JOSH GREEN Lt. Governor



**DENISE ALBANO** Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

### TESTIMONY OF DENISE ALBANO CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

JANUARY 30, 2019 9:00 A.M. CONFERENCE ROOM 312

HOUSE BILL NO. 143 RELATING TO COFFEE LABELING

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to testify on House Bill 143, 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 adverting of ready-to-drink coffee beverages at coffee shops. Many of the 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 is currently unable to determine the content or origin of a coffee or its blend once it is roasted or manufactured as a ready-to-drink beverage.

Thank you for the opportunity to testify on this measure.



### HB-143 Submitted on: 1/28/2019 6:19:01 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tim F Merriman	Kona Coffee Farmers Association	Support	No

### Comments:

We own a small Kona coffee farm in Captain Cook and support HB143 in requiring more appropriate labeling on ready-to-drink products claiming to include Kona coffee. We hope you will approve this bill and help protect Kona's unique reputation and brand for coffee quality.

Tim Merriman, Co-owner with Lisa Brochu (wife)

Heartfelt Kona Coffee

http://heartfeltkonacoffee.com

### HB-143 Submitted on: 1/28/2019 6:09:49 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bruce corker	Kona Coffee Farmers Association	Support	No

Comments:

Aloha Chair Creagan and Committee Members:

On behalf of more than 250 members of the Kona Coffee Farmers Association, I am writing in strong support of HB143.

This bill will make Ready-To-Drink (RTD) coffee products subject to the same Hawaii State coffee labeling requirements that currently apply to roasted and instant coffees.

In recent years RTD coffees (sold in cans, cartons, and similar containers) have become more and more popular. However, some marketers are using Hawaii origin names on RTD packages (for example, Royal Mills' "Hawaiian Kona Premium Coffee" and "Kona Red Kona Blend") without disclosing how much, if any, of the coffee in the package is from Hawaii-grown coffee beans. This misleading use of Hawaii origin names damages the economic interests of Hawaii coffee farmers, damages the reputations of Hawaii-grown coffees, and deceives consumers—many of whom are visitors to Hawaii.

Please support our hard working Hawaii coffee farmers by enacting HB143.

Thank you for the opportunity to testify in support of this important bill.

Bruce Corker

Legislatve Committee

Kona Coffee Farmers Association



# **RE: Support for HB143**

**RELATING TO COFFEE LABELING** 

Expands the coffee labeling requirements to include ready-to-drink coffee beverages.

Aloha Legislators,

The Kona Coffee Farmers Association requests and appreciates your support of this Bill. We represent over 200 farms in the Kona districts and our mission is to protect the economic interests of our growers.

Unlike other coffee products, the State does not currently regulate ready-todrink (or RTD) coffee. Under this loophole, vendors are free to use and misuse the State trademarks for Hawaii coffee at will. Every convenience store in the state sells cans of cold brew RTD coffee with the word "Kona" on the label. Yet nowhere does it indicate the percentage (if any) of actual Kona coffee in the can. Consumers are misled and growers are cheated.

Our island farmers do not earn any money from mainland coffee that is improperly labeled as "Kona" or "Hawaiian". Furthermore, consumers now associate Kona coffee with some cheap and possibly bitter brew they drank at a convenience store. This damages Hawaii's key agricultural brands. Passage of this Bill easily remedies such damage.

My family has three generations who farm coffee in Kona. Thank you for your consideration of this bill. Your support makes a difference in the lives of hundreds of farmers.

Mahalo nui loa!

Suzanne Shriner President

### HB-143 Submitted on: 1/28/2019 6:34:40 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sharlene Gee	Bea's Knees Farm	Support	No

Comments:

Ready-To-Drink (RTD) coffee products should meet the same labeling requirements that apply to roasted and instant Hawaii-grown coffee. It doesn't make any sense for RTD products to be exceptions.

There should be more truth and transparency in labeling. An average consumer probably doesn't realize that the labeling is any different than other coffee products. This is very misleading. How can any RTD product with real 100% Hawaiian coffee distinguish itself from the others? The current state results in product that's confusing to consumers and cheapens our brand of 100% Hawaii-grown or other single geographic origin.

### <u>HB-143</u> Submitted on: 1/26/2019 9:13:17 AM Testimony for AGR on 1/30/2019 9:00:00 AM

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

Comments:

I am a Kona coffee farmer and a member of the Kona Coffee Farmers Association and I support this bill. Ready to drink products should conform to the same labeling requirement as other coffee products. And it is time Hawaii supports its farmers and enables us to sell our products at a reasonable profit. 10% blends of Kona ready to drink coffee products take money right out of my pocket and keep my revenue lower than it should be. They also delude the consumer by using our Kona name and not giving them the real product. Please pass this bill, HB143.

