



# FREQUENTLY ASKED QUESTIONS

As we prepare for the upcoming referendum, the Real Christmas Tree Board would like to address your frequently asked questions about the program. Not all questions can be addressed in this format and growers are encouraged to take the time to visit the industry website ([www.realchristmastreeboard.org](http://www.realchristmastreeboard.org)) as well as the consumer facing website ([www.realchristmastreeboard.com](http://www.realchristmastreeboard.com)).

## HARVEST & SALES VOLUME

### I am harvesting fewer trees. Is this program really working?

This is a fair question and requires going back to the reason the program was created. The Christmas Tree Promotion, Research, and Information Order was originally proposed by a group of Christmas tree producers concerned about the significant decline in Christmas tree sales and production. These declines took place over a span of several decades.

The institution of this Order created the RCTB – a board of 11 domestic producers from different regions and 1 importer who oversee a program whose mission is “*focused on improving the future of the industry by increasing the value and demand for cut Christmas trees through promotion, research and education.*”

Over the last 10 years, the industry has definitely experienced an increase in prices on fresh-cut Christmas trees. Some producers have had increases in unit sales, while others have experienced declining sales. With no control over tree supply, tree quality, distribution channels, retail set up or pricing, the RCTB cannot be held solely responsible for disappointing sales. The RCTB can and does provide a presence and a voice for real Christmas trees on a national level.

In the ten years that the RCTB has been working for the industry, it has:

- Established a foundation for promoting real Christmas trees – a home base that all producers and retailers can turn to for sound messaging and consistent performance. This is not a one-time, flash-in-the-pan promotional event; rather a structure that is continually reinforced and able to provide consumers with engaging and encouraging messages about Real Christmas trees.
- Become the number one referenced entity with target media regarding Christmas trees for multiple years, ensuring growers that real Christmas trees are represented fairly and not allowing the artificial Christmas tree industry to speak on your behalf.
- Empowered individual growers and retailers by providing tools to better promote your businesses including; the Retail Locator (with nearly 200,000 visits last season), downloadable social media assets, photos and guides, training for working with the media, a social media campaign that you can share and engage with.
- Supported and expanded the digital visibility of real Christmas trees through investment in paid search and paid social media – reaching your target consumer where they search for information and inspiration.
- Invested \$2.4 million in more than 50 research projects addressing a wide variety of production issues for Christmas tree growers in all regions with a goal of helping growers produce a superior product, ensuring free movement of Christmas trees to all markets and reducing production costs.

The mission to increase the value and demand for cut Christmas trees is the “North Star” and guide for all board decisions and will continue to be the driving force behind the actions of the RCTB.

## PROMOTION

### How does the RCTB promote real Christmas trees?

The RCTB invests its promotion budget in media relations and digital marketing (social media, paid digital search). RCTB positions itself as the Media Authority on Christmas trees and is the number one referenced resource in Christmas tree coverage by the media because of this effort.

Data from our Grower and Consumer surveys provide meaningful insights for the media, and our agency’s powerful media monitoring tools keep us informed of all current reporting related to Christmas trees so that we don’t miss an opportunity. Our newsroom provides the media with prewritten articles, grower quotes, press releases, photos and even b-roll video for their stories. <https://realchristmastreeboard.com/newsroom/>

Using paid social and paid search, RCTB is reaching consumers where they search for information and inspiration. Targeting specific demographics allows RCTB to use limited funds most efficiently.

## PROMOTION (continued)

### Where can I see RCTB Advertising?

RCTB does not pay for traditional television, radio or print advertising – it is simply too expensive and consumers in our identified demographic are streaming or searching on digital media. This is where we invest. RCTB's paid digital promotion appears in digital search (Google search) and social media (Facebook, Instagram, TikTok) September through December and is served to a selected audience, primarily parents of young children, across the US. We often work with influencers who have large followings who can introduce real Christmas trees to their audience. All RCTB messages, social posts and the outcome of our media relations work is presented to the industry each year after the season wraps and can be viewed here: <https://www.realchristmastreeboard.org/promotion/>

### Can I use RCTB messaging and marketing assets for my business?

YES! That is the beauty of the program. We provide social media posts, Christmas tree species photos, shareable and printable graphic guides, messaging and even a training session on how to share your real Christmas tree story. And all industry members are encouraged to engage and share our organic social media (Facebook, Instagram), increasing our reach exponentially. <https://www.realchristmastreeboard.org/resources/>

### What is the RCTB doing to reach the next generation?

Now starting our third year, the RCTB is partnering with Virtual Farm Trips and offering two LIVE Christmas tree farm trips in November as well as a trip each year for Arbor Day. Teachers and homeschool families sign up and participate in the live tour via Zoom. More than 115,000 students have participated in our live events and the tours are recorded for additional views. <https://virtualfarmtrips.com/partner/the-real-christmas-tree-board/>

### Why doesn't the RCTB go after artificial trees and the association that represents them?

This is best answered by a short piece written by our marketing agency:

**We're not allowed to.** *We are governed by the USDA and the USDA prohibits disparaging communications. That means we can't speak critically of other products or organizations. Any claims we make have to be fact-based and supported by research or publicly available third-party information.*

**It's questionable strategy.** *Those who use artificial trees are likely to feel that an attack on their preferences is an attack on them. We don't want to inadvertently create an "us vs. them" divide. People tend to dig in their heels when their behaviors are questioned. We want to cultivate converts with positive messages, not alienate them with negative messages.*

