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Lt. Governor



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**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

**FEBRUARY 9, 2018
2:00 P.M.
CONFERENCE ROOM 329**

**HOUSE BILL NO. 1757 HD1
RELATING TO COFFEE LABELING**

Chairperson Takumi and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1757 HD1, relating to coffee labeling. This bill expands the coffee labeling requirements pertaining to Hawaii grown roasted coffee to include ready-to-drink coffee beverages. The Department has concerns with the bill and offers comments.

This bill expands the Department's enforcement responsibilities to include the labeling and advertng of ready-to-drink coffee beverages at coffee shops. In addition, many ready-to-drink coffee beverages sold at retail are manufactured and packaged outside of Hawaii, in which the Department has no enforcement jurisdiction.

The Department supports the Hawaii coffee industry and the use of unique geographic coffee growing regions to market, advertise and sell Hawaii-grown coffee. However, while the Department can enforce grading and labeling of green Hawaii-grown coffee, the Department cannot determine the content or origin of a coffee or its blend once it is roasted.

Thank you for the opportunity to testify on this measure.



HB-1757-HD-1

Submitted on: 2/8/2018 1:56:13 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

HB-1757-HD-1

Submitted on: 2/7/2018 3:42:39 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bob Smith	Smithfarms.com	Support	No

Comments:

As the co-owner of our Kona coffee farm (www.smthfarms.com) I urge the Committee to support and pass Bill 1757 to insure that the word **Kona** is not used just as a marketing tool. Does not seem fair to we Kona coffee farmers. I urge you to pass this Bill and assure the Truth in labeling for 100% Kona coffee is strengthened.

Mahalo
Bob Smith

HB-1757-HD-1

Submitted on: 2/7/2018 3:12:40 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cecelia Smith	smithfarms pure kona	Support	No

Comments:

Aloha all,

I beg the Committee to support HB1757 so flagrant marketeers of Ready-To-Drink coffee drinks would not be able to use the word **Kona** in a beverage that may have *no Kona coffee at all*. As a Kona coffee farmer, we really need your protection. If there is any real Kona in the Ready-To-Drink Kona, that amount should be clearly evident on the label. If there is no Kona coffee in the drink, no use of the word Kona should be permitted. We need your support!

Mahalo and with aloha,

Cecelia Smith

www.smithfarms.com (co-owner)

HB-1757-HD-1

Submitted on: 2/7/2018 3:06:16 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jim Monk	Monk's Delight Kona Coffee	Support	No

Comments:

Dear Chairman Takumi and Committee Members: As the owner of Monk's Delight Kona Coffee, my coffee farm in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink ("RTD") coffee packaging. Currently a number of marketers of RTD coffee drinks are using Hawaii origin names on their products such as "KonaRed Kona Blend" and "Hawaiian Kona Premium Coffee" without disclosing what percentage, if any, of the coffee in the products was grown the Kona coffee region. Another egregious example of this situation is a 10 oz. can of "Kona Coffee" I had in my hands yesterday. Its contents list starts out with water, sugar. . . and finally gets around to saying "coffee" -- no hint whatsoever of what kind of coffee, however! HB 1757 should help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii's coffee farmers; and protect the integrity and reputation of Hawaii-grown coffees—specifically including the heritage coffee grown in the Kona Region. If violations of labeling requirements are suspected, University of Hawaii scientists have developed an inexpensive method for determining actual percentages in coffee blends. The requirements are not difficult to enforce. Please pass this bill for the protection of consumers and the protection of all of us coffee farmers! Sincerely, Jim Monk

HB-1757-HD-1

Submitted on: 2/7/2018 8:37:12 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
bruce corker		Support	Yes

Comments:

Dear Chairman Takumi and Committee Members:

As a coffee farmer and a Board Member of the Kona Coffee Farmers Association, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 apply to the labeling of ready-to-drink (RTD) coffee packaging. Currently a number of marketers of RTD coffee drinks in Hawaii are using Hawaii origin names on their products without disclosing what percentage, if any, of the coffee products was grown in the named Hawaii region. HB1757 will help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii's coffee farmers; and protect the integrity and reputation of Hawaii-grown coffees.

