

REAL CHRISTMAS TREE BOARD

BOARD MEETING

June 15, 2023

Via Video Conference

Welcome and Roll Call: The meeting was called to order at 11:01 a.m. Eastern Time by Chairman, Derek Ahl.

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

Board Members Not in Attendance: Gary Westlake and Charles Fowler

USDA Representative(s) in Attendance: George Webster

Staff in Attendance: Marsha Gray and Jenny Tomaszewski

Agenda:

Renee Beutell's name is misspelled under the Compliance report.

It was **MOVED** by Chuck Berry and **SECONDED** by Roger Beyer to approve the agenda as corrected. **MOTION APPROVED.**

Meeting Minutes:

Jane Neubauer requested a correction under Promotion Committee – first bullet point, change consumer poll to consumer motivation.

It was **MOVED** by Bob Schaefer and **SECONDED** by Mark Schmidlin to approve May 18, 2023, Board meeting minutes as corrected. **MOTION APPROVED.**

Chairman's Report:

- a. Nominations for 2024 Board Seat Appointments – Derek Ahl reported that the Board is waiting for one more West Coast nominee.

Committee Reports

Finance Committee – Bob Schaefer reported.

- a. **May 2023 Financials** - Schaefer provided a brief overview of the May 2023 financials.

It was **MOVED** by Roger Beyer and **SECONDED** by Renee Beutell to accept May 2023 financials as they were presented. **MOTION APPROVED.**

Research Committee - Mark Schmidlin reported.

- a. **Update on schedule to review proposals for funding** – The RFP is currently open. We are encouraging researchers to apply and Christmas tree growers to communicate with their university researchers about the issues that could be impacted by research.
 - b. **Possibility of hosting research webinars** -The Research Committee would like to begin a project to develop a series of webinars for Christmas tree growers, explaining some of the funded research projects and the results that may impact their particular farm. We have been in contact with Michigan State University about the possibilities of collaborating since they are currently providing Christmas tree production webinars and manage registration and the webinar platform to make this a manageable and cost-effective project.
The committee has spoken to several researchers, and all are on board to participate in a webinar program. The webinars would be clearly the work of the RCTB through logos, advertising, and verbiage. The webinars would be presented live via Zoom and recorded. The webinar recordings would be housed on the Research page of our website for future viewing.
If the Board approves of this concept, the Research Committee will further develop the organization of the webinars in a variety of ways, by topic, by region, and sometimes co-hosted with a couple of researchers. This aspect will be further developed with the Research Committee, Industry Relations Committee, and researchers to produce the most effective webinar structure for Christmas tree growers.
- Board members discussed the idea of hosting the webinars and different topic ideas, including opportunities to

train industry members in how to use marketing assets.

It was **MOVED** by Bob Schaefer and **SECONDED** by Mike Jones to instruct the Research Committee to bring back a plan and related costs for hosting research webinars. **MOTION APPROVED.**

Industry Relations Committee - Marsha Gray reported for Gary Westlake.

- a. Outcomes/Recommendations from Committee Meeting – Marsha Gray shared that the Committee met and discussed ways to reach growers to make them aware of the efforts of the RCTB. Gray shared that they created a flyer with multiple QR codes that will take you to four topics of interest. This flyer will be inserted into the ballot mailing that will go out today. The primary idea that came out of that meeting was hosting the research webinars. Westlake and Gray then met with Research Committee leadership, as reported by that committee.

Governance Committee – Marsha Gray reported for Charles Fowler.

- Gray shared that at the last meeting, the Board briefly discussed Importers who are not selling through all their trees. Importers have requested that they receive the same relief that US growers receive. USDA created a recommendation for language to be included in the Order, “or certify and provide third-party verification that Christmas trees were not sold.”
- Board members discussed the statement; it was suggested to remove the wording “third party.”

It was **MOVED** by Mike Jones and **SECONDED** by Renee Beutell to accept the language as presented with the strike of third party. **MOTION APPROVED UNANIMOUSLY.**

- George Webster shared that once the outreach to the industry has occurred and everyone is happy with the changes. Marsha Gray, or Chairman, Derek Ahl, will officially submit the amended Order to USDA. Once received by USDA, they will create a package for publishing in the Federal Register. Once the Proposed Rule has been published, USDA can no longer communicate with the Board on any deliberations or comments received. It is a lengthy process.
- Marsha Gray shared that she has created an outline/summary of the changes the Board recommends and share it with the industry.

