## Smart ISINFSS Business L H A W A I 'I

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September 2013

SBH MEMBER CALENDAR

PHONE 396-1724 • FAX: 396-1726

Friday, September 20 6th Annual SBH Foundation **Business Awards** Wajalae Country Club • 5 - 8 pm

Thursday, September 26 SBH Sunrise Networking Breakfast Mel Kaku C&C of Honolulu Emergency Services Pineapple Room, Macy's Ala Moana 7 – 8:30 am



Mel Kaku @ SBH Sunrise See Story on Page 3.

**Smart Business Hawaii** http://www.smartbusinesshawaii.com

> **SBH** Foundation http://www.sbhfoundation.org

**Education Transparency Portal** http://www.educate808.com

Twitter @SBH808 Facebook: Smart-Business-Hawaii

Hawaii Reporter http://www.hawaiireporter.com





## Attend the **6th Annual Business Awards Banquet**

SBH hopes you will attend the The Small Business Hawaii Entrepreneurial Education Foundation (SBH Foundation) All Star Business Awards Banquet, Friday, September 20. SBH Awards are based upon business success, educational involvement and community leadership. Awardees are chosen by SBH Foundation Directors from nominees received from SBH members and community leaders and voted upon annually

A first ever, Lifetime Achievement Award," will be presented to Honollu entrepreneur, John Henry Felix.

The 2013 Awardees include:









Vicky Cayetano

John Henry Felix

John Carpenter

Skylar Soares

Lex Brodie Business Person of the Year John Carpenter Island Slipper Company

Jean Fukuda Civic Leadership Award Vicky Cayetano United Laundry Services, Inc.

Young Entrepreneur of the Year Skylar Soares – HiSky Sun Caps George Mason Outstanding Business Reporting **Steve Petranik** Editor, Hawaii Business Magazine

SBH Business Boosters Ryan Ozawa & Burt Lum ByteMarks Cafe

SBH Success All Stars Signe Godfrey **Olsten Staffing & Professional Services** 

**Clark Hatch** Clark Hatch Fitness Center Mark Storfer Hilo Hattie

SBH Educator of the Year John Sosa Principal, Kaiser High School

SBH Life Achievement Leadership Award John Henry Felix – HMAA

You will want to join and support these successful business owners and hear their inspiring stories.

Reservations, sponsorships and auction information is available from SBH (Malia at 306-3161) or Janayhe at 396-1724.

A reservation form and more photos appears on page 4 in this issue of SB News.

SBH Young Entrepreneurs ......Page 2 Fiscal Transparency at Hawaii DOE? ... Page 3 SBH Sunrise Networking Breakfast......Page 3 Tax Form Check Offs......Page 5

You're All Invited to the SBH Foundation Awards Banquet • Pages 1 & 4.



# Smart Business Views

#### By Sam Slom, President – Smart Business Hawaii

**Another** Hawaii Statehood Day came and went in August without any fanfare or recognition.

Too bad.

**Come Meet the SBH Business All Stars Awardees.** Final call for the Small Business Hawaii Entrepreneurial Education Foundation's annual SBH Business All Stars Awards Banquet on Friday, September 20, at the Waialae Country Club from 5:00 to 8 p.m. Several business people you probably know will receive awards. (Story starts on page 1). There will be a sumptuous buffet, fun, entertainment, a silent auction and good networking. Make reservations with **Janayhe** at **SBH**: 396-1724.

Inouye Center Controversy. UH is preparing a pricey tribute to the late U.S. Senator Daniel K. Inouye. The plan is to build an Inouye Center on the Manoa Campus to house the papers and memorabilia of the Senator who served more than 50 years in office and who was Hawaii's #2 most important economic driver. That's good. What's not so good is that the plans are taking place in private, and the estimated cost of the Center rose from \$16-\$20 million in late June, to \$25 million in August, without benefit of public hearings or transparency. Senator Inouye would be embarrassed at the fiscal folly here.

Same Sex For You. The Governor, media and special interests are bound and determined to give you a "Special" legislative Session on same sex marriage though there is no cause, no urgency and no sense. The lobbyists, like termites, never stop.

Noelani Bonifacio and other young professionals are helping launch the new SBH Young Entrepreneurs group in November. Annual dues are only \$75 if you are under 35. Lots of events planned. Read Noelani's story on page 2.

