From Exploited Labour to a National Identity: The Commodity Chain of a Cup of Tim’s Famous Canadian Coffee

At Tim Hortons, ‘every cup tells a story’ (Tim Hortons 2011). These ‘True Stories’ symbolize Canadian identity; authoring a collective narrative of heroism, membership, endurance, foreign diplomacy, and sport (Cormack 2008). Tim Hortons has branded their coffee with a national identity, and this is perhaps most blatantly shown through a patriotic advertisement where a cup of Tim’s plain black coffee, steaming from within its brown paper cup, is juxtaposed with an excerpt from the Canadian national anthem reading: ‘True Patriot Love’. It is perplexing how a commodity that was not produced in Canada, in fact, that cannot even be grown on Canadian soil, has become an icon of national identity. This paper aims to demystify this perverted sense of a cup of Tim Hortons coffee. Through a different narrative, one of a commodity chain analysis that observes the cycle of a cup of Tim Hortons coffee from its inception in the global South, to its eventual demise as a paper cup upon the Canadian landscape, a much bleaker story of corporate control, and social exploitation will be told.

Coffee has a unique history in the type of public space it has occupied. Early coffee houses were nurturing environments for the intellectual, artist and political spirit of innovation that characterized the modern city (Cormack 2008). Public coffee consumption is still thick with personal and political meaning. Although perhaps more subtle than the past, one’s taste in coffee and establishment can demonstrate their personal or social standing; whether it be local, worldly
and exotic, or the blue collar, bohemian, or business executive. Starbucks, offering specialty coffees from exotic locations engages their customers in the stylish consumption of worldliness, demonstrating a particular brand of social standing (Cormac 2008). Tim Hortons on the contrary, offers one type of coffee, the Tim’s blend. It is marketed as a steaming black cup of coffee served in a plain brown paper cup – simply average, yet proudly Canadian. It contests that worldly consumption, as it is heavily steeped in the vision of rural community. However, there is a disconnect between the global community that was required to bring that cup of coffee into creation, and the branding of that cup of Tim’s famous coffee.

Within Tim Hortons the elephant in the corner, globalization, is neatly hidden by making no reference to worldly influence. The coffee is a made in Canada blend, the franchise interiors are plain with earthy tones like the Canadian landscape, and the charitable focus is on community and national issues, such as the Children’s Foundation and sponsorship of sporting activities (Tim Hortons 2011). Globalization has heightened consumer consciousness regarding issues of worker displacement, labour conditions, and environmental degradation (Thompson & Zeynep 2005). Talk of coffee production and distribution has become a regular dimension of the coffee shop experience. Within a Starbucks establishment a customer is forced to choose between a Guatemalan or Ethiopian coffee blend, and is guiltily confronted with products like Ethos Water – whose profits go to helping provide children in developing countries secure clean water. Tim Hortons spares their customers this global anxiety by removing all signs of global influence from their establishments.

Tim Hortons promotes ‘a culture of Canadians’ (Tim Hortons 2011). Bred through hardships and endurance, a cup of Tim’s coffee tells the Canadian narrative. But is the Canadian
narrative one of exploitation and corporate dominance? A closer examination of the life cycle of a cup of Tim’s coffee reveals that things are not as equal as their brew.

Tim Hortons is a heavy hitter when it comes to the topic of big business in Canada. Based on market capitalization it is the fourth largest publicly-traded quick service restaurant chain in North America, and the largest in Canada (Tim Hortons 2011). With 3,148 restaurants in Canada, Tim Hortons overthrows the McDonalds restaurant chain by 1,748 restaurants (McDonalds 2011). In 2010 the total net revenues of Tim Hortons were $2.54 Billion (Tim Hortons 2011). So with all of this revenue, is Tim Hortons able to offer the gold standard of coffee trading – Fair Trade? According to the Tim Hortons website they “decided against buying fair trade coffee” (Tim Hortons 2011). Instead they have developed the Tim Hortons Coffee Partnership program, which is outsourced and managed through a German consulting company, EDE Consulting. Their program has projects in Guatemala, Columbia, and Brazil.

