



**COMMONWEALTH of VIRGINIA**  
**Virginia Tobacco Board**

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**Annual Report**

July 1, 2018 – June 30, 2019

**MISSION**

To plan and conduct campaigns of sales promotion, advertising, publicity, research, and education for the purpose of increasing the demand for and consumption of Virginia flue-cured tobacco.

**COMPOSITION OF THE BOARD**

The Virginia Tobacco Board is composed of nine tobacco producers who are appointed by the Governor. The Governor is guided in his appointments by recommendations of organizations that represent flue-cured tobacco producers. The members represent legislatively defined flue-cured tobacco producing areas in Virginia.

**FUNDING**

Program funding is derived from an excise tax that is paid by all flue-cured tobacco producers. The excise tax levy is 40 cents per hundred pounds of tobacco sold. This tax is collected by company receiving stations at the time tobacco is sold by producers, remitting payment to the board, which is responsible for ensuring that the tax has been properly collected and remitted.

**BOARD PROGRAMS**

**I. Market Development and Promotion**

The Virginia Tobacco Board, by contractual agreement, provided Tobacco Associates, Inc. with \$55,000 to be used in various market development and promotional projects. Tobacco Associates, Inc. is the U.S. Tobacco producers' promotional organization whose main objective is to promote U.S. flue-cured tobacco throughout the world. Tobacco Associates, Inc. is funded through producer assessments in all flue-cured tobacco producing states; in Virginia's case, by virtue of the appropriation of the board. Tobacco Associates, Inc. is governed by a producer-controlled board of directors with two members being from Virginia.

On behalf of U.S. growers, Tobacco Associates, Inc. conducted U.S. leaf utilization programs and leaf grading seminars in selected countries, hosted foreign customers and prospective clients, participated in trade fairs and exhibits worldwide, and informed producers and farm organizations concerning pertinent international tobacco market developments.

II. Research

The Virginia Tobacco Board funded four research projects on flue-cured tobacco, which were conducted by the Virginia Tech Southern Piedmont Agricultural Research and Extension Center. Funds available from the board enabled researchers and Virginia Cooperative Extension specialists to conduct timely tobacco production research in agronomy, entomology, and pathology.

III. Education

The Virginia Tobacco Board provided funding for the annual Flue-Cured Tobacco Production Guide, which was prepared and distributed by Virginia Cooperative Extension. This publication provides current information to producers on all aspects of flue-cured tobacco production. The board funded an exhibit during 2019 State Fair of Virginia, which educated visitors on flue-cured, dark-fired, and burley tobacco production. The board also made a donation to Virginia Agriculture in the Classroom.

**BRIGHT FLUE-CURED TOBACCO PROMOTION FUND FINANCIAL STATEMENT**

July 1, 2018 – June 30, 2019

Cash balance (June 30, 2018)	=	\$144,218.62
Excise Tax Receipts (July 1, 2018 – June 30, 2019)	+	\$156,167.79
Interest Earned	+	\$ 4,577.63
Actual Expenditures	-	\$145,403.60
- Marketing/Promotion		\$ 55,000.00
- Research		\$ 85,087.54
- Education		\$ 3,921.88
- Administrative		\$ 1,394.18
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Cash Balance (June 30, 2018)	=	\$159,560.44

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*This information is being provided in accordance with legislation passed in the 2012 Virginia General Assembly, which requires each commodity board to provide an annual report to its producers that pay an excise tax.*