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Description of document: Meeting Minutes of the Christmas Tree Promotion Board, 2015-2016

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Source of document: USDA, Agricultural Marketing Service
FOIA/PA Officer
1400 Independence Avenue, SW
South Building, Rm. 3943
Stop 0202
Washington, DC 20250-0273
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STOP 0202-Room 3943-S
1400 Independence Avenue, SW.
Washington, DC 20250-0202

August 25, 2016

In reply, please refer to
2016-AMS-03759-F

This is the final response the above referenced FOIA request which sought Copies of meeting minutes of the Christmas Tree Promotion Board.

A search was conducted within the National Christmas Tree Board. This board operates as the National Christmas Tree Promotion Board, which allows Christmas tree producers to jointly fund research and market their products. This search resulted in the identification of 68 pages of responsive records. No exemptions were applied and the records are released to you in full.

Please note that this Board was not appointed until January 2015. As a result, meeting minutes did not exist prior to that date. Additionally, the Board did not meet in November 2015 between and early January 2016 due to the Christmas tree harvest.

This concludes processing of your request. You may appeal this response within 45 days from the date of this letter. Any such appeal should be in writing and addressed to:

Administrator
Agricultural Marketing Service
1400 Independence Avenue SW, Stop 0201, Room 3071
Washington, D.C. 20250-0201.

If you decide to file an appeal, please provide specific reasons why you believe modification of the initial action is warranted. To facilitate processing your appeal, the phrase "FOIA APPEAL" should be placed in capital letters on the front of the envelope.

Sincerely,

A handwritten signature in black ink that reads "Gregory Bridges". The signature is written in a cursive, flowing style.

Gregory Bridges
FOIA Officer
USDA, Agricultural Marketing Service

Enclosures: as stated

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES
January 26, 2015**

A teleconference meeting of the Christmas Tree Promotion Board was held on Monday, January 26, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Mark Steelhammer
Rex Korson
Beth Walterscheidt
Conrad "Cubby" Steinhart
Bentley Curry
Della Jean Deal
James Rockis
Christopher Maciborski

MEMBERS ABSENT

James Heater

USDA PRESENT

Heather Pichelman
Patty Petrella
Vickie Carpenter
Maureen Pello

ITEM #1 WELCOME

Patty Petrella, representing the United States Department of Agriculture (USDA) called the meeting to order at 2:04 p.m. She welcomed the members and introduced the USDA representatives in attendance - Maureen Pello, Vickie Carpenter, and Heather Pichelman.

ITEM #2 OPENING REMARKS

Heather Pichelman, Director, Promotion and Economics Division, welcomed the members to the program and thanked them for their dedication to come together in support of the program. Ms. Pichelman added that it's an exciting time, but there is a lot of work to be done.

ITEM #3 START-UP COSTS AND FINANCES

Ms. Petrella transitioned the meeting to the next item of business regarding start-up costs and finances. She advised the Board that, to-date, USDA had spent roughly \$153,000. Discussion followed, with members asking for more detail about the start-up costs; how the money would be paid back, whether grants or loans were available to assist in paying for start-up costs, what other Boards have done to pay for start-up costs, and the timing of the first referendum.

ITEM #4 DISCUSSION OF LOCATION, DATE & TIME OF FIRST BOARD MEETING (face-to-face)

Board members discussed the location for the first face-to-face meeting. Members agreed that a centralized meeting location would be best.

A MOTION was made by Bentley Curry, SECONDED by Rex Korson, that the first face-to-face meeting of the Board be held in Dallas, Texas. The motion passed unanimously.

Possible meeting dates were discussed. Ms. Petrella agreed to poll the members for a workable date (most likely in March) and get back to the Board.

General discussion followed regarding what would be done at the first meeting, Board staffing/what like check-offs do, policies, and election of Board officers.

ITEM #5 OTHER BUSINESS

The members discussed whether it would be appropriate to elect a member to serve as interim chairperson until the first face-to-face meeting is held.

A MOTION was made by Bentley Curry to elect Betty Malone as the Board's interim chairperson. The motion passed unanimously.

USDA agreed to get back to the Board with the following information: itemized start-up costs; projected USDA costs through the end of this fiscal year (July 31, 2014); projected USDA costs for the Board's 2014-15 fiscal year (Aug. 1, 2014, through July 31, 2015); information on where like check-off programs got their start-up funds; sample structures/staffing/budgets/policies for like check-off programs; and the results of the poll regarding the date for the first face-to-face meeting.

Board members agreed to meet via conference call on Wednesday, February 4, at 1:00 pm EST.

ITEM #6 ADJOURN

A Motion was made to adjourn the meeting. The motion passed unanimously. The meeting concluded at 3:02 p.m.

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES
February 4, 2015**

A teleconference meeting of the Christmas Tree Promotion Board was held on Wednesday, February 4, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Mark Steelhammer
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski

MEMBERS ABSENT

Bentley Curry

USDA PRESENT

Maureen Pello
Patty Petrella
Vickie Carpenter

ITEM #1 WELCOME AND ROLL CALL

Interim Chairperson Betty Malone called the meeting to order at 1:03 p.m. Roll call was taken. A quorum was present.

ITEM #2 MINUTES

A MOTION was made Paul Battaglia, SECONDED by Beth Walterscheidt, to approve the January 26, 2015, meeting minutes. The motion passed unanimously.

ITEM #3 START-UP COSTS AND FINANCES

Ms. Petrella discussed that USDA is still working on getting the budget numbers from the budget office and should have them by the next teleconference meeting. USDA will provide a breakdown of the Christmas tree program startup costs along with 3 other program startup costs for comparison.

ITEM #4 DISCUSSION OF MEETING DATES AND TIME OF FIRST BOARD MEETING (face-to-face)

Board members discussed again the location for the first face-to-face meeting. Members discussed the importance of meeting in a larger production area to allow producers and importers to attend. They also discussed holding meetings in different growing regions within the United States to allow participation by producers and importers.

A MOTION was made by Mark Steelhammer, SECONDED by Jim Heater, to amend the previous motion adopted on January 26 (Dallas, Texas, location), and hold the face-to-face meeting in Seattle, Washington on March 9, 10, and 11, 2015. The motion passed unanimously.

The Board intends to tentatively start the dinner meeting at 4:00pm on March 9; meet all day March 10 and meet on March 11 until 12:00pm, to allow members to catch airline flights in the afternoon.

USDA and Betty Malone will continue to explore meeting space close to the Seattle airport for the meeting.

ITEM #5 SET DATE FOR ELECTION OF OFFICERS

The members agreed that they want to nominate and select the officers of the board at the March face-to-face meeting.

ITEM #6 AREAS OF INTEREST

Betty Malone discussed that she has asked Board members to become part of different subcommittees to address start up areas. She discussed that she has set up a Search subcommittee to begin to search for an Executive Director or management firm. Jim Heater provided some information from Hugh Whaley on startup of check offs. Mark Steelhammer provided his comments on structure from Mark Vallata and Alex Ott from the blueberry industry. Beth Waleterscheidt raised the issue of whether the Board should be searching for an Executive Director or a management firm. Betty Malone stated that if you make the RFP broad enough it could attract both entities. The idea of working with an existing industry association on an interim basis for management services was also raised (other check-offs have done this for start-up). A Search subcommittee of Beth Walterscheidt, Mark Steelhammer and Betty Malone will meet on Friday, February 6, 2015 to further discuss this issue.

Rex Korson agreed to work with Betty Malone in developing by-laws and Board policies. Patty Petrella indicated that it would be important to develop the travel policy first since Board members will be travelling in March to the Board meeting.

Mark Arkills, Paul Battaglia, and Cubby Steinhart agreed to work on the budget and funding issues.

Bentley Curry, Chris Maciborski, Jim Heater, Mark Arkills, and Della Deal agreed to work on the program development subcommittee. This subcommittee has not been formally tasked with duties yet.

Betty Malone explained that industry relations are important and the Board members should continue to talk to different groups about the program. Betty Malone intends to speak on March 6 at the Pacific Northwest Christmas Tree Association.

ITEM #7 OTHER FUNDRAISING IDEAS

Mark Arkills brought up the idea of accepting producer and importer assessments early in order to provide funds to the Board to operate. He asked if there was authority and if the Board could provide a discount if entities do pay early prior to the February 15, 2016 due date. Patty Petrella stated that there is no authority to give a discount under the program. It was also suggested that the Board could pay the producer or importer interest since they would have to pay interest to a bank if they borrow money. Patty Petrella advised that we would have to research that issue.

ITEM #8 NEXT PHONE CONFERENCE MEETING

The Board decided that the next teleconference call Board meeting would be Tuesday, February 17, 2015, at 1:00pm EST.

ITEM #9 ADJOURNMENT

A MOTION was made by Jim Heater, SECONDED by Chris Maciborski, to adjourn the meeting. The motion passed unanimously. Meeting adjourned at 2:20pm

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES
February 17, 2015**

A teleconference meeting of the Christmas Tree Promotion Board was held on Tuesday, February 17, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Mark Steelhammer
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry

USDA PRESENT

Maureen Pello
Patty Petrella
Vickie Carpenter

ITEM #1 WELCOME AND ROLL CALL

Interim Chairperson Betty Malone called the meeting to order at 1:02 p.m. Roll call was taken. A quorum was present.

ITEM #2 MINUTES

A MOTION was made by Beth Walterscheidt, SECONDED by Mark Arkills, to approve the February 4, 2015, meeting minutes with spelling correction to Beth's name. The motion passed unanimously, to approve as corrected.

ITEM #3 START-UP COSTS AND FINANCES

Ms. Petrella discussed that USDA is still working to obtain updated costs. She also explained that the DC metro offices were closed on Tuesday due to inclement weather and no one was available to get the updated information. Ms. Petrella provided a 2015 future cost estimate for USDA expenses reflected at \$26,000. Expenses included travel and participation at meetings, etc. It was noted that Ms. Pello and Ms. Carpenter would be attending the March Board meeting in Seattle, WA and that expenses for Ms. Carpenter would not be covered by the Board. Discussion continued regarding bank accounts and delegation of authority to open an account. A MOTION was made by Cubby Steinhart to delegate authority to Interim Chairperson Betty Malone and Mark Arkills to open bank account for Board purposes. Jim Heater SECONDED the motion. The motion passed unanimously.

ITEM #4 DISCUSSION OF SEATTLE MEETING

Board members discussed logistical items as related to the meeting in March. Agenda items were requested and to be provided to Betty by February 19, 2015, in addition to biographical information from members by February 24, 2015. A group picture would be also taken at the meeting. USDA is to provide orientation items to members using email. Members were asked to print items and bring to the meeting to save on expenses. USDA will also provide draft agenda by Friday, February 20, 2015.

ITEM #5 AREAS OF INTEREST

Search Committee: Beth Walterscheidt is assisting with the search committee. Interviews will be conducted by telephone with candidates and follow ups will be conducted by end of week to refine for the following week. Logistics of interviews were also discussed. Governance Design: Rex Korson discussed various governance design processes, focusing on essential language to define structure but not too detailed. Greater detail should be discussed in By-laws. Offered to draft operational procedures and can have the draft by Friday to send to members. Budget Development: Paul Battaglia and Mark Arkills discussed the process for developing budget. USDA help was requested to determine USDA fees. USDA discussed program and/or project based grants options, however, funds must exist prior to obtaining a grant. Program Development: Betty Malone discussed that this is the last portion to set up; any additional information is welcome for submission. Industry Relations: Importers are concerned about the process, how will bundled trees be assessed? This is something for consideration at future meetings.

ITEM #6 OTHER

Betty Malone discussed having a member roster. If members wish to use mobile phones, please submit written permission to Betty. USDA advised any industry articles, whether written or PowerPoint, please submit for USDA review and oversight. Off the cuff comments are OK.

ITEM #7 NEXT CONFERENCE CALL

The Board decided that the next teleconference call Board meeting will be Monday, March 2, 2015, at 1:00pm EST. Call will focus on what candidates should be interviewed for the CEO.

ITEM #8 ADJOURNMENT

A MOTION was made by Paul Battaglia, SECONDED by Mark Steelhammer, to adjourn the meeting. The motion passed unanimously. Meeting adjourned at 1:52pm.

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES
March 2, 2015**

A teleconference meeting of the Christmas Tree Promotion Board was held on Monday, March 2, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Mark Steelhammer
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry

USDA PRESENT

Maureen Pello
Patty Petrella
Vickie Carpenter

ITEM #1 WELCOME AND ROLL CALL

Interim Chairperson Betty Malone called the meeting to order at 1:03 p.m. Roll call was taken. A quorum was present.

ITEM #2 MINUTES

A MOTION was made by Beth Walterscheidt, SECONDED by Paul Battaglia, to approve the February 17, 2015, meeting minutes as written. The motion passed unanimously.

ITEM #3 START-UP COSTS AND FINANCES

Interim Chairperson, Betty Malone suggested postponing this agenda item until the end of the call. After addressing remaining agenda items, postponement was scheduled until the Seattle Board meeting in March.

ITEM #4 SEATTLE MEETING

Board members discussed logistical items as related to the meeting in March. Biographical information and arrival times still need to be provided to Betty by those whom have not yet submitted. It was noted that a reporter will be present at the March meeting.

ITEM #5 INTERVIEWS

The Board members went into Executive Session for this portion of the meeting.

ITEM #6 ADJOURNMENT

A MOTION was made by Bentley Curry, SECONDED by Mark Steelhammer, to adjourn the meeting. The motion passed unanimously. Meeting adjourned at 2:24pm.

**CHRISTMAS TREE PROMOTION BOARD
MEETING MINUTES, SEATTLE, WASHINGTON
March 9-11, 2015**

A meeting of the Christmas Tree Promotion Board was held on March 9-11, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Mark Steelhammer
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry

USDA PRESENT

Maureen Pello
Vickie Carpenter

OBSERVERS

Mitch Lies, Agricultural Writing Services

MONDAY, MARCH 9, 2015

OPENING REMARKS/INTRODUCTIONS

Interim Chairperson Betty Malone called the meeting to order at 3:07 pm. All members were present. Ms. Malone made opening remarks and invited each person to introduce themselves.

