

REAL CHRISTMAS TREE BOARD
BOARD MEETING
June 20, 2024

Via Video Conference

Welcome and Roll Call: The meeting was called to order at 11:02 a.m. Eastern time by Chairman, Derek Ahl.

Board Members in Attendance: Derek Ahl, Jane Neubauer, Gary Westlake, Larry Downey, Mark Schmidlin, Charles Fowler, Chuck Berry, JoLynn Stroda, Renee Beutell, Bob Schaefer, Mike Jones, and Chris Aldrich

USDA Representative in Attendance: George Webster

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

Agenda:

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

Meeting Minutes:

It was **MOVED** by Renee Beutell and **SECONDED** by Larry Downey to approve the May 16, 2024, Board meeting minutes as presented. **MOTION APPROVED.**

Chairman's Comments: Derek Ahl Reported

- a. **Nominees for Board Appointments** – The nomination ballots for the Eastern Region, Western Region, and Importers were mailed on Friday, June 14th. All votes are due on July 15th.

Committee Reports

Finance Committee – Marsha Gray reported for Bob Schaefer.

- **May 2024 Financial Statement** - Gray provided a detailed overview of the May 2024 financials, pointing out the late fee income. In the past, the RCTB has asked for waivers on late fees from USDA. Starting in 2024, the RCTB began collecting late fees. Gray shared that the donation income will be addressed with a journal entry at the end of the year for producers who donate or round up their assessments.

It was **MOVED** by Chuck Berry and **SECONDED** by JoLynn Stroda to accept the May 2024 financials as they were presented. **MOTION APPROVED.**

- **Status of Accrued Expenses** - Gray shared that several years ago, the Board funded a “How Does It Grow” segment with True Food TV, and it was discovered that under the accrued Promotion budget, there were remaining funds of \$5,636 that weren’t spent. Gray feels this would be an excellent place to pull funds to help pay for the Virtual Field Trip project if the board chooses to move forward with it. Since it was expensed out as part of the Promotion budget, it is best to use it on a Promotion item. Gray also mentioned that just over \$2,000 was accrued under Research and will need to go back to Research. Gray was not asking for any approval at this meeting but suggested that the Board consider these funds for use.

Research Committee - Mark Schmidlin and Cyndi Knudson reported.

- a. **Status of Research Proposals** – The RFP will remain open until July 15th. Once all the RFPs have been received, the Research Committee will assemble their selections, and will present them at the August Board meeting.
 - Dr. Will Coleman has been selected as a replacement for Jeff Owens at North Carolina State University.
- b. **Real Christmas Tree Webinar** – The final RCTB webinar will be on Tuesday, June 25th, at 11:00 a.m. Eastern. It will focus on weed control and resistance management in Christmas trees. Schmidlin asked the Board if they had any suggestions on how to make the webinars stand out that they are funded by the RCTB versus the Michigan State University webinar series. The Board discussed many ideas: using an RCTB logo background, having Knudson or a representative from RCTB be more involved in leading the webinar, creating a mascot that could be used on all platforms, and having apparel for the panelists to wear. Schmidlin encouraged the Board to continue to think of different ideas.
 - The Board discussed adding additional Promotional webinars to the next round.
- c. **Seedling Survey** - A working group has been formed to help better understand the seedling data that has been collected.

Governance Committee – Charles Fowler reported.

- a. **Order Status** – George Webster shared the Order remains with the Lawyers of USDA at the Office of General Counsel for their review. The Board received a few minor edits from leadership, which have been amended. The regulatory text has been reviewed by the subject matter experts; if there are any additional changes, Webster will be sure to let the Board know.

Promotion Committee - Jane Neubauer reported.

- a. **Virtual Field Trip Working Group** - Neubauer shared scheduling a meeting with growers and teachers in three different regions has been challenging. The working group plans to meet today, Thursday, June 20th, at 4:00 p.m. Eastern. In the meantime, the Promotion Committee has been reviewing a proposal from one company and will be assembling their next steps at the meeting today. They will also discuss the cost, and the \$5,636 in the accrued account will help to do a pilot version of this program. It needs to be determined who they wish to feature and what the objectives of those groups are.
 - The question was raised about how much it would cost. Marsha Gray shared that you could do a single-trip package for \$2,500 or a five-trip package for \$10,000. The group is hoping to find a budget where they could host a couple of trips this year and evaluate for next year.
- b. **Planning for the 2024 Campaign** – Marsha Gray, Chuck Berry, and Neubauer met with FleishmanHillard last week to hear their presentation of ideas for this year's campaign. The meeting was recorded and will be emailed to Board members for review following the meeting. The next Promotion Committee meeting will take place on Thursday, June 27th, at 2:30 p.m. Eastern.
 - Neubauer shared some top-line ideas that FleishmanHillard presented as their focus areas. Keeping the same objectives as in the past, being the media authority, consumer motivation for buying real Christmas trees, and industry engagement. Working with a lower budget for this year, several items were cut. Shifts in how the RCTB reaches consumers, revisiting the social media influencers instead of Podcasts and adding TikTok advertising (not creating content to be played on TikTok, but advertising on the platform). FleishmanHillard also recommends the consumer survey, the grower survey, social media platforms (fewer posts), Google search/keywords, and Hispanic focus.
 - Question was raised about being able to comment on TikTok regarding negative conversations on real Christmas trees. Gray shared that it would be best for the industry to step in and provide positive comments when these arise.

