

Concept of Safe Tea  
A Consumer Point of View  
by  
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## **I. Introductory Comments**

Good Morning:

Thank you to the organizers and particularly to Mr. Bedi for inviting me to participate in this meeting. Congratulations to the Tocklai Experimental Station on its approaching 100<sup>th</sup> birthday. Like tea itself, it has withstood the test of time and it is a tribute to the Indian Tea Association and everyone else involved in the Indian Tea Industry that it has continuously served such a critical role. It is little wonder that India has consistently been the number one or two tea producing country in the world and has indeed set a standard for the rest of the tea world to aspire to.

While my presentation will have nothing to do with facts and figures and forecast models, the bread & butter of my fellow presenters, I will be talking to you today from the consumer perspective. What do consumers expect when they drink that cup or glass of tea or even, increasingly, incorporate tea into the foods that they consume? While my presentation will not be based on scientific evaluation, it is equally

important because if consumer's expectations are not met or fall short of their expectations, whether in fact or in perception, then we have all lost.

Of course I will be speaking from my experience base in North America but I would venture to guess that there are a core set of beliefs that are common to most consumers of tea in the world. Let's review what those might be from an historical perspective progressing through today's consumers.

## **II Background**

From the very beginning of time tea has been associated with health and very likely could have just as easily evolved as a medicine as opposed to a pleasurable beverage. It is lucky for all of us that it became known as both with a primary emphasis on the beverage side of the equation. I say "lucky" because if it did follow the more scientific track as a medicine then that would have been far more limiting to its development and tea might never have achieved the distinction of becoming the most popular drink on the planet besides water.

It is important that we start this presentation by reviewing its original reason for being as that has served as the foundation for everything that would follow over the next 5000 or so years.

To attempt to separate tea from water from a standpoint of determining which component is more important is similar to trying to make that same determination with human life relative to the cardio or pulmonary function. They are totally intertwined and it is important to keep this in mind as it helps in understanding the foundations of consumer expectations. Water has always been considered to be the elixir of life and tea uses that as a starting point and builds beautifully on that strong foundation creating the most pleasurable and efficacious beverage in the world.

Despite having that glorious heritage, tea in North America hasn't always been very popular and, even today has a long way to go to catch up to the level of popularity in the rest of the world. In fact, 20 years ago, tea in the United States of America was probably in the 6<sup>th</sup> or 7<sup>th</sup> position of popular beverages with soft drinks in the number one spot. In fact, in 1990 annual per capita consumption of soft drinks was approximately 47 gallons. Coffee fell into the next position at 26 gallons followed by beer at 24 gallons, milk at 19 gallons bottled water at 8 gallons, various juices at nearly 8 gallons with tea falling into 7<sup>th</sup> place at about 7 gallons per capita.

Today soft drink consumption has been trending down for the last 10 years or so from a high of nearly 55 gallons achieved in the late 90's to a current level of below 50 gallons. In fact, the only two categories currently showing vitality in the USA are bottled water at a phenomenal 29 gallons per capita annually and tea at just over 9 gallons per capita with all other categories down from their historical

highs. Both Bottled Water and Tea has grown at the expense of the other categories as they are both perceived as offering healthier more natural alternatives to the other beverages. Juices have fallen rapidly out of favor because of their high caloric counts.

Despite its meteoric rise over the last 20 years, bottled water has come under a lot of criticism lately in the States as an example of frivolous spending which leaves the door open for even greater gains with all forms of tea which is emerging as a clear winner over the other beverage alternatives.

The media attention to all forms of tea in the United States and in particular Green tea has been phenomenal. Just this week, Dr. Oz, a TV physician personality followed by tens of millions of viewers, recommended that for optimal health, people should consume 5 + cups of Green Tea per day!

Having presented this very positive background, tea is not without its issues in North America, issues which left unaddressed could possibly derail the recent growth trends of the last several years. We will address those issues in the following segments of this presentation.

### **III. What do Consumers Expect from Tea?**

From almost the beginning of recorded time consumer's expectations of tea have gone far beyond it being just a pleasurable beverage that

satiates thirst. Consumers have long associated tea with various, but vague, medicinal qualities, to be consumed primarily when one is not feeling well. As great as that perception is, it is also very limiting and it is one of the reasons that tea consumption in the USA has not achieved the level of popularity that is so common in the rest of the world.

Twenty years ago, faced with mediocre sales in the USA, the Tea Association of the USA through its Public Relations division – the Tea Council of the USA, decided to take steps to increase the popularity of tea in the USA. Prior to 1990, tea sales in the USA showed very little vitality accounting for between 6 and 7 gallons per capita. Of particular concern was the demographic make-up of the typical tea consumer which was older females. Men and, importantly, young people had very little involvement with tea.