**Toys, No Joys**. The very popular Toys N' Joys game shop on Waialae Avenue in Kaimuki, is closing up later this month. It's a shame. Brought my young boys there to the jammed space and later enlarged shop, many times. But it is a sign of changing times, technologies, easy access to I- devices and taste. They still have another open location.

Indigo Gone. The closing of the iconic Indigo Restaurant in Chinatown, after a fire and a tough economy, is a great loss to its very loyal clientele after 20 years. It will be replaced by a P.F. Chang's. More traditional Honolulu benchmark businesses continue to fall while local politicians keep telling us, "The economy PAGE 2 / SMALL BUSINESS NEWS / SEPTEMBER 2013

i has turned around." Honolulu is becoming mored homogenized.

Ala Moana Center, auwe!. The construction and demolition at Ala Moana Shopping Center is taxing everyone's patience. The old ramps, parking and of course, Sears anchor store are gone, making way for Bloomingdale's, more upscale, expensive shops and not local friendly.

Hall Named New HHSC Acting CEO. Alice Hall, General Counsel for the Hawaii Health Systems Corporation (HHSC) and a 20 year employee has been named acting CEO and president of the statewide network of government subsidized hospitals. The HHSC directors are searching for a permanent president and CEO. Hall replaces **Bruce** Anderson who left in July.

Read Your E Blast every Wednesday. What? Not receiving your weekly electronic SBH E Biz News? More than 15,000 business owners do receive it. It's complimentary. Ad space available too. Call Janayhe at 396-1724.

Kaku to Speak at SBH Sunrise. Mel Kaku, Director of the City & County of Honolulu's Emergency Management, will talk to you about what the City can do to help small business in an emergency, Thursday, September 26, at the Pineapple Room, Macy's, Ala Moana, 7 – 8:30 am. Reservations: Call Janayhe at 396-1724.

**Go to Print:** A limited number of printed copies of the monthly *SB News* are now available for mailing for those members who do not have a computer and do not see the SBH website or the weekly SBH E Blast commentary with the *SB News* attached. Just call SBH (396-1724) and we'll send to you.

**Tune in Panos.** SBH Director and UH Engineering Prof, **Dr. Panos Prevedouros**, is a weekly guest on **Rick Hamada**'s Tuesday morning radio show every Tuesday, 7:05 – 8 am. Tune in!

Hawaii Reporter.com, Hawaii's first electronic daily newspaper launched in 2002, has all the breaking news and unlike other publications in town, is still free. Award winning *Hawaii Reporter* and **Malia Zimmerman** report daily (M-F) on the **Rick Hamada Show** heard on KHVH radio on 830 AM at 7:05 am. Malia will share the news behind the news.

SBH wants you as an SBH Member. Is your business a member of SBH? No? Lots of benefits. Strong networking organization. Call Janayhe today (808-396-1724) or go online to www.smartbusinesshawaii.com. Be sure to "like" our Facebook page. Aloha!

### Why You Should Join the SBH Young Entrepreneurs

#### By Noelani Bonifacio

Aloha,

My name is Noelani and I am currently serving as the Interim Chair of the SBH Young Entrepreneurs Program. Young Entrepreneurs is an associated group of SBH that is designed for current and future business owners and their associates under the age of 35.

We hope to help young professionals build successful ventures and businesses through educational training, mentoring, and networking. We will also provide educational opportunities for entrepreneurs interested in start-ups, small business growth, and careers in small business.

Our first event will be our Kick Off on Thursday, November 7. Attendees will have the opportunity to visit tables with experts to discuss the following topics: Marketing & Networking, Finance & Capital, Human Resource Management and Technology & Innovation. If you're interested in speaking on one of these topics, please contact me!

Hope to see you at the SBH Awards Banquet, Friday, September 20, 5 - 8 pm at Waialae Country Club, where we will be accepting Membership and Sponsorship Registrations, as well as providing more information on our program and our Kick-Off Event.

If you're interested in joining, sponsoring us, or providing your expertise for our sessions, please contact me at sbh. youngentrepreneurs@gmail.com.

Best, Noelani



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Small Business Hawaii (SBH), was founded in 1975, by Lex Brodie. SBH is a private, independent, non-profit [501 (c) (6)] statewide association of nearly 2,000 business members. Copyright 2013 © Smart Business Hawaii.

## SBH Sunrise Features City's Mel Kaku

The monthly SBH Sunrise Networking Breakfast Forum continues Thursday, September 26, in the Pineapple Room, Macy's Ala Moana (3rd Floor), from 7 – 8:30 am.

