

A man with a mustache and glasses, wearing a black Hawaiian shirt with green palm leaves and light-colored trousers, stands in a modern building atrium. He is holding a dark red briefcase. The background features a large, curved, multi-level structure with a blue and white patterned ceiling and a white railing.

Hawaii

Retail Grocer

the magazine of the hawaii food industry association

Botti Double

One Man Packs an
Impossibly Full Career

ALSO

HFIA Connects at the Capitol on Ag Day

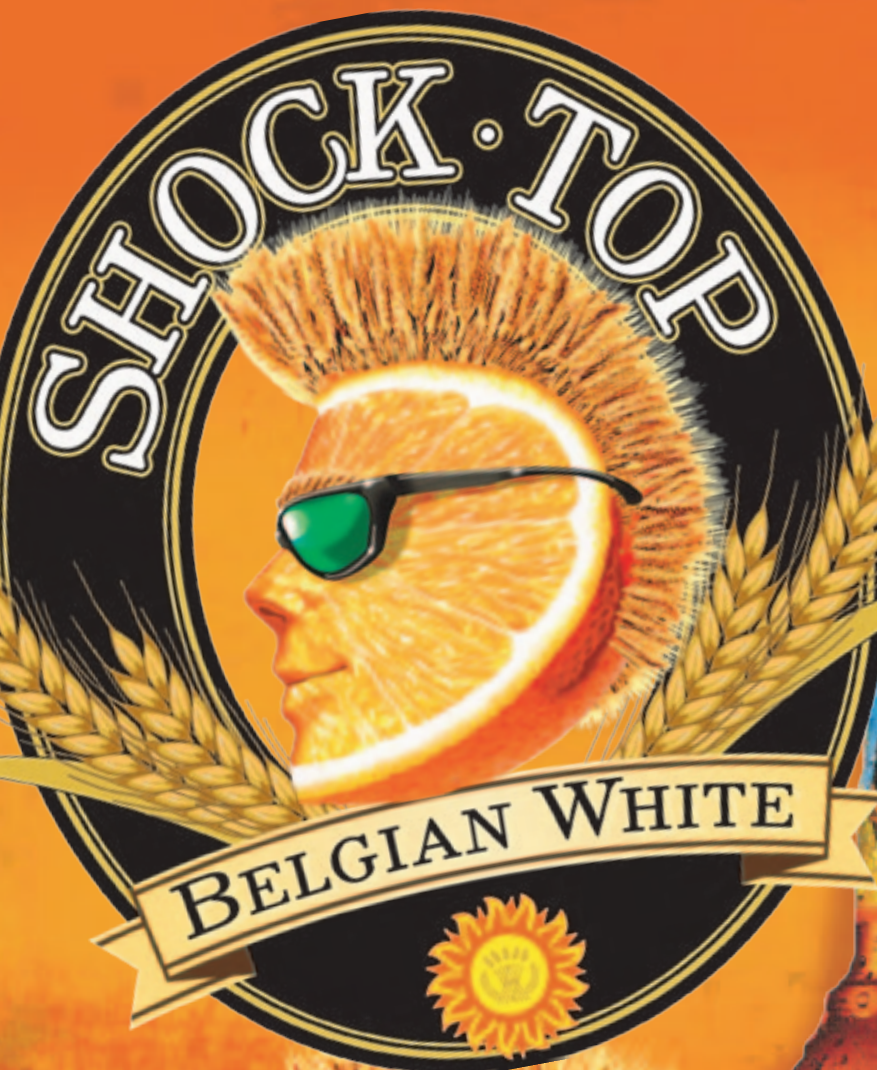
Kurisu's Vision Bigger Than Big Island

A Bedrock Social

Golf Tourney Heads Ewa

LIVE LIFE UNFILTERED

Enjoy One Today!



The Chair's Message

BY BONNY AMEMIYA



Faster than a speeding bullet. More powerful than a locomotive. Able to leap tall buildings in a single bound. Look! Up in the sky! It's a bird. It's a plane. It's Gary Hanagami!

Welcome to the inaugural edition of *Hawaii Retail Grocer*, the magazine of the Hawaii Food Industry Association that sports a new name, a brand new look, and new content. You'll find that these are just a few of the exciting changes underway at HFIA as we work toward building a more vibrant and relevant trade association. Since his start date on January 1, Gary has been busy working on a wide variety of HFIA initiatives, and his enthusiasm for the work that he's doing is not only refreshing, it's contagious!

One of the goals last summer was to evaluate where HFIA was in relation to its mission. We conducted a strategic planning session and set our priorities on improving the efficacy of HFIA by increasing member engagement on legislative issues. When Dick Botti retired and HFIA's contract with LISH came to an end in December, we engaged the services of Lauren Zirbel as our lobbyist and established a forum for a "legislative roundtable" to foster discussion and gain member input on bills moving through the legislature. Through biweekly conference calls, Lauren and Gary have been leading participants through a number of drafts, gaining input, and communicating with state legislators through meetings and testimony. This new process will continue to be refined, but overall, it has been a great first step in creating more meaningful opportunities for our members to be informed and involved in the decisions that affect them. An informed membership that can and will take action is powerful. It is an essential building block in effective representation of the collective interests of our food industry retailers and suppliers across the state.

Education has also been a top priority, and the Western Association of Food Chains (WAFC) has endorsed a Retail Management Certificate Program offered through Leeward and Kapiolani Community Colleges to provide employees with the critical skills essential to maintaining a competitive workforce in the industry today. The structured, 10-course curriculum focuses on core competencies and teaches business-relevant skills in human relations/leadership, retail management/merchandising, business communications, computing literacy, and financial accounting. Safeway, Foodland, and Whole Foods have been early adopters. They have found that employees who participate are immediately applying their newfound knowledge to their work. How great is that? The program is not only recommended for retailers, but wholesalers, suppliers, brokers, and manufacturers as well. For more information on the program, see page 7 in this issue.

Since the new year, we've conducted a variety of other activities:

- Annual HFIA Social—"Ya Bud Da Bud Do!" (See

page 26.)

- 18th Annual Fundraising Golf Tournament (See page 28.)
- Ag Day at the Capitol (See page 14.)

In the weeks since the devastating earthquake and tsunami in Japan, we've witnessed an unprecedented outpouring of support from Hawaii residents and businesses. Our cultural and emotional ties to Japan are undeniable, and are at the heart of why this tragedy has affected many so deeply. If you're like me, you've been asking yourself, "How can I help?" Several HFIA members have already launched their own Japan relief fundraising efforts, but if you are looking for a program to activate, Roy Ishihara of Marukai and Stan Brown of ConAgra Foods are spearheading the "Aloha For Japan" relief effort for HFIA members. It's a wonderful opportunity members and their employees to join together for a tremendous cause. (See page 12 for more information.)

Our annual HFIA Convention is right around the corner, and you'll want to register and book your hotel room before the May 6th deadline! As you may know, the Convention is a tremendous opportunity to share ideas and conduct business while having a little fun and relaxation. The Convention Committee, led by Jay Higa of the *Star Advertiser*, is working hard to provide a special experience for everyone. On Friday, June 10, we'll kick off the Convention with a tournament at the new Ernie Els-designed Hoakalei Golf Course. That night promises to be lively one (bring your dancing shoes), and don't forget to join us in the Hospitality Room! The Saturday morning General Membership Meeting starts early to get through the business agenda, and will conclude with UH Men's Basketball Coach Gib Arnold, who will reflect on his program's first year and how he plans to build it for the future. Board Members should plan on attending a brief meeting immediately after to vote in a new slate of officers for 2011-2012. And that's only the first half! Please contact Paula Aono at the HFIA office for all convention information and to reserve your spot today!

Finally, while I started off espousing the enthusiasm and energy of Gary Hanagami, I find that I am continually impressed with the depth and breadth of the expertise and experience of our membership. Though we represent a diverse group representing multiple products and segments of the industry, whether retail, wholesale, broker, or manufacturer, and operating within unique island communities, we each play an important role in bringing food and beverage products to Hawaii consumers. Our members work tirelessly day in and day out to deliver the best products and services to their customers, and then turn around and generously invest even more time, energy, and resources in supporting their communities. We are so fortunate to have each other as business partners, and I can think of no better group of people to serve.

A hui hou!



