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Description of document: Department of Agriculture (USDA) Agricultural Marketing Service (AMS) Meeting Minutes of the Popcorn Marketing Board 2017 - 2021

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1400 Independence Avenue, SW  
Room 2095-S, STOP 0203  
Washington, D.C. 20250-0203

August 30, 2021

**Delivered via Electronic Mail**

**Re: Final Response to FOIA Request 2021-AMS-00230-F**

This is the final response to your Freedom of Information Act (FOIA) request received by the U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) on August 2, 2021. Your request sought access to:

A copy of the meeting minutes from meetings of the Popcorn Promotion Board during the years 2017 to the present.

The AMS FOIA staff works with subject matter experts across the Agency to locate responsive documents. For this request, a search was conducted by the Popcorn Research & Promotion Board which operates as the Popcorn Board. The Board's purpose is to maintain and expand existing markets and develop new markets for popcorn and popcorn products. AMS' search began on August 9, 2021. Our search provided responsive records in AMS' control on that date.

We have processed 237 pages that are responsive to your request. After a thorough review, we have determined that these pages may be released in their entirety. Accordingly, this request is granted in full.

As you'll see in the record set, the March 15, 2021 meeting minutes on pages 193 to 198 and the June 30, 2021 meeting minutes on pages 236 to 237 are watermarked "Interim – Not Approved." Please note that these minutes were approved without changes by the Popcorn Board on August 25, 2021.

If you have any questions about the way this request was handled, please contact Heather Higgs, Government Information Specialist, at (202) 641-8684 or [heather.higgs@usda.gov](mailto:heather.higgs@usda.gov). If you have general questions or concerns regarding AMS' FOIA procedures or regulations, please contact our FOIA Public Liaison, Bill Allen, at (202) 631-6412 or via email at [ams.foia@usda.gov](mailto:ams.foia@usda.gov).

Thank you for your interest in AMS programs and policies.

Sincerely,

*Mark R. Brook*

Mark R. Brook

FOIA Officer

Agricultural Marketing Service

Enclosure

The Popcorn Board  
Annual Board Meeting  
March 20, 2017  
Headquarters  
Chicago, IL

MINUTES

I. Call to Order

The meeting was called to order by Vice Chair Rocky Franklin at 9:37 a.m.

ATTENDANCE

Rocky Franklin	Great Western LLC
Norman Krug	Preferred Popcorn LLC
Wilfred Sieg, Jr.	Ramsey Popcorn Co. Inc.
Garrett Smith	American Pop Corn Co.

ABSENT

Troy Hendrickson	Conagra Brands
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USDA

Tarun Harit	AMS
Anthony Jones	FAS

STAFF

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board
Frank Moore	The Popcorn Board/The Popcorn Institute (via phone)
Wendy Boersema-Rappel	The Popcorn Board

GUESTS

Tracy Boever	American Pop Corn Co. (via phone)
Bill Brush	Popcorn County USA
Larry Bruyer	Schlessman Seed Co.
Brian Churchill	Preferred Popcorn LLC
Andrew Cretors	C. Cretors & Co.
Dennis Demshar	Crookham Company
Richard Duty	Trinidad Benham Corp.
Tom Elsen	American Pop Corn Co. (via phone)
Rachel Foley	Conagra Brands
Todd Gable	Metzger Popcorn
Kelly Helein	Coveris
Rosi Hernandez	Preferred Popcorn LLC
Mike Higgins	Reist Popcorn Co.
Nicholas D. Hoffman	Zangger Popcorn Hybrids
Jay Hulbert	Ag Alumni Seed
John Kennebeck	Preferred Popcorn LLC
Jane Lewis	Ag Alumni Seed
Doug Metzler	Reist Popcorn Co.
Adaïre Putnam	Putnam Communications
Sara Risch	Science by Design/Popz
Max Robbins	Ag Alumni Seed (via phone)
Eric Sieg	Ramsey Popcorn Co. Inc.



Charlie Silver  
Carlton Smith  
Jeff Waggoner  
Sterling D. Weeda  
Aaron Whalen  
Josh Zangger

Coveris  
American Pop Corn Co.  
Fumigation Service & Supply, Inc.  
Schlessman Seed Co.  
Ag Alumni Seed  
Zangger Popcorn Hybrids

II. Approval of December 2, 2016 Teleconference Minutes

It was MOVED (Smith), SECONDED (Krug), and APPROVED UNIMOUSLY to approve the minutes from the December 2, 2016 teleconference as presented.

III. Treasurer's Report

2017 Financial Update

Treasurer Norman Krug gave the financial update. Highlights included:

- All companies are in compliance.
- The board has \$150,000 in Certificates of Deposit.
- January financials reflect unaudited 2016 net assets of \$290,786.
- The board collected \$36,202 more in assessments than accrued, bringing unaudited net assets to \$326,988.
- 2016 assessment collections represented 73% domestic sales and 27% international sales.
- The 2017 mandatory assessment rate continues at 6 cents per hundredweight. Collections begin in April.
- The board has \$378,640 of MAP funds to spend.
- If the board performs as budgeted, \$155,920 loss plus \$14,500 to finalize the 2017 *Agri-Chemical Handbook*, net assets will be reduced to \$156,568, as of January 1, 2018.

2016 Audit Update

Genny Bertalmio reported the entry audit teleconference was held with AMS and BKD, the board's third-party auditing firm, in January. The audit has begun and is expected to be completed by the middle of April. After the exit audit teleconference with AMS and BKD, the audit will be presented to the board for approval, likely mid-May.

It was MOVED (Smith), SECONDED (Sieg) and APPROVED UNANIMOUSLY to accept the Treasurer's report as presented.

IV. Administrative Update

Financial Management Practice/Operational Policy and Procedures

Flynn reviewed the changes to the board's financial management practices as a result of AMS' management review, namely having a Memorandum of Understanding (MOU) with the bank; adding a second signer from the staff on SmithBucklin checks; and having wire transfers approved, in addition to checks, by the secretary/treasurer or chair.

It was MOVED (Sieg), SECONDED (Smith) and APPROVED UNIMOUSLY to accept the changes.

Flynn asked board members to sign and initial the financial management practices and operational policies and procedures.

#### Popcorn Institute Report

Flynn reported Alex Offerdahl stated the popcorn revenue program is working well with no changes on the horizon.

Flynn mentioned the Popcorn Institute Board of Directors was surveyed to prioritize issues for potential action by the advocacy team. Six board members responded, and issue rankings were: Farm Bill; crop insurance programs, NAFTA, T-TIP and TPP.

It was suggested PI's Board of Directors be encouraged to discuss industry support of these issues.

### V. Subcommittee Discussions

#### A. Technical

Brian Churchill was introduced as the new chair of the Technical Subcommittee. He encouraged processors to provide the link to the *Popcorn Agri-Chemical Handbook* to their growers.

#### Popcorn Agri-Chemical Handbook

Frank Moore reported this year, there are 137 chemical formulations and 419 unique product names from 38 registrants included in the manual.

#### Russia Suspension of U.S. Bulk Popcorn Imports

In an effort to provide APHIS additional information to lift the ban on U.S. bulk popcorn into Russia because of *S. maydis*, Churchill suggested the industry demonstrate when popcorn is heated for popping, it kills the fungus. Gary Munkvold, Iowa State University, has proposed collecting 10, 500 g, samples from different lots and conducting 20 *Diplodia* tests for \$2,500. Following discussion, it was MOVED (Technical Subcommittee), SECONDED (Smith) and APPROVED UNANIMOUSLY to proceed with the testing.

#### Ga1-m Allele

Jay Hulbert addressed the research from North Carolina State University on the susceptibility of dent-sterile popcorn to the *Ga1-m* allele, noting this is more a seed issue with a low probability of affecting popcorn.

#### Phenotyping of Mushroom Popcorn

Hulbert reported Ag Alumni Seed provided funding for a phenomics program as part of Purdue's Plant Science Initiative, and along with Purdue's Director of Phenomics and PhenoKey, is developing an automated phenotyping system using Machine Vision. Intellectual property is being held by PhenoKey, and they have the option to offer finished equipment for sale. Hulbert welcomed participation from the processors to validate testing, build a larger database and develop an industry standard. Ag Alumni, he added, does not receive information and data or any compensation from product sales for their involvement in the project.

#### Cretors MWVT

John Kennebeck reported Cretors is willing to add a statement regarding a margin of error on the sale of new MWVT machines and create proper instructions on machine use. It was agreed a margin of error +/- 1 from specifications is a good starting point. In addition, Cretors will look into calibrating poppers on an annual basis.

## B. International Marketing

### MAP Update

International Subcommittee Chair Norm Krug reported the Board spent its 2016 MAP allocation in China, Colombia, Costa Rica, Mexico and Southeast Asia. Flynn referred members to the 2016 MAP report highlighting activities/results of the approximate \$400,000 program, the Southeast Asia market evaluation and the UES feedback letter from FAS. FAS recommends expanding outreach in China and submitting success stories that highlight PB's return on investment.

Flynn noted trade shows moved to a global activity to have the flexibility to participate in any event around the world. PB also is seeking proposals from in-country representatives to conduct activities in Southeast Asia.

### 2018 UES Submission

The 2018 UES is due in May. The Popcorn Board will request a \$500,000 allocation even though FAS' funding limitations are expected to continue – all commodities received smaller MAP allocations in 2017.

Discussion followed on the importance of international markets and the Market Access Program. Flynn mentioned the Popcorn Institute participates in the Ag Export Coalition which supports funding for MAP.

Moore added Farm Bill discussions are in the early stages and the 2014 Farm Bill expires in the fall of 2018; if that date isn't met, the current bill will be extended. Moore noted while confident popcorn will not specifically be targeted, the 2018 bill development is in its infancy.

## C. Domestic Marketing

### Message Manual

Flynn reiterated the Board's overarching message is popcorn is a healthy, whole-grain food and non-GMO. The message manual, prepared by Cramer-Krasselt, addresses issues that have been raised about the product. Links are provided to support messages. After discussion it was agreed to add the Fluoro Council as a resource and denote the antioxidant study from the University of Scranton.

### Advisory Panel

Adaïre Putnam presented research results to create an advisory panel to offer processors an informed, outside perspective of issues and trends potentially impacting the popcorn industry and to speak on behalf of the industry. Panel members suggested to represent nutrition, packaging and agriculture would serve for one year and could be reappointed.

Following discussion, it was MOVED, SECONDED and APPROVED UNANIMOUSLY to approve a three-person Advisory Panel, to be compensated at \$3,500 annually plus coach travel.

### 2016 Recap

Wendy Boersema-Rappel provided the Domestic Marketing update. Highlights included:

- A monthly email marketing campaign, including teaming with products in Family Features full-page theme co-op advertisements, and more.
- The equivalent of \$15,500,000 of positive PR placements
- Development of 32 instructional videos and promoted them across our social media channels, website and YouTube channel.
- Three lifestyle or "evergreen" videos were created to capture "Family Time", "Healthy Lifestyles" and "Memories" to be used throughout our communication channels.
- Work with food and lifestyle bloggers to dispel myths that linger and developed its #PopItAndTopIt campaign to generate noise around National Popcorn Day on social media for a total of 898,856 social media impressions.

- Development of a “Be a Healthy Hero with Whole Grains” poster for fall school mailing.
- The 2016 Weathercaster promotion, hosted during October is National Popcorn Poppin’ Month, drew participation from 15 stations across the country.
- The Popcorn Pep Club contest winners are featured on [www.popcorn.org](http://www.popcorn.org). Submissions were impressive with entries coming in from schools across the nation, and teachers citing “how much fun the students had” in their efforts.

#### 2017 Marketing Plan

Boersema-Rappel reported resources would be focused on search engine optimization, pay-per-click advertising, content marketing, social media and email marketing.

#### VI. Old Business

There was no old business.

#### VII. New Business

##### Nomination Process

Bertalmio reported Troy Hendrickson and Wilfred Sieg, Jr.’s terms expire December 31 with Sieg eligible to be nominated to serve a second three-year term. Processors who processed over 4 million pounds in 2016 are eligible to nominate multiple individuals, including themselves, for consideration by the Secretary of Agriculture to serve on the Popcorn Board. Nomination forms will be sent in April and asked to be returned on or before May 1. Bertalmio added the secretary considers diversity, geographic location and company size when appointing board members to serve.

#### VIII. Time and Place of Next Meeting

The board will convene via conference call Monday, May 15 to approve the audit and meet Wednesday, August 23 prior to the Combined Seedsmen Field Day in West Lafayette, Indiana.

#### IX. Adjournment

There being no further business, it was MOVED (Smith), SECONDED (Sieg) and APPROVED UNIMOUSLY to adjourn the meeting at 3:08 p.m.

/gb

The Popcorn Board  
Teleconference  
June 5, 2017

MINUTES

I. Call to Order

The teleconference was called to order by Chair Troy Hendrickson at 11:10 a.m.

ATTENDANCE

Rocky Franklin	Great Western LLC
Troy Hendrickson	Conagra Brands
Norm Krug	Preferred Popcorn LLC
Wilfred Sieg, Jr.	Ramsey Popcorn Co. Inc.
Garry Smith	American Pop Corn Co.

USDA

Tarun Harit	AMS
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STAFF

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

GUEST

Marvin Salaysay	BKD LLP
Dave Siehoff	BKD LLP

II. 2016 Financial Audit

Dave Siehoff, BKD LLP, presented the 2016 audit. Highlights included:

- Staff cooperated fully to complete the audit.
- Letter accompanying the audit denotes there were no findings and no compliance issues.
- There will be minor changes to financial reporting in 2018.
- Audit was conducted in accordance with standard accounting principles.
- Total revenue collected, including MAP reimbursements, was \$1,054,658.
- Expenses totaled \$1,076,378.
- Board posted a loss of \$21,720.
- Net assets of \$394,225 were decreased for a fund balance beginning January 1 of \$372,505.

After discussion, it was MOVED (Smith), SECONDED (Franklin) and APPROVED UNANIMOUSLY to accept the 2016 audit as presented.

III. Adjournment

There being no further business, the teleconference was adjourned at 11:21 a.m.

/gb

The Popcorn Board  
Board Meeting  
August 23, 2017  
Four Points by Sheraton  
West Lafayette, IN

MINUTES

I. Call to Order

The meeting was called to order at 2:00 p.m. by Chair Troy Hendrickson.

Attendance

Rocky Franklin	Great Western Co. (via phone)
Troy Hendrickson	Conagra Brands
Norman Krug	Preferred Popcorn
Wilfred Sieg, Jr.	Ramsey Popcorn Co. Inc. (via phone)
Garry Smith	American Pop Corn Company

USDA

Tarun Harit	AMS/USDA
Paul Scott	ARS/USDA

Staff

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

Guests

Larry Bruyer	Schlessman Seed Co. (via phone)
Chuck Bryan	Coveris
Fernando Cardenas	Ag Alumni Seed
Brian Churchill	Preferred Popcorn
Kent Delap	Black Jewell
Dennis Demshar	Crookham Company
Rachel Foley	Conagra Brands
Harvey Gutwein	Gutwein Popcorn Co.
Nick Hoffman	Zangger Popcorn Hybrids
Jay Hulbert	Ag Alumni Seed
John Kennebeck	Preferred Popcorn
Kent Korniak	Conagra Brands
Sam Krug	Preferred Popcorn
Jane Lewis	Ag Alumni Seed
Frank Morrison	Nebraska Popcorn
Austin Meyer	American Pop Corn Company
Brian Ratliff	Mennel Popcorn
Sara Risch	Science by Design
Max Robbins	Ag Alumni Seed
Mark Schleisman	
Eric Sieg	Ramsey Popcorn Co. Inc.
Charlie Silver	Coveris
Mark Tufte	Conagra Brands
Jim Weaver	Tee Lee Popcorn
Sterling D. Weeda	Schlessman Seed Co.
Aaron Whalen	Ag Alumni Seed
Charles Zangger	Zangger Popcorn Hybrids

## II. Approval of Prior Meeting Minutes

It was MOVED (Krug), SECONDED (Smith) and APPROVED (4-0-1) to accept the minutes from the March 20, 2017 meeting as presented.

It was MOVED (Krug), SECONDED (Smith) and APPROVED UNANIMOUSLY to accept the minutes from the June 5, 2017 teleconference as presented.

## III. Treasurer's Report

Treasurer Norm Krug provided a financial update. Highlights included:

- 19 processors are paying mandatory assessments for the 2017 year.
- Staff continues to follow-up with three companies that are not in compliance.
- July Statement of Activities reflects actual year-to-date to the annual budget/forecast.
- Mandatory assessment collections are projected to be \$660,000; \$20,000 more than budgeted.
- Board collected interest totaling \$52.
- The Board received a 2017 MAP allocation of \$378,640 from FAS/USDA; the 2018 allocation is expected to be announced in late fall.
- Total revenue of \$1,038,692 for the year is anticipated.
- Year-to-date administrative, international and domestic expenses are in-line with annual budgeted expenses of \$1,174,560.
- The Board spent \$10,616 of the \$14,500 to finalize the Agri-Chemical Handbook, a savings of \$3,884.
- The year-end forecasted loss of \$135,868 plus the cost to finalize the handbook will reduce net assets of \$372,505 to \$226,021 beginning January 1, 2018.
- The Board currently has \$150,000 in Certificates of Deposit.
- In keeping with the Board's financial management practices of maintaining a net assets balance of up to \$150,000, the Board may want to consider allocating \$76,000 to marketing projects: \$55,480 to domestic and \$20,520 to international.
- Year-end forecasts, and 2018 activity plans, budgets and SmithBucklin management contracts, will be developed and presented to the board for approval during its fall conference call.

It was MOVED (Krug), SECONDED (Smith) and APPROVED UNANIMOUSLY to allocate \$76,000 to promotional projects: \$55,480 to domestic marketing for issues management and promotional material development and \$20,520 to international promotion.

It was MOVED (Smith), SECONDED (Franklin) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as given.

## IV. Popcorn Institute Report

Deirdre Flynn reported on the following Popcorn Institute initiatives:

- Frank Moore is monitoring Farm Bill discussions.
- The Institute sent letters in support of the North American Free Trade Agreement (NAFTA) to Secretary of Agriculture Sonny Perdue, National Economic Council Special Assistant to the President Ray Starling, and the Senate and House Ag Committee chairs; Perdue responded to the Popcorn Board, noting his support of the agreement.
- Staff met with the attaché from Beijing and personnel from FAS Office of Agreement and Scientific Affairs to continue discussions on the on-going classification of U.S. popcorn from "feed corn", which subjects the product to permit/quota restrictions and 65% duty.

V. Administrative Update

A. Record Retention Policy

Flynn referred board members to the proposed record retention policy which is attached and made a part of the minutes, adding the policy is acceptable to SmithBucklin and other trade associations.

Following discussion it was MOVED (Smith), SECONDED (Sieg), and APPROVED UNANIMOUSLY to accept the record retention policy as submitted. The policy will be submitted to AMS for final approval.

VI. Subcommittee Discussions

A. Technical

*MWVT Video*

John Kennebeck reported Cretors made a video at the request of the Popcorn Board on how to operate the Metric Weight Volume Tester (MWVT). The video will be shared with processors for their input prior to Cretors releasing it to the public.

*ISU S maydis Test Results*

Brian Churchill stated the board completed the *S. maydis* testing with Iowa State University (ISU) confirming that when popcorn is heated for popping, the fungus is killed. He recommended anyone encountering issues with customs should direct inquiries to ISU for a response. The results were shared with George Galasso of APHIS, USDA, to help rectify Russia's ban on U.S. bulk popcorn imports.

*Gametophytic Incompatibility*

In the quest to keep popcorn GMO-free, Jay Hulbert introduced Paul Scott, ARS/USDA who presented on gametophytic incompatibility: Highlights:

- Ga1-m dent corn can pollinate Ga1-s popcorn.
- Ga1-m is found in Mexican maize germplasm as identified by Major Goodman, NC State University.
- Ga1-s is deliberately being used to prevent pollen contamination in organic dent corn
- Groups are transferring Ga1-s to dent corn to produce organic hybrids.

It was suggested to compose a letter to the American Seed Trade Association (ASTA) on this issue requesting a response. The letter would need to be reviewed and approved by AMS/USDA prior to sending.

It was MOVED (Smith), SECONDED (Krug) and APPROVED UNANIMOUSLY to investigate the Ga1-m and Ga1-s issue with the Organic Trade Association and the American Seed Trade Association.

*Labelling*

Churchill asked if anyone is having any issues with Proposition 65 labeling. It was agreed to direct inquiries about the law to the California Department of Food and Agriculture (CDFA) and provide the link explaining Proposition 65, <https://oehha.ca.gov/proposition-65/about-proposition-65>.

*Farm Service Agency (FSA) Acreage Report*

Churchill advised FSA's acreage data is available on-line. Popcorn acres can be found on the "county" sheet and filtered accordingly.



B. Marketing

1. International

*MAP Update*

Norm Krug recapped MAP program results in China, Colombia, Costa Rica, Mexico and Southeast Asia.

Flynn added the board would undergo its MAP compliance review of \$1.2 million in claims over three years (2014-2017) September 5-8. The board will again request FAS/USDA conduct the review annually in conjunction with their review of Food Export – Midwest located in Chicago.

*2018 UES*

Application for 2018 MAP funding has been filed with the allocation announcement expected mid-October.

2. Domestic

Flynn highlighted domestic marketing activities, namely changes to the email campaign, finalization of cinemagraphs and gifs to be used across platforms, summer Family Features and Satellite Media Tour co-op results, production of more “how-to” videos, and the development of new recipes and photos to accompany.

3. PR

*Advisory Panel & Message Manual Updates*

Flynn reported Ilene Smith, Keith Vorst and Clay Robinson have been seated on the Advisory Panel, and each are reviewing their respective areas of the Message Manual and offering suggestions or additions to the document. Manual updates, Flynn noted, are expected to be completed by the end of the summer.

VII. Old Business

A. Nominations

Genny Bertalmio urged processors eligible to nominate to submit additional nominees for two board vacancies created by Troy Hendrickson and Wilfred Sieg, Jr., whose terms expire December 31. Sieg, she added, is eligible to serve a second consecutive term. Nominees will be submitted for consideration to Secretary Perdue, who looks at company size and location to keep with USDA’s desire to equitably appoint board members who best represent the popcorn processing industry.

VIII. New Business

There was no new business to discuss.

IX. Time and Place of Next Meeting

The board will meet via teleconference the end of October to approve 2018 activity plans and budgets, and SmithBucklin management contracts.

X. Adjournment

There being no further business, it was MOVED (Smith), SECONDED (Sieg) and APPROVED UNANIMOUSLY to adjourn the meeting at 3:28 p.m.

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## **POPCORN BOARD POLICY**

### **Record Retention**

It is the Popcorn Board's policy to retain documents for the period of time set forth on the attached schedule and to destroy documents thereafter. The Executive Director or General Counsel of the organization may require that documents be retained longer than set forth on the attached schedule, by specific instruction.

In the event that any staff member of the organization becomes aware of litigation, the threat of litigation or governmental investigation concerning any documents in his or her possession, the staff member must immediately cease all document destruction activities and seek guidance from the Executive Director or General Counsel.

The attached schedule applies to documents retained in any medium. Paper copies may be scanned and retained electronically. If the retained electronic copy shows all signatures and other markings, paper copies may be destroyed and only the electronic copy retained for the required period.

# POPCORN BOARD RECORD RETENTION SCHEDULE

<u>TYPE OF RECORD</u>	<u>RETENTION PERIOD</u>
<b><u>Accounting</u></b>	
Accounts receivable reports	7 years
Accounts payable reports	7 years
Auditors' reports/work papers	Permanent
Bank deposit slips	7 years
Bank statements, reconciliations	7 years
Budgets	7 years
Cancelled checks	7 years
Cash disbursements journal	7 years
Cash receipts journal	7 years
Depreciation records (if applicable)	Permanent
Employee expense reports	7 years
Volunteer expense reports	7 years
Independent contractor expense reports	7 years
Financial statements (annual)	7 years
Financial statements (interim/internal)	7 years
General journal or ledger	7 years
Inventory lists (if applicable)	7 years
Invoices	7 years
Payroll journal (if applicable)	7 years

\*An asterisk ("\*") following a number signifies that the retention period begins after final payment, settlement expiration, termination, acceptance, sale, etc.

## ***Record Retention Schedule***

### **Corporate Records**

Articles of Incorporation	Permanent
Bylaws	Permanent
IRS Determination Letter	Permanent
Contracts	7 years*
Minutes (board and committees with board authority)	Permanent*
Minutes (committees without board authority)	7 years

### **Correspondence**

General Correspondence	3 years
General Correspondence related to other categories	Greater of period assigned to principal document which it supports or 3 years

### **Insurance**

Accident reports	6 years
Insurance claims	6 years*
Insurance policies	7 years

### **Processors**

Quarterly reports	3 years*
Applications for Certificate of Exemption	3 years*

### **Miscellaneous Legal**

Claims and litigation files	10 years*
Copyright, patent and trademark registrations	Permanent

\*An asterisk (“\*”) following a number signifies that the retention period begins after final payment, settlement expiration, termination, acceptance, sale, etc.

## ***Record Retention Schedule***

### **Personnel (if applicable)**

Applications	1 year
Employee earnings/payroll records	7 years*
Employee files	6 years*
Employee pension records, including service, eligibility, personal information, pensions paid	6 years*
Employment contracts	10 years
Garnishments	10 years
Government reports	6 years
Pension, profit-sharing plans	Permanent
Time cards/records	4 years

### **Taxes (if applicable)**

Income tax and information returns	Permanent
Payroll tax returns	4 years
Sales and use tax returns	10 years

\*An asterisk (“\*”) following a number signifies that the retention period begins after final payment, settlement expiration, termination, acceptance, sale, etc.



**THE POPCORN BOARD  
TELECONFERENCE  
November 21, 2017**

**MINUTES**

**I. Call to Order**

The teleconference was called to order by Chair Troy Hendrickson at 2:13 p.m. CST.

Attendance

Rocky Franklin	Great Western Products
Troy Hendrickson	ConAgra Brands
Norm Krug	Preferred Popcorn LLC
Wilfred Sieg, Jr.	Ramsey Popcorn Co., Inc.
Garry Smith	American Pop Corn Co.

USDA

Tarun Harit	AMS
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Staff

Deirdre T. Flynn	The Popcorn Board
Genny Bertalmio	The Popcorn Board

**II. Approval of Meeting Minutes**

It was MOVED (Smith), SECONDED (Krug) and APPROVED UNANIMOUSLY to accept the minutes of the August 23, 2017 meeting as presented.

**III. Treasurer's Report**

A. Year-End Forecast

Norm Krug reviewed the 2017 forecast, noting:

- 19 processors are paying mandatory assessments of six cents per hundredweight. All companies are in compliance.
- 75% of shipments are being sold domestically and 25% exported.
- Mandatory assessments are forecasted to be \$660,000.
- Total administrative income, including voluntary assessments and interest, is anticipated to be \$660,105.
- The board received a MAP allocation of \$378,640 for activities in China, Colombia, Costa Rica, Mexico, Southeast Asia and globally.
- Total revenue is forecast to be \$1,038,745.
- Administrative expenses are expected to be \$165,184 compared to a \$178,920 budget, a savings of \$13,736 due to board, committee, legal, and staff travel.
- International program expenses are estimated at \$507,685, a savings of \$2,475 due to staff travel.
- Domestic marketing is expected to be \$530,400, a savings of \$31,080 due to web services, issues management, staff travel, and fulfillment. This amount includes the cost to compile the 2018 edition of the *Popcorn Agri-Chemical Handbook* which will be published in February/March.
- Expenses are projected to be \$1,203,269 for a year-end loss of \$164,524.
- The board began the year with net assets of \$372,505; spent \$10,616 to finalize the 2017 edition of the *Popcorn Agri-Chemical Handbook*, and anticipates a forecasted loss of \$164,524, reducing net assets to \$197,365 beginning January 1, 2018.

- The board has \$150,000 in certificates of deposit.

It was MOVED (Hendrickson), SECONDED (Smith) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as presented.

#### **IV. 2018 Approvals**

##### **A. Operating Budget**

Deirdre Flynn highlighted the proposed 2018 budget in board materials.

- Mandatory assessments are budgeted at \$660,000, with no budget for voluntary assessments or interest.
- Administrative expenses total \$192,300. Budgets remained the same for accounting, administrative management, board, committee, executive management, insurance, legal, miscellaneous, postage & handling, stationery & printing, office expenses and travel. Increases were made to audit, commodity roundtable, mandated third-party evaluation to be conducted by The Fresh Approach, lockbox, telephone and USDA management oversight.
- PB received a MAP allocation of \$369,653, a slight decrease from 2017's allocation but adequate for PB's needs and in-kind contributions
- Flynn added FAS/USDA changed MAP agreements to encompass three years only, and findings from the recent compliance review will be minimal.
- The international marketing expense budget totals \$486,578.
- The domestic marketing budget is based on current domestic sales of 75% and totals \$498,100 with slight increases from forecast for web, travel, and fulfillment. She added the Advisory Panel will participate in the board's annual meeting.

In summary, total expenses of \$1,176,978 will result in a net loss of \$147,325. As of January 1, 2019, the forecasted net assets will be reduced from \$147,325 to \$50,040. Flynn added it is the board's goal to keep a fund balance of up to \$150,000, and expenses may come in lower than forecasted.

It was MOVED (Smith), SECONDED (Franklin) and APPROVED UNANIMOUSLY to approve the 2018 operating budget as presented.

##### **B. Marketing Plans**

Flynn presented the domestic and international marketing plans in board materials.

It was MOVED (Smith), SECONDED (Krug) and APPROVED UNANIMOUSLY to approve the 2018 domestic and international marketing plans as presented.

##### **C. Management Agreements**

Flynn presented the proposed agreements for administrative and marketing services from SmithBucklin Corporation which include a "not-to-exceed" amount for contracted services.

It was MOVED (Sieg), SECONDED (Smith) and APPROVED UNANIMOUSLY to accept the 2018 administrative and marketing management agreements as presented.

#### **V. Old Business**

Hendrickson stated the seedsmen want to meet with Andrew LaVigne during the American Seed Trade Association (ASTA) meeting in December to follow-up on the board's letter regarding breeders using the maize cross incompatibility genes Ga-1S and/or Ga-1m and contaminating popcorn production fields with GMO events. The board agreed the seedmen should request the meeting. Hendrickson noted he plans to participate.

Tarun Harit, USDA, reported the nomination package needed to be modified for the new administration and expects appointments will be made by the end of December. Current members will continue to serve until their replacements have been appointed

**VI. New Business**

Genny Bertalmio noted the 2018 officer election takes place after board appointments are announced.

**VII. Time and Place of Next Meeting**

Staff will poll the board for 2018 Annual Meeting dates at PB's Chicago headquarters.

**VIII. Adjournment**

There being no further business, it was MOVED (Franklin), SECONDED (Sieg) and APPROVED UNANIMOUSLY to adjourn the teleconference at 3:00 p.m. CST.

/gb



The Popcorn Board  
Annual Board Meeting  
March 26, 2018  
Headquarters  
Chicago, IL

MINUTES

I. Call to Order

Chair Rocky Franklin called the meeting to order at 9:01 a.m.

ATTENDANCE

Rachel Foley	Conagra Brands
Rocky Franklin	Great Western LLC
Norman Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn Company, Inc.
Garrett Smith	American Pop Corn Co.

