

REAL CHRISTMAS TREE BOARD

BOARD MEETING

January 12, 2023

Via Video Conference

Welcome and Roll Call: The meeting was called to order at 11:00 a.m. Eastern Standard time by Chairman, Roger Beyer.

Board Members in Attendance: Chuck Berry, Bob Schaefer, Roger Beyer, Jane Neubauer, Mark Schmidlin, Mike Cocco, Renee Beutell, Derek Ahl, Gary Westlake, Charles Fowler, Larry Downey, and Mike Jones

USDA Representative(s) in Attendance: George Webster

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

Guests in Attendance: David Cartner, Bill Brawley, Sam Cartner

Agenda:

It was **MOVED** by Chuck Berry and **SECONDED** by Bob Schaefer to approve the agenda as presented. **MOTION APPROVED.**

Meeting Minutes:

Roger Beyer requested a change under Management Staff Update – regarding the transition of management of the NFPA conference to NCTA, last line, change to “The Real Christmas Tree Board will entertain providing funds up to \$7,000 as requested by the NCTA.”

Jane Neubauer requested a change under the For the Good of the Order, remove the word “all.” “The committee is working hard to include Spanish in promotions.”

It was **MOVED** by Charles Fowler and **SECONDED** by Larry Downey to approve the September 7, 2022, Board meeting minutes as corrected. **MOTION APPROVED.**

It was **MOVED** by Bob Schaefer and **SECONDED** by Derek Ahl to approve the September 21, 2022, Executive Committee meeting minutes as presented. **MOTION APPROVED.**

It was **MOVED** by Charles Fowler and **SECONDED** by Bob Schaefer to approve the September 26, 2022, Executive Committee meeting minutes as presented. **MOTION APPROVED.**

It was **MOVED** by Bob Schaefer and **SECONDED** by Larry Downey to approve the October 13, 2022, Board meeting minutes as presented. **MOTION APPROVED.**

Nominations Committee Report and Election of Officers:

Roger Beyer stated that the Nominations Committee of Charles Fowler, Jane Neubauer, and Roger Beyer met and is recommending the following slate of officers for 2023: Chairman – Derek Ahl, Vice-Chairman - Gary Westlake, Treasurer - Bob Schaefer, Secretary – Chuck Berry.

Chairperson – The Nominations Committee recommended Derek Ahl. George Webster asked if Derek Ahl accepts this nomination, and Ahl accepted. Webster asked three times for any additional nominations. There were none.

It was **MOVED** by Roger Beyer and **SECONDED** by Bob Schaefer to close nominations and cast a unanimous ballot for Derek Ahl for the Chairman position. **MOTION APPROVED.**

Vice-Chairperson – The Nominations Committee recommended Gary Westlake. George Webster asked Gary Westlake if he accepts this nomination, and Westlake accepted. Webster asked three times for any additional nominations. There were none.

It was **MOVED** by Charles Fowler and **SECONDED** by Roger Beyer to close nominations and cast a unanimous ballot for Gary Westlake for the Vice-Chairman position. **MOTION APPROVED.**

Treasurer – The Nominations Committee recommended Bob Schaefer. George Webster asked Bob Schaefer if he accepts this nomination, and Schaefer accepted. Webster asked three times for any additional nominations. There were none.

It was **MOVED** by Chuck Berry and **SECONDED** by Renee Beutell to close nominations and cast a unanimous ballot for Bob Schaefer for the Treasurer position. **MOTION APPROVED.**

Secretary - The Nominations Committee recommended Chuck Berry. George Webster asked Chuck Berry if he accepts this nomination, and Berry accepted. Webster asked three times for any additional nominations. There were none.

It was **MOVED** by Gary Westlake and **SECONDED** by Jane Neubauer to close nominations and cast a unanimous ballot for Chuck Berry for the Secretary position. **MOTION APPROVED.**

Derek Ahl thanked Roger Beyer for his time and dedication to the Chairman position.

Committee Reports

Finance Committee – Bob Schaefer reported

- Schaefer provided a brief overview of the August 2022, September 2022, October 2022, November 2022, and December 2022 financials.
- Schaefer pointed out in the August 2022 report that the beginning balance for the fiscal year was \$1,936,906.76. Also, in the August 2022 report, Schaefer reviewed the percentage of budget column. In the December 2022 report, Schaefer reviewed various expense categories and how the percentage of budget varies based on when expenses are incurred during the fiscal year. Only the management fee is paid in an equal installment each month.
- Marsha Gray reminded Board members that there would be a new member orientation at the Portland, OR, meeting, where there will be a full review of the financials.

