Local Cookies: Why So Small! (Full Version of Article from the Honolulu Weekly, June 4, 2004) Sun-Ki Chai



Forget Act 221. By year 2020, Hawai'i's biggest industry will be . . . small shortbread cookies. That's a conclusion you might reach if you regularly check out the shelves of your local groceries and specialty stores. Every week, it seems, there's a new brand of locally-made gourmet cookies on the shelves. New brands, greater variety, and more shelf space overall. Cookies that are totally different from the chewy pie-size monsters spewed out by Mrs. Fields and her mainland upscale counterparts. The local kind are usually no bigger than 2 inches in diameter, and often much smaller, incorporating local-style ingredients like mac nuts, guava, and lilikoi, or even "mochi crunch" and "li hing" powder.

This raises two questions: (1) How did the local cookie scene get so crowded and competitive? (2) When the national cookie business seems to equate "gourmet" with gigantism and softness (Jay Leno once told a joke about how U.S. cookie companies were consulting with the Metamucil people), how did Hawai'i develop a distinctive style that emphasizes small, crisp cookies? In order to answer these and other infrequently asked questions, we've tried to reconstruct local cookie history by talking to some major producers here.

The granddaddy of them all is Honolulu's Diamond Bakery, whose Ruff n' Ready, Coconut Taffy, and Candy Bead cookies have been around since the 1930s, along with their

popular Saloon Pilot and Royal Creem crackers. According to company President Brent Kunimoto, in the early days their three varieties of cookies were often sold in general stores out of the kind of 5-gallon jars that were (and still are) used to hold crack seed, for people who wanted to buy in small quantities. So perhaps this is a clue to the origins of the local-style cookie - big, soft cookies couldn't very well be shoveled out from jars along with the shredded mango, li hing mui, and arare, no? Or is this just conjecture?

Fast forward to 1965: Mabel Hashisaka, a retired schoolteacher and owner of a snack bar on Kauai, decided to bake and sell cookies as a side business. According to her daughter, Ruth, their original cookies had a 2-inch diameter because "she started by using a measuring cup to make the shape." These "Kauai Kookies" cookies were aimed in part as *omiyage* (souvenir gifts) for the growing interisland travel market. Hashisaka incorporated guava and macadamia nuts into her cookies because "my mother wanted to differentiate (them) from the mass market by using local resources," adds Ruth. By the 1980s, demand had reached such a high level that the family decided to market the cookies directly on Oahu and the mainland, building a large facility in Hanapepe and packaging the cookies in the by-now familiar small 5.5 ounce oblong boxes.

In 1981, Kiauw Kwee, a Chinese-Indonesian immigrant, her son Nathan, and his wife Jasmine opened Cook Kwee's cookie company out of their garage in upcountry Kula, Maui. They soon sold their business to their relatives-by-marriage Gordon and Annie Loo, who still run the company now out of larger quarters in Kahului. From the very beginning, Cook Kwee's cookies were designed to be crisp — "the kind that don't disintegrate when you dunk them," says Gordon Loo. Though he wasn't sure of the original rationale behind the recipe, it proved to be popular and they have not seen any reason to change the basic formula, though they have added new flavors such as Kona Coffee Mac Nut and White Chocolate Mac Nut in recent years.

In 1983, Alan Ikawa was running a business on the Big Island making macadamia nut candies on a subcontract basis for larger vendors, but was looking to diversify. He hit upon the idea of a 2-inch rectangular shortbread dipped diagonally in chocolate after consulting with executives from a Maui hotel, who told him that they wanted a compact, sturdy item that could be packaged and included in hotel room mini-bars. As current Chief Operating Officer Sherrie Holi notes, "I don't think the hotel even specified a shortbread cookie but that is what it turned out to be!" Nowadays, Big Island Candies has become a must-see destination for many tourists, hosting hundreds of people a day in its spacious showroom in Hilo.

Around the same time, in 1984, Loretta Edmunds had just retired as the cafeteria manager at Barber's Point Elementary School on Oahu, along with her close friend, Virginia Sarono, who had been a baker there. They were looking around for business that could keep them occupied during their retirement, and hit upon the idea of selling butter shortbread cookies based upon those they had been making in the school system for many years. To emphasize these origins, they called their new startup "School Kine Cookies". According to Sheila Gold, who currently runs the company with her husband Steve, Edmunds and Sarono decided to make the cookies extra small because they

lacked tools for accurately measuring dough portions. With a small size, "it was easy to hit a particular weight in the package," Gold noted. Even now, School Kine Cookies, a mainstay of the local fund-raising product scene, are only around one inch in diameter.

Younger local companies have taken a number of different routes: Dean Takamine of Big Island Delights, which has been around since 1995, started out as a buyer for a supermarket chain, with one of his responsibilities including the cookie section. Clara Char of Hawaii Gourmet Cookies began to market her personal recipes to hotels in 1997, soon after retiring from her job in the Federal government. Keith Yamamoto of Keith's Cookies started out baking his trademark crisp mochiko cookies as a hobby, and in 1998 opened a bakery as a side business to his regular job at the Office of Youth Services.

