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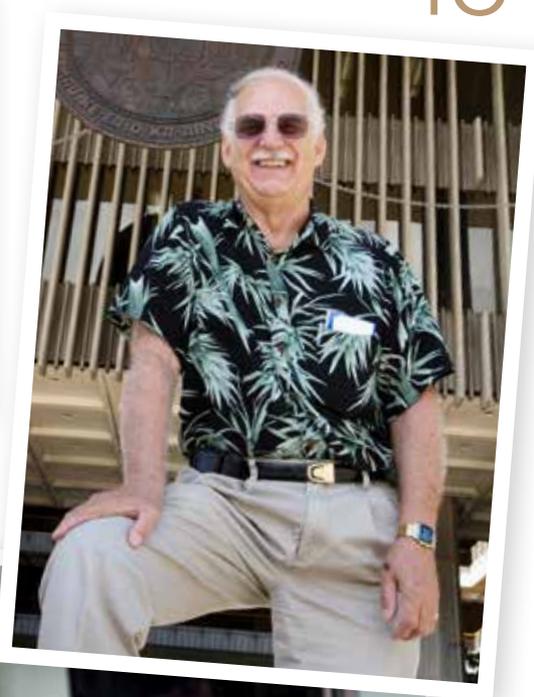
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2018 session comes to a close

BY LAUREN ZIRBEL

Wow, what a year! This year may have been the most challenging year for business yet at the Hawaii State Legislature. Many issues were dragged out until the last moment of conference committee. Outcomes this session were dramatically improved by our members' emails and phone calls to legislators. Thank you for your engagement – you made a difference!

On a positive note, a number of the Hawaii Technology Development Corporation funding bills that HFIA supported throughout session passed including HB 1958 for the Small Business Innovative Research program, HB 2610 for the Manufacturing Grant Program, and SB 3000 to establish the Research and Development Program. The Manufacturing Grant Program was funded to the tune of \$1 million. Many of our members have been able to benefit from this program and we hope that many more will benefit in the future.

We were finally able to see some legislation pass to address our members concerns about fake service animals. SB 2461, which establishes civil penalties for misrepresentation of a service animal, passed. HFIA supported this measure because of the, unfortunately, very common practice of attempting to fraudulent-

A number of the Hawaii Technology Development Corporation funding bills that HFIA supported throughout session passed...

ly claim a pet as a service animal. We believe that having this clear legal distinction in place will allow for better service and improved accessibility for customers with legitimate service animals.

There were six different bills requiring some form of paid sick leave and or paid family leave that received hearings this session. Three of these made it all the way to conference. HFIA testified at each



hearing for all bills and reached out to legislators in other ways to make sure that they understood the negative economic impact of increasing labor costs, the lack of any sort of actuarial information on the programs that were proposed in the bills, the potential cost of administration and tech infrastructure needed to run some of the concepts

being proposed, and the need for real input from the business community when creating a leave program. During conference these efforts paid off and two of the worst versions of the leave bills did not pass, while the third SB 2990 was amended to be a study on establishing paid family leave. We hope to see a thorough actuarial projection of what will be covered, how much it will cost, and who will pay for it.

SB 2351, named the equal pay bill, prohibiting employers from asking about a potential employee's salary history during the hiring process, and prohibiting enforced wage secrecy, was also passed. HFIA submitted comments on this bill but did not oppose it. This bill takes effect January 1, 2019. This bill does not disallow employees from sharing their past wage history voluntarily.

Other labor related bills included two that would have mandated advance notice for employee schedules. Both bills were heard but not passed and HFIA testified in opposition to both, explaining that for many reasons, including unavoidable things like employee sickness, creating firm advance schedules is simply not possible in our businesses.

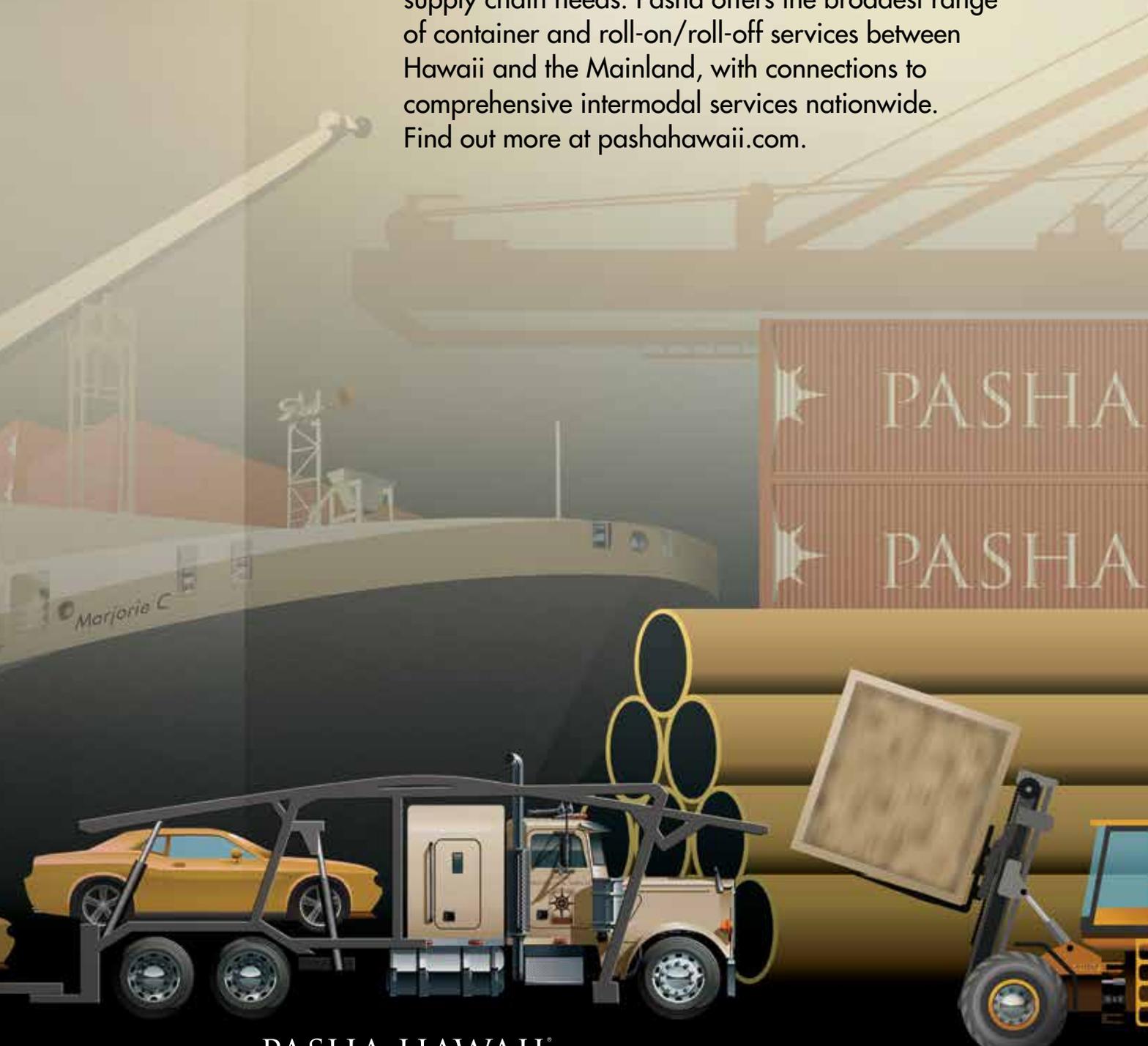
An attempt to raise the minimum wage to \$15 by 2020 was heard but did not pass. HFIA's opposition testimony cautioned against passing this kind of measure that would force

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Hoku Kamakau has been named Store Director of the new KTA Express in Kealahou.

KTA Super Stores Celebrates the Opening of its Kealahou Store

KTA Super Stores celebrated the opening of its newest store, KTA Express Kealahou, on Saturday, April 5.

The store is the company's first new store since the opening of KTA Waikoloa Village in 1990.

"We at KTA are honored to be able to open our newest location on the site of the former Kamigaki Market, which was an iconic family run business," said Barry Taniguchi, CEO and Chairman of KTA Super Stores. "We are happy to expand our presence and be a part of the community."

KTA Express Kealahou adds a third KTA location to West Hawaii

and offers a more convenient stop for South Kona residents and visitors.

The new store, located at 81-6602 Mamalahou Highway, features all the same departments found in KTA Super Stores, including its private-label Mountain Apple Brand and 1916 family of products. The store will also

offer AFC Sushi and L&L Mix Plate hot foods.

Future services will include a video kiosk, change-converting kiosk, an ATM, and money order services.

Kealahou-born-and-raised Hoku Kamakau has been named Store Director of the new KTA Express.

"We at KTA are honored to be able to open our newest location on the site of the former Kamigaki Market, which was an iconic family run business."

