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# GOURMET NEWS®

THE BUSINESS NEWSPAPER FOR THE GOURMET INDUSTRY

**VOLUME 80, NUMBER 2**  
**FEBRUARY 2015 ■ \$7.00**

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## President's Taskforce Unveils New Federal Tactics for Confronting Seafood Fraud, Piracy

**BY LUCAS WITMAN**

In the waning weeks of 2014, the White House announced that a federal taskforce assigned to develop recommendations for how the United States might best combat the dual problems of seafood piracy and fraud had concluded its investigation into these complex issues. The taskforce, convened by President Obama in June, spent six months studying a problem that experts argue costs the international seafood industry between \$10 billion and \$23 billion annually, in addition to detrimentally impacting both consumers and global fish stocks. Led by Kathy

Sullivan, an administrator at the National Oceanic and Atmospheric Administration, the taskforce combined the efforts of 14 government agencies in the shared objective of curbing these twin concerns.

In terms of overall financial impact, perhaps the most significant problem hindering the global seafood industry today is the illegal, unreported and unregulated (IUU) fishing of the world's oceans. According to NOAA, the United States currently imports approximately 90 percent of the fish that is consumed in this country from foreign suppliers. It is estimated

that as much as 32 percent of this seafood (by weight) is fished illegally. International laws are in place to ensure the long term sustainability of fish stocks and to protect global food security. However, economic incentive (a single Patagonian Toothfish often goes for as much as \$1,000 in the current market) is driving seafood pirates to illegally harvest overfished species.

In addition to IUU fishing, the seafood industry today is plagued by the dual problem of seafood fraud. According to international ocean conservation organization

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## Specialty Food Association Announces First Inductees into Gourmet Industry Hall of Fame

**BY LUCAS WITMAN**

Honoring the pioneers of an industry that stretches back decades into the 1950s, the Specialty Food Association announced the inaugural inductees into its newly formed Hall of Fame at this year's Winter Fancy Food Show in San Francisco. The first 114 members of the Hall of Fame represent a vast cross section of the industry and include a diverse collection of manufacturers, retailers, distributors, in-

dustry leaders and assorted visionaries, all of whom helped build specialty food into an \$88.3 billion industry.

"The mission of this Hall of Fame is to honor individuals whose accomplishments, contributions, innovations and successes have significantly impacted the specialty food industry and are deserving of our praise and truly our recognition," said Shawn McBride, Vice President of Foah International and current

Chair of the Specialty Food Association Board of Directors.

The induction ceremony was one of the highlights of this year's WFF show. The inductees were lauded on the first evening of the show, kicking off an event that also included the presentation of the annual Leadership Awards as well as a keynote address from Seth Goldman, cofounder and CEO of Honest Tea.

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## Navajo Nation Passes Tax on Unhealthy Foods

**BY DAVID BERNARD**

On November 21, Navajo Nation President Ben Shelly signed an unhealthy food tax law, believed to be the first in the nation. The law slaps a 2 percent tax on food that has little to no nutritional value. A separate law implemented in October removed the sales tax on healthful food items. These pieces of legislation are aimed at confronting the significant nutritional deficiencies that exist on the Navajo Nation and working to bring more healthful foods onto the Reservation.

For many residents of the Navajo Nation, a 27,000-square-mile Southwestern region that has been classified as a "food desert" by the U.S. Department of Agriculture, the round-trip drive to purchase groceries can be as much as 100 miles. The nutrition picture among the Nation's 300,000 residents is serious indeed. Plagued by a dearth of markets and sparse, remotely grown produce that is often moldy, and hampered by desert land that is largely unsuitable for farming, the Navajo Nation is truly a food desert in a nation of plenty. The situation is further complicated by a 50 percent unemployment

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## Shoppers Eagerly Tap into Fresh, Seasonal Flavors at The Olive Tap

**BY LUCAS WITMAN**

In order to be a successful specialty food professional today, it is essential that one also serve as an educator. In the 21st century consumer landscape, shoppers not only want foods that taste good, they want to know the precise details surrounding the foods they are consuming. From cheese to truffles to seafood to chocolate, those hungry for specialty food are also voracious consumers of information about those foods. This is especially true when it comes to gourmet categories where a vast and diverse product selection makes it

difficult to winnow down the offerings and find the right product for the right person and situation. Case in point: olive oil.

Staff members at The Olive Tap, a national chain of stores specializing in gourmet olive oils and balsamic vinegars, are constantly working to educate themselves about the products they offer and pass the benefits of that education onto the stores' clientele. "We continually train our staff so they are very knowledgeable about the oils," said Rick Petrocelly, The Olive Tap founder and co-owner of three stores. "Almost all of our employees are

home cooks or recreational chefs themselves. Customers get a lot of after-the-sale and during-the-sale experience in being able to talk to someone who can walk them through more novel ways to make dinners and salads and what-have-you."

