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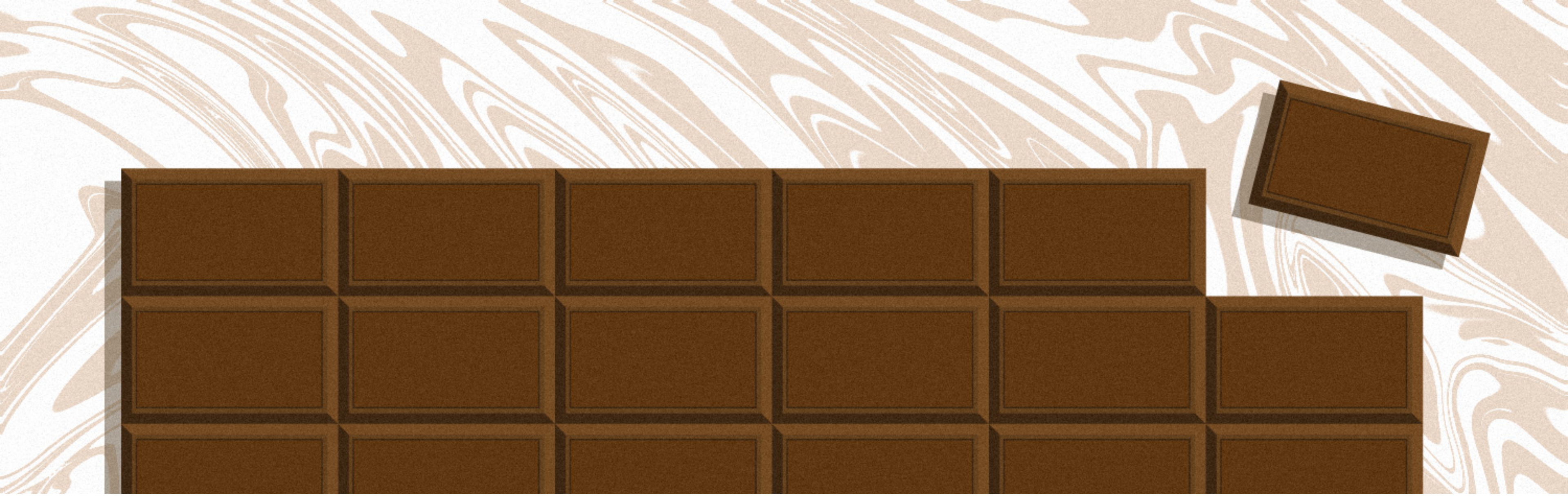
ESSAYS

This Dutch Chocolate Company Wants to Make Mass-Market, Slave-Free Chocolate

That's harder than it sounds.

By **CHARLOTTE GODDU**



In 2006, journalist Teun van de Keuken founded Tony's Chocolonely, an Amsterdam-based chocolate company dedicated to eradicating slave labor from the chocolate industry. This is a bigger problem in 2017 than you might guess. Big chocolate companies like Hershey and Nestlé buy hundreds of thousands of tons of cocoa every year, most of which comes from small family-run farms scattered throughout West Africa. These farms produce about two thousand pounds of cocoa per year, which might earn a meager thousand dollars annually. Poverty is built into the cocoa farming system. And so, to make ends meet, farmers turn to labor practices that range from iffy to outright illegal. Child labor takes many forms; in 2011, there were 1.8 million children growing cocoa, and less than 10 percent of them were paid. Some children work on their family farms instead of going to school. Others are sold into slavery outright—in some places you can buy a child for about 325 dollars.

Tony's, which is now the number-one brand in the Netherlands, is trying to change that. They pay their farmers 25 percent more than the going rate and buy cocoa directly from those farmers, so they know exactly where their beans are coming from. The company has succeeded in making their chocolate totally slave-free. But the ultimate goal is to show mainstream chocolate companies that selling relatively inexpensive slave-free chocolate to prove that making chocolate responsibly isn't just for idealistic do-gooders—it's commercially viable, maybe even necessary.

Henk Jan Beltman, CCO of Tony's—Chief Chocolate Officer, that is—explains, "If you want to change something, then you have to set an example. We have to make profit, but money is a means. We have to set an example in a way that the big guys can copy." Every choice Tony's makes is calculated to push mainstream chocolate companies to follow their example; the 25 percent increase in the price they pay for cocoa, for example, is lower than what they could be paying farmers. But it's just low enough that larger companies could pay that much more, too.

Slave-free chocolate existed before Tony's; it's often billed as bean-to-bar chocolate, meaning the chocolate manufacturer is involved in the whole process, from sourcing the cocoa beans to making the bar of chocolate that you'll buy in the store. Bean-to-bar chocolate isn't necessarily slave-free, but it's much more likely to be. Buying cocoa straight from the farmer makes it far easier to keep track of how he's growing the beans. Most large manufacturers, who buy their beans from dealers rather than directly from farmers, never interact with the people who grow their cocoa.

The bean-to-bar distinction isn't simply an indicator of responsible cocoa sourcing; it also plays into consumers' desire for food with a clear backstory. And the problem with most bean-to-bar chocolate is that it's more expensive —think brands like Taza and Guittard—because it's marketed to people who are willing to pay more to know their chocolate comes from, say, a tiny island off the coast of Africa. For this reason, bean-to-bar chocolate companies operate in a totally different part of the chocolate market than the big companies like Nestlé and Hershey's. So while they offer an often–responsibly sourced alternative to industrial chocolate, they don't threaten that part of the chocolate industry, either.

What sets Tony's apart is that it's a bean-to-bar company that operates like a big commercial chocolate manufacturer on a smaller scale. Rather than sourcing chocolate from one farm, Tony's mixes beans from different farms in all of their chocolate. But Tony's also knows what's happening on each of those farms.
And their system is working. Beltman says, "At first, the big guys laughed at us. Now, all of a sudden, we're beating Nestlé and Mondelez and Hershey and Mars in the Netherlands, proving to them that consumers are willing to pay a little more for chocolate." And they're not even paying that much more—a Tony's bar, which is twice the size of a regular bar of chocolate, costs $5.

Recently, Tony's has expanded to the United States. Peter Zandee, who manages U.S. sales, says that success in America is a key step to put pressure on big chocolate companies. "Three of the five largest chocolate companies in the world are based in the US," he says. "And for us to be successful, we need to convert these big chocolate companies." Right now, Tony's is available in smaller natural and specialty stores. But Zandee predicts that in the two years, Tony's will be on big grocery-store shelves too, right next to the Hershey's bars.
"We're not a charity, we're not a foundation, we're a commercial company that wants to make an impact on the world," says Beltman. "We're working towards

that tipping point when the big guys like Nestlé and Mars will take responsibility and change for themselves as well.”

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