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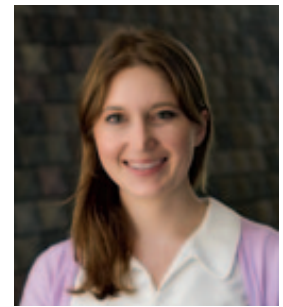
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Legislative Update

BY LAUREN ZIRBEL



This has been an extremely trying legislative year for the Food and Beverage Industry. The 2011 legislative session demanded the full attention of our retailer and supplier coalition, which is comprised of Barry and Toby Taniguchi of KTA Superstores; Bruce Yokochi of Tamura's; Joe Detoro of Foodland; Mark Fergusson of Down to Earth; Mike Walters of Love's Bakery; Paul Kosasa of ABC Stores; Alan Nakamura of Tesoro; Bob Gutierrez of PAQ/Time's; Bonny Amemiya of Anheuser-Busch; Stan Brown of ConAgra Foods; and Susan Houghton of Safeway. At this point in session, we are hoping that stalled bills remain stalled and amended bills remain amended so the Food and Beverage Industry can live to tell our war stories and fight another day!

Soda and Liquor Taxes – Devastating to the Beverage Industry in Hawaii

Our new governor opened the legislative session with a bang—declaring that he planned to balance the budget, in part, by taxing sugar, sweetened beverages, and liquor. Needless to say, the beverage industry in Hawaii was uneasy, especially given that the industry was just beginning to recover from a devastating recession and learning to cope with the lost sales caused by the bottle bill.

Despite this, session has progressed rather well. Representative Ryan Yamane, Chair of House Health, refused to hear the soda tax bill. Senator Josh Green, Chair of Senate Health, deferred the soda tax in his committee twice. Both the Senate and the House moved liquor tax bills through crossover. Representative Marcus Oshiro, Chair of Finance, reduced the liquor tax from 50% to 20%. Senator David Ige, Chair of Ways and Means, blanked out the percentage of the liquor tax and made comments that he was worried about job losses resulting from the liquor tax bill and that he was generally not extremely supportive of the measure.

HFIA is especially grateful to Senator Rosalyn Baker, Chair of Commerce and Consumer Protection, for killing the House version of the liquor tax by holding the bill in her committee. The only bill left standing of these two high priority administration issues is the Senate's version of the liquor tax. This bill passed the House Finance committee and will go to conference.

Plastic Bag Issues – They Never Get Old

Other high profile bills that HFIA is involved in will deal with an issue I never tire of: plastic bags. At the onset of session there were numerous plastic bag ban bills and numerous fee bills. HFIA voted to support plastic bag fee bills as a way to offset the cost of being forced to buy paper bags for Kauai and Maui retail stores. As we all know, paper bags can cost as much as 10 times more than plastic bags. And as has been shown many times by mainland cities and repeated here in Hawaii, when plastic bag bans take place, it does nothing to encourage reusable bags, but simply forces retailers to eat hundreds of thousands of dollars in increased expenditures.

Based on these facts, HFIA opposed plastic bag bans while supporting a fair fee for all single use bags to accomplish the goal of increasing the use of reusable bags. All plastic bag bills are currently stalled. The fee bill HFIA supports is still moving forward and needs to be heard by the House Finance Committee. HFIA attempted to make clear in the last hearing that the retailer must receive at least 2 or 3 cents in order to cover the cost of implementing the new receipt printout layout and cover the cost of increased checkout times due to counting the fee at the point-of-sale.

Unfortunately, the committee decided to give retailers 20% of the fee, while reducing the fee to 5 cents. One cent is not adequate; however, we are hopeful that the issue can be resolved in conference committee or in the House Finance Committee. HFIA supports the Senate version of this bill.

Thankfully, and most importantly, this fee bill includes both paper and plastic, which will go a long way towards parity, and will reduce the amount of waste produced by the transportation of groceries too and from people's homes.

All the Stalled and Amended Bills Along the Way – Here is the Short List!

HFIA has successfully stalled and positively amended many bills which would have negatively affected our industry.

HFIA amended legislation that would have made all drugs with pseudoephedrine require a prescription. HFIA supported and helped to implement amendments which made the bill very similar to our current reporting requirements—yet provide real time data to law enforcement. Software will be funded free of charge by the OTC drug companies.

HFIA helped to stall a bill which would have removed the exemption for dietary supplements, hard spirits, and wine containers from the deposit beverage container program. This bill would have resulted in increased administrative burdens and costs.

HFIA aided the effort to stall a bill which would have required foods sold in the state that contain genetically engineered material to be labeled with a disclosure notice. This bill would have been nearly impossible to implement because it is not viable for the retailer to determine whether or not a product is genetically engineered. This may have resulted in unfair fines imposed on retailers.

HFIA also contributed to the stalling

of a bill which would have prohibited the sale of genetically engineered fish or genetically engineered fish products unless those products were labeled as genetically engineered fish or fish products. This bill has similar problems to the bill discussed above and would have placed a huge burden on any store with a poke counter—not to mention that many frozen fish products sold at retail contain genetically engineered fish, yet are shipped from states that do not have this labeling requirement.

HFIA was instrumental in stalling bills that would have prohibited the sale of raw fish that is treated with carbon monoxide or other gas to preserve color or texture, and bills that would have banned the manufacture, sale, delivery, holding, or offering for sale any food containing any aspartame.

HFIA had a hand in stalling yet another attempt to require retail stores to be trash centers for HI 5 products. This bill has serious sanitation and space restriction problems. We also played a part in stalling a bill that would have required milk beverages to be labeled

with the date of pasteurization or the date of packaging. This bill would have been very difficult and costly for manufacturers and retailers to implement.

HFIA also stalled legislation that would have established a 5 cent surcharge on deposit beverage containers to be used by the Department of Education.

The Local Home Stretch

We aren't out of hot water just yet! The legislature is still hurting for money, with current budget shortfall projections of \$1.3 billion. Fortunately, if we hold together as an industry and activate our consumers, we can avoid having the budget deficit pawned off in one of the most regressive and unfair ways imaginable—by increasing the cost of groceries.

We know that the general public and consumers are on our side. They have spoken loud and clear – they don't want the legislature “nannying” their food and beverage preferences with taxes and bans and they don't want to pay more to feed their families. This is a strong

message and it will be appreciated by the legislature if we all continue to express it clearly and powerfully.

The National Scene

Swipe fee reforms are being fought at national and local levels. At the request of both the Food Marketing Institute (FMI) and the National Grocer's Association (NGA) urging support for swift passage of the Durbin swipe fee reforms for credit/debit card sales, a number of Hawaii retailers “voiced” their support in emails and phone calls to our congressional delegates.

The battle is still raging with the powerful financial institutional lobbyist working hard to delay passage for up to two years, which will result in higher fees to you for these transactions. The financial lobbyists have brought the battle to the local level, urging governors of each state to support the delay. HFIA has voiced our support of the Durbin bill with each congressional delegate and our governor. We ask you to do the same if you have not already lent your support.

SAFEWAY 

**Proud Member of
The Hawaiian Community
Since 1963!**



SAFEWAY
Ingredients for life...

Turn Food Fanatics Into Trip Influencers

PHIL LEMPERT, SUPERMARKET GURU, EDITOR IN CHIEF, FACTS, FIGURES & THE FUTURE



Plenty of supermarkets have food fanatics in their shopper base. Alert store managers can spot them pretty easily. Their purchase patterns give them away. So do the departments they frequent and the experts (butchers, seafood mavens, deli chefs, sommeliers) they ask for advice.

Food fanatics leave a map of their interests on the selling floor. This tells retailers a lot about foods that excite them. Use these insights to create special experiences and custom offers that distinguish your store and build loyalty—along with trip frequency, transaction size, and word-of-mouth buzz.

Think one-to-one marketing to food fanatics, whose desire to eat

specific items can drive full-margin sales. What should a full-scale blitz to court them include? How about:

- Engaging them on Facebook and Twitter with discussions about some of their favorite foods, including novel ways to prepare and serve.
- Special tastings of new products that go well with some items they buy—so they can be among the first to talk about them.
- Custom coupons with deep savings on favorite items or accompaniments to these items.
- A special “food fanatic” tier on the loyalty card, which can earn them special instant savings sometimes, or the privilege of an open, speedy

check lane just for them.

- Contests to win meals and meet-and-greets with celebrity chefs at their restaurants.

Food fanatics like to be thought of as food leaders. Ideas like these could get them talking, blogging, and telling the world about their special fondness for a supermarket that plays to their food passions.

Now think of all the narrower kinds of food fanatics populating stores today. Dessert fanatics. Chocolate fanatics. Organics fanatics. Cheese fanatics. Dig deep for their motives and purchase drivers, and begin on a 10-step approach to court each of them and benefit from their leadership.

Supermarket Savvy...

Others call it the School of Grocery. We call it the **Retail Management Certificate Program**, a business course curriculum essential for advancement in the food industry. Designed by the Western Association of Food Chains (WAFC), the Retail Management Certificate Program is a 10-course business curriculum available from Leeward Community College and its sister 11-course program at Kapiolani Community College. Program features:

- Enhances personal and professional growth aspirations for food industry retailers, wholesalers, suppliers, brokers, manufacturers, as well as those who are interested in learning the core competencies required for success at the managerial level.
- All courses are accredited and nearly all transferable to a 4-year college or applicable Associate's degree. Participants receive a certificate upon completion of the course work from WAFC.
- Both classroom and online classes available, with special cohort program available for off-campus instruction. (Minimum of 20 students.) Also available at over 160 colleges or satellite locations in 10 states, including Hawaii. Courses are structured in phases.