### HB-143 Submitted on: 1/26/2019 2:22:22 PM Testimony for AGR on 1/30/2019 9:00:00 AM

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

Comments:

To the House Comittee on Agriculture:

It is only fair that Ready-to-Drink (RTD) coffee products be required to meet the same blend laws that other roasted coffee products are required to meet. RTD products are relatively new to the Hawaii market. They need to be added to the blend law.

Aloha,

Sandra Scarr

### HB-143 Submitted on: 1/28/2019 9:28:22 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lee Sugai	Sugaikonacoffee	Support	No

Comments:

All products that use the name Kona coffee on labeling must contain Kona coffee and list all of the ingredients. Anything else is a consumer rip off. I support HB143.

Respectfully,

Lee Sugai

HB-143 Submitted on: 1/29/2019 9:22:44 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Shultise	LavaRock Farm	Support	No

# HB-143 Submitted on: 1/29/2019 9:00:17 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

# HB-143 Submitted on: 1/28/2019 5:04:41 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc www.WeAreOne.cc - WAO	Support	No

### <u>HB-143</u> Submitted on: 1/27/2019 7:32:34 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Peter Goulding	Individual	Support	No

### Comments:

I am a small coffee farmer living in Kailua Kona on the Big Island. I am a member of Kona Coffee Farmers Association. I support HB143 because I feel it is unfair to allow ready to drink coffee from being labeled differently than other coffee products. There are ready to drink packages labeled Kona Red for example, that do not specify if they actually have any Kona Coffee in them, or what percent. Allowing inconsistent labeling devalues the Kona brand and can be misleading to consumers and corrupt the Kona Coffee flavor that is known worldwide. Ultimately it will reduce the price I can sell my 100% Kona Coffee for.

<u>HB-143</u> Submitted on: 1/27/2019 11:45:22 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Koohan Paik	Individual	Support	No

HB-143 Submitted on: 1/28/2019 7:35:26 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Hershey	Individual	Support	No

### HB-143 Submitted on: 1/28/2019 8:51:51 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization Testifier Position		Present at Hearing
Deniz Tek	Individual	Support	No

Comments:

Good Morning. Thank you for hearing my testimony. My wife and I grow Kona coffee on our small farm on the Big Island. It is essential for our business that coffee products across our industry maintain truth and consistency in labeling. The good name of "Kona Coffee" and it's high respect worldwide depend on the integrity of products that bear this appellation. This is of vital importance to our business.

Deniz Tek

### <u>HB-143</u> Submitted on: 1/28/2019 9:19:25 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization Testifie Position		Present at Hearing
KATHLEEN DIXON	Individual	Support	No

Comments:

To Whom It May Concern,

I strongly support the passage of HB143. Many ready to drink products are marketed as containing Kona coffee when in fact some many of these products contain no Kona coffee at all! This is a blatant misuse of the trademarked name "Kona". If a product is going to use Kona in its marketing and packaging it must contain Kona Coffee!

Thank You,

Kathleen Dixon

### <u>HB-143</u> Submitted on: 1/28/2019 9:37:24 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization Testifier Position		Present at Hearing
randal merrick	Individual	Support	No

Comments:

My wife Cheryl and I have a small Kona Coffee Farm in Captain Cook. We feel fortunate to be a small part of a long and proud tradition of growers producing pure Kona Coffee. We support HB143. Any item calling it's self Kona Coffee should be largely from Kona Coffee trees. The consumer also deserves to know what they are drinking.

We are supporting members of the Kona Coffee Farmers Association and and appreciate the hard work they do for the good of true Kona Coffee.

mahalo, randal merrick

### HB-143 Submitted on: 1/28/2019 10:48:13 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	anization Testifier Pres Position Hea	
Lawrence Ford	Individual	Support	No

Comments:

Labeling ready to drink coffee and instant coffee is very important to give the consumer the information to make an informed decision how to spend their hard earned money. Every consumer has an intrinsic right to information on products they consume. Please protect the hard won good name of Kona coffee. I am an individual, but also a Kona Coffee Farmer Association member.

### <u>HB-143</u> Submitted on: 1/28/2019 12:42:05 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Organization Testifier Position	
L.M. Holmes	Individual	Support	No

Comments:

Aloha Chair Creagan and Committee members,

I am writing in strong support of HB143, which would make Ready-To-Drink (RTD) coffee products meet the same Hawaii State coffee labeling requirements that currently apply to roasted and instant coffees. As it is, some marketers are using Hawaii origin names on their packages (for example, "Kona Red" and "Hawaiian Kona Premium Coffee") without disclosing how much, if any, of the coffee in the package is from Hawaii-grown coffee beans. This misleading use of Hawaii origin names damages the economic interests of Hawaii coffee farmers and the reputation of their products. I support Hawaii's hard working farmers and the State of Hawaii should do the same by enacting HB143.

