

Hawaii Florists & Shippers Association

(A Non-profit Association)

P.O. Box 5640, Hilo, Hawaii 96720

www.hfsa.net



March 2005

HFSA raises UH Foundation endowment to \$75,000

HFSA has increased its scholarship endowment to the UH Foundation by \$25,000, increasing this funding for agricultural students from \$50,000 to \$75,000.

During the 57th annual Shinnenkai held at Hilo's Nani Mau Garden and Restaurant on January 22, a \$25,000 check was presented to Dean Andrew Hashimoto of the College of Tropical Agriculture and Human Resources.

Mrs. Harue Suefuji, wife of HFSA's late president Raymond Suefuji, and their sons Raymond Jr. and Cary made the presentation.

It was Raymond Suefuji who presented the \$50,000 check that initiated the endowment to Dean Hashimoto in 2003.

Dean Hashimoto won Shinnenkai's grand door prize, a laptop computer donated to HFSA by FedEx and David Melnikov, FedEx account executive.

Dean Hashimoto said he will donate the laptop to CTAHR's next recipient of the HFSA scholarship.

In a letter from Washington, Congressman Ed Case congratulated HFSA for its recent accomplishments. "You have worked diligently to ensure through diversified agriculture that floriculture is the fastest growing sector of Hawaii's economy," Rep. Case wrote.

"I am especially hopeful that the industry will soon be able to access additional funding through the specialty crop competitiveness bill that I co-introduced last Congress and that was recently signed into law," he added.

Jane Testa, Director of the County Research and Development Department, swore in the new HFSA Board. Thank you, Jane!

Jan Kodani, wife of Richard Kodani of Mauna Loa Farms, won first prize in the traditional floral competition. You will

find a photo of her entry on page 4 along with photos of entries submitted by others who took part in the competition.



Members of the Suefuji family display a large facsimile of the \$25,000 check that was presented to Dean Hashimoto, second from right.—Photo by Charles Kinoshita

Committee holds its first 2005 session

HFSA's Transportation Committee held its first meeting of 2005 in early February, with new committee chair Greg Braun, Eric Tanouye, and FedEx's David Melnikov attending.

Braun characterized the session as a satisfactory initial meeting. "Dave Melnikov said there would have to be a lot of give and take during future meetings but predicted we would come away with a very attractive contract," Braun said.

Tanouye also called the initial meeting satisfactory. The current HFSA-FedEx agreement, which was scheduled to expire last October 10, was extended through May 31, 2005.

The President—up front and personal

As you know if you've read the first page of this issue, we've made another contribution to our scholarship endowment with the UH Foundation. Raymond Suefuji, our late president, visualized an industry commitment to educating our future leaders who choose diversified agriculture as a career. Your Board of Directors hopes to see the day when all individual commodity groups participate in an industry-sustained endowment for the students who will become our industry leaders.

At the outset of 2005, I'd like to point up last year's accomplishments. In one of its most significant actions of 2004, the HFSA Board chose to formalize our corporation. Eliana Castro, our membership chair, assisted in initiating an invoicing system for annual renewals that is working extremely well. We now have 80 percent of our renewals completed.

In another step forward for HFSA, our administrative, membership, and public relations committees went through two courses on the QuickBooks programs. This enables our treasurer, Yvette Hata, to file our returns with Taketa, Iwata, Hara and Associates, making our accounting more efficient and letting us realize many other benefits from this investment.

As a result of a meeting that was facilitated by Kelvin Sewake, we realized three major accomplishments to our agreement with FedEx. First, we held our extension without price increases and further surcharges until June of 2005. Second, thanks to persistence by our account executive, David Melnikov, we were able for the first time to receive a 500 dim divisor for any shipment less than 1 cubic foot (12" x 12" x 12"). This is helping our small package business to remain competitive and continue to show growth.

The third accomplishment is the upgrade of economy service to a two-day nationwide commitment, and we still retain our next day service to the western states.

During the past year, our association continued its project with the USDA/Aphis/PPQ on a successful finalizing of our compliance agreement. We offer our thanks to Vernon Harrington, USDA's Plant Health Director, for his willingness to support our industry.