Fair Trade certification is dedicated to improving the trade relations between international organizations and commodity producers – particularly in the global South. According to the World Fair Trade Oraganization, Fair Trade is “a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade” (WFTO 2011). Essentially Fair Trade knocks the middle man out of the picture, allowing coffee buying companies a direct relationship with the coffee producer. This secures market fair prices for the producer. Fair Trade also creates a link with the Northern consumers by “infusing products with information regarding the peoples, places, and cultures engaged in the production of particular commodities” (Raynolds 2002). Perhaps it is this injection of global awareness among Fair Trade product that causes Tim Hortons to shy away from endorsing this action.
The actual location of their coffee suppliers still remains unknown to the public, but it is likely that they source some of their coffee from the three countries involved in their Coffee Partnership program. Although the location of their bean production cannot be said, coffee that enters into international trade often follows a somewhat uniform route.

Coffee changes many hands in its journey from bean to cup. Ponte provides a basic overview of the route taken by a typical coffee bean (2002): From farmer or estate holder it flows to the domestic trader (often termed the coffee coyote), and then to an exporter where it will leave the country of origin. However, before leaving the country the coffee cherries are dried and hulled – which may take place at any of the previous steps, but is likely done on the farm. Following this it lies in the hands of an international trader, who then deals through a broker to find a manufacturer for roasting the green bean. After roasting, and further manufacturing (packaging, and grinding), the bean is ready for shipment to a retailer. In the case of Fair Trade coffee, the middle man, or the coffee coyote and exporter, are removed from the picture and replaced by direct interaction between the international company and the farmer. This always results in a much higher price for the farmer.

Once on Canadian soil, or at least close to it, Tim Hortons’ coffee production becomes somewhat more transparent. Tim Hortons owns two major roasting factories in Ontario and New York where they roast and blend up to seventy-five percent of their coffee. The remaining twenty-five percent is outsourced to a third party roaster, who receives the beans already mixed so that they are not let in on the secret proprietary blend (Tim Hortons 2011). Much like Tim Hortons’ baked goods, centralizing the specialty jobs of coffee roaster, and baker into one factory-like location removes the need for the peripheral franchisers to pay for these high-wage positions. These factories are located close to the TDL Group Corp.’s (Tim Hortons 2011)
headquarters, which are in Oakville, Ontario. These headquarters harbor all areas of the
corporate business (Operations, Research & Development, Training, Real Estate, Construction,
Finance, Human Resources, IT, Legal, Franchising, Purchasing, and Marketing). From the
headquarters coffee is shipped to major warehouses that are central to multiple franchises across
North America. Alongside the regional offices, these warehouses then service the franchises in
each area they are located in.

The operations involved in producing and distributing the coffee create an economic
frenzy – over 1,800 jobs in the TDL Group Corp. alone, plus the employees for over 3,500
franchise locations (Tim Hortons 2011). However, the capital does not flow evenly. Instead it is
highly centralized within the head offices in Ontario. In fact, the further that one moves away
from the head office, the lower the wage becomes. All the way down to the minimum wage
franchise employee, who is required to purchase their own uniform, to the ever so distant Central
American farmer whose pay is surely less than a Canadian’s minimum wage.

It takes about six weeks for a bean from Guatemala to wind up as part of a hot brew in a
customer’s hand (Shaw 2010). In these six weeks the coffee is transformed from a simple green
bean into a multi-faceted commodity that has traded hands, symbolized an international division
of labour, created massive profit for some, and a sense of culture for others. Truly understanding
a cup of Tim’s coffee means experiencing all of these seemingly separate interactions as one:
From one’s lips touching the paper cup and sipping the coffee, extending through capitalism and
market forces, and eventually to the hands of a Central American farmer – the ‘True Story’ of a
cup of Tim’s is not as plain and simple as it seems.
Works Cited


