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AMS BOARDS AND COMMITTEES ENCOURAGE TEAMWORK AND DIVERSITY



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USDA Agricultural Marketing Service

The Agricultural Marketing Service (AMS) of the U.S. Department of Agriculture (USDA) is taking steps to reach underrepresented people who produce, handle, manufacture, or import a variety of agricultural commodities. We want to inform these individuals about leadership opportunities and encourage them to serve on boards and committees that administer Federal marketing orders and research and promotion (R&P) programs.

Many of the services provided by AMS deal with the oversight of marketing orders and R&P programs. AMS currently supervises 49 boards and committees that regulate the marketing of specific fruits, vegetables, specialty crops, livestock, eggs, milk, and cotton. Broad-based participation is key to the per-

formance of these boards and committees, and AMS encourages diverse representation and outreach.

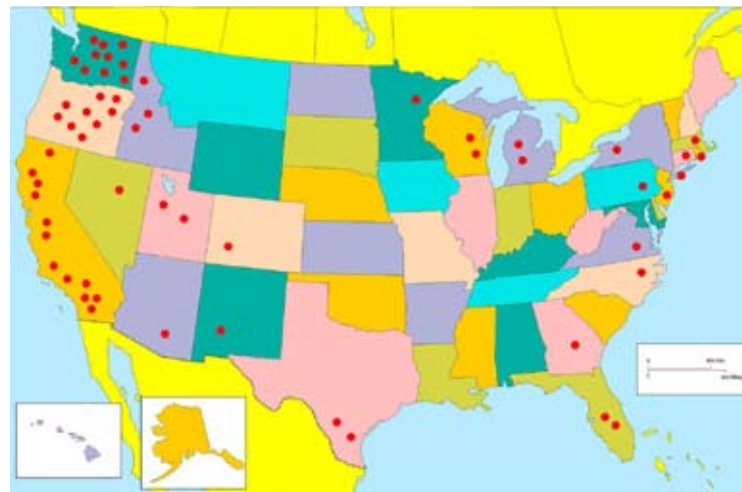
By serving on these boards and committees, diverse persons have an opportunity to contribute to the governance of organizations dedicated to improving commodity marketing, research, development, and promotion. They also have an opportunity to grow their leadership skills by becoming a board member or alternate, attending public meetings to consider regulatory activities, participating in research and promotion initiatives, and helping to affect change in their respective agricultural community.

The mission of AMS is to facilitate the efficient, fair marketing of U.S. agricultural products in domestic markets, but today's global economy has resulted in AMS doing more than ever to help U.S. agriculture businesses market their products internationally. Export sales generate essential economic activity for domestically produced agricultural commodities, and we believe that diverse boards and committees help to improve our competitive position in a changing global marketplace.

MARKETING ORDER PROGRAMS

- Almonds
- Apricots
- Avocados
- Cherries (sweet and tart)
- Citrus
- Cranberries
- Dates
- Fluid Milk
- Grapes
- Hazelnuts
- Kiwifruit
- Olives
- Onions
- Pears
- Pistachios
- Plums/Prunes
- Potatoes
- Raisins
- Spearmint Oil
- Tomatoes
- Walnuts

MARKETING ORDER LOCATIONS



MARKETING ORDERS

AMS has 30 fruit, vegetable, and specialty crop marketing order programs and their respective boards or committees. Self-governed and self-financed by relevant industry groups, marketing order programs are designed to help growers establish and maintain orderly marketing conditions by helping to balance the availability of quality product with the demands of consumers and the need for adequate returns to producers. Of the commodities listed above, several have more than one regional marketing order (e.g., cherries, citrus, onions, and potatoes). AMS oversees the nomination packages for each board or committee, and nominated individuals are appointed by the Secretary of Agriculture.

