

# Governor promotes Calif. wines in China

By Napa Register

During Gov. Jerry Brown's trade mission to China this week, Golden State wines were served at an event in Shanghai titled, "California Winemaker's Dinner Meets Chinese Banquet" as well as a VIP reception at the U.S. Embassy in Beijing.

Sales to China helped grow California wine exports to a record \$1.4 billion in sales last year, according to Wine Institute, the trade association representing 1,000 California wineries and affiliated businesses.

According to a press release, China is the state's fifth largest export market with \$74 million in wine sales in 2012, up nearly 20 percent from the previous year.

"Wine is a signature industry for California and one of our state's top agricultural exports," said Robert P. Koch, president and CEO of Wine Institute, who is part of the governor's delegation in China this week. "Our exports to China have nearly doubled in the past two years and the country represents a great opportunity for California wineries."

Napa Valley vintners will present "Taste Napa Valley" April 12-20 in Shanghai, Beijing, Hangzhou and Xi'an.

The Wine Institute will travel with a delegation of 50 vintners from regions around the state May 20-27 with stops in Shanghai, Beijing, Ningbo and Hong Kong for consumer events, tastings and educational seminars for trade and media.

The California Wines Master Class, a new initiative for trade and media covering history, climate, regions, varietals and

food pairing, will debut in cities throughout China during the governor's visit this week.

Since 1985, Wine Institute's International Department has served as administrator of California wine export programs by the USDA's Foreign Agricultural Service. About 150 California wineries participate in the Wine Institute's International program.

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# Tree fruit farmers question FDA rules

**By Brady Dennis, Washington Post**

Blueberries and bananas are in, but black-eyed peas are out. Papaya is in, but plantains and pumpkins are out. Spinach and summer squash, in. Sweet potatoes and winter squash, out. Artichokes? Out. Apples? In.

And many apple farmers, as it turns out, aren't too thrilled about that.

The Food and Drug Administration, wrestling to put in place a massive overhaul of the nation's food safety system, drew a line this year when proposing which fruits and vegetables would be subject to strict new standards: Those usually consumed raw would be included, while those usually cooked or processed would be exempt.



Apples are big business in parts of El Dorado County. Photo/LTN file

Since then, few groups have expressed more frustration than tree fruit farmers, who grow apples, pears and a variety of other produce. They complain that the FDA's approach, in some ways, defies common sense.

Those gripes offer a case study in the challenges of implementing the landmark 2010 Food Safety Modernization Act, which directed the FDA to prevent food-borne illnesses rather than simply react to outbreaks. It's an easy idea to embrace. But when it gets down to apples and oranges, figuring out who should abide by which rules has proven anything but simple.

Growers subject to the new produce rules could face a variety of new responsibilities, including regular testing of irrigation water, sanitizing canvas fruit-picking bags and keeping animals away from crops. Many tree fruit farmers worry about the cost of such measures and say they would offer few safety benefits.

They argue that the FDA should focus more on foods that have caused deadly outbreaks, such as spinach and cantaloupes, and less on fruits that have a virtually flawless safety record, grow above the ground and, in some cases, have protective skins or rinds.

"Our product is quite safe," said Phil Glaize, a third-generation farmer and owner of Glaize Apples in Winchester,

Va. "We're perfectly willing to look at ways to make it safer. However, what's being proposed is very onerous and expensive. ... [The costs] would end up getting passed on to the consumer, if we didn't go out of business first."

FDA officials say that the proposals offer a starting point and that they are open to making changes to create a science-based system that is adaptable to different growing conditions, different regions and different crops.

"It's complicated. It's a big, transformational thing that we're doing. ... We're creating a whole new food-safety system here, so we accept that it will take some time to get the rules right," Michael R. Taylor, the FDA's top food-safety official, said in a recent interview. "The point is, we want to target our standards where they will make a practical difference."

Despite such assurances, wariness persists on orchards from the Shenandoah Valley to the Yakima Valley.

"I've had a couple guys call and say, 'I'm 55 years old. If this goes into effect, I just want to get out,'" said Chris Schlect, president of the Northwest Horticultural Council, which represents growers of apples and other tree fruits in Idaho, Oregon and Washington. "It's hard enough to get by all that nature throws at you and to make some money at the end of the day."

