INTRODUCTION
Traditionally, agricultural crops have been considered commodity goods; that is, once crops from multiple farms were combined, they became indistinguishable. Today, however, some producers are exploring the possibility of branding their agricultural products. Branding is a popular marketing technique that allows consumers to identify—and build a demand for—a good based on perceived or real differences that make it “stand out” from the competition. Consumers in the United States are often willing to pay more for a product that contains attributes that may not be available in the generic commodity version of the product. For example, traceability and certification of the product’s origin or quality have become selling points for many foods (“Real California Cheese” and “Certified Angus Beef” marketing campaigns both imply quality and traceability claims).

Branding an agricultural commodity allows producers to develop a reputation with consumers. Marketing adds value since it allows consumers to relate a particular brand with a quality standard or benefit that is important to them; by adding value to the product in the form of a brand, producers may be able to increase margins compared to the non-branded version of the commodity. Many agricultural commodities have used branding with varied amounts of success. For example, the pork, chicken, and beef industries have utilized a branded product (e.g., Tyson Selects, Certified Angus Beef) to attract consumers. A number of branded fruits and vegetables have appeared in the market. For example, Texas Ruby Red grapefruit, Vidalia sweet onions, and Kona coffee command premiums above commodity prices (e.g., Clemens, 2002; Major, 2004; Teuber, 2007) due to perceived or real differences highlighted by the commodity’s branding campaign.

For agriculture industries faced with competition or other marketing challenges, developing a certification may be an appropriate marketing tool. This publication focuses on three agricultural industries in the United States that have successfully developed and implemented a variation of a certification program to distinguish their product from the competition: Vidalia onions, South Dakota certified beef, and California olive oil. These case studies highlight the different avenues and administrative structures that may be used to create and manage agricultural certification programs. The successes and challenges faced by these programs provide valuable insight for industries considering a certification program of their own.

VIDALIA ONIONS
Overview
The Vidalia onion, a trademarked sweet onion grown in a specific region of Georgia, has long been known for its unique flavor. The onion is protected by both a state trademark and a federal marketing order, mostly due to the efforts of farmers who created several layers of protection in order to defend the value of the Vidalia name. While these layers of protection work together in the Vidalia program, it would be possible for another industry to create a certification program without the marketing order component of Vidalia’s program.

Program Development
While Vidalia onions were grown as early as the 1930s, Georgia farmers (as well as others mislabeling their onions in order to receive the Vidalia premium) used the name without legal representation for many decades. When several lawsuits ensued over the mislabeling of non-Vidalia onions, precedent was set that the Vidalia name was not protected, and area farmers united to protect the name and its brand recognition.

In 1986, the state of Georgia created the Vidalia Onion Act (see “Vidalia Onion Act” entry in References section for URL to full text), which created a state trademark for the term “Vidalia Onion” and restricted...
the production area of Vidalia onions to specific parts of a 20-county region within the state. Additional state-based rules and regulations also pertain to Vidalia onion production (see “Additional regulations applicable to Vidalia onions” entry in References section for URL to full text). This was an effort to stem the flood of onions produced elsewhere that were brought into Georgia and labeled “Vidalia.” Legal assistance in developing the trademark was provided by Dowell & Dowell, a law firm in Alexandria, VA, specializing in copyright law.

The Act allowed the Georgia Department of Agriculture to enforce the trademark and certification marks they hold (e.g., Figure 1) by making it illegal to “package, label, identify, or classify any onions for sale inside or outside [Georgia] as Vidalia onions or to use the term ‘Vidalia’ in connection with the labeling, packaging, classifying, or identifying of onions for sale inside or outside [Georgia] unless such onions are of the Vidalia onion variety and were grown in the Vidalia onion production area” (§§ 2-14-130-138, Vidalia Onion Act of 1986). Unfortunately, “the law does not preclude persons residing outside of Georgia from selling onions as Vidaslas that are not from the Vidalia production area” (Mixon et al., 1990, p. 145).

