

**REAL CHRISTMAS TREE BOARD**  
**BOARD MEETING**  
September 21, 2023

Via Video Conference

**Welcome and Roll Call:** The meeting was called to order at 11:00 a.m. Eastern Time by Chairman, Derek Ahl.

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

**Board Members Not in Attendance:** Mike Cocco and Larry Downey

**USDA Representative(s) in Attendance:** Vickie Carpenter and Sarah Richardson

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

**Guests in Attendance:** Sophia Stajduhar, Joshua Koehler, Gerritt Strathmeyer, and Steve Mortimore

**Agenda:**

It was **MOVED** by Charles Fowler and **SECONDED** by Bob Schaefer to approve the agenda as presented.

**MOTION APPROVED.**

**Meeting Minutes:**

It was **MOVED** by Chuck Berry and **SECONDED** by Renee Beutell to approve the August 3, 2023 Board meeting minutes as presented. **MOTION APPROVED.**

**Chairman's Report:**

- a. **Presentation from Fishhook Development – Online Reporting and Payment System** – Steve Mortimore with Fishhook Development provided the Board with a detailed presentation of the newly designed online reporting and payment website. As of today, it is an 80% functional prototype. By the beginning of October, Fishhook Development will have a fully testable application complete for the RCTB Staff to test and make final polishes. In November, looking to have a full application completed and ready to launch and a fully deployed application by December 1<sup>st</sup>, inviting producers to use the reporting and payment site on December 15<sup>th</sup>.
  - Steve Mortimore and RCTB Staff have met with Brad Miller with Pinnacle Bank, Beth Kohn with BAK Bookkeeping, and Scott Park with Firefall to ensure all these areas work together.
  - Board members asked questions about the timing, security levels, and the verbiage that will be included on the site.

Steve Mortimore left the meeting following his presentation.

- b. **Approving recommendation on payment processor** – Marsha Gray provided background information on the online reporting payment options, ACH, or credit card. The difference is the processing rates with Stripe are 2.9% plus .30 cents per transaction for credit cards and .8 % with a maximum charge of \$5.00 for ACH transactions. Gray's recommendation is not to offer the credit card option but to offer the ACH option, and the Board would consume the cost for the .8%.

It was **MOVED** by Roger Beyer and **SECONDED** by Renee Beutell to approve Stripe as our financial

processor. **MOTION APPROVED.**

c. **Recommendation on passing on payment fees:**

It was **MOVED** by Roger Beyer and **SECONDED** by Chuck Berry to approve assessment payments only by ACH for online, and the Real Christmas Tree Board would cover the .8% processing fee. **MOTION APPROVED.**

d. **Recommendation on accepting credit card payments and fees for donations only:**

It was **MOVED** by Bob Schaefer and **SECONDED** by Roger Beyer to accept credit card payments and ACH payments for donations only, and the Real Christmas Tree Board would cover all fees associated. **MOTION APPROVED.**

e. **Appointment of Nominating Committee** – Derek Ahl would like to appoint Gary Westlake, Charles Fowler, and Derek Ahl to the nominating Committee.

It was **MOVED** by Chuck Berry and **SECONDED** by Renee Beutel to accept Derek Ahl's recommendation for a nominating committee of Gary Westlake, Charles Fowler, and Derek Ahl. **MOTION APPROVED.**

### **Committee Reports**

**Finance Committee** – Bob Schaefer reported.

- a. **Update on Audit** - Propp Christensen Caniglia, LLP, is conducting the audit for the 2022-2023 fiscal year. The Board will meet on Thursday, October 19<sup>th</sup>, to approve the final audit.
- b. **July 2023 Financials** - Schaefer provided a brief overview of the July 2023 financials.
- c. **August 2023 Financials** – Schaefer provided a brief overview of the August 2023 financials.

It was **MOVED** by Charles Fowler and **SECONDED** by Gary Westlake to accept the July and August 2023 financials as they were presented. **MOTION APPROVED.**

**Research Committee** - Mark Schmidlin and Cyndi Knudson reported.

- a. **Update on Webinar Series** - The first research webinar hosted collaboratively with the RCTB and Michigan State University will be held on September 28<sup>th</sup> at 11:00 a.m. Eastern, featuring John Armato from FleishmanHillard as a spokesperson for the Christmas Tree Industry. An additional three webinars are being scheduled; topics will be on the elongated hemlock scale, genetics advancements through genomics, and weed management in Christmas tree fields.
- b. **Status of Contracts for Approve Projects** - All the contracts for approved grant research proposals for 2023/2024 have been sent to the universities. There are two accepted agreements currently. The Committee expects the rest of the agreements to return in October.

**Compliance Committee** - Renee Beutell reported.

- Beutell shares that Jamie Hanselman continues working on a long list of non-reporting farms, and Jason Haselman is developing cases of farms in high-production areas.
- Auditor Jim Lantz has completed six of the eight annual audits. On September 29<sup>th</sup>, Marsha Gray, Lantz, and representatives from the USDA will have a call regarding the next steps with the two outstanding.