- Barry Taniguchi, KTA Super Stores



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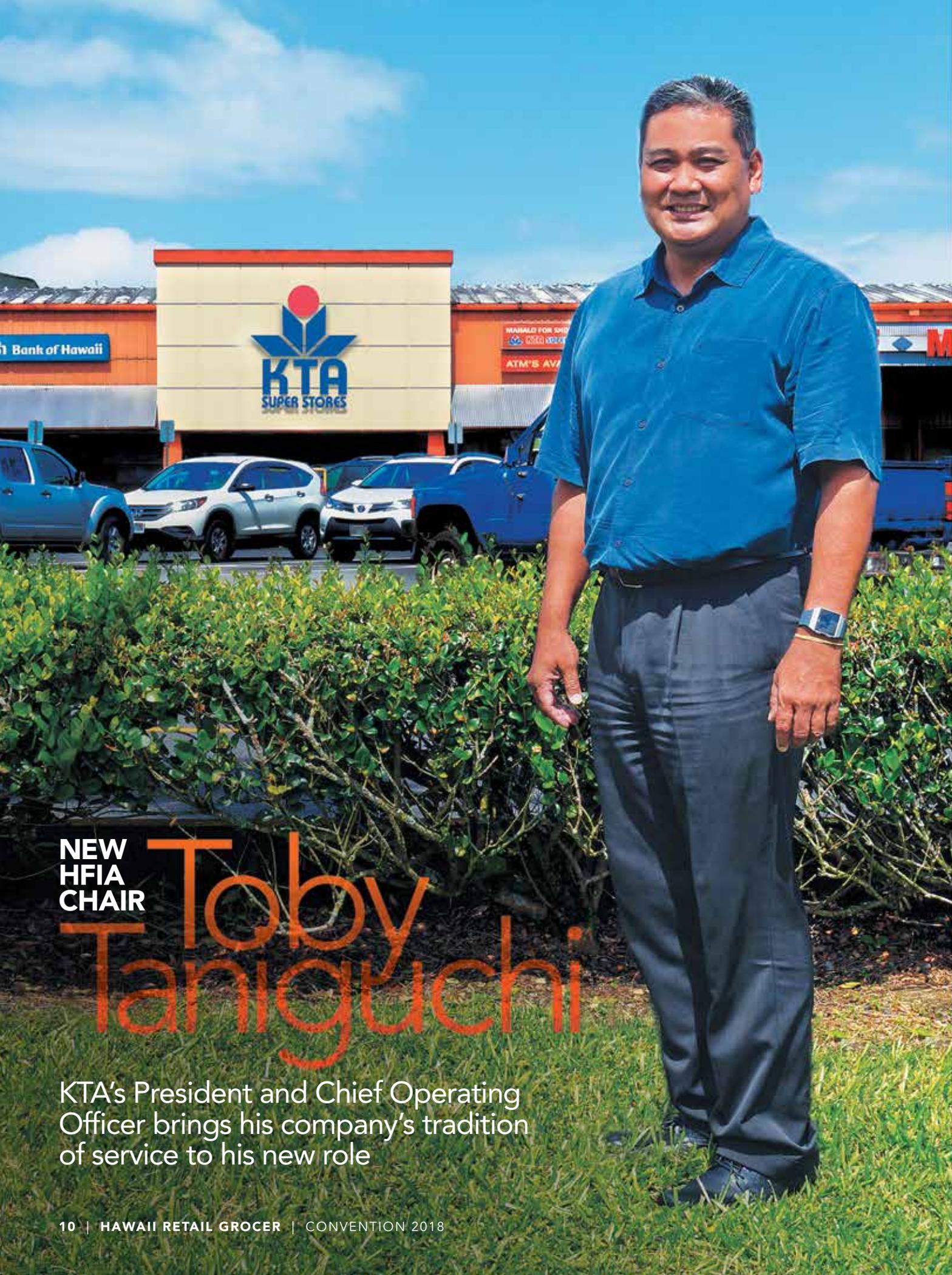
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**NEW
HFIA
CHAIR**

Toby Taniguchi

KTA's President and Chief Operating Officer brings his company's tradition of service to his new role

BY STACY YUEN

There's a Japanese expression "okage sama de" – used to express one's gratitude for others and the world around us. It's a phrase steeped in humility, and a belief that one is here today not due to one's actions alone, but by virtue of the support from others. This value was brought to Hawaii by Japanese immigrants, including KTA Super Stores founder Koichi Taniguchi, when he arrived in Hawaii from Hiroshima in 1907.

"The phrase means 'thanks to you – we are what we are because of you. All of our gratefulness should go to you,'" explains Toby Taniguchi, KTA's company president and chief operating officer and great-grandson of Koichi Taniguchi. "My great-grandpa had a strong belief that it was important to humbly serve the people of our community."

And that philosophy is stronger than ever today at KTA.

Taniguchi said his great grandfather's business philosophy hasn't changed much over the 102 years since Koichi and his wife Taniyo opened a modest 500-square-foot grocery and dry goods store in 1916 in Waiakea Town.

At the time, the couple had no idea their little store, then called K. Taniguchi Shoten, would someday evolve into a multi-store supermarket chain, now employing approximately 870 associates at seven locations across the Big Island.

"My great-grandpa had a strong belief that it was important to humbly serve the people of our community."

– Toby Taniguchi, President/CEO, KTA Super Stores

The business has endured natural disasters, world wars, recessions and uncertain times. The household name on the Big Island is a beloved community fixture and has experienced steady growth in the past century.

Twenty years after the opening of the first store, the Taniguchis opened a branch store in Downtown Hilo. In 1946, the devastating tsunami that struck Hilo destroyed the original Waiakea Town store.

However, the business, like the community it serves, persevered.



Toby Taniguchi, Sandy Taniguchi, Barry Taniguchi, Ryan Taniguchi

"There aren't a whole lot of organizations that make it to 100 years," says Taniguchi. "I'm really happy and humbled to work for a company that was fortunate enough to sustain itself for so long. I feel a great responsibility to make sure I do everything possible to keep it solvent and healthy into the future."

Taniguchi gives credit to KTA's associates, business partners and vendors, that help keep the stores competitive in a fast-changing industry. But he is quick to pay tribute to the values the company's forefathers instilled.

As with KTA, Taniguchi's philosophy is all about service. The self-described "can stacker" embraces his role as the new chair of the Hawaii

Food Industry Association. He says he feels strongly about the HFIA's mission to actively promote the interests of Hawaii's food and beverage retailers and suppliers through highly effective government relations and advocacy, member education and industry and community relations.

"I want to listen and hear from other members about what's important to them, but we need to make sure we're meeting our mission," says Taniguchi. "I'm really looking forward to being involved in this manner."

No stranger to voluntary service, Taniguchi is deeply involved with the Boys & Girls Club of the Big Island, The Food Basket – Hawaii Island's Food Bank, Junior Achievement, Friends of NELHA (Natural Energy Laboratory of Hawaii), the Hawaii Employers Council where he served last year as chairman, HEMIC and Parker Ranch.

Although now comfortable in KTA's leadership role, being a part of the family business wasn't something he had always envisioned.

As a student at Hilo's Waiakea High School, Taniguchi opted to work outside of the family business, bussing and waiting tables at a local restaurant through high school. After graduating in 1989 he headed to the Pacific Northwest where he went on to earn his Bachelor of Science degree in Communication Management from the University of Portland.

He remained in Portland where he gained different perspectives while doing a variety of jobs, including desktop publishing, an industry that has always intrigued him. But one day, his future took a different turn.

"I remember when my direction changed. My dad (Barry Taniguchi, KTA's Chairman and CEO) had come up to Oregon for my sister's college graduation. I was thinking about making a change and we had a talk. I asked if there might be a place for me back home at the store."

And the rest is history.

Taniguchi moved home to the Big Island in 1995 and started working at



Toby and Barry Taniguchi at the grand opening of KTA's Kealakekua store, April 5, 2018.

the store doing every job imaginable – cashier, stock, bagger, fish cutter and more.

Candid and down-to-earth, Taniguchi says he vividly remembers his first day working at KTA.

“I definitely felt a lot of pressure. My dad always told me, and it’s understandable, ‘you have to work more than 100 percent because you’re part of the family. People will be watching you. You need to work 105 percent,’” he recalls. “So I always tried to make sure I worked productively and safely. That weighed heavily on my mind on my first day on the job. But we have a great bunch of associates and I didn’t feel uncomfortable for long.”

Over the course of the next several years, Taniguchi immersed himself into the business.

“I became assistant store director and ran the Waikoloa store for awhile,” he explained. “I’m not sure how it evolved but I believe you have different jobs in life, if you’re lucky, you end up with a career . . . and if you’re really lucky, you end up discovering your calling. I don’t think ev-

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everyone totally embraces their calling, and at first it was challenging for me, as I didn't necessarily feel I wanted to be president. I was happy to be a part of the team. But looking back, I think it was my calling to help contribute to the well-being of our organization. I have a responsibility to take care of the business so we can hand it over to the next generation healthy and solvent."

He often tells younger associates that the future lies in their hands.

"I'm a generation Xer. I'm here to steward and try to improve the organization and keep us solvent," says Taniguchi. "But the future lies in the next generation – the millennials. In the last couple of years, we have brought in what I refer to as our 'young guns' – they're extremely talented and have so much knowledge and information," he said. "On the other hand we also have associates with 35 or 45 years of service to our company. We want to make sure we honor them and their contributions and their values and principles that brought us to where we are today. But at the same time we need to stimulate growth and look at opportunities for

new and improved ways to service our customers and the community."

The latest such growth is the opening of KTA's seventh store – KTA Express Kealakekua – in April of this year.

"Opening in Kealakekua is significant. We're happy to be afforded the opportunity to open in that community and offer growth opportunities for our associates," he says.

The store occupies the former Kamigaki Market, an iconic family business that served south Kona.

"Wayne (Kamitaki) and my dad, Barry, are good friends and Wayne mentioned they picked up the parcel and asked if we had any interest in occupying it since it wasn't particularly suitable for their hardware operation," explains Taniguchi. "So we took a look and thought we could open a store and bring our products and services to the community. So we started planning, and a couple of years later we opened the store."

Looking ahead, Taniguchi says he tries to be very intentional in his approach to the business, carefully analyzing efforts needed to move for-

ward into the future. That intention is reflected in the new Kealakekua store as the decision was made for it to have no incandescent lights. Every single lightbulb is LED.

"I visited a very progressive, award-winning grocery store called My Fresh Basket in Spokane. It was the first store I knew of, to use only LED lamps," explains Taniguchi. "We brought the idea back and now our newest store uses LED lighting and uses way less energy."

Taniguchi says with the dynamic changes in the marketplace, it's more important than ever to make sure KTA remains relevant and as efficient as possible to remain competitive.

And this philosophy is not something new.

Although KTA may have that small town community feel, progressiveness has always been one of its strengths as it is credited with a lot of "firsts" in the Hawaii grocery industry. These "firsts" include the introduction of the barcode scanner, self-service meat market, in-store bakery and full-scale deli.

"In 2007, when energy prices were

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Outgoing HFIA President

Dick Botti
HFIA Founder

Toby Taniguchi
Pres. & COO of KTA
HFIA 2018 New Chair



Toby Taniguchi with members of the HTA pharmacy department (from left), Tricia Anderson, Lorna Kahauloopua, Elissa Brown.

skyrocketing, I think we were the first grocery store in the state to commission a full-blown photovoltaic system,” recalls Taniguchi. “They paid off in about a year and a half and helped us reduce our overall demand on energy.”

He believes all this progressiveness is a matter of being in the right place

at the right time, meeting the right subject-matter experts and a little bit of luck.

“I love talking to vendors and learning from them. I think listening and learning from others is how we’ve become lucky enough to be a progressive company,” he says.

Along with the ongoing quest to seek opportunities to enhance efficiencies, KTA is also always looking into opportunities to open new locations. Taniguchi says he’s often asked if KTA would expand outside of Hawaii Island.

