



Volume 13, Issue 2

Summer Issue 2006

“There is no trouble so great or so grave that cannot be much diminished by a nice cup of tea.”

*~Bernard-Paul Heroux
1900s Basque Philosopher*

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Industry Professionals TEA-Off at the Tea Association of the USA’s 2006 Annual Golf Outing

June, 2006 - Another Tea Association annual event went off without a hitch as local tea professionals gathered at the beautiful Essex Fells Country Club in Essex Fells, New Jersey on June 13th. It was 80 degrees with clear skies and a touch of wind as our golfers engaged in some friendly competition while re-connecting with customers, coworkers and friends.

A special thanks goes to Ken Fischer for once again sponsoring the Outing at the Essex Fells Country Club. Also, thank you to Ahlstrom FiberComposites and RPM Warehouse & Transportation for sponsoring our two \$25,000 Hole-In-One Prize Tournaments.

If you missed this year’s event, we strongly urge you to consider attending in 2007. The Annual Outing provides a unique opportunity to network with other tea industry professionals and to reward your employees, suppliers, and customers. It is also a way to demonstrate support for the Tea Association and the efforts extended by the Association on behalf of its member organizations.

TOURNAMENT WINNERS!

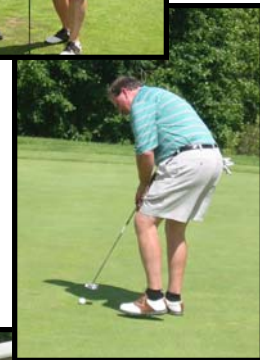
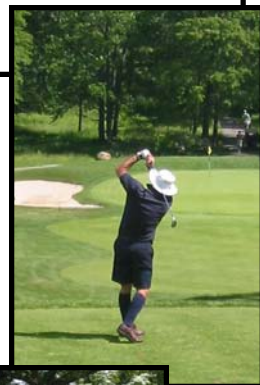
- 1st Low Net - Peter Garafolo (71)
- 2nd Low Net - Paul Strader (72)
- 3rd Low Net - Peter Goggi (73)

Men:

- 1st Low Gross - Greg Shayka (73)
- 2nd Low Gross - Mike Moore (80)
- 3rd Low Gross - Chris Roche (83)

Women:

- 1st Low Gross - Jennifer Vilot (101)
- 2nd Low Gross - Sarah Holliday (119)
- Longest Drive (M) - John Smith
- Longest Drive (W) - Sarah Holliday
- Closest to Pin #3 - Matthew Rosetti (7’ 5”)
- Closest to Pin #10 - Mike Moore (14’ 9”)
- Closest to Hole #6 - John Smith (11’ 4”)
- Closest to Hole #12 - Jerry Desmond (23’ 9”)
- Most Honest Player-Dominick Mariano



Photos (top to bottom): (1) Barry P.W. Cooper - Sandbar Trading Corp.; (2) Ken Hessler, Jack Kearney & Jerry Desmond - Empirical Group; (3) Peter Goggi - Unilever; and (4) Veronica Noria - APL, Ltd. & Jennifer Vilot - American Instants Inc.

**Photos from 2006 Golf Outing
Reception & Dinner
- Essex Fells Country Club -**



Photos (top to bottom): (1) Peter Goggi - Unilever; Eunice & David Bigelow - R.C. Bigelow, Inc.; (2) Barry P.W. Cooper - Sandbar Trading Corp.; Dominick Ciaccia - UCTT; Chris Luckhurst - Finlay Tea Solutions US Inc.; Lori Bigelow - R.C. Bigelow, Inc.; Nick Salza - Kentea Ltd.; Malcolm Shalders - Reily Foods Company; (3) Victor Ferretti - Kentea Ltd.; Dominick Ciaccia - UCTT; Eugene Amici - H.P. Thomson, Inc.; (4) Doug Farrell - Redco Foods; Jim Turra - Schoeller & Hoesch; Joe Simrany - Tea Association of the USA; Glen Bonetti - Schoeller & Hoesch; Cheryl Templeton - GlobeTrends Inc.; Mike Moore - Vitex Packaging Group; Al Sharif - GlobeTrends Inc.

***Thank you to the following
companies for their generous
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Sandbar Trading Corp.
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***Thank you to our
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RPM Warehouse & Transportation

A special thank you to **Unilever** and **Ito En**
for donating RTD Tea to keep our golfers
hydrated throughout the tournament.

Mark your Calendar!

**The 2006 Tea Association of the USA
Annual Holiday Dinner**

Tuesday December 4th 2006

**The 3 West Club
New York City**

SPECIALTY TEA INSTITUTE

2006 New York Certification Seminar is a Huge Success!

By Kisha Omer



July, 2006 - The Specialty Tea Institute sold out yet another Certification Program during its final event for 2006. After reaching record attendance numbers during the March seminars at the World Tea Expo in Las Vegas, STI's New York

City event, which took place only 4 months later, achieved equal success. 85 students attended STI's Foundations of Tea: Level One and Level Two classes, which was a great accomplishment for the program considering the New York City venue has historically attracted fewer attendees than any other event. This achievement exemplifies the growing demand for the Certification Program as well as the increased awareness of its importance to the tea industry and its marketplace.

