

Hawaii **Retail Grocer**

CONVENTION 2019

the magazine of the hawaii food industry association

It's All About **THE PEOPLE**

Joe Carter of Coca-Cola Bottling of Hawaii Takes the Helm as HFIA's New Chair

INSIDE

26th Annual HFIA Golf Tournament

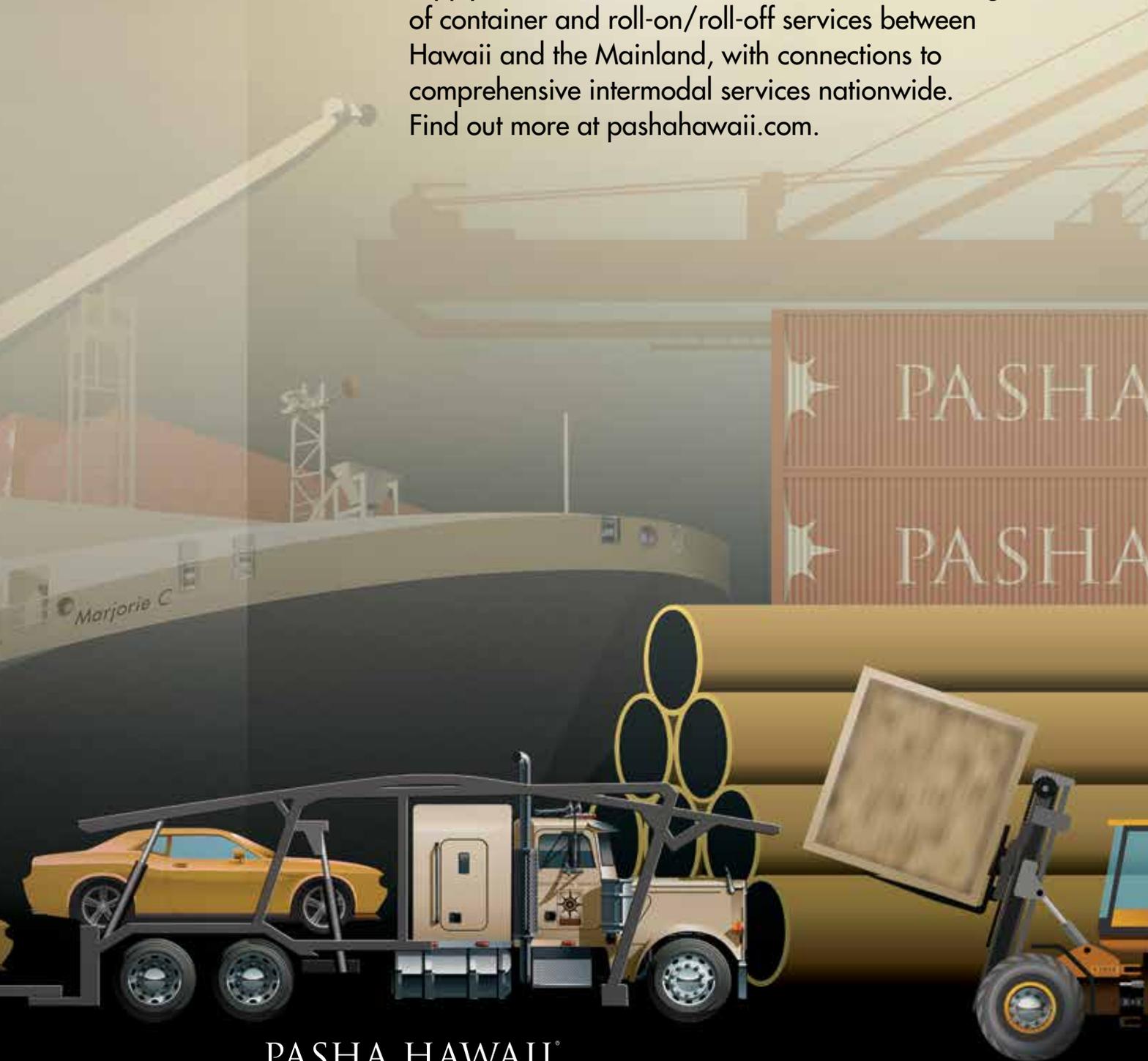
Big Changes to SNAP May Be Coming

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LEGISLATIVE UPDATE

BY LAUREN ZIRBEL

As I write this, we just finished one of the most critical deadlines in the legislative session. Final decking marks the end of conference committee, a hectic two-week period where the chairs of committees from both the Senate and House try to resolve their differences and come to agreement on outstanding bills.

All four of the major bills HFIA was tracking during conference committee ended favorably and in accordance with HFIA suggestions put forward in written and verbal testimony.

Double-Up Food Bucks Passed

HFIA is pleased to report that *SB 390 Relating to Supplemental Nutrition Assistance Program Incentives* passed! This program requires the Department of Agriculture to create a dollar-for-dollar matching program for beneficiaries of SNAP to purchase Hawaii-grown produce. This bill is a triple win for families, businesses and farmers. SNAP recipients will receive two dollars worth of benefits for each one dollar they spend on local produce at designated retail locations.

This bill establishes a Hawaii healthy food incentive program for beneficiaries of SNAP.

Participants who are beneficiaries of SNAP will receive a dollar-for-dollar match of up to \$10 per visit, per day, to be used exclusively for the purchase of Hawaii-grown fresh fruits and vegetables. These can be purchased at a farmers' market, farm stand, mobile market, community-supported agriculture site, grocery store, or other direct-food retailers that participate in the supplemental nutrition assistance program.

A maximum annual sum of \$50,000 has been appropriated from the general revenues of the State of Hawaii for each of the fiscal year 2019-2020 and fiscal year 2020-2021. The program has access to these funds or as much as may be



necessary for the administration of the Hawaii healthy food incentive program, and to provide matching funds to beneficiaries who participate in the supplemental nutrition assistance program.

This money will be matched by an additional 50,000 per fiscal year specified by the Hawaii Community Foundation. The federal government will match the total amount of money put forward by the State of Hawaii and Hawaii Community Foundation, bringing the total sum to \$200,000 per fiscal year for the program.

We are thrilled to see this program funded so that we can begin to show the many benefits and the effectiveness of this incentive!

Plastic Ban Passed as Plastic Working Group

After much heated debate about *SB 522* throughout the session, this

bill passed final decking as a very reasonable and potentially helpful and necessary working group. The stated purpose of the working group on plastic source reduction is to make recommendations to reuse, reduce, recycle, and recover plastic waste.

Clarifying language to improve the usefulness of the task force was added to this bill. The stated purpose of the working group changed from being about eliminating all single-use plastic to being more focused on reducing and recovering plastic.

The following groups make up the task force: Hawaii Food Industry Association, Department of Health, Department of Land and Natural Resources, Hawaii Tourism Authority, four members appointed by the mayors, the state sustainability coordinator, Surfrider Foundation, Zero Waste Oahu, Sustainable Coastlines Hawaii, Hawaii Restaurant Association, Chamber of Commerce, a representative from the beverage industry, a

Continued on page 17



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CHAIR'S MESSAGE

Aloha Friends & Associates,

My year as HFIA Chair has gone by so quickly and has truly been an amazing experience! I have always appreciated the critical work HFIA does for our industry in representing us at the State Capitol and with the County Councils, and this year was no exception.

In 2019 there has been a strong push for several impactful legislative changes, including a significant increase in the minimum wage and sweeping plastics bans. HFIA ensured that our voice was heard on these and other issues we opposed and also worked to advance a positive agenda for Hawaii's food industry.

This year as Chair, I've gained a greater appreciation of the many and varied ways in which HFIA is so essential to Hawaii's food and beverage companies. In particular, the Made in Hawaii Festival is such a unique small business incubator. It was wonderful to walk around and see so many Hawaii companies getting their start and creating the future of Hawaii's food scene. This show offers an excellent opportunity to network and see many exciting new products from both our established companies and also those just getting their start.

During the Government shutdown earlier in the year, HFIA was proud to assist the Hawaii Foodbank in raising awareness of their increased needs during that challenging time. HFIA also kept us all updated on whether and

how the shutdown would impact SNAP benefits.

We've seen some significant changes this year and it's made me really appreciate the fact that whenever something new impacts our industry—whether it's a global recycling change or a new county ordinance, or both—I know that HFIA is going to help me stay informed and understand what it means for our businesses.

The Convention is always so much fun, and of course, it's a valuable networking and education opportunity for all of us. For me, it's also a time to reflect on the importance for us to continue to come together as an industry.

As I pass the torch to our incoming chair, Joe Carter of Coca-Cola, I feel optimistic about the future of Hawaii's food industry and our association. We'll continue to face new challenges and opportunities from wage increases, new technology, packaging changes, and things we may not even be expecting. Whatever comes, I know that HFIA will continue to provide the support and leadership our industry needs to survive and thrive.

