

The Taro Tattler



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 College of Tropical Agriculture and Human Resources
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For Growers, Shippers, and Processors of Chinese, Poi, Dasheen and Pacific Island Taros from Hawaii

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If you read any of the 9 issues of the *Tattler* put out so far, let it be this one. This is because in recent months we have found out that, just like the people on the Oldsmobile commercial, *this is not your father's taro market*—times have changed and you'll see why in this issue. Today we are also going to try to clear up some misconceptions about the local taro and poi markets, provide some valuable feedback from our Los Angeles contact on the market for Chinese taro in that area, and also report on the Natural Products Expo-West which we recently attended in

Anaheim, California.

UPCOMING EVENTS

Chinese Taro Sales Brochure Development to Begin

In order for "Grown in Hawaii" Chinese taro to stay on the minds of West Coast and local buyers, feedback from our Mainland contacts suggest that the industry needs to develop a multi-lingual sales brochure. Therefore, the Taro Project and the Department of Agriculture-Marketing Division have begun work on the development of such a brochure.

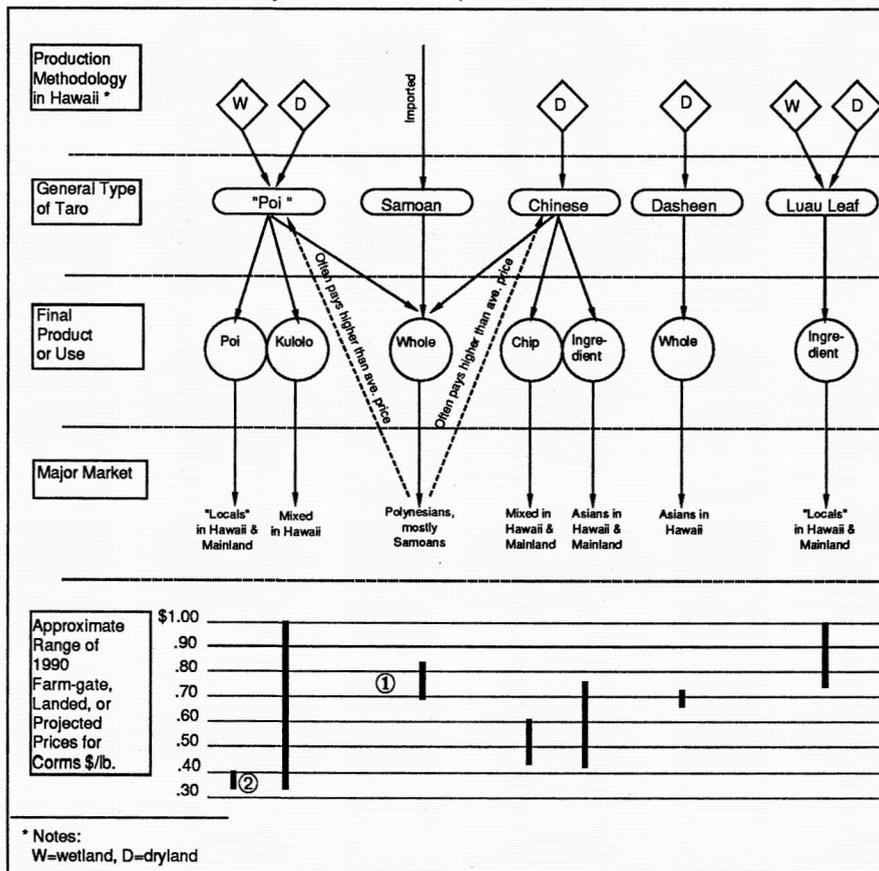
Also, if you are looking to buy more yellow export bag tags, contact the ST. Louis Tag Company at (800)426-8090. *Hint: buy with a friend the cost will be less.*

SETTING THE RECORD STRAIGHT

A great number of misconceptions about the taro and poi industry in Hawaii still persist. One such misconception recently stated in a bill down at the Legislature is that Hawaii is importing taro from places such as Western Samoa because of the poi taro shortage. Since pictures speak a thousand words perhaps the figure at left would explain why, at least during the last few years, that this is not the case. Note that the price of taro from Samoa is about \$.75/lb landed at the airport ①, whereas, the price of poi taro at the farm gate here in Hawaii ② was \$.38/lb in 1990. Now, if you were a poi miller would you buy Samoan taro to put in your poi? If you were a consumer would you pay two-times the going price for poi? Probably not.