As STI's Certification Program enters its third year, we look forward to all of the exciting seminars that will be offered in 2007 including new Level 3 Advanced Series Courses as well as continuing to offer of our basic fundamentals classes. It is a very exciting time for STI's Tea Program and as well as the entire tea industry! If you have not had the opportunity to experience one of our courses, we urge you to join us in our efforts to advance and standardize the education of tea in the United States industry and consumer market!

A Special Thank You to our New York City Certification Program Sponsors

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Zhong Gua Cha



TEA Linked to Lower Risk of Bile Stones and Cancer

By Stephen Daniells for NutraIntredients.com / Europe

Drinking at least one cup of tea a day could cut the risk of cancer in the gallbladder and bile ducts by about 40 per cent, suggests a population-based study from China.

July, 2006 - The news adds to a growing list of benefits that has linked tea and tea extracts, particularly the catechin, epigallocatechin gallate (EGCG) to reducing the risk of Alzheimer's, certain cancers, as well as having a role in weight loss.

Indeed, European demand for tea extracts is currently surging, having reached 500 metric tons by 2003.

This has seen companies such as DSM, with its Teavigo boasting 95 per cent purity of EGCG, and Taiyo International, with its Sunphenon claiming more than 90 per cent purity, position themselves firmly in specific catechin markets.

The new study, published in the June issue of the *International Journal of Cancer* (Vol. 118, pp. 3089-3094), adds to the body of science by considering the effects of tea drinking on cancer in the gallbladder and bile ducts, cancers that are described as "rare but highly fatal malignancies."



The researchers, led by Ann Hsing from the US National Cancer Institute, assessed the demographic, medical and dietary histories of 627 people with bile tract cancers (cases), 1037 people with bile stones, and 959 randomly selected healthy controls.

The sample population was based in Shanghai, China, where the incidence of these types of cancers is reported to have increased in recent years.

Tea drinkers were defined as anyone who drank at least one cup of tea per day for at least half a year.

"Among women, tea drinking was associated with lower risks of gallbladder and bile duct cancers and of biliary stones," reported the researchers.

Specifically, women tea drinkers had associated reduced risks of gallbladder cancer, bile duct cancer, and bile stones of 44, 35, and 27 per cent, respectively.

For men, no significant association was observed for tea drinkers and the relative risk of these conditions.

These results may have been affected, wrote Hsing and her colleagues, by the high number of smokers amongst the men, which may affect the incidence of these types of cancers.

"These findings add to the accumulating epidemiological evidence linking tea consumption with a lower risk of various cancers, particularly of the digestive tract," said the researchers.

The mechanism by which tea exerts a benefit is not clear, said the scientists, but "may involve anti-proliferative and anti-inflammatory properties of tea polyphenols, in particular EGCG." The researchers also mention that a plausible explanation may be due to effects of EGCG on estrogen biosynthesis and other hormonal processes, which may help explain the benefits observed in women and not men.

The researchers called for future studies to replicate these results in other populations, as well as focusing study on elucidating the hormonal or other mechanism involved.

The global tea market is worth about €790m (£540m, \$941m). Green tea accounts for about 20 per cent of total global production, while black tea (green tea that has been oxidized by fermentation) accounts for about 78 per cent.

America's Tea Boom - Steaming Ahead

America's baby-boomers are embracing tea for its health benefits

From *The Economist*

July, 2006 - "PROFIT is not our basic motive," says David Bigelow. He is referring to his tea plantation outside Charleston, South Carolina, which his family company bought in 2003. Its American Classic brand is sold only locally, though Mr Bigelow hopes to extend distribution throughout the South. His 127-acre farm, where bendy old oaks give way to neat rows of waist-high tea bushes, is the only place in America that produces tea commercially. Even though the climate is suitable, tea-growing is simply too costly, since the process is labour-intensive and resists automation. Mr Bigelow hopes to break even eventually through tourism: public tours kicked off earlier this year.

But although tea production in America is minuscule, consumption is booming. Sales have more than tripled in the past 15 years, exceeding \$6 billion last year. Some 85% of the tea drunk in America is served iced—for easy sipping on sleepy summer days. Lately, sales of "ready to drink" bottled teas have been growing particularly fast. Mike Harney of Harney & Sons, a tea firm based in New York, calls the United States "the most dynamic tea market in the world".

Americans' growing enthusiasm for tea can be explained in large part by its health benefits. Tea contains less caffeine than coffee, and the industry touts studies that suggest it can help with heart problems, blood pressure and even cancer. This explains tea's particular appeal to the ageing baby-boom generation, suggests Brian Keating of Sage Group, a market-research firm, in a recent report on the industry. Green tea is perceived to be especially healthy, though white teas, which have undergone minimal processing, are also popular, says Karen Dunlap, a "tea sommelier" based in New York. Tea-based soft drinks are doing well, too.

