

Oct. 21, 2011

**Third Annual
A Comparison of Local Versus Imported Produce
Advertising at Big Island Grocery Stores.**

***A Need for Commitment to Hawaiian Agriculture
and a Call to End Deceptive Advertising.***

By Ken Love

A number of trends developed during the course of this year's data accumulation. Some trends showing increases in local produce promotion where least expected and some very disturbing trends when it comes to continually deceptive advertising.

For the uninitiated, this report covers the amount of local produce versus imported produce in West Hawaii Today weekly foods ads. It covers from Aug. 2010 through Aug. 2011. Stores are visited regularly in order to compare with the actual advertising and gauge the relative amounts of local and imported produce in the store. We also monitor in-store displays and labeling of local produce as well as country of origin labeling.

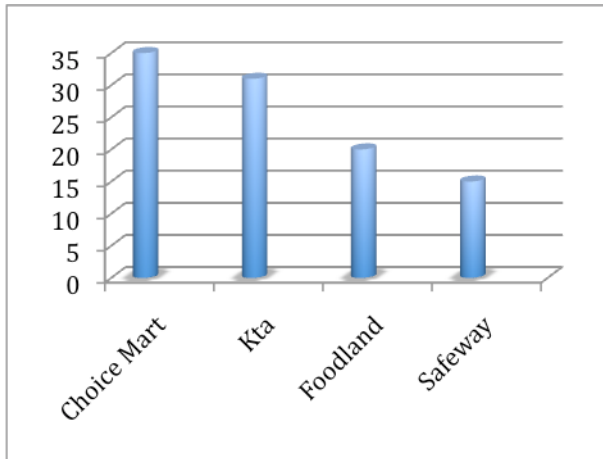
Data

From 2009 to 2011, Choice Mart advertising rose from 33% local items to 35% although in 2010 they were at 37%. Choice Mart seldom advertises local avocados, which are the only ones they carry. 90% of the time they carry only local bananas but have to supplement those with occasional Ecuadorian imports. There are times they order local from a wholesaler but are sent the imports, packed inside local banana boxes. During this reporting period, the store called me twice to report this happening.

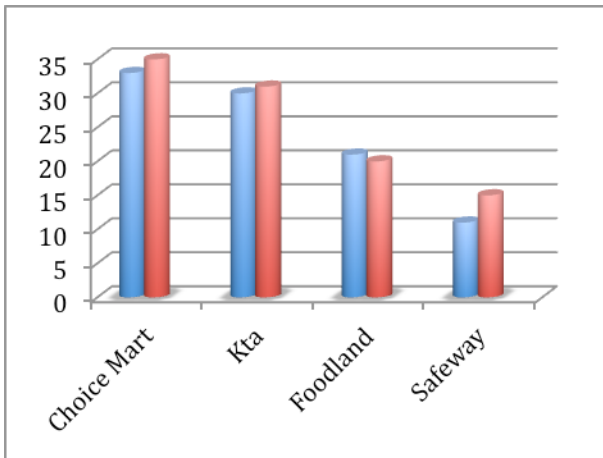
In their Oct. 20 to 26th ad, Choice Mart advertised imported California oranges for 69 cents a lb., almost half of the usual more than \$1.00 wholesale price. Local oranges sold at 89¢ per pound.

Foodland's imported oranges sold for \$1.59/lb. during the same Oct. 20 to 26th period. Could California be dumping their oranges in Hawaii or is this a move by a wholesaler to reclaim some of the market from Choice Mart, which sells primarily local oranges during the season? Since Choice Mart moved local produce to the first aisle, growers report sales of their oranges has risen to as much as 800 percent. KTA featured and sold imported oranges in January of 2011 when Kona was at the height of citrus harvesting. Although this upsets a good many growers when imports are highly touted during the height of the local season, sales to other markets have taken up the slack. Other imported citrus, especially tangerines was pushed by KTA in March of 2011. These Florida tangerines can be considered dangerous to import

as they can carry citrus green disease (According to the Congressional Record). The Hawaii Dept. of Agriculture is looking at this issue as over 2 million pounds of tangerines were imported into Hawaii in 2008 (USDA NASS 2009). In the 2011 reporting period, Choice Mart advertised 256 local items and 466 imports totaling 722 produce items'. KTA advertised 230 local items versus 516 imported items for a total of 746. Foodland/Sack N Save advertised 207 local items and 828 imports totaling 1035 items. Safeway advertised a paltry 102 locally grown items against 578 imports although this represents an increase from the 71 items in 2009.



*Percent of Local Produce Advertised
Aug. 2010 to Aug. 2011*



*Blue = 2009 local produce advertised
Red = 2011 local produce advertised*

Safeway has featured more local items in their ads even a week with 100% local items shortly after the end of this reporting period. They did feature local avocados for one week as well as local oranges and the obligatory apple bananas. The

advertising week starting Feb. 23rd Safeway offered what I suspect are imported papayas. There were none of the usual "local" markings neither on the advertisement nor in the store. The USDA statistics service shows that papayas are being imported but they are unable to release specific numbers to avoid disclosure of individual operations. It's rather disturbing to think of imported papaya, (Brazilian), as well as the 20 million pounds of bananas from Ecuador and almost 13 million pounds of oranges. These numbers do represent opportunities for growers in Hawaii and working to reclaim our markets from imports should be a priority.

