



Division of Agriculture

Director's Finding and Decision

Management and Oversight of the Alaska Grown Certification Program

Purpose:

To address management and oversight of the Alaska Grown Certification Program and provide for a smooth transition from the existing program to new and improved program.

Background:

The Division of Agriculture (Division) launched the statewide Alaska Grown agricultural products certification program in 1986. Designed to highlight and promote farm products in the marketplace, the Alaska Grown program was and has continued to be a success.

For the past two decades the Alaska Grown program has grown significantly. Over 400 people have successfully applied to participate in the agriculture products certification program. The Alaska Grown logo (logo) can be seen on agricultural products in grocery stores, at farmers markets, in restaurants, and many other locations throughout the State.

Early in the program and as part of its marketing efforts, the Division authorized the Alaska Farmers & Stockgrowers to sell promotional items bearing the Alaska Grown logo (including t-shirts and hats) at various venues. This was done in an effort to raise the awareness of the program and remind people to buy Alaska Grown agriculture products whenever possible.

The promotional products component of the program also has grown and several organizations have been authorized to sell Alaska Grown promotional products over the years. Historically the Division has not required its authorized licensees to pay any fee or royalty to the Division, although as the exclusive owner of the logo the Division is expected to protect against sales of unauthorized promotional merchandise or other unauthorized use of the logo.

Considerations:

1. The Division has received the official federal Certificate of Registration for the Alaska Grown certification mark from the U.S. Patent and Trademark Office. Since 1986 the Division also has held the State Registration on the logo.
2. The Division anticipates a program change that will expressly add the Alaska Grown program to the duties and responsibilities of the Commissioner of the Department of Natural Resources and allow for the possibility of an Alaska Grown receipts account in the state treasury for commissions received from promotional item sales and licensing fees received from the agriculture products producers.

As part of its overall plan to implement a new program, the Division has requested receipt authority during the 2012 budget cycle. The funds received from promotional sales and licensing fees will be used for a statewide marketing campaign and for protection of the logo against trademark infringement.

Discussion:

- As Alaska Grown promotional items have become more and more popular, additional vendors have sought the Division's permission to sell the promotional items.
- Two of the authorized licensees, the Mat Su Chapter of the Farm Bureau and the Statewide FFA, have expanded their sales to include sales at many retail outlets throughout the State.
- The Division continues to spend funds on policing and protecting the mark from unauthorized users.

Finding and Decision:

The Division's intent is to strengthen and improve the promotional products component of the Alaska Grown program by implementing significant changes and providing more clarification.

Based on the above *I find it is in the State's best interest to protect the Alaska Grown certification mark while transitioning to a more clearly defined and improved program.* Therefore it is my decision to:

1. Terminate all permission to existing authorized promotional licensees to sell Alaska Grown promotional items after December 31, 2011, which will require that all existing authorized licensees and any retail sellers to whom they have wholesaled items to eliminate their current stock of promotional items by such date. No sale of any Alaska Grown promotional item, either by an existing licensee or associated retailer, shall be permitted or allowed after December 31, 2011.
2. Authorized promotional licensees shall put all of their associated retail vendors on written notice of this change by no later than December 15, 2010 and provide the Division of Agriculture with a copy of the written notice. A secondary notification is required on September 30, 2011, again with a copy provided to the Division.

3. Manage the Alaska Grown Certification Program as outlined in the policy document dated January 4, 2010. No changes to the agriculture products program will be enforced until 2012, when the new program will be launched with a new application, a new license agreement and a licensing fee. All current authorized users will be required to reapply to the program.

Franci Havemeister

1/4/2010

Franci Havemeister, Director

Date