A state-based marketing order was proposed in 1987 to address the problem of out-of-state Vidalia sales. Unfortunately, the marketing order was not approved since Georgia marketing order regulations stipulate that “51% of growers representing at least 51% of production volume must vote in favor of the order” (Official Code of Georgia Annotated as cited in Mixon et al., 1990, p. 145). Forty-seven percent of Georgia’s Vidalia growers participated in the voting, and only 64% of these growers voted in favor of the referendum (Mixon et al., 1990).

Two years later, growers pursued a federal marketing order under federal regulations that stipulate “two-thirds of the growers or growers producing two-thirds of the volume of Vidalia onions [vote in favor of the referendum]... nonvoters do not impact the vote” (Mixon et al., 1990, p. 149). In 1989, the USDA’s Agricultural Marketing Service (AMS) created the Vidalia® Onion Committee with Marketing Order No. 955 (7 C.F.R. § 955, 1989; see “Vidalia onions grown in Georgia” entry in References section for URL to full text); 144 of the 146 voting Vidalia onion growers voted in favor of the order (Mixon et al., 1990). This marketing order gave the term Vidalia onion a federal definition (extending the protection of the use of “Vidalia onion”) and allowed the collection of a fee of $0.12 per 50 pounds for all Vidalia onions to fund research and promotion of the onion. While growers must apply for a free license with the Georgia Department of Agriculture, the Vidalia® Onion Committee is responsible for “assembling data on growing, harvesting, shipping and marketing of Vidalia onions” (7 C.F.R. § 955.31, 1989) as well as establishing quality standards and managing volume for a more consistent supply.

**Certification Process**

All producers and first handlers of Vidalia onions must register with the Georgia Department of Agriculture in the spring before planting occurs. A “handler” is “synonymous with shipper and means any person (except a common or contract carrier of Vidalia onions owned by another person) who handles Vidalia onions, or causes Vidalia onions to be handled” (7 C.F.R. § 955.6, 1989). Information is gathered from each handler to help ascertain correct production statistics, and proper assessments are collected. Once handlers have registered, they are billed assessments by the Vidalia® Onion Committee, which administers locally the federal marketing order, is regulated by USDA, and is responsible for the marketing and research aspects of the program. These assessments are mandatory for all Vidalia onion handlers. The quality standards set by the Vidalia® Onion Committee identify minimum grades, sizes, quality, and maturity, and set packing specifications for size, capacity, weight, and dimensions (Clemens, 2002). These quality standards help ensure the reputation of the Vi-

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2 Dowell & Dowell P.C.; Suite 406, 2111 Eisenhower Ave., Alexandria, VA 22314-4695; phone: (703) 415-2555.

3 Although farmers lobbied for the certification mark and the mark itself was obtained through producers’ efforts (the original term “Vidalia onion” was given up for the benefit of farmers by a local grocery store who initially owned the term), producers feared that without a neutral third party to oversee the use of the mark, individuals might use the mark for their own purposes. Thus, the legal ownership of the mark was turned over to the Georgia Department of Agriculture.
dalia onion for consumers. Handlers are allowed to sell Vidalia onions in the manner they see fit, so long as that manner is within the confines of the federal marketing order. Having signed a license agreement, the handlers may use the term “Vidalia” to describe their onions in the sale process. If the onions are utilized by a processor who wishes to advertise that a product contains Vidalia onions, however, the processor must pay a royalty fee, which helps cover enforcement costs.

Enforcement
With a branded product, enforcement can be a dual-sided effort. Wendy Brannen, Executive Director of the Vidalia® Onion Committee, has discovered that consumers are zealous advocates for their product. Consumers will often notify the Vidalia® Onion Committee through the Committee’s website when grocery stores mistakenly label other sweet onions as Vidalias. The Committee then immediately notifies the Georgia Department of Agriculture, who is responsible for regulating enforcement. A compliance officer from the Georgia Department of Agriculture explores the possible trademark infringement. This officer makes routine trips or spot visits to area markets/retail stores located both in- and out-of-state to check for advertising compliance. Bob Stafford is the current compliance officer for the state of Georgia. He notes that “violations come to you,” and while the compliance checking could be a full-time job, he usually gets tips from farmers or others involved in the trademark infringement, limiting the amount of first-hand compliance checking that must be done.

