

Hawaii

HOLIDAY 2013

Retail Grocer

the magazine of the hawaii food industry association

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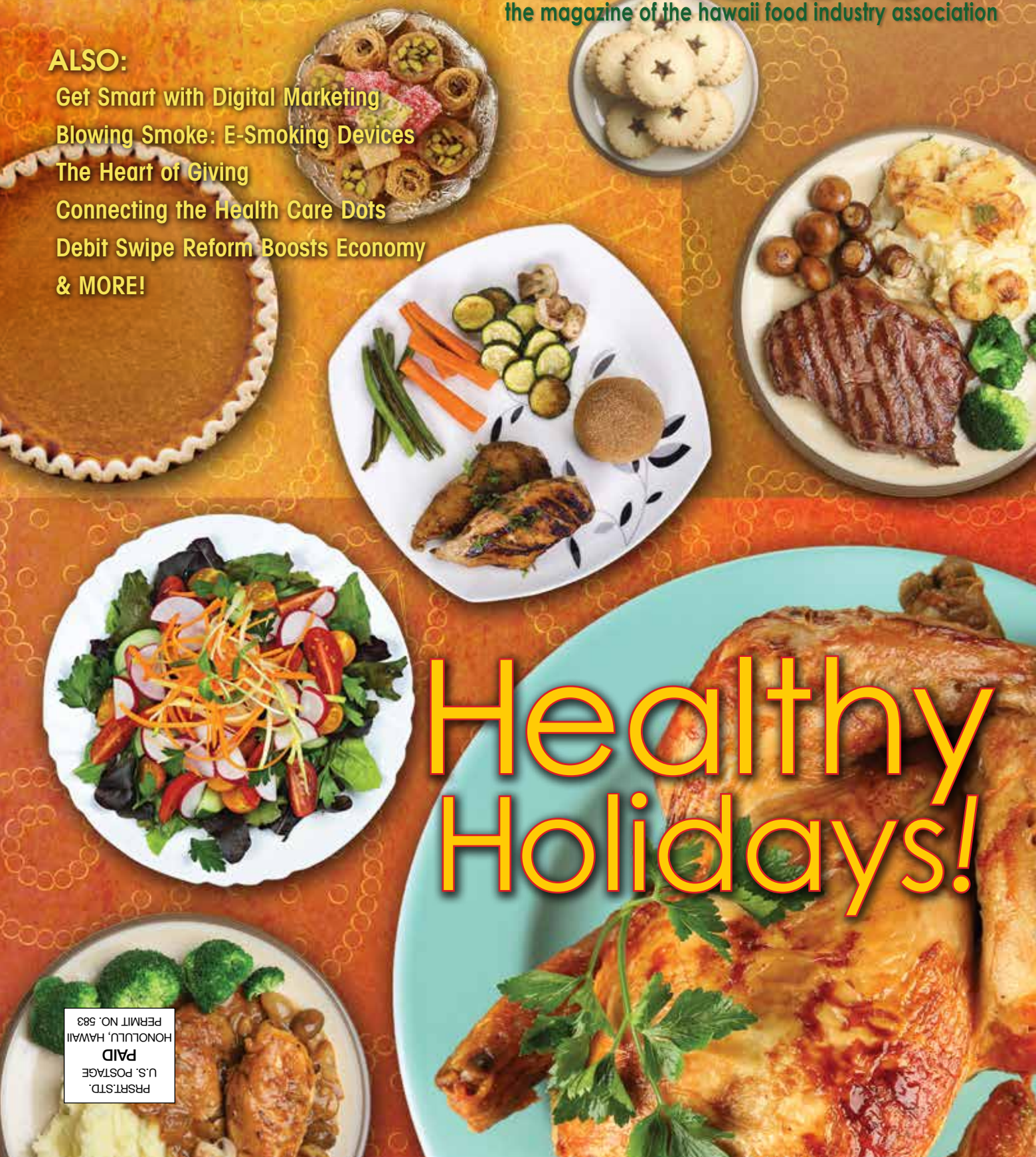
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The Chair's Message

BY STAN BROWN



As you read this, we are already deep into the Holiday Season. I think that I was in denial when I first saw holiday merchandise start to appear in stores back in August/September, but now there is really no getting away from it. Starting with Halloween, continuing with Thanksgiving, and ending with Christmas and New Year's Day, this is obviously an important time of year for retailers and vendors alike, and I hope everyone's Holiday Season has gotten off to a good start.

One group of folks for whom the holidays might not be a festive occasion this year is anyone who works for the federal government. As we head into what is usually a joyous time of year, this season may not be so joyous for many due to the recent shutdown of the federal government and the resulting furloughs and overall confusion and possible spending cutbacks. Although everyone is now back to work (including my own daughter, who was furloughed from her job as a government contractor in Maryland with Lockheed Martin), the agreements are temporary and the arguments will soon begin again. The fact that we went through this at all shows just how fragile economically we still are and how vulnerable the middle class has become. With an unusually high percentage of Hawaii's population working directly for, or indirectly dependent on the federal government, we have a great deal of economic dependence on them. Statistics show that many among us are only a few paychecks away from financial hardship, and government shutdowns and furloughs are a real threat to many of us. Not a pleasant thought anytime, but particularly so at this time of year.

While I sincerely hope and pray that this does not affect any of you who are reading this, I do want to take a moment to point out one way that we who are fortunate in our own lives can help during this holiday season. The Hawaii Foodbank is an organization near and dear to my heart, and exists to help those less fortunate. (Full disclosure—I am on the board of directors for the HFB.) As a certified member of the national organization Feeding America, the HFB distributes over 1 million pounds of food annually through over 200 member agencies on Oahu and Kauai. (Maui and Hawaii Island have their own food banks operating under the Feeding America umbrella.)

Did you know that in Hawaii, 1 in 7 people, or over 183,000, will need emergency food assistance this year, and many of those are children? And the demand for emergency food historically rises during the holidays, so much so that the Hawaii Foodbank struggles to get enough quality food to meet the need during this time of year. This is where you can help. Food donations are always welcome of course, as are monetary donations. Many of our member companies are already strong supporters of the Hawaii Foodbank with internal fundraising drives as well as monthly donations to the Hawaii Foodbank, and I

thank you for your generosity and your efforts on their behalf. For those of you who are able to and would like to help those less fortunate during this holiday season, I encourage you to think of the Hawaii Foodbank. If you would like to make a donation or need more information, please feel free to contact me or the Hawaii Foodbank directly at 836-3600, or check out their website at www.hawaiiifoodbank.org. They will be grateful for any donations, and I think you will be happy doing something to help those less fortunate while supporting a worthy cause.

While the holidays are also generally known for being a time when we all pack on a few extra pounds due to all of the parties and entertaining that goes on, it doesn't have to be that way as consumers are now finding more and more healthy options out there to choose from, which is good news for us all, especially at this time of year. Be sure to check out the Healthy Holidays article in this issue. Maybe that way we can cut down on the New Year's resolutions!

If you are like me, many of you may have family all over the country. This year is a first for my wife and I with both of our children working on the mainland and unable to come home for the holidays. It will definitely be a change for us, but I still look forward to and enjoy the holidays, so I won't let even that get me down. I want to take this opportunity to thank the many folks I work with at HFIA who volunteer so much of their time. I really enjoy working with you all, and I wish you and your families, as well as all of our extended HFIA family, a wonderful holiday season, wherever they may be. 🛒

Aloha,

Stan



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Legislative Update

BY LAUREN ZIRBEL



Per the direction of the County Directors Panel at the 2013 Conference of Hawaii State Liquor Commissions and Industry Representatives, HFIA's Retail Liquor Dealers Association (RLDA) met to come up with a list of actionable solutions to improve, streamline, and standardize liquor regulation in all counties.

The RLDA agreed upon the following list of eight top recommendations. The highest priority items are listed first.

1.) The RLDA recommends that all counties have a uniform application available online. HFIA looks forward to working with the counties on a form that they can post online. HFIA can also post it on its website. Having a uniform application available online and fillable via computer will be a huge improvement over the current paper system which is different in each county and in some cases must be picked up each time at the department. This leads to unnecessary duplication of information and is extremely time consuming with little upside for liquor regulators.

2.) The RLDA recommends that all counties standardize and centralize fingerprinting, crime checks, and background affidavits so licensees don't have to do repetitive work for each county. HFIA's RLDA members agree that it would be a tremendous improvement if the counties would allow fingerprinting, crime checks, and so on verified in one county to be used as verification in all counties. If the counties could require fingerprinting for only new officers or directors and not all of the existing officers and directors (who have already been fingerprinted), it would improve our system at no detriment to the Liquor Commission's information system. For example, if an officer submits a personal history affidavit, fingerprinting, and criminal background check in one county, the other counties should be able to pull that information and register the officer in their county without the need to have them re-fingerprinted and background checked. In the past, the Honolulu Liquor Commission was willing to fingerprint the director and officers on the fingerprint cards provided by the Commission, but recently is no longer allowing licensees to fingerprint for other counties. As a result, licensees must now have their director and officers set up fingerprinting appointments at the Hawaii Criminal Justice Data Center. Foreign, out-of-state directors with no oversight of the company's liquor operations should be waived from these requirements.



Ed Treschuk of Foodland explains the top eight recommendations to the four Hawaii liquor commissions.

3.) The RLDA recommends that all counties use the Honolulu form for inventory balancing (liquor transfers between common ownership premises).

4.) The RLDA recommends that counties increase the fine amount instead of prohibiting liquor sales for a period of time. We would also recommend that all counties standardize rules and penalties so retailers are not confused by so many different rules.

5.) The RLDA recommends that all counties have gross liquor sales reports available to complete online. Currently, only Oahu and Hawaii Island allows this; Maui and Kauai do not.

6.) The RLDA recommends that all counties publish and share the formula used to calculate the annual liquor fee submission. Ideally, the formula would be the same for all counties. Oahu licensees submit payment with a predetermined calculation. However, Kauai and Maui licensees submit sales and a determination is made by each commission as to what is owed based upon their calculations.

7.) The RLDA recommends that all counties adopt the same remodeling rules, ideally using the Honolulu Liquor Commission's process as they have the most licensees. Honolulu Liquor Commission requires the applicant to submit a scaled plan of the space on an 8-1/2" x 11" sheet of paper and to draw a red line around the retail and storage area of the store, along with a full size blueprint. The area within the red line will be registered as the licensed premises. This allows the retailer to move or organize its liquor department anywhere within the store without having to submit a request to the commission for permission. The only time a request would be submitted is when a cashier station is moved from its originally licensed area. The other counties require the applicant to submit a scaled plan of the space on 8-1/2" x 11" paper and to draw a red line around the "liquor department" in the retail space, along with a full size blueprint. After the Liquor Commission approves the plan, whenever the retailer needs to rearrange or move the "liquor department," they need to request approval.

