# Third Party Registrations, Inc.

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Florida Fruit and Vegetable Association Southern Forest Nursery Management Cooperative Auburn, AL November 1, 2006

#### What is TPR??

- Service organization to benefit members of Florida Fruit & Vegetable Association
  - Organized and charted by the state of Florida in 1987
  - Incorporated as not-for-profit Corporation in 1989
    - Limits liability of shareholders if corporate veil were pierced

#### **How Does It Work??**

- Obtains Registrations through 24(c) Special Local Need section of the Federal Insecticide Fungicide and Rodenticide Act (FIFRA)
  - Obtains 24(c) for growers
  - Provides crop loss/damage liability and hold harmless protection to the registrant
- Provides protection to registrant in return for the right to register a product for a particular need

#### **Process:**

- Grower Identified Need / Market Survey to Determine Interest
- Lack of Registrant Interest
  - Margin of Safety
    - Crop Damage
    - Non Performance
    - Carry Over / Following Crop Injury
  - Costs of Registration
- TPR, Inc. Data Development and Registration Strategy
  - Determine status of registration
  - Determine R & D costs to obtain data for registration
  - Pre-registration agreements / establish protocols and begin testing

#### **Process:**

- Implement indemnification agreement between TPR and registrant
- Proceed with state registration
- Label Administration
  - Register other people's products
    - Assign and issue labels to those who signed indemnification agreements
  - Marketed/distributed via normal channels

## **Participation Requirements**

- FFVA Producer Membership
  - What TPR requires for access
- Signed Pre-registration Agreement
  - If investments must be used to obtain registration
- Signed Waiver and Limitation of Liability Agreement
  - Value to product access outweighs potential risks
- Possession of Time-Limited, Site-Specific, Acreage-Limited Label

# Indemnification and Label Agreements

- Based on Florida Contract Law
  - Florida law can impose liability independent of FIFRA
  - Limitations of implied warranties are authorized under Florida law (Fla. Stat. Section 672) and have been upheld (Monsanto v. Edenfield)
- Allows greater control and more protection to TPR, registrants and growers

# Minimizing Liability: Measures to Take

- Establish a separate corporation (this is under FL law)
- Eliminate representations as to the safety of effectiveness of the product
- Provide conspicuous written statements on the Waiver and Limitation of Liability Agreements, which limit liability for breach of warranty to refund of the purchase price
- Ensure that the user reads the disclaimer agreement as witnessed by his signature

### Waiver Agreement Provisions:

- Provide adequate warnings as to the risks associated with use of the product
- Obtain acknowledgement from the grower that they are aware of such risks and accepts them in return for the benefit of using a product that would otherwise not be available
  - Product is not "unreasonably dangerous"
- Communicate specific limitations on the remedy provisions to claims

## **Pre-registration Agreement**

- Agrees to participate financially in work necessary to pursue registration
- Sets projected costs and establishes a per acre fee
- Unused funds are refunded upon cancellation of the project or successful completion of registration

# **Indemnification to Primary Registrant**

- Gives TPR access to data necessary for registration
- Allows TPR to establish a tolerance
- Provides registrant protection from crop loss or damage as a result of use of the product
- Establishes responsibility for label with TPR

# **Grower Indemnification to TPR**

- Establishes right for grower to use product
  - Specific acreage and location during a specific timeframe
- Limits crop loss or damage to purchase price of the product
- Establishes and identifies the potential risks to crops
- No liability protection to grower for unauthorized use of the label

### **TPR Labels**

- All TPR, Inc. Labels revised summer 2006
  - Pursuit Herbicide on Lettuce
  - Dual Magnum Herbicide on Celery
  - Dual Magnum Herbicide on Pepper
  - Dual Magnum Herbicide on Head and Stem Brassica Subgroup Crops
  - Caparol on Parsley and Dill
  - Escort on Sod
- Revised Grower Waiver and Limitation of Liability Agreements
- New Notification Procedures FDACS and Distribution Chain

### Prometryn on Parsley/Dill

- No other compound registered to manage pigweed, crabgrass and lambsquarters
- Proposed tolerance of 0.75 ppm
- Small amount of work necessary
- Limited number of growers

### Prometryn on Parsley/Dill

- Pre-registration Agreement and First Assessment based on:
  - 1,200 acres
  - 7 individual growers
- Data Requirements:
  - Residue Trials
    - Sand and Muck
  - Label Development
    - Timing / Rates / Phytotoxicity

## Prometryn on Parsley/Dill

- Residue Trials
  - 2 Locations
    - Central Florida
    - Everglades Agricultural Area
  - 2 Types
    - Curly
    - Plain
- Data Established, Submitted, and Tolerance Approved

#### **Important Considerations**

- Waiver language clearly identifies protected parties
- Legal label users will be identified for the distribution chain through TPR's direct contact system
- TPR, Inc. will stand behind those growers who have properly executed the grower waiver and limitation of liability agreement
- Growers who obtain and use any of these products on TPR, Inc. covered crops outside of the TPR, Inc. process will not be covered by the specific liability limiting language found on TPR's labels