In addition to networking, introductions and special announcements, the Sunrise features a full buffet breakfast, program and free parking.

Our speaker this month is the City & County of Honolulu's **Director of the Department of Emergency Management. Mel Kaku** oversees and coordinates the development, preparation, and implementation of emergency plans and programs to protect and promote the public health, safety, and welfare of the people of Honolulu. He also oversees the Department of Homeland Security Grants Program for the City and County of Honolulu. He will discuss, "Small Business Disaster Support by the City".

Want to do more business even in these tough economic times? Then come to Sunrise!

August's speaker was **Jan Kaeo**, marketing specialist and president of Dale Carnegis Hawaii.

The SBH forums are open to the public. Advance paid reservations are required.

Each participant is introduced, can plug their business, and bring materials.

The complete cost for SBH members and their guests remains \$25 per person. For nonmembers and those paying at the door—seats are limited— the cost is \$35.

For details go to www. smartbusinesshawaii.com or call Janayhe at SBH, 396-1724, or send in the reservation form on page 7.

## Honolulu Drivers Rated Poorly

Originally published in HawaiiReporter.com

Honolulu ranks among the worst cities for road conditions and traffic congestion, but a new study by Allstate Insurance gives Oahu drivers a bad rating as well.

Honolulu comes in a No. 128 of 200 U.S. cities in the newly released 2013 "Allstate America's Best Drivers Report" and is considered one of the least safe cities for drivers.

The average driver on Oahu will be in collision on average every 8.7 years. That is a 15 percent higher chance of a collision than



SBH Sunrise Breakfast Networking: Jan Kaeo of Dale Carnegie Hawaii (top right) was August's speaker at the monthly networking event. Top left: Joe Tiepel and Roy Riss. Bottom Left: Jan at one of the breakout tables. Right bottom: Bob Young, new SBH office manager Janayhe Self and Sam Slom.

### **DOE Gets Failing Grade for Fiscal Transparency**

By Malia Zimmerman, HawaiiReporter.com

Only Alaska ranks worse.

Other states receiving an F-minus for education were Massachusetts, Missouri, Connecticut, Oregon, Ohio, Oklahoma and Nevada.

"When the state education departments provide incomplete or misleading data, they deprive taxpayers of the ability to make informed decisions about public school funding. At a time when state and local budgets are severely strained, it is crucial that spending decisions reflect sound and informed judgment," said the Cato report, "Cracking the Books: How well do state education departments report public school spending." Specifically, Cato notes the Hawaii DOE fails to provide any data on total salary expenditures or pensions.

Hawaii DOE has failed to post the most recent two years of per pupil expenditures or its capital expenditures and fails to provide a table or graph to compare changes in per pupil — or capital improvement — spending. Hawaii has 183,251 students and 13,000 teachers in its 288 schools, which operate under a single statewide unified school district.

For the 2012-13 school year, the state spent \$1.762 billion on public education, including \$1.348 billion in state general funds, \$99 million in special/revolving funds, \$284.54 million in federal funds and \$32.91 million in trust funds. The state's construction budget is \$296.472 million.

The DOE listed per-student spending for 2011-12 at \$11,583.

But Randall Roth, a University of Hawaii law professor who has worked on education reform issues, said the real number is about \$16,000.

Jamie Story Kohlmann, president of Texas Families First, an organization that aims to increase local control and family empowerment in Texas public schools, worked on education transparency in Hawaii between 2008 and 2011.

"Hawaii spends vastly more than most other states to fund its public schools yet gives its taxpayers very little information with which to gauge their investment," Kohlmann said.

Many of the improvements suggested by the report are quick and inexpensive to implement, Story said, such as posting the year-to-year comparisons.

Donalyn Dela Cruz, a spokeswoman for the DOE, said the department in the past year has worked toward transparency and questioned whether the fact that Hawaii is the only state with a centralized single school district affected the study results.

## **SBH Fondation 6th Annual Business Awards Banquet**

Friday September 20, 2013 · Waialae Country Club · 5:00 to 8:00pm

#### SBH Success All-Stars



Clark Hatch



Mark Storfer



Burt Lum and Ryan Ozawa from ByteMarks radio



It will be a star-studded evening as you fill up these tables at the 6th Annual SBH Foundation Business Awards Banquet.