USDA

Tarun Harit	AMS
Anthony Jones	FAS (via phone)

STAFF

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board
Frank Moore	The Popcorn Board/The Popcorn Institute (via phone)
Wendy Boersema-Rappel	The Popcorn Board

GUESTS

Larry Bruyer	Schlessman Seed Co.
Chuck Bryan	Coveris Group
Brian Churchill	Preferred Popcorn LLC
Dennis Demshar	Crookham Company
Pieter Droegkamp	Crookham Company
Richard Duty	Trinidad Benham Corp.
Todd Gable	Metzger Popcorn
Troy Hendrickson	Conagra Brands
Rosi Hernandez	Preferred Popcorn LLC
Mike Higgins	Reist Popcorn Co.
Jay Hulbert	Ag Alumni Seed (via phone)
John Kennebeck	Preferred Popcorn LLC
Sara Risch	Science by Design/Popz
Dr. Clay Robinson	Illinois State University
Eric Sieg	Ramsey Popcorn Co. Inc.
Wilfred Sieg, Jr.	Ramsey Popcorn Co. Inc.
Carlton Smith	American Pop Corn Co.
Ilene Smith	I ON FOOD
Keith Vorst	Iowa State University
Sterling D. Weeda	Schlessman Seed Co.
Aaron Whalen	Ag Alumni Seed

USDA Marketing Specialist Tarun Harit swore in new board members, Rachel Foley, ConAgra Brands, and Dan Sleaford, Weaver Popcorn.

## II. Approval of November 21, 2017 Teleconference Minutes

It was MOVED (Smith), SECONDED (Foley), and APPROVED to approve the minutes from the November 21, 2017 teleconference as presented.

## III. Treasurer's Report

### 2017 Audit Update

Genny Bertalmio reported the entry audit teleconference was held with AMS and BKD, the board's third-party auditing firm, in February. It was agreed to begin the audit late March/early April to ensure all 2017 fourth quarter assessments were collected and MAP reimbursement claims were filed. The draft is expected in late April. An exit call will be scheduled prior to presenting the audit to the board for approval, likely by May 23.

### 2018 Financial Update

Treasurer Garrett Smith gave the financial update. Highlights included:

- All companies are in compliance.
- The board collected an additional \$48,132 in mandatory assessments bringing 2017 collections to \$708,132.
- 2017 assessment collections represented 73% domestic sales and 27% international sales.
- The Board is in the process of purchasing two (2) \$100,000 Certificates of Deposit to mature in 13 and 26 weeks, respectively.
- February financials reflect unaudited 2017 net assets of \$293,039.
- The 2018 mandatory assessment rate continues at 6 cents per hundredweight. Collections begin in April.
- The Popcorn Board received a \$369,653 MAP allocation and ceiling.
- If the board performs as budgeted, \$147,325 loss plus \$11,500 to finalize the 2018 *Agri-Chemical Handbook*, net assets will be reduced to approximately \$182,346 (\$134,214 + \$48,132 of additional assessments).

It was MOVED (Krug), SECONDED (Foley) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as presented.

## IV. Administrative Update

### Financial Management Practice/Operational Policy and Procedures

Deirdre Flynn referred board members to the financial management practices and operational policies and procedures, and requested they initial and sign the code of ethics.

Flynn reported 2017 pounds of processed popcorn sold increased 5% domestically, 3% internationally for a total increase of 4.7%.

### Popcorn Institute Report

Frank Moore reported the 2014 Farm Bill expires September 30 and predicts a new bill will not be available October 1 based on the struggle around SNAP; if that happens, the 2014 Farm Bill will be extended. The 2014 language embedded in the note section has popcorn considered as corn, making it eligible for crop insurance. Moore will confirm popcorn will continue to be synonymous with corn. Should that change, he will engage with Farm Bill staff to rectify the situation.

NAFTA continues to be in the renegotiation process.

## V. Subcommittee Discussions

### A. Technical

Technical Subcommittee Chair Brian Churchill encouraged processors to provide the link to the *Popcorn Agri-Chemical Handbook* to their growers.

#### Popcorn Agri-Chemical Handbook

Frank Moore reported this year's handbook has:

- 443 products – 235 herbicides, 108 insecticides, 70 fungicides, 18 fumigants and 12 miscellaneous
- 140 different formulations
- 37 different registrants
- 31 edits
- 43 products added
- 18 products removed

In addition, special language has been added on Dicamba requiring a special license to apply.

#### Ga1-s Allele

Jay Hulbert stated the *Ga1-s* gene provides dent sterility to popcorn so it cannot be pollinated by dent corn. Without intellectual property, it is commonly understood popcorn seed companies use the *Ga1-s* gene so popcorn can be planted next to dent corn without it being pollinated by dent corn. The Board agreed seedsmen should meet with the American Seed Trade Association (ASTA) to voice concern about dent corn companies using the gene, but no representatives from the seed companies attended the initial meeting. ASTA subsequently arranged another meeting with the Indiana Crop Improvement Association and the Indiana Seed Trade Association March 29. Hulbert plans to attend and will report back to the industry.

#### Cretors MWVT

John Kennebeck reported industry suggestions on Cretors' MWVT operational video, were forwarded to Cretors for consideration. Cretors is making the edits prior to posting the video on YouTube.

### B. International Marketing

#### MAP Update

International Subcommittee Chair Norm Krug reviewed Popcorn Board 2017 MAP activities conducted in China, Colombia, Cost Rica, Mexico and Southeast Asia.

Flynn reported the board currently underwent a compliance review of 2014-2017 MAP reimbursement claims. FAS/USDA is requesting boarding passes/hotel folios for some travel expenses where Expedia was used. Staff has provided additional supporting documentation for these expenses, and has accrued funds in the event PB needs to reimburse FAS/USDA. Staff has also requested annual compliance reviews so funds do not have to be held in arrears for long periods of time and can be put back into the program activities.

Flynn also solicited success stories to submit to FAS/USDA to validate the program.

#### 2019 UES Submission

After some discussion, it was agreed to request a \$500,000 allocation for the 2019 year to support programs in China, Columbia, Costa Rica, Mexico and Southeast Asia.

C. Domestic Marketing/PR  
Advisory Panel Presentations

Flynn introduced Advisory Panel members:

- Ilene V Smith, MS, RD reported on food, nutrition and snack trends.
- Keith Vorst reported on the packaging environment, and, in particular, popcorn packaging.
- Clay Robinson reported on soil, erosion and water quality.

2017 Recap

Wendy Boersema-Rappel provided the Domestic Marketing update. Highlights included:

- A monthly email marketing campaign is sent to over 8,000 media contacts.
- A recipe audit, recipe development and photography was completed showcasing popcorn's versatility.
- Expanding "how-to" videos, adding 30 videos to PB's YouTube channel, and developing three cinemagraphs and seven GIFs.
- Two media mailings were sent to over 5,000 media contacts. The Popcorn Poppin' Month mailing included a 12-page brochure highlighting the healthy, simple goodness of popcorn. The National Popcorn Day mailer included feature stories and a sample bag of un-popped popcorn with Popcorn Board branding.
- The Popcorn Pep Club contest reached 10,000+ schools reminding teachers popcorn is a great teaching tool. Entrants brought students together while learning in a fun, interesting way. Winners can be viewed on the Popcorn Board website.
- "Pop-ular Summer Snacks" and "Popping Up a Winter Wonderland" Family Feature releases had total ad equivalencies of \$1,102,751 and \$1,317,170 respectively; a ROI of 54:1 and 65:1 respectively.
- Weathercaster promotion had a media value of \$700,000; ROI of 22:1.
- "5 Simple Steps to Transform your Backyard into an Outdoor Movie Theater" and "Throw the Best Party of the Season with these Holiday Entertaining Hacks" satellite media tour co-ops reached audiences of 13,680,394 and 13,10,754 respectively

2018 Marketing Plan

Boersema-Rappel reported marketing efforts will promote popcorn's whole-grain benefits while correcting negative information.

VI. Old Business

There was no old business.

VII. New Business

Nomination Process

Bertalmio reported Rocky Franklin, Norm Krug and Garry Smith's terms expire December 31. They have served two consecutive terms, and are not eligible for re-appointment. Processors who processed over 4 million pounds in 2017 are eligible to nominate themselves and other individuals for consideration by the Secretary of Agriculture to serve on the board. Nomination instructions and forms will be sent in April and asked to be returned by May 1. Bertalmio added the Secretary considers diversity, geographic location and company size when appointing board members to serve.

VIII. Time and Place of Next Meeting

The board will convene via conference call in May to approve the audit and 5-year evaluation. The board also meets Wednesday, August 22 prior to the Combined Seedsmen Field Day in Grand Island, Nebraska.

IX. Adjournment

There being no further business, it was MOVED (Krug), SECONDED (Smith) and APPROVED UNANIMOUSLY to adjourn the meeting at 3:08 p.m.

/gb

The Popcorn Board  
Teleconference  
May 10, 2018

MINUTES

I. Call to Order

The teleconference was called to order by Chair Rocky Franklin at 10:03 a.m.

ATTENDANCE

Rachel Foley	Conagra Brands
Rocky Franklin	Great Western Co., LLC
Norm Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn
Garry Smith	American Pop Corn Co.

USDA

Tarun Harit	AMS
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STAFF

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

GUEST

Dave Siehoff	BKD LLP
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II. 2017 Financial Audit

Dave Siehoff, BKD LLP, presented the 2017 audit. Highlights included:

- Staff cooperated fully to complete the audit.
- There were no findings or compliance issues.
- Two audit adjustments were made associated with truing up fourth quarter mandatory assessments and MAP claims.
- No deficiencies or weaknesses were identified.
- Audit was conducted in accordance with standard accounting principles.

After discussion, it was MOVED (Smith), SECONDED (Krug) and APPROVED UNANIMOUSLY to accept the 2017 audit as presented.

III. Adjournment

There being no further business, it was MOVED (Smith), SECONDED (Foley) and APPROVED UNANIMOUSLY to adjourn the teleconference at 10:18 a.m.

/gb

The Popcorn Board  
Board Meeting  
August 22, 2018  
Quality Inn and Conference Center  
Grand Island, NE

MINUTES

I. Call to Order

The meeting was called to order at 2:00 p.m. by Secretary/Treasurer Garrett Smith.

Attendance

Rachel Foley	Conagra Brands
Dan Sleaford	Weaver Popcorn
Garrett Smith	American Pop Corn Company

Absent

Rocky Franklin	Great Western Co.
Norman Krug	Preferred Popcorn

USDA

Tarun Harit	AMS/USDA (via phone)
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Staff

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

Guests

Larry Bruyer	Schlessman Seed Co.
Fernando Cardenas	Ag Alumni Seed
Brian Churchill	Preferred Popcorn
Ken Delap	Black Jewell
Koos deWet	Biggi Brands
Harvey Gutwein	Gutwein Popcorn Co.
Tyler Gutwein	Gutwein Popcorn Co.
Troy Hendrickson	Conagra Brands
Nate High	Preferred Popcorn
Jay Hulbert	Ag Alumni Seed
John Kennebeck	Preferred Popcorn
Kent Korniak	Conagra Brands
Sam Krug	Preferred Popcorn
Brian Ratliff	Mennel Popcorn
Max Robbins	Ag Alumni Seed
Oscar Rodriguez	Conagra Brands
Eric Sieg	Ramsey Popcorn Co. Inc.
Charlie Silver	TC Transcontinental Packaging
Charlie Sing	Amaizin' Pop LLC
William Watson	The Fresh Approach (via phone)
Sterling D. Weeda	Schlessman Seed Co.
Aaron Whalen	Ag Alumni Seed

II. Approval of Prior Meeting Minutes

It was MOVED (Foley), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to accept the minutes from the March 26, 2018 meeting and May 10, 2018 teleconference as presented.

### III. Treasurer's Report

Smith provided a financial update. Highlights included: 19 processors are required to pay 2018 mandatory assessments. One processor required to pay and two processors previously submitting exemptions, are not in compliance; staff continues to follow-up with these companies. FAS/USDA has determined the information the board provided to substantiate the findings totaling \$5,442.68 in the 2014-2017 compliance review sufficient, and no additional monies are due. \$19,549 held in reserve for the purpose of repaying MAP claims will be put back into this year's budget and will be reflected on the August financials. July Statement of Activities reflects actual year-to-date to the annual budget. Total revenue budget of \$1,029,653 represents \$660,000 in mandatory assessments and \$369,653 in a MAP allocation from FAS/USDA. The board has collected \$140 in interest. Year-to-date administrative, international and domestic expenses are in-line with annual budgeted expenses of \$1,176,978. The board spent \$7,519 of the \$11,500 to finalize the Agri-Chemical Handbook, a savings of \$3,981. The year-end budgeted loss of \$147,325 plus the cost to finalize the handbook will reduce net assets of \$356,110 to \$201,266 beginning January 1, 2019. The board currently has \$200,000 in Certificates of Deposit. Year-end forecasts, and 2019 activity plans, budgets and SmithBucklin management contracts, will be developed and presented to the board for approval during its fall conference call.

It was MOVED (Sleaford), SECONDED (Foley) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as given.

### IV. Popcorn Institute Report

The Popcorn Board asked the Popcorn Institute to manage the potential Ga-1s issue in U.S. dent corn. Jay Hulbert provided an update and reported the next meeting is in conjunction with the American Seed Trade Association December meeting, Chicago. All seedsmen, he noted, are expected to be in attendance.

Deirdre Flynn reported Frank Moore has advised the Farm Bill language has been carried forward in the Senate and House versions.

### V. Program Updates

#### A. Administrative *5-Year Evaluation*

Flynn stated the board is required to conduct an independent evaluation of its programs every five years. The board is awaiting AMS/USDA approval of the 2013-2017 evaluation conducted by the Fresh Approach. William Watson, president of the Fresh Approach, provided a brief summary of the evaluation, including:

- It is a requirement in the 1996 Farm Bill that research and promotion boards conduct an independent outcome-based evaluation of its programs.
- The report summarizes information, which can be used to improve decision-making, meet USDA, stakeholder and constituent accountability requirements and acknowledge and enhance project performance.
- It was suggested the board:
  - Create goals for all programs prior to execution to be referenced when results are shared.
  - Look for continuity/consistency in reporting results.
  - Look for consistency in how programs are measured; consider a template for goals, results, etc., and use the template year-over-year.

#### *Global Strategic Plan*

Flynn reported the Global Strategic Plan needed to be revised because of a misinterpretation of the board's overall target audience. Market analysis, consumption history, and global marketing objectives were updated, and the global target audience was changed to reflect the primary snack food purchaser and influencer for each household worldwide.



It was MOVED (Foley), SECONDED (Sleaford), and APPROVED UNANIMOUSLY to approve the Global Strategic Plan as submitted.

B. Technical

Technical Chair Brian Churchill stated there was nothing to report on the issue with Russia, and that the Farm Service Agency released its crop acreage report.

C. Marketing

1. International

*MAP Update*

Flynn reported after the 2019 UES was filed in June, the board was made aware of potential new funding for developing foreign markets to offset the adverse effects of retaliatory tariffs, and identified new markets, including Vietnam, Thailand, Malaysia, the Philippines, Singapore and Peru.

*U.S. Sustainability Alliance*

Flynn recommends the Popcorn Board become a part of the U.S. Sustainability Alliance. The organization promotes why sustainable farming practices are important, and there isn't a financial commitment associated to it. It was agreed to pursue engagement with the Alliance.

2. PR

PR Chair Garry Smith reported Advisory Panel members, Ilene Smith, Keith Vorst and Clay Robinson, have agreed to continue on the panel for another year. They focus on nutrition, packaging, and sustainable agriculture; their next formal presentation to the board will be at the spring 2019 annual meeting.

Flynn reported issues do not go away, and the board has been more proactive in going back to reporters or bloggers on incorrect information.

3. Domestic

Flynn highlighted domestic marketing activities, including the Family Features summer release, Satellite Media Tour reaching 1.6 million listeners on 13 radio stations for a total audience of nearly 20 million people, and the summer/fall ad campaign featuring the Healthy Nut, Kid at Heart and Adventurer. In addition, PB has created action figures Fiborg, Captain Kernel, Super Poppy, Pip Pop and the Edible Hull for use in upcoming promotions. Popcorn Poppin' Month promotions feature a new recipe and photo, weathercaster promotion, and a fall mailer to dispel myths and promote good snacking of the product.

VI. Old Business

A. Nominations

Flynn reported the board is seeking additional nominees for board positions. Secretary of Agriculture Sonny Perdue is requesting at least two nominees for the three vacancies created by Rocky Franklin, Norm Krug and Garry Smith whose terms expire December 31. Flynn added they will continue to serve until their replacements are appointed.

VII. New Business

There was no new business to discuss.

VIII. Time and Place of Next Meeting

The board will meet via teleconference in the fall to approve 2019 activity plans and budgets, and SmithBucklin management contracts.

IX. Adjournment

There being no further business, the meeting was adjourned at 3:02 p.m.

/gb

**The Popcorn Board  
Teleconference  
November 19, 2018**

**MINUTES**

**I. Call to Order**

The teleconference was called to order by Chair Rocky Franklin at 2:02 p.m. CST.

Attendance

Rachel Foley	Conagra Brands
Rocky Franklin	Great Western Products
Dan Sleaford	Weaver Popcorn
Garry Smith	American Pop Corn Co.

Absent

Norm Krug	Preferred Popcorn LLC
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USDA

Victoria Carpenter	AMS
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Staff

Deirdre T. Flynn	The Popcorn Board
Genny Bertalmio	The Popcorn Board

**II. Approval of Meeting Minutes**

It was MOVED (Smith), SECONDED (Foley) and APPROVED (3-0-1) to accept the minutes of the August 22, 2018 meeting as presented.

**III. Treasurer's Report**

A. Year-End Forecast

Garry Smith reviewed the 2018 forecast, noting:

- 19 processors are paying mandatory assessments of six cents per hundredweight. All companies required to pay assessments are in compliance; staff continues to follow-up with one processor previously exempt.
- Currently 79% of shipments are being sold domestically; 21% is exported.
- Mandatory assessments are forecast to be \$645,000, \$15,000 less than budgeted.
- Total administrative income, including interest, is anticipated to be \$645,140.
- \$19,549 previously held in reserve to repay MAP claims is reflected in International Promotion revenue.
- The board received a MAP allocation of \$369,653 for activities in China/Hong Kong, Colombia, Costa Rica, Mexico, Southeast Asia, and one global activity.
- Total revenue is forecast to be \$1,034,342.
- Administrative expenses are expected to be \$180,237 compared to a \$192,300 budget, a savings of \$12,063 due to board, committee, legal, commodity roundtable and staff travel.
- International program expenses are estimated at \$484,503, a savings of \$2,075 due to staff travel.
- Domestic marketing is expected to be \$447,310, a savings of \$50,790 due to issues management, staff travel and fulfillment. This amount does include the cost to compile the

2019 edition of the *Popcorn Agri-Chemical Handbook* which will be published in February/March 2019.

- Total expenses are projected to be \$1,112,050 for a year-end loss of \$77,708.
- The board began the year with net assets of \$356,110, and spent \$7,519 to finalize the 2018 edition of the *Popcorn Agri-Chemical Handbook*. The forecasted loss of \$77,708 will reduce net assets to \$270,883 beginning January 1, 2019.
- The board has \$200,000 in certificates of deposit.

It was MOVED (Sleaford), SECONDED (Foley) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as presented.

#### IV. 2019 Approvals

##### A. Operating Budget/Marketing Plans

Deirdre Flynn highlighted the proposed 2019 budget and marketing plans in board materials.

- Based on first and second quarter 2018 collections, mandatory assessments are conservatively budgeted at \$590,000, with no budget for voluntary assessments or interest.
- Administrative expenses total \$190,560. Budgets remained the same for accounting, administrative management, board, committee, executive management, legal, miscellaneous, postage & handling, stationery & printing, office expenses and USDA management oversight. Modest increases were made to insurance, lockbox and telephone. Increases were made to audit, commodity roundtable and travel. Staff will request proposals for the 2018 financial audit to determine if BKD's proposal is in-line with market rates. The commodity roundtable is planning additional activities, thus the budget increase.
- The board submitted a \$520,000 Unified Export Strategy (UES) application for 2019 MAP funding to conduct international marketing activities in China/Hong Kong, Colombia, Costa Rica, Mexico, Southeast Asia and globally. Allocations have not been announced because the Farm Bill has not been approved; the \$350,000 reimbursable expense is a placeholder in the budget.
- China is requiring commodity organizations conducting in-country marketing activities to register as a Non-Governmental Organization (NGO) to avoid fines/arrest. As a result of this expensive and cumbersome registration process, staff is recommending suspending activities in China for the time-being and focusing on the TRQ issue in the country.
- PB requested \$150,000 in Agricultural Trade Promotion Program (ATP) funding as a result of the retaliatory tariffs and loss of exports. The money would allow for additional marketing in Southeast Asia over a 3-year period and market research in Peru; this is not a budgeted item. FAS/USDA reported the program generated \$7 million in applications against a \$2 million budget.
- The international marketing expense budget totals \$472,800.
- The domestic marketing program budget is based on current domestic sales of 79% and totals \$462,100 for public relations activities, website maintenance, media placement (print and digital) and material request fulfillment, issues management, including the Advisory Panel, technical issues and the production of the *Popcorn Agri-Chemical Handbook*.

In summary, total expenses of \$1,125,460 will result in a net loss of \$185,460. As of January 1, 2020, the forecasted net assets of \$270,883 will be reduced to \$85,423. Flynn added the proposed budget is ultra-conservative and overly cautious on expenses. She noted staff would look to initiate efficiencies wherever possible to move the net assets 2020 number to \$100,000.

It was MOVED (Smith), SECONDED (Foley) and APPROVED UNANIMOUSLY to approve the 2019 operating budget and marketing plans as presented.

##### B. Management Agreements

Flynn presented the proposed agreements for administrative and marketing services from SmithBucklin Corporation which include a "not-to-exceed" amount for contracted services.

It was MOVED (Smith), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to accept the 2019 administrative and marketing management agreements as presented.

**V. Old Business**

Genny Bertalmio reported Tarun Harit, AMS/USDA, advised the nomination package has been submitted, and all nominees have passed background checks. He expects appointments will be made by the Secretary mid-December. Current members will continue to serve until their replacements have been appointed

**VI. New Business**

Flynn reported Frank Moore of SmithBucklin's Washington, D.C. office is planning to retire, but has plans to work alongside his replacement on the 2019 edition of the *Popcorn Agri-Chemical Handbook*.

Bertalmio noted the 2019 officer election will take place via conference call after the board appointments are announced.

**VII. Time and Place of Next Meeting**

Staff will poll the board for 2019 Annual Meeting dates at PB's Chicago headquarters.

**VIII. Adjournment**

There being no further business, it was MOVED (Smith), SECONDED (Foley) and APPROVED UNANIMOUSLY to adjourn the teleconference at 2:47 p.m. CST.

/gb

**THE POPCORN BOARD  
TELECONFERENCE  
January 14, 2019**

**MINUTES**

**I. Call to Order**

The teleconference was called to order by Executive Director Deirdre Flynn at 2:05 p.m. CST.

Attendance

Tracy Boever	American Pop Corn Company
William Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Samuel Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn

USDA

Vickie Carpenter	AMS
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Staff

Deirdre T. Flynn	The Popcorn Board
Genny Bertalmio	The Popcorn Board

**II. Election of 2019 Officers**

Flynn welcomed newly appointed members Tracy Boever, William Brush and Samuel Krug, who will serve on the Popcorn Board through December 31, 2021. They join Rachel Foley and Dan Sleaford.

It was MOVED (Krug), SECONDED (Boever) and APPROVED UNANIMOUSLY to elect William Brush, chair; Dan Sleaford, vice chair; and Rachel Foley, secretary-treasurer.

**III. Time and Place of Next Meeting**

The board agreed to hold its Annual Meeting on Monday, February 25 in Chicago beginning at 1:00 p.m. to accommodate the possibility of a Popcorn Institute Hall of Fame luncheon. Staff will secure a block of sleeping rooms for February 24.

**IV. Adjournment**

There being no further business, the teleconference was adjourned at 2:12 p.m. CST.

/gb

The Popcorn Board  
Annual Board Meeting  
February 25, 2019  
Hotel Chicago Downtown  
Chicago, IL

MINUTES

I. Call to Order

Chair Bill Brush called the meeting to order at 1:39 p.m.

ATTENDANCE

Tracy Boever	American Pop Corn Co.
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn Company, Inc.

USDA

Anthony Jones	FAS (via phone)
Jeanette Palmer	AMS

STAFF

Genny Bertalmio	The Popcorn Board
Wendy Boersema-Rappel	The Popcorn Board
Deirdre Flynn	The Popcorn Board
Rachel Weston	The Popcorn Board (via phone)

GUESTS

Brian Churchill	Preferred Popcorn LLC
Pieter Droegkamp	Crookham Company
Rocky Franklin	Great Western LLC
Todd Gable	Metzger Popcorn
Troy Hendrickson	Conagra Brands
Rosi Hernandez	Preferred Popcorn LLC
Norman Krug	Preferred Popcorn LLC
Clay Robinson	Illinois State University
Wilfred Sieg, Jr.	Ramsey Popcorn Co. Inc.
Carlton Smith	American Pop Corn Co.
Ilene Smith	I ON FOOD (via phone)
Keith Vorst	Iowa State University
Sterling Weeda	Schlessman Seed Co. (via phone)
Aaron Whalen	Ag Alumni Seed (via phone)

USDA Marketing Specialist Jeanette Palmer swore in new board members: Tracy Boever, American Pop Corn Co., Bill Brush, Popcorn County USA and Sam Krug, Preferred Popcorn LLC.

Matt Sanderson, president and CEO, SmithBucklin Corporation, recognized the Popcorn Board's 20<sup>th</sup> anniversary and presented board members with a poster to honor the service the board provides the popcorn processing industry and to show SmithBucklin's appreciation for the opportunity to serve the organization and contribute to its success.

## II. Approval of November 19, 2018 and January 14, 2019 Teleconference Minutes

It was MOVED (Foley), SECONDED (Boever), and APPROVED UNANIMOUSLY to accept the minutes from the November 19, 2018 and January 14, 2019 teleconferences as presented.

## III. Treasurer's Report

### Financial Update

Treasurer Rachel Foley gave the financial update. Highlights included:

- All companies are in compliance.
- The Board is in the process of purchasing a \$100,000 Certificate of Deposit.
- January financials in the board book reflect unaudited 2018 net assets of \$325,001.
- 2018 fourth quarter assessment remittance is approximately \$20,000 higher than forecasted.
- The 2019 mandatory assessment rate continues at 6 cents per hundredweight. Collections begin in April.
- The Popcorn Board received a \$150,000 Agricultural Trade Promotion Program (ATP) allocation and a \$363,161 Market Access Program (MAP) allocation. The board needs to amend its budget to reflect these reimbursable programs through FAS/USDA.
- If the board performs as budgeted, a \$185,460 loss plus \$11,500 to finalize the 2019 Agri-Chemical Handbook, net assets will be reduced to approximately \$150,000 (\$128,041 plus \$20,000 of additional assessments).

### Budget Amendment

Deirdre Flynn stated the \$150,000 ATP funding can be used over a three-year period, but because a board cannot approve spending for a subsequent year, the board must approve the entire allocation this year. The budget amendments for ATP and MAP will increase total revenue to \$1,103,161 and total expense to \$1,288,621.

It was MOVED (Krug), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to accept the financial update and amend the budget as presented.

### Audit Update

Genny Bertalmio reported staff requested proposals for the 2018 audit to determine if BKD's proposal was in-line with market rates. The Board received proposals from Selden Fox and Porte Brown, and recommends the Board proceed with Selden Fox at a cost of \$8,750. Selden Fox also will keep the fee at \$8,750 for 2019 and 2020 if a three-year commitment is signed.

Flynn reminded the Board they cannot approve a multi-year commitment and advised staff will ask Selden Fox to include in the contract for service that the fee for the 2019 and 2020 audits will be \$8,750 for each year.

IT WAS MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to contract with Selden Fox to prepare the 2018 audit.

## IV. Administrative Update

### Financial Management Practice/Operational Policy and Procedures

Deirdre Flynn referred board members to the financial management practices and operational policies and procedures, and requested they initial and sign the code of ethics.



## V. Subcommittee Discussions

### A. Technical

#### Popcorn Agri-Chemical Handbook

Technical Subcommittee Chair Brian Churchill encouraged processors to provide the link to the *Popcorn Agri-Chemical Handbook* to their growers once it's posted to the website.

Rachel Weston provided an update on the 2019 edition:

- 147 total chemicals in the handbook, 60 herbicides, four (4) fumigants, 38 insecticides, 37 fungicides and eight (8) miscellaneous.
- Seven are new chemicals: azoxystrobin & propiconazole & pydiflumetofen, azoxystrobin & propiconazole & trifloxystrobin, BIFENTRHIN & BACILLUS AMYLOLIQUEFACIENS STRATIN D747, CYANTRANILIPROLE, FLUDIOXONIL & MEFENOXAM & AZOXYSTROBIN & THIABENDAZOLE & SEDAXANE, FLUTRIAFOL & AZOXYSTROBIN, MINERAL OIL
- No chemicals were removed this year
- Nothing was added of special note this year.
- There are 462 products in the handbook from 33 registrants; 27 were added and 10 were removed (108 insecticides, 16 miscellaneous, 82 fungicides, 18 fumigants, 238 herbicides).

Churchill reported Cretors added a note to the MWVT manual, test form and operational video that a deviation of +/- 1 unit of measure should be expected and is normal due to testing machine tolerances.

He also stated the Farm Service Agency (FSA) instructed county offices to use the conversion factor of 29.7 to obtain an equivalent corn yield for the Market Facilitation Program (MFP).

### B. International Marketing

#### 2018 Recap

International Marketing Subcommittee Chair Norm Krug reviewed Popcorn Board 2018 MAP activities conducted in China, Colombia, Cost Rica, Mexico and Southeast Asia noting PR activities and retail promotions have been very successful. Flynn added the Board did not exhibit at Confitexpo, Antad or Abastur which resulted in the reduction in Mexico trade leads.

#### ATP Plan

It was reported the Board received a \$150,000 allocation to be spent over a three-year period for trade servicing, cinema/foodservice and retail promotions in Southeast Asia.

#### MAP Plan

Due to a delay in receiving PB's 2019 MAP allocation, the Board agreed to fund the Bean Congress in Mexico. Since funding was released, staff will follow-up with FAS to see if funds spent are reimbursable to the Board. Due to tariff and NGO registration issues in China, the focus of the program this year will be getting popcorn kernels re-classified.

#### 2020 UES Submission

Flynn reported the Board typically requests \$500,000 in MAP funding and receives approximately \$400,000 to conduct activities in countries that have a stable government, a growing middle class, microwave penetration, leisure time spending and acceptance of U.S. products. Discussion followed on MAP activities for 2020. It was agreed the subcommittee would review the recommendation for markets for the 2020 proposal prior to compiling the UES. Staff will put together a recommendation for countries/regions and activities for review.

C. Domestic Marketing/PR  
Advisory Panel Presentations

Flynn introduced Advisory Panel members:

- Keith Vorst, PhD (packaging)
- Ilene V Smith, MS, RD (consumer food/nutrition trends)
- Clay Robinson, PhD, CPSS, CCA (agronomy)
- A copy of their presentations are attached and made a part of these minutes.

2018 Recap

Wendy Boersema-Rappel provided the Domestic Marketing update. Highlights included:

- A monthly email marketing campaign was sent to over 10,000 media contacts.
- New images, online media kit, media mailer and Power Pops were created to support Social Media and Myth Busting campaigns.
- The Popcorn Pep Club contest reached 10,000 Food and Consumer Science (FACS) teachers and principals reminding what a great teaching tool popcorn is. Winners can be viewed on the Popcorn Board website.
- "Pop Up Sweet Treats" had a total ad equivalency of \$2,999,877 and a ROI of 149:1.
- "4<sup>th</sup> of July BBQ" satellite media tour co-ops reached an audience of 20,703,330.
- Weathercaster promotion had an editorial value of \$800,500; ROI of 24:1.

