

Hawaii Retail Grocer

WINTER 2018

the magazine of the hawaii food & grocery industry association

PERFECT PAIRING

Advanced Sommelier Marvin Chang and Brian Nagai, chef de cuisine of Foodland Farms Ala Moana, pair a classic holiday meal

INSIDE

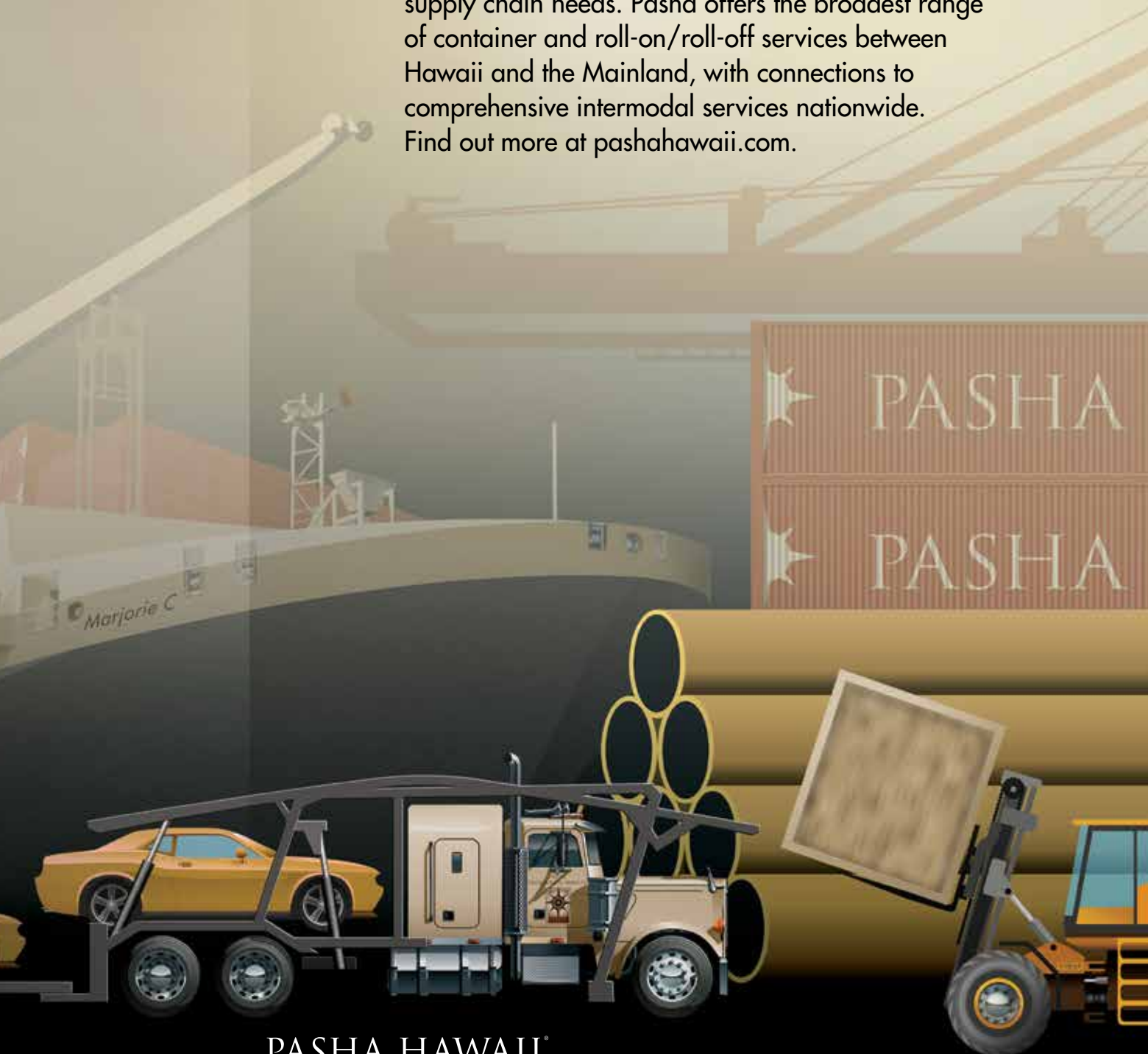
HFIA Supports Family Meals Month
Members Making the Season Bright
Hawaii Foodbank's New President & CEO
AgTech Innovation Finds A Way
The Price of the Trade War

PRST STD
U.S. POSTAGE
PAID
HONOLULU, HI
PERMIT NO. 583



Serving Hawaii Is Our Business

Pasha Hawaii's dynamic shipping network and knowledgeable professionals are here to serve your supply chain needs. Pasha offers the broadest range of container and roll-on/roll-off services between Hawaii and the Mainland, with connections to comprehensive intermodal services nationwide. Find out more at pashahawaii.com.



PASHA HAWAII



You're Someone Special

Happy Holidays

from KTA Super Stores, Hawai'i's locally owned
and operated grocery stores since 1916.

From pupu platters and poke to paper goods and
everything in-between, visit KTA for your holiday
party and potluck needs.

KTA Downtown, Hilo
321 Keawe Street
808-935-3751

KTA Puainako, Hilo
50 East Puainako Street
808-959-9111

KTA Waikoloa Village
Waikoloa Highlands Center
808-883-1088

KTA Waimea
Waimea Center
808-885-8866

KTA Keauhou, Kona
Keauhou Shopping Ctr.
808-322-2311

KTA Kailua-Kona
Kona Coast Shopping Ctr.
808-329-1677

KTA Express, Kealahou
81-6602 Hawaii Belt Road
808-323-1916

www.ktasuperstores.com



CONTENTS



14

22

DEPARTMENTS

Legislative Update.....	6
Chair's Message.....	11
New Members.....	33
The Last Word	34

FEATURES

Working for Independent Grocery Retailers and Wholesalers in Washington, DC.....	8
HFIA Supports Family Meals Month Resolution.....	10
Make the Season Bright! HFIA Members Share Generously with the Community.....	12
Building on Traditional Holiday Fare, Grocers and Chefs Strive for New Heights.....	14
Hawaii Taxation Unduly Burdensome to Residents	21
A Broader View of Hunger in Hawaii	22
AgTech: Innovation Finds a Way	26
The Impressive Growth of #Plant-Based Diets.....	28
The Price of the Trade War.....	30

Hawaii Retail Grocer

The Magazine of the Hawaii Food Industry Association

Hawaii Retail Grocer is a quarterly publication of the Hawaii Food Industry Association

Publisher

Lauren Zirbel

Editor

Meghan Thibault

Writers

Meghan Thibault

Alexis Chapman

Lauren Zirbel

Desirée Rose

Allison Riggs

Jesse Cooke

Design

Davin Iyamaatsu

Advertising

Charlene Gray

Printer

Trade Publishing



Cover Art by Food Gurus Hawaii.
Photo by Brian Hart.

All editorial content ©2018 by the Hawaii Food Industry Association.

No part of this publication may be reproduced without prior approval of the publisher.

Please address all correspondence to:



1050 Bishop St., PMB 235
Honolulu, Hawaii 96813

Phone: 808-533-1292

www.hawaiiifood.com

More local food. Better food security. Increased self-sufficiency.



We believe in these things so much, we're putting our money on them.



ulupono INITIATIVE

Investing in a sustainable Hawai'i

ulupono.com



This year may well be dubbed the year of the freshman! November ushered in the largest class of freshman legislators in more than a decade. HFIA is looking forward to meeting these new legislators and working hand-in-hand with them in 2019 to advocate for fresh, healthy and affordable food for the residents of Hawaii.

HFIA's Upcoming Capitol Day

Looking to the New Year, we have organized key leaders in our industry to talk story with legislators during our panel discussion at HFIA's Capitol Day on January 8, 2019. We hope you can join us! Our panel consists of Senator Glenn Wakai, Representative Aaron Ling Johanson, Derek Kuri-su of KTA Superstores, Joe Carter of Coca-Cola, Carl Fukushima of Safeway, Jason Higa of Zippy's, Paul Kosasa of ABC Stores, and Victor Lim of McDonald's.

Government Relations Committee Meeting

Prior to our panel, we will hold a

Government Relations Committee Meeting to set our legislative priorities for 2019. A preview of the HFIA legislative package has already been sent to committee members. HFIA rigorously reviews all bills submitted and highlights the most important ones for review. Throughout the session, HFIA tracks and reviews thousands of bills. If you would like to join our Government Relations Committee, we are welcoming new members, so please contact me.

Grocery Tax

HFIA will continue to prioritize opposing any new taxes on groceries, as this is the most regressive form of taxation. We will continue to support local manufacturing, buying, and growing of food. HFIA supports employer flexibility to meet business needs and opposes "one size fits all" mandates.

Make Your VoterVoice Heard

Because YOUR VOICE is so important, HFIA is launching a system to make it easier than ever for you to provide feedback on legislation that impacts your business and com-

munity. We will be sending Action Alerts using VoterVoice throughout the legislative session to allow you to seamlessly and easily contact the legislator representing your home district. A bill tracking list and a record of how legislators voted on bills of importance will also be available when you log in to the members-only portal at hawaiiifood.com.

Family Meals Month

This year HFIA is very proud to be working with a number of legislators to have September officially declared Family Meals Month in Hawaii. As discussed elsewhere in this issue, joining the nationwide movement to celebrate September as Family Meals Month is a great opportunity to remind Hawaii families to take time to enjoy all the benefits of eating together as a family.

