Market Power along the Coffee Global Value Chain

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12th Dec 2025

Introduction

- **Market power** and its economic consequences are nowadays at the center of academic and policy debate.
  [De Loecker et al., 2020; De Loecker and Eeckhout, 2021; Yeh et al., 2022]

- Market power mediates **shock transmissions**.
  [Juarez, 2023; Del Prete et al., 2025]

- Corporate concentration and power matter for **food systems**.
  [Clapp et. al, 2025]

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Introduction

- National and local concentrations on **diverging trends**.
  [Rossi-Hansberg et al., 2020]

- Multinational firms operate in **different stages** of the same GVC.
  [Autor et. al, 2020; Antràs, 2020]

RQs:

1. Are there systematic differences in market power along the various stages of a GVC?
2. Is there a trade-off between *local market power* and *global market power*?

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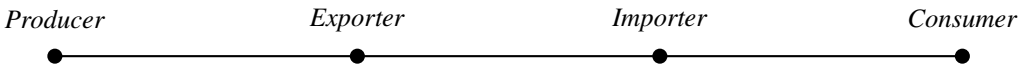
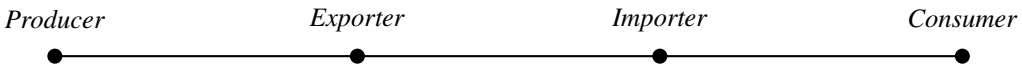
A Global Value Chain



A Global Value Chain



Upstream

[e.g., Rubens, 2023; Zavala, 2023; Dominguez-Iino, 2024]

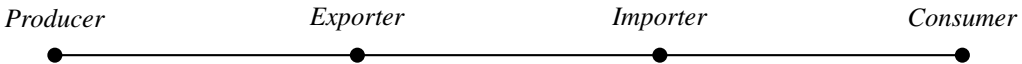
Midstream

[e.g., Alviarez et al., 2023; Juarez, 2023]

Downstream

[e.g., Bhattacharya et al., 2024; Alviarez et al., 2023; Alvarez-Blaser et al., 2025]

A Global Value Chain



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A Global Value Chain

This paper

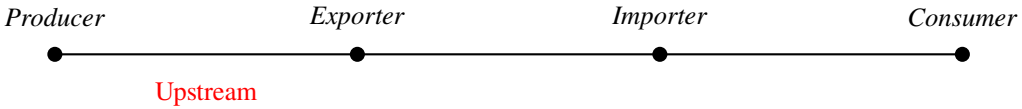
- We build a global data set tracing all stages of the **coffee GVC**.

- The coffee sector:
  - **global**: more than 12.5 mln producers and $\approx$ 1 bln consumers worldwide
    [ITC, 2021]
  - the int. **price** is one of the most sensitive to the economic fundamentals of short-run supply and demand
    [Nakamura and Zerom, 2010; Igami, 2015; Blouin and Macchiavello, 2019]
  - 70+ **M&A deals** deals among international traders since 2014
    [Financial Times, 2015]

Plan of talk

1. Introduction
2. Data
3. Stylized facts
4. Empirical Analysis
5. Theory - Preliminary
6. Conclusions

Data



intra-national flows annual data for Brazil (2016-17) and Colombia (2014-2017) from TRASE

Details

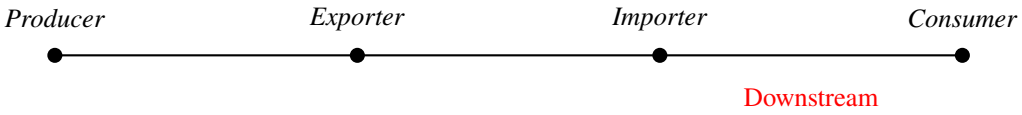
*alternatively, *farm-gate price* (annual averages) data for all coffee producing countries from 1990 from the International Coffee Organization (ICO)

Data

transaction-level data with both parties' identity from customs authorities, IOs and private providers from 2014 to 2020 for 14 major coffee producing countries ($\approx$ 87% of the global production in 2018)

Details Validation

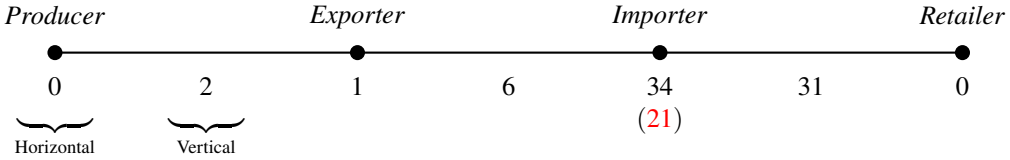
Data



retail-level sales annual data for individual coffee brands (e.g., Nescafè, Nespresso) and their corresponding owners (e.g., Nestlè) in about 100 countries from 2013 to 2022 from the Global Market Information Dataset (GMID) Euromonitor

Details

Data



M&A deals data from Zephyr by BvD, the World Coffee Portal, and other online sources (e.g., the Daily Coffee News and companies websites)

We collected information on 314 deals since 1974. 74 of these occurred between 2014 and 2020. In 21 of the latter, both the acquiror and the acquired were an importing (or a two-way trader) firm. We call these as *horizontal importer* deals. Details

Note: The figure shows the number of deals between 2014 and 2020 at each stage. Deals are included if both parties involved in the deal can be identified. Importer is defined as whether the firm is either an importer or a two-way trader as identified by customs records or a logistic company or trader. Retailer is defined as whether the firm is either a retailer, wholesaler or roaster.