Usually the problem stems from lack of education rather than illegal intent. Informing store employees who may not know that “Vidalia” is a trademarked name is an important part of preserving the brand’s reputation. In addition to consumer awareness, the Vidalia® Onion Committee has a compliance officer who completes producer audits to certify that onions labeled with the Vidalia logo and/or name are indeed produced within the legal region of production within the confines of the federal marketing order and state of Georgia requirements.

The Vidalia® Onion Committee and state of Georgia are particularly aggressive in their protection of the Vidalia brand on packaging. These entities work in tandem to make sure that all packaging is correctly labeled with the trademark symbol and the words “trademark of the Georgia Department of Agriculture.” This specific labeling is part of the branding process and further certifies the state’s claim to the brand. Violators of the state statute face fines of $5,000 per violation (up to a maximum of $20,000), and each additional day is considered an additional violation (§ 2-14-135, Vidalia Onion Act of 1986).

Management and Administration
The Vidalia onion program is managed by two separate entities: the Vidalia® Onion Committee and the Georgia Department of Agriculture. The Vidalia® Onion Committee concentrates its efforts on marketing and research and the enforcement of these aspects. The Georgia Department of Agriculture focuses on production and certification of the crop and ensuing enforcement. No full-time employees in the Georgia Department of Agriculture work on the Vidalia project. However, several employees devote part of their time to the position, including the Director of Markets, who organizes the grower certification. A 16-member volunteer advisory panel comprising 14 growers, a manager/compliance investigator, and an Extension agent is responsible for selecting the approximately 20 varieties that will be certified Vidalia varieties during the upcoming growing season. Their recommendations for varieties, as well as standards for grade and size, are made to the current Commissioner of Agriculture for the Georgia Department of Agriculture. The Commissioner is responsible for final approval of variety and quality standards.

Financials
The Vidalia Onion Marketing Order’s objectives (research and promotion) are funded through the packer assessment, while royalty fees from the use of the Vidalia name are used to protect the name and enforce the trademark.

Value to Producers
A federal marketing order must be approved with a periodic vote of industry support. Vidalia onion growers have seen large benefits through the program and are quite supportive of it, despite the assessments they must pay. In 2008, 63% of retailers said Vidalias are worth paying a higher price, and 83% of retailers viewed Vidalias as the sweet onion category leader (Opinion Dynamics, 2008). Since 2008, the Vidalia onion marketing order program has continued to realize price premiums, according to Brannen.

Programs associated with a federal marketing order are required to undergo a periodic efficacy study. Vidalia’s efficacy study was completed in December of 2011 by an independent third party (Texas A&M University). While the results are not public record, results confirm that increases in sales and marketing efforts have resulted in increased consumer awareness and sales. During the past two years, Vidalia has increased its marketing efforts, developing its largest and most effective marketing plans to date. The program partnered with DreamWorks, Universal Music Group, and others to develop marketing promotions. For example, in July of 2011, the group launched a “Sweet Vidalias and Country Music” campaign that featured a jingle contest (Vidalia®
Onion Committee, 2011). These campaigns resulted in nationwide media attention for Vidalias.

**Value to Consumers**

A large fan base has developed for the Vidalia onion; two-thirds of respondents in a recent consumer survey claim they are “very familiar” with Vidalias, while three-quarters of consumers name Vidalia as their favorite sweet onion.