The other fact which makes the conception that millers are putting Samoan taro in poi inaccurate is that Samoan taro is imported all year round, not just during the poi shortages. Therefore, it would be foolish for a miller to buy Samoan taro during the times when there are plenty of poi taros available. Then who eats this expensive taro? Mostly the Samoan and other Polynesians here in Hawaii.

The poi shortage concept is also another area of some confusion.



Farm gate price and market interaction for Hawaii taro 1990

While there is no doubt that during the last couple of years around the time of late spring and the summer months, all islands experience poi shortages. But, did you know these shortages have a varying degree of severity? Did you also know that during the off-season some poi millers typically experience an over supply of poi?

So what's the solution to the inefficient famer-miller-market interaction? The best and most immediate solution is to take our advice from the last issue of the *Tattler* and begin to plan with your miller, on paper, production to target certain times of the year—he should know his market demand by month from his sales records and you should know your production potential. Then of course you must implement the plan as stated or the situation will never get any better. If a shortage of labor is one of the reasons you can not implement such a plan, then finding someone who is in the same boat and joining forces with them may be the answer—give it a try—it worked for all of our ancestors.

THE LOS ANGELES MARKET REPORT

Boat-Shipped Product Sinking Overall Price for Hawaii Taro

While in Los Angeles for the Natural Products Expo a few weeks ago (see following story), we had the chance to meet with James Lee of May Produce. You will remember Mr. Lee has been very willing to help us get more firmly entrenched in the LA taro market and also to improve our market image with area consumers (he's helping us plan the sales brochure you just read about).

Mr. Lee reports that he has not seen any Dominican Republic taro in the LA market since last year, which is very good for Hawaii. There has been some Mexican taro, however, showing up in the market in green-meshed bags—OUR (uncopyrighted) signature! Mr. Lee says this has caused some concern and confusion on the part of the

buyers in the LA market. However, he says this is not the biggest problem Hawaii taro farmers and shippers face at the moment.

It appears that the overall price of Hawaii-grown taro in LA is less than what it could *or should be*—this is especially upsetting as there is very little competition in the market at the moment. Mr. Lee says this problem stems from two factors which are closely related. The first is that because many growers are shipping their taro to LA by boat, (presumably to save a few cents), it has made it very difficult for the overall price, and especially the price of the better quality air-shipped taro, to stay up. This is because both products are identical looking when set next to each other in front of a buyer, there is no "air-shipped" [BIG HINT!] stamp on the better quality product (nor did it come in a beautiful box like Hawaii papayas do), and so the LA wholesaler can't convince the buyer, such as a bakery owner or restaurateur, to pay more for air-shipped than for the boat-shipped taro. Therefore, the overall price of Hawaii-grown taro is depressed. The other factor is QUALITY. Some LA buyers think they are getting a bargain by buying the cheaper boat-shipped product, but when they find out that the product is inferior, they just won't buy any more Hawaii taro—period. *Solution? Farmers and shippers you must police your industry to keep the QUALITY standards as high as possible. Remember, in this case, five cents saved now may be five dollars (or the whole market) lost later. Think long term and you will be a price setter not a price taker!*

Also, Mr. Lee reports that many taros are taking more punishment than they need to because bags are not tied tightly around the top taros. What happens is that by the time taros packed in lose-fitting bags hit LA they have been handled a half dozen times and the rubbing damage becomes severe. To take care of this problem a few of the really good taro farmers in Hawaii have taken to tying the bags tight up against the top taros.

❖ SPECIAL REPORT ❖ THE NATURAL PRODUCTS EXPO-WEST

by Jim Hollyer

Often times we (representatives of both the public and private sectors) go to trade shows, get a real education, and keep it to ourselves—in a case such as this clients don't get a chance to take advantage of new information. Then there are times when the information is offered to clients and no one makes use of that information. Well folks, after what we saw at The Natural Products Expo-West in Anaheim, California, March 22 to 25, it is time for all of us in Hawaii, and especially those in or wanting to get in the taro-products business, to wake-up and smell the Kulolo, because the QUALITY packaging and marketing train is pulling out of the station and we're not on it. During this four day event Dr. Alvin Huang, our poi-product specialist at the University, and I (and some other Hawaii business people, for instance the buyer for *Down to Earth* in Moiliili) got to visit about 1,000 booths and a few lectures on the natural products (food) industry. At these booths we listened and talked. We talked to some people who were very interested in taro, many of whom had some exposure to poi through a visit to Hawaii (many with not very pleasant tasting memories: see *Just a Thought* below for possible solutions), or were familiar with Ray's Taro Chips out of Colorado—they had carried it in their health food store or saw an advertisement somewhere for them (more on Ray's later). What we learned there and what we hope you will learn here and now is:

