



Written Statement of  
**Robbie Melton**  
Executive Director & CEO  
Hawaii Technology Development Corporation  
before the  
**House Committee on Finance**  
Friday, February 16, 2018  
3:00 p.m.  
State Capitol, Conference Room 308

In consideration of  
**HB2610, HD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

The Hawaii Technology Development Corporation (HTDC) **supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

HTDC supports local manufacturers through our INNOVATE Hawaii program which receives \$500k a year in federal funding by the U.S. Department of Commerce, National Institute of Standards and Technology’s (NIST) to deliver the Manufacturing Extension Partnership (MEP) program. The Hawaii manufacturing industry provides export and import substitution opportunities to improve our economy and has been identified nationally as a key driver for innovation. Hawaii manufacturers face the additional challenge of the high cost of energy and shipping. The grant program is targeted to make Hawaii manufacturers more competitive.

A summary of the awards made by the matching program is listed below:

	FY16	FY17
Appropriation	\$2 MM	\$1 MM
# of Applications	69	42
# of Awards	51	25
First Time Awards	51	14
Company Investment (match)	\$31.3 MM	\$8.7 MM
\$\$ Requested	\$ 3.4 MM	\$1.6 MM
\$\$ Awarded	\$ 1.9 MM	\$0.9 MM
Estimated New Jobs	363	353

*\* FY18 data not available yet, awards are still in process*

Through FY16 and FY17, 46 awards have been made in the City and County of Honolulu, 12 in Maui County, 8 in Hawaii County, and 10 in Kauai County. 45% of the funding was awarded to food manufacturers, 18% to beverage and tobacco manufacturers, 12% to fabricated metal and

transportation equipment manufacturers, 10% to chemical, plastics, etc., 8% to paper and printing manufacturers. The program provides up to a 20% match of the investment by the company. As seen in the table above, the program has exceeded the 80% company match requirement with \$2.8 million awarded and \$40 million dollars invested by the companies.

Interest in the program remains high and HTDC anticipates awarding all of the \$1 million fiscal year 2017-2018 appropriated funds. HTDC believes this program provides leverage and positive economic development value for the State. The bill appropriates \$1.5 million for the program.

HTDC agrees that this would be an appropriate amount for the program and support this initiative as long as it does not replace our priorities requested in the Executive Budget. HTDC respectfully requests correction of the defective effective date. Thank you for the opportunity to offer these comments.



P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

February 16, 2018

HEARING BEFORE THE  
HOUSE COMMITTEE ON FINANCE

**TESTIMONY ON HB 2610, HD1**  
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Room 308  
3:00 PM

Aloha Chair Luke, Vice Chair Cullen, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

**The Hawaii Farm Bureau supports HB 2610, HD1**, which appropriates funds for the Hawaii Technology Development Corporation's manufacturing grant program.

The strength of Hawaii's economy is dependent upon a diversity in commerce that are resilient to economic downturns and aggressive in creating new opportunities for growth. This program complements other programs in DBEDT to accomplish such a goal.

A major weakness in agriculture is our lack of value added production. Our over dependence on sale of fresh goods makes us especially vulnerable to weather and pest outbreaks while strict quarantine measures and transportation costs of heavy goods make exports difficult. This measure creates incentives for value added manufacturing. Farmers like to farm. They are not experts in value-added production. Partnerships with the manufacturing sector could help us in this area.

For example, beef. Maui has a new product called Maui Crisps. It is a popular "omiyage" gift. The owner had difficulty meeting demand and recently expanded his operations. This provides a value-added product to our cattle industry, is portable and light -- perfect for suitcase exports and is shelf stable, not requiring refrigeration. Products like this can pull agricultural expansion supportive of our State's policy for increased agricultural production.

We need to expand other agricultural value-added production capacities and this program is a critical opportunity to achieve this goal.

