

DIRECT MARKETING 101

Operators' & Managers'

Compliance Requirements



COUNTY OF SAN DIEGO
Department of Agriculture, Weights & Measures
August 10, 2015

TOPICS COVERED

- Purpose of Direct Marketing
- Agricultural Product Definition
- What are Non-Certifiable Agricultural Products
- What are Non-Agricultural Products
- Producer and Operator shared compliance requirements
- Market Operator compliance requirements
- Certified Area vs Community Events Area
- Violations & Enforcement Actions
- Top 10 violations issued to CFMs
- Q & A

Intent of Direct Marketing

- Facilitate and promote the sale of agricultural products from California certified producers directly to consumers
- Ensure CFMs are primarily maintained for the benefit of the producers and their patrons
- Selling activities are conducted honestly and fairly

Agricultural Products means - a fresh product produced or raised in California:

FRUITS

VEGETABLES

FLOWERS

NUTS

HERBS

MUSHROOMS

GRAINS

DAIRY

SHELL EGGS

HONEY

POLLEN

ROYAL JELLY

PROPOLIS

UNPROCESSED BEES WAX

NURSERY STOCK

LIVESTOCK MEATS

POULTRY MEATS

RABBIT MEAT

FISH*

SHELLFISH*

*Raised in fisheries and ponds located in California and under controlled conditions

Non-Certifiable Agricultural Products

Processed agricultural products from raw agricultural products listed on the certificate, such as:

- Juice
- Jams & Jellies
- Salsas
- Pickles
- Oils
- Wine & Beer



CDFA determines processed products as a “limited number or ingredients or additives which act as a preservative or are essential in the preparation of the product”

Non-Certifiable Agricultural Products

Animal products raised in California include:

- Fish*
- Shellfish*
- Poultry meats
- Livestock meats including rabbits



*Raised in fisheries and ponds located in California and under controlled conditions

Non-Agricultural Products are



- Characterized as services
- Arts
- Candles, crafts
- Bakery, pastas
- Candies
- Soaps, balms
- Cosmetics, perfumes
- Clothing, fabrics
- Compost, fertilizers
- Pottery, ceramics
- Foraged foods*
- Types of wares



* Gathered from land uncontrolled by the producer

Non-Agricultural Products are also

A certified agricultural product combined with non-agricultural products *disqualifies* it for sale at certified farmers' markets



False, Deceptive, or Misleading Marketing

It is unlawful to make any statement, representation, or assertion orally, by public statement, advertisement, signage, or by any means of agricultural products that is false, deceptive, or misleading in:

- 1) Production area (where grown/raised)
- 2) Identity of the producer (who grew it)
- 3) Manner & method of production (how)



Prohibited Activity anywhere at a Certified Farmers' Market

Selling or distributing uncertified fresh whole fruits, nuts, vegetables, and cut flowers



Community Events Area

OK to sell in the community events area, but must meet standardization & health requirements

- ~~Fruits~~
- ~~Vegetables~~
- ~~Flowers~~
- ~~Nuts~~
- Herbs
- Mushrooms
- Grains
- Dairy
- Shell Eggs
- Honey
- Pollen, Propolis
- Royal Jelly
- Unprocessed Bees Wax
- Nursery Stock
- Livestock Meats
- Poultry Meats
- Rabbit Meat
- Fish, Shellfish