Thank you and best wishes to you all!

Toby Taniguchi
HFIA Chairman



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Despite Partisan Standoffs, Legislative Efforts Move Forward

BY THE NATIONAL GROCERS ASSOCIATION

The 116th Congress is well underway and in high gear with over 4,000 pieces of legislation introduced since January. But any momentum now appears to be hitting roadblocks as Congressional subpoenas and investigative hearings have triggered partisan standoffs and stalemate on Capitol Hill. Despite the gridlock, there's never a shortage of issues before Congress that directly impact the supermarket industry. Below are a few policy issues that the NGA government relations team is actively engaged in on behalf of independent grocers.

Taxes

As previously reported, a drafting error in the Tax Cuts and Jobs Act (TCJA), known as the “retail glitch,” has prevented retailers from being eligible for full and immediate expensing for interior remodels to stores. This March, legislation titled “The Restoring Investment in Improvements Act” (H.R. 1869 and S. 803) was introduced by Reps. Jimmy Panetta (D-CA) and Jackie Walorski (R-IN) and Sens. Pat Toomey (R-PA) and Doug Jones (D-AL) to fix this error. While the bill continues to gain bipartisan support, Congressional leaders remain reluctant to advance the bill quickly. NGA continues to urge lawmakers to fix the retail glitch as soon as possible. For more information on the Retail Glitch and ways to contact your Congressman, visit www.nationalgrocers.org/fixtheglitch.

Bipartisan, bicameral legislation

known as the “Main Street Tax Certainty Act” has been introduced that would make permanent the 20 percent deduction provided to pass-through businesses by the TCJA. The 20 percent deduction provided by the TCJA is set to sunset after 2025. NGA strongly advocates for rate parity between pass-through businesses and C-corporations, and this legislation making the 20 percent pass-through deduction permanent is an important step in the right direction.

Transportation

“Infrastructure Week” has become a recurring theme in the Trump Administration. In late April, President Trump and top Congressional Democrats announced they had reached an agreement for a \$2 trillion infrastructure package. The agreement emerged from a meeting between 12 Democratic Members of Congress and the President. After the meeting, Democrats expressed optimism they could achieve consensus on an infrastructure bill, but big questions remain on how to pay for the plan.

As details came out, Congressional Republicans poured cold water on the \$2 trillion number because of the lack of options on how to pay for it. The White House is planning another meeting with Democrats in the near future to discuss options on how to finance the ambitious infrastructure agenda. NGA supports the advancement of an infrastructure package, but will cautiously monitor deliberations to see if harmful pay-for

ideas, such as eliminating the LIFO accounting method, do not emerge.

Pharmacy DIR Fees

The final ruling from the Department of Health and Human Services (HHS) and the Centers for Medicare & Medicaid Services (CMS) that may end retroactive Direct and Indirect Remuneration (DIR) fees is expected imminently. NGA filed comments on the rule earlier this year in support of eliminating these fees, which serve as little more than a retroactive way for Pharmacy Benefit Managers (PBMs) and insurance plans to claw back reimbursements from community pharmacies well after the transactions have taken place.

Pharmacy DIR fees are imposed by plan sponsors and their PBMs on pharmacies participating in Medicare Part D networks. The fees are often unpredictable and seemingly unconnected to a pharmacy's performance related to adherence and other standards. This makes it difficult for community pharmacies to operate their business and also means beneficiaries face higher cost-sharing for drugs.

Independent grocery stores are the cornerstones of communities in Hawaii and across the country, providing nutritious and fresh food to families and spurring economic growth in the neighborhoods they serve. With such a large economic footprint, it is important that grocers engage in the political process. Your voice and grassroots efforts help to make a difference in Washington, DC for the entire industry.





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Safeway dispatches special delivery vans equipped with three compartments – freezer, fridge and room temperature – to ensure that all items arrive in perfect condition.

Click & Pick Up and Home Delivery Services

Hawaii shoppers are enjoying the latest trends in grocery convenience

BY PAUL SKELLON OF FOOD GURUS

In the spring issue of *Hawaii Retail Grocer*, we reported on the findings of the 2018 Independent Grocers Financial Survey compiled by FMS Solutions. The survey reports on key trends and benchmarks from 139 companies across 35 U.S. states and five Canadian provinces.

FMS Solutions found that close to 20% of independent retailers on the mainland offered their customers e-commerce solutions in 2017, noting a retailer preference (if not a consumer preference) for click & pick-up services.

It seems that Hawaii retailers are experimenting with convenience shopping solutions, to varying degrees of success. A few that we contacted were in transition from a provider that wasn't proving efficient for them or their customers. Safeway seems to have mastered convenience

shopping options, including online ordering, delivery and even the popular “click and pick up” service.

With more than twenty stores located on Hawaii Island, Oahu, Kauai and Maui, Safeway has become a familiar and trusted brand since first arriving in the islands in 1963. While most shoppers still prefer to browse the wide, well-stocked aisles of their local store, an increasing number are turning to the time-saving convenience of online shopping and home delivery.

Safeway's service launched back in 2016, is particularly popular with families with small children and busy schedules. It is also an ideal service for expectant moms, the elderly or anyone with mobility issues.

For residents living on Oahu's steep hillsides, who carry their large bags of groceries and heavy items like cases of water up flights of stairs, the service is likely invaluable.

The process of placing an order is really quite simple — the customer orders online at shop.safeway.com or via the Safeway delivery app on their smartphone. Customers choose their preferred delivery date and time, and a personal shopper selects and carefully loads the items for delivery.

Delivery is then made in a special Safeway van which has three different compartments – freezer, fridge and room temperature – to ensure that all items arrive in perfect condition. The Safeway Beretania store also offers a convenient ‘Drive-Up and Go’ service.

Another quick delivery option is using the Instacart service where personal shoppers receive a customer's order on their phone. Instacart shoppers scan each item with their phone, and the Safeway employee, in turn, scans their items at the register. The Instacart shopper pays with a special Instacart Mastercard. The order is then delivered in as little as two hours.

George Glukfeld, Hawaii general manager for Safeway, said, “Our customers enjoy the added convenience and time savings of grocery delivery, and we look forward to evolving in response to consumer demands.”

The home delivery service is currently offered in the Honolulu area with delivery rates in most areas of \$9.95 on orders of \$150 or more, and \$12.95 on orders of less than \$150 (excluding additional taxes and fees).

At select locations, Foodland offers curbside pick-up that requires prior notification of at least two hours and home delivery with at least 12-hours prior notification.

For locations, prices and further details of all these delivery offerings, please visit the relevant supermarket websites.



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16**
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BUYERS HOURS
& BRUNCH**
8a - 11:30a
Neal S. Blaisdell Center

**AUG
16-18**
**25th ANNUAL
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FESTIVAL**
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**AUG
29**
**HFIA MEMBERSHIP
& BOARD MEETING**
HNL Country Club
11:30a - 1p | \$25



April

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**2019 HFIA EVENTS
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THE IMPOSSIBLE BURGER



A juicy, plant-based alternative is putting the sizzle in veggie burgers

BY PAUL SKELLON OF FOOD GURUS

Want to help the planet and your waistline while still enjoying your favorite burger? Impossible? Let us explain.

First up, did you know that animal agriculture occupies almost half the land on Earth, consumes a quarter of our fresh water and destroys our ecosystems? Today it is absolutely true.

As the planet's population increases and humankind grapples with the causes of climate change, a California-based company called Impossible Foods is on a mission to replace animal meat with 'meat' made from plants, something that

until now was not possible. Their aim is to make positive change by shifting our eating habits.

Their burger alternative goes beyond the lifeless veggie patties you've likely tried in the past. Indeed, it wasn't designed with vegetarians in mind at all. Impossible Foods created the burger to persuade the 92 percent of the population who regularly eat meat to try meat alternatives.

Made from plants and a key ingredient called heme, a soy-derived protein, the Impossible Burger is meant to mimic the flavor, texture and "juicy sizzle" of real meat. The company's ultimate goal is to eliminate or drastically reduce man's dependency on

animals for food, and their Impossible Burger is the first step toward that objective.

The Impossible Burger started out in a few of California's high-end restaurants before making its way to the more mainstream outlets, and finally, it had its Hawaii debut in 2017. You can now enjoy the Impossible Burger in a growing list of local restaurants and cafés where burgers are served.

Later in 2019, these 'tastes like beef but made from plants' burger patties will be available for sale in the frozen aisle across the nation, when burger lovers will finally have the opportunity to flip them on the summer barbecue. The company recently released the trending product for retail sale, but then almost immediately ran out, due to high demand from retailers across the nation.