Thank you for this opportunity to provide our opinion on this important matter.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Finance  
Friday, February 16, 2018 at 3:00 P.M.  
Conference Room 308, State Capitol**

**RE: HOUSE BILL 2610 HD1 RELATING TO THE HAWAII TECHNOLOGY  
DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** HB 2610 HD1, which appropriates funds to the High Technology Development Corporation for the Manufacturing Development Program.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports this bill that continues the manufacturing grant program, which has become a positive resource to aid companies with their investments for manufacturing equipment, training of their employees on newly purchased equipment, energy efficiency, and feasibility studies. We believe that the continuation of this program will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export. There is movement to begin to manufacture more back in the U.S. At the same time, Hawaii still has some competitive disadvantages. This bill will help companies in Hawaii to start or grow their operations.

In Hawaii there are over 700 active manufacturers in the state that employ 14,000 people and contribute to the overall state economy. In 2016 Hawaii manufacturers helped our state's economy by contributing nearly \$1.78 billion in manufactured goods exported outside of Hawaii.

The grant program supports the industry by increasing production and economic activity. According to the High Technology Development Corporation's Innovate Hawaii, in 2017 the agency that administers the grant, they gave out approximately \$1.9 million in grant funding that spurred over \$31 million in private investment. We believe that this is worthwhile and financially smart investment for state funding.

Thank you for the opportunity to testify.



Written Statement of  
**DR. PATRICK K. SULLIVAN**  
**PRESIDENT/CEO OCEANIT**

Before the  
**HOUSE COMMITTEE ON FINANCE**  
February 16, 2017  
3:00 PM  
State Capitol, Conference Room 308  
In Support of  
**HB2610 REALTING TO THE HIGH TECHNOLOGY  
DEVELOPMENT CORPORATION**

To: Chair Sylvia Luke, Vice Chair Ty J.K. Cullen, and Members of the Committee  
From: Dr. Patrick K. Sullivan, President/CEO  
Re: Testimony in Support of HB2610

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **IN SUPPORT of HB2610.**

Oceanit is a local diversified science and engineering company with capabilities/facilities in advanced technology, life sciences, information systems, aerospace, energy, oil and gas and consulting engineering services. Many of our technologies are ready for commercialization and hope to manufacture our technologies here in Hawaii.

This bill will allow Hawaii companies to keep the manufacturing of their products here in Hawaii. In turn, there will be job creation and long term investments for the people of Hawaii.

Oceanit is committed to manufacturing technology in the State of Hawaii.

Therefore, we **SUPPORT HB2610.**



1050 Bishop St. PMB 235 | Honolulu, HI 96813  
P: 808-533-1292 | e: info@hawaiiifood.com

#### **Executive Officers**

**Beau Oshiro**, C&S Wholesale Grocers, *Chair*  
**John Erickson**, Meadow Gold Dairies, *Immediate Past Chair*  
**Toby Taniguchi**, KTA Superstores, *Vice Chair*  
**Lauren Zirbel**, HFIA, *Executive Director*  
**Joe Carter**, Coca-Cola Bottling of Hawaii, *Secretary / Treasurer*  
**Stan Brown**, Acosta Sales & Marketing, *Advisor*  
**Paul Kosasa**, ABC Stores, *Advisor*  
**John Shilf**, Rainbow Sales & Marketing, *Advisor*  
**Barry Taniguchi**, KTA Superstores, *Advisor*  
**Derek Kurisu**, KTA Superstores, *Advisor*

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TO:  
Committee on Finance  
Rep. Sylvia Luke, Chair  
Rep. Ty J.K. Cullen, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: Friday, February 16, 2018  
TIME: 3:00pm  
PLACE: Conference Room 308

RE: HB 2610 Relating to the Hawaii Technology Development Corporation

Position: Support

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.

The Hawaii Technology Development Corporation (HTDC) is a vital business accelerator that helps diversify and strengthen Hawaii economy. Manufacturing is an essential industry here in Hawaii providing jobs and local products. There is room for growth in this industry and The Manufacturing Grant Program is an important part of maintaining and growing a strong manufacturing sector here in Hawaii. We urge you to vote yes on this measure and we thank you for the opportunity to testify.