RETAIL MANAGEMENT CERTIFICATE PROGRAM

"Ongoing education is essential to advancement in our industry today."
—Joe Detro, Sr. VP, sales & operations, Foodland

For more information, please call:

808-735-7237 (Joe Detro, Foodland) or
808-533-1292, ext 1 (Gary Hanagami, HFIA)

Baskets Keep Getting Smaller at Larger Stores

TODD HALE, SENIOR VP, CONSUMER & SHOPPER INSIGHTS, THE NIELSEN COMPANY

Recent news articles have suggested that the trend of U.S. consumers making more frequent shopping trips but buying less each trip was new, a result of the continuing tough economic conditions and a desire by consumers “to keep cash on hand.” At Nielsen, we’ve taken a deeper dive into the issues, specifically for small and large trips within specific retail channels and consumer segments.

Driven by affluent consumers, small trips to the big-box supercenters and club retail channels have increased. On the flip side, while smaller trips are of greater importance to the grocery, drug, convenience/gas, and dollar channels, larger trips are gaining ground. There are differences across income classification, providing opportunities for retailer/store-specific and consumer segment trip-type solutions.

Looking at differences in trip capture across retail channels, Nielsen’s research reveals insights that quantifies the categories that are strong drivers of certain trip types and identifies the categories that are likely to be included in those shopping trips.

In this current work, shopping trips are segmented into four types:

- Immediate: Low-value, instant-need driven baskets with an average basket ring of \$15 per trip
- Fill-In: Slightly higher value baskets averaging \$51 per trip
- Routine: Weekly, high-value shopping trips averaging \$98 per trip
- Stock-up: Large trips averaging \$242 per trip

It’s All About the Size of the Basket

Looking at how Americans shop, the vast majority of trips (82%) are smaller—either immediate need or fill-in trips. Larger basket trips are more important for the affluent, but smaller trips are important to all income groups. That said, smaller immediate trips declined slightly in importance from 2008 to 2010, losing 1%, while the other three categories rose, led by fill-in trips, which went up 0.7%.

Who’s Buying What Where?

To get a better sense of what exactly is happening in the marketplace, it is useful to look at the trends by retail



channel and across demographic segments. For example, in Supercenters, immediate and fill-in trips have gained in importance over the past two years, while routine and stock-up trips declined. In Dollar, basket size increased, but the immediate trip type continues to dominate.

Looking at trends by household income, affluent consumers (\$100K+) increased the percentage of smaller trips within supercenters and club stores, and drove more frequent and larger trips in smaller formats such as drug, convenience, and dollar stores. Middle income (\$50K - \$69.9K) shopped less frequently overall while increasing their trips to value-centric supercenters and dollar stores. Households earning less than \$20K made drastic cutbacks on small grocery trips,

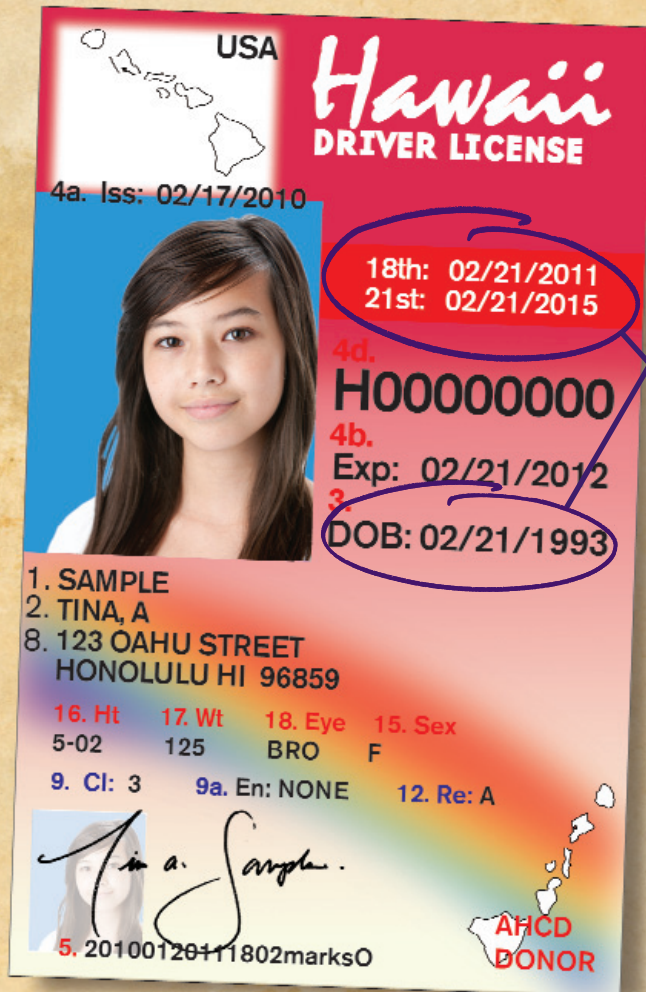
while increasing larger grocery and club trips. This may be indicative of pay period buying behavior. This income group shows big drops in larger supercenter trips and softness in dollar store trips.

Nielsen identified the types of shopping trips U.S. consumers are making to not only demonstrate the importance of the immediate or quick trips, but to also identify the types of shopper missions consumers are making based on the composition of their shopping baskets. Food-dominant missions, while driving fewer trips, account for the largest percentage of dollar sales.

The takeaway smaller immediate trips continue to capture the greatest share of Americans’ shopping trips. The interesting trend, though, is how the smaller trip is gaining in importance at the larger formats such as supercenters (which have seen an erosion in larger trips over the past two years), while formats such as grocery are seeing increases in larger trips. There are differences across income groups, with more affluent consumers hitting the big-box retailers for more immediate needs, and trip compression among lower income consumers.

From beer or milk runs to large stock-up food trips, Nielsen’s findings isolate opportunities for retailers and manufacturers to collaborate on the right store layout, assortment, and promotional support to attract consumers who are in need of solutions to fulfill their unique shopper missions.

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The Fed and Food Prices

PHIL LEMPERT, SUPERMARKET GURU, EDITOR IN CHIEF, FACTS, FIGURES & THE FUTURE

Should the United States curtail its food export and step back from its role as a significant feeder of the world in order to help control domestic food prices? Facts, Figures & the Future isn't advocating this. We believe it would be socially, economically, and strategically irresponsible of the U.S. to stanch its flow of food to countries and people who need and demand it.

But recent Congressional testimony by Federal Reserve chairman Ben Bernanke prompts questions of what our nation's position on food and commodity exports should be going forward, and how they should be managed, given the intense price pressures that are beginning to hit American families hard in 2011.

Bernanke specifically pegged "increases in commodity prices in recent months [to]...rising global demand for raw materials...coupled with constraints on global supply in some cases," the *Christian Science Monitor* reported.

That could serve as a call for the U.S. government, the food industry, and farmers to assess export and energy (ethanol) policies. Major grain-importing nations such as Egypt, Saudi Arabia, and North Korea are already setting up more storage silos and expanding strategic stocks, having seen "the role played by record food prices in political upheaval in the Middle East and North Africa," according to Reuters.

The effect of this strategy: major exporting nations are expected to hold 30.6% of the global total of grain (104.5 million tons) at the end of the 2010-2011 season, down from 40.5% a year ago, the International Grains Council

estimated, said Reuters. And China is expected to hold 114.6 million tons, added the intergovernmental body.

Is the U.S. so distant from the possibility of social unrest if food prices were to pass a breaking point for millions of households? Are our worldly ambitions crowding out a need to be as economically benign to our own population as possible? Don't we need food security too?

The global food price index set a new record of 236 in February, announced the Food and Agricultural Organization. This is well above the average of 200 during 2008, "when soaring prices sparked rioting and food export bans in some developing nations," said *The New York Times*. The index reflects sugar, cereals, oils, meat, and dairy product prices, and it has risen for eight successive months, it added.

One bright spot is that bullish times for commodities exports are good for America's heartland economy. Bloomberg reported in late 2010 that the North Dakota unemployment rate was a mere 3.7%, a fraction of the overall U.S. rate. It also quoted the U.S. Department of Agriculture's chief economist that demand by China and Russia could drive U.S. farm shipments in 2011 to surpass the record \$115.3 billion level of 2008.

Yet, by pinning higher U.S. food prices to global demand, Bernanke is throwing up his hands and saying his office has no sway—even though he knows a weaker dollar does affect export prices, and he may suspect we could export more strategically too.