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NEW PRODUCTS

'Made In Hawaii' Products

Shop the **25th Annual Made in Hawaii Festival** to find new local products like the ones featured here. This year's highly popular event will be held at the Neal S. Blaisdell Exhibition Hall & Arena from August 16 through 18, 2019. Admission tickets are just seven dollars at the door. Visit madeinhawaiifestival.com for more details.

Diamond Bakery Made in Hawaii Shortbread Cookies

Diamond Bakery pairs the tropical sweetness of guava in their **Made in Hawaii shortbread cookies** for a delicious new treat that's available with or without premium, local macadamia nuts. For those who prefer tart and tangy, they've also introduced lemon-flavored, premium shortbread cookies. Buy them at this year's Made In Hawaii Festival, in your favorite shops and stores, or order online at diamondbakery.com.



Diamond Bakery's new premium Hawaiian Shortbread Cookies. Made 100% In Hawaii. A taste that truly defines decadence. Baked with Macadamia Nuts or without to buttery perfection.



Meli Wraps

Reusable **Meli Wraps** are made from organic cotton and a special beeswax blend. They're handcrafted on Kauai by entrepreneurs Nicole Galchutt and Melia Foster to help reduce the volume of single-use plastics that end up in Hawaii's landfills. These natural wraps stick well to bowls, plates and to themselves to preserve your food, all while benefiting our environment. They can be washed and reused for up to one year.

For environmentally-conscious consumers looking to reduce the impact of single-use plastic utensils and straws, Meli Wraps just introduced a handy eco-pack of utensils that come in four patterns. Each handmade, organic cotton pouch contains a rose-gold hued set of stainless steel cutlery, plus reusable chopsticks, a straw and straw cleaner.

Pick up a set at this year's Made in Hawaii Festival, in shops across Kauai, or online at meliwraps.com. Available for wholesale to retailers in Hawaii.



Meli wraps come in patterns and sizes to suit every taste. The travel eco-pack in Bloom is also available in Ola, Navy Manu and Sierra.

Continued from page 6

representative from the plastic manufacturing industry, and a representative of the recycling industry.

The working group is charged with issuing a report on its findings and recommendations. These may include any recommendation for pilot projects for Hawaii businesses to phase out single-use plastic packaging, promote reuse, and find sustainable alternatives for packaging, as well as any proposed legislation to the legislature, no later than twenty days prior to the convening of the regular session of 2021. As such, the working group has two years to complete its work.

Minimum Wage Did Not Increase

At 2:00 p.m. on Friday, April 26, Senator Taniguchi and Representative Johanson stated that there were

serious concerns from the Department of Labor and Industrial Relations (DLIR) about the provision in the previous bill providing different rates of increases for employees who are provided health care insurance and those who are not. DLIR advised legislators that this could invite legal challenges.

As a result, a proposal to reach \$15 per hour by 2024 was put forward. When the conference committee reconvened at 3:00 p.m., the two conferees discussed that they did not have the necessary support to pass the last minute proposal changes and that they would defer the bill and work on an improved measure for next year's session.

Hawaii Food Industry Association consistently opposed mandatory wage increases throughout session. We stated that other jurisdictions with \$15 minimum wages had experienced adverse consequences for local businesses, workers, and consumers.

Direct Shipment of Liquor Did Not Pass

Throughout session, HFIA testified to remove the direct shipment section of *HB 546B Relating to Intoxicating Liquor*. In conference committee, HFIA's amendments were adopted, and the bill was passed. We are very pleased with this outcome. Without HFIA's amendments, this bill would have allowed direct shipment of all liquor, both from within Hawaii and from out-of-state.

Thank you to everyone who responded to our action alerts throughout session. Your elected officials clearly heard your voice. Thank you for your support of HFIA, which allows the industry to present a united voice representing the food and beverage industry.

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BY JOE CARTER
VP/GM OF COCA-COLA BOTTLING OF
HAWAII – THE ODOM CORPORATION

I started my career working in the grocery business for 12 years in Northern California at a super-market chain store (Food-4-Less). Within those 12 years in grocery, I thought one day I'd pursue my childhood dream of becoming a firefighter.

I went to junior college for two years to study fire science and then had to decide to either join a 6-month academy or continue to work in retail. I chose to work in retail as I needed to make the mortgage payments.

Working at a large box store taught me a lot about the retail side of the business, establishing vendor relationships, growing gross margin, penny profit economics and building positive customer service.

After a 12-year grocery career, I decided to join the Coca-Cola family and worked in Stockton, California. Within a year, I had the opportunity to move to Kailua-Kona on the Big Island and join our Coca-Cola team.

Making the move was difficult for me, but I learned quickly what my parents always taught me. Treat people with respect, listen, be positive and say thank you. These four traits helped me succeed in life and were embraced in Hawaii.

Coca-Cola brought me to the mainland and back to the Hilo side of the Big Island, then overseeing Hilo and working on the neighbor islands taught me what teamwork was all about. I enjoyed the culture, local food, and country life, but most importantly, the people. After three years back on the Big Island, the opportunity opened on Oahu, and I made the move.

The journey helped me as Sales Manager, Director and now VP-GM with Coca-Cola Bottling of Hawaii – The Odom Corporation. We have 295 employees statewide and operations in Hilo, Kona, Kauai, Oahu and Molokai. We work closely with our bottling partners in Maui (Maui Soda Works) and also produce over 63 flavors in our manufacturing plant on Oahu.

It's all about the people, and I look forward to leading HFIA on a successful journey ahead. We have a great local team, an amazing culture, and successful leaders to build on for the future.

It's All About the People

HFIA's new Chair, Joe Carter
shares his journey in the industry

Talk Story with HFIA's New Chair

We sat down with Joe Carter as he joins the HFIA Board as Chair this year to discuss his plans for the upcoming year, and his views on the most significant issues facing the food and beverage industry. Carter is the vice president and general manager at Coca-Cola Bottling of Hawaii – The Odom Corporation.

Q: How did you become involved with HFIA?

A: Working for Coca-Cola Bottling of Hawaii and networking locally in the last ten years with other business leaders in the food & beverage industry brought me closer to HFIA. It has helped me understand the value of being a member of an organization that supports our success and challenges.

Q: What is your vision as the new Chair? What do you hope to accomplish?

A: My vision is to see an increase in memberships and bring more value to all business leaders that are a part HFIA. I plan to create a membership drive in the fourth quarter that will leverage new members and also support

local charities that have a significant role within HFIA. I hope to bring members together to make a positive impact in the community and industry.

Q: What do you see as the most significant benefit of being a part of the HFIA?

A: Legislative bills that affect all of us in the industry and working together to help oppose bills that don't make sense for our local businesses are a big benefit of being a part of HFIA. Lauren Zirbel (Executive Director) does an amazing job stewarding talk story events at the Capitol, submitting testimonies on behalf of all of our members and working closely with the American Beverage Association (ABA) to help support Annual Beverage Day at the State Capitol.

Q: What do you see in HFIA's future?

A: A local association that continues to bring in new members and drives positive growth for all Hawaii businesses in the food industry and communities we serve.

Q: How have you seen the industry change over the years?

A: Yes, rapidly changing each year. Innovation is key to success within food and beverage. We must adapt to change and empower ourselves to make smart business decisions that help leverage the needs of the consumers. This could mean more variety with low-to-zero calorie options or even products made locally. Looking at trends and using fact-based data will help local businesses be successful. The more we adapt to change and look for innovative ways to build success, the better HFIA can help support and grow our industry.

Q: Plastic and single-use packaging issues appear to be a new major issue for the food industry, what are your thoughts on how to solve this problem?

A: Ensuring we leverage our recycling initiatives through marketing to create positive awareness. Educate on giving back and utilizing recycling bins at every special event, home and business — more collaborating and finding solutions for future alternatives with manufacturing. There is no quick solution, but we can make a difference by leading the way on educating consumers about how to give back and recycle.

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RSM Congratulates HFIA's New Chairperson **JOE CARTER**
Aloha and Mahalo to HFIA's Past Chairperson **TOBY TANIGUCHI**



MAHALO

TOBY TANIGUCHI

For your great leadership and support as
Chair of the Hawaii Food Industry Association!

CONGRATULATIONS

JOE CARTER

HFIA's New Chair

BONNY AMEMIYA

HFIA's Chairman's Award Recipient

SENATOR GLENN WAKAI

HFIA's Inaugural Legislator of the Year Award



Q: Due to legislation and other factors, the price of labor in Hawaii continues to increase. How do you think members should address this challenge?

A: This is very challenging and will ultimately drive higher costs at retail. The power of HFIA is that we can leverage our voice on all bills proposed at the state capitol together. Consistent testimony submitted by all members, even if the issue doesn't pertain to their particular business. Our voice needs to be heard through HFIA and reinforce these challenges as one team. This will ultimately help streamline our message.

Q: What challenges and opportunities exist in automation for the food industry?

