

SB 1001

Measure
Title: RELATING TO MANUFACTURING.

Report Title: High Technology Development Corporation; Manufacturing
Development Program; Appropriation (\$)

Description: Establishes and appropriates funds for the manufacturing development
program, through which the high technology development corporation
shall distribute grants to Hawaii manufacturers for various activities.

Written Statement of
ROBBIE MELTON
Executive Director & CEO
High Technology Development Corporation
before the
SENATE COMMITTEE ON
ECONOMIC DEVELOPMENT & TECHNOLOGY

Wednesday, February 4, 2015
2:45 p.m.
State Capitol, Conference Room 016
In consideration of

SB1001 RELATING TO MANUFACTURING.

Chair Wakai, Vice Chair Slom, and Members of the Committee on Economic Development & Technology.

The High Technology Development Corporation (HTDC) supports SB1001 relating to Manufacturing.

HTDC supports local manufacturers through our INNOVATE Hawaii program which annually receives \$500,000 of federal funds from the Department of Commerce National Institutes for Standards and Technology. The Hawaii manufacturing industry receives limited support from the state. The industry provides export and import substitution opportunities to improve our economy and has been identified nationally as a key driver for innovation. Hawaii manufacturers face the additional challenge of the high cost of energy and shipping. The grant program can assist to make the manufacturers more competitive.

HTDC supports incentives for manufacturers to improve their capacity to reduce imports and increase exports. The structure of the program allows the success of the program to be effectively measured and reported.

Thank you for the opportunity to offer these comments.



Executive Officers:
John Schilf, RSM Hawaii - Chairperson
Derek Kurisu, KTA Superstores - Vice Chair
Lisa DeCoito, Aloha Petroleum - Treasurer
John Erickson, Frito-Lay - Secretary
Lauren Zirbel, Executive Director

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TO:
COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY
Senator Glenn Wakai, Chair
Senator Sam Slom, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 4, 2015
TIME: 2:45pm
PLACE: Conference Room 16

RE: SB1001

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

This bill would help grow and diversify our economy, keep more dollars in Hawaii, decrease our dependence on imports, and grow and strengthen the Made in Hawaii brand.

This bill could allow current manufacturers in our state to grow their businesses and can open the door for even more production here in Hawaii. This means more jobs and a stronger economy for the entire state. This bill is an important investment in Hawaii businesses, and by allowing grants for training and energy efficiency improvements it is also an investment in Hawaii's future. This bill can help create a well-trained work force with diverse skills and a manufacturing economy that is eco-friendly and efficient.

Giving Hawaii businesses the opportunity to increase manufacturing will also mean we are less reliant on imported goods. We currently import over 90% of the products we use here in the state. This situation leaves us vulnerable to any supply chain interruptions, adds shipping cost to almost all goods, and sends millions of dollars a year out of the state. Importing less and making more can have wide reaching positive impacts for everyone from the manufacturers to the consumers.

This bill will also open the door for more products to earn the distinction of being Made in Hawaii. The products we currently make here in the state have a worldwide reputation for quality and excellence. There is strong demand both in and out of the state for more products of that high caliber, and this bill can help grow our manufacturing industry to meet that demand.

For these reasons we ask that you please vote yes on this measure.

Thank you for the opportunity to testify.



KYD, Inc. dba k. yamada distributors

An independent leader in packaging and wholesale distribution

P.O. BOX 29669, Honolulu, Hawaii 96820 Phone: (808) 836-3221 Fax: (808) 833-8995

SB1001, Relating to Technology
Senate EDT Committee – Wednesday, February 4, 2015
2:45 pm - Room 016
Written Testimony by: Dexter Yamada
Position: Support

Chair Wakai and Members of the Senate EDT Committee:

I am Dexter Yamada, President of KYD, Inc. dba: K. Yamada Distributors. KYD, Inc. is a local family run business that originated in the 1940's as a florist and florist supply distributor, and in 1958, evolved into a packaging company. Today, KYD, Inc and its sister company, Hawaii Foam Products, LLC, employ about 90 to 100 employees and contribute to Hawaii's economy through taxes and payroll. Our companies manufacture packaging materials such as food-grade EPS (Expanded Polystyrene) food containers, and distribute a variety of supplies, to include compostable containers, for food processors, food establishments, supermarkets, hotels hospitals and other institutions.

We appreciate this measure that supports Hawaii's manufacturing industry. Locally manufactured products contribute to import replacement, and help with local job creation. The proposed grant program will assist companies with manufacturing and energy efficiency manufacturing equipment purchases and train employees to manufacture locally made products. This in turn, lends to greater efficiency and reduction in the cost of products to customers.

Thank you for the opportunity to testify.





Meadow Gold Dairies



SB 1001, Relating to Manufacturing
Senate EDT Committee
Wednesday, February 4, 2015
2:45 pm, Room 16
Written Testimony By: Glenn Muranaka

Position: Support

Chair Wakai and Members of the Senate EDT Committee:

My name is Glenn Muranaka, President and General Manager of Meadow Gold Dairies. Our company has been in Hawaii since 1897—117 years, providing Hawaii consumers with a variety of milk products and juices. Meadow Gold's long history has not come without effort. We continually adapt to our customers' and consumers' ever-changing needs, and we constantly evolve along with our industry, our community and our market. Over the years, this has required that we struggle, tighten our belts, innovate and work extremely hard, making us a better company in the process. The foundation of this work rests with the 330 employees that are committed to providing superior quality products.

There are approximately 1000 active manufacturers in the state that employ almost 17,000 people at an average compensation rate of \$42,896 or over \$6,000 more than the average private non-farm employee. Manufacturers helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

The proposed grant program of \$1 million to HTDC for the specific purposes of purchasing manufacturing equipment or energy efficient manufacturing equipment, employee training of manufacturing equipment will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export. There is movement to begin to manufacture more in the continental United States. At the same time, Hawaii still has some competitive disadvantages. This program will help companies in Hawaii start or grow their operations.

Your support of this measure is appreciated. Thank you for the opportunity to submit testimony.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 02, 2015 9:48 AM
To: EDT Testimony
Cc: csdp@kyd-inc.com
Subject: *Submitted testimony for SB1001 on Feb 4, 2015 14:45PM*

SB1001

Submitted on: 2/2/2015

Testimony for EDT on Feb 4, 2015 14:45PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Carmelita Phillips	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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