Perhaps the most disturbing trend during this reporting period is from Foodland who constantly pushes its "Local First! Always the Best" slogan then consistently advertises imported oranges, tangerines, lettuce, avocados, strawberries, cucumbers and mangos during the height of the local season. Their in-store advertising is extremely confusing and I fear intentionally misleading to consumers. Using this same slogan featured on all parts of the produce displays one can only tell the point of origin by reading the fine print on a sticker or small sign and even then it's usually incorrect. Having monitored the Kona Sack N Save store and the Waimea Foodland, I can say that it is very very deceptive. At the Sack N Save store with their one, supposedly all local, produce island I have seen Idaho potatoes, Australian tangerines and mainland tomatoes. The Foodland idea of local is very different! If the state were to levy a fine on stores, lets say \$500.00, for each time imported produce was marked as local, Foodland would owe over \$2 million and KTA about \$16,000.00, I've never seen this in Safeway or Choice Mart store. Foodland, although saying they buy more than any store in Hawaii, and being Hawaii owned they should realize that store for store they are close to the bottom and that growers who used to shop there are tired of seeing imported avocados, oranges, bananas and other items sold them by their sometimes partner client purveyor Armstrong Produce, the primary importer of most of their produce items. Foodland's deceptive advertising should end or they should make good on what they claim. If, as they claim, "Local First! Always the Best", then why don't they sell only local avocados, oranges, bananas all the time! What's wrong with Maui and Ewa onions? Waimea or Kula strawberries? Waimea lettuce? Yes, they have them sometimes but not often and not in the height of our season when they advertise the imports often at prices that could be construed as dumping. Foodland needs to do a much better job to support growers in Hawaii. They need to really live up to what they say, "Local First! Always the Best".

As newspapers across the state cannot afford lost advertising revenue, one can only hope the bloggers and food writers take up the cause of educating consumers on deceptive practices and misleading advertising. One example is based on the discoloration of bananas where the unusual shield shape Dole Ecuador stickers have been removed and these bananas have been sold as local. There is no way to tell if this is from the store or the wholesaler. There is no way to tell if the Peru and Mexico stickers in the "local" mango section were left on by accident or someone was just too lazy to change the sign. It is wrong and illegal and needs to change.

COOL

Most stores usually follow the country of origin labeling (COOL) law. This includes Longs and other shops that sell produce. Hilo and some farmers markets around the state do not follow this law. COOL law problems stem from lack of understanding in where the letter of the law is followed but not the spirit. Green peppers are grown in Hawaii, California and imported from Argentine, Mexico and other South and Central American locations. Often grocery stores receive peppers from different locations as part of the same order. As the peppers are mixed into the same display and in so much as each county has to be on the sign, often you'll see a sign with the names of 3 or 4 countries written. Many of the peppers will have PLU stickers but many don't, especially our locally grown peppers. As COOL started as a way to trace produce that could potentially cause problems, this multi-country signage really defeats the purpose. We are up against a lot of confusing marketing practices.



This is a perfect example of why branding is so important for Hawaiian growers to embrace. Consumers will seek locally grown if they know it's locally grown. Therein lies another problem similar to the 51% problem with value added products. A disturbing new trend is that we've started to find many produce items grown elsewhere, shipped to local wholesalers who repackage beans, peapods, garlic and other items. Beans from Honaunau market don't show where they were grown, perhaps a violation of COOL although this information is not supplied to the grocer. This is true with a number of items found at Costco too. Hawaiian themed packaging with hula dancers and tiki gods does not indicate Hawaiian grown. The state needs to be much more proactive in protecting our industries.



Future Fears

Much recent discussion revolves around the difference between food safety and food security. Some would equate these obviously, to most people, different issues. Fear mongering and the attempt to have all farms pay a small fortune to have food safety certification will eventually backfire on those pushing this agenda. Small farms simply cannot afford it. There are no safety issues with small farms in Hawaii and no data to back up claims of eminent danger by those who push their personal agendas. These agendas, I fear, are based on economics. Those pushing them are the produce importers and wholesalers along with those farmer's whose yearly income well exceeds the \$1 million dollar range. Those few voices, that speak for the vast majority of small farmers, are often drowned out by high priced advertising and sometimes, large donations to the "pushers" cause. Some of the money that finds its way into the coffers of our candidates is directly related to big Ag and this creates a less than desirable effect on small family farms struggling with sustainability.

It can be an eye-opening experience to search (<http://la2.sdrdc.com/cgi-bin/hi2000/contrib-html/>) and see which of our politicians accept funding from different companies. Tracing money flowing into Hawaii from Monsanto is fairly easy on a variety of websites and shows our Hawaii congressional delegation accepting \$15,000.00 in the last 2 years. This does exclude Senator Akaka who did not accept funds from Monsanto. How these food issues along with the GMO issue affect small farm sustainability remains to be seen but potentially it is extremely dangerous. Fallout has already been felt in the organic sector and in some farmers markets that will soon demand this faux safety certification. Our growers are already hurting and we as consumers have to focus on buying only local and speaking with our wallets. Perhaps, it's the only language some understand.