Because tea sold at a very low price point in the North American market, there was little opportunity to generate sufficient profitability to allow for a significant marketing (advertising & promotion) program to encourage greater consumption. Consequently the market stagnated for decades while other beverage categories flourished as a result of their rich marketing budgets.

Faced with this dismal scenario, the Tea Council of the USA knew that it had to take decisive action if the US Tea Industry had any hope of breathing new life into the Tea Industry. Since the retail price points were so low there was very little advertising or promotion

money left over to promote the category we knew we had to get very creative in our approach.

Because of the intrinsic health qualities associated with tea consumption the Tea Council felt that this offered the tea industry the best possible way of breaking out of the rut that the category was in. Because advertising and promotion funds were in very short supply, the Tea Council had to be very creative relative to how the category should be promoted. The annual marketing budget available to promote tea was a tiny fraction of the funds available to the competitive categories of soft drinks, coffee, and bottled water.

By concentrating on health benefits, the theory went, the Tea Council of the USA could depend on the medical and scientific communities to spread the word to consumers through the media at little or no direct cost to the industry. What started as a local USA initiative quickly spread to Canada and the UK and from there to the rest of the world. It represented an ideal way to capitalize on the intrinsic strengths of tea and established perceptions about it being a healthy beverage to catapult it to new heights of popularity.

This strategy was not without its drawbacks predominate of which was the danger of turning tea into a medicine only to be consumed when one was ill or that our scientific research might turn up something negative about tea that might negate our overall objectives. Another major concern with this strategy is that we had to be very careful how information was disseminated so that it did not have the appearance of being self-serving and the vulnerability of the

category to anything that might surface that conflicted with tea as a healthy beverage.

On the basis of some early success, the initiative spread to Canada and the USA and was ultimately introduced to the Global Tea Community through FAO meetings starting in the mid 90's. The initiative received a significant stimulus as a result of sizeable investments by the USA, the UK and Canada and ultimately through matching funds supplied by the Common Fund for Commodities made possible by the FAO.

The rest is history and the following 15 years from the mid 90's through today have been very kind to the Tea Industry compliments of favorable research studies conducted by the scientific and medical communities, a more than helpful media, and a receptive consumer audience that was hungry for information as to how they could take simple steps to positively affect their future health.

The Tea & Health initiative has been so successful that it has served as a model as to how to stimulate an otherwise stagnant industry and make it one of the most vibrant within the food & beverage categories. An important aspect of this initiative is that it has been achieved without the benefit of a large advertising and promotion budget. Several other industries have attempted to duplicate what we have achieved with varying amounts of success but none have been able to achieve what the tea industry has done.

As they say, imitation is the most sincere form of flattery. In that regard, we have been flattered by the chocolate, cocoa, coffee, wine, bottled water and several juice competitors each attempting to accomplish what the Tea Industry has done, to associate their own products with specific health benefits.

However, the very success of the Tea Industry in associating tea consumption with a great many health benefits, leaves us vulnerable to any number of issues, each of which is capable of undoing all the good that we have managed to achieve over these last 20 years.

#### **IV. Exposing the Tea Industries Vulnerabilities**

While we have been very careful not to convert tea into a medicine for obvious reasons of not wishing to restrict its consumption to a remedy for illness, we remain vulnerable to anything that interferes with the perception of tea as being a healthy product.

The presence of agro chemical residues on the leaf is a potential concern for tea or any other agricultural product. While most consumers understand the need for these chemicals in order to realize a harvest that is free of insect damage or disease that does not mean that they are willing to ingest these chemicals in a product that they perceive to be healthy. Consequently the Tea Consuming and Producing countries need to work closely together to:

1. Use the best chemicals available from a standpoint of their efficaciousness to achieve a desired result, while posing minimal risk to consumers.
2. Applying those chemicals at the right time and quantity to achieve beneficial results while protecting the environment.
3. Applying chemicals with care to ensure worker safety and minimal run off.
4. When options are available, using water insoluble chemicals to further minimize the presence of pesticides in the cup.
5. Adhering to the guidelines of the countries where they will be selling their tea to ensure compliance with all local laws.
6. Regularly monitoring finished product prior to shipping to ensure tea is in line with customer specifications.

