



Division of Agriculture Directive 2019-1



Effective Date: July 1, 2019

Subject: Alaska Grown Program

Purpose: To provide updated guidelines for management of the Alaska Grown program and to define eligibility criteria. This directive supersedes all previous Directives related to this program.

History: The Division launched the statewide Alaska Grown agriculture products certification program in 1986. Designed to highlight and promote agriculture and aquaculture products in the marketplace, the program continues to be a successful tool for the Division and Alaska's Agricultural industry.

Alaska Grown Logo: The Alaska Grown logo is registered both federally and within the State. It is circular with the yellow words "Alaska Grown" printed across a green map of the State of Alaska on a blue background. The perimeter of the Alaska Grown logo is rimmed with yellow and all features and letters are outlined in black. The designated shades of colors for the Alaska Grown logo are on file at the Division. Modification of the Alaska Grown logo or logo colors requires prior written approval from the Division.

Agricultural Product Permitted use: An Alaska Grown member may use or display the Alaska Grown logo, only if:

- (1) used or displayed for the direct promotion, marketing, or advertising of qualified Alaska Grown agricultural products offered for sale;
- (2) the Alaska Grown logo depiction was obtained directly from the Division.

Prohibitions: A person, business, or organization may not:

- (1) use the Alaska Grown logo if that person, business, or organization is not a current member in the Alaska Grown program.
- (2) use the Alaska Grown logo directly or indirectly for any partisan political purpose.

- (3) misrepresent the origin, quality, or Division approval of a product under the Alaska Grown certification program by means of mislabeling, deceptive packing, oral assertion, or by any other manner or use of the Alaska Grown logo.

Alaska Grown logo defense: It is the policy of the Division of Agriculture to defend the ownership and rights of the State of Alaska to the Alaska Grown Label. All necessary resources will be used to stop unauthorized uses of the Alaska Grown Logo.

Agricultural product application: A person seeking to use or display the Alaska Grown logo for the promotion, marketing, advertising, or sale of an agricultural product must submit a completed Alaska Grown membership application to the Division:

- (1) As a producer applicant; or,
- (2) As an associate applicant.

Alaska Grown Logo Agricultural Product License Agreement Categories and Fee Structure:

Products that qualify for certification under the Alaska Grown program include:

- (1) a vegetable or fruit of a quality that meets the established grade standards for the top two grades for the item; and which are grown for a minimum of 90 percent of its life cycle in the state. Those products not having USDA or state grades established will be evaluated based on commodity or industry association guidelines.
- (2) a seed harvested from a product meeting at least one of the requirements of this section;
- (3) a processed feed product with at least 75 percent of its ingredients being Alaska Grown;
- (4) livestock grown in the state for a minimum of 51 percent of its life;
- (5) an egg produced from poultry, while the poultry is in the state;
- (6) an apiculture product, such as honey, wax, comb, or pollen, produced while the bees are in the state;
- (7) an animal fiber produced from Alaska Grown livestock;
- (8) an imported live woody plant grown outdoors in the state for a minimum of two years and bearing a hangtag stating that the plant was not started in Alaska, and the location where the plant was acclimated;
- (9) a nursery or greenhouse plant, imported into the state as a rooted cutting or propagule and grown to a saleable product with at least 50 percent of its production time being within the state;
- (10) a plant, tree, grain, or grass grown to a finished product in the state; or
- (11) a byproduct or processed product with the principal ingredient meeting at least one of the requirements of this section. Water is not considered an ingredient under this section.
- (12) a maricultural product or an aquaculture product grown in captivity and under positive control in Alaska or in Alaska waters and following the requirements of this section.

Application Process Time: The Division will, within 60 business days of determining an application complete, notify the applicant in writing of the approval or denial of the application.

License Fee: No additional fee is required for uses covered as an Alaska Grown member.

Agriculture product license agreement: A product license agreement is hereby approved for use by all Alaska Grown members, subject to:

- (1) Current membership in the Alaska Grown program;
- (2) The member following the permitted uses on authorized or permitted products;
- (3) Display of the Alaska Grown membership number at the point of sale; and,
- (4) No prohibition of the use.