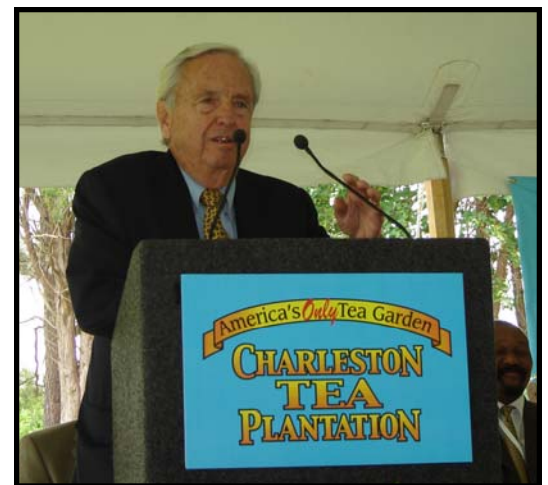
Tea still trails far behind coffee, of course. The Sage Group estimates that tea sales in America will reach at most one-third the

[Tea] sales have more than tripled in the past 15 years, exceeding \$6 billion last year.

level of coffee sales by 2010. Yet the relationship between the two drinks is oddly collaborative. Starbucks, the dominant coffee chain, bought Tazo, a fast-growing brand of speciality tea, in 1999. Just last week the chain rolled out tangerine and pomegranate frappuccino juice blends, which mix Tazo tea with other fruity flavors. Also on sale, since the spring, has been Starbucks's blackberry green-tea frappuccino. Other chains have also turned to tea-based drinks. Jamba Juice, known for its smoothies, offers a "Matcha Green Tea Blast", with green-tea

powder, soy milk, sorbet and frozen yogurt.

That may not be how they drink tea in traditional China or staid English drawing-rooms. But in the land of the Boston Tea Party, the drink has a certain unconventional history to live up to.



David Bigelow, of R.C. Bigelow, Inc. speaking at the re-opening of the Charleston Tea Plantation, which was purchased by his family in 2003.



Americans' Growing Taste for Tea Brews a Market

By Mike Spector for *The Wall Street Journal*



July, 2006 - Karen Rodman started drinking tea a year and a half ago, when her husband complained that coffee was making her too hyper.

Now, she meets a good friend every day at Tempest Tea, a local loose-leaf tea café in Dallas. "I like the brewing thing," says the 49-year-old Mrs. Rodman as she sits on a green sofa sipping a carbonated green-tea drink.

Tea drinking is on a roll in the U.S. There are some 2,000 tea houses nationwide, up from 200 a decade ago. And tea sales reached \$6.2 billion last year, more than quadruple their level in the early 1990s, according to the Tea Association of the USA. One big reason: Recent research has shown that tea, particularly green tea, is loaded with antioxidants that supposedly can help ward off ailments such as heart disease and cancer.

Several companies are trying to make the most of Americans' new fascination with an ancient beverage. Tealife LP opened Tempest as something of a Starbucks knock-off: a trendy café where customers can get tea on the go or relax on modern furniture. It has just a single store, but hopes to have four by the end of the year. TeaGschwendner USA Inc., originally a German company with more than 130 stores globally, opened its first U.S. store in Chicago in March 2005 and is targeting tea aficionados with exotic blends and fancy brewing equipment. Foodx Globe Co., which operates several tea shops in Japan, opened its first U.S. green-tea bar in May in Seattle, and customers can drink their brew while sitting on floor mats—just like in Japan.

Teavana Holdings Inc. of Atlanta has the biggest foothold in the market with nearly 50 stores. It brews on site but also relies on sales of tea pots and other tea paraphernalia for revenue. As recently as 2001, Teavana had only two stores. Teavana declined to comment, but its chief executive, Andy Mack, recently told trade magazine Retail Traffic he plans 500 stores by the end of the decade.

These are all weak tea compared to publicly traded Starbucks Corp., which has more than 10,500 locations worldwide and hauled in \$6.4 billion in revenue last year. But the coffee giant started with a clear advantage. Tens of millions of Americans quaffed coffee before Starbucks arrived. Starbucks just

persuaded them to buy fancier coffee. Tea drinking is still and acquired taste for many Americans.

For years, tea was a time-consuming affair in the U.S. Enjoying the drink meant buying a box of tea bags, heating water and allowing the tea bag to sit in a cup for a few minutes. Tea rooms were upscale places that sold

fancy cookies and cucumber sandwiches. In 1987, beverage company Snapple introduced an iced-tea line, making tea as convenient as bottled juice and soda. Americans' desire for ready-to-drink tea intensified through the 1990s and into the 21st century.

"It took Snapple coming into the business to add some pizzazz and upgrade the product," says Joseph Simrany, president of the Tea Association, a trade group based in New York.

Tea sales kept growing as studies attributed health benefits to imbibing the brew. In May, scientists at Yale's medical school said green tea might explain why Asians have lower rates of heart disease and lung cancer than Americans, even though they smoke more. Calling the phenomenon the "Asian Paradox," the scientists wrote in the *Journal of the American College of Surgeons* that antioxidants in green tea could stymie disease-causing cells.

At least two business models have emerged among entrepreneurs trying to grab a piece of the emerging tea market. Some appeal to a more high-end clientele. Others push the mass appeal café.

TeaGschwendner targets upscale customers

Tea drinking is on a roll in the U.S. There are some 2,000 tea houses nationwide, up from 200 a decade ago.

Tea sales kept growing as studies attributed health benefits to imbibing the brew.

with rare teas and accessories. The store sells stylish tea pots, filter equipment, even candies. A distinctive Russian teapot goes for more than \$1,000. And while the store sells basic teas, it also offers exotic blends, like a scarce green tea called Japanese Shincha that costs about \$350 a pound.

Home brewing is the store's focus, but the American version has added bistros with full lunch and dinner menus to draw in customers. The combined atmosphere strives to offer the ultimate in tea selection and décor, what Charles Cain, Tea Gschwendner's operations director, refers to as a "museum of tea."