**Suggestions for Developing a Similar Program**

Brannen highlighted the importance of a representative for a branded product by noting that “someone has to be there [to answer consumer questions] when you have a branded product.” Additionally, Brannen stressed the importance of a unique characteristic for a successful branded product. After a product is available in the market, it is much more difficult to differentiate it from its competitors. The Vidalia was the first sweet onion marketed as such, and its branding was critical to maintaining a premium over the other sweet onions that appeared later.

Brannen had several suggestions for an industry contemplating a certification program or marketing order. Looking back on the Vidalia program, the Committee has identified several organizational features that would have been easier to implement at the program’s inception rather than after the fact:

- **Mandatory (rather than voluntary) inspections for growers/packers.** Since Committee revenues are collected on a per-unit basis, a mandatory inspection would allow the most accurate sales figures to be collected. These revenues are spent on Vidalia research and marketing efforts.

- **Packaging/branding standardization.** Using a standard box, bag, or other package for fresh Vidalias (along with the Committee’s Vidalia logo on the packaging) would allow for a consistent, uniform message to consumers. These requirements would be easier to incorporate from the start rather than retroactively.

Brannen also noted that she feels that the effectiveness of voluntary certification (in terms of premium involved) would be marginal without a strong marketing campaign. The product must be “sold” to consumers through education and awareness/marketing efforts.

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4 To avoid confusion, we use the term “beef” when referring to the processed meat product (e.g., steaks, hamburger) side of the certification and the term “cattle” to correspond to the live cattle side of the certification.

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**SOUTH DAKOTA CERTIFIED BEEF**

**Overview**

In an attempt to differentiate the state’s beef products, the South Dakota Department of Agriculture worked with the Governor’s Office of Economic Development to create the South Dakota Certified Beef Program in 2005 via a state statute (see “South Dakota Certified Beef Statute” entry in References section for URL to full text). Additional administrative regulations are also applicable to South Dakota Certified Beef (see “South Dakota Certified™ Beef Program, South Dakota Administrative Rules” entry in References section for URL to full text). This state-run certification program was the first of its kind (a certification program organized through a state agency) and had a substantial learning curve. The program was originally designed to produce a certified branded beef product for retail sale. Program developers soon recognized that the variations in quality due to management and production practices necessitated a corresponding live cattle certification in order to provide a certified input for the branded processed meat product. South Dakota producers also use the third party certification for live cattle raised within the state that are destined for other processing facilities and/or the export market.

**Program Development**

From initial discussion to implementation, the program was developed over a two-year period. As a campaign plank, gubernatorial candidate Mike Rounds suggested utilizing the state’s cattle resources to add value locally rather than shipping the livestock out of state for processing. Once elected governor, his office assigned the Department of Agriculture the task of developing a branded beef program. A general timeline and development tasks are shown in Figure 2. The Department of Agriculture worked with AgInfoLink, a private designer and developer of “secure, high quality, low-cost traceability tools for the world’s food supply” (AgInfoLink, 2008). AgInfoLink primarily served the livestock industry to provide electronic traceability systems, although they also offered crop traceability systems.

Kelly Rasmussen, the Agricultural Development Specialist with the governor’s office who assisted with the program development, believed the longest part of the development process was developing quality standards that all stakeholders could agree on. Program
developers utilized standards from other branded beef programs and took into account traceability issues for the beef standards, while the live cattle standards were developed using Beef Quality Assurance and FDA suggestions. In order to help streamline this process and provide stakeholder buy-in, a 13-member advisory group was developed, consisting of veterinarians and industry and university leaders. The members gave feedback and added credibility to both science- and industry-based standards.

Since the program was the first of its kind, there were many development costs that Rasmussen thought could be streamlined in a program being created today. One of the most expensive endeavors was securing a trademark, which she estimated cost approximately $100,000. The federal trademark was also registered in several overseas markets (Korea, Japan, and Taiwan). The program worked with attorney Dermot Horgan during the certification process. Excluding the international trademarks would reduce initial expenses. A state trademark, although considerably cheaper, was not seen as an option since it only provides protection within the state. In addition to developing the trademark, brand consulting was obtained to develop the proper image, website, and promotional materials for the program. Rasmussen estimated this cost approximately $100,000.

