

Supplying Whole Foods Market in Hawai`i





Context

- The state of Hawai`i estimates that **85-90%** of the food consumed in the islands is imported.
- There is a strong interest in building greater food self sufficiency, diversifying the local economy, and preserving green and productive spaces.
- The Hawai`i local food movement is gathering steam, and Whole Foods Market is committed to contributing to this effort, which aligns with our core values and mission.

Current Local Supply

- Almost 300 Hawai`i producers currently supply Whole Foods Market's three Hawai`i stores.
- More than 110 of these are farms.
- These suppliers range from backyard farms to large businesses that supply retailers across the country.
- The program is driven by our Hawai`i Purchasing team and store level buyers. It is dynamic and always subject to customer demand.



2012 Local Numbers

- \$4,126,887 - purchases from Hawai'i farms, ranches, dairies and apiaries
- 57% increase in local farm purchases over 2011
- 43% of total produce purchases came from Hawai'i farms; increased from 36% in 2011



More 2012 Local Numbers

- Meat – 39% of all beef sold was raised on Maui
- Coffee – 57% of all coffee sold was locally grown, up from 34% in 2011
- Local milk and eggs are top sellers; eggs and beef in our prepared foods are local – when available





**WHOLE FOODS MARKET
PROUDLY SOURCES PRODUCTS
FROM OVER 100 HAWAI'I FARMS**

Opportunities & Challenges

- Much greater demand than supply for **certified** organic produce and products
- Many items are not yet locally available
- Growing customer willingness to pay a premium for local products
- Increasing customer flexibility re seasonality & products aesthetics
- Cost/administrative burden of organic certification
- Some commodities and categories are crowded
- Cost is not competitive with mainland product, challenging value-oriented customers
- Farms struggle with consistency of supply and quality

Our greatest opportunity/challenge is the absence of many supporting elements of a complete foodshed, such as composting and amendment production, a feed mill for livestock operations, drying/pureeing/freezing processing capacity for excess production, bottling facilities, and general manufacturing support.

What are we looking for now?

Needed:

- Organic produce
- Organic sundries
- Value added products made with locally grown ingredients
- Eggs – duck and quail
- Organic milk
- Poultry
- Pork



Saturated:

- Soap
- Coffee
- Honey
- Mac nuts
- Leafy greens
- Hot sauce & jams
- Conventional tomatoes & cucumbers

Many Crop Opportunities

certified organic always preferred!

- Apples
- Bell peppers
- Berries
- Broccoli
- Cauliflower
- Celery
- Citrus
- Corn
- Dried beans
- Figs
- Garlic
- Grapes
- Melons
- Mushrooms
- Potatoes
- Specialty veggies
- Spinach
- Stone fruit
- Squash/pumpkins



The Process

- Email basic company and product information and provide samples
- Product review
 - Grocery and Whole Body monthly
 - Other items on rolling basis

Please be patient. This process can take two weeks to several months. We focus on items that are high priority – for example beef and eggs – and there are times when new product review is secondary – for example holidays.

Quality Standards

We sell the highest quality natural and organic foods available. We evaluate quality in terms of nutrition, freshness, appearance and taste. We also have many specific standards, including:

- Food ingredients and sub-ingredients – no artificial flavors, preservatives, colors, hydrogenated fats, high fructose corn syrup, etc.
- Body care – unacceptable ingredient list, no animal testing, compliance with federal labeling rules.

More Quality Standards - Claims

- Organic – organic claims must be substantiated by third party certification for all products, including food and body care items
- GMO – non GMO claims must be authenticated by the Non GMO Project and/or organic certification; by 2018 **all items** sold at WFM must be labeled to indicate whether they contain GMOs
- Gluten free – claims must be third party verified, for example by the Celiac Sprue Association

More quality standards - animals

- Animal treatment – cage free eggs and poultry, humane ranching and slaughtering practices; third party audits by the Global Animal Partnership
- Feed – no use of antibiotics, added growth hormones and poultry and mammalian by-products in feed
- Marine sustainability – wild-caught seafood must be either certified by the Marine Stewardship Council or be from fisheries that have been certified by the Monterey Bay Aquarium or Blue Ocean Institute as green (abundant) or yellow (some concerns). We do not sell any red rated seafood (overfished or harmful using harmful practices).

Packaging

- Presentation of your product is important and should be attractive and as environmentally responsible as possible. Remember, if you are competing against similar products, whether local or imported, this is the first means by which a customer will judge and select your product!
- Labels must meet state and federal requirements
- Nutritional Facts – always preferred but not required if you fall under the FDA's small business exemption

Food Safety

“Food safety is not some hassle invented to hamper our efforts to make delicious, nutritious products. It's part and parcel of respecting the end consumer, wanting them to have the best possible experience of the food you have prepared for them. Food is love, and the most loving thing you can do for the people who eat your stuff is to make sure it is safe to eat.”

- Josh Lanthier-Welch, co-owner, Onopops

Food Safety

Food safety requirements depend upon the nature of the product. All value added producers must meet these minimum standards:

- Production in a commercial kitchen
- Food safety training for all employees
- Batch/lot coding and recall capacity
- Storage and delivery at appropriate temperature

Food Safety – High Risk

Items that have a higher risk of contributing to food borne illness include:

- Perishable ready to eat foods
- Dairy products
- Sprouts
- Processed fresh produce
- Baby food

Producers of these items must meet additional requirements, including:

- Shelf life analysis for perishable items with 7+ days
- HACCP plan and third party audit with auditor of choice, or with WFM partner Everclean

Business Expectations

- UPCs on all items except bulk produce
- Liability insurance – required of all partners, varies depending on risk level
- Basic computer savvy – emails, cost updates, invoicing, billing and electronic payments

You're on the shelf... now what?

It's an accomplishment to have your products carried at a retailer like Whole Foods Market, but this is just the start of the partnership. Next up:

- Frequent and clear communication
- Demos – build customer awareness and loyalty
- Team education – create advocates
- Marketing partnerships
- Success is ultimately determined by our mutual customers

Thank you and good luck!