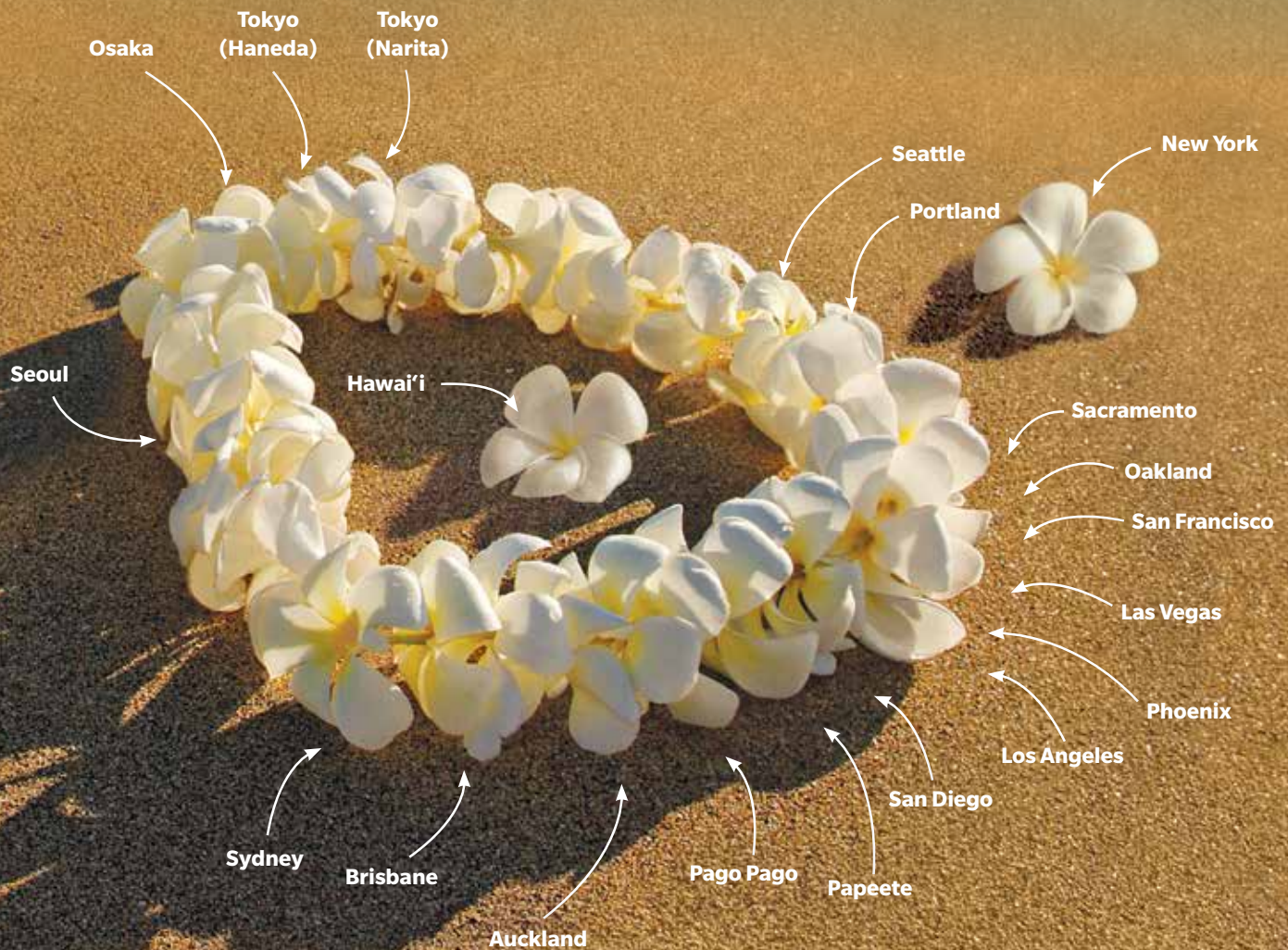
County Legislative Concerns

As far as county council legislation is concerned, an attempt to modify the Honolulu County Bag Bill has stalled for the moment, but we're continuing to maintain an open dialogue with all concerned parties to make sure that our hard-won progress on this issue is not undone. We've also been monitoring a number of bills in Honolulu County aimed at ensuring sidewalks are safe and usable for the general public.

In Hawaii County, we've been following proposed legislation to lower the fuel tax. We've also been tracking the counties' respective legislative packages as well as the Hawaii State Association of Counties legislative package, which includes a bill to put the Counties back in control of tobacco and electronic smoking laws, and measures to grant tax credits to employers who hire individuals with disabilities, or elderly employees.

Wishing our HFIA 'ohana a very happy holiday season and a prosperous new year!

Where every shipment is handled with aloha



Whether you're shipping goods between Sydney and New York, Tokyo and San Francisco or Seoul and Seattle, our network has you covered. Hawaiian Air Cargo connects East and West with fast, cost-efficient shipping. **1-877-HA-CARGO (422-2746)**

HawaiianAirCargo.com



Working for Independent Grocery Retailers and Wholesalers in Washington, DC

BY THE NATIONAL GROCERS ASSOCIATION

With the 2018 midterm elections behind us, where Democrats won the House and Republicans kept their hold of the Senate majority, Americans now find themselves with a divided government. While we know who will control each chamber, NGA is prepared to hit the ground running in 2019, as we welcome more than 80 new members in the 116th Congress.

The House and Senate will look much different next year, with the most diverse group of incoming lawmakers on Capitol Hill. NGA looks forward to establishing new relationships, as well as welcoming back dozens of champions for the independent supermarket industry to Congress this coming January. The following is a preview, prepared by NGA's Government Relations department, of policy issues that will be on the forefront of both NGA and grocers' minds during the 116th Congress.

Labor Policy

Regulatory: Most of the significant changes to labor policy have occurred via executive actions under the National Labor Relations Board (NLRB), the Occupational Safety and Health Administration (OSHA), and the Department of Labor (DOL). Some examples include stopping the harmful overtime regulations, reigning in NLRB regulations on unions, and a sharp decrease in frivolous OSHA enforcement actions. Many other employer-friendly rule changes are on the Administration's docket, and they will continue to be rolled out in the coming months, according to the White House's Fall 2018 Regulatory agenda.

While Democrats may pass legislation in the House aimed at curtailing these regulatory policies, those bills will likely die in a Republican Senate. However, since Congress controls the federal government's purse strings, it's likely that Democrats will want to pour additional funding into the coffers of the enforcement arms of



each employment and labor regulating agency. Therefore, we may see additional scrutiny by government regulators over the employment and labor practices of more businesses because the agencies will have the resources to do so. Secondly, Democrats will use the power of their Committee Chairmanships to pursue investigations and oversight activities over the labor regulators. This increased scrutiny will slow down regulations and rulemakings that favor employers.

We expect to see the Administration continue in its efforts to remove employment and labor regulations that are opposed by the business community. Current pending rulemakings include rolling back the NLRB's joint-employer rule that expands franchise liability, revisions to workplace injury and illness tracking rules, revisions to Ambush election regulations, and business-friendly overtime regulations.

Paid Family Leave: Paid Family Leave is expected to take a front seat in Democrats' efforts to appeal to working families ahead of the 2020 presidential race. With a historic number of women winning seats in Congress and a White House that has expressed its support for paid family leave reforms, the time is likely ripe for a debate over new policies that will impact employers and employees. Both

Republicans and Democrats agree that something must be done on this issue, but there is no consensus yet.

Minimum Wage Hike: Democrats intend to push legislation that will increase the minimum wage. Many of them have gotten behind a \$15 per hour minimum wage bill. In the past, Republicans have opposed such measures, but the outstanding question now is, will President Trump get behind a wage increase, as he seeks to appeal to working-class families in his 2020 campaign?

Payments: With Democrats in control of the House, NGA's goal to reform the payments system and level the playing field for merchants becomes more attainable. Democrats are known for being aggressive when it comes to regulations of financial institutions, especially if the impact of those rules favors consumers. With Democrats in charge, we could have an opportunity to thoroughly scrutinize the anticompetitive behavior of the card brands, and hopefully, usher in changes to some of their most harmful payment acceptance policies.

Healthcare

DIR Fees: DIR fees are the fees that pharmacies may see Pharmacy Benefit Managers (PBMs) charge outside of administrative fees, collected at point of sale, and are often charged retroactively after a sale is made. Gro-

cers with pharmacies have seen skyrocketing DIR fees. A bipartisan coalition is forming to contain the fees. If Congress moves bipartisan healthcare legislation, especially related to drug pricing, then it may be an opportunity to move the needle to fix DIR fees once and for all.

Infrastructure

Infrastructure package: President Trump came to office promising a trillion dollar plus infrastructure package, but this initiative hit a wall when he discussed the idea with Republican leadership in Congress. Republicans wanted to find a way to offset the cost of such a package, and no consensus emerged on how to do that. The day after the election, Trump said that he and the Democrats “have a lot of things in common on infrastructure.” Infrastructure could be one of a few areas of partnership between Democrats and Republicans.

An infrastructure bill would be the ideal place to address the increasing costs of freight and the labor shortage that’s plaguing the trucking industry. Such initiatives could include reforms to the Hours of Service rules, increasing truck weights, and reforms designed to attract more truck drivers into the labor pool.

Independent supermarket operators are driving innovation in the marketplace but operate in a fiercely competitive industry. NGA will continue to work to advance policies that will protect and enable independents to grow and better serve their communities.

MOVING HAWAII EVERY DAY



**YOUNG
BROTHERS**

FREQUENT, AFFORDABLE
INTER-ISLAND SERVICE SINCE 1900
www.YoungBrothersHawaii.com

Photo: Kalohi Channel by William Renio

Tastes of the Pacific

Expand your market reach to the growing Pacific Islander communities!

- Exclusive Products
- Competitive Pricing
- Same-Day Delivery

Supplying Over 120
Stores Islandwide!

Micronesia  mports

Call Archie McCoy • 561-1617 • archie.micro@gmail.com • micronesiaimports.com



HFIA Supports Family Meals Month Resolution

BY ALEXIS CHAPMAN

Here in Hawaii, we all value the opportunity to get together as a family to enjoy a shared meal. It's a time to talk story, catch up and of course, eat some delicious food. As it turns out, making family meals a habit several times a week can also have positive impacts on our health and well-being. However, with many of us getting busier and

Meals Month in Hawaii, and we're reaching out to our State Representatives and Senators to build support. Having an official declaration will give a valuable tool to government departments, schools, educators, community groups, nonprofits, and businesses – with a shared goal of working to educate Hawaii families about the benefits of family mealtime, as well as provide them with resources to make

positive correlation between having family meals and children's mental health, as well as stronger family relationships.

Eating together at home is also a great chance for kids and adults to practice proper nutrition and learn about healthy cooking. Research shows that meals cooked and eaten at home tend to be healthier than those eaten out. Once again, this aspect of family meals is especially important for children, since eating healthy as a child is one of the key ingredients to lifelong health.

Hawaii consistently ranks as one of the healthiest states in the nation, and encouraging family meals is just one way that those of us in the food industry can continue to support our state's healthy living. We recognize that Hawaii is home to diverse types of families and family meals can take many different shapes. At HFIA, we believe that all families can benefit from a few more family meals each week. We're very proud to be leading the Family Meals Month movement in Hawaii, and we look forward to working with our members and our lawmakers at the Capitol to pass the official Family Meals Month Resolution in 2019.

