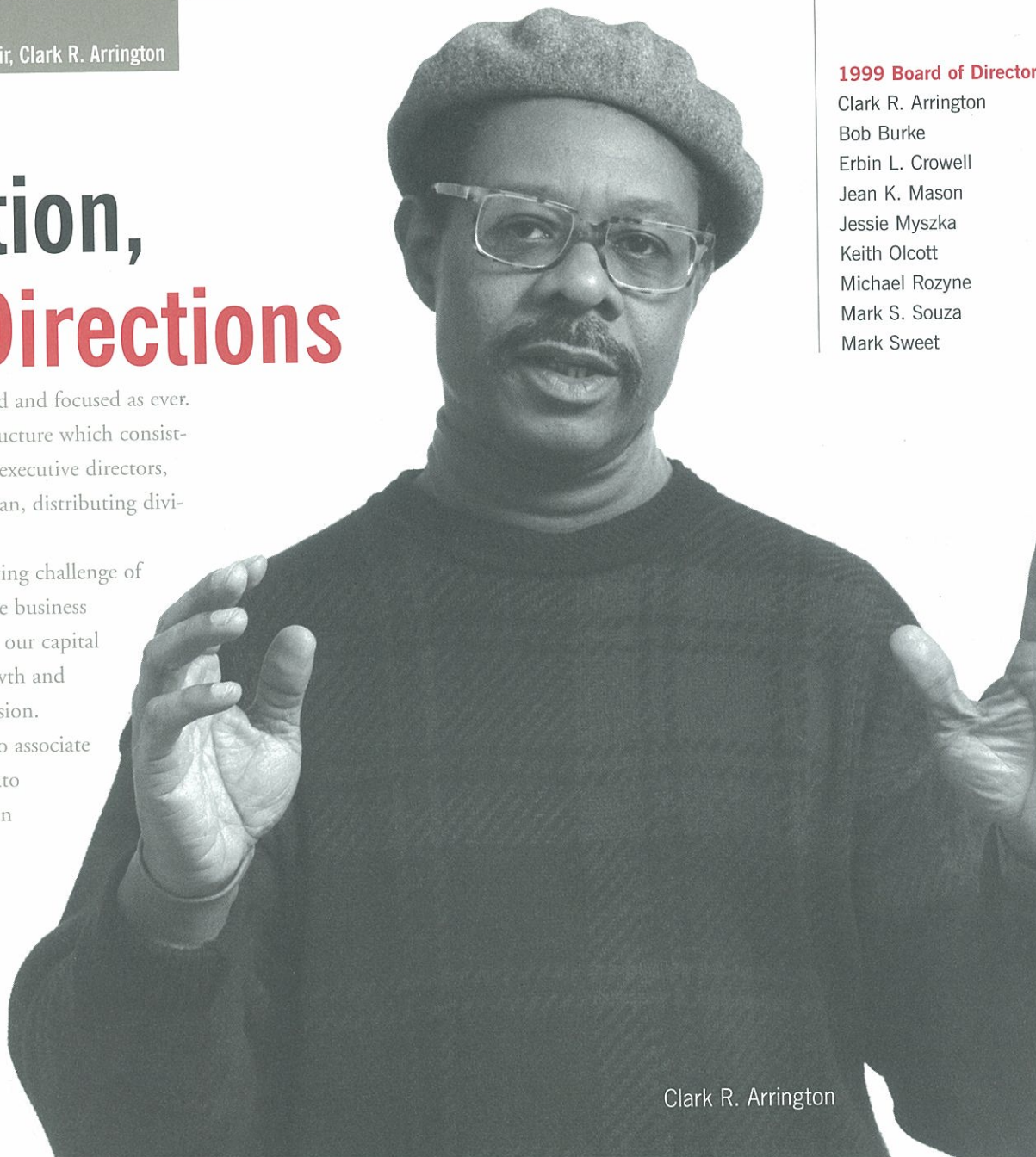
accomplished all of its goals and began 2000 as solidified and focused as ever.

During 1999 we implemented a new management structure which consisted of appointing Rob Everts and Rink Dickinson as co-executive directors, creating a management council, approving a strategic plan, distributing dividends for the tenth consecutive year.

Looking to the future, the board has the most interesting challenge of further defining Equal Exchange as the leading fair trade business enterprise in North America. This will entail evaluating our capital and governance structure in light of our continued growth and deciding what other products further our fair trade mission.

