



THE MARKETING MEMO

November 2007

Marketing Branch

Division of Marketing Services

California Department of Food and Agriculture

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PROGRAM ISSUES

CALIFORNIA TOMATO COMMISSION VOTED OUT:

California Tomato Commission assessment payers voted overwhelmingly to suspend the activities of the Commission effective at the end of the current fiscal year. The Commission will be suspended effective February 29, 2008.

The Department held a public hearing in June to determine whether or not continuation of the Commission should be put to a vote of assessment payers. The decision to hold the hearing was based primarily on an action of the Commission itself to suspend its activities. The Department issued the matter for a vote.

Subsequent to the vote, the Commission prepared a "Wind-Down Plan" that the Department has reviewed and approved. Commission business should be wrapped up by the end of the current marketing season on February 29, 2008.

CITRUS RESEARCH PROGRAM IS REAPPROVED FOR ANOTHER FIVE YEARS:

In a referendum vote conducted by the Department during August and September, California citrus growers voted to continue the Program for another five years. Of those voting over 90 percent of citrus growers, both by number and by volume represented, voted in favor of continuation.

The Department has approved the Program to continue in effect through October 31, 2012. Another continuation referendum will be held in early 2012 to determine if the Program should continue beyond the 2012 fiscal year.

PROCESSING TOMATO INSPECTION PROGRAM CONTINUED:

A public hearing was held by the Department on October 3rd to receive testimony and evidence regarding whether or not the California Processing Tomato Program should continue for another five years. At the hearing, all witnesses testified regarding the success of the program. Testimony received addressed the success in delivering a consistently high-quality product to processors while operating inspection stations at reasonable costs.

Based on the hearing record, the Department approved continuation of the Processing Tomato Inspection Program for another five years.

FLUID MILK PROCESSOR BOARD CONTINUED FOR ANOTHER THREE YEARS:

In a referendum conducted in August, fluid milk processors voted to continue the Processor Marketing Order for Fluid Milk for another three years. With over 80 percent of the processors voting, over 90 percent favored continuation. The Processor Board has a long and successful history of "Got Milk" advertising and promotion that

has been picked up by other states and the National Processor Board to air in other regions of the U.S.

Based on the outcome of the referendum, the Department has approved continuance of the Marketing Order for another three years.

HEARING HELD TO CONSIDER A PROPOSED PISTACHIO RESEARCH PROGRAM:

On October 10th, the Department held a hearing in Fresno to consider a Proposed Pistachio Research Program. This Proposed Program would ensure that the Research Program funded by the California Pistachio Commission over the years would continue and would retain the same team of researchers that specialize in pistachios. All testimony and evidence introduced into the hearing record was in support of the Proposed Program.

The Branch will be preparing its findings and recommendation to the Secretary. If the Department determines that a referendum of Pistachio growers is warranted, the referendum would be conducted in November.

HEARINGS TO BE HELD ON NOVEMBER 8TH ON THE ALFALFA SEED PRODUCTION RESEARCH PROGRAM AND THE MELON RESEARCH PROGRAM:

On November 8th the Department held a Public Hearing to consider continuation of the Alfalfa Seed Research Program for another five years. The hearing was held in Fresno. That same day, the Department held a continuation hearing for the Melon Research Board at the same location.

HEARING TO CONSIDER A PROPOSED LEAFY GREENS RESEARCH PROGRAM:

A hearing was held in Salinas on November 15 to consider a Proposed Leafy Greens Research Program. This Program would replace the existing Lettuce Research Program if it is made effective. Should testimony and evidence presented at the hearing sufficiently demonstrates the need for the Program to fund research on multiple commodities, the Department may issue the Proposed Program for a referendum of leafy greens handlers.

CALIFORNIA CUT FLOWER COMMISSION HIRES NEW EXECUTIVE DIRECTOR:

The California Cut Flower Commission (CCFC) announced that it has hired Mr. Kasey Cronquist as the Program's new Executive Director/Ambassador. Mr. Cronquist, an at-will employee, will work from his home office in Carpinteria. His main focus will be to act as a liaison to help the CCFC identify and address industry issues and needs. The day to day administration of the Commission will continue to be handled, under contract, by Mr. Chris Zanobini with the Grain & Feed Association in Sacramento.