In response to the concern of the HDOA that it "cannot determine the content or origin of a coffee or its blend once it is roasted", the Department should review "Fourier Transform Infrared Spectroscopy for Kona Coffee Authentication", Journal of Food Science, Vol. 74; Nr. 5, at C385 (2009). This article, written by five authors from the University of Hawaii, describes a straightforward and inexpensive method for authenticating the percentages of Hawaii-grown coffee in blends—both roasted and brewed.

In response to the 1/31/18 written testimony of the Hawaii Food Industry Association, it is difficult to understand why requiring fair disclosure of the percentage of origin coffee in a package labeled as a Hawaii-origin blend "unfairly places certain companies at a disadvantage." If sellers of RTD coffee wish to use the appeal of Hawaii origin names to market their products, fair marketing principles, at a minimum, require disclosure of the percentage of genuine origin coffee in the blend. To do otherwise invites consumer deception and fraud.

Please pass this bill for the protection of consumers and Hawaii's coffee farmers.

Sincerely,

Bruce Corker

Rancho Aloha

Holualoa, North Kona District

HB-1757-HD-1

Submitted on: 2/7/2018 6:08:31 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joachim Oster	ATHENA of HAWAII Coffee	Support	No

Comments:

Dear Chairman Takumi and Committee Members:

As the longtime owner of the ATHENA of HAWAII coffee farm in the Kona Region of Hawaii County, this testimony is in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink ("RTD") coffee packaging.

Let me say it as simple as it is: Hawaiian agriculture CAN NOT EXIST without protecting it's good Hawaiian names! Hawaiian names like "Kona" or "Maui" are associated with local ly grown, healthy, fresh, tasty, and natural products. The ONLY reason for consumers to justify higher prices of Hawaiian ag products (due to restricted growth areas, high labor costs, etc) are their unique Hawaiian origin.

This is the very same reason why foreign, US mainland, and local companies market non-Hawaiian products wrongly as such.

This has to be stopped by the legislative of this state. Hawaiian regional names should be the money making machines like they are in other geographical ag regions around the world and the USA. Legislative protection benefits not only farmers, but local processors, packers, restaurants, stores; it provides stable real estate values, simple jobs without college education, farm tourism, schools, hospitals, affordable housing, and supports infrastructure overall. Taxes and earned money stay within the state and the community. Regional flourishing agriculture gives a sense of home and future, selfconfidence, pride, and counters despair and apathy in our often underdeveloped, poor rural communities.

It makes me angry and sad that our local Dept of Agriculture testifies like clockwork AGAINST local agriculture and our rural communities when it comes to the needed protection of regional Hawaiian names. Their argument of non-enforcement capabilities is absurd, as the legislation alone would enable us farmers to file civil lawsuits in various states against violators of such laws.

Please stand for our good Hawaiian names! Stop the consistent exploitation of our Hawaiian heritage, and the money drain from our communities. Enable local farming and agricultural businesses by giving us the laws we so desperately need.

Mahalo nui loa!

HB-1757-HD-1

Submitted on: 2/7/2018 4:59:03 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Colehour Bondera	Mr.	Support	No

Comments:

Dear Chairman Takumi and Committee Members:

Our family has a certified organic Kona coffee farm in Honaunau -- Kanalani Ohana Farm -- and because of my coffee farm in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink ("RTD") coffee packaging.

Marketers of RTD coffee drinks are using Hawaii origin names on their products (for example, "KonaRed Kona Blend" and "Hawaiian Kona Premium Coffee"), without disclosing what percentage, if any, of the coffee in the products was grown in the named Hawaii region(s).

If violations of labeling requirements are suspected, University of Hawaii scientists have developed an inexpensive method for determining actual percentages in coffee blends. The requirements are not difficult to enforce.

HB 1757 will help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii's coffee farmers; and protect the integrity and reputation of Hawaii-grown coffees—specifically including the heritage coffee grown in the Kona Region.