Promotional merchandise application: An Alaska Grown member, producer, or associate, seeking to use or display the Alaska Grown logo on promotional merchandise, must submit a completed promotional merchandise license agreement to the Division which can be found at: <http://buyalaskagrown.com/join/>.

Alaska Grown Logo Promotional Merchandise License Agreement Categories and Fee Structure:

License: For the purpose of promoting awareness of the Alaska Grown program, the Division may grant to each Licensee a limited, non-exclusive license to use the Division's Alaska Grown logo as depicted above in connection with the manufacture, distribution, and/or sale of the authorized Alaska Grown promotional merchandise items. Each merchandise item will be considered for licensing, but the Division of Agriculture reserves the right to restrict (deny applications) on any or all proposed merchandise items. The Division retains any rights not expressly granted herein.

- (1) License categories - During the calendar year, new license agreements will be approved in
- (2) the following two categories:
 - (A) An agricultural non-profit organization whose mission is to promote and support agriculture in the State of Alaska.
 - (B) A registered Alaska Grown member in good standing for use of the Alaska Grown logo along with their business name on the merchandise.
- (3) License Fee - Licensee agrees to pay a calendar year fee under the following guidelines:
 - (A) Agricultural non-profit organizations with baseline merchandise sales data, will pay a fee of 1 percent of the previous year's merchandise gross total sales.
 - (B) Agricultural non-profit organizations in their first year of merchandise sales will be charged \$100.
 - (C) Alaska Grown member organizations with baseline merchandise sales data, will pay a fee of 1.25 percent of the previous year's merchandise gross total sales.
 - (D) A separate charge of \$50.00 per standard logo use on each clothing merchandise line will be charged upon Division of Agriculture approval of proof.
 - (E) A separate charge of \$100.00 per specialty logo use on each clothing merchandise line will be charged upon Division of Agriculture approval of proof.

The application will include:

- (1) a statement explaining the intended use of the Alaska Grown logo;
- (2) a description or sample of the promotional merchandise to display the Alaska Grown logo;
- (3) a statement acknowledging that the state owns all rights and interests in the Alaska Grown logo;
- (4) upon request, any additional information, records, or samples reasonably necessary to support or clarify the application;
- (5) any fees due with the application; and,
- (6) the full legal name of the applicant. If the applicant is a business entity, the application must contain:
 - (A) the name of the corporation, partnership, association, or limited liability company;
 - (B) the names of its officers, members, and partners, as applicable;
 - (C) proof the business entity is authorized by and in good standing with the state;
 - (D) documentation validating the authority of the signatory to bind the entity.

Application Process Time: The Division will, within 60 business days of determining an application complete, notify the applicant in writing of the approval or denial of the application.

No rights before license agreement: The filing of an application does not in any way vest any right in the applicant to use or display the Alaska Grown logo pending issuance of a licensing agreement by the Division.

It is the licensee's responsibility to verify that a current license agreement is on file with the Division prior to using the Alaska Grown logo. The licensee must inform the Division of any change in mailing address or telephone number.

Promotional merchandise license agreement: Upon satisfactory review and approval of an application, the Division will issue a license agreement.

The license agreement will include language which states:

- (1) The license is non-transferable, non-assignable, and non-exclusive;
- (2) The license may be terminated by the Division for good cause;
- (3) The term of the license is for a period of one year.
- (4) The licensee shall only use its net proceeds from the sale of Alaska Grown promotional merchandise to promote or support their agricultural business or the state's agricultural industry;
- (5) The licensee shall maintain, for Division inspection, books and accounts of sales, transactions, expenses, costs, and expenditures relating to the production, sale, and distribution of Alaska Grown promotional merchandise, and the use of its net proceeds; and,
- (6) The licensee shall submit to the Division, on a quarterly basis, the accounts, and records reasonably necessary to support or clarify compliance with the license agreement, such as, but not limited to:
 - (A) Projected income and expense statements;
 - (B) Detailed financial and other accounting statements;

- (C) Financial statements prepared by a certified public accountant, at the licensee's expense; or,
- (D) tax returns.
- (7) Reports are due no later than 45 days after the end of each calendar year quarter. Failure to file two reports will result in suspension or revocation of the license agreement, as determined by the Director.
- (8) No additional merchandise may be purchased after the end date of the license agreement. Remaining approved inventory must be sold in one calendar year after the end of the license agreement.