DOT...DOT...DOT...

A Collection of Local & National News & Views...

ROY ISHIHARA/MARUKAI WHOLESALE MART & STAN BROWN/CONAGRA FOODS are leading HFIA's "Aloha For Japan" effort... many of our retailers (**Marukai Wholesale Mart, Foodland Super Markets, KTA Super Stores, Safeway Hawaii, Don Quijote**, to name a few) have initiated their own programs to aid the victims of the March 11th Japan earthquake and tsunami... Roy and Stan unveiled another avenue for HFIA members help in conjunction with the **Japan-America Society of Hawaii**... Please contact **Roy, Stan, or Paula Aono** (808-533-1292, ext. 2) if you have any questions or need details on what you can do to spearhead your company's collection efforts...

SAFeway is on the move...with a recent groundbreaking for their Beretania and Piikoi street megastore. Safeway

reportedly will shutter their current Beretania & Pensacola store and move a block east. They also... held a grand opening for their Hilo store... Safeway is testing their "deal match" coupon redemption program... Oahu stores are the only stores nationally where it's available. This e-marketing program is web-only, and eliminates clip and carry coupons, price matching others' advertised prices, including private labels... **Western Area Food Chains (WAFC)** recently held their annual convention in Hawaii again... Great to see former Hawaii general manager **Karl Schroeder**, now Northern California division president and outgoing WAFC president/chairman... Karl served as **Rainbow Fever** co-chair for two years during the mid-1990's...

DID YOU KNOW... that collectively, Hawaii farms are ranked the third

highest state for renewable energy production, only behind California and Texas? (**Hawaii Department of Agriculture** Farm Facts 2009 On-Farm energy production report.) Way to go, farmers...

DOWN TO EARTH, all vegetarian, all natural, all the time... is growing, adding its sixth store in the Kapolei Commons Shopping Center this July... Remodeling is also scheduled for their Pearlridge store this fall and for Kahului next year. According to **Mark Fergusson**, chief vegetarian officer (CEO/CFO), the Kapolei store will have a first-class kitchen for their signature all-vegetarian deli, made-to-order sandwich menu, and fresh grab-and-go options... It will also have a Lifestyle Center where the company's *Love Life!* Community Outreach Team will provide free cooking classes and

Excellence

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The pursuit of excellence begins with a vision of what can be. It's the inspiration behind every organization whose dedication to innovation and passion for performance help our communities thrive.

The people of the Altria family of companies salute Hawaii Food Industry Association for creating new possibilities and transforming a vision into action.

To learn more, please visit altria.com



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40,000 7-ELEVENS AND COUNTING... as reported in CNN Money (2/25/11)... furthering its claim of having more outlets than any company in the world... At last count, there were 56 in Hawaii... Horizontal growth is not their only focus, according to a company spokesperson, with their reexamination of... "every food item that we sell today. That food needs to be better than what you expect in a convenience store" ... They have a food-service growth target of 10% for 2011...

FRITO-LAY'S push into all natural...

the U.S.'s largest seller of salty snacks announces its intention of making half its snacks sold in the U.S. using only natural ingredients. A recent **Wall Street Journal** article by **Mike Esterl**, noted that while the FDA acknowledges most natural foods are processed, it doesn't object to "natural" labeling providing there's no added color, artificial ingredients, or synthetic substances... The push behind the change?... "All natural products represent only a fifth of the \$15 billion annual U.S. savory snack sales... but grew an average of 14% over the past two years, compared with 4% for the category as a whole"... Let the [natural] chips fall where they may...

DID YOU KNOW... that eggs now have less cholesterol?... According to new data from the **USDA**, the cholesterol content in eggs have dropped... Currently, a large egg has 185 milligrams of cholesterol, or less than 12% of what it had in 2002... That same egg also contains 41 IU of vitamin D, an increase of 64%... What came first...less cholesterol or more vitamin D?...egg lovers will be fit to be fried...

SINGHA North America appointed **Southern Wine and Spirits Distributors...** as its Hawaii distributor for its beer... recently named "Best Asian Beer" by the **American Tasting Institute**, as well as receiving top awards from Belgium, Spain, and Australia... On their April 9th launch, they brought Thailand's "Full Moon Party" to the Crazy Box Lounge at The Edition Hotel... with music, dancing, fire dance display, and fire rope stunts from 8 PM to 3 AM... by the time you read this, most of the partygoers will have recovered ...

DID YOU KNOW... that your higher potential employees could enroll in a 10-course **Retail Management Certification** college curriculum course?... The certification comes from the **Western Association of Food Chains** (WAFC) and is available at several community colleges... a number of our retail members have nearly 40 associates enrolled. The program is not exclusively for retailers... several **HFIA** suppliers may enroll key employees... for details, contact **Joe Detto**, **Foodland Super Markets**, (808-735-7237) or **Gary Hanagami** at HFIA (808-533-1292, ext. 1)...

It Starts With Aloha.

The recent earthquake and tsunami has caused unimaginable devastation and loss in Japan. A half a million people are homeless and living in shelters. Resources are overwhelmed. HFIA members can help.

- A statewide relief effort has been organized by Hawaii business leaders, the Japanese American community, Lt. Gov. Brian Schatz and Japan Consul General Yoshihiko Kamo.
- HFIA is joining this effort with a coalition of manufacturers, brokers and vendors to create a promotional offer for retailers for selected products via shelf signage during the month of May. Suppliers will provide a case allowance that will be accrued and paid to the "Aloha For Japan" fund.
- HFIA members can also opt to conduct in-house donation campaigns during May at their own discretion.
- For more information, call Roy Ishihara at Marukai Wholesale Mart, **808-341-6442** or Stan Brown at ConAgra, **808-254-3699**.

ALOHA
FOR JAPAN

New Members

TOMRA NORTH AMERICA

PROFILE: Tomra North America, a Norwegian company, is a manufacturer and distributor of reverse vending machines, or RVMs. These are the machines into which you insert HI-5 recyclable containers and get money *back* for a change. “We’ve seen an improvement in litter and an 80% redemption rate since the bottle bill passed,” says Tomra sales rep Ronald Bailey.



REASON FOR JOINING HFIA: Bailey is a local boy who’s familiar with other distributors here and hopes to network.

UNIQUE TO THE COMPANY: A subsidiary of Tomra is Orwak, a Swedish company that manufactures and distributes single phase, 110-volt cardboard balers with a small enough footprint to fit in the back room of virtually any business.

LOCATION & SERVICE AREA: Most of its U.S. business is on the East Coast. The company came to Hawaii in 2005 when the bottle bill went into effect.

CONTACT INFORMATION:

Ronald Bailey, Sales Representative
Ph: 808-292-9927; Email: Ronald.Bailey@tomrana.com
Mailing address: P.O. Box 893637; Mililani, HI 96789

R.J. REYNOLDS TOBACCO COMPANY

PROFILE: The R.J. Reynolds Tobacco Company of Winston-Salem, North Carolina, is the second largest tobacco company in the U.S. Its most popular brands in Hawaii are Camel, Kool, and Pall Mall. It is also known for Grizzly, a long-cut moist tobacco.

REASON FOR JOINING HFIA: Local account manager Bert Ikemoto is interested in getting into lobbying to get his industry’s issues heard—and to meet others and network through HFIA.

UNIQUE TO THE COMPANY: An innovative company, RJR was the first to bring authentic Swedish snuz to the U.S., selling it refrigerated. A big innovation is Camel Crush, a non-menthol cigarette with a 100% Asian mint capsule embedded in its filter. Just “squeeze-click-change” and you have an instant menthol cigarette.

LOCATION & SERVICE AREA: Western states, including Hawaii.

CONTACT INFORMATION

Bert H. Ikemoto
Email: ikemotb2@rjrt.com; Cell: 808-386-9318
Facsimile: 336-728-8012

ALTRES STAFFING

PROFILE: Altres Staffing is a kamaaina company founded in Honolulu in 1969. It is the largest staffing company in Hawaii with over 100 employees, including over a dozen recruiters. All its resources are local, on the ground, and ready to service clients.

REASON FOR JOINING HFIA: Many Altres clients are HFIA members, and the company wants to track the pulse of the



industry. Altres gives clients total control of staffing needs, depending on trends.

UNIQUE TO THE COMPANY: Altres provides staffing services in four specialized divisions: Office, Industrial, Medical, and Technical. Recruiters are specially trained in their area, knowing a client’s business well to fill very specific needs. Altres also prides itself in finding the right fit for each position, rather than basing decisions solely on resumes.

LOCATION & SERVICE AREA: All of Hawaii’s major islands.