8.) RLDA recommends that all counties allow tastings, including Maui, using the same process as Oahu.

We look forward to working with all of the county liquor directors and administrators to make these goals a reality. Achieving these goals will make it easier for liquor retailers to comply with the law and run their businesses. ☐

IT'S THE LAW

Do Not Sell Tobacco Products and Electronic Smoking Devices to Minors

(Act 227 Effective: 6-27-13)



**All vendors must
post this sign at
point of sales**

For more information and to obtain signs contact the Tobacco Prevention & Education Program, Hawaii State Department of Health: (808) 586-1430 or email: tobacco2@doh.hawaii.gov



Debit Card Swipe Fee Reform Gives Big Boost to Hawaii Economy

BY JASON Y. KIMURA

According to a new economic report released in October by the Merchants Payments Coalition (MPC), debit card swipe fee reform has accomplished much of what Congress intended when it passed debit reform legislation in 2010 by pumping a significant amount of savings and jobs into state economies across the country. The MPC report, titled *The Costs and Benefits of Half a Loaf: The Economic Effects of Recent Regulation of Debit Card Interchange Fees*, can be found at www.unfaircreditcardfees.com. However, credit card swipe fees continue to gouge retailers and consumers.



In Hawaii, the lower debit card swipe fee, which the Federal Reserve dropped from 48 cents per transaction to 24 cents, allowed retailers to reduce costs, saving consumers \$27.5 million and spurring the creation of an estimated 176 new jobs in 2012. The MPC report also measured the potential impact on the U.S. economy had the Federal Reserve reduced the rate to 12 cents per debit swipe as originally proposed. In Hawaii alone, \$13.1 million more would have been generated in consumer savings along with nearly an additional \$5.9 million in retailer savings. Combined, the

savings would have been enough to support an additional 84 jobs.

Many Hawaii business owners say that it is clear that debit card swipe fee reform has lowered prices and has helped businesses across the State. Further swipe fee reform would allow merchants to continue passing along savings to consumers, which would help to improve consumer spending. Small businesses are the primary drivers of job creation in the U.S., and boosting their cash reserves would allow investment in stores and encourage the hiring of more employees.

Credit card swipe fees continue to be a drag on businesses and consumer spending. They can be as high as four percent of the transaction and often exceeds what the retailer earns on the sale. Credit card swipe fees are the second highest operating expense for retailers, trailing closely behind labor costs. Consequently, retailers often must pass a part of this expense down to consumers in the form of higher prices regardless of their method of payment. Had credit card swipe fees been reduced to 24 cents per transaction, Hawaii consumers would have saved an additional \$72.4 million, retailers would have saved another \$32.4 million, and about 464 new jobs would have been created last year.*

As it stands now, Americans pay the highest swipe fees in the industrialized world, eight times more than in Europe. Although the cost to process these transactions has fallen given improvements in technology, the swipe fee for credit cards continue to skyrocket. All told, swipe fees generate approximately \$50 billion for banks every year. According to MPC, Visa and MasterCard, who together control 80% of the card market, set these fees in secret so that banks don't compete on price.

In addition to the economic report, MPC also released state-by-state numbers for savings and jobs with

swipe fees reduced to 24 cents for both debit and credit cards and to 12 cents for debit cards (follow the link at www.unfaircreditcardfees.com).

The report was compiled by Robert Shapiro of Sonecon LLC, an internationally-respected economist. Shapiro analyzed the Durbin Amendment of the Dodd-Frank "Wall Street Reform and Consumer Act," which was created to rein in runaway swipe fees.

Viewed from a national perspective, the savings and jobs numbers are significant and would help revive the country's sluggish economic recovery. The major findings of the report include:

- Reducing the cost for merchants to swipe debit cards put \$5.8 billion back into the hands of consumers across the country through lower prices, which led to increased spending and helped create 37,501 new jobs in 2012. Merchants realized savings of \$2.6 billion.

- If the cut had been to 12 cents as originally recommended by the Federal Reserve, an additional \$2.79 billion would have been generated in consumer savings; \$1.2 billion in merchant savings; and 17,824 more jobs would have been created.

- If credit card swipe fees had been reduced to 24 cents, consumers and merchants would have realized an annual savings of \$22.3 billion, generating a total of 98,600 jobs every year. All told, with improved debit reform and credit reform, the savings to consumers and merchants would be \$34.9 billion and nearly 154,000 jobs would be created annually.

Making debit card reform consistent with the law already passed and reforming credit card swipe fees would be a tremendous boost to Hawaii's economy. ☺

**The MPC report uses a 24-cent interchange fee for credit card transactions as a reference. The actual number could be higher or lower.*

Maui Store Safeway's 21st

BY JASON Y. KIMURA

Safeway marked 50 successful years in the islands with the opening of its 21st Hawaii store in Wailuku on September 19. The 59,000-square foot supermarket is the fourth on Maui and is the anchor tenant at the new Maui Lani Center in Central Maui. Safeway Inc. operates 1,412 stores in the U.S.

Safeway Maui Lani features the grocery chain's "Lifestyle" format, which includes a deli, bakery, fresh seafood, poke section, floral department, wine and spirits, and prepared foods such as sushi, signature sandwiches, and hot soups. The Lifestyle format is designed to highlight fresh, high-quality products and exclusive brands.

There are several Lifestyle stores in Hawaii, but Maui Lani is the first to have Safeway's "center of store" feature, which enhances the shopping experience by offering products in a central location with open, inviting isles and easy navigation. The center of store feature has three broad adjacent areas: meals and ingredients; living healthy; and everyday essentials. The overall objective is to integrate the center of the store with all the elements of Safeway's Lifestyle concept.



Karl Schroeder and George Gluckfeld flank Safeway representatives during the check presentation to the Hui Malama Learning Center.

Customers also have other amenities such as an in-store Bank of Hawaii, Starbucks Coffee, China Express, pharmacy, and free wi-fi. With 165 "team members," the store is open 24/7. "We are thrilled to open our fourth store on Maui," said George Gluckfeld, Hawaii District Manager. "This year marks Safeway's 50th anniversary of doing business in the Islands..., and we are delighted to be celebrating this continuing, long-lasting relationship

with a wonderful new store."

During a special VIP event, the Safeway Foundation made donations totaling \$5,000 to two Wailuku nonprofit organizations – Imua Family Services, which provides services to Maui families who are facing challenges pertaining to their children's development, and Hui

Malama Learning Center, which offers tutoring and educational enrichment programs to young people on Maui. Karl Schroeder, President of Safeway Northern California Division, Alan Arakawa, Maui County Mayor, and other Safeway representatives and elected officials were on hand for the festivities. 🛒



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Blowing Smoke: Fact and Fiction Behind E-Smoking Devices

BY JASON Y. KIMURA

What's the big deal about a little bit of harmless water vapor from electronic smoking devices? Unfortunately, the issue is not that simple (*see box*). More immediately, retailers need to know the basics of a new Hawaii law (Act 227) on electronic smoking devices and how it affects them.

Electronic smoking devices (ESDs), also known as electronic or e-cigarettes, or e-cigs, are battery-operated devices that use cartridges filled with liquid nicotine, flavoring, and other chemicals. Inside the ESD is a mechanism that heats the liquid, which turns into a vapor that the user inhales. Act 227 covers all the possible iterations of e-cigs and defines them as “any electronic product that can be used to simulate smoking in the delivery of nicotine or other substances to the person inhaling from the device, including but not limited to an electronic cigarette, electronic cigar, electronic cigarillo, or electronic pipe, and any cartridge or other component of the device or related product.”

Originally invented in China, ESDs were introduced to the U.S. in 2007. Major tobacco companies and other companies have now bought out most of the original start-ups. “E-cigs may exceed tobacco sales in some companies in 10 years,” says Julian Lipsher of the Hawaii State Department of Health. “[However, there is] concern that because it

simulates smoking and can accept flavorings, it may have the opposite effect of being a precursor to traditional smoking.” There is also a concern, he says, that ESDs are being pushed on minors. Because they contain no tobacco, the devices aren’t subject to U.S. tobacco laws, so they can be purchased by minors without proof of age—hence the passage of Act 227.

“Despite manufacturers’ claims that you can use them anywhere, there are conflicts,” notes Lipsher. “You can’t use them in TheBus, the military, schools, and airplanes.” He encourages retailers and other businesses to create a

The ESD Controversy

Proponents claim that electronic smoking devices (ESDs) have many advantages over traditional cigarettes, including feeling better after switching and helping smokers to quit. However, some health experts are concerned about possible side effects from inhaling pure nicotine vapor into your lungs, as well as the other substances that can be put into ESDs. Others are concerned that the devices may appeal to minors and encourage nicotine addiction. Manufacturers have been careful not to market ESDs to minors, but cartridges come in a lot of flavors that appeal to kids, such as chocolate, strawberry, and bubble gum.

The U.S. Food and Drug Administration (FDA) is not sure if the nicotine labels match the actual amount in the cartridges, which come with different doses to match regular, light, or ultra-light nicotine levels. Cartridges are also available with liquid that contains no nicotine. Some claim that the second-hand vapor irritates their eyes, noses, and throats, and affects their breathing.

Manufacturers argue that ESDs should not be subject to regulation, but the FDA is in the process of having the devices labeled as a drug delivery device so they can be regulated.



straightforward policy stating that ESDs are not permitted anywhere smoking is not permitted. "It's a good way to limit your liability," said Lipsher. "[ESDs] have not been approved by the FDA as a smoking cessation device. Right now, the FDA considers it a marketing device, and has not had sufficient time to test it."

Act 227, "Relating to Electronic Smoking Devices," has four subsections retailers should be concerned with:

- Sales to minors are prohibited.
- Required signage must be posted.
- Purchase by minors is prohibited.

• A citation with a fine will be imposed on a seller who sells an ESD to a minor.

"We need your help to implement this law," says Lipsher. "We are here to help support our merchant partners." He asks retailers to help the DOH educate the community about the law. The DOH will provide free signs (see sample on previous page) to businesses with permits to sell tobacco and vendors of electronic smoking devices.

For more information or to request a sign, contact Kathleen Koga, Tobacco Prevention Education Program, at 586-1430 or by email at Kathleen.koga@doh.hawaii.gov. 🛒

New Members

UNITED NATURAL FOODS, INC.

PROFILE: United Natural Foods is the largest distributor of natural and specialty items in the United States. Its sales topped \$6 billion annually in 2012, and they have 27 distribution centers in the U.S. and Canada. UNFI is a publicly traded company found in the NASDAQ under UNFI. The company services over 27,000 customer locations of all formats, including natural retail stores, convenience stores, grocery stores, foodservice companies, and institutions.