Petrocelly founded The Olive Tap in 2006. Today there are 13 stores located throughout the country, including in North Carolina, Illinois, Florida, Colorado, Ohio, Pennsylvania and Rhode Island. Petrocelly himself owns three retail stores, one in Long Grove, Illinois, one in Manitou Springs, Colorado and the com-

pany's online store.

For Petrocelly, who grew up in restaurants owned by his Italian family in Pittsburgh, Pennsylvania, it was always understood that he would make his career in food. "I have been a foodie my entire life," he said. "Italian food culture is what it is. We don't eat to live – we live to eat. From a very young age, I was working at the restaurant and cooking. I always had this interest in food." It was not until later in life, however, that Petrocelly's interests were turned specifically toward olive oil. After

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## Hall of Fame

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An overarching theme of the evening's festivities was the focus on how specialty food professionals are in a unique position to contribute to the betterment of their world through shaping the ways in which people eat. In his keynote presentation, Goldman recounted the peculiar career arc he went through, beginning as a political activist and campaigner and eventually transitioning into the world of tea. He said that it would come as a complete surprise to his younger self that he would end up having a greater impact on society as a tea professional than he ever could have hoped to achieve as a politician.

"There's nothing wrong with America that cannot be cured by what is right with America," said Goldman, paraphrasing Bill Clinton. "I've come to the conclusion that our government, our system is not what's right with America. I'm a big believer in the democratic system, but I would argue that the people in this room – the people who shape our diets, who shape what we grow and how we consume it – have at least as important a role as any elected official."

Seeking to inspire those in attendance as they move forward to focus on how they

can be a positive force for change in their communities and in the world, Goldman urged companies to work social and environmental goals into their business models, not just for the good of the planet, but for the good of their bottom line as well. According to him, by creating Honest Tea as an aspirational company, the result has been a net benefit to the company as a whole.

"Our society is at an unprecedented and exciting moment where the passion to improve the health of our population and the health of our planet coincide into amazing business opportunities," said Goldman. "You can make a financial and social impact by helping people live longer, better lives, lives that are more in harmony with the natural world."

Illustrating Goldman's point, each of the recipients of the 2015 Specialty Food Association Leadership Awards seems to fit into the business model promoted by the tea CEO. That is, each of these companies incorporates aspirational social and environmental goals into their professional plans. This year's award winners included Adnan Durrani of Saffron Road and David Gremmels of Rogue Creamery in the Business Leadership category, Ahmed and Reem Rahim of Numi Organic Tea and Sara Holby of Ajiri Tea in the Citizenship category and Jeni Britton Bauer of Jeni's Splen-

did Ice Creams and James May of Wisdom Natural Brands in the Vision category.

In his acceptance of the award, Durrani echoed Goldman's keynote, citing Saffron Road's aspirational qualities as an important contributor to the company's overall success. "A mission-driven business or enterprise can have stronger social impact and an impact on producing progressive values for the betterment of humanity than any governmental, religious or political institution can have," he said.

Several of the award recipients specifically referenced their companies' accomplishments in bettering those around them as they accepted their awards. Ahmed Rahim, for example, explained how Numi Organic Tea, by sourcing fair trade tea, has been able to create a positive symbiotic relationship with the farmers on which it relies. "These farmers have actually helped us create our vision," he said. "Through the efforts and the collaboration and all the time we spend with our farmers, it has nurtured us so much as a company. It's taught us how to be better citizens."

Britton Bauer similarly referenced her company's efforts to support the communities in which Jeni's Splendid Ice Creams operates, arguing that having a social purpose has actually benefited the quality of the product. "We believe that business and en-

trepreneurship can help solve complex social problems," she said. "It used to be that a company had to sacrifice quality in order to be a company who chose to create social change ... but that has changed. In fact, today it's quite the opposite. The best products are coming from companies who believe in paying a living wage, in working earnestly to lower our environmental footprint, in fair trade and better direct trade."

Perhaps none of the Leadership Award recipients better epitomizes the values of a social mission-driven business than Sara Holby of Ajiri Tea. The team at Ajiri works tirelessly to improve lives in rural Kenya. The company purchases tea at fair prices from a co-op of small-scale Kenyan farmers. It employs 63 local women to hand make labels for its products from the bark of banana trees. And it operates a non-profit that pays the school fees for 25 orphan children.

"I think what's wonderful is that all of you in this room are so supportive of us and of companies that can make a difference in the world," said Holby. "Every time a store chooses to take Ajiri Tea and give it a chance and put it on our shelves, and the consumer comes in and looks at it and chooses to buy it, they are making a difference in people's lives in Kenya. By making a choice here to do something like that, you're giving students in Kenya opportunity." **GN**

## U.S. Dairy Manufacturers Call for Replacement of Japan's Import System

In a letter to U.S. Trade Representative Michael Froman and Secretary of Agriculture Tom Vilsack, the International Dairy Foods Association recently called for the replacement of Japan's current import administration program in the Trans-Pacific Partnership, calling it a potential Achilles heel in the negotiations.