Please pass this bill for the protection of consumers and the protection of coffee farmers, such as myself.

Yours,

Colehour Bondera

HB-1757-HD-1

Submitted on: 2/8/2018 9:29:32 AM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kay Dixon	Sugai Products, Inc.	Support	No

Comments:

Dear Committee Members:

As the owner of *Sugai Kona Coffee*, my coffee farm in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink (“RTD”) coffee packaging.

Currently, a number of marketers of RTD coffee drinks are using Hawaii origin names on their products (for example, “KonaRed Kona Blend” and “Hawaiian Kona Premium Coffee”) without disclosing what percentage, if any, of the coffee in the products was grown the named Hawaii region.

As a Kona coffee farmer, I have seen the misuse of the Kona name cut into my profits by devaluing the 100% Kona coffee my family has proudly raised for over three generations.

If violations of labeling requirements are suspected, University of Hawaii scientists have developed an inexpensive method for determining actual percentages in coffee blends. The requirements are not difficult to enforce.

HB 1757 will help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii’s coffee farmers; and protect the integrity and reputation of Hawaii-grown coffees—specifically including the heritage coffee grown in the Kona Region.

Please pass this bill for the protection of consumers and the protection of coffee farmers.

Sincerely,
Lee Y Sugai

HB-1757-HD-1

Submitted on: 2/8/2018 9:11:51 AM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
KATHLEEN DIXON		Support	No

Comments:

Dear Chairman Takumi and Committee Members:

As a representative of *Sugai Kona Coffee*, my coffee farm in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink (“RTD”) coffee packaging.

As the General Manager of a small family-owned farm, I see our profits diminish on a daily basis because large corporations are allowed to profit from the misuse of the branded Kona name implying that their products are indeed made from Kona coffee. If the small family owned Kona coffee farms are to survive, this kind of mislabeling must be addressed as it devalues true !00% Kona coffee.

Currently, a number of marketers of RTD coffee drinks are using Hawaii origin names on their products (for example, “KonaRed Kona Blend” and “Hawaiian Kona Premium Coffee”) without disclosing what percentage, if any, of the coffee in the products was grown the named Hawaii region.

If violations of labeling requirements are suspected, University of Hawaii scientists have developed an inexpensive method for determining actual percentages in coffee blends. The requirements are not difficult to enforce.

HB 1757 will help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii’s coffee farmers, and protect the integrity and reputation of Hawaii-grown coffees—specifically including the heritage coffee grown in the Kona Region.

Please pass this bill for the protection of consumers and the protection of coffee farmers.

Sincerely,
Kay Dixon

HB-1757-HD-1

Submitted on: 2/8/2018 8:35:27 AM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chet Gardiner	Cassandra Farms	Support	No

Comments:

Dear Chairman Takumi and Committee Members:

As the owner of Cassandra Farms, a coffee farm in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink ("RTD") coffee packaging.

For those of us who produce Kona Coffee on our small farms, growing coffee is a joy and a passion. And for many of us the remuneration is quite low but we are fortunate that thanks to the excellence of our environment, soil and the heritage Kona Typica trees we nurture, our coffee is almost universally recognized as the best in the world and is therefore highly valued.

However, when current and potential customers drink coffee that is marketed/labeled as "Kona" but contains little (or no) actual Kona Coffee and they taste, as I have, the much lower quality coffee that's used in those "blends" instead of our rich Kona flavor, our long-term survival as coffee farmers on small family farms is jeopardized.

In this spirit and for these reasons, I urge your support for HB1757, an important step forward to close a large unintended loophole in our law in order to protect our world famous coffee heritage.

Dear Chairman Takumi and Committee Members:

I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink (“RTD”) coffee packaging. My husband and I have been coffee farmers in Kona for the past 20 years. We are proud of the 100% Kona coffee we produce on Huahua Farm and resent companies producing RTD coffee drinks that are labeled using the word “Kona”, without disclosing what percentage of the coffee was grown in Kona.

