



November 15, 2016

**Processors and Producers Vote to Approve Major Amendments
To the Marketing Order for Processing Strawberries
For the Purpose of Incorporating Strawberry Producers into the Program
Amendments Effective January 1, 2017**

To Processors and Producers of California Strawberries:

The California Department of Food and Agriculture (Department) recently conducted a referendum vote to determine if strawberry processors and strawberry producers favor amending the Marketing Order for Processing Strawberries (Marketing Order) to incorporate strawberry producers into the Marketing Order. This concept was originally proposed by the Processing Strawberry Advisory Board with the belief that such producer inclusion would positively contribute to the Board’s deliberations and administrative decisions. The voting results are presented below.

Processor Voting Results	
Portion of all eligible processors that actually participated in the referendum:	86%
Portion of those processors voting who favored the amendments:	92%
Portion of the voted volume represented by those processors favoring the amendments:	90%

Producer Voting Results	
Portion of all eligible producers that actually participated in the referendum:	41%
Portion of those producers voting who favored the amendments:	93%
Portion of the voted volume represented by those producers favoring the amendments:	96%

These voting results exceed the referendum approval requirements specified in the California Food and Agricultural Code. Based upon this supportive vote of the strawberry processors and producers, the Department has acted to implement the proposed amendments effective January 1, 2017.

An overview of the recently approved amendments is presented on the reverse side of this notice. You may access an updated version of the Marketing Order that incorporates all of the approved amendments at <http://www.cdfa.ca.gov/mkt/mkt/ordslaws.html>.

If you have questions regarding this industry vote, please call Dennis Manderfield of this office at 916-900-5018. If you have specific questions about the activities of the Processing Strawberry Advisory Board, please call Gabe Moreno, Board Manager, at 831-724-5454.

Sincerely,

Robert Maxie, Chief
Marketing Branch

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Overview of the Approved Amendments

The primary purpose of the amendment package is to incorporate producers into the Marketing Order for Processing Strawberries (Marketing Order). You may access an updated Marketing Order that incorporates the amendments at <http://www.cdfa.ca.gov/mkt/mkt/ordslaws.html>. Following is an overview of how the Board will function with the approved amendments.

1. *There will be no producer assessments.* – Processors will continue to pay all Board assessments just as they have done in the past.
2. *Producers will be afforded 20% of the positions on the Board.* – In light of the fact that producers will not be required to pay any Board assessments, producer representation on the Board will be somewhat limited relative to processor representation. Specifically, producers will be afforded 20 percent of the available board positions. Each year all processors will have the opportunity to designate one member and one alternate to represent their firm on the Board. Once the number of processors wishing to have representation on the Board is determined each year, a calculation will be made to determine how many producer Board positions will be needed that year so that the resulting Board will consist of 80 percent processors representation and 20 percent producer representation.
3. *Producer positions on the Board and on the Board's Committee on Grade Standards will be filled via nominations received from the producer representatives currently serving on the California Strawberry Commission.* – The nominees for the Board will need to be serving on the Strawberry Commission, but the nominees for the Committee on Grade Standards will not necessarily need to be serving on the Strawberry Commission. In order to be eligible to serve in any of these producer positions, a producer cannot have a processor affiliation that would qualify him or her to serve as a processor representative on the Board.
4. *The method for considering the Board's continuation every five years has been switched from having a processor continuation vote to having a public continuation hearing.* – By law, all California marketing order programs must undergo some kind of continuation procedure every five years to determine if the industry favors the program's continuation. Under the approved amendment package, the previously required processor continuation vote every five years has been replaced by a public continuation hearing to be conducted by CDFA every five years which will be open to all processors and producers to participate in.
5. *Successful passage of the amendment package negated the need to have a continuation process next year as previously schedule. Instead, a continuation hearing must be conducted in 2019 and then every five years thereafter.*
6. *There will be no change in the Board's Authorized Activities.* – The Board continues to be authorized to conduct mandatory incoming inspections of all strawberries received for processing and continues to be authorized to conduct a mandatory price reporting program.