Current maintenance and administration costs are relatively inexpensive due to the program’s link to a state agency, which absorbs some of the expenses. One of the bonuses of having the program run by the state was that many aspects of the program were handled by employees who have other job duties, which makes the program run more cost-effectively. Another perk to the governmental umbrella is that, for many consumers, the government serves as an additional layer of third party verification that adds consumer confidence in the certification. Rasmussen felt that having an association or private entity develop the program could make the process “easier and cleaner” and cut expenses and development time since governmental agencies have more stakeholders that must buy in to the process.

**Certification Process**

Due to its nature, the program has two sets of certification regulations. The live animal certification process involves a variety of quality standards, including traceability (an electronic ear tagging system and record-keeping), production practice standards, and product standards (breed, age, and sex). The branded meat product has quality standards (marbling minimums) and processing standards (must utilize a quality enhancement technique). Meat from certified animals processed through a certified plant is eligible to be certified by the program and packaged with the South Dakota Certified label (Figure 3).

Before processors are allowed to slaughter cattle and brand the product as South Dakota Certified, they must attend mandatory training in addition to state- and federally mandated training. Once they have attended training, processors take a test and draft a process manual, which explains how they will follow compliance guidelines at their specific slaughter facility. Initial and annual inspections at each plant help verify compliance.

**Enforcement**

The South Dakota Certified Beef program has had few cases of mark misuse. Most cases have been simply honest mistakes where producers were unsure about the required specifications. In these cases, the program has used education methods to help prevent future errors. The statute, however, provides that legal action may be pursued; mark misrepresentation is considered a Class 6

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5 Dermot Horgan of IPHorgan; 1130 Lake Cook Rd., Suite #240, Buffalo Grove, IL 60089; phone: (847) 808-5500; http://www.iphorgan.com
felony. More often, violators may have their license suspended or revoked or specific animals may be marked ineligible if handlers are found in violation of the licensing agreement. Since producers have approximately $5 per head invested in each enrolled animal, the risk of disenrollment seems to be sufficient to encourage producers to abide by the guidelines. An annual random audit helps ensure participant compliance. Ten percent of current producers enrolled in the program are audited by state agriculture inspectors each year.

There have been several cases of mark misuse on the beef side of the program, but these incidents involved retailers mistakenly purchasing beef they believed to be from certified processors. Rather than pursue legal action, the program has preferred a “friendly neighbor” approach, contacting offenders to warn them of the possible implications if they continue the infringement.

Management and Administration
The program is headed by the South Dakota Department of Agriculture, which is responsible for the collection of enrollment and application fees, inspection and audits of licensees, and promotion of the branded meat product. The full-time program administrator, Sarah Jorgensen, Livestock Specialist at the South Dakota Department of Agriculture, provides program oversight and administration. Additional personnel involved in the program include a half-time clerical assistant, half-time data management specialist, and a half-time agriculture specialist, along with individual auditors. All are employed by the state. The state of South Dakota pays for promotional materials, drafts press releases, and cultivates smaller markets within the state. Ideally, the program would like to place marketing in the hands of the processors and producers.

Size and Financials
South Dakota’s beef industry includes approximately 15,000 producers. While 242 cattle producers within the state have been at one time licensed (eligible to enroll cattle in the program), 80 currently have cattle enrolled. As of December 7, 2011, 23 federally inspected meat processors exist within the state (USDA-FSIS, 2011). Five small, custom processors are currently enrolled in the program.

Jorgensen links the decline in participation on the beef producer side to complex paperwork requirements associated with program involvement. In response to these concerns, the state amended its rules in September of 2011 and implemented new software (ViewTrack) to streamline their complicated data management system (previously, participants and program managers were required to use three independent systems to coordinate data).

