

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
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SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

JANUARY 31, 2018
8:30 A.M.
CONFERENCE ROOM 312

HOUSE BILL NO. 1757
RELATING TO COFFEE LABELING

Chairperson Creagan and Member of the Committee:

Thank you for the opportunity to testify on House Bill No. 1757, 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 advertizing 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.





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Derek Kurisu, KTA Superstores, *Advisor*

TO:
Committee on Agriculture
Rep. Richard P. Creagan, Chair
Rep. Lynn DeCoite, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: Wednesday, January 31, 2018
TIME: 8:30 AM
PLACE: Conference Room 312

RE: HB 1757 Relating to Coffee Labeling

Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

Labeling guidelines should be determined at the national level. The majority of ready-to-drink coffee beverages are manufactured and packaged for national distribution. Placing stricter requirements on Hawaii coffee beverages unfairly places certain companies at a disadvantage. This law would make it harder for businesses selling Hawaii coffee to create labels that best suit their brand and promote local coffee to consumers. For these reasons we urge you to vote no on this measure. Thank you for the opportunity to testify.

HB-1757

Submitted on: 1/28/2018 7:17:14 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bruce corker		Support	No

Comments:

Dear Chairman Creagan and Committee Members:

As representative of Rancho Aloha, my coffee farm in the North Kona District of Hawaii County, I submit this testimony in support of House Bill 1757 to make the labeling requirements of HRS 486-120.6 apply to also 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.

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.

If HDOA representatives reassert the objections quoted in the November 6, 2017, Star-Advertiser article (<http://www.staradvertiser.com/2017/11/06/business/kona-coffee-farmers-see-red-in-konared-coffee-drink-contents/?HSA=c8c43998c2dddeb099c1ac36a78f9e2e3c00ed05>), please note:

1—Hawaii clearly has jurisdiction over misleading or fraudulent labeling of products sold in this state;

2—There would be no difficulty in determining whether or not the percentage of Hawaii origin coffee has been appropriately included on the labels of RTD coffees—exactly as

is now the case with roasted and instant coffee under current law. Most marketers obey the law and would accurately state the percentages of Hawaii origin coffee. The most significant benefit of HB1757 would be requiring that percentage to be clearly stated on the label; and

3—If there is reason to believe that a marketer of roasted, or instant, or RTD coffee is misrepresenting the percentage of Hawaiian-grown coffee in a package, there are scientific tests readily available to prove and prosecute violations of the law. See, for example, “Fourier Transform Infrared Spectroscopy for Kona Coffee Authentication”, *Journal of Food Science*, Vol. 74; Nr. 5, at C385 (2009). H.C. Bittenbender of the UH Department of Tropical Plant and Soil Sciences is one of the authors of this article describing procedures for authentication.

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

Sincerely,

Bruce Corker

HB-1757

Submitted on: 1/29/2018 11:33:22 AM

Testimony for AGR on 1/31/2018 8:30:00 AM

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

Comments:

Dear Chairman Creagan 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.

Please pass this bill for the protection of consumers and the protection of all of us coffee farmers!

Sincerely,
Jim Monk

HB-1757

Submitted on: 1/29/2018 12:32:53 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Alice Cadow		Support	No

Comments:

Dear Chairman Creagan and Committee Members:

My coffee farm, Bamboo Fruit and Flower Farm, is 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 stating their coffee is of Hawaii origin 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 Hawaii.

HB 1757 will support the economic interests of Hawaii’s coffee farmers; help to protect consumers from fraud and deception in coffee labeling; 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 Kona’s coffee farmers.

Sincerely,

Alice J. Cadow

HB-1757

Submitted on: 1/29/2018 3:08:44 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

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

Comments:

Dear Chairman Creagan and Committee Members,

As the 30 years owner of Smithfarms 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 marketeers 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 Kona districts. Not right.

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

Please pass this bill for the protection of consumers and the protection of coffee farmers las I have been for the last 30 years in Honaunau, South Kona.

Mahalo and with aloha,
Bob Smith

HB-1757

Submitted on: 1/30/2018 12:48:14 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

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

Comments:

Dear Chairman Creagan 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.

From: Bruce Luehrs [<mailto:bdluehrs@gmail.com>]
Sent: Monday, January 29, 2018 8:40 PM
To: AEN Testimony <AENTestimony@capitol.hawaii.gov>
Subject: Kona Coffee Labelling

Dear Chairman Creagan and Committee Members:

As representative of *Luehrs Farm d.b.a. Aloha Grounds*, 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 Blend” and “Hawaiian Kona Premium Coffee”) without disclosing what percentage, if any, of the coffee in the products was grown the named Hawaii region.