We will also have to carefully examine how we wish to associate and affiliate with other organizations such as Red Tomato and the fair trade incubator. We are confident enough in our model of business organization and operation to seriously consider other products, services and affiliate organizations. By the end of the decade we look forward to offering an array of fair trade products and services.

We are looking forward to another exciting, challenging and rewarding year.



## 1999 Board of Directors

Clark R. Arrington  
Bob Burke  
Erbin L. Crowell  
Jean K. Mason  
Jessie Myszka  
Keith Olcott  
Michael Rozyne  
Mark S. Souza  
Mark Sweet

Clark R. Arrington



## Raising Capital

Clark R. Arrington

Once again we were able to reach our goal of selling approximately \$300,000 of our Class B Preferred shares. Although you could say it was business as usual, anyone familiar with our capital structure would be quick to point out that selling Equal Exchange Class B Preferred shares is well out of the ordinary, especially in the current economic environment. We offer none of the potential capital appreciation and opportunities to increase wealth as the "dot coms" or "bio-tech" stocks that are so common and accessible to the average investor. Instead we offer a modest capital return and a very high social return. Are we creating another dimension to the capitalist model?

We now have over \$1 million in outstanding Class B shares held by over 230 investors. Not all of our investors are wealthy and not all of our investors are faith-based. They represent a broad cross section of the American population with the shared goal of wanting to use at least a portion of their investment capital to support a social change, for-profit business model. Our bet is that we have just glimpsed the tip of the iceberg and that there are unlimited investors who also understand the need for fair trade capital.

In 2000 we are seeking to raise \$500,000 and to increase our investor relations staff to 2 1/2 people.

We believe there are unlimited investors who also understand the need for fair trade capital.

# A Different Sort of Investor



"I have a personal commitment to invest at least 20% of my savings with socially responsible groups. I bought stock in Equal Exchange because I believe it's the most socially responsible company in the country. Besides, if I'm going to drink coffee, then I better support folks who produce and distribute it ethically."

**Cooper Thompson and daughter Jennifer Soules**  
Equal Exchange Investors



# Restoring Dignity and Hope to Small Farmers



THIS YEAR WAS ONE OF significant advances accompanied by much learning. More than ever before, we defined our mutual expectations with our trading partners.

Together we produced a manual outlining the key elements to positive, long-term relationships, such as quality requirements, shipping deadlines, contract terms and prefinancing. As a result, all coffee shipments arrived on time and pre-harvest credit was repaid in full. We also created a pamphlet in Spanish for our trading partners. It describes the U.S. specialty coffee market, the growing demand for organics and the ways Equal Exchange educates consumers about coffee producing cooperatives and fair trade.

We currently have relationships with fifteen producer groups in Latin America, Africa and Asia. This year we visited virtually all of our Latin America cooperative partners—including two new groups in Nicaragua and in Bolivia. We met with the elected leadership as well as many members. We learned more about techniques farmers use to protect the environment. It was enormously satisfying to hear producers describe the social and economic benefits of trading with Equal Exchange and other fair traders in Europe. In addition to steps taken to improve coffee quality, farmers proudly described the advances they have made in areas of health care, housing, education and infrastructure such as roads, schools and churches. Cooperative members and leaders expressed their appreciation of Equal Exchange as a solid organization with an excellent reputation, and further expressed their desires to deepen the

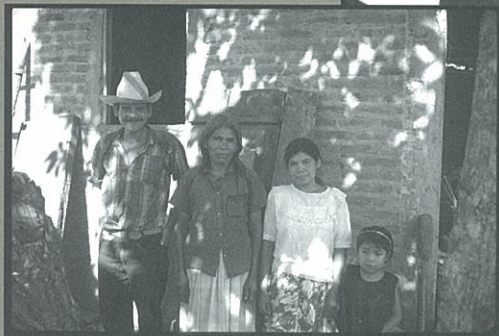
It was enormously satisfying to hear producers describe the social and economic benefits of trading with Equal Exchange.

relationships. They described how, through their hard work by day, they have now won the right to dream big things at night, with confidence that such dreams will be fulfilled.

While we know we have huge challenges ahead and many areas to improve on ourselves, we are proud to hear directly that thirteen years of hard work has achieved such recognition, and above all has helped return dignity and hope to the small producers.