USDA ORIENTATION

USDA representative Maureen Pello conducted an orientation for the Board, providing an overview of check-off programs, details on the Christmas tree program, an overview of the roles and responsibilities of USDA and the Board, and pitfalls to avoid.

APPROVAL OF MINUTES

A MOTION was made by Bentley Curry, SECONDED by Mark Steelhammer, to approve the March 2, 2015, meeting minutes (public session portion). The motion passed unanimously.

IMPORTER UPDATE

Chris Maciborski provided an importer update. The Board discussed the concern among importers as to how the assessment will be collected, the role of Customs at the border, and how the assessment will be applied to trees that are baled together. Some Christmas trees imported into the U.S. are "wild" (not cultivated) trees of lesser value and they may be imported in bales. There was discussion as to whether the assessment rate would be lower on baled trees since their value was lower. The number of trees in a bale may vary. Members commented that all trees can vary in value depending on size, etc., and that trees in some states are bundled as well. Ms. Pello clarified that the Christmas tree Order specifies that the assessment rate is per tree, not per bundle. It was noted that accurate paperwork with imports and Customs was key. Cubby

Steinhart volunteered to reach out to Forest Higgins and get back to the Board with more information on bundling.

The meeting recessed at 6:00 pm for dinner.

REVIEW CANDIDATE REFERENCES AND INTERVIEW PROCEDURES

The meeting reconvened at 7:20 pm. A MOTION was made by Paul Battaglia, SECONDED by Mark Arkills, to go into executive session. The motion passed unanimously.

A MOTION was made by Paul Battaglia, SECONDED by Beth Walterscheidt, to approve the executive session portion of the Board's March 2, 2015, meeting minutes. The motion passed unanimously.

The meeting recessed at 9:00 pm.

TUESDAY, MARCH 10, 2015

The Board reconvened at 8:05 am in public session.

ELECTION OF OFFICERS

The Board proceeded with nominations to elect its officers. Betty Malone was the only nominee for chair. A MOTION was made by Mark Steelhammer, SECONDED by Paul Battaglia, to affirm Ms. Malone as the chairperson. The motion passed unanimously.

Nominees for other Board officers were as follows: Vice-chair - Jim Heater, Rex Korson, and Cubby Steinhart; Treasurer – Cubby Steinhart and Mark Arkills; Secretary – Beth Walterscheidt and Chris Maciborski. Through secret ballot, the following officers were elected: Vice Chair - Jim Heater, Treasurer - Cubby Steinhart, and Secretary - Beth Walterscheidt.

COMMODITY ROUNDTABLE

The Board discussed the merits of the Commodity Roundtable. Members asked what this would cost. Ms. Pello advised that the rates were prorated based on the dollar size of a program, and that she would get back to the Board with those rates. A MOTION was made by Chris Maciborski, SECONDED by Bentley Curry, to join the Commodity Roundtable. The motion passed unanimously.

GRANTS

The Board discussed grant options. Della Deal reviewed her research in this area, commenting that grants were not available to cover implementation costs, but other grants may be available at a later date.

FINANCE AND BUDGET

The Board discussed finances and draft budgets. The Board reviewed a chart provided by USDA of the expenses incurred to implement the Christmas tree program totaling about \$146,000. Board members expressed concern with the charges. Ms. Pello explained that when there is controversy with a program, Congressional inquiries, and FOIA requests – USDA's time spent on the program is high and industry's costs go up. This is what happened with Christmas trees.

Cubby Steinhart reported that he and other members were working on a budget for the remainder of this fiscal year (through July 31) and a budget for next fiscal year (Aug. 1, 2015, through July 31, 2016). He stated that other industry members may pay some of next year's assessments in advance. He also asked about estimated annual costs for an audit and for USDA user fees. Ms. Pello agreed to get back to the Board with estimates from other programs. The Board also asked about whether interest and late fees could be charged for late assessments. Ms. Pello said yes, but that rulemaking was needed to specify those rates in the Order.

The Board asked Ms. Pello about how the import assessments are collected and the timing. She advised that Customs collects the import assessments, transfers the money to AMS, and then AMS transfers the money to the board electronically. Ms. Pello said that USDA was working with Customs on the collection of Christmas tree import assessments beginning next fall and there were challenges. Customs has to program the new HTS codes into its system and they are transitioning to a new system. There has also been some discussion about Customs charging for new programs. She advised that if we are not set up with Customs to collect the import assessment in the fall, then importers would pay their assessments directly to the Board (per the Order). USDA has access to Customs data and could provide Board staff that information to help in the collections. Softwood lumber and paper importers currently pay their assessments directly to the boards under those two check-off programs.

The Board reviewed banking options. Members had reviewed arrangements with Wells Fargo and Metropolitan Bank. Mark Arkills mentioned that Metropolitan works with other check-off programs, including beef, soybean, softwood lumber and peanuts.

SKYPE CALL WITH METROPOLITAN BANK

The Board talked with representatives (Brad Miller) from Metropolitan Bank via Skype. Metropolitan representatives stated that they could loan funds for start-up to the Board. After some discussion, a MOTION was made by Paul Battaglia, SECONDED by Mark Arkills, for the Board to bank with Metropolitan. The motion passed unanimously.

INDUSTRY RELATIONS

The Board discussed industry relations. Jim Rockis commented that in the presentations he had done, industry members were interested seeing the check-off funds used for projects to gain market share, and also for research (e.g., fire).

RESEARCH IDEAS

The Board discussed the need to do fire research and/or education. Mr. Rockis discussed the importance of working with the fire safety organizations that write fire codes. He suggested that one of our research programs should fund Ellis Schmidt's attendance at their meetings. Mr. Schmidt has done this in the past and has paid out of his own pocket to do so. He has been involved with these groups and at one time was asked to help write some of the codes. Mr. Rockis also suggested that in our marketing program our emphasis should be on increasing sales and we should work on consumer comments regarding our product.

GOVERNANCE – BYLAWS AND TRAVEL POLICY

The Board reviewed draft bylaws and a travel policy prepared by Rex Korson. Members made suggestions and Mr. Korson agreed to revise the documents accordingly and get back to the Board.

The Board recessed for lunch at noon.

INTERVIEWS

The Board reconvened at 1:00 pm and went into executive session to interview candidates to manage Board operations.

The Board recessed for dinner at 6:00 pm and reconvened at 7:45 pm.

The Board recessed at 9:00 pm.

WEDNESDAY, MARCH 11, 2015

The Board reconvened at 8:00 am and continued in executive session.

Discussion followed regarding candidates interviewed.

A MOTION was made by Mark Steelhammer, SECONDED by Mark Arkills, to come out of executive session. The motion passed unanimously.

The Board reported that it discussed the applicants in executive session, and agreed to separate out the Executive Director duties from Promotional duties.

OTHER BUSINESS

Chairperson Betty Malone asked if there was any other business. Ms. Pello commented that USDA could provide the Board rates of interest and late fees charged in other check-offs, explained USDA's process for approving budgets, bylaws, and policies; and asked the Board to work with USDA when it comes time to sign contracts to ensure USDA-required elements are included in any agreement.

ADJOURNMENT

A MOTION was made by Mark Arkills, SECONDED by Paul Battaglia, to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at noon.

* * * *

This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held March 9-11, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

March 30, 2015

1:00pm EST

A teleconference of the Christmas Tree Promotion Board was held on March 30, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry
Mark Steelhammer

USDA PRESENT

Patricia Petrella
Vickie Carpenter

MONDAY MARCH 30, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 1:00 pm EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Mark Steelhammer, seconded by Beth Walterscheidt, to approve the March 23, 2015, minutes. The motion passed unanimously.

OLD BUSINESS – IMPORTER ISSUE and ED CONTRACT

Cubby Steinhart discussed the importer concerns regarding costs for trees for bale versus bundle. Cubby stated that the board needs to know how many importers import bales of trees. He asked AMS to supply the Board with a rough estimate of importers that would be voting in the referendum. Board members also discussed that trees are duty free. Cubby said it would take another month or so to finish evaluating this issue. Patty Petrella reported a rough cost estimate of \$5,000 to complete informal rulemaking on the assessment issue. However, this cost could be increased depending on any controversy that may arise and the amount of comments received on the rulemaking.

Paul Battaglia reported on the March 28, 2015, finance meeting regarding contract negotiations with the potential CEO. He discussed that they asked the potential CEO to provide a detailed list of what would be completed now until the end of the fiscal year. He also discussed how the software and a logo would be handled. The finance committee will meet again on April 2, 2015, at 1:00 EST.

NEW BUSINESS

A MOTION was made by Bentley Curry, seconded by Jim Rockis to keep the name of the Christmas Tree Promotion Board rather than add Research to the name. The MOTION passed unanimously.,

NEXT MEETING

Next meeting scheduled for Tuesday, April 7, 2015, at 1:00 pm EST.

Mark Steelhammer made a MOTION to adjourn and Bentley Curry seconded. Meeting was adjourned at 2:15 pm EST. The motion passed unanimously.

* * * *

This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held March 30, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

March 18, 2015

1:00pm EST

A teleconference of the Christmas Tree Promotion Board was held on March 18, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry

USDA PRESENT

Patricia Petrella
Maureen Pello
Vickie Carpenter

MEMBER ABSENT

Mark Steelhammer

WEDNESDAY, MARCH 18, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 1:00 pm EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Bentley Curry, seconded by Jim Heater, to approve the March 9-11, 2015, minutes. The motion passed unanimously.

EXECUTIVE SESSION

A motion was made by Bentley Curry, seconded by James Rockis to move into an Executive Session. Motion was passed unanimously. Executive session began at 1:05 EST. The Executive Session ended at 1:44 EST and the meeting reconvened.

The following motion was made by Bentley Curry and seconded by Della Jean Deal:
Motion to contact Avant and O'Connor Associates and ask them if they would separate out the Executive Director duties from promotion sections of their proposals and give us a monetary quote for the ED position with the understanding they can submit RFP for promotional programs. The motion passed unanimously.

Betty outlined a timetable. She will contact them later today and give them until Friday, March 20, 2015, to give us their information. The Board will have a conference call to discuss this on Monday, March 23, 2015 at 1:00 pm EST.

IMPORTERS

Cubby Steinhart reported on his conversation with Forrest Higgins regarding the assessment on multi packs or bundles. The question is, are they assessed as a tree or should there be an assessment on each tree in the bundle? CTPN appointed a sub committee to study this and they made a recommendation to the CTPN committee sometime in 2014. The letter stated that multi packs or bundles be treated as one tree only if they were cut from natural stands.

Maureen Pello stated that our Order says importers will have the same rate as domestic trees. If we were to assess multi packs as one tree, then we would have to do rulemaking to change the Order. Rex Korson asked how that process would work. We would submit to USDA a request for the change, They would then publish it in the Federal Register for public comment. USDA would then analyze the comments and publish the final rule. Ms. Pello added that it would be unlikely rulemaking on this could be completed by this fall when imports start coming in.

Betty asked us to read the Order in regards to importers and Cubby Steinhart will send us the recommendation from the subcommittee that addresses the multi packs or bundles assessment. We will discuss on Monday, March 23, 2015, the importers concern and also the responses from Avant and O'Connor.

James Rockis made a motion to adjourn and Bentley Curry seconded. Meeting was adjourned at 2:15 pm EST.

* * * *

This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held March 18, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

March 23, 2015

1:00pm EST

A teleconference of the Christmas Tree Promotion Board was held on March 23, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry
Mark Steelhammer

USDA PRESENT

Patricia Petrella
Vickie Carpenter

WEDNESDAY, MARCH 23, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 1:01 pm EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Jim Heater, seconded by Paul Battaglia, to approve the March 18, 2015, minutes. The motion passed unanimously.

OLD BUSINESS – IMPORTER ISSUE

Cubby Steinhart discussed the importer concerns regarding costs for trees for bale versus bundle. Best option would be to specify such items and costs during a referendum, changing the wording then. Currently, bales are treated as a tree and assessed as such. It was re-iterated that the Order states that assessments are per tree rather than per bale. It was questioned whether the Order could be changed to specify the characteristics of bale versus tree and how the assessment rates would apply. It was noted that in doing so, it would take time and additional costs to make such changes.

A MOTION was made by Beth Walterscheidt, seconded by Mark Steelhammer to keep the order as written as it related to importing trees, that assessments were collected per tree. Discussion continued on this topic. Bentley Curry MOTIONED to table the vote to keep the importer final rule as written, and was seconded by Jim Rockis. The motion passed unanimously.

Discussion continued regarding the cost of the rule making process as concerned the costs and time frame for the process. Patty Petrella from the USDA advised that the informal rule making process can take up to 6-9 months as there are several elements to the same. USDA will follow up with an estimate on costs, length of time involved, and parties involved in the rule making process. Cubby Steinhart will continue discussions with Forrest Higgins to explain the issues of cost and time to change the rule.

Discussion continued on the importing process and how trees are assessed. Information was requested regarding how customs recognizes and processes imports. USDA will follow up with more information on how customs reports assessment information.

EXECUTIVE SESSION

A MOTION was made by Chris Maciborski, seconded by Beth Walterscheidt to move into an Executive Session. Motion was passed unanimously. Executive session began at 1:28 pm EST. The Executive Session ended at 2:04 pm EST and the meeting reconvened.

A MOTION was made by Bentley Curry and seconded by Paul Battaglia to:
vote on the three nominees for Executive Director. The motion passed unanimously.

The Board **RECESSED** for 10 minutes to allow for electronic voting for Executive Director. Meeting reconvened with all members present at 2:17 pm. The top candidate will be offered the Executive Director position.

Paul Battaglia, Jim Rockis and Cubby Steinhart will work on the employment contract. Ms. Petrella from the USDA offered to send a sample employment contract as a guide. The contract sub-committee will meet again via teleconference on March 25, 2015 tentatively at 1:00 pm EST. Paul Battaglia invited any other board members who wanted to be in on the contract subcommittee to join the call on March 25, 2015.