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,
Bruce Luehrs



HB-1757

Submitted on: 1/30/2018 10:24:55 AM

Testimony for AGR on 1/31/2018 8:30:00 AM

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

Comments:

Aloha Chairman Creagan and Committee Members:

I had 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.

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.

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,

Lawrence Ford

HB-1757

Submitted on: 1/30/2018 12:11:32 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

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

Comments:

Dear Chairman Creagan 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.

The “Kona Coffee” reputation was built on many years of very hard work, superior growing conditions, and excellent farming practices.

Kona coffee farmers have for many years been taken advantage of by companies using “Kona Coffee” on their labels when the vast majority of the product in the package was mostly foreign-grown coffee of inferior quality. Furthermore, the public has been duped into buying coffees with minority amounts of Kona or other Hawaii regional coffees and cheated by paying much higher prices for such inferior products just because of the erroneous label. Even the **Consumer Report** employees were duped into believing that a blend of Kona and other coffees was actually 100% Kona coffee. Their evaluation of the blended coffee they tested was that it was not deserving of any type of premium label. Even the so-called “experts” are being led astray. Degrading the “Kona Coffee” reputation results in lower prices per pound and discredits our very hard-working farmers.

Bill 1757 assists the coffee-drinking public and our regional coffee farmers by including “ready-to-drink” coffee beverages in HRS 486-120.6. This bill properly requires “ready-to-drink” coffee beverages to follow the existing law for Hawaii regional coffees and identify how much Hawaii regional coffee is included in the blend or the beverage.

Please support this bill and protect both our coffee industry AND the coffee-drinking public from the fraud perpetuated by unscrupulous companies.

Brenda Ford

Captain Cook, HI

HB-1757

Submitted on: 1/30/2018 2:19:41 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeanne Kapela		Support	Yes

Comments:

Ready-to-drink coffee beverages are not currently subject to the state's statutory requirements for fair coffee labeling and advertising, which only apply to "roasted" and "instant" coffee. Labeling and advertising requirements are intended to resolve any consumer confusion and allow consumers to "make an enlightened choice," as stated in Act 289, Session Laws of Hawaii 1991, by promoting a truthful representation of a coffee product's geographical origin and protecting fraud and deception in coffee labeling and advertising.

Local farmers are the heartbeat of West Hawai'i, where I grew up and where my family owns a small coffee farm. Kona and Ka'u coffees, likewise, are two of Hawai'i's most iconic treasures. Our farmers who grow these products provide economic security for our community. When farmers prosper, our economy thrives, our families are nourished, and our children grow strong.

â€‹We must support local coffee farmers by fighting to protect the Kona name from misuse by commercial exploitation, as recently happened with KonaRed bottled coffee drinks, which egregiously steals the Kona Coffee name to market its product without disclosing how much of the product is derived from Kona Coffee beans. That's false advertising, plain and simple. It must stop and those who continue to mislead consumers must be held fully accountable for their lack of disclosure of abuse of Hawai'i's hardworking local farmers.

LATE

HB-1757

Submitted on: 1/30/2018 4:35:26 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
nadine robertsonj		Support	No

Comments:

Have you seen the new Coffee Alcohol drink labeled King Kameha? Not good using Hawaiian culture for their profit making. (Already beers using "Kona!" Okay, I'm digressing.) Need to protect all Hawai`i State coffee labeling in all aspects. Yes, please, protect all Hawai`i coffee agriculture from ALL misused, in any form, of labeling. Mahalo.

HB-1757

Submitted on: 1/30/2018 9:18:25 PM

Testimony for AGR on 1/31/2018 8:30:00 AM

LATE

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

Comments:

LATE

HB-1757

Submitted on: 1/30/2018 9:30:49 PM
Testimony for AGR on 1/31/2018 8:30:00 AM

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.

Suzanne Shriner
Lions Gate Kona Coffee Farms

LATE

HB-1757

Submitted on: 1/31/2018 11:05:09 AM

Testimony for AGR on 1/31/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Keffer	Keokea Gardens	Support	No

Comments:

Dear Chairman Creagan and Committee Members:

As representative of *Keokea Gardens*, 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. These cheaper coffees are misrepresenting our Kona brand of coffee to the world.

HB 1757 will help 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 by family farmers. Securing this protection will motivate us to maintain coffee quality and premium prices to support an agricultural future.

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

Sincerely,

Carolyn Keffer