

Testimony before the House Ways & Means Subcommittee on Trade

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Hearing on Expanding U.S. Digital Trade and Eliminating Barriers to U.S. Digital Exports

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1. About Fenugreen FreshPaper

Good morning. Chairman Reichert, Ranking Member Rangel, and members of the Committee, thank you for the opportunity to be here today.

My name is Kavita Shukla. I'm the founder and CEO of Fenugreen FreshPaper, a social enterprise taking on global food waste with a simple innovation.

Five years ago, I set up a stall at my local farmer's market with the hope of helping my local community have greater access to fresh, healthy produce. I never could have imagined that within a few months, my idea would be shared across the globe, and that one day, my invention would land on the shelves of some of the largest retailers in the world -- from Whole Foods to Walmart. I'm here to share the story of how accessing global markets made all of this possible.

This was my idea: FreshPaper, a simple piece of paper infused with organic spices that keeps fruits & vegetables fresh for up to 2-4 times longer. A simple, sustainable solution to the massive global challenge of food waste.

FreshPaper began as a middle-school science project, inspired by my grandmother. After immigrating to the United States with my family as a child, I returned to visit my grandparents in India, and accidentally drank some unfiltered tap water. My grandmother gave me a homemade mixture of spices as remedy, and I ended up not getting sick. That experience sparked my curiosity, and when I got back home to Maryland, I was inspired to start a science project to learn more about the spices my grandmother used. After tinkering around in my garage with jars of dirty pond water and spices, I discovered that some of the spices seemed to stop the growth of bacteria and fungus.

One day, after seeing moldy strawberries while grocery shopping with my mom, I wondered if my spice mixture could keep produce fresh for longer. To make a long

story short, after spending most of high school meticulously rotting fruits and vegetables, I created FreshPaper.

FreshPaper ended up winning a 1st place award at the Intel International Science Fair, and I was a senior in high school when I was issued a patent for FreshPaper. It was an unlikely outcome to my story, possible only in this country – my grandmother with all of her brilliance never had the opportunity to pursue her ideas, and at 17, I had a patent and was on my way to Harvard to pursue mine.

I was so excited about how FreshPaper could help people like my grandmother in areas like the village where she was from, and I couldn't wait to get my invention out into the world. I learned that, while the world's farmers harvest enough food to feed the planet, almost 800 million people go hungry every day,¹ and that over 1 billion people live without access to refrigeration.² FreshPaper, I believed, could help address global food waste and hunger.

As soon as I got to college, I set out to build a non-profit, and ended up learning how hard it can be to give something away for free. After trying and failing over and over, my friends and advisers suggested that I consider a more "realistic" career path. Like many aspiring entrepreneurs, I was told that I needed more experience, more degrees, more money – more than I had, and more than I was. So I gave up.

In the summer of 2011, more than a decade after I first started working on my science project, I decided to give my idea, and myself, one last chance.

I stayed up all night making a batch of FreshPaper by hand in the kitchen of my tiny studio apartment, and early Saturday morning, a friend and I set up a stall at our local farmer's market in Cambridge, Massachusetts. We stood in the street handing out sheets to passersby.

In the weeks and months that followed, we were amazed by the response. People started telling us, "FreshPaper makes it possible for me to afford feeding my family fresh fruits and vegetables." As I began to realize that my small sheet of paper was having an impact on our local food system, I was inspired to think bigger.

¹ United Nations Food and Agriculture Organization, International Fund for Agricultural Development, World Food Programme, *The State of Food Insecurity in the World 2015. Meeting the 2015 international hunger targets: taking stock of uneven progress*. Rome, FAO.

² International Energy Agency, *Key World Energy Statistics 2015*. OECD/IEA 2015

2. About our global journey

We created a very basic online store, and on a whim, we enabled international markets. In less than a minute, FreshPaper was available worldwide. While we were selling FreshPaper in just one local store, the Harvest Co-Op, we were shipping FreshPaper across the world to places like Spain, Australia, Canada, the UK, Indonesia, Japan, and Brunei.

I now joke that that we went global by accident. With just a few errant clicks, my farmer's market stand now had access to an almost infinite global market.

Of course, we had no idea how to ship globally – at the time, we didn't even know how to make a pallet. But at every roadblock, we Googled our way out, and through trial and error found digital tools to make our global business a reality. We found out that PayPal could enable us to collect foreign payments and convert currencies, that Intuit Quickbooks could help us keep track of our earnings, and discovered that UPS Mail Innovations simplified the customs process.

We had started with less than a \$1000 – we had no outside funding, no marketing budget, and no experience. But within a few months, we were carting wheelbarrows of orders to our local post office, and shipping our made in the USA product to places I could never have imagined. Those international orders helped keep our fledgling business alive, giving us time to build our customer base locally.

Once we started shipping out these international orders, FreshPaper started to be featured by newspapers and media outlets around the globe. I was invited to speak about FreshPaper in Japan, Denmark, France, the UK, and Switzerland. I found myself addressing the World Trade Organization in Geneva, and on stage with Sir Richard Branson at the Global Entrepreneurship Congress in Liverpool.

FreshPaper even won the world's largest prize for design (the INDEX: Design to Improve Life Award), previously awarded to Apple and Tesla, which provided us with a crucial 100,000 euro prize that helped us scale our production. Last summer, FreshPaper became the first product ever to be launched globally by Amazon as part of Amazon Launchpad, a program designed for startups, making our simple idea available in 180 countries overnight. The Internet took our farmer's market stand global.

Today, FreshPaper is made in factories in the Midwest and Maryland, and we're working with international distributors to launch in retailers across the globe, and to reach more farmers and families worldwide. We've seen the power of international markets. We are here today because of an open global Internet. But the excessive costs, paperwork, and logistics to access these global markets are still challenges that we and other entrepreneurs face every day.

3. The role of government policy in eliminating barriers to digital exports

I'm here because I believe we must reduce barriers to unleash our country's entrepreneurial talents, innovations, and energy, and encourage small business owners to think global from day one.

My story is not unique. Nor should it be. I often think of the jam-seller who set up a stall at her local farmer's market. The single mom I met who was making ends meet by selling items on eBay. The young programmer dreaming up the next big app. Entrepreneurs across this country drive our economy with their ingenuity, with their grit, with their optimism, and with their success.

But we cannot do it alone.

We are happy to work hard, to hustle, to spend sleepless nights figuring out how to make the impossible a reality, to push through the resistance, the naysayers, and the doubt – and, in the unlikely event of our success, share the benefits with our communities, create American jobs, build factories, and design organizations that will outlive us.

We need your help.

Ensure that an open, global Internet is available so that our partners, customers and community from around the world can connect with us, and so that we can use technology to operate our business on a global basis. Utilize trade agreements and other platforms to reduce tariffs on the products we make, and to simplify customs procedures. Help entrepreneurs like me understand the resources that the U.S. Government has for startups looking to take their business global.

Give us access and reduce barriers to the spread of our ideas, and we'll work hard to figure out the rest.

Thank you so much for the opportunity to testify.