Funding for the program comes from $100 annual license fees for cattle producers and beef processors, $15 sampling fees for quality assurance audits (paid only by those who require initial quality testing), and $0.50 per head fees for enrolled cattle and transfer fees. Cattle destined for the South Dakota Certified Beef meat branded product also incur a $1 per head harvest fee.

The live cattle program is not currently self-sufficient; back-of-the-envelope calculations by the program’s administrators suggest that a critical mass of 200 producers, each enrolling approximately 400 cattle, would be necessary to reach self-sufficiency on the live cattle side. Currently five processors, smaller locker plants that process a few head per week, are involved in the branded beef side of the program. In addition to staff and administration costs, the program also pays ViewTrack an annual fee to maintain the program’s database. While the beef cattle side is also not self-sufficient, Rasmussen suggested that increasing license fees could make it so. There has been a suggestion from the industry that a per-head or per-pound license fee be charged rather than a flat fee because processors feel their fees should be linked to the amount of certified processing they engage in.

Jorgensen feels the challenge facing South Dakota Certified lies in the current bottleneck between the cattle and processed meat sides of the program. The program requires that meat sold as South Dakota Certified be processed within the state; however, there are no large-scale beef processing plants within the state. Many South Dakota Certified cattle are slaughtered across the state line. Thus, she feels beef producers are waiting to participate until a large packing plant is built within the state. Anecdotal evidence suggests this plant will be built in the future in Aberdeen (1,500 head/day capacity) and that most of the resulting product will be sold overseas.
Value to Producers
While live cattle certified through the program have seen $15 to $60 per head premiums when sold to the export market (certification may be seen as a “safety certification” by consumers in export markets), cattle sold for use in the South Dakota Certified beef program have not seen premiums. Depending on their market, producers may or may not see a financial return for utilizing the program. The added benefits of information, however, may still make the program a valuable decision. All carcass data from certified cattle must be reported back to all previous owners/handlers; this gives producers information that can be used to analyze their production decisions and management strategies.

Beef identified with the South Dakota Certified label is sold independently by each processor. While premiums and pricing strategies vary (some processors prefer to sell lower-quality cuts at commodity prices in order to move them more rapidly), the certification adds between $0.08 and $0.25 per pound to a steak sold for home preparation. Restaurants see $1 to $3 premiums per steak on the menu versus commodity steaks of similar size and/or USDA quality grade.

Producers can participate simultaneously in the South Dakota Certified and AgentSource process verified programs (PVP). Premiums of $15 to $45 per head resulting from the PVP have been reported, according to Jorgensen.

Value to Consumers
Shannon Kulseth, the previous Agricultural Products Certification Manager for the South Dakota Department of Agriculture, felt strongly that consumers want more information about their food—where it comes from, how it is made, and what quality they can be assured of. There seems to be little debate about the value of the retail branded beef product to consumers in the eyes of the program’s administrators.

Suggestions for Developing a Similar Program
After developing the program, Kulseth suggested that a new program begin by organizing the management with an ISO 9001 model since it puts a solid framework in place. She also suggested approaching the program development by asking a series of questions that first identify the product the industry wishes to create (Figure 4).

Currently, the lack of infrastructure and processing capacity has stilted the certified beef program’s growth; the state is now working to build a new cattle processing facility that will handle South Dakota Certified live cattle for sale as a branded beef product. The program has a difficult time fulfilling beef demand since the current processors cannot handle additional cattle. This suggests to us that the current infrastructure’s ability to absorb short-term expansion should be assessed prior to a program launch. Another important idea to keep in mind is that for a quality assurance program to work producers must be willing to change production practices and processors must be willing to shift their business model to meet the certification requirements. Without commitment from producers and processors, the program will not be successful.

To promote consumer confidence, Rasmussen highlighted the importance of the certification’s believability. Third-party verification adds consumer confidence; the South Dakota Certified program utilizes the USDA as an independent auditor. There are multiple auditing levels available. The Quality Systems Assessment (QSA) is the less expensive, less stringent version of the USDA’s Process Verified Program (PVP). The PVP does not create standards for a certification program; instead, they audit the program and its participants for compliance. The live cattle side of the South Dakota Certified program spent $20,000 for this level of auditing. The PVP provides training to assist certification programs with developing a manual that explains the program in greater detail and provides explicit instructions for its certification process. The USDA then uses this manual.