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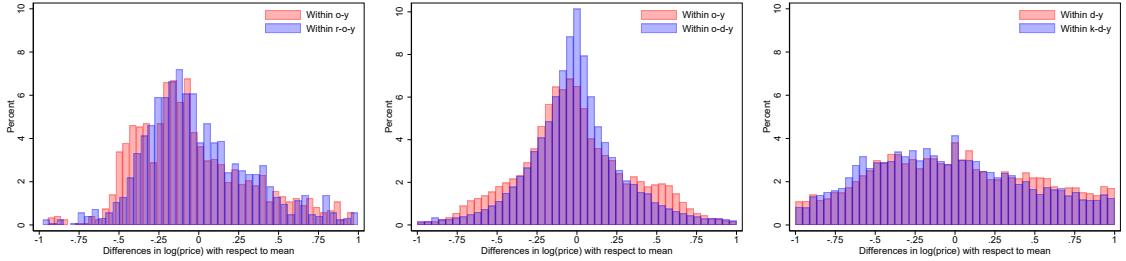
Price Dispersion

Fact I: Significant dispersion in prices across the coffee GVC stages.

within-firm | Midstream Quality



a) Upstream b) Midstream c) Downstream

Note: This figure shows the residuals from a regression in which the dependent variable is the difference in log(price) relative to the average log(price) within a market. The regressions include the same set of fixed effects.

Dominant Global Firms

Fact II: The top 100 importers (≈ 1%) account for more than 90% of aggregate purchases.

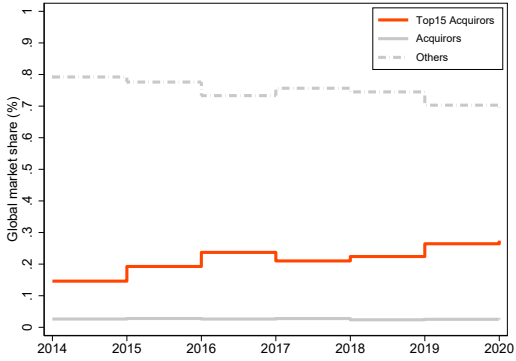
Over time | Exporters | Exporters-time | Retailers | Retailers-time | HHI

	(1) global mkt share	(2) max origin mkt share	(3) unit value ($/kg)	(4) # origin countries	(5) # destination countries	(6) # exporters
nkg	0.09	0.22	2.69	10.99	57.40	228.91
olam	0.08	0.14	2.33	8.76	60.20	101.20
ecom	0.05	0.20	2.40	10.26	59.93	132.46
volcafe	0.05	0.11	2.76	9.70	47.29	150.36
mitsubishi	0.05	0.19	2.80	11.27	55.65	156.41
coex	0.04	0.70	2.95	11.55	53.78	326.64
mitsui	0.04	0.09	2.94	9.54	19.12	95.36
louis dreyfus	0.04	0.12	2.12	8.43	43.18	56.41
nestle	0.04	0.13	3.17	11.85	26.54	90.01
starbucks	0.03	0.12	3.53	6.80	8.48	61.88
sucafina	0.03	0.30	1.98	10.16	46.66	151.99
mercon	0.02	0.06	2.54	9.46	38.15	81.27
marubeni	0.02	0.06	2.20	6.95	10.82	49.98
jm smucker	0.02	0.05	3.04	3.90	2.24	26.45
jab	0.02	0.09	2.67	8.85	18.75	72.27
top 15	0.62	0.17	2.67	9.23	36.55	118.77
top 100	0.93	0.05	2.69	5.94	14.44	42.58

Note: Top importers are ranked according to the average (across years) global market share if the importer is active for at least two years. Net weights values are replaced by quantities when missing. Unit value is computed as (median) USD value/net weight (kg). For top 15 and 100 importers, global mkt share is the sum over N importers. In columns (2)-(6) we report average values.

The growth of coffee importers

Fact III: Importers have mainly grown through M&A deals.



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Empirical strategy

- We analyze prices and market shares of firm i at the value chain stage s at time t

$$lnP_{ist} = \beta_0 + \beta_1 Mkt\ Share_{ist} + \mathbf{X}_{ist} + \mathbf{FE} + \epsilon_{ist}$$

Market Shares and Prices: *Upstream*

IV ICO imp

Table: Exporters' Market Shares in Upstream Markets

	P_{eroy}		
	(1)	(2)	(3)
$Mkt\ Share_{eroy}$	-0.219**	-0.232**	-0.228**
	(0.092)	(0.094)	(0.096)
Obs.	1,261	1,261	1,261
FEs	e, o, y	e, o, r, y	e, o, ry
Ctrl	✓	✓	✓
R^2	0.79	0.82	0.83
Num Exporters	313	313	313
Mean DV	1.49	1.49	1.49

The table shows regressions of *Mkt Share* on market outcomes. *e* stands for exporter, *r* producing region (state in Brazil, department in Colombia), *o* origin country, and *y* year. Controls include size (volume). Robust standard errors clustered at the firm level. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

Market Shares and Prices: *Midstream*

IV S.E. balanced

Table: Bilateral Market Shares in Midstream Markets

	P_{eiody}		
	(1)	(2)	(3)
$Mkt\ Share_{eiody}$	0.040***	0.040***	0.027***
	(0.010)	(0.010)	(0.009)
$Mkt\ Share_{ieody}$	-0.025***	-0.021**	-0.011
	(0.009)	(0.010)	(0.009)
Obs.	80,962	80,962	80,962
FEs	e, i, o, y	e, i, o, d, y	e, i, oy, dy
Ctrl	✓	✓	✓
R^2	0.66	0.66	0.74
Mean DV	0.87	0.87	0.87

The table shows regressions of *Mkt Share* on market outcomes. *e* stands for exporter, *i* importer, *o* origin, *d* destination, and *y* year. Controls include size (volume). Robust standard errors in parentheses. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

Market Shares and Prices: *Downstream*

IV imp

Table: Retailers' Market Shares in Downstream Markets

	(1) P_{ibkdy}	(2) P_{ibkdy}	(3) P_{ibkdy}
$Mkt\ Share_{ikdy}$	-0.462***	-0.491***	-0.501***
	(0.091)	(0.089)	(0.092)
Obs.	14,228	14,228	14,228
FEs	i, k, d, y	i, b, k, d, y	i, b, k, dy
Ctrl	✓	✓	✓
R^2	0.73	0.86	0.87
Num Retailers	525	525	525
Mean DV	2.67	2.67	2.67