### Reserve & Register Today!

**Steve Petranik** 



### HART: Rail Construction to Re-start This Month

Ayear after a Hawaii State Supreme Court ruling halted construction on Honolulu's controversial \$5.2 billion elevated steel on steel rail project, (\$9.03 total for full routes), construction will likely resume in a matter of weeks, according to a statement issued by the Honolulu Authority for Rapid Transportation (HART).

The Native Hawaiian Legal Corporation represented native Hawaiian **Paulette Kaleikini** when she challenged the city's decision to begin construction before completing an archeological survey on the entire route.

The high court unanimously ruled in August 2012 that "it is undisputed that the rail project has a 'high' likelihood of having a potential effect on archeological resources...." and could impact the burials of Kaleikini's ancestors and other native Hawaiians. They ordered the city to complete the archeological survey on the entire four segments before restarting the project.

HART maintains the surveys were completed in January in partnership with the Oahu Island Burial Council, and State Historic Preservation Division after workers excavated more than 400 trenches along the rail route as part of the archaeological study.

Late last month, the State Historic Preservation Division approved the archaeological survey report for the Honolulu rail transit project.

"This approval is a major step forward," said HART Executive Director and CEO **Daniel A. Grabauskas**. "We are now working with the city's Department of Planning and Permitting to submit the necessary permit applications to the City Council for their review and approval. Getting back to work after the year long legal delay is essential to completing the project on time and on budget — that's our goal."

The Honolulu City Council must now approve the Special Management Area Use permit, which is unlikely to be an issue since the majority of the council is solidly behind the rail project.

However HART still must clear at least one more major legal hurdle if it wants to stick to its plan to open the first 10 miles of the rail system between

## **Tax Form Check-offs Paid For By All Taxpayers**

By Lowell Kalapa, President, Tax Foundation of Hawaii

In recent years when money became tight because of the slow down in the national and state economies, enthusiastic supporters of some very specific causes pushed lawmakers to allow taxpayers to designate a portion of their state tax refund for their specific cause. Among these were the Hawaii children's trust fund, the domestic violence and sexual assault special fund, the spouse and child abuse



special account under the department of human services, and the spouse and child abuse special account under the judiciary.

This mechanism to designate a portion of the taxpayer's refund is known as a tax check-off and is inserted on the state income tax return just after the net income tax is computed and measured against what the taxpayer had either withheld from his paycheck or paid in estimated taxes. So before the taxpayer can ask for a

return of his refund, the taxpayer can check one, or all, of the boxes to have a portion of that refund designated for one of these causes.

While this might sound like a great idea for taxpayers who want to support a certain program or cause, it does cost all taxpayers something as someone in the tax department or the department of accounting and general services has to keep track of those funds. The tax check-off is also an indication that taxpayers don't believe that lawmakers are able to set priorities for taxpayer funds.

A survey by the Federation of Tax Administrators found that the states that utilize check-off programs have been experiencing a decline in the amount of moneys designated though the check-off mechanism. The survey also found that due to the administrative costs associated with the check-off programs, states that currently have the check-offs are looking to adopt expiration clauses and other means to remove the less productive check-offs.

Lawmakers seem to view such check-offs as absolution of their responsibility to deal with such problems by turning the response directly over to the taxpayer. However, in the long run, the cost of administering the check-off merely siphons resources that should otherwise be used for providing needed public services.

**HART: Rail Construction** 

#### Continued from page 4.

Kapolei and Aloha Stadium by 2017 and the entire 20-mile route by 2019.

A federal appeal is pending in the 9th Circuit Court of Appeals in San Francisco. A three-judge panel heard oral arguments Thursday, August 15, from eight plaintiffs asking them to stop construction of the city's rail system.

The plaintiffs, who include former Gov. **Ben Cayetano**, retired Judge **Walter Heen**, businessman Cliff Slater, University of Hawaii Law Professor **Randall Roth**, and Small Business Hawaii Entrepreneurial Education Foundation, are challenging the legality of the City & County of Honolulu's selection process for rail.

They maintain the city did not properly study transportation alternatives such as a Bus Rapid Transit System and managed lanes in its environmental impact statement.

If completed, the rail will be the most expensive rail line per mile in the country.

Inasmuch as these funds are designated for a specific program or cause, special funds must be created to retain these funds for the specific program. As a result, the cost of administering those special funds must be borne by all taxpayers as the cost of administration is usually not charged against the special fund. Thus,whilethe program will benefit from the amounts designated by supporters, all taxpayers are asked to pick up the tab for the administration of the refunds and the special funds.

