

NATIONAL LEAFY GREENS MARKETING AGREEMENT

My name is: Victor Tognazzini

The spelling of my last name is: T O G N A Z Z I N I

My current address is: 4650 Basque Drive, Santa Maria, California 93455

My position in the Leafy Greens Industry currently is: A member of the management team of Gold Coast Packing, Gold Coast Farms and Tri-Valley Vegetable Harvesting. We are both Growers and Handlers.

Our companies grow and/or purchase, harvest and handle Spinach and Kale.

Our companies produce conventional crops

My testimony is in support of the National Leafy Greens Marketing Agreement.

The intent of this Agreement is the national standardization of requirements and best practices for all phases of the Leafy Greens industry.

I speak today in support of the National Leafy Greens Marketing Agreement.

My name is Victor Tognazzini. I am the General Manager of Tri-Valley Vegetable Harvesting and Director of Field Food Safety for Gold Coast Packing and Gold Coast Farms. We are a small leafy green grower/shipper, processor and handler in the Santa Maria Valley of California's Central Coast. I have held my present position for the past 12 years and have been in the industry for the last 37 years. Our company plants and harvests approximately 245 acres of spinach annually or over 3,000,000 pounds. We are considered, based on SBA definitions,¹ a small grower/shipper, and handler.

In addition to the production operation, we handle 1.5 million pounds of leafy greens produced by independent producers located in both California and Arizona. I oversee all harvesting, field packaging and food safety programs for our company.

As a participant in California's Leafy Greens Marketing Agreement as both an Alternate member of the board and as a signatory company for the last three years, I have seen this program in action. The California LGMA has resulted in an unprecedented focus on food safety in which we as growers and handlers abide by best practices that are consistent, specific, measurable and verifiable in the field.

Our companies have shared with many other handlers in our industry, a history of maintaining good agricultural and good management practices; however we did not, for the most part, document those practices and with the exception of buyer requirements, our field operations were largely unaudited. The very best GAP or GMP program, without documentation, cannot be verified and thus is not a viable program. The LGMA has been able to fine tune practices for those who have had established rudimentary food safety programs and it has raised the bar for all signatories to the agreement. Historically, without uniform safety requirements, we are dependent on the safety practices of all other growers and shippers in the county, state and beyond. Outbreaks such as the *E. coli* outbreak in spinach in September 2006, affect the entire industry. The industry's financial losses for crops destroyed as a result of the actions taken by the FDA to curtail spinach sales and the adjunct loss of consumer confidence in leafy greens was a devastating blow to all spinach growers and handlers, but small operations such as ours were especially hard hit. We did not share the blame but we shared the pain!

The leafy green marketing agreements, governing fresh leafy greens in Arizona and California respectively have fostered a restoration in consumer confidence and have materially contributed to a resurgence in fiscal viability. While the California and Arizona programs are voluntary; the requirements of the program's agreements are mandatory for all signatory handlers. Signatories are required to submit to both scheduled and unannounced audits conducted by their state's department of agriculture based on specific good agricultural practices that are both protective and practical. Participation is renewed on an annual basis. Those enrolled handlers agree to purchase only leafy greens grown according to those specific accepted good agricultural practices.

¹ Handler – small is < \$7 million in cash receipts; Grower - <\$750,000 in cash receipts

We believe that as a signatory to the California Leafy Green Agreement, we are less likely to be negatively impacted by the food safety performance of other growers or shippers. We also believe we are both efficiently and effectively minimizing the potential for contamination and that the state LGMA's avail the industry to engage directly with FDA and state public health agencies to facilitate the rapid identification and mitigation of any contamination as well as to provide continual improvement by refining the program as new food safety strategies are proven and advanced testing technologies are developed.

The implementation of the California and Arizona Leafy Green Marketing Agreements provides our buyers with a science based safety program. They now have a full awareness of the detail encompassed in establishing and implementing food safety programs and have the assurance that our efforts are consistently and constantly verified by state government inspectors. While some buyers appear to engage in a food safety "arms race," the marketing agreements have engendered consistency throughout the industry in food safety requirements.

The positive reception of the marketing agreements by growers, shippers and handlers has resulted in approximately 90 percent of all leafy greens currently being covered by the CA or AZ LGMA. This would indicate that a national marketing agreement should be implemented without a significant increase in costs for growers selling to handlers or for handlers who are signatories of those states' agreements; further, participation in a national program could well be financially beneficial with improved buyer and consumer confidence.

Because we have already made a substantial investment in food safety personnel, product and water testing, equipment and administration and training costs to comply with the California Leafy Greens Marketing Agreement, I have no expectation that there will be significantly increased costs under the National Leafy Greens Marketing Agreement.

I have examined the business case study financials as a small grower/shipper and find them to be representative of the costs we have incurred and may incur.

Our experience with the California Leafy Greens Marketing Agreement has been positive and we clearly anticipate the same kind of experience nationally. This national agreement will bring the same standards to all companies growing, packaging, or selling leafy greens across the country. A national agreement will raise the food safety bar in all growing regions of our country.

We have long provided our nation and the world with the safest, most abundant and least expensive food supply in the world. We have learned in the crucible of stark reality that with outbreaks of food borne illnesses, the term "safest" is relative. We have a responsibility to ensure that our growing and handling practices are based on science based standards that are verified by auditing programs as set forth in the California and Arizona LGMA's. With national standards in place, industry buyers will have more transparency on food safety issues and may thus address these issues with a consistent

and cost-effective direction or plan and consumers will be able to buy with confidence the healthful and nutritious leafy greens which America's farmers produce.

I would therefore go on record as supporting the National Leafy Green Marketing Agreement which I believe will bring nationwide standardization to our industry, which will serve to expand food safety protocols in all aspects and phases of growing, handling, processing and shipping and will continue to foster consumer confidence in leafy greens.