The table shows regressions of *Mkt Share* on market outcomes. *i* stands for retailer, *b* brand, *k* product category, *d* destination, and *y* year. Controls include size (volume). Robust standard errors clustered at the firm level. * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Empirical strategy: M&A Deals

- Our approach to studying M&A deals uses a new unit of analysis called a **composite firm**, i.e., clusters of multiple firms that eventually merge together by the end of the sample [Cowgill et al., 2023] Merger Index

- In our main specification, we examine a simple count of the number of independent firms (importers) within each composite firm i at time t

$$Mkt\ Share_{ist} = \beta_0 + \beta_1 Merger\ Index_{ist} + \mathbf{X}_{ist} + \mathbf{FE} + \epsilon_{ist}$$

A merger corresponds to a *decrease* in the number of firms within the bundle. We multiply the $Merger\ Index_{it}$ by minus one (in alternative specifications, we include the inverse of the number of component firms), so that this index increases each time a merger occurs, and allows β_1 to be interpreted as the effect of a merger. A positive coefficient means that mkt shares *increased* after the deal.

M&A Deals and Market Shares

Table: Deals and Importers' Market Shares in Origin Markets

	Mkt Share$_{ioy}$				
	(1)	(2)	(3)	(4)	(5)
Merger Index	0.269***	0.258***	0.297***	0.278***	1.013***
	(0.057)	(0.059)	(0.077)	(0.069)	(0.215)
Obs.	25,858	25,858	15,337	25,946	25,858
FEs	i, o, y	i, o, y	i, o, y	i, o, y	i, o, y
Ctrl	✓	✓	✓	✓	✓
R^2	0.36		0.38	0.36	0.36
Mean DV	0.30	0.30	0.31	0.30	0.30
F-Stat		242,906.54			
Spec.	Baseline	IV	Balanced	No Special	Inverse

The table shows regressions of our metrics of M&A, *Merger Index* on market shares. *i* stands for importer, *o* origin country, and *y* for year. Controls include size (volume). The instrument is the average *Merger Index* for other firms in the same period, excluding the focal firm in *o*. Robust standard errors clustered at the importer level. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

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Model Setup

- Single-market Cournot model with N homogeneous firms.
- Each firm chooses output q and capability T.

Investment cost:

$$G(T) = T^{\phi}, \quad \phi > -1.$$

Inverse Demand:

$$P = A_0 Q^{-\alpha}, \quad \alpha > 0; \quad Q = \sum_i q_i.$$

Firm's problem:

$$\pi(q, T; Q) = \left(A_0 Q^{-\alpha} - \frac{q}{T}\right) q - \frac{1}{\phi} T^{\phi}.$$

Reduced-Form Profit

Optimizing with respect to T

$$\boxed{q = T^{(\phi+1)/2}}$$

Substitute $T = q^{2/(\phi+1)}$:

$$\pi(q;Q) = AQ^{-\alpha}q - \left(1 + \frac{1}{\phi}\right) q^{\frac{2\phi}{\phi+1}}.$$

Rewriting:

$$\pi(q;Q) = (AQ^{-\alpha} - q^{\beta})q, \quad \beta = \frac{\phi - 1}{\phi + 1}.$$

Interpretation

- Increasing returns to scale: $\beta < 0 \iff \phi < 1$.
- Decreasing returns: $\beta > 0 \iff \phi > 1$.

Equilibrium

In a symmetric equilibrium $Q = Nq$:

$$\pi'(q) = AQ^{-\alpha}\left(1 - \frac{\alpha}{N}\right) - (1+\beta)\left(\frac{Q}{N}\right)^{\beta} = 0.$$

$$\Rightarrow \quad Q^* = \left[\frac{A(1-\alpha/N)N^{\beta}}{1+\beta}\right]^{1/(\alpha+\beta)}.$$

Total output decreases with N if

$$\frac{dQ^*}{dN} < 0 \quad \Longleftrightarrow \quad \frac{\alpha/N}{1-\alpha/N} < -\beta.$$

Intuition

With stronger scale economies ($-\beta > 0$), entry reduces firms' optimal investment and aggregate output.

Solutions

$$\text{SOC:} \quad (-\beta) < \left(2 - \frac{\alpha+1}{N}\right) \frac{\alpha/N}{1-\alpha/N}.$$

Combining:

$$\frac{\alpha/N}{1-\alpha/N} < (-\beta) = \frac{1-\phi}{1+\phi} < \left(2 - \frac{\alpha+1}{N}\right) \frac{\alpha/N}{1-\alpha/N}.$$

Implications

- Range widens as N increases.
- Stronger scale economies can coexist with stability when N is large.

Key takeaway: Concentration can increase output when scale economies are sufficiently strong.

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Conclusions

- We build a novel, detailed dataset that captures **all stages** of the coffee GVC.
- Coffee GVCs exhibit **concentrated** market structures across all stages
- Market power exists both in the **input** and **output** markets
- Large buyers systematically gain market share via **M&As**.

Thank you!

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Upstream data Back

- For all coffee exports, TRASE determines the likely department (state) in which the coffee was produced and combine this with exporter-importer data.
- Trase uses trade and production data, as well as information on company asset ownership and the road network, and a linear programming to link departments of production to ports of export by minimising the overall transport distance.
- It covers exports of coffee beans, roasted coffee and processed coffee, and a commodity-equivalence factor to convert different products to a standard commodity equivalent, in this case green beans.

Midstream data: Customs

Back

Table: Main variables

	(1) Year	(2) HS code	(3) Quantity & value	(4) Commercial description	(5) exp. firm ID number
Brazil	2014 - 2019	09011100	both*	✓	✓
Burundi	2018 - 2019	0901	both		
Colombia	2014 - 09/2020	0901	both	✓	✓
Ecuador	2014 - 09/2020	0901	both	✓	✓
Ethiopia	07/2015 - 09/2020	0901	both	✓	
Guatemala	2014 - 08/2019	0901	qty*	✓	
India	06/2014 - 09/2020	0901	both	✓	✓
Indonesia	2014 - 09/2020	09011110	both	✓	✓
Mexico	2014 - 06/2020	09011199	both	✓	✓
Panama	2016 - 09/2020	0901	both	✓	✓
Rwanda	2018 - 03/2021	0901	both		
Tanzania	2018 - 04/2020	0901	both		✓
Uganda	2014 - 09/2020	0901	both*	✓	✓
Vietnam	2014 - 09/2020	0901	both	✓	✓

Notes: *Brazil does not report values and commercial description in 2018-19. Guatemala reports values from 07/2019. Uganda reports CIF values.