“I can’t say we wouldn’t, although

Thank You Beau Oshiro! Welcome Toby Taniguchi!

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Honoring the Life of HFIA’s Founder Dick Botti

our mission statement is 'to do our very best at fulfilling the food, household and healthcare needs of Big Islanders.' I'm not averse to changing our mission statement, but there might be challenges with distribution and how we would manage inventory," Taniguchi explains. "If we ever did that, it may not make sense to ship goods to Hilo where we have established warehouses, as we would have to turn around and ship it back out to a neighbor island. If the right opportunity came along, we would be inclined to look at that opportunity but currently there's nothing like that in the works right now."

Through 102 years of service to the Big Island community, KTA has moved forward with the ever-changing times. But the truly important things never seem to have changed.

"I think the principles our company was based on are timeless," Taniguchi explains. "Taking care of our customers, associates, and business partners, working smart and being safe are all part of what's important to us. At the end of the day, it's really all about people."



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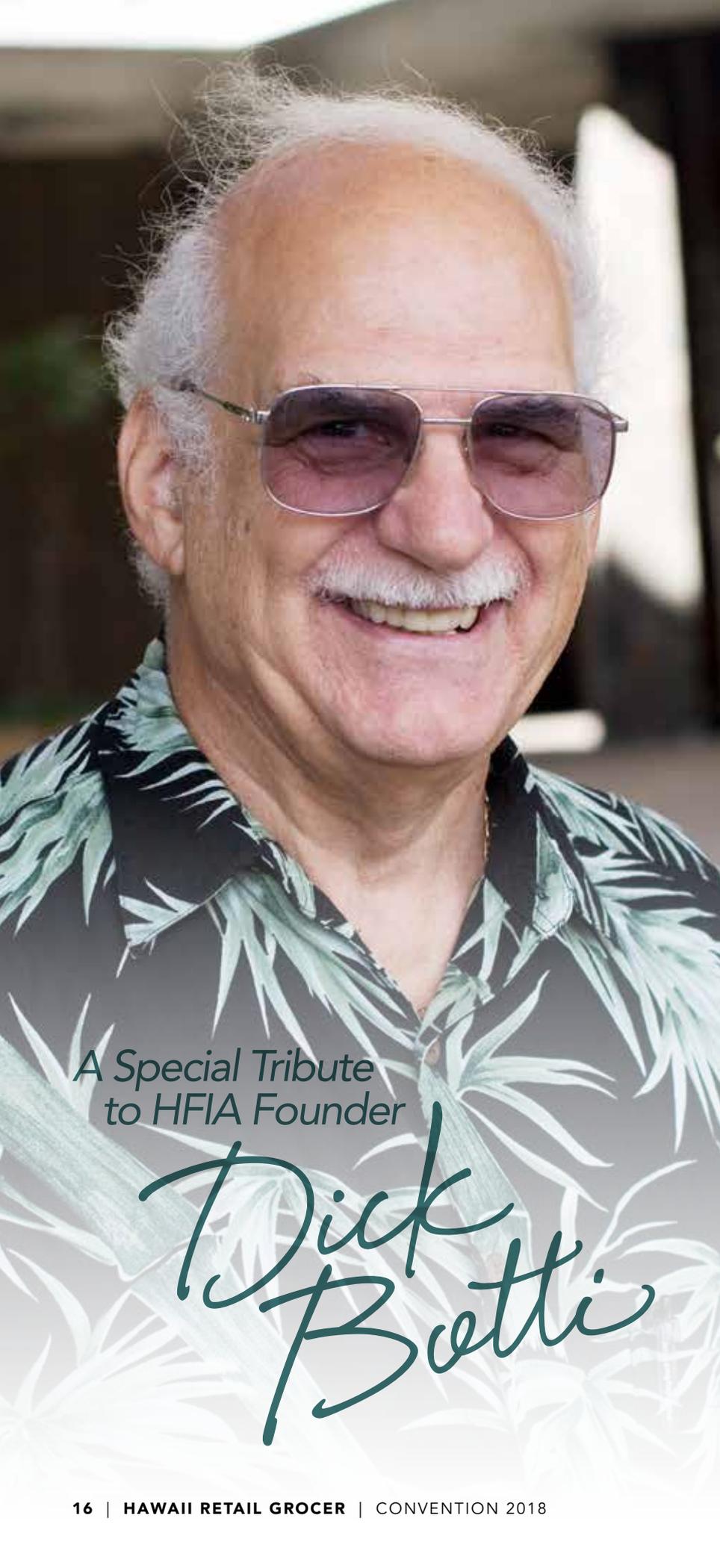



Congratulations

Toby Taniguchi

HFIA's New Board Chair
for continuing the legacy of HFIA's Founder

Dick Botti



A Special Tribute
to HFIA Founder

Dick Botti

The HFIA will pay tribute to its founder Dick Botti, during its annual Awards Banquet, Saturday, June 2, as part of the 2018 HFIA Convention, June 1-3 at Aulani, A Disney Resort & Spa in Ko Olina.

Botti, who passed away last June, retired from the HFIA on December 31, 2010, after more than 40 years of leadership to the organization which he founded in 1972.

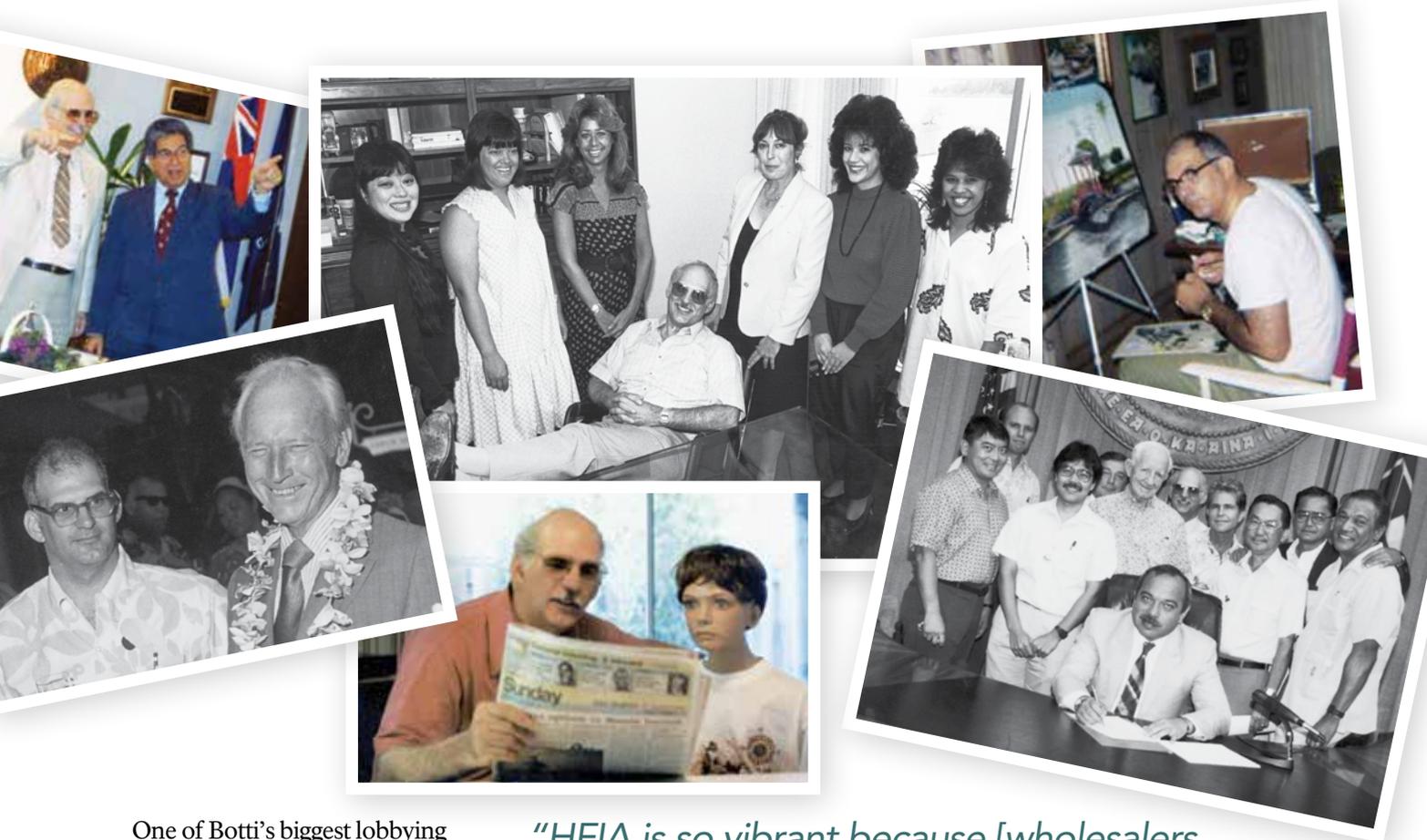
He invented his own legendary career establishing the Legislative Information Service of Hawaii (LISH), testified more than a thousand times at the Capitol, got numerous bills beneficial to business passed, while killing hundreds of harmful ones. He helped create Rainbow Fever, the Made in Hawaii Festival, and supported laws that made the Hawaii Foodbank possible.

Foregoing a complete college education, Botti moved to Hawaii in 1968 to take over the state's chapter of the nonprofit National Federation of Independent Business (NFIB), going door-to-door throughout the state recruiting new members and renewing current ones.

He became involved in local politics and began delving into legislative lobbying. He established LISH in 1970 as a take-off on the NFIB, but offering more services. LISH was established to provide small businesses with a way to get information on laws and regulations from one source in an easy-to-understand format. LISH kept members updated with research on new laws.

Botti and the late John Ushijima, Senate president from 1974 through 1978 worked to pass the bill that established the small claims court in Hawaii.





One of Botti's biggest lobbying successes was the glass advance disposal fee program of the mid 90s. Glass refuse was melting on the walls of H-Power during incineration and had to be sandblasted off. Wholesalers who sold products packaged in glass were told to come up with a solution, or one would be legislated for them. HFIA supported a half cent tax on all glass at the wholesale level, which successfully took 35 percent of the glass out of the waste stream.

As LISH was just beginning to gear up, Botti established the Hawaii Food Industry Association from scratch in 1972. "He saw a need," said Botti's wife Gwen. "LISH was the first. Then HFIA became its flagship organization. HFIA had outstanding people, positive thinkers, go-getters."

