

THE INDEPENDENT VOICE

Newsletter of the Kona Coffee Farmers Association

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The Politics of Coffee

Here they are: These candidates go forward to the November elections, seeking elected positions that will affect Kona coffee legislation. Take a look at how they responded to our Candidate Questionnaire on www.konacoffeefarmers.org for an idea of what they will do to protect Kona coffee.

Governor:

Randy Iwase & Linda Lingle

US Senate:

Daniel Akaka & Cynthia Thielen

US Representative District 2:

Mazie Hirono & Bob Hogue

State Representative District 5:

Bob Herkes, Charles Hosley & Michael Last

State Representative District 7:

Cindy Evans & William Sanborn

County Council District 7:

Brenda Ford & Virginia Isbell

The following candidates are secure in their seats and will not need to be in the November elections. So NOW is the time to ask them to start work on the promises they made us.

State Rep District 6: Josh Green

County Council District 6: Bob Jacobson

County Council District 8: Angel Pilago

How about this for a first step? Introduce and support a County Council resolution calling for State legislation requiring that a minimum of 75% Kona coffee be contained in any package labeled as "Kona coffee blend".

All our County Council Kona candidates agreed to this. Can we start the process?

Surveying Consumer Attitudes?

The Kona Coffee Council in collaboration with Jim Wayman of the Hawaii Coffee Company is proposing a survey of consumer attitudes to Kona coffee and Kona blends. They insist this study be done before any legislation restricting the use of the name Kona on coffee with only 10% Kona in it be proposed. And they plan on applying for a grant to do so.

The original purpose of the survey was to answer this question - if legislation is enacted which requires that 10% Kona Blends be called by a different name, will it drastically affect the amount of Kona coffee sold and cause a market glut? The current purpose of the survey, according to the draft sent out by the KCC, is to see if consumers can tell the difference between 10%, 50% and 100% Kona coffee, which they prefer, and what price points would they put on them. Hardly what is required; sounds like a marketing strategy blueprint for blenders. Is our public grant money to pay for this?

The KCFA had sent an alternative study proposal to Sandra Kunimoto. The study was prepared by the Cultural Analysis Group, a NJ company that has been doing brand research for over 20 years. It proposes to explore the equity in the Kona coffee name and determine what is truly critical to Kona's brand image and why. Knowing the value of the Kona name can help determine the financial damage that is being done by blends that use our name on lesser coffees.

Most farmers believe there is damage to the Kona name by primarily foreign coffee being sold with 'KONA' prominent in its label-

ing. Blenders argue differently. Even putting aside that controversy, it is clear that there is significant deception of the consumer.

But wait: We HAVE Surveyed Consumer Attitudes!

If a survey is needed, why not use an excellent one already done, that the KCFA just learned about? Interestingly, it is a CTAHR paper, was partially funded by the Hawaii Governor's Agriculture Coordinating Committee, and cites supporting work by S.L. Kunimoto (Ed. Note: The same Sandra L. Kunimoto who is now Chair of the Hawaii Department of Agriculture?). This valid research already answered questions the legislators want to know before they take action on the blend issue. Yet we have never seen it quoted or used.

What the Kona coffee farmers have been asking for a decade now is almost identical to the recommendations made by the authors of this paper. What consumers want to see happen. And the opposite of what blenders want to see happen.

In 1993, two scientists, one from UH Manoa, conducted a survey, published in the Journal Of Food Quality, Vol 16; Number 3, page 163. The article was entitled "*Consumer attitudes toward the use of geographical product descriptors as a marketing technique for locally grown or manufactured foods*" by Hodgson & Bruhn. We quote from the abstract:

Five focus group discussions were conducted in the four counties of Hawaii to investigate consumer attitudes toward product descriptors for: Kona Coffee, Kona Coffee Blend, Hawaii Coffee and Island

(continued on next page)





Left: What a local blender puts on their blend label

Below: What a government sponsored survey found consumers want on a 10% Kona blend label

FANCY GOURMET COFFEE BLEND
 a blend of the finest coffee beans,
 with added flavor notes
 of 10% Kona Coffee

The first reads: "Coffee blends containing less than 50% Kona Coffee may not use the descriptor Kona Coffee Blend but may be given a fanciful name with a descriptive language, eg, "Fancy Gourmet Coffee Blend, a blend of the finest coffee beans, with added flavor notes of --% Kona Coffee", with the minimum amount of Kona coffee used in the blend written on the blank space."

Coffee sellers have the right to make any blend of coffees that they wish. Consumers have the right to buy any blend of coffees that they wish. All Kona coffee farmers want is the right to have use of their own product's name reserved for the product, and not be used by cheap imitations. That way no one is deceived in what they buy, and the Kona name will not be damaged by association with a coffee taste that is not the Kona profile.

It is hard to believe that the slick marketers of the biggest coffee companies in Hawaii cannot come up with a great name and image for their blended coffees that doesn't deceive the consumer into thinking they are buying a real Kona product.