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**Figure 4.** Question flow chart to determine which products an industry might create along with necessary quality standards and certifications.

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The USDA provides third-party verification of marketing claims through their AgentSource Process Verified Program. South Dakota Certified’s program is process-verified; therefore, producers can use the USDA PVP certification in their marketing efforts. Currently, there are 35 livestock and seed PVPs and 18 poultry PVPs approved (USDA-AMS, 2012).
CALIFORNIA OLIVE OIL COUNCIL SEAL PROGRAM

Overview
Unlike the previous two industries, which used a government agency as a vehicle to create a quality assurance program, the California Olive Oil Council (COOC) is an independent, industry-driven agency certifying its industry’s production. Also unlike the previous two examples, the COOC certifies only a processed product—olive oil. In 1992, the COOC was established with three goals in mind for its certification program (COOC, 2012):

• To provide producers and marketers with a standardized method of grading their 100% California olive oil as extra virgin.
• To provide consumers with assurance that the oil they purchase is in fact extra virgin.
• To provide producers and marketers who meet the certification standard with a means of distinguishing their products in the marketplace.

The Council serves as a certifier for its members; olive oil is tested for both chemical composition and by a panel of tasters to ensure that it is “extra virgin.” If the tested oil meets COOC requirements, the producer is allowed to utilize the COOC certification label for that year’s production (Figure 5).

Program Development
In 1992, a small group of olive oil producers created the Northern California Olive Oil Council. At this time, olives were not commonly produced in the United States. The founding members believed that standards for olive oil quality should be set when the industry was still in its infancy, rather than waiting to create standards after the industry developed. They decided to use the International Olive Oil Council’s (IOOC) quality metrics for extra virgin olive oil when creating their own standards.

By 1995, more olives were being grown in the state, and the Council changed its name to the California Olive Oil Council to reflect this statewide growth (for a timeline, see Figure 6). The Council started certifying olive oils produced within the state as extra virgin in 1997. When the IOOC repositioned itself as the International Olive Council, it denied panel recognition to those panels not affiliated with a government or research agency. The COOC developed more stringent standards than the International Olive Council to certify its extra virgin olive oil after this repositioning.

Certification Process
Members of the COOC are required to test their oil for extra virgin grade. Originally, member testing was voluntary, but the Board believed that in order to maintain the credibility of the Council, mandatory testing was necessary. Member growers submit samples of olive oil to the Council, which means the COOC primarily relies on an honor system for sample traceability. The Council also conducts retail shelf tests of members’ products during the course of the year to test for quality compliance. In order to use the Council’s seal, production must pass a chemical analysis and a tasting panel’s assessment of grade (see “COOC Standards & Requirements 2011–2012” in the References section for URL to full text). It takes approximately three to four months to conduct the testing on oil samples; the majority of olives are harvested from October to January, and seal approval results are distributed to members within three weeks of assessment. If their oil passes for extra virgin grade, the member may use the seal on that year’s production. Members must also sign an affidavit that states that they will keep a paper trail allowing the traceability of oils back to the trees of production.

Enforcement
The COOC has no federal certification marks. Instead, the COOC’s seal is a copyrighted trademark of the association. The small size of the Council has made enforcement a difficult issue. One of the Board members, an attorney, investigates mark misuse and will write letters of reprimand to the offending olive oil producer.
Random audits are the primary enforcement technique utilized by the COOC. The Council conducts random audits of members’ production by purchasing bottles off retail shelves for both tasting panel and chemical testing. The members worked to write a Senate bill to solidify how the words “extra virgin olive oil” are used in labeling within the state. The Council hoped this would put more responsibility on the state’s Department of Agriculture to provide enforcement and regulation of the language used on California-produced olive oil labels. Prior to this bill passing, the Council could not stop olive oil producers from using the words “California Extra Virgin Olive Oil” on the label. The Council could only regulate the use of the COOC seal. In 2008, the University of California–Davis developed the UC Davis Olive Center. The Center worked with the COOC to “pass a law in California establishing olive oil grade standards and labeling requirements” (UC Davis, 2012). See “Food labeling: Olive oil” in references section for a URL to the full text of the associated Senate bill.

