

# 2009/2010 ANNUAL REPORT

**Virginia Irish Potato Board**

**FY 2009 - 2010**

**Date Due: December 1, 2010**

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**I. 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.)

Irish 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 Virginia Potato and Vegetable Growers, Inc. The Board meets 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 Irish 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 enable 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 stores 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 is currently supporting research on the control of European corn borer, fertility, and weed and disease control. The Irish Potato Board benefits the industry by making funds available to specifically address these research areas.

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

Bruce Richardson  
Chairman

Butch Nottingham  
Program Manager

## II. BUDGET & FINANCES

A. Annual Budget (Appropriations):	
1. Major Object Code 12 (Services)	8,500.00
2. Major Object Code 14 (Prem. & Grants)	\$16,500.00
3. Major Object Code 15 (Rentals)	<u>    \$    0.00</u>
Total	\$25,000.00
B. Revenue:	
1. Irish Potato Excise Tax	\$12,000.00
2. Reimbursements and Contributions	<u>        0.00</u>
Total	12,000.00
C. Expenditures:	
1. Major Object Code 11 (Per Diem)	\$    0.00
2. Major Object Code 12	8500.00
3. Major Object Code 13 (Supplies)	0.00
4. Major Object Code 14 (Premiums and Grants)	16500.00
5. Major Object Code 15 (Rentals)	<u>        500.00</u>
Total	\$17,000.00
D. Other Categories	
1. None	0.00
E. Project Funding:	
1. Promotion	\$4,000.00
2. Education	000.00
3. Research	13,055.00
4. Administration	<u>        500.00</u>
Total	\$17,055.00

### III. RESEARCH, EDUCATION AND PROMOTION PROJECTS

A. Promotion		
1. Target Food Service/Terminal Markets/Repackers		\$ 0000.00
2.Chain StorePromotion		3,000.00
3. Potato Chip P/R Program		<u>1,000.00</u>
Total		\$4,000.00
B. Education		
1. Assoc. of Va. Pot. & Veg. Growers (Newsletter, Annual Report, Educational Meetings, etc.)	Total	\$ 00.00
C. Research		13055.00

**IV. Funding Level**

1. Cash Balance: June 30, 2009.....	\$ 28605.51
2. Excise Tax Receipts:	
July 1, 2005- June 30, 2006.....	+ 13605.79
3. Other Receipts:	
July 1, 2005 - June 30, 2006.....	+ 0.00
4. Total Balance & Receipts (1=2=3).....	= \$ 42,211.30
5. Deduct Total Actual Expenditures	
from VDACS financial analysis sheet.....	-12323.95
6. Cash Balance: 6/30/2007.....	= \$29887.35

***V. FY 2009 - 2010 Board Meeting Summary***

February 04, 2010

7:00 PM

Eastville, VA.

**Board Members Present**

Bruce Richardson, ***Chairman***  
Jimmy Holland, ***V-Chairman***  
Bruce Holland  
David Hickman  
David Long  
Bill Floyd  
Butch Nottingham, Program Director

**Board Members Absent**

Joe Black

VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

*Virginia Irish Potato Board*

P.O. Box 26, Onley, VA 23418  
Phone (757) 787-5867 Fax (757) 787-5973

**DATE:** 11/29/10

**TO:** Bruce Richardson

**FROM:** Butch Nottingham

**RE:** Written Annual Report

Bruce, enclosed is the Board 's annual report. Please sign page two and return the original to me in the enclosed envelope. You can keep the second copy for your records if you like. I will forward the original on to Richmond.

Thanks, Butch