—Translated from Spanish by Rob Everts

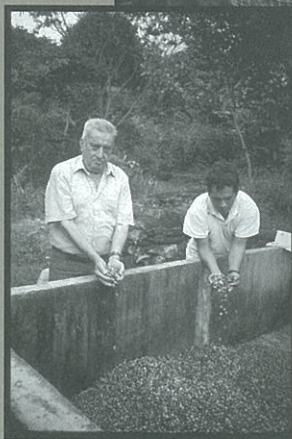




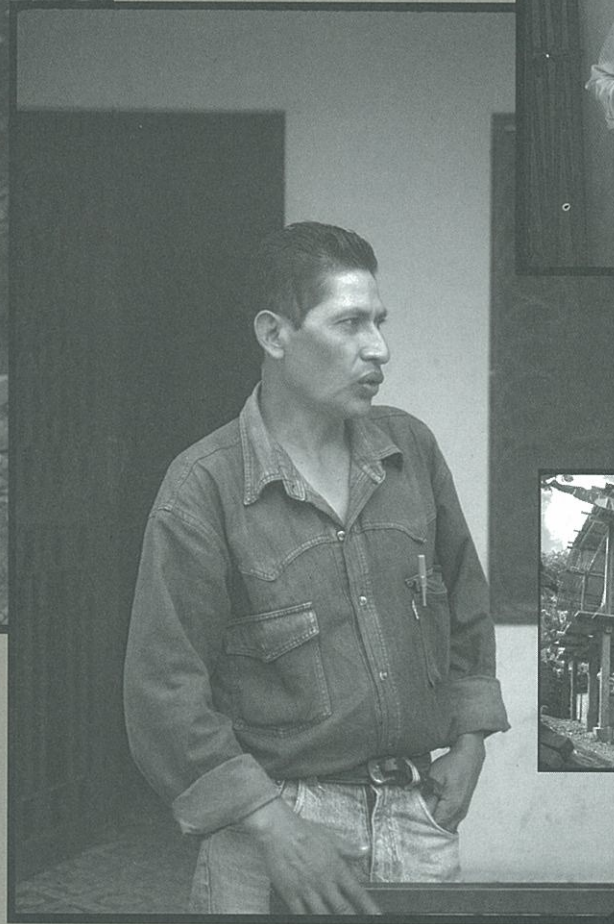
Victor Torez, Juana Gutierrez, Reyna Maria Gutierrez Torez, and Darling Arela Torez of PRODECOOP, Nicaragua



Clemente Carazo of PRODECOOP, Nicaragua



Don Guillermo Guzman of COCLA, Peru



Renaldo Vasquez, President of PRODECOOP, Nicaragua



Merling Preza Ramos, General Manager of PRODECOOP, Nicaragua



A depulping mill, PRODECOOP, Nicaragua



OUR COMMUNITY ORGANIZING took the sparks from last year's work and turned them into fire in 1999. After engaging consumers through fair trade education, we were able to alert them that our coffee was now available in supermarkets near them. In addition to our loyal coop accounts, shoppers at over fifty supermarkets in the Northeast and several more in the Northwest can now find an ample display of our gourmet coffee.

Over the year hundreds of consumers learned about fair trade through organizations in their communities. Volunteers staffed tables at farmers' markets, gave out samples of coffee at bustling early morning train stops and made presentations at church mission committee meetings. Where our coffee was available nearby, volunteers steered consumers there. If our coffee could not be purchased locally, consumers often encouraged retailers to stock Equal Exchange.

As more stores made Equal Exchange coffee available to customers, volunteers set out to help ensure sales success. We expanded our

## A Network of Volunteers Raising Awareness

practice of conducting tastings in food coops to now include supermarkets and events in surrounding communities in several regions of the country. In-store events – often with a farmer representative to put a human face on fair trade – attracted coverage in numerous media outlets. We fully expect this momentum to take us even further in 2000.



Charlotte Mann



IF WE EVER HAD A YEAR for public relations it was 1999. In addition to numerous local newspaper, TV and radio stories featuring Rosario Castellon, our producer relations coordinator, Equal Exchange was

internet – receives an average of 400 visits each week. Our national advertising campaign continues to reach ethical consumers in publications like *Mother Jones*, *Utne Reader* and *Sierra Magazine*.

# Informing **Intelligent** Choices

featured in a widely distributed Associated Press wire story. In total, 12 papers brought this story to almost three million readers nationwide.

Seven television stations from Portland, Maine to Portland, Oregon featured stories about fairly traded coffee and Equal Exchange. Other media coverage included pieces in *The Atlantic Monthly*, *The Seattle Post Intelligencer* as well as interviews on Jim Hightower's nationally syndicated radio show and Public Radio International's *The Connection*.

Through our marketing efforts we strive to establish meaningful links with all of our stakeholders. The 1999 media blitz provided us with unprecedented opportunities to accomplish this goal. Our other tried and true tools for communicating our message and values continue to be successful. Our free newsletter *Java Jive* reaches 60,000 people through our retailers and our own in-house mailing list. Our website – voted one of the best educational resources on the

On the staff front, 1999 was a year of transition for the marketing department. After three years as marketing director Bruce McKinnon returned home to England. Erbin Crowell, after being interim marketing director for six months, left the department to head up our new interfaith program. I left for a six month leave of absence. Rodney North has been a constant and important presence continuing to field all the thousands of inquiries we receive from reporters, consumers and others. Charlotte Mann continues to be the smiling face of Equal Exchange by representing us at many special events -- the biggest, most challenging and successful being the two Natural Products Expos in Baltimore and Anaheim.

As of this writing we feel that the challenge of the transition is behind us. Ahead of us is the task of determining how marketing can best communicate our unique model to the public and help Equal Exchange carry out its strategic plan.

## Advertising

An advertisement from our 1999 campaign. Ads appeared in *The Atlantic Monthly*, *Harper's*, *Mother Jones*, *Sierra Magazine* and *Utne Reader*.



*"Excuse me waiter, there's the blood and misery of a thousand small farmers in my coffee."*

Every time you order a cup of coffee, remind yourself that coffee is grown and picked by human beings, not corporations. If you drink an ordinary brand of coffee, you're inadvertently maintaining a system which keeps small farmers poor while lining the pockets of rich corporations. By choosing Equal Exchange coffee, you can help to make a change. We operate outside of the conventional trading system by working directly with small farmers, guaranteeing a fair wage and building long-term, sustainable relationships. OF course your decision to buy Equal Exchange need not be completely altruistic. For we take as much pride in refining the taste of our gourmet coffees as we do in helping the farmers who produce them. For more information about Equal Exchange or to order our line of gourmet, organic and shade-grown coffee directly, call 1 781 830 0303.



[www.equalexchange.com](http://www.equalexchange.com)



NINETEEN NINETY NINE realized a growth in gross sales of 10 percent, totalling \$6,330,000. Sales in the second half of 1999 were up 18 percent from the

Hollender and Todd Caspersen were freed from daily order processing in July to reach out to buyers, retail communities and consumers looking for Equal

## Building Relationships

second half of 1998. We spent much of the first half of 1999 on account development.

While we have always had sales people devoted to customer service, 1999 marked the inception of our first customer service team. This is being lead by Keith Olcott and fulfilled with the energy of Beth Sheaff, Forrest Sutton and Yvonne Parker. We formalized the role of account development, with Kristin Howard, Tom Hanlon Wilde and Keith devoting their time to strengthening current relationships. Finally, Kevin

## Reaching Further

Exchange – hence our growth in the second half of the year. Jessie Myszka is managing our Canton sales team, while Tom is managing our West Coast sales office.

Cooperative stores continue to play a strong role in positioning Equal Exchange in communities. We look to build on our “corner stone” in the years to come. In doing so, we have started to make positive inroads to traditional supermarkets to allow more consumers to have the choice to support Equal Exchange and all that we stand for. All the while we continue reaching out to restaurants, cafes and natural food stores.

Our West Coast office, now 18 months young, has rejuvenated our core accounts from Seattle to San Diego. What started as a test to work locally with accounts has quickly turned into a great opportunity.

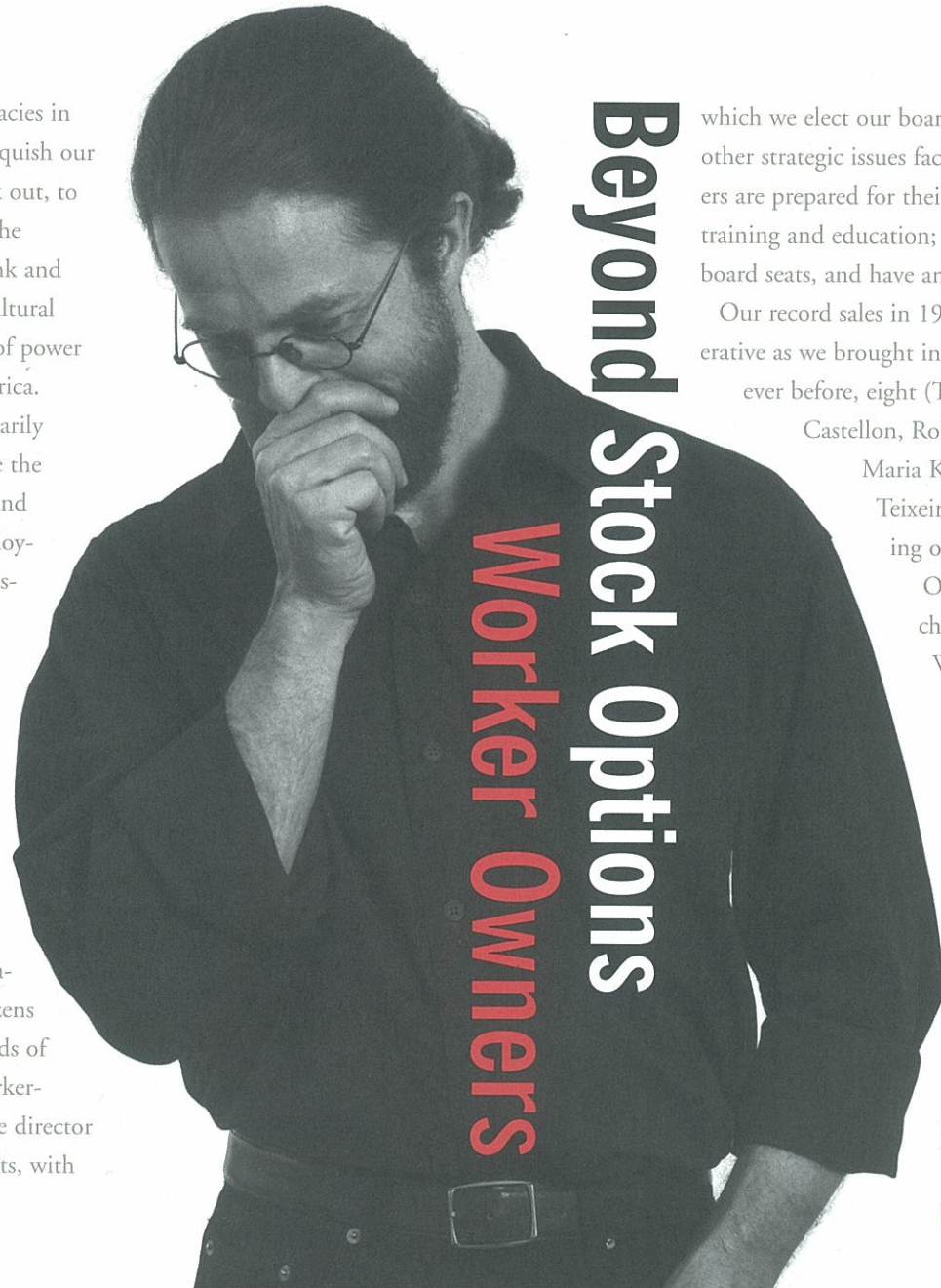
Jessie Myszka





WHY IS IT THAT, though we live in democracies in North America, most of us reflexively relinquish our democratic rights (to information, to speak out, to vote, etc.) every time we report to work? The founders of Equal Exchange, Jonathan, Rink and Michael, sought to tackle this engrained cultural habit and get at the root of the inequality of power and pay we normally see in corporate America. Their response was as remarkable as voluntarily adopting fair trade standards - they rewrote the company's bylaws and handed ownership and control of their small company to the employees, thereby beginning Equal Exchange's history as a worker-owned and controlled cooperative. Ever since then (1990) all employees who have been with us for one year and have completed the required orientations are eligible to join the cooperative, where they will have a strong voice in the affairs of their company.

This was not just an act of generosity. It was a rare political act because by creating the cooperative, the founders created a community where the employees would be citizens (*politikos*, Greek for "citizen"). Like hundreds of other worker-owned cooperatives, each worker-owner at Equal Exchange (be they executive director or warehouse worker) has equal voting rights, with



## Beyond Stock Options Worker Owners

which we elect our board of directors and determine other strategic issues facing the company. Worker-owners are prepared for their roles as owners with ongoing training and education; they fill two-thirds of our board seats, and have an active role in management.

Our record sales in 1999 were mirrored in the cooperative as we brought in more new worker-owners than ever before, eight (Todd Caspersen, Rosario Castellon, Rob Everts, Kevin Hollender, Maria King, Yvonne Parker, Mario Teixeira, Gwyn Witherspoon) bringing our total to 21.

Our growth also presented a new challenge to the cooperative as our West Coast office became fully staffed. As a result we will have to see how to stretch a worker cooperative across 3,000 miles.

Last year demonstrated that as more and more people buy our products they not only support a just market for small farmers internationally, they also help us to grow a more egalitarian and democratic workplace here at home.

Rodney North



IN 1997, Equal Exchange and Lutheran World Relief (LWR) began a partnership uniting faith and fair trade among Lutheran churches in the U.S. Three years later, this education and action program continues to grow and inspire us as we look to the future.

At the Triennial Gathering of the Women of the

Evangelical Lutheran Church in America (WELCA) last summer, we began to truly understand the success of this partnership. The enthusiasm with which we were greeted was inspiring, as was the demand for fairly traded coffee – we served over 1,500 cups over the course of the conference. The momentum continued as the ELCA Churchwide Assembly later

infrastructure in the wake of Hurricane Mitch. Meanwhile, Equal Exchange was proud to receive a loan from WELCA to expand our fair trade work.

Due to the success of this deepening partnership, Equal Exchange has created an office, staffed by myself and John Harper, which seeks to further explore this work and develop mutually supporting partnerships with faith-based organizations and congregations. For example, in 1999 we launched a pilot program with the New England Regional Office of the American Friends Service Committee (AFSC), continued work with the United Methodist Church, and reached out to other denominations concerned with international trade and economic justice.

Lutheran churches and other congregations – including Presbyterian, Episcopal, Catholic, Unitarian and other churches – were responsible for over \$389,000 in sales in 1999. As we look toward 2000, we are working with LWR to build what began as an experiment into a wider network of faith, fair trade and economic democracy – The Interfaith Coffee Initiative.

# Joining Faith and Fair Trade

By the end of 1999, over 1,400 Lutheran congregations across the U.S. had become involved in the program, using coffee and fair trade as an educational opportunity, community activity and a concrete way to act in the spirit of love and economic justice.

adopted a resolution encouraging churches to learn more about the project, “support it by purchasing Equal Exchange Coffee for use in churches and homes, and use the participation in this project to discuss issues of economic life.” By the end of 1999, over 1,400 Lutheran congregations across the U.S. had become involved in the program, using coffee and fair trade as an educational opportunity, community activity and a concrete way to act in the spirit of love and economic justice.

The Small Farmer Fund, initiated by LWR and funded through the project, raised over \$16,000 for programs with small farmer organizations in the developing world. In 1999, this fund was directed primarily toward assisting small farmers in Nicaragua as they rebuilt homes, roads and other



# Coffee In Coffee Out

## OPERATIONS

The warehouse team, led by Mario Teixeira, our warehouse manager, shipped a record number of cases this year — 107,105 to be exact. That's roughly 428 cases a day not counting cases of tea, cups, point of sale material, bin units and various equipment.

While we saw the resignations of Tremayne Powell and Tony Lopes, we were extremely fortunate to hire John Afonso. Mario and John have formed a solid and productive warehouse team.

As of December 31, 1999 I relinquished my operations duties to concentrate on my other responsibilities as director of purchasing where I also oversee quality control, equipment, the physical plant and sales of green beans.

## PURCHASING

Well, the purchasing team — Maria King and I — have completed a full year together. We spent much of 1999, with the assistance of Rosario Castellon, redefining our green bean purchasing standards and quality control regulations. From sampling to shipping, we examined all of our systems with an eye to improving them and making them more efficient for us and the producers. Stay tuned for many improvements as we continue to strive for better and more consistent quality control for both green and roasted coffee.

Mario Teixeira





## Finance and Administration

Denise Abbott

I joined Equal Exchange in April of this year and acclimated myself to the current software system while implementing an upgrade in late May. Along with Jim O'Connor, our outside consultant, monthly financials were timely, accurate and favorable. This needed information helped identify where funds should be concentrated for the upcoming year. Equal Exchange was conservative in the hiring process while we examined current systems and identified future needs.

The dawn of the new millennium found the finance and administration department being reconstructed; the departure of our longtime computer coordinator, Truc Dang was a sad day, but as she left our doors we left them open to welcome Jeanne Hunt as our accountant, and Meghan McKay as our office administrator as Renie Marsh moved from the front office to finance. With the current additions we look forward to the implementing inventory and budgeting systems.

Equal Exchange benefited from a stable coffee market and invested in inventory as preparation for projected growth. Cutbacks in budgeted expenses and delayed personnel hirings helped us close the year profitably while recouping the previous year's loss and still providing additional retained earnings.

# The Year in Review

## Our Business Model

To understand the full impact of Equal Exchange, it is necessary to look at our overall model of fund allocation. Equal Exchange is building a new business model in which profits are accountable to a variety of stakeholders upholding our mission - not just to those controlling capital. Funds are distributed as follows:

**Fair Prices** We negotiate prices directly with farmer organizations. We always pay farmer co-ops a fair trade premium of at least \$0.05/lb. above the coffee market. When the market price is low, we pay a guaranteed minimum price of \$1.26/lb., even when the prices fall as low as \$0.48/lb., as happened in 1992. As part of our effort to support sustainable agriculture, we pay an organic premium of \$0.15/lb. plus a quality premium when appropriate.

**Producer Credit** Equal Exchange shares risk with our farmer partners, paying up to 60% of the purchase price as credit as soon as contracts are signed prior to harvest. This credit is available up to 10 months in advance and is provided directly to the farmer co-op, with Equal Exchange guaranteeing at least 25% of all advances.

**Worker-Owner Rebates** Up to 20% of profits (or losses) are allocated to the members of the Equal Exchange worker co-op as patronage rebates.

**Taxes** We pay corporate taxes on all profits except for the patronage rebates paid to worker-owners.

**Dividends** After taxes, we pay outside shareholders a dividend targeted at 5% in profitable years. For 1999, we paid our outside shareholders a dividend of 6.5%.

**Retained Earnings** The remaining profits are retained by Equal Exchange to further the mission of fair trade. In the event that we dissolve the corporation, and all obligations are paid, the remaining funds or assets would be used to support other fair trade activity, such as training and other support for producer co-ops.

**Pay Ratio** In keeping with our commitment to economic fairness, the internal pay ratio from highest to lowest does not exceed 3:1 at Equal Exchange. This is an extremely equitable ratio compared to conventional business.

Profit Distributions	1999	1998
Net Operating Income	\$402,831	\$(177,425)
Charitable Contributions	(37,084)	(3,372)
Income Taxes	(130,000)	57,084
Shareholder Dividends	(32,211)	(33,998)
Worker Owner Rebate	(44,486)	28,991
Net Change to Retained Earnings	\$159,050	\$(128,720)

ASSETS	1999	1998
<b>Current Assets</b>		
Cash	\$53,836	\$140,565
Accounts Receivable	626,490	494,527
Inventories	2,294,790	1,706,087
Prepaid Taxes	—	74,629
Prepaid Expenses & Other Current Assets	24,142	21,596
Deferred Income Tax Benefit	37,000	24,000
<b>Total Current Assets</b>	<b>\$3,036,258</b>	<b>\$2,461,404</b>
<b>Property and Equipment</b>		
Property and Equipment	611,773	597,547
Less Depreciation & Amortization	(368,128)	(314,095)
NET Property and Equipment	\$243,645	\$283,452
<b>Deferred Patronage Rebates</b>	<b>—</b>	<b>10,342</b>
<b>Deferred Income Tax Benefit</b>	<b>17,000</b>	<b>14,000</b>
<b>Other Assets</b>	<b>16,664</b>	<b>17,680</b>
<b>Total Assets</b>	<b>\$3,313,567</b>	<b>\$2,786,878</b>



<b>LIABILITIES</b>	<b>1999</b>	<b>1998</b>
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<b>Current Liabilities</b>		
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Notes Payable – Lines of Credit	\$916,835	\$1,025,404
Notes Payable – Current	19,000	59,000
Notes Payable – Stockholders	29,600	29,600
Current Portion Long Term Debt	170,000	50,703
Accounts Payable – Trade	176,678	137,888
Accrued Expenses & Other Current Liabilities	95,604	39,375
Accrued Income Taxes	34,014	—
Patronage Rebates Payable	35,333	—
<b>Total Current Liabilities</b>	<b>\$1,477,064</b>	<b>\$1,341,970</b>

<b>Long Term Debt less current portion</b>	<b>248,000</b>	<b>301,000</b>
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<b>Total Liabilities</b>	<b>\$1,725,064</b>	<b>\$1,642,970</b>
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<b>STOCK HOLDER EQUITY</b>	<b>1999</b>	<b>1998</b>
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Preferred Stock	\$1,174,274	\$894,332
Common Stock	60,008	47,060
Less Subscriptions Receivable	(20,941)	(13,596)
Retained Earnings	375,162	216,112

<b>Total Stockholder's Equity</b>	<b>\$1,588,503</b>	<b>\$1,143,908</b>
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<b>Total Liabilities/Stockholder's Equity</b>	<b>\$3,313,567</b>	<b>\$2,786,878</b>
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<b>INCOME STATEMENT</b>	<b>1999</b>	<b>1998</b>
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<b>Sales</b>	<b>\$6,297,617</b>	<b>\$5,721,268</b>
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<b>Cost of Sales</b>	<b>3,730,648</b>	<b>3,767,595</b>
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<b>Gross Profit</b>	<b>2,566,969</b>	<b>1,953,673</b>
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<b>Operating Expenses</b>	<b>2,058,465</b>	<b>1,920,193</b>
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<b>Income from Operations</b>	<b>508,504</b>	<b>33,480</b>
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<b>Other (Expense) Income</b>		
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Interest Expense	(150,159)	(181,551)
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Charitable Contributions	(37,084)	(3,372)
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Loss on Disposal of Equipment	—	(915)
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Interest Income	—	552
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<b>Total</b>	<b>(187,243)</b>	<b>(185,286)</b>
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<b>Income (Loss) before Income Taxes</b>	<b>321,261</b>	<b>(151,806)</b>
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<b>(Credit) Provision for Income Taxes</b>		
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Current	146,000	(32,000)
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Deferred	(16,000)	(25,084)
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<b>Total</b>	<b>130,000</b>	<b>(57,084)</b>
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<b>Net (Loss) Income</b>	<b>191,261</b>	<b>(94,722)</b>
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<b>Retained Earnings</b> Beginning of Year	216,112	344,832
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Less Preferred Stock Dividends	(32,211)	(33,998)
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<b>Retained Earnings End of Year</b>	<b>\$375,162</b>	<b>\$216,112</b>
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**Financial Supporters Include**

- Cooperative Fund of New England
- Adrian Dominican Sisters
- Marianist Sharing Fund
- Medical Mission Sisters
- Partners for the Common Good 2000
- School Sisters of St. Francis
- Seton Enablement Fund
- Sisters of Charity of the Incarnate Word
- Sisters of Charity of New York
- Sisters of Charity of the Blessed Virgin Mary
- Sisters of Mercy of the Holy Cross
- Sisters of St. Francis (Philadelphia)
- Sisters of St. Joseph
- Sisters of the Sorrowful Mother

And our 230 individual shareholders

For a full financial report please contact Clark Arrington, our Capital Coordinator, at 781-830-0303 x229 or carrington@equalexchange.com



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Equal Exchange is a  
worker-owned co-operative.

# 1999 Staff

Denise Abbott

John Afonso

Clark R. Arrington

Virginia Berman

Eliza C. Brown

Todd Caspersen

Rosario Castellon

Erbin L. Crowell

Ethan Cruze

Truc Dang

Rink Dickinson

Rob Everts

Tom Hanlon-Wilde

John Harper

Kevin Hollender

Kristin Howard

Gwyndolyn Hudson

Jeanne Hunt

Maria King

Charlotte Mann

Renie Marsh

Meghan McKay

Jessie Myszka

Rodney North

Keith Olcott

Yvonne Parker

L. Tremayne Powell

Jonathan Rosenthal

Beth Sheaff

Mark S. Souza

Forrest Sutton

Mark Sweet

Mario Jose Teixeira

## Not Business As Usual

Equal Exchange was founded in 1986 to create a new approach to trade, one that includes informed consumers, honest and fair trade relationships and cooperative principles. As a worker-owned cooperative, we have accomplished this by offering consumers fairly traded gourmet coffees direct from small farmer co-ops in Latin America, Africa and Asia.