Midstream data: Customs

Back

Table: Additional variables

	(1) Port of loading	(2) Port of unloading	(3) Shipping method	(4) Importer address	(5) Exporter address	(6) Import duty	(7) Customs name	(8) Regime
Brazil	✓		✓	✓	✓			
Burundi	✓			✓	✓			
Colombia	✓		✓	✓				✓
Ecuador	✓	✓	✓					
Ethiopia								
Guatemala	✓					✓		
India	✓	✓						
Indonesia	✓	✓						
Mexico	✓			✓	✓	✓		✓
Panama	✓		✓					
Rwanda						✓	✓	✓
Tanzania	✓						✓	✓
Uganda								
Vietnam	✓	✓						

Validating customs data

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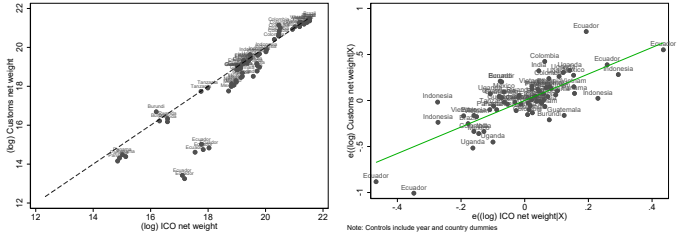


Figure: Relationship between customs and ICO net weight data

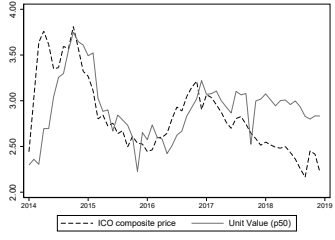
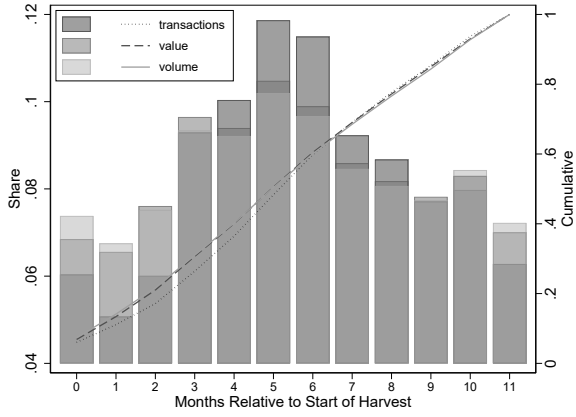


Figure: ICO monthly composite price and Customs unit values

Validating customs data

Back



Note: The horizontal axis is the number of months from the beginning of the harvest season (at zero). The timing of harvest is asynchronous across countries (see Figure harvest seasons)

Validating customs data

Back

Soc. Cooperativa de Cafetaleros Los Ausoles de R.L.
Km. 101½ Carretera a Las Chinamas, Cantón Llano La Laguna
Ahuachapán, El Salvador, Centro America
E-mail Exportaciones: cuentascorrientes.coausoles@gmail.com / cuentascorrientes@coausoles.com.sv
Skype: info.coausoles | Facebook: COAUSOLES de RL | Twiter: @CAusoles

Teléfonos
Oficina: (503)2403-0025, (503)2403-0026
(503)2403-0027
Beneficio: (503)2403-0028

DIRECT TRADE AGREEMENT TO PURCHASE GREEN COFFEE

DATE: August 24, 2021.

WE CONFIRM HAVING BOUGHT THE FOLLOWING GREEN COFFEE CONTRACT:

CONTRACT #:	**COE-ES-21-007C**
BUYER:	**Erste Tegernseer Kaffeerösterei GmbH** Tegernseer Str. 101, 83700 Weissach, Germany Attn.: Mario Felix Liebold
EXPORTER:	**Sociedad Cooperativa de Cafetaleros Los Ausoles de R.L.** Acting in representation of: Dolores Amando Guardado Quintanilla Km. 101½ Carretera a Las Chinamas, Cantón Llano La Laguna, Ahuachapán, El Salvador Phone: (+503) 2403-0025
ORIGIN:	El Salvador, Central America
DESCRIPTION:	Green Coffee Beans not decaffeinated – Pacamara Natural Strictly High Grown Gourmet / Cup of Excellence El Salvador / **Lot 07 "Tres Pozos"**
CROP:	2020/2021
QUANTITY:	2 box of 66.14 Lb. each / **2 box total = 132.28 Lb. = 60.00 Kg.**
TOTAL PRICE:	US$14.70/Lb. (includes US$0.20/Lb. mandatory vacuum packing fee) **Grand Total: US$1,944.52**
BASIS:	US$/Lb., FOT Mill El Salvador
WEIGHING:	Net Shipped Weights, ½% loss-in-weight franchise
DOCUMENTS REQUIRED:	Commercial Invoice, ICO Certificate, Certificate of Origin, Phyto Certificate, Packing List, Full set Shipping on Board Bill of Lading
APPROVAL TERMS:	Pre-approved, as per offer sample
PAYMENT:	100% up-front
DESTINATION:	OPEN
INSURANCE & FREIGHT:	To be covered by Buyer
REMARKS:	This Contract is subject to the Terms and Conditions of the Green Coffee Association Inc. and to those set out in the "COE Bidding Agreement" signed by the Buyer to the Alliance for Coffee Excellence (ACE).
SIGNED & SEALED:	

BUYER:	**EXPORTER:**
Mario Felix Liebold	**Roberto Salaverria Salguero**
Erste Tegernseer Kaffeerösterei GmbH	**Soc. Cooperativa de Cafetaleros Los Ausoles de R.L.**
Germany	**Ahuachapán, El Salvador, C.A.**

Downstream data Back

- GMID reports sales and volume information for individual coffee brands and their corresponding owners at the year-country level.
- For coffee, this is the aggregation of fresh coffee and instant coffee. Ready-to-drink (RTD) coffee is included as a separate category.
- Within each combination of market, and year, GMID lists sales for all brands above a threshold market share, which the documentation lists as 0.1%. GMID sums the sales of smaller brands in a given market and lists their collective shares under the brand names ”Private Label” and ”Others”.