If lawmakers believe that earmarking funds through a check-off system is appropriate, then they might consider placing all programs on the state income tax form for designation and then repealing the legislative body as there will be no reason for the legislature to exist because decisions will have been made by the income taxpayer. And that is the whole point of an elected legislative body; they are elected to set policy and priorities for the funds given them by taxpayers. If those elected officials believe that they should allow taxpayers to designate funds for a specific program or cause, then perhaps taxpayers don't need that elected body of lawmakers.

If lawmakers believe certain programs are of great importance, then they can prioritize those programs through the appropriations process. With the Hawaii tax burden already so heavy, why should taxpayers turn any more of their hard-earned dollars over to government? What lawmakers also do not recognize is that by creating these check-offs, they add to the cost of administering the law, a cost which steals funds from other programs including those enumerated for a checkoff designation. To the extent that the state is made the "donation" collector of these funds, every other worthy cause should be insulted that all taxpayers and programs are subsidizing the fundraising efforts of these specific causes.

Tempting as it may be for supporters of specific programs or causes, all taxpayers should be alarmed that a small group of very vocal advocates should force all taxpayers to pay for programs that cannot solicit enough support to secure sufficient funding out of the general fund pot. Instead of creating more check-off designations, lawmakers should repeal those check-off boxes as they are an insult to all taxpayers.

Lowell L. Kalapa is the president of the Tax Foundation of Hawaii.

### **Sellers Leaving ProService**

**Dustin Sellers** is leaving ProService Hawaii at the end of the year after serving eight years as a co-president with **Ben Godsey.** 

Sellers has been president of sales and marketing and Godsey has been president of finance and operations since the duo bought into the 20-year-old company back in 2005. Godsey will continue as president of the Honolulu-based company after Sellers leaves.

"The way to think of us is two heads on one body," Sellers said. "We've made a lot of strategic decisions together."

But, leaving the reins to Godsey has been in the plan from day one, and Sellers said he has actually overstayed his time there.

"It has been such a great run; we've had an amazing growth

Continued on page 6.

## **New Medical Discipline Taking Hold**

#### By Cliff Slater

There is an emerging medical discipline, termed Functional Medicine, that may one day change the practice of medicine in the U.S. It is already being used in the Cleveland Clinic and the Cancer Treatment Centers of America and by many physicians across the country.

Here's the story: Have you noticed that while few people had even heard of autism before 1970, it now affects one in 150 children, an astonishing increase even allowing for our improved ability to recognize this disease? Or that obesity rates for adults have tripled in the last 50 years? Or, that there has been a 400 percent increase in diabetes in the last 20 years? We are facing an epidemic of diseases.

The Institute for Functional Medicine points to a growing body of evidence that the surge in food additives, and other changes in our food intake over the last 50 years, as being one of the primary causes of this epidemic. Take the changes in the common hamburger, for example.

The 1950 bun used to consist of just wheat flour, milk, margarine, sugar, yeast, and salt. Today, in addition to the above, you are likely to find high fructose corn syrup, soybean oil, calcium sulfate, sodium stearoyl lactylate, tricalcium phosphate, ethoxylated mono and diglycerides, datem, dicalcium phosphate, calcium dioxide, and/or sorbic acid), ammonium chloride, ammonium phosphate, diammonium phosphate, calcium propionate, and soy lecithin.

No wonder these buns don't rot.

Then there's the hamburger meat itself. On the ranch you butchered the grass-fed steer, ground up the beef, and that was it. Today, the steer is likely grown in a meat factory and fed corn, antibiotics, hormones, and steroids to keep it fast-growing and sort of "well." In the meat processing phase, the beef is subjected to tenderizers, softeners, anti-oxidants, citric acid, and so on.

That is what you get to eat for a simple hamburger, but if you wish to add cheese, ketchup, relish or mustard, then we will need to open up a whole new compendium of chemicals.

The government tests these additives, of course, and they are found to be "safe." The problem is that with literally thousands of food additives in combination with thousands of new environmental chemicals now floating around, there is no way to test all these chemicals in all possible permutations — it would be in the

#### trillions.

Because many of us have been overloaded with chemicals, Functional Medicine doctors look for underlying systemic imbalances in their patients as causes of illness and then mitigating them by changes in nutrition and exercise, and using supplements where indicated.

