

Testimony
of
Christian R. Herr
Executive Vice President
PennAg Industries Association

Before the House Agriculture and Rural
Affairs Committee
Regarding
HB 2260

April 22, 2010

Thank you Chairman Hanna, Representative Houghton and members of the House Agriculture and Rural Affairs Committee for the opportunity to address the committee and provide insight into the Pennsylvania Preferred Program.

The Pennsylvania Preferred Program is a proud brand of distinction attributed to Pennsylvania produced and processed products.

The consumer is accustomed to looking for the trademark and equates it with a higher level of quality.

This is a program Pennsylvania can be proud of. With that said, there are several components of HB 2260 that we would like to see clarified and written in a definitive manner within the bill.

The first pertains to Section 4605. This section discusses issues of trademark license fee up to \$100 as well as reimbursement costs; procedures and fee intervals.

The language within this section does not specify for what length of time the trademark license is valid. Nor does it define the monetary limitations to revising the license fee.

By my interpretation of the bill and my knowledge of the program, I would assume the license fee is capped at \$100 and is valid for one year. With that said, it would be beneficial if Section 4605 would clarify the language to illustrate that intent.

The second item is the ambiguous language pertaining to costs for promotional activities. Is there any intention of asserting a surcharge on products sold using the Pennsylvania Preferred trademark? The bill does not reference this specifically however; I feel the question is valid based on the language in Section 4605 b. I would like to go on record stating that we do not support charges in excess of the license.

The last item that I would like to bring before the committee is Section 4610 and the 7 categories that the Pennsylvania Preferred Trademark is

applicable. The first 3 are straightforward but #4-#7 pertains to grocery stores, restaurants and distributors. Based on this, I am assuming they are included for the marketing component however it is somewhat confusing to interpret.

With this said, we do endorse the Pennsylvania Preferred Program and support the brand distinction it offers to Pennsylvania.

Thank you and I am happy to address any questions that the committee members may have.