Hawaii consistently ranks as one of the healthiest states in the nation, and encouraging family meals is just one way that we in the food industry can continue to support our state's healthy living.

busier, it can be hard to find time to get everyone together to share a meal. Nationwide, an ongoing initiative led by the Food Marketing Institute (FMI) encourages family meals by recognizing September as Family Meals month. In 2019, HFIA is working to bring the Family Meals movement here to Hawaii.

We've authored a resolution to declare September officially as Family

Meals Month in Hawaii, and we're reaching out to our State Representatives and Senators to build support.

Shared family meals are important for a variety of reasons, and children receive some of the most significant benefits. Recent studies have shown that kids who share in family mealtimes are less likely to engage in behaviors like smoking cigarettes, drinking alcohol, or trying marijuana. Additional research indicates a

Aloha!

The holidays are a time for celebration, giving and a lot of work! This is such a busy time for so many of our businesses, and it's also such a rewarding time to be a part of the food industry. From big traditional family meals to office parties, to seasonal flavors and holiday treats, so much of what is special about this time of year revolves around food and drink. I know that our HFIA community takes great pride in feeding Hawaii all year round, and this time of year, it's great to be a part of helping Hawaii families celebrate.

This issue highlights just some of the many ways that HFIA and our member companies give back to our communities. The individuals that make up HFIA are not only leaders in the food industry; they are volunteers, fundraisers, donors, organizers, and leaders in their communities. HFIA members support and participate in an incredible array of nonprofits and community organizations.



As a Director for Food Basket Hawaii Island, I am passionate about ending hunger in our community. Feeding the hungry is a very important mission for all of us at KTA Super Stores and in our HFIA 'ohana. We are grateful to all those who have donated to the hurricane and lava flow disaster recovery fund. When disaster strikes, we must come together to build an even stronger future.

A strong future starts by investing in our youth. As a Director for the Boys & Girls Club of the Big Island, the Waiakea High School Foundation, and a volunteer with Junior Achievement Hawaii Island, I see the future of my community and the future of our state. I know that we are in good hands.

Whichever holidays you're celebrating this year, and however you're celebrating them, I want to thank all of my fellow HFIA members for giving so much to this wonderful community. I've greatly enjoyed being your Chair this year, and I'm very excited about the future of our industry and the future of HFIA.

Mahalo and Happy Holidays!

Toby Taniguchi
HFIA Chairman

from our family
to yours,
Happy Holidays

Times SUPERMARKETS
BIG SAVE MARKETS
FUJIOKA'S WINE **Times**
SHIMA'S SUPERMARKET

A Proud Supporter of HFIA



Our many generous HFIA members are often more highly attuned than most to the needs of those in our community, both at the holidays and throughout the year.

Staff from Hawaii Logistics giving their time to support Family Programs Hawaii at the Waianae Homeless Shelter.

Make the Season Bright!

HFIA members generously share the spirit of the season with those in need

BY MEGHAN THIBAUT

As we celebrate the spirit of the season, a big part of what makes the holidays so special is sharing delicious food with family and friends. Whether it's dining out or indulging in home-cooked feasts that we look forward to all year long, breaking bread with those we love, sharing gifts, and preparing traditional recipes together are the heart of everyone's holiday festivities, no matter what your beliefs might be.

With the season of giving upon us, we are all compelled to feel more charitable in our hearts and to be aware of the many gifts we've been given. Our many generous HFIA members are often more highly attuned than most to the needs of those in our community, both at the holidays and throughout the year. Many have been sharing their time and generosity with organizations and community members in needs all

year long. Here, we share how some HFIA members are giving back.

C&S Wholesale Grocers Focuses on Alleviating Hunger

Demonstrating their company's commitment to easing hunger, several members of the C&S Wholesale Grocers senior leadership team donated their time this year at the company's corporate headquarters in New Hampshire. They assisted in a 2-hour marathon with other company volunteers who together packed more than 100,000 meals that were then donated to those in need.

Here in Hawaii, C&S Wholesale Grocers proudly supports the Hawaii Foodbank with generous food donations throughout the year. In 2018, the national wholesaler donated more than 19 tons of food to the Oahu-based nonprofit, including 380 turkeys to

distribute to community members in need throughout the holiday season.

Benefitting from a recent grant from C&S Wholesale to the Hawaii Foodbank's "Food 4 Keiki Backpack" program, 400 local elementary school children are now receiving nutritious, easy-to-prepare food to take home on weekends throughout the academic year. The wholesaler's generosity also extended to Big Island residents displaced by the eruption of Kilauea earlier this year. Hawaii Island residents received a donation from C&S of more than 600 cases of food, baby items and paper goods to address their acute needs.

For 20 years, Family Programs Hawaii has been holding an annual Holiday Party for Keiki in Foster Care to help ease the stress of kids' separation from their families over the holidays. C&S volunteers will be there this December to assist with the 20th annual event. Company volunteers will also be rolling up their sleeves to serve a meal to the Wounded Warriors Transition Battalion this December, in addition to holding clothing drives to help families served by the Waianae Homeless Shelter and

by the National Kidney Foundation of Hawaii. "Our employees are making the season brighter in the community this year," said Beau Oshiro, vice president, and division manager at C&S Wholesale Grocers.

Foodland Continues to Give Aloha

Foodland's annual community matching gifts program, Give Aloha, is held throughout the month of September each year. The supermarket chain matches each customer donation of up to \$249 to their participating Hawaii nonprofit of choice. Donations are distributed proportionately to the designated charities by the end of October. Since the Give Aloha program launched in 1999, more than \$30.9 million has been donated to local charities, with a generous donation of more than \$250,000 from Foodland each year. The program was created to honor Maurice J. "Sully" Sullivan, Foodland's founder, to continue his legacy of giving back to the Hawaii community.

Minit Stop Partners With Toys for Tots

Minit Stop is excited to once again partner with Street Bikers United Hawaii (SBU) and Azeka Shopping Center this year, in support of the 2018 Toys for Tots Holiday Toy Drive. Street Bikers United Hawaii is a non-profit political, legal, and social advocacy organization representing Hawaii's motorcycle community.

Community members are encouraged to join the 2018 Toys for Tots partnership by bringing new, unwrapped toys to their favorite Minit Stop Store island-wide, or to any store at Azeka Shopping Center. Supporters can also purchase donation tickets in denominations of \$1 and \$5 at any Minit Stop checkout counter. Funds raised from ticket sales will be used to purchase additional toys for local kids in need.

Kim Robello, Minit Stop Merchandising Manager, said, "Minit Stop and Ohana Fuels are thrilled to give our annual support to the toy drive."

He continued, "Toys for Tots is an institution in Hawaii and the smiles the toys bring to the children's faces are incredibly gratifying to see. We encourage everyone to donate."

Hawaii Foodbank's "Check Out Hunger" Program at Select Grocers

A number of supermarkets have partnered with the Hawaii Foodbank again this year for their annual Check Out Hunger program, which encourages customers and associates to make monetary donations at the reg-

ister throughout the holiday season. The Check Out Hunger program runs from November through early January. Shoppers can make a difference by adding a small or large donation to their grocery bill at checkout, by purchasing bright green coupons.

Participating locations include Times Supermarkets statewide, Don Quijote at Honolulu, Pearl City and Waipahu, Tamura's Markets and Tamura's Fine Wine & Liquors on Oahu and Maui, Tamura Supermarket at Waianae, Shima's Supermarket at Waimanalo, Marukai at Dillingham, Big Save Markets on Kauai, and Fujioka Wine Times at Market City.

Continued on page 32

OUR SECRET

INGREDIENT?

OUR PEOPLE.

WE ARE COCA-COLA BOTTLING OF HAWAII - 1 OF 68 INDEPENDENT BOTTLERS KEEPING THE COCA-COLA COMPANY LOCAL ACROSS NEARLY EVERY CORNER OF THE COUNTRY. WE'RE PROUD TO BE PART OF THE COMMUNITIES WE SERVE.

Coca-Cola **HAWAII**
BOTTLING OF
A SUBSIDIARY OF THE ODOM CORPORATION

#COCACOLARENEW



Ala Moana Foodland Farms Christmas/New Years Eve Menu

Roasted NY Strip Loin, Caramelized Shallots,
Persimmon-Tamarind Sauce

Or

Rosemary Crusted Rack of Lamb, Brandied
Cherries, Peppermint Jus

Accompaniments:

Guava-Smoked King Salmon, Radicchio
and Endive Leaves, Green Goddess Dressing

Garlic Forbidden Rice Medley

Roasted Winter Root Vegetables,
Gingered Pomegranate Glaze

Spice Orange-Glazed Sweet Rolls

Passion Caramel Apple Galette
with Macadamia Nut Crumble

Photos Courtesy Foodland Farms Ala Moana



Building on Traditional Holiday Fare, Grocers and Chefs Strive for New Heights

BY ERIKA ENGLE

Retail customers are looking for the finest ingredients for their holiday meals, bursting with whatever flavors their family traditions demand. Some of those customers also want their retailer or grocer to do the heavy lifting for them, so all they have to do is pick up, heat and eat. Many of those customers also want insight into the beverage pairings that will optimize their holiday meals.

Foodland Farms at Ala Moana Center is in a decidedly different neighborhood from most of its sister stores. As such, the store has elevated its holiday dinner offerings for the past two seasons, while still catering to long-time customers looking for a traditional experience, as well as a more traditional value and price point, said Foodland's Corporate Chef Keoni Chang.

Adjacent to the luxury residences of Park Lane Ala Moana, and close to the many luxury high-rise condos in Ka-kaako, the store also serves customers looking for a more upscale experience, Chang said. He collaborates closely with the store's Chef de Cuisine Brian Nagai and with Jenai Wall, chairman and CEO of Foodland Super Market, Ltd., to provide a premium offering to the store's clientele. Chang and other members of the culinary team work hard to create a chef-curated, chef-driven menu, he told us.



Rosemary Crusted Rack of Lamb, Brandied Cherries, Peppermint Jus



Upscale Takeout Livened Up With Local Flavors

This year's Thanksgiving catering menu at Foodland Farms Ala Moana offered a unique take on the traditional turkey dinner that incorporated Hawaiian and Asian flavors. A pulehu prepared turkey breast was served with a lup cheong and pepeiao stuffing with water chestnuts. Smashed taro and baby yukon potatoes added a local flavor to a traditional side, with roasted baby rainbow carrots topped with sesame-ponzu butter brightening up the Thanksgiving dinner plate. A cranberry, Hawaiian chile and ginger relish livened up the palate, along with asian-style gravy prepared with shiitake mushrooms, oyster sauce and sriracha. To finish it off, a pumpkin haupia cream pie for dessert.