Tempest founders Briar and Jody Rudman focus on mass appeal. The object is to "present our teas much in the way Starbucks would present coffee," says Dr. Rudman, an anesthesiologist. He and his wife wanted to take out the stuffiness associated with English tea drinking and make it more compatible with the busy American lifestyle.

Patrons can get tea brewed on demand from a person behind a counter; the shop offers salads, sandwiches and wraps. The store offers 75 varieties of hot and cold brews, including 16 bubble teas, the milkshake-like, fruit-flavored drinks that appeal to teens and 20-somethings.



Richardsons Featured in *TeaTime* Magazine

PERRYVILLE, KY – Bruce and Shelley Richardson, owners of Elmwood Inn Fine Teas and Benjamin Press in Perryville, are featured in the July/August issue of *TeaTime* magazine. The article, "Tea Trailblazers: Bruce and Shelley Richardson," offers an in-depth interview with the husband-and-wife team, exploring the history and success of the couple's tea business, as well as citing them "among the first Americans to elevate the art of tea" in the United States.

"When you think of 'tea trailblazers' in America, naturally Bruce and Shelley come to mind," stated *TeaTime* editor, Barbara Cockerham. "We're pleased to feature them in *TeaTime*, and are confident our readers will equally welcome the expertise and intriguing story the Richardson's have to share."

This is one of four articles featuring "Tea Masters" who have shaped the face of tea in America. Other tea professionals who have been profiled by *TeaTime* include New York tea blender John Harney, San Francisco author Norwood Pratt, and London author Jane Pettigrew. Online find *TeaTime* at www.teatimemagazine.com, or read the article in full at www.elmwoodinn.com.

In addition to the couple's wholesale tea business, Bruce and Shelley Richardson also are authors of several books on tea. Their publishing division Benjamin Press manages the production of such noted books by the Richardson's as *The Great Tea Rooms of America*, *The New Tea Companion* and a series of afternoon tea recipes from the couple's renowned and former Elmwood Inn tea room. Current releases from Benjamin Press include a series of travel guides to tea in the world's major cities. *Tea in the City: New York* (April 2006), *Tea in the City: London* (August 2006) and *Tea in the City: Paris* (March 2007) feature maps, color photography and travel tips for exploring each city with tea in mind. Look for these, and other books published by Benjamin Press, in stores and online at www.benjaminpress.com and www.amazon.com. For more details on the complete line of Elmwood Inn Fine Teas, visit www.elmwoodinn.com.

Mintel Identifies Major Trends to Impact Food Industry

By Lorraine Heller for *FoodNavigator-usa.com*

May, 2006 - New ingredients, health and portability are amongst trends that will impact the US food market within the next five years, according to Mintel, which presented its findings at the FMI show on Sunday (May 7th).

The market researcher used its product tracking data base together with consumer reports to identify 10 key trends in the food industry.

These are focused within two major areas: the new face of wellbeing, and convenience positioning and packaging, said Mintel's director of customs solutions Lynn Dornblaser at the Food Marketing Institute (FMI) trade show in Chicago.

Almost 70 percent of adults in the US are trying to eat healthier foods, according to a recent Mintel survey that examined the diet and exercise attitudes of around 30,000 American consumers.

And while 65 percent of participants said that calories do not count when it comes to eating the foods they like, almost half identified nutritional value as the most important deciding factor in the foods consumed.

The familiar move towards positive nutrition, or adding nutritional benefits to food and drink, took top spot in Mintel's trend list. Examples given of products catering for this trend included Unilever's Promise Buttery Spread with added omega-3 and vitamins B and E, together with General Mills' Yoplait Nouriche Super Smoothie, which contains 20 vitamins and minerals is positioned for an active lifestyle.

But products are also increasingly being marketed for their inherent goodness, or the benefits already present within the food. This trend can be seen through the launch of vegetable or grain based products, such as Unilever's Knorr Vie vegetable-juice drink, or Sara Lee's whole grain white bread.

Closely linked to the nutritional qualities of products is the desire to use food as a path to looking and feeling beautiful. Products in this category include those with anti-aging and antioxidant ingredients, such as coenzyme-Q10.

New ingredients are also a key factor when it comes to attracting consumers who are constantly on the look-out for different, exciting ingredients with a variety of benefits. Examples currently include omega-3 and amino acids. Flower essences and chlorophyll have also been used in beverages in Australia and Brazil, while black foods - such as black vinegar and vegetable drink and a black sesame paste - are emerging from China and Japan.



Trends identified by Mintel in the area of convenience include extreme portability and one-handed eating and drinking, based on the growing numbers of consumers who snack while driving. Products cited include a Japanese single serve yogurt, which is opened and squeezed directly into the mouth, as well as single serve sachets of mayonnaise and ketchup.

Bringing the restaurant experience home is also sought for by busy consumers who want the convenience and quality of eating out brought into their homes. Products that cater for this include Nestle's microwavable panini sandwiches, as well as Lou's gourmet veal Osso-bucco restaurant-style entrée product.

Simple convenience in packaging and preparation was demonstrated through Kraft's new Nabisco Chips Ahoy! In a re-sealable package, as well as through a microwavable package of sugar snap peas from United Fresh International Blue View.

Consumers are also increasingly looking for products that cater to their specific needs, and this 'just for me' trend was demonstrated by Mintel through Canada's Mediterranean Trade Duo Dressing, a salad dressing that can be adjusted to individual tastes.

But although the food market will be largely characterized by these new trends, Mintel's Dornblaser highlighted a number of 'anti-trends' that will continue to be important.