When Botti first started HFIA, he got Foodland, Star, Times, and Chun Hoon as a core group, and went to the neighbor islands to recruit other stores like KTA, Big Save, Big Way, Ooka, Noda, Sure Save, and anything else smaller. There was always the potential for contentiousness between retailers and wholesalers.

However, Carl "Kini Pono" Hebenstreit, president of Trade Publishing, explained why that was never an issue:

"HFIA is so vibrant because [wholesalers and retailers] have been able to put aside the [differences between] seller and buyer and work together. HFIA has provided an arena where all are equal and where the value of what they bring is what counts. To a large degree, Dick fostered this."

– Carl "Kini Pono" Hebenstreit, President, Trade Publishing

"HFIA is so vibrant because [wholesalers and retailers] have been able to put aside the [differences between] seller and buyer and work together. [The leadership] rotates between suppliers and retailers by tradition. HFIA has provided an arena where all are equal and where the value of what they bring is what counts. To a large degree, Dick fostered this."

Other ventures didn't directly raise money for HFIA, but brought it recognition. Rainbow Sales & Marketing founder Bill Prideaux and Stan Sheriff, legendary University of Hawaii athletic director, started the now familiar Rainbow Fever program, which raises scholarship money for athletes.

Botti's biggest success is the Made in Hawaii Festival, a brainstorm of Representative David Morihara, whose father, an HFIA member, had a

grocery store in Kula, Maui. Nobody wanted to take it on because of the risk, so HFIA agreed to do it.

Botti once said HFIA started the festival as a means of supporting Hawaii businesses, but it has turned into a small business incubator, allowing very small vendors to make and stockpile a product at home and sell it at the festival.

In the more than 40 years at the helm of the HFIA, Botti dealt with conflict between members' interests, and managed to weather through industry challenges.

The HFIA is proud to honor its founder, the late Dick Botti at the 2018 Summer Convention.

This article, in part, summarizes "Botti Double: One Man Packs an Impossibly Full Career," by Jason Y. Kimura. Hawaii Retail Grocer, Spring 2011.



A 'SNAP shot' on proposed policies

BY THE NATIONAL GROCERS ASSOCIATION

A lot has been going on these days in Washington, DC with regard to food and nutrition policy, especially surrounding the Supplemental Nutrition Assistance Program (SNAP) and labeling regulations. Here's a brief "SNAP shot" of the various proposals that are being debated by federal lawmakers and other important stakeholders.

In February of this year, the Trump administration released its Fiscal Year 2019 budget proposal, which included drastic changes to the SNAP program by replacing about 40 percent of household SNAP benefits with a government run commodity box delivery service. Instead of letting households use their SNAP benefits at their local grocery store, SNAP funding would be used to send eligible households a box of non-perishable food items.

As soon as this "Harvest Box" proposal was released NGA's government relations team hit the ground running, meeting with White House policy officials, USDA, and key stakeholders on Capitol Hill to express our opposition to any proposal that cuts out the private sector from food delivery. NGA also organized a letter to Congress signed by nearly 900 independent retail and wholesale grocery companies from all 50 states with the message that any Congressional efforts to put the government

In February of this year, the Trump administration released its Fiscal Year 2019 budget proposal, which included drastic changes to the SNAP program by replacing about 40 percent of household SNAP benefits with a government run commodity box.

at the center of delivering nutrition benefits fails to recognize the competitive principles that have made the SNAP public-private partnership a successful program.

While the President's budget request officially kicks off the formal process and outlines many of the Administration's priorities, Congress typically creates their own authorization bills. The Harvest Box debate comes at a

Continued on page 36

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HFIA'S NEW CHAIRMAN

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TalkStory

with HFIA's New Secretary/Treasurer
and New Board Members



SECRETARY/TREASURER

Charlie Gustafson

Vice President of Store Operations,
Tamura Super Market

Q: What do you think is the biggest issue facing grocers?

A: Since we live on an island, everyone shares this economic pie. The challenge is to maintain or increase the size of your slice by fending off your competitors. For us, and I believe this goes for other traditional Supermarkets is the big box stores. Obviously, they have some pricing advantages, but for our store we do have a geographical advantage by being on the west side and far from town. We have some competitors out here but we really see the big box stores as our biggest threat. We try hard to cater to our customers' needs and I always challenge our employees and customers – that if you take our supermarket cart and fill it up and match it with our competitors, we're going to come out with the best overall prices in a

food basket survey. We impress upon our customers that you don't have to drive 12 miles outside of our community because we're going to come out at a considerable savings. It really boils down to staying relevant to your customer base and community.

Q: What's the biggest trend in the retail industry today?

A: Companies like Amazon are affecting brick and mortar businesses like ours. Internet sales are on the rise and it's going to continue. Right now, this affects more of the general merchandise side and not the food side yet, since some of the advantages that Amazon has hasn't fully transferred into the grocery industry. E Commerce and those companies that can get a hold of utilizing data analytics are going to position themselves best in going after the Millennials.

Q: Do you think Tamura Super Market will offer online delivery in the future?

A: It's something we're watching but we don't see it having any immediate impact in our area yet. We do see a few Safeway delivery trucks around in the community. It would serve a purpose for some in our community, like our seniors, who can't get around as much. It would provide a customer base for us to look at, but we haven't actively tackled that yet.

Q: What are you looking forward to most about serving as Secretary/Treasurer of HFIA?

A: To be of help. I've always been on the outside looking in, and perhaps can offer a different perspec-

tive. I think HFIA is a great organization that serves our industry well. I hope to learn more from an inside view and help in any way I can.



BOARD MEMBER

Mark Imada

Merchandising Manager,
7-Eleven Hawaii

Q: What are your responsibilities at 7-Eleven Hawaii?

A: I primarily ensure customer satisfaction by monitoring the development, purchasing, delivery and quality of store products with the merchandising team. We're constantly working together to enhance the customer experience by establishing new products and services with added convenience, as well as establishing new business and improving upon existing business schemes and enhancing services.

Q. What's 7-Eleven Hawaii's merchandising strategy when it comes to Hawaii customers?

A. We have 'Your Neighborhood Store' concept. What this means is that we recognize that each neighborhood in the islands is unique and we work towards catering products to the neighborhood's preferences. We believe we can offer more convenience by focusing on the individual customer's demand in different geographic locations. Also, as customers' demands rapidly change, our strategy can be continuously adjusted.

Q. What are some of the latest trends in the convenience store industry?

A. The two major trends are healthy eating and localization. There's a large amount of agricultural activity in Hawaii, so we have the ability to source a lot of our ingredients locally. Locally-grown products are much fresher than those coming from outside the state and freshness goes hand-in-hand with healthfulness. We've

been including local ingredients in our products since 2017 and we're currently working to increase our offerings.

Q. What prompted you to join the HFIA Board of Directors?

A. HFIA is an incredibly unique and valuable organization for

Hawaii. Both 7-Eleven Hawaii and HFIA care deeply about Hawaii's communities and residents. As I learned more about the HFIA, I felt it would be a great opportunity to work more closely with not only the state government, but people living and conducting business here in Hawaii.



BOARD MEMBER

Blake Yokotake

Human Resources Manager,
7-Eleven Hawaii

Q. Tell me about the career path that led you to 7-Eleven Hawaii?

A. I spent 12 years with the National Guard as a personnel technician – that's what human resources was called back then. In 1988 The Southland Corporation out of Dallas, Texas, recruited me to become the personnel manager for the 7-Eleven Hawaii Division which was purchased in 1989 by 7-Eleven Japan.



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Q. Tell us about the eventual influence of the Japanese style of business on 7-Eleven Hawaii.

A. The Japanese style of business is more driven, methodical and focused. We do lots of studies to determine what the customer wants. We grew a lot over the years and are quite successful today because of that.

Q. What prompted you to join the HFIA Board of Directors?

A. I became familiar with the work of HFIA when we were trying to get the scanning bill passed several years ago. This was the bill allowing clerks to scan IDs for liquor and tobacco purchases. After weeks of testimony, it was very frustrating

when they shelved our bill. I learned that sometimes you try to do the right thing and you can't. Legislators have good ideas sometimes, but they often don't study what they propose – so there are often unintended consequences. Someone needs to watch out for the industry and I hope to help in that way.



BOARD MEMBER

Paul Yokota

President of FCH Enterprises, Inc.

Q. What are your responsibilities as President of FCH Enterprises, Inc.?

A. I handle the day-to-day operations and coordination between our entities. My job is to make sure I work with all divisions and departments and coordinate all activities in the same direction.

Q. Tell me what led to your career at FCH?

A. I will be at FCH for 10 years this December. I graduated from UH-Manoa School of Travel Industry Management focusing in hotels and restaurants. In the first 30 years of my career, I managed a variety of hotels. I had met our CEO Jason Higa, along the way and he had amazing ideas on moving FCH into the future. I joined as President in 2008. I tell people that I used my hotel degree in the first half of my career and my restaurant degree in the second half of my career.

Q. What are some of the exciting things going on at Zippy's?

A. One of the major things we worked on this year is to bring on new talent. We now have a VP of Marketing, Kevin Yim; a VP of Training Gina Marcoff; VP of Operations Jay Kaneshiro and a VP of Human Resources, Christine Saito. All of this growth is part of a focus on the investment into the future of the company.

Q. What prompted you to join the HFIA Board of Directors?

A. I've been to a number of HFIA events and know a good portion of the membership as many are partners and suppliers and leaders in our industry. We can't do what we do alone, so good relationships are key. I appreciate what Lauren and her group do to keep us apprised of the legislation and how we can provide support to assist our legislative efforts.

Q. What are your responsibilities at Minit Stop?

A. Everything that we sell, I buy. We do a pretty heavy food service. Our founder Jimmy Haynes came up with the concept to cook food in the store when he opened the first Minit Stop 35 years ago. He proved that was a very good move because we're still here with stores on Maui and the Big Island.

Q. How is Minit Stop different from other convenience stores?

A. At the end of the day, we're seeing all the convenience stores moving toward food service. Minit Stop started in food service. We take pride in it and try to make our food unique. Our chicken is breaded in a special proprietary flour and we make our potato wedges from one-pound fresh potatoes.

Q. What's the secret to Minit Stop's longevity?

A. I think it goes back to our founder Jimmy Haynes. But Minit Stop operates as a small entity even though it's owned by Saltchuk, a national conglomerate. Saltchuk provides funding and support but they leave it to us to run it. We've been lucky to build upon a good base and we still make everything from scratch.