M&A Deals

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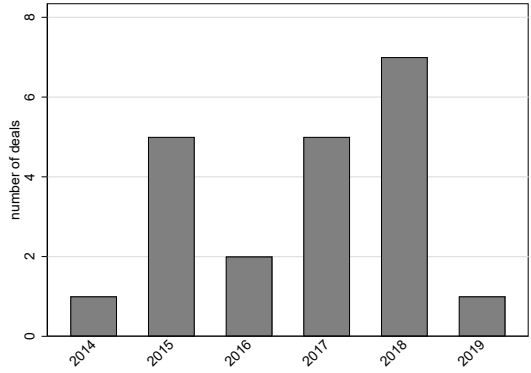
	Acquiror			
	Exporter	Importer	Two way	Total
Exporter	1	1	2	4
Importer	1	4	13	18
Two way	2	1	3	6
Total	4	6	18	28



M&A Deals

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Table: Horizontal Importer Deals

(1) Acquiror	(2) Acquired	(3) Type	(4) Date	(5) Months Pre	(6) Months Post
armenia	amcafe usa	acquisition	2018m10	32	0
coffein compagnie	hiang kie	acquisition	2018m4	51	29
farmer bross	boyd	acquisition	2017m8	40	0
hamburg	intercontinental	major stake	2017m2	36	43
jab	mondelez	major stake	2015m7	18	58
jab	intelligentsia	acquisition	2015m10	21	46
jab	stumptown s	acquisition	2015m10	0	30
jab	keurig	acquisition	2015m12	0	55
jab	trade	special	2018m4	51	29
jab	illycaffe spa	special	2018m10	57	22
kraft heinz	cerebos	acquisition	2017m10	45	4
kraft heinz	bean	acquisition	2018m9	32	19
massimo zanetti beverage	boncafe	acquisition	2014m5	4	76
massimo zanetti beverage	nutricafes cafe restauracao	acquisition	2016m9	30	23
mitsubishi	olam	minor stake	2015m8	19	63
nestle	caravan s	acquisition	2017m1	10	36
nestle	blue bottle	major stake	2017m9	23	33
nestle	starbucks	special	2018m5	52	28
nkg	atlas importesr	major stake	2018m2	38	31
olam	schluter	acquisition	2016m10	32	31
sucafina	mtc	acquisition	2019m2	61	15

This table shows deals for which both the acquiror and acquired firms are importers. Deals are included if any company of the group acquires the target importing firm (e.g., since 2012 Peet's and Douwe Egberts are both owned by JAB; ED&F man acquired Volcafe in 2004; Tres Coracoes is a joint venture by Strauss). Months pre- and post- deal refer to the number of months an acquired firm appears in the custom data. In terms of deal value: 1 JAB-Keurig 13.9$bln. 2 Nestle-Starbucks 7.5$bln. 3 Mitsubshi-Olam 1.5$bln.

Price Dispersion

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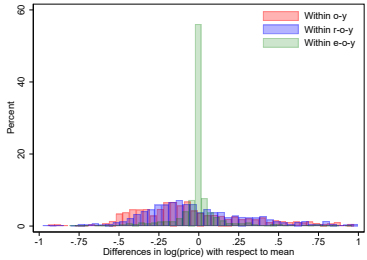
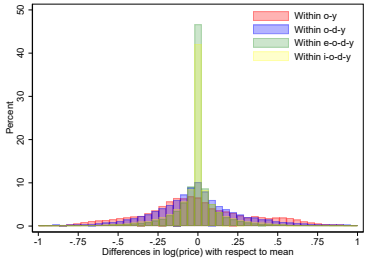
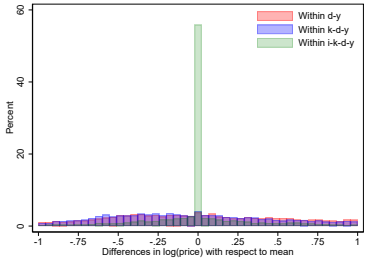


a) Upstream



b) Midstream



c) Downstream

Note: This figure shows the residuals from a regression in which the dependent variable is the difference in log(price) relative to the average log(price) within a market. The regressions include the same set of fixed effects.

Price Dispersion

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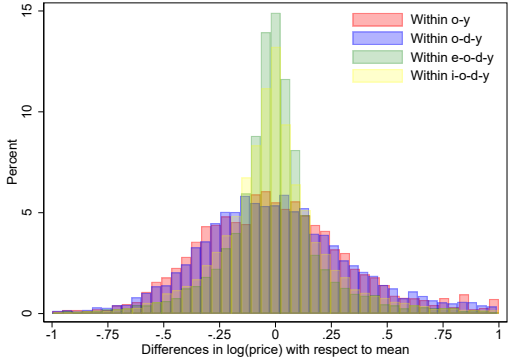

Note: This figure shows the residuals from four regressions. In each case, the dependent variable is the difference in bilateral log(price) relative to the average log(price) within an o-y and, a o-d-y, e-o-d-y, and i-o-d-y respectively, controlling for coffee quality. The regressions include the same set of fixed effects.