These include products focusing on indulgence rather than on health and wellness; products targeting youths rather than baby-boomers; a focus on slow foods and making meals from scratch as opposed to convenience products; and 'increased Colonialism' or a focus on traditional American tastes rather than ethnic products.

Other major issues due to impact the food industry include the rise in technology, environmentally sustainable packaging and a fundamental shift in the way people shop as a growing number of specialty stores are favored over supermarkets.





Teens Seem to Be Losing Interest In Carbonated Drinks Like Colas

By Christina Cheddar Berk for *Wall Street Journal*

June, 2006 - It might not be wise to pin hopes for a recovery in carbonated soft-drink sales on teens.

Health concerns and parental restrictions are steering teenagers to other beverages, according to a survey conducted by Morgan Stanley analyst Bill Pecoriello. His research shows the image of colas, and even diet colas, continues to deteriorate rapidly.

These findings further reinforce Mr. Pecoriello's view that yearly carbonated-soft-drink sales volume will decline 1.5% this year, more than twice the rate of decline last year.



According to the survey, 13- to 17-year-olds are drinking fewer fizzy beverages than the overall population. Instead, the group favors noncarbonated beverages such as sports drinks, bottled teas and energy drinks.

"While teens are less health conscious than adults, it is still relatively high and growing," Mr. Pecoriello said, in the report. "Once the teens become adults, we believe that they will become more health conscious and thus are unlikely to start increasing their [soft-drink] consumption."

These trends bode well for PepsiCo Inc., which sells Gatorade and Aquafina waters. Mr. Pecoriello expects Pepsi's stable of noncarbonated drinks will continue to help the Purchase, N.Y., company grow at a rate above the industry's average in the coming years.

The news isn't as favorable for Coca-Cola Co., which lacks strong noncarbonated brands.

According to Mr. Pecoriello, many of the product introductions that have added flavors to existing brands have appealed to consumers who are already heavy soda drinkers, rather than attracting new consumers to the category. However, there is some risk that soda trademarks have already been overextended, he said.

The lack of interest from teenagers also could hurt Coke in the highly profitable fountain-beverage category, which is its stronghold. McDonald's Corp., for example, wants to offer its customers more choices and is testing some beverages that compete with Coke in a few Texas locations.

"This could have longer-term profit implications for Coke, which derives 30% of its U.S. volume from the fountain channel," Mr. Pecoriello said.

Mr. Pecoriello surveyed 1,550 consumers ages 13 to 65 years old.

CONGRATULATIONS KOCH TSCHIRSCH S.A.

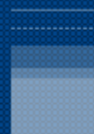
June, 2006 - During a ceremony held at the Argentine Institute of Standardization and Certification (IRAM) of Buenos Aires Argentina, representatives of the firm Koch Tschirsch SACIFI received from the authorities of IRAM the official GMP and HACCP certificates for tea manufacture.

These certifications are one of the first to be granted in the Misiones tea industry and acknowledge that production is done within the parameters of hygiene and safety scrutinized under high levels of qualitative control and constant training of personnel involved in the different stages of the process.

Present at this event and receiving such recognition on behalf of Koch Tschirsch were Eng. Carlos Tschirsch and Dr. Carlos D'Andrea, as well as representatives from Finlay Tea Solutions who internationally market the KT products.



INSTITUTO ARGENTINO
DE NORMALIZACIÓN
Y CERTIFICACIÓN



Interview with Joe Simrany

President of the Tea Association of the USA

Conducted by
www.CommodityIndia.com
Comprehensive Agri-Commodity Intelligence



Enlighten us on the 'tea culture' of the US.

The Tea Industry in the United States is becoming quite segmented with the greatest vibrancy in the Specialty and Ready-to-Drink (RTD) areas. That said, the remaining two segments, Traditional tea sold through supermarkets and Foodservice tea, are also showing modest growth spurred by consumer interest in the health message as well as operator recognition of the profit potential of tea. Total tea imports for the last two full years (2004 & 2005) have exceeded 220 million pounds with total dollar sales exceeding \$6.0 billion.

What are the general consumer preferences for RTD Tea in the US market?

The RTD segment is the single largest tea segment in the USA accounting for over \$2 billion in annual sales. The segment is driven by American tea consumer's desire for convenience and availability. The most popular flavor variation is for a sweetened & flavored (lemon) Black tea product.

At what rate is the specialty tea market in the US growing?

Specialty Teas are also becoming increasingly popular with annual sales growth in the 10 to 20% range. It is estimated that there are approximately 2000 dedicated tearooms in the United States with many times that number of coffee shops that have added Specialty Tea to their beverage offerings.

Of late the trend in the US has been changing from consumption of black to green teas and now to white teas. Highlight the impact of such trends on future market developments.

Black Tea is still the predominate form preferred by American consumers with Green Tea accounting for approximately 14% and less than 1% share going to White Tea. Green Tea has grown dramatically spurred mostly by the promise of health benefits, which serves to prove the power of that message to sell all kinds of tea.

Explain the rationale behind your approach to marketing tea and health. What are the significant benefits of highlighting health aspects in the marketing campaign?