These physicians emphasize eating organically, having fresh vegetables rather than processed ones, meat that is grassfed and chemical free, reducing sugar and sweetener intake, forgoing those foods which tests indicate the patient's body does not tolerate well, taking appropriate vitamins and the right probiotics to care for the essential 100 trillion bacteria in our intestines.

Patients achieve beneficial results when they make a personal effort to both counter and avoid these environmental dangers. They experience significant weight loss without reducing calories, greatly improved bodily functions and significant improvement and even recovery from diseases such as diabetes and eczema. These doctors believe that health is not just the absence of disease; good health should be measured in how vital we feel in our daily lives.

But, my pragmatic friends say, why go through all that? Why not just take pills? These physicians respond that if you are feeling really great, and are quite satisfied with just masking the symptoms of all the things that ail you, take the pills; it is your body.

On the other hand, judging from the increasing amount of gluten-free and organic foods, grass-fed beef, and similar products showing up lately in supermarket shelves, many consumers are concerned enough to want to change their eating habits.

Should this approach to medical practice take hold, and "wellness" predominates over "pillness" then it could lead to a significant reduction in general medical costs. We will see.

Cliff Slater is a Hawaii businessman. Sources for the information in this article are at www.cliffslater.com



A Young Bros. barge

### Inter-Island Cargo Volume Up

A recent Young Brothers Report says that their Neighbor Island cargo volumes rose 4.4 Percent in the Second Quarter of 2013.

Automobile and vehicle shipments increased cargo volume for first six months drawing even with 2012

Young Brothers, Limited announced that intrastate cargo shipments between Honolulu and six neighbor island ports rebounded in the second quarter of 2013 after falling in the first quarter, according to the Young Brothers Quarterly Shipping Report.

Construction materials and equipment, food and beverage, and recyclables were among the positive drivers during the second quarter, according to Young Brothers.

### Sellers Leaving Pro-Service

#### Continued from Page 5.

cycle," he said. "The company is doing great and we have an amazing middle management team — quite honestly, it's a great place to be as an entrepreneur when you know you can leave."

Under the duo's leadership, ProService Hawaii grew from 35 employees serving 350 clients in 2005 to now serving more than 1,100 businesses with a team of 130 employees. Annual net revenues jumped from \$14 million to \$99 million.

"Dustin is a visionary. His energy, intelligence, marketing genius and deep commitment to the community have been crucial not only to the success of ProService, but to the overall growth of the HR administration industry in Hawaii," Godsey added in a statement. "I'm honored to build on the success we have enjoyed together."

Sellers will retain a substantial amount of equity in the company and will work on special projects from a distance, but much of his time next year will be spent looking for other entrepreneurial endeavors.

More information about Pro-Service can be found online at: http://proservice.com/.

### **Starbucks Selling Coffee to Colombia**

Originally published by Reuters, New York

Starbucks Coffee Company, which has exported coffee beans from Colombia for more than four decades, plans to open its first cafe in the Andean country in 2014 and serve only locally-grown coffee.

The world's biggest coffee chain hopes to open at least 50 coffee shops in cities across Colombia in the next five years, starting in the capital Bogota.

The announcement by the Seattle based-firm coincided with protests by local coffee growers who are demanding the government provide more aid to counter low global prices and cheap imports hitting the world's biggest producer of washed arabica beans.

"We've had great success in Latin American and it's well overdue for us to open up in Colombia," Starbucks Chief Executive Howard Schultz told Reuters in an interview, adding that he hoped to open at least six stores in the first year.

A military crackdown on drug-funded insurgent groups has made Colombia more attractive to foreign firms once fearful of investing in the nation when the conflict between Marxist FARC rebels and the government was at its height.

## SBH SUNRISE Thursday, September 26, 2013 • 7:00 - 8:30 a.m.

Pineapple Room, Ala Moana · Breakfast / Free Parking

Mel Kaku, Director, Dept. of Emergency Management "Small Business Disaster Support by the City"

Reservations made in order received at SBH. No tickets mailed - pick up at registration desk Sept. 26. Your guests welcomed at member price. Refunds until September 25. Advanced Paid Reservations Required by September 24, 2013.

