



Agricultural Marketing Agreements

Marketing agreements can help Ohio agriculture to further expand economic opportunity and job creation while continuing to meet the demands of the consuming public. Agriculture is Ohio's number one industry, employing one in seven individuals and contributing more than \$107 billion to our economy. Marketing agreements are valuable tools that Ohio farmers can use to achieve tailored marketing, production, research and educational efforts with the goal of improving Ohio agriculture's position within state, national and international markets.

Background:

Ohio Produce Growers and Marketers Association (OPGMA) and the *Ohio Farm Bureau* have been working to develop legislation with input from the *Ohio Department of Agriculture* that creates voluntary agricultural marketing agreements. Several other states including California, Arizona, and Wisconsin, as well as the U.S. Department of Agriculture, currently permit similar agricultural marketing agreements. Adopting similar legislation will help give Ohio farmers another opportunity to market their products while working to better meet the requirements of the recently enacted federal food safety law.

Marketing agreements are initiated by farmers to help provide stable markets for agricultural products such as dairy, fruits, vegetables and other specialty crops. Marketing agreements are voluntary in nature and, for example, can help maintain product quality, standardize packages or containers, and authorize advertising, research or market development. Each agreement will be tailored to the individual industry's marketing needs.

Marketing agreements in Ohio will be farmer-driven with each agreement requiring the creation of a board of directors made up of participating farmers. Each marketing agreement will address:

- the commodities or region(s) covered by the marketing agreement;
- any standards of production (which must equal or exceed existing state or federal laws) or standards of marketing which will apply to those who sign onto the agreement;
- the term of the agreement, details of the renewal process, and procedures for amending the agreement;
- costs and rates of assessment for membership, inspection, or services provided by the agreement;
- a mechanism for participants to voluntarily withdraw from the agreement;
- voting procedures for dissolving or disbanding an agreement;
- terms of use for any logos or branding established in the agreement; and
- any other relevant provisions required by the director of the Department of Agriculture.

Voluntary agreements will be for farmers and managed by farmers, but the agreements will be established through the Ohio Department of Agriculture. Agreements will be self-supporting through fees paid by participants in each voluntary agreement and will have no cost to the state.

With recent passage of federal legislation to establish national food safety policy, Ohio's produce growers recognize the important role they play in ensuring food safety for consumers. Once this legislation has passed, the OPGMA plans to be one of the first groups to submit a proposed agricultural marketing agreement. Their proposed Ohio Produce Marketing Agreement (OPMA) will empower Ohio's produce growers to take a hands-on approach to protect and promote Ohio produce farmers through a valid and robust voluntary food safety program that will allow them to meet anticipated federal requirements and standards. The OPMA will allow Ohio producers to take control of food safety in our state and work to build a voluntary set of standards and inspections that are realistic, sensible, and affordable while meeting consumer needs for safe, affordable, and abundant food.