2019 Marketing Plan

Boersema-Rappel reported marketing efforts continue to promote popcorn as a whole-grain, versatile snack. Emphasis will continue to dispel myths about the product (high fat, genetically modified, etc.)

VI. Old Business

There was no old business.

VII. New Business

There was no new business.

VIII. Time and Place of Next Meeting

The board will meet via conference call to review and approve the 2018 audit.

IX. Adjournment

There being no further business, Brush adjourned the meeting at 4:36 p.m.

/gb

# IOWA STATE UNIVERSITY

## Polymer and Food Protection Consortium

### The Packaging Environment

Keith L. Vorst, PhD  
[kvorst@iastate.edu](mailto:kvorst@iastate.edu)

Greg Curtzwiler, PhD  
[gregc@iastate.edu](mailto:gregc@iastate.edu)

Rkia Moutiq, PhD

Ana Monge-Brenes, PhD Candidate

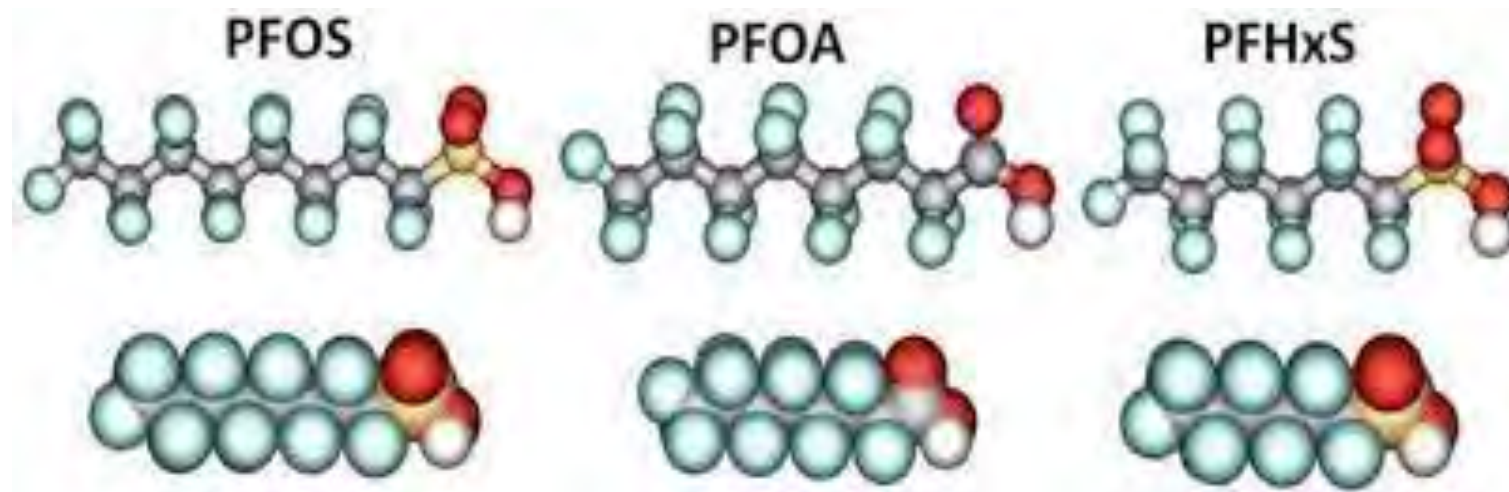
# Hot topics /Research Pillars

- Regulatory compliance and method development (PFASs)
- In-process monitoring
- Post-consumer polymer recycling and compatibilization
- Shelf-life extension
- Bio-based feedstocks for polymers and coatings



# What Are PFAS?

- PFAS = **P**er- and **P**oly**f**luoroalkyl **S**ubstances
- Class of over 4,700\* fluorinated organic chemicals containing at least one fully fluorinated carbon atom



\*Schultes et al. *Environ. Sci. Technol.* 2019 ahead of print





By Environmental Working Group  
Jun. 19, 2018 11:59AM EST

Food →



## These Toxic Chemicals in Food Packaging Are Getting Into Your Meals

By Rachel Smilan-Goldstein

On a busy weeknight, takeout and fast food are easy dinner time solutions. But your family's favorite on-the-go meal may come with a side of toxic fluorinated chemicals.



By DENNIS THOMPSON | HEALTHDAY | February 1, 2017, 12:43 PM

## Are there toxins in your fast food packaging?



LISOVSKAYA NATALIA, GETTY IMAGES/ISTOCKPHOTO

[f Share](#) / [Tweet](#) / [Reddit](#) / [Flipboard](#) / [Email](#)

Many grease-resistant fast-food wrappers and boxes contain potentially harmful chemicals that can leach into food, a new study contends.

- **Madrid Statement**
  - Stop using when non-essential
  - Develop non-fluoro alternatives
  - Persistent Organic Pollutants (POPs)
  - Develop quantification methods
  - Label product that contain PFA's
  - Short chain and other fluorinated alternatives
- No heavy metals and zero tolerance
- EPA 2015
- PFASs Free Packaging (SFO November 2018)

- Some permitted for use in direct food-contact applications (FDA-FCN) with known toxicity and thus allowed
- Discussion on incidental contaminants and NOT intentionally added
- TOF – Danish authorities: August 2015:  $0.35 \mu\text{g}/\text{dm}^2$  then in May, 2018 increased to  $10 \mu\text{g}/\text{dm}^2$  because TOF values were higher than  $0.35 \mu\text{g}/\text{dm}^2$  in all treated and none treated paper and cardboard food contact material.
- BS EN 13432: 'Compostable' criteria 100ppm total fluoride
- EPA 822 R-16-003: 70 ppt in drinking water all PFAS
- BPI: 100ppm in compostables



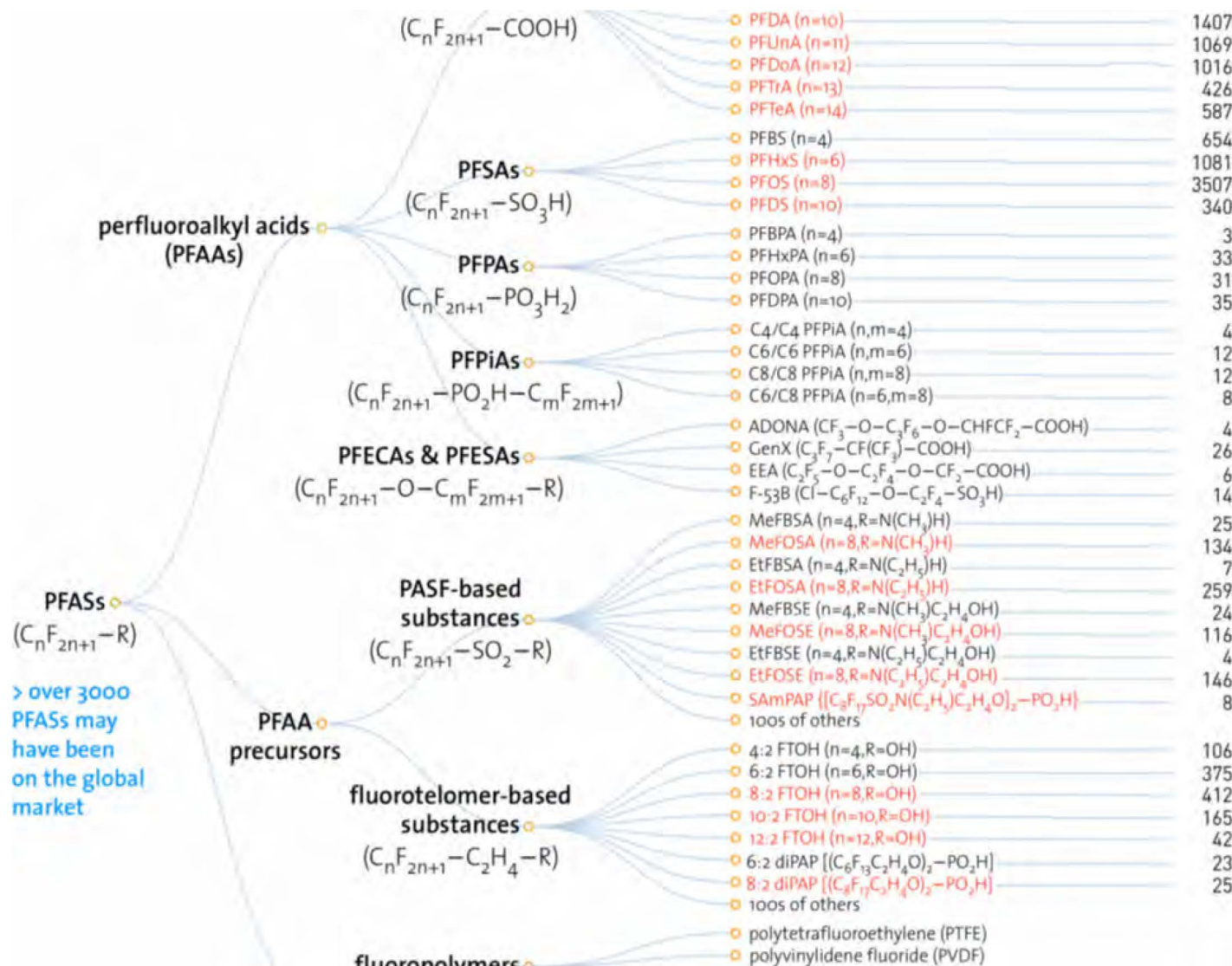


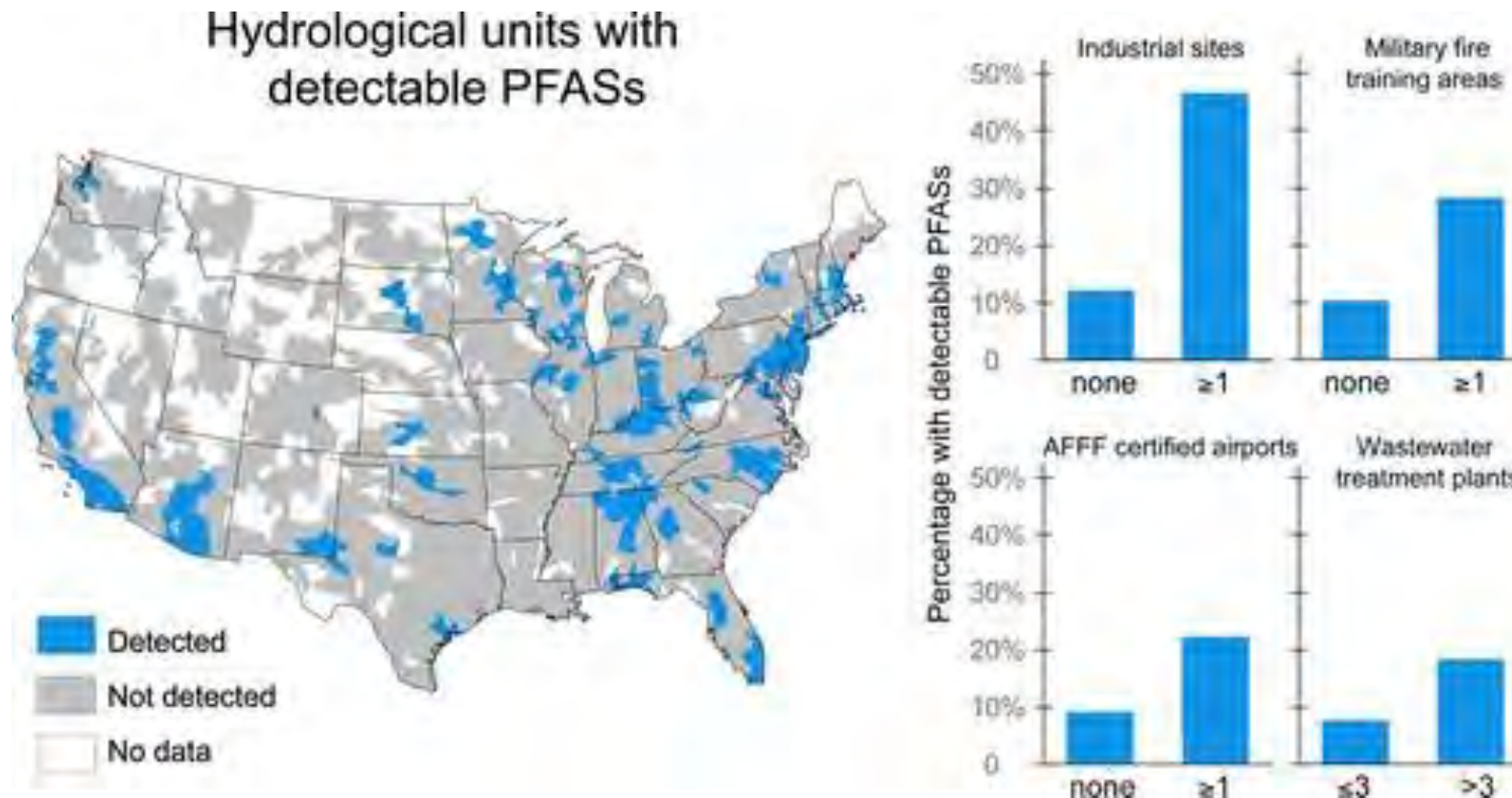


# PFAS in Compostable Food Service Ware

Why PFAS? Environmental and Human Health Concerns

***Ann Blake, Ph.D.***  
***Environmental & Public Health Consulting***





## Drinking Water Contamination

Detection of Poly- and Perfluoroalkyl Substances (PFASs) in U.S. Drinking Water Linked to Industrial Sites, Military Fire Training Areas, and Wastewater Treatment Plants

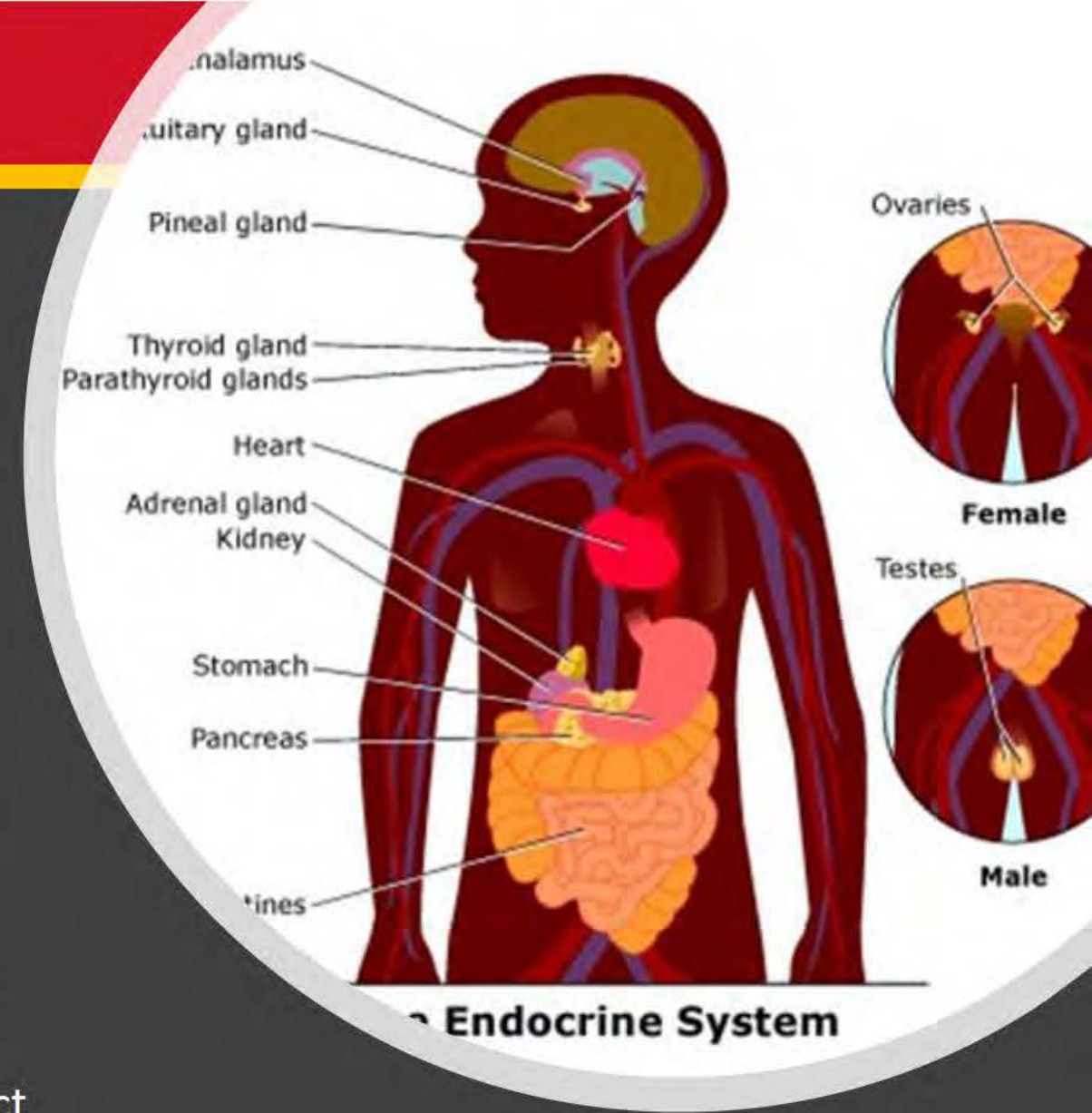
[Xindi C. Hu et al.](#), *Environ. Sci. Technol. Lett.*, 2016, 3 (10), pp 344–350

DOI: 10.1021/acs.estlett.6b00260

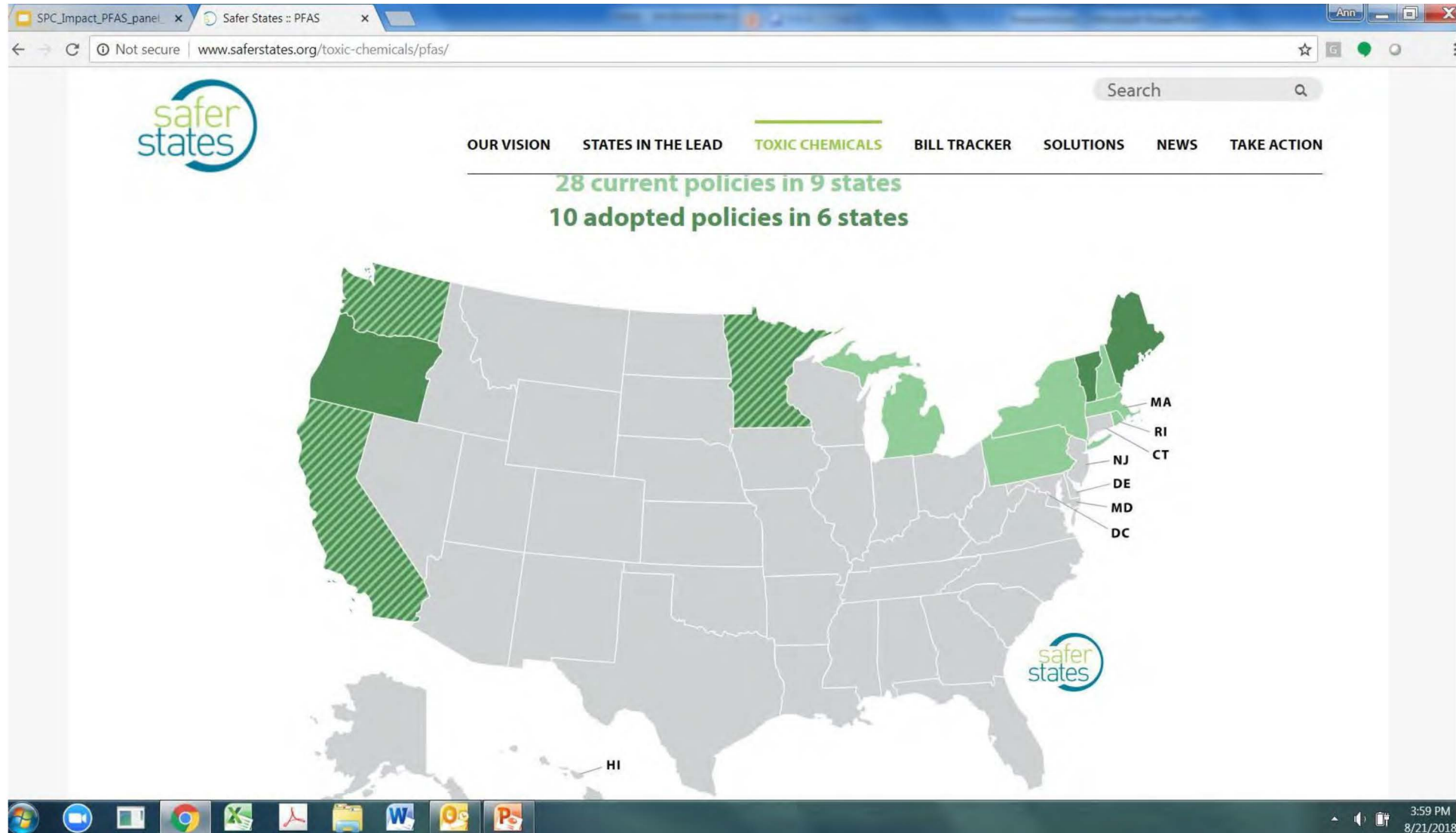


# Exposures & Impacts

- Health impacts
  - PFOA: Kidney, testicular cancer
- Other health effects:
  - Hormone disruption, immune system effects
    - e.g., decreased response to vaccines in children
  - High cholesterol, thyroid disease, hypertension
  - Lowered sex and growth hormones in children
  - Altered mammary gland development
- Key exposure routes
  - Direct contact or inhalation, food, consumer products, house dust, contaminated drinking water, eating fish and shellfish, or through workplace exposures
  - Potential for high aggregate exposure from multiple sources due to wide use
- Current focus on food contact materials because of direct exposure pathways



# Focus of Regulatory Activity



- Washington State **HB2658 / SB6396**: Adopted 2018
  - Prohibits the manufacture and sale of food packaging containing PFAS and requires the Dept. of Ecology to conduct an assessment on safer alternatives by 2020
- Washington State restriction on PFAS-containing fire-fighting foam from July 1, 2018
- California Safer Consumer Products Program
  - [PFAS in carpets and textiles](#) proposed as product-chemical combination for focus in 2018-2020
- European Union:
  - Ongoing monitoring of PFAS in food
  - February 2018 revised drinking water standards for PFAS as a class





## Effective January 1, 2022

### Washington becomes first state to ban nonstick chemicals in food packaging

by Anna Giaritelli | April 10, 2018 12:00 AM

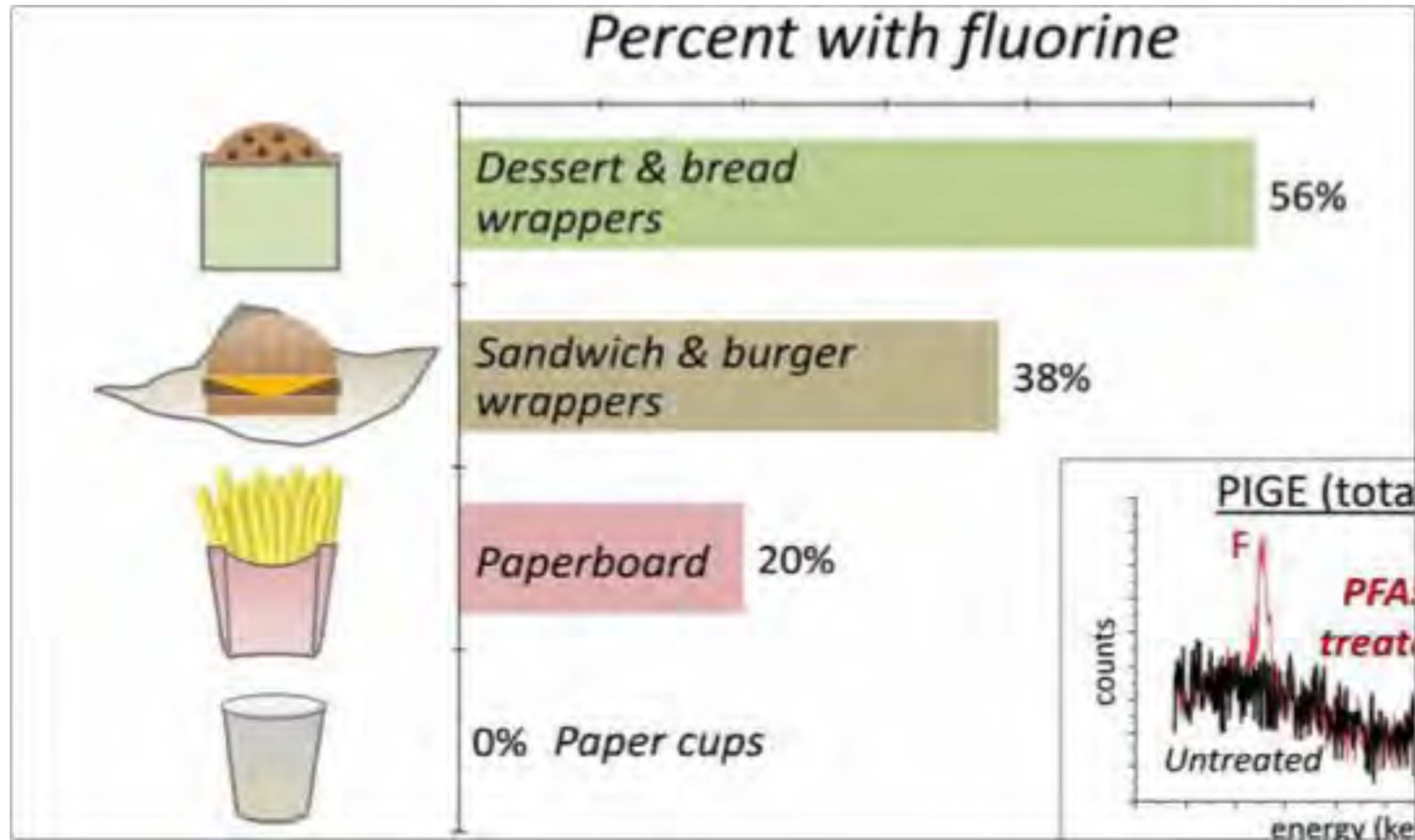


Democratic Gov. Jay Inslee in March signed a bill into law that will phase out perfluoroalkyl and polyfluoroalkyl substances, or PFAs, in food packaging such as popcorn bags and burger wrappers. (AP photo)





?????Paper wrappers most likely to contain  
fluorine ????



Schaider et al. 2017. *ES&T Letters*. 4(3):105–111.

- Develop a rapid method to quantify and identify PFCs in food packaging materials
  - Paper packaging: plain, aluminum layered, polymer coated
  - Plastic packaging
- Quantify linear PFCs and isomers
  - Long and short chains
- Simulate concentration in production processes

- Presences of PFOA and PFOS going down in the past 2005-2018 but no standard methods
- No known trends for PFASs
- Toxicity has been questioned
- This problem is not going away
- Fiber protocol (PFPC 2018 draft)
- PFASs method protocol (PFPC 2018) draft



- Develop high temp bio-based performance coatings (PFASs Free)
- Form a consortium of companies to standardize methods
- Develop global PFASs database to rapidly screen products for threshold levels
- Generate un-biased surveillance data
- Evaluate in-process and rapid screen methods (PFPC has done work and holds IP in this area)

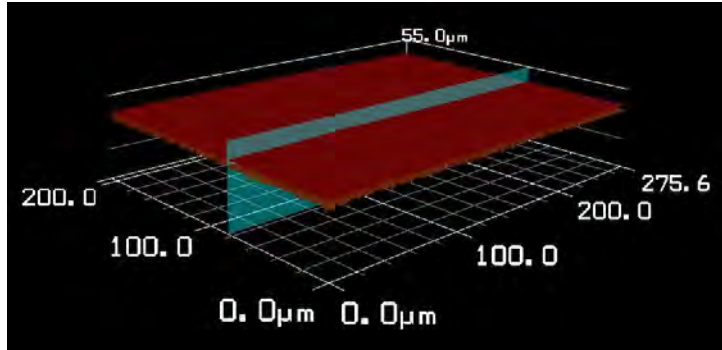


# Bio Based Coating Systems

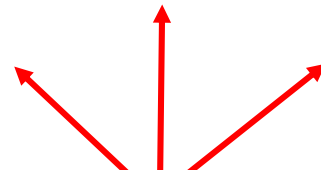
- Develop a high-performance bio-sourced coating for frozen and rapid reheat applications
- Combination ovens (TurboChef, E2S)
- Rapid reheat of convenience and quick serve foods
- Increase market for paper packaging products and other coated paper-based products with bio-based coatings



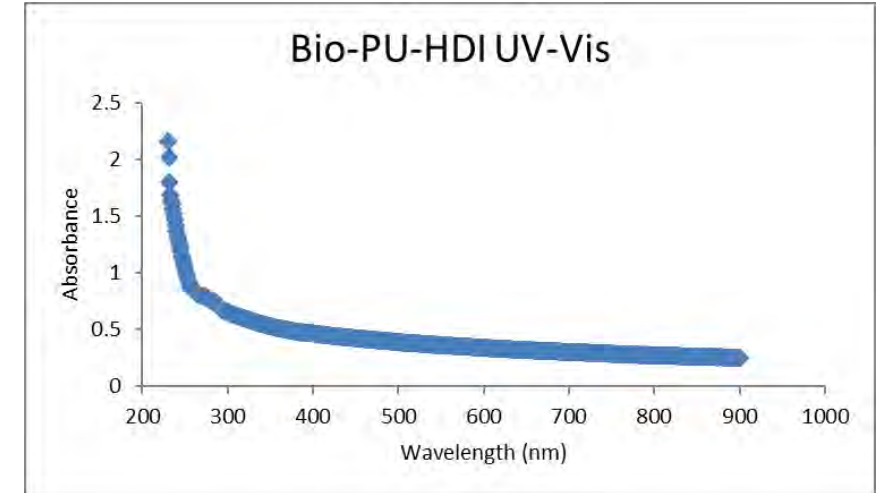
Bio-PU-HDI-24BT Film Thickness: 45  $\mu\text{m}$



ISU PFPC  
Films



Three red arrows originate from the text 'ISU PFPC Films' and point towards the two pieces of film shown in the adjacent image.



Bio-PU-HDI-24BT Contact Angle:  
85°







# PACKEDSAFE

Safe & Sustainable Packaging for Everyone.  
Everywhere.



# THE APP

---

- **SCAN** or **SEARCH** any product with a PackedSafe QR code.
- **RESEARCH** the safety & sustainability information for each specific product.
- **LEARN** about how to properly use & dispose of package.