NEXT MEETING

Next meeting scheduled for Monday, March 30, 2015 at 1:00 pm EST.

Mark Steelhammer made a MOTION to adjourn and Paul Battaglia seconded. Meeting was adjourned at 2:40 pm EST. The motion passed unanimously.

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This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held March 23, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

April 7, 2015

1:00pm EST

A teleconference of the Christmas Tree Promotion Board was held on April 7, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Rex Korson
Conrad “Cubby” Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Bentley Curry
Mark Steelhammer

USDA PRESENT

Patricia Petrella
Vickie Carpenter

GUESTS

Tim O’Connor
Marsha Gray

MONDAY April 7, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 1:00 pm EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Jim Heater, seconded by Jim Rockis, to approve the March 30, 2015, minutes. The motion passed unanimously.

OLD BUSINESS – QUESTIONS FROM CONTRACT SUBCOMMITTEE

Tim O’Connor and Marsha Gray (potential CEO team) joined the call to discuss Attachment A which they provided to the Board. Jim Rockis from the the contract subcommittee opened the floor for questions to Tim and Marsha regarding Attachment A which includes a list of priority items with budget numbers that need to be completed for the remainder of the 2014-2015 fiscal period. The CEO team discussed the top priority items in Attachment A. Board members asked questions regarding the development of the website, logo design, software and other budgetary items. The Board was thankful for the opportunity to discuss these items with Tim and Marsha. Tim and Marsha then left the teleconference meeting. Paul Battaglia discussed finishing up the Executive Director Agreement and Exhibit A. He can have it completed soon and will email a draft to the Board for review. Then the draft agreement will be sent to Tim and Marsha for their review. Once that is complete the agreement will be submitted to USDA for approval and then signed by Tim and Marsha and the Board Chairperson.

NEXT MEETING

Next meeting scheduled for Monday, April 13, at 10:00 EST

Mark Steelhammer made a MOTION to adjourn and Mark Arkills seconded. Meeting was adjourned at 2:30 pm EST. The motion passed unanimously.

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This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held April 7, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

April 13, 2015

10:00 am EST

A teleconference of the Christmas Tree Promotion Board was held on April 13, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Rex Korson
Conrad “Cubby” Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Mark Steelhammer

USDA PRESENT

Patricia Petrella

ABSENT

Bentley Curry

MONDAY April 13, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 10:00 am EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Mark Steelhammer, seconded by Jim Heater, to approve the April 7, 2015, minutes. The motion passed unanimously.

OLD BUSINESS – ED CONTRACT

Jim Rockis raised concerns regarding the cost of compensation for the remainder of the 2015 fiscal period. Cubby Steinhart raised similar concerns. They believe it is expensive for the services that will be provided. Mark Arkills and Cubby Steinhart stated that they are backing the decision of the ED but the Board needs to further negotiate the contract for the remainder of the 2015 fiscal period in order to be good stewards of the Board’s finances.

A MOTION was made by Mark Steelhammer and SECONDED by Jim Rockis for Paul Battaglia and Cubby Steinhart to renegotiate with Tim O’Connor and Marsha Gray the management fees for the remainder of the 2015 fiscal period. This could mean prioritizing some of the activities and pushing some of the issues into the 2015-2016 fiscal period. The MOTION passed unanimously. Paul Battaglia and Cubby Steinhart will report their findings at the next Board meeting on Thursday, April 16. .

NEXT MEETING

Next meeting scheduled for Thursday, April 16, 2015, at 8:00pm EST

Jim Heater made a MOTION to adjourn and Della Deal seconded. Meeting was adjourned. The motion passed unanimously.

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This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held April 13, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

April 16, 2015

8:00 pm EST

A teleconference of the Christmas Tree Promotion Board was held on April 16, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Rex Korson
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Mark Steelhammer

USDA PRESENT

Patricia Petrella
Vickie Carpenter

ABSENT

Bentley Curry

GUESTS

Tim O'Connor
Marsha Gray

THURSDAY April 16, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 8:01 pm EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Beth Walterscheidt, seconded by Jim Heater, to approve the April 13, 2015, minutes. The motion passed unanimously.

OLD BUSINESS – ED CONTRACT

Chairperson Betty Malone asked Paul Battaglia to bring the board up to date on the meeting with Tim O'Connor and Marsha Gray. Paul Battaglia reported that he met with Cubby Steinhart, Betty Malone, Tim O'Connor and Marsha Gray to discuss the Board's concerns regarding the expenses with no income in the 2014-2015 budget and if some activities could be pushed into the following fiscal period when assessment income would be available. Tim O'Connor and Marsha Gray revised their initial budget and activities and reduced the cost by approximately \$20,000. Paul also reported that the fiscal period may need to be changed, since it begins on August 1 and that may not be the right date for conducting Board business. Tim O'Connor stated that it could be changed to March 1 if that is what the Board would like to do. Della Deal expressed that April 1 might be better date as that is the beginning of a quarter. Cubby Steinhart stated that he was very comfortable with the outcome of the discussions with Tim O'Connor and Marsha Gray and the negotiations with the budget and contract. He stated he was comfortable with the outcome and can support the proposal as is.

A MOTION was made by Jim Heater and SECONDED by Beth Walterscheidt to accept the financial committee report and the revised contractor agreement. The MOTION passed unanimously.

Tim O'Connor then discussed how they may do their initial market research. He has looked in to syndicated research and found that Nielson and others do not have research on Christmas trees. They may need to contact the National Christmas Tree Association to see if they have some market research available. Tim said he has looked at the market research that was done by NCTA but it did not yield enough information to create a promotional program. He will visit with them to see if there is more information from those polls. Jim Heater stated that he thought they may have research available and there was some focus group research done several years ago..

Marsha Gray stated that she wanted the group to understand that even though some activities costs have been reduced it does not mean that they are going to do things less expensively. They will just be able to slowly begin the activities and push more of the expenses into the next fiscal period.

NEXT MEETING

Next meeting scheduled for Monday, April 20, 2015, at 3:30pm EST.

Mark Steelhammer made a MOTION to adjourn and Mark Arkills SECONDED the motion. Meeting was adjourned. The motion passed unanimously. Meeting was adjourned at 8:40pm.

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This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held April 13, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

**CHRISTMAS TREE PROMOTION BOARD
TELECONFERENCE MEETING MINUTES**

April 21, 2015

3:30 pm EST

A teleconference of the Christmas Tree Promotion Board was held on April 21, 2015, with the following people present:

MEMBERS PRESENT

Paul Battaglia
Mark Arkills
Betty Malone
Beth Walterscheidt
Conrad "Cubby" Steinhart
James Heater
Della Jean Deal
James Rockis
Christopher Maciborski
Mark Steelhammer
Bentley Curry
Rex Korson

USDA PRESENT

Patricia Petrella
Vickie Carpenter

GUESTS

Tim O'Connor
Marsha Gray

TUESDAY April 21, 2015

WELCOME AND ROLL CALL

Chairperson Betty Malone called the meeting to order at 3:34 pm EST. Roll call was taken.

APPROVAL OF MINUTES

A MOTION was made by Bentley Curry, seconded by Rex Korson, to approve the April 16, 2015, minutes. The motion passed unanimously.

OLD BUSINESS

Chairperson Betty Malone asked Patty Petrella about the status of the review of Independent contractor contract. She explained some language was being added and that it should be approved in the next couple of days.

The Board then discussed the fiscal year change and that it is important to get changed. Patty Petrella explained that she would explore how this could be done either administratively or through informal rulemaking. Betty asked the finance committee to continue to review this issue.

The Board then discussed the scheduling of the next face to face meeting. Betty Malone expressed that the meeting should be held on the east coast in a major producing area. She suggested a May 19-21 date in Charlotte, North Carolina. Tim O'Connor will explore the Courtyard Marriott recommended by Cubby Steinhart as a meeting site. The Board continued to

discuss tasks to be completed at the meeting. Tim O'Connor expressed that there are many items that could be covered at the meeting including developing a long range plan, media training, a joint meeting with local growers, etc.

The Board talked about estimating the number of trees sold last year. They estimated around 15 million trees were sold last year. Several suggestions were made to help Marsha begin the process of identifying growers. They include: National and State Associations other suggestions were: Extension Services, Farm Bureau, Seedling companies, vendors such as Kirk and Co. and the states' Department of Agriculture.

Betty Malone will begin forming subcommittees using the list of names and addresses of those applicants who have given USDA permission to release their names to the Board.

NEXT MEETING

Next meeting scheduled for Monday, April 28, 2015, at 12:00pm PST.

Beth Walterscheidt made a MOTION to adjourn and Della Deal SECONDED the motion. Meeting was adjourned. The motion passed unanimously. Meeting was adjourned at 4:48pm EST.

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This is a true and correct copy of the minutes of the Christmas Tree Promotion Board held April 21, 2015, and incorporates any and all corrections made at the time of adoption.

Beth Walterscheidt, Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

January 19, 2016

MINUTES

Welcome and Roll call – Meeting was called to order at 11:03 Eastern time by Chairperson, Betty Malone. Board members participating: Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Della Deal, Bentley Curry, Jim Rockis, Jim Heater, Chris Maciborski and Betty Malone. Unavailable: Cubby Steinhart. USDA Representative participating: Patricia Petrella and Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional Agenda Items – NCTA Survey was added to new business.

Meeting Minutes

October 13, 2015 conference call – Motion and second to approve the October 13 conference call meeting minutes as presented. Motion approved.

Old Business

2015 Program Update – Tim O'Connor reviewed the 2015 social media campaign; Fresh Cut, Home Grown. Staff will report final reach numbers soon following a wrap up meeting with the firm that executed the campaign.

Rulemaking on Penalties and Fees – Tim O'Connor, Marsha Gray and Chris Salisbury of Wayne Watkinson's office had a conference call last week to determine the status of the rulemaking on penalties and fees. USDA representatives provided assurances that this is top priority and that it is moving as quickly as possible. Patty Petrella confirmed this and she and Vickie Carpenter have offered to speak regularly with Tim with updates on the progress. A determination will not take place by February 15 or even March 15. There will have to be a comment period and it is unsure as to the length of the comment period (15 days, 30 days). Also unanswered is the question of if the fees and penalties can be assessed as soon as the rulemaking takes effect.

An additional question was posed regarding the ability of holding assessments in reserve for future years. Question was referred to Governance committee for recommendation.

Database/Industry Mailing Update – Marsha Gray reported on the process on continuing to update the database. Two grower mailings were executed; the first informational and the second included the reporting form and return envelope. We continue to add farms as they are discovered using a variety of resources. Della Deal agreed to research additional university extension contacts to include in outreach.

As assessment or exemption forms are being received, they are being tracked in the database and contact information updated.

FAQ's – Betty Malone referenced the Frequently Asked Questions document; are additional issues that should be addressed in the next revision. There was a suggestion to add a section on who sees grower information and why growers are required to include tax ID or social security number.

Committee Reports

Promotion Committee

Jim Heater reported that staff publicized an RFP and sent it specifically to 25 selected agencies this fall. Nine high quality proposals received. The Promotion Committee had a conference call on January 8 to discuss the review process. The committee members will read and score all nine proposals, using a standardized score sheet. All score sheets are due to Tim O'Connor by January 27 and will be tabulated and reviewed on a January 28 conference call of the committee. The Promotion Committee will recommend 4-6 firms to the full board to meet and interview at the meeting in March.

Research Committee

Jim Rockis indicated that he is putting together a budget for addressing the fire issue and will send to the board for review.

Industry Relations

Over the past few months, the committee has reviewed and provided input on the website as well as industry letters. They will continue to review and offer suggestions for website updates and a revised Powerpoint presentation for use at industry meetings. Patty Petrella reminded staff to send her the Powerpoint for approval prior to use by board members. She also recommended outreach at industry meetings to announce the nomination process for new board members since there will be three positions up for appointment by the Secretary of Agriculture. Betty thanked Jim Rockis for representing the board at a number of upcoming state meetings in the northeast.

Governance

Rex Korson noted that when the board procedures were developed, we did not specify a method for the nomination process. He will work with the Governance Committee to develop a procedure and bring back to the board.

Finance

Mark Arkills presented the finance report in Cubby Steinhart's absence. To date, approximately \$250,000 in assessments has been received – approximately \$105,000 in early assessments and \$145,000 in lockbox receipts. The assumption is that most of the large assessments will be paid in February, closer to the due date. The Finance Committee will work on updates to the budget.

San Francisco Meeting – Tim O'Connor is working on securing a hotel and meeting space for the San Francisco meeting. Board should plan to start at 9 am on March 9 and be prepared to meet as late as 4 or 5 pm on March 11. Each board member will make their own travel plans. The agenda will likely include presentations from marketing firms on the first two days followed by board discussion and selection of marketing firm, as well as regular business meeting. Betty Malone requested agenda items for that meeting.

New Business

Requests for Information – The board has received a request from one grower to receive a copy of all board meeting minutes and financials. The board does not yet have a standard policy regarding the publication of minutes or financials. Governance Committee will work on this issue and make a recommendation to the full board.

Constituent Service – Betty Malone shared her desire to meet with state or regional association boards whenever possible. We are planning an informal meeting with members of the California association when we are in San Francisco. Board will also attempt to plan summer board meeting in coordination with a state or regional Christmas tree meeting.

Reports of general information from Board Members – Most board members reported having some interaction with growers and addressing questions, however not an overwhelming number of contacts.

Other Business

NCTA Survey – Previously, the board had discussed cooperating with NCTA on their annual survey and expanding it to include items of interest to the Promotion Board. Tim O'Connor and Marsha Gray participated in a conference call including NCTA representatives and university researchers that are involved in this survey. It would be difficult to include so many diverse inquiries in one survey and the Executive Committee chose not to partner with NCTA on the survey. Executive committee recommends consulting with the marketing firm that is eventually selected to develop a more directed and meaningful research tool.

Next Conference Call Meeting – The next conference call is scheduled for Tuesday, February 16 at 11 am Eastern, 8 am Pacific.

