

CHRISTMAS TREE PROMOTION BOARD

Board Meeting

April 15, 2021

Via Video Conference

Welcome and Roll Call: The meeting was called to order at 11:03 a.m. Eastern time by Chairman, Roger Beyer.

Board Members in Attendance: Mark Schmidlin, Derek Ahl, Gary Westlake, Charles Fowler, Jane Neubauer, Renee Campbell, Chuck Berry, Bob Schaefer, Roger Beyer, and Bill Brawley

Board Members not in Attendance: Mike Cocco and Larry Downey

USDA Representative(s) in Attendance: Sue Coleman and George Webster

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

Guest(s) in Attendance: Frans Kok

Agenda:

Roger Beyer requested the Promotion Committee report be moved before the Research Committee report.

Marsha Gray requested the addition of the March 29th email vote to be added under Meeting Minutes.

It was **MOVED** by Derek Ahl and **SECONDED** by Bob Schaefer to approve the Agenda as corrected. **MOTION APPROVED.**

Meeting Minutes:

It was **MOVED** by Charles Fowler and **SECONDED** by Bob Schaefer to approve March 18, 2021 Board meeting minutes as presented. **MOTION APPROVED.**

Mark Schmidlin mentioned a time error under "Meeting Schedule" - the meeting time should begin at 11:00 a.m., not 11:09 a.m.

It was **MOVED** by Derek Ahl and **SECONDED** by Chuck Berry to approve April 1, 2021 Board meeting minutes as corrected. **MOTION APPROVED.**

Marsha Gray reported that on March 29th, an email vote was conducted - the Promotion Committee requested an expenditure of \$21,000 from their current promotion budget to pay for preseason website work from Concept Farm. The allocated funds will be spent before July 31st.

Vote favorable: 10 yes, 0 no votes and 2 abstentions.

It was **MOVED** Bob Schaefer and **SECONDED** by Gary Westlake to approve the email vote from March 29th as it was presented. **MOTION APPROVED.**

Committee Reports

Finance – Bob Schaefer reported

- Schaefer shared a brief overview of the March 2021 financial statement. Schaefer pointed out a couple of line items with zero expenditures to date.

It was **MOVED** by Charles Fowler and **SECONDED** by Chuck Berry to accept the March 2021 Financials as presented. **MOTION APPROVED.**

- Bob Schaefer and Marsha Gray provided an overview of the 2021-2022 Fiscal Year Budget as recommended by the Finance Committee.
- Mark Schmidlin requested that in the future, when providing a fiscal year budget that it includes the actual expenses and income from the prior year.

It was **MOVED** by Derek Ahl and **SECONDED** by Bill Brawley to approve the 2021-2022 Fiscal Year Budget as

presented. **MOTION APPROVED.**

Promotion – Bill Brawley

- Jane Neubauer provided an overview of the two Consumer Research proposals from Fleishman Hillard. The Promotion Committee is recommending proposal 2 that includes:
 - Phase 1 - 2021 Message Testing Survey:
 - Consumer Survey – conduct an online survey with 1,500 adults.
 - Consumer Message Testing – track year-to-year demand, measure the number of converts from 2020, and how many are at risk of reverting to artificial trees. 12-minute questionnaire.
 - Phase 1 total: \$32,000.
 - Phase 2 - Online Discussion Board:
 - three-day chat, qualitative research, convert group. Get in-depth information or feedback.
 - Phase 2 total: \$30,000.
- Marsha Gray provided an overview of the current budget and the availability of funds for the project.
- Board discussion on the demographic make-up of the focus group and survey. Board also discussed the recurring trend data for the survey.
- Derek Ahl was excused from meeting at 11:44 am.

It was **MOVED** by Chuck Berry and **SECONDED** by Gary Westlake to accept proposal 2; 1,500 participants for the survey and 24 individuals on the discussion board for \$62,000. **MOTION APPROVED.**

It was **MOVED** by Bob Schaefer and **SECONDED** by Mark Schmidlin to amend the current budget by reducing Promotion Campaign by \$21,500, Promotion Planning by \$5,000, Board Meetings by \$32,000, and Education by \$3,500 and increasing the Research – Market Development budget by \$62,000 to cover the consumer research proposal. **MOTION APPROVED.**

- Bill Brawley reported that the Promotion Committee would like to accept proposals from new agencies for the 2022 campaign. The Committee suggests that the Board consider a policy to entertain proposals every five years.

It was **MOVED** by Bill Brawley and **SECONDED** by Charles Fowler to move forward with an RFP process for the 2022 Campaign, including current and new agencies.

Discussion: Roger Beyer suggested a timeline for the RFP processes, have proposals returned to the Board sometime in August. The Committee or the Board will evaluate the proposals sometime in September. Interviews will be held at the Board's in-person meeting in January. Following the meeting, a decision will be made by the end of January.

MOTION APPROVED.