Complete Breakfast Buffet and Free Parking (Ala Moana 4th floor) included

Name		
Firm Name	Phone	
Address	City/Zip	
My Guest(s)		
(Firm)		
Enclosed is my check for* \$, for (number) people @ \$25 per member and their guest(s) who pay in advance.*		
Print, clip and mail with a check to "SBH Sunrise" to: Small Business Hawaii, 6600 Kalanianaole Hwy. #212 Honolulu, HI 96825		

\*The charge is \$35 for non-members, and at the door, provided space is available.

#### Print, clip and mail with check to: SMALL BUSINESS HAWAII · Hawaii Kai Corporate Plaza 6600 Kalanianaole Hwy., #212 · Honolulu, HI 96825 · Phone (808) 396-1724 · FAX (808) 396-1726

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SS BUSINESS HAWAII	for Young Professional & Retired member Code Section 501(c) (6). Please check w plying for membership and understand S	(regular annual membership dues are \$200; \$350 for 2 years • \$75 annually er). Annual membership dues may be tax deductible to your organization under IRS with your tax advisor. Billing is annual on the anniversary of my last payment. I am ap- BH does not sign up anyone for medical or benefits only; I agree to actively support in SBH activities. I certify that all information on this form is current and accurate.	
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## **Facebook Admits to Sharing Your Data**

#### By Eric Boehm, Watchdog.org

On **Facebook**, you can share posts and pictures with friends. But at Facebook, they can (and do) share your posts and pictures and personal information with government agents all around the world.

Facebook released a report in August detailing their level of involvement with government requests for data. Since users willingly share so much about themselves on Facebook and other social media tools, it seems government agencies are looking to take advantage of the information – and Facebook is more than happy to comply.

"As we have said many times, we believe that while governments have an important responsibility to keep people safe, it is possible to do so while also being transparent," said **Colin Stretch**, an attorney for the social networking mega-site. "Government transparency and public safety are not mutually exclusive ideals."

Stretch assured users that Facebook scrutinizes each request and maintains a "very high legal bar" that governments must clear before users' private information is passed along.

Even so, the numbers are startling.

In total, Facebook received more than 26,000 separate requests for information about nearly 39,000 different accounts from 72 different national governments during the first six months of 2013.

And guess which country's government made the most requests for information from Facebook – so many, in fact, that it is more than all other requests from all other national governments in the entire world, combined.

Go ahead, guess.

The United States with 12,000 requests and 21,000 accounts.

It does raise some questions – like, if government surveillance is meant to stop terrorist attacks, are terrorists really posting "about to build a bomb" on their status updates?

Or, perhaps the government is collecting Facebook information for other reasons – particularly since we already know the Drug Enforcement Agency frequently gets "tips" from the National Security Agency and others (then lies about where those tips come from).

And Facebook's willingness to share personal data with the governments of the world seems even stranger one week after Joe Sullivan, the company's chief security officer, said "it is never acceptable to compromise the security or privacy of other people."

Of course in that instance he was talking about one user compromising another user's privacy. If Facebook is going to compromise everyone's privacy at once, that must be better – somehow. Now we really need that "dislike" button.

Boehm is a reporter for Watchdog.org and can be reached at Eric@

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Above: Screenshot of Smart Business Hawaii's Facebook page. A word of advice: Understand and update your Facebook privacy and account settings regularly. Those settings are frequently revised by Facebook and can be confusing to the casual user. Implementing the most "secure" settings on Facebook or any other web service does not guarantee that the government will not harvest your data.

### Hawaii Drivers Continued from page 3.

the national average.

Fort Collins, Colorado is ranked as the safest city, followed by Boise, Idaho; Sioux Falls, South Dakota; Brownsville, Texas; and Madison, Wisconsin.

Ashley Clise, spokesperson for the Allstate NW Regional division, said Allstate's Best Drivers Report ranks American cities based on car collision frequency, and was created to boost the country's discussion on safe driving.

Last year, Honolulu was 113 on the list, so Hawaii slipped 15 spots over last year. The city's best performance was #89 in 2011, and the lowest rank was #135 in 2007, Clise said.

"Our hope is that this report will increase awareness about the importance of being safe and attentive behind the wheel," Clise said. "Staying alert and focusing on the task at hand is the most important thing that Honolulu drivers can do to stay safe on the road. Minimizing distractions - such as texting, talking on the cell phone, eating, and even changing the radio station - is key to staying safe while in the driver's seat. It is also important to watch the speed limit, know the rules of the road, and utilize your vehicle's safety features, such as turn signals and headlights."

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