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EST. 1988

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HVCA

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HAWAII VENTURE CAPITAL ASSOCIATION

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Statement of

**Melialani James**

President

Hawaii Venture Capital Association

before the

**House Committee on Finance**

Friday, February 16, 2018

3:00 p.m.

State Capitol, Conference Room 308

In consideration of

**HB2610, HD1**

**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

**HVCA** supports HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

Since its founding in 1988, the Hawaii Venture Capital Association (HVCA) has stood as a nexus for entrepreneurs, capital foundation, and networking opportunities in Hawaii. Fostering entrepreneurship through education and exposure to prime members of our business community continues to be our goal as we strive to grow a vibrant and successful venture community.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments.



**KYD, Inc. dba k. yamada distributors**

**An independent leader in packaging and wholesale distribution**

P.O. BOX 29669, Honolulu, Hawaii 96820 Phone: (808) 836-3221 Fax: (808) 833-8995

Statement of  
**Carmelita Phillips**  
Vice President/Controller  
KYD, Inc.  
before the  
**House Committee on Finance**  
Friday, February 16, 2018  
3:00 p.m.  
State Capitol, Conference Room 308

In consideration of  
**HB2610, HD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

**KYD, Inc. supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

**The Manufacturing Grant is very important to our company as it will help us acquire needed new machinery to improve and increase our manufacturing capabilities. It will increase our revenues and allow us to employ more people.**

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments.



**WILL CALL, G&A, AND WAREHOUSE OFFICES:** 2949 Koapaka Street, Honolulu, Hawaii 96819-1923 Phone: (808) 836-3221 Fax: (808) 833-8995

**MANUFACTURING FACILITIES:** 747 Umi Street, Honolulu, Hawaii 96819-2394 Phone: (808) 836-3221 Fax: (808) 845-7754





**KYD, Inc. dba k. yamada distributors**

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P.O. BOX 29669, Honolulu, Hawaii 96820 Phone: (808) 836-3221 Fax: (808) 833-8995

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**MANUFACTURING FACILITIES:** 747 Umi Street, Honolulu, Hawaii 96819-2394 Phone: (808) 836-3221 Fax: (808) 845-7754



Statement of  
**Duke Hartman, P.E.**  
**Vice President, Business Development**  
**MAKAI OCEAN ENGINEERING, INC.**

before the  
**COMMITTEE ON FINANCE**

Friday, February 16, 2018  
3:00 P.M.

State Capitol, Conference Room 308

In consideration of

**HB2610 HD1**

**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen,

And the Members of the Committee on Finance

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS HB2610 HD1** that makes an appropriation for the continuation of the manufacturing development program within the High Technology Development Corporation (HTDC).

Makai Ocean Engineering, Inc. has historically been an engineering services provider, but now, with the help of the State's current manufacturing assistance program, Makai is diversifying into low-volume manufacturing. Makai has been involved in marine-related engineering in Hawaii for over 44 years, and recently began a heat exchanger R&D program. Now, we are ramping up production a small manufacturing plant for heat exchangers on the Big Island of Hawaii, which is sustaining approximately 8 highly-skilled, high-paying STEM / engineering jobs in rural Kona. We have a strategic advantage for developing and manufacturing low-volumes of these components in Hawaii for two reasons: the U.S. Navy and Air Force's presence in Hawaii, and Makai already owns and operates a heat exchanger test facility and corrosion lab on the Big Island. As an example, Makai was recently awarded a contract to design a new heat exchanger for the U.S. Air Force's next generation aircraft, including the new F-35 fighter jet, and we hope to be manufacturing units over the coming years.

