

CHRISTMAS TREE PROMOTION BOARD SPECIAL TELECONFERENCE BOARD MEETING

Wednesday, January 15, 2020

MINUTES

Welcome and Roll Call: The meeting was called to order at 11:10 a.m. Eastern time by Vice-Chair, Beth Walterscheidt.

Board Members in Attendance: Paul Battaglia, Roger Beyer, Jim Corliss, Beth Walterscheidt, Bob Schaefer, Gary Westlake and Mark Schmidlin, Charles Fowler, Derek Ahl, William Brawley and Chris Maciborski

Board Members Excused: Della Deal

USDA Representative in Attendance: Sue Coleman

Staff in Attendance: Marsha Gray, Cyndi Knudson and Jenny Tomaszewski

Guest(s) in Attendance: Frans Kok and Jeff Delyser, Auditor

Agenda:

Marsha Gray requested to add the December 2019 Financials under the finance report. No objection.

Meeting Minutes:

It was **MOVED** by Bob Schaefer and **SECONDED** by Roger Beyer to approve the September 19, 2019 meeting minutes as presented. **MOTION APPROVED.** It was **MOVED** by Jim Corliss and **SECONDED** by Roger Beyer to approve the October 15, 2019 meeting minutes as presented. **MOTION APPROVED.**

Committee Reports:

Finance:

2018/19 audit presentation by Jeff Delyser, an auditor with Propp, Christensen, Caniglia, LLP. Mr. Delyser reviewed the entire audit report noting at the bottom of page 1 that it is a clean opinion. It was **MOVED** by Jim Corliss and **SECONDED** by Roger Beyer to accept the audit as it was presented. **MOTION APPROVED.**

September 2019, October 2019, November 2019 and December 2019 financial reports were shared with the Board. Roger Beyer provided the Board an overview of the expenses for the December 2019 financial report. It was **MOVED** by Bob Schaefer and **SECONDED** by Gary Westlake to accept the year-to-date financial statement as presented. **MOTION APPROVED.**

Research: Cyndi Knudson reported:

- As of now, all research projects approved by the Board for the 2019-2020 grant cycle have contracts in place with the respective university, and work underway, except for 19-08-NCSU: A CRISPR Kit for Genome Engineering to Improve Christmas Trees. This contract is still being negotiated. The sticking point is that NCSU does not want to share ownership with the CTPB, of the intellectual property that may result from this project. Our Order does not allow us to give away the intellectual property that is developed during research projects that we fund. Dr Tom Gower, Forestry Dept Head, NCSU is working to see if there is any way to resolve this issue.
- We plan to maintain a schedule for the request for proposals and research grant proposal review and approval for 2020-2021, very similar to this past cycle. This puts the RFP going out in early to mid-May.
- Corrugated plastic signs have been distributed to all researchers currently or previously funded by the CTPB, stating that "This research is funded by the CTPB". Signs can be used at field days, winter meetings etc. We have also reminded researchers how important it is to acknowledge CTPB funds supporting their research. They are in complete agreement that Christmas tree producers value the checkoff funds that are used for research.

- To date from inception of the research program of the CTPB we have allocated and contracted over \$732,000 for research.

Industry Relations: Gary Westlake reported:

- In mid-December growers received a self-mailer that provided a campaign and research update for 2019. Two different self-mailers were created, one for payers and the other for exempt growers. The exempt grower self-mailer included a donation slip.
- Mr. Westlake shared that he had spoken with a production company regarding the research compilation video. He received a ball park price \$10,000 - \$15,000 for an 8-10 minute video.

Governance: Beth Walterscheidt reported:

- She will be appointing a small working team to review the make-up of the Board, as required by the Order to confirm that it fairly represents Christmas tree production and the quantity of imports.
- There will be an independent evaluation of the effectiveness of our program as required by the Order. Marsha Gray has begun looking for resources to create this report.
- The Governance Committee will be reviewing the CTPB Bylaws and Policies and Procedures to ensure that they are complimentary and in line with current USDA Guidelines.

Promotion: Paul Battaglia reported:

- Fleishman Hillard and Concept Farm will be joining us in Austin, Texas for our face-to-face Board meeting in February. Each company will provide us a detailed report of the 2019 campaign.
- Derek Ahl mentioned that the video was great, but it had no components of measure. In the 2018 video impressions were used as a unit of measure. Marsha Gray shared that they decided to not use impressions this year as it caused some confusion with growers. Those numbers are available and will be shared with the Board at the February meeting and with the industry in a written format.
- Chris Maciborski questioned if it was time to look at other agencies to see what others may propose. Paul Bataglia suggested having an independent consultant (i.e.: university professor) review the campaign and budget and provide an opinion on what value we are receiving. Marsha Gray indicated that it was very doable; however a more in-depth assessment would be forthcoming from the required independent evaluation. Discussion was held and Board agree to resume topic at the February Board meeting.