It was **MOVED** by Roger Beyer and **SECONDED** by Mark Schmidlin to accept August 2022, September 2022, October 2022, November 2022, and December 2022 financials as they were presented. **MOTION APPROVED.**

Research Committee – Mark Schmidlin and Cyndi Knudson reported

- Research contracts have been approved by USDA and signed. The new Research Extension Agent at Washington State University, Molly Darr, started in October. Darr plans to attend the February Pacific Northwest Association meeting in Portland, OR.
- USDA has approved the Seedling Survey. Next week, the survey will be sent out to the seedling suppliers.
- The Research Library is up to date on the website - awaiting a couple of reports from Researchers. Knudson stated that Researchers don't get their final payment until their final report has been submitted.
- Knudson is working on editing video clips from various researchers.
- Schmidlin asked Knudson if Molly Darr would attend the RCTB in-person meeting in February - Knudson stated that she would attend the PNW meeting, but not the RCTB meeting. Board asked staff to invite her to the board dinner on Thursday, February 16.
- Knudson shared that new research "funded by" signs are being produced and mailed to researchers to place in the field.

Industry Relations Committee – Gary Westlake and Marsha Gray reported

- **Winter Meeting Presentation Schedule** – Marsha Gray recapped what the Industry Relations Committee does for guests and new Board members. Gray will be attending the Indiana/Illinois Association Meeting on January 28, Wisconsin Association Meeting on January 29 and 30, the Pennsylvania Association Meeting on February 9 and 10, the Pacific Northwest Association on February 17, the North Carolina Association Meeting on February 23 and 24, the Ohio Association Meeting on February 25, the Michigan Association Meeting on March 3, and tentatively Minnesota Association Meeting on March 10 and 11. Gray has received invitations for West Virginia and Kansas, which will be

pre-recorded or by Zoom. No invitation has been received from New York or Connecticut. Gray requested Board members to let her know if any additional Association meetings are taking place that she is unaware of. Gray would like to attend a California Association meeting and has connected with Mike Cocco and Paul Battaglia. Gray shared that it is appreciated when Board members are interested in speaking at some of these meetings.

- Marsha Gray shared that new Board member name tags will be made with the new logo and should be ready for the February meeting.
- The Industry Relations Committee plans to meet before the in-person meeting in February.

Governance Committee – Charles Fowler reported that the Committee would meet before the in-person meeting in February.

Compliance Committee – Derek Ahl and Marsha Gray Reported

- Gray shared that this Fall, the Compliance Committee did a trial hire of two different persons, John Johnson, who has extensive commodity and USDA experience, and Jamie Hanselman, the sister of former Compliance Officer Jason Hanselman. Both individuals are following up on leads provided by staff. Gray would like a little time to regroup before the February meeting to decide if the Compliance Committee would like to request an extension for their current contracts.
- At the February meeting, the Compliance Committee plans to submit a request to renew a contract with the current auditor, James Lantz.

Promotion Committee – Jane Neubauer

- Jane Neubauer, Derek Ahl, and other members thanked Bill Brawley for all his hard work and dedication to the Promotion Committee. Jane Neubauer also thanked Marsha Gray for her commitment to the Real Christmas Tree Board.
- Derek Ahl noted that he would send an email requesting Board members to rank which Committee(s) they would like to serve on.

Members from FleishmanHillard joined the meeting, John Armato, Jake Ferguson, and Gabby Hawley (formerly Goyette).

- a. **Highlights of the 2022 RCTB Campaign from Fleishman Hillard** – John Armato provided a detailed PowerPoint presentation of the highlights from this year's 2022 campaign.

After their presentation, John Armato, Jake Ferguson, and Gabby Hawley left the meeting.

- Bill Brawley thanked Jane Neubauer for her kind words and Marsha Gray for her dedication to the Board.

Management Staff Update – Marsha Gray reported

- a. **Assessment Collection** – A brief overview of the assessment collection report was provided. As of January 11, 2023, a total of \$295,086.00 has been received.
 - Roger Beyer noted that there seems to be a miscalculation with the Washington state numbers. Jenny Tomaszewski will review and provide an updated Assessment Collection report via email to the Board.
 - Renee Beutell requested a year-end Assessment Collection report from the 2021 harvest. Marsha Gray will email her that final copy.
- b. **Update on Online Reporting and Payment System** – Marsha Gray shared that she has communicated with Stephen Mortimore with Fishhook Development, LLC. Fishhook Development is the company that created the Pecan Board online reporting/payment system and database. Mortimore has assembled a proposal to include a new database and an online entry system. This would consist of payers and exempt growers. The grower would log in yearly to their secured data record, complete their yearly form, and make a payment if required. Gray shared that she met with Pinnacle Bank to discuss the payment process. USDA will allow the Board to take credit card payments as long as they feel the e-commerce system is up to USDA standards. There will likely be a processing fee between 2 and 3%.

The Board could choose to accept this cost or pass the fee on to the payer. Another option is electronic bank transfer (ACH) which has a minimal cost. Gray has a follow-up meeting scheduled with Fishhook next week and will also schedule a meeting between Fishhook and Pinnacle Bank.