Adjourn – Upon motion duly made and seconded, meeting was adjourned.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

February 2, 2016

MINUTES

Welcome and Roll call – Meeting was called to order at 11:00 am Eastern time by Chairperson, Betty Malone. Board members participating: Cubby Steinhart, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Della Deal, Jim Rockis, Chris Maciborski, Jim Heater, and Betty Malone. Unavailable: Mark Arkills and Bentley Curry USDA Representative participating: Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Old Business

Compliance – discussion was held on late payment penalties, rule making and other compliance related matters.

It was MOVED AND SECONDED to rescind the policy the board previously approved on collections and late payment fees to allow the USDA rule making process and first year's collections to be completed and enable a new policy to be created that is more informed from those processes. MOTION PASSED.

New Business

Freedom of Information Request – the board was updated on a Freedom of Information request that has been received.

Other Business

Record Retention Policy – discussion was held on the record retention policy that had been established as part of the board's initial policy manual; it was determined to be missing some components.

It was MOVED AND SECONDED to amend the CTPB record retention policy to require destruction of routine correspondence, notes, memoranda and email at 31 days after receipt, ensuring that all information required to be retained by the CTPB record retention policy is maintained in the CTPB's records for the appropriate period. MOTION PASSED.

Next Conference Call Meeting – The next conference call is scheduled for Tuesday, February 16 at 11 am Eastern, 8 am Pacific.

Adjourn – Upon motion duly made and seconded, meeting was adjourned.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

February 16, 2016

MINUTES

Welcome and Roll call – Meeting was called to order at 11:03 am Eastern time by Chairperson, Betty Malone. Board members participating: Cubby Steinhart, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Della Deal, Jim Rockis, Mark Arkills, Bentley Curry, Chris Maciborski, Jim Heater, and Betty Malone. USDA Representative participating: Patty Petrella. Staff in attendance: Tim O'Connor and Marsha Gray.

Meeting Minutes – It was MOVED and SECONDED to approve the January 19, 2016 meeting minutes as presented. MOTION PASSED. It was MOVED and SECONDED to approve the February 2, 2016 meeting minutes as presented. MOTION PASSED.

Unfinished Business

- A. Penalty provision – Chairperson, Betty Malone announced that the email vote to rescind the previously approved penalty policy passed with an affirmative vote of 8 board members and 4 non-responses. Provision will be removed from the policy book and revised policy book will be emailed to all board members.
- B. USDA Issues – Patty Petrella reported on a number of items requested by Betty Malone.
 - 1) The penalty provision is moving forward through the USDA channels and Patty Petrella is hopeful that it will be posted in the Federal Register in the next few weeks. Currently a 15 day comment period is being recommended.
 - 2) The FOIA request was submitted by Peter Cumpstone.
 - 3) Regarding imported trees, customs will collect 2016 assessments at the border as trees are brought across. They are not able to collect “back assessments” or assessments owed from a previous year.
 - 4) Regarding the question of whether assessments are due on trees sold for which the wholesaler has not yet received payment, Patty Petrella indicated that assessments are due on the appointed due date whether or not the grower/wholesaler has collected on the sale.
- C. Database Progress – Marsha Gray reported that the staff continues to mail to growers as they are identified or corrected addresses are determined. Collection reports will be sent to board each day this week. Staff is developing a collection and follow up plan that will be presented to the board in San Francisco.
- D. FOIA - Marsha Gray reported that the requested financial statements and minutes were delivered to USDA. Patty Petrella confirmed that USDA has the documents and is reviewing. Will soon be providing documents to the individual who made the FOIA request.
- E. Committee Reports
 - 1. Promotion – Jim Heater reported that the six agencies that were selected by the Promotion Committee have been invited to present to the full board in San Francisco. Those agencies are: Concept Farm, Division of Labor, Exponent, Fleishman Hillard, Nuffer Smith Tucker, Red Door Interactive. Board members were urged to access the Dropbox file and review the firms’ proposals prior to the meeting.
 - 2. Financial – Cubby Steinhart briefly reviewed the revenue and expense categories on the financial statement. More detail will be discussed at the meeting in San Francisco,

particularly in regard to assessments received. Steinhart mentioned the need to get clarification on the USDA start up and current charges.

3. Governance – Rex Korson presented the Nominating Process for Officer Election that was distributed with the agenda. It was MOVED and SECONDED to accept the nominating process as presented. MOTION PASSED. Malone commented that the approval of this process indicates that officer elections will take place at the San Francisco meeting. Malone will appoint a three-person nomination committee and any board member interested in serving was asked to contact Betty Malone following the teleconference meeting.
- F. San Francisco Meeting – Tim O'Connor briefly reviewed the schedule for the San Francisco meeting asked board members to be ready to begin promptly at 8 am on March 9. There will be four agency presentations (2 hours apiece) on March 9 and two on March 10, leaving a day and a half for other board business.

New Business – There was no additional business to come before the board.

Next meeting – March 9-11 in San Francisco

Announcements – Betty Malone asked all board members to please reply to the email requesting the areas of the industry in which they have experience. Malone also reminded board members to review the marketing proposals and contact her if they had interest in serving on the nomination committee.

Adjourn –It was MOVED and SECONDED to adjourn. MOTION PASSED.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD BOARD MEETING

March 9-11, 2016

MINUTES

Welcome and Roll call – Meeting was called to order at 7:45 am Pacific time by Chairperson, Betty Malone. Board members in attendance: Mark Arkills, Bentley Curry, Cubby Steinhart, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Della Deal, Jim Rockis, Chris Maciborski, Jim Heater, and Betty Malone. USDA Representative in attendance: Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Tim O'Connor reviewed the schedule of agency presentations to take place over next day and a half.

Agency Presentations – Board participated in the following presentations:

March 9

8:00 – 10:00	Exponent
10:45 – 12:45	Division of Labor
1:45 – 3:45	Red Door Interactive
4:30 – 6:30	Nuffer Smith Tucker

March 10

8:00 – 10:00	Concept Farm
10:45 – 12:45	FleishmanHillard

Agency Presentation Discussion – Board engaged in discussion on the agency presentations. Board members evaluated the agencies, their presentations, staff and concepts. Board agreed on top two firms and agreed to wait until reconvening on March 11 to make a final selection.

Additional Agenda Items – No items were added to the agenda.

Meeting Minutes – It was MOVED and SECONDED to approve the February 16 meeting minutes as presented. MOTION APPROVED.

Unfinished Business

Review of “Guideline, Procedure, Standard, Policy” Document – Chairperson Malone reviewed the document outlining the appropriate use of such terms as “Policy” versus “Procedure” and “Guideline”

Staff Reports - Collections, Exemptions, Enforcement – Marsha Gray reported that the current total of collected assessments stands at \$1,415,090.23.

Tim O'Connor reviewed the large amount of data that is produced for the assessment and exemption reporting process.

Tim O'Connor and Marsha Gray presented a plan to follow up with producers who have not yet reported or paid. That plan can commence when USDA approves the penalty and interest provisions. Growers

will be reminded of the requirement to either return their exemption form or pay their assessment in 30 days or be subject to penalty and interest fees.

It was MOVED and SECONDED to direct staff to follow the proposed plan. MOTION APPROVED.

Board requested that staff include number of trees reported and assessments paid in database. Staff will execute that plan. Board also suggested that staff publish a telephone number and staff it for grower inquiries and questions. Staff will investigate and make request of board for additional staffing.

USDA Issues

Penalty and Fees Rulemaking – Vickie Carpenter reported that the proposed rule began a 15 day comment period on March 1, 2016.

Start Up Fees – CTPB is challenging \$32,219.06 of USDA start up charges that were incurred during the period of time that the order was “stayed”.

FOIA Request – Vickie Carpenter reported that CTPB staff supplied all of the requested documents and that USDA will be sending the documents to the FOIA officer for final review before sending to the individual who requested the documents.

Website Repair- Vickie Carpenter contacted the person who handles website updates to correct the name of our board by removing “National” in front of Christmas Tree Promotion Board on the AMS/USDA website.

Updating 2016 payment and exemption forms – Board discussed the possibility of adding some items to the reporting forms next year, including “make checks payable to: CTPB” and places to report acreage in Christmas tree production and clarifying what is “supporting documentation.” If board plans to make changes to forms, that must happen soon giving USDA time to approve.

CTPB Assessment Guidelines Outline – A group of board members read an outline of problems, goals and suggested solutions to the assessment collection process.

Forest Service Christmas Trees – Vickie Carpenter reported that federal regulation defining how funds collected by the US Forest Service can be used precludes the US Forest Service from paying assessments therefore, CTPB will not be able to collect assessment fees on Christmas trees harvested from National Forests.

March 11, 2016

Selection of Advertising Agency – Board members discussed attributes of the top two agencies as identified the previous day; Concept Farm and FleishmanHillard . It was MOVED and SECONDED to take a vote to select the advertising agency. MOTION APPROVED.

Chairperson Betty Malone conducted a vote of the board and the results were conclusive in favor of Concept Farm. Tim O’Connor will notify Concept Farm of their selection as the advertising agency for CTPB’s upcoming promotional campaign. He will also personally contact each of the other five agencies.

National Christmas Tree Association Report – CTPB member, Bentley Curry, also an NCTA board member updated the CTPB on the dire situation facing the NCTA. He reported on the recent reduction of staff and related management fee reduction. NCTA will continue its contract with American Hort for lobbying and issues support.

Conversation with Tom Dull, NCTA President – Tom Dull joined the meeting via phone to address concerns regarding the significant loss of members in NCTA, as well as the severe financial situation faced by NCTA. Dull reported that NCTA's management firm, AMR, has offered them a revised contract at a much reduced rate, however at the expense of losing Rick Dungey, former NCTA Executive Director. Dull indicated that NCTA is very interested in working with CTPB on a variety of projects if CTPB is willing and if terms can be agreed upon. Areas of collaboration could include fire information, the White House Christmas Tree and the media/consumer response during the holiday season. Conversations on all of these topics will continue.

Committee Reports

Governance

Accounting and Internal Control Policy – It was MOVED and SECONDED to suspend the Cash Receipts and Invoicing for Penalty policies in the current CTPB policy book, until the Governance Committee can present a revised policy recommendation when more complete information is available. MOTION APPROVED.

Review public information policy – It was MOVED and SECONDED to begin posting CTPB meeting minutes on the CTPB website beginning with this meeting. MOTION APPROVED.

Nomination Process for Board positions that expire 12/31/16 – Governance Committee Chairperson, Rex Korson, reviewed a procedure that he and Tim O'Connor drafted to execute the upcoming nomination process for board positions that expire on 12/31/16. Governance Committee will present a finalized version of the plan for board consideration at the next conference call.

Research Committee Report – Research Committee chairperson, Jim Rockis, presented the fire related project report submitted by Rick Dungey for NCTA. The proposal is divided into three projects; 1) participation in the National Fire Protection Association conference and trade show 2) Fire code training and 3) a comprehensive fire safety program. Board previously approved \$7,000 for the research committee to help fund participation in the NFPA trade show and directed research committee to move forward with its plans. If additional funds are needed, Research Committee chair will make a request at an upcoming board meeting.

Finance Committee Report

Treasurer, Cubby Steinhart reviewed current financial status of the CTPB. Board requested that the Metropolitan Bank loan/line of credit be paid down to \$1 now that funds are readily available.

Staff has received requests that CTPB accept credit card payments. This could be helpful for Canadian growers who may not have ready access to US funds bank accounts, however there is a cost to process these charges. Finance committee will investigate costs and how this could be managed.

Industry Relations Committee Report

Committee Chairperson, Betty Malone reported that we have received positive feedback when having board members and staff attend state and regional Christmas tree meetings. She thanked Jim Rockis for representing the board at many meetings in the east and encouraged board member participation in upcoming summer meetings. Marsha Gray reviewed a list of upcoming meetings and requests.

Board agreed that it preferred to have three face to face meetings in 2016. The board will meet in conjunction with the Pennsylvania Christmas Tree Growers Association meeting, July 21-23. A date for an additional face to face meeting will be discussed at an upcoming board meeting.

New Business

Reserve Fund – It was MOVED and SECONDED to direct the Governance Committee to investigate doubling the maximum allowable limit of reserve funds from one year to two years of annual expenses. MOTION APPROVED.

Commodity Round Table membership – CTPB has been invited to join the Commodity Roundtable. This is a group of Executive Directors from many of the commodity checkoff programs. The Commodity Roundtable was very helpful in our start up process and Tim O'Connor confirmed that it was a very helpful group. He recommended membership, but possibly joining at a later date to conserve funds.

Election of Board Officers – Nominations Committee Chairperson, Mark Steelhammer recommended the following slate of officers, noting that all agreed to serve; Chairperson – Betty Malone, Vice Chairperson – Jim Heater, Treasurer – Cubby Steinhart, Secretary – Beth Walterscheidt. Chairperson, Betty Malone asked for nominations from the floor. There were none. It was MOVED and SECONDED to close nominations. MOTION APPROVED. It was MOVED and SECONDED to cast a unanimous ballot for the slate of officers presented by the nominations committee. MOTION APPROVED.

Next Conference Call

Next conference call for the CTPB is scheduled for March 22nd, Tuesday, 8 AM Pacific

Adjourn

It was MOVED and SECONDED to adjourn the meeting. MOTION APPROVED.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

March 22, 2016

MINUTES

Welcome and Roll call – Meeting was called to order at 11:04 am Eastern time by Chairperson, Betty Malone. Board members participating: Cubby Steinhart, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Della Deal, Mark Arkills, Bentley Curry, Chris Maciborski, Jim Heater, Betty Malone and Jim Rockis. USDA Representative participating: Kelly Robertson. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional Agenda Items – There were no items added to the agenda.

Meeting Minutes – It was MOVED and SECONDED to approve the March 9-11, 2016 meeting minutes as presented. MOTION PASSED.