Prohibited, must be certified and selling in the certified area

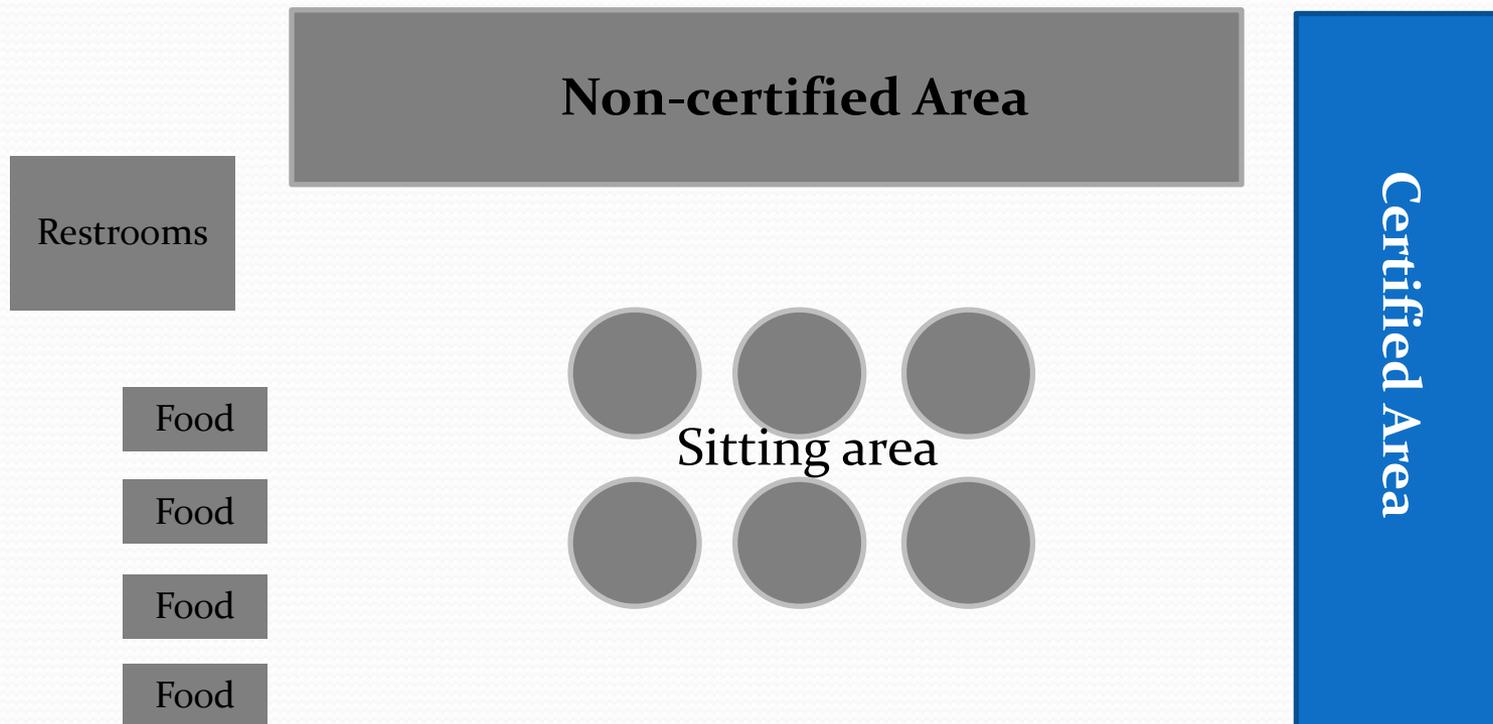
- Fruits
- Vegetables
- Nuts
- Flowers

Certified vs Community Events Area

- Clear separation between the certified section and community events area section with unambiguous signage
- Non-agricultural products:
 - cannot share the booth
 - cannot share the same table
 - cannot be represented by the same banner
- Market map must show that the booth with the non-agricultural products is correctly placed in the community events area

Certified vs Community Events Area

Map for the scenario on the next slide



Certified vs Community Events Area



Scenario: Certified producer is located at the end of a row, the left side of the picture (vendor's right) begins the non-certified area. She is selling her certified eggs (left), to the right are cookies and this sign. Clearly separated?

Producer and Market Operator Shared Compliance Requirements

- 1) Producer or authorized representative selling
- 2) Selling only certifiable and non-certifiable agricultural products
- 3) Selling only approved non-certifiable agricultural products
- 4) Having in possession a valid certified producer's certificate and posted at the point of sale

Producer and Market Operator shared compliance requirements

- 5) Ensure all products for sale are listed on the certificate
- 6) Selling for other producers:
 - ✓ Cross-referenced
 - ✓ Certificate of 2nd and/or 3rd posted
 - ✓ Products are separated
 - ✓ Products are identified