On another front, we were successful in addressing the coqui frog problem as it concerned our shipments of plants to Guam. Dr. Mercel Tsang of UH Hilo and Dr. Arnold Hara and his staff from UH/CTAHR developed the hot water shower process of treating for coqui frogs. Because of skillful negotiating through Dr. Lyle Wong and Dr. Neil Reimer of the Hawaii Department of Agriculture, we succeeded in convincing the Guam government to accept the hot shower protocol. Our thanks to these individuals and their departments for their knowledge, technology, and support that is fostering the success of our industry.

HFSA's public relations committee under chair Richard Kodani worked with the HDOA Pesticide Branch, Dr. Hara, and

Kelvin Sewake to hold our first pesticide recertification class this year in Hilo. We look forward to continuing this valuable training for our members.

During 2004, our Show Committee chair, Janet Kosaka, was involved with numerous shows, including Maui's Growing Dreams fund-raiser and the First Annual Waikoloa Design Show. Ms. Kosaka worked with HDOA's Larry Yamamoto to provide 20 tropical flower arrangements viewed by more than 40,000 people who attended the annual Made in Hawaii Festival in Honolulu.

The Kauai County Farm Fair Design Show was another event at which HFSA helped to promote our industry and its products. Thank you, Bruce Morehead, Vice President Kauai.

Our Show Committee also supported the Hawaii Agricultural Conference 2004 at the Hilton Hawaiian Village with large flower arrangements and more than 75 table centerpieces of tropical flowers. Education Committee Chair Greg Braun served as a member of the program committee that planned the two-day conference and arranged for our luncheon speaker on the second day of the floriculture seminar.

Throughout 2005, HFSA will collaborate with other organizations to maximize our strengths and continue to foster the growth of our industry. Remember, as I do, that "working together works."

Eric Tanouye

Computer workshops get under way

The first in a series of hands-on computer workshops developed for flower producers, wholesalers, and direct sales providers was held in Hilo's Komohana Agricultural Complex on March 1 under auspices of CTAHR.

The educational meeting on "Making E-Commerce and the Internet Work for Tropical Ornamentals" provided an overview of Internet use in flower sales and distribution.

The presenters included Dr. Marcia Sakai and Dr. Kelly Burke of UH-Hilo College of Business, Steve Parente of Aina Hawaiian Tropical Products, and Kelvin T. Sewake, County Extension Agent.

The session provided an opportunity to obtain feedback on what people in the floral industry would like to learn in future workshops that will help them benefit from e-commerce and Internet marketing.

Input from those attending the workshop will help the presenters design future computer classes to meet industry needs.

If you have questions about future workshops, please call Kelvin Sewake at (808) 981-5199 or email him at ksewake@hawaii.edu.

Let's Get Acquainted with Grayson Inouye and Pacific Floral Exchange

Pacific Floral Exchange received the Exporter of Fresh Commodities award, one of four categories in the 2004 Governor's Exporter of the Year Awards, on December 16.

Governor Linda Lingle presented the award at Washington Place at a ceremony sponsored by the State Department of Business, Economic Development and Tourism and the Hawaii Department of Agriculture.

Pacific Floral Exchange is owned by partners Grayson Inouye and Henry Terada. It ships the floral products of more than 80 independent growers in addition to its own production.

The company is based in Keaau just outside Hilo.

The firm has been in the flower business since 1989 and grows primarily anthuriums and cut foliage.

About 70 percent of the company's flowers are exported out of state, with the remainder going to local retail florists and hotels.

In an article published December 17, Pacific Business News pointed out that there's usually a buzz of activity at Pacific Floral during special occasions, such as Valentine's Day and Mothers Day.

Inouye told PBN it's hard to say how many flowers the company ships each year.

"We do a little bit of potted plants,



Inouye pictured with Governor Linda Lingle and Sandra Lee Kunimoto, Chairperson of the Hawaii Department of Agriculture.—*Photo by Larry Yamamoto*

but almost all of it is cut flowers and cut foliage," he said. "We may not be the biggest exporter of flowers in Hawaii, but we are among the largest."

Pacific Floral has about 36 acres of growing area at three locations. It has eight greenhouses.

At the December 16 ceremony, HDOA's Chairperson Sandra Lee Kuni-

moto pointed out that Pacific Floral Exchange has managed through product quality, product innovation, trends analysis, expansion into e-commerce, and marketing savvy to prevail in the global marketplace where it faces the competition of low labor cost producing countries.