A: The challenge for automation in Hawaii is cost. The cost of equipment and the opportunity to make innovative change is expensive. Although the unemployment rates continue to be low, people are key to a successful business formula. The largest asset in our business is people, and positively engaged employees drive success.

Q: Which HFIA members help you fully engage with the association?

A: A special call out to Jay Higa (Star-Advertiser) and Larry Ishii (American Savings). These two gentlemen have been a huge help and inspiration for me in this upcoming chairman role — much credit to all committee members and to Lauren Zirbel for her leadership.

Q: What makes you hopeful when you think about the future of the food industry?

A: Our local sustainability. The strength of our culture that builds powerful relationships and drives positive growth in the food industry.

Thank You Toby Taniguchi! Welcome Joe Carter!

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Congratulations Bonnie Amemiya Chairman's Award Recipient 2019

CHAIRMAN'S AWARD RECIPIENT 2019

Bonny Amemiya

BY ALEXIS CHAPMAN

When Bonny Amemiya became Chair of HFIA in 2010, it was a critical time of change for the organization. The former Chair had departed sooner than expected, and HFIA founder Dick Botti was preparing to retire. Hawaii's food and retail landscape was shifting, and the entire country was still in the grips of the financial crisis.

Amemiya rose to the challenge and guided HFIA through uncharted territory. Alan Nakamura, Amemiya's successor as Chair, worked closely with her during that time and recalled, "Bonny dealt with every setback with poise and optimism and helped to guide the HFIA back to stability."

As HFIA's leader, Amemiya not only steered the association through a landscape of uncertainty, she also took the opportunity to thoughtfully build on the organization's strong foundations and helped shape HFIA into the dynamic and vibrant organization it is today.

Her success as a leader lay in her vision of HFIA's future and in determining the process and procedures needed to pave the way for that vision. In collaboration with the HFIA leadership team during those years, Amemiya took risks, and they paid off. Bringing in new people, changing roles within the organization, and setting a course for HFIA's future created an association that was aligned with its membership and could successfully execute its mission statement.

Stan Brown joined HFIA's leadership team shortly after Dick's retirement and remembered Amemiya's steady guidance in this time of upheaval, "Bonny proved so good in her leadership role during this critical time that she was the first person ever to be nominated and voted in to serve two consecutive terms!"

While Amemiya's time as Chair

stands out as a highlight for HFIA, her career in Hawaii's food and beverage industry and her contributions to HFIA began well before 2010. Her commitment to the organization continues today. She's now active as a member of both the Government Relations Committee and the Annual Social/Convention Planning Committee.

Amemiya continues to be a leader in Hawaii's business community as CFO at aio. As HFIA's newest recipient of the Chairman's Award, we asked Amemiya to reflect on our industry and our association, and true to form, her replies were wonderfully thoughtful and thought-provoking.

HRG: How did you become involved with HFIA?

BA: Back in the day when I worked for Anheuser-Busch, our Corporate office would rotate general managers every few years. In Hawaii, good business is built on quality relationships, and it takes more than a few years for people to get to know you and build trust. I felt HFIA was a strong organization and my company could use more stable representation in Hawaii, so I volunteered to fill that gap and luckily, they gave me that opportunity. At the time, I had no idea how important HFIA's role was to the industry and the state. It was only through my involvement that I came to appreciate HFIA's significance.

HRG: Why is HFIA so significant to you?

BA: HFIA is critically important to Hawaii because our industry is responsible for the food supply chain for the entire state and we import approximately 85% of our food. We're heavily reliant on partnerships to make the supply chain work. Thankfully, many of those partnerships were formed and have been strengthened through HFIA. Through these relationships, HFIA helps ensure that all consumers, including nearly 10 million visitors per year, have access to a wide variety of safe, quality food



options. Getting those products to market efficiently means we're working to keep food affordable. And HFIA plays a vital role in educating our policymakers on the practical implications of legislative proposals.

HRG: What do you see as the primary benefit of being a part of the HFIA?

BA: What strikes me about HFIA is that it's a great place to build relationships. And I don't mean only at the top levels of an organization. It's about getting everyone in your organization involved. It could be responding to legislative issues in matters with implications for our industry, your business, the environment or all of the above, helping a customer or supplier solve a specific issue, or responding to crisis during times of natural disaster. Whatever the reason, the strength of our partnerships is what makes us effective. HFIA gives its members many opportunities to come together to build and strengthen those relationships. In fact, it's common to see the best friendships formed through HFIA. We've seen children of HFIA members grow up, have children, grandchildren, and even great-grandchildren.

HRG: How did you end up being HFIA Chair two terms in a row?

BA: Shortly after the 2010 annual Convention, the newly installed Chair unexpectedly resigned. This came as a shock to everyone, but no one more than me when I was asked to step into the Chairman's role immediately. Completely caught off guard, I

Continued on page 34



HFIA SECRETARY-TREASURER

Eddie Asato

BY MEGHAN THIBAUT

Eddie Asato rejoins the HFIA Board of Directors as Secretary-Treasurer this year after decades of dedication to the industry. He previously served on HFIA committees, including the membership committee for the past three years, and as a board member in 2017. “I want to help HFIA to listen and understand the members’ issues, and to assist with advocacy, community and government relations. I want to make the industry better,” Asato told us.

Asato is the director of sales and business development at Pint Size Hawaii. Concerned about legislation that affects the food industry, Asato said, “Government regulations are hurting business. Every time the government adds a new regulation, the costs need to be absorbed. Generally, they are being passed on to the consumer. As a consumer, I see prices going up.”

While Asato acknowledges the challenges local families face with the high cost of living, and he agrees with an increase in the minimum wage, in theory, he recognizes that such a shift would eat into the budget of the average Hawaii businessperson.

Asato grew up with humble beginnings in Kalihi, he shared. He worked his way up through the industry, starting at PayLess Drug Stores. “You need to do things for yourself. Learn as much as you can, and work hard,” he said. Asato earned a Bachelor of Business Administration from the University of Hawaii at Manoa, majoring in Business Management and minoring in Marketing. “One of my teachers taught me that sweat equity is as important as brains,” he shared.

Asato’s work ethic paid off. His early career took him to California, where he was recruited by Canned Foods, Inc., eventually leading a team of more than 150 staffers and managing operations for the entire state. “I try to lead by example,” he said.

Returning to Hawaii, he worked at Frito-Lay of Hawaii for 17 years, retiring as vice president/general manager.

With his impressive experience in

“Government regulations are hurting business. Every time the government adds a new regulation, the costs need to be absorbed.”

the industry, Asato is aware of many challenges of both suppliers and retailers. Hawaii’s unique geographic location makes inventory management crucial, and the high cost of shipping contributes to tight profit margins and higher shelf prices. At Pint Size Hawaii, the bulk of his business is ice cream, so he’s well aware of the added costs of refrigerated and frozen shipments, as well as timely inventory rotation for products with best buy dates.

His role includes developing key growth sales strategies, tactics and action plans to achieve the company’s annual targets. A big part of his responsibility is in building relationships and understanding consumer trends.

With customer preferences in mind, Pint Size recently acquired Kahuna

Distribution, and along with it, a portfolio of natural and organic food and beverage products that appeal to millennials, including healthy beverages like kombucha, and widely distributed juice brands like Odwalla and Naked. “Millennials want healthy products, but at the same time, they want sustainable packaging,” Asato noted.

He’s concerned about the seem-

ingly inevitable shift to e-commerce. As discussed on page 11 in this issue, many Hawaii residents enjoy ordering their groceries online from local supermarkets and having the convenience of home delivery. Retailers are losing incremental business due to this trend, Asato pointed out, since well-merchandised stores encourage impulse buys and boost cash register sales.

Asato has dedicated himself to tackling these and other issues as HFIA Secretary-Treasurer.

Asato is on the Hawaii Foodbank Product Resourcing Committee. Married for 28 years to his wife Melody, with whom he has two grown sons, he enjoys spending time with family, traveling, golfing, and coaching baseball.



HFIA LEGISLATOR OF THE YEAR

Sen. Glenn Wakai

BY ALEXIS CHAPMAN

During this year’s Legislative Talk Story, Senator Glenn Wakai referred to Hawaii’s business community as a “sleeping lion.” He shared that sentiment with us again recently saying “I intend to prod stakeholders to become lions that ROAR!” and reminding us, “We need to join forces, start playing offense, and scoring a few wins. I am ready to lead the charge. Let’s ROAR!”. This shows his under-

standing of the powerful force our state’s business community can be, and illustrates his vision for a future in which Hawaii’s state government works closely with corporate leaders to create a robust economy.

Currently, Hawaii is ranked by many measures of taxation and regulation as one of the worst states in which to do business. Each year, hundreds of bills looking to add new regulations and increase corporate

costs are introduced.

Throughout his career at the State Capitol, Senator Wakai has been one of the few who have questioned how government can best support Hawaii's business community, and who have looked for ways to grow our economy for the good of all Hawaii residents.