REASON FOR JOINING HFIA: To help educate Hawaii retailers about up and coming trends in natural and specialty products, such as wheat free/gluten free and non-GMO, vegan, organic, Fair Trade, and Humanely Certified offerings. In addition, UNFI would like to increase its scope of operations in the islands by partnering with more retailers.

UNIQUE TO THE COMPANY: UNFI provides an unsurpassed selection of over 65,000 products in all categories, from humanely-processed protein, specialty cheese, natural grocery, HABA, organic produce, and natural bulk. The company has a variety of store services to offer, including New Store Design, Equipment Sourcing, POS partnering, Financial Services for Credit Cards, Schematic Design, Ad Coordination, New Store Discounts, and Marketing Programs. UNFI also offers a variety of private label and house brands that feature the highest quality and the most competitive pricing.

LOCATION AND SERVICE AREA: UNFI's corporate office is located in Providence, Rhode Island. West Coast and Hawaii operations are conducted through its Moreno Valley warehouse in Los Angeles, California.

CONTACT INFORMATION:

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Email: dgelber@unfi.com, Web: www.unfi.com

PHOTONWORKS ENGINEERING

PROFILE: Photonworks Engineering is a comprehensive energy solutions company. Its goal is to provide energy independent solutions for clients, from solar to energy efficiency measures and LED lighting retrofits. Photonworks is committed to Hawaii's Clean Energy Initiative.



REASON FOR JOINING HFIA: Photonworks' mission is to help retailers in the grocery industry and related support businesses to save energy and money, increase sales and profitability, and promote a greener future for Hawaii.



UNIQUE TO THE COMPANY: Photonworks is an electrical engineering firm that provides commercial solar, energy effi-

ciency auditing, and LED lighting retrofits.

LOCATION AND SERVICE AREA: Photonworks services all of the Hawaiian Islands, the Pacific Islands, and Southeast Asia.

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Honolulu, Hawaii 96813 🛒

Getting a Grasp of Digital Marketing

BY JASON Y. KIMURA

In his 1970 book *Future Shock*, futurist Alvin Toffler argued that society is undergoing a fundamental structural change brought on by an accelerated rate of technological and social change that will overwhelm people by bringing “shattering stress and disorientation.” In other words, he predicted that they would be future shocked, and a component of this shock would be “information overload.” Consumers seem to have adapted to accelerating technological change all too well, while some might argue that for businesses, Toffler’s prediction has come true.

Technology has undoubtedly accelerated at a rate that is difficult with which to keep pace, pointed out Doug Harris, Founder & CEO of The Harris Agency, one of Hawaii’s leading experts in business turnaround, revenue

generation, and brand building. (See “Digital Timeline,” left.) However, we don’t have to be future shocked—we just have to get smart. That was the idea behind “Get Smart: HFIA’s Digital Marketing Forum,” held in October. The complimentary forum was facilitated by The Harris Agency, a new HFIA affiliate member, and provided an introduction to the latest digital marketing techniques.

Trends & Stats: Digital Marketing by the Numbers

“Digital marketing is increasing as a percentage of marketing spending,” said Dorota Umeno of The Harris Agency. Umeno has nearly two decades of expertise. “Digital marketing averages 25% of overall marketing expenses. Digital advertising accounts for 12.5% of digital marketing budgets.” Meanwhile, 41% of businesses re-invest savings from digital programs into additional

digital opportunities, and 64% of marketers say their social advertising budgets are on the rise.

For consumers, it’s a multi-screened world between television, laptops and PCs, tablets, and smartphones. The data shows that 90% of all media interactions are screen-based and 98% of consumers move between screens daily. “The Internet has become an integral part of consumers’

commercial activity,” Umeno pointed out. “Overall, 89% of consumers turn to Google, Bing, or another search engine to find information on products, services, or businesses before making purchases.” Also, 97% of consumers use digital media when researching products or services in their local area.

Meanwhile, the technologies that consumers have come to depend on continue to improve. For example, Google’s push for a better user experience has led to updates to its algorithm. The latest update, called Hummingbird, represents a major change. It’s like replacing the engine in an automobile with a brand new one, says Umeno. The new Google search engine accepts natural language (in addition to keywords) as a means to responding to queries, and understands context and meaning to answer who, what, where, when, why, and how. “The future is about things, not [keyword] strings,” says Matt Cutts, Google’s Web Span Czar.

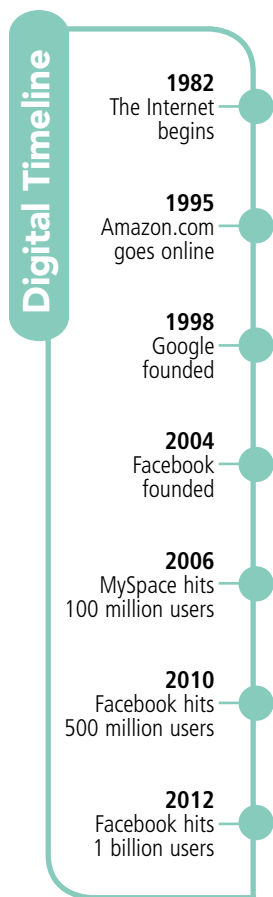
Now, Google SERPs (search engine results pages) will answer what you might ask your friends in social channels. This will compete with website content. It means that businesses must have websites that are high quality, useful, and informative. The impact of Hummingbird is that businesses must put an even greater emphasis on understanding their audience. An even greater focus must be placed on content that has quality, understands user context, attracts high quality natural links from quality websites, and cares about user experience.

Marketing: Inbound

All of this means that inbound marketing, or attracting people to your business via your website, social media, mobile devices, and organic searches, is becoming more important. Businesses must have a strategy for turning strangers into visitors, then into leads, then customers, and finally into promoters.

Your website is your business’ flagship location and your brand’s calling card, noted Umeno. Unlike a physical location, your website is open 24/7, 365 days a year and is accessible from anywhere. People visit websites for a variety of reasons, including for shopping, reviews, advice, store locations, directions, customer service, coupons, and more. Thus, you must invest in ongoing improvements and maintenance as you would a physical location—and have easily navigated, quality content. A good user experience should be ensured on every page. Each page of your website must answer “Where am I?”, “What can I do here?”, and “What should I do?” in 5 to 7 seconds.

Umeno recommended developing a content calendar to guide your efforts. The calendar should align with your business goals, create an overarching calendar identifying major events (e.g., holidays, promotions, etc.), create quarterly calendars, and set monthly priorities and schedules but be flexible to accommodate changes.



Content should be aligned with your customer's purchase journey, from awareness of a need (developed with display ads, public relations, promotions, blogs, testimonials, *etc.*), to establishing interest (cultivated by ebooks, how-to guides, blogs, webinars, events, *etc.*), to acknowledging a need (validated via webinars, seminars, top 10 reasons, trials, demos, customer references, *etc.*), and finally closing the sale (with presentations, product whitepapers, discounts, case/customer studies, *etc.*)

The Rise of Mobile

"Mobile searches at the local level are on the rise," said Umeno. According to Google research, 94% of smartphone users search for local information, 51% visit the store they searched for, and 29% make a purchase. Fifty-seven percent of mobile users say they won't recommend a business with a poorly designed mobile site, and 40% have turned to a competitor after a bad mobile experience.

It's important to have a properly formatted mobile site, but it is critical that you understand your mobile customer. What type of information do they expect? How do they use mobile to interact with your brand (buy, research, find directions to your business)?

Social Media: Strategy & Execution

Social media plays two primary roles: it engages with your audience and distributes content to bring inbound traffic to your site. Your goals and objectives should be to keep activity consistent, be realistic, and stay committed to the efforts. Develop a policy that aligns with your company brand's personality.

Schedule a time in the day or week to blog, comment, and distribute content, advised Umeno, but be realistic about your time. "A dead blog is worse than no blog at all," she said. "It's better to be active on three social channels than barely there on five." Establish goals and track KPIs (Key Performance Indicators), which are a set of quantifiable measures that gauges performance in terms of meeting strategic and operational goals. Finally, use available tools to track your social media activity. Most platforms have integrated analytics at no cost, such as Google Analytics.

Marketing: Outbound

Umeno offered some outbound—or paid search and display—marketing considerations. The major paid search channels to consider are Google, which has a larger reach, vs. Bing and Yahoo!, which have a lower cost per click. To ensure a return on investment, you must know your



Doug Harris, founder & CEO of The Harris Agency.



Dorota Umeno of The Harris Agency.

customer's lifetime value—*i.e.*, is the acquisition cost and cost per lead acceptable?

Harris added that doing business used to be personal, and the digital and technological revolution made it totally impersonal. "But now it's come full circle," he says. It comes down to knowing what your customer wants and what sources of information they trust. Businesses must be consistent and your messaging has to have authenticity.

For more information or to contact The Harris Agency, visit www.harris-agency.com. The complete PowerPoint presentation from the Get Smart forum can be found at www.hawaiifood.com. 🛒

Coca-Cola open happiness

Meet our Coca-Cola Polar Bear family in their new animated film at PolarBearsMovie.com

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HAWAII FOOD INDUSTRY ASSN.

Photons in Your Future

LED Lighting Promises a Bright, Energy Efficient Future

BY JASON Y. KIMURA

It appears the future of lighting will go not to the ubiquitous CFL (compact fluorescent light bulb), but to LEDs. Whose bright (?) idea was it anyway to replace the venerable incandescent bulb with one that doesn't last as long as advertised, is dim compared to traditional bulbs, and contains mercury that will pollute the environment when it breaks? Frank Knapp, Sales & Marketing Director of Photonworks Engineering, recently gave a presentation to HFIA board members extolling the virtues of the amazing LED light—and how suppliers and retailers alike can save lots of money on electricity by switching over to the energy-saving technology.

A light-emitting diode, or LED, is a semiconductor light source. When an LED is switched on, electrons are able to recombine with holes within the device, releasing energy in the form of photons, an effect called electroluminescence. LEDs have many advantages, including low energy consumption, long life, improved durability, smaller size, and faster switching.

LEDs have greatly improved. In 2009, a typical 13-watt LED lamp emitted 450 to 650 lumens, which is equivalent to a standard 40-watt incandescent bulb. By 2011, a 6-watt LED could easily achieve the same results. A standard 40-watt incandescent bulb has an expected lifespan of 1,000 hours; an LED can continue to operate with reduced efficiency for more than 50,000 hours, or 50 times longer than an incandescent bulb. "The future will see exponential advancements in this technology, with improved efficiency and lower upfront costs," predicted Knapp.

According to Knapp, proper lighting enhances sales. "When done right, lighting energizes us, makes us feel comfortable, and allows us to enjoy interacting with others," he says. "At the same time, the right lighting saves energy, increases store revenue, and reduces the environmental

footprint." Photonworks has "energy efficiency designers" who can analyze any type of office, warehouse, or retail space to provide flexible lighting solutions that make customers feel comfortable and help them to make the right buying decisions. "The switch to LED is easier than you could possibly imagine," insists Knapp, "and can achieve 50 to 70% reductions in energy consumption."