**Mud throws both ways.** *If we were to aggressively attack artificial trees, what are the odds that a major pro-artificial organization such as the ACTA would just let it go? Not likely. An attack is an invitation for a counter-attack. We're likely to suffer as much reputational damage as artificial trees are in a public tit-for-tat. In addition, the prevailing wisdom in PR/advertising/marketing circles is that consumers hate it when two organizations pick a fight in public. It's unflattering to both.*

**It's a distraction and a dilution.** *We have a positive story to tell. It's certainly appropriate to draw meaningful contrasts where we have key advantages, but spending more time trying to "take down" artificial means spending less time tending to the good stories we want to tell. Even if attacking artificial trees was the right thing to do, we don't have the resources to do it the right way. We can choose to go positive or we can choose to go negative. Current budgets strain to do either one effectively. Trying to do both would simply dilute our ability to make a dent either way.*

**It's off brand.** *Real Christmas trees are about joy. Our product is a source of happiness, peace, excitement, memory-making, and feeling good. Aggressive negativity toward anything or anyone else is simply out of character for who we ought to be. Consider the adage: "Not just market, communicate. And don't just communicate, behave." Ideally, we will exhibit the value proposition of "real" in all that we do.*

Even within the rules established by the USDA, RCTB unveiled the ACTA as representing the artificial Christmas tree industry and that is now commonly understood by the members of the media.

## RESEARCH

### How much has the RCTB spent on research and who selects the projects?

Since 2016, the RCTB has invested more than \$2.4 million in Christmas tree research. The Research Committee, made up of Christmas tree growers from all different regions, reviews, evaluates and scores all proposals then makes funding recommendations to the Board. The board understands that not all projects are relevant to all growers, however the board funds a wide variety of projects each year, ensuring all growers can benefit.

## RESEARCH (continued)

### How do I find out what projects are funded and how do I see the results?

All selected research projects are required to submit a final report before receiving final funding payments. These reports can be viewed at: <https://www.realchristmastreeboard.org/research-library/> Many RCTB funded researchers also present their findings at state and regional Christmas tree meetings, in industry journals and in RCTB's Webinar Series.

### How do I tell the RCTB what research I think they should fund?

RCTB seeks recommendations for research topics from growers. You will find a link to a survey form here: <https://www.realchristmastreeboard.org/research>

## OPERATIONS

### Why can't RCTB lobby on behalf of real Christmas trees?

As a Research & Promotion program under the umbrella of USDA, the RCTB is prohibited from lobbying or advocating for any legislation or policy at all levels of government (local, state and federal). The National Christmas Tree Association, AmericanHort and likely your state or regional Christmas tree association are advocating for the industry.

### What is the RCTB's stance on tariffs on artificial Christmas trees?

As stated above, the RCTB cannot advocate or take a stand on any policy issues. This does not preclude individual industry members or trade associations from advocating for industry related issues. The RCTB can provide factual comments on tariff policy.

### What is covered in the RCTB Operating Budget?

The RCTB expense budget has three primary categories: Program, Operating and USDA Charges. The Program portion of the budget is by far the largest and includes the promotion campaign, research, education, industry relations – basically all those things that the RCTB was created to do for the industry. The Operating budget includes insurance, bank fees, bookkeeping, annual financial audit, database, assessment and reporting collection and processing – often thought of as “overhead”. USDA user fees are determined by the USDA and are the third section of the expense budget.

### Why did the board request an increase in the Operating budget from a 10% cap to 15%?

Simply to keep up with rising costs. Because the assessment rate remains unchanged at 15 cents per harvested tree and harvests have been down, RCTB income has decreased over the last several years. At the same time, costs for audit, staffing, insurance, postage and bank fees have increased with inflation.

### How much does the board pay its employees and where is that line item in the budget?

The RCTB does not have employees, rather it works with contractors. This allows the board to have professional staffing, while not having to pay employment taxes or benefits such as health, life and disability insurance or provide retirement benefits. That is left up to the contractors. Also, contractors provide their own work setting so that the RCTB does not need to invest in office space, computer purchases and other utilities such as internet and computer operating software.

RCTB's primary contractor is Gray Management, LLC owned by Marsha Gray. The contract with Gray Management is currently \$246,700. This contract includes the services of the Executive Director (Marsha Gray), Director of Research (Cyndi Knudson), Office Administrator (Jenny Tomaszewski) and bookkeeping and tax preparation services from BAK Bookkeeping. As noted above, this contractor and sub-contractors are responsible for their own insurance and retirement investments. They also provide offices, computers, phones, printers, operating software, internet and utilities.

The contract fee for management appears as Professional Management Fees under both the Program and Operating sections of the budget and the split is based on the staffing time for Program work versus Operating work.

## OPERATIONS (continued)

### **How is the RCTB accountable to assessment payers?**

Transparency with the industry is critical for R&P programs. The RCTB hosts an industry website ([www.realchristmastreeboard.org](http://www.realchristmastreeboard.org)) where anyone can view and download budgets, audited financial statements and board meeting minutes. RCTB board meetings are open to any member of the public that wants to attend and meetings are posted at the very top of the About page of the website. RCTB is required to have an annual financial audit that meets Government Auditing Standards and undergoes a USDA led Management Review every three years. Finally, the RCTB is required to have an Independent Evaluation of its promotional activities and results every five years. These reports are also posted on the About tab of the industry website.