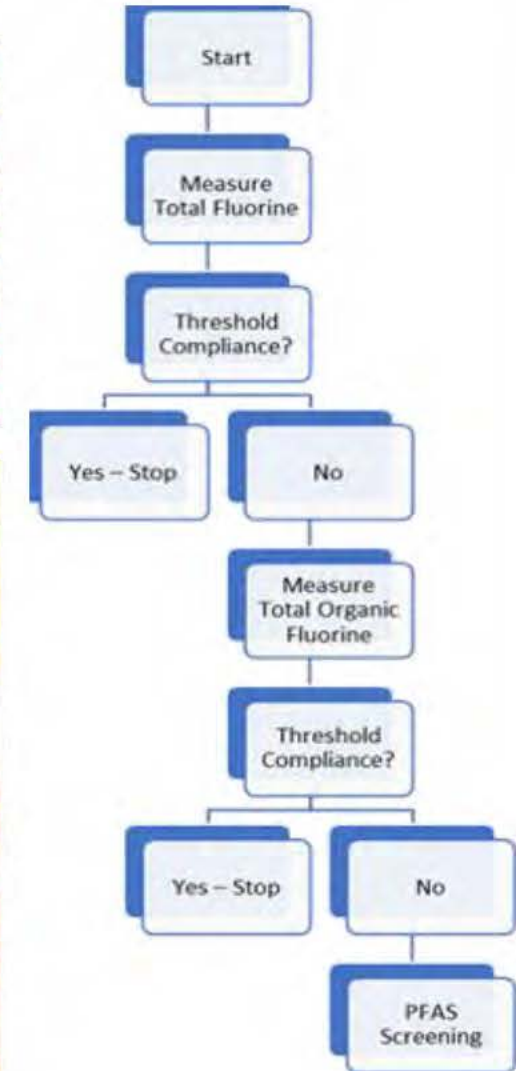


# PackedSafe Software:

- <http://packedsafe.org>

- Interactive software
- Online annual subscription
- Is my product compliant?
- What types of certifications can my product have based off the testing completed?
- What does the test results mean?
- Current regulatory in your market
- What certifications are needed for specific markets?

Stay Compliant. Always.



- High performance bio-based coating formulation
- Alternative to petroleum-based or synthetic polymeric coatings used in industry
- PFASs free, barrier coating
- Sustainable coating for convenience and meal kit applications where rapid reheat is needed
- Software that acts as a personal consultant to prevent unnecessary testing and liability assessment.



# Food, Nutrition and Snacking Trends

Prepared by Ilene V. Smith, MS, RD for  
Popcorn Board  
February 25, 2019

I • *on* • FOOD



# A look back on 2018

# What stayed the course

- Whole foods
- The health of our food
- Plant-based
- FODMAPs
- Keto
- Pro- and pre-biotics
- Focus on food waste
- Regenerative ag – “The planet-saving diet”
- CBD
- Fruit and veggies in snacks
- “Just a bite”

What failed to  
take off



DEFINING FIBER



DIY

What's new (or  
newish) in 2019?

# What's new or new-ish



SUSTAINABLE  
NUTRITION



OATS HAVING  
A HEYDAY



SNACKS AS  
MEALS



OUT OF  
AFRICA



NEW BREWS



HEALTHY  
FATS



# Sustainable Nutrition



Goes beyond  
non-GMO and  
“free from”

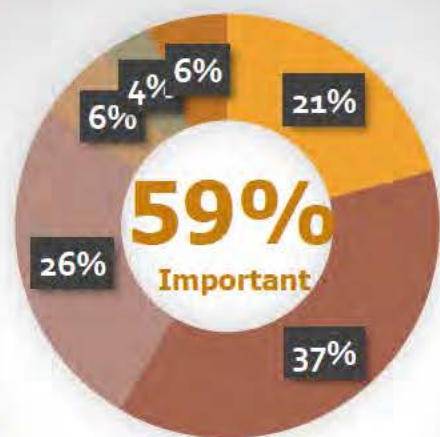
Asks whether  
or not it'll  
feed me now  
and feed my  
children in  
the future





Focusing on everything from water use, packaging, land use and more

And it's  
reflected in  
consumer  
attitudes

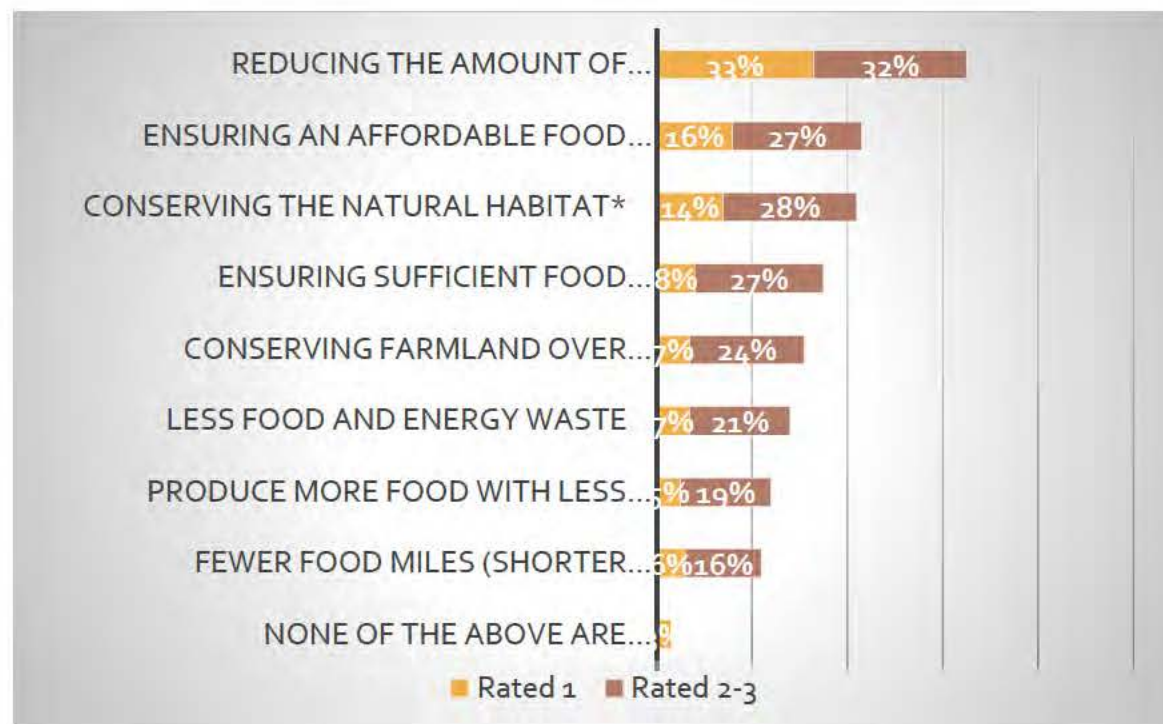


- Very important
- Somewhat important
- Neither important nor unimportant
- Not very important
- Not at all important
- Don't know enough

Source: IFIC 2019 Food & Health Survey

## Ranked Important Aspects of Sustainable Food Production

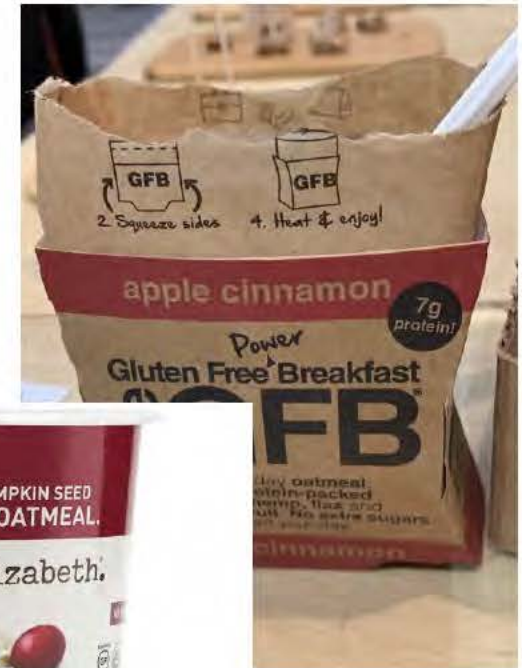
(Of those who say it's important their food be produced sustainably)



## Importance of Sustainability in Food Products Purchased



Oats are  
having their  
moment





# Snacks as Meals



# Out of Africa



# Moringa

# Rooibos



# New Brews





# Healthy Fats

- Consumers desire for healthy fats is causing shortage of salmon, avocados, olive oil and coconut oil.



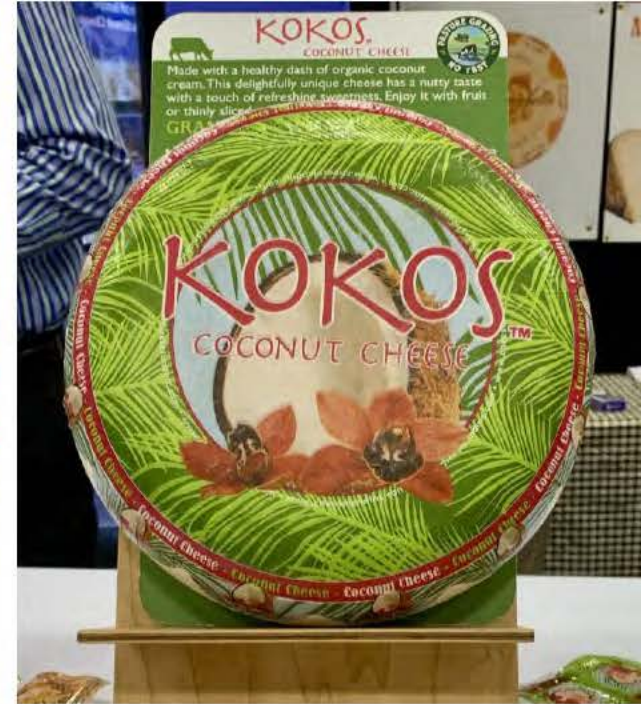




Where the tide is  
shifting

Plant-based isn't new but here's  
what is:

Greener gourmet  
Plants replacing plants  
Fruit taking center stage



# Prebiotics go mainstream

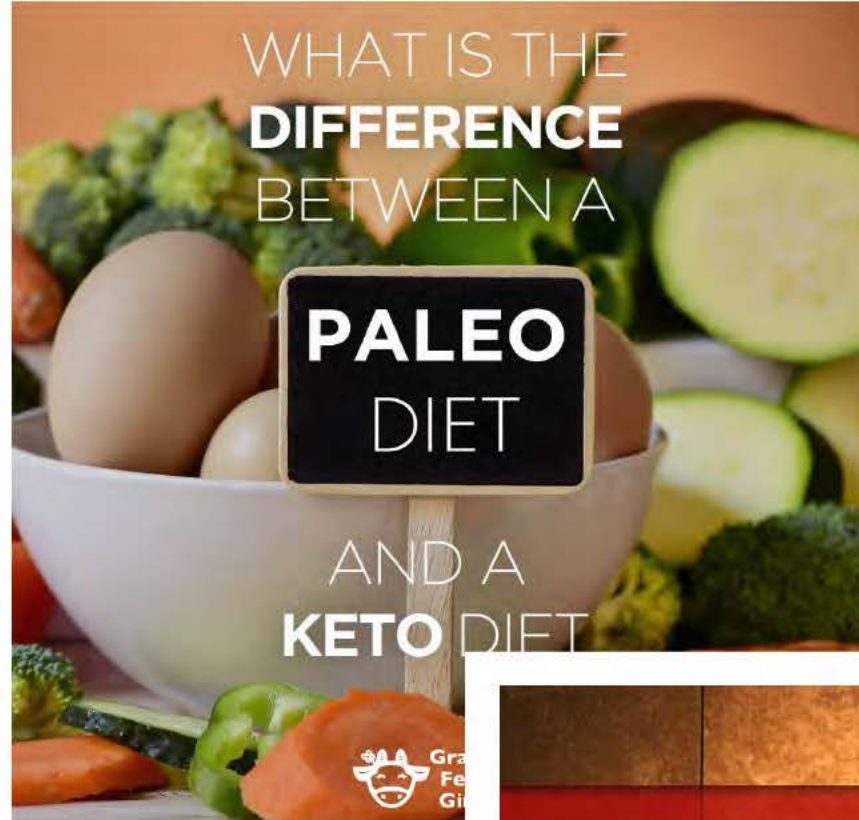




CBD still has some  
hurdles to get over



Keto takes the lead in the high protein diet wars



What are consumers  
looking for?



# Consumers seeking out “healthy”

Most consumers look for healthy options when food shopping.

Two in five (43%) “always” look for healthy options and half (52%) “sometimes” do.

Only 5% of surveyed consumers “never” look for healthy options.

However, finding healthy foods is “difficult” for one in ten consumers (11%); only

28% claim that this is “easy”.

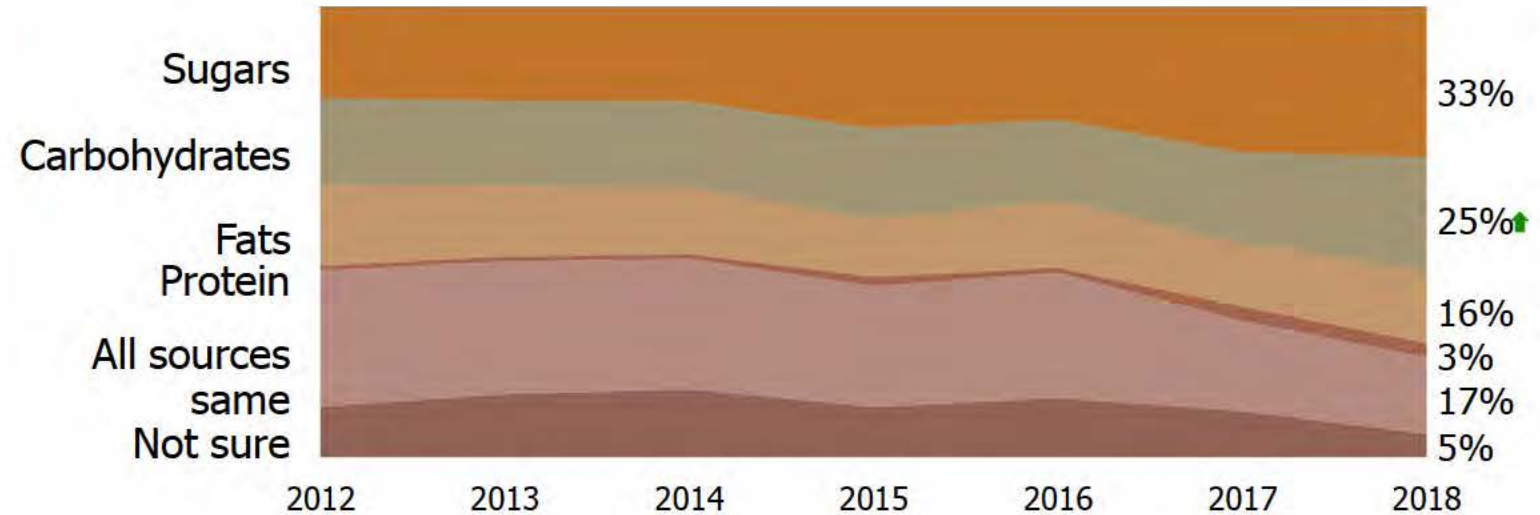
A majority say they always read labels on a packaged food before buying it for the first time (59% high agreement).

The Nutrition Facts panel (69%) and the ingredient list (67%) are the two places where the most consumers look for information about food healthfulness.

Typically, a consumer will look at these labels to determine whether a packaged food has ingredients that they want (45% looked for first) or don’t want (31% looked for first).

# Carbohydrates blamed for weight gain

## Source of Calories Most Likely to Cause Weight Gain



**32%**

Of those following a low-carb-related diet say that carbohydrates are most likely to cause weight gain

**22%**

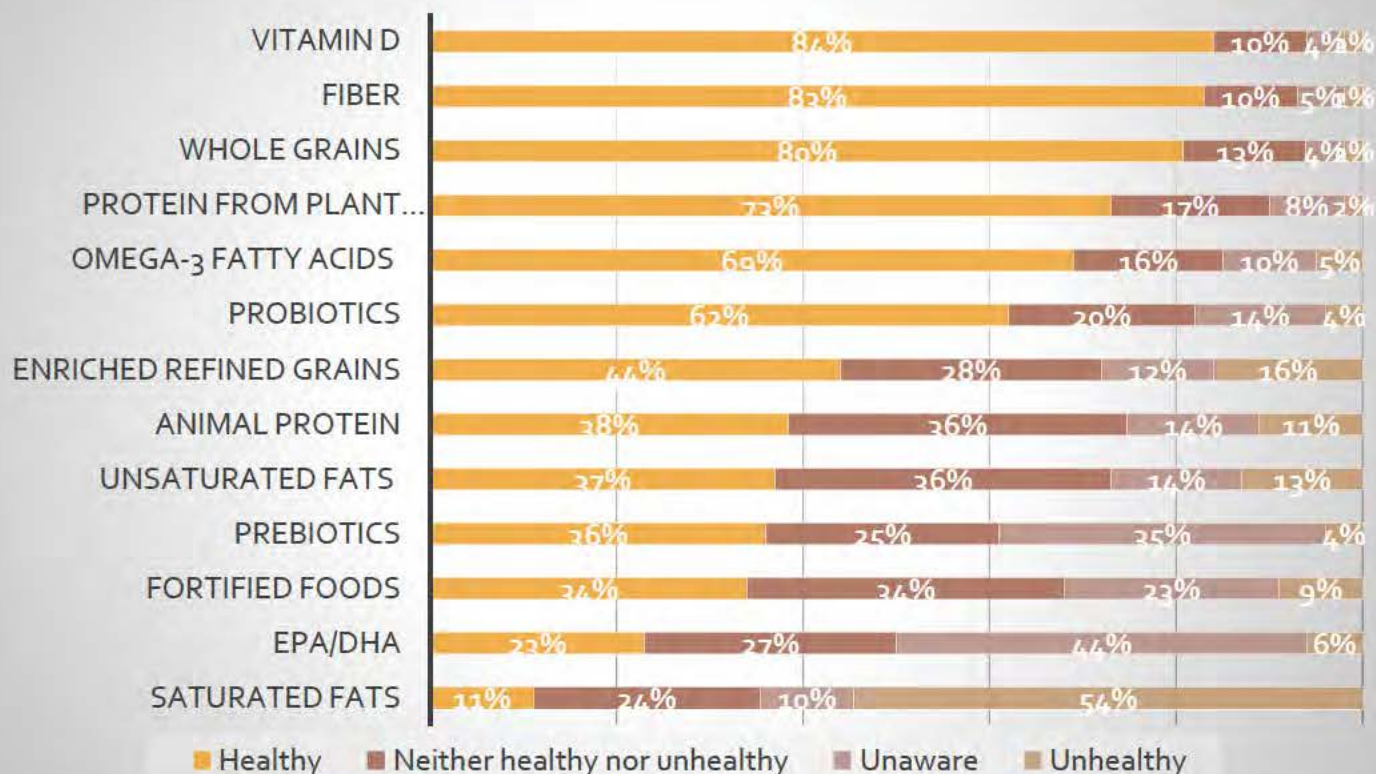
Of those with a college degree indicate all sources of calories equally influence weight gain

**21%**

Of those in excellent/very good health state all sources of calories cause weight gain

Fiber and whole grains among top 3 nutrients seen as healthy

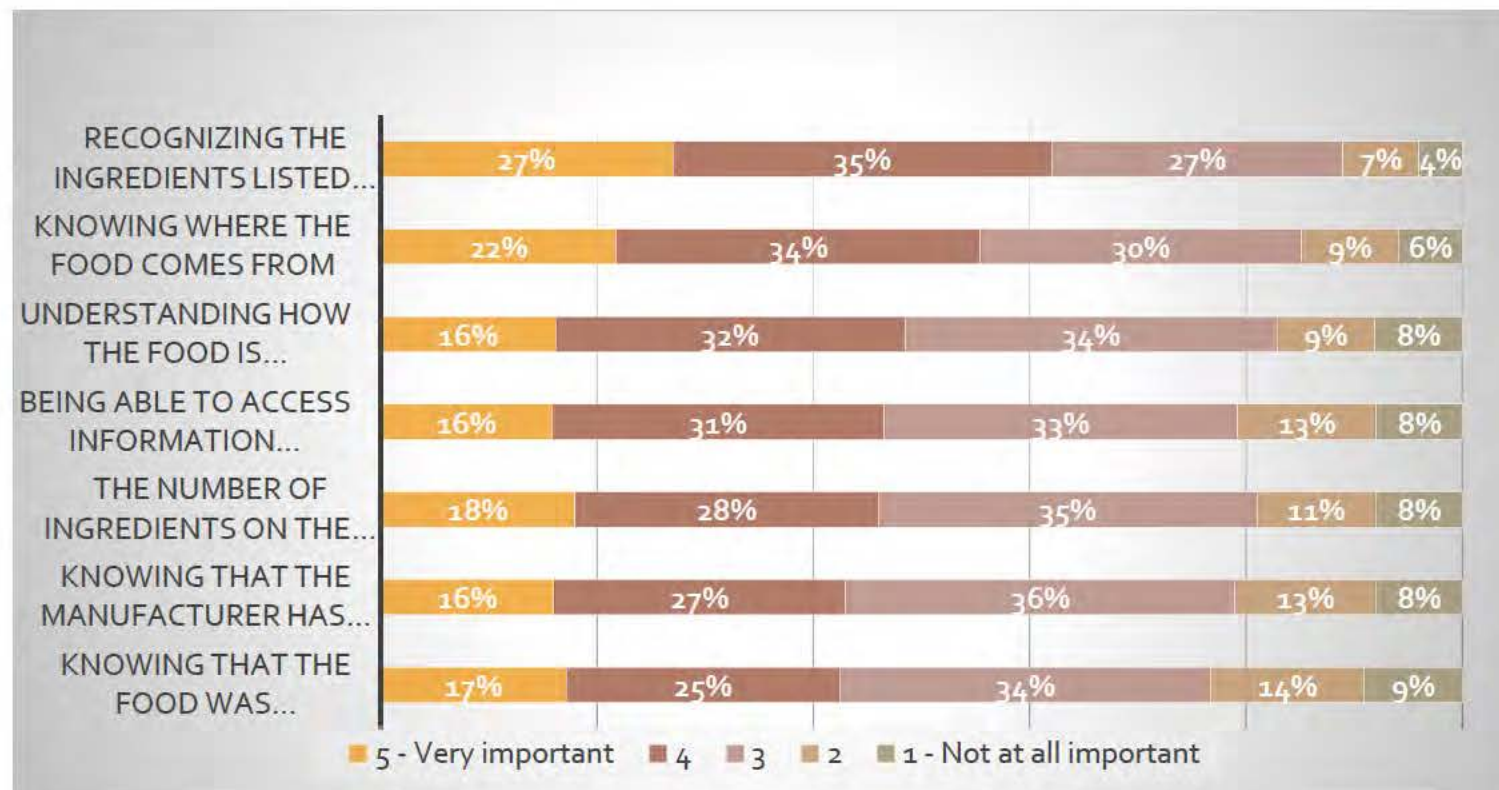
## Perceived Healthfulness of Foods



Source: IFIC 2019 Food & Health Survey

Where food  
comes from  
and how it was  
made  
important to  
purchasing  
decisions

## Important Factors When Purchasing Food



# THANK YOU!

- FOR MORE INFORMATION, CONTACT

ILENE V. SMITH, MS, RD  
I ON FOOD

[ILENESMITHRD@GMAIL.COM](mailto:ILENESMITHRD@GMAIL.COM)



# POPCORN BOARD

CLAY ROBINSON, PHD, CPSS, CCA

ASSOCIATE PROFESSOR OF SOIL SCIENCE

ILLINOIS STATE UNIVERSITY



# TOP AGRONOMIC ISSUES

- Crop protection
- Nutrient management and water quality
- On the horizon

# CROP PROTECTION

- Dicamba/Banvel
- Herbicide resistant weeds
- Integrated Weed Management
- EU changes in available chemistry

# DICAMBA/BANVEL — GET THE DRIFT ON SOYBEANS

- Broadleaf (dicot) weed control
- Trade Names: Eugenia, Status, Clarity, Clash, Detonate, Dicamba DGA, Diflexx, Fexapan, Sterling Blue
- 2017: 2,078 reported dicamba-related injury cases investigated
- 3.6 M of 89.5 M (4%) of planted acres showed dicamba injury
- Use could become more restricted
- University of Missouri, Successful Farming, 2-27-2018

# HERBICIDE RESISTANT WEEDS

- 499 unique cases (species by mode of action)
- 255 species (148 broadleaves and 107 grasses/sedges)
- Resistance developed to more than 166 herbicides
- Regionally, in Popcorn states, >37 species with resistance
- Some species have resistance to 9 herbicides
- Weed Science Society of America, <http://www.weedscience.org/>

# HERBICIDE RESISTANT WEEDS (POPCORN STATES)

- Giant foxtail
- Annual bluegrass
- Wild oats
- Barnyardgrass
- Cheat grass
- Japanese brome grass
- Italian ryegrass
- Johnson grass
- Shattercane
- Buckhorn plantain
- Bushy wallflower
- Common chickweed
- Common cocklebur
- Common groundsel
- Common lambsquarters
- Lateflowering goosefoot
- Common purslane
- Common sunflower
- Eastern black nightshade
- Common ragweed
- Giant ragweed
- Flixweed
- Halberdleaf orach
- Henbit deadnettle
- Horseweed
- Jimsonweed
- Velvetleaf
- Kochia
- Ladysthumb
- Pennsylvania smartweed
- Wild carrot
- Palmer amaranth
- Powell amaranth
- Prostrate pigweed
- Redroot pigweed
- Tall waterhemp

# INTEGRATED WEED MANAGEMENT

- IWM is a toolbox
- Crop rotation
- Crop management
- Tillage systems
- Mowing
- Herbicides
- Burning
- Allelopathy
- Biological controls
- Crop Life International



# EU CHANGES IN AVAILABLE CHEMISTRY

- Jan 2019 The Popcorn Report EU Early Alert Pesticide Review
- 2018 POPCORN HANDBOOK FINAL
- 6 insecticides limited to greenhouse production
- 1 insecticide not renewed
- 1 fungicide not renewed

# NUTRIENT MANAGEMENT

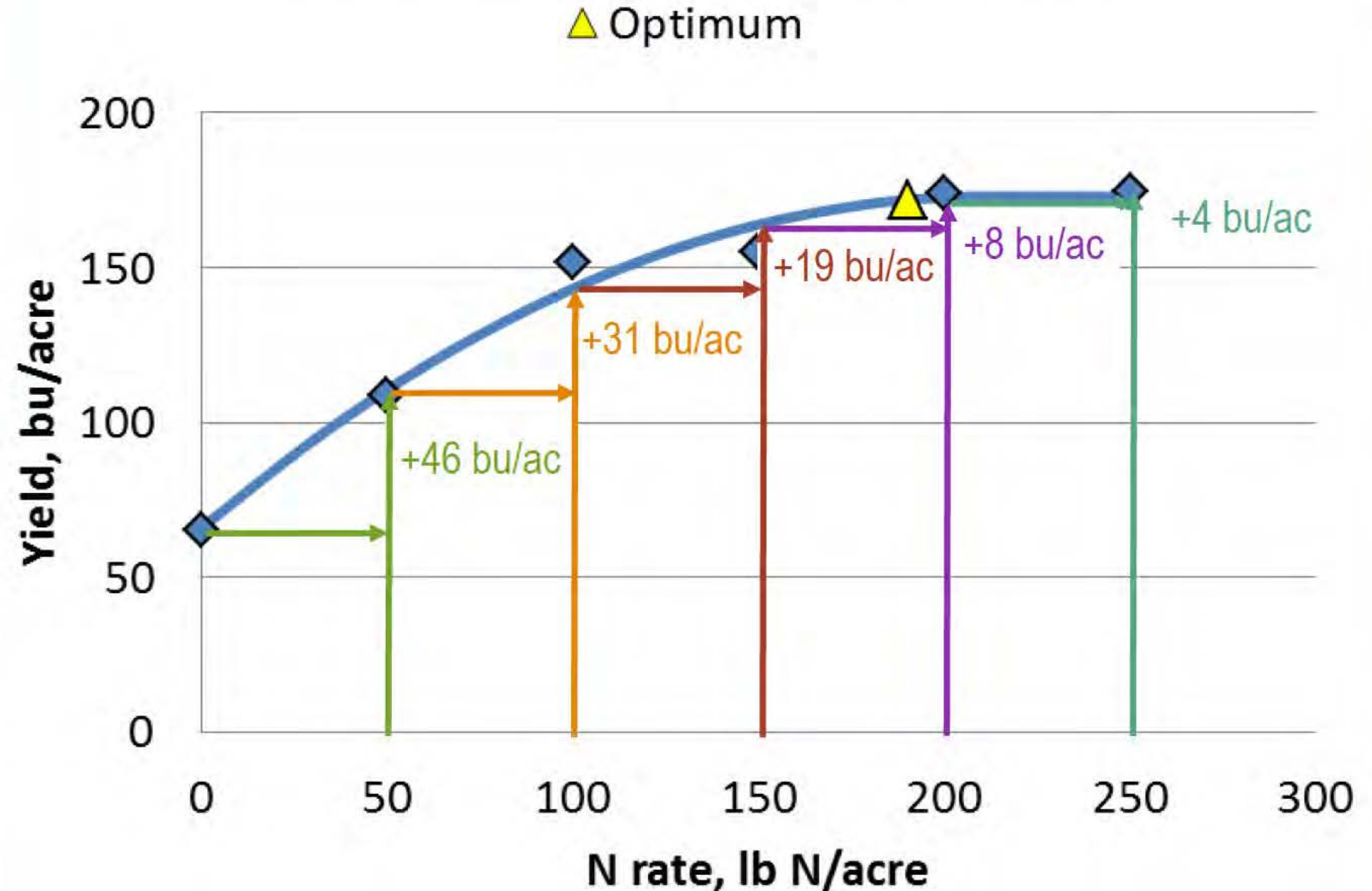
- Fundamental “Laws”
- Driving forces: Water Quality
- N requirements
- 4Rs Nutrient Management
- Cover crops