Example of booth with Cross-References

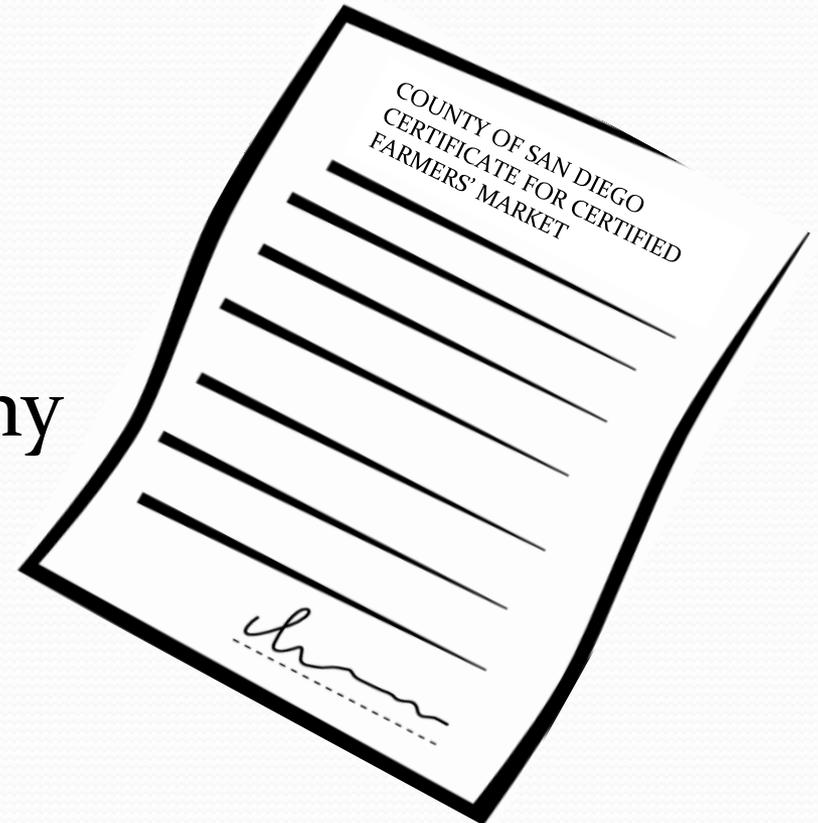
We Grow What We Sell
Green Goods
San Diego County

We Grow What We Sell
Lucy's Organics
Fresno County



Market Operator Compliance Requirements: Valid Certificate

A current, valid **certified farmers' market certificate** shall be available at any time during market operating hours



Market Operator Compliance Requirements: Load List

- (1) Complete Load List include:
 - ✓ Name of the certified producer
 - ✓ Identity of each product sold as it appears on the certified producer's certificate
 - ✓ Quantity of each product sold including all processed agricultural products
 - ✓ Name and date of the market

- (2) Keep the load list for **eighteen months**.

Market Operator Compliance Requirements: CDFA Remittance

- Quarterly period
- Certified market's information and signature of authorized representative
- Fee of two dollars (\$2) per vendor

Compliance & Enforcement Actions

- Notice of Violation
- Letter of Warning
- Civil Administrative Penalty
 - Minor \$50-\$150
 - Moderate \$151-\$400
 - Serious \$401-\$,1000;
\$2,500 to 5,000 per count per FAC§890/891
 - Suspend participation up to 18 months

San Diego County AWM Inspection Frequency & Fees

The county agricultural commissioner shall inspect every certified farmers' market within his or her jurisdiction at least once for every six months of operation.

*Fees: Travel Zone plus \$60/Hour;
\$720 yearly cap*

Top 10 Violations 2013-2015

1. Certified Producer Certificate (CPC) not posted*
2. Load List missing information
3. Product offered for sale not listed on CPC*
4. Cross-Referenced products not separated & ID*
5. Producer selling non-agricultural products*
6. Certified Farmers' Market (CFM) certificate not valid
7. CFM certificate not available during operation
8. Cross-Referenced producer not listed on CPC*
9. Non-certifiable product not approved*
10. Not authorized to sell for certified producer*

Avoiding Violations

- ✓ Use the self-inspection checklist
- ✓ Learn the Direct Marketing Laws & Regulations and self-enforce your market
- ✓ Ask questions and seek information

Questions



Contact Information

- **CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)**
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For more information, forms and links to law and regulations visit
website - <http://www.cdfa.ca.gov>
- **COUNTY OF SAN DIEGO DEPARTMENT OF AGRICULTURE,
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For printable application packets visit
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