Leslie Judd, who with her husband and son oversees 350 acres of apples, cherries and pears in Washington's Yakima Valley, says her family abides by state standards, industry best practices and detailed demands from major retailers such as Wal-Mart and Costco. She said the proposed federal rules are unnecessary and would further strain the resources of her family farm and many others like it.

"Somebody in an office in Washington, D.C., who's never stepped foot off concrete has decided we need this rule and

that rule. We're starting to get to the point where it's like, 'Give me a break,'" Judd said. "We have a darn good product and a darn good industry. ... The market has already taken care of this problem, if it's a problem. Which it isn't."

Success of initiative will require finding noninvasive ways to record the firing of individual neurons.

The FDA is planning a slew of new rules that eventually will govern everything from U.S. farms to foreign imports to processing plants. But many domestic farmers doubt that their foreign competitors will face the kind of scrutiny that they will.

"The stuff that's coming in from China is not subject to the kind of regulation that American food is," said Diane Kearns, a fifth-generation farmer and president of Fruit Hill Orchards, one of Virginia's largest apple growers with nearly 3,000 acres. "People are being priced out of the business. You can't make money at it anymore."

Tom Stenzel, president of the United Fresh Produce Association, which represents the produce industry, said he supports modernizing the food-safety system and doesn't envy the FDA's task of drawing up complex new regulations. But he said he hopes the agency will take a more nuanced approach in deciding which crops deserve tighter scrutiny – and which don't.

"Part of our problem is that each commodity is different. We agree on what the big risk factors are – water, soil amendments, animal intrusion, worker hygiene. But there's a question of whether the regulation ought to apply the same standards to every single commodity," Stenzel said. "If you're in the tree fruit industry – if you're an apple guy or a citrus grower – you look at it and say, 'What's the public benefit of me doing water testing of irrigation water once a week? There's never been a problem.'"

He also pointed out a dilemma facing many farmers. Some of those who grow crops that would be exempted, such as kale, already follow many of the proposed standards. They might end up asking the FDA to include them under the rules, in part because the regulations might be viewed as a safety stamp of approval.

FDA officials note that the new regulations would exempt farms with average annual sales of \$25,000 or less and offer exemptions to certain other farms that bring in less than \$500,000 a year and sell primarily to consumers within a 275-mile radius. Smaller farms also would have years longer to comply with the new rules.

Plenty of jockeying has taken place to shape the proposals. Comment letters have poured in, and the FDA has extended the public comment period through May. Think tanks and lawyers have parsed hundreds of pages of proposed regulations, and some groups have held seminars to explain the implications to their constituents.

Farmers, activists and industry representatives – including the Grocery Manufacturers Association and the Fresh Produce Association of the Americas – have lined up to make their voices heard during a nationwide listening tour by Taylor and other FDA officials that included small towns and cities such as Washington, Chicago and Portland.

At the recent meeting in Portland, several growers questioned the FDA's estimate of the economic impact of the new requirements – the agency has said that the regulations would cost domestic farms a total of about \$460 million annually, or \$5,000 to \$30,000 per farm, depending on size.

According to the agriculture trade publication Capital Press, one local farmer told officials that the new rules seemed like “overkill” for tree fruits, which, unlike some other crops, haven't been linked to major outbreaks.

“If it ain’t broke, don’t fix it,” said Charles Lyall, a farmer from Mattawa, Wash.

“Rest assured, what you’re saying is being heard,” Taylor replied.

Judd, the Yakima Valley farmer, hopes that’s true. She said she knows other growers, wary of mounting regulations and weary of shrinking profits, who have either sold out to larger operations or simply stopped farming.

“All of these little things just keep piling up,” she said. “It’s just getting harder and harder. At some point, you just say, ‘To heck with it.’”

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# Climate change may impact winemaking

By Rachel Tepper, Huffington Post

Amid growing concerns that climate change may be negatively impacting agriculture and food industry operations worldwide, a new study suggests that the winemaking industry as we know it may soon be forever altered.

Rising temperatures and changes in rainfall are already rendering traditional grape-growing regions in the Mediterranean, such as areas in southern France and Tuscany, Italy, less suitable for producing quality crops, according to the study, published Monday in Proceedings of the National Academies of Sciences.



Climate change threatens the wine industry. Photo/LTN file

“The numbers that came back were so mind-boggling,” said Lee Hannah, lead author of the study, which was conducted by Conservation International and the Environmental Defense Fund.