The Ala Moana team, led by Nagai, looks forward to the summer months when the holiday menu planning kicks off. Generally, the inspiration for the menu begins the day after the holiday and is based in real time information. "The day after, we are

running data to see what moved, what didn't move, to make notes about next year's menu."

The team chooses several main protein options, a seafood course, and overall menu that is not repeating ingredients. "Jenai is very involved in the planning as we write menus," said Chang. The culinary team likes to be adventurous, which Wall loves and encourages, while also steering the direction to avoid being too 'out there.'

This year's top-tier Christmas and New Year's menu at their Ala Moana store features roasted NY strip loin with caramelized shallots and persimmon-tamarind sauce. Alternatively, customers can opt for the rosemary-crusted rack of lamb with brandied cherries and peppermint jus as their entrée.

A starter salad of guava-smoked King salmon, radicchio and endives topped with Green Goddess dressing, and delicious sides like garlic forbidden rice medley; roasted winter root vegetables with a gingered pomegranate glaze round out the takeout menu offerings. For dessert, chose from spice orange-glazed sweet rolls or a passion caramel apple galette with macadamia nut crumble.

Wine Pairings From Advanced Sommelier Marvin Chang

Typically, wine pairings would accompany each course, but for those making only one wine purchase to accompany lamb as the main protein, Advanced Sommelier Marvin Chang of Foodland Farms recommends a Bordeaux, such as the Château Léoville Poyferré pictured on the cover, which sells for just over \$100 per bottle.

To serve with the salmon-endive salad, Chang would recommend a California Sauvignon Blanc. For dessert courses, he recommends choosing a wine that is sweeter than the dessert. To enjoy with the passion caramel apple galette with macadamia nut crumble, a low-alcohol Moscato d'Asti would be his choice.

Meatless Merriment

Vegans and vegetarians can source ingredients for their plant-based holiday feasts, as well as non-alcoholic beverage pairings, at Down to Earth locations on Oahu and Maui. The Maui-born chain is considering the possibility of creating a holiday meal package for its customers, though it already offers plant-based holiday op-



**Roasted NY Strip Loin,
Caramelized Shallots,
Persimmon-Tamarind Sauce**

tions, said Cynthia Cruz, the grocer's marketing director.

"We have frozen meat alternatives that customers can cook themselves at home," she said, citing a couple of her favorites, including a Gardein brand holiday roast made using seitan (a wheat gluten product). "It is so good . . . it takes a long time to roast — kind of like turkey — and it's a nice centerpiece for the holiday table." Another is a Tofurky brand holiday ham made using seitan and tofu. "It's very adorable, it even has netting around it," Cruz said. "We all know that they're not going to taste like meat, but they add to the holiday presentation on the table."

Side dishes include vegetarian takes on the holiday indulgences so many customers crave, such as mashed potatoes, gravy, stuffing and even a vegetarian mac-and-cheese.

Down to Earth also offers grab-and-go holiday specials on the hot bar for Thanksgiving and Christmas, including mock turkey or mock chicken, which are either tofu- or seitan-based. "Most of the hot-bar dishes are vegan," Cruz told us.

The health food chain does not sell alcoholic beverages, but they do offer a range of festive beverages including eggless nog in flavors like pumpkin and peppermint. "They are good alternatives for people who don't do eggs, or who want something

dairy-free," she said. For those whose celebrations must include bubbly, shoppers will find non-alcoholic bevies in the form of sparkling ciders in traditional apple, but also in cranberry, blueberry and pear flavors.

Beyond vegan and vegetarian lifestyle practitioners, the store's customers include many with health- or allergy-related dietary restrictions, Cruz said. The popularity of the 'Eka-hi Ornish Lifestyle Medicine program in Kaka'ako has sent new customers into Down to Earth locations seeking healthful options in line with the program's dietary guidelines.

"They do such a good job of getting people to change their eating habits," Cruz said. "This is the safest place for them to shop," she said, but added "even though we are a health food store, there are products with fats and oils that people in the program need to avoid.

Special healthcare programs notwithstanding, Cruz has seen the broader adoption of plant-based lifestyles make inroads into traditional grocery stores, some of which are now a wide variety of vegetarian options and "selling a lot of the same brands we carry," Cruz shared.

Hawaii Island Scene

Thanksgiving, Christmas and New Year's are all busy in their own special ways, said Toby Taniguchi, president of KTA Super Stores and HFIA chairman. Thanks to the internet, customers at KTAs seven locations around Hawaii Island are increasingly well-informed. They are more discerning about the sustainability, quality, and sourcing of ingredients, including country-of-origin, Taniguchi noted. They are curious about other cultures' dishes and the ingredients used to make them. "With the internet at their fingertips, they look up a traditional recipe and bring it up and start asking questions. We have more and more requests like that coming and we're happy to help them," he said.

Choosing Holiday Wines

At just about every retail grocery store, it is common to see shoppers spending several minutes perusing wine selections, often with blank stares. With such a dizzying array of



**Passion Caramel Apple Galette
with Macadamia Nut Crumble**



**Garlic Forbidden
Rice Medley**



**Roasted Winter Root
Vegetables, Gingered
Pomegranate Glaze**



Perfect Holiday Wine Pairings

With Turkey, Pair Chardonnay

Budget: La Crema, touches all the taste points that people love in Chardonnay. Kendall-Jackson is best-selling, but La Crema is a terrific value.

Mid-range: Mer Soleil, round and buttery quality, not overly heavy.

Top-end: Flowers Chardonnay, made on the Sonoma Coast, terrifically refined, wonderful balance and intensity. A real stunner, excellent quality Chardonnay.

Recommendations by Master Sommelier Roberto Viernes

With Ham, Pair Pinot Noir

Budget: Elouan from Oregon. Plump style, bright, fruity, cherry raspberry and a hint of spice. A good, solid Pinot Noir by Joseph Wagner, formerly of Meiomi, who still makes Pinot Noir in that same style.

Mid-range: Au Bon Climat by Jim Clendenen. Bright, fruity but elegant, I've never been disappointed by a bottle of his wine. It's a great example of California Pinot Noir that I highly recommend. It's a blue chip wine for any Pinot Noir lover.

Top-end: Belle Glos produces a richer style of Pinot Noir. They're exuberant and robust, a style of Pinot Noir that people enjoy. At around \$45 to \$50, for that kind of money, people expect that kind of richness and Belle Glos always delivers.

Recommendations by Master Sommelier Roberto Viernes

grape varieties and labeling laws in wine growing regions around the world, it can be a little overwhelming to the average consumer. Add to the shopper's dilemma the fact that few supermarkets have highly-trained staff able to assist them.

"Obviously our liquor buyer is in tune with the industry, though we also try to provide our liquor clerks an education through the year," Taniguchi of KTA said.

The supermarket chain uses training guides to familiarize staff with, for instance, the difference between Beaujolais and a Bordeaux, or the residual sugar content of various wines. "Some of our stores have a little booklet prepared to help discuss that," Taniguchi told us. "We also do a lot of sake," Taniguchi said. KTA staffers study up on the sakes on offer, so they can knowledgeably help customers with their selections.

Pairing & Pouring

Wine remains a deep and mysterious subject to many wine consumers, but there are basic, foundational guidelines for pairings, as explained by Master Sommelier Roberto Viernes of Southern Glazer's Wine & Spirits. Viernes manages the company's American Wine & Spirits division, which includes some of the distributor's most exclusive wine portfolios.

"Turkey is kind of an innocuous dish, actually," he said. Traditionally it is served with an accompaniment such as gravy, dressing and cranberries, and is often enhanced with fresh herbs, salt, pepper, and other ingredients. "Chardonnay is a great pairing for turkey, gravy and all the fixings," Viernes told us. "It has a natural affinity for white meat. The buttery-ness of the chardonnay goes well with the gravy. I prefer the wine to have some oak, though I personally don't want to be picking wood chips out of my teeth," he joked. Chardonnay will pair with turkey whether it is roasted, smoked, or deep-fried, Viernes assured.

For ham, the pairing is definitely Pinot Noir. "Pork and Pinot Noir have a beautiful affinity for each other, with Pinot's wood aging, it has a nice smoky, spicy character like the ham, as well. Pinot is my favorite grape

variety and I've tried them from all over the world."

For beef, the obvious choice is Cabernet Sauvignon. "In the restaurant industry they talk about 'Cab and a slab,'" Viernes chuckled. "Cabernet is king in Hawaii, where we sell more red than white . . . and we sell more Cabernet than any other grape variety."

There's no single suggestion to make for pairing with vegetables because there are so many different qualities and flavors when comparing a peppery arugula salad to roasted Brussels sprouts, for example. "Generally speaking, for greens and salads you want lighter wines and the most versatile is Sauvignon Blanc. Typically you eat salads in the earlier part of the meal, so you want something more vibrant and refreshing. Sauvignon Blanc's bright acidity and bright citrus picks up your palate." For heavier vegetables, and heavier foods in general, heavier wines fit the bill, Viernes advised.

Turkey Day vs. A Month of Holiday Parties

"We have found that the Thanksgiving period has the biggest movement (of product)," versus other holidays, said Chef Chang, of Foodland. "There is a general mystique and fear about how to roast a turkey. There's also a very specific set of dishes that are traditional for Thanksgiving, and not everyone feels up to doing all that preparation," he said.

While Thanksgiving and Christmas each happen on specific days, December brings a month of celebrations. "I think with Christmas, people celebrate at many different times of the month, the get-togethers are more spread out." From fancy holiday parties to family dining room gatherings, to extended families' kanikapila in the carport pa'ina, Christmas lends itself well to potluck dinners, Chang observed.

That spreads the menu way beyond a large central protein and standard side dishes. "In addition to our holiday dinners, we see a dramatic increase in orders from fried chicken, orange chicken, and wing platters – to poke, all of that. It's traditional at Christ-



FOOD GURUS
HAWAII

"did you rebrand?"



when you're ready to go big...

Creative Services for the Food & Beverage Industry.

Branding | Digital | Marketing | Public Relations

contact Gavin Simon to learn more:
gavin@foodgurushawaii.com | (808) 946-6116

foodgurushawaii.com |   

mas-time and New Year's. We've all been at parties with 20 or 30 different platters of sashimi and other dishes. Those are the differences between the volumes at Thanksgiving, Christmas and New Year's," said Chang.