Marketing order programs represent a team effort between USDA and the boards and committees of growers, handlers, and others who are appointed by their industry to serve. Originating in the 1930s, marketing orders came into fruition when farm leaders recognized that individual growers were often unable to cope with the serious marketing problems associated with overproduction, market gluts, low returns, price volatility, and the distribution of poor-quality products.

The Agricultural Marketing Agreement Act of 1937 (AMAA) authorized the use of marketing orders to allow growers of a particular commodity to set the rules for marketing their products. These rules are not imposed on growers, but on the handlers who place the product into marketing channels.

One of the reasons that marketing orders continue to be effective and relevant in today's marketplace is because they are regional in focus (see map). Marketing orders provide that only producers from a specified region are eligible to vote on whether a program should be implemented and whether any changes should be made to the program. Handlers from the region pay

a fee to the relevant marketing order board or committee and agree to abide by the established terms.

While supply swings and market volatility generally associated with some crops are often addressed through acreage controls, price supports, loan guarantees, and other publicly funded efforts, marketing orders provide a number of alternative tools. Depending upon the needs of producers in a particular industry or region, marketing order programs may: 1) impose mandatory grading and inspection services; 2) standardize the packaging and labelling of containers; 3) create product promotion activities; and 4) increase or decrease the amount of product allowed into commercial channels to satisfy demand during periods of exceedingly high or low volumes.

Global Commerce

Agricultural imports are increasing in volume due in part to the creation of multiple free-trade agreements and the global, year-round demand for fresh produce. Because marketing orders facilitate the efficient, fair marketing of agricultural products in domestic markets, imported fruits and vegetables may also be subject to marketing order regulations. The AMAA requires that products grown in foreign countries and imported to the U.S. must meet the same minimum size and quality standards as domestic products covered by U.S. marketing orders. Of the 30 marketing orders currently in place, 13 have accompanying import requirements. So when marketing order committee and board members meet to share their experiences, express their fellow industry members' views, and develop recommendations for USDA's consideration, they are also contributing to the livelihood of an international community of farmers.

RESEARCH & PROMOTION PROGRAMS

- Beef
- Blueberries
- Cotton
- Dairy Products
- Eggs
- Fluid Milk
- Hass Avocados
- Honey
- Lamb
- Mangos
- Mushrooms
- Peanuts
- Popcorn
- Pork
- Potatoes
- Softwood Lumber
- Sorghum
- Soybeans
- Watermelon



RESEARCH & PROMOTION

AMS also oversees 19 R&P programs that function to strengthen the position of a commodity in the marketplace, maintain, and expand existing domestic and foreign markets, and develop new uses and markets for specified agricultural commodities. Commonly referred to as "check-off" programs (i.e., their assessments are deducted at the time of sale), these boards perform generic promotion, research, and information activities for agricultural commodities. Requested and fully funded by the industry groups that they serve, R&P boards are operated by a staff at the direction of industry membership, which can include producers, handlers, importers, others within the marketing chain, and, in some cases, consumers.