The first thing to figure

*Frank Knapp, Sales & Marketing
Director of Photonworks Engineering*



Top 10 Benefits of LED Lights

- 1. Long Life.** With an average life expectancy of 100,000 hours at 8 hours per day, the projected life span could be 20 years.
- 2. Energy Efficiency.** With an average of 80 to 90% of energy converted to white light and only 10% lost to heat, LEDs are much more efficient than incandescent bulbs, which typically convert only 20% to white light and lose 80% as heat.
- 3. Ecologically Friendly.** LEDs are 100% recyclable since they are free of toxic materials, while fluorescent bulbs contain a multitude of materials, including mercury.
- 4. Durability.** LEDs are extremely durable and resistant to shock, vibration, and weather conditions. They are great solutions for outdoor lighting, traffic lights, parking lots, construction sites, and manufacturing sites.
- 5. Zero UV Emissions.** LEDs produce little to no infrared and no UV spectrum, which is beneficial for environments sensitive to damaging UV rays such as art galleries, museums, retail spaces, and offices.
- 6. Design Flexibility.** LEDs can be designed and configured in multiple design arrays and applications. LED mood lighting provides significant benefits for well-being, including in offices, retail spaces, classrooms, and homes.
- 7. Operational in Extreme Temperatures.** LEDs can withstand extreme heat and cold, which is beneficial for outdoor lighting applications such as stadiums, parking lots, city street lighting.
- 8. Directional Light Disbursement.** LEDs are designed to focus light directionality without the use of deflectors or canopies. Well-designed LED fixtures are able to direct light to the desired area more effectively and efficiently.
- 9. Instant Lighting & Frequent Switching.** LEDs produce light instantly, vs. fluorescent bulbs that require time to warm up, and frequent switching does not degrade its effectiveness.
- 10. Low Voltage.** LEDs produce 1000 lumens per 10 watts of energy compared to incandescents, which require 75 watts, and CFLs, which use 25 watts.



out is where your energy is going, say in a supermarket. Typically, 45% goes to refrigeration, 24% to air conditioning, 19% to lighting, and the rest, in order of consumption and in much lower amounts, to miscellaneous uses, HVAC fans, and water heating.

Photonworks offers total grocery store solutions. It all begins in the parking lot, then at your front door, Knapp points out, where improper lighting can cause a variety of safety and liability issues. In the warehouse, 250-watt bulbs can be replaced by LEDs that only require 35 to 50 watts to produce the same amount of light. Inside the retail space, general aisle lighting should light the way to your merchandise. Then there's display, accent, architectural, and other lighting to consider. Today's LEDs are made to mimic

sunlight as closely as possible, enhancing fruits, vegetables, and other merchandise.

LEDs not only reduce energy consumption by using less energy, but by reducing the heat signature, which in turn allows air conditioning to consume less energy, often by 20%. Lighting in refrigeration units is also important. If they use incandescent bulbs, then you are paying to cool down the heat created by light sources inside the unit.

Knapp encourages businesses to take the first step to lowering their HECO bills by scheduling a complimentary site visit with Photonworks' energy efficiency auditor and design team. For more information, visit www.photonworks.com or call 536-8389. 🛒

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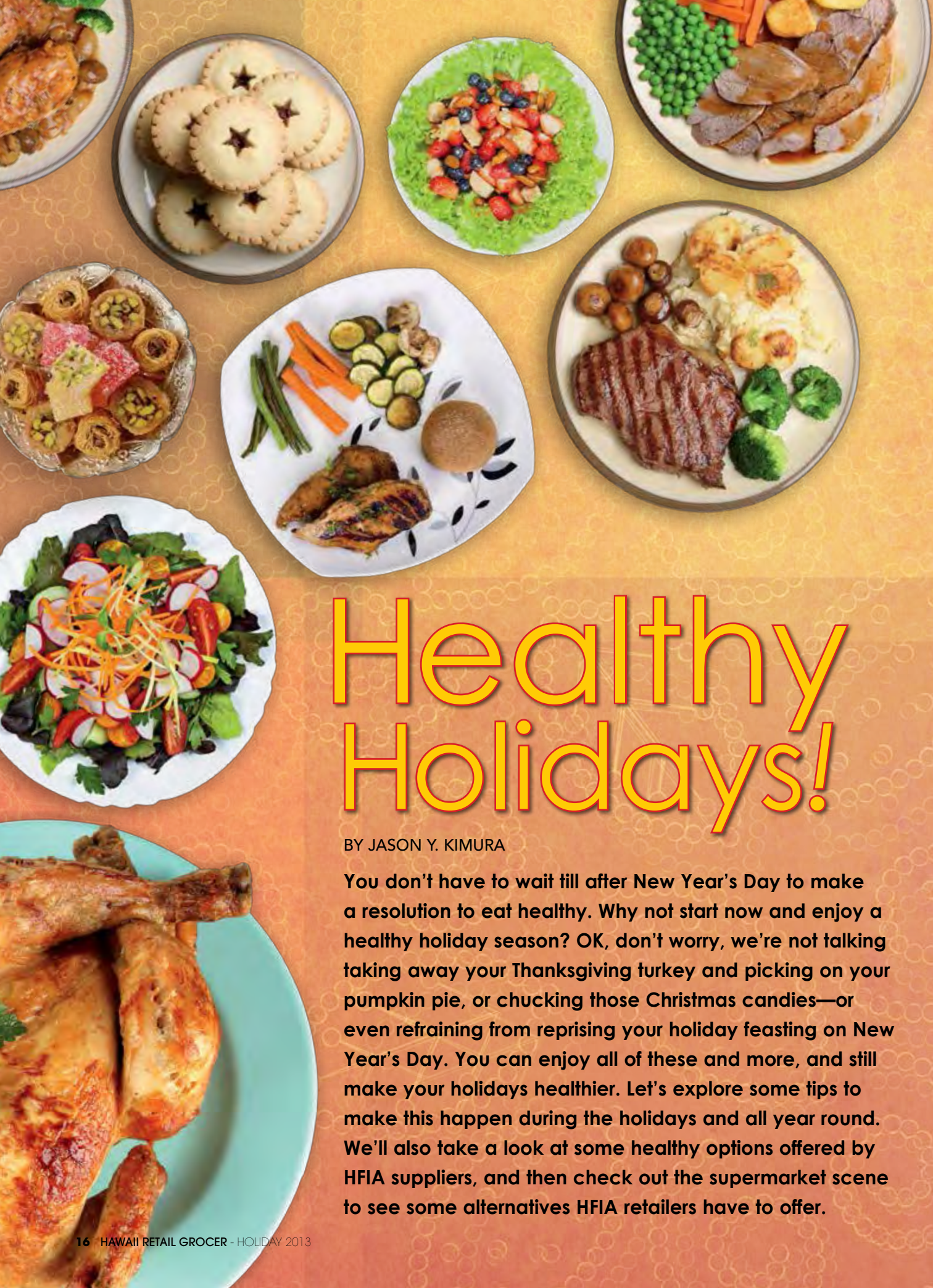
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Healthy Holidays!

BY JASON Y. KIMURA

You don't have to wait till after New Year's Day to make a resolution to eat healthy. Why not start now and enjoy a healthy holiday season? OK, don't worry, we're not talking taking away your Thanksgiving turkey and picking on your pumpkin pie, or chucking those Christmas candies—or even refraining from reprising your holiday feasting on New Year's Day. You can enjoy all of these and more, and still make your holidays healthier. Let's explore some tips to make this happen during the holidays and all year round. We'll also take a look at some healthy options offered by HFIA suppliers, and then check out the supermarket scene to see some alternatives HFIA retailers have to offer.

Mind Over Matter

“Try to eat mindfully,” suggests Judy Thompson, Registered Dietitian and Certified Diabetes Educator at The Queen’s Medical Center. “A lot of inappropriate eating happens when we’re not paying attention.” Eating mindfully is to eat *slowly*, tasting each bite, savoring each texture, and enjoying each flavor. It will help you avoid overeating. It’s OK to eat holiday treats and favorites, but we tend to eat for the wrong reasons, says Thompson, especially during the holidays when there’s just so much food around. We eat on the run, out of obligation, because someone gave it to us, or are tempted by loads of holiday treats that appear in the break room at work.

Your favorite food might be a high calorie item, but a few bites can be better than eating a whole plate of mediocre treats. Thompson likes to tell her patients to eat “more of the best and less of the rest.”

Going Somewhere?

It’s easy to say we want to get *somewhere* in our quest to be healthier, but without specific goals and some planning, we’re not likely to achieve a desired outcome. Thompson suggests that you begin by defining what is healthy for yourself. “There are a million variables, and everyone is different,” she explains. “It’s probably not practical for many people to lose weight during the holidays, but a realistic goal is to not gain.” She suggests that you define your calorie and carb goals and make a realistic adjustment during the holidays. Knowing your schedule is going to be hectic, you also may not have as much time for exercise, but ask yourself what you can do.

Good Carbs, Bad Carbs

Good carbohydrates make your blood sugar go up more slowly, which is most important if you are pre-diabetic or diabetic. They’re also good for weight control because they digest more slowly and you won’t get hungry as quickly. Good carbs are high in fiber and less processed. Whole-grain foods like brown rice, whole-grain pasta, beans, whole wheat bread, oats, taro, sweet potatoes, fruits, and vegetables are good carbs. They have a “low glycemic index,” which means they cause a slower rise—and a slower drop—in blood sugar levels.

Refined grains are bad carbs, and include foods like white bread, pizza crust, hamburger buns, white rice, cookies, cake, and pastries. These and other bad carbs have a high glycemic index, and cause a rapid rise and fall in blood sugar levels. Many are high in calories, so overconsumption of bad carb foods can cause weight gain.

Protein in the Middle

Protein turns to glucose a little slower than carbs and helps maintain blood sugar levels—and can help keep up your energy levels between meals. High protein items are currently popular, but most Americans get two times as much as they need, says Judy Thompson, RD, CDE. The trick, she says, is to spread protein consumption throughout the day by getting a little in every meal. However, protein-rich foods are often accompanied by fat—especially saturated animal fat—so be careful to eat low fat foods such as lean beef, skinless chicken, and nonfat yogurt.