The decision to use a health message to sell tea within the United States was first formulated in 1990 and ratified several times in the ensuing years. The strategy behind the concept is to use the health message to raise awareness for tea by highlighting the emerging body of scientific studies that links tea consumption to a great many health benefits. This is consistent with the general trend for healthier eating that has dominated the entire food & beverage market in the USA for the better part of 20 years and is growing in importance each year. As consumers become more aware about the role that they play in determining their future health they begin to make smarter nutritional and lifestyle choices. *While our message is focused on the health benefits of tea we are careful not to forget the primary reason why consumers drink tea; because it tastes good and it makes them feel good.*

In your opinion how can we improve the demand for tea to an economically sustainable level globally?

In my opinion, the Tea & Health message is the key to increasing tea consumption globally. It has the "power" to break through the advertising clutter by sending a message of vital importance to virtually all consumers. Because tea already enjoys a favorable health image, the new health messages serve to be believable and strengthen the overall image even further. Whenever possible, the Tea Council relies on scientists and/or health professionals to communicate the health message. This increases the credibility of the message and encourages the media to freely pass the information on to their viewers and readers. The Health message gives the tea industry a unique point of difference relative to other beverage options.

Unfortunately, promotion alone is insufficient to create enough demand for tea to make it globally sustainable. This is especially true because it is being grown commercially in over 36 countries many of which have increased the amount of land devoted to growing tea. Promotion must be combined with efforts to improve the quality of tea available in the marketplace to ensure that consumers are exposed to the best tasting products available while decreasing the supply of inferior grade teas. By getting supply more in balance with demand, producers will be paid a fair price for their tea, which will ensure long-term stability in the marketplace.

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Red Diamond Celebrates its 100th Anniversary



By Joseph P. Simrany

May, 2006 - Red Diamond, Inc. of Birmingham, Alabama celebrated their 100th Anniversary at a gala celebration held on May 24th. The festivities included a lunch at the



Rotary Club of Birmingham in which Bill Bowron Jr. made an A/V presentation called: "Red Diamond, The South's Finest for 100 Years".

Following lunch, a tour of the Red Diamond facilities was next on the agenda followed by a formal dinner at the best restaurant in town with a bird's-eye view of Birmingham. The dinner was hosted by Shila and Bill Bowron and Emily and Bill Bowron Jr. and was attended by family members, Red Diamond executives, and key suppliers and friends.

Red Diamond goes back four generations and owes its name to the original founder William Fritz Donovan who selected it because a red diamond denotes quality and perfection. The company has flourished under the hot Birmingham sun for the last 100 years and currently distributes its products to well over half the States in the Union with National Distribution a near-term objective.

The Red Diamond Company is a valued member of the Tea Association of the USA and its current president, Bill Bowron Jr., a former Chairman of the Tea Association, as well as a trusted confidant and friend. We congratulate the Red Diamond Company on their anniversary and their accomplishments and wish them continued success as they begin their next 100 years.



Photos: Top- Bill Bowron Jr. & his wife, Debbie Bowron

Bottom- Shila & Bill Bowron

Photos Courtesy of Red Diamond Inc.



Good Old Healthy Food May Now Be Called Functional

By Joan Mason for *The Americus Times-Recorder*
Americus, Georgia

You don't quite know what to believe these days. Orange juice claims to help prevent osteoporosis! Some margarine can lower cholesterol! Tea may help lower your cancer risks!

You feel like you are in a pharmacy as you shop for groceries rather than in a supermarket. Most people just eat because they're hungry and food tastes good. These days, instead of simply tasting good, some foods now have a new name and purpose. These foods are part of the fast-growing market of "functional foods" that may offer a specific benefit to your health. They have been described as foods that look and taste like a food, work like a medication, and sometimes priced like a medication! Your grocery bill may reflect that.

These are foods that naturally contain specific nutrients that have been shown to improve health like orange juice, broccoli and tomatoes. Wait a minute, you say. This is just plain old food we have eaten for years. Why are we renaming it like it has just been discovered? You are partially right. These foods are part of the food groups you learned as a child, and the Food Guide Pyramid that I teach almost daily. But with today's more educated public about their health and diets, these foods are being looked at differently.

Rising health costs and people living healthy lives longer make us much more aware of how we can really prevent disease as we age. And naturally the food industry is very aware of this and markets certain foods because of it. Just notice television commercials we have these days!

Some foods are also "modified," meaning things have been added for a specific purpose. Consider orange juice for instance. You can now buy it with calcium added to strengthen bones to fight osteoporosis. Milk has had vitamin D added to it for years. Margarine made from plant oils (corn, canola, vegetable oils) can lower cholesterol.

Cont'd on Pg 13



The key to calling these foods “functional” is that you must eat them often enough and in the right amounts to provide the health benefits. Drinking tea occasionally will not likely lower your risk of cancer, but drinking 4-6 cups every day just might. Tea then can be considered “functional.” If your parents told you to eat your vegetables, they really were telling you to “eat your functional foods to reduce your risks of cancer by eating more foods with antioxidants.” It was just a whole lot simpler to say “eat your vegetables.”

Nutrition Facts / Valeurs nutritives	
Per 1/2 package (85 g) / pour 1/2 emballage	
1/2 package prepared / 1/2 emballage préparé	
Amount / Teneur	% Daily Value
Calories / Calories	
Fat / Lipides 4.5 g*	
Saturates / saturés 2.5 g	
+ Trans / trans 0.2 g	
Cholesterol / Cholestérol 15 mg	
Sodium / Sodium 870 mg	
Fiber / Fibre 55 g	

The bottom line is that we are now more aware of the specific benefits that many foods have to give us. Research shows more and more each day the benefits of eating more fruits, vegetable and grains. Without getting into a chemistry lesson here, basically these foods are high in fiber, offer a variety of vitamins and can offer protection against cancer.

