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## -FOR IMMEDIATE RELEASE-

## Honest Tea's Seth Goldman Tells Story of Courage, Innovation at Pennsylvania Certified Organic Annual Meeting

"Those who say it cannot be done should not interrupt those doing it." This timely quote summarizes the inspirational keynote presentation delivered by Seth Goldman, co-founder, president, and "TeaEO" of PCO-certified Honest Tea, at Pennsylvania Certified Organic's 2014 Annual Meeting.

Held on February 6 at the Penn Stater Conference Center in State College, the PCO Annual Meeting is a much-awaited annual event where Pennsylvania Certified Organic certified farmers, food processors, volunteers, board members, and staff members come together to reminisce, celebrate accomplishments, and get inspired.

Seth Goldman spoke to the meeting goers about his experiences developing Honest Tea into a model of what a large company can do to make the world a better place. Describing their humble beginnings, Seth told the story of how he and co-founder Barry Nalebuff of the Yale School of Management started operations out of Seth's house in Bethesda, Maryland in 1998, and made their first sale to a Whole Foods regional office with five thermoses and an empty Snapple bottle. After many starts and stops, including the well-intentioned but problematic purchase of a bottling plant in Pittsburgh, the company grew to the point of introducing the world's first organic bottled tea in 1999, and then the world's first Fair Trade Certified bottled tea in 2003.

In March 2011, Honest Tea was acquired by The Coca-Cola Company, helping to further the reach and impact of Honest Tea's mission by becoming the first organic and Fair Trade brand in the world's largest beverage distribution system. Today, Honest Tea is the nation's top selling ready-to-drink organic bottled tea, and is carried in more than 100,000 outlets.

Honest Tea sources their teas from third-party certified organic and Fair Trade Certified tea gardens in China and India, and one of their sources is the oldest certified organic tea garden in the world. Goldman frequently takes personal visits to the villages and tea gardens, not merely to see first hand how they produce the quality tea Honest Tea uses, but to build relationships and learn how these hardworking entrepreneurs maintain the integrity of their products. In a wonderful

bridge building, or perhaps non-bridge building story, Goldman learned first hand how local knowledge and innovation could often be counter-intuitive to a western mind.

His story starts at the bank of a river. Curious as to how he is going to get across to view the tea garden nestled in the valley beyond, and seeing no bridge, he immediately sees a need. "Let's build a bridge. Certainly this will ease the workers burden and allow for more efficient production." Goldman's "ah-ha" moment came when a villager told him that if they build a bridge there would be roads, then buildings, and then more people. "We don't want that." It turns out the river and the requisite bamboo raft that's used to bring workers and tea baskets across was a barrier that served to protect the integrity of the tea garden. Innovative thought brought home to a western company by local knowledge.

As an example of the evolution of the company's innovative and inquisitive thought, Goldman told the story of the development of an annual social experiment called the Honesty Index to get a look at how honest people are when they think no one is looking. Each year, the company sets up unmanned kiosks in all 50 states fully stocked with Honest Tea beverages and a sign asking for \$1 to be paid on the honor system, and people are presented with the choice to pay for a bottle or steal a bottle with no consequences. Results were tabulated and in 2012 Honest Tea calculated a 93% Honesty Index from kiosks in 35 cities. Though certainly not scientific, the experiment gave some insight into how people think, and like Honest Tea, most people want to do the right thing.

And doing the right thing is not always easy and the road to social responsibility is not often well lit. Goldman shared his perspective of how a large company has to "navigate shades of grey" in a world that seems polarized but is actually more complex. For instance, he reminisced on the years when there was a clear distinction between the quality of goods produced in the US and those produced in Japan. Now, the quality implications are not so clear, evidenced by the fact that a Japanese company often makes goods in the US, with parts assembled in Mexico. He brought the idea home to the audience by describing the dichotomy between locally-grown organic and factory-farmed food by the prevalence of organic asparagus air-shipped from a large-scale farm in Chile. Which is better? These are decisions we all make, and it's also a decision point for a large company that wants to have a positive impact on social and environmental sustainability while maintaining a successful business. A smart company, says Goldman, must not take sides between the positions of sustainability and mass consumption, but must strive to be a mission-driven business operating in a consumer economy.

"If we don't change the direction we are headed, we will end up where we are going." This snippet of wisdom found inside the lid of an Honest Tea bottle summarizes Goldman's message. Positive change happens when you consider your options, have a vision, listen closely, and set your course.

Pennsylvania Certified Organic is a non-profit organization that educates and certifies organic growers and handlers in Pennsylvania and the surrounding region. PCO certifies more than 600 farming and food production operations, including produce, field crops, herbs, wild crops, dairy products, poultry products, value-added products, livestock, mushrooms, maple, snack foods, coffee, tea, cosmetics, and more.

To learn more about Pennsylvania Certified Organic, or to apply for organic certification, call 814-422-0251 or visit our website at <a href="https://www.paorganic.org">www.paorganic.org</a>.

## **Photo Captions:**

Raft Caption: Villagers use a bamboo raft to cross to their organic tea garden Seth Caption: Seth Goldman, President and "Tea"EO of Honest Tea, with the source of Honest Tea