Japan's Agriculture and Livestock Industries Corporation is the state-trading enterprise that administers the country's manufacturing milk quotas and imports of

dairy products under tariff rate quotas. IDFA believes that ALIC operates in a trade-distorting and inconsistent manner that makes it difficult for U.S. dairy exporters to access the market.

IDFA sent the letter in advance of bilateral meetings and the TPP Ministerial held recently in Sydney, Australia. IDFA urged the officials to seek to replace the current ALIC system with a tariff rate quota system as part of the bilateral negotiations with Japan.

IDFA supports significant and real market access into Japan for all dairy products that would reach across all tariff lines and ultimately bring tariffs to zero within a reasonable transition period.

Based in Washington, D.C., the International Dairy Foods Association represents the nation's dairy manufacturing and marketing industries and their suppliers, with a membership of 550 companies within a \$125-billion a year industry. IDFA is composed of three

constituent organizations: the Milk Industry Foundation, the National Cheese Institute and the International Ice Cream Association. IDFA's nearly 200 dairy processing members run nearly 600 plant operations and range from large multinational organizations to single-plant companies. Together they represent more than 85 percent of the milk, cultured products, cheese, ice cream and frozen desserts produced and marketed in the United States. **GN**

## Navajo Nation

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rate and the fact that thousands of residents live without electricity and refrigeration.

"It's a crisis," said Denisa Livingston, Community Health Advocate at Diné Community Advocacy Alliance, an organization that works to improve the health of Navajo Nation residents. Livingston describes the daunting, complicated circumstances her organization faces as it works to improve nutrition on the reservation. From her perspective, a number of elements contribute to the problem: First, the food network on the Navajo Nation relies heavily on convenience stores and is slanted toward junk food. There is a dearth of farming, in part because the Reservation's inhabitants – once a population of skilled farmers – have become habituated to processed foods. In addition, the Nation's population is largely undereducated about nutrition, and leadership and policies in the Nation lag behind the evolving crisis.

A central problem in the food crisis is the nature of the Reservation's food supply. While residents lack access to healthful foods, junk food is another story. There are plenty of potato chips and donuts to go around. As a result, obesity rates run as

high as 60 percent in some age groups, and one out of three Navajos are diabetic or pre-diabetic.

While the Navajo Nation and DCCA are hard at work encouraging residents to select healthier foods, the problem of the lack of availability of healthful foods is a more difficult one to tackle. In a recent survey of Navajo food retailers, DCAA found that stores stocked as much as 80 percent junk food. Even residents who are more educated on nutrition and seek out healthful foods have problems finding the products they want.

"Children are learning about healthy eating and healthy lifestyles at school," said Livingston. "There's a great program run by Indian Health Service, so the kids are learning, 'Hey, I need to eat healthy.' But when they go into the stores and go back home, there is an overwhelming presence of unhealthy foods."

For parents who want to give their families more nutritious food, the solution is simple: road trip. Whether it's to Gallup, New Mexico, Flagstaff, Arizona or another of the cities and towns that ring the borders of the Navajo Nation, it is common to see family trips of 100 or even 200 miles to buy groceries. Seventy percent of spending by Navajo Nation residents (including both

food and non-food expenditures) takes place off the reservation. This accounts for \$1.6 billion in total annual activity. A good chunk of that spending could support new food markets on the reservation, and DCAA is excited about the prospect of working with Navajo Nation officials to attract potential new retailers. In the service of this objective, DCAA, plans to advocate for tax incentives to entice retailers to come to the Reservation.

Another piece of the Navajo Nation nutrition puzzle concerns the promotion of local farming. Soil quality varies greatly over the Reservation's 27,000 square miles that span parts of Arizona, New Mexico and Utah. In addition, the land suffers from uranium tailings in the soil and uranium in the water supply – the result of mining for the nuclear weapons and nuclear energy programs. However, there is plenty of arable Navajo land that could serve an agricultural purpose. In addition to a patchwork of private efforts, the USDA is launching a program geared toward helping Navajo Nation families start their own farms.

The Navajo Nation benefits from federal programs that provide direct food assistance. Some 60 percent of reservation residents receive some sort of federal nutrition benefits. Private organizations are

part of the efforts as well. An example is Harvard University's Partners in Health organization, which will be providing Navajo Nation families with monthly vouchers that can only be used to buy healthful foods.

However, while outside assistance helps members of the Navajo Nation in their efforts to improve reservation nutrition, Livingston believes that ultimately it will be the people themselves, as well as local retailers, that form the most vital piece of the puzzle. By getting Navajo citizens to visit local retailers and become involved in the legislative process, Livingston reports that DCAA is already effecting some change. "On Facebook, we see posts about our people eating healthy foods, drinking fruit water, exercising and [about] store owners buying produce from local farmers to sell in their stores," she said.

"We've heard stories like this happening across the Reservation," Livingston added. "The consistency of it, we don't know, but starting from a point where citizens didn't even know they had the power to do this – go into a store and say, 'Hey, we want more healthy food' – it's very exciting to get people ... to replace unhealthy foods with healthy food." **GN**