New Year's Unique Flavors

While sales of what Dr. Seuss referred to as "roast beast" increase approaching Thanksgiving and Christmas, many of Hawaii's New Year's celebration shoppers are looking for a different protein, most of which will never see the surface of a hot pan — fish. "We certainly see increased orders of sushi platters and sashimi platters, more on the cold side of the deli," said Taniguchi, of KTA, though catering orders of dishes like misoyaki butterfish also soar at that time of year. "Our Asian food aisle gets a lot of business throughout the year, but especially during New Year's preparation, we make sure we offer the ingredients people need for their ozoni soup. Each family has a different way of making it," Taniguchi said.

"Specialty products are stocked,

including items for kagami mochi, a decoration commonly found in Japanese homes symbolizing the year past, the year that is to come, long life, family bonds, and generational continuity. Some families go old-school and create their own from the sawagami paper the display sits atop, to the dried persimmon, konbu, squid, mochi and leaf-bearing tangerine, coupled with a small cup of sake. For those disinclined to create their own, they are also available in vacuum-packed containers," he said.

Meeting Consumer Demand

With all the consumer demand, especially at Thanksgiving, there is no way Hawaii's grocery industry can make all those holiday dinners to-go, said Foodland's Chef Chang. "What the grocery industry does, Safeway, Times, Foodland, all the larger competitors are contracting out with a large manufacturer, and they're preparing turkeys that are vacuum-sealed. There's no way (for stores) to roast that many turkeys," he said. "Even the hotels, while they

have oven capacity, they also have to offer regular hotel service in addition to the meals-to-go service."

Food Solutions International in Waipio, by Zippy's parent company FCH Enterprises Inc., is one such provider of fresh roasted turkeys, he said. For the premium menu at Foodland Farms Ala Moana, the dishes are fresh-made by Foodland's local culinary team, rather than outsourced and brought in, Chang said. For the holiday dinner program at KTA, all the food is also prepared in-house, Taniguchi told us.

Meeting Evolving Tastes

"We as a company focus on fresh and focus on quality, and I think all of us (grocery retailers) as a group realize that consumers these days have a much higher expectation for food quality. As it pertains to that, we should all be asking, 'how do we find the right solution for the evolving consumer, with an eye toward value and price point, fresher and healthier, with the right amount of adventurous,'" said Taniguchi.

Additional Holiday Wine Pairings (CONTINUED)

With Beef, Pair Cabernet Sauvignon

Budget: Educated Guess Cabernet from California. It's a great value, with a nice touch of wood, vanilla, and smoky black fruit that pairs well with beef.

Mid-range: Stonestreet is a terrific Cabernet from Alexander Valley. It's thick, with berry notes and has a nice tannin structure to go along with the beef.

Top-end: Faust is a terrific Cabernet. It's plump, rich, very smoky and has a rich, chocolaty flavor to it and it has this wonderfully velvety texture to it. A very complex bottle of Cabernet.

Recommendations by Master Sommelier Roberto Viernes

With Lamb, Pair Rhône-style Wines

(Grenache- or Syrah-based wines)

Budget: Côtes-du-Rhône Delas Frères, with spiciness and blackberries, it pairs well with lamb.

Mid-range to High-end: Try Châteauneuf-du-Pape and one of my favorite producers. Their Domaine du Vieux Télégraphe is spicy, rich and wonderful with wild cherries and berries, with a hint of stoniness as a representation of where it is grown.

Recommendations by Master Sommelier Roberto Viernes

Dessert Wine Pairings

Saracco Moscato d'Asti. Fairly inexpensive, at \$15 or less. It is lower in alcohol and has a light sparkle. It is wonderfully refreshing and light at the end of the meal. A few sips will brighten your palate.

Rich pies, chocolates: Tawny port, such as 10-year-old Ramos Pinto. It is wonderfully nutty, creamy, almost chocolaty, toffee-like flavor to it that goes well with those kinds of flavors on the plate. You're just going to pour a thimbleful of about two ounces, max.

Recommendations by Master Sommelier Roberto Viernes

Hawaii Taxation Unduly Burdensome to Residents

BY ALEXIS CHAPMAN

There is a lot to love about the Aloha State, from the warm people to the even warmer climate, and of course, the beautiful scenery. Unfortunately, the many benefits of living in Hawaii have to be weighed against a tax burden that is increasingly heavy for many taxpayers, especially when compared to other states.

The majority of U.S. states don't levy sales taxes on purchases of groceries. Shoppers in 36 states pay no taxes at the supermarket, and seven other states have reduced taxes on groceries. Only six states tax food purchases as much as, or more than Hawaii. Most states recognize that lower income households spend a higher proportion of their income on food and basic necessities.

Taxes on these items are regressive since they disproportionately impact poorer households, impacting those residents who can least afford them. Nevertheless, the State legislature in Hawaii has consistently failed to pass legislation that would create the same kind of exemptions that most Americans enjoy for groceries. Instead, purchases of food, medicine, and other essential items are still subject to the full 4% GET.

The Hawaii counties that have created extra GET surcharges, including Honolulu, Kauai, and Hawaii, also chose not to exempt groceries and medicine from these new taxes when they were passed. What this means for a Hawaii family who spends even \$100 a week on groceries is that over the course of a year, they would pay more than \$200 in taxes on those purchases. That's the equivalent of two weeks worth of groceries lost to the GET.

Families in the lowest income brackets may have the opportunity to recuperate some of that money at the end of the year by applying for the GET tax rebate. However, because this is a rebate rather than an exemption, families still have to find a way to pay the

GET on groceries throughout the year.

Hawaii's tax system is so regressive that it was recently ranked 15th most unfair by the Institute on Taxation and Economic Policy in their 2018 report "Who Pays". The Aloha State may have actually ranked higher on that list of relative tax burdens, except for the fact that higher income taxpayers in the State face their own outsize tax bills. In 2009, Hawaii instituted three new tax brackets with tax rates of 9%, 10%, and 11% for the highest earners. The brackets were meant as a temporary fix for the State's financial troubles at the time and were allowed to expire in 2015. However, in 2017 they were reinstated permanently.

The majority of U.S. states don't levy sales taxes on purchases of groceries. Shoppers in 36 states pay no taxes at the supermarket, and seven other states have reduced taxes on groceries.

What's notable about these rates is not just how much they take, but whom they take it from. The term "high income" may invoke images of the super rich, but in Hawaii, residents are subject to this tax bracket on any income over \$200,000, or \$400,000 for those filing jointly. In a state where the median price for a single family home is now over \$800,000 and the cost of living is the highest in the nation, this level of income does not go as far as it would in most other places in the U.S., especially with such a big loss to taxes.

Businesses in Hawaii are also being squeezed by tax burdens that are worse than those in other states. Hawaii is consistently ranked as one of the worst, if not the worst state in which to do business. The State's complex and onerous regulatory system is one reason, and taxes are another. Not only do businesses in

the state pay high tax rates, the State government offers relatively few tax incentives to help offset the other high costs of doing business in Hawaii.

Unfortunately, Hawaii's tax problems are unlikely to be solved any time soon. An analysis by JP Morgan released in November ranked Hawaii as one of the worst states in the nation for unfunded liabilities. Hawaii has billions of dollars in financial obligations, mainly in the form of State employee health fund and retirement fund contributions, but does not yet have funding in place to pay for them.

This is a common situation among all states, but Hawaii's unfunded liabilities are now the third highest in the

country, and some are protected by the State Constitution. At some point, in order to make up the shortfall for these payments, the State government may need to increase the tax burden on Hawaii residents even further.

The already untenable tax rates for individuals and businesses in all tax brackets, combined with other factors that contribute to the high cost of living, are at least part of the equation for many Hawaii residents who have been leaving the state. The most recent U.S. Census data from 2017 estimates that Hawaii's population has been in significant decline for several years. When it comes to taxation, there will always be competing priorities, and a balancing act of maintaining lower tax rates while still funding important programs. But creating a tax system so burdensome that it drives taxpayers away is not a functional solution.



A BROADER VIEW OF **HUNGER** *in* **HAWAII**

Hawaii Foodbank President and CEO Ron Mizutani responds to extraordinary events by developing a strategic action plan for our state

Photos Courtesy of Hawaii Foodbank

BY MEGHAN THIBAUT

Veteran reporter and anchorman Ron Mizutani is settling happily into his new role as president and CEO of one of Hawaii's leading nonprofit organizations. Following a journalism career that spanned more than 30 years as a familiar face on KHON2 News, Mizutani is now serving his community in a new and rewarding way. We caught up with him recently at his office near the Honolulu Airport, as he completed his first six months leading the Hawaii Foodbank.

It has been a busy six months for Mizutani and his team, marked by a series of rather extraordinary events that affected the operations of his organization. In swift succession, the state was impacted by catastrophic flooding on Kauai, an incoming missile alert statewide, an approaching Category 5 hurricane, and months of volcanic eruptions that left hundreds of Big Island residents displaced and in need of food, shelter, water, and other basic necessities.



Ron Mizutani
Hawaii Foodbank, President and CEO

"One in eight people is hungry in Hawaii. Some people are just one or two paychecks away from hunger."





Hawaii Foodbank staff and volunteers distribute more than one million pounds of food each month.

For Mizutani, these events shed light on a significant need for an effective and comprehensive disaster action plan—one that will address food and hunger issues both on Oahu, and across the state. Over the past six months, his organization has been inundated with a series of requests for food to be delivered to hurricane shelters, to be shipped to the Big Island, and others in need.

Mizutani swiftly realized that the supply of food typically on hand at the food bank wouldn't be sufficient in the event of a prolonged disaster in the state. "Without an emergency food and resilience strategy, we could find ourselves in a world of hurt," he told us. "I know we are not ready for something significant, whether it be a hurricane or tsunami," he added.

Emergency Response Planning

None of these events and their potential long-term effects on our communities were lost on Mizutani, who grew up on Kauai and who experienced both Hurricane Iwa and Hurricane Iniki firsthand. He noted that their aftermath was prolonged and fraught with challenges. "This storm season has opened a lot of eyes on Oahu. Kauai understands what

it takes to endure and recover," said Mizutani, who, in his first months on the job, has responded to the exceptional occurrences of this year by developing a guide that would establish and implement an Oahu Emergency Food Supply and Storage strategy and coordinate support for disaster feeding across Oahu.