Unfinished Business

- A. **Phone staffing** – Tim O'Connor presented a telephone staffing recommendation for the board's consideration. In the short term the board would contract with two individuals who have experience handling Christmas tree shipping issues. These two women would staff our new 800 number 12 hours per day for the first 30-45 days following the approval of the penalty and interest provision. High call volume during that time is anticipated as the provision approval triggers a letter being sent to all non-responsive Christmas tree producers in the database. They will be trained by CTPB staff to answer a variety of questions and to encourage growers to submit their sales/importer reporting forms and payment or exemption forms during the 30-day grace period. They would not have access to the CTPB database or financial records. The long term plan includes the addition of a permanent part time (30 hr per week) staff member who would eventually take over telephone duties as well as work on database, assessment, collection and importer issues as she becomes more familiar with the program. This staff member would have access to the CTPB database and would be able to provide more personalized assistance to growers and importers. The cost for the short term call staffing would be approximately \$6,000, paying the individuals by the hour for the time they work, and the permanent staff member would cost \$27,000 annually. These costs are additions to the Tim O'Connor and Associates management contract. It was MOVED and SECONDED to approve the proposal for short-term telephone staffing and the addition of a permanent staff position and associated expenditures as presented. Motion approved.
- B. **USDA Issues**
 - 1. Penalties and fees final rule – Kelly Robertson reported that the final rule is in the review process. There were no comments during the comment period.
 - 2. Cost of rulemaking estimate on increasing limit on reserve fund – Kelly Robertson reported that Vickie Carpenter has begun working on the time frame of approximately 9 months to one year, but does not have any cost information at this time.
- C. **Committee Reports**
 - 1. **Promotion** – Jim Heater thanked the board for their consideration and excellent input on the selection of Concept Farm as our advertising agency. He discussed the option of

providing Concept Farm a budget that is below what we may be able to afford once all assessments are collected. At a later date that budget could be increased. He will discuss this with the Finance committee and staff and bring a recommendation for the full board. Jim will be asking promotion committee members to share farm videos with Concept Farm as a way to introduce them to the industry. Board members can also provide video links or dvd's for their review.

2. **Finance Committee** – Cubby Steinhart reported that it appears we have nearly hit our first level goal of \$1.5 million in assessments and thinks we can collect up to \$2 million as we proceed. Budgeting needs to begin and he asked all committee chairs to start working on what their needs will be in the next budget year. Tim O'Connor has begun work with the bank to pay down our line of credit and establish collateral with approved investment options for CTPB funds held above the FDIC limits.
 3. **Governance** – Rex Korson presented the updated board member election procedure as discussed at the last meeting. Kelly Robertson asked if all deadlines could be moved up by 30 days giving USDA more time to execute the board appointments. Rex Korson and staff agreed that it could be adjusted. It was MOVED and SECONDED to approve the board member election procedure with the 30-day deadline adjustment. MOTION APPROVED.
 4. **Research** – Jim Rockis announced that he has had conversations with Ellis Schmidt regarding the fire industry show. They are working to determine what materials NCTA has and what will be needed in the way of redesigned print materials to distribute.
- D. **May meeting** – After discussion, board determined that having a longer meeting in July in Pennsylvania may be more beneficial than to have an additional meeting in May when many of the issues that will need to be discussed won't be fully developed in May. Board suggested considering inviting Concept Farm to the Pennsylvania meeting and consider inviting the members of the promotion committee that would be interested in attending.

New Business – There was no additional business to come before the board.

Next meeting – The next conference call of the board will be April 19, 2016 at 11 am Eastern.

Announcements – Betty Malone thanked Kelly Robertson for joining the call for USDA.

Adjourn –It was MOVED and SECONDED to adjourn. MOTION PASSED.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

April 19, 2016

MINUTES

Welcome and Roll call - Meeting was called to order by Chairperson, Betty Malone at 11:03 am Eastern. Board members in attendance: Betty Malone, Paul Battaglia, Mark Arkills, Rex Korson, Beth Walterscheidt, Mark Steelhammer, Jim Rockis, Jim Heater, Della Deal, Cubby Steinhart and Chris Maciborski. Board member unavailable: Bentley Curry. USDA Representative: Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional agenda items - There were no items added to the agenda.

Meeting Minutes – It was MOVED and SECONDED to approve the March 22, 2016 conference call minutes as presented. MOTION APPROVED.

Unfinished Business

Committee Reports

Finance – Finance Committee Chair, Cubby Steinhart presented the 2016-2017 budget as recommend by the finance committee. It was MOVED and SECONDED to approve the budget as presented. MOTION APPROVED.

Della Deal and Mark Arkills will lead a committee to engage the allied trades and seek contributions from allied trades.

Finance committee is reviewing the option to accept credit cards for assessment payments.

Promotion – Promotion Committee Chair, Jim Heater would like the promotion committee to have a face to face meeting with Concept Farm in Pennsylvania prior to the CTPB board meeting. Board asked Jim to bring a budget so that they can consider the request.

Research – Research Committee Chair, Jim Rockis presented and updated proposal to provide funding for NCTA and CTPB participation in the National Fire Prevention Association trade show in June as well as sending and industry representative to a technical fire testing meeting. It was MOVED and SECONDED to allocate an additional \$7,000 to fund this proposal. MOTION APPROVED.

Staff updates – Tim O'Connor reported that we have moved forward with the third letter to the industry. The letter needed to be revised and could not specifically refer to penalties and fees. New letter has been approved, is being printed now and should be in the mail this week.

As agreed upon previously, an 800 number has been secured and will be staffed from 8 am eastern to 5 pm pacific for 30-45 days starting on April 25. Continued coverage will depend on call levels. Tim O'Connor and Associates has also expanded its staffing.

Marsha Gray reported that she continues to work with Canadian imports and that we have received reports and payments from approximately two thirds of those identified on US Customs reports. A follow up letter is planned for importers.

Pennsylvania meeting - Board discussed the next face to face meeting in Pennsylvania. Betty Malone will work with staff to develop schedule options considering work load and possible promotion committee meeting. The Pennsylvania Christmas Tree Growers Association is planning on CTPB board members to join them on Friday afternoon or evening, July 22.

USDA update – Vickie Carpenter reported that she has no additional information on a date for the final rule on penalties and fees, and that it currently being reviewed.

New Business

Staff performance review procedure – Beth Walterscheidt reviewed the matrix for staff evaluation. She reminded board that the evaluation is for Tim O'Connor and Associates as a contractor, not individuals, and asked board members to have their completed work to her by May 1, 2016. She will compile the results and she and Betty Malone will go over the performance review with staff prior to May 31, 2016.

Next conference call/ meeting - May 17, 2016 at 8 am Pacific

Announcements – Betty Malone reminded board members to get their staff performance evaluations to Beth by May 1 and if anyone has DVD's or video links for Concept Farm to send them now.

Adjourn – It was MOVED and SECONDED to adjourn. MOTION APPROVED.

Respectfully Submitted,

Beth Walterscheidt,
Secretary

CHRISTMAS TREE PROMOTION BOARD

TELECONFERENCE BOARD MEETING

April 28, 2015

MINUTES

Welcome and Roll Call – Meeting was called order at 3:04 EST by Chairperson Betty Malone. Board Members in attendance: Conrad “Cubby” Steinhart, Mark Steelhammer, Mark Arkills, Paul Battaglia, Della Jean Deal, Chris Maciborski, Rex Korson, Beth Walterscheidt, Bentley Curry, Jim Rockis and Betty Malone. Board Members Absent: Jim Heater. Staff in attendance: Tim O’Connor and Marsha Gray. USDA in attendance: Patricia Petrella and Vickie Carpenter.

Additional agenda items – No items were added to the agenda

Meeting Minutes April 20, 2015 – Mark Steelhammer moved to approve the minutes as presented and was supported by Bentley Curry. Motion approved.

Old Business

A. May 19-21 Board Meeting – Betty Malone confirmed that the next in-person meeting of the board is scheduled for May 19-21 in Chicago. Agenda and travel details will be emailed to board members in next two days.

B. Contract Completed - Betty Malone announced that the contract with Tim O’Connor and Associates has been approved and signed.

New Business

A. Finance Committee Update – Bentley Curry moved approval of the Year End 7/31/15 budget as presented by Cubby Steinhart and edited by the board. Motion supported by Beth Walterscheidt and approved by the board. USDA is considering the request to change fiscal year and Patty Petrella reported that she hopes to have an answer at the end of the week.

B. Policies & Committees – Betty Malone reviewed a brief outline of recommended committee structure and operation. Her recommendation for committees of this board are: Research, Promotion, Industry Relations, Finance and Governance. Malone also reported that the Governance Committee will be meeting in the next week to work on developing board policies for board review and approval at May meeting.

C. By Laws Review Next Steps – Tim O’Connor reported that he has done an initial review of the draft by-laws and has recommendations primarily in the area of committees. Governance Committee will have by-laws available for review and approval at May meeting.

D. Press Release Next Steps – Marsha Gray reported that she wrote the article as requested by the NCTA for their publication. The article was approved by USDA and sent to NCTA. Marsha Gray recommended that the board will have to determine an efficient procedure to approve press releases in the future. In an effort to get an initial press release out in the next few days, Gray will forward the release to all board members with 24 hours to respond if they have concerns.

Next conference call was scheduled for Tuesday, May 5 at 4 pm EST.

Adjourn – Paul Battaglia moved to adjourn and was supported by Mark Steelhammer. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

May 5, 2015

MINUTES

Welcome and Roll call – Meeting was called to order by Chairperson, Betty Malone. Board members in attendance: Jim Heater, Bentley Curry, Mark Arkills, Mark Steelhammer, Paul Battaglia, Cubby Steinhart, Della Deal, Chris Maciborski, Rex Korson, Beth Walterscheidt, Jim Rockis and Betty Malone. USDA Representatives in attendance: Patricia Petrella, Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Meeting Minutes April 28, 2015 – Mark Steelhammer moved to approve the minutes as presented and was supported by Rex Korson. Motion approved.

Old Business

A. May 19-21 Board Meeting

Meeting Logistics – Marsha Gray reviewed hotel and meeting accommodations.

NCTA participation – Betty Malone announced that NCTA President, Blake Rafeld will join the Promotion Board for a conversation on the afternoon of May 20. Tom Dull and Bob Schaefer may also join. This will be an opportunity to begin dialog between the two organizations on how they can work together for the industry.

Desire for joint statement – Blake Rafeld has requested that the two organizations come out of the meeting with a joint statement regarding how the two work together and separately serve the industry.

New Business

A. Finance Committee FY15/16 Projection – Beth Walterscheidt moved to accept the Fiscal Year 2015/2016 Projection for the purpose of providing it to the CTPB banking partner and was supported by Mark Arkills. Motion approved. Betty Malone thanked Cubby Steinhart and the Finance Committee for their work on the budget. Tim O'Connor and Patty Petrella explained that the USDA determined that changing the fiscal year for the program would require an informal rule making change and federal register posting. Tim stated that the board would also have an informal rule making action on late payment and interest charges for delinquent assessments and we should do both at the same time. Patty Petrella indicated that this would likely be a six to nine month process. The decision was made to wait on the informal rule making, review the fiscal year change and do all necessary rulemaking at the same time. USDA also will allow the Board to submit the remaining Fiscal Year budget and next Fiscal Year budget as one consolidated budget, thus allowing only one audit.

B. Policies Development for May meeting – Betty Malone confirmed that the Governance Committee has been working on board policies and that their recommended policies will be given to the board in advance of the May 19 meeting where they will be reviewed, updated if needed and approved. Governance committee will also review the policy of returning funds to states as requested by Della Deal.

C. Future Conference Calls – No conference call was scheduled for next week so that time can be used by committees to prepare for May 19-21 meeting. Betty Malone asked board members to keep Tuesday, May 12 at 4 pm EST open in case a board conference call is required.

Other business

A. List of Board Applicants – Betty Malone reported that she received a list of individuals who applied to USDA to be considered for the board. Of the 57 applicants, 12 were selected. The others were contacted by USDA and asked if their names could be shared with the board. Approximately 20 agreed and Betty has that list. She will share it with the board for their thought on which of these individuals may be good candidates for committee work and asked for the names of any other known candidates.

Adjourn - Mark Steelhammer moved to adjourn and was supported by Paul Battaglia. Motion approved.

Respectfully Submitted,

Beth Walterscheidt
Secretary

**CHRISTMAS TREE PROMOTION BOARD
BOARD MEETING**

Wyndham Garden Hotel
Elk Grove Village, IL

May 19-21, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 1:05 pm by Chairperson, Betty Malone. Board members in attendance: Jim Heater, Bentley Curry, Mark Arkills, Mark Steelhammer, Paul Battaglia, Cubby Steinhart, Della Deal, Chris Maciborski, Rex Korson, Beth Walterscheidt, Jim Rockis and Betty Malone. USDA Representative in attendance: Patricia Petrella. Staff in attendance: Tim O'Connor and Marsha Gray.

Meeting Overview – Betty reviewed the order of business for the meeting.

Teleconference Meeting Minutes May 5, 2015 – Bentley Curry moved to approve the minutes as presented and was supported by Mark Steelhammer. Motion approved.

Metropolitan Bank

- a. **John Paul Koch and Brad Miller** from Metropolitan Bank presented an outline of services available with the bank and answered questions from board members on operations.
- b. **Loan Document Signing** – Officers signed the \$300,000 line of credit from Metropolitan Bank. Loan term through April 1, 2016.

Strategic Planning– Tim O'Conner led the board in a strategic planning session. Board discussed mission and vision statements, as well as discussed priorities for the program.

Upon motion duly made and seconded, board adjourned for the day.

Board reconvened at 8:00 am on Wednesday, May 20, 2015.

Bylaws – Beth Walterscheidt moved approval of the bylaws as prepared by the Governance Committee and was supported by Bentley Curry. Board reviewed and discussed document. Motion approved.

Policies - Board reviewed policies recommended by the Governance Committee:

- a. **Code of Ethics** – Paul Battaglia moved approval of the Code of Ethics policy as presented and was supported by Mark Steelhammer. Motion approved.
- b. **Confidentiality Policy** – Jim Heater moved approval of the Confidentiality policy as presented and was supported by Bentley Curry. Motion approved.
- c. **Conflict of Interest Policy** – Bentley Curry moved approval of the Conflict of Interest policy as presented and was supported by Mark Arkills. Motion approved.