Dinner is in the Plating

On average, dinner plates used to be 9 inches across in the 1960s, and fit about 800 calories of food, writes Pamela Peeke, MD, MPH, FACP, on her WebMD blog. By the late 80s, plates were up to 10 inches, adding another 200 calories, or 1,000 total. In 2000, they grew to 11 inches across, which allows them to hold 1,600 calories. Today, they’re 12 inches diameter, and can hold almost 1,900 calories (not counting extra for the pile-on typical at local potlucks). “Now you see the problem with going back for seconds and thirds,” she states.¹ “Our bigger plates allow you



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¹Pamela Peeke, MD, MPH, FACP, <http://blogs.webmd.com/pamela-peeke-md/2009/12/dishing-yourself-into-smaller-size.html>.

to pile it on,” says Thompson. And do we ever pile it on at local Hawaii potlucks. Thompson cautions against those big rectangular paper plates with the partitions. Instead, she advises, use a 9-inch plate, and make $\frac{1}{2}$ of the plate vegetables, $\frac{1}{4}$ starch, and $\frac{1}{4}$ protein for a properly balanced meal. “If you can’t do this at a particular meal, try to shoot for these proportions for your day’s worth of food,” she suggests. Bring a bag of carrots for a snack or double up on vegetables at dinner to make up for that vegetable-less potluck lunch you had.

Foodland Corporate Chef Keoni Chang has some suggestions on how to eat healthy during the holidays:

- Instead of cooking green vegetables like brussel sprouts with a lot of butter, consider steaming and drizzling them with extra virgin olive oil.
- Instead of smothering sweet potatoes with butter and sugary marshmallows, make mashed sweet potatoes with vanilla yogurt and a little brown sugar.
- Regular mashed potatoes can be less fattening if you use skim or 1% milk and replace some of the butter with chicken or turkey stock.
- Instead of completely eliminating your favorite desserts, eat a small portion instead. Eating half a portion will still



Diagram showing portion sizes. Thompson says it would be OK to double the rice portion shown.

allow you to enjoy great holiday desserts but also cuts calories and fat in half.

Yes, we promised not to take away your turkey, but it might be worth at least trying some of the plant-based alternatives to holiday favorites that Down to Earth has to offer. DTE's Community Outreach Coordinator Trisha “Mama T” Gonsalves suggests “Stuffed Tofurkey,” one of their most popular items during the holidays. “It’s always a crowd-pleaser that flies off the shelves,” she says. “In order to choose healthier options, we recommend choosing local, fresh, and organic ingredients to make your holiday meals. Look for fresh cranberries and seasonal squash to make cranberry sauce and stuffing from scratch. Choosing fresh instead of processed ingredients is always going to be a healthier choice.” Dozens of healthy vegetarian recipes can be found at www.downtoearth.org.

No holiday season is complete without dessert, but there are options even in this category. “Overall there’s a lot more choices in better-for-you things,” says Brian Christensen, CEO of Pint Size Hawaii, “but you still can’t beat the real thing. There are more people who are being conscious about their health, but the majority still wants quality over quantity.” Still, there are excellent options from Pint Size. Haagen Dazs offers sorbets, frozen yogurts, and now gelato, which by nature has less saturated fat and calories than regular ice cream. Dreyers also offers many half-fat versions of their ice cream flavors. If you want to get even skinnier on the desserts, try Skinny Cow treats, which promise to be luscious and light.

All foods can fit in a person’s diet, concludes Thompson, but some should fit in smaller quantities than others. “The point is to not be legalistic or be the food police about it because people don’t respond well to that.” For more information on healthy choices, visit www.Choosemyplate.gov.

Supply Side Feasting

Now that you’re armed with the information you need for a healthy holiday season, let’s take a look at offerings and trends from Hawaii manufacturers, wholesalers, and retailers. A manufacturer/wholesaler that’s uniquely tied in with Hawaii’s culture is HPC Foods, Ltd., which is best known

Poi Fruit Parfait

- $\frac{1}{2}$ cup Taro Brand Poi
- 2 Tbsp Cold Water
- 2 tsp Agave (or other natural sweetener)
- Granola
- Banana
- Strawberry
- Blueberry

Mix poi and water. Add agave, blend well. (May be prepared in advance and chilled)

Pour poi mixture in bottom of bowl. Layer with granola and top with assorted sliced fruit.

Recipe courtesy of Taro Brand.

C&S is hands on when helping local charities.



- Hawaii Food Bank in Honolulu – On-going donations of food for neighbors in need; an estimated 400,000 meals since 2003
- Aloha United Way -- In 2013, pledges totaled more than \$48,000 with C&S's company match
- Food for Kids drive – More than 4.5 tons of food donated during this annual initiative over the past 9 years
 - C&S matched each pound of food donated with a donation to Feeding America's innovative Back Pack program
- Holiday Good Works – Associate participation in:
 - Toy and gift collection for homeless children
 - The Lokahi Giving Project
 - School supplies drive for a local Early Start/ Head Start School
- Mini-Grants – awarded to local nonprofits:
 - Hawaii Meals On Wheels
 - Special Olympics Hawaii
 - Down Syndrome Ohana of Hawaii
 - Hawaii 4-H Foundation – Operation Military Kids
- C&S partners with First Book, the national literacy program to donate new books to children, schools and libraries on Oahu, recipients include Frequent Father Program at a local Head Start
- Make A Difference Day – Annual volunteer work by C&S associates and family members at the Waianae Civic Center and Hawaii Food Bank



In partnership with leading national hunger organizations Feeding America, Share Our Strength and the Congressional Hunger Center, C&S helps address immediate needs and contributes to innovative, long-term solutions.



to the general public for its Taro Brand poi, lomi salmon, and packaged vegetables.

“The perception is that if you eat too much poi, you grow the wrong way, but that’s not so,” says Mark Kwiatkowski, HPC Sales & Marketing Manager. Blame it on too much kalua pig and laulau. Especially the ono pork fat with Hawaiian salt and raw onion. Ooo. Anyway, getting back to healthy.... Considered by some a superfood, poi is a complex carbohydrate—and hypoallergenic. A one-cup serving size of Taro Brand poi has 180 calories, zero fat of any kind, no cholesterol, and no sugars. It has 15% of your daily carb intake, 4% fiber, and all kinds of vitamins and minerals. Poi is high in Vitamin B6, which helps the body metabolize fats and protein. It’s also a good source of potassium, iron, and folate. Kwiatkowski’s cousin keeps it in the canoe during the Molokai Channel Race to refuel.



Michelle Tang and Mark Kwiatkowski of HPC Foods/Taro Brand.

Kwiatkowski and Michelle Tang, HPC General Manager, are working on ways to get more people to eat poi. “Some have had a bad experience with poi,” noted Tang. Perhaps their first experience was with sour, four-day old poi. Although some people like it sour, it’s more of an acquired taste. For those who like their poi fresh and sweet, try Taro Brand’s new product: Premium Frozen Poi. It’s actually fresher and sweeter than

the freshest non-frozen poi you can find at the supermarket because it’s frozen right out of production at the company’s poi factory. Originally created for Hawaii expats living on the mainland, each one-pound, rectangular package comes flat as a pancake for easy storage in the freezer. Just thaw the bag in a pan of warm water, break poi into chunks, add water, microwave for four minutes, and mix until smooth. Premium Frozen Poi can be found at most Hawaii supermarkets and on the mainland—plus they can be mail ordered directly from Taro Brand.

“The goal to get people to try it all over again for the first time,” says Tang. For others who don’t like poi plain, Taro Brand has recipes using poi in ways you might not have thought of before. Give their Poi Fruit Parfait or Poi Power Smoothie a try. (See recipe for Poi Parfait on page 18.)



Radish sprouts



Taro Brand’s new Premium Frozen Poi.

Consumers are also familiar with Taro Brand’s other healthy options, which include packaged sprouts of all kinds, including broccoli, clover, radish, soy, and the familiar mung bean sprouts we like in chop suey. All of Taro Brand’s sprouts are grown and processed in their Kalihi factory buildings. Most shoppers are familiar with the Chop Suey mix, but there’s also romaine, green leaf, Asian, and regular salad mixes already cut and ready to eat, not to mention cut celery stalks and carrot sticks perfect for healthy snacks. Check out the Bean Sprout Hummus, Broccoli Sprout Bisque, and other recipes at www.tarobrand.com for ways you can incorporate some of these healthy options.

Less familiar to the general public is HPC Foods, Ltd., one of Hawaii’s largest produce processors and distributors. The company specializes in cut produce and packaging for industrial kitchens and private labels on retail shelves. In 2004, HPC Foods opened a state-of-the-art, 15,000 square foot processing facility that has the capability to manufacture any type of specialty cut produce to meet customers’ needs. Everything from broccoli buds to cabbage, carrots, celery, cucumbers, daikon, mushrooms, onions, green and red peppers, potatoes, tomatoes, watercress, zucchini and a variety of fruits can be cut every which way and size to spec at 99-100% utilization.

HPC slices, dices, juliennes, peels, and packages for McDonald’s Hawaii and big chains like Costco. Food service companies like these don’t cut vegetables and other items on their premises because of the risk of contamination, so HPC Foods does it for them. In order to be even considered by big, national companies, food safety standards have to be exceptionally high, as well as the quality of the food. “Part of being healthy is being safe,” Kwiatkowski points out. “[HPC Foods] is the safest I’ve seen, bar none.” The company is meticulous in maintaining its Good Manufacturing Practices and HACCP (Hazard Analysis and Critical Control Points) standards, and is GFSI (Global Food Safety Initiative)-certified, a recognized global standard. For more information, visit www.hpcfoods.com.

John Schilf, President of Rainbow Sales and Marketing and HFIA Executive Committee Vice Chair, weighed in on health trends. “I think the younger generation—the 20 to 30 age group—are more educated on healthier eating,” he opined. “The 40 to 60 age group probably isn’t going



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to change much.” But even if people are trying to eat healthy, obesity is on the rise, he continued, and even if health education is coming through technology, it also has its bad side. “[Because of technology], people are now working all the time. Work spills into home life, and it makes it harder to be active.”

Changing eating habits is a big ship to turn, says Schilf, but we are seeing a change in the food industry. School menus are changing to whole grains, and chicken and fish are being added. RSM distributes healthier versions of traditional items, like sugar-free bakery goods. Yogurts (Dannon, Stony Field, Activia, Brown Cow) are popular, as are healthier dressings (Newman’s Own, Auntie Marzett, Simply Yours). Daisy sour cream comes in light varieties, C&H Sugar has artificial sweeteners, and many shoppers like extra lean ground beef.

Yet, low sodium, lower fat, and sugar free are still niche markets, Schilf admits. Stan Brown, Sales Manager for ConAgra in Hawaii and HFIA Executive Committee Chair, agrees. “People want good flavor, but it’s challenging to make healthier options taste the same,” he says, “and behavior doesn’t always back up what people say they want.”

