

News Release
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**California Raisin Marketing Order Ruled Invalid;
Fresno Law Office Defends Independent Raisin Growers**
Growers Producing New Varietals Contest Control of State Marketing Program

FRESNO, Calif. — The [Fresno office](#) of [Atkinson, Andelson, Loya, Ruud & Romo](#) (AALRR) claimed a huge victory for the California raisin industry earlier this week when a state Superior Court ruling challenged the authority of the California Raisin Marketing Board (CRMB). The court also determined that raisin growers are entitled to a \$5 million refund of an assessment held in an escrow account.

AALRR represented raisin grower Boghosian Raisin Packing Company, Inc., in a case that joined with two other raisin growers to take on the CRMB, which is operated by the State of California. The case has been closely watched by both farmers throughout California and the state Department of Food and Agriculture.

Their concern, according to AALRR Partner [Howard A. Sagaser](#), who has represented hundreds of farmers and agricultural organizations, was the power of the CRMB. The Board operates under an order of the Marketing Act, which addresses adverse economic conditions in the raisin-growing industry that are severe enough to threaten its continued viability. The court determined that there was no evidence of these types of adverse economic conditions.

“This is a big win for *all* California agriculture groups that have a state mandated marketing board, as well as for consumers, who will no longer have the cost of the assessments filtered down to them,” according to Sagaser.

California raisin growers did not want to be limited to growing one variety of raisins, as multiple varieties are used in products ranging from trail mix to baked goods to cereals, yet they were mandated to fund a marketing board that will only promote one variety of raisin in California. This impacts the raisin industry and ultimately the consumer.

Therein lies the issue in this case, where the CRMB and the Fresno-based Raisin Administrative Committee define California Raisins in their promotional materials as only being of the dark, bluish, sun-dried Thompson Seedless variety. The plaintiffs are two of the major producers of the light brown Fiesta and much darker Selma Pete variety raisins and contend that the advertising conducted by the CRMB is detrimental to, and disparages, other raisin varieties that are not natural Thompson Seedless sun-dried.

Raisins are the most popular dried fruit in the United States, accounting for about two-thirds of total dried fruit consumption. The fruit is primarily produced in California's San Joaquin Valley with a production value in excess of \$725 million in 2012.*

The CRMB is one of 51 such marketing boards authorized under the California Marketing Act of 1937 to provide agricultural producers and handlers "an organizational structure, operating under government sanction, which allows them to solve production and marketing problems collectively, that they could not address individually." Raisin growers are required to pay an assessed fee to participate in this effort.

Many Californians might be surprised to learn that sheep, strawberries, walnuts, wheat, tomatoes, dry beans, cut flowers, salmon, celery, and even *sea urchins* have their own marketing boards funded by the State. The raisin industry is also overseen by mandate of a federal marketing order administered by the Raisin Administrative Committee (RAC), which facilitates all the export advertising and marketing of California raisins.

About Atkinson, Andelson, Loya, Ruud & Romo

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* *Agricultural Marketing Resource Center*
www.agmrc.org