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NAME IN THE NEWS

SHAN TSUTSUI

The former lieutenant governor embarks on a new agricultural initiative

By Vicki Viotti
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When Shan Tsutsui was born on Maui 47 years ago, agriculture was so much a part of the landscape that everyone took farming for granted. As a kid, he would play in the canefields with his friends; that, he said, was how one grew up back then.

"I was always surrounded by pineapple and sugar, even in the '70s," said the former lieutenant governor. "Everybody felt connected in some way, shape or form."

But sugar started its decline decades ago, followed by pineapple, and a cloud of uncertainty hung over the future of farming — on Maui or any other island in the state. That, he hopes, may be changing.

Tsutsui, married and the father of three daughters, has a degree in economics from the University of Hawaii, and worked as a financial consultant before entering politics. He left the second-in-command post in state government to relocate full-time to Maui and took a job with the public policy, communications and marketing firm, Strategies 360.

One of his clients, for whom Tsutsui handled community outreach, turned out to be Mahi Pono LLC. He ultimately was hired there as senior vice president of operations and will



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lead its farming operation.

It looks to be a big one. Mahi Pono in December bought 41,000 acres of mostly former sugar land from Alexander & Baldwin Inc., one of Hawaii's one-time "Big Five" landholding companies that is now focused more on real estate.

But Mahi Pono has not yet made firm farming plans, Tsutsui said, beyond its emphasis on producing a crop yield that's free from genetically modified organisms (GMO). His work at this stage is to continue community outreach.

Broadly, he said Mahi Pono wants to work with agricultural partners and to build the infrastructure that will help make farming sustainable: food processing systems and distribution to help farmers get their product to markets, restaurants and other venues.

The feedback from the community is, so far, positive. But he acknowledged that years of conflict over water rights, between A&B and small farmers, means there are trust problems to be overcome.

"People are always concerned about the unknown," he said. "But once we start to put seed into the ground, most of those types of concerns will subside."



Question: Your job with Mahi Pono relates to business strategy. What is your basic strategy for making local food production sustainable on Maui?

Answer: Sustainability is at the heart of Mahi Pono's DNA. A key element of our plan includes the production of high-quality, non-GMO foodstuffs for local consumption. This has been top priority as we've met with several different constituent groups. We continue to spend time with people who are passionate about farming on Maui and the future Maui's Central Valley in order to understand local needs when it comes to crops and food products.

Q: Can the GMO-free brand be profitable enough, given Mahi Pono's connection to an investment board? Is that a long-term commitment?

A: Mahi Pono is committed to producing GMO-free food, period. Hawaii residents expect that responsible, GMO-free farming methods will be used to produce their food, and that is what Mahi Pono will provide.

With regards to the "profitability/investment board interest" piece of this question, I know, personally, that PSP (the Public Sector Pension Board) is fully supportive of Mahi Pono's "no-GMOs" commitment.

This was, and is, a key tenet of PSP's investment strategy with Pomona Farming on all projects, as PSP's agricultural team only invests with partners that care for their local resources and communities. Responsible, sustainable and GMO-free farming was core to every Mahi Pono plan, from the proverbial Day One.

Q: How can the water supply be managed between a large-scale operation such as Mahi Pono and the independent taro farmers who raised the protest over protection of the streams?

A: Mahi Pono is committed to being a responsible steward of the land and understands and appreciates the importance of water resource management. As such, our efforts will prioritize conservation and natural resource management.

Mahi Pono is also eager to build relationships within the community. We look forward to partnering with local farmers and other stakeholders to adopt best practices and use the collective wisdom learned across generations to allow agriculture on Maui to flourish.

Fortunately, after consideration of the recent Interim Instream Flow Standards decision by the State Commission on Water Resources Management and guided by the public trust in water, Mahi Pono anticipates that the current level of water allocated to the agricultural uses on the land is adequate for our projected needs.

Q: Can you talk about how many and what type of jobs this could create? How many can be filled locally?

A: Mahi Pono's goal is to develop local talent and become a place where our keiki can build exciting and meaningful career paths.

We will need people in our farming operation with skill sets and experience in all of the following areas: agronomy; engineering (electrical, mechanical and chemical); financial modeling/analysis; general management/operations; interconnected systems and technology ("agri-tech"); infrastructure construction and maintenance; food processing and distribution; and various "on-the-ground" jobs that working farms provide.

We plan to partner with high schools and colleges to offer internships and to design other academic and experience-based programs. This will obviously be a long-term investment, to develop as much local talent as possible.

Q: How do you answer critics of your performance as LG and your early departure?

A: As lieutenant governor, I was honored to serve the people Hawaii, focusing on initiatives that resonated with me, my values and interests — two being most notable.

In 2013, I established the Resources for Enrichment, Athletics, Culture and Health (R.E.A.C.H.) initiative providing after-school programs for middle/intermediate public-school students. Approximately \$3 million funded

programs at 40-plus schools.

In 2015, I initiated the 'Aina Pono Farm to School program, increasing consumption of locally-grown food in public schools. Students now eat fresh local produce, scratch-cooking and live healthier lifestyles, enhancing their learning environment.

Although my term ended early, I'm proud of the work that I, with help from many others, accomplished and the legacy that we created. Leaving office, it was always my intention to be part of Hawaii's future in a manner that I could be most effective. I'm truly grateful for this opportunity to revitalize agriculture on Maui and advance our sustainability.

Q: What is Strategies 360, and what is its vision for Hawaii?

A: First, please understand that, while I remain a director on the Strategies 360 board, I have removed myself from its daily activities in order to focus on the future of Mahi Pono.

That said, Strategies 360 is a fully integrated, multidisciplinary strategic communications and public affairs company. It has redefined best practices of public policy, business, strategic communications and marketing and blended them together, abandoning the siloed approach prevalent in the industry.

Although relatively new to Hawaii, S360 looks to be a difference-maker in the community, to elevate the bar and bring a professional approach to the public affairs industry.

Q: What are Mahi Pono's plans to expand to other islands, if any?

A: Mahi Pono believes that respon-

sible agricultural investing and farming on the islands is an attractive and important long-term industry. Our focus right now is to deliver on our commitments for the Maui lands and to Maui's people.

We highly value Hawaii's unique farming conditions and excellent opportunities for growth.

Fortunately, our partner, PSP, has a long-term mandate to invest in responsible agriculture globally, so we will consider future opportunities to invest in the islands as they arise.