CONTACT INFORMATION

Shani Silva, Manager
Ph: 808-591-4950; Website: www.business.altres.com
Mailing address: 967 Kapiolani Boulevard, Honolulu, HI 96814

ROCKY ROAD PRODUCTS

PROFILE: Rocky Road Products is a full food distribution company that supplies both retail distributors and food service businesses, and represents over 20 product lines, including gourmet items. The company is always making innovative changes, but also believes in the personal service that the business was built on when it was established in 1945.



REASON FOR JOINING HFIA: EVP Kyle Nitta knows that keeping up with trends will help Rocky Road in a tough economy.

UNIQUE TO THE COMPANY: Many remember Rocky Road Eggs, sold at markets until the early 2000s, before the company diversified into other products. Its farm was located in Waialae Kahala, and moved to Waiamanalo in the early 50s. It was at about that time that Wallace Nitta became the first to sell fresh bagged chicken.

LOCATION & SERVICE AREA: Statewide

CONTACT INFORMATION

Kyle Nitta, Executive Vice President
Ph: 808-259-7911; Email: knittarockyroad@hawaii.rr.com
Mailing address: 41-520 Hihimanu St., Waiamanalo, HI 96795

HFIA Connects at the Capitol on Ag Day

BY JASON Y. KIMURA

By midmorning, people, tables, and displays were beginning to congregate on the fourth floor of the State Capitol. By eleven o'clock, things started to literally cook, as some heated up portable cooktops and frying pans. Others produced drinks, cartons of vegetables and fruit, and even ice cream. It was Ag Day at the Capitol. Event organizer Dale Uno of the Office of Senator Clarence Nishihara, chair of the Agriculture Committee, reported that there were 50 vendors occupying 80



Bob Kline and Cajo Cabato, Jr., of Hawaii Foam Products, LLC

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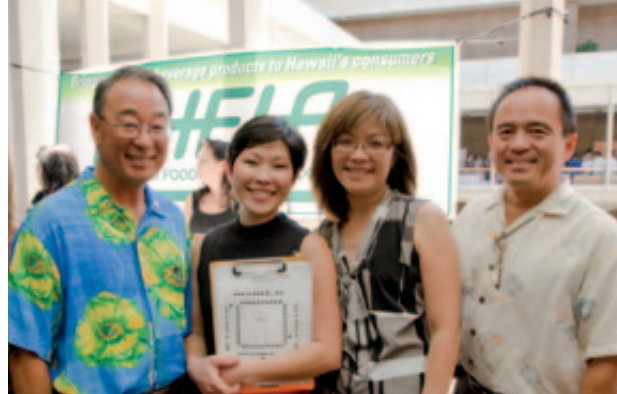
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Gary Hanagami, Dale Uno, Office of Sen. Clarence Nishihara, Bonny Amemiya, Anheuser-Busch, Alan Nakamura, Tesoro.

tables covering the entire floor at the March 30 event, which drew hundreds of visitors. The main objective of Ag Day is to educate legislators on what products are grown or produced in Hawaii, helping them make the best decisions to help the local economy.

"The purpose of this event," said Derek Kurisu, executive vice president of KTA Super Stores, "was to have the Farm Bureau, Hawaii Food Manufacturers, Hawaii Restaurant Association, CTAHR (College of Tropical Agriculture and Human Resources) at UH Manoa, and HFIA work together to lobby on important bills." Kurisu was the coordinator, as well as the mover and shaker behind HFIA's participation in Ag Day. In further describing the intention of the event, Kurisu said it was meant to "demonstrate unity and the importance of our organization to legislators." Kurisu further emphasized that, "we want them to know we keep Hawaii fed and have an important impact on our island economy."

HFIA sponsored a string of strategically located tables at the corner near one set of elevators with eight participants: Anheuser-Busch, Hawaii Foam Products, LLC, Kulana Foods, KYD (K. Yamada Distributors), Love's Bakery, Meadow Gold Dairies Hawaii, and Tesoro Hawaii. Although not an HFIA member, Big Island Candies also participated. HFIA took it one step further by pre-selling 200 reasonably priced (\$5) boxed lunches to benefit the Hawaii Foodbank and Hawaii Food Basket. "We work hard to feed even the less fortunate," said Kurisu. "We make food available, affordable, and safe!" The lunches, which were sold out way in advance of Ag Day, included a Hawaiian grass-fed roast beef sandwich with Kolea Farm avocados and Maui onions, served with a Bridge Farm potato salad and Ma'o Farm organic lettuces—all made by chef Edward Kenney of Downtown @ the HISAM Restaurant—along with drinks and dessert. All the labor, food, drinks, and other supplies were provided free of charge by the aforementioned businesses and individuals.

"I think we developed a stronger network and relationship with other food organizations," a satisfied Kurisu concluded of Ag Day at the Capitol 2011.



Ashley Jenkins and Mia Inoshita of Meadow Gold Dairies

KURISU'S VISION Bigger than Big Island

BY JASON Y. KIMURA

If you're a kamaaina, you've probably heard of KTA Super Stores, but the larger majority of locals can't shop at one of their supermarkets regularly. That's because all six of its stores are on the Big Island. But if you ever have a chance to hear Derek Kurisu's business vision and see what they're selling at KTA, you'd likely want a Super Store in your neighborhood.

His vision is: "To have products from Hawaii available throughout the world." If you do have a KTA Super Store in your neighborhood, you have available to you some of the best Hawaii has to offer in livestock and produce. Strongly supporting foods grown in Hawaii with local pride and sustainability, KTA has its very own label—Mountain Apple Brand®—representing the best the islands have to offer. One of Kurisu's greatest achievements, the Mountain Apple Brand represents the highest quality of products grown, processed, or manufactured in Hawaii. The first Mountain Apple product was fresh island milk. Currently, 80 handpicked, local vendors supply 285 food products at KTA Super Stores, including fresh milk and eggs, range-fed beef, lamb, fresh breads, cookies, coffee, and desserts. Produce includes bananas, Waimea vegetables, bean sprouts, and a variety of pre-cut salads and vacuum-packed vegetables. Representing Hawaii's diversity is a growing list of prepared ethnic foods such as smoked fish, poi, boiled peanuts, tofu, Japanese pickled cabbage, seaweeds, and more.

For [Hawaii] to be more sustainable," says Kurisu, "we have to have local farming." At KTA, 95% of leafy vegetables and 35% of meats are local. For consumers, it's literally farm to table, as many of the products are picked the previous day. "We know all the farmers," explains Kurisu, who personally selects Mountain Apple Brand beef for consistency and quality once a week. "[Our] farmers sell to their friends and family, so we know they are careful."

Before KTA embarked on this major movement, the '69 Hilo High grad—armed with an agriculture degree from the University of Hawaii and decades of experience at KTA—realized there was something missing from the economic equation, because local farmers weren't making money. Kurisu helped create value-added items, such as pickles, meat products (like sausages and lau lau), so the entire crop or whole animal could be sold. It added a whole new dimension to the local farming mix. He envisions a Hawaii isle in *every* supermarket, just as every supermarket currently has "Mexican" and "Oriental" sections.

A successful businessman and community leader, Kurisu



Derek Kurisu, KTA Super Stores

worked his way up at KTA from a part-time courtesy clerk to executive vice president. Between those positions there was stock clerk, frozen food clerk, meat cutter, supervisor, and buyer. In the early 90s, he was handed the heavy responsibility of leading of leading KTA through an economic transformation and diversification.

It was a long time in coming. In the 1970s and 80s, Hawaii's sugar industry was slowly succumbing to international competition. In the late 80s, KTA's then-president Tony Taniguchi, told Kurisu that "when the sugar companies go under, it's your responsibility to help [the farmers]." Kurisu admits thinking that he thought the that the sugar plantations would go on forever. When Taniguchi died before the end of the sugar era, Kurisu felt an obligation to fulfill some of his wishes. Hence, by the time the last remaining sugar plantations had harvested their final crop in 1994, Kurisu was ready to launch the Mountain Apple Brand that same year.

Through KTA and the Mountain Apple Brand, Kurisu has helped farmers get started in business, and helped diversify Hawaii's agriculture industry. Buying locally produced goods and supporting Big Island companies generates jobs, supports the local economy, and helps improve Hawaii altogether, and, as Kurisu likes to say, "brings the goodness of Hawai'i home."

Botti Double

One Man Packs an Impossibly Full Career

BY JASON Y. KIMURA

Dick Botti has retired. At 72, with 40 years of lobbying, business ventures, salesmanship, jack-of-all trade-ism, and 100-hour work weeks behind him, who can blame him? He invented his own legendary career in which he consorted with Hawaii's iconic governor, John A. Burns, and powerful legislators; he put on conventions, established LISH and HFIA, testified over a thousand times at the Capitol, and got numerous bills beneficial to business passed, while killing hundreds of harmful ones. He helped create Rainbow Fever, the Made in Hawaii Festival, and supported laws that made the Hawaii Foodbank possible. True, he's retired from his career (mostly), but that doesn't mean the unretiring Botti has slowed down in mind and spirit—not at all.