The consuming countries also have obligations to the Tea Producing countries which include:

1. Coordinate efforts to secure government approval for the appropriate pesticide MRL's shipped into the country.
2. Communicate needs/specifications clearly to producing countries prior to shipping
3. Alert producing countries to regulatory actions that might result in the banning or restriction of certain substances
4. Whenever possible, seek to harmonize the use of chemicals and residue levels with other consuming countries without placing unreasonable demands on the producing countries

5. Share appropriate testing results with both consuming and producing countries to lessen the cost of individual country compliance
6. Whenever possible to coordinate the registration of new chemicals with all interested parties to encourage harmonization of MRL standards.

Both the Tea Consuming and Producing countries have the shared obligation of keeping open lines of communications with the chemical manufacturers to ensure the needs of the industry are fully understood.

In addition to carefully managing the presence of agricultural chemicals used on the growing, processing, or storage of tea, there are many other consumer considerations that make up the concept of a safe tea.

Maintaining ideal moisture levels is very important in that high levels of moisture could lead to the growth of harmful bacteria and or the presence of mold or yeast spores. At the very least, high moisture could lead to off flavors in the finished leaf and cup and, at worst, could result in the formation of pathogenic forms of bacteria. Even though most problems would be eradicated if proper steeping temperatures and duration are followed, the goal is to prevent these problems from ever occurring. Once again, it is extremely important for the Tea Industry to steer clear of these potential problems

because, in many cases, the product is being sold on the basis of its contributions to health.

Another area of potential concern is in the area of the presence of Extraneous Material better known as “filth”. Because we are dealing with an agricultural product, it is virtually impossible to eliminate all traces of insect fragments. And it is not necessary because their presence doesn’t necessarily raise any concerns unless they are present at very high levels. The larger concerns relates to non-field insects most commonly associated with a lack of sanitation such as roaches, or even to such other extraneous matter such as rodent or bat hairs or droppings or any kind of other contaminants commonly associated with a lack of sanitation or care.

Under most circumstances, these microscopic particles would not be picked up by a consumer as opposed to showing up in a regulatory inspection. The problem is that if they ever led to a safety problem, the resulting negative publicity would have the potential of causing severe damage to the industry.

## **V. A Broader View of the Concept of Safe Tea**

Consumers take a much broader perspective when they consider the concept of what constitutes a safe tea. Besides the presence of chemicals, moisture, bacteria, molds, & insects, their concept embraces concerns about Bioterrorism and other accidental or intentional contaminants that may be present.

There is a humorous story that may or may not be based on fact from my time in the biscuit industry. Supposedly a pair of men's under shorts was found in a box of cheese crackers. While the threat that this posed was fairly small depending upon whether they were used or not, the point is that there is the constant need for security and checks and balances at every stage of the processing and packaging line. Therefore all security procedures should be in place at all times to not only include detection equipment used on the production line but also security guards to control the inflow and exit of workers at all times of the day.

Another area of potential concern is the affect of tea growing and processing on the environment. Today's consumer is very aware of the consequences of unrestricted farming or manufacturing practices that do not take into consideration the consequences on the quality of our air, land, or water resources. As we are all aware, it takes decades to communicate good news and to build a positive perception about something such as the health benefits of tea. However, it only takes a tiny fraction of that time to broadly disseminate bad news that might occur. This is simply human nature and it is not subject to change which is why we have to exert our best efforts to prevent anything from getting in the way of communicating that tea is an entirely safe product.

Broadening the concept still further, consumers do not want to hear negative stories that tea neglects the rights of workers or

discriminates on the basis of age or gender or forces children to work or not be properly educated. Because we are marketing our product as such a lofty level, on the basis of being healthy, we have an even greater responsibility that these issues do not surface to undermine our message. This is the legacy of living in a global community where someone sneezes in America and someone catches a cold in India. We are all connected as never before in ways that we never before imagined.

## **VI. Conclusions**

On the surface it appears as if we have a horrendous task confronting us to continue to accent the positive while avoiding any hint of negative. Granted this task does seem formidable and were it not for the fact that we are dealing with tea, it would be.

Tea has so much going for it and the future is so promising that it is difficult to predict just how fast the industry will grow in the future. It has no peers in the beverage world including water which is boring by comparison. As more scientific results emerge regarding its myriad health benefits, consumers will increasingly switch from other beverages in favor of tea. As young people find a way to enjoy tea in their own unique fashion they will set out on a road of a lifetime of discovery of all of its many forms.

We have much to be thankful for that we are involved with a product that could deliver benefits on some many fronts including consumer sensory satisfaction, health benefits, worker security, and foreign exchange contributor. It certainly seems like it is worth the time to spend a little extra effort to ensure that nothing gets in the way of the ever increasing popularity of this amazing beverage.

Thank you again for allowing me to be a part of this very important meeting.