Before coming to the State Capitol, Glenn Wakai made a name for himself as a trusted newsman. He launched his career as a reporter and anchor for KUAM-TV in Guam and then became Assistant News Director in Saipan. Glenn returned to Hawaii and spent five years as a Court Reporter for KHON-FOX2, before moving to KHNL News 8, where he reported the news for several more years.

In 2002, Wakai won his first election and became Representative for Salt Lake and Moanalua, where he was re-elected in 2004, 2006, and 2008. Senator Wakai is currently enjoying his second term in the Senate for District 15.

“Senator Wakai is known as an innovator, a communicator who can genuinely connect with people, and a leader who works to get things done.”

He is currently the Chair of the Senate Committee on Economic Development, Tourism, and Technology. He also serves as Vice Chair of the Committee on Public Safety, Intergovernmental, and Military Affairs, and is a member of the Committee on Human Services, and the Committee on Ways and Means.

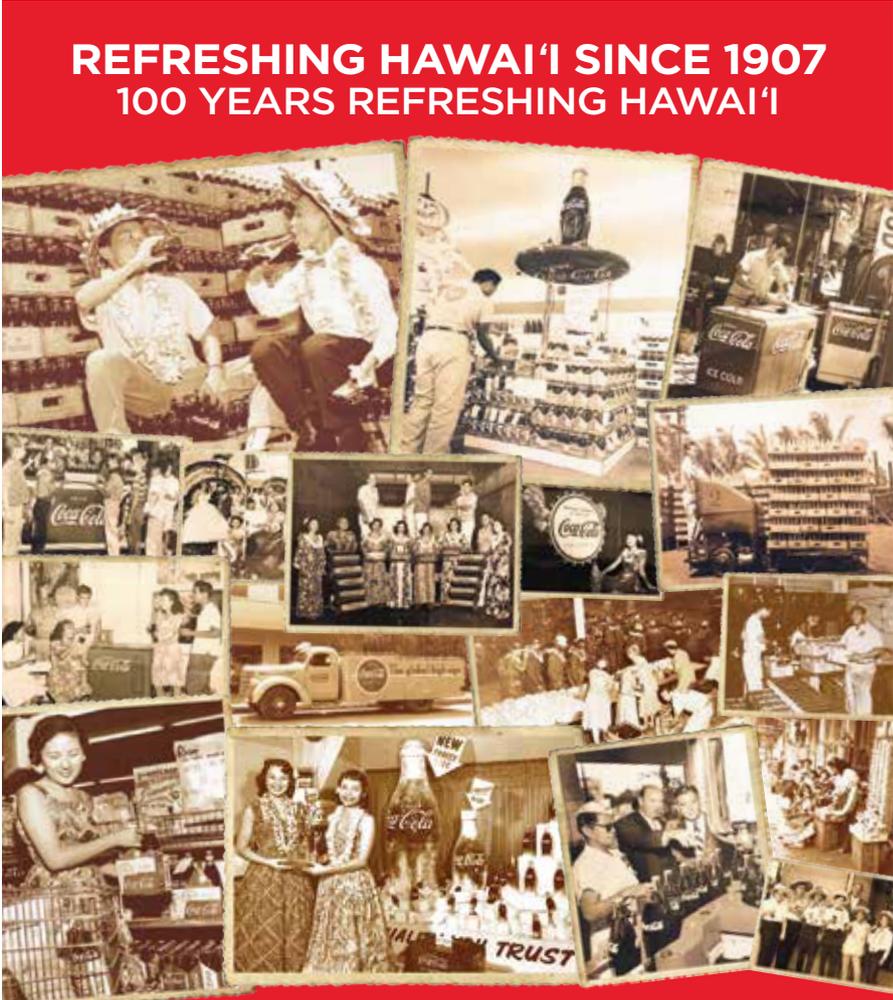
Throughout his political career, Senator Wakai has worked tirelessly to create real solutions to the problems facing our state and this year was no exception. Hawaii's tax on groceries and other essential items is known to be a regressive tax that disproportionately impacts lower income families. However, because

of the State's reliance on this revenue source, most legislators are hesitant to take steps that would allow Hawaii to join the majority of U.S. states in exempting grocery sales from taxes.

Senator Wakai was willing to take that stand on behalf of Hawaii consumers and introduced a bill to exempt groceries from the GET. Though it is likely to be an uphill battle and any progress on this will take years, his introduction of this measure in 2019 was a significant first step. This is the type of common sense, effective legislation Wakai has championed throughout his career.

“Senator Wakai is known as an innovator, a communicator who can genuinely connect with people, and a leader who works to get things done. At HFIA, we share his vision for a robust economy and a better Hawaii,” said Lauren Zirbel, Executive Director at HFIA.

We are proud to name Senator Glenn Wakai as the Hawaii Food Industry Association's Legislator of the Year for 2019. His dedicated and thoughtful leadership and service to our state inspired us to create this position, and we can't think of a more deserving inaugural honoree.



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The Journey to the Shelf

From growing to harvesting, brewing to shipping, and from distribution to shelf merchandising, a lot of work goes into that cold beer in your hand

BY ALEXIS CHAPMAN

As we gear up for cookouts, barbecues, beach days, and all the incredible outdoor living Hawaii has to offer, many of us will be stocking our coolers with ice-cold Budweiser. Grabbing a six-pack or two and putting them on ice is simple, but getting those refreshing bottles and cans into our local stores takes a lot of effort and coordination from people all over the country.

Our state grows a lot of unique and wonderful plants, but barley isn't one of them. It's a key ingredient in making beer and lucky for us, our neighbors on the mainland grow plenty of it. Some of the best barley farms in the world are found in the midwest, where Anheuser-Busch sources the barley for Budweiser. One hundred percent of the rice and hops used in Budweiser also come from American farms.

Barley and hops create Budweiser's

distinct flavor; the rice acts as food for the yeast and fuels the brewing process. Quality and freshness are paramount for Budweiser when it comes to rice, hops, and barley, so Anheuser-Busch develops strong relationships and works closely with the farmers that supply them.

It takes two months or more to grow barley to maturity, four or five months for rice, and one or two months for hops. Once all three are harvested, they're shipped to one of Anheuser-Busch's breweries where the brewing process begins with carbon-filtered water and takes a full month to complete to perfection.

Another key ingredient in beer and the one that often affects the taste and process the most is the yeast used to turn sugars into alcohol. Budweiser uses a proprietary strain that's a descendant of the original Budweiser yeast culture first used by Adolphus

Busch in 1876.

Anheuser-Busch spent generations creating the perfect beer recipe and today, dedicated brewmasters oversee each step of the process to ensure that every drop of Budweiser that leaves the brewery meets their incredibly high standards. Over 100 quality checks are conducted on every bottle and can of Budweiser before it's allowed to be shipped to consumers.

After it leaves the brewery, the Bud bound for your cooler is shipped to California, where it's loaded onto container ships bound for Hawaii. Being so heavy, it's a costly trip. When it reaches Oahu, Anheuser-Busch Sales of Hawaii carefully stores, markets and distributes it to your local market, grocery or convenience store, investing considerably in local marketing and merchandising efforts.

To ensure that consumers are enjoying beer at its best, Budweiser introduced best by dates for their products. This summer, as we cool down with a Budweiser we can raise a glass (or a bottle, or a can) to the many American farmers, brewers, truckers, shippers, distributors, and retailers who worked together to help get that cold one into our coolers. Cheers!

HFIA General Membership & Board Meeting

BY MEGHAN THIBAULT

Halfway through the 2019 legislative session, HFIA held a General Membership & Board Meeting at the Honolulu Country Club to update members on the HFIA's latest progress. Of the 370 bills introduced this year, roughly half were still alive by March 19, when the meeting was held.

The crossover deadline took place on March 7, 2019. Many bills that had passed the required floor votes in their originating chamber had moved to the opposite side of the legislature for hearings by early March.

By the time of HFIA's general membership meeting, several bills were still alive that were of interest and concern to HFIA members, including three minimum wage bills, and several others banning the use of specific food packaging materials.

A jam-packed agenda followed a legislative update presented by Executive Director Lauren Zirbel. HFIA members welcomed three distinguished guests and enjoyed their informative presentations. Speakers included:

- **Alan Yamamoto**, HIOSH Consultation & Training Project Manager
- **Harrison Rue**, Community Building and TOD Administrator at City and County of Honolulu
- **Mary Dale**, Economic Development Specialist, Hawaii District Office - U.S. Small Business Administration

Alan Yamamoto is a consultation & training project manager at the Hawaii Occupational Safety and Health Division (HIOSH). He spoke to the group about HIOSH regulations and compliance. HIOSH is a Division of the State of Hawaii Department of Labor & Industrial Relations (DLIR) and is the state equivalent of the federal Occupational Safety and Health (OSHA).