HB 1757 will help to protect consumers from fraud and deception in coffee labeling, and protect the integrity and reputation of Hawaii-grown coffees.

Please pass this bill for the protection of consumers and the protection of coffee farmers.

Sincerely,
Clare Wilson
Huahua Farm

HB-1757-HD-1

Submitted on: 2/7/2018 4:55:17 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Garrett W. Marrero	Maui Brewing Co.	Support	No

Comments:

I am in support as this bill will protect the brand of Hawaii and discourage profiteering at the expense of local manufacturing.

HB-1757-HD-1

Submitted on: 2/8/2018 7:33:53 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandra Scarr	Daily Fix Coffee	Support	No

Comments:

Dear Chairman Takumi and Committee Members:

As owner of *Daily Fix Coffee* and as *Vice-President of the Kona Coffee Farmer's Association*, my coffee farm in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink ("RTD") coffee packaging.

Currently a number of marketers of RTD coffee drinks are using Hawaii origin names on their products (for example, "Kona Red Kona Blend" and "Hawaiian Kona Premium Coffee") without disclosing what percentage, if any, of the coffee in the products was grown the named Hawaii region.

If violations of labeling requirements are suspected, University of Hawaii scientists have developed an inexpensive method for determining actual percentages in coffee blends. The requirements are not difficult to enforce.

HB 1757 will help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii's coffee farmers; and protect the integrity and reputation of Hawaii-grown coffees—specifically including the heritage coffee grown in the Kona Region.

Please pass this bill for the protection of consumers and the protection of coffee farmers.

Sincerely,
Sandra Scarr

HB-1757-HD-1

Submitted on: 2/8/2018 1:39:30 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Suzanne Shriner		Support	No

Comments:

My family has three generations who farm coffee in Kona. Thanks for your support of this bill. You make a difference in the lives of hundreds of small farmers. Our coffee is more than just a cup of coffee. It is an excellent cup of coffee. And it represents a way of life that is under threat.

I was recently in a convenience store and picked up a can of cold brew coffee (ready-to-drink or RTD) with the word "Kona" on the label.

Oh really? Kona coffee? How would we know if it is truly Kona? The state does not currently regulate such products so vendors are free to use and misuse the trademark at will.

Why do I care so much? Our island farmers do not earn any money from mainland coffee that is mislabeled as "Kona" or "Hawaiian" And consumers now associate Kona coffee with some bitter brew they drank at a convenience store. This is very bad for my gourmet brand.

For the same reason that Louis Vuitton fights the cheap ripoffs sold out of backalleys, we Kona farmers are trying to protect our name. These RTD profiteers depend on the substandard ripoff of Kona's good reputation. They threaten our farmers livelihoods with short-term gains.

Please support our Hawaiian farms and support this bill. Mahalo.

HB-1757-HD-1

Submitted on: 2/8/2018 4:51:11 PM

Testimony for CPC on 2/9/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lawrence Ford		Support	No

Comments:

Dear Chairman Takumi and Committee Members:

As former coffee farmer in the Kona Region of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 also apply to the labeling of ready-to-drink (“RTD”) coffee packaging.

Currently a number of marketers of RTD coffee drinks are using Hawaii origin names on their products (for example, “KonaRed Kona Blend” and “Hawaiian Kona Premium Coffee”) without disclosing what percentage, if any, of the coffee in the products was grown the named Hawaii region.

If violations of labeling requirements are suspected, University of Hawaii scientists have developed an inexpensive method for determining actual percentages in coffee blends. The requirements are not difficult to enforce.

HB 1757 will help to protect consumers from fraud and deception in coffee labeling; support the economic interests of Hawaii’s coffee farmers; and protect the integrity and reputation of Hawaii-grown coffees—specifically including the heritage coffee grown in the Kona Region.

Kona Coffee farmers have spent years and treasure to bolster their wonderful coffee name. Those who use inferior coffee and deceive consumers make unearned profit from sullyng the Kona Coffee name.

Please pass this bill for the protection of consumers and the protection of coffee farmers.

Sincerely,
Lawrence Ford