Working with Manufacturers
Simplifying the Food Chain

George M. Morvis Jr.
CEO
george@kukuibrand.com

Hawaiian Fruit Specialties

- Premier manufacturer of tropical fruit based, shelf stable condiments in Hawaii.
- Hawaii-based manufacturer, committed to using products of Hawaii origin
- Experienced in private label manufacturing
- Large, dedicated production facility and experienced team utilizing automated processes to ensure strong quality control
- High quality products in a variety of flavors and sizes
Established History

- Founded in 1931 by Ryochi Tateishi
  - House “Kukui Brand” is one of longest surviving brand names in Hawaii
- Prospered under Tateishi family ownership from 1931-1991
- Sold in 1991 to C. Brewer
- Purchased by current ownership from C. Brewer in 2001

Premier Manufacturer

- Pack in excess of 1,200,000 units per year.
- House brand (Hawaiian Kukui) targeted at grocery channel.
- Pairing quality ingredients with automated process enables high quality, low cost.
- Manufacture a variety of condiments
Committed to Hawaii

- Feature Hawaii Ingredients
  - Maui Brand Sugar
  - Maui Pineapple & Pineapple Concentrate
  - Big Island Papaya
  - Guava Kai Guavas & Guava Puree
  - Big Island Poha
- House brand displays percentage of Hawaii ingredients on labels for all products
- New “Estate Select Naturals” Brand is comprised exclusively of all natural, Hawaii grown ingredients

Production Facility & Team

- Large Facility
  - Over 5,000 square feet of production space
  - 10,000 plus square feet of warehouse space
  - 1,800 square foot drive in freezer
  - 900 square foot drive in chill
- Highly automated process
  - Automated filling, capping, date coding and labeling
Product Groups

- Jams/Jellies
  - Over 15 varieties of tropical fruit based jams and jellies
  - Multiple recipes for many varieties (e.g., all natural, standard)
  - Can custom develop new recipes or match existing recipes
- Sauces (e.g., BBQ, Guava Grilling, Teriyaki, Sweet Sour)
- Syrups (e.g., Guava, Pineapple, Passion Fruit, Chunky Pineapple, Coconut, Coffee, Mango)
- Butters/Curds (e.g., Coffee, Passion Fruit, Pineapple, Guava)
- Other Condiments (e.g., Maui Onion Salsa, Maui Onion Mustard)

What We Look For from Growers

- Consistency
  - Quality
  - Availability
  - Taste/Texture
  - Price
- Scale Bias due to Volume
- Decreasing Use of Chemicals
What We Will Buy at Any Time

- Fruits
  - Poha (Cape Gooseberry/Physalis Peruviana) ($3.00 per pound)
  - Wild Guava ($0.15 per pound)
  - Citrus (Orange/Lemon) ($0.15 per pound)
- Herbs
  - Cilantro
  - Basil
  - Mint
- Others
  - Chili Peppers
  - Maui Onion (but only from Maui!)

Where Does It Go

- $1 of Retail Sales
  - 30-40% - Retailer
  - 20-30% - Distributor
  - 25-50% - Producer
- $1 of Wholesale Sales
  - 15-20% - Ingredients
  - 20-30% - Packaging
  - 10-20% - Labor
  - 15-25% - Marketing
  - 15-30% - Overhead & Profit
Where to Participate

- Direct
  - Capture greater % of value
  - Harder to market
- Indirect
  - Capture smaller % of value
  - Others market for you

Things to Consider

- Control
- Time
- Money
- Overhead
Ideas?

- Use Resources
- Market Research
  - Formal
  - Informal
- Channel Planning
- If you grow it, will they come?