- d. **Donations Made by the CTPB** – Jim Heater moved approval of the Donations Made by the CTPB policy as presented and was supported by Bentley Curry. Motion approved.
- e. **Donations to CTPB** – Beth Walterscheidt moved approval of the Donations to CTPB policy as presented and was supported by Mark Steelhammer. Motion approved.
- f. **Equal Opportunity and Sexual Harassment Policies** – Bentley Curry moved approval of both the Equal Opportunity and Sexual Harassment policies as presented and was supported by Mark Arkills. Motion approved.
- g. **Support for State Programs Policy** – Jim Heater moved approval of the Support for State Programs policy with corrections noted and was supported by Chris Maciborski. Motion approved.
- h. **Social Media Policy** – Bentley Curry moved approval of the Social Media policy as presented and was supported by Paul Battaglia. Motion approved.
- i. **Travel Policy** – Mark Steelhammer moved approval of the Travel policy as presented and was supported by Jim Heater. Motion approved.
- j. **Antitrust Compliance Policy** – Beth Walterscheidt moved approval of the Antitrust Compliance policy as presented and was supported by Jim Heater. Motion approved.
- k. **Accounting and Internal Control Policy** – Bentley Curry moved approval of the Accounting and Internal Control Policy excluding the Penalty Provisions section and was supported by Paul Battaglia. Motion approved. The Governance Committee will rewrite the Penalty Provisions section using input from the board and will present revision within a week.
- l. **CTPB Record Retention Policy** – Mark Arkills moved to approve the CTPB Record Retention Policy as presented and was supported by Beth Walterscheidt. Motion approved.
- m. **Cash Management Procedures and Investment Policy** – Mark Steelhammer moved approval of the Cash Management Procedures and Investment Policy with noted corrections and was supported by Chris Maciborski. Motion approved.
- n. **Indirect Costs Policy** – Bentley Curry moved approval of the Indirect Costs Policy as presented and supported by Paul Battaglia. Motion approved.

Consolidated Budget – Treasurer, Cubby Steinhart reviewed the consolidated budget (Feb 2015 – July 2016) that was prepared for the bank.

Fiscal Year Change – Board discussed the possibility of changing the fiscal year. Consensus that no fiscal year change was needed at this time. Jim Heater made a motion to take fiscal year issue to rulemaking and change the order to make fiscal year changes an administrative action in the future. Motion was supported by Mark Steelhammer. Motion approved.

Imported Bundled Trees – Conrad Steinhart moved to assess baled trees from natural tree stands on a per-bale versus per-tree basis and was supported by Jim Rockis. Board discussed the issue of financial treatment of bundled trees (i.e.: bundles of trees imported from Canada). The order states that every cut Christmas tree is subject to the same assessment rate. Patty Petrella commented that even if there was a desire to offer a different rate for bundled trees, it would likely not be approved by USDA. Motion failed.

Insurance Coverage for the Board – Board directed Tim O’Conner to seek options for Directors and Officers, liability and errors and omissions insurance for the board. Tim will present options for board approval.

Accounting and Database – Tim O'Connor and Marsha Gray presented their findings for accounting and database software. They recommended using QuickBooks online which would allow for multiple users (Tim, Marsha, staff accountant, Treasurer) to have access to current data from any location. Brad Miller from Metropolitan Bank confirmed that they have many clients who use this version of the software and interface successfully with the bank. They also indicated that they planned to use Filemaker Pro for the database software. They preferred a server version which allows for multiple users (staff) in different locations to access the data.

Logo – The board viewed a number of options for an identifying logo for the CTPB. Board provided direction for some changes and options that they would like to see. Marsha Gray will make those requests of the graphic designer and forward to the board for review.

Domain Name – Board reviewed a list of domain name options and suggestions.

Joint Session with NCTA Leadership – Blake Rafeld, President of the National Christmas Tree Association, joined the meeting in person. Bob Schaefer and Tom Dull, Executive Committee members and Rick Dungey, Executive Director, joined the meeting via telephone. Blake shared his thoughts on the importance of the two organizations working together and Betty Malone echoed that sentiment. Board discussed possible areas where the two could work together as we move forward.

Upon motion duly made and seconded, board adjourned for the day.

Board reconvened at 8:00 am on Thursday, May 21, 2015.

Review of Strategic Planning – Board reviewed the information pulled from the strategic planning session on Tuesday and agreed on modifications.

Finance Committee -

- a) **Collection of Assessment Payments** – Treasurer, Cubby Steinhart reviewed the bank lockbox option versus staff processing of assessment checks. Bentley Curry moved to approve the use of the bank lockbox system for receiving assessment payments and was supported by Della Deal. Motion approved.
- b) **Advance Payments** – Cubby Steinhart shared his plan on contacting supportive growers and asking them to volunteer to prepay a portion of their 2015 harvest assessment in an effort to reduce the amount taken from the line of credit and save interest. Staff will assist the board in creating a list of growers for consideration and board members will select those that they wish to contact personally. Staff will prepare a brief document for board members to share with those that they contact. To show support for this Cubby suggested Board members volunteer to prepay a portion of their 2015 harvest assessment also.
- c) **Donations from Allied Trades** – Cubby Steinhart proposed appointing a group to assist with an effort to request donations from the allied trades (seedling growers, equipment companies, supply companies). Names suggested to assist included: Irwin Loiterstein, Doug Kell Jr., Dale Hudler, Tommy Waggoner and Scott Raitz. Della Deal agreed to head up this effort as a part of Industry Relations.

Promotions Committee – Promotions Committee Chair, Jim Heater, announced that he is looking for committee members that represent different aspects of the industry as well as geographic regions. The

Board discussed need to do additional consumer research, particularly in the area of Millennials. Discussion on focus groups as a possible tool. The Board voiced their concern about the possibility of the media picking up the “Tree Tax” story this coming season and the importance of being prepared for that. Finally, Tim O’Conner and Marsha Gray shared samples of effective social media campaigns, as well as humorous campaigns that spoof artificial trees.

Research Committee – Research Chair, Jim Rockis, led discussion on format for accepting research proposals and there seemed to be consensus that CTPB would request research proposals on topics that they felt important to the industry. Initially, much of the research budget will be used for consumer research. Discussion on the possibility of tagging on with the NCTA annual sales survey, but requesting a different polling firm. Chris Maciborski and Bentley Curry agreed to serve as liaisons to NCTA.

Governance Committee – Beth Walterscheidt is chairing the Governance Committee and she announced that she will have the penalty policy ready for board review in the next week.

Industry Relations Committee – Board discussed opportunities to reach out to Christmas tree growers in all regions. A press release will be prepared following this meeting. Board members indicated which state, county and regional meetings they will be attending. Staff will prepare talking points, as well as a power point presentation for them to use in their outreach.

August Board Meeting – The next face to face meeting of the Board will take place in conjunction with the North Carolina Christmas Tree Association meeting. The NC meeting takes place August 27-29, although exact meeting days and time for the CTPB are not yet confirmed.

Adjourn - Mark Steelhammer moved to adjourn and was supported by Chris Maciborski. Motion approved.

Respectfully Submitted,

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

June 9, 2015

MINUTES

Welcome and Roll Call – Meeting was called to order at 3:35 pm EST by Chairperson, Betty Malone. Board members participating: Jim Heater, Bentley Curry, Mark Arkills, Mark Steelhammer, Paul Battaglia, Della Deal, Chris Maciborski, Rex Korson, Beth Walterscheidt, Jim Rockis and Betty Malone. Board member absent: Cubby Steinhart. USDA Representatives participating: Patricia Petrella and Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional agenda items – No additional items were added to the agenda

Meeting Minutes – May 19-21, 2015 - Bentley Curry moved approval of the minutes as presented and was supported by Rex Korson. Motion approved.

Bylaws Revision – Beth Walterscheidt moved approval of a bylaws revision removing the references to holding board meetings in the United States and the open meetings act and was supported by Della Deal. Motion approved.

Vision Statement Revision – Mark Steelhammer moved to include a reference to “importers” in the vision statement and was supported by Jim Heater. Motion approved.

MOU with Wayne Watkinson - Rex Korson introduced a letter of agreement presented to the board by Wayne Watkinson to serve as legal counsel for the Christmas Tree Promotion Board. Wayne served as legal counsel for Christmas Tree Promotion Now as it worked to secure the checkoff. Tim O'Connor confirmed that Wayne is well respected by USDA and is the most knowledgeable attorney for this type of work. He has worked for Tim in the past and represents a good number of checkoff programs. Board would like Tim and Marsha to investigate other options for consideration before selecting an attorney.

Staff Travel – Betty Malone reported that, with the input and support of the Executive Committee, she has approved the cost for Tim O'Connor to travel to the Pacific Northwest Meeting and for Marsha Gray to travel to Washington DC for a communications training seminar with AMS/USDA. Mark Arkills had suggested that Tim attend the meeting to be introduced to growers, to present information on the promotion board and to learn more about the industry by touring. Both Tim O'Connor and Patty Petrella confirmed that the communications training for Marsha will be a valuable tool.

Penalty Provision – Board discussed two different versions of the penalty provision for the order. Board seemed to find consensus, but USDA regulations will guide what is allowed. The Governance Committee will revise the provision based on the board's input and work with Patty Petrella to develop language for the board to be approved.

Logo Options – Board briefly discussed logo options presented and keyed in on four versions that they would like to see. Betty will prepare these and distribute. When board picks their favorite, the professional designer will create final logo.

Industry Outreach

- a. **Talking Points/Power Point** - Marsha Gray prepared talking points for board members to use when making industry presentations. She will send a copy to all board members. She will next design a power point presentation for use by board members.
- b. **NCTA Meeting/Blackwell Presentation** – Betty Malone asked those who would be attending the NCTA Meeting and the Roger Blackwell presentation to take good notes on his marketing presentation. Bentley Curry and Rex Korson indicated that they will attend and take notes.
- c. **Attendance at State/Regional Meetings** – Marsha Gray will contact the Richardson's about getting Rex and Bentley on the agenda to make a presentation on the Christmas Tree Promotion Board. Paul Battaglia requested information for the California publication. Marsha reported that she plans to have a press release written later this week and will distribute it as soon as it is approved.

Next conference call – The next conference call of the board is scheduled for Monday, June 22 at 3:30 pm Eastern.

Adjourn – Rex Korson moved to adjourn and was supported by Bentley Curry. Meeting adjourned.

Respectfully Submitted,

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

June 22, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 3:34 pm Eastern time by Chairperson, Betty Malone. Board members participating: Jim Heater, Bentley Curry, Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Jim Rockis, Cubby Steinhart and Betty Malone. Board members absent: Della Deal, Chris Maciborski. USDA Representatives participating: Patricia Petrella and Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional agenda items No additional items were added to the agenda.

Meeting Minutes June 9, 2015 conference call – Jim Heater moved approval of the June 9 conference call meeting minutes as presented and was supported by Rex Korson. Motion approved.

Old Business

Board meeting in NC August 27 -29

- a. **Logistics** – Marsha has a room block and meeting room being held at Holiday Inn Express in West Jefferson for Thursday and Friday nights. Board needs to decide whether to fly into Charlotte or Greensboro. Will depend on best flights and prices. Marsha will reach out to Jennifer Greene at NC Christmas Tree Association regarding pricing for CTPB members to participate in tour and attend dinner on Friday.
- b. **Focus groups** – Tim reported that there are firms in both Charlotte and Greensboro that could assist with focus groups and price for either was approximately \$6,000. Board discussed if there was a greater benefit to doing the focus group in NC or in Denver with board members observing via Skype/Webcam connection. Tim will price Denver focus groups. One focus group will be artificial Christmas tree consumers and one will be Millennials.

Logo – Betty announced that there was a strong response among board members for logo option number 8. Marsha will engage graphic designer to complete that design.

Assessment penalty/late payment fee – Betty Malone presented the following recommendation for the assessment fee policy:

Process for Non-payments:

- 1 to 30 days after the respective due date, a certified letter will be sent stating assessment is due and what late fees and interest fees that will be due if not received 30 days after the respective due date.
- 31 to 60 days after the respective due date, a second certified letter will be sent stating assessment is due with a late fee of \$500 and a 10 percent annual interest fee.

- 60 days after the respective due date, the information regarding the nonpayment may be sent to USDA and the late fee will increase to \$2500 along with the 10 percent annual interest fee.

Paul Battaglia moved approval of the above assessment non-payment policy and was supported by Beth Walterscheidt. Motion approved.

New Business

Early assessment payments

- a. **Instructions for Board Members** – Cubby Steinhart reviewed the guidelines for board members making calls to growers requesting early assessment payments.
- b. **Call list assignments** – Cubby Steinhart reviewed the list of what board members agreed to make calls to growers. He will continue to work on assignments. Cubby asked those who have offered to make calls to attempt to have those contacts made by the end of the month and report calls made to Marsha. Beth Walterscheidt moved that all Christmas Tree Promotion Board members prepay a portion of their 2016 assessment in the next 30 days as they are able and was supported by Paul Battaglia. Motion approved.

Other Business

PNW Meeting Feedback – Betty Malone, Mark Arkills, Jim Heater, Paul Battaglia and Tim O'Connor shared their observations after attending and participating in the Pacific Northwest meeting. Each reported good, civil conversation and great opportunity to share information about the promotion board. Betty reported that she committed to a table display at the PNW Tree Fair.

Next Conference Call Meeting – A conference call was scheduled for July 7 at 3:30 Eastern time.

Adjourn – Jim Heater moved to adjourn and was supported by Bentley Curry. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

July 7, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 3:33 pm Eastern time by Chairperson, Betty Malone. Board members participating: Jim Heater, Bentley Curry, Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Jim Rockis, Cubby Steinhart, Della Deal, Chris Maciborski and Betty Malone. USDA Representatives participating: Patricia Petrella and Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional agenda items No additional items were added to the agenda.

Meeting Minutes June 22, 2015 conference call – Mark Steelhammer moved approval of the June 22 conference call meeting minutes as presented and was supported by Jim Heater. Motion approved.