It's a plan that would address issues of food shortages the island might face if, for example, the ports were closed. A recent KHON2 story in August points to the possible challenges Mizutani is looking to address, "Hurricane Lane has triggered port closures that will disrupt cargo for days," the article reads, "meaning whatever supplies are in warehouses and on shelves may be it for now."

The Hawaii Foodbank provides 50,000 pounds of food a day to Oahu soup kitchens, faith-based organizations, and other entities on a consistent basis. Mizutani worries that in the event of another port closure, hunger could become even more widespread, and he's looking to address the acute needs that Hurricane Lane brought to light. "There's a misconception that the Hawaii Foodbank has an endless amount of food. In point of fact, our inventory is based on the programs that we serve. At any given time, we have only about a 19-day supply," says Mizutani.



"One in eight people is hungry in Hawaii," says Mizutani, but he's quick to point out that hunger exists on a spectrum and that it isn't exclusive to the many homeless residents in the state. In Mizutani's view, hunger should have as strong a voice as homelessness in our community, since it affects 287,000 people a day in the state. "Some people are just one or two paychecks away from hunger." He's no stranger to this himself. Mizutani was raised by a single mom who worked three jobs to support him and his sister. He remembers eating cans of Vienna sausage for dinner during the hard times. "I know what it's like to struggle," he says.

He's been working with Honolulu City and County and seeking buy-in to his strategic plan, still in its infancy, from other community partners and stakeholders, including food distributors, major retailers, government agencies at all levels including FEMA,

and other nonprofit organizations. “We are in a prime time as an island community to have these conversations,” he notes.

With that in mind, he has invited an open dialogue, including and especially with Mayor Caldwell and the State of Hawaii. The City & County of Honolulu has assembled a resilience action team, which has several working groups to create an overall disaster preparedness plan. Each stakeholder pitched their ideas to the city and Mizutani ensures that hunger, as it pertains to emergency management as well as our island’s ongoing and persistent struggle with it, is a significant part of that conversation. Each “resilience action” was evaluated and prioritized and his plan received the highest score in his working group and is expected to be a part of the City’s Resilience Strategy in the near future.

Board Development

Re-energizing the Hawaii Foodbank board of directors with the addition of more than 15 new members in September has been another initiative at the top of Mizutani’s strategic plan for his organization. “I was looking for innovative ideas and new energy to complement the tried-and-true programs that have proven successful in the past,” said Mizutani, who hopes his newly assembled board will enliven the Hawaii Foodbank’s upcoming events season. It’s a crucial fundraising time of year that runs from January through May and includes a golf tournament, a culinary event, and of course, their annual springtime food drive.

Fundraising and food donations are much needed. These days, the Hawaii Foodbank is doing more food purchasing than ever before, as is evidenced by their budget forecast for 2019. Built into it are purchasing costs and the corresponding shipping costs that come with them. The nonprofit needs to buy more food simply to keep pace with the expanding demands on the organization.

Despite having to purchase additional food, the nonprofit operates with extraordinary efficiency. “I can show you our books, and we have

nothing to hide,” he says of the Hawaii Foodbank’s remarkable program ratio of 95:5. This success rate means that a full 95 cents of every dollar of the Hawaii Foodbank’s annual budget is used to serve the community through programming, and just five percent, or five cents of every dollar, is used to cover administrative and operational costs.

As a Feeding America affiliate, the nonprofit benefits from nationwide relationships with big-box retailers, which allows the Hawaii Foodbank to purchase at a much better cost. Mizutani notes, “We can’t only rely on our donors. Plenty of hard work and fundraising are needed to keep pace with our organization’s growing needs.”

Strategic Hires

Mizutani has also created new strategic positions within the organization, including the hire of a new CFO to provide financial analysis and

strategic planning, with a view to expanding the nonprofit organization’s reach. “My goal is to invest in our mission and expand to impact more lives and feed more people,” says Mizutani, who notes that the three food banks across the state tend to operate in silos, each with their own donor base. “I feel a need to break down these silos. However, I’m very sensitive to communities that have loyalties,” says Mizutani, who looks forward to continued collaboration with partners across the state.

Internally, he saw a need to elevate the position of a longtime staffer to create an advocacy role within the organization. Hawaii Foodbank employee Marielle Terbio has been promoted to Director of Community Engagement and Advocacy. Having worked with Hawaii Foodbank’s dedicated pool of volunteers, she will be driving the community dialogue

Continued on page 34



AgTech – Innovation Finds a Way

Technology is solving challenges faced by local farmers

BY JESSE COOKE
VICE PRESIDENT OF INVESTMENT,
ULUPONO INITIATIVE

A technological revolution in agriculture is underway and has experienced a growth spurt over the last five years. From biotech to artificial intelligence to drones, AgTech is rapidly changing farming practices across the country. Substantial amounts of investor funds have poured into the agricultural space, following the promise of increased profits that result from smarter technology.

Science Fiction Becomes Farming Reality

Much of the technology being deployed reads like a science fiction novel, and even more thrilling is that technology continues to evolve each year. Use of drones in agriculture for aerial reconnaissance is now commonplace. But the very latest innovation, “swarms,” allows a single pilot to fly multiple drones simultaneously, exponentially increasing the output of costly pilot services.

Likewise, artificial intelligence (AI) combined with optics have been used for quality control and vegetable sorting for some time. This automation eliminates the need for sorting by hand. But that’s only the start. As technology becomes more sophisticated, new applications abound.

This innovative combination is now being used in the dairy industry to identify patterns in the movement and facial expression of individual cows. This technology can monitor the health condition of a single animal within the herd, to determine when the animal is hungry or in heat, or to alert



Purple daikon and jicama from Counter Culture Organic Farm in Waiialua

farmers when the animal may be ill.

The use of DNA technology is evolving as well. DNA is being used as a more secure form of food traceability. Specific DNA sequences are created from seaweed and act as invisible and edible biological barcodes and food labels. These DNA barcodes cannot be duplicated and come in liquid-coating form – less than 1/8 of a cup is enough to provide secure traceability to more than one ton of apples.

Due to the high cost of implementation of many innovations, the majority of local farmers are unable to benefit from the efficiency and savings generated from AgTech. Still, there are sectors of AgTech making a positive difference for the “little guy,” usually by enabling the aggregation and sharing of resources and services.

Farm Link Hawaii is one local

example. The cooperative-led, online local food marketplace and delivery network provides a perfect example of how AgTech can help small farmers by using technology to solve some of their long-standing, fundamental challenges.

The Same Old Problems

Large food buyers need certainty of supply; they need to know that their orders will be reliably filled on time and at the volumes required. A single, small farmer often cannot provide this certainty, making them apprehensive about entering into contractual arrangements with large buyers, thus losing out on a potentially steady revenue stream. And it’s easier for a local buyer to work with large farms on the U.S. mainland or

in Mexico that can guarantee supply regardless of season, volume requirements, or time constraints.

Another factor impeding negotiations are the limited human resources of both buyers and small farmers. It's easier for a buyer to contact a single large producer, rather than contact and negotiate with dozens of smaller farmers. Small farmers are human resource constrained as well. They spend their time farming, which usually entails long hours and taxing physical labor. Undoubtedly, this makes it difficult for small farmers to allocate time to create markets and sales channels for their produce, with limited hours for sales calls to grocers, restaurants, and caterers.

Additionally, small farmers often lack the skill set necessary to differentiate their products to customers in order to build brand awareness. After all, while farmers are good at growing food, they may not excel at marketing strategy, logo design, and closing sales calls. Add to their dilemma equipment and infrastructure constraints. Large buyers typically demand delivery of product to either their stores or distribution centers. A small farmer would need to have a vehicle and driver, which is often not the case.

The "Uber" of Farming

Innovation finds a way. Founded by Rob Barreca in 2015, Farm Link Hawaii has managed to connect local farmers to grocers, restaurants, caterers and other services through a web platform where small or bulk transactions of local produce can be made.

Barreca owns and operates Counter Culture Organic Farm, a ten-acre, certified organic farm in Waialua. Barreca is not your typical farmer. For more than 15 years, he worked in California's Bay Area as a web designer before deciding to try something very different. As a new farmer, he experienced the same challenges as other small operators, but with his background, he was able to identify areas in which technology could provide solutions for small farmers like himself. Out these challenges, Farm Link Hawaii was born.



A 16-foot, refrigerated box truck funded by the Ulupono Initiative is improving our Oahu food system by connecting small growers with local chefs.

"Farmers are trying to produce a sufficient quantity and produce the right thing that all these different buyers in the marketplace want," Barreca said. "They're matching all sorts of disparate demands from chefs and caterers and grocers and retailers with the super scattered supply. I think tech has the potential [...] to link up all those little bits and in aggregate, make them a meaningful part of the industry and marketplace."

Farm Link Hawaii's website (www.farmlinkhawaii.com) tracks each farmer's product availability, sharing it via email buyers. The site also provides the name of the farm and a description of the farmer's operations, so that buyers know more about the provenance of the goods they're purchasing. Buyers sign on to Farm Link website and order products from multiple small farmers, often seeking products from specific areas or from producers whose farming practices are aligned with their values.

Three regional hubs are located on Oahu – the North Shore, Waianae, and Waimanalo – where local farmers in the surrounding areas are able to drop off their fresh produce to meet recent orders conveniently. Farm Link Hawaii picks up the produce from these hubs, aggregating the orders to meet buyers' supply needs, and makes the delivery. In 2017, the Ulupono Initiative funded the purchase of a refrigerated delivery truck

for this purpose, to help the company increase distribution and efficiencies, and improve food storage in transit.

Now, large buyers are given access to a larger supply base, consisting of multiple small farms through Farm Link Hawaii as a single point of contact, greatly simplifying buyers' procurement operations. Small farmers can pool their production to fulfill large orders that would be impossible for an individual small farmer to handle.

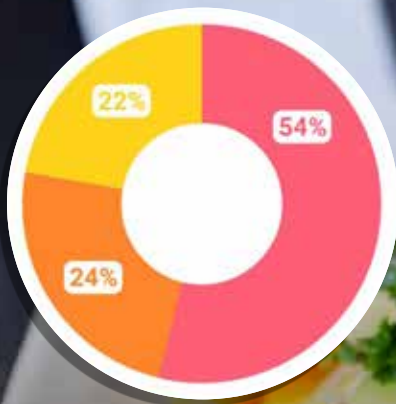
The Bottom Line

Farm Link Hawaii leverages its network of more than 50 small local farmers to deliver fresh local produce to more than 100 buyers, including retailers like Foodland Farms, Down to Earth and Whole Foods Market, as well as restaurants like Fête, Square Barrels, and The Nook. Since its inception in January 2015, Farm Link Hawaii has continued to show strong growth. As it grows, small local farmers have profited with new access to a broader customer market, one that would have been otherwise inaccessible to them.