Q. What prompted you to join the HFIA Board of Directors?

A. Our business is isolated on the neighbor islands – Maui and the Big Island – we want the same level of support that companies on Oahu get. So, you pretty much need to take an active role and carve out efforts on our side to help drive the message that HFIA drives.



BOARD MEMBER

Kim Robello

Merchandising Manager, Minit Stop



Hawaii Coffee Company president Dan Dinell, above left, poses next to the new Lion Coffee logo unveiled at the Lion Café and General Store in Kalihi.

Lion Coffee Rebrand is Company's First in 40 Years

Lion Coffee unveiled a new brand design and product packaging at the Lion Café and General Store in Honolulu last month. Business and industry leaders celebrated the launch with coffee cupping sessions and tours of the 55,000-square-foot roasting facility.

While Lion Coffee is one of the most recognized coffee brands in Hawaii, the company embarked upon the rebranding initiative to reinforce the quality of its product and the whimsy of its brand with loyal customers while attracting new audiences.

This is Lion Coffee's first rebranding initiative in its 40-year history in Hawaii. It has been implemented across the brand's entire line of flavored, gourmet, 100% Kona coffee, antioxidant, decaffeinated and single-serve products sold in Hawaii, the U.S. mainland, Canada, Japan, Korea, Taiwan, Hong Kong, Guam and Saipan.

The company's signature red packaging was redesigned to incorporate a refreshed, modern aesthetic and a new trademark logo that features a haku lei atop the lion's head, reflecting Lion Coffee's rich local heritage.

"We're grateful to our customers for making our red lion bags and signature coffees a part of their day for decades," said Hawaii Coffee Company president Daniel Dinell. "Refreshing the Lion Coffee brand is an exciting evolution that celebrates our long history in Hawaii and reflects our commitment to quality and innovation."

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Celebrating Hawaii's Favorite Grocerants

BY ALEXIS CHAPMAN

Many may not be familiar with the word “grocerant,” but chances are they’ve experienced the concept.

The term combines food retail, “grocery,” with sit down eating, “restaurant.”

While the latest retail trends such as online shopping and delivery are designed to allow customers to spend less time in their local shops, the new grocerant format does just the opposite. It allows customers to relax and spend some extra time in their favorite grocery store.

Grocerants are perfectly suited to Hawaii because so many of our customers understand the importance of taking the time to enjoy every meal, and because they know that the places to find the best ingredients for cooking at home, are also some of the best places to let someone else do the cooking for you.

The HFIA members below have always been known for their great food and outstanding customer service. They’ve become Hawaii’s favorite grocerants by infusing this new format with those qualities, and with all the other things that their customers love about their business.

Safeway: A Grocerant Pioneer

Long before the term “grocerant” had been coined, Safeway figured out that creating an in-store area for customers to dine was a smart way to add value to the shopping experience. Safeway pioneered the grocerant idea with their Signature Cafés starting over a decade ago. These were among the first real grocerants in the country, and their success helped pave the way for other chains and stores to



invest in similar seating areas.

Today Safeway continues to cater to customers’ needs with a variety of eat-in or take out options that surpass many restaurants. Artisan sandwiches are a favorite for many Safeway shoppers, and they can also enjoy custom made fresh sushi, olive and antipasto bars, signature salads, chef inspired soups, pizza, ribs, and authentic country recipe fried chicken. While it’s great to be able to grab so many delicious options to take home, Safeway customers know that getting to sit down and enjoy great food right away is precisely the reason they love the Signature Café.



KTA: A Local Staple

For many Big Island residents

KTA Super Stores are more than just their local grocery store; they’re an important part of Hawaii life. Founded in 1916 in Waiakea, KTA has been serving communities on the Big Island for more than 100 years. Their newest store was just opened this past April in Kealahou so now even more Big Island residents and visitors can enjoy all that KTA has to offer. In particular, customers love KTA’s Mountain Apple brand which features products grown, processed, or manufactured in Hawaii, and includes offerings from more than 50 local vendors.

As a grocerant, KTA also celebrates local flavors and character. Their seating area is relaxed, comfortable, and casual. It’s the kind of spot where neighbors, friends, and family plan to meet for a quick bite, or just run into each other by chance and take the time to catch up and talk story over some of KTA’s delicious food. The deli at KTA features staples like sandwiches, but also all the local favorites you’d expect from a Big Island family business. Bentos, musubi, sushi, loco moco, stews, and a wide variety of island style entrees are popular with KTA customers every day, and special events like on site BBQ are a big draw. Whatever the occasion Big Island shoppers know that when they crave an island home style meal, KTA is their home away from home.



Foodland Farms: Growing the Grocerant Format

While most grocerants are a grocery store first, Foodland Farms boldly decided to shift the balance. Roughly half of their Ala Moana location is devoted to seating and sit down food, while the other half is a traditional grocery. When the original Ala Moana Foodland closed in 2014 many neighborhood residents felt the loss, but when Foodland Farms opened at Ala Moana in 2016 it was clear the new store was well worth the wait.

Foodland Farms has truly expanded the idea of what a grocerant can be, not just in terms of relative size, but also in terms of the range, originality, and restaurant quality of the food offered. Foodland is known throughout the state for their poke. Foodland Farms takes that to the next level with a poke station that has rolls, bowls, and a wide variety of bentos. Other unique offerings include grilled kebabs, house made sausage, fresh donuts, a candy bar, and a real bar. Just two years after opening, Foodland Farms Ala Moana has demonstrated the value of embracing and expanding the grocerant format. The store is not only an anchor of the shopping center; it's also become a true community hub.

Down to Earth: Everyone's Favorite Natural Vegetarian Grocerant

2018 is a big year for this local business. In April, Down to Earth opened its sixth location, in Kakaako. Its Pearlridge store will soon move into a new, larger location, and they're getting ready to relocate their Kailua store into a bigger space next year. Through all this change Down to Earth has stayed true to the values the business was founded under in 1977 – continuing to support living a healthy vegetarian lifestyle, and promoting preservation of the environment by selling local, fresh, organic, and natural products.

The commitment to these values can be seen, and tasted, in their grocerant. All of the over 100 dishes in the hot buffet table, salad bar, deli, and scratch kitchen section are vegetarian. Many options are vegan and showcase local and organic ingredients. The variety of dishes is truly impressive and includes scratch made pizza and veggie burgers, curries, pastas, soups, and a huge array of salads. Vegetarians and vegans will of course find lots to love, but Down to Earth's many non-vegetarian customers also know that this grocerant has something for everyone.

As always, Down to Earth is paying attention to what their customers want and they plan to offer even more options for eat in or take out in the future. Soon shoppers will also be able to enjoy made to order pizzas, fresh bread, and wok bowls, all made with the care and commitment to healthy, natural, local, and vegetarian eating that have made Down to Earth a Hawaii favorite.



Duke's Lane: Grocerant Innovator

Duke's Lane by ABC is breaking new ground in terms of what food retail can be. Their innovative format combines several sit down eating options with multiple food and beverage retail markets in a way that creates a brand new experience for shoppers. Of course Duke's Lane also carries the ABC hallmark of always having just what a customer wants, right when and where they want it.

Customers who want to sit down and enjoy the new Duke's Lane can choose from BASALT the signature restaurant and beverage bar, artisan baked goods, boba tea, rotisserie or flat bread from Spitfire, burgers, and more. And when it's time to go there is Market, which showcases local foods and craft beers, delicious hot-to-go selections, and Dash with a range of grab and go options. This innovative new combination of dining and food retail has shown that there is no limit to what a grocerant can be. With Duke's Lane ABC has created a complete food adventure for their customers that's as flavorful and fun as it is convenient.

Each of our grocerants has its own unique style, flavor, and appeal that their customers love. What they all demonstrate is that there will always be new avenues to explore in food retail. The success that these HFIA businesses have had in creating and embracing this new format also proves that while many things may change, neighborhood grocery stores will always have a lot to offer their communities and their customers.





Down to Earth's new 13,000-square-foot location in Kakaako features a wide selection of local organic produce and more.

Down to Earth opens its largest store in Kakaako

Down to Earth Organic & Natural opened its doors in Kakaako on April 26.

Located at 500 Keawe Street, Down to Earth's sixth store is now its largest.

The 13,000-square-foot location includes an expanded deli with take home or eat-in fresh baked pizzas, made-to-order wok fried Asian style bowls, vegetarian sushi and more.

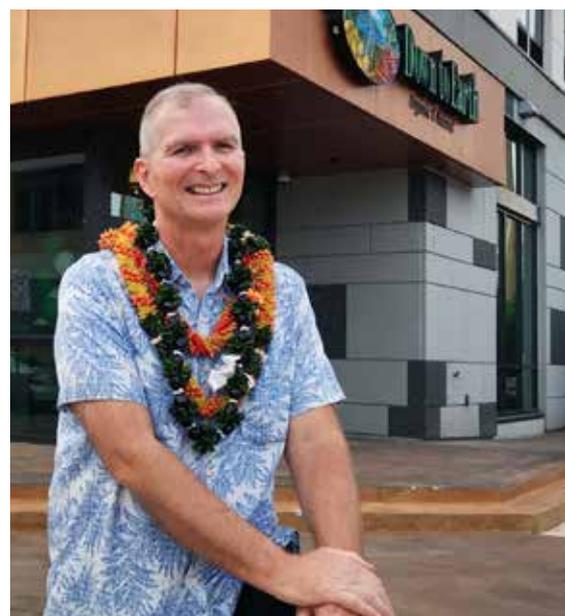
Shoppers will be able to create their own custom plates at the hot table and salad bar—with more than 60 items to choose from. A wide assortment of made-to-order deli items includes sandwiches, smoothies,

organic espresso drinks, fresh juices and more.