The study predicts that by 2050, areas suitable for grape cultivation will decrease between 25 and 73 percent in major wine-producing regions. Some wineries may be forced to move to higher elevations, which could have negative environmental consequences for native wildlife. Those that stay put may resort to using irrigation techniques to maintain production levels, which the study’s authors worry may have problematic consequences for freshwater conservation.

Wines from traditional regions may also be more difficult to find in coming years. “It’s going to become more expensive to grow wine in those regions,” Hannah said.

Wine is very susceptible to changes in climate and temperature, Hannah said, because climate changes affect terroir, or the environmental conditions in which grapes are grown. This in turn influences the taste of wine.

On the flip side, some areas are experiencing better conditions for making wine. In New Jersey, winemakers shocked industry professionals last year at a storied tasting dubbed the “Judgment of Princeton.” There, wines from the so-called “Armpit of America” held their own against much more



established and celebrated French wines.

Although that's good news for some people – could New Jersey be home to the next Sonoma or Napa? – the study's authors question what the shifting landscape may mean for other regions. Areas near Yellowstone National Park and the mountains of central China will become suitable for grape growth, they say, and that could be detrimental to local wildlife. Areas expected to enjoy improved terroir in China fall mainly in giant panda habitats.

Wine consumption in China has expanded exponentially in recent years. Earlier this year, the Wall Street Journal reported that sales of wine in China increased by 20 percent to about \$41 billion in 2012, compared to the year before.

“Future conservation efforts for the giant panda need to incorporate consideration of viticulture as a potential land use and viticultural suitability trends in response to climate change,” the study says.

But climate change itself may not present the gravest threat to wildlife.

“It's likely that the indirect impacts of the agriculture sector adapting to climate change as crops begin to move ... will be bigger on wildlife than the direct effects of climate change,” said Rebecca Shaw, an author of the study who is also a senior scientist at the Environmental Defense Fund. “That, particularly in places like China, is going to have implications for wildlife.”

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# More bad news for red meat eaters

By Elizabeth Lopatto, Bloomberg News

The fat and cholesterol found in steak may not be the only components bad for the heart, according to researchers who have found another substance in red meat that can clog the arteries.

The substance is called carnitine, and as bacteria in the gut breaks it down, it turns into a compound known to harden arteries, according to a study published Sunday in Nature Medicine.

What's more, people who eat a lot of meat allow more of the bacteria that convert carnitine to the harmful compound to grow, increasing its effect.

Previous research has shown that high levels of meat-eating are linked to cardiovascular risk, partly because of the saturated fats and cholesterol in meat. However, the higher levels of these ingredients aren't enough to explain the difference in heart disease between meat eaters and vegans or vegetarians. The study, which takes into account the differences in the stomach's inhabitants, may begin to explain the difference.

"The bacteria living in our digestive tracts are dictated by our long-term dietary patterns," study author Stanley Hazen, the section head of Preventive Cardiology and Rehabilitation at the Cleveland Clinic, said in a statement. "A diet high in carnitine actually shifts our gut microbe composition to those that like carnitine, making meat eaters even more susceptible."

The study followed 2,595 people and measured carnitine levels,

as well as those of its byproduct, TMAO. Omnivores produced more TMAO than vegetarians and vegans after eating carnitine, the researchers found.

Although carnitine is also found in fish, poultry, wheat and some vegetables, its main food source is red meat, especially lamb, according to the University of Maryland. Because vegetarians and vegans eat fewer foods that contain it, their gut bacteria doesn't process it as easily, which may explain some of the health benefits of meatless diets.

After feeding mice diets that would produce high levels of TMAO, researchers found that the animals had higher levels of hardened arteries. However, if the researchers suppressed the bacteria living in the mouse's guts, the effects dissipated.

"The role of gut microbiota in this pathway suggests new potential therapeutic targets for preventing cardiovascular disease," the authors wrote in the paper.

Some people use carnitine as a dietary supplement. Sunday's research suggests that the safety of that supplementation should be studied more closely to make sure it's not fostering bacteria that might promote heart disease, researchers said.

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## **Freezing food does not kill germs**

**By Nancy Shute, NPR**

Think that freezing food kills E. coli and other nasty microbes? Think again.

That's the lesson from the new E. coli caused by frozen

chicken quesadillas and other snacks that has sickened 24 people in 15 states.