1) The way you package your product makes all the difference in the world if you plan to expand in Hawaii (and what's wrong with giving your loyal customers something new to look at?) or to other markets where health or environmentally-conscious people may see it. The material you use for packaging says a lot about you, the manufacturer—are you concerned about the environment, if so, are you using recycled mate-

rials in your package or using materials that can be recycled? Well then, list this information on the package (look at the back of this newsletter—we're on the bandwagon!) "Earth Friendly" will be very important in the future, so why not start dealing with it now? *Hint: ask your bag manufacturer if your bag can be recycled...*

2) As in #1, the types of inputs you choose to put in your product say a lot about you too. For instance, are you willing to use no oil in your taro chips or a different type of oil, at a higher cost to you (you'll get it back later in higher prices), if it is good for your consumer? Also, are you working to get organically grown/produced inputs for your product? Most of the people at the show were, and it was a great sales tool. Also freshness dating was very important, if your consumers can't be assured that the product is fresh, as in a bottled product where the top pops if the food goes bad, then they are not going to take a chance...*do you when you go shopping for your family??*

3) Consumers visualize Hawaii in a manner vastly different to the way most of us see ourselves. *Translation: we need to package our products to take maximum advantage of our natural resources (people, places, things) and their color schemes.* An example of this contrast can be found on page 96 of the April, 1991 issue of Honolulu Magazine. There are two good looking food products shown on that page—which one do you think is more appealing to tourists or export markets? By the way, the one on the lower half of the page was seen at the Expo, and guess what, that product is manufactured in California (with some Hawaii grown ingredients!)

4) The average consumer or retail store buyer may not actually read nutritional information (about 1 in 4 do), but they like to see it on the package. The natural foods enthusiast and the natural food store buyer expects that information to be there. *Translation: get an up-to-date nutritional analysis done on your product and put that information on your package.* Also, if there are certain characteristics about the product that are important, for instance that taro leaves contain a good quantity of beta-carotene, then say it! Also, get that UPC zebra thing put on the package, it helps out the retailer.

5) In expectation of sales both at home and at trade shows all of the companies represented at shows had: business cards, a nice flyer with information about their product (Ray's had a

beautiful 8"x11" color glossy picture of their taro chip bag), most also had ready-to-process invoices and product price lists. *Translation: get a sales package assembled now and have it ready to send out to potential customers.*

Along with these tips we also had an opportunity to see some rather unique products created out of things such as rice and soy, for instance rice flour-based pizza crust, rice and soy drinks, and rice snack balls which looked like cheese balls. We also saw a lot of dry and bottled baby food which had very appealing packaging, for instance Earth's Best organically grown baby foods—their labeling ideas put Gerber to shame. Hey, what could be better than poi grown organically under the wonderful Hawaii sun and sold in a beautiful bottle??

Speaking of ideas, Ray's Taro Chips (Rich Brothers, Inc, Colorado), seemed to be full of good (tasting) ideas at the Expo. They had a beautiful tropical-design booth lined with tropical flowers and had samples of their new taro chip products for everyone to taste. Their 10 new taro chip flavors included such delights as ranch, garlic herb and hot BBQ. They have also come up with the equivalent of the potato stick: taro sticks. Using Canola oil, instead of cotton seed or sunflower oils for instance, also seemed to be a big hit with the health food folks. Nice work gentlemen!

Well, as you can see if you want to catch the train it is not too late. However, to produce, package and market a quality Hawaii-produced product will take some work—we're here if you need us, just give us a call.

A Food Technologist's Viewpoint by Alvin Huang

The three catch words at the Natural Products Expo were "Allergy", "Organic", and "Labeling". Somehow, I can see Hawaii-grown taro tying in there pretty well. Let me try to expand on what Jim has just brought up, by discussing each one of these topics in turn.