Following the meeting, Gray will send the board a proposal for the \$32,000 quote. This quote includes the online database and video training. The e-commerce site fees would be separate. This is not the final cost, but it will be the bulk of it. Gray has requested that one or two board members attend these development meetings.

- Renee Beutell asked where the funds would come from. Gray reminded the Board of the \$70,000 previously earmarked from RCTB reserves to get into the US Customs computer system. US Customs is working on a new computer system, and it is anticipated that the RCTB will be included in that system in Spring 2023. Because there should not be a charge to open and access the old computer system at customs, those funds could be allocated to create this new online payment system.
- Roger Beyer asked if the mid-December assessment mailing sent via mail to Growers would still happen yearly. Gray shared that she believes it should still be mailed as a reminder to growers.

New Business: No new items to report.

USDA – George Webster reported

- a. Meeting on HTS codes for imported Christmas trees** – On December 15th USDA held a webinar on HTS and how data is collected at the border. During the meeting, John Veley, the Director of Trade Systems at AMS, shared that US Customs has begun writing up some collection information for Christmas Trees and the Pecan Board on how the system will operate.
 - The Federal Trade Commission is seeking public comment on the guides for using Environmental Marketing Claims. Their guidelines were last updated in 2012. The FTC is hoping to get public opinions on terms including sustainable, recyclable, degradable, and ozone safe. Public comment will remain open until February 21, 2023. If the Board chooses to comment, AMS-USDA must review and approve it. However, as an individual, you could comment.
 - NASS (National Agricultural Statistics Service) – 2022 Census of Agricultural survey is due February 6, 2023. Webster encouraged the producers to fill it out as it is crucial for USDA's work in agriculture.
 - On November 9, 2022, USDA received a FOIA (Freedom of Information Act); the request was for data showing how many live Christmas trees were purchased in Idaho in the year 2019-2022. The Board does not have sales records, therefore provided assessment details on how many persons are eligible in Idaho and how many they reported harvesting in those years. On December 16, 2022, the AMS FOIA office sent the final letter and closed the request.
 - Webster shared that the Marketing Develop Division recently hired five new specialists.
 - Bob Schaefer asked if the NASS, Census of Agricultural survey is emailed or mailed. Webster shared that he believed that it was mailed but would double-check. Roger Beyer stated they sent out a postcard that can be completed online.
 - Gary Westlake asked if USDA had concluded if the word "Fake" could be used. Webster stated that USDA's current stance is that the term is disparaging and has a negative connotation. Westlake has requested a response in writing from USDA.

For the Good of the Order/Announcements:

- David Cartner shared that a Trees for Troops logo was displayed in the back of a new Ford pick-up truck during a TV advertisement and wanted to know who created the ad. Marsha Gray shared that Trees for Troops was asked by a connection at Ford marketing to use their logo. There was no cost for Trees for Troops. Gray commented that the discussion of auto companies and others using real Christmas trees in their advertising takes place almost every year with our agencies.
- David Cartner would like to be invited to the next meeting.
- Sam Cartner thanked the Board for all their work. Cartner asked Marsha Gray for a complete list of all Winter Association meetings.
- Bob Schaefer recommended that the Board watch the newly released movie Spirited. It has received some traction from the major growers. Schaefer suggested watching a short clip on YouTube. Marsha Gray will provide the Board with a link to watch via email.
- Roger Beyer thanked the Board for allowing him to serve as Chairman for the last two years.

- Marsha Gray provided her personal feedback about the movie Spirited.
- Mark Schmidlin stated that in a previous meeting, it was suggested that the local State Associations have a direct link to the RCTB website. It hasn't been completed in the Northwest yet and is in the process of being added. Schmidlin also asked for the details of the Retail Locator and how it was received this year. Gray shared that there were more retailer listings than last year. Jenny Tomaszewski shared that there were over 400 new listings.
- Mike Cocco shared that Channel 5 Prime Time out of California and Climate Magazine both visited his retail lot to do an interview.

Meeting Schedule:

- a. **Future Meeting Schedule** – The Board will revisit this at the in-person February meeting.
- b. **In-person Meeting** – February 16, 2023, Portland, OR. Board members should plan to arrive on Wednesday, February 15, in time to attend dinner. Thursday, February 16, will be a long day of meetings, and Thursday evening, the Board will have dinner with the Pacific Northwest Association Board. Board members are encouraged to stay Friday, February 17, for the PNW Association meeting. Board members should email Jenny Tomaszewski with their travel information so she can secure hotel arrangements.
- c. **Summer In-person Meeting** – Consideration of Minnesota meeting August 4-5 (NCTA Tree and Wreath Contest). The Board will revisit this at the February meeting.

Adjourn:

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

Chairman Derek Ahl adjourned the meeting at 1:20 p.m. Eastern Standard time.

Respectfully Submitted,

Chuck Berry
Secretary