**Promotion Committee** - Jane Neubauer reported.

- a. **Campaign Update** - Neubauer shared that the goal is to have all promotion material approved and ready by the end of October.
  - Media Relations - a lot of effort on media relations. John Armato, with FleishmanHillard, will be hosting a webinar on how to communicate with the media.
  - The website is ready to receive media inquiries. One press release has already been released. CNN and Next Star are awaiting our survey data. The RCTB is putting an emphasis on media authority.
  - Grower Survey - was just completed, and the responses were very similar to last year. A press release will go out with the results.
  - Hispanic Media – focusing more on this in survey, promotion, and media outlooks.
  - Pod Cast – The Committee will be working with a Pod Cast network instead of a social media influencer. They are working to secure a network and finalize the programs.
  - Social Media (Facebook, Instagram) - Neubauer encouraged the Board to view these items and share them with their audience.
  - Photos needed – An email was sent to all producers requesting growers to share their photos with the RCTB.
  - Paid Social – A detailed calendar of the posts and topics has been created.
  - The Hero video has been updated with the new voiceover. Six and 15-second videos also received the voice-over treatment to use on the social channels.
  - A Consumer Survey was conducted, and the full report and presentation were shared via Dropbox with the Board. Neubauer encouraged the Board to watch the video and review the slides.
  - Retail Engagement – Marsha Gray shared that one-on-one interviews with the lead contacts at Lowe’s and Home Depot are in the planning stage to have top-level discussions to see if the RCTB can help them better market fresh Christmas trees. Additionally, two focus groups are being scheduled, one for garden centers and another for seasonal lots. An email was distributed asking them to participate in a focus group to help uncover ways the RCTB can provide them with resources and tools.
  - Gray shared about Google Analytics and the Promotion Committee's ongoing work with FH on measurement.

**Governance Committee** – Charles Fowler reported.

- a. **Update on Responses or Comments on Proposed Order Changes** – Fowler asked the Board if they had received any comments from the industry regarding the Order changes that have been presented for change. The Board shared that no comments were obtained from the industry. One email was received in the office.

It was **MOVED** by Renee Beutell **SECONDED** by Mike Jones to submit the recommended Order changes to USDA. **MOTION APPROVED.**

**Industry Relations Committee** - Gary Westlake reported.

- Westlake thanked Marsha Gray for giving up every weekend of her summer to attend numerous Association meetings.
- Chuck Berry will attend the Georgia Association meeting on September 23<sup>rd</sup> and 24<sup>th</sup>.
- Previous Board member Paul Battaglia will distribute RCTB materials at the California Association meeting on September 23<sup>rd</sup>.
- Question was raised if the PNWCTA has hired a new firm to manage the Association. It was shared that a new firm has been selected, and Tom Norby is the Association's president.

**Management Staff Update** - Marsha Gray reported.

- a. **Importer Assessment Process Update** – US Customs and Border Protection have been working to install a new computer system. Currently, the launch date will be on November 5<sup>th</sup>. Gray has been working to communicate these changes with the various broker companies and recently spoke with an executive at Deringer. Gray shared how Deringer would add any assessment to their customers' invoices. The computer will update as soon as the system comes online at US Customs, and the assessment should be calculated automatically.
- b. **Insurance Change** – Gray shared that the Board carries a director and officers insurance policy protecting individual members. Gray shared that the Board didn't have additional general liability coverage that probably should have had. Gray has received several quotes and will work with Derek Ahl to secure.

**Old Business:**

- a. **Specialty Crop Block Multi-state Grant** – Gray shared that when the Board was together in Minnesota, the Specialty Crop Block Grant Multi-State program was discussed, which only comes up every four years. They just announced it, and there are ten million dollars available. Gray and Cyndi Knudson have met with the two individuals who run the program and asked if the RCTB could partner with some state groups for a nationwide project. The grant was announced, and the deadline is December 22<sup>nd</sup>. Gray suggested, with the tight deadline, the history of very few marketing projects being funded, and that in the last round, only 6% of submitted applications could be funded, that the Board revisit this opportunity when it becomes available in another three years.
  - Board members suggested hiring a grant writer. Derek Ahl also suggested the Board put forth a more significant push in three years when it comes back around.
- b. **Discussion on RCTB Coordinating Sub-Groups of Industry Members (i.e., large producers, choose & cut)** – Derek Ahl mentioned that the Board is already doing this with the Industry Committee, and no further action is needed.

**New Business:** No new items to report.

**USDA** – Vickie Carpenter reported.

- a. **US Customs Computer** - Carpenter shared they are working on the encryption portion of the system. If there is a Government Shutdown, it could affect the November 5<sup>th</sup> start date.
- b. **Update on Case Turned Over to USDA for Collection** – Two letters have been sent, with non-delivery of the first letter. A case will be created and submitted to the Office of General Counsel. Marsha Gray shared that this has long lingered and requested to meet with Vickie Carpenter to move this process forward.
- c. Once the recommended changes to the Order are posted publicly, USDA can no longer communicate anything related to the Order changes.
- d. Carpenter reminded Board members about the provision in your Order, part 47, which covers prohibited activities, such as engaging in actions that would be considered a conflict of interest; using assessment funds for the purpose influencing legislation or government policies; and no program, plans or projects including advertising shall be false or misleading or disparaging to other agricultural commodities.

**For the Good of the Order/Announcements:**

- Derek Ahl thanked all guests for attending today's meeting.
- Mark Schmidlin shared that the Oregon State University Dean was at a meeting and shared that they will be hiring a Christmas Tree specialist for Oregon. Schmidlin has been selected to be on

the search committee for the new hire.

**Meeting Schedule:**

- a. **Next Meeting** – The next meeting of the RCTB will be a one-agenda item on October 19, 2023, at 11:00 a.m. Eastern to approve the audit.
- b. Tentatively, the next in-person meeting will be held in mid-February in Portland, Oregon.

**Adjourn:**

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

Chairman Derek Ahl adjourned the meeting at 1:07 p.m. Eastern Time.

Respectfully Submitted,  
Chuck Berry  
Secretary