It is the licensee's responsibility to verify that a current license agreement is on file with the Division prior to using the Alaska Grown logo. The licensee must inform the Division of any change in mailing address or telephone number.

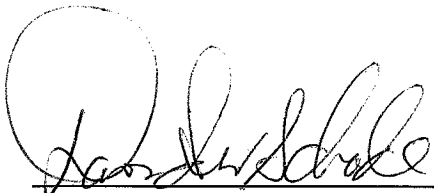
Definitions:

- (1) "active management" means involving personal effort, direct involvement, maintenance, and action to take charge or care of promoting the growth of a plant or animal and does not include the harvesting of wild products such as berries, berry like fruits, leaves, flowers, mushrooms, lichens, bark, branches, twigs, roots, and seeds;
- (2) "agricultural product" means a product produced by way of horticulture, dairying, livestock production, fur farming, apiculture, grain production, vegetable production, fruit production, and related forms of agriculture;
- (3) "agriculture" means the science, art, and business of producing crops, livestock, dairy, insects, agricultural products, or related byproducts through active management;
- (4) "animal fiber(s)" means a fiber harvested from livestock such as wool;
- (5) "apiculture" means beekeeping for the sale of honey, or related byproducts;
- (6) "byproduct" means a secondary commodity produced from an agricultural product;
- (7) "crops" means small grains, seeds, forages, fruits, vegetables, tubers, fungi, and other cultivated plants;
- (8) "director" means the director of the Division of Agriculture in the Department of Natural Resources or the director's authorized agent;
- (9) "Division" means the Division of Agriculture in the Alaska Department of Natural Resources;
- (10) "licensee" means an Alaska Grown member or a person or organization who has a valid license agreement with the Division to use the Alaska Grown logo;
- (11) "livestock" means domestic animals raised for agricultural purposes, excluding the breeding or training of horses;
- (12) "member" includes two types of memberships. "Producer Membership" refers to the person or business responsible for the cultivation of the eligible agricultural commodity. "Associate Membership" refers to any manufacturer, processor, distributor, retailer, farmers market, school organization, non-profit, value-added business, or any other eligible entity that is purchasing and supporting the Alaska Grown Producer members eligible agricultural commodities;

- (13) "mislabel" means the presence of a statement, design, logo, or device, upon a product, package, label, placard, or advertisement that in any way suggests, advertises, or promotes an agricultural product or promotional merchandise product as being connected to, approved by, or associated with the Alaska Grown certification program, when said product does not in every respect comply with this policy document;
- (14) "net proceeds" means the gross revenues from the sale of promotional merchandise, less cost of goods sold, and all reasonable and necessary direct expenses incurred by the licensee in connection with such sale;
- (15) "person" includes firm, corporation, company, association, cooperative, partnership or business combination of any nature, whether for profit or not-for profit;
- (16) "plant" means a whole or part of a plant, tree, shrub, vine, fruit, vegetable, seed, bulb, stolon, tuber, corm, pip, cutting, scion, bud, graft, or fruit pip;
- (17) "promotional merchandise" means merchandise approved by the Division for sale by authorized promotional merchandise licensees, such as clothing depicting the Alaska Grown logo, used to advertise or promote the recognition of the Alaska Grown program or Alaska Grown products;
- (18) "sold or sale" includes offering for sale, exposing for sale, having in possession for sale, exchanging, bartering, and trading; and,
- (19) "state" means the State of Alaska.

Authority: AS 03.05.010 (d)

Adopted:



David W. Schade, MPA
Director

June 27, 2019

Date