Dominant Global Firms

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Table: Evolution of global market shares, by top global importing firms

	2014	2015	2016	2017	2018	2019	2020
nkg	0.09	0.10	0.11	0.09	0.08	0.07	0.08
olam	0.10	0.06					
ecom	0.08	0.07	0.06	0.06	0.04	0.03	0.04
volcafe	0.06	0.05	0.06	0.05	0.03	0.03	0.05
mitsubishi	0.01	0.03	0.06	0.07	0.04	0.04	0.07
coex	0.04	0.03	0.05	0.05	0.05	0.05	0.04
mitsui	0.03	0.04	0.05	0.04	0.04	0.05	0.04
louis dreyfus	0.08	0.05	0.03	0.04	0.03	0.02	0.03
nestle	0.01	0.02	0.01	0.01	0.05	0.09	0.06
starbucks	0.03	0.04	0.04	0.04	0.02		
sucafina	0.03	0.03	0.05	0.02	0.02	0.03	0.04
mercon	0.02	0.03	0.02	0.02	0.02	0.02	0.02
marubeni	0.02	0.02	0.02	0.02	0.02	0.02	0.02
jm smucker	0.02	0.02	0.02	0.01	0.02	0.02	0.01
jab	0.00	0.01	0.01	0.01	0.03	0.04	0.02
Top 15	0.63	0.60	0.59	0.54	0.49	0.50	0.52
Top 100	0.86	0.87	0.86	0.83	0.81	0.81	0.82
Top 15*	0.66	0.61	0.61	0.56	0.51	0.54	0.56
Top 100*	0.91	0.89	0.87	0.85	0.83	0.83	0.86

The table shows top 15 importing firms. These are ranked according to average (across years) global market share. Net weight values replaced by quantities when missing. Market share is computed as the share of the imported net weight(kg) in the year of reference. * stands for top firms in that year.

Dominant Global Firms

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Table: Top global exporters

	(1) global mkt share	(2) max origin mkt share	(3) unit value	(4) # origin countries	(5) # destination countries	(6) # buyers
intimex	0.08	0.29	1.76	1.00	63.55	69.44
mitsubishi	0.07	0.14	2.82	8.57	65.98	236.38
olam	0.06	0.10	2.71	7.42	60.67	76.17
ecom	0.06	0.28	2.83	8.07	63.18	202.52
louis dreyfus	0.05	0.10	2.62	5.77	47.87	111.40
nkg	0.04	0.21	2.42	7.69	54.48	114.35
cooperativa reg de cafeicultor	0.04	0.13	2.89	1.00	42.26	130.07
volcafe	0.04	0.15	2.90	5.33	55.02	163.55
sociedad exportadora de cafe d	0.03	0.13	3.53	1.00	29.97	95.90
terra forte de cafe	0.02	0.07	2.65	1.00	29.97	62.13
compaNia cafetera la meseta	0.02	0.10	3.12	1.00	37.41	116.72
rafael espinosa hermanos & ci	0.02	0.09	3.37	1.00	38.35	147.27
tin nghia	0.02	0.06	1.74	1.00	34.72	23.45
engelhart	0.02	0.08	3.12	2.00	31.60	89.44
cofco	0.02	0.05	3.01	4.11	37.99	76.69
top 15	0.58	0.13	2.77	3.73	46.20	114.36
top 100	0.97	0.06	2.53	1.54	25.73	48.75

Note: Top exporters are ranked according to the average (across years) global market share if the exporter is active for at least two years. Net weights values are replaced by quantities when missing. Unit value is computed as (median) USD value/net weight (kg). For top 15 and 100 firms, global mkt share is the sum over N firms. In columns (2)-(6) we report average values.

Dominant Global Firms

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Table: Evolution of global market shares, by top global exporting firms

	2014	2015	2016	2017	2018	2019	2020
intimex	0.08	0.07	0.10	0.07	0.08	0.07	0.10
mitsubishi		0.02	0.06	0.07	0.07	0.08	0.09
olam	0.08	0.05					
ecom	0.07	0.06	0.05	0.06	0.05	0.06	0.06
louis dreyfus	0.07	0.05	0.04	0.05	0.04	0.04	0.05
nkg	0.04	0.05	0.05	0.05	0.04	0.05	0.04
cooperativa reg de cafeicultores em guaxupe	0.04	0.05	0.04	0.04	0.04	0.04	
volcafe	0.03	0.03	0.04	0.04	0.04	0.04	0.06
sociedad exportadora de cafe de las cooperativas de caficultores	0.02	0.02	0.02	0.03	0.04	0.03	0.05
terra forte de cafe	0.03	0.03	0.02	0.02	0.02	0.01	
compaNia cafetera la meseta	0.01	0.02	0.01	0.02	0.03	0.02	0.02
rafael espinosa hermanos & cia sca sucesores	0.01	0.01	0.01	0.01	0.02	0.02	0.04
tin nghia	0.02	0.02	0.02	0.01	0.02	0.01	0.02
engelhart	0.00	0.01	0.02	0.02	0.03	0.03	
cofco	0.02	0.02	0.02	0.01	0.02	0.02	0.02
Top 15	0.51	0.50	0.51	0.51	0.53	0.51	0.54
Top 100	0.86	0.86	0.86	0.85	0.86	0.85	0.83
Top 15*	0.55	0.51	0.53	0.53	0.55	0.55	0.65
Top 100*	0.91	0.89	0.88	0.87	0.88	0.87	0.90

Note: Top exporters are ranked according to the average (across years) global market share if the exporter is active for at least two years. Net weights values are replaced by quantities when missing. Unit value is computed as (median) USD value/net weight (kg). For top 15 and 100 firms, global mkt share is the sum over N firms. In columns (2)-(6) we report average values.