It seems that almost everyone is

intolerant, and perhaps allergic, to some sort of food these days. Dairy products, soybean-based foods and wheat flour are the leading causes of food allergy world-wide. Some of us probably still remember the "White Taro: Allergen-free Food Products for Hawaii" symposium we held last October. At the meeting representatives of a Japanese company came to discuss the idea of the use of white taro in allergen-free food products—all the taro would be grown, processed, and the final products certified in Hawaii before world-wide distribution. Apparently, this market potential also exists here in Hawaii and on the Mainland. Allergy clinics across the country are using a technique called the "Elimination Diet" to help patients cope with food allergies. However, whenever doctors eliminate a food item from a patient's diet, they need to find a replacement food which maintains a balanced diet. This is where taro could fit in nicely, to supplement the calorie intake and dietary fiber needs. But, the taro itself has to be "clean", in other words, produced organically.

Taro has been planted in Hawaii's "pristine" environment for centuries. For that reason it would be much easier to market taro-based products coming from Hawaii than say, ones coming from Mexico City—a big plus for us. However, there is a set procedure to follow in order for taro to be certified as "organic". The standards include not just the use of the correct pesticides and the quality of irrigation water, but also the proper way of packing, packaging, shipping and storage. Jim can put you in contact with the right organization for launching your certification process.

In the past, many processed foods included nutritional information simply because consumers liked to see it there, few people really read it. Now, however, not just the consumers want to see it, but Uncle Sam wants it as well. On November 8, 1990, President Bush signed into law *The Nutrition Labeling and Education Act (NL&E) of 1990*. According to this

Act, nutrition labeling will become mandatory on most processed food products by 1993. Poi and taro chips are two such taro-based products that *will need* nutritional labeling on them. Therefore, nutritional information will not be just something good to have for our taro products, but a must. At the Natural Products Expo, NL&E was enthusiastically discussed and studied. I hope our taro industry will embrace it with equal enthusiasm and with a timely response to the opportunity.

We do have quality taro products here in Hawaii. However, in order to reduce production costs and perhaps increase profits, the industry has to expand (in ways perhaps not even thought of yet), to develop new products, and, to improve marketing. If Hawaii taro can gain its share of the lucrative natural food and allergen-free food market, taro farmers in Hawaii can plant more taro and perhaps *afford* to stay farming. Expanded taro production will also enable a more steady poi supply year-round. We'll all benefit, and so will our children and

grandchildren.

If you are interested in seeing this phenomena first hand, the Natural Products Expo-East will be held this September 5-8 in Baltimore, Maryland. Call Kay Gazaway, at New Hope Communications in Colorado at (303) 939-8440 for more information.

ON THE BOOKSHELF and HARD-DISK

U.S. Imports/Exports 1990, by the U.S. Government. Trying to find out how much taro or other crops have been imported into or exported out of the U.S. (starting in 1990) and what ports they were handled through? Well you can easily find such information by dropping by the Government Document section at the UH Manoa Hamilton Library. There you will find the equipment and help to do a quality data search. The section is open M-F 9am-4:45pm and Sat 9am-3:35pm. *Information...don't go into business without it!*

Market What You Grow, by Ralph Hils. We found the advertisement for this booklet in Rodale Press' The New

Farmer (a magazine for organic farming). Send \$9.95 to Chicot Press, Box 53198, Atlanta, GA 30355, to get Hils' 50 page no-nonsense marketing approach for small farmers.

JUST A THOUGHT

As we noted above, many visitors to Hawaii do not like poi...so, why waste the tasty paste?? Perhaps we could make more money and create a better base for future sales of taro-based products by giving them a piece of that old royal Hawaiian candy, the candy of kings, kulolo.

Along the same lines, for those interested in producing kulolo for sale, there appears to be some opportunities to sell more, especially to new uninformed customers, if it is packaged more appealingly. You may get some ideas by going to a mall and looking at candy stores or candy packages. Once there you may want to check out the kitchen supply stores for candy making tools - kulolo kandy kutouts anyone?

IN THIS ISSUE OF

The Taro Tattler

- ❖ Taro Sales Brochure Development to Begin
- ❖ Samoan Taro Not Part of Poi Problem
- ❖ Boat-Shipped Taro Brings Down Price in LA
- ❖ Natural Products Expo -- A Place for Taro?



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