Of course it could be the huge mark-up on the Kona that appeals to the blenders. As we reported in the March issue, consumers buying 10% Kona Blend are paying the equivalent of \$87 a pound for the small amount of Kona in the bag.

A Record Year for Kona

Big Island coffee growers accounted for \$31 million of the State's total coffee farm revenue of \$37 million, or 83 percent. The record revenue came from a big increase in production, most of which occurred on the Big Island, where production was estimated at 4.7 million pounds (green bean), up 81% from the previous season.

Cherry prices averaged \$1.20 a pound. Parchment prices averaged \$6.70 a pound, up from last season but still lower than the \$7 price of the 1997/98 season. Green coffee sold for \$10.25 a pound, up 5% on the previous year.

The harvest for the current season is expected to be slightly lower but only by about 5%. *Extracted from the the National Agricultural Statistics Service. The full report can be found at www.nass.usda.gov/hi/speccrop/coffee.pdf*

Remember, Three Cups a Day...

A new scientific study indicates that drinking coffee can help protect against age-related cognitive decline (ARCD).

People with ARCD experience deterioration in memory and learning, attention and concentration, thinking, use of language, and other mental functions. Scientists studied 676 healthy men in Finland, Italy and the Netherlands born from 1900 to 1920. For 10 years they tested their cognitive decline, and tracked their coffee consumption.

The report in the August issue of the European Journal of Clinical Nutrition (a respected peer-reviewed journal) concludes that the men who drank coffee had significantly less impairment than those who didn't, with the least cognitive decline for the men who consumed three cups of coffee a day.

So don't forget to drink your coffee! And make it the best, make it 100% Kona Coffee.

Letter to The Editor

Getting Your Check on Time?

I've always been taught to pay my bills before the due date. By doing this your credit rating is always good and you are respected among the people you do business with. Why is this such a difficult concept for some of the leading processors to understand. The few times I have sold coffee cherry to a processor it seems that I have to call and almost beg for my check. "The excuses seem to be " I've been out of town and didn't sign any checks" or "Your check will go out this week when I do all the bills for the business" or " I can't find your receipt, can you send me a copy of what you have? They don't even seem to have a need to apologize for being late with your money.

When bills are paid late there are always late fee charges. Shouldn't processors who use "our/" money for their benefit have to pay a late fee too? After all, we're not their investors (or are we?).

Being treated as a legitimate business and with respect is not too much to ask. In fact it's about time we start demanding just that. I don't think I'm the only one having this problem. I'd like to hear from some of you about your experiences with some of the local processors.

Regards, Ginnie Comerford ginniedel@gmail.com

P.S. I just found a processor who does pay on time.

Letters to the Editor are the opinion of the writer, and do not reflect any opinion of the editor or of the KCFA.

Membership Information

The Kona Coffee Farmers Association was founded to protect and promote 100% Kona coffee, and to support and provide an independent voice to the farmers who grow Kona coffee.

With approximately 110 members, we are a member-driven organization and encourage member input at all times. KCFA holds quarterly meetings each year specifically for member communications. You can also contact any of the KCFA directors and voice your concerns.

Only farmers are allowed voting privileges in KCFA elections. Only farmers can be elected to the KCFA Board of Directors.

The Kona Coffee Farmers Association's goals are to help all of our member farmers succeed in their farming business and enjoy participating in an organization that represents their interests. Tell a friend.

Learn more and join us online.
www.konacoffeefarmers.com

Fresh. Results indicate that *Kona Coffee* was considered by consumers as an appropriate product descriptor for coffee products consisting *only of 100% Kona coffee*. Consumers also described the use of the following product descriptors as appropriate: *Kona Coffee Blend*, for coffee products *containing at least 50% Kona coffee*. Consumer standards for a Kona Coffee Blend differ from those adopted by the industry in 1992. Consumers want to know label information is correct and accurate in order to assess quality in relation to price and make informed decisions.

In the body of the 12 page research paper are the following statements:

"The use on a food label of a product name with a geographical location that is different from that declared in the responsibility statement is perceived by the consumer as misleading. Such a practice is a form of misbranding and is in violation of the Fair Packaging and Labeling Act of 1966."

"Overwhelmingly, consumers believe that a coffee labeled Kona Coffee Blend should contain more than 50% Kona coffee. This is consistent with the results of an earlier study by S.L. Kunimoto (1986)."

"Consumers overwhelmingly stated that they believed 10% Kona coffee is too small an amount to justify the use of the descriptor *Kona Coffee* in the product name. Many expressed concern that tourists who buy *Kona Coffee Blends* do so without carefully reading the label. Consequently, these tourists may find *Kona Coffee Blends* not to be distinctive and may think the leading descriptor *Kona Coffee* 'not worthy of a special price and may actually damage the brand's image'"

"... the Kona coffee industry may suffer a loss of consumer quality perception if coffee blends containing only 10% Kona coffee may also use the descriptive name Kona."

The distinguished authors went so far as to make recommendations of standards and practices to be adopted.