Waling through a South American rainforest, you would never know one of the continent’s most popular beverages is being grown underneath the emerald canopy, protected from sunlight and thriving in the humid, moist air. A closer examination reveals a special plant used in a tea-like beverage consumed by indigenous people for centuries for nutrients, antioxidants and flavor.

Until recently yerba maté was nearly unheard of in the United States but now it’s posted on cafe and coffee shop menus right next to espresso and chai tea. Its rising popularity in the U.S. market is due in large part to two Cal Poly alumni, Alex Pryor (FSN ’98) and David Karr (BUS ’96). In 1997 the two friends scrapped together some cash and launched Guayaki Sustainable Rainforest Products from Pryor’s trailer home on an organic farm outside of Los Osos. The company eventually moved to Karr’s San Luis Obispo apartment, and soon the duo began taking adventurous road trips in a colorfully painted VW van, touring stores and festivals promoting the health benefits of yerba maté.

It was a humble and fun beginning for the now multimillion dollar company, which distributes yerba maté under the Guayaki label to more than 10,000 locations nationwide, including select grocery stores, natural foods stores and coffee shops. The company also distributes the traditional native drinking gourds and other accessories.

How did their idea take root and grow? Shared values and a new concept of profit, according to Karr.

“Our business model is market-driven restoration,” said Karr with enthusiasm. “Our model is unique in that it leverages consumer dollars to directly support reforestation, community development, organic sustainable farming and fair trade. Simply put, to prove the rainforest is more valuable standing up than cut down.”

The rainforest canopy shelters the yerba maté plants. Nearby native communities are paid a living wage and given health insurance to harvest the plants. As the brand expands in the United States, more dollars flow to the growers in South America, who grow more yerba maté plants and preserve more acres of rainforest. The company’s goal is to eventually preserve one-million acres.

Karr points out the company uses the most efficient manufacturing processes available, such as biodegradable packages printed with soy ink. Since maté growing in the forest removes significant amounts of carbon, Karr estimates that in the end, the entire business is carbon negative, even after the process of growing, processing, packaging and transportation. “We figure this is the first certified consumer product in the world to have a negative carbon footprint,” he said.

Pryor, a native of Buenos Aires, Argentina, experienced the causes and consequences of deforestation firsthand. He was inspired to study in California because of its culture of environmental awareness. He is now back in South America, managing the growers while Karr and a team manage operations in North America.

“We named the company to honor the Ache Guayaki, the last hunter-gathers found in the Mata Atlantic Rain Forest, the native habitat of yerba maté,” said Pryor. The Mata Atlantic, which encompasses areas of Argentina, Brazil and Paraguay, has been devastated by deforestation.

Pryor played a key role in bringing yerba maté growers from these three countries together, creating participatory workshops for them to exchange knowledge and ideas. Not an easy task considering the intense nationalism in the region.

“We choose to work in the entire eco-region native to yerba maté, since the deforestation is affecting everyone,” said Pryor. “Cultural barriers start to become less important with growing yerba maté and preserving the rainforest as common goals.”

According to Pryor, Guayaki will continue to expand in the coming years, step by step, tree by tree, but always 100 percent dependent on how sustainable the supply projects are. Both agree that the fertile environment for the company’s start was at Cal Poly and in San Luis Obispo — two friends in a colorfully painted VW bus, journeying from place to place, giving people their first sip of yerba maté.

“My greatest times have been with my partners at Guayaki, serving up maté at big events,” said Karr. “It really is a thrill to be with your best friends and business partners, selling a product that changes people’s lives.”

(P) Alex Pryor

BY Scott Roark

PRESERVING THE RAINFOREST
ONE CUP AT A TIME

Alex Pryor and David Karr cultivate social and economic change
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