



State of Hawaii
DEPARTMENT OF AGRICULTURE
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TESTIMONY OF RUSSELL S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEES ON
AGRICULTURE & HIGHER EDUCATION

APRIL 19, 2012
10:30 AM
ROOM 224

SENATE CONCURRENT RESOLUTION 91 SD1
ESTABLISHING A WORKING GROUP TO DISCUSS THE CREATION OF A
STRATEGIC PLAN FOR THE DEVELOPMENT AND MARKETING OF THE HAWAII
TEA INDUSTRY AND MAKE RECOMMENDATIONS FOR LABELING
REQUIREMENTS OF HAWAII-GROWN TEA

Chairperson Tsuji, Chairperson Nishimoto and Members of the Committees:

Thank you for the opportunity to testify on Senate Concurrent Resolution 91 SD1. The purpose of the resolution and concurrent resolution is to request the University of Hawaii College of Tropical Agriculture and Human Resources to establish a Hawaii-Grown Tea Working Group to discuss the creation of a strategic plan for the development and marketing of the Hawaii tea industry and make recommendations regarding labeling requirements for Hawaii-grown tea and submit a report of its findings and recommendations to the legislature. The department supports this resolution.

Based on a market feasibility study published by the University of Hawaii, College of Tropical Agriculture and Human Resources, there are more than 19 farmers currently growing tea, 14 have developed businesses and 10 are producing and marketing tea products. The value of loose-leaf tea sold on the Internet can range from



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CHAIRPERSON, BOARD OF AGRICULTURE
SENATE CONCURRENT RESOLUTION 91 SD1
April 19, 2012
Page 2

\$132.16 to \$573.92 per pound, and selected prices in other market channels range from under \$100 up to \$4,800 per pound.

This working group would contribute to Hawai'i Tea Society's efforts in acquiring a trademark for "100% Hawai'i Grown Tea" to combat the negative impact on brand quality resulting from flavored "Hawaiian" blends containing no Hawai'i-grown tea and help to protect the value of Hawai'i grown tea.

Thank you for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Agriculture
and

House Committee on Higher Education
Thursday, April 19, 2012

By

Virginia Hinshaw, Chancellor

And

Sylvia Yuen, Interim Dean and Director
College of Tropical Agriculture and Human Resources
University of Hawai'i at Mānoa

SCR 91, SD1 – ESTABLISHING A WORKING GROUP TO DISCUSS THE CREATION OF A STRATEGIC PLAN FOR THE DEVELOPMENT AND MARKETING OF THE HAWAII TEA INDUSTRY AND MAKE RECOMMENDATIONS FOR LABELING REQUIREMENTS OF HAWAII-GROWN TEA.

Chairs Tsuji and Nishimoto, and members of the House Committees on Agriculture and Higher Education, thank you for the opportunity to testify in support of SCR 91, SD1.

I am Sylvia Yuen, Interim Dean and Director of the College of Tropical Agriculture and Human Resources (CTAHR) at the University of Hawai'i at Mānoa, and this testimony is presented on behalf of the University of Hawai'i at Mānoa.

Last year, in 2011, CTAHR partnered with the UH-Mānoa Pacific Asian Center for Entrepreneurship (PACE), Shidler College of Business, to present research and produce a market feasibility study on developing Hawai'i-grown tea into a viable and sustainable agricultural industry for the State of Hawai'i. We engaged many stakeholders in this effort, including tea farmers and retailers, the Hawai'i Tea Society, and other members of the community.

A major finding of our report is that for the currently small and developing tea industry in Hawai'i to grow and for tea to become a sustainable specialty crop, Hawai'i-grown tea must be established as a premium product, both in terms of quality and in consumer association of "Hawai'i-grown" with that high quality. The perception of high quality can be diluted by use of the word "Hawai'i" on tea product labels that do not actually consist of tea grown in Hawai'i. These certainly may be quality products in their own right, but if they are not actually grown in Hawai'i and represent both the quality and price structure associated with Hawai'i-grown tea, the Hawai'i brand will be diluted.

SCR 91, SD1 will establish a committee to create a strategic plan for the development and marketing of the Hawai'i tea industry and make recommendations for labeling requirements—these actions are needed to guide the growth and accelerate the development of the industry. CTAHR is willing to participate on this committee, and to serve as either member or chair as the legislature deems appropriate. CTAHR strongly supports SCR 91, SD1.