Yamamoto detailed the many benefits of the consultative services that HIOSH provides to businesses to help them prepare for safety inspections.

Next up, Harrison Rue updated HFIA members on the progress and strategic plan for Oahu's rail project and related development in the planning stages across Oahu. Rue leads community building efforts and is an administrator for Transit Oriented Development (TOD) at the City & County of Honolulu.

Some highlights included plans to create choices for Oahu residents by connecting Honolulu's concentration of jobs – and the many people commuting to town to work in those jobs – to a series of walkable, healthy neighborhoods across the island.

Each rail station would have its own unique identity,



Alan Yamamoto



Harrison Rue

and the scale of new developments at each hub would fit each community's unique context. The goal is to revitalize older neighborhoods and connect people across the island with jobs, homes, goods, services and parks.

Mary Dale, an economic development specialist at the SBA, shared valuable information about key resources and programs available to Hawaii businesses. The SBA offers a host of programs to help plan, launch, manage and grow your business. A lively speaker who is very clearly well-versed in the many offerings of the SBA, Dale narrowed her presentation to those most relevant to HFIA members.

For more information on these speakers and the contributions of their organizations, please visit:

- U.S. Small Business Administration (SBA) : www.sba.gov
- Hawaii Occupational Safety & Health (HIOSH): www.labor.hawaii.gov/hiosh
- Transit-Oriented Development (TOD) at City & County of Honolulu: www.honolulu.gov/tod



SNAP. Big Changes Could Be Coming

BY ALEXIS CHAPMAN

The Supplemental Nutrition Assistance Program (SNAP) is considered by many to be one of the most successful federal assistance programs in existence. It provides essential access to healthy groceries for food insecure households, while remaining relatively cost effective for the federal government and simultaneously supporting U.S. food retailers.

Unfortunately, there are two current initiatives afoot that would make sweeping changes to the program. If successful, both efforts would have wide-reaching negative consequences for many who use SNAP and the businesses that serve them. A third potential change, by contrast, might bring positive change by providing more flexibility to retailers who serve SNAP customers.

SNAP Waiver Elimination

In order to qualify for SNAP benefits, able-bodied adults without children must meet certain requirements, including time spent working, training, or volunteering. When people can't meet these requirements but still need the benefits that SNAP provides, they're generally granted waivers. These tend to be relatively easy to obtain.

Generally, the system recognizes additional hurdles like mental illness, living in a high unemployment area, seasonal work, or other issues that may be thrown in a beneficiary's path. These adults may still need to access benefits even when they haven't met the requirements.

A rule change proposed by President Trump and backed by U.S. Agriculture Secretary Sonny Perdue would cut off benefits after three months for able-bodied adults who haven't met the requirements, and would dramatically limit access to waivers.

Some states may choose to provide



alternate services for people with mental health issues, but there is no legal obligation for states to grant such exceptions. Further, states are under no obligation to ensure that job training or volunteer programs necessary to meet the SNAP requirements have adequate space to accommodate all those who need to fulfill the minimum thresholds for SNAP assistance.

One proposed version of the most recent Farm Bill included a provision to expand work requirements for SNAP and eliminate waivers, but the idea was not approved by Congress and failed to make it into the final bill. However, as a rule change, it can be implemented by the USDA without Congress' approval.

The comment period on the proposed change closed in April and drew tens of thousands of comments, the majority of which were in opposition to eliminating the waivers. If the new rule takes effect, an estimated 750,000 current SNAP users would be left without access to benefits. That number includes thousands of Hawaii residents who rely on SNAP assistance to feed their families.

A coalition of over 20 states, including Hawaii, also opposes the change. An April press release from

Governor Ige's office quotes Attorney General Clare E. Connors saying, "The USDA's proposed SNAP rules are both inconsistent with the federal Food & Nutrition Act and unlawful. If implemented, the rules would restrict Hawaii's efforts to alleviate hunger by helping the most vulnerable individuals achieve self-sufficiency."

The Harvest Box

The idea of replacing SNAP benefits for some users with government packaged food boxes was also put forth as a potential inclusion in the Farm Bill, but also failed to make it into the final bill. Earlier this year, President Trump revived the Harvest Box idea as an inclusion in his proposed budget.

One of the most obvious problems with the Harvest Box is that there is no existing entity to administer the program. Planning, coordinating, purchasing, shipping, receiving, packaging, and distributing Harvest Boxes is completely different from the current activities of state agencies that administer SNAP.

While food banks distribute much needed food to those in need, they do so on a significantly smaller scale than what the Harvest Box program would require, and they are not government agencies.

Deciding what exactly to put in Harvest Boxes would also be a complex undertaking. The government would presumably want to provide beneficiaries with healthy food, but people have unique eating needs. Expecting government bodies to create boxes that would satisfy the needs of all people seems unreasonable.

SNAP users, like people everywhere, have different diets, cultures, allergies, cooking skills, and tastes. If Harvest Boxes fail to meet these needs and user preferences, they will be a waste of taxpayer money.

They'll also potentially lead to

increases in food waste, which is already a serious environmental challenge in the U.S. Distributing tons of food to SNAP users who were not allowed to select it for themselves, and who may not want or know how to cook it, can only exacerbate the problem.

The Harvest Box faces strong opposition from Democratic lawmakers, so it may not have the backing to make it into the final budget bill. However, the bill is still in the very early stages so it's hard to accurately predict the final inclusions at this point.

Variety Definition Change

The third significant change in the works for SNAP will give retailers more options in terms of what they can stock to meet SNAP requirements for eligible retailers. A provision to change the definition of “variety” was one of several changes made to SNAP in 2016. However, due to problems with the new definition, it had to be clarified and is only now ready for implementation.

The USDA’s summary of the new definition describes the change as follows, “These proposed changes would provide retailers with more flexibility in meeting the enhanced stocking requirements of the 2016 final rule.”

Comments on the new requirements are being accepted through June 4, 2019 and can be submitted to the Food and Nutrition Service (FNS) online at regulations.gov. More information on the change is also available through the FNS website at FNS.USDA.gov.

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We saw almost 100% participation and raised just over \$1,400 for the Hawaii Foodbank.

Mahalo to Our 26th Annual HFIA Golf Tournament Sponsors & Players

PHOTOS BY ANTHONY CONSILIO

Our 26th Annual HFIA Golf Tournament was held on Friday, March 29 at the Honolulu Country Club. A total of 47 spirited foursomes came out to enjoy a day of fun and camaraderie with other HFIA members.

A fundraiser on a designated par-3 hole saw close to 100% participation and raised just over \$1,400 for the Hawaii Foodbank. The day concluded with a banquet reception and prize giveaway.

We'd like to thank our generous member sponsors for making this day of socializing, networking and fundraising possible. We are so grateful to be part of such an amazing community! Thanks to all the players who came out to enjoy the day.



26th Annual HFIA Golf Tournament

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Unicold Corporation

*Denotes companies with multiple sponsorships: C&S Wholesale: 1 x Gold, 1 x Emerald, Coca-Cola Bottling of Hawaii: 1 x Diamond, 1 x Gold, Paradise Beverages: 3 x Gold (1 for Steinlager, 1 for Heineken, and one shared gold for Corona/Sierra Nevada), KTA Super Stores: 1 x Diamond, 1 x Gold, MFS Freight: 3 x Gold



Eddie Asato, Toby Taniguchi, Lauren Zirbel, Charlie Gustafson and Joe Carter



Derek Kurisu, Don Hirata, Glenn Muranaka and Bryce Zane



Abel Castillo, Jana Focht and Jeff Facer



Michele Maeda, Kelly Wall, Darryl Hara, Bob Piccinino, Sandy Nakamura and Caren Yamauchi



Carl Fukushima, Paige and Ron Mizutani, Teri Luna



Jayce Teruya, Brad Smith, Marshall Himuro and Gail Hayashi

HOOKIPA | 26TH ANNUAL HFIA GOLF TOURNAMENT



Lester Kodama, Frank Nagamine, Jay Higa and Gerald Shintaku



Chad Cohen, Clinton Takasaki, Jose Quiocho, Mike Kaya and Brian Christensen



Carl Oshiro, Lisa DeCoito and Kel Kado



Dwayne Fujitani, James DeJesus, Beau Oshiro, Bill Carl, Mike Ohashi and Allen Woo



Alan and Joey Nakamura, Wendy Fujio and Calvin Maeda



Cory Hafele, George Branco, Larry Ishii and Daryl Sato



THE COCA-COLA COMPANY AND PEPSICO

Molding the Future of Plastic Packaging

BY ALEXIS CHAPMAN

China's recent decision to stop accepting most plastic for recycling has forced a global reevaluation of how we manage our waste products. Many are saying that the change has prompted a recycling crisis. But it may be more accurate to say that their move has revealed a crisis that has existed for decades.