Compliance Committee: Marsha Gray provided an update on the 2019 compliance mailing:

- **1,689** pieces were mailed by FedEx or USPS all pieces were sent with a signature required.
- **228** names and addresses have been removed from the database because they were, out of business, deceased, retailer or no Christmas Tree industry connection.
- **3** pieces were refused.
- **84** pieces were received back for bad addresses These were also removed from the database, as an alternate address could not be located.
- **154** pieces were received back with a completed Exemption form.
- **12** payers have paid: **\$42,279.25** as of January 14, 2020.

Chris Maciborski reported that the grower compliance audit process has begun. 12 growers have been notified via mail; 5 in the Western region, 3 in the Central region and 4 in the Eastern region. The auditor will be contacting them to schedule a time to meet.

Industry Data Committee:

- Cyndi Knudson has been working with individual seedling suppliers in each growing region to design a short effective survey with terminology that will provide us with uniform, accurate information about the number of plugs, and bare root seedlings, as well as the tree species that are being sold for transplant into the field for Christmas trees. Also, numbers of seedlings and plugs sold for growing on in

the greenhouse, container, or bed will be assessed. We are identifying large seedling producers for survey and developing the survey that will be mailed to these producers. Results will be gathered by mail and by telephone interview. We will assure the seedling suppliers that all individual data will be held in the strictest confidence with only generalized numbers being reported to the Christmas tree industry.

- Sue Coleman shared that the USDA Census of Horticulture has been mailed out and for those required to respond the deadline is February 5, 2020.

Management Staff Updates: Marsha Gray reported:

- Marsha Gray and Gary Westlake will be attending and/or Skyping with as many of the State Association meetings as possible.
- Received the Importers report - Jenny Tomaszewski will be sending their reports out via email upon their confirmation. Imports from Canada are up this year.
- A major grower meeting will be taking place next week in Dallas, Texas. Gray will be attending.
- Marsha Gray has requested all Board members to let her know where they would like to serve or what area they are interested in serving.

New Business: No new business was presented.

USDA: Sue Coleman, USDA representative reported:

- USDA revised the AMS Guidelines on October 23, 2019, after receiving comments from all the boards. There were additional comments, so another revision was released on January 7, 2020, so the current version should have January 2020 on the cover.
- On Monday, February 10th, Sue Coleman, will provide an orientation presentation for the CTPB to learn more about your Act, Order, and the USDA guidelines. It is required for new members, but anyone is welcome to attend.

Board Officer Elections:

Beth Walterscheidt reported that they have received the slate of candidates from the Nominating Committee. Marsha Gray reviewed that the Bylaws and Board Member Election Procedure have some conflicts and will need to be addressed by the Governance Committee. The board proceeded with the board officer elections as follows:

Chairperson

Marsha Gray reported that the Nominating Committee recommended Beth Walterscheidt for Chairperson and there were no additional nominations. It was **MOVED** by Bob Schaefer and **SECONDED** by Mark Schmidlin to close nominations and cast an unanimous ballot for Beth Walterscheidt as Chairperson. **MOTION APPROVED.**

Vice-Chair

Beth Walterscheidt reported that the Nominating Committee recommended Roger Beyer as Vice Chair and there were no additional nominations. It was **MOVED** by Jim Corliss and **SECONDED** by Bob Schaefer to close nominations and cast an unanimous ballot for Roger Buyer as Vice-Chair. **MOTION APPROVED.**

Treasurer

Beth Walterscheidt reported that the Nominating Committee recommended Mark Schmidlin as Treasurer and there were no additional nominations. It was **MOVED** by Jim Corliss and **SECONDED** by Derek Ahl to close nominations and cast a unanimous ballot for Mark Schmidlin as Treasurer. **MOTION APPROVED.**

Secretary

Beth Walterscheidt reported that the Nominating Committee recommended Bob Schaefer as Secretary and there were no additional nominations. It was **MOVED** by Jim Corliss and **SECONDED** by Charles Fowler to close nominations and cast an unanimous ballot for Bob Schaefer as Secretary. **MOTION APPROVED.**

Announcements:

- Franz Kok asked for the number of payers in response to the 2019 compliance mailing, which was 12.
- Beth Walterscheidt thanked the Board for their confidence in her to serve as Chairperson. She requested members to contact her about their interest on which committee they would like to serve.

Meeting Schedule:

- Next In-person board meeting will be February 11, 2020 in Austin, Texas. We will be staying at the Crowne Plaza. On Tuesday evening, we will be meeting with the Texas board for dinner.
- Proposal for our Summer in-person board meeting to be July 23, 2020 in coordination with the Mid-America Association in Indiana. NCTA and Christmas Spirit Foundation will be meeting on the 23rd at the same location.

Adjourn:

It was **MOVED** by Bob Schaefer and **SECONDED** by Charles Fowler to adjourn the meeting at 1:17 p.m. Eastern time. **MOTION APPROVED.**

Respectfully Submitted,

Bob Schaefer
Secretary