Born in Massachusetts, Richard Botti's family moved to California when he was 10. Foregoing a complete college education, he moved to Hawaii in 1968 to take over the state's chapter of the nonprofit NFIB (National Federation of Independent Business). Working on a purely commission basis (he got 70% of dues), Botti, a born salesman, went door-to-door throughout the state, from Kauai to the Big Island and every island in between, to recruit new members and renew current ones. Without enough money to stay at a hotel, he camped out instead. When he had kids, his young sons loved taking turns camping with him on weekends while he made neighbor island sales calls.

The fact that he was fresh off the boat and didn't know a thing about island culture didn't stop Botti. When he called on one of Hawaii's ubiquitous delicatessens with its Japanese name—okazuya—posted



on the building, he went in asking, "Is Mr. Okazuya in?" and drew a buzz of laughter. He tried to be local too, but mistakenly pronounced Mrs. Helen Hale's surname Ha-le, thinking it was Hawaiian.

But sensing that politics was an important avenue, Botti began meeting with Jack Burns, getting involved in local politics, and his feet wet in legislative lobbying. "I just asked," he said simply, when asked how he got a regular audience with the governor. Botti met with Burns at Iolani Palace, where the governor's office used to be located, bringing problems forward and seeking advice.

After two years, the Hawaii chapter of the NFIB had the highest retention rate of any state, and the membership grew from 1200 to 1900 members—which earned Botti an award. "But my boss got mad," Botti recalled, because of his involvement in local politics. According to Botti, the NFIB at the time was interested mostly in national politics, dues, and money. "He gave me my award in a paper bag!" It wouldn't be the first feathers Botti would ruffle.

Shortly after, Botti quit and struck out on his own, taking with him what he had learned from the NFIB's representation of independent businesses and what he thought he knew about lobbying to establish LISH (Legislative Information Services of Hawaii) in 1970. It was a take-off on the NFIB, but offered much more in terms of services. LISH was established to provide small businesses with a way to get information on laws and regulations from one source in an easy-to-understand format. LISH kept members updated with research on new laws and educated members about them, but it also became a multi-organization management company and accepted lobbying contracts that didn't conflict with the interests of business. "I was a bull in a china shop when I started," said Botti, who at first didn't realize that charging headlong to do the right thing as he saw it wouldn't get him very far in the lobbying business. "It took three years to realize I had to play by their rules or not at all." From then on, after learning the subtleties of wining and dining, he became a respected lobbyist.

"Jack Burns and [the late Senator] Nadao Yoshinaga, master of the legislative process, helped Dick understand citizen participation in government," related Honolulu attorney Robert Miller. "Dick was a key component in getting the message [of businesses] to decision-makers." A veteran of the 100th Battalion/442 Regimental Combat Team in World War II, Yoshinaga was known as a volatile, bare-knuckled insider, but he was also considered a visionary, and recognized talent in Botti. Likewise, the late John Ushijima, the cigar-chomping, old school Senate president from 1974 through 1978 and also a 442 vet, mentored Botti because he was a hard worker. He and Ushijima worked to pass the bill that established the small claims court in Hawaii.

One of Botti's biggest lobbying successes was the glass advance disposal fee program of the mid 90s. Glass refuse was melting on the walls of H-Power during incineration and had to be sandblasted off. Wholesalers who sold products packaged in glass were told to come up with a solution, or one would be legislated for them. HFIA supported a half cent tax (which later went up to 1 cent) on all glass at the wholesale level, which successfully took 35 percent of the glass out of the waste stream.



Below: Dick Botti with Governor John A. Burns



Ironically, the glass advance disposal fee later led to the more recent bottle bill, a "solution" he didn't support. The legislature wanted to extend the tax to aluminum and all beverage containers. Botti advanced a 1.5 cent disposal fee, which he felt would have been the best way to solve the issue, but couldn't get a consensus, so Hawaii got HI-5 instead. "I've learned that you can't just go in and kill, kill, kill," he explained. "You have to solve the problem."

At its height, LISH represented about a dozen business associations, including such diverse groups as the fashion industry, gasoline dealers (Botti started both the Fashion Industry and Gasoline Dealers' Associations), publishers, auto body and fender shops, collection agencies, night clubs, and morticians. In addition, LISH took on lobbying contracts from doctors, direct marketing, a pharmaceutical company, and more. But even when LISH was only just beginning to gear up, Botti established the Hawaii Food Industry Association from scratch in 1972. "He saw a need," said Botti's wife Gwen. "LISH was the first. Then HFIA became its flagship organization. HFIA had outstanding people, positive thinkers, go-getters." Originally from the Bay Area, Gwen Botti first met Dick on a blind date in Hawaii Kai while on vacation visiting friends, and will be married to him for 35 years this year. She became involved in almost every aspect of the business, from proofreading to being in charge of the travel program for the Food Marketing Institute Convention in Chicago, Illinois.

When Botti first started HFIA, he got Foodland, Star, Times, and Chun Hoon as a core group, and went to the neighbor islands to recruit other stores like KTA, Big Save, Big Way, Ooka, Noda, Sure Save, and anything else smaller. The first meeting had a rocky start. The date changed because one of the core group execs couldn't make it, and another boycotted the meeting because the date was changed. Then there was the potential for contentiousness

between retailers and wholesalers. Carl “Kini Pono” Hebenstreit, president of Trade Publishing, explains why that’s never been an issue: “HFIA is so vibrant because [wholesalers and retailers] have been able to put aside the [differences between] seller and buyer and work together. [The leadership] rotates between suppliers and retailers by tradition. HFIA has provided an arena where all are equal and where the value of what they bring is what counts. To a large degree, Dick fostered this.” Hebenstreit and Botti go way back, when the LISH/HFIA office was in Kaimuki, and board meetings were held in Dick’s apartment, also in Kaimuki. At the time, Hebenstreit wanted HFIA to be a part of *Management Bulletin Hawaii*, published by Trade for people in different industries; the independent HFIA magazine eventually grew out of the Trade publication.

“Botti’s focus shifted to HFIA after he founded it,” said Paula Aono. Botti hired Aono—his “partner and associate” (and work wife, as Gwen and others call her)—38 years ago, when HFIA was established, and insists he couldn’t have had success without her. “I hired her to do everything—she checked testimony and ran HFIA,” he said. “She has been my guide through local culture and career.” Aono feels the partnership with Botti worked because, “Dick is a hands-on kind of person and easy to work for—he does things with whatever resources are available.” They both just did what needed to be done, however it needed to be done. There was no keeping track of hours.

Those were the fun years, Botti says of the early years of HFIA. “I got to go everywhere,” he says. Back in those simpler days, Botti remembers, the small markets counted their stacks of cash on the back office desk with no security—until robberies destroyed that naïveté. “There were nine or ten members on Molokai,” he said. “It took two days to visit them, and there were four in Lanai City, which took one day.” On Lanai, Botti got a World War II Jeep to use for free from a gasoline dealer who normally rented out his relics. Set to go out on a beach date with Gwen, someone remarked, “I see you’ve got one of Jimmy’s no-return Jeeps.” Sure enough, the couple got stuck in the middle of nowhere when the clutch went out. Fortunately, Dick figured out how to drive the Jeep back to Jimmy’s without a clutch. Nevertheless, Gwen traveled with Dick on sales calls after they were married, but well after the camp-out days.

At one time, there were nine staff members for LISH and HFIA—both sales people and office staff. “LISH did



Dick Botti with office staff.



Botti with Carl Hebenstreit on the USS Bowfin.

everything [for its members]—held conventions, held board meetings, took minutes, did their books, paid bills, answered phones, received faxes...,” said Aono, remembering how hard it was to do everything for everyone. “Dick has tremendous organizational skills.”

For sure, Botti ruffled some feathers along the way, but he maintains that he just told it like it was. Radio personality Hal Lewis, aka J. Akuhead Pupule, got incensed at him for being an insider with gasoline dealers during the 1979 gas crisis, making an on-air pun of “Botti” and “dead body.” And although his initial bullishness at the legislature angered some, Botti smoothed things over. “Dick is a top lobbyist who has maintained

a delicate balance in the political world,” said Hebenstreit. “He fulfilled all his commitments with an unforgiving group.” Hebenstreit also added that Botti has “a wonderful way of putting himself somewhere else,” and not taking things personally, even when someone was being unreasonable with him.