Dominant Global Firms

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Table: Top global retailers

	(1) global mkt share	(2) max destination mkt share	(3) unit value	(4) # destination countries	(5) # brands by country
nestle	0.13	0.91	32.11	98.28	4.79
coca cola	0.07	0.22	4.84	19.29	1.48
suntory	0.06	0.20	11.99	4.83	3.75
jab	0.04	0.36	23.47	65.43	5.66
starbucks	0.04	0.28	8.86	48.59	1.21
mondelez	0.03	0.26	19.26	52.00	3.25
kirin holdings co	0.03	0.35	2.35	3.00	1.80
ucc	0.02	0.09	25.64	7.86	1.46
asahi grp holdings	0.02	0.11	2.65	3.00	1.00
strauss	0.02	0.50	11.55	13.85	3.57
jm smucker	0.02	0.12	29.90	4.00	2.00
ajinomoto	0.02	0.40	7.34	4.90	1.89
lotte food	0.01	0.30	3.30	3.91	2.09
lavazza	0.01	0.34	22.44	48.00	2.03
mayora indah tbk pt	0.01	0.30	4.78	4.83	1.00
Top 15	0.55	0.32	14.03	25.45	2.46
Top 100	0.68	0.15	17.05	8.93	1.67

Note: Top retailers are ranked according to the average (across years) global market share if the retailer is active for at least two years and in at least two destination countries. Unit value is computed as (median) USD value/net weight (kg). Number of destination country and brands are averages. "Others" (14% global market share) and "Private Label" (8% global market share) are excluded from the list.

Dominant Global Firms

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Table: Evolution of global market shares, by top global retailers

	2014	2015	2016	2017	2018	2019	2020
nestle	0.10	0.10	0.10	0.10	0.10	0.15	0.16
coca cola	0.07	0.07	0.07	0.07	0.07	0.07	0.07
suntory	0.06	0.06	0.06	0.06	0.07	0.07	0.06
jab	0.00	0.05	0.05	0.06	0.05	0.05	0.06
starbucks	0.04	0.05	0.05	0.05	0.04		
kirin holdings co	0.03	0.03	0.03	0.03	0.03	0.03	0.03
ucc	0.03	0.03	0.03	0.03	0.02	0.02	0.02
mondelez	0.04	0.00					
asahi grp holdings	0.02	0.02	0.02	0.02	0.02	0.02	0.02
strauss	0.02	0.02	0.02	0.02	0.02	0.02	0.02
ajinomoto	0.01	0.02	0.02	0.02	0.02	0.02	0.02
jm smucker	0.02	0.02	0.02	0.02	0.01	0.01	0.01
lotte food	0.01	0.01	0.01	0.01	0.01	0.01	0.01
mayora indah tbk pt	0.01	0.01	0.01	0.01	0.01	0.01	0.01
lavazza	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Top 15	0.46	0.49	0.50	0.51	0.51	0.52	0.51
Top 100	0.60	0.61	0.61	0.62	0.63	0.63	0.63
Top 15*	0.52	0.53	0.53	0.54	0.55	0.56	0.56
Top 100*	0.74	0.74	0.75	0.75	0.76	0.76	0.76

Note: Top retailers are ranked according to the average (across years) global market share if the firm is active for at least two years and in at least two destination countries. "Others" (14% global market share) and "Private Label" (8% global market share) are excluded from the list. * stands for top firms in that year.

The concentration in different markets

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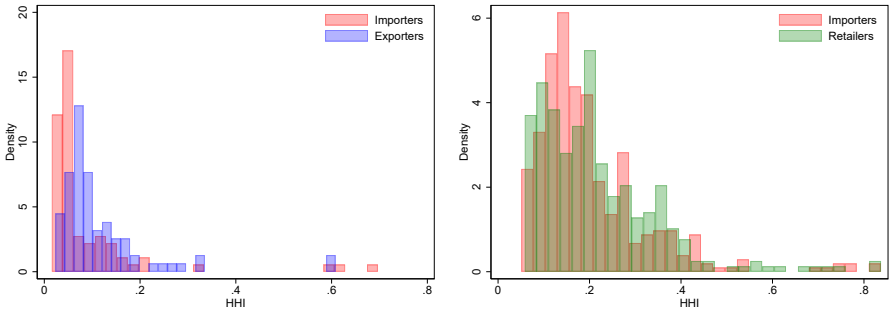

a) Origin markets

b) Destination markets

Note: This figure shows the concentration in different markets, where a market is defined as origin (destination)-year. Panel a) shows the distribution of the HHI for the importers' market share (red) and the exporters' market share (blue) in the origin countries. Panel b) shows the distribution of the HHI for the importers' market share (red) and the retailers' market share (green) in the destination countries.

Market Shares and Prices: *Upstream*

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Table: Exporters' Market Shares in Upstream Markets (IV)

	P_{eroy}		
	(1)	(2)	(3)
$Mkt\ Share_{eroy}$	-0.185*	-0.186*	-0.205**
	(0.095)	(0.101)	(0.098)
Obs.	1,261	1,261	1,261
FEs	e, o, y	e, o, r, y	e, o, ry
Ctrl	✓	✓	✓
Centered R^2	0.03	0.03	0.03
Num Exporters	313	313	313
Mean DV	1.49	1.49	1.49
F-Stat	715.32	483.67	1,002.79

The table shows regressions of *Mkt Share* on market outcomes. *e* stands for exporter, *r* producing region, *o* origin country, and *y* year. The instrument is the average *Mkt Share* for other firms in the same period, excluding the focal firm in *or*. Controls include size (volume). Robust standard errors clustered at the firm level. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

Market Shares and Prices: *Upstream*

Back

Table: Importers' Market Shares in Upstream Markets

	P_{ieroy}		
	(1)	(2)	(3)
Mkt Share$_{ieroy}$	-0.087***	-0.097***	-0.102***
	(0.024)	(0.023)	(0.023)
Obs.	13,274	13,274	13,274
FEs	i, o, y	i, o, r, y	i, o, ry
Ctrl	✓	✓	✓
R^2	0.84	0.84	0.84
Num Importers	1,404	1,404	1,404
Mean DV	1.30	1.30	1.30

The table shows regressions of *Mkt Share* on market outcomes. e stands for exporter, i importer, r producing region (state in Brazil, department in Colombia), o origin country, and y year. Controls include size (volume). Robust standard errors clustered at the firm level. * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Market Shares and Prices: *Upstream*

