



1400 Independence Avenue, SW.
Room 2095-S, STOP 0242
Washington, DC 20250-0201

September 14, 2010

Dear PACA Licensee,

Due to your position within the fruit and vegetable industry, I want to inform you of the license fee increase effective October 1, 2010 as authorized under the Perishable Agricultural Commodities Act of 1930 (PACA) (7 U.S.C. 499a et seq.). This is our first fee increase in 15 years. The PACA Branch has worked with industry leaders in developing the fee increase, and continues to analyze its operations to streamline services to the industry. The new rates raise the base license fee to \$995 per year, branch fees to \$600 per location, and the maximum yearly fee to \$8,000. The new rates will be reflected on your next renewal, which will be mailed at least 30 days prior to your anniversary date.

Over the past several years, PACA achieved significant cost savings by reducing staff by one-third, closing two of five regional offices, and consolidating administrative functions without compromising service delivery. PACA added a toll-free customer service line, staffed twelve hours a day with experts to answer your questions. PACA created technological improvements to better serve you, and initiated outreach programs to facilitate two-way communications for all parties within our great industry.

PACA protects growers, shippers, distributors, and retailers of fresh and frozen fruits and vegetables by prohibiting unfair and fraudulent trade practices, as well as providing dispute resolution services, benefiting the entire marketing chain from farmer to retail customer. The PACA program is important to American agriculture, and this fee increase is essential to keep the program operational.

In 2010, the industry celebrates the 25th anniversary of the creation of the PACA Trust. This unprecedented statutory trust provision (unique to the fruit and vegetable industry) remains the gold standard in providing increased credit security to the \$95 billion produce industry. While there is no opportune time to raise fees, PACA personnel take great pride in offering outstanding service to the fruit and vegetable industry, embracing our responsibility as your "Partner in Produce". With this fee increase, we look forward to working for you, and with you, for many years. For further assistance, please call 1-800-495-7222, Option #1 or refer to our website at www.ams.usda.gov/paca.

Sincerely,

A handwritten signature in black ink that reads "Karla D. Whalen". The signature is written in a cursive, flowing style.

Karla D. Whalen
Chief
PACA Branch