Even before China's policy change, the process had a definitive endpoint. Many plastic items were not recycled at all, and others found new life as products that themselves were not easily recyclable. Since the policy change, many towns, cities, counties, states and countries are trying to find viable solutions for dealing with their plastic waste.

Used plastic containers are generally viewed as a waste management issue to be handled at the end of a product's useful life, which is often a very short one. But innovative companies are starting to build solutions into their production plans.

The Coca-Cola Company and PepsiCo, the world's leading beverage companies, are leading the way with recently launched initiatives aimed at ensuring their packaging is part of the solution, rather than the problem. In January of this year, both companies pledged to end plastic pollution at its source, as signatories to a New Plas-

tics Economy Global Commitment developed by the Ellen MacArthur Foundation. This is not just a vague commitment. Each company has already invested millions of dollars in meeting self-identified goals.

The Coca-Cola Company has committed to recycling the equivalent of 75% of the bottles they introduce in developing countries by next year, and to recycle the equivalent of every can and bottle the company sells, by the year 2030. To make that happen, they're investing in new technology that makes it easier to use recycled

"Consumers around the world care about our planet. They want and expect companies like ours to be leaders and help make a litter-free world possible."

plastic for new beverage bottles. These goals are part of Coca-Cola's "World Without Waste" plan. "Consumers around the world care about our planet. They want and expect companies like ours to be leaders and help make a litter-free world possible," said James Quincey, president and CEO of The Coca-Cola Company.

Ramon Laguarta, CEO of PepsiCo describes environmental impact reduction as part of the company's commitment to purpose saying,

"Among PepsiCo's most important priorities are leading with purpose, driving sustainable growth and reducing our environmental footprint. This vision is called Performance with Purpose and it is central to our values. In the years ahead, PepsiCo will double down on purpose, with a focus on community development and reduce our environmental footprint—especially when it comes to plastics."

PepsiCo is striving to achieve this by making all of their food and beverage packaging either recyclable, compostable or biodegradable by 2025, and in certain markets, they're already testing compostable bags for potato chips. PepsiCo has also invested \$10 million with the Recycling Partnership to launch All In On Recycling, an industry-wide challenge to improve recycling for millions of households.

Every unique approach to reducing plastic pollution is significant since there is no single solution to address all plastic waste. Reducing plastic usage, industrial composting, biodegradable packaging, better waste capture, and closed-loop recycling of new and existing plastic packaging are all essential pieces to solve the plastic puzzle.

By investing in these changes, The Coca-Cola Company and PepsiCo are not only making progress on the issue of more sustainable plastic packaging, but they're also changing the nature of the conversation.

The issue of waste management is often framed in ways that pit environmental groups against business interests and this is unfortunate. The Coca-Cola Company and PepsiCo are taking an essential leadership role in solving the environmental challenges we all face. These companies are showing that the food and beverage industry doesn't simply need to adapt to a more sustainable future, but rather, it can lead the way in creating that future.

NEW MEMBERS



Hawaii Volcanic Beverages

Joined: April 10, 2019

Contact: hawaiivolcanic.com

About: Hawaii Volcanic is a beverage and lifestyle company that proudly offers ultra-premium health and wellness beverages from Hawaii for Hawaii. They promote “living aloha” by being positive, healthy, active, and kind to others and the planet. Their products are all-natural and responsibly packaged in glass and RPET (recycled plastic). Hawaii Volcanic Water is the #1 selling, ultra-premium, naturally alkaline, Hawaii bottled water.

Reason for joining HFIA: We are proud to be new members of the HFIA! One of the reasons we joined is to share our extensive knowledge with other members and state lawmakers about viable, Earth-friendly, sustainable packaging and recycling options for Hawaii.



Diede Construction, Inc.

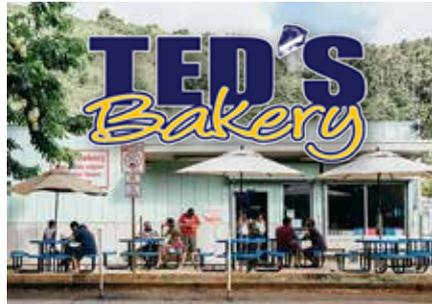
Joined: March 11, 2019

Contact: diedeconstruction.com/hawaii

About: Diede Construction, Inc. (DDC) is a general contracting firm that provides comprehensive

design-build and development services to businesses and organizations throughout Honolulu and the rest of Hawaii. DDC has been a family-owned business for 40+ years. They take pride in treating each one of their customers as part of their family. They are 100% committed to the values of teamwork, safety, and getting the job done right the first time.

Reason for Joining HFIA: *Diede Construction was referred to HFIA by Joe Carter, President & General Manager of Coca-Cola Bottling of Hawaii. Our goal is to meet existing HFIA members, build a relationship and hopefully do business with them in the future.*



Ted's Bakery

Joined: March 19, 2019

Contact: tedsbakery.com

About: Ted's Bakery is known for its wide assortment of pies, pastries, cakes, and breads. Located at Sunset Beach on Oahu's fabled North Shore, it's a popular stopping point for locals and visitors. Founded in 1956 by Takemitsu Nakamura as a small grocery store, Ted's Bakery was created in 1987 by Takemitsu's son, Ted. In 1996, they began wholesaling cream pies to stores and supermarkets around the island. Ted's Bakery also offers delicious breakfast, lunch and dinner.

Reason for Joining HFIA: *Ted's Bakery joined HFIA to learn about newest laws and regulations that may impact them. They are excited to be members of HFIA, and already supply our pies and cakes to many of HFIA's retail members.*



simplicityHR by ALTRES

Joined: March 12, 2019

Contact: simplicityhr.com

About: simplicityHR by ALTRES has been a leader and innovator in the outsourced payroll and HR industry for 50 years, providing unparalleled services, opportunities, and value to help their clients focus on growing your business. Founded in Honolulu in 1969, they pioneered the state's human resources outsourcing industry and remain its leader. A National Association of Professional Employer Organization (NAPEO) member and accredited by the Employer Services Assurance Corporation (ESAC) since 2000.



Commodity Forwarders, Inc.

Joined: April 16, 2019

Contact: cfiperishables.com

About: Commodity Forwarders specializes in the transportation and distribution of perishable products. They handle air, ocean, truck and rail transport for products that are fresh or frozen, such as seafood, meat, flowers, foodstuffs or produce. With 14 U.S. offices and network relationships in Canada, Mexico, Europe, Latin America, South Pacific, Asia, and the Middle East, CFI is well-positioned to serve your unique cargo needs. The company is dedicated to providing competitively-priced logistic services while following applicable specifications and industry regulations.

Solving the Ocean Plastic Problem

BY LAUREN ZIRBEL

Anyone who visits the beach knows that amidst the grains of sand are billions of small, multicolored plastic particles. Marine animals are dying at alarming rates as a direct result of consuming or becoming entangled in plastics in our oceans.



Solving the problem of ocean plastic pollution is one of the most significant challenges we face.

Why is there so much plastic in the ocean?

It's an important question to answer because it informs any potential solutions. A Harvard Political Review article entitled "Plastic Planet" states, "A 2017 study by the Helmholtz Center for Environmental Research found that roughly 90 percent of the ocean's trash is exported from the land by ten major rivers located mostly in China, South Asia, and, to a lesser extent, Africa. This is because many municipalities in these parts of the world — which, with roughly 4 billion people, account for as much as half of the global population, — have no official waste management system, let alone recycling or composting infrastructure."^[1]

If you think this takes the developed world off the hook, you are wrong. The developed world has been sending our plastic recyclables to these very same countries that are currently ill-equipped to properly dispose of their own plastic waste.

These choices have caused an environmental catastrophe.

By not recycling and managing the waste we produce, and instead shipping our plastic recyclable waste to developing regions known for poor waste management such as



China, South Asia, and Africa, the developed world has contributed significantly to the 8 - 12 metric tons per year of plastic that enter the ocean from land sources.^[2]

An article in Yale Environment quoted Roland Geyer, an industrial ecology professor at the University of California, Santa Barbara's Bren School of Environmental Science and Management, "The plastic is now getting diverted to countries with a high risk of improper management and high leakage rates."^[3]

Developing Countries Ill-Equipped to Handle Our Plastic Waste

Shipping our plastic waste to developing countries is not only an environmental disaster; it also seriously endangers the health and welfare of children and adults living in these countries. A report from Greenpeace states, "High-income countries tend to have waste management systems in place in varying degrees. In many households, waste is neatly separated into recyclables and non-recyclables. Most citizens from these countries

are unaware that most of the so-called recyclables are being shipped abroad. Worldwide, only 9% of plastic waste is actually being recycled, according to a variety of sources.