It wasn’t all smooth sailing. When attorney Robert Miller first met Botti in the late 70s, he scared the bejeezus out of him when he subpoenaed retail liquor dealers’ association records and board meeting minutes. Miller was then a deputy attorney general in the antitrust division for the State of Hawaii. The federal government had brought a price fixing case against beer wholesale distributors. The next focal point was the retailers. At the time, Hawaii’s price law did not comply with federal law. Because Botti was also the executive director of the retail liquor dealers’ association, Miller took control of the records. Realizing that the situation was a no-win legal mess, Miller allowed Botti to work out solutions



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that led to legislative reform. "Dick supported an amendment to [Hawaii] law, and made some very strategic decisions to protect both consumers and the industry," related Miller. "He was a very smart cookie, because no individual dealer had an indictment against them." Today, things have come full circle, and Miller serves as general counsel for HFIA. "[Botti] has a perspective that is pro-business and consumer, but not at the expense of the environment," he said. "Lobbyists have a [bad reputation] with the general public, but no one would accuse Dick of being one of those."

Dues were not enough to keep HFIA afloat. "Dick tried to take it easy on every entity by not bleeding them to death," noted Bill Prideaux, founder of Rainbow Sales & Marketing,



Dick Botti, the painter.

who got to know Botti when he joined HFIA as a food broker in its early days. "His dedication to HFIA is unsurpassable. He was dedicated to all the affiliates...he was just that kind of person...dedicated and loyal." HFIA's third president, Woodie Reed of Holiday Mart, came up with a money-making idea: produce customized grocery bags for supermarkets, which would buy five to ten bales each per month. Advertising would be sold and printed on the main panels and public service announcements (PSAs) would be printed on the gussets, or sides. HFIA made over \$30,000 a year on commissions and advertising, and even the IRS wanted to put a PSA on the bag. The idea did well for 10 years, until plastic bags became more popular. Advertising was done on those too, but the program eventually died. "You have to run a nonprofit like a regular business, or it won't succeed," says Botti.

Other ventures didn't directly raise money for HFIA, but brought it recognition. Prideaux and Stan Sheriff, legendary University of Hawaii athletic director, started the now familiar Rainbow Fever program, which raises scholarship money for athletes. Suppliers promoted their products and gave to the program. Consumers bought promoted products and raised money for the program. Rainbow Fever, which was turned into a 501(c)(3) nonprofit, has donated over \$1 million in scholarships to date, and holds money in reserves to perpetuate the fund.

Botti's biggest success is the Made in Hawaii Festival, a brainstorm of Representative David Moriga, whose father, an HFIA member, had a grocery store in Kula, Maui. Nobody

Congratulations,

Dick Botti, on your well-deserved retirement!

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***Thank you Dick Botti
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wanted to take it on because of the risk, so HFIA agreed to do it. “[The board] never turned me down, because I never lost money on anything,” related Botti. The Hawaii-only products exhibition began modestly in 1995 with 84 exhibitors in a small portion of the exhibition hall at the Neal Blaisdell Center. Growing every year, it expanded into the whole exhibition hall, then burst out into the atrium and Arena to become one of the most successful programs in the state, with about 500 exhibitors attracting over 35,000 visitors during the three-day event in 2010. “We purposely maintain a low entrance fee, so visitors can include their family and attend more than one day,” Botti said at a recent Made in Hawaii Festival meeting. He indicated that HFIA started the festival as a means of supporting Hawaii businesses, but it has turned into a small business incubator, allowing very small vendors to make and stockpile a product at home and sell it at the festival. Today, over 1200 invitations are sent to buyers from Hawaii, the mainland, and Japan.

The food retailing industry has been turned upside down more than once in the last three decades, and HFIA has had to learn to survive. Botti thought that 7-Eleven would spell the end of the neighborhood store. Now they are the neighborhood store, and good neighbors too. “Then the big box stores came in,” he recounted. “They don’t join

HFIA because they have their own system. They’re good for consumers, but lower margins often leaves little room for donations.” It really changed the way the food industry operates, says Botti. With everything based on price, there was a tremendous industry consolidation—retailers and suppliers merged, consolidated, sold, or closed shop. (Botti

says the change happening now is high end products coming back stronger, as evidenced by many health-conscious consumers willing to spend more on items such as organics.) “Dues, the Made in Hawaii Festival, the HFIA convention, and golf tournaments have brought in money, but it got tough to balance the budget,” said Botti, who made major budget cuts over the past few years. He did everything and anything to save money, including being photographer,

editor, and writer for the HFIA magazine.

“Dick is off the wall,” said Tyler Ching, adding another dimension to the Botti legacy. Ching first met Botti at the 1975 HFIA convention and served as board president in 1993. He is the son of the late Lindberg Ching, a charter member of HFIA and founder of Lindy’s Foods, a market that used to be in Hauula and Kahuku. “He has a wooden son—and he’s flamboyant. Once he showed up at a convention dressed all in purple—shirt, pants, and socks.” Botti gladly tells anyone



Botti at a bill signing by Governor John Waihee.

Cow-gratulations & Moo-halo!

*Meadow Gold Dairies salutes **Richard Botti** for his years of outstanding service to HFIA and our island community (and Gwen for gracefully sharing him)!*



Service Facts

Serving Size: Honolulu to/from
Tacoma, Oakland & Los Angeles
With reliable service to neighboring islands

Amount Per Serving

Customer Satisfaction	100
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	% Daily Value
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Total Fat 0g	0%
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Budget Fat from Transport 0g	0%
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Reliability*

Tacoma/Honolulu	96%
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Oakland/Honolulu	96%
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Los Angeles/Honolulu	94%
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*Q2 2010 actual on-time vessel performance
based on zero-tolerance through 5/21/10

Local Customer Service	100%
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Shipment Security	100%
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Transit Times: Days to/from Honolulu

Arrives HON**

Tacoma (Sun)	7 days
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Oakland (Sun)	4 days
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Los Angeles (Wed)	4 days
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willing to listen about his “perfect son” Scotty, who never talks back. He got Scotty, a store mannequin, for one of Gwen’s birthdays after they had agreed to not have any children of their own since they both have them from previous marriages.

“Dick has dealt with new presidents and administrations, powerful business leaders, and strong personalities,” said Miller in summing up Botti’s 40 years. “He had to remind [industry leaders] what impact their decisions would have, such as with the bottle bill. He’s dealt with conflict between members’ interests, and managed to weather through all the industry challenges.” Aono added that Botti is proud of the way he treated people; he never took anybody for granted. It was more about doing the job, she says. When there were disagreements, he basically turned out to be right. “Dick carved out his own career,” Gwen Botti concluded. “Year by year, he wrote his own story and just made it up as he went. He’s a workaholic, but wouldn’t do things if he didn’t love it.

“I learned to do everything—IRS nonprofit papers, and all,” recalled Botti about the early LISH days. Once, he even procured an ancient multi-lith offset printer about to be thrown out, got the manual, bought \$500 in parts to get it working, and learned how to print. “I proved that if you can read and write, you can learn anything.” Other tips for wannabes include cultivating common sense, knowing your product, honesty, availability—and delivering what you promised.

Botti’s achieved everything necessary for what he sees as a satisfying career: accomplishment, ego, satisfaction, and a good reputation. “I’ve had enough to satisfy myself,” he says. He still

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has LISH. There are 600 members, and he wants to build it up to a thousand. In the mornings, he does research to keep members updated so they know how to fly with new laws, and puts out an eight-page bulletin five times a year. A lot of things have shifted to national issues, so he covers that too. These days, he keeps only one or two lobbying contracts. After doing his research, Botti tries to get his blood sugar down, works around the house, and helps Gwen with dinner, perfecting his cooking repertoire, then it's back to work managing his rental properties and paying bills. "We're still like newlyweds—we keep it that way by design," said Gwen recently, as Dick puttered in the background trying to get a photo of some wild turkey chicks in his backyard. "Dick always wants to make everything better—professionally, interpersonally, and at home."

Given that regimen, it's unclear when Botti has time to do the myriad other things he is eager to share about, but somehow he does it. "I figure I got about 4,000 days left, but got 26,000 behind me," he says matter-of-factly, coming up with his own formula for life expectancy. He's been relishing making "stuff with bamboo" that grows on his Kona property—a lamp, dresser, picture frames, and fencing. A Murphy bed Botti constructed from scratch took 18 months, but to his amazement, it works, as does shelving and a desk made out of old trunks. He's got a lot of material to work with and sift through—"a couple hundred boxes of old stuff" from Gwen's family. "Gwen wanted to dump everything, but there are newspapers from right after the Pearl Harbor attack, stock certificates from 1943, and a photo of General Patton peeing in the Rhine River from a friend of Gwen's dad," he says. "My father was a baker; all we had was bread and milk."

He does oil painting too. He once saw Okuda senior, founder of Okuda Scrap Metal Company, painting and thought, 'if he can do it, I can do it.' "I'm trying to figure out who will keep all this stuff," says Botti, while he continues to make more of it. Perhaps one of his three children or six grandkids will. "I've created an interesting life without an education. It shows anyone can do it. You can do anything in life if you want to do it."