Freezing does slow down the microbes that cause food to spoil, but it's pretty much useless for killing dangerous bugs.

"It actually does a pretty good job of preserving many of the pathogens and microbes that will cause problems later if thawed out," says , an extension research specialist at the UC Davis, who studies food safety.

The strain of E. coli – shiga toxin-producing 0121 – involved in the current outbreak hasn't been seen in frozen food before, but other pathogens have caused illness through frozen foods like pot pies, says , a professor of food science at Cornell University. He is working with of Buffalo, N.Y., producer of the foods involved in the outbreak, to figure out the source of the contamination.

A first issued last week was expanded Thursday to include all food produced at the company's Waycross, Ga., plant. Its frozen snacks, cheesesteak sandwiches, and the like are sold nationwide.

Weidmann also wasn't surprised to hear that frozen food could harbor E. coli. "We store a lot of microbes in the lab," he says. "The easiest way is at minus 80 degrees."

But while freezing doesn't defeat pathogens, heat will.

Bacteria die if they're heated to 165F. Cooking instructions on frozen food packages are designed to deliver a temperature of 165F to the coldest part of the product, according to the Grocery Manufacturers Association.

The foods involved in this outbreak are all meant to be cooked, not just warmed up, before they're eaten. Snacky foods like mini pizza slices and cheese steaks implicated in the outbreak are often heated in microwaves, and microwave ovens

are notorious for heating food unevenly. Thus the sometimes-intricate package instructions involving turning, stirring, and waiting.

The median age of the people who have fallen ill is 17. It's easy to imagine a scenario where a hungry teenager briefly nukes the pizza dippers and dives in. That's not to say that's what happened in this outbreak. "I don't mean by any stretch to imply that the consumer is at fault here," Wiedmann says.

But safe equals piping hot when it comes to frozen foods. Wiedmann says the most foolproof way to do that is to give up the convenience of the microwave and put foods that require cooking in the oven for a good hot bake.

"With a frozen ready-to-cook food, I would always go with the stove, not the microwave," he says.

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## **Original craft brewery back in business**

**By Devin Leonard, Bloomberg Businessweek**

There wasn't much in the beer aisle back in the 1970s when Jack McAuliffe went to the local supermarket, just the usual Budweiser, Miller, Coors, Falstaff and maybe some Pabst Blue Ribbon. The limited selection didn't seem to bother the typical American drinker. But it wasn't enough to suit McAuliffe.

A former naval submarine electrical technician, McAuliffe had fallen in love with full-bodied ales and stouts while serving in Scotland. He started brewing his own when he returned to

San Francisco. His friends thought they were pretty good. McAuliffe didn't disagree.

"I said to myself, 'Man, what I need to do is build a brewery and start selling this stuff. I can get rich doing this,'" he recalls. In 1976, McAuliffe opened the New Albion Brewing Co. in Sonoma, one of the earliest American craft breweries.



It's difficult to overstate what a radical notion this was at the time. Today there are 2,360 craft breweries, many of them started by entrepreneurial home brewers like McAuliffe. The Brewers Association, the craft beer industry's trade group,

boasts that its members sold \$10 billion worth of beer in 2012. An entire ancillary industry has arisen to provide them with everything from organic hops to fermentation tanks to specially tailored financial consultation.

None of this existed, of course, when McAuliffe started New Albion. He remembers talking to brewery suppliers who struggled to suppress their mirth when he told them of his plans for his tiny operation: "They said, 'You're going to do what?'" These, after all, were people accustomed to doing business with corporations like Anheuser-Busch. McAuliffe ended up welding together his artisanal brewery out of used dairy equipment and Pepsi-Cola syrup drums.

McAuliffe made what is considered to be the first modern American pale ale. "I invented that," he boasts. He also produced a porter, a stout and a draft ale.

He sold them all quickly. But McAuliffe was a better brewer than a businessman. He started out too small. Then he spent all of the brewery's cash on an expansion plan only to discover that no investor would finance something as fanciful

as a microbrewery. In 1982, New Albion filed for bankruptcy, and McAuliffe turned his back on the beer business.

“It wasn’t the best experience of my life,” he says. He left California and spent the next three decades designing industrial control systems for sewage treatment facilities and factories that produced aluminum car wheels.

Still, McAuliffe inspired other amateurs with high opinions of their home brews to turn professional. The result was a revolution in American brewing. The author Maureen Ogle calls New Albion “the most important failed brewery in the industry’s history” in her book “Ambitious Brew: The Story of American Beer.” “McAuliffe provided penniless entrepreneurs and ambitious home brewers with a model of how to build a small, functional, affordable brewhouse.”

Other aspiring craft brewers simply learned from McAuliffe’s mistakes. One of them was Jim Koch, founder of Boston Beer, who calls New Albion’s demise “a cautionary tale.”

He realized he needed to brew a lot more beer if his company was to survive and prosper. Early on, Koch also contracted with a Pittsburgh beer maker to make Sam Adams American Lager, his flagship product, rather than building his own brewery right away. Boston Beer became the country’s largest craft brewer with 54 different styles of beers.

“I made mistakes,” Koch says, “but I didn’t make the same ones Jack made.”

Three years ago, Koch got a call from one of his sales representatives. She had run into an odd character who claimed to have been the first microbrewer in America. The sales rep thought he was a little daft. The guy’s name was Jack McAuliffe.

“Holy s-,” Koch said. “He’s not a crazy guy. He was the original.”

Koch got in touch with McAuliffe and told him he had purchased the trademark to New Albion some years before. He wanted to know if McAuliffe was interested in reviving New Albion Ale with the help of Boston Beer.

“The idea was we would give him all the profits,” Koch says. “Hopefully, that would make the rest of his life a little better because a lot of us have done very well following in his footsteps.”

It wouldn't be difficult either. The UC Davis fermentation science program had preserved some of the yeast originally used in the ale in a cold storage facility. All Koch and McAuliffe had to do was resuscitate the yeast, add ingredients like hops and malt, and New Albion Ale would be reborn. Surely there would be demand for one of the original craft beers now that offbeat brews were trendy.

Yet McAuliffe wasn't interested. It bugged him that other craft brewers had come along after his flameout and become millionaires.

“He was angry for a lot of years,” says John Holl, a beer blogger and author of the forthcoming “The American Craft Beer Cookbook: 150 Recipes From Your Favorite Brewpubs and Breweries,” who befriended McAuliffe. “He really held a grudge against the industry.”

But Koch kept nudging, and McAuliffe eventually relented. He appreciated that some of the industry's biggest names like Koch and Sierra Nevada Brewing's Ken Grossman were finally giving him credit for his contribution to the craft beer movement. He also needed the money.

In July, McAuliffe traveled to Boston to produce the first batch of New Albion Ale in 30 years. Typically a fan of his own recipes, he was satisfied with the results. “I thought it would sell pretty good,” he says.



Once again, McAuliffe was prescient. In January, Boston Beer shipped about 6,000 barrels of New Albion Ale, more than its namesake brewery had made in its entire existence. No sales figures are available yet. But McAuliffe has made \$200,000 so far. Once Boston Beer has sold its entire shipments, it will be up to McAuliffe to carry on. Koch turned the New Albion trademark back over to McAuliffe, who can do whatever he wants with it as long as he doesn't sell it to a large brewer like AB InBev. McAuliffe is grateful. But he has no plans to go back into beer making.

"I'm transferring all of that to my daughter Renee who lives in Cleveland," he says. "She's got the ball."

At 68, he says, he has better things to do than go on publicity tours and be fawned over by beer geeks at conventions.

"The PR stuff was never my favorite part of running a brewery," he scoffs. "I belong in the back with a red rag and a three-quarter-inch wrench in my back pocket, fixing machinery."

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## **Virginia City to heat up with chili cook off**

Virginia City 30th annual Chili on the Comstock returns May 11-12.

Taking place along C St., the historic town's main drive, the event includes a new Fireball Crawl.

The two-day event from 10am-5pm includes about 40 of the best

chili cookers in the West competing for a spot in the International Chili Society World Finals later this year in Las Vegas. Competitors start from scratch on Saturday morning and a winner is picked for each day. There is also a people's choice award with winners receiving cash and "Virginia City-style" prizes.

Tickets are on sale with tasting kits starting at \$7 and the inaugural Fireball Crawl at \$10 complete with a free shot of Fireball Whiskey to kick off the festivities. Purchase tickets [here](#).

A Family Fun Zone takes over the Delta Saloon parking lot with multiple bounce houses, face painting, music including the Chris Gardner Band and more.

For more information, call (775) 847.7500.

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## **Chocolate makers adjusting recipes for success**

**By Tiffany Hsu, Los Angeles Times**

In 92 years, See's Candies has never shied away from being old-fashioned.

At the factory on La Cienega Boulevard, some octogenarian workers measure their decades of employment in hip replacements. Quaint floral details are still hand-piped onto chocolate eggs.

An inexorable march of candies heads through tubes the length of a football field, where they're drenched in layers of chocolate – a traditional practice known as enrobing. Like

cars merging out of highway toll lanes, they appear from cooling tunnels into employees' waiting hands.

"Old Time" is part of See's slogan. But the South San Francisco company is evolving along with the rest of the chocolate industry, forced by predicaments far more severe than "I Love Lucy" conveyor-belt hijinks.

Chocolate is a huge business, pulling in \$90 billion in global sales annually, \$19 billion of it in the U.S., according to market research company Mintel Group Ltd. Price increases and product innovation helped the industry grow 16 percent from 2007 through 2012, the firm found.

But scientists predict a looming cocoa bean shortage, intensified by climate change and botanical disease.

The International Cocoa Organization said that global production in the last growing year fell 6.1 percent, and it forecasts a 1.8 percent slide this year. That would probably cause a cocoa shortfall of 45,000 metric tons in the current marketing year ending Sept. 30, the group said.

Tighter supplies as well as rising sugar and manufacturing costs are adding to the price of truffles and bonbons. Sugar prices have risen 11.6 percent on average each of the last five years, influencing Kit Kat maker Hershey Co.'s decision in 2011 to raise wholesale prices on most of its candy products 9.7 percent.

In addition, health-minded U.S. consumers, increasingly wary of sugary snacks, are nibbling on fresh fruit 10 times more over the course of a year than they do on chocolate, according to research firm NPD.

"Chocolate is an impulse item, an indulgence," said Marcia Mogelonsky, an analyst at Mintel. "But consumers have become price-sensitive to chocolate – the economy is so bad that people are actually cutting back on their consumption."

So what's an Oompa Loompa to do? Switch up the chocolate strategy.

Companies are looking to countries not known as major cocoa producers, such as Vietnam and China, to boost production. Mondelez International Inc., owner of brands such as Cadbury and Toblerone, said it would invest \$400 million over the next decade to improve cocoa farming communities and help boost productivity; other massive candy sellers have taken similar steps.

In the U.S., advances in technology and equipment contributed to layoffs, causing chocolate employment to slide 2.2 percent a year on average since 2007, according to research firm IBISWorld. Simultaneously, chocolate companies are trimming wages to cut costs and boost profit, according to researchers.

Manufacturers also are creating innovative new chocolates and manufacturing methods to try to differentiate themselves from competitors.

British brand Cadbury last year unveiled a new form of the sweet that's resistant to melting, even at 104 degrees Fahrenheit. TCHO Ventures Inc., a San Francisco chocolate company, makes chocolate by controlling its machinery with an iPhone app.

Companies are also trying to entice body-conscious consumers, which IBISWorld believes will give organic and dark chocolates a boost in coming years. Brands such as Russell Stover have significant sugar-free chocolate selections; others are branching out into gluten-free and dairy-free offerings.

And candy sizes are shrinking.

By the end of this year, all of Mars Inc.'s chocolate brands – Snickers, Dove and M&M's among them – will be available only in 250-calorie pieces or less. That means smaller slabs of chocolate and multiple to-go portions where there once were

single mega-bars.

Brands are adjusting their marketing efforts, especially during holidays.

This year, companies launched more seasonal products instead of holiday-specific candies, which usually head straight to discount racks once celebrations are over. Hershey introduced an array of candies in spring colors rather than wrapped kisses emblazoned with the word "Easter."

"The move is to stretch the occasion beyond a day," Mogelonsky said. "Companies have to extend the salability of the product or they'll lose money."

At the Los Angeles factory of See's, the air is thick with the smells of chocolate and caramel.

Workers in hairnets, white coats and gloves prepare chocolates destined for the chain's more than 200 company-owned stores, primarily in the West, as well as online and catalog customers. The company also operates a factory in the Bay Area and a packing facility in Carson.

For 41 years, See's has been a tiny but reliable part of investment guru Warren Buffett's Berkshire Hathaway Inc. The candy maker, which Buffett bought for \$25 million in 1972, belongs to the Oracle of Omaha's wide-ranging retail stable, which includes home furnishings, jewelry, cooking equipment and party supplies.

At its kitchens and stores, the company employs some 1,500 workers during its slower summer season, expanding to 8,000 workers during the holidays. It's recently been adding to its stores outside its Western territory, venturing into Texas, Ohio and Indiana. It plans to move into other states as well. Licensees manage six shops in Asia.

See's has done well enough for Buffett to praise it to

shareholders as a “dream business.” In 2011, the company posted pretax profit of \$83 million on sales of \$376 million. See’s current annual sales are in the \$400 million range, the company said.

Buffett has said that See’s has been such a steady performer that it has helped finance some of his other purchases over the years.

“‘Buy commodities, sell brands’ has long been a formula for business success,” Buffett wrote in 2011. “It has produced enormous and sustained profits for Coca-Cola since 1886 and Wrigley since 1891. On a smaller scale, we have enjoyed good fortune with this approach at See’s Candy since we purchased it.”

But even at a stalwart such as See’s, efforts are apparent to adapt to the less-than-sweet changes facing the industry – although not on public display because the candy maker rarely offers tours.

As with the company’s Bay Area kitchen, which rivals the L.A. factory in size, some tasks that once were performed manually are now delegated to machines to improve efficiency and cut costs. There’s a machine nicknamed after the Looney Tunes canary Tweety Bird because of its yellow mechanical arm, which slices and flips sheets of peanut brittle near vats of butter on the factory floor.

Managers said the new technologies have caused a gradual reduction over the years in the Los Angeles facility’s workforce, which currently numbers about 150 people – a tally that doubles around Christmas as the company adjusts for seasonal demand.

Plenty remains to be done by hand, such as the painstaking decoration of tender chocolates and the removal of imperfect candies from the production lines. The company still uses matriarch Mary See’s original recipes but has raised prices in

recent years to offset soaring ingredient costs.

There's also a rebranding effort under way at See's. Internally, the effort is dubbed Polishing Our Gem.

The website underwent a face lift to draw more online shoppers. A new catalog, with less clutter and new fonts and images, debuted around Valentine's Day.

And See's, which had focused on grandmothers and great-grandmothers, is now targeting young mothers in their 30s. The company says it needs the broader demographic to beat out intense competition.

"We just know that for growth, we need to onboard a new fan base," said Tracy Cioffi, See's vice president of marketing and advertising. "It's a difficult dance, but it's one we have to do."

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## **Is the secret to olive oil in its scent?**

**By Anahad O'Connor, New York Times**

Why is olive oil, the crown jewel of the Mediterranean diet, so good for your health?

Nutritionists point to its abundance of antioxidants and oleic acid, a monounsaturated fat that protects the heart. But new research suggests that some of the benefits of olive oil might be contained in its aroma.

The research found that compared to other oils and fats, extra virgin olive oil was more likely to increase a person's

feelings of satiety after a meal. But another phase of the study showed that just imparting the scent of olive oil to food – by adding an aromatic extract – reduced the amount of calories people in the study consumed and improved their blood sugar response.



An olive oil tasting in Northern California.  
Photo/LTN file

Smell and taste, it is well known, are two senses that are strongly tied together. Previous research has shown that manipulating the aroma of certain foods can influence the amount of them that people choose to eat. Intensifying the smell and flavor of a dessert, for example, can prompt people to take smaller bites.

The goal of the new study was to take a closer look at the factors that make some foods more filling than others.

Many products in supermarkets nowadays attract consumers with labels saying “low-fat,” but eating low-fat foods can cause people to compensate by overeating later on, said Dr. Malte Rubach, a nutritional scientist who helped carry out the research with colleagues at the German Research Center for Food Chemistry, a government-financed institute based outside of Munich that published the report.

“We wanted to see whether there was a way to reduce the fat content of food without losing its taste or aroma,” Rubach



said.

The researchers, who received no funding from producers of olive oil, began the study by comparing the effects of four different fats on feelings of satiety: lard, butter, olive oil and canola oil. Canola oil has less monounsaturated fat than olive oil, but less saturated fat as well, and is often recommended along with olive oil as a healthy alternative to other cooking oils.

The researchers recruited 120 people and randomly split them into five groups. The participants were told simply to eat 500 grams of yogurt every day for three months. In four of the groups, the yogurt was enriched with one of the four fats. The fifth group, which served as the control, ate plain, zero-fat yogurt.

The subjects were followed closely and regularly given blood tests. They were not told specifically what was in their daily yogurt, though for ethical reasons they were informed that it might be enriched with animal or plant-derived fats, Rubach said.

After eating their yogurt, the olive oil group showed the greatest increases in blood levels of serotonin, a hormone associated with satiety. They also reduced their normal caloric intake most days to compensate for the extra daily yogurt, which prevented them from gaining weight, a pattern that was also seen in the butter and control groups. The canola and lard groups, however, did gain weight during the study period. Instead of cutting back on other calories, they added the yogurt to what they were already eating on a regular basis.

“You could see that those who felt really satiated reduced their total energy intake,” Rubach said, “whereas the others didn’t reduce their energy intake and they gained some weight.”

The researchers were particularly surprised to see that weight and body fat increased in the group that was fed canola oil, despite its similar health properties to olive oil. So they designed the next phase of the study to see whether there was something other than the nutrients in the two oils that accounted for their different impacts.

This time, subjects were split into two groups that were given zero-fat yogurt. In one of the groups, the yogurt was mixed with an aroma extract that imparted the scent of olive oil without adding any fat.

Those who ate the plain yogurt showed a drop in serotonin levels and reported less satiation after eating it. They also did not cut back on other calories to compensate; instead, their intake increased an average of 176 calories a day.

The group eating the olive-oil flavored yogurt, meanwhile, reduced their calories from other foods and showed better responses when given glucose tolerance tests, which measure blood sugar control. Abrupt swings in blood sugar are part of what drives hunger and satiation.

The researchers attributed the impact of the olive oil scent to two aroma compounds that are particularly abundant in Italian olive oils, including hexanal, which is said to resemble the scent of freshly cut grass.

Rubach said that because the study was small, it would not be a good idea to draw any general recommendations from it. But the findings do suggest that consumers should be aware that the physiological impact of a meal is not limited to what they can see on the plate.

“This is the first time where we’ve really looked at the effects that things other than fatty acids, protein and carbohydrates have on satiety,” he said. “Everything that completes our impression of a meal can have an impact.”

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# Kalani's sea bass recipe in national magazine



Sea bass Kalani's style.  
Photo/Matt Duckor/Bon  
Appetit

*Bon Appétit* magazine has a section where readers may write in about a restaurant recipe they would like the publication to track down.

The April issue features one from Kalani's in South Lake Tahoe.

Betty Magan of Bass Lake wrote the magazine saying, "We're just back from Lake Tahoe, where we had the wonderful miso sea bass at Kalani's. I'm dying to make it!"

Here is the recipe *Bon Appétit* shared via Kalani's:

## **Miso-Yaki Sea Bass (2 servings)**

*The miso marinade lightly cures the fish, which results in a pleasantly firm texture and great flavor.*

$\frac{1}{4}$  C sugar

2 T mirin (sweet Japanese rice wine)

2 T white miso (fermented soybean paste)

2 6-ounce skin-on black sea bass or branzino fillets, pin bones removed

1½ T vegetable oil, divided

Kosher salt, freshly ground pepper

4 C mixed salad greens

1 T balsamic vinegar

**Ingredient info:** Mirin and white miso are available at some supermarkets.

**Preparation:** Whisk sugar, mirin, and miso in a medium bowl to blend; add fish and turn to coat. Cover and chill, turning fish occasionally, at least 12 hours and up to 1 day.

Heat 1 tablespoon oil in a medium nonstick skillet over medium heat. Remove fish from marinade, scraping off excess; season with salt and pepper. Cook fish skin side down until dark brown and caramelized, about 4 minutes. Turn fish over and cook until just opaque in the center, about 3 minutes longer.

Meanwhile, heat remaining 1/2 tablespoon oil in a medium skillet over medium-high heat. Add greens and cook, tossing, just until wilted, about 1 minute. Season with salt and pepper; divide between plates.

Add vinegar to same skillet and cook, stirring constantly, until thickened, about 30 seconds; drizzle reduced vinegar over greens. Top with fish.

– *Lake Tahoe News staff report*