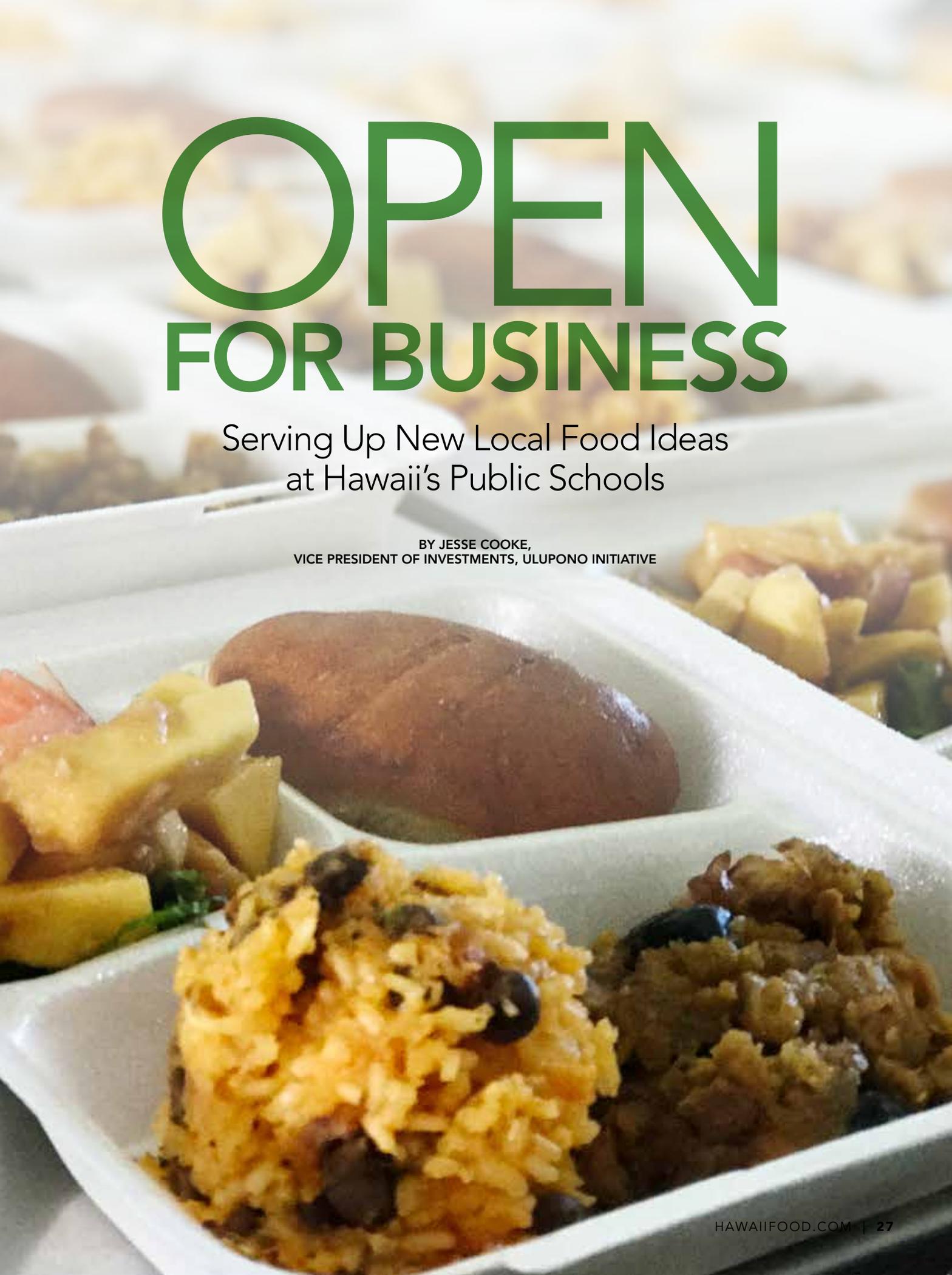
There is also an in-house bakery, local fresh organic produce, organic and natural foods including dairy items, vitamins and supplements, organic and natural beauty products and natural household items.

Down to Earth started in Wailuku Maui, more than 40 years ago. It is one of the oldest natural food store chains in Hawaii.

In addition to the new Kakaako location, the company has five other stores throughout the state: Honolulu, Kailua, Pearlridge, Kapolei and Kahului.



Mark Fergusson, CEO of Down to Earth Organic & Natural

The background of the entire page is a close-up photograph of a school lunch tray. The tray is white and divided into sections. In the foreground, there is a mound of yellow rice mixed with dark olives and pieces of meat. To the right of the rice is another mound of meat. In the center of the tray is a whole, golden-brown baked potato. To the left of the potato is a portion of fruit, including slices of pineapple and other fruits. The background shows other similar trays, slightly out of focus.

OPEN FOR BUSINESS

Serving Up New Local Food Ideas
at Hawaii's Public Schools

BY JESSE COOKE,
VICE PRESIDENT OF INVESTMENTS, ULUPONO INITIATIVE

A concert by Jack Johnson, a slow-cooked imu, 18,000 lbs. of local grass-fed beef, 2,600 pounds of local breadfruit, 34,000 pounds of local bananas, and 20,000 pounds of local papayas. What might sound like a super exclusive, extravagant luau is actually the result of the new ideas and notable work being done by the 'Aina Pono: Hawaii State Farm to School Initiative. Spearheaded by the Lt. Governor's office and the Department of Education (DOE) with support from The Kohala Center and funding by the Johnson Ohana Charitable Foundation, Kokua Hawaii Foundation, Dorrance Family Foundation, Hawaii Appleseed, HMSA Foundation, Kaiser Permanente, and Ulupono Initiative, this revolutionary program was featured in *Hawaii Retail Grocer* magazine last Fall.



(From left): Kim Johnson, Jack Johnson, Mililani High School students Hunter Gentry and Bryson Shishido. Photo courtesy of Department of Education

Opening Up A \$20 Million Market

Given the large purchase volumes mentioned above, local farmers and local food distributors need to pay close attention to what the 'Aina Pono program could mean for local food demand in Hawaii. Starting late last year, the DOE has been featuring a new, locally sourced ingredient every month in public school lunches statewide. One of the core goals of the 'Aina Pono program is to increase the percentage of locally grown food products to 40 percent of the DOE's total food spend. This is not an insignificant dollar amount. The DOE serves ~105,000 lunches and ~35,000 breakfasts each school day, 180 days of the year. In 2015, the DOE's total food spend amounted to ~\$46 million. With the continued increase in food prices, the DOE's 2018 food purchase amount will likely be near \$50 million. However, of that \$50 million, it is likely that only about \$2 million of food purchases will be for locally grown food products. If the 'Aina Pono program is successful and expands statewide, local farmers and ranchers would benefit from a very large, very consistent customer (the DOE) that is seeking to purchase \$20 million per year (40 percent of \$50 million) of locally grown food.

Taking Chances On New Ideas

'Aina Pono started as a farm-to-school pilot in 2016 at the Kohala cafeteria complex on Hawaii Island. The Kohala cafeteria complex consists of three schools (elementary, middle and high) with a total student body of approximately 780 students. Kohala serves approximately 425 lunches and 180 breakfasts every school day. An analysis of Kohala's historical food purchases found that 20 percent of food purchases were for locally grown products - 18.5 percent were for local milk produced by Big Island dairies, and the remaining 1.5 percent of purchases was for local produce. The Kohala pilot was successful on all accounts.

Although it seems counterintuitive, the Kohala pilot was able to save money and more than double local food purchases:

- Increased local food purchases from 20 to 42.5 percent (or 1.5 to 21.5 percent excluding milk)
 - Hawaii Island is the only island that produces its own milk, which means schools on all other islands serve milk imported from mainland dairies.
- Increased student meal participation from 51 to 54 percent
- Increased the percentage of fresh food served from 27 to over 80 percent

- Achieved annual net savings of ~\$77 per student (~\$60,000 in annual savings)

Thanks to the success of the Kohala pilot, 'Aina Pono was expanded to the Mililani cafeteria complex earlier this year, the second largest cafeteria complex in Hawaii. The Mililani cafeteria serves up to 2,500 lunches per day, about 1,000 for the high school and 1,500 for the elementary and intermediate schools. At over five-times the size of the Kohala cafeteria complex, the expansion to Mililani is a notable statement of the DOE's confidence in the 'Aina Pono program.

Another good sign that the program is gaining traction is the launch of a Local Food Procurement Working Group. Anthology Marketing Group's research firm is conducting much-needed agriculture market research to help the DOE develop food procurement solicitations. In many instances, local farmers, ranchers, and distributors have been hesitant to work with the DOE, due to its complex procurement policies, inflexible and out-of-market supply contract terms, statewide volume minimums, and standardized menus that lack understanding of regional farm production. Through Anthology's research, the DOE is seeking to find ways to streamline its procurement process to better emulate industry standards and norms, and to

Hawaii's DOE School Meal Program vs. Other States

The possible cost savings of \$77 per student is an important driving factor behind the DOE's support for 'Aina Pono, which should be the case because it makes good business sense. State taxpayers should be happy as well, as the DOE has been losing approximately \$20-\$30 million annually on its school meal program. These losses are funded by the State of Hawaii, via our state taxes.

As it happens, state funding of school meal programs is not "a given" for school systems in the United States. In fact, two similarly sized school systems are provided zero state funds for their school meal programs. Both Florida's Orange County school system (190,000 students) and Virginia's Fairfax County school system (180,000 students) cover all school meal program costs with Federal reimbursements and school meal sales. What's more, the Orange County school system actually makes money on its school meal program, earning a net profit of roughly \$10 million.

Undoubtedly, the higher costs for food and labor in Hawaii are significant factors that must be considered before drawing strong conclusions from these comparisons. For example, the cost of milk for many mainland districts is around 20 to 25 cents per half pint, versus 36 to 43 cents per half pint for Hawaii's school meal program. Another factor to consider is that Fairfax charges high school students \$3.25 per lunch while Hawaii's high schoolers pay \$2.75. In addition, the Orange County school system is less than 10 percent larger than Hawaii's school system, yet received ~25 percent more funding from the Federal Government for its school meal programs.

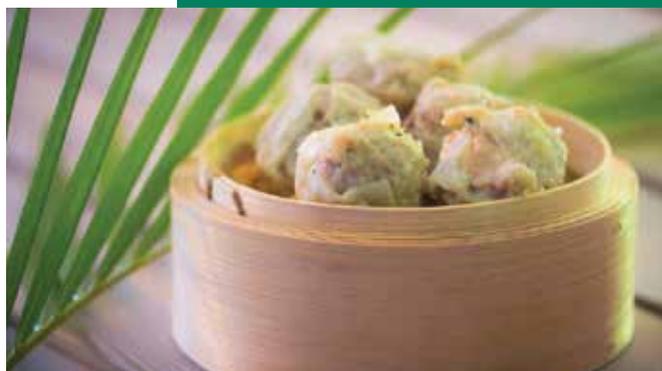
provide increased purchase flexibility to accommodate regionally specific menus and smaller purchase volumes.