# FUNDAMENTAL “LAWS”

- Liebig's Law of the Minimum
- Law of Diminishing Returns

# LAW OF DIMINISHING RETURNS

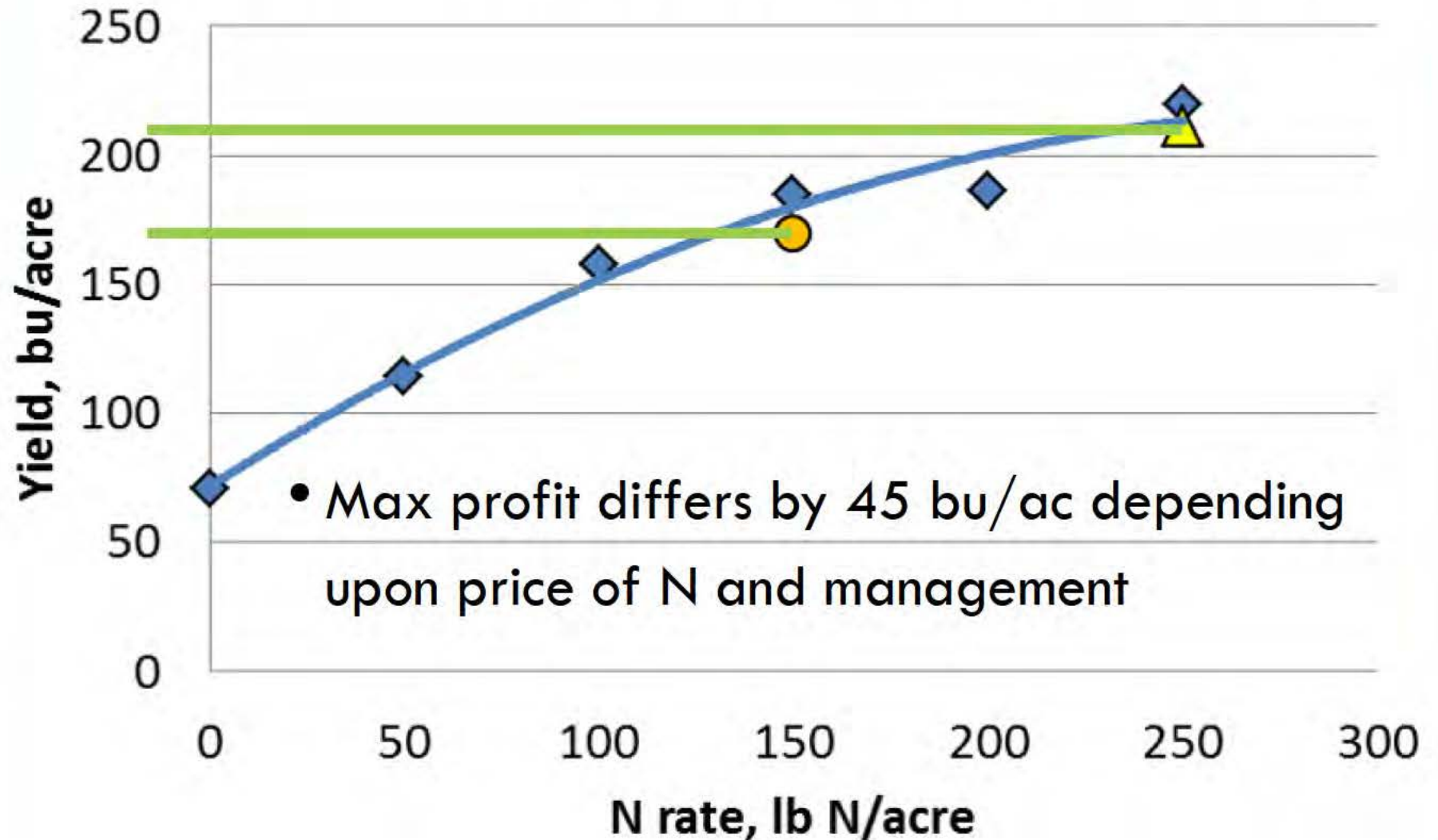
## McLean Co., Corn after Corn, 2015



MAX YIELD  
≠  
MAX PROFIT

## McLean Co., Corn after Soy, 2015

▲ Optimum-fall NH3 ● Fall 75 NH3 + Spring 75 SD NH3 split



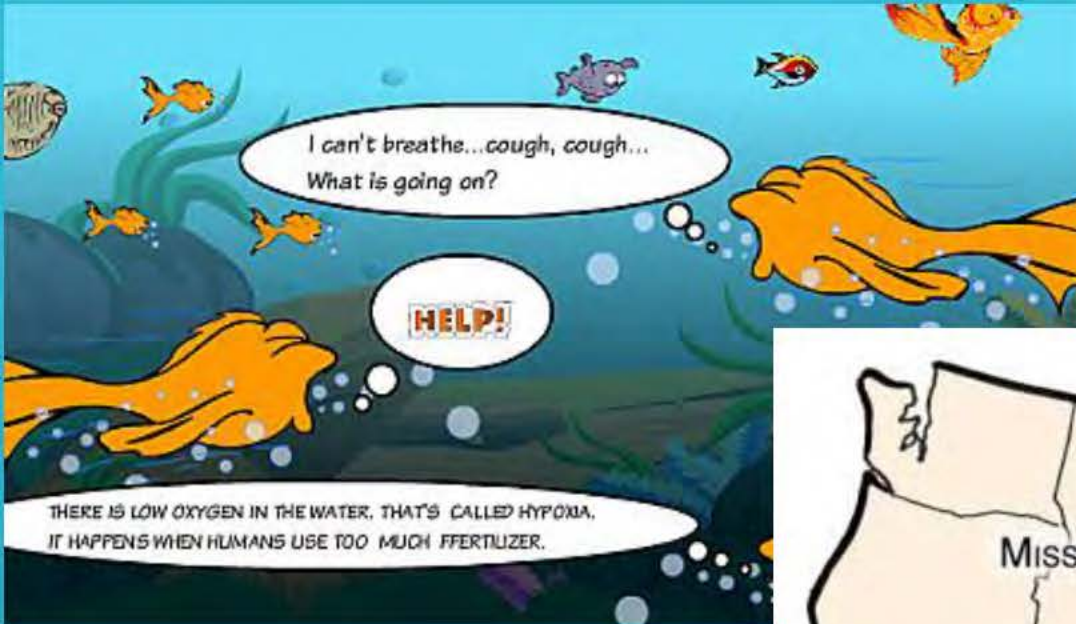


# DRIVING FORCE: WATER QUALITY



**Threat:  
Nutrient Loading**





# THREAT: NUTRIENT RUNOFF FROM FARMLAND

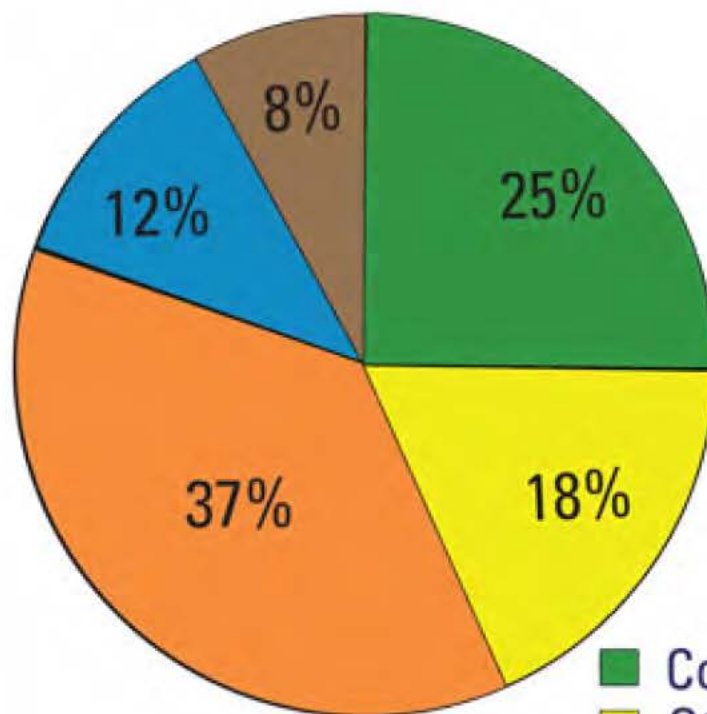
## HYPOXIC OR DEAD ZONE



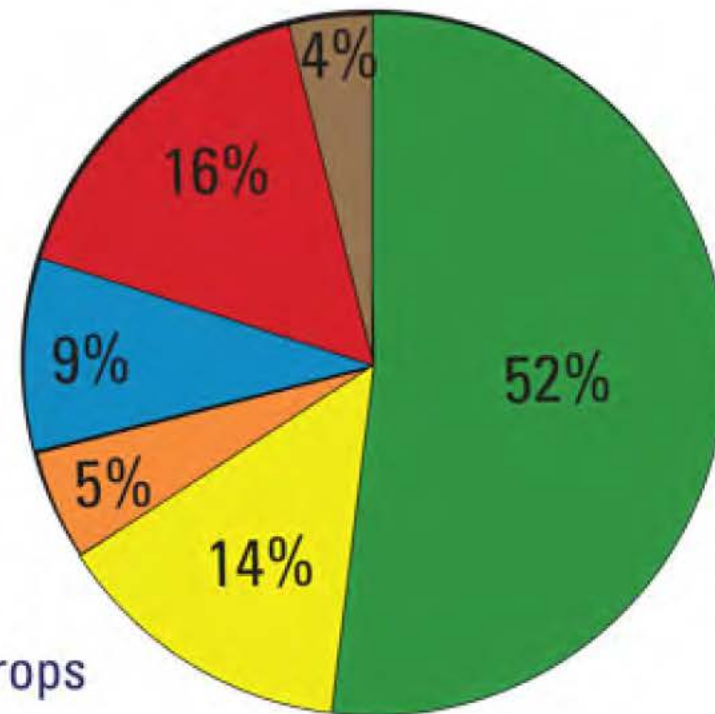
# NUTRIENT SOURCES TO GULF

## Sources of nutrients delivered to the Gulf of Mexico

### PHOSPHORUS



### NITROGEN

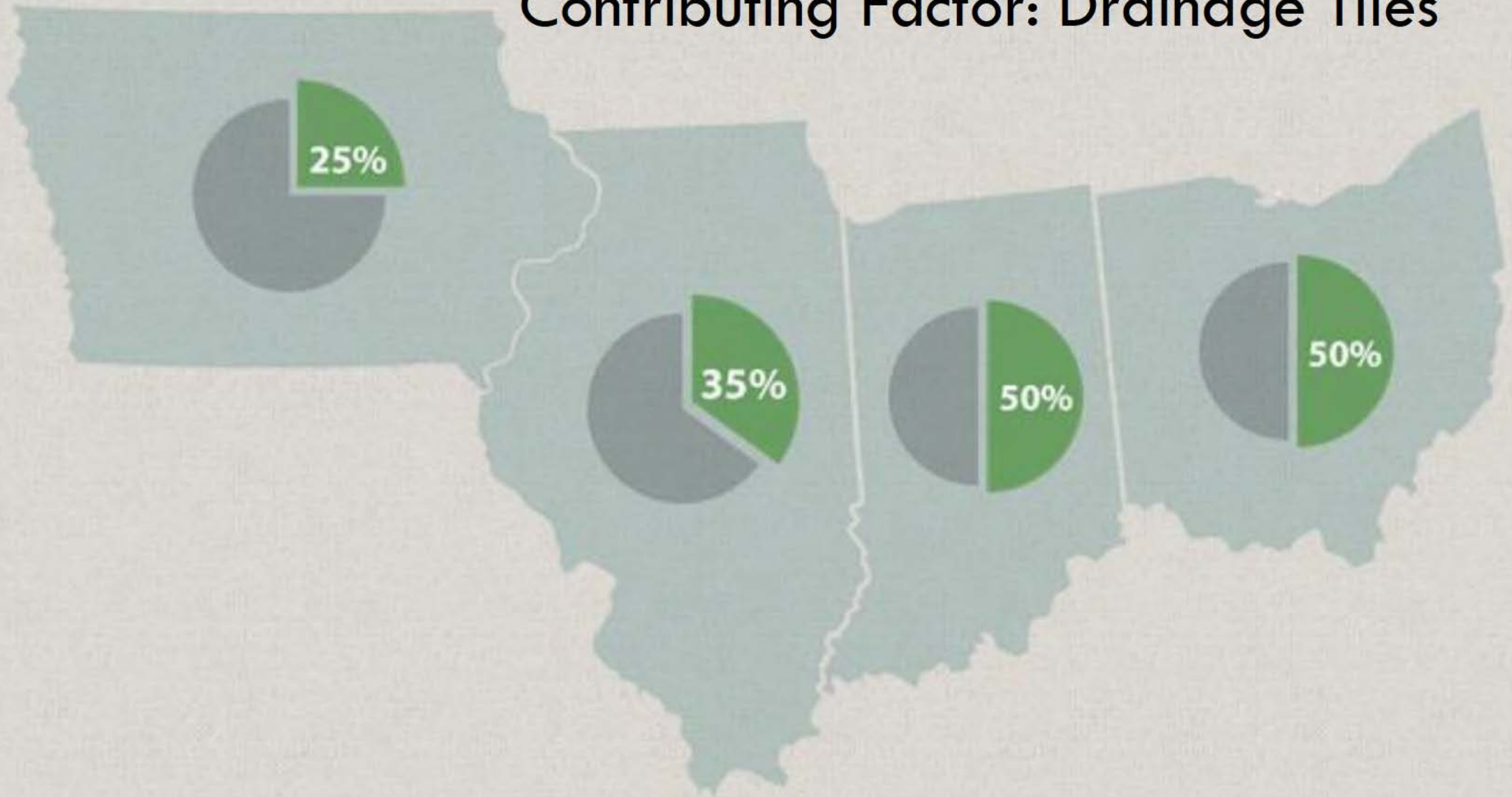


### Sources

- Corn and soybean crops
- Other crops
- Pasture and range
- Urban and population-related sources
- Atmospheric deposition
- Natural land



## Contributing Factor: Drainage Tiles

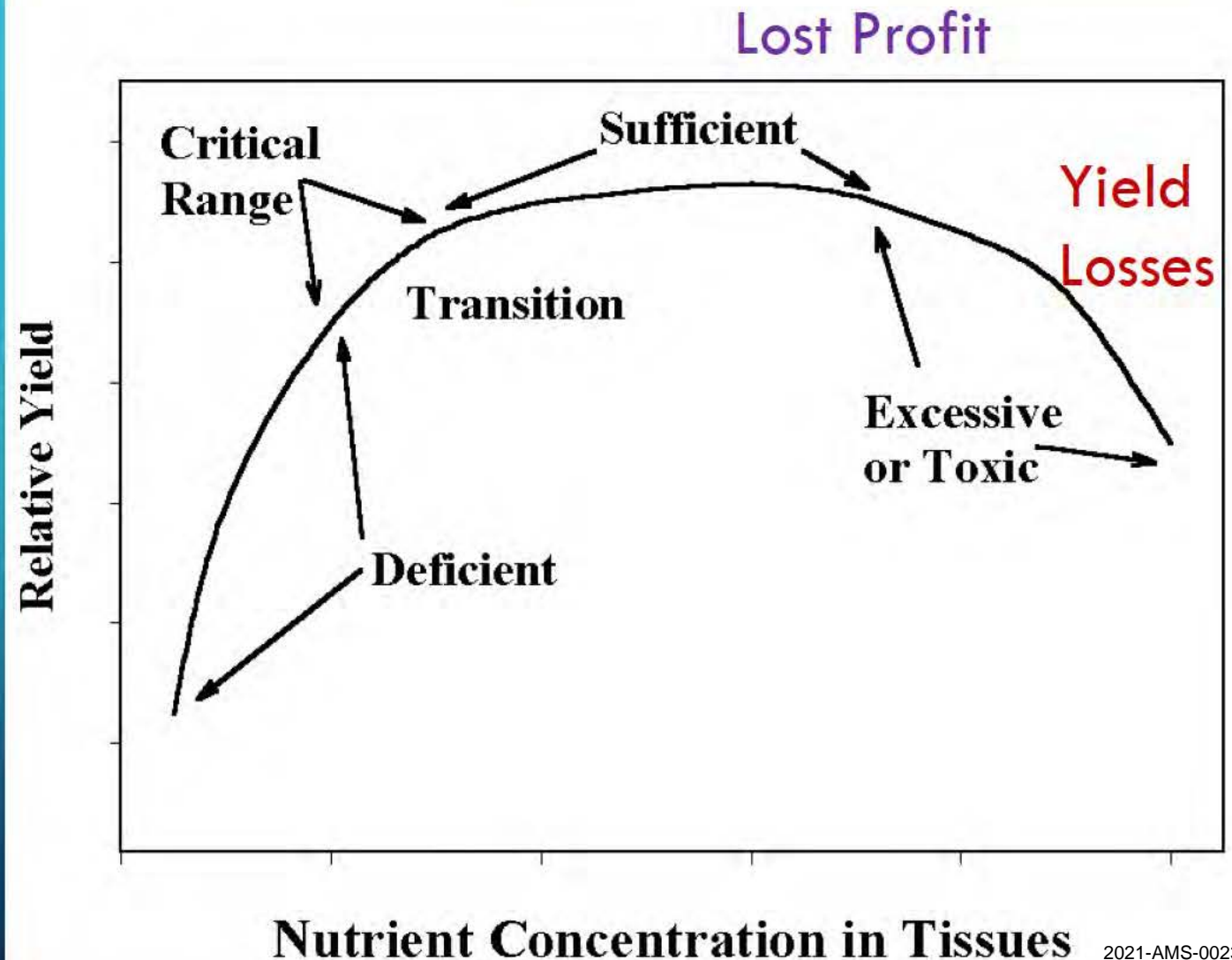


# NITROGEN REQUIREMENTS

- How much N does popcorn need?
- USDA-NRCS Nutrient Removal: 1.0 lb/bu (1.8 lb/cwt)
- Agricultural Marketing Resource Center Budget Sheets
  - 2 lb/bu (3.6 lb/cwt)
- N requirements using published yields by NRCS
  - 28 cwt – 50 cwt requires 50 – 90 lb N/ac

# NITROGEN REQUIREMENTS

- No published scientific popcorn fertility research
- Too much of a good thing is a bad thing

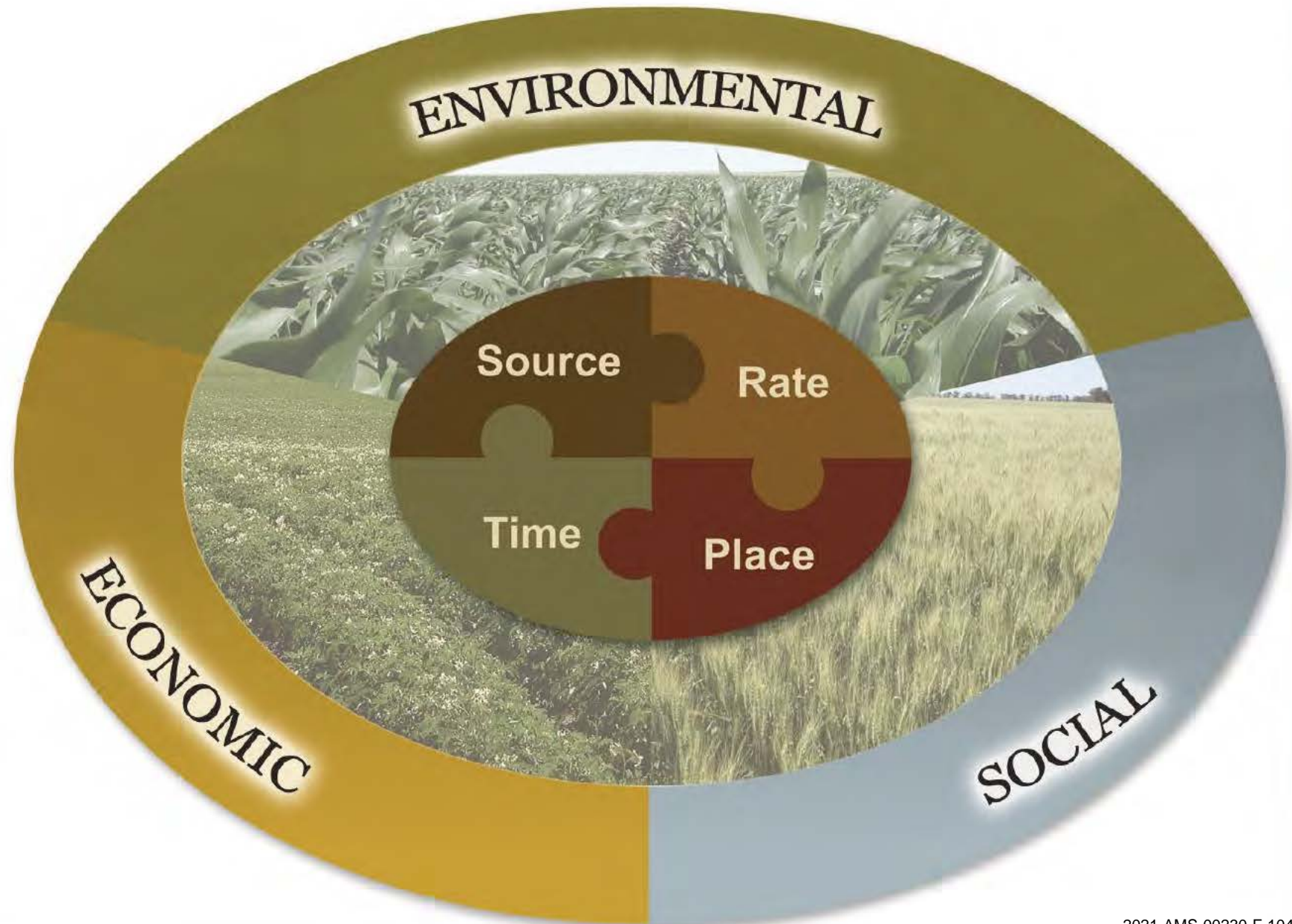




# ENVIRONMENTAL ISSUES

- Cover crops
- Edge of field buffers
- Drainage water management
- 4Rs Nutrient management
  - ***Right Rate, Right Source, Right time, Right Place***

# 4Rs NUTRIENT MANAGEMENT



# ON THE HORIZON

- Soil Health
- Precision Agriculture
  - Variable rate nutrient application
  - Variable rate seeding
  - Change varieties across the landscape
  - Imagery: satellite and drones

# 4Rs NUTRIENT MANAGEMENT

- <http://www.nutrientstewardship.com/4rs/> - The Fertilizer Institute
- <https://4rcertified.org/> - Ohio 4R Nutrient Stewardship Certification
- <https://www.certifiedcropadviser.org/4rnms> - Certified Crop Advisor Specialization

# 2018 POPCORN AGRI-CHEMICAL HANDBOOK

- Provided to National Association of Independent Crop Consultants (NAICC)
- Add Certified Crop Adviser (CCA) program, American Society of Agronomy
- Limitations to yellow only are provided
- Available for organic production noted



The Popcorn Board  
Teleconference  
June 13, 2019

MINUTES

I. Call to Order

The teleconference was called to order by Chair Bill Brush at 10:34 a.m.

ATTENDANCE

Tracy Boever	American Pop Corn Co.
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Dan Sleaford	Weaver Popcorn

ABSENT

Sam Krug	Preferred Popcorn LLC
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USDA

Tarun Harit	AMS
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STAFF

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

GUEST

Bob Wujek	Selden Fox
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II. 2018 Financial Audit

Bob Wujek, vice president, Selden Fox, presented the 2018 audit. Highlights included:

- Financial statements received a clean, unmodified, opinion.
- New accounting standard has been applied.
- Net assets of \$401,371 consistent with past
- New statements are now a part of the audit addressing liquidity and availability.
- Board over estimated potential disallowed MAP reimbursement claims; Selden Fox addressed recognizing liabilities with staff and adjusted the financial statements accordingly.
- New change in recognition guidance will be effective December 31, 2019.
- Audit was conducted in accordance with Generally Accepted Government Auditing Standards.

It was MOVED (Boever), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to accept the 2018 audit as presented.

III. Budget Amendment

Genny Bertalmio reported the budget needs to be amended to reflect the MAP ceiling of \$383,652, and to increase board and committee expenses to \$5,200 and \$2,000 respectively, and telephone to \$320 because of additional charges associated with conducting the March annual meeting. These amendments will increase total revenue to \$1,123,652 and expenses to \$1,312,882.

It was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to amend the budget as presented.

Bertalmio added the finalization of 2018 project and the amended forecasted loss will lower net assets of \$401,361 to \$206,813 beginning January 1, 2020.

IV. SmithBucklin Administrative Agreement

Bertalmio stated approved budget amendment needs to be reflected in the not to exceed limit of out-of-pocket expenses in SmithBucklin's Administrative Agreement.

It was MOVED (Foley), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to amend the SmithBucklin Administrative Agreement to reflect out-of-pocket expenses of \$69,990.

V. Adjournment

There being no further business, it was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to adjourn the teleconference at 11:09 a.m.

/gb

The Popcorn Board  
Board Meeting  
August 21, 2019  
Ramada Midtown Conference Center  
Grand Island, NE

MINUTES

I. Call to Order

The meeting was called to order at 2:00 p.m. by Chair Bill Brush.

Attendance

Bill Brush	Popcorn County USA
Tracy Boever	American Pop Corn Company
Rachel Foley	Conagra Brands
Samuel Krug	Preferred Popcorn
Dan Sleaford	Weaver Popcorn

USDA

Anthony Navarrete	FAS/USDA (via phone)
Andrea Ricci	AMS/USDA (via phone)

Staff

Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

Guests

Larry Bruyer	Schlessman Seed Co.
Brian Churchill	Preferred Popcorn
Pieter Droegkamp	Crookham Co.
Jonah Ehmann	Nataïs
Michael Ehmann	Nataïs
Kevin Gillespie	Ag Alumni Seed
Troy Hendrickson	Conagra Brands
Nate High	Preferred Popcorn
Daryl Hunnicutt	Preferred Popcorn
Norman Krug	Preferred Popcorn
Jane Lewis	Ag Alumni Seed (Retired)
Tim Pace	TC Transcontinental Packaging
Marcos C. Perera	Industry Consultant
Hélène Rican	Nataïs
Oscar Rodriguez	Conagra Brands
Mark Schleisman	M&M Farms
Eric Sieg	Ramsey Popcorn Co. Inc.
Paul Siems	Weaver Popcorn
Sterling D. Weeda	Schlessman Seed Co.
Aaron Whalen	Ag Alumni Seed
Chuck Zangger	Zangger Popcorn Hybrids

II. Approval of Prior Meeting Minutes

It was MOVED (Boever), SECONDED (Krug) and APPROVED to accept the minutes from the February 25, 2019 annual meeting (5-0-0) and June 13, 2019 teleconference (4-0-1) as presented.

### III. Treasurer's Report

Rachel Foley, Secretary-Treasurer, provided a financial update. Highlights included: 19 processors are required to pay 2019 mandatory assessments. One processor previously submitting exemptions, is not in compliance; staff continues to follow-up with this company. The July Statement of Activities reflects actual year-to-date to the annual amended budget. The total revenue budget of \$1,123,652 represents \$590,000 in mandatory assessments, \$150,000 in an ATP allocation and \$383,652 in a MAP allocation from FAS/USDA. Mandatory assessment collections are currently running higher than anticipated. The Board has collected \$37 in interest. Year-to-date administrative, international and domestic expenses are in-line with annual amended budget expenses of \$1,312,882. The Board spent \$5,328 of the \$11,500 to finalize the Agri-Chemical Handbook, a savings of \$6,172. The year-end budgeted loss of \$189,230, plus the cost to finalize the handbook, will reduce net assets of \$341,779 to \$147,221 beginning January 1, 2020. The Board currently has \$234,592 in Certificates of Deposit. Year-end forecasts and 2020 activity plans, budgets and SmithBucklin management contracts will be developed and presented to the Board for approval during its fall conference call.

It was MOVED (Sleaford), SECONDED (Boever) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as given.

### IV. Popcorn Institute Report

Deirdre Flynn reported the Popcorn Institute inducted Bill Kennebeck, former owner of K&W Popcorn, into its Hall of Fame.

The Institute is investigating whether it can establish quality and/or grading standards, and will approach the government to determine if the two can work together. The Institute will report back to the Board on opportunities by year end.

### V. Program Updates

#### A. Administrative

##### *3-Year Management Review*

Andrea Ricci reported that every three years AMS/USDA conducts a management review to determine if the Popcorn Board is operating within its Act and Order. Twenty-six check register samples, amounting to \$260,356, were reviewed. Contracts were found to be in order, and promotional items were in accordance with the Act and Order. No findings were reported and it was determined the Board is being managed effectively.

##### *Global Strategic Plan*

Flynn reported the Global Strategic Plan to increase U.S. popcorn consumption was updated to reflect challenges facing international and domestic sales.

It was MOVED (Krug), SECONDED (Foley), and APPROVED UNANIMOUSLY to approve the Global Strategic Plan as submitted.

#### B. Technical

Technical Subcommittee Chair Brian Churchill reported the European Union (EU) is looking to set maximum legal limits for tropane alkaloids (TAs) soon. TAs are present in weed material such as nightshade. The juice is extracted during harvest on the kernels. Churchill could find no information on U.S. labs testing for TAs currently, adding, the EU is proposing maize for popping, maize placed on the market for the final consumer, and milling products of maize be set at 5 µg/kg for the sum of atropine and scopolamine.

Also, Churchill stated Jay Hulbert advised the GA-1s issue is currently low priority with seed companies based on current mergers; no issues have arisen. The Farm Service Agency, he added, has posted its crop acreage data.

C. Marketing

i. International

*ATP/MAP Update*

International Marketing Subcommittee Chair Norm Krug reported the Board received a \$150,000 (over three years) ATP allocation, and a \$383,652 MAP allocation to conduct programs in Colombia, Costa Rica, Mexico, Southeast Asia and globally, noting 2018 shipments rose in all those markets over 2017.

Flynn reported the Board did not continue its program in China this year based on current trade issues and the requirement to register as a Non-Governmental Organization (NGO). MAP funding earmarked for China was dedicated to Southeast Asia. An evaluation of activities conducted in Mexico is being performed this year by Rose Partners.

Flynn added staff is acquiring names of agencies in Vietnam and the Philippines from posts; these agencies will be solicited to conduct ATP activities in-country in 2020 and 2021.

The Board filed a \$500,000 application for 2020 MAP funding to conduct activities in Colombia, Costa Rica, Mexico, Southeast Asia, and globally, along with a subscription to the Maximum Residue Level (MRL) Advisor. Awards are expected late fall.

ii. PR

Flynn reported Advisory Panel members, Ilene Smith, Keith Vorst and Clay Robinson, have agreed to continue on the panel for another year. She stated there are more positive than negative stories, but issues such as “popcorn lung” remain in the press. Vaping, and the use of flavored e-cigarettes, is the actual story; popcorn lung is the term used for obstructive lung disease from vaping and e-cigarette use. The “Myth Busters” campaign continues to help dispel outdated information about popcorn and go back to reporters or bloggers on incorrect information.

iii. Domestic

Flynn highlighted domestic marketing activities noting there is a greater focus on trends and flavors, and more activity on Social Media channels. In the fall, there will be a new Back-to-School mailer for schools and promotion of the Popcorn Pep Club. Popcorn Poppin’ Month promotions will feature a new recipe and photo, along with the weathercaster promotion.

VI. Old Business

A. U.S. Sustainability Alliance

Flynn reported she had connected with the U.S. Sustainability Alliance and didn’t think the Popcorn Board was a good fit for the organization. After revisiting the subject with the Alliance’s executive director, she will continue to pursue participation. An update will be provided on the fall call.

VII. New Business

Cretor’s MWVT models are producing +/- two-point differences depending on the machine’s construction and/or wattage. After discussion, it was agreed that even though the MWVT was produced under the guidance of the Popcorn Institute, it does not prohibit another manufacturer from entering the market.

VIII. Time and Place of Next Meeting

The Board will meet via teleconference at the end of October/beginning of November to approve 2020 activity plans and budgets, and SmithBucklin management contracts. Staff will poll the Board’s availability for the annual meeting in February/March 2020.



IX. Adjournment

There being no further business, the meeting was adjourned at 3:10 p.m.

/gb

**The Popcorn Board  
Teleconference  
November 7, 2019**

**MINUTES**

**I. Call to Order**

The teleconference was called to order by Chair Bill Brush at 2:01 p.m. CST.

Attendance

Tracy Boever	American Pop Corn Company
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn
Dan Sleaford	Weaver Popcorn

USDA

Victoria Carpenter	AMS
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Staff

Deirdre Flynn	The Popcorn Board
Genny Bertalmio	The Popcorn Board

**II. Approval of Meeting Minutes**

It was MOVED (Krug), SECONDED (Boever) and APPROVED UNANIMOUSLY to accept the minutes of the August 21, 2019 meeting as presented.

**III. Treasurer's Report**

A. Year-End Forecast

Secretary/Treasurer Rachel Foley reviewed the 2019 forecast, noting:

- 19 processors are paying mandatory assessments of six cents per hundredweight. All companies required to pay assessments are in compliance, with one company paying a late fee with its third quarter assessments due November 30.
- Currently 81% of shipments are being sold domestically with 19% exported.
- Mandatory assessments are forecast to be \$658,000, \$68,000 more than budgeted.
- Total administrative income, including voluntary assessments and interest, is anticipated to be \$658,095.
- The board received a MAP allocation of \$383,652 for activities in Colombia, Costa Rica, Mexico, Southeast Asia and globally.
- Total revenue is forecast to be \$1,041,747.
- Administrative expenses are expected to be \$161,024 compared to a \$194,330 budget, a savings of \$33,306 due to audit, board, legal, commodity roundtable, staff travel and USDA program management.
- International program expenses are estimated at \$503,927, a savings of \$152,525 due to foregoing the ATP program this year and staff travel.
- Domestic marketing is expected to be \$460,100, a savings of \$2,000 due to staff travel. This amount does include the cost to compile the 2020 edition of the *Popcorn Agri-Chemical Handbook*, which will be published in February/March 2020.
- Total expenses are projected to be \$1,125,051 for a year-end loss of \$83,304.