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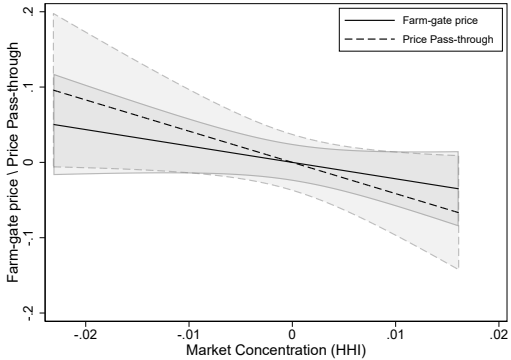

Note: This figure reports the fitted values of the residuals from regressions of farm-gate prices on q_{oy} against HHI on q_{oy}; and price pass-through (ICO farm gate price/FOB price) on q_{oy} against HHI on q_{oy} controlling for o and y

Market Shares and Prices: *Midstream*

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Table: Bilateral Market Shares in Midstream Markets (IV)

	P_{eiody}		
	(1)	(2)	(3)
Mkt Share$_{eiody}$	1.345***	1.475***	0.395***
	(0.093)	(0.103)	(0.089)
Mkt Share$_{ieody}$	-0.417***	0.059	0.051
	(0.043)	(0.061)	(0.051)
Obs.	80,962	80,962	80,962
FEs	e, i, o, y	e, i, o, d, y	e, i, oy, dy
Ctrl	✓	✓	✓
Centered R^2	-0.24	-0.29	-0.02
Mean DV	0.87	0.87	0.87
F-Stat	498.78	430.51	355.37

The table shows regressions of *Mkt Share* on market outcomes. e stands for exporter, i importer, o origin, d destination, and y year. The instrument is the average *Mkt Share* for other firms in the same period, excluding the focal firm in o or d, respectively. Controls include size (volume). Robust standard errors in parentheses. * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Market Shares and Prices: *Midstream*

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Table: Bilateral Market Shares in Midstream Markets (SE)

	P_{eiody}		
	(1)	(2)	(3)
$Mkt\ Share_{eiody}$	0.040**	0.040**	0.027
	(0.018)	(0.017)	(0.017)
$Mkt\ Share_{ieody}$	-0.025**	-0.021	-0.011
	(0.012)	(0.013)	(0.012)
Obs.	80,962	80,962	80,962
FEs	e, i, o, y	e, i, o, d, y	e, i, oy, dy
Ctrl	✓	✓	✓
R^2	0.66	0.66	0.74
Mean DV	0.87	0.87	0.87

The table shows regressions of *Mkt Share* on market outcomes. e stands for exporter, i importer, o origin, d destination, and y year. Controls include size (volume). Robust standard errors clustered at the exporter-importer level. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

Market Shares and Prices: *Midstream*

Back

Table: Bilateral Market Shares in Midstream Markets (balanced)

	P_{eiody}		
	(1)	(2)	(3)
$Mkt\ Share_{eiody}$	0.045***	0.046***	0.030**
	(0.014)	(0.014)	(0.013)
$Mkt\ Share_{ieody}$	-0.008	-0.002	0.006
	(0.014)	(0.015)	(0.013)
Obs.	52,598	52,598	52,598
FEs	e, i, o, d, y	e, i, o, d, y	e, i, oy, dy
Ctrl	✓	✓	✓
R^2	0.65	0.66	0.73
Mean DV	0.65	0.65	0.65

The table shows regressions of *Mkt Share* on market outcomes. *e* stands for exporter, *i* importer, *o* origin, *d* destination, and *y* year. Controls include size (volume). Robust standard errors in parentheses. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

Market Shares and Prices: *Downstream*

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Table: Retailers' Market Shares in Downstream Markets (IV)

	(1) P_{ibkdy}	(2) P_{ibkdy}	(3) P_{ibkdy}
$Mkt\ Share_{ikdy}$	-0.437***	-0.509***	-0.524***
	(0.162)	(0.076)	(0.085)
Obs.	14,228	14,228	14,228
FEs	i, k, d, y	i, b, k, d, y	i, b, k, dy
Ctrl	✓	✓	✓
Centered R^2	0.01	0.02	0.02
Num Retailers	525	525	525
Mean DV	2.67	2.67	2.67
F-Stat	330.41	241.06	265.34

The table shows regressions of *Mkt Share* on market outcomes. *i* stands for retailer, *b* brand, *k* product category, *d* destination, and y year. The instrument is the average *Mkt Share* for other firms in the same period, excluding the focal firm in *d*. Controls include size (volume). Robust standard errors clustered at the firm level. $^{*}\ p < 0.05$; $^{**}\ p < 0.01$; $^{***}\ p < 0.001$.

Market Shares and Prices: *Downstream*

Back

Table: Importers' Market Shares in Downstream Markets

	(1) P_{ibkdy}	(2) P_{ibkdy}	(3) P_{ibkdy}
Mkt Share$_{ikdy}$	-0.402***	-0.468***	-0.471***
	(0.106)	(0.128)	(0.127)
Obs.	7,897	7,897	7,897
FEs	i, k, d, y	i, b, k, d, y	i, b, k, dy
Ctrl	✓	✓	✓
R^2	0.64	0.85	0.86
Num Importers	158	158	158
Mean DV	2.95	2.95	2.95

The table shows regressions of *Mkt Share* on market outcomes. i stands for importer, b brand, k product category, d destination, and y year. Controls include size (volume). Robust standard errors clustered at the firm level. * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Merger Index from Cowgill et al., (2023) Back

Figure: Graphical Representation of Composite Firm

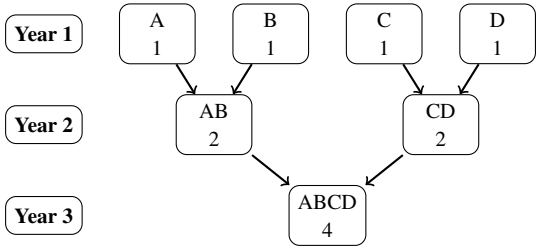

Table: Tabular Representation of Composite Firm

Year	Composite Firm	# of Independent Firms
1	"ABCD"	4
2	"ABCD"	2
3	"ABCD"	1