While consumers in European countries, the US, Australia and New Zealand live under the impression that they're contributing to a sustainable circle of recycling, local communities in middle and low-income countries bear the brunt of plastic waste being burned and dumped in their neighbourhoods.

This broken system is what Greenpeace calls the "recycling myth"...A significant amount of the imported plastic waste in Malaysia is dealt with by unlicensed operators, who often do not have a proper waste processing facility, but instead illegally burn the waste out in the open, dump it in abandoned buildings, in improvised landfills or in between prawn and fish farms or oil palm plantations."^[4]

An article published in January of this year states, "in Vietnam, more than half of the plastic imported into the country is sold on to "craft villages," where it is processed informally, mainly at a household scale. Informal processing involves washing and melting the plastic, which uses a lot of water and energy and pro-

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THE LAST WORD

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duces a lot of smoke. The untreated water is discharged to waterways and around 20% of the plastic is unusable so it is dumped and usually burnt, creating further litter and air quality problems. . . Working conditions at these informal processors are also hazardous, with burners operating at 260-400. Workers have little or no protective equipment. The discharge from a whole village of household processors concentrates the air and water pollution in the local area.”^[5]

How We Can Make a Difference

We must stop sending our plastic to

areas that are well documented as the source of 90% of ocean plastic pollution. Let's find a better way, such as using responsible recycling facilities monitored by the Environmental Protection Agency.

There are responsible modern recycling facilities in California that will cleanly recycle plastic waste and help the industry to meet ambitious goals to use an increasing amount of recycled materials in their packaging. By creating a closed loop system, we can put an end to pollution.

As a recent Grocery Manufacturers Association report documents, of the 25 largest consumer packaged goods (CPG) companies, 100 percent have made commitments to increase recyclable content, minimize packaging or reuse material. Of the

largest CPG companies, 80 percent have committed to producing 100 percent recyclable, reusable or compostable packaging by 2030.

Two hundred fifty organizations have signed on to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment which sets a target of 25 percent recycled content in plastics packaging by 2025.

Coca-Cola has committed to include 50 percent recycled content across its packaging by 2030. A new program called Loop, embraced by 25 large CPG companies, will partner with TerraCycle to pilot a new reusable container system.^[6]

The industry will change, because it is what consumers demand, and because it is the right thing to do.

[1] Winters, Joseph. "Planet Plastic." Harvard Political Review, 20 Feb. 2019, harvardpolitics.com/united-states/planet-plastic/. [2] Dell, Jan. "157,000 Shipping Containers of U.S. Plastic Waste Exported to Countries with Poor Waste Management in 2018." Plastic Pollution Coalition, Plastic Pollution Coalition, 6 Mar. 2019, www.plasticpollutioncoalition.org/pft/2019/3/6/157000-shipping-containers-of-us-plastic-waste-exported-to-countries-with-poor-waste-management-in-2018. [3] KATZ, CHERYL. "Piling Up: How China's Ban on Importing Waste Has Stalled Global Recycling." Yale E360, 7 Mar. 2019, e360.yale.edu/features/piling-up-how-chinas-ban-on-importing-waste-has-stalled-global-recycling. [4] THE RECYCLING MYTH: MALAYSIA AND THE BROKEN GLOBAL RECYCLING SYSTEM. GREENPEACE MALAYSIA, www.greenpeace.org/archive-seasia/PageFiles/936685/The%20Recycling%20Myth%20-%20Malaysia%20and%20the%20Broken%20Global%20Recycling%20System.pdf. [5] Retamal, Monique, et al. "Here's What Happens to Our Plastic Recycling When It Goes Offshore." The Conversation, 29 Jan. 2019, theconversation.com/heres-what-happens-to-our-plastic-recycling-when-it-goes-offshore-110356. [6] Grocery Manufacturers Association. REDUCE. REUSE. CONFUSE. How Best Intentions Have Led to Confusion, Contamination and a Broken Recycling System in America. Apr. 2019, www.gmaonline.org/file-manager/Reduce_Reuse_Confuse_4_11.pdf.

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remember being extremely fortunate to have the support and guidance of experienced leaders like Barry Taniguchi and Derek Kurisu of KTA Superstores and Paul Kosasa of ABC Stores. Then as if that wasn't enough, HFIA's founder and President, Dick Botti, announced his retirement after nearly 40 years at the helm. At that point, it was clear that what HFIA needed more than ever was stability. Luckily, Gary Hanagami, a veteran of the food industry, stepped in as Interim Executive Director. Lauren Zirbel had a few years handling HFIA's legislative matters, but at the time, was very young and unproven. It was an uncertain time for the association, but looking back, it gave us an opportunity to revisit a few things.

HRG: Due to legislation and other factors, the price of labor in Hawaii continues to increase. How do you think members should address this?

BA: We have a huge affordability issue in Hawaii. If the cost of living here continues to rise, it's clear that workers need to earn more to stay afloat, but higher wages tend to translate into higher prices. We'd be better off taking a hard look at the cost side of business and making smart investments to lower costs. On the policy side, we should be working effectively with legislators to rethink how we can reduce food costs for families in Hawaii. Can we find a way to eliminate the tax on food and medicine? Can we work with legislators and our transportation partners to lower freight costs? How can we grow our commitment to local ag? Can our industry lead the way in reducing waste and lowering our environmental impact? If we're committed to tackling these big issues, we need to be "all in" and we need to collaborate across sectors.

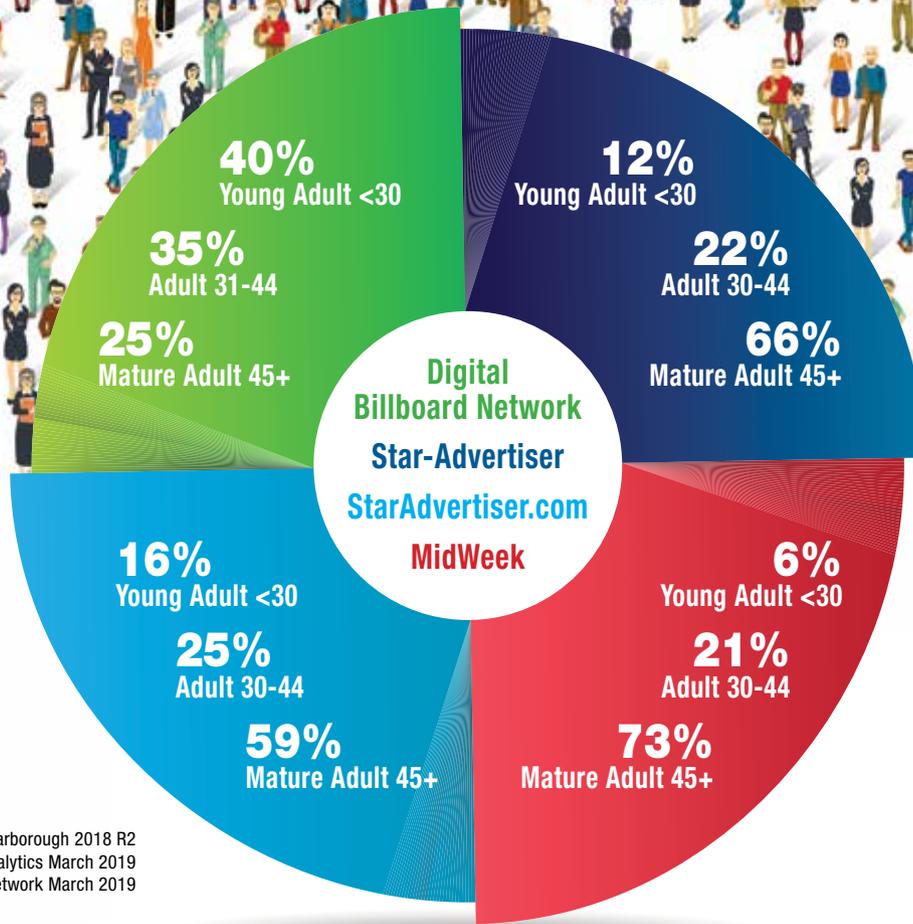
Amemiya has certainly shown her commitment to being "all in" for

Hawaii's food industry and to HFIA. With her deep knowledge base and keen leadership skills, we know that she'll continue to be a driving force of growth and positive change as HFIA and our industry moves into the future.

HFIA will always look to Amemiya for guidance and inspiration. We're so grateful for the incredible contributions she continues to make to our association, and for her essential leadership when HFIA needed it most.

Brown gave voice to a sentiment shared by the HFIA 'ohana, "I believe that a great deal of HFIA's success in the past ten to 15 years is due to Bonny's leadership and we owe her a debt of gratitude for her many contributions to our organization."

Current Chair Toby Taniguchi, the Board of Directors, and all of HFIA are pleased to honor Bonny Amemiya as the 2019 Recipient of the Chairman's Award.



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174,858 Adults
282,028 Mature Adults

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