"Pacific Floral Exchange is truly a global competitor," she said.

Coqui frog is major target at Legislature

Hawaii's lawmakers are being urged to conduct a full-scale assault on the coqui frog, whose pesky mating cry keeps hundreds of Big Islanders awake at night and makes it a prime candidate for eradication.

House Bill 1160 was introduced by Rep. Clift Tsuji, Big Island Democrat. It supports Mayor Harry Kim's declared "state of emergency" by requesting \$2 million for each of the next two years to establish a coqui frog eradication program for the Big Island.

Thirty-two other House members signed the bill. Among them were five other Big Island representatives.

After a joint hearing, the House Committees on Agriculture, Energy, and Environmental Protection recommended that HB 1160 pass second reading and sent it to the House Finance Committee for further action. Those supporting the measure

included Eric Tanouye, who submitted testimony as an anthurium grower and as president of HFSA.

"The nursery industry has been severely impacted by the coqui frog, which has been declared a quarantine pest by the State of Hawaii and Guam," Tanouye told the lawmakers.

But, he said, lack of funding has stymied efforts to control the pest.

Tanouye said the eradication/control program proposed by HB 1160 is desperately needed to correct a problem that will continue to seriously affect the flower and nursery industry.

Says Rep. Tsuji: "Coqui is a priority for my district. Now's the time for Big Islanders to speak up—to share their horror stories and educate legislators from other islands who are not familiar with coqui frogs about this disaster that's coming their way soon if we don't do something now."

Hard work pays off for dues collectors

As a result of hard work on the part of Eliana Castro and other members, two-thirds of the HFSA members were paid-up as of December 31, 2004!

“At this time we have about 246 members,” Eliana said at the beginning of March. “The number changes constantly because people are still paying their overdue membership dues.

“We sent out invoices for payment of dues in November 2004. By December 31, we had two-thirds of the membership paid.

“On January 15, we sent out subsequent notices letting the unpaid members know that their membership was overdue. The cut-off date was February 15.

“We received a good amount back. About 36 were still outstanding. We called the 36 that were left, and many responded with payments.”

Thank you, Eliana, for being persistent in doing your committee work.

Here's the first-place winner in the competition at Shinnenkai



The photo above shows Jan Kodani's entry that took first place in the floral competition at Shinnenkai. Three of the other excellent entries are pictured below—*Photo by Norma Watt*



Photos of three floral designs by Bill Snorgrass, HFSA member of Hawaiian Kine Flowers

**HAWAII FLORISTS & SHIPPERS ASSOCIATION
2005 OFFICERS & BOARD OF DIRECTORS**

	Committee	Email	Phone/Fax	Address
Eric Tanouye Green Point Nurseries	President VP Hawaii	gpn@att.net	959-3535 ext 22 959-7780 fax 960-1433 cell	P.O. Box 4400 Hilo, HI 96720
Lorie Bolte No Ka Oi Protea Farm	VP Maui Regulations	protea@mauigateway.com	878-3845 tel/fax 808-205-5000 cell	P.O. Box 726 Kula HI 96790
Kathleen Yoshinaga Stanley Ito Florist	VP Oahu Scholarship Endowment	ito.florist@verizon.net	808-533-2348 808-533-2579 fax 808-783-1261 cell	1613 Nuuanu Ave Honolulu, HI 96813
Janet Kosaka Gourmet Specialists	Deputy VP Oahu Show Chair	gourmetspecialies@hawaii.rr.com	988-3521 988-3139 fax 808-927-9005 cell	3024 Puhala Rise Honolulu, HI 96822
Bruce Morehead Kauai Tropicals	VP Kauai Legislative	bmorehead@cendant.com	808-245-9031 ext 22 742-9706 Fax	3285 Hoolimalima Lihue, HI 96766
Norma Watt Always Anthuriums	Secretary	watt@hgea.org	968-6468 968-6468 fax	P.O. Box 29 Mt. View, HI 96771
Yvette Hata Hata Farms	Treasurer	yyhata@aol.com	966-9240 966-9240 fax	P.O. Box 6008 Kurtistown, HI 96771
Eliana Castro Rudy's Shade	Membership	elianacastro@hotmail.com	966-7028 982-7732 fax	P.O. Box 5390 Hilo, HI 96720
Richard Kodani Mauna Loa Farms	Public Relations	rskpoms01@hawaii.rr.com	968-6004 968-6408 fax 987-5723 cell	P.O. Box 49 Mt. View, HI 96771
Greg Braun Asia Pacific Flowers	Transportation	tropicalorchids@verizon.net	965-9570 965-7721 fax 938 4250 cell	RR2 Box 4021 Pahoa, HI 96778
Joy Seto Pacific Floral Exchange	Communications	joy@pacflor.com	966-7427 ext 10 966-7684 fax	16-685 Milo St. Keaau, HI 96749
Ken Ogawa UAP/Verdicon	Education	ken.ogawa@uap.com	935-7191 ext 15 934-8436 fax 960-3802 cell	900 Leilani St Hilo, HI 96720
Kekoa Aiu Weyerhaeuser	Ad Hoc Chair for research fund	kekoa.aiu@weyerhaeuser.com	800-640-9109 808-536-3814 808-225-4238 cell 808-538-1411 fax	900 Nimitz Hwy Honolulu, HI 96817
Stan A. Kinoshita Stan Kinoshita & Assoc	Ad Hoc Insurance Review	drabang@pyramidins.com	935-2888 ext 227 969-7547 fax	410 Kilauea Avenue Hilo, HI 96720
Kelvin Sewake	Advisor	ksewake@hawaii.edu	981-5199 981-5211 fax	875 Komohana St Hilo, HI 96720
John Ramsey	Newsletter editor	jrprintman@aol.com	808-261-1534 808-262- 0233 fax	1413 Kehaulani Drive, Kailua, HI 96734.