Although healthier options have a smaller demand and manufacturers typically need a high volume of a product

to be successful, the segment is still significant enough to put these types of products on the shelf. ConAgra distributes products such as Swiss Miss cocoa with no

sugar added, Hunt’s tomato sauce with no salt added, Orville Redenbacher natural popcorn with no salt or butter, vegetarian Rosarita refried beans, Van Camps kidney beans packed in water, Fleischmann’s Egg Beaters, and many other products. The Healthy Choice products ConAgra distributes goes a step further. The company has worked with the FDA to define what it really means to have the word “healthy” in a product’s name to create only frozen meals that qualify within FDA guidelines for fat, saturated fat, cholesterol, and sodium. These types of meals would be a good option during the holidays when you are too busy to cook. “If there’s a consumer demand or an opportunity, then manufacturers will try to offer products,” he says. “There’s always been a segment of [health-conscious] consumers, but they’re growing because of stores like Whole Foods Market and Down to Earth.”

Meadow Gold Dairies is also making changes to its products. The biggest recent change has been to its TruMoo Chocolate Milk. “Over the last five years, we’ve made efforts to reduce first the fat level in our chocolate milk—particularly the chocolate milk offered to schools,” says Mia Inoshita, RD, MDG Marketing Manager. “Then last year, the amount of sugar in the product was reduced from 25 grams per serving to 18 grams, 11 of those already naturally occurring in milk.” Inoshita believes that TruMoo is probably the lowest sugar chocolate milk on the market. Subtle changes have also been made to Meadow Gold Dairies famous POG drink. The artificial colors and preservatives were removed. “We are striving to move more of our product line in this direction,” she says.

Soft drinks are a big part of our local culture, especially since the warm weather keeps demand up all year round. It’s important to take them into consideration when making dietary decisions during the holidays and beyond. When it comes to this segment of the food and beverage industry, it doesn’t get much bigger than Coca-Cola.

How big? One interesting way to measure this is by name recognition. The number one recognized phrase across all cultures and languages is “OK”; the second is “Coca-Cola.” That’s pretty amazing, considering it all started from one drugstore in 1886. Even in Hawaii, it’s a pretty big operation—one that has been bottling here since 1907. The Coca-Cola Bottling Company of Hawaii produces a thousand cases a minute depending on the size of the bottle, and its warehouse typically stocks 240,000 cases of soft drinks representing 360 flavors manufactured both here and on the mainland. Although Coca-Cola is a big global company, its Hawaii plant makes it a down-the-street type of company that tries to source all its raw materials locally, including its bottles and aluminum cans.

Nowadays, it’s not only about Coca-Cola and Diet Coke. The parent company, Coca-Cola Refreshments, has over 650 brands. Not all of these brands are available in



the U.S., as some are made with the taste preferences of other cultures. However, there are 180 no-calorie and low-calorie U.S. beverage options, representing almost half of all their products in the U.S. To help consumers make wise choices, Coca-Cola Refreshments became the first beverage company to put exactly how many calories are contained in the *whole* bottle or can right on the front of each container. The company is now extending their straightforward labeling policy to vending machines.

Coca-Cola's aim is to refresh the world, inspire optimism and happiness, and create value. So when a lot of negative chatter emerged surrounding the soft drink industry and obesity, the company wanted to assure confidence in its products and stem what they felt was detrimental to morale. "It's a departure for Coca-Cola to speak out on an issue," says Dora Wong, West Region Director of Public Affairs and Communications, but the information the company has released is not only true, but helpful. Their "What We Can Do" and "What's Weighing Us Down?" infographics outline

OK to be Saccharine Sweet?

As a person? No. As a drink? Yes, as long as you don't get ridiculous. Artificial sweeteners are OK in moderation, according to the U.S. Food and Drug Administration (FDA). Most people aren't consuming artificial sweeteners in quantities above the FDA limits or Acceptable Daily Intakes (ADI).^{*} For example, too much saccharine is above 1,000 milligrams per day, or 25 packets (40 mg. each) of Sweet 'N Low. The favorite of sodas, aspartame (NutraSweet), is OK as long as you don't drink more than 19 cans of soda (or 97 0.9 mg. packets) for a 150-pound person per day. You'd have to consume over 28 packets (12 mg. per packet) of sucralose (Splenda) to go over the FDA limit for a 150-pound person. It all points to what is true of many things: moderation is the key.

**The ADI is the amount at which there is no adverse effect and a reasonable certainty that no harm will come from use. It is the amount you can consume for the rest of your life with no concern about safety. The level is set so you can consume 100 times more than the ADI and still be safe.*

the science of weight management and shows that it's all about balancing your *entire* diet and physical activity.

The message is that calories come from many sources, and they all count. The information outlines the minimum physical activity you should do and where the calories that are making us fatter come from. U.S. statistics show that the major increases in calories in the food supply are coming from added fats and oils (up 242 calories per day since 1970); flour and cereal products (up 167 calories); added

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sugars and sweeteners (up 34 calories); and meats, eggs, and nuts (up 16 calories). The top three calorie contributors are grain-based desserts, chicken dishes, and breads. Sugar intake from soft drinks has declined 39% between 2000 and 2008. To view the infographics, visit www.coca-colacompany.com/stories/what-is-weighting-us-down-new-infographic-shows-how-calorie-imbalance-impacts-us-all, or Google “Coca-Cola what we can do infographics.”

A proactive company, Coca-Cola Refreshments initiated joining forces with its competitors to pull full calorie drinks from schools. As a result, beverage calories in U.S. schools have declined by 90%. Another initiative includes sponsorship of Triple Play, a Boys & Girls Club program to connect with six million kids across the U.S. to teach them to live a healthy lifestyle.

At the retailer level, Don Quijote is seeing steady increases in no sugar or low sugar items in the last couple of years, especially with Splenda-based sweeteners.

“This is a growing category due to health issues like obesity and diabetes,” says Herb Gushikuma, Don Quijote Vice President and General Manager.

“Quinoa products are also seeing increases due to increased consumer interest from TV personalities like Dr. Oz and Rachel Ray.”

Gushikuma says the yogurt category has produced double-digit increases over last year for Don Quijote, mainly due to the introduction of additional brands and the popularity of Greek-style yogurts, which are high in protein. Low fat and sugar free yogurts are still good sellers, but high protein yogurts will grow the category,” he says. “Greek-style products are also marketed in the frozen aisle as an alternative to ice cream, and are gaining in popularity.”

Other high protein products being introduced into the market are doing well, says Gushikuma. “Meadow Gold has high protein milk, which is trending up,” he continues, “and Kraft has a high protein cream cheese. Soy milk is still a strong category for us and has shown double digit increases because of its beneficial health factors.”

Produce has been steady with little fluctuation. However, there has been a consistent increase in sales of tofu products, natto, low salt soy sauce, and low salt miso products over the last several years. Derek Kurisu, Executive Vice President of KTA Super Stores and HFIA Executive Committee Treasurer, agrees. “People are eating lots of tofu and natto,” he says. If you’re a purist when it comes to Japanese foods, you might have trouble with the brown rice sushi that can be found at KTA, but Kurisu says people are buying it. “Dried fruits and nuts are all growing in sales too,” he says.

KTA is helping in the bakery department with fat free, sugar free, gluten free muffins, pies, cookies, and cake. “It’s better than nothing!” Kurisu jokes about these “healthy” versions. “But fat free and sugar free bakery items—and other healthy products as well—have improved tremendously over the years. We try to offer customers alternatives, and sales are picking up.” KTA has full line bakeries in five of its six stores.



A few of the many products by Coca-Cola Refreshments.

KTA is unique in its local offerings. Their leafy vegetables are 95 to 98% locally grown, and local beef represents 45% of beef sales at KTA. The grass-fed beef is given no artificial hormones or antibiotics, and is leaner, but very tasty and tender, according to Kurisu. All cuts are available, including premium ones, and many prefer the local beef because of its grass-fed flavor.

“The health segment is important and it’s growing,” says Kurisu, who indicated that there is definitely more awareness today. “I always tell people that HFIA is made up of all kinds of retailers, including natural food stores. KTA carries the basics in healthy foods, but can’t carry everything. That’s where Down to Earth and Whole Foods Market come in.” The bottom line, says Kurisu, is that retailers are going to give consumers what they want to buy. If the health segment grows, then manufacturers will make products that meet the demand.

“What’s better during the holidays than having good food?” Kurisu asks rhetorically, ending on a happy note. “If you eat in moderation, it’s OK. We have all these alternatives, but just eat up and enjoy!” If you overdo it during the holidays, there’s always January. “In January, you find more people conscious of healthier options,” Kurisu offered. “January is the time to put all these healthy foods on sale!” 🛒





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Connecting the Health Care Dots

BY JASON Y. KIMURA

A fiscal conservative, Richard Budar III, wasn't in favor of Obamacare, aka the Affordable Care Act (ACA). That he is the chief marketing officer of the Hawaii Health Connector—the private, non-profit entity created to be a marketplace for ACA-qualified health plans—is a good thing for Hawaii. Budar was at the October 29 HFIA Board of Directors meeting to give a presentation on the Hawaii Health Connector.

One of the first things Budar did was to cancel the furniture order, opting for folding chairs and tables instead. Frugal fiscal decisions like that don't make him the most popular guy there, but he's looking after the initial \$205 million in taxpayer money that will be drawn down to kick-start the insurance exchange in hopes that it will become self-sustained. Most of the federal money is going to the IT build, says Budar, and the projected annual budget thereafter is \$16 million. "Insurance companies and hospital systems will benefit from the Connector—that's the theory," he said. He says that the Connector will give insurance companies \$1 billion in new sales—sales they've been trying to tap into for years.

"If we didn't set up [our own] exchange, we would have a federal system—and Hawaii's prepaid health care would go away," Budar pointed out. Enacted in 1974, the Hawaii Prepaid Health Care Act was the first in the U.S. to set minimum standards of health care benefits for those who work at least 20 hours per week. "The uninsured are not the poor—they have good coverage—it's

the middle class," he explained. People in industries like real estate and construction where income fluctuates will benefit, says Budar, as will people who have pre-existing conditions. He also cited many fast food workers who get nothing in their paychecks because they're working simply to get health insurance coverage. "Lots of employees in the \$50 or less category will get pay come January 1st," he said, but admits that he hopes the law will still be improved.

The Hawaii Health Connector has had 60,000 new visitors on its website, and over 500 calls daily. The rollout of the federal exchanges have been chaotic, so Budar takes pains to define exactly what the Hawaii Health Connector is: a one-stop, online health insurance marketplace with "a clear, easy way to compare health plans, benefits, and costs" for individuals, families, and employers. The private, non-profit organization is *not* government-run, nor is it a health insurance agency, insurance company, or political interest group. And although staff will help people navigate the options, the Connector is not a substitute for financial or insurance professionals.

According to the Connector, there are new consumer protections and benefits. Employees' health coverage cannot be denied or cancelled, and businesses cannot be charged more even if someone has a health condition. All new health plans must include a minimum package of essential benefits and a range of preventive services.