Mahalo for the opportunity to testify in strong support of this very important bill.

Dr. Lorna Holmes, 215 N. King St #910, Honolulu, HI 96817

### HB-143 Submitted on: 1/28/2019 2:06:57 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia Maryanoff	Individual	Support	No

Comments:

Dear Representatives,

Please represent Kona small farm coffee growers and support HB 143-requiring labels on Ready-To-Drink (RTD) coffee products to meet the same labeling requirements that apply to roasted and instant Hawaii-grown coffee

My husband and I own two small Kona coffee farms. Our special interest is premium, single-estate 100% Kona coffee. Our company grows, processes, roasts, and sells high-quality, single-estate 100% Kona coffee, with a focus on artisanal, premium brands to satisfy the interests of coffee connoisseurs. Our coffee fruit (cherry) comes from Cynthiana Farm (ca. 900 trees) in South Kona and Honalo Farm (ca. 3000 trees) in North Kona. The trees are dry-farmed (i.e., not irrigated). We have state-of-the-art coffee processing and roasting facilities at Honalo Farm, our corporate headquarters, and offer brands that represent the flavor profiles of specific terroirs. We exclusively custom-roast in small batches with a fluidized-bed air roaster. Our flagship brand is designated "Private Reserve", which is available from both farms.

We thank you for your past support, especially with the CBB problems.

We work hard! We are proud of our 100% KONA coffee products.

We find it offensive to see Ready-To-Drink coffee products labeled Hawaiian coffee or worse KONA coffee no notation of where the coffee came from and whether it is a blend or 100% something.

We are member of the Kona Coffee Farmers Association.

Please support HB 143-requiring labels on Ready-To-Drink (RTD) coffee products to meet the same labeling requirements that apply to roasted and instant Hawaii-grown coffee

Sincerely

Cynthia A Maryanoff

### <u>HB-143</u> Submitted on: 1/29/2019 8:57:22 AM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization	Drganization Testifier P Position I	
Jeanne Kapela	Individual	Support	No

Comments:

Aloha Chair Creagan and Members of the Committee,

As a board member of the Kona Coffee Farmers Association and a local farmer I strongly support this bill. 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.

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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.

Mahalo,

Jeanne Kapela

### <u>HB-143</u> Submitted on: 1/28/2019 7:42:39 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitte	d By Orga	Organization Testifier Position		resent at Hearing
Howard	Hill Ind	dividual S	Support	No

Comments:

I am writing in support of hb143 which provides standard for labeling of ready to drink coffee beverages produced in Hawaii. As a member of KCFA and coffee farmer, my opinion is that consumers have the right to know what they are actually purchasing when they purchase a coffee beverage product.

It is very disturbing to me that Hawaii has few standards which prevent the use of the name Kona Coffee on a product which in fact is not Kona coffee. It is damaging to the reputation of a local origin product which deserves protection from unscrupulous businesses. These companies are reaping profits by falsely using the name of our coffee which is widely considered to be the finest coffee in the world.

### <u>HB-143</u> Submitted on: 1/28/2019 8:48:34 PM Testimony for AGR on 1/30/2019 9:00:00 AM

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

Comments:

Aloha Chair and Committee Members:

As a Kona coffee farmer, and as a Board member of the Kona Coffee Farmers Association, it would be helpful to protect our unique Kona coffee by applying all Hawaii coffee rules and laws to Ready-to-Drink products, and not only products that need to be prepared... Coffee is coffee, basically, and we must protect what we, as a State, are representing ourselves with -- pure and sincere products from a range of regions, such as Kona coffee.

Thank you, again, for supporting HB143.

Sincerely,

Colehour Bondera

KANALANI OHANA FARM

Honaunau, HI

### <u>HB-143</u> Submitted on: 1/29/2019 12:03:24 PM Testimony for AGR on 1/30/2019 9:00:00 AM

Submitted By	Organization Testifier Position		Present at Hearing
Roger Kaiwi	Individual	Oppose	Yes

Comments:

This bill does not aply to products made in the state of Hawai'i. The department of agriculture has far too much on its plate to police at this time and could not possibly keep up with this growing demand.



Submitted By	Organization	Testifier Position	Present at Hearing
Jesse	Individual	Oppose	No

Comments:

With its growing popularity, this seems like it's one more thing to add on the large to do list that the department of Agricultre already has