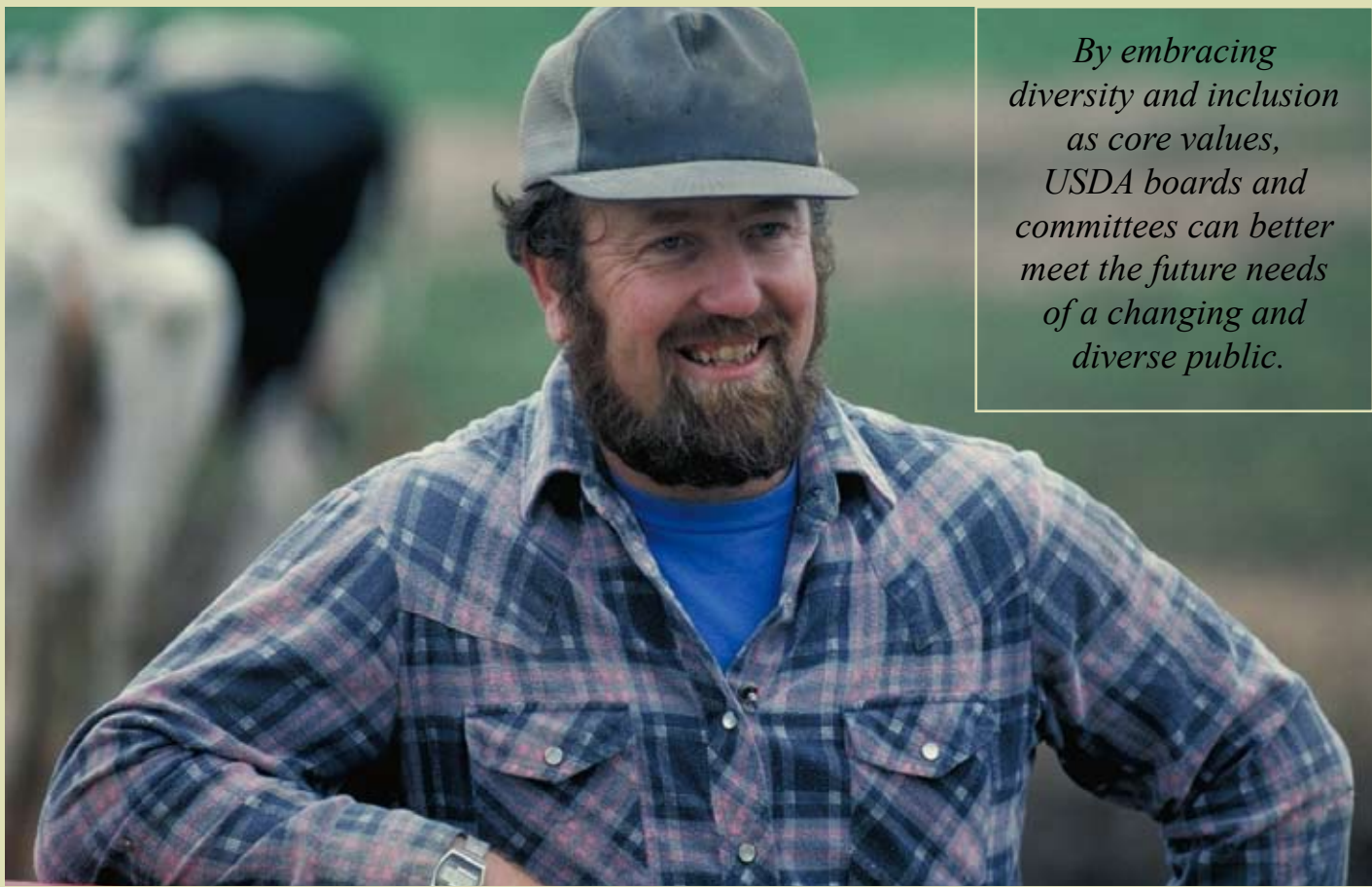
Unlike marketing order programs that have a regional focus, R&P programs are comprised of boards that are national in scope. AMS coordinates the nomination and appointment process for each of the boards, and every year the Secretary appoints members from industry nominations.

Activities conducted by R&P boards include market, health, and production research; advertising; consumer information; in-

dustry communications; and many other activities. These generic activities complement branded advertising initiatives and are especially beneficial to small producers who lack the resources or market power to advertise on their own.

Generic research and promotion activities engaged in by R&P boards do not impede the branded advertising efforts of individual firms, but instead increase general market visibility and demand for an agricultural commodity. Several of these national boards have launched and sustained well-known promotional campaigns, such as "The Incredible Edible Egg," "Beef—It's What's for Dinner," "Cotton—The Fabric of My Life," "Pork—The Other White Meat," "Potatoes—Goodness Unearthed," and the ever-popular "got milk?" mustache campaign.