Currently, only Hawaii businesses with one to 50 employees (not including the owner) qualify to use the Connector. In 2016, the Connector may be open to businesses with 100 employees or less, but for now, bigger employers won't be affected. "You decide whether to use—or not use—the Connector," said Budar, but he claims that it will make it easier for employers to offer health insurance and simpler for employees to enroll.

Employers, including non-profits, can benefit from the Small Business Health Care Tax Credit, which may amount to a refundable credit up to 50% of the employee premium costs paid (up to 35% for non-profits). To qualify, a business has to have fewer than 25 full-time equivalent employees and average wages of less than \$50,000 per year. The business must also cover the costs of individual health care coverage for each employee (not including family). For more information, visit irs.gov/sbhtc, but also consult your tax advisor. "Some companies are saving money, even without the tax credit," said Budar.

The Connector also has a free kokua service for individuals. "There are 100,000 people who will only talk to people they trust," said Budar. The Connector works with people that rural communities already trust. Someone can be sent to people's homes to help them with signing up for health insurance or to explain the ACA law.

Budar was asked if he is now pro-Obamacare. "I'm a fiscal conservative," he asserted, addressing the question indirectly (and perhaps there is no clear yes or no), "but I've softened to the help it's bringing some people." 🛒



Richard Budar, Chief Marketing Officer of the Hawaii Health Connector

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The Heart of GIVING

HFIA Members Share Heartfelt Giving in Hawaii

BY JASON Y. KIMURA

At HFIA, we know that many of our members give generously to many, many charities, and the good to the community from Hawaii's food industry is incalculable. But for this year's holiday issue, *Hawaii Retail Grocer* asked members to share about their favorite charities and what makes them special. The following are the responses we received.

Aloha Petroleum, Ltd./ Aloha Island Mart

"One way Aloha supports the community is by making donations and supporting events, particularly causes related to education, social welfare, the environment, and the arts," says Lisa DeCoito, Buyer for Aloha Petroleum, Ltd., and HFIA Executive Committee Secretary. The company supports the American Cancer Society, American Heart Association, American Red Cross Hawaii Chapter, Castle Medical Center, and other health-related organizations. In the arts and environment, Aloha supports Ballet Hawaii, Diamond Head Theatre, Hawaii Public Radio, Hawaii Youth Opera Chorus, the Waikiki Aquarium, Hawaii Nature Center, and Project Vision Hawaii. They are also supporters of the Boy Scouts of America Aloha Council, Girl Scouts of Hawaii, Farrington High School Girls Water Polo, Hawaii Meals on Wheels, Aloha Harvest, Hawaii Foodbank, Ronald McDonald House Charities of Hawaii, and Toys for Tots. The company supports many other organizations too numerous to list in each of these categories.

Approximately \$140,000 was donated to these charities and organizations. Another \$40,000 in gasoline gift cards and logo promotional items went to various other Hawaii schools, churches, and other non-profit organizations. "This past year, Aloha did campaign fundraising for the American Heart Association," says DeCoito. "It is a great cause as there are many friends, family, and business associates affected by heart disease. The education the AHA provides can help us maintain a healthy lifestyle and save lives."

Anheuser-Busch

Peggy Abella of Anheuser-Busch related that her company added a creative prize giveaway contest to support Aloha United Way called "Spread Your Wings" for AUW. Anheuser-Busch's Hawaii office was a part of a larger, first ever companywide campaign for United Way and involved 56 of its locations and over 14,000 employees. Anheuser-Busch also matched contributions dollar for dollar. In Hawaii, co-chairs Tracy Mori and Peggy Abella followed AUW's "10 Steps for Campaign Success" and employees followed suit, to making their campaign a success.



C&S Hawaii

The associates at Hawaii Logistics, a part of the C&S Wholesale Grocers family, are actively and proudly engaged in the community in multiple ways, but are especially dedicated to alleviating hunger locally by supporting the Hawaii Foodbank with ongoing donations of food for neighbors in need. Since 2003, the company's contributions have added up to an estimated 400,000-plus meals.

Since 2004, Hawaii Logistics/C&S has invested in the Hawaii Food Bank with cash grants and employee participation. During the Food for Kids drive, staff personally donated child-friendly food to the Hawaii Foodbank while learning about childhood hunger. The annual initiative has resulted in more than 4.5 tons of food over the past nine years. Each pound of donated food was matched by the company.

Hawaii Logistics/C&S's commitment to end childhood hunger is matched by an equal passion to increase educational opportunities for all children.

In partnership with the national literacy program First Book, the company has donated new books to children, schools, and libraries on Oahu.

Another supported cause includes Aloha United Way, for which pledges and corporate matching totaled over \$25,000 this year. Other supported causes are Make A Difference Day, Waianae Civic Center, Holiday Good Works, Lokahi Giving Project, and Workplace Organic Gardens (see photo, above left). The company also awards Mini-Grants. Recent awards were given to Hawaii Meals On Wheels, Special Olympics Hawaii, Down Syndrome Ohana of Hawaii, and Hawaii 4-H Foundation – Operation Military Kids.



Choice Mart

Meg Greenwell, owner of Kealakekua Ranch, Ltd., which does business on Hawaii Island as Choice Mart, shared her passion for preventing crime. She is a member of the Kona Crime Prevention Committee, which supports the local police department in their efforts to prevent crime and enforce the law. The committee holds Officer of the Month luncheons and an Officer of the Year award luncheon to recognize police officers for outstanding service. "We truly appreciate our officers and they in turn appreciate our efforts to support them," says Greenwell, who is also a member of the Kona Historical Society. She serves on the board and supports their mission to collect, preserve, and disseminate the history of Kona. "Both of these organizations are very near and dear to my heart!" says Greenwell enthusiastically.

The Harris Agency

The Harris Agency is always interested in supporting a variety of Hawaii non-profit organizations by donating its marketing and communications services. One of the company's favorite charitable case studies is the re-branding of the Hawaii Symphony Orchestra, formerly known as the Honolulu Symphony. The Harris Agency worked before and throughout its successful re-launch and debut season in 2011-12.



The Honolulu Symphony gave its last public performance in 2009. However, several community leaders approached The Harris Agency, seeking to

tap into its creative organization-building expertise.

In 2011, the Hawaii Symphony Orchestra was established under a new name and a new logo designed by The Harris Agency. The horizontal arc brush stroke through the initials H-S-O symbolizes the motion of a string musician's bow, while incorporating the colors of a sunrise. The Harris team extended their efforts to a new HSO website, a tri-media campaign, and PR, coupled with promotional and merchandising support materials.

Meadow Gold Dairies

Meadow Gold Dairies has a long-standing partnership with AYSO, the American Youth Soccer Association. The organization's child-first and child-focused philosophy means that every decision, every rule, and every program has "what's good for kids" as its basis.

Meadow Gold Dairies also recently created the Lani Moo Fund with the Hawaii Community Foundation. The endowment provides critical funding to charitable organizations that support Hawaii's children and families. Believing that child health and nutrition are strongly associated with educational achievement, the Lani Moo Fund supports organizations that: serve the health needs of Hawaii's underserved families in the areas of nutrition and wellness; improve educational opportunities for Hawaii's young people at all school levels; and contribute to the development of Hawaii's youth.



Graley Marketing

Michael Graley is a big supporter of Autism Speaks and supports charities that help children and adolescents with Ewing's sarcoma cancer for good reason. His son suffers from autism and his daughter is an Ewing's survivor. Graley also supports Give Aloha. "It's a fabulous way to give to those in need," he says. "[There is] so much love bestowed on others."

Love's Bakery

Love's Bakery gives tens of thousands of dollars in monetary and product donations every year. The kamaaina company supports the military and other worthy causes. "Every charity we support is important to Love's Bakery," says Byron Chong, Vice President, Director of Sales and Marketing. "However, we do have a long history of contribution to IHS [Institute for Human Services]." Feeding the homeless has historic roots at Love's. It is said that Robert Love, the founder of Love's Bakery, baked bread for the homeless and needy.

Pasha Hawaii

Thanks to its Honolulu-based team, Pasha Hawaii is highly cognizant of the needs of the Hawaii community. Pasha has been able to provide both financial and volunteer



support to many worthy charitable organizations over the years, but by far the most significant and heart-warming is the company's annual participation at the Sony Open in Hawaii. The event is the major fundraiser for Friends of Hawaii Charities, Inc., which has generated more than \$13,000,000 for over 350 charities in the Hawaiian Islands since 1999.

Pasha Hawaii sponsors two venues at the Sony. A Skybox provides hospitality to its customers, but it's the "Birdies for the Brave" military hospitality tent that really is Pasha's major volunteer effort of the year. Since 2009, Pasha has opened the tent to active military and their families who attend the Sony. Over the last two years, the hospitality has been extended to include veterans. Over 1,000 military members and their families spent time in the tent in 2013, as Pasha volunteers offered food and refreshment.

"Our sponsorship not only provides shelter and entertainment to active and veteran military members," says Reggie Maldonado, General Manager of Pasha Hawaii. "It also assists the Friends of Hawaii Charities to reach their fundraising goal. Perhaps the most rewarding of all is the time Pasha employees spend meeting with the young men and women who are dedicated to keeping our country safe."

Safeway

"Favorite? Besides HFIA?" joked Keith Turner, Director of Public and Government Affairs for Safeway Inc. Northern California Division. Safeway gives back to the community in numerous ways, including grants to breast and prostate cancer research, people with disabilities, and the MDA. The company supports the Hunger Campaign, Pumpkin Carving Contest, and Gingerbread Houses too, but Safeway likes to spread their generosity to many areas of the community. "We prefer to give to a wide variety of worthy and worthwhile causes," says Turner. "So far this year, the Safeway Foundation has made more than \$18,000 in grants and our 21 stores have contributed nearly \$6,000 to the communities we serve."

It is truly a wonderful life in Hawaii, in no small part due to the generosity of HFIA members and their companies. All one has to do to be eternally grateful to them is to imagine what it would be like without them! 🛒

Honolulu Liquor Commission Finds Solution to Transfers

BY JASON Y. KIMURA

Retailers call it transferring liquor inventory; the Honolulu Liquor Commission calls it inventory balancing. Whatever terminology you prefer, the important thing is that it's now much easier to transfer liquor inventory between or among licensed locations under common ownership via a form that needs to be submitted only once a year.

The reason this is an issue is that there is a provision in state law that prohibits liquor licensees from acquiring liquor from anyone except a wholesaler, so unless liquor commission approval is obtained, liquor inventory is not interchangeable even between stores owned by the same retailer. Previously, the only way to do this was for licensees to come before the Commission during one of their weekly meetings to make requests—which is cumbersome to the licensee and trying for the Commission if there are numerous requests.