Compliance Committee - Renee Beutell and Marsha Gray reported.

- a. **Compliance and Audit Update** – Jim Lantz has completed four grower audits. He has four more to complete, and their appointments are all scheduled in the next 10-12 days.
- Since the last board meeting, we have collected \$21,769.35 in assessments. This is a combination of Importer assessments, assessment payments from one audit, and compliance efforts from Jamie Hanselman.
 - Jason Hanselman has developed background on what appears to be several larger producers and has had initial contact with two of them.
 - The staff has been working on several projects that identify non-reporting growers and will be turning those over to Jamie to pursue.
 - The Compliance Committee will meet and discuss moving forward with Jamie Hanselman and Jason Hanselman.

Promotion Committee - Jane Neubauer reported.

- On June 7th, Chuck Berry, Marsha Gray, and Neubauer met with the FleishmanHillard team to review their proposal on objectives, measurements, and tactics for this year’s campaign. The three main areas of focus that they are proposing are 1) to further establish the RCTB as an authority in the media’s eyes, 2) pursuing and measuring consumer motivation and 3) engaging the industry through retailer amplification. The Promotion Committee will meet tomorrow, June 16th, at 2:00 p.m. Eastern to get the Committee’s feedback on the ideas from FleishmanHillard.
- FleishmanHillard is gauging consumer intent to purchase pre-season with the annual consumer survey. New this year will be another consumer survey at the back end of the season to learn if consumers followed through on intent.
- The Promotion Committee has requested a single-item meeting on June 29th, at 11:00 a.m. Eastern to approve the FleishmanHillard proposal.
- Question was raised about the analysis provided by Chief Growth Advisory and how it was received from

FleishmanHillard. Neubauer shared that they did not share the report with FleishmanHillard entirely but shared what they learned from the report. Roger Beyer thanked the Committee for stepping up and hiring Chief Growth Advisory.

Management Staff Update - Marsha Gray reported.

- a. **Assessment Collection** - A brief overview of the assessment collection report was provided. As of June 15, 2023, a total of \$1,538,400.00 has been received.
- Gray shared that the Importer, Eastern, and Central ballots have been prepared and will be in the mail today, June 15th. The Western ballots will go out once the final nominee has been received.

Old Business: No new items to report.

New Business: No new items to report.

USDA – George Webster reported.

- US Customs collection is on track to start in October. They are putting together a report template that will be supplied to the boards for whom US Customs collects assessments.
- Feedback on using the word “fake” is still being reviewed. It has been elevated up through AMS leadership and is being reviewed by a functional committee, which oversees all 22 Research and Promotion Boards.

For the Good of the Order/Announcements:

- Bob Schaefer shared that he has found a simple way to calculate carbon sequestration and is working on calculating how much carbon they have sequestered on their farm. Schaefer asked what documentation USDA would need for it to be creditable. George Webster shared that it would need to be a peer reviewed source. Webster stated that the Softwood Lumber Board does much with carbon sequestration and would be a great resource. Mark Schmidlin reminded the board that we recently funded a project that is creating a carbon sequestration calculator.

Meeting Schedule:

- a. **Next Meeting** – The next meeting of the RCTB will be a one-agenda item on June 29th, at 11:00 a.m. Eastern to approve the FleishmanHillard proposal.
- b. **Summer In-person Meeting** - The RCTB will meet on Thursday, August 3rd, in Cambridge, Minnesota, in conjunction with the Minnesota Christmas Tree Association meeting on August 4-5 (NCTA Tree and Wreath Contest).

Adjourn:

It was **MOVED** by Roger Beyer and **SECONDED** by Larry Downey to adjourn the meeting. **MOTION APPROVED.**

Chairman Derek Ahl adjourned the meeting at 12:24 p.m. Eastern Time.

Respectfully Submitted,
Chuck Berry
Secretary