

2022/2023 ANNUAL REPORT

Virginia Potato Board

July 1, 2022-June 30, 2023

Date Due: November 1, 2023

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NARRATIVE (General overview of Board's fiscal year activities including goals, objectives, status and evaluation of projects, present and future plans, and discussion of significant changes in Board revenues.)

Potato growers in Virginia voted in the spring of 1994 to tax themselves two cents per hundred weight in order to conduct a program of promotion, research and education. Governor George Allen signed the proclamation creating the Virginia Irish Potato Board on June 20, 1994 and the two cent per hundred weight excise tax became effective on that date.

The Board is composed of seven members who serve four year terms. The members are appointed by the Governor from nominations made by the Association of Eastern Virginia Agricultural Producers, Inc. The Board meets once or twice a year at a time determined by the membership. All Board meetings are open to the public and generally are held at the Eastern Shore Agricultural Research Station in Painter, Virginia.

The purpose of the Virginia Potato Board is to engage in an "expanded program of research, education, publicity, advertising and other means of promoting the use of Irish potatoes". The funds from which the Board's programs are financed come from the two cent excise tax per hundred weight levied on all Irish potatoes produced in the State.

The two cents per hundred pounds excise tax is applied when potatoes are sold, to be deducted by the packer, shipper, processor or handler who first purchases Irish potatoes from the producer. The term "handler" shall include a farmer who packs, processes or otherwise performs the function of a handler. The excise tax levied thereon shall be remitted to the Virginia Irish Potato Board and shall be used for the following purposes:

1. Provide funds for a basic promotional program. Prior to 1994 the potato industry had no means of promoting its product in an increasingly competitive market. The Virginia potato industry's principal competition in the mid-Atlantic region comes from North Carolina and Delaware. The industries in both of those competing areas have promotional boards. Acreage and production in North Carolina and Delaware has remained stable or increased during recent years while Virginia's acreage has shown marked decreases. Both Delaware and North Carolina have promoted their potatoes in the mid-Atlantic area causing Virginia growers to lose market share -- even within Virginia. Promotional monies from the Virginia Irish Potato excise tax enables the industry to target and regain marketing leverage.

I. NARRATIVE (Continued)

2. Allow the Virginia industry to take a more aggressive stance in promotional efforts, especially in-state chain promotions, trade promotions, etc. Over the last several years, we have been successful in promoting Virginia potatoes to area chain and wholesalers such as Wal-Mart, and Military Produce Group.

3. Provide much needed funds to supplement agricultural research at the Virginia Tech Eastern Shore Agricultural and Extension Center. The Board funded research which helped lead to control of the Colorado potato beetle and new potato varieties suited to southeastern Virginia, The Board has recently research on the control of European corn borer, fertility, and weed and disease control. The Virginia Potato Board benefits the industry by making funds available to specifically address these research areas.

For a number of years, the growers have dedicated the vast majority of their funds to potato research.

Effective July, 2012, The Virginia Seed Potato Board was eliminated, and Virginia Potato Board has assumed the duties of the Seed Potato Board with regard to the oversight and regulation of potato seed coming into Virginia.

Mark Hickman
Chairman

Ursula Deitch
Program Manager

II. Budget and Finances

Annual Budget for FY 2022-2023

Four research projects were presented to the Potato Board. Two of the Research Projects were approved for funding in 22-23 FY with additional funds for Marketing approved for a total of \$16,000.00.

Kuhar -	\$5,000.00
Higgins -	\$6,000.00
Marketing project -	<u>\$5,000.00</u> (\$2,000 allocated for advertising in the Packer)
	\$16,000.00

(Cost Code #680)

1. Cash Balance: June 30, 2022.....	\$38,523.96
2. (a) Assessment Receipts: July 1, 2022- June 30, 2023....	(+) \$10,452.84
(b) Interest Receipts: July 1, 2022- June 30, 2023.....	(+) \$859.37
3. Total Balance and Receipts (1+2+3)	(=) \$49,836.17
4. Deduct Total Actual Expenditures (from VDACS Financial Analysis Sheet)	(-) \$717.38
5. Cash Balance: June 30, 2023.....	(=) \$49,118.79

2022-2023 Board Attendance

VIRGINIA POTATO BOARD MEETING

Painter, Virginia

February 22, 2023

Board Members Present

Bruce Richardson

Mark Hickman - Chairman

John Holland

Bill Floyd

Board Members Absent

Jimmy Holland

Ron Bailey

David Long