So when the Honolulu Liquor Commission sought liquor licensee input on proposed rule amendments, it was requested that a simpler way be found to transfer liquor inventory without violating state law. (*Editor's note: See Legislative Update on page 6 for other requests to the four county liquor commissions.*) The Commission decided that an efficient solution would be for a single multiple-location licensee to come before the Commission on behalf of all licensees to request inventory balancing over the course of a license year. If that licensee received approval, then the Commission Administration could make a request under Rule 3-81-17.4 to delegate authority to the Administrator "to consider and act upon similar inventory balancing requests without a hearing."

The only thing remaining, then," said Anna Hirai, Acting Administrator of the Honolulu Liquor Commission, was to find a multiple-location licensee willing to make the initial request [on behalf of all multiple-location licensees]. It just so happened that Zippy's needed to do some inventory balancing due to the closure of certain restaurants for renovation. The result was that on June 6, 2013, the Honolulu Liquor Commission gave approval to Zippy's to inventory balance. On June 13, the Commission Administration made a Rule 3-81-17.4 request to act upon similar requests without a hearing, providing that the Administration develop appropriate procedures and a form for this purpose.

The one-page, self-explanatory form can be obtained by contacting Nolan Fong, Licensing Clerk, at 768-7323 or at nfong@honolulu.gov. The form can also be downloaded from the homepage of HFIA's website at www.hawaiiifood.com. 🛒



Anna Hirai, Acting Administrator of the Honolulu Liquor Commission.

Honolulu Liquor Commission Pointers on Transferring Liquor Inventories

- Inventory balancing will be permitted only between locations with a license issued to the same licensee.
- Approvals last for one license year, expiring on June 30 of each year.
- No hearing before the Honolulu Liquor Commission; approvals generated by the Administrator.
- Failure to produce the described records on request can void the approval for the balance of the license year; records must be kept for a minimum of three years.
- When a participating location's license is transferred, cancelled, or revoked, that location's approval to inventory balance is voided.
- Copies of the approved permit should be kept at all participating locations, and at any approved outside the warehouse.
- Primary responsibility for compliance with these conditions will be the Audit section.
- Rules apply only to the City and County of Honolulu. Check with liquor commissions on other islands for their rules.



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The Last Word...

BY LAUREN ZIRBEL, EXECUTIVE DIRECTOR



October and November have been busy months, filled to the brim with conferences and meetings. On behalf of HFIA, I have attended the Annual Conference of Hawaii State Liquor Commissions and Industry Representatives, the California Grocers Association Annual Conference, the National Association of Convenience Stores Annual Convention, and the Food Industry Association Executives Annual Convention! Aside from being reminded of how lucky I am to live in Hawaii, I learned about some important trends that are affecting the food and beverage industry and what we can do to proactively address these issues.

I will focus on three main topics. The first topic is the Affordable Care Act (ACA), which is so complex we still don't know exactly how it will impact our insurance market in Hawaii, much less your business' bottom line. I have attended a few meetings on the ACA in Hawaii and on the mainland, and will share my perspective on how this law impacts HFIA members. The second topic is the Supplemental Nutrition Assistance Program (SNAP) and Women, Infants and Children (WIC), and how proposed changes and general compliance issues could impact your business. The third topic is disaster preparedness. Because of the unpredictability of hurricanes and other natural disasters, it is imperative that all businesses have a plan on how to respond to natural disasters.

Affordable Care Act's Impact on Hawaii's Food Industry

Hawaii is in a very different position than the rest of the nation when it comes to the Affordable Care Act. Although not exempted from the ACA, Hawaii's 1974 Prepaid Healthcare Act has a much stricter employer mandate in every sense. Hawaii employers must provide coverage for employees who work 20 or more hours a week; the ACA only mandates coverage for employees who work 30 or more hours a week. Hawaii employers must provide insurance

even if they only have one employee; the ACA requires that employers with over 50 employees provide insurance. Hawaii's minimum benefits mandate is also much stricter than enacted under the ACA. Hawaii employers may only provide plans currently considered "platinum," which cover at least 90% of employees' healthcare costs. The ACA allows employers to offer "bronze" plans, which cover 60% of employees' healthcare costs. Due to

Hawaii's existing law, many of the mandates mainland companies are now responding to have already been absorbed by Hawaii's employers for almost 40 years. The burdens of Hawaii's strict healthcare laws on our employers have amplified with time. When Prepaid Healthcare passed in 1974, premiums were only 2.5% of wages; today, premiums are 13.6% of wages, and they keep increasing!

The biggest change offered by the ACA for Hawaii is the Hawaii Health Connector, or Hawaii's insurance exchange. Currently, only Hawaii's two dominant health insurance companies, HMSA and Kaiser, are offering plans on the exchange. This is disappointing to those of us that hoped the exchange would result in more competition to our uncompetitive insurance market. If your business meets requirements for a tax credit for employee health insurance coverage through the ACA, *i.e.*, if your company has less than 25 employees with an average yearly wage of \$50,000 a year or less, you **MUST** buy your health insurance through the Connector to receive the tax credit. All plans purchased through the exchange will be assessed a 2% fee which will go toward making the exchange self-sufficient after federal funding for the exchange expires. We would recommend that companies evaluate plans offered on the exchange against their current plan and make the best decision for their business.

The food industry is also uniquely affected by a little known provision in the ACA. The menu-labeling portion of the ACA mandates that restaurants—including convenience stores and supermarkets—with 20 or more locations provide the calorie content of menu items.

SNAP and WIC Updates and Clarifications

As proposed and adopted changes come down regarding SNAP and WIC, it's important for Hawaii retailers and suppliers to be up to date and involved in the process. For both programs, stores must stock certain types of foods before applying for a permit through the USDA Food and Nutrition Service (FNS) to accept vouchers. Stores can get a permit for SNAP if they sell a variety of staple foods in each of four food categories: (1) dairy products; (2) breads, grains, and cereals; (3) fruits and vegetables; and (4) meat, fish, and poultry. Foods can be fresh, frozen, or canned. However, you must stock perishable foods in at least two of the food categories. Alternatively, you can get a permit if more than 50% of your gross retail sales come from the sale of one or more staple foods. Staple foods do not include coffee, tea, candy, soft drinks, snack foods, or certain other ready-to-eat items. Customers can use SNAP food stamps to buy any food item except food that is hot when sold or intended for on-premise consumption. Any food products or ingredients



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...The Last Word continued

are eligible to be purchased with SNAP vouchers. However, customers cannot use SNAP food stamps to buy non-food items like alcoholic beverages, cigarettes, vitamins, medicines, pet foods, soap, cosmetics, laundry products, paper goods, or other household products.

WIC is a much more limited program that applies only to women who are pregnant, breastfeeding, or just had a baby, children under 5 years old, and some families with low to medium incomes. The WIC guidelines are strict, and are made up of several different healthy standards for products like breakfast cereal, milk, vegetables, fruit, peanut butter, and other foods. The Hawaii WIC program authorizes a limited number (150) of WIC vendors. Vendors are approved based on competitive prices, stock requirements of WIC-approved foods, and business integrity. Vendors must already be approved for SNAP and be in good standing with the program.

Recent legislation aims to prevent convenience stores from accepting SNAP or WIC vouchers at all because of the perception that they only sell junk food. Other legislation aims to make SNAP cover only the foods allowed under the WIC program, which would drastically limit the types of foods available to be purchased with SNAP food stamps. The industry and anti-hunger groups have opposed this legislation because it limits choice and availability of food for low-income individuals.

It is highly recommended that stores keep up with the exact regulations and in-store signage required by both SNAP and WIC in order to ensure that they do not warrant a "high risk" designation, which means that the store will have to re-apply every year for a permit instead of every five years. Stores may be flagged as "high risk" if the store's location has been disqualified in the past (most likely for trafficking); there is a permanently disqualified person who works at the store; there is a high-risk redeemer; or the store is in a high-risk zip code. It is also recommended that stores not submit their application for SNAP or WIC if they do not expect their store to open within the next 30 days or if they have not already stocked their stores with the necessary items. Stores should also be aware that they are responsible for training employees on how to properly redeem SNAP and WIC and must keep records that they provided this training to employees. If a store is caught selling ineligible items three times during sting operations, they will risk having their SNAP and WIC permit revoked.

Disaster Preparedness – Improving Your Planning!

We suggest that you seriously evaluate what potential natural disasters could affect your business and develop a specific plan for each threat. Your plan should include who makes the bottom line decisions and who takes the leading role regarding implementation of each step of your plan.

Ensure that your team is ready to implement the steps of your plan, and assess potential variables in order to include back-up solutions. The safety and security of your team members and consumers should always be the top priority. It is recommended that disaster plans should look to protect people, reputation, brand, trust, finances, shareholder values, and business operations. Experts note that once you have 40 to 70 percent of the information about a disaster, you need to make a judgment call because if you wait until you have all of the information, it may be too late.

HFIA looks forward to bringing educational speakers to you that will help you and your company address our changing business climate. I look forward to seeing you at an HFIA event soon and wish you a very happy and safe holiday season! Don't forget to save the date for HFIA's Annual Social at the Honolulu Country Club on Thursday, January 16, from 6:00 to 9:00 pm! 🍷



LATE BREAKING ANNOUNCEMENTS

HFIA warmly congratulates Charlie Gustafson on his promotion to Vice President of Operations and General Manager of Tamura Super Market.

Hawaii Food Industry Association Hall of Fame Lifetime Achievement Award

In June 2014, the Hawaii Food Industry Association will induct its twelfth member into the HFIA Hall of Fame.

The individual(s) who will receive this honor will have distinguished themselves by having made significant contributions in their respective fields, and will have achieved much over the course of their lifetime. We will commemorate their induction during our 2014 HFIA Annual Convention at the J.W. Marriott Ihilani Resort & Spa to be held June 12 to 15, 2014.

The HFIA Hall of Fame Committee is now accepting nominations for the 2014 HFIA Hall of Fame. Completed nomination forms must be submitted by January 5, 2014 to be considered. The complete nomination form and criteria for eligibility can be downloaded from the HFIA website at www.hawaiiifood.com. Please send your completed nomination forms to HFIA either by email to Laurenzirbel@hawaiiifood.com or by facsimile to (808) 791-0702.

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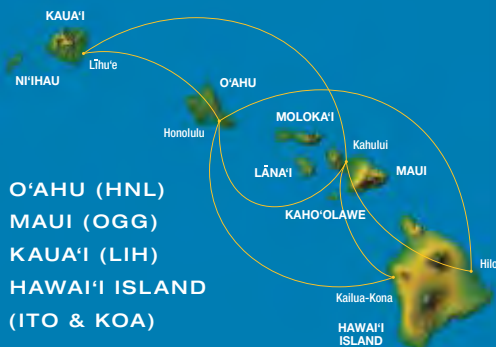


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