Just how does this cancer protection work? Beta carotene is one such vitamin that seems to have beneficial effects against cancer. There is evidence in research that foods containing beta carotene protect against colon cancer. These are dark green and yellow vegetables, the cabbage family including broccoli and leafy greens, soy products and legumes. Chemicals in these same foods can inhibit tumor growth. They also help take cancer-promoting chemicals out of our bodies. This is good news we need to pass along to our children.



You may have seen the word “antioxidant” in ads or on television commercials. Very simply stated, it means foods that have nutrients such as beta carotene and vitamin C that stop compounds from forming in our cells that promote cancer. They also protect cell membranes.

What about fruits? An apple a day has always kept the doctor away, but you might not have known why. An apple

is high in fiber and vitamins. Fiber reduces cancer risks by getting the food out of our system quickly. By doing this, the food has less time in our bodies to come in contact with some of these cancer causing chemicals. It also lowers cholesterol! Good old oatmeal, been around for who knows how long, is very high in fiber. It is absorbed into the blood stream and reduces cholesterol.

If you’ll notice on some oatmeal boxes, there is now an American Heart Association logo stating that it is a heart healthy food. Or should we say “functional” food! This is an example of how oatmeal is now being marketed. What does drinking tea have to do with

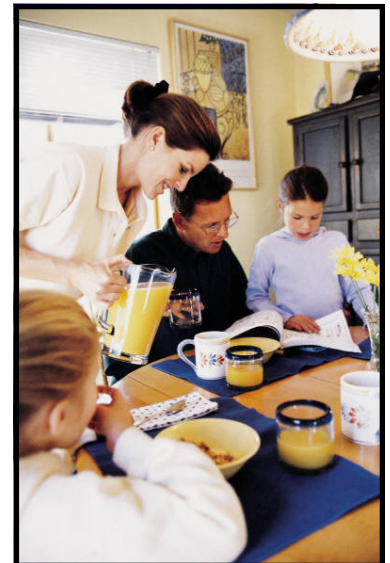
being healthy? Tea happens to have a high content of antioxidants. Research on tea in humans is not yet definitely proven, but it has shown benefits in animal research.

All in all, the best advice is to use your common sense and eat a balanced diet. According to the American Cancer Society, the overall best guard against high cancer risks is to increase the fruits, vegetable and grains you eat DAILY. Eat at least 5-A-Day as the national campaign says.

In order to be sure your family eats more, remember you have to buy them more often to have them around the house. As we all know when we come in from work or school starving, we’ll eat whatever we can find. Have fresh fruit, vegetables and whole grain crackers around so they’ll be eaten. Ready to eat fresh fruits are particularly popular among all ages. Whenever we prepare a snack break for a meeting, the fresh fruit always goes first, even with children. Keep some cupped-up or washed fruit in the refrigerator all the time. Make it easy for them to eat this instead of something else.

The news for those people trying to replace a balanced diet with simply taking megadoses of pills or supplements is not so good. They don’t seem to have the same beneficial effects. As we have always said, the body uses nutrients from the food you eat more so than from just taking a pill. Supplements are meant to be an additional aid in assuring a balanced diet, not to be used in place of one.

How you eat today really does affect your future health and possibly longevity of life. For now, think how up-to-date you are when you eat an apple or eat your broccoli. You’re diet may have been “functional” all along and you never knew it!



Food Show Hints at Tomorrow's Indulgences

By Molly Gordy for *AP Weekly Features*



July, 2006 - Look into my crystal ball. I have seen the future of your kitchen cupboard. It is filled with African spices, organic junk food and specialty teas.

The basis for this prediction is not palm-reading, but the summer Fancy Food Show in New York, a showcase for tens of thousands of products jostling for a spot on the shelves of your local supermarket.

An exhaustive tour of the 171,000 products from 71 countries on display at the sprawling Javits Convention Center resulted in blisters, indigestion and a peek at some trends:

Tea is the new bottled water, and maté is the new chai.

Our national tea consumption has doubled over the past five years, with about 127 million Americans naming it as their favorite beverage, according to Tea Council USA.

This was reflected at the Fancy Food Show, where more than 1,000 specialty teas were on display. There were black, white, red and green teas; ginger, licorice and fruit-flavored teas; iced, hot and warm teas; ready-to-drink tea in bottles, quick-prep tea in bags and loose teas steeping in clear glass pots.

There were herbal teas designed to wake you, sedate you, cleanse you. There were even cans of an icy-green tea "energy drink," fortified with vitamins and minerals, sweetened with sugar cane juice and carbonated to a fizz.

Chai, an Asian blend of tea leaves, milk and spices, has grown in popularity over the past few years. This year it was joined by maté (MAH-tay), a blend of Argentine teas and spices that may be the next chic drink.

Photos: Top - Kristina Richens of The Republic of Tea sampling their new RTD Iced Teas at the 2006 Summer Fancy Food Show

Bottom - Representatives from Ito En displaying some of their loose leaf & RTD lines at the show
Photos Courtesy of BevNet.com



Japanese Researchers Say Green Tea Prevents Mental Decline

By Jean Carper for *www.dailyindia.com*

March, 2006 - For the first time, scientists have found that green tea is apt to slow brain aging, helping prevent declining memory, cognitive impairment, dementia and Alzheimer's.