- Brawley shared that Chuck Tombs with Oregon State University would like to move forward with a "Holiday App." This app would provide augmented reality (AR), a tree diagram placed in different environments - It allows you to visualize what size tree would work in your space. The Committee is interested and wants the app to link to CTPB Retail Locator and has asked Toombs to provide a detailed proposal of deliverables and cost.
- Promotion Committee has identified two working groups. These working groups will help offer suggestions to Fleishman Hillard and Concept Farm. The two groups are a Social Media Team and a Wholesale Grower Advisory Team.

Research – Mark Schmidlin and Cyndi Knudson reported

- The Seedling Survey is finished and published. The survey has been emailed to the Board, the Research Committee, and all nurseries who received the survey to complete it. Next, an e-newsletter will be sent with a link for growers to visit the survey data on the website. Also, working on articles for the different Trade Journals as their deadlines arise.
- The Research Portal is actively in development.

- Research Topic Survey received about 150 responses. Survey results have been compiled and are being sent out to the Researchers. The Research Committee will receive the responses before the RFP process begins.
- The Research Committee is looking to begin the RFP process on May 1st as long as USDA has approved the budget.

Industry Relations – Gary Westlake reported

- The Committee met on March 25th – they discussed the merits of the survey that the Promotion Committee approved.
- The Committee continues to discuss grower and assessment payer engagement and the best way to get the CTPB message out.
- The Industry Relations Committee has been invited to attend a presentation of “How Green Is Your Tree” by Bert Cregg on April 20th. Marsha Gray shared the Industry Relations Committee, Promotion Committee, Research Committee, and the Board are all welcome to attend this Zoom presentation.

Governance – Charles Fowler reported

- The Governance Committee continues to communicate via email. Once the Committee has come to an agreement, they will submit a written report to the Board.
- Roger Beyer asked Charles Fowler if the Committee would include a timeline for revisiting RFP’s specifically for the Promotion Committee in the Policy and Procedure manual at their next meeting.

Compliance Committee – Marsha Gray reported for Derek Ahl

- The contract with Jason Hanselmen has been signed. Hanselmen has begun making phone calls to those growers who haven’t submitted their 2020 assessment.
- Ten producers have been selected for audit and have received notification. Auditor Jim Lantz will be reaching out to these individual producers to schedule their audit.
- The remaining audit that was turned over to USDA will be completed by the Auditor, Jim Lantz.
- Gray shared that a decision has not been made regarding the emergency meeting for the US Customs database addition. The Pecan Board is pending a final decision.

Management Staff Update – Marsha Gray reported

- Assessment Collection – A brief overview of the assessment collection report was provided. As of April 14th, a total of \$1,635,993.63 has been received.
- Gray shared that the new website hosting and website migration is completed through Firefall. Firefall is interested in developing an online payment system. Gray is currently looking for the right team to create the ideal design.

Old Business

- Bob Schaefer reported on his discussions regarding the Voice of the Industry with the president of the NCTA, Dugald Kell. The two organizations have different focuses. NCTA relies on the CTPB to provide funding for this service. Schaefer and his Committee are recommending that CTPB no longer fund this activity with NCTA and be prepared to field more calls in the CTPB office.
- Marsha Gray shared that if the CTPB decides not to fund this project, the NCTA could still do the Voice of the Industry on their own. Over the past five years, the CTPB is becoming more of a go-to source for media.
- Roger Beyer requested that Marsha Gray prepare a plan for the \$14,000 and how the CTPB will handle this new responsibility for the coming 2021 harvest season. Beyer would like to keep the subcommittee active to help assist in the planning process.

New Business – no new items to report.

USDA – Sue Coleman had no new items to report.

Announcements/For the Good of the Order –

- Frans Kok inquired about the cost-benefit analysis on the \$50,000 of compliance and auditing – shared that by his calculations, they would need to find additional 350,000 trees that were not reported to make the program break even. Marsha Gray shared that when the auditor visits a farm, he conducts an audit on all years, not just the current assessment year. Last year the CTPB received more money in assessment collections from these efforts than was spent.
- Franks Kok asked the Board how many trees were sold in the 2020 harvest season - stating that the CTPB should create a system on how to collect those numbers. Board discussion on all the variables that play a role in determining the actual number of trees harvested in a given harvest season.
- Mark Schmidlin shared a few thoughts regarding the tagline, “It’s Christmas Keep It Real,” and would like to reflect on taking it to the next level. “It’s Christmas Keep It Real Because Your Family Deserves the Best.”

Meeting Schedule

- The next Board Meeting will be held on May 20, 2021, at 11:00 a.m. Eastern time.

Adjourn:

It was **MOVED** by Bob Schaefer and **SECONDED** by Gary Westlake to adjourn the meeting. **MOTION APPROVED.**

Chairman Roger Beyer adjourned the meeting at 1:03 p.m. Eastern time.

Respectfully Submitted,

Gary Westlake
Secretary