Stacy Kagimoto Ass't Treas. stacy.kagimoto@verizon.net 959-0621
959-0622 fax

Budget cuts would slash Isle funds by \$1.5 million

People at CTAHR are deeply concerned about the Bush Administration's proposed budget cuts, which they say would reduce federal funds for Hawaii by more than \$1.5 million a year if current plans are fully implemented.

According to the National Association of State Universities and Land-Grant Colleges (NASULGC), the President's fiscal year 2006 budget request would cut the Hatch (agriculture) and McIntire-Stennis (forestry) research programs by 50 percent in 2006 and "zero out" those programs in fiscal year 2007.

In addition, the Animal Health and Disease research program would be eliminated in fiscal year 2006.

NASULGC has placed the restoration of these funds as its top priority for this year and is working with Congress to keep these funds intact.

Says NASULGC: "These three programs provide essential 'base funds' for agriculture, nutrition, food safety, forestry, natural resources, and animal health and disease research at land-grant universities within the 50 states, the District of Columbia, and U.S. territories.

"The President's Budget Request attempts to 'soften the blow' by adding money to the USDA's National Research Initiative and creating a new State Agricultural Experiment Stations Competitive Grants Program within the CSREES (Cooperative State Research, Education, and Extension Service) budget.

"However useful and well-meaning these efforts may be, they cannot replace the existing programs that ensure a reliable level of base funding for each and every land-grant university."

If Congress were to acquiesce to the President's request, says NASULGC, thousands of professors, research scientists, extension specialists, faculty, and staff would lose their jobs.

Moreover, thousands of graduate student fellowships would be canceled and hundreds of agriculture and natural resource undergraduates would undoubtedly switch to other majors.

FedEx hosts its major clients

On February 17, FedEx hosted a presentation at the Ililikai Hotel for its largest clients. HFSA was invited to attend. Representing HFSA were Eric Tanouye, Kathleen Yoshinaga, and Greg Braun.

The presentation was titled "Voice of the Customer—What You Say Matters."

Ms. Malou Portugal, Honolulu's customer representative, gave opening remarks. Then various managers and specialists explained FedEx's wide range of services.

Dave Melnikov, our account executive, also attended.

Many of the presentations dealt with international shipping, and although this isn't pertinent to our current FedEx contract, it gave us the opportunity to discuss FedEx's lack of accepting perishables for international shipping. Valuable contacts were made, and informal discussions were held concerning our upcoming contract renewal.

Also discussed was the possibility of an upcoming export conference to be held, possibly in September. Joining the discussion were Honolulu-based U.S. Department of Commerce representatives and community members who make up an Export Advisory Committee.

An informal "pau hana" pupu party was given by FedEx to close out the day.

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