Like any revolution, the AgTech revolution can be disruptive to the market and existing ways of doing business. But clearly, many in Hawaii are seizing the opportunity to change with the times and embrace innovation that can ultimately benefit their bottom line.

Seeing is Believing: The Impressive Growth of #Plant-Based Diets

Social media platforms
are influencing our diets
and purchasing habits



DIET MENTIONS AMONG FOOD INFLUENCERS IN 2018

■ Vegan ■ Gluten-Free ■ Vegetarian

BY ALISON RIGGS
PUBLIC POLICY & GOVERNMENT RELATIONS MANAGER
FOR DOWN TO EARTH ORGANIC & NATURAL

If you spend time on social media platforms like Facebook, YouTube, Twitter, or Instagram, you've probably encountered one of these in the past month, if not in the past week alone.

- Pictures of an amazing weight loss transformation attributed a plant-based diet,
- Disturbing footage or images of animal cruelty at a slaughterhouse, or
- A vibrant rainbow-hued plate of vegetables and grains with a #vegan hashtag

It's hard to avoid the vegetarian, vegan, and plant-based diet posts and videos these days. In case you need some clarification, vegetarians don't eat any meat products, including chicken and fish; vegans avoid all animal-relat-

ed products, including honey, eggs and dairy products. "Plant-based" is the latest trending descriptor for a diet based on foods derived from plants, which includes vegetables, whole grains, nuts, seeds, legumes, and fruits. Here, we use plant-based as an umbrella term to describe the marketing success of this growth market.

Our addiction to social media, with its eye-catching images and quick, digestible bites of information delivered in entertaining videos has been a boon for and a driver of the plant-based diet's popularity. Colorful, fresh, and delicious-looking meals are especially well-suited for image-driven platforms like Instagram. The abundance of meatless meal images is an extremely effective marketing tool to change the notion that vegetarians eat nothing but boring salads. Whether it's celebrity vegans sharing their testimonials, comedic skits poking fun at vegan stereotypes, or doctors

talking seriously about the health benefits of dropping meat from your diet, the viral posts keep coming, garnering substantial views and shares.

The result of pairing plant-based messaging and social media? #Success. Recent market research from leading firm Nielsen commissioned by the Good Food Institute (GFI)—a food advocacy group—shows that retail sales of plant-based foods that directly replace animal products totaled \$3.7 billion over the 12 months ending on August 11, 2018. Nielsen's data also shows that while, U.S. retail food sales overall grew by just 2 percent, sales of plant-based foods increased by 17 percent in the same period.

Sales of plant-based meat alternatives grew by 23 percent over the same 12 months, creating a U.S. retail market worth \$684 million. In the past year, 14.7 million households nationwide have purchased a “mock-meat” product. It's not just vegans who are purchasing these foods; many dedicated meat-eaters are interested in plant-based foods, as well. The plant-based and natural foods channel is no longer a small niche market to be overlooked. “As more households across the country purchase plant-based options, the market for these products is rapidly expanding well beyond vegetarian and vegan consumers,” notes the Good Food Institute's website.

The most popular diet discussed on social platforms this year is veganism, with more than 50 percent of all social media leaders mentioning the diet in some capacity. In 2018, 54 percent of Twitter food influencers mentioned the vegan diet. Influencers are individuals who have the power to affect consumer purchasing decisions because of their perceived authority, knowledge, position or relationship with their audience. A remarkable 86,000 Twitter users feature the word “vegan” in their bios.

While reliable research proving that social media is driving the increase in sales doesn't yet exist, the hashtag #vegan has more than 64 million posts on Instagram alone, and this image-driven social media platform happens to be a very effective tool to showcase the beauty of plant-based meals, with their vibrant



The first Down to Earth store located in Wailuku, Maui in 1977 (above) and the newest location in Pearlridge (top).

colors and variety. Instagram has more than 800 million passionate users, many of whom are sharing appealing images of their delicious, healthy food, along with easily shareable “bites” of nutritional information about their plant-based diet.

The number of people in the U.S. that identify as vegan grew from 1 percent to 6 percent between 2014 and 2017, a whopping 600% increase. Although that may seem like a small portion of the population, we can expect continued growth as customers find a wider variety of appealing plant-based options in their favorite grocery stores and restaurants, as well as plentiful online inspiration for eating and cooking plant-based.

Down to Earth Organic & Natural, with six stores on Oahu and Maui, recently opened a new stand-alone location in Pearlridge, expanding their current footprint in this community from 4,000 square feet to 13,000 square feet. Since opening their first store in Wailuku, Maui in 1977, Down to Earth has been dedicated to making vegetarian, organic, and natural products available at afford-

able prices. From its humble beginnings, Down to Earth has grown into an essential part of Hawaii's healthy living community. In 2018, for the twelfth year in a row, Down to Earth was chosen as the Star-Advertiser's People's Choice Award winner for best health food store.

As a vegetarian store and deli, Down to Earth has witnessed and contributed to the growing interest in healthier, plant-based foods over the last 40 years. Down to Earth actively educates and shares information with their customers, along with a variety of local and organic foods to satisfy even the most stubborn meat lovers. They've been spreading the word that the single most important thing we can do for our improved health, for the environment, and for the animals is to adopt a plant-based diet. “An all-vegetarian diet reduces the risk of heart disease, helps prevent some types of cancer, helps people lose weight and keep it off, and can even contribute to reducing global warming.

The benefits and popularity of a plant-based diet are being shared far and wide, thanks in part to the rise of the social media generation. In case you think this is merely a fad, a recent study of eating habits conducted by DuPont Nutrition & Health found that almost 60 percent of respondents said that their change to plant-based food was permanent, or they hoped it would be permanent.

Projections show continued growth and a greater proportion of the food market going to plant-based foods. Increased interest in vegetarianism is a positive shift for our health, our environment, and for our businesses – if we are ready to be a part of it. #goplanbased



The Price of the Trade War

U.S. and Chinese economies both hit by year-long tariff standoff

BY ALEXIS CHAPMAN

The current trade war between China and the U.S. began this January when President Trump placed a new 30% tariff on solar panels and a 20% tariff on the first 1.2 million washing machines imported each year. China is a primary source of these products and matters soon escalated on both sides. The U.S. has imposed tariffs on more than a thousand different types of goods imported from China and elsewhere, and China has responded with retaliatory tariffs on hundreds of imported American products.

Many of our country's new tariffs apply to multiple trading partners, and the U.S. has also recently rene-



U.S. farmers have been one of the sectors heavily affected by the trade war.

gotiated its trade agreements with Canada and Mexico, but the aggressive back and forth and targeted tariff imposition between China and the U.S. seems to be the only trade

disagreement that has escalated to a Trade War at this point.

The conflict is now almost a year old, and so far, there is no end in sight. It's probably too soon to say who will

“win,” or precisely what the long-term effects might be, but in the short-term, it’s clear that the trade war is carrying a hefty price tag for some U.S. industries, including various food and beverage sectors. So far the potential negative impacts of the trade war on U.S. goods fall into several categories.

Tariffs on Exports China

Many people think of U.S. and Chinese trade as being somewhat one-sided with the U.S. as the buyer, but the truth is that China is a major buyer for many American products. The flip side of paying more for Chinese products is that China is now charging higher tariffs for imports from the U.S. American producers of alcoholic beverages, coffee, and hundreds of other products that are now subject to higher Chinese duties have to decide whether to raise prices, attempt to cut costs, or find new markets for their goods. In total, U.S. exports to China are worth an estimated \$170 billion and include minerals, fuel, materials, parts, and finished products. The new tariffs imposed this year impact roughly 38% of that trade.

The Increased Cost of Foreign Goods

The truth about tariffs is that they are rarely paid by just one side. When the U.S. imposes tariffs on Chinese or other imports, a large part of the cost is passed along to U.S. consumer. The industry coalition Tariffs Hurt the Heartland estimated that in September of 2018, U.S. businesses paid \$4.4 billion in tariffs, which is a 50% increase over the amount paid in 2017, and was mainly due to imported products being subject to President Trump’s new tariffs. Few U.S. businesses deal exclusively in goods that just come from the U.S. and China is one of the largest importers of all kinds of products that U.S. businesses and consumers purchase every day. Fruits and vegetables, nuts, tea, rice and other grains, oils, consumer products, and of course, a vast range of other manufactured goods from



Two new tariffs applied to U.S. pork sold in China total almost 70%.

China are some examples of goods likely to have their prices increase due to the billions of dollars in new tariffs.

Higher Prices for Raw Materials

In March of this year, a new tariff of 10% imposed on imported steel and aluminum was meant to protect the American steel industry, but some other important U.S. industries have been hit hard by the increased prices. Breweries use a lot of aluminum in cans, and they use both steel and aluminum for kegs, tanks, and all kinds of other brewing equipment. The increased prices for the metals have been a challenge for both large and small brewers, and others that use these materials in packaging or production.

The Impacts on Farming

U.S. farmers have been hit especially hard by the trade war from both sides. Pig farmers who sell pork to China have endured two separate new tariffs, with taxes and tariffs on U.S. pork sold in China now totaling close to 70%. Soybean exports to China from the U.S. have decreased by more than 30% since the new tariffs were imposed. Macadamia nuts, fruits, and vegetables farmed in Hawaii and elsewhere are also subject to the new tariffs, and the effects may be far-reaching.

If too many farmers and producers decide that they can no longer afford to export their goods, and they try to sell them domestically instead, it could flood the U.S. market and lower prices to potentially unsustainable levels. Farmers also rely on vehicles and machinery that may see significant price increases due to the U.S. tariffs on Chinese imports.

In light of these negative impacts, the Trump administration introduced an aid package for U.S. farmers earlier this year worth a total of \$12 billion, which was intended to help America’s agricultural sector weather the trade war. However, as of December, less than \$1 billion has made its way into the hands of the intended recipients. Even for those who have received some funds, it’s not necessarily enough to cover their losses.

Some of the reasons given for initiating the trade war are valid. Theft of U.S. intellectual property by companies in China has often gone unpunished. Chinese steel companies have been flooding the U.S. market with artificially cheap steel in recent years. However, it remains to be seen whether the trade war is going to fix these problems in the long-term, and if it does, we’ve yet to determine what the cost will be to U.S. businesses, consumers, and the economy as a whole. International trade is not a zero sum game and what’s becoming increasingly clear is that it’s nearly impossible to inflict economic damage on China without also hurting vital U.S. industries.