- The board began the year with net assets of \$341,779; spent \$5,328 to finalize the 2019 edition of the *Popcorn Agri-Chemical Handbook*. The forecasted loss of \$83,304 will reduce net assets to \$253,147 beginning January 1, 2020.
- The board has \$159,592 in certificates of deposit.

It was MOVED (Boever), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as presented.

#### IV. 2020 Approvals

##### A. Operating Budget/Marketing Plans

Deirdre Flynn highlighted the proposed 2020 budget and marketing plans in board materials.

- Assumes 19 companies will pay assessments on pounds sold at six cents per hundredweight. Budget reflects current sale breakdown of 81% domestic, and 19% exported for a total of \$613,000, with no budget for voluntary assessments or interest.
- Administrative expenses total \$183,722. Budgets remained the same for administrative management, commodity roundtable, executive management, insurance, lock box, miscellaneous, office expenses and travel. Modest increases were made to accounting, board and committee expense, legal, postage & handling, stationery & printing and telephone. Decreases were made to audit and USDA management oversight.
- The board submitted a \$500,000 Unified Export Strategy (UES) application for 2020 MAP funding to conduct international marketing activities in Colombia, Costa Rica, Mexico, Southeast Asia and globally. Allocations have not been announced; the \$350,000 attributed to MAP is a placeholder in the budget.
- PB will begin to spend its \$150,000 Agricultural Trade Promotion Program (ATP) funding in Southeast Asia, primarily the Philippines.
- The international marketing expense budget totals \$616,470.
- The domestic marketing program budget is \$462,600 for public relations activities, website maintenance, media placement (print and digital), issues management, including the Advisory Panel, technical issues and the production of the *Popcorn Agri-Chemical Handbook*. Staff is looking at ways to reduce material request fulfillment.

In summary, total expenses of \$1,262,792 will result in a net loss of \$149,792. As of January 1, 2021, the forecasted net assets of \$253,147 will be reduced to \$103,355. Flynn added the proposed budget is conservative and falls within the range to hold reserves at a minimum of \$100,000 up to \$150,000. If additional funds become available, staff will come back to the board with additional projects.

It was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to approve the 2020 operating budget and marketing plans as presented.

##### B. Management Agreements

Flynn noted if the Board wishes to retain the administrative and marketing services of SmithBucklin Corporation, similar agreements will be prepared to include "not-to-exceed" amounts for contracted services based on the approved budget. Upon approval by AMS/USDA, the agreements will be submitted to Brush for his signature.

It was MOVED (Krug), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to contract with SmithBucklin Corporation for 2020 administrative and marketing services.

#### V. Old Business

##### A. Popcorn Grading Standards

Flynn advised the government is interested in working with the industry to develop popcorn grading standards, but this work has to be done under the auspices of the Popcorn Institute

because it is not in the purview of the Board's Act and Order. Board members could not recall a lot of enthusiasm for this project and agreed to not pursue this further.

B. U.S. Sustainability Alliance

Flynn recommends not participating in the U.S. Sustainability Alliance based on the scope of its operation.

**VI. New Business**

A. 2020 Officer Election

Genny Bertalmio reported the Nominating Committee, consisting of past chairs, Rocky Franklin, Troy Hendrickson and Garry Smith, MOVED to retain Bill Brush as chair, Dan Sleaford as vice chair and Rachel Foley as secretary/treasurer.

It was MOVED (Committee), SECONDED (Krug) and APPROVED UNANIMOUSLY.

B. Board Survey

Flynn directed members to the five-year evaluations found in board materials mandated by the Board's Act and Order. She added a survey of paying processors can be done to assess success of programs to determine which programs should be adjusted in the future. Flynn recommends using the services of an independent third party to assist with formulating questions and reporting the data in aggregate. Staff will identify a third-party provider to work with Board members identified to serve on the committee -- Bill Brush, Tracy Boever and Sam Krug -- and to shape questions and conduct the survey.

It was MOVED (Sleaford), SECONDED (Foley) and APPROVED UNANIMOUSLY to form a Survey Committee and proceed with a survey to the processors paying into the check-off.

C. Popcorn Shipments to Japan

Flynn reported the Plant Division, Office of Agreements and Scientific Affairs, Foreign Agricultural Service, USDA has informed the Board there are four recent popcorn shipments violating maximum residue levels (MRL) of Deltamethrin. Current MRLs for Deltamethrin are: Japan, 0.02 ppm; U.S., 1.0 ppm; CODEX, 2.0 ppm. The Board will inform the industry of this situation and urge review of the BCGlobal database of global pesticide MRLs prior to exporting.

**VII. Time and Place of Next Meeting**

The 2020 Annual Meeting take place Monday, March 16, 2020, at PB's Chicago headquarters.

**VIII. Adjournment**

There being no further business, the teleconference was adjourned at 2:55 p.m. CST.

/gb

The Popcorn Board  
Annual Board Meeting  
March 16, 2020  
Video Conference

MINUTES

I. Call to Order

Chair Bill Brush called the meeting to order at 10:06 a.m.

ATTENDANCE

Tracy Boever	American Pop Corn Co.
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn Company, Inc.

USDA

Victoria Carpenter	AMS
Anthony Navarrete	FAS

STAFF

Genny Bertalmio	The Popcorn Board
Wendy Boersema-Rappel	The Popcorn Board
Deirdre Flynn	The Popcorn Board
Rachel Weston	The Popcorn Board

GUESTS

Larry Bruyer	Schlessman Seed Co.
Brian Churchill	Preferred Popcorn LLC
Pieter Droegkamp	Crookham Company
Rocky Franklin	Great Western LLC
Kevin Gillespie	Ag Alumni Seed
Brian Hamilton	Weaver Popcorn Hybrids
Jay Hulbert	Ag Alumni Seed
Norman Krug	Preferred Popcorn LLC
Troy Langel	Snappy Popcorn Company
Heidi Long	Mennel Popcorn
Clay Robinson	Illinois State University
Eric Sieg	Ramsey Popcorn Co. Inc.
Wilfred Sieg	Ramsey Popcorn Co. Inc.
Ilene Smith	I ON FOOD
Brad Thada	Weaver Popcorn Hybrids
Keith Vorst	Iowa State University
Sterling Weeda	Schlessman Seed Co.
Aaron Whalen	Ag Alumni Seed

II. Approval of November 17, 2019 Teleconference Minutes

It was MOVED (Boever), SECONDED (Krug), and APPROVED UNANIMOUSLY to accept the minutes from the November 17, 2019 teleconference as presented.



### III. Treasurer's Report

#### Financial Update

Secretary/Treasurer Rachel Foley gave the financial update. Highlights included:

- All companies have remitted 2019 assessments; 82% represented domestic sales with 18% international.
- 2019 fourth quarter assessment collections were \$40,617 higher than forecasted.
- The Board has Certificates of Deposit totaling \$159,592.
- January financials in the board book currently reflect unaudited 2019 net assets of \$335,403.
- The 2020 mandatory assessment rate continues at 6 cents per hundredweight. Collections begin in April.
- The Board received a \$374,619 Market Access Program (MAP) ceiling, and needs to amend its budget to reflect this reimbursable program through FAS/USDA.
- If the board performs as budgeted, \$149,792 loss plus \$10,000 to finalize the 2020 Agri-Chemical Handbook, net assets will be reduced to approximately \$175,600 beginning January 1, 2021.

#### Budget Amendment

Deirdre Flynn reported the \$350,000 MAP budget was a placeholder until the program ceiling was announced. The budget amendment reflects an increase for MAP to \$374,619.

It was MOVED (Foley), SECONDED (Sleaford) and APPROVED UNANIMOUSLY to accept the financial update and amend the budget as presented.

#### Audit Update

Genny Bertalmio reported Selden Fox, AMS and staff had the audit entry call on February 19. The audit will begin the week of March 23, with a draft expected the week of April 13. The exit call with Selden Fox, AMS and staff is scheduled for April 20. Selden Fox will present the audit for approval to the Popcorn Board on a conference call thereafter.

### IV. Administrative Update

#### Financial Management Practice/Operational Policy and Procedures

Deirdre Flynn referred board members to the financial management practices and operational policies and procedures, and requested they initial and sign the code of ethics and return it to Genny Bertalmio.

### V. Subcommittee Discussions

#### A. Technical

Technical Subcommittee Chair Brian Churchill shared "Popcorn Country: The Story of America's Favorite Snack" has been chosen by the Indiana Farm Bureau as the "book of the year" and is featured in the bureau's Agriculture in the Classroom program. This book is listed as a resource on the Popcorn Board's website.

#### Popcorn Agri-Chemical Handbook

Rachel Weston reported the 2020 edition includes 154 chemicals approved for use on popcorn. These 154 chemicals make up 463 products from 35 registrants. Foley thanked Weston for her work to produce this important information for the industry.

#### Mushroom Popcorn Definition

Flynn stated the Popcorn Institute requested the Board take a look at the definition of mushroom popcorn posted on the website. Following research and consultation with technical experts, it is recommended the definition be changed from "Most popcorn comes in two basic shapes when it's popped: snowflake and mushroom. Snowflake is used in movie theaters and ballparks because it

looks and pops bigger. Mushroom is used for candy confections because it doesn't crumble." to "Popcorn pops in two basic shapes, butterfly and mushroom. Butterfly popcorn has a very irregular shape with large bumps. It has a light crispy texture but can break easily. Mushroom-shaped popcorn is round with a rough surface. This shape makes it sturdy enough to stir when adding flavorings or coatings."

Following discussion, it was MOVED (Sleaford), SECONDED (Foley) and APPROVED UNANIMOUSLY to accept the definition has presented.

## B. Domestic Marketing

### 2019 Recap

Wendy Boersema-Rappel provided the Domestic Marketing update. Highlights included:

- A monthly email marketing campaign was sent to over 9,000 media contacts.
- *The Costco Connection* featured a story about popcorn in its October issue. The publication has 13+-million printed circulation to Costco Executive members and is posted online at CostcoConnection.com.
- New images, online media kit, media mailer, Power Pops and school mailer were created to support Social Media and Myth Busting campaigns.
- The Popcorn Pep Club contest reached Food and Consumer Science (FACS) teachers and principals reminding them about how they can use popcorn as a teaching tool. Winners can be viewed on the Popcorn Board website.
- "Make Your Movie Night Pop" had a total ad equivalency of \$1,439,224 and a ROI of 101:1.
- "Pop Up Holiday Traditions New and Old" had a total ad equivalency of \$562,406 and a ROI of 121:1.
- Weathercaster promotion had an editorial value of \$343,071; ROI of 10:1.

### 2020 Marketing Plan

Boersema-Rappel reported marketing efforts continue to engage and educate consumers about popcorn as a versatile, healthy, whole-grain snack; to dispel any negative misperceptions about the safety of popcorn, and to generate awareness and excitement around popcorn through popcorn.org and social, namely Facebook, Twitter, Instagram, Pinterest and YouTube.

## C. International Marketing

### FAS/USDA Update

Anthony Navarrete, UDSA-FAS International Marketing Specialist, provided an update on FAS' reorganization including staffing updates, a review of the Unified Export Strategy (UES), and feedback on the Popcorn Board's results.

### 2019 MAP Recap

International Marketing Subcommittee Chair Norm Krug reviewed the Board's 2019 MAP activities conducted in Colombia, Cost Rica, Mexico, Southeast Asia and a global activity that is primarily focused on trade show participation and online communications.

### ATP Plan

Flynn reported the Board is evaluating proposals to conduct trade servicing, cinema/foodservice and retail promotions in the Philippines and Vietnam. PB's ATP allocation is available through December 31, 2021.

### MAP Plan

Flynn noted MAP activities will be conducted in Colombia, Costa Rica, Mexico, and Southeast Asia. PB's global activity includes website maintenance, trade shows, the U.S.-Mexico International Bean Congress and a subscription to the International Maximum Residue Level (MRL) Advisor.

#### 2021 UES Submission

Norm Krug mentioned the Board's current markets have less competition from Argentina, and suggested the 2021 UES also include an activity for Western Europe emphasizing U.S. popcorn is non-GMO. He also urged participation in the U.S.-Mexico International Bean Congress scheduled to be held in Las Vegas.

#### D. PR

##### Advisory Panel Presentations

Flynn introduced Advisory Panel members:

- Ilene V Smith, MS, RD (consumer food/nutrition trends)
- Clay Robinson, PhD, CPSS, CCA (agronomy)
  - Microbial Research Study  
Robinson advised research does not exist to corroborate bacteria is killed at temperatures required to pop popcorn. Churchill emphasized the need for a study that can be shared universally. Staff will solicit a proposal from Robinson (Illinois State University).
  - Growers Survey  
A survey will be developed asking growers what proactive steps they are using, such as nutrient management, to be able to inform the public that popcorn farmers are good land stewards.
- Keith Vorst, PhD (packaging)
- A copy of their presentations are attached and made a part of these minutes.

#### VI. Old Business

##### Popcorn Institute (PI) Activities Update

Jay Hulbert reported on Ga-1. PI is working with the American Seed Trade Association (ASTA) noting the next date for an in-person meeting is scheduled June 13-17.

#### VII. New Business

##### Survey

Tracy Boever reported the Board will conduct a survey to ensure it is meeting the needs of the popcorn processors paying into the program. The draft survey will be emailed to eligible processors requesting they submit comments/changes no later than Friday, March 20.

##### Nomination Process

Genny Bertalmio reported Rachel Foley and Dan Sleaford's terms expire December 31; both are eligible to serve a consecutive 3-year term. Processors who processed over 4 million pounds in 2019 are eligible to nominate themselves and other individuals for consideration by the Secretary of Agriculture to serve on the board. The nomination form and instructions on how to complete will be sent to processors in April requesting the nomination forms be returned to headquarters by May 1. Bertalmio reminded the Secretary considers diversity, geographic location and company size when appointing board members to serve.

#### VIII. Time and Place of Next Meeting

The board will meet via conference call to review and approve the 2019 audit, and will convene in conjunction with the Combined Seedsmen Field Day on August 26 in Milan, Ohio.

#### IX. Adjournment

There being no further business, Brush adjourned the video conference at 2:36 p.m.

/gb

# Food, Nutrition and Snacking Trends

Prepared by Ilene V. Smith, MS, RD for  
Popcorn Board  
March 16, 2020

I • *on* • FOOD

# A look back on 2019



# WHAT STAYED THE COURSE



Plant-based



Sustainable



FODMAPs



Intermittent fasting



Keto



Pro- and pre-biotics



CBD

# WHAT'S NEW



DIETS GET  
PERSONAL



PARTIALLY PLANT-  
BASED



GET READY TO DATE



GOING VIRAL



THINK BEFORE YOU  
EAT



SNACKS GET FRESH

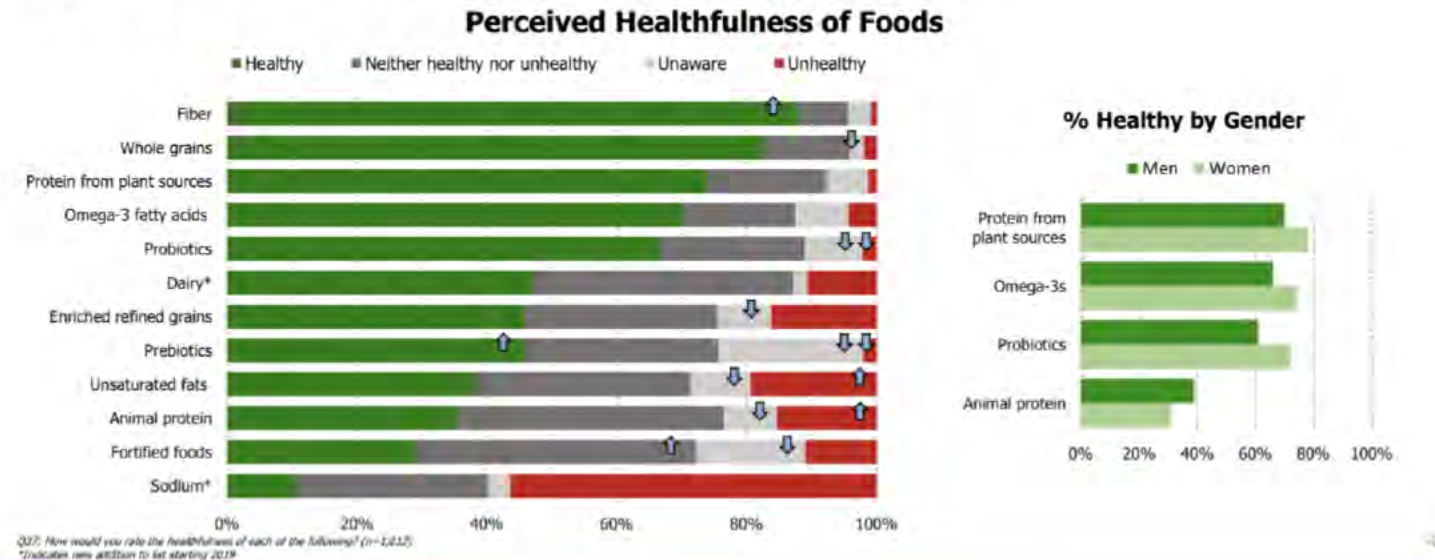
# DIETS GET PERSONAL



# FIBER RULES

## Fiber and Prebiotics Perceived as More Healthful this Year

As was seen in 2018, fiber, whole grains and protein from plant sources remain at the top





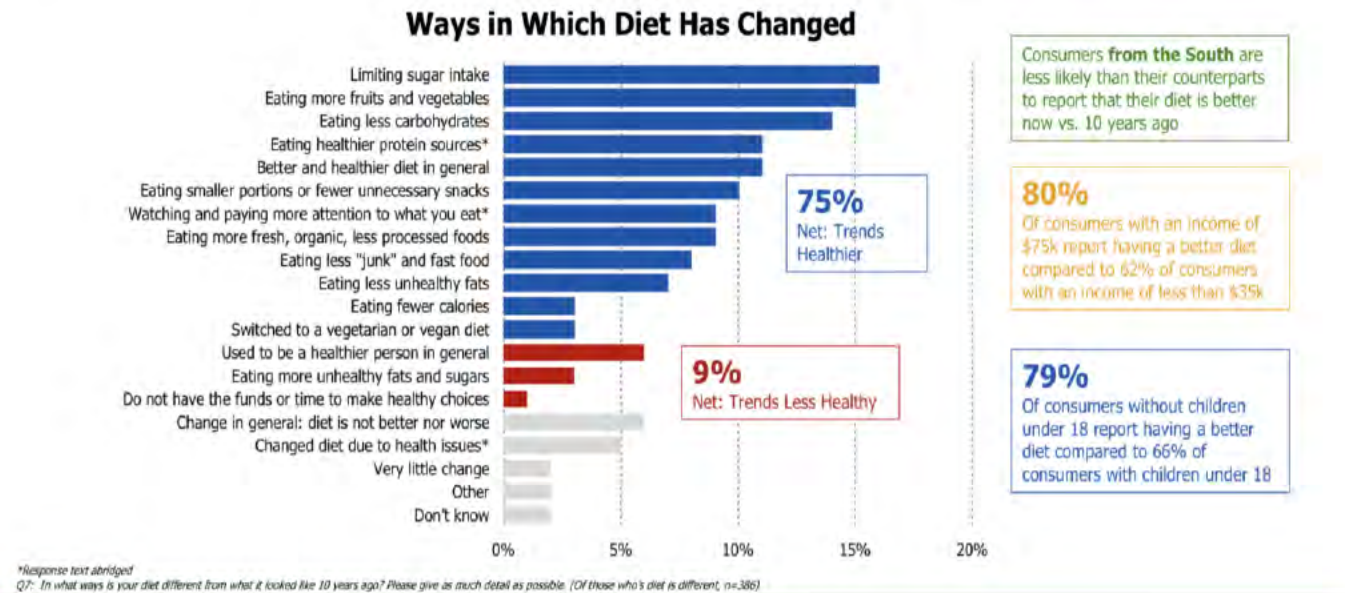
# PARTIALLY PLANT-BASED



# CUTTING SUGAR AND EATING MORE FRUITS & VEGGIES ARE TOP PRIORITIES

## People Say They Are Eating Healthier Now

Limiting sugar intake and eating more fruit and vegetables are the top ways in which consumers' diets have changed



# GET READY TO DATE



# SUGAR NOW ENEMY #1

## Sugar and Carbs Believed to be Most Likely to Cause Weight Gain

One-quarter believe calories from all sources impact weight the same, an increase from 2018



Q3: What source of calories is the most likely to cause weight gain? (n=1,012)

20

# GOING VIRAL





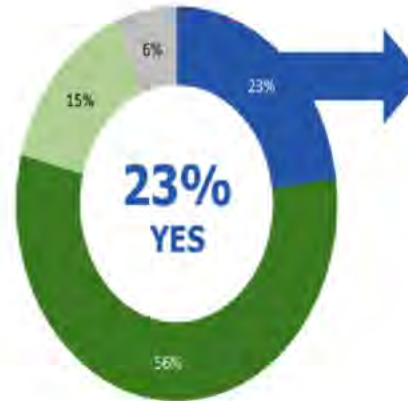
# SHIFTING PRIORITIES

## 1 in 4 Consumers Seek Health Benefits From Food

*Weight loss, energy, and digestive health are the most sought-after benefits*

### Seek Health Benefits from Foods?

- Yes, I actively seek out foods or follow a diet for health benefits
- No, but I try to eat healthy in general
- No, health benefits are not a factor in my food choices
- Not sure



### Top Sought After Health Benefits (Of those who seek health benefits from foods)



\*Response text abridged

Q36: Do you seek out certain foods or follow a particular diet because of the health benefits that those foods/diet provide? (n=1,012)

Q39: Which of the following health benefits are you seeking to get from foods or nutrients? Select all that apply. (Of those who seek health benefits from foods, n=347)



# INTUITIVE EATING

## DIET MINDSET

CAN I HAVE THIS?

how do i look?

how much food do i get today?

will this make me skinny?

i exercise so i can eat.

i can eat whatever on cheat day

food is my favorite reward

VS.

## INTUITIVE EATING

DO I WANT THIS?

how do i FEEL?

how much food do i NEED today?

will this nourish me?

i eat so i can exercise.

i can eat whatever i want everyday

food is just food.

## THE PRINCIPLES OF INTUITIVE EATING

1 REJECT THE DIET MENTALITY



2 HONOR YOUR HUNGER



3 CHALLENGE THE FOOD POLICE



4 MAKE PEACE WITH FOOD



5 RESPECT YOUR FULLNESS



6 DISCOVER THE SATISFACTION FACTOR



7 HONOR YOUR FEELINGS WITHOUT USING FOOD



8 RESPECT YOUR BODY



9 EXERCISE - FEEL THE DIFFERENCE



10 HONOR YOUR HEALTH



carlenefigments.wordpress.com

Intuitive Eating by Tribole & D.

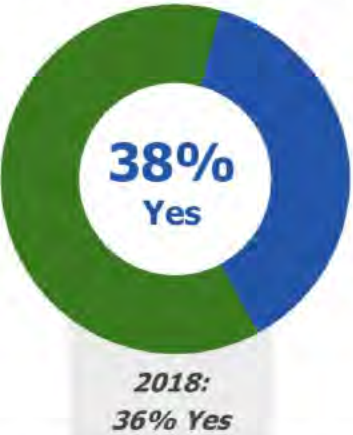
@CarlenefutureMD

# CLEAN EATING AND INTERMITTEN FASTING STILL MOST POPULAR

## Clean Eating the Most Widely Cited Diet in 2019

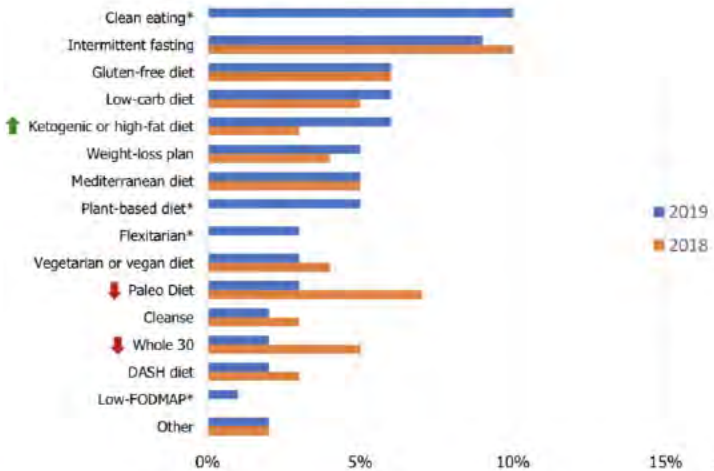
Most common eating patterns/diets include clean eating and intermittent fasting

Followed A Diet in Past Year?



Q33: Have you followed any specific eating pattern or diet at any time in the past year? Select all that apply. (n=1,012)  
\*Indicates new diet added in 2019

Type of Diet Followed



# CONSUMERS ARE GETTING MORE MINDFUL

## Nearly 4 in 10 Unfamiliar with Mindful Eating

However, 3 in 5 are interested in learning more about mindful or intuitive eating

### Familiarity and Interest in Mindful or Intuitive Eating



Q32: Which of the following best describes your familiarity and interest in the practice of "mindful or intuitive eating"? (n=1,012)

21



# SNACKS GET FRESH



# SNACKS GET FRESH — BAR-NANZA



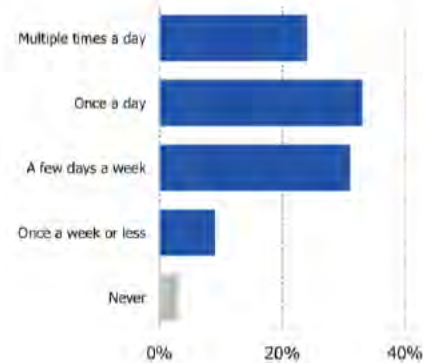


# STILL SNACKING

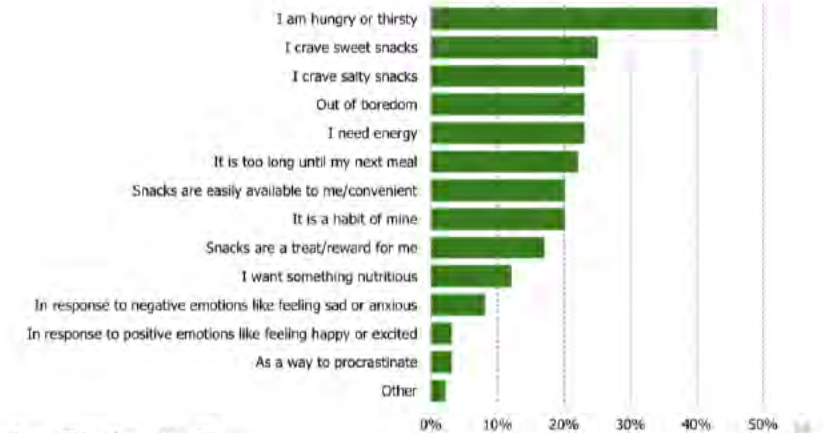
## Nearly Everyone Snacks At Some Point During the Week

*Being hungry or thirsty and craving sweet and/or salty snacks are top reasons why people snack*

**Frequency of Snacking**



**Reasons for Snacking**  
*(Of those who snack)*

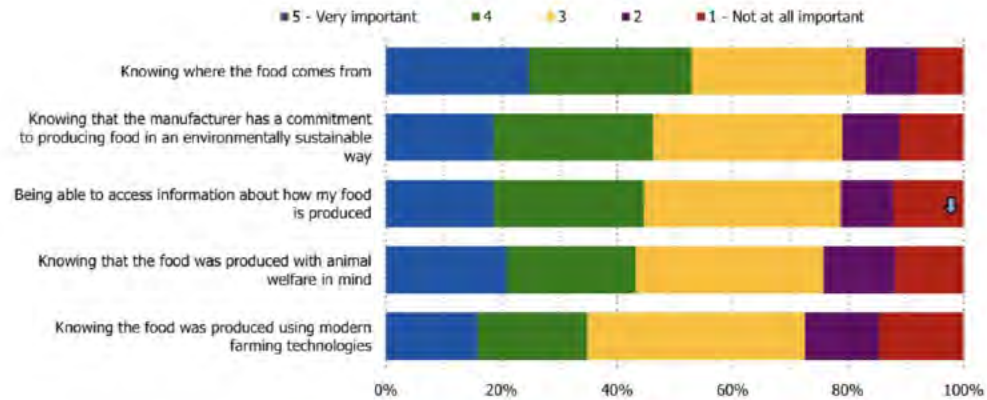


Q30: In a typical week, how often do you snack in addition to your main meals? (n=1,012)  
Q31: Which of the following are the most common reasons why you choose to snack? Please select your top 3 reasons. (Of those who snack ever, n=886)

# Knowing Where Food Comes From is Important

More than half say knowing where their food comes from is highly important; nearly half say the same about knowing a manufacturer has a commitment to environmental sustainability

## Important Factors When Purchasing Food



### 59% and 58%

Of Hispanics and African Americans, respectively, believe it is very/somewhat important to know that their food is produced in an environmentally sustainable way compared to 41% of non-Hispanic whites

### 49% and 52%

Of consumers from the South and West respectively believe it is very/somewhat important to know that their food is produced in an environmentally sustainable way compared to 38% of consumers from the Midwest

Q50: How important are the following factors in your decision to purchase a food or beverage? (n=1,012)

50

# EVERY FOOD TELLS A STORY

# SOME FOOD FOR THOUGHT

# WHAT MAKES FOOD SUSTAINABLE?

## Over Half Say Sustainability is Important

Labeled as being locally grown top indicator for perceived environmental sustainability

### Importance of Environmental Sustainability in Food Products Purchased



■ Very important  
 ■ Somewhat important  
 ■ Neither important nor unimportant  
 ■ Not very important  
 ■ Not at all important  
 ■ Don't know enough

**68%**

Of African Americans say it is very/somewhat important to them vs. 52% of non-Hispanic whites

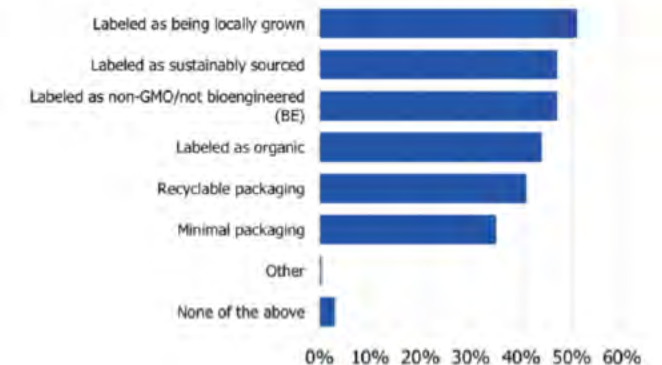
**59%**

Of women say it is very/somewhat important to them vs. 49% of men

Q52: How important is it to you that the food products you purchase or consume are produced in an environmentally sustainable way? (n=1,012)

Q53: You mentioned that it is important to you that food products are produced in an environmentally sustainable way. When shopping for foods and beverages, which of the following do you look for as a way to know that a product is produced in an environmentally sustainable way? Select all that apply. (Of those who say it's important their food be produced sustainably, n=534)

### Perceived Factors to Know if a Product is Produced in an Environmentally Sustainable Way (Of those who say it's important their food be produced sustainably)



# IT'S ALL IN THE WORDING

## Same Nutrition Information, but Differences in Perceived Healthfulness

Despite identical nutritional info, freshness, "all natural" description, familiarity, and environmental sustainability influence perception

**If Two Products Have the Same Nutrition Facts Panel...  
Which is Healthier?**





# THANK YOU!

- FOR MORE INFORMATION, CONTACT

ILENE V. SMITH, MS, RD  
I ON FOOD

[ILENESMITHRD@GMAIL.COM](mailto:ILENESMITHRD@GMAIL.COM)

# Popcorn Board Agronomy Report: 2020

Clay Robinson, PHD, CPSS, CCA  
Associate Professor of Soil Science  
Illinois State University

## Top Agronomic Issues

- Crop protection: Herbicide Resistance
- Nutrient management and water quality
- Soil health: Cover crops
- On the horizon

## Crop Protection

- Herbicide resistant weeds
- Integrated Weed Management
- Dicamba/Banvel

## Herbicide Resistant Weeds

- 512 unique cases (species by mode of action) – up 13
- 262 species (152 broadleaves and 110 grasses/sedges) – up 7
- Resistance developed to more than 167 herbicides and 23 of 26 herbicide sites of action
- 61 weed species with known resistance in maize (corn)

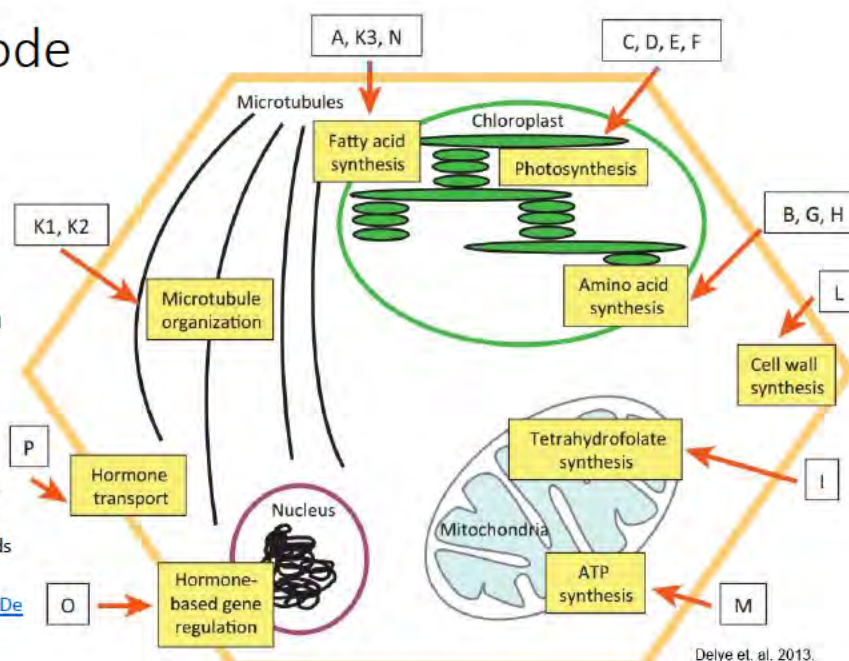
Weed Science Society of America, <http://www.weedscience.org/>

## Herbicide Mode of Action

Cellular targets of herbicide action and herbicide classification by mode of action. Herbicides target only a few proteins or processes among the tremendous range present in plants.