Over time, whether coincidentally or intentionally, different companies have adopted similar styles, causing recipes and packaging once associated with a particular company to be linked to the local industry as a whole. For instance, both Menehune Mac and Mauna Loa's cookie lines are enclosed in small oblong containers of virtually the same size and shape as Kauai Kookies' line. Cookies in Paradise's Macadamia Nut Shortbread, Hawaii Cookie Kitchen's "Crunchies", Big Island Candies' "Bite Size Cookie", and Hawaiian Gourmet Cookies' "Bits of Aloha" lines all feature a 1-inch drop shortbread similar in style to the one that School Kine Cookies pioneered, a style which in turn is related to the even earlier 1-inch circular cutout style of Diamond Bakery's "Ruff n' Ready" cookies. In a few cases, this kind of mutual emulation can lead to friction. In 2001, Big Island Candies sued a competitor for allegedly trying to pass off a product with an identical appearance and packaging to its own popular chocolate-dipped shortbread. For the most part, however, the merging of styles has taken place without rancor.

Given all this, the way the local-style cookie came about was more or less serendipitous, based upon the initial decisions of a few original producers, mostly during the 1980s, followed by a gradual convergence process. Right? Well, not entirely – a few things can be said about more "general" causes.

A number of cookie insiders point out that small shortbread cookies were a mainstay of the local public school lunch menu in Hawai'i from the mid-20<sup>th</sup> century on. Part of the reason for this was practical - desserts for the school lunch system had to be small enough to fit junior cafeteria portions and sturdy enough to withstand the punishment handed out by elementary school kids, and shortbread cookies were ideal for this purpose. Local people who attended public school during the past few decades have fond memories of these types of cookies, and this is reflected in the appeal of the local-style cookies that follow similar recipes. Both of the School Kine Cookie founders and Mabel Hashisaka of Kauai Kookies were former employees of the public school system. Diamond Bakery cookies have been distributed at various times through the public school cafeteria and the A+ program over the years. Keith Yamamoto baked crisp shortbread cookies because "that's what the cafeteria managers baked for us as part of our lunch in our school days", according to his cousin and current Keith's Cookies president Brent Fujimoto. Likewise, Steve Gold decided he wanted to invest in School Kine Cookies in part because "they reminded him of the kind he used to get at Aina Haina Elementary"

growing up, according to his wife Sheila. "He and his friend Ivan used to pitch pennies, and whoever won would get both cookies", she said.

Another general factor shaping the way the cookie industry evolved has been the interisland and off-island tourism industries. The omiyage market has helped to support local cookie producers in general, but it has also motivated attempts to build a distinct image for local cookie products. Michael Ching of Hawaiian Gourmet Cookies (Clara Char's son) says, "Cookies make for a good convenient gift. They're less expensive than bringing home an Aloha shirt." Kunimoto of Diamond Bakery adds, "Local people are buying it because it is a local product. Tourists are looking for something that is unique to Hawaii." In either case, the local cookie companies benefit by using local ingredients, but also by maintaining a distinctive cookie style. In addition, there is the not insignificant fact that a small, crisp cookie can handle the wear and tear of being transported in luggage better than a big softie. Even if they are planning to consume their cookies where they purchase them, tourists who are interested in local products tend to look for a wide range of novel foods they can sample rather than a few things to gobble down. As Takamine of Big Island Delights points out, Mrs. Fields or Great American Cookie-style giants are basically a "full meal" or else "you have to store (leftovers) in the refrigerator." All of these factors in turn shape the competitive environment even for producers who do not rely primarily on the tourist market

So let's pretend we've now solved the puzzle of why and how local cookies are different from mainland cookies, and move onto the next question. Why has the local cookie scene become so intensely competitive in the last several years? For Takamine of Big Island Delights, two reasons stand out: The first is, somewhat paradoxically, the stagnant local economy, which has made employment in the government and big corporations more and more shaky, thus forcing a number of individuals to start their own businesses. The second is that "it's easy to get into the cookie business" given much lower startup costs than most alternatives. Gordon Loo of Cook Kwee's agrees: "It's fairly easy to get into. Everybody has a recipe for a good cookie. And everybody eats cookies." Sherrie Holi of Big Island Candies adds, "There are a lot of people using the incubator kitchens as a start up and I see a lot of the cookie products that come out of those kitchens on the market." Nor is the potential for growth maxed-out: According to Fujimoto of Keith's Cookies, there's still some room for additional producers. "There are a lot of good cookie makers out there" who "shouldn't be afraid to try" to enter the market. Kunimoto of Diamond Bakery agrees. "Barriers to entry are very low. This makes for more competition, which is very positive . . . it forces us to focus on what we do best." Ching of Hawaii Gourmet Cookies adds, "I would look at the cookie industry as being where macadamia nuts were 20-30 years ago. . . You may even draw a similar parallel with Kona coffee."

So, is there anything at all standing in the way of a Hawai`i international cookie juggernaut? Well, there may be, . . . but we'll have to discuss Dr. Atkins another day!