

January 24, 2012

**REFERENDUM TO CONSIDER IMPLEMENTATION OF
THE PROPOSED CALIFORNIA CHERRY MARKETING AND RESEARCH PROGRAM**

The California Department of Food and Agriculture (CDFA) conducted a public hearing on November 15, 2011 to receive comments regarding the proposed implementation of a state marketing order entitled the California Cherry Marketing and Research Program. Based on the supportive testimony presented at the hearing, CDFA has decided to move forward with the second phase of the implementation process; issuing the proposed Program for votes of affected growers and packers of California cherries.

The proposed Program would assess and provide programs for all California cherries sold in fresh form. The current Cherry Marketing Program assesses only Bing, Van, Lambert and Rainier varieties. If the proposed order is made effective, the current marketing order will be suspended.

The proposed Program would be administered by an industry board made up of six cherry producers and their alternates, and six cherry packers and their alternates. Nominations for the initial board were taken at the public hearing, and if the Program is implemented, these growers and packers would be the initial board for the new Program.

The proposed Program would:

- Conduct research on cherries
- Engage in pest and disease control activities
- Support limited domestic promotion activities, and
- Provide the base for a branded export promotion program.

The Program requires that a super-majority (two-thirds) vote of the full board is required to allocate funds to promotion programs.

Just as under the current order, the funds for administering the proposed Marketing Program would be generated by industry assessments, with fifteen cents per standard container to be the assessment in the first year of operation. Half of this assessment would be paid by growers and half of the assessment paid by packers on all cherries marketed. Growers producing 1,000 containers or less per year are exempted from the Program, as are packers packing 10,000 containers or less per year.



If implemented, CDFA would conduct a referendum among cherry growers and packers every five years to determine whether the cherry industry wants the Program to continue.

The proposed Program cannot go into effect without first being approved by growers and packers in industry votes conducted by CDFA. Specifically, there is a referendum for packers and a referendum for growers. The proposed Program will only go into effect if approved in both referenda.

In order for the Program to become effective both of the following must occur:

1. 40 percent of the total number of firms on each list must vote, and
2. Of those voting 65 percent by number, representing 51 percent of the volume voted must be in favor, **or**

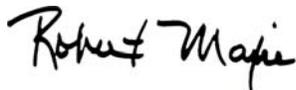
Fifty-one percent of those voting who represent 65 percent of the volume voted must be in favor. A referendum ballot and a return envelope are enclosed for your use.

Please note that depending upon your business status, you may receive a producer and a handler ballot via separate mailings regarding this proposed Program. Please complete your ballot(s) and return it/them to the Marketing Branch in the return envelope(s) provided. In order for any individual ballot to be valid, it must be received by this office or postmarked **no later than February 23, 2012**.

This notice is available at <http://it.cdfa.ca.gov/igov/postings/industry notices/> and the proposed Program can be seen at: www.cdfa.ca.gov/mkt/mkt/pdf/ProposedCherryOrder.pdf.

The results of the referendum will be announced following ballot tabulation. Individual votes will be kept confidential. If you know of any growers or packers who did not receive ballots and should have, please contact the Marketing Branch. If you have any questions regarding this vote or the proposed Program, please contact Glenn Yost at this office.

Sincerely,



Robert Maxie, Chief
Marketing Branch

Enclosures