A Triple Bottom Line That Makes Business Sense

'Aina Pono could be one of those rare ideas that benefit the health of communities as a whole and make good business sense for all stakeholders involved. Students are served more fresh food, arguably superior in nutrition versus processed or canned food. If 'Aina Pono expands statewide and achieves 40 percent local food purchases, local producers benefit from a large consistent buyer with \$20 million in annual market demand. The DOE could accomplish significant cost savings, possibly as much as \$13 million. And Hawaii's movement towards being more self-sufficient in growing its own food to feed our children will take a big step forward.



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Photo: Kalohi Channel by William Renio

companies to eliminate jobs and further disadvantage brick and mortar stores against online only companies.

Three different versions of the sunblock ban received hearings. There was a large amount of popular support for this bill, which did end up passing. HFIA testified in opposition to the ban citing lack of credible science that sunscreen was a significant cause of coral death compared with other known causes like runoff, overfishing, and ocean warming. Our testimony also noted the concern that limiting sun block options would make it harder for people to protect themselves against skin cancer, and advised that companies needed more time to develop alternative formulations of their products without the chemicals in question. The version that passed, SB 2571, bans the sale of sunblocks that contain oxybenzone or octinoxate without a prescription. The bill exempts cosmetics. The effective date was changed from the original date of January 2019; it now takes effect January 1, 2021.

Another bill would have banned a huge range of products containing “volatile organic compounds.” HFIA testified in opposition to this and it was deferred at its first hearing. The polystyrene ban this year passed several committees but did not end up making a necessary deadline. HFIA’s opposition testimony explained that the bill, as drafted, violated the interstate commerce clause and that there are no post-consumer food-waste composting facilities to accept the more expensive products being mandated under the bill, rendering it useless. The plastic straw ban also failed to pass, and HFIA’s testimony noted that there was yet to be any cost effective functional alternative for plastic straws. Both of these bans have backing from well-funded groups and we do anticipate them coming up again next year.

A state menu-labeling bill was introduced this year. It had some similar elements but different specific requirements to the national menu-labeling bill which is currently going into effect. HFIA’s

opposition testimony explained the many issues with having conflicting menu labeling requirements and the bill language was deleted and it was replaced with an unrelated measure.

One of the bottle bills this year ended up being very problematic. It was gutted and replaced halfway through session to automatically double the deposit fee to 10 cents if the redemption rate fell below 85 percent for two years. HFIA’s opposition testimony discussed the ongoing problems with the deposit beverage program and advised that these issues be addressed before increasing fees. That bill failed to advance. Another bottle bill that HFIA tracked, SB 2519 did pass. It authorizes the Agribusiness Development Corporation to work with private businesses to remove glass and other select waste for alternate uses such as construction. We have been advocating for a long time for common sense alternatives to paying to ship glass back to the mainland for recycling and we hope this is a first step in that direction.

Several liquor related bills passed this session. HB 2410 allows minors accompanied by an adult into brewpubs. HB 2414 requires the county liquor commissions to streamline procedures to provide one-day temporary licenses for fundraising events by NGOs. SB 2613 authorizes

Overall, we were able to achieve beneficial results on many bills in 2018. This session a large number of bills went down to the wire after passing out of all committees.

the county liquor commissions to issue new class 2 restaurant licenses before restaurants commence operation. SB 2945 ends the requirement that an applicant for a liquor license, or renewal or transfer, produce an IRS tax clearance certificate.

Two bills were introduced this year that would have prohibited the sale of tobacco near certain places including schools, parks, playgrounds, and public housing. Mapping out the places covered by the bills showed that this would have been a de facto tobacco ban in most of Waikiki,

downtown Honolulu, and basically any other dense commercial district in the state. HFIA’s testimony in opposition explained that this was unfair to responsible retailers, and the measures did not advance.

Two additional bills that HFIA tracked also passed. HB 1621 prohibits merchants from having a warranty policy that requires customers to pay any additional fee for repairs, replacements, or refunds. It was amended late in session to include a second part that requires high turnover restaurant franchisees to disclose their non-participation in national advertising campaigns offering discounts or promotions. HB 2182 makes the Carbon Farming Task Force permanent and renames it the Greenhouse Gas Sequestration Task Force. The bill also aligns the State’s clean energy and carbon sequestration efforts with climate initiative goals and establishes a zero-greenhouse gas emissions target for the State.

A few days after conference ended, HFIA was once again at the Honolulu City Council. This time, we were there to oppose a bill that would have dramatically increased the price of rent for many of our members in large commercial areas. Bill 11 would have changed the property tax assessment method for properties valued over \$100 million and could have led to drastic property tax increases, and significant added expense for busi-

nesses that operate on these properties as well. That bill was deferred.

Overall, we were able to achieve beneficial results on many bills in 2018. This session a large number of bills went down to the wire after passing out of all committees. HFIA’s strategy of continuous, multipronged communication with our legislators was essential in making sure that economic and business concerns were factored into the decisions on these bills. Thank you for helping us represent you: the valued employers who feed our state!

Māmaki Conference debuts on Hawaii Island

The Māmaki Association, a new, nonprofit organization focused on representing farmers and value-added companies using māmaki, an endemic plant only found and grown in Hawaii, kicked off its Inaugural Māmaki Conference at Pu‘u Wa‘awa‘a Ranch, April 6.

Mike Rogers, founding president of the Māmaki Association, explained that global demand for health foods is at an all-time high and touted māmaki’s health benefits.

“More importantly, it’s endemic,” he said. “Hawaii is the only place māmaki is found in the world. The planting of māmaki in itself is an act of environmental conservation, cultural preservation, and agricultural revitalization.”

Māmaki, which has been consumed as an herbal tea and tonic for good health in traditional, Native Hawaiian medicine, has received increased local, national and international attention and interest. It comes both in ready-to-drink formats, with local company



Māmaki Association founding board of directors, from L-R: Alapaki Nahale-a, Harrison Rice, Māmaki Association VP Bella Hughes, Jasmine Slovak, Matt Nagatori and Māmaki Association President Michael Rogers. Photo courtesy of Māmaki Association

Shaka Tea recently receiving national distribution, as well as in dried tea formats, which can be found in local retailers across the islands. It is also being exported to Japan by numerous local brands and sold in specialty tea shops on the mainland and online.

The Inaugural Māmaki Conference highlighted best practices for farming with a focus on agroforestry and sustainable agriculture; new

innovation in the industry; research from the academic community; business case studies; and traditional usage of māmaki in lā‘au lapa‘au. The one-day conference was presented by the Māmaki Association and made possible through the support of Pu‘u Wa‘awa‘a Ranch, Kamehameha Schools, Paradise Beverages, Shaka Tea, Central Pacific Bank, Tea Chest and J Creative Works.



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RSM Congratulates HFIA's New Chairperson **TOBY TANIGUCHI**
 Aloha and Mahalo to HFIA's Past Chairperson **BEAU OSHIRO**

25th Annual HFIA Golf Tournament

PHOTOS BY ANTHONY CONSILLIO/MIDWEEK AND AARON ESKARAN

Under sunny skies, the 25th Annual HFIA Golf Tournament teed off at the Honolulu Country Club on March 30, 2018. Mahalo to all the participants and a special mahalo to our generous sponsors and product donors.



Dwayne "Delicious" Fujitani, Jay Yoshizawa, Eric Ching

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Paradise Beverage/Miller Coors
Paradise Beverage/Crown Imports
Paradise Beverage/Heineken, USA
Paradise Beverage/Lion Nathan
Pasha Hawaii
Pint Size Hawaii
Unicold Corp.

SUPPORTERS

Centerscale Automation HI, Inc.
Coca Cola Bottling of Hawaii
Gouvea's & Purity Foods, Inc.
Hawaiian Air
Hawaiian Air Cargo
Koha Foods
Macdonald & Porter
Pasha Hawaii
Punaluu Bake Shop

PRODUCT DONATIONS

Advantage Webco
Anheuser-Busch Sales of Hawaii
Coca Cola Bottling of Hawaii
Diamond Bakery
Dole Foods Co. of Hawaii
Frito Lay
Hawaiian Ice
Ito-En (USA), Inc.
James D. Swoish, Inc.
Love's Bakery
Paradise Beverage/Crown Imports
Paradise Beverage/Heineken
Paradise Beverage/Lion Nathan
Paradise Beverage/Miller Coors
Pepsi Beverages Company
Pint Size Hawaii
Young's Market

PRIZE DONATIONS

ABC Stores
Acosta Sales & Marketing
Advantage Webco
Aloha Shoyu
American Savings Bank
Anheuser-Busch Sales of Hawaii
Armstrong Produce
C&S Wholesale Grocers
Coca Cola Bottling of Hawaii
Diageo/Pacific Wine & Spirits
Enterprise Rent-A-Car
Frito Lay
Gouvea's & Purity Foods, Inc.
Hawaiian Airlines
Hawaiian Air Cargo
Honolulu Country Club
James D. Swoish, Inc.
KYD, Inc.
Kauai Coffee
L.H. Gamble
Matson Navigation Co.
Meadow Gold Dairies
Mother & Son LLC,
dba Bionic Petroleum
Pasha Hawaii
Pepsi Beverages Company
Rainbow Sales & Marketing
Safeway
Seven-Eleven
Southern Wine & Spirits
Sullivan Family of Companies
Tamura Enterprises
Tamura Supermarket
Unicold Corp.
Young Brothers, Ltd.
Young's Market
Young's Market Co. of Hawaii
Zippy's



John Erickson and Rahn Ogino



Manos Sen, Carl Fukushima, Chad Shimamura, Gary Okimoto, Ashley Kinaka, Teri Luna



Cliff Tamura, Wendy Akiyama, Gary Villanueva, Brian Christensen



Lisa DeCoito and Stacie Tanonaka



Tim Parker and Henry Lee



Calvin Maeda, Steven Machida, Billy Hughes



Kelvin Takushi and Drake Tamayei



Darin Omori and Brent Kunimura

MEMBER UPDATES

Tamura's Has It All at Waterfront Plaza

BY ALEXIS CHAPMAN

The lunch and pau hana crowd is returning to Waterfront Plaza, formerly Restaurant Row, now that Tamura's is branching into new territory.

Last year, Tamura's purchased The Row Bar, Waterfront Plaza's outdoor bar, and reopened it as The Row Bar by Tamura's quickly gaining popularity with the downtown crowd.

That was followed by the opening of Tamura's Tavern, a sit-down poke restaurant and most recently the newest Tamura Fine Wines & Liquors store.