According to the Chamber of Commerce of Hawaii in 2017, Hawaii has over 1,000 active manufacturers employing about 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. Because they are matching funds, a manufacturer is eligible only if they are already making an investment in the local community and providing jobs. The program amplifies these efforts, and shows the State's support for local manufacturers willing to make the investment and commitment to adding jobs, and growing their businesses and the industry in Hawaii.

Thank you for the opportunity to offer these comments.



Statement of  
**Julia Person**  
**Corporate Sustainability Manager**  
[Julia.person@konabrewingco.com](mailto:Julia.person@konabrewingco.com) / 971-271-0596  
**Kona Brewing Co.**  
before the  
**House Committee on Finance**  
Friday, February 16, 2018  
3 p.m.  
State Capitol, Conference Room 308

In consideration of  
**HB2610, HD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance,

Kona Brewing Co. **supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

Kona Brewing Co. is Hawaii's oldest and largest craft brewery, and is today a top 10 national craft beer brand. The flagship brewhouse operates in Kailua-Kona, where the company is embarking on a large expansion, with a commitment to grow in a sustainable manner. The new brewery has a goal to be net zero energy usage, net zero water usage, and a certified green building. The HTDC manufacturing grant program has enabled Kona Brewing Co. to pursue innovative energy efficient technology, helping to support more local jobs and revenue generation by growing our manufacturing business. We strongly recommend the continuation of HB1327.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

Thank you for the opportunity to offer these comments.



**ALOHA SHOYU COMPANY**

Statement of  
David Y. Morikawa  
Vice President - Operations

**Testimony to the House Committee on Finance  
Friday, February 16, 2018 at 3:00 P.M.  
Conference Room 308, State Capitol**

In consideration of  
**HOUSE BILL 2610, HD1**  
**RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance:

The Aloha Shoyu Company, Ltd. **supports** HB2610 that appropriates funds to the High Technology Development Corporation for the continuation of the manufacturing grant program.

According to the Chamber of Commerce of Hawaii, there are approximately 1,000 active manufacturers employing approximately 17,000 workers. Manufacturers helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. We believe that this is a worthwhile and financially smart investment for state funding. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments



# Meadow Gold Dairies



HB2610hd1, Relating to Hawaii Technology Development Corporation  
House FIN Committee

Feb. 16, 2018

3:00 pm, Room 308

Written Testimony By: John Erickson

Position: Support

Chair Luke and Members of the House FIN Committee:

My name is John Erickson, General Manager of Meadow Gold Dairies. Our company has been in Hawaii since 1897—121 years, providing Hawaii consumers with a variety of milk products and juices. Meadow Gold's long history has not come without effort. We continually adapt to our customers' and consumers' ever-changing needs, and we constantly evolve along with our industry, our community and our market. Over the years, this has required that we struggle, tighten our belts, innovate and work extremely hard, making us a better company in the process. The foundation of this work rests with the 330 employees that are committed to providing superior quality products.

Manufacturers in Hawaii have certain challenges that are the result of being an island-State. Nonetheless, there are approximately 1000 active manufacturers in the state that employ almost 17,000 people. Manufacturers helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

The continuation of funding of the manufacturing grant program will contribute to the growth and stability of local manufacturers.

Your support of this measure is appreciated. Thank you for the opportunity to submit testimony.



**House Committee on Economic Development & Business**

Bill scheduled to be heard by FIN on Friday, 02-16-18 3:00PM  
in House conference room 308.

In consideration of

**HB2610**

**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT  
CORPORATION**

Chair Evans, Vice Chair Keohokalole, and Members of the Committee on  
Economic Development & Business.

Hawaii Kai Corporation supports HB2610 that appropriates funds to HTDC for  
continuance and administration of the manufacturing development program.

Hawaii Kai corporation has been in business since 2005 from its own property on  
Molokai. It became the first Hawaiian gourmet sea salt producer using its  
proprietary evaporation technologies to produce large amount of sea salt without  
having to use large areas of evaporation beds. We are currently planning to expand  
our production facilities and capabilities on Molokai, which could add more full  
time and part-time employment on the island. Additionally, we will be using  
locally produced and grown ingredients contributing to the Island's economy.