Young Brothers Ships In Kindness

Shipping company Young Brothers continues to support non-profits through grant funding on each of Kaua'i, Maui and Hawai'i. The company's Community Giving Board Grants up to \$3,000 are donated to local 501 (c) 3 charitable organization in the categories of health, education, civic and community services, youth activities, cultural enrichment, environment, and special community projects. The Community Giving Board (CGB) for the counties of Kaua'i, Maui and Hawai'i have been established to help identify where Young Brothers' grants will have the greatest impact amongst our communities.

Young Brothers also provides in-kind donations in the form of gratis shipments to defray the costs of transporting goods on Young Brothers sailings. Through November 2018, Young Brothers has donated

\$92,000 worth of in-kind shipping to both non-profit organizations, as well as various organizations that support victims of the three major natural disasters that occurred earlier this year in Kauai, Maui, and Hawaii island.

"Through YB's on-going care and concern for Hawaii and as part of the State's critical infrastructure, we are proud to partner with non-profit organizations such as the American Red Cross and Hawaii Food Bank to get emergency supplies to those affected in natural disaster areas," said Joe Boivin, President of Young Brothers.

Matson Lives Their Values

Matson Inc. contributed more than \$3.7 million in cash and in-kind donations in 2017, the Honolulu-based shipping company announced in April of this year. Of those contributions, \$1.765 million were donated to support 435 Hawaii organizations. An additional \$310,000 went to support more than 100 organizations in Guam,



Hansen Distribution "booth" for kids to make balloon animals.

Micronesia and South Pacific Islands.

"One of our core values at Matson is contributing positively to the communities in which we work and live. It's not a slogan; we try to live our values and last year, I'm proud to say on behalf of all Matson employees, we contributed more than ever," Matson Chair and CEO Matt Cox said in a statement issued earlier this year.

More than \$100,000 went to Hawaii's United Way chapters, and Matson's employee giving boosted that figure to \$160,000. Other recipients included Bishop Museum, the Hawaii Chapter of the American Red Cross, and the Hawaii State Department of Education.

What do **YOU** know about target marketing?

More and more studies are showing trade magazines deliver high returns on investment (ROI) for advertisers, often higher than any other medium.

- Award-winning Trade Magazines
- Custom Publishing
- Offset & Digital Printing
- Creative Design
- Content Marketing
- Language Translation
- Mailing Services
- Copywriting & Editing

*Publishers of Building Industry Magazine,
Hawaii Hospitality, Building Management Hawaii*
Locally Owned and Operated for 62 Years.

TRADE
PUBLISHING & PRINTING

808-848-0711 • TradePublishing.com



ANNA MILLER'S



KING'S HAWAIIAN



Anna Miller's Restaurant

Joined: September, 2018

Contact Information:

www.annamillersrestaurant.com
(808) 487-2421

About: Located in Pearlridge Center, Anna Miller's is a down-home, family diner that's just as sweet as pie. Specializing in freshly baked pies, their "always open to serve you" motto means you can find breakfast, lunch and dinner 24 hours a day, seven days a week, 365 days a year. Anna Miller's has become an Oahu landmark, serving burgers and other classic American fare since its opening in 1973.

Since then, the eatery has become a local favorite, celebrated for its delicious and affordable menu items. Anna's breakfast is downright famous, known for its wide variety of omelets, and everything from steak and eggs to waffles and chicken fried steak. And don't forget to try a slice of their famous fresh fruit pie before you go!

In their Japanese outposts, Anna Miller's is best known for their vintage-style server uniform of a crisp white blouse, jumper-style dress with a tailored bodice, matching

apron, and heart-shaped name tag.

Reason for joining HFIA: Area Manager Wade Hashizume was introduced to HFIA by Zippy's Restaurant owner, Jason Higa. "I was told by Jason and a few others that HFIA was our best hope for effective policy advocacy that protects small retail restaurants like ours," said Hashizume. "Many bills that have been introduced in recent years – especially ones involving minimum wage increases and tip credit – would have a devastating effect on us should they pass. We are relying on HFIA to continue to defeat harmful legislation so we can continue to do business and serve our customers 24/7 for another 45 years to come."



King's Hawaiian

Joined: June 2018

Contact Information:

www.kingshawaiian.com

About: King's Hawaiian is a family-owned and operated bakery headquartered in Torrance, California. Chiefly known for its Hawaiian sweetbread, King's has been making irresistible, mouth-watering breads and dinner rolls with aloha since its Hilo founding in the 1950s.

Robert R. Taira, the Hawaiian-born son of Japanese immigrants, opened his first bakeshop, Robert's Bakery, after graduating top of his baking class. After nearly a decade of growing popularity, in 1963 the much-loved bakery expanded and moved to King Street in Honolulu, where it was renamed King's Bakery. It didn't take long for the new location to become a beloved institution as locals lined up around the block for Robert's famous breads and cakes.

The growing demand and popularity of King's Hawaiian inspired Robert to spread the Aloha Spirit to the mainland. In 1977, a new 24,000-square-foot bakery was built in Torrance, California, the location of its current headquarters. By the late 80s, King's was grossing more than \$20 million annually.

Today, King's Hawaiian can be found in nearly every major American supermarket chain. Fast-food restaurant chain Arby's seasonally sells the King's Hawaiian BLT, the Roast Beef and Swiss, and the King's Hawaiian Fish, featuring King's Hawaiian buns.

In 2016, King's launched a new line of BBQ Sauces consisting of four flavors: Big Island Lava, Smoked Bacon, Original Sweet Pineapple, and Kona Coffee.

Reason for joining HFIA: King's Hawaiian was an active member of HFIA several years ago. They are excited to be back and look forward to getting involved with the association once again.

HFIA Supports Programs That Strengthen Our Industry

BY LAUREN ZIRBEL

Giving is a way of life for our HFIA ‘ohana. Inspired by the programs, outreach and giving of our members, HFIA follows suit.

One way HFIA gives back to our food industry community is through the Retail Management Certificate Scholarship. HFIA Foundation provides 50% tuition reimbursement for employees of member companies that complete the program. We believe that our scholarship support promotes internal growth and continued learning within the food community.

HFIA also supports higher education in our state with our Rainbow Fever Athletic Scholarships. This endowment has invested one million dollars to assist student-athletes at UH Manoa and UH Hilo to complete their education.

Our Annual Social, Golf Tournament, and Made in Hawaii Festival, as

well as our After Hours Networking Event all incorporate fundraisers for the Hawaii Foodbank. HFIA’s unique position in our community provides us the opportunity to help connect member companies with the Hawaii Foodbank and the great work they do, and I am very proud to have recently joined their board of directors.

The Hawaii Foodbank provides vital services for every demographic. For school-age children that don’t have access to nutritious food at home, the Hawaii Foodbank implemented the Backpack Program. Volunteers assemble donated food in packages distributed on Fridays to keiki in need.

For families unable to afford fresh produce, the Hawaii Foodbank created the Ohana Produce Plus Program. Last year, they worked with more than 20 different food partner agencies to distribute 2.5 million pounds of fresh produce and nearly

4.8 million pounds of baked goods, dairy products, eggs, cereal, snack foods, and beverages.

For low-income seniors who have a hard time getting healthy food, the Hawaii Foodbank has the Senior Food Box Program. These boxes contain a variety of staple foods such as milk, cheese, cereal, juice, peanut butter, rice, canned meat, fruits, and vegetables.

These are just a few of the Hawaii Foodbank’s many vital programs. At HFIA, we know that our members take great pride in feeding our state. I’m very proud to be working closely with the Hawaii Foodbank to ensure that everyone in our state has access to the food they need.

The connections we maintain with one another through work on our committees or socializing at HFIA events strengthen and empower not just our industry, but the community as a whole. Thanks for being an important part of something bigger!

Continued from page 25

around hunger. “I didn’t see advocacy anywhere in our history, as part of our team, and I felt that hunger had no voice when it came to creating policy,” said Mizutani, who has charged Terbio with spearheading advocacy initiatives on behalf of the organization and the spectrum of community needs it represents.

A New Way of Serving His Community

With all these changes afoot, Mizutani feels optimistic about what he can contribute to the Hawaii Foodbank. With 30 years of community ties with prominent influencers from every walk of life, he’s able to leverage his relationships that he’s built through the years to help the food bank with fundraising. “I’m



Ron Mizutani, Hawaii Foodbank President and CEO, is shaping the way we approach hunger in Hawaii.

tapping into those friendships that I’ve built through years of hard work and trust I’ve built with people who

are in a position to help,” he told us. “I’ve reached out to people who had the right heart for the mission and will continue to do so.”

He’s thrilled about the change in his schedule and the impact he’s having on the community. Accustomed to getting up at 1:45 a.m. to do the morning news, getting those few extra hours of sleep is a bonus of his new role, he told us with a laugh, but it’s giving back that really makes him tick. A quick look around Mizutani’s office will tell you a lot about his connection to his community. Most notable are pictures of the smiling faces of his wife Paige, along with dozens of friends and family members on his desk, proudly displayed in frames that surround the nonprofit’s affable new leader. “Knowing we are making a difference in people’s lives, it’s good to serve the community this way. It’s a good purpose and I go to bed at night and sleep well,” Mizutani told us.



C&S
Wholesale
Grocers



COMMUNITY

C&S has a special responsibility to the communities where we operate and where our employees work and live with their families. That responsibility manifests in many ways, including key support to local United Way campaigns. Our support to non-profit groups drives change at the local level and strengthens families and communities.



Contact us today to learn how we can help make this your best year ever!

Beau Oshiro, VP, Division Manager Hawaii | 808.682.3308 / 808.222.4373 | www.cswg.com



C&S
Wholesale
Grocers

Hawaii
Logistics



Hansen
DISTRIBUTION GROUP
Exceptional Service for Your Success!



NO MATTER HOW FRAGILE THE CARGO, WE MANAGE TO STAY COOL.



If you're shipping perishable goods to Hawaii, no one in the business has more expertise in handling chilled and frozen cargo. We offer online tracking, a national refrigerated cargo sales team, and the largest quantity of top-quality, advanced refrigeration equipment in the trade.

For more information, speak to one of our shipping experts at **(800) 4-MATSON** or visit **Matson.com**.



Matson®