- Question was raised about whether FleishmanHillard was included in the Virtual Field Trip Working Group. Neubauer shared that FleishmanHillard knows the Promotion Committee has pursued this idea but is not involved.
- Marsha Gray has requested that the Board review the FleishmanHillard presentation, review the slide deck, and attend the Promotion Committee's meeting next week. Once the Promotion Committee has assembled its final campaign ideas for the 2024 season, the Committee will be requesting a vote of approval for the 2024 campaign budget.

It was **MOVED** by Jane Neubauer and **SECONDED** by Gary Westlake to proceed with an email vote to approve the Promotion Committee's budget for the 2024 campaign. **MOTION APPROVED.**

Compliance Committee - Renee Beutell reported.

- Beutell shared that at the last North Carolina Association meeting, growers inquired about the audit process and what documents are required. Marsha Gray shared that last year, the auditor, Jim Lantz, created a detailed video of the step-by-step process. Gray will share the video link with Beutell so she can share it with the North Carolina Association members.
- Marsha Gray reported that Jim Lantz has completed several audits. One audit may not be completed by the end of this fiscal year, but the others will be completed before the end of the fiscal year.
- Gray shared that she has been very impressed with the work of Jamie Hanselman as well as Jason Hanselman.

Industry Relations – Gary Westlake reported.

- Mailing Project Update** - Marsha Gray shared that a 6x9 pocket folder with the RCTB logo has been created as part of the kick-off for the new online reporting system. Within each folder, the grower will receive their unique login and have a place to include their created password. Different resources regarding the RCTB will be included in the pockets of the folder.
 - It was recommended to include a Q&A sheet that would help cover some of the most frequent questions.
 - Question was raised about whether the Exempt producers would receive the mailing. Marsha Gray shared that, due to the cost of mailing, Exempt producers will not receive a folder in the mail. However, these folders will be available to industry members as handouts at State association meetings or any RCTB events.
- Potential Contractor to Assist with Industry Communications Project** - Marsha Gray received a recommendation to a woman who does Industry Communication for the California Avocado Commission. Gray shared that she is a person that she and Gary Westlake may start talking to. Could potentially bring her on to help digest the consumer survey results and produce an article for the industry.

Management Staff Update - Marsha Gray reported.

- Assessment Collection Update:** As of June 19, 2024, we have received 1,059 domestic payers through the lockbox for \$1,231,556.10 and an Importer Assessment received via US Customs for \$245,312.25, totaling \$1,476,868.35.
 - Board members discussed the NCTA survey and the methodology behind the number of trees they reported as harvested.
- On-Line Reporting and Payment System, Database Update** – Staff has been using the new database. Several individuals have tested and used the new online reporting. The packet will not be mailed until Gray feels it is 100 percent accurate.
- Incentive for Online** – Gray doesn't want to make a decision today but encouraged the Board to think about whether this is something they feel would be beneficial to offer.

Old Business: No new items to report.

New Business:

- a. **NCTA Request for Sponsorship of NFPA Expo Booth** – Marsha Gray received an RFP from the National Christmas Tree Association to fund a portion of the NFPA Fire Conference for up to \$7,000. Gray shared that she attended a Zoom meeting where they shared their updated ideas for the booth.

It was **MOVED** by Charles Fowler and **SECONDED** by Bob Schaefer to approve the National Christmas Tree Association (NCTA) RFP for up to \$7,000. **MOTION APPROVED.**

- b. **Capitol Christmas Tree Project Partnership/Sponsorship** – Marsha Gray provided an update on the presentation from the February in-person meeting regarding the Capitol Christmas Tree and National Christmas Trees. In the past, the RCTB has partnered with the Capitol Christmas Tree project to help them find trees, not funding, but sponsored. The Capitol Christmas Tree project is asking the Board to partner with them again – not with funds, but with contributions of trees. At the next Board meeting in July, Gray will provide a formal proposal to the Board.

USDA – George Webster reported.

- a. **Status of Order Changes** – Webster reported on the Order changes under the Governance Committee report.
- b. **Status of Non-Reporting Importer turned over to USDA** – Webster shared that the non-reporting Importer case is with the Office of General Counsel, and the case has been assigned a lawyer.

For the Good of the Order/Announcements:

- Mark Schmidlin shared a sticker that the Pacific Northwest Christmas Tree Association hands out at association meetings.
- Schmidlin revisited the Webinar asking the Board if they had any additional ideas.

Meeting Schedule:

- a. **Next Meeting** - The RCTB's next meeting will be a conference call on Thursday, July 18, 2024, at 11:00 a.m. Eastern.

Adjourn:

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

Chairman Derek Ahl adjourned the meeting at 12:47 p.m. Eastern.

Respectfully Submitted,
Mike Jones
Secretary