Every bit of support that we can get is critical to our step by step efforts towards  
becoming a truly local, 100% Hawaii grown company.

We support this program and its passage would show the State's support for local  
manufacturers willing to make the commitment to growing their businesses in  
Hawaii and growing the industry.

Thank you for the opportunity to offer these comments.



Statement of:  
Todd J. Robertson  
Hyperspective  
Before the  
**House Committee on Finance**  
Friday, February 16, 2018  
3:00 p.m.  
State Capitol, Conference Room 308

In consideration of  
**HB2610, HD1 RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Hyperspective **supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

Hyperspective is a digital creative agency, focused on developing cutting edge technology for communications and products within the State of Hawaii for global export. As a technology company, Hyperspective benefits from programs like the manufacturing grant, directly through application for such grants and in-directly through services provided to companies that are awarded grants. This program supports the growth of an ecosystem of companies that attract large-scale business, talent and investments to Hawaii.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. **The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.**

We respectfully request correction of the defective effective date.

Thank you for the opportunity to offer these comments.

# Aloha Edibles, Inc



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Statement of  
**Carri Loui**  
Manager  
Aloha Edibles, Inc  
before the  
**House Committee on Finance**  
Friday, February 16, 2018  
3:00 p.m.  
State Capitol, Conference Room 308

In consideration of  
**HB2610, HD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Aloha Edibles Inc **supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

This grant has helped us tremendously. It helped us to get equipment that is required by USDA to operate under their strict guidelines. We have been federally inspected since May of 2017. Since May we've also been able to expand our work force to include another full time person and 4 part timers.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments.

94-334 UKEE STREET #101, WAIPAHU, HI 96797

PH: 808-732-2292 EMAIL: ALOHAEDIBLES@GMAIL.COM FEIN # 46-5734141





**KYD, Inc. dba k. yamada distributors**

*An independent leader in packaging and wholesale distribution*

P.O. BOX 29669, Honolulu, Hawaii 96820 Phone: (808) 836-3221 Fax: (808) 833-8995

HB2610hd1, Relating to High Technology Development Corporation

Hse FIN Hearing

Fri. Feb. 16, 2018

3:00pm - Room 308

Written Testimony by: Dexter Yamada

Position: Support

Chair Luke and Members of the House FIN Committee:

I am Dexter Yamada, President of KYD, Inc. dba: K. Yamada Distributors. KYD, Inc. is a local family run business that originated in the 1940's as a florist and florist supply distributor, and in 1958, evolved into a packaging company. Today, KYD, Inc and its sister company, Hawaii's Finest Products, LLC, employ about 90 employees and contribute to Hawaii's economy through taxes and payroll. Our companies manufacture packaging materials such as food-grade EPS (Expanded Polystyrene) food containers, and distribute a variety of supplies, to include compostable containers, for food processors, food establishments, supermarkets, hotels hospitals and other institutions.

Appreciation is expressed for this measure that continues to recognize that local manufacturers make finished products in Hawaii, provide employment and contribute to the State's economy.

It encourages local manufacturers to make the commitment to grow their businesses in Hawaii.

Please support this bill. Thank you for the opportunity to testify.



WILL CALL, G&A, AND WAREHOUSE OFFICES: 2949 Koapaka Street, Honolulu, Hawaii 96819-1923 Phone: (808) 836-3221 Fax: (808) 833-8995

**HB-2610-HD-1**

Submitted on: 2/15/2018 2:57:42 PM

Testimony for FIN on 2/16/2018 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Brittany Heyd	Mana Up Labs, LLC	Support	No

Comments:

Statement of

**Brittany Heyd**

**Partner**

**Mana Up Labs, LLC**

before the

**House Committee on Finance**

Friday, February 16, 2018

3:00 p.m.