Management and Administration
The 13 board members of the COOC are volunteers from the California olive oil industry. In addition to a board, the Council consists of a president, vice president, secretary, treasurer, advisor, and an executive director, all volunteers. Panel tasters (22) also work on a volunteer basis.

The executive director, Patty Darragh, is the only full-time employee. Her primary duty is to promote and market California olive oils and organize events since the Council not only certifies olive oil but is involved in promotion through the hosting of meetings and events on topics pertinent to the industry. The COOC serves as a link between consumers and producers to provide education to all those interested in California-grown olives and olive oil. The seal program is overseen jointly by both the executive director and a part-time assistant. The COOC’s fees are used primarily for marketing and promotional activities. The Council attends approximately 27 marketing events annually (such as trade shows) and conducts education and outreach efforts aimed at retail establishments and food professionals. Three contract employees are hired to host these promotional events and information sessions when necessary. In addition, the Council represents the California olive oil industry at relevant stakeholder meetings (e.g., policy/legislative sessions, related industry association meetings).

Size and Financials
The COOC currently has 410 members representing 90% of California’s olive oil production (up from 355 members representing 80% of production in 2008). Of these members, most are growers, with the remainder representing universities, press, culinary arts programs, and service providers/processors. California produces 99% of the United States’ olive oil.

The Council’s funding comes primarily from grade certification fees and membership fees. Grade certification fees are charged for the assessment of olive oil by the taste panel and certification of the test results (to cover administrative costs associated with the assessment) and range from $125 to $225 per bottle sampled; two bottles per producer must be tested annually. Additionally, members are assessed lab fees directly by the laboratory conducting the quality testing. Membership fees are based on total oil production (gallons produced annually) and range from $125 to $225 per bottle sampled; two bottles per producer must be tested annually. Additionally, members are assessed lab fees directly by the laboratory conducting the quality testing. Membership fees are based on total oil production (gallons produced annually) and range from $200 to $3,000 annually, depending on membership level (up from $100 to $350 annually in 2008).

Value to Producers
While approximately 5% of members declined membership renewal after the Board’s decision to make member testing mandatory, Darragh feels the program is still valued by the member producers. No estimates have been developed for dollar premiums compared to
international olive oils, and since olive oil has not been produced elsewhere in the U.S. there are no close commodity comparisons. The information the assessment provides to its members, however, is a valuable asset to growers looking to improve their oil quality. The certification program’s value seems apparent: Non-California olive oil producers have requested that the Council certify their oils (currently, however, members must be California growers). Overall, Darragh feels growers are pleased to have a third party handling the certification details since this adds another level of credibility to their product.

**Value to Consumers**

Darragh feels that consumers are more interested in knowing where their food comes from. Seal certification helps identify the location and quality of the product they are purchasing. This certification helps maintain a quality standard for consumers.

**Suggestions for Developing a Similar Program**

Putting parameters in place while the industry is still small and looking to expand is perfect timing, Darragh noted. Communication about the current state of the industry and how it foresees its growth and advancement as an industry is also important.

**CONCLUSIONS**

Agricultural certification programs may be created using multiple avenues; the case studies presented in this publication have highlighted the variety of program development and administrative alternatives available. Parties interested in pursuing certification as a marketing strategy should consider their options given the specific situation and needs faced by their industry. As evidenced by these programs, a certification can be a successful way to add value to an agricultural commodity.

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**REFERENCES**


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