From: Deciphering the evolution of herbicide resistance in weeds. Christophe Delye et. al. 2013, Trends in Genetics.

<http://weedsociety.org/Pages/SOADescription.aspx>



## Herbicide Resistant Species: Popcorn States

- >37 species with resistance: all crops
- 23 species: Corn, seed corn, soybean
  - 19 broadleaves and 4 grasses
- ~50 unique cases (species by mode of action)
  - Most in Illinois: 26
- Tall waterhemp has resistance to 9 herbicides

Weed Science Society of America, <http://www.weedsociety.org/>

## POPCORN STATES: Herbicide Resistant Species in Corn and Soybean

- Giant foxtail
- Italian ryegrass
- Johnsongrass
- Shattercane
- Common cocklebur
- Common groundsel
- Common sunflower
- Common lambsquarters
- Lateflowering goosefoot
- Eastern black nightshade
- Common ragweed
- Giant ragweed
- Pennsylvania smartweed
- Halberdleaf orach
- Horseweed
- Kochia
- Wild carrot
- Palmer amaranth
- Powell amaranth
- Smooth pigweed
- Redroot pigweed
- Tall waterhemp
- Velvetleaf

## Herbicide Resistant Species (POPCORN STATES)

- Giant foxtail
- Annual bluegrass
- Wild oats
- Barnyardgrass
- Cheat grass
- Japanese brome grass
- Italian ryegrass
- Johnsongrass
- Shattercane
- Buckhorn plantain
- Bushy wallflower
- Common chickweed
- Common cocklebur
- Common groundsel
- Common lambsquarters
- Lateflowering goosefoot
- Common purslane
- Common sunflower
- Eastern black nightshade
- Common ragweed
- Giant ragweed
- Flixweed
- Halberdleaf orach
- Henbit deadnettle
- Horseweed
- Jimsonweed
- Velvetleaf
- Kochia
- Ladysthumb
- Pennsylvania smartweed
- Wild carrot
- Palmer amaranth
- Powell amaranth
- Prostrate pigweed
- Redroot pigweed
- Smooth pigweed
- Tall waterhemp



## Integrated Weed Management Toolbox

*Why does resistance develop?*

- Crop rotation
- Crop management
- Tillage systems
- Mowing
- **Herbicides**
- Burning
- Allelopathy
- Biological controls

## Dicamba/Banvel – GET THE DRIFT ON SOYBEANS

- Broadleaf (dicot) weed control in GM soybeans and cotton
- Trade Names: Eugenia, Status, Clarity, Clash, Detonate, Dicamba DGA, Diflexx, Fexapan, Sterling Blue
- USA - 2017: 2,078 dicamba-related injury cases investigated
- Number of reported cases keeps increasing:
  - Just in Illinois: 246 in 2017; 330 in 2018; 590 in 2019.
  - Despite changes to formulations, labels, restrictions, etc.
- Recent \$265 mil judgment awarded in MO against BASF, Bayer

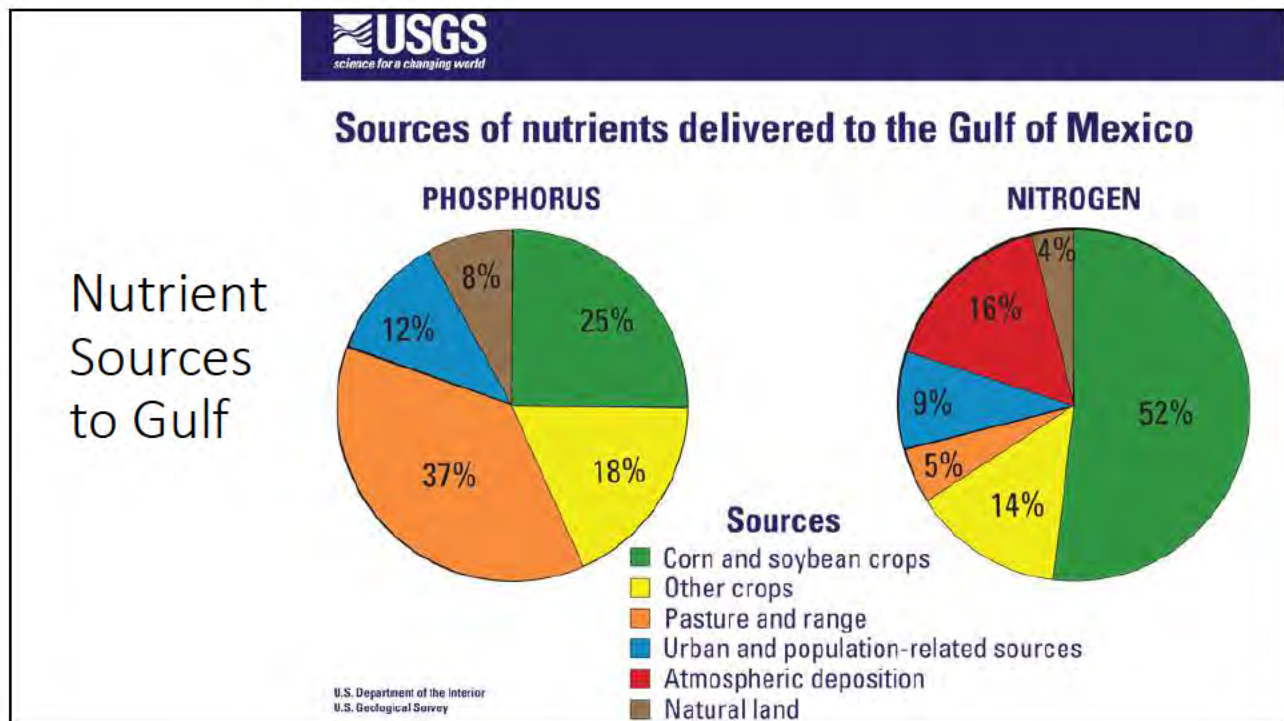
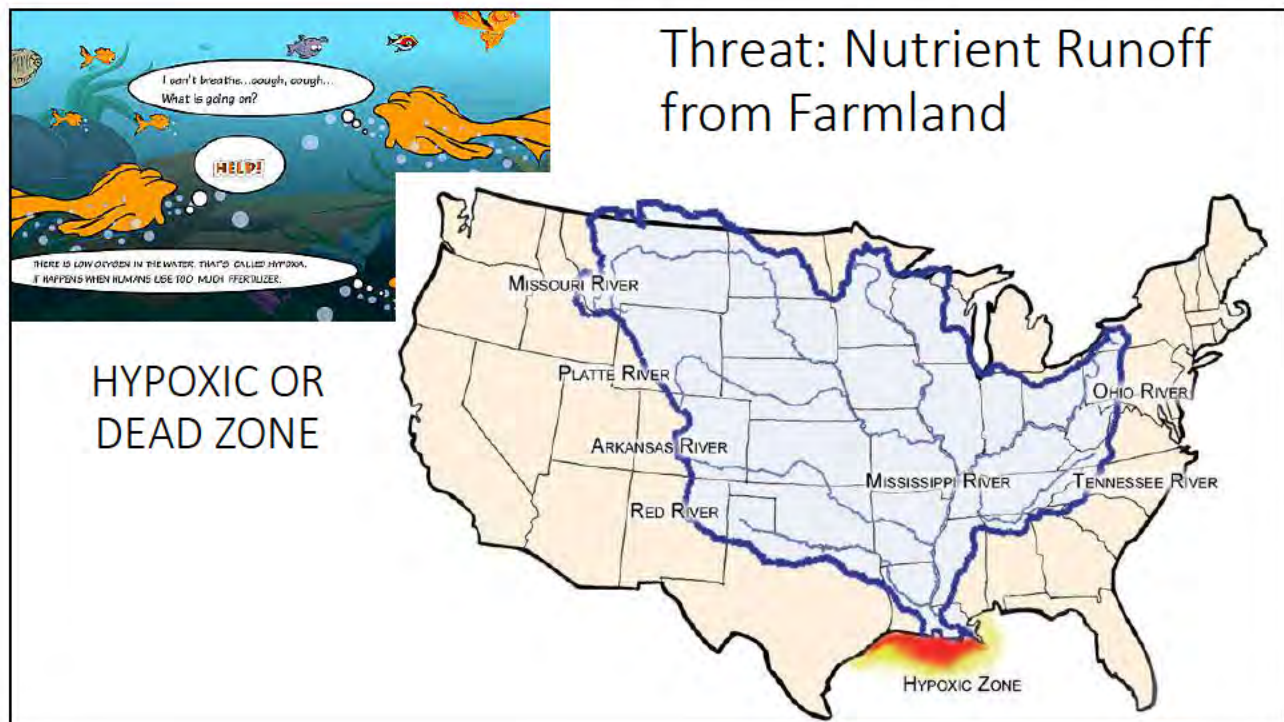
## Nutrient Management

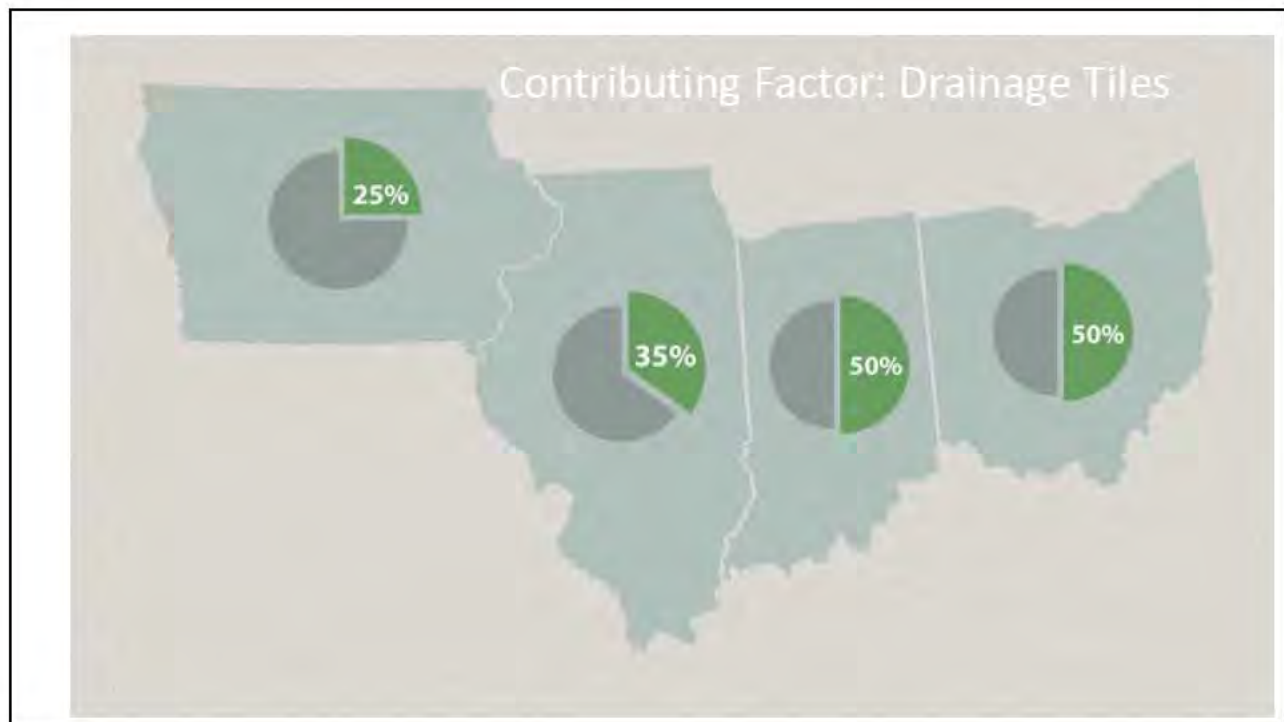
- Driving forces: Water Quality
- Nutrient Management Reduction Strategy
  - Some states regulating fertilizer timing
- MRTN approach: Economic optimum recommendations
- 4Rs Nutrient Management

## Nutrient Management: Water Quality

Threat:  
Nutrient  
Loading







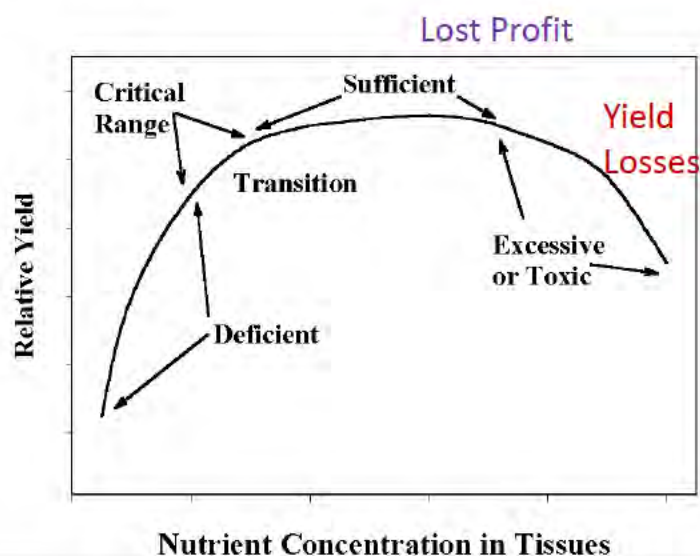
## Nitrogen Requirements

- How much N does popcorn need?
- USDA-NRCS Nutrient Removal: 1.0 lb/bu (1.8 lb/cwt)
- Agricultural Marketing Resource Center Budget Sheets
  - 2 lb/bu (3.6 lb/cwt)
- N requirements using published yields by NRCS
  - 28 cwt – 50 cwt requires 50 – 90 lb N/ac



## Nitrogen Requirements

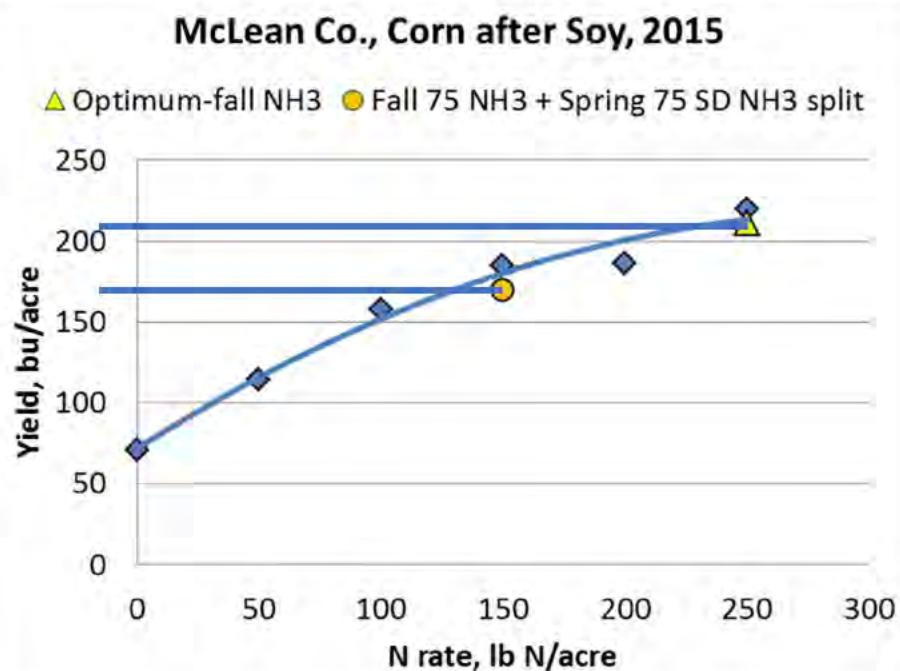
- No published scientific popcorn fertility research
- Too much of a good thing is a bad thing



MAX YIELD  
≠  
MAX PROFIT

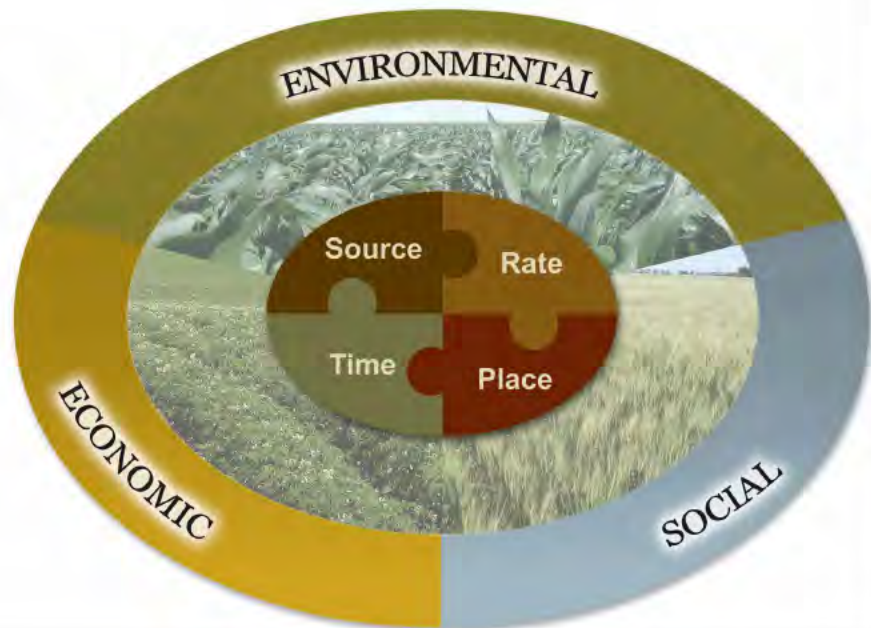
MRTN:  
Less nitrogen,  
Lower Yields,

*More Profit!*





## 4Rs Nutrient Management



## Nutrient Reduction Strategy Tools

- 4Rs Nutrient management
  - **R**ight Rate, **R**ight Source, **R**ight time, **R**ight Place
- Edge of field buffers
- Cover crops
- Drainage water management

## Soil Health

- Tillage management
  - Decrease frequency and intensity
- Cover crops
- Increase soil organic matter
  - Decrease erodibility
  - Increase fertility potential
  - Improve water relations
- Soil “health” tests



Clockwise from top

- Saybrook silt loam, ISU Farm, Lexington, IL

- >60 years of conventional tillage
- 5 years after conversion from conventional tillage to permanent grass
- 12 years after conversion from conventional tillage to no-till

- Weston Cemetery Prairie Nature Preserve, Fairbury, IL
- Native, tallgrass prairie



## Microbial activity?

- Temperature to pop popcorn exceeds 150 °C, and is optimum ~175 °C (347 °F)
- Thermophilic archaeobacterial (prokaryotes – no nuclear membrane) can exist to about 131 °C
- But pathogenic bacteria, even E. coli, are killed at temperatures of 70 °C (158 °F) or greater

## On the horizon

- Precision Agriculture
  - Variable rate nutrient application
  - Variable rate seeding
  - Change varieties across the landscape
  - Imagery: satellite and drones

## 4Rs Nutrient management

- <http://www.nutrientstewardship.com/4rs/> - The Fertilizer Institute
- <https://4rcertified.org/> - Ohio 4R Nutrient Stewardship Certification
- <https://www.certifiedcropadviser.org/4rnms> - Certified Crop Advisor Specialization

# Packaging Updates

## March 2020

Dr. Keith Vorst – Iowa State University  
*Polymer and Food Protection  
Consortium*



# Research Pillars

- Regulatory compliance and method development (PFAS)
- In-process monitoring
- Post-consumer polymer recycling and compatibilization
- Shelf-life extension
- Bio-based feedstocks for polymers and coatings

IOWA STATE UNIVERSITY

Polymer and Food Protection Consortium





a **DOVER** company

# Food Retail Trends and Impact on Packaging

Justin Webster

Design Center Specialist

IOWA STATE UNIVERSITY

Polymer and Food Protection Consortium



# Buying Motives Drive Macro Trends

## Traditional

## Ready-to-Eat Culture

### CONVENIENCE

... Healthy fresh now ... Eating out by eating in

- ✓ **74%** meals eaten at home are outsourced
- ✓ **65%** restaurant drive thru/pick-up window
- ✓ **27%** shop solely for prepared foods

### QUALITY

... Quality offerings that differentiate you

- ✓ **43%** of shoppers view primary store as ally in supporting overall health and wellness
- ✓ **28%** chose supermarkets due to personal and customer service
- ✓ **86%** believe local-made is higher quality

### PRICE

... Balance between Boomers and Millennials

- ✓ **24%** buy fresh prepared
- ✓ **52%** agree fresh prepared less expensive
- ✓ **48%** want recipes for meals under \$10

- Convenience

- Health

- Enjoyment

- Discovery

- Partnership

- Value -Popcorn Here

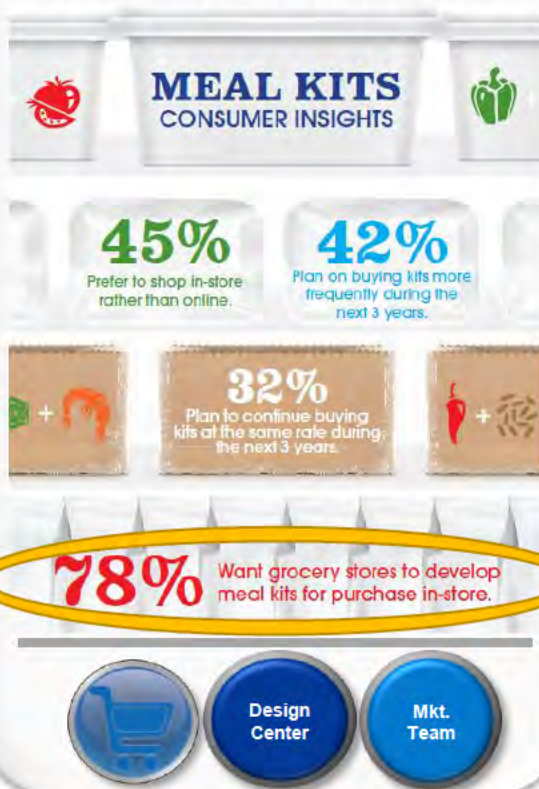
- Safety –Packaging Concerns



1



## In-Store Meal Kits



2

## Click & Collect

### In Store & Backroom Support



Nielsen and FMI estimate that Americans' total online grocery spending will reach **\$100B** between 2021 and 2023



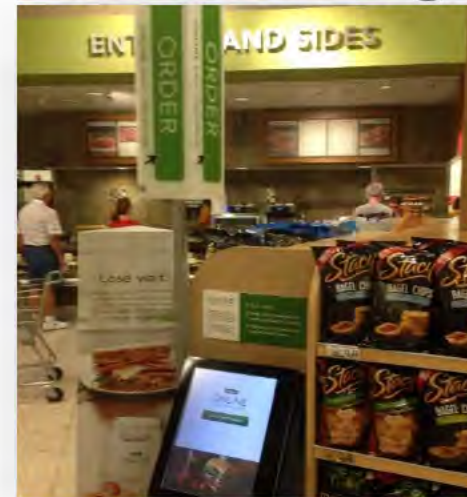
3

Smart answers to deli ordering.

ORDER  
Online  
click here

ORDER  
In store  
at the deli kiosk

### Kiosk Ordering



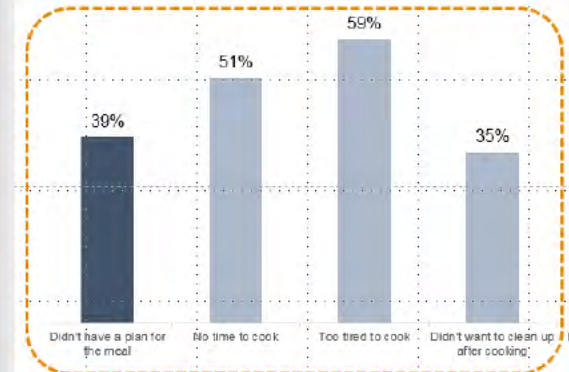
42% of Customer Want it only  
7% of stores have it.



4



### Groceries & Foodservice In-Store



**Convenience Factors were the most prevalent purchase triggers. Craveable was second.**



Questions we (ISU PFPC) get from Consumers and Students-

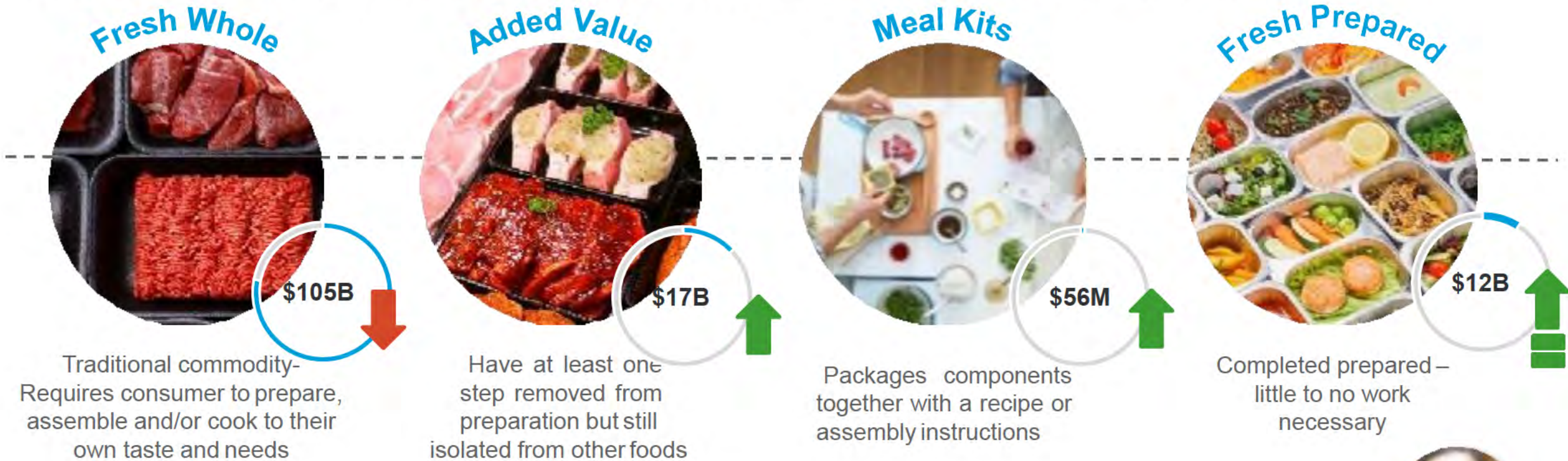
"popcorn is convenient but not safe in the microwave"

"ready-to-eat when watching Netflix is not the same as fresh popped but inconvenient"



# Across Perimeter, Consumers are Voting With Their Dollars for More Convenience

Consumers Seek Step-Saving Solutions While Retailers and Suppliers Seek to Meet Their Needs – But Are We Really Satisfying Every Step of the Journey to Eat Fresh?



*23% of prepared trips also include fresh whole commodities*





# The Sustainability Question

LEED projects are defined by sustainability. The definition of sustainability is **providing for the needs of the current generation without compromising the ability of future generations to provide for their needs.**



CERTIFIED

Sustainable is **development that meets the needs of the present without compromising the ability of future generations to meet their own needs** (World Commission on Environment and Development).



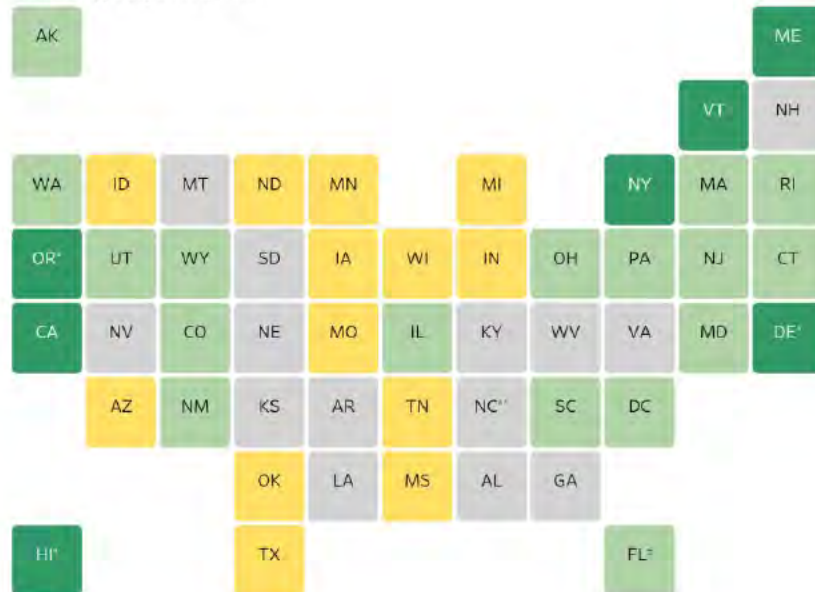
*Sustainable design is **a comprehensive, holistic approach to creating products and systems that are environmentally benign, socially equitable, and economically viable** (SolidWorks).*

# The Sustainability Question

- **Bioplastic is not fantastic???**
- Many street food vendors have switched to bioplastic – which sounds like an ethical choice. But, while it may make street food feel virtuous, Friends of the Earth and Greenpeace challenge its green rep. It is resource intensive and less than 40% of bioplastic is designed to be biodegradable. In many ways, it is just another polluting plastic.