In addition to being funded by domestic assessments collected by the boards, most R&P programs receive funding from import assessments collected by the U.S. Customs and Border Protection. Approximately \$750 million in fees were collected in 2010 to promote R&P programs and their products. Currently, there are four pending proposals for new R&P programs.



By embracing diversity and inclusion as core values, USDA boards and committees can better meet the future needs of a changing and diverse public.

U.S. agriculture looks overseas to expand sales and boost incomes, and several agricultural commodities specific to AMS boards and committees have benefited dramatically from overseas markets. For example, 74 percent of cotton is exported, 64 percent of the almond crop is shipped overseas, and 34 percent of the soybean crop is exported. Export sales of commodities specific to AMS boards and committees increased from approximately \$25 billion in 2005 to around \$44 billion in 2009.*

As we improve our ability to increase revenues from overseas markets, diversity and inclusion efforts within our agriculture communities become even more strategic. Diverse viewpoints and cultural references increase the likelihood of new innovations and perspectives, which ultimately strengthen the effectiveness of boards and committees. Truly inclusive organizations work to facilitate participation from all peoples, and USDA challenges its boards and committees to be willing to do more outreach and reexam-

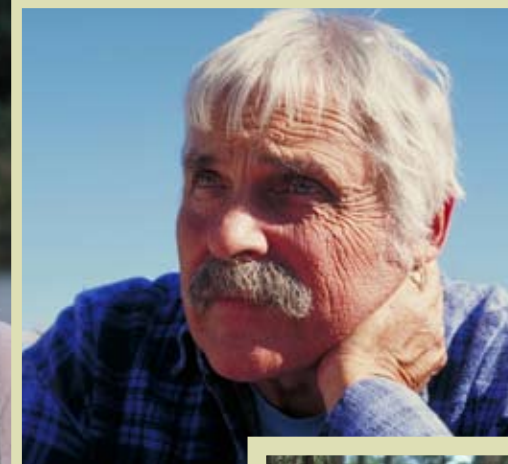


ine their approach to diversity and inclusion in order to compete more effectively in a global market.

USDA is committed to supporting marketing order and R&P programs in ways that allow them to grow and adapt to market changes. Since industry populations that pay assessments are diverse, USDA believes that board and committee membership should reflect this diversity and include varying sizes of operations, member experience, methods of production and distribution, marketing strategies, and other distinguishing factors that bring different outlooks and ideas to the table. Membership on industry-administered boards and committees should also reflect the diversity of individuals served by the programs and include women, minorities, persons with a disability, individuals who have never served before, those who represent small business interests, those who use organic or alternative farming practices, and young farmers just starting their careers.



* Source: USDA Foreign Agriculture Service (www.fas.usda.gov/gats).



DIVERSITY MISSION STATEMENT

USDA Boards and Committees

All boards and committees must strive to:

- embrace diversity and inclusion as core values that will spur outreach and facilitate diverse representation;
- ensure the cultivation of membership where the uniqueness, background, and experience of every member is trusted, valued, and respected; and
- strengthen board and committee service so that they can continue to reach our diverse customers, recruit the best talent, and eliminate underrepresentation.

OUTREACH

The 2007 Census of Agriculture indicates a growing trend of more diverse principal farm operators. Between 2002 and 2007, women operators grew by 30 percent, Hispanic operators grew by 10 percent, and operators from other racial and ethnic groups increased as well.* USDA wants to reach out to these traditionally underrepresented farm groups and encourage them to serve on boards and committees. The Diversity Mission Statement outlined above further details USDA's commitment to establishing diversity and inclusion as core values to help the Department fulfill its mission and vision.

We hope that our call to serve on AMS boards and committees inspires diverse farmers to come forward and participate with these self-help organizations. AMS remains committed to working with boards and committees as they continue to develop and implement outreach initiatives designed to recruit and grow diverse leaders. Through our efforts and yours, we believe that we can attract and maintain the diverse leadership necessary to support the continued success of these programs.



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* Source: USDA National Agricultural Statistics Service (www.agcensus.usda.gov).