State Capitol, Conference Room 308

In consideration of

**HB2610, HD1**

**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Mana Up Labs, LLC **supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

Mana Up is an initiative to build Hawai'i's next 100 multi-million dollar product companies. Mana Up has a 12-week accelerator program offered biannually to enable Hawai'i product entrepreneurs to scale their businesses. Mana Up's title partner is Kamehameha Schools, its exclusive airline partner is Hawaiian Airlines, joined by partners Ulupono Initiative, American Savings Bank, Castle & Cooke/Dole Plantation, Hawaii Technology Development Corporation (HTDC) and INNOVATE Hawaii.

Mana Up's current accelerator program cohort includes 10 product companies based in Hawaii employing approximately 100 people. Support of manufacturing initiatives is critical to help products get to market and have infrastructure locally to test and scale products. It is also important for training and providing resources to business owners who often are facing new challenges as they build their companies.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments.



Statement of  
**Adelheid Kuehnle**  
CEO  
**Kuehnle AgroSystems Inc.**  
before the  
**House Committee on Finance**  
Friday, February 16, 2018  
3:00 p.m.  
State Capitol, Conference Room 308

In consideration of  
**HB2610, HD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

**Kuehnle AgroSystems Inc. supports** HB2610, HD1 that appropriates funds to HTDC for continuance and administration of the manufacturing development program.

Kuehnle AgroSystems Inc. is a bio-based product research, development & deployment company located in the Manoa Innovation Center (MIC). As a tenant of MIC, and we have worked closely with HTDC to build our company. They have been excellent partners for us, aiding in many areas of our business development and including a recently installed pilot manufacturing facility. This bill is important for the small business community in Hawaii, and good for manufacturing innovation companies such as ours.

HTDC's manufacturing grant program has enabled us to establish and expand our pilot manufacturing facility in Hawaii to produce an increasingly expanding array of product offerings. We are currently in discussions to leverage this to attract partner investment to build a much larger manufacturing facility in Hawaii.

The HTDC manufacturing development program has also been extremely helpful in adopting GMP-like manufacturing practices preferred for ingredients used in personal care products (our target market).

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments.



2800 Woodlawn Drive  
Suite 281  
Honolulu, Hawaii 96822  
808.469.4181  
<http://www.kuehnleagro.com>

**HB-2610-HD-1**

Submitted on: 2/14/2018 2:00:34 PM

Testimony for FIN on 2/16/2018 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Randall Francisco	Individual	Support	No

Comments:

Many of Kauai's small manufacturing businesses have received tremendous support in helping ideas and start-ups transfer and create a manufacturing pathway for many Kauai residents, including those new to business. Kauai's iconic brands such as Salty Wahine Gourmet Hawaiian Sea Salts, Aunty Lilikoi are renowned examples of what a small investment by government can do to help facilitate an environment for manufacturing success. Equally important has been the growth of the manufacturing sector on Kauai as others inspired by earlier successes have spurred newcomers to participate in this evolving sector of our economy.

**HB-2610-HD-1**

Submitted on: 2/15/2018 2:58:14 PM

Testimony for FIN on 2/16/2018 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	Individual	Support	No

Comments:



**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

**LATE**

**HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308  
FRIDAY, FEBRUARY 16, 2018 AT 3:00 P.M.**

To The Honorable Sylvia Luke, Chair;  
The Honorable Ty J.K. Cullen, Vice Chair; and  
Members of Committee on Finance;

**TESTIMONY IN SUPPORT OF HB 2610 HD1  
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce. I am writing share our support of HB 2610.

The Hawaii Technology Development Corporation is extremely important to develop and sustain the state's manufacturing industry. The manufacturing increases the workforce and resources for our community. We believe supporting our local manufacturers is vital to our state's economy and support funding to continue the manufacturing grant program and its operations and administration for fiscal year 2018-2019.

Sincerely,

*Pamela Tumpap*

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.