Since opening this past January, Tamura's Tavern has become a favorite spot for lunch. Its poke counter features all the classic poke flavors you love, as well as exclusive and unique varieties that tempt customers to try something new. Plate lunch selections range from old favorites to exciting new options.

Tamura's Fine Wine & Liquors



newest location opened this spring and features the great selection that Tamura's is known for, as well as offering expert knowledge on wine and spirits that sets Tamura's apart.

With these three new offerings all in one spot Tamura's has brought new life to Waterfront plaza, and created a vibrant neighborhood gathering spot with something for everyone.

Friendly Market to build new warehouse

BY DESIRÉE ROSE

The Okimoto Corp. which now owns Molokai's Friendly Market Center (FMC), is moving forward with plans to break ground on a new warehouse in 2019. The Waianae, Oahu-based company has succeeded in obtaining an extension on a building permit previously obtained by the Egusa family, FMC's former owner.

There are no current plans to remodel the market itself, but Okimoto Corp has set their sights on building the new warehouse in an effort to increase sorely needed storage capacity.

Young Brothers ships to Molokai only twice a week, and severe and hazardous weather can delay scheduled shipments, so it's important to

have enough backstock to carry the store through such delays.

"Unfortunately, our existing warehouse is insufficient for our existing needs" said Kit Okimoto, Okimoto Corp.'s chief financial officer. "The crowded shipping containers that currently serve as FMC's additional storage aren't large enough to store all necessary product, and accessing certain items becomes extremely difficult and time-consuming."

Since the transition of ownership from the Egusa family to Okimoto Corp. in February 2017, it's otherwise been business as usual at FMC, Kaunakakai's main market.

"The Egusas ran a really efficient business and their employees love

working there and are highly loyal to the company," said Okimoto. "There was no need for re-training so we really focused on our employees' and customers' trust. We're thankful for everyone's support and are grateful for the opportunity to serve the Molokai community."

After 64 years under the ownership of the Egusas, the Okimoto Corp. succeeded in ensuring there were no disruptions in the business during the transition.

To the benefit of FMC and the surrounding community, Okimoto Corp. has been able to expand product selection with additional products not previously available to customers, including produce, snacks and specialty items.

Times promotes Borden to President

Christopher Borden has been promoted to president and director of Times Supermarkets/QSI Inc. Hawaii.

Previously senior director of marketing, Borden now oversees daily operations of Times Supermarkets. Times operates 24 stores, including 17 Times locations, five Big Save Markets, Shima's Supermarket, and Fujioka's Wine Times.

"Christopher has been a key part of our success, and we were thrilled to promote him to this important position," Hideki Okada, corporate officer at parent company Don Quijote Holdings Co., said in a statement.

Borden has more than 23 years of experience in the food distribution and retail industries and began his career at Times Supermarkets following the acquisition of Star Markets.



He worked his way up from management trainee to director of marketing, specializing in total marketing strategies that now help keep Times

Supermarkets competitive in the ever-tightening grocery retail sector. Before his tenure at Star, he worked as an operations manager at Kmart.

Continued from page 18

relevant time as Congress is set to reauthorize the Farm Bill this year.

At the time of this writing, the House Agriculture Committee introduced and passed out of Committee its version of the Farm Bill (H.R. 2). The bill is slated for a vote on the House floor in early May, while the Senate has yet to introduce its legislation. As Congress continues the

government. The bill extends the temporary prohibition of processing fees on Electronic Benefit Transfer (EBT) transactions as well as enhances the protection of highly sensitive store-level SNAP redemption data, and expands healthy eating incentive programs, such as the Food Insecurity Nutrition Incentive (FINI) program. We were pleased to see the bill also rejected the Administration's "Harvest Box" proposal.

to continue to invest in their companies, employees, and communities.

Another pressing policy issue on the table for grocers is the Food and Drug Administration's (FDA) menu labeling regulations, which went into effect as scheduled on May 7, 2018. The regulation requires that any banner operating more than 20 stores under the same name and selling substantially the same prepared foods must comply with new caloric labeling standards.

While the FDA has announced that the first year after implementation will be focused on educational efforts intended to help companies come into compliance, many companies are wary of state and local inspectors and the potential for penalties and fines for minor infractions or simple misunderstandings. Additionally, despite the fact that the FDA has stated its intention to not seek enforcement actions within the first year, there has been no prohibition against private rights of action during that same timeframe, leaving the door open for activist groups or private entities to take legal action.

On behalf of the independent supermarket industry, the team here at NGA looks forward to working with various lawmakers to advance common sense policies that will allow grocers to focus on growing their businesses and serving their communities.

Preserving the SNAP program's public-private partnership will help ensure that low-income families have access to nutritious food, while allowing independent supermarkets to continue to invest in their companies, employees, and communities.

hard work of reauthorizing nutrition programs in the Farm Bill, NGA will be meeting with lawmakers to ensure the voice of the independent supermarket industry is represented throughout this process.

The NGA team worked hard to secure a number of key policy provisions in the Farm Bill that focus on preserving and strengthening the SNAP public-private partnership between retailers and the federal

Although the U.S. economy has improved since the passage of the 2014 Farm Bill, the SNAP program still provides a critical safety-net to millions of Americans during their times of need and helps sustain communities in economically depressed areas. Preserving the SNAP program's public-private partnership will help ensure that low-income families have access to nutritious food, while allowing independent supermarkets

Hawaiian Cool Water, LLC

Company Profile: Mike Hernandez-Soria founded Hawaiian Cool Water, LLC, in 2012 after realizing that innovation water filtration technology and services would be key to the long-term health of the planet and ourselves. Locally-owned and operated, Hawaiian Cool Water and its clients across all industries throughout the state are proud to be making a positive environmental impact with a superior water purification solution. Hawaiian Cool Water is now the largest provider and servicer of water filtration and purification systems in the state.

Reason for Joining HFIA: We have experienced a lot of growth in our business with HFIA members and felt that it was good time to join the association.

Unique to the Company: Hawaiian Cool Water has created the ideal purification process, in which readily available municipal water is purified on-site, as it's dispensed, meaning no more cumbersome water jugs or plastic water bottles. The filtration systems are also specifically designed to address and treat for the unique properties of Hawaii's groundwater. Proper filtration reduces the need for frequent repair and replacement of equipment, of particular importance in the cooling and foodservice industries where water is changing states from liquid to vapor or liquid to solid—and where Hawaii's remote location makes repairs of specialty equipment even more burdensome.

Location and Service Area: Located in Kalihi and serving commercial, industrial and food service customers statewide, including Hilo, Kona, Maui and Kauai.

Contact Information: Hawaiian Cool Water is headquartered at 1718 Hau St, Honolulu, Hawaii 96819. Telephone: (808) 954-9638. Online at www.hawaiiancoolwater.com.



SENSEI Farms Lana'i

Company Profile: SENSEI Farms Lana'i is a hydroponic farm that sustainably grows fruits and vegetables. Founded by Dr. David Agus and Larry Ellison, SENSEI focuses on automated, hydroponic indoor food production. Its ecosystem of products and experiences is designed with one intention: to empower you to grow well. SENSEI is guided by a belief that knowledge is the greatest tool in health, and that technology allows us to unlock deeper insights.

Location and Service Area: Lanai will be the first market served, with a plan to expand to the neighbor islands.

Unique to the Company: SENSEI is meticulous with its growing methods and bringing new levels of safety and quality for its partners and clients who deserve both.

Reason for Joining HFIA: SENSEI is looking forward to being a member of the HFIA, whose members have been instrumental in furthering access to local food for local people. It is happy to be able to contribute



and to play an active role in driving Hawaii's food independence.

Unique to the Company: From Black Trifele tomatoes to Komatsuna mustard greens – every seed we plant has a purpose and a story. SENSEI is evidence-led, radically transparent and always enriching.

Convention to 'Celebrate Good Times'

BY LAUREN ZIRBEL

Spring and summer are always a fun time for HFIA. This year will be no different.

Our biggest member-only event of the summer is the 2018 HFIA Convention, June 1-3 at Aulani A Disney Resort & Spa.

The theme of this year's Convention is "Celebrate Good Times." We're kicking it off with the "Boogie Woogie" Golf Tournament. The entire weekend



is packed with great activities like wine and beer tastings, the "whip it good" food challenge, games, speakers, comedy and more. These events are fun for the whole family and a great chance to network and touch base with old and new colleagues.

As usual, our Convention General Membership and Board Meeting features the legislative update to make sure you're in the know about everything that happened during the Hawaii State Legislative Session. We're very excited for our keynote address from Greg Ferrara, Executive Vice President of Advocacy, Consumer Affairs and Member Services for the National Grocer's Association. During the Saturday night Awards Banquet we'll be paying special tribute to Dick Botti, founder of HFIA.

While the convention is one of our favorite things about spring and summer, it's far from the only thing on our calendar this time of year. In April, HFIA published an Earth Day piece in the Honolulu Star Advertiser highlighting the positive contributions that our Hawaii business community has made to conservation efforts. The piece was a great opportunity to bring some attention to Malama 808's comprehensive litter reduction efforts, discuss the impor-



Bingo night at last year's HFIA convention held at Aulani, a Disney Resort & Spa.

tance of waste to energy technology, and remind people that one of the biggest things they can do to reduce their carbon footprint is to shop at local brick and mortar stores rather than purchase individually shipped items online. It was a great opportunity to remind consumers to bring their own bag.

When it comes to shopping local this time of year, one thing that is on everyone's grocery list is mango. HFIA is proud to be working with the Mayor's Office of Culture and the Arts as Producer of Honolulu Mango Jam. This 2-day celebration of one of our favorite foods takes place on June 29 and 30 and offers a wonderful taste of island culture. It features a variety of food vendors, special drinks, local celebrity musicians and much more.

This spring we've also been dealing with a big change for our industry. After years of delays and changes, the menu labeling requirements took effect on May 7, 2018. HFIA has been

supporting the National Grocer's Association's efforts to ensure that the rule did not take effect prematurely and without adequate guidance for the industry. We've also been using the Weekly Updates to provide important information on the rule and make sure all our members had the resources they needed to come into compliance, and we're always available if anyone has any additional questions about menu labeling.

When new rules like the menu labeling mandate come up it can be inconvenient to make the changes, but one of the greatest things about our industry, in general, and our members especially, is our adaptability. Each year we see new rules, new trends, and new tastes from our customers, and we continue to grow and improve to meet those needs. At HFIA we're proud to continue to advocate for, support, and celebrate our members in so many ways.

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