Old Business

Board meeting in NC August 27 -29

- a. **Fly In Location** – Charlotte was selected as the fly-in location for the North Carolina meeting in August. Jim Heater moved that the board stay at the Alleghany Inn in Sparta while attending the NC meeting and was supported by Bentley Curry. Motion approved. Marsha Gray reviewed the schedule and travel options. She will send an email to board to coordinate flights arrivals and departures. She will secure hotel rooms in Sparta as well as in Charlotte for those who need them.
- b. **Focus groups** – Tim reported that the cost to run focus groups in Denver is similar to the previously discussed North Caroline locations. Cost would be \$5,500 - \$6,000 in either location. Sessions could be video-taped for board review after they take place. Tim suggested that it may be helpful to have Marsha fly to Denver and assist with the focus groups. Beth Walterscheidt moved to have the focus groups in Denver and was supported by Jim Heater. Motion approved. Board asked Tim to investigate the cost of live streaming the focus groups so that board members could watch live as well as the cost of having Marsha travel to Denver. Jim Heater mentioned that he heard from Steve Drake that there is a series of old focus group DVD's from NCTA and that he would search for them and share with the CTPB.

Early Assessment Payment Calls – Board members reported on the calls that they are making to growers requesting assessment prepayments. Tim O'Connor reported that he has received five checks from board members thus far. He will prepare a letter to send to each grower who sends a prepayment.

CTPB Attorney – Tim reported that he was having a difficult time finding any attorneys with check off experience other than Watkinson, McLeod and Miller. He did get a lead on one attorney and is waiting to hear back from her. Marsha provided a brief report on average attorney's rates in Washington DC. Board members discussed moving forward and securing Wayne Watkinson as the attorney for the check off and chose to wait until more comparative information could be found.

New Business

Budget – Cubby Steinhart and Tim O’Connor reviewed the proposed budget and answered questions of board members. Tim reminded board members that the budget could be amended if needed. Paul Battaglia moved to approve the budget and submit it to USDA for approval and was supported by Bentley Curry. Motion approved. Board members questioned the status of collections at customs. Patty Petrella reported that she has been following up and has been told that they “are working on it.” She suggested giving her and Tim to the end of the month to work on this before looking at other options for collecting import assessments.

USDA Start Up Fees – Tim O’Connor reported that he has been in discussions with Patty Petrella and Debbie Simmons of USDA regarding the invoice from USDA for start-up fees. USDA has agreed to break down charges to determine what was incurred before the stay and during the time period after the stay. Patty reported that they hoped to have this by the end of the week.

RFP for CTPG Website – Jim Heater moved to begin the RFP process for website design and was supported by Beth Walterscheidt. Motion approved. Tim O’Connor reported that staff will begin the process. If board members have any recommendations, they should forward that contact information to Tim.

Other Business – Betty Malone thanked the board for supporting Marsha Gray’s trip to the AMS Conference in Washington DC. It was a valuable experience.

Next Conference Call Meeting – A conference call was scheduled for Friday, July 17 at 3:30 Eastern time.

Adjourn – Jim Heater moved to adjourn and was supported by Mark Steelhammer. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

July 17, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 3:32 pm Eastern time by Chairperson, Betty Malone. Board members participating: Jim Heater, Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Beth Walterscheidt, Jim Rockis, Cubby Steinhart, Della Deal, and Betty Malone. Unavailable: Bentley Curry and Chris Maciborski. USDA Representatives participating: Patricia Petrella. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional agenda items - Attorney discussion was added to old business.

Meeting Minutes July 7, 2015 conference call – Mark Steelhammer moved approval of the June 22 conference call meeting minutes as presented and was supported by Jim Heater. Motion approved.

Old Business

Board meeting in NC August 27 -29 – Marsha Gray briefly reviewed the itinerary for the meeting. She is waiting on travel arrangements for a few board members.

Focus Groups – Live Streaming vs. Recorded – Tim O'Connor reviewed the options for the focus groups in Denver. The facility can provide live-streaming for board members to watch for a fee of \$1,750 or we could have the focus group videotaped and provide copies to board members on flashdrives, DVDs or on a shared cloud site. Paul Battaglia moved to approve the recorded option for the focus groups and was supported by Beth Walterscheidt. Motion approved. Tim O'Connor also requested that the board approve travel for Marsha to Denver to assist with the focus groups. Jim Heater moved to approve Marsha's travel to Denver for the focus groups and was supported by Mark Arkills. Motion approved. The focus groups will likely take place August 19 or 20. Tim and Marsha will provide flashdrives or DVD's to board members as quickly as possible.

Early Assessment Payment Calls – Cubby Steinhart reviewed the progress of the calls and at this point feels he has 19 growers who will make early payments not including board members. Jim Heater reported he has sent letters to growers he identified that might send in early assessments. All board members are urged to send their early assessment payments as soon as possible.

Review Website RFP – Tim O'Connor reviewed the RFP to identify and select a web design firm. Tim and Marsha have a few companies that they can reach out to and board members are encouraged to send web provider leads to Marsha and Tim if they have any. After reviewing responses, phone interviews will be scheduled with the top proposals. Betty Malone is asking the Industry Relations committee to handle the interview process and bring their top recommendation to the board at their August meeting. Board directed the management team to move forward with the RFP.

Late Assessment Payment Policy – Board revisited the late payment policy for assessments. Patty Petrella brought the policy back to the board explaining that the USDA would not approve a policy that

penalized small growers more severely than large producers. Board considered the recently approved blueberry policy. Cubby Steinhart suggested a policy that may be more palatable to USDA while still having the intended incentive to get small growers to pay. Jim Heater moved to approve a late assessment payment policy that states that growers delinquent in paying their assessment 30 days after the due date will incur a \$250 late fee. That late fee would increase to \$500 after ninety days. Additionally, a 1.5% interest charge would be assessed on assessment and fees owed, beginning 30 days after the assessment due date. Motion was supported by Della Deal and approved by the board. Tim O'Connor emphasized that this policy needs to be approved soon in order to be in the Federal Register in advance of our assessment collection period. Patty Petrella and Tim will work to see if the USDA is likely to approve this policy and how it can be fast tracked.

CTPB Attorney – Mark Steelhammer indicated that he felt that it was time to address the hiring of Wayne Watkinson as the attorney for the check off and asked Tim O'Connor to share his experience with Wayne. Tim reviewed his use of Wayne as an attorney for two different check off programs over the past 25 years. He confirmed that Wayne is seen as the leading attorney for check off programs. Mark Steelhammer moved to select Wayne Watkinson as the attorney for the Christmas Tree Promotion Board on an as-needed basis and was supported by Rex Korson. Motion approved. Board will move forward in getting the MOU with Wayne Watkinson through the USDA approval process.

New Business

Committee Appointments – Betty Malone reported that she is well into the process of developing committee assignments for the Promotions, Industry Relations and Research committees. She thanked the board for sharing suggestions on committee members and put out a last call to board members who may have recommendations. Della Deal asked if a researcher served on the research committee, would that preclude that person from submitting a research grant application. Betty confirmed that they could be funded, but would have to recuse him or herself from discussions and voting. Tim confirmed that if the researcher serving on the research committee was asked specifics regarding his/her research project they could respond.

Customs Collection Update – Patty Petrella reported that we will mostly likely not be able to use customs to collect the importer fees this year. However, USDA has agreed to provide two years of historical data of Christmas trees being shipped into the US and will provide monthly reports on trees crossing the border in 2015. This will give the board data to work with to collect importer assessments. Patty indicated that she is still pursuing customs.

Reports of General Information from Board Members- Jim Rockis reported on his interactions at three Christmas tree meetings: Maryland, New York and Pennsylvania. Mostly he has received positive feedback. Growers are looking for transparency from CTPB. Some discussion on addressing fire issues. Rex Korson, Bentley Curry and Jim Rockis will be at the MACT meeting, July 24-25.

Next Conference Call Meeting – A conference call was scheduled for Tuesday, August 4 at 4 pm Eastern.

Adjourn – Jim Heater moved to adjourn and was supported by Jim Rockis. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

August 4, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 4:00 pm Eastern time by Chairperson, Betty Malone. Board members participating: Jim Heater, Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Cubby Steinhart, Bentley Curry, Chris Maciborski and Betty Malone. Unavailable: Della Deal, Beth Walterscheidt and Jim Rockis. USDA Representatives participating: Patricia Petrella and Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Meeting Minutes July 17, 2015 conference call – Bentley Curry moved approval of the July 17 conference call meeting minutes as presented and was supported by Rex Korson. Motion approved.

Old Business

Committee Chairs/Vice Chairs and Appointments – Betty Malone reviewed her selections for committee chairs and vice chairs:

- Governance – Rex Korson, Chair; Beth Walterscheidt, Vice-Chair
- Finance – Cubby Steinhart, Chair; Mark Arkills, Vice-Chair
- Research – Jim Rockis, Chair; Paul Battaglia, Vice-Chair
- Industry Relations – Betty Malone, Chair; Mark Steelhammer, Vice-Chair
- Promotions – Jim Heater, Chair; Chris Maciborski, Vice-Chair

Mark Steelhammer moved to approve the slate of committee chairs and vice-chairs and was supported by Bentley Curry. Motion approved.

Early Assessment Payments – Tim O'Connor reported that we have received \$47,275 in prepaid assessments to date, including six payments from non-board members.

Late Assessment Payment Policy – Patty Petrella reported that the late assessment payment policy is in the beginning of the process of rulemaking. Her supervisor has told her to prepare to move it forward. She was unable to make an estimate of the timing for the approval process.

Consolidated Budget Approval – Patty Petrella reported that the consolidated budget has begun the process of approval and they are hoping for an approval in a week or so.

NC Meeting – Betty reported that the agenda for the NC meeting will be set soon and if any board members have items that they would like on the agenda, to please contact Betty as soon as possible.

Focus Groups – Tim O'Connor reported that we are set to go with two focus groups on the evening of August 20th in Denver and that the survey firm is currently recruiting panelists.

New Business

NCTA Proposal at NC Meeting – Betty Malone reported that Blake Rafeld and Rick Dungey have requested time on the CTPB agenda when we meet in NC. Betty and Marsha Gray will participate in a call with Rick and Blake on Monday, August 10 to discuss their areas of interest and determine how much time is needed when they meet with the full board.

Reports of General Information from Board Members- Bentley and Rex made a presentation at the Mid America meeting. Small group in an informal setting. Most questions and concerns centered around how to identify all growers and how to get them to pay. They questioned if donated trees would be assessed (no, must be cut and sold). There was a good question on who is responsible for paying the assessment (considering leases, trees sold to other growers, etc.) Cubby suggested that the board needs to have a definitive statement along the lines of “whoever owns the tree at the time of harvest, is responsible for the assessment.” Board will firm up a statement on this issue at NC meeting. Other upcoming meetings: Texas, PNW and Georgia. At this time no board member is scheduled to be at the Georgia meeting.

Next Conference Call Meeting – A conference call was scheduled for Tuesday, August 18 at 4 pm Eastern.

Adjourn – Bentley Curry moved to adjourn and was supported by Paul Battaglia. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD BOARD MEETING

August 27-28, 2015
Sparta, NC

MINUTES

Welcome and Roll call – Meeting was called to order at 3:00 pm Eastern time by Chairperson, Betty Malone. Board members in attendance: Jim Heater, Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Cubby Steinhart, Bentley Curry, Della Deal, Beth Walterscheidt, Jim Rockis, Chris Maciborski and Betty Malone. USDA Representative in attendance: Patricia Petrella. Staff in attendance: Tim O'Connor and Marsha Gray.

NC Meeting Review

1. **Presentation overview** – Betty Malone reviewed the plan for the presentation at the North Carolina Christmas Tree Association Meeting.
2. **Q & A Session** – Board members are asked to participate and assist in answering questions of NC members and attendees

Meeting Minutes - Minutes from previous meeting were unavailable and will be approved at next board meeting.

Financial Report

1. **USDA Budget Approval** – Treasurer, Cubby Steinhart announced that USDA has approved our budget.
2. **CTPB Financial Statements** – Cubby Steinhart and Tim O'Connor reviewed the July 2015 financial report

NCTA Proposal – Blake Rafeld, National Christmas Tree Association (NCTA) President and Rick Dungey, NCTA Executive Director joined the meeting and presented a series of projects for the Board to consider as possible opportunities for NCTA and CTPB to partner. Recommendations included three projects related to educating the fire safety community on the safe use of real Christmas trees, promoting the White House Christmas Tree, establishing hard goods standards, supporting the media hotline and establishing a consumer tree finder. Board engaged in lengthy discussion with the NCTA representatives. Areas of greatest interest to the board included fire safety education and possibly the White House Christmas Tree. CTPB will continue discussions with NCTA. No commitments were made at this time to NCTA.

Fall 2015 CTPB Grower Information Mailing – Staff shared two informational documents that can be used as handouts at grower meetings and also used as the basis of the upcoming October mailing going to all growers. Board offered a few wording changes.

Discussion of 500 Tree Threshold for Assessment Payment – There was general discussion of the 500 tree harvest threshold for exemption from assessment payments. Board discussed the potential for a significant work load to notify and collect from such a large number of growers and discussed whether if a higher threshold (ie: 1,000 trees harvested) should be considered. Consensus of board was that the

minimum should not be changed, nor a change considered until at least one collection cycle. The program was presented to the industry on the basis of “fairness” and reducing the number growers may be viewed as a negative.

Imported Tree Collection Process – Patty Petrella reported that assessments for imports will most likely not be collected by customs. She reported that customs will provide monthly reports of all imports. Importers will be notified that they are to report their number and pay assessment. Staff can use the customs reports to compare actual imports with those reported and use that information for compliance.

Database Update – Marsha Gray reported that we are working with an individual to establish our Filemaker Pro database and merge the various lists that we have received thus far. We have received a number of state association lists and Marsha will send one more request. Staff is also expecting contact lists from two to three industry suppliers who have offered to share their lists with the promise of anonymity. To date the list contains approximately 7,800 contacts. Staff will share list by area with board members to review and remove those who may be out of business. Board may also suggest contacts that are not on the list. Staff looking at options on how to collect email addresses for effective direct communication with growers.