In fact, drinking more than 2 cups a day of green tea slashed odds of cognitive impairment in elderly Japanese men and women by more than half! Researchers at Japan's Tohoku University studied 1003 subjects over age 70, comparing their green tea intake and mental sharpness, using a Mini-Mental State Examination, a well-accepted standardized test for measuring cognitive function.

At every level of cognitive impairment--from slight to severe--those who drank the most green were still less cognitively impaired than those who drank the least green tea. Compared with Japanese who drank less than 3 cups a week, those who drank 4 to 6 cups of green tea a week (1 cup a day) had a 38% lower risk of cognitive impairment, and those who drank more than 2 cups a day had a 54% lower risk of cognitive impairment. A Japanese cup of green tea is small--about 3.2 fluid ounces.

Green tea's main protection comes from EGCG, a powerful antioxidant that researchers say helps detoxify B-amyloid, a protein incriminated as a cause of Alzheimer's. EGCG also removes (chelates) toxic iron from brain cells. And brand new Israeli research finds that EGCG even reverses brain cell degeneration by spurring new growth, making it a potential treatment for Alzheimer's and Parkinson's.

Bottom Line: Green tea, particularly EGCG, appears to slow brain aging and cognitive deterioration, and may also help revive lost brain cell functioning. (Sources: Kuriyama, S. *Am J Clin Nutr* 2006;83:355-61; Reznichenko L. *J Neurochem* 2005;93:1157-67) **Related Product:** One Stop Aging Now! green tea capsule contains 315 mg of EGCG, the amount in 3 cups of brewed green tea.

Jean Carper is a best-selling author, columnist, radio talk show host, and leading authority on health and nutrition. She is the author of 23 books, including Your Miracle Brain, Miracle Cures, the award-winning Stop Aging Now!, Food--Your Miracle Medicine and The Food Pharmacy. Her latest book is EatSmart: the Cookbook You Can't Live Without.

What Are We Really “Reading” From The Headline Stories?

By Darlene Fahl-Brittian
Author of *Sipping Tea-Celebrating Me*

How many times in the last year has *tea* made the headlines? Probably too many times for some to count, and for others, it cannot be in the headlines enough. Those of us in the “tea business” are taught to “tap into the headlines” or to use the headlines as our “tie-ins” to draw attention to our businesses. Yes, these have become some of our “methods” for success, but what is the real success of tea? Surely, this humble, unassuming beverage that has fascinated people all over the globe for thousands of years has a purpose.

Every cup offers the whispers of ancient wisdoms – have we settled down enough to hear these whispers? That is the *real* message tea delivers every day, whether it makes the headlines or not. Over and over, to those with the ability to listen and hear, tea repeats, “Slow down,” “Take a deep breath,” “Remember who you are” and “Listen to your own still, small voice.” Each and every one of us tea drinkers has been drawn to this beverage for a reason. For each of us, the message is different, yet comes from the same source. The message is not for commercial gain but to gain personally, to grow into the person we were meant to be; and when this happens, the whole world benefits. It starts one sip at a time, one person at a time.

As we try to encourage others to partake of the leaves from the *Camellia sinensis* plant; with the latest health and research developments that make the headlines, will we ourselves remember to sip with reverence? With each cup we prepare, we are making ourselves ready to hear and receive these whispers of infinite intelligence. Is the table set with cherished china and prized possessions, (regardless of their worth) or are we standing there holding out a paper cup? Yes, something is better than nothing, but tea teaches us we need no longer settle for mediocrity. We search for the best leaves – grown, processed, shipped and handled properly – to receive it in a paper cup? I think not!

Most of us have learned our lessons on walking our talk, both in business and in our personal lives. But since tea is this quiet and contemplative beverage, we do not have to shout. With its genteel nature absorbed from Mother Earth herself: the sunshine, the rain, the mist, and the soil; as well as the tender fingers that pluck the leaves, the final gift that appears in our cup never has to scream for attention – it simply whispers. A heart opened through forgiveness hears the whispers. A mind cleared of the clutter from oppressive thoughts and beliefs is ready to receive new insights in their place. A soul revisited during quiet times sipping tea reveals its own inner wisdom one pearl at a time. A body revitalized by countless cups of tea remains in good health and wholeness – no longer in a state of disease – is now able to accept good in all its physical manifestations. Those are the real headlines that should be shouted from the pages of every publication. But would that sell? Would that help our businesses? We have probably all heard heartwarming stories about tea from our customers and how drinking this beverage has affected their lives and how slowing down has changed their lives. Deep down, we know these are the stories that keep us in business – those personal accounts are what really count. When hearts are touched, our missions have been fulfilled, and we are driven to keep going and growing. Now, that indeed is success!

Darlene Fahl-Brittian is an author and tea business owner as well as a member of the Specialty Tea Institute. For more information, visit www.takeupthecup.com.

Thank you for taking the time to read this issue of *TeaBits*. We invite you to write us. Please let us know what information you would like to see in future issues, what tips you'd like to share, or what ongoing dilemmas you are facing in the industry.

Your comments and suggestions are openly welcomed.

Sincerely,

Alyssa Giannini

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NEWSLETTER OF THE TEA ASSOCIATION OF THE USA, THE TEA COUNCIL OF THE USA & THE SPECIALTY TEA INSTITUTE

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