*Mahalo and
Fond Aloha to you
Dick Botti*



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Bonny Amemiya

**Thank you for your commitment and dedication
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Dick and Gwen Botti

**Congratulations on your retirement!
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Wishing you both a relaxing, fun, and long
retirement.**

A BEDROCK SOCIAL

Co-Chairs Wendy Fujio of ABC Stores and Larry Ishii of American Savings Bank and their dedicated Social Committee members organized and executed a very successful annual HFIA Social—"Ya Bud Da Bud Do!"—at Honolulu Country Club on January 21. The event was attended by over 200 members and their guests. This annual New Year event provided a great opportunity to join together member companies and their employees with other HFIA member companies and their employees in a fun and engaging atmosphere.



*From left to right:
Ross Matsumoto,
Aaron Pennington,
Ty Sakaguchi, Bob
Jordano – A/B*



Ron Cloutier – Better Bands, Jay Higa – Honolulu Star Advertiser



Guest, Denise Sasaki – Meadow Gold Dairies, Guest



Attendees & Budwieser Rock Vegas Girls



Meadow Gold Dairies Sales Team



Miyuki Hollingworth – Centerscale Alan Nakamura – Tesoro



Glenn “Bam Bam” Tamura – Tamura’s Enterprises shakes down the competition



Wendy “Pebbles” Fujio – ABC Stores encourages her boss, Paul Kosasa, and other competitors to use their heads.



Members of the Loyal Order of the Water Buffalos



Garton Bailey – Centerscale & Budweiser Rock Vegas Girls



Guest, Anne Nakaumra – Tesoro, Larry Ishii – American Savings Bank



Contestants using their heads in Bedrock Games



Hug Ortega – Altria (3rd from left) and friends



Von Petrossian (back row center) and other Hansen Foodservice attendees



Bonny Amemiya – A/B applauding Glenn “Bam Bam” Tamura team’s win in the Bedrock Games

GOLF TOURNEY HEADS EWA

HFIA's 18th Annual Fundraising Golf Tournament was held at the Ewa Beach Golf Club on March 11. HFIA Director of Golf, Mike Kaya of Meadow Gold Dairies, did another fantastic job almost single handedly organizing the entire golf tournament. Despite the tsunami warning that kept us up for most of the night and a hectic morning for members in dealing with getting their operations back on track, the golf tournament went on as planned. Moreover, we were blessed that day with beautiful island weather and a great turnout. Through the generosity of HFIA's many corporate sponsors, over \$17,000 was raised—funds essential for the support of HFIA's mission.



Mike Kaya, Meadow Gold Dairies, Bonny Amemiya, Anheuser-Busch



Gary Hanagami, Derek Kurisu, EVP, KTA, & Ken Yonemura, guest



*Front: Leslie Umemoto, Times, Bryce Uemura, Times.
Back: Darlene Shimotsu, Times, Rodney Akiyama, guest*



Dexter Yamada, KYD, Inc., John Schilf, Foodland, Carl Oshiro, Pint Size Hawaii, Anson Kaneshiro, guest, Chester Lee, KYD, Inc., George Szigeti, Better Brands-Hawaii



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GOLF TOURNEY HEADS EWA



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Travis Kameoka, Anheuser-Busch, Paul Tokuda, Anheuser-Busch, Ken Nagamine, guest, June Yamamura, guest, Aaron Pennington, Anheuser-Busch



Vince Horikawa, Frito-Lay, Eddie Asato, Frito-Lay, Adria Campbell, Meadow Gold Dairies Hawaii, Derek Loui, Meadow Gold



Tad Fujiwara, Advertising, Times Supermarkets, & Larry Ishii, American Savings Bank



Dan Oshima, American Savings Bank, Mike Miyabara, guest, Bob Luersen, guest



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Derek Kurisu, KTA, Greg Gomes, Webco, George Szigeti, Better Brands-Hawaii, Aaron Crawford, guest, Kenny Yonemura, guest, Ronald Cloutier, Better Brands-Hawaii



Pete, Schaul, Hawaiian Express, Dick Hotema, Hawaiian Express, Adell Flourry, guest



Blane Ahquin, Aloha Shoyu, Lyle Uyeda, Aloha Shoyu, Brian Tanigawa, Aloha Shoyu, June Yamamura, guest



John Erickson, Frito-Lay, Gary Villanueva, Porky's Products, Carl Oshiro, Pint Size Hawaii, Joe Detro, Foodland



Bonny Amemiya, Anheuser-Busch, Grand Prize 3-Man Winning Team, Mike Kaya, Meadow Gold Dairies

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The Last Word...

BY GARY HANAGAMI, EXECUTIVE DIRECTOR

Haven't you always wanted to get the last word in? After being married for over 30 years, it's not an experience I've enjoyed with any regularity. In fact, when I do get in that last word or "dig," it's usually followed by extended silence (on her part), stammering, prolonged apologizing and no dinner (all on my part). However, one way to get in that final last word and avoid all the other unpleasanties, is to take over the editorial responsibility of a magazine! Although I can tell you, if this is your only option to getting that "last word," you may want to reconsider your motives.

Many of you by now have gotten a few, or more accurately, a few dozen emails from me since the start of the year, which coincides with HFIA getting its first officially owned office equipment, a computer located in my luxurious home-cyber office—but more on that later. Since this is my first of the "Last Word" articles, and much of the business of HFIA has already been covered by our Chairwoman/CEO Bonny Amemiya, or our Lobbyist, Lauren Zirbel or our writer/photographer Jason Kimura, my focus shall be on the areas that are not necessarily addressed by these other writers. So let's get started by first taking a look back to our association's past.

This issue's cover story is about one of HFIA's founders and only former executive director, Dick Botti. Dick is one of our Hall of Fame Lifetime Achievement Award recipients. The rest of that illustrious group is made up of George Miura, Times Supermarket, Tom Okuyama, Sure Save Super Markets, John Fujieki, Star Markets, Take Takara, Times Supermarket, Tony Taniguchi, KTA Super Stores, Maurice Sullivan, Foodland Super Markets, and Bill Prideaux, RSM Hawaii. The foundation of our association is built on the shoulders of these men and their contemporaries, many of whom shared a common vision of what was collectively needed for the industry and helped shepherd in what HFIA would ultimately become.

Unfortunately, many of us did not have the privilege of knowing or working with these men, but we can observe the results of their labor, appreciate the companies they helped build, and the legacy they left behind. Several of these companies are being led by second generation family members who were raised at the hip of these founders, tutored by them, perhaps better educated, and prepared to manage through the difficult times that were to come in the late 1980s through the 90s. It was an era defined by change of the type and severity we were unaccustomed to, as we were introduced to concepts such as "consolidation" and "category killers," giving new meaning to

the phrase, "what doesn't kill you only makes you stronger." The insulation Hawaii enjoyed because of our isolation became a thing of the past.

While the lessons these leaders preached may have reached only a small circle of family, friends, and associates, one can appreciate their vision, forging organizations and cultivating their successors to have the fortitude to withstand the tsunami of change that was to follow. HFIA, did, and will continue to adapt to ensure we are relevant for these times as well. We, like our members, have experienced similar evolution, and are now poised as an independent organization, recreating a new structure, policies, and procedures, while looking to the past to ensure we fulfill our mission to you, our members.

Since Dick's retirement from HFIA on December 31, 2010 and our subsequent separation from Legislative Information Services of Hawaii (LISH), our mandate has been to continue the services our members have come to expect, while ensuring a stable, fiscally prudent balance sheet. Fortunately, the organization was already in place, despite the lack of a physical structure. Your executive committee had some time to conceive a transition plan, and only needed someone who could execute and modify it. Our committees were functioning and simply needed to understand the larger picture from which they could operate.

The business of HFIA has continued, so we've met the initial mandate. However, we should not be simply satisfied with a "functioning association," for we are now at a crossroads to define what a great association looks like, and how we get there. From where I sit, a great association is one that not only understands the needs and desires of its members, but can also create the tools and programs to achieve them. A great association has an engaged constituency, working together, and employing the concept that the whole is greater than the sum of its individual parts. A great organization is not content with the current state of its affairs, but continues to innovate in all facets of its activities. A great association anticipates, rather than simply reacts.

Those plans—getting us from "good enough" to "possibly great"—and the reasons why, were shared and debated during our April 19th meeting. Hopefully we'll see the fruit of that dialogue moved forward with the appropriate motions to proceed at our annual business conference and convention in June.

I ask for your active participation. I promise you my full attention and effort, and the ride should prove exhilarating.



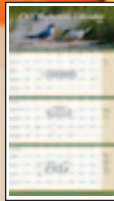
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