Focus Group Analysis and Discussion – Tim O’Connor made a presentation of the overall impressions and findings of the previous week’s focus groups in Denver. Each board member has both focus groups on a flash drive to watch at their leisure. Staff reported that they found the focus groups to be an effective tool to measure consumer feelings regarding real Christmas trees and test certain themes and phrases. The feedback from these focus groups can help guide messaging for the upcoming season. Two major take-aways: consumers select artificial trees because they are easy, and real Christmas trees are closely associated with family time, making memories and are a more emotional purchase. Tim will send a copy of his recap to all board members.

Industry Relations Committee Web Designer Recommendation: netStride – Betty Malone reported that the Industry Relations Committee reviewed proposals from six web design firms that were narrowed down by staff from more than 30 applications. The committee did excellent preparation and are recommending that the board engage netStride to design the CTPB website. Paul Battaglia moved to accept the committee’s recommendation and engage netStride to design the website. Motion was supported by Mark Steelhammer and approved by the board. Della Deal suggested that board and other industry members could possibly provide photos for use on the website to avoid higher costs in having netStride secure stock or custom photography. Staff will provide an opportunity for volunteers to share photos.

Discussion of Future Business Items:

1. **Website Development, September 2015** – Staff will work with netStride in an effort to get the website on-line as early as possible. October is likely.
2. **Grower Mailing, October 2105** – Staff is developing components for an October “all industry” mailing. Board directed staff to make this mailing informational and then to follow up with assessment forms and the process for payment in a mailing in mid-December.
3. **Christmas 2015 Marketing Program, November & December 2015** – Board discussed options for a limited public relations campaign for the 2015 season. Staff indicated that the focus would be primarily public relations and earned media. Jim Heater reported that the Promotions

Committee will have a conference call in early September. They will begin the process of developing an RFP to select an agency for future campaign and media work.

4. **Grower Newsletter, January 2016** – Staff will begin developing an e-newsletter than can be distributed to growers on a periodic basis (quarterly, etc.).
5. **Collection of 2015 Assessments, January - March, 2016** – Staff briefly reviewed process of assessment collections. We will be better able to understand the scope of collections work after February 15, 2016.
6. **Planning and Budgeting for FY 2016-2017, March 2016** – The budgeting process will begin once initial assessment deadline is reached.
7. **Hiring an Agency for 2016 Marketing Campaign, April 2016** – Board discussed pros and cons of getting RFP for agency out earlier or waiting until initial assessment due date passes and there is better understanding of the budget. Promotions Committee will undertake initial search and review of agencies. Will likely interview via Skype or other on-line conference service. Committee will present recommendations to the full board – likely top three candidates, or a ranking of candidates for final selection.
8. **Start Up of Research Committee, May 2016** – Once bulk of assessments are in and budgeting is determined by the board, Research Committee can meet and prioritize options.

USDA Update on Late Payment Fees and Interest – Patty Petrella reported that the Late Payment Policy is still in the review process and this can take up to 9 months. Once the department approved policy, it enters a 30 day comment period before final rule. Board emphasized the need for a speedy process to secure the policy before assessments are due. Tim O'Connor has been in conversation with USDA staff on this issue and will continue to address the issue. Board suggested the possibility of using Wayne Watkinson to communicate with USDA the urgency in this matter.

Other Business – Beth Walterscheidt moved to make a \$200 donation to a charity supported by the Blue Ridge Electric as a thank you for them providing complimentary meeting space for the board meeting and 200 copies for the board. Motion was supported by Bentley Curry and approved by the board.

Betty requested that staff review when states are having their spring meetings and send out a list of potential meeting dates and sites.

Adjourn – Bentley Curry moved to adjourn and was supported by Mark Arkills. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

September 15, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 4:00 pm Eastern time by Chairperson, Betty Malone. Board members participating: Mark Arkills, Mark Steelhammer, Paul Battaglia, Rex Korson, Chris Maciborski, Beth Walterscheidt, Jim Heater and Betty Malone. Unavailable: Della Deal, Bentley Curry, Jim Rockis and Cubby Steinhart. USDA Representative participating: Patricia Petrella. Staff in attendance: Tim O'Connor and Marsha Gray.

Meeting Minutes

Aug 4, 2015 conference call – Mark Steelhammer moved approval of the August 4 conference call meeting minutes as presented and was supported by Beth Walterscheidt. Motion approved.

Aug 27-28, 2015 meeting – Mark Arkills moved approval of the August 27-28 meeting minutes as presented and was supported by Rex Korson. Motion approved.

Old Business

Website Update – Tim O'Connor reported that USDA has approved the contract with netStride to develop the website. We have secured a number of URL's and will be using www.christmastreepromotionboard.org as the primary address. In the future, other URL's could be developed that reflect consumer messaging or campaign slogans. Tim and Marsha have almost completed the basic content for the website. Patty Petrella will review content and once approved it will go to netStride for design. Marsha reported that she has collected the photos needed for the site. There were no objections by board members to include testimonial statements from growers for the website. Marsha and Tim will pursue.

Database Update – Marsha Gray reported that she has received a number of additional contact lists in the last few weeks. Database now has over 10,000 entries, but duplicates need to be removed. She is beginning that process this week and will be sending contact lists by state to board members who may be willing to review and provide feedback.

Committee Reports – Promotion Committee

Jim Heater reported that the Promotion Committee has its first conference call scheduled for Friday, September 18. The committee has fourteen members and Jim created a packet of bios on each committee member for the committee to review in order to "get to know" one another prior to the call. Each committee member is also receiving a flash drive with the focus group video to review as well as Tim's assessment of the focus group results. The committee will discuss the RFP process to select an agency for the 2016 campaign and will also discuss promotional work for 2015. The board was agreeable to moving up the agency RFP schedule based on conversations in North Carolina. If proposals can be collected during the holiday season, the committee could review and narrow down their recommendations in January and then present recommendations to the full board in February or March.

New Business

August Financial Statements– Tim O’Connor reviewed the August financial statements. Rex Korson suggested paying down the line of credit if monies are available. That will be considered as funds are available.

Insurance Bid- Tim O’Connor reviewed the quote that he received for Directors and Officers Insurance. A range of coverages and coverage levels are available from Scottsdale Indemnity Company, which has an A.M. Best rating: Financial Strength A+, Long-Term Issuer Credit Rating aa-. Jim Heater moved to accept the insurance bid and to insure at a level of \$3 million in the two categories of Insured Persons and Liability. Motion was supported by Beth Walterscheidt and approved by the board.

Reports of general information from Board Members - Mark Arkills, Mark Steelhammer, Paul Battaglia and Betty Malone reported on their industry interactions at the PNW Tree Fair last weekend. Most comments were relatively positive and most questions were relatively easy to address. There are many skeptics and many questions on how to identify growers and how to know if they are reporting accurately.

Next Conference Call Meeting – A conference call was scheduled for Tuesday, September 29 at 11 am Eastern, 8 am Pacific.

Adjourn – Paul Battaglia moved to adjourn and was supported by Jim Heater. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

September 29, 2015

MINUTES

Welcome and Roll call – Meeting was called to order at 11:00 am Eastern time by Chairperson, Betty Malone. Board members participating: Jim Heater, Cubby Steinhart, Beth Walterscheidt, Della Deal, Rex Korson, Mark Arkills, Mark Steelhammer, Chris Maciborski and Betty Malone. Unavailable: Bentley Curry, Jim Rockis and Paul Battaglia. USDA representatives participating: Patricia Petrella, Kelly Robertson. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional Agenda Items – There were no agenda items added.

Meeting Minutes – Mark Steelhammer moved approval of the September 15, 2015 board meeting minutes and was supported by Della Deal. Motion approved.

Old Business

Website Update – Tim O'Connor reported that he and Marsha prepared the content items for the website and content was quickly approved by AMS. Our web developer, netStride, has all the content and photos. They provided two home page concepts and staff selected one and provided some suggested tweaks. Tim and Marsha expect to see the completed website later this week and will carefully review for any needed corrections. Industry Relations Committee will be invited to review as well as the board, however staff cautioned that changes and revisions will slow the process and may increase cost. Website could be up as early as next week. Staff is very pleased with the look of the site.

Database Update – Marsha Gray reported that the database topped over 11,000 entries, but that would include many duplicates. She anticipates the list will end at around 9,000 names. She is working on removing duplicates and will begin sending state lists to board members for their review and input.

Committee Reports – Industry Relations Committee

Betty Malone reported that some members of the Industry Relations Committee have offered to help provide or collect content for the website. In the future, these could be good resources. All suggested content would be reviewed by the committee, the board and AMS before it could be posted.

Industry Relations must also prepare the letter that is to be sent to all growers in October. Staff will begin a draft of the letter and what needs to be included. This can be emailed to the committee members for review and input. The revised version will be emailed to board for review and input.

New Business

2015 Promotion Proposal– Jim Heater reported that the Promotion Committee had an excellent first call. The committee is energetic and ready for the task. At their first meeting they developed a proposal for a 2015 promotion plan that was distributed to the board. They also developed a time line for the marketing agency RFP process which is included in their recommendation to the board.

The promotion plan includes a \$15,000 budget to engage a public relations professional to develop and distribute press releases for the 2015 holiday season, as well as execute a social media campaign. The RFP process will include staff developing an RFP for review by the committee. Proposals will be collected during the harvest and holiday season and reviewed by the committee in January. Committee will recommend their top three by January 30 and full board will interview candidates at the board meeting to be scheduled in late February or early March.

Beth Walterscheidt moved approval of the 2015 Promotional Program and agency RFP process as proposed by the Promotion Committee and was supported by Della Deal. Motion approved.

Reports of general information from Board Members – Betty Malone reported that she had received a note from Dugald Kell who reported on CTPB at the Maine meeting. He indicated that attendees had questions on when and how to submit assessments.

Patty Petrella reported that USDA continues to work on our late fee policy.

Next Conference Call Meeting – A conference call was scheduled for Tuesday, October 13 at 11 am Eastern, 8 am Pacific.

Adjourn – Jim Heater moved to adjourn and was supported by Mark Steelhammer. Motion approved.

Respectfully Submitted

Beth Walterscheidt
Secretary

CHRISTMAS TREE PROMOTION BOARD TELECONFERENCE BOARD MEETING

October 13, 2015

11:00 AM Eastern Standard Time

MINUTES

Welcome and Roll Call – Meeting was called to order by Chairperson, Betty Malone. In attendance: Rex Korson, Cubby Steinhart, Paul Battaglia, Jim Heater, Mark Steelhammer, Della Deal, Jim Rockis, Bentley Curry, Mark Steelhammer and Betty Malone. Unavailable: Beth Walterscheidt, Chris Maciborski and Mark Arkills. USDA representatives in attendance: Patty Petrella and Vickie Carpenter. Staff in attendance: Tim O'Connor and Marsha Gray.

Additional agenda items – Betty Malone and Tim O'Connor requested the addition of three items under Other Business.

Meeting Minutes – Jim Heater moved approval of the 9-29-2015 minutes as presented and was supported by Rex Korson. Motion approved.

Old Business

- A. Website update – Tim O'Connor reported that the CTPB website is up and running. Industry Relations Committee provided suggestions that were incorporated into final site. Staff is very happy with the result. Patty Petrella reported that USDA is writing a blog about the new site.
- B. Database update – Marsha Gray thanked board members for providing feedback on grower addresses in the database. There a significant number of duplicates in the system and corrections are still being made. Initial database will likely fall between 8,000 – 8,500 entries.
- C. Committee Reports
 - a. Promotion – Jim Heater reported that the Promotion Committee had a conference call the previous week and approved the RFP for agency selection for the 2016 campaign. Committee will have agency candidates screened for the board after the first of the year. Committee also directed staff to interview and select a firm to handle social media and public relations campaign for 2015 season. Tim O'Connor reported that he and Marsha interviewed a very qualified firm earlier in the day and will likely move forward with them.
 - b. Research – Jim Rockis reported that he has done preparation work for the possibility of working on the fire issue and will begin committee work after the first of the year.
 - c. Industry Relations – Betty Malone reported that the committee has had a few calls in the past two weeks. They reviewed the website and offered input. They also reviewed the grower letter and FAQ sheet and offered input for staff.

New Business

Grower Mailing – Board reviewed both the grower letter and FAQ piece. Board asked staff to include wording that references the term “check-off” in the opening paragraph of the letter as well as in the FAQ’s because many in the industry identify that terminology. Board also suggested including a statement on the outside of the envelope or on a separate insert requesting address updates and preferences to be made at the contact section of the website. Board members were asked to provide any other input or suggestions in the next two days so that staff could move forward with the project.

Reports of general information from Board Members

Other business

- a. Talking points for press – Betty Malone reminded board members that they may be contacted by the press during the upcoming harvest and holiday season. She has prepared some talking points and responses to questions that reporters may pose. Tim O’Connor will provide some pointers on working with the media, include these talking points and responses and provide in a document to all board and committee members.
- b. Executive Committee – With the busy harvest season at hand, Betty Malone reminded the board that there are no conference calls scheduled in the upcoming weeks. If actions need to be taken in the interim, the Executive Committee will handle CTPB business. Communication will continue with the full board via email.
- c. Update from Tim O’Connor – Tim O’Connor reported that he and Rick Dungey of NCTA have had two conference calls with representatives from A. C. Nielsen regarding the possibility of teaming up on Christmas tree sales survey and consumer research. It was made clear to NCTA that the promotion board was not interested in partnering on the project with the previous provider; Harris. As it turns out, Harris is no longer in business. Nielsen is a very highly respected consumer polling firm. Nielsen is coming back with a proposal for NCTA and CTPB, indicating how many questions each entity would receive based on NCTA’s \$15,000 budget and CTPB’s \$23,000 budget. Questions for the survey would likely need to be developed in the first week or two of December. Survey is typically executed in early to mid-January.

Next conference call date – A firm date for the next conference call was not set. Chairperson will be in contact with the board regarding the date and time after harvest.

Adjourn - Della Deal moved to adjourn and was supported by Jim Heater. Meeting adjourned.

Respectfully Submitted,

Marsha J. Gray
Director of Industry Communications