*The Guardian September 5, 2018*

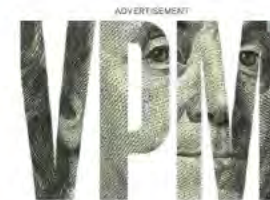
States by type of plastic ban law



It's crunch time for California's plan to phase out single-use plastics by 2030



Plastic bottles are among the trash and debris washed up on the beach after heavy rains near the Santa Ana River in January 2018. The state is weighing legislation to phase out sales of single-use plastic containers by 2030. (Gina Ferazzi/Los Angeles Times)





# Sustainability and Cost

- **Biodegradable** – degrade naturally by microorganisms. Time is not specified and confusing. California and other states have banned the use of the term “biodegradable” for solid plastic. Must be certified compostable. **DO NOT BE FOOLED.**
- **Compostable** – biodegradation or breakdown in composting environment (many products do not meet the standard by ASTM)
- **Performance** – high price does not always determine higher performance
- **Recycled Plastics** - performance and cost
- **Paper** – emotional but not greener
- What is the correct answer? *IT DEPENDS!*

# What is Going on Around the world

## *Domestic and Global Regulations*

Dr. Keith Vorst – Iowa State University  
*Polymer and Food Protection  
Consortium*



# Don't Freak Out – Coordinated Approach

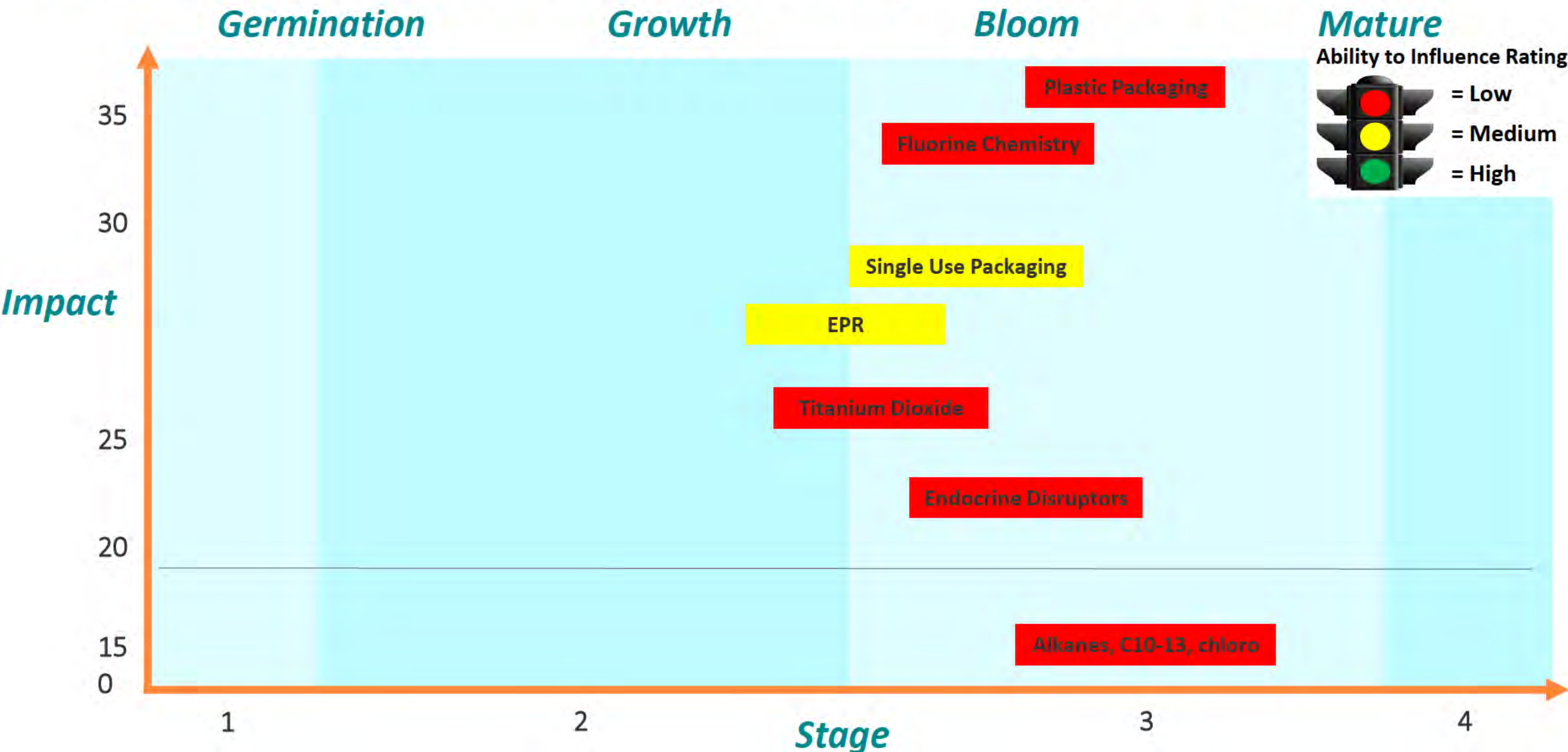
- See additional deck on issues being tracked
- What are the regs, are you compliant (today)
- Prepare for more expensive substrate alternatives e.g. paper/biobased (not if but when)
- Work with suppliers/QSR etc., they are developing solutions
- Stay informed – what is available
- Join the issues tracking groups (AIM, SPC, FPI, FMI, Supermarket Sense etc.)

Jurisdiction	Keyword	Subject	Enforcement	Actions
US Local - Washington - Port Orchard	Single Use Plastic Bag	Plastic Bag Ban. Paper bags must be capable of composting in a commercial composting facility. Restaurants must charge a fee of at least 8 cents per paper bag.	January 1, 2020	Passed
US State - California	California Prop 65	California's Office of Environmental Health Hazard Assessment (OEHHA) is proposing to make clarifying changes to how manufacturers calculate exposure to reproductive toxicants under Proposition 65. Following a public hearing and consultation, OEHHA has modified its proposed regulation to make further clarifying changes. Comments on the updated proposal will be accepted until 21 October. Originally issued 11/2018.	-	Continue to Monitor
US State - California	PFAS	California's Department of Toxic Substances Control (DTSC) has identified four groups of chemicals used in food packaging as potential candidates for nomination as priority products under its Safer Consumer Products program. BPF, BPS, BPAF, PFAS. The Biomonitoring California findings are part of the first phase of the wider California Regional Exposure (CARE) study, which was created to measure and compare environmental chemicals in residents across the state. All 426 participants in a recent study in Los Angeles County had at least one per- and polyfluoroalkyl substance (PFAS) present in their blood, researchers from a California joint-agency biomonitoring program have reported. In 2018, study participants in Los Angeles donated blood and urine samples to be tested for ten metals, including arsenic, cadmium, lead and mercury, and twelve PFASs. Samples from a group of 60 women were also analyzed for nine phenols, which can be found in personal care products.	-	HAVI to review proposed chemicals and monitor workplan DTSC.
US State - California	PFAS	Washington state has announced plans to focus on paper wraps and liners in its assessment of alternatives to per- and polyfluoroalkyl substances used in food packaging. The state's Department of Ecology (EcD) is also considering adding bags and sleeves to this scope, with the goal of finalizing candidate alternatives by mid-October. The alternatives assessment arose from a 2015 state law to prohibit all PFASs in plant fiber-based food packaging by 1 January 2022, provided that ECY identify safer options (both chemical and non-chemical). The agency had intended to complete the process by the end of this year but is running behind schedule.	TBD	Continue to monitor
US State - Washington	PFAS	HB 1205 / SB 5325 Prohibits the retail use of single use plastic bag, paper bag, or reusable carry out bag made of film plastic that does not meet recycled content requirements. A fee must also be collected of 8 cents for use of paper carryout bag.	TBD	Continue to Monitor
US State - Washington	Single Use Plastic Bag	HB 1205 / SB 5325 Prohibits the retail use of single use plastic bag, paper bag, or reusable carry out bag made of film plastic that does not meet recycled content requirements. A fee must also be collected of 8 cents for use of paper carryout bag.	TBD	Continue to Monitor

Jurisdiction	Keyword	Subject	Enforcement	Actions
Canada - Local - Quebec - Sainte Sophie	Single Use Plastic Ban	Bylaw No. 1288-2019 Any shopping bag composed of conventional plastic or biodegradable, oxo-degradable or compostable plastic, regardless of their thickness, as well as paper bags.	January 1, 2020	Passed
Canada - Local - Quebec - Sherbrooke	Plastic Bag	Resolution C.E. 2019-9465-00 Any shopping bag made of biodegradable, compostable, oxo-degradable, oxo-biodegradable, oxo-fragmentable plastic, as well as conventional plastic bags with a thickness of 100 microns or less.	April 22, 2020	Passed
Canada - Local - Quebec - Val Saint Francois	Plastic Bag	Article 161 Any plastic packing bag or compostable packing bag	January 1, 2020	Passed
US State - Arizona	PFAS Ban	SB1468 -- Prohibition of PFAS and phthalates in food packaging.	January 1, 2023	Pending Legislation
US - Federal	PFAS Ban	SB3227 -- Prevent Future American Sickness Act of 2020 - Prohibition of PFAS in food packaging.	January 1, 2022	Pending Legislation
US State - Maryland	PFAS Ban	HB581 -- Requiring the Department of the Environment to conduct a certain study on PFAS in food packaging by 1/1/2023	January 1, 2023	Pending Legislation
US State - Maryland	PFAS Ban	SB420 -- Requiring the Department of the Environment to conduct a certain study on PFAS in food packaging by 1/1/2024	January 1, 2023	Pending Legislation
US State - Rhode Island	PFAS Ban	52068 -- Prohibition of PFAS in food packaging.	January 1, 2021	Pending Legislation
US State - Rhode Island	PFAS Ban	H7307 -- Prohibition of PFAS in food packaging.	January 2, 2021	Pending Legislation
US State - Vermont	PFAS Ban	H0777 -- Prohibition of PFAS, phthalates, bisphenols in food packaging and children's products. A manufacturer subject to the prohibitions under this chapter shall develop 3 a certificate of compliance under this of this chapter. If the Department requests such a certificate, the manufacturer shall provide the certificate within 30 calendar days after the request is made. A certificate of compliance attests that a manufacturer's product or products meet the requirements.	July 1, 2021	Pending Legislation
US State - Virginia	PFAS Ban	HB1712 -- Prohibition of PFAS in food packaging.	TBD	Pending Legislation



# AIM Regional Desk NA - Issues Map – March 2020



# AIM Regional Desk North America

AIM Steering Committee

## EU Regulations – Food Contact Materials



- The European Commission will likely push back the publication of a highly anticipated report on food contact materials (FCM) by nearly two years (to H1 2022), as it is considering a parallel impact assessment process.
- The announcement was made by the legislative officer for FCMs at the Directorate-General for Health and Food Safety (DG SANTE) at an industry conference.
- It was explained that the delay was because the Commission is considering starting a second step – an impact assessment process starting with an "inception impact assessment" – prior to the publication of the report which will take the shape of a so-called staff working document (SWD).
- The "inception impact assessment" will consult on policy options, which could include developing new specific legislation as well as making no change to the status quo.
- An assessment of these options could then take place between the last quarters of 2020 – 2021.
- Consultations on policy options for a new legislative approach to food packaging materials will begin this summer, Schupp explained. The SWD will summarise the findings of the evaluation as well as stakeholder consultation by European consultancy group Ecorys.
- Industry and NGOs have been calling for urgent reform of the EU's FCM rules, which the Commission is evaluating for the first time in more than 40 years. Current regulations consist of a patchwork of rules for different materials, with harmonized measures applied only to plastic FCMs.
- Potential elements of a future FCM policy, could include according to DG Sante:
  - further harmonisation of rules on specific materials or mixtures;
  - efficient ways of assessing a very large number of substances, including prioritisation and better use of REACH; and
  - increased transparency and responsibility for businesses, potentially including registration and digital dossiers.

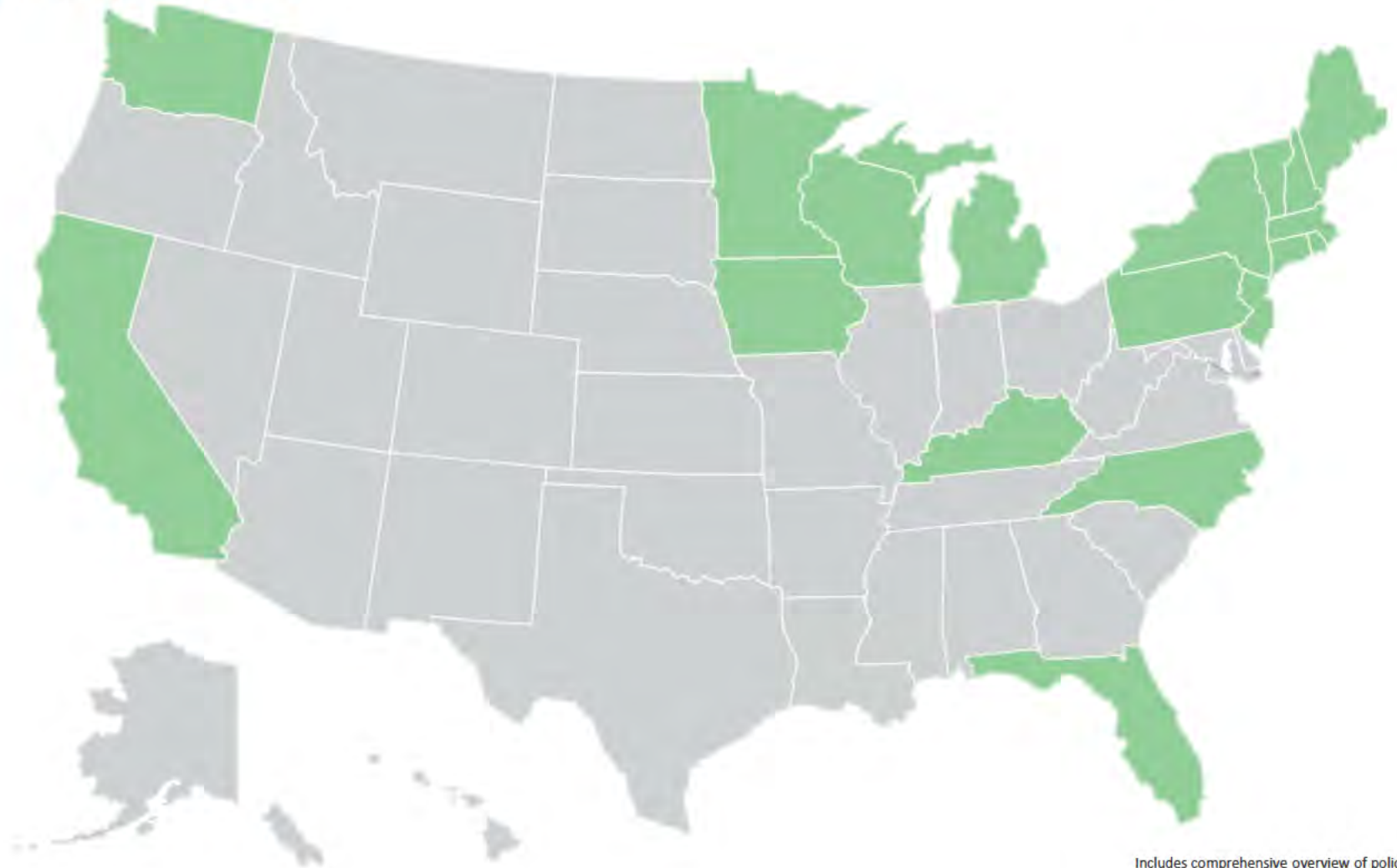
# AIM Regional Desk North America



## Fluorine Chemistry & PFAS Bans

November 2019

- 68 current policies
- 18 states
- No adoptions



Includes comprehensive overview of policies in food packaging, firefighting foams, drinking water systems, and chemicals of concern.







# AIM Regional Desk North America

## Fluorine Chemistry & PFAS Bans



### Planned Fluorine-chemistry ban in food packaging

- **California**
  - California's Safer Consumer Products Program
    - PFAS ban through intentionally added OGRs or as Manufacturing Impurities
- **Washington State**
  - HB 2658 was signed into law. The law becomes effective January 1, 2022 if safer alternatives to PFAS are available.
  - If not found beginning January 1, 2021 and each year subsequently following, the DoE must report their findings for suitable alternatives until they become available.



# AIM Regional Desk North America

## Fluorine Chemistry & PFAS Bans



### Planned Fluorine-chemistry ban in food packaging

- **Minnesota**
  - SF 3225 and HF3180 introduced. Both are parallel bills that ban fluorine chemistry in food packaging. If passed, effective January 1, 2021
- **Berkeley, California**
  - Effective January 1, 2020 and enforced January 1, 2021 all disposable foodware must be certified compostable and free of all intentionally added fluorinated chemicals.



# Packaging Solutions *Work in Progress*

Dr. Keith Vorst – Iowa State University  
*Polymer and Food Protection  
Consortium*



# Why are bioplastics important?

- Plastics used in all aspects of life
  - Textiles
  - Electronics
  - Healthcare products
  - Toys
  - Packaging for foods
- 31 million tons of plastic used in US in 2010
  - 12 million tons used in packaging
  - 11 million tons used in durable goods
  - 6 million tons used in non-durable goods
  - Disposable diapers, cups, and plates



# Bioplastics vs. Petroleum-based Plastics

## Bioplastics

- Plastics made from sugar cane, corn starch or other plants and microorganisms: polylactic acid, polyhydroxyalkanoate, and cellulose acetate, etc.
- Food source diversion
- Degradable but non-recyclable
- Compostable but industrial facilities (Greenwashing)
- More expensive
- Contaminant in waste stream

## Petroleum-based Plastics

- Plastics made from petroleum sources: polyethylene, PVC, polypropylene, polystyrene, polyester, nylon, acrylics, etc.
- Recyclable, not degradable, or non-recyclable at all
- Non-compostable
- Less expensive
- Victim of own success
- Confusing environmental impact compared to paper



# Common biopolymers

- **Polyhydroxyalkanoates (PHA)**

- Polyesters produced in nature from microorganisms, including through bacterial fermentation of sugar or lipids

- **Polylactic acid (PLA)**

- Thermoplastic aliphatic polyester derived from renewable biomass, typically from fermented plant starch, such as: corn, cassava, or sugarcane

- **Polybutylene succinate (PBS)**

- Thermoplastic aliphatic polyester; biodegradable with properties comparable to polypropylene

- **Thermoplastic Starches (TPS)**

- Starch-based plastics that are complex blends of starch with compostable polymers such as PLA, PBS, polybutylene adipate terephthalate, polycaprolactone, and PHAs

- **Vegetable Oil feedstocks**

- Coatings, films, and polymeric materials



Snell, K. D.; Peoples, O. P. PHA Bioplastic: A Value-Added Coproduct for Biomass Biorefineries. *Biofuels, Bioproducts and Biorefining* **2009**, 3 (4), 456–467.

Hottle, T. A.; Bilec, M. M.; Landis, A. E. Sustainability Assessments of Bio-Based Polymers. *Polymer Degradation and Stability* **2013**, 98 (9), 1898–1907.

Biobased Polybutylene Succinate (PBS) - An attractive polymer for biopolymer compounds. *Biobased Polybutylene Succinate (PBS) - An attractive polymer for biopolymer compounds*.





# Compatibilization of waste diverted polymers and fillers



# Biocomposites

- Compound Extrusion
- Devolatilization
- Pelletization
- Molding
- Mechanical Testing





# Plant Oil Feedstocks for Coatings

- **IMPACT** - To provide an alternative for plastic coated products with plant-derived coatings for single-use paper packaging
- Why plant oil?
  - *Lesquerella fendleri* is a late harvest crop
  - Supplied by the USDA
  - Cost effective and cost competitive
    - \$1-2 per kg compared to \$1.70 per kg of PET (Dec. 2018)
  - Hydroxyl functional monomer
    - Variety of polymerization routes





# Formulation

- Plant Based Oil for Packaging Film
- *Domestically Sourced*
- Cost effective
- *Food Grade*
- No Fluoro Chemistry
- High Temp/Reheat Conditions



# Next Steps and Main Goal

- Mixed stream recycling and compatibilization
- Ease of integration of current manufacturing processes of biocomposites and coatings
- Increased use and performance of compatibilized Post-Consumer fiber/plastic
- To fully replace single use plastic/paper with bio-based/compostable packaging







# Our Blue Sky Vision

- Traceable, safe, high performance PCR, biocomposites, and coatings
- COST EFFECTIVE SUSTAINABLE choices
- A new environmental image with QUANTIFIABLE sustainability
- *NO REGRETTABLE* substitutes
- Worry-Free Packaging

*YES WE CAN!*

*Thank You!*

*Dr. Keith Vorst, Iowa State Polymer and Food Protection Consortium*



# Acknowledgements

**IOWA STATE  
UNIVERSITY™**

**Polymer and Food  
Protection Consortium**



Keith Vorst has an ownership interest in the IdeoPak, LLC., a company that may potentially benefit from the research results. The terms of this arrangement have been reviewed and approved by Iowa State University in accordance with its conflict of interest policies.

The Popcorn Board  
Virtual Meeting  
July 16, 2020

MINUTES

I. Call to Order

Chair Bill Brush called the virtual meeting to order at 9:33 a.m.

ATTENDANCE

Tracy Boever	American Pop Corn Co.
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn

USDA

Victoria Carpenter	AMS
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STAFF

Genny Bertalmio	The Popcorn Board
Wendy Boersema-Rappel	The Popcorn Board
Deirdre Flynn	The Popcorn Board

GUESTS

Lance Alft	Hood Packaging
Larry Bruyer	Schlessman Seed Co.
Brian Churchill	Preferred Popcorn LLC
Todd Gable	Metzger Popcorn Farms
Brian Hamilton	Weaver Popcorn Hybrids
Jay Hulbert	Ag Alumni Seed
Wilfred Sieg, Jr.	Ramsey Popcorn Co. Inc.
Charlie Silver	Hood Packaging
Carlton Smith	American Pop Corn Co.
Garrett Smith	American Pop Corn Co.
Brad Thada	Weaver Popcorn Hybrids
Aaron Whalen	Ag Alumni Seed
Bob Wujek	Selden Fox

II. Approval of March 16, 2020 Annual Meeting Minutes

It was MOVED (Boever), SECONDED (Foley) and APPROVED UNANIMOUSLY to accept the minutes of the March 16, 2020 Annual Meeting as presented.

III. 2019 Financial Audit

Bob Wujek, senior vice president, Selden Fox, presented the 2019 audit. Highlights included:

- Financial statements received a clean, unmodified, opinion.
- Format changed slightly; it is presented as a government entity instead of a non-profit because of the new revenue recognition standard.
- Management Discussion and Analysis section has been added which highlights some variances to budget.
- Statement of Net Position reflects no liabilities.
- Statement of Activities reports operating income of \$71,921.
- Statement of Cash Flows breaks down how cash came in from operations and CDs.
- Notes to the financial statements reflect all receivables have been collected and risk to deposits and investments have been mitigated due to the type of investments used.
- Audit compares actual results to budget along with prior year results.

- No issues noted or adjustments/restatements required.
- Compliance report reflects no issues.
- Governance document reflects no adjustments were made and financials provided to the Board throughout the year are accurate.

It was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to accept the 2019 audit as presented.

#### IV. Research Proposals

##### Microbial Study

Brian Churchill reported the board put forth a request for proposal to conduct a microbial study. Two proposals were received. Churchill recommends contracting with Purdue University to study if salmonella, listeria and E. coli are reduced after air, conventional and microwave cooking; the cost of the study is \$61,959 and will be conducted from September 1, 2020 through December 31, 2021.

Deirdre Flynn stated if the board votes to approve the study and contract with Purdue to complete the research, this year's budget would need to be amended. A payment schedule will be established with Purdue upon acceptance of the proposal. She added no board can approve funds for a future board so the entire amount of the study will be allocated this year and rollover to next year.

It was MOVED (Krug), SECONDED (Boever) and APPROVED UNANIMOUSLY to accept Purdue University's proposal to conduct the microbial study for \$61,959.

Churchill reminded processors to keep track of MRL changes to ensure popcorn shipments comply with established MRLs.

##### Producers Agronomic Practices Survey

Flynn reported Advisory Panel Member Dr. Clay Robinson is interested in conducting a survey to better answer questions on soil-related issues and popcorn producers' agronomic practices. He has provided an outline of the study, which would entail contact with producers to understand their soil management practices. If the board agrees to proceed with the project, Dr. Robinson will submit a formal proposal, including budget and timeline.

It was MOVED (Sleaford), SECONDED (Foley), and APPROVED UNANIMOUSLY to have Dr. Robinson submit a formal proposal to conduct an agronomic practices survey.

##### Budget Amendment

Flynn presented the budget amendment adding \$100,000 to conduct the microbial study with Purdue at a cost of \$61,959 and the producers agronomic practices study with Dr. Robinson not to exceed \$38,000. Both projects would begin this year to be completed by end of year 2021, and funded by the board's net assets.

Secretary/Treasurer Rachel Foley reported adding \$100,000 for the research projects would result in a \$249,792 loss for 2020.

It was MOVED (Krug), SECONDED (Foley) and APPROVED UNANIMOUSLY to amend the 2020 annual budget to add \$100,000 for the microbial study with Purdue and the potential producers agronomic study with Dr. Robinson.

#### V. Administrative Update

##### Website Redesign and Recipe Portal Upgrade

Wendy Boersema-Rappel reported the last website update occurred in 2015. In an effort to obtain better search engine optimization, the website is being refreshed to build the brand and focus on the simplicity of popcorn – a healthy seed to snack product. The new design is more user-friendly and accessible. Recipe pages will be tagged for quick reference and allow users to easily share on social media (Pinterest/Instagram/Facebook). There also will be an overall search option feature along with small animations and videos.

The new design is scheduled to launch September 1 in time for the beginning of the school year and Popcorn Poppin' Month.

#### MAP Application Filing

Flynn reported the Unified Export Strategy (UES) for MAP funding was filed two weeks ago for the 2021 operating year. PB requested \$500,000 to fund projects in Colombia, Costa Rica, Mexico, Southeast Asia, and a Global program that includes trade show activities, international website maintenance, the MRL advisor, and a non-GMO awareness campaign for Western Europe. Allocations are expected to be announced in the fall. She added the Bean Congress is not being held in Mexico in 2021. The U.S. Dry Bean Council is hosting BeanCon21 in Las Vegas March 2-4 and was not included in the board's UES because it is not recognized as an official USDA trade show. Currently the content is solely focused on beans, but that may change. If BeanCon21 takes place, the board would need to use board funds to participate. A decision on participation will be made on the board's 2021 budget conference call.

#### Survey Update

Brush advised a committee of himself, Tracy Boever and Sam Krug, have put together a survey to assess satisfaction with the board's programs and activities among those paying assessments. Boever reported an email would be sent the week of July 21 to the highest-ranking company member of the processors paying into the checkoff to complete the survey, and encouraged participation.

#### Nomination Update

Genny Bertalmio reported Rachel Foley and Dan Sleaford's terms expire December 31. A nomination package for the selection of two individuals to serve a three-year term beginning January 1, 2021 was sent to AMS for Secretary of Agriculture Sonny Perdue's consideration. The secretary also considers company size and location to keep with USDA's desire to equitably appoint board members to represent the popcorn processing industry. In the event appointments are not made by the end of the year, Foley and Sleaford continue to serve until successors are selected.

#### VI. Old Business

There was no old business to discuss.

#### VII. New Business

Flynn reported the board welcomed Dr. William "Scott" Whiteside, Clemson University, to the Advisory Panel representing packaging expertise. He replaces Dr. Keith Vorst whose term expired the end of May. Dr. Whiteside has long been engaged in developing packaging, packaging safety, and packaging composition conversion.

#### VIII. Time and Place of Next Meeting

The board will be polled to determine a date/time to meet in October to approve a 2021 financial budget.

#### IX. Adjournment

There being no further business, the meeting was adjourned at 10:23 a.m.

/gb



**The Popcorn Board  
Video Conference  
October 6, 2020**

**MINUTES**

**I. Call to Order**

The video conference was called to order by Chair Bill Brush at 1:32 p.m. CDT.

Attendance

Tracy Boever	American Pop Corn Company
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn
Dan Sleaford	Weaver Popcorn

USDA

Victoria Carpenter	AMS
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Staff

Deirdre Flynn	The Popcorn Board
Genny Bertalmio	The Popcorn Board

**II. Approval of Meeting Minutes**

It was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to accept the minutes of the July 16, 2020 meeting as presented.

**III. Treasurer's Report**

A. Year-End Forecast

Secretary/Treasurer Rachel Foley reviewed the 2020 forecast, noting:

- 19 processors are paying mandatory assessments of six cents per hundredweight. One company required to pay assessments is not in compliance; staff continues to follow-up.
- Currently 82% of shipments are being sold domestically with 18% exported.
- Mandatory assessments are forecast to be \$583,000, \$30,000 less than budgeted.
- Total administrative income, including interest, is anticipated to be \$584,599.
- The board received an ATP allocation of \$150,000 for activities in Southeast Asia and a MAP allocation of \$374,169 for activities in Colombia, Costa Rica, Mexico, Southeast Asia and a global (primarily trade show) activity.
- Total revenue is forecast to be \$1,108,768.
- Administrative expenses are expected to be \$156,939 compared to a \$183,722 budget, a savings of \$26,783 due to board, legal, commodity roundtable and staff travel.
- International program expenses are estimated at \$634,314, a savings of \$6,775 largely due to staff travel.
- Domestic marketing expenses are expected to total \$528,866, a savings of \$33,734 due to issues management, staff travel, fulfillment and the board survey. This amount does include the cost to compile the 2021 edition of the *Popcorn Agri-Chemical Handbook*, which will be published in February/March 2021.
- Total expenses are projected to be \$1,320,119 for a year-end loss of \$211,351.
- The board began the year with net assets of \$413,793 plus \$59,592 from prior year activity for a total of \$473,385 and spent \$6,075 to finalize the 2020 edition of the *Popcorn Agri-Chemical Handbook*. The forecasted loss of \$211,351 will reduce net assets to \$255,959 beginning January 1, 2021.
- The board has \$199,592 in certificates of deposit.

It was MOVED (Sleaford), SECONDED (Boever) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as presented.

B. Selden Fox 2020 Audit Preparation

Foley stated Selden Fox has done the Board's audit the past couple of years.

Following discussion, it was MOVED (Foley), SECONDED (Krug) and APPROVED UNANIMOUSLY to have Selden Fox complete the 2020 audit.

**IV. Discussion Items**

A. Board Survey

Tracy Boever reported the board survey was sent to 19 processors in July. Eight processors (42%) responded. Overall processors are happy with the Popcorn Board program. There are some questions pertaining to the international marketing program that can be addressed at a later date. She added the *Popcorn Agri-Chemical Handbook* received high marks, as did Issues Management. Brush thanked Boever and Krug for their participