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## Spray, Agglomerate, Freeze or Liquid Coffee India's Instant Coffee King Stirs Up a Successful Business

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**By Heneage Mitchell**

CCL Products (formerly Continental Coffee Ltd.) was founded in 1995. This was also its first year of production. The company originally invested in a plant with an annual capacity of 3,000 tons spray dried coffee. From there it has grown, and until today its production capacity has reached 21,000 tons. Of this, 14,000-15,000 tons is spray dried, about 3,000 tons agglomerated and 4,500 tons is freeze dried.

Initially, the company employed technology from Brazil and Niro. As it grew, it adopted any new, relevant and effective technology. Currently CCL is in the final stages of establishing a new liquid coffee concentrate plant with a capacity of around 4,000 tons. The production is intended primarily to supply the European and Japanese RTD market.

### Exports

From its inception, the company viewed overseas markets as a vital growth area, and it started exporting. Russia became an important customer, particularly for canned packs, of 50, 100 and 200gm. CCL also supplies coffee in bulk packing, particularly to Europe and North America.

"Over the past three years, CCL has exported between 7,500-9,000 tons of instant coffees," C. Rajendra Prasad, CCL c.e.o., told *Tea & Coffee Asia*. "We started with bulk, but now we export mostly packed goods: all kinds of SKU's can be accommodated. Our product is manufactured in India, and today we have more than 50 countries as customers. Private label is big in several countries, and we manufacture several brands for major international companies. Product can be supplied in many forms, for example in foil packs ranging from 1gm to 5kg, in glass jars, cans - pretty much anything required, we can supply."

In addition to standard coffee types CCL also supplies organic, fair trade, Rainforest Alliance and other speciality types of processed coffee.

CCL currently does not manufacture a three-in-one beverage, but sells a lot of coffee to 3-in-1 manufacturers throughout Asia.

Shrink wrap labeling and printing can all done in India. CCL offers a complete, one-stop shop for all instant coffee requirements.



### Recent trends

The global recession has affected business, but Prasad remains confident regarding future development.

"Yes, we were scratched [by the recession], but took quick decisions to counter the effects", he confided. "In the coffee world, a contract is a contract. Generally stocks have depleted: where delivery times used to be 60-90 days, now 15-30 days is the norm. But the indications are that stocks will be increased. There are no obvious signs that the coffee industry has been permanently damaged."

CCL's consistency of quality and the ability to go for long-term contracts because of the company's financial security, ability and experience, has been a major factor in the company growth and sustainability.

"We are always able to sell at the contracted price," Prasad said. "Over the past 15 years we have never defaulted on a contract or a financial obligation. Our interest is always to ensure our clients are able to make money and that their business grows. This has established high degrees of trust that has allowed us to develop long-term relationships that endure through the good times and the bad times. Coffee being an agricultural product, there are always going to be problems, but having someone available 24/7 to handle and resolve any issues is a cornerstone of our success."

### The domestic market

The company's own brand, *Continental Special*, is primarily sold in India.

"India, which produces around 300,000 tons of green coffee annually, used to consume an average of only 55,000 tons of green coffee every year," Prasad said. "Now this has almost doubled to close to 100,000 tons over the last four to five years. South India is a traditional coffee drinking area, so less instant coffee is sold there. But North India is seeing a lot of growth. Vending machines serving instant coffees are becoming more and more popular, and the booming cappuccino and espresso segments will ultimately be the catalyst for the growth of instant coffee. So we see great potential to grow our market share – we are very bullish about

the domestic market."

CCL is an important buyer of Indian coffee. Local beans account for around 50% of its total production. The company buys green coffee which is then, cleaned, roasted and processed up to the finished product in-house. Indian coffee used by CCL is mostly sourced through traders. All coffee bought and sold undergoes quality control in-house. The company concentrates on producing and selling soluble coffee only and it doesn't trade green coffee.

"The samples are cupped, and then we decide which origin to go for," said Prasad. "We also discuss the selection with our clients and offer our advice. This approach, coupled with quality of our products and the service we provide has ensured that we enjoy long relationships with clients, some going back 20 years."



### Unique specialists

CCL is a unique company, specializing in manufacturing value-added products for different tastes in different countries.

"We manufacture over 22 different blends for our international clients," according to Prasad. "To ensure our customers are served as efficiently as possible, our company has a presence in three different time zones. We have three principal directors. Aside from myself here in Hyderabad, there is Jonathan Feuer, president of L.M Zuckermann in the US and Ian Breminier, the managing director of Complete Coffee Ltd., a subsidiary company of CCL in the UK. We are all involved in CCL as main board directors."

CCL's North American business is conducted through L.M Zuckermann in New York, while its EU countries are handled by Complete Coffee Ltd. Russia, CIS, Africa and the Middle East and Asia are handled directly from India by CCL. Between them, L.M Zuckermann and Complete Coffee have a combined experience of more than 125 years in the coffee business.

"The beauty of dealing with CCL is that because we have three directors sitting in three different time zones, someone is always available to handle queries and resolve issues," Prasad pointed out. "This provides the confidence factor that drives CCL and its client's growth. We learn a lot from our clients, and we adapt to their requirements. Every country is different,

so we always strive to meet and exceed our clients' expectations.

### Future developments

Looking to the future, CCL has a clear vision and has already laid the groundwork for its continuing growth.

"CCL's growth is also linked to our client's growth," Prasad told us. "That is why we always look at all new technologies and adopt any that will improve our ability to provide the best possible products to our clients. We are in the "instant" business, and our decisions are also made instantly."

CCL has set up in a new plant in Switzerland to reduce shipping time and lead time for delivery to clients, in addition to providing a stronger agglomerated product. The new Swiss facility has a 3,000 ton capacity for producing granulated / agglomerated coffee and offers bulk as well as glass jar packing. CCL's European clients are now assured of better service, faster delivery times and a superior product.

#### CCL Certifications:

ISO 9001:2000  
HACCP  
BRC  
Kosher  
Halal  
Fairtrade  
Organic  
Fairtrade Organic  
Rainforest