



FLORAL BOARD

TOWN HALL

September 14, 2021





WELCOME!

Michelle Castellano Keeler
Mellano & Co.

Oscar Fernandez
Equiflor-Rio Roses

FORMATION COMMITTEE

DOMESTIC PRODUCERS

- Michelle Castellano Keeler (Mellano & Co.)
- Val Schirmer (Three Toads Farm, ASCFG Regional Director)
- Mike Mooney (Floral Union Farms)
- Erik Hagstrom (Albin Hagstrom & Son)
- Ivor Van Wingerden (Ocean Breeze Farms)
- Rita Jo Shultz (Alaska Perfect Peony, Chair of Certified American Grown)

IMPORTERS

- Harrison “Red” Kennicott (Kennicott Brothers)
- Oscar Fernandez (Equiflor-Rio Roses)
- Tim Dewey (DV Flora)
- Mauricio Jaramillo (Sole Farms)
- Eric Fernandez (Continental Flowers)
- Yvette Speziani (Colour Republic)

WEBINARS AND SURVEYS

1. We held 8 webinars for the domestic growers and importers to hear the work of the Formation/Drafting Committee and the proposed Order.
2. Questions and Surveys helped us collect your feedback.
3. The Drafting Committee held 2 meetings to discuss the proposed Order elements.

WE'VE HEARD YOUR FEEDBACK

The Formation Committee has updated three key aspects of the Marketing Order, based on industry feedback and input.

- De Minimus level
- Board composition
- Assessment rate

A close-up photograph of a flower, likely a daisy or similar, with numerous petals. The petals are primarily yellow and light purple, with some darker purple and blue tones. The background is a soft, light purple gradient. The text "UPDATED ELEMENTS" is overlaid in the center in a bold, dark green font.

UPDATED ELEMENTS

DE MINIMUS LEVEL

Domestic producers and importers that do not meet a de minimus threshold of **\$250,000** in annual gross sales receipts are exempt from paying assessments.



Domestic producers and importers that do not meet a de minimus threshold of **\$100,000** in annual gross sales receipts are exempt from paying assessments.

BOARD COMPOSITION & NOMINATIONS

The Draft Order establishes a board comprised of twelve (12) total members. The members will each serve a term of three (3) years, rotating off the board on a staggered basis.

Composition

- **Five (5)** members shall be Domestic Producers.  **Six (6)** members shall be Domestic Producers.
- Six (6) members shall be Importers.
- No two members shall be employed by a single corporation, company, partnership or any other legal entity.

Nominations

- Domestic producers, importers and organizations representing domestic producers and/or importers may submit nominations for initial board members, which will be appointed by the Secretary of the USDA from the nominations received.
- For subsequent nominations, the board will conduct outreach to solicit nominees and then select at least two nominees to recommend for each vacant seat. The Secretary of the USDA will appoint the new board members from the nominations received.

ASSESSMENTS

Under the provisions of the Draft Order, each domestic producer and importer will be required to pay an assessment to the board in the amount of **one percent (1%)** of the gross sales price of their cut flowers and/or cut greens either sold or imported for sale in the United States. Domestic producers will be required to remit payment to the board on a quarterly basis and importer assessments will be collected by U.S. Customs. This assessment rate may only be modified if approved during an industry referendum.



Under the provisions of the Draft Order, each domestic producer and importer will be required to pay an assessment to the board. Domestic producers will be assessed in the amount of a **half percent (.5%)** and importers will be assessed **one percent (1%)** of the gross sales price of their cut flowers and/or cut greens either sold or imported for sale in the United States. Domestic producers will be required to remit payment to the board on a quarterly basis and importer assessments will be collected by U.S. Customs.

REFERENDA

Each company will receive 1 vote.

In order to receive USDA approval and become effective, the Draft Order must be approved by a simple majority (50% + one vote) of domestic producers and a simple majority (50% + one vote) importers voting in the initial referendum that collectively represent a majority of the volume of cut flowers and cut greens sold in the United States during a period determined by the USDA. Subsequent referenda will have the same standard of approval.

A shorter trial period (4 years vs. 7 years). *Not later than four (4) years after this Order becomes effective and every seven years thereafter, to determine whether Domestic Producers and Importers favor the continuation of this Subpart. This Subpart shall continue if it is approved by a simple majority (50% + one vote) of Eligible Domestic Producers and a simple majority (50% + one vote) Eligible Importers voting in the Subsequent Referendum that collectively represent a majority of the volume of Cut Flowers/Greens sold in the United States during a Representative Period. Each Eligible Domestic Producer and Eligible Importer may cast one vote in Subsequent Referenda.*

ADDITIONAL DOMESTIC PROMOTION

The Board will allocate annually an amount from the total assessments collected on all Cut Flowers/Greens during the prior calendar year, which amount shall be between two percent (2%) and three percent (3%) of the projected total assessments collected, to one or more domestic organizations to be used for local, regional, State, and/or national programs that promote Cut Flowers/Greens. Amounts allocated by the Board for such programs will be based on requests submitted to the Board by domestic organizations that the Board determines meet the goals and objectives stated in the Act and Order.

NEXT STEPS - Industry

1. Share information with Domestic Growers and Importers about the Order.
 - Town Halls
 - Industry Meetings
 - Website
 - Information about other successful Marketing Orders
2. Provide more information to the overall Floral Industry about the benefits of the Order.
3. Gain broad industry support.

NEXT STEPS - Referendum

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1. USDA submission of Order.
2. Industry votes for the Order in the referendum vote.(Date TBD)
3. USDA establishes the Order and Board is created.
4. General and generic marketing and promotions will be overseen and guided by the Board.
5. Measure ROI and together choose to grow our industry.



FLORALBOARD.ORG

CONTACT US



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QUESTIONS?



THANK YOU!