Mr. Cronquist's professional background includes several years of experience in Public Relations and government issues. Most recently he worked as the President/Executive Officer of the Carpinteria Valley Chamber of Commerce.

FISCAL & COMPLIANCE AUDIT PROGRAM STATUS:

The Department's Audit Unit has geared up and is now proceeding ahead with audits of market programs. Since the first two (Kiwifruit Commission and Tomato Commission) were completed, the Audit Unit has also completed audits of the California Forest Products Commission and has submitted a Draft Audit Report to the California Milk Processor Board for review and response.

The procedure for each audit is that upon completion of the audit work, a Draft Report is prepared by the Audit Unit and sent to the program. The program has 30 days to review the Draft Report and provide additional information or a written response to the Audit Unit before the Report is finalized and made public. The final Report will incorporate any written response submitted by the program.

Currently, the Audit Unit is auditing the California Rice Research Program and expects to issue the Draft Report later this month. The next scheduled audit will be the Dairy Council of California in early December.

If anyone is interested in a copy of the Audit Reports when released to the public, please contact the Marketing Branch and we will have them sent to you.

We plan to schedule a meeting of the Program Fiscal and Policy Committee for early January. All interested parties will be welcome and encouraged to attend the meeting. The primary purpose of the meeting will be to receive and update on the findings so far and to hear from the Program Executives regarding their observations of the audit process.

ADMINISTRATIVE ISSUES

DEPARTMENT SUPERIOR ACCOMPLISHMENT AWARD PRESENTED TO GLENN YOST:

In August, the Department presented Glenn Yost with a Superior Accomplishment Award for all of his work in getting the Leafy Greens Marketing Agreement up and running.

The leafy greens industry was anxious to create a regulatory framework that would help ensure that handlers of leafy greens would follow Good Agricultural Practices designed by Western Growers Association in partnership with the California Farm Bureau. The Proposed Leafy Greens Marketing Agreement (LGMA) also required handlers signing on as signatories to ensure that their growers also follow Good Agricultural Practices.

Glenn worked closely with John Dyer, Department Counsel, and leaders of the leafy greens industry to craft a Proposed Agreement, hold a public hearing to receive testimony and evidence that the Proposed Agreement would accomplish its stated objectives, prepare findings and a recommendation to the Secretary to issue the Agreement to leafy greens handlers for a sign-up period.

Once the LGMA was made effective, Glenn served as the acting manager of the Agreement while the new Board conducted a management search. For the first few months, the Executive Committee met every Monday and the full Board met every Friday. This placed heavy demands on Glenn's time to handle meeting logistics, prepare minutes and Orders, and act as staff for implementing actions of the Board. Glenn took on this heavy workload without giving up his 17 existing program assignments.

The Branch and the Department are very appreciative of Glenn's hard work and he recently enjoyed a well-deserved vacation in Europe with his wife Cheryl.

TRANSITIONS:

There have been several transitions within the Branch and the Department in recent months. At the Department level, Linda Berg-Gandara was appointed as the Department's Chief Counsel replacing John Dyer who is now living in Florida and loving the relaxed lifestyle.

Linda comes to the Department from the Attorney General's Office where she represented the Department as a Deputy Attorney General in several cases related to both the Marketing Branch and the Milk Pooling Branch. With her trial experience defending both Branches, Linda brings much expertise with her to her new job and we are very fortunate to have her on Board in the Department.

Also joining the Department's Legal Office is Mike Cleary. Mike previously has worked as the Department's Liaison with County Ag Commissioners and most recently as Director of the Division of Weights and Measures. Mike will be serving as a Hearing Officer for the Department. He has already been Hearing Officer for several of our Marketing Branch hearings and is highly skilled in conducting hearings.

Also, George Gomes has been appointment as Undersecretary. Undersecretary Gomes is returning to the Department after a long career as President of the California Farm Bureau Federation. Before that, he was part of the Department's Executive Team including serving as Acting Secretary during a change in administrations.

At the Branch level, we reported in the last Marketing Memo that Ramiro Casillas transferred to Central I.T. Services in the Department. Kim Hastie, our Auditor for many years left the Department in early September. Rather than fill the position with another auditor position, the Branch will contract with the Market Enforcement Branch to conduct assessment audits for our programs. This allows us to benefit from the expertise in that Branch and will also provide additional backup with two auditors working part time on program assessment audits.

Effective last week, Kathy Diaz-Cretu will also be going to work in the Market Enforcement Branch. This is an excellent opportunity for Kathy who will be supervising a large staff of investigators and will be learning investigative techniques and investigative report writing. She will be next door to us and will help foster and even closer working relationship between the two branches. We are fortunate that we will still be able to draw upon her Marketing Program knowledge as needed.

We are currently interviewing candidates to fill Ramiro's position and will quickly be advertising for an Assistant Agricultural Economist to fill Kathy's position. We will appreciate our Programs' patience as we bring on new staff and get them trained.

MINOR CHANGE IN THE PROCEDURES TO POST MEETING NOTICES ON THE DEPARTMENT'S WEBSITE:

As you know we have asked all Marketing Programs (including those that have their own websites) to submit electronic copies of their full board and committee meeting notices for posting on the Department's website. Upon Ramiro Casillas' departure from our Branch, the task of posting notices on-line was reassigned to Carlos Behr and Carl Studebaker with the Marketing Services Division.

As a result, we ask that you please update your meeting notice electronic distribution list as follows:

- * Carl Studebaker cstudebaker@cdfa.ca.gov
- * Kim Jagelka: kjagelka@cdfa.ca.gov
- * Your Program Liaison

Please notice that Kim Jagelka, with our Branch, will continue to handle the internal processing of the meeting notices.

If you have any questions regarding the electronic posting of meeting notices on the Department's website, please contact Kim Jagelka at this office. For questions pertaining to the requirements of the Bagley-Keene Act regarding the on-line posting of meeting notices, please contact your program liaison.

TABLE OF DUE DATES:

As a reminder of upcoming due dates, we are providing the following Table. Please call your Economist/Analyst at 916-341-6005 if you have any questions.

TABLE OF DUE DATES		
Item	Applies To:	Due Date
Quarterly Contract Report	Marketing Orders, Agreements and Councils	Qtr 2, 2007 (April-June 2007) Was Due: July 31, 2007 Qtr 3, 2007 (July-September 2007) Due: October 31, 2007
Ethics Training	Marketing Orders, Agreements and Councils	Members must complete the training in the time frames below and submit the certification to their marketing program executive: <ul style="list-style-type: none"> • New members: within six months of assuming their position. • Continuing members: every two calendar years. Program Executives must retain the signed original certificates. A list of board members and alternates with the dates they completed the orientation, must be sent to Beth Jensen of the Marketing Branch
Member Lists	Marketing Orders, Agreements, Councils, and Commissions	As soon as possible after any changes. Please be sure to include individual contact information: addresses, phone numbers and e-mail addresses.
Financial Audits	Marketing Orders, Agreements and Councils	Three copies due to Branch 30 days after completion.

GENERAL INFORMATION**MARKETING PROGRAM AND MARKETING BRANCH JOB ANNOUNCEMENTS:**

We routinely include notices of job openings with California marketing programs and other agricultural organizations in the Marketing Memo. Please contact Beth Jensen at 916-341-6005, or via e-mail at bjensen@cdfa.ca.gov to include information in this section.

MARKET ENFORCEMENT ADVISORY:

Attached is the Market Enforcement Advisory Notice for November 2007. If you have questions regarding the notice, please contact the CDFA Market Enforcement Branch at 916-341-6276.

PEST DETECTION ADVISORY

Attached is the Pest Detection Advisory of current pests affecting California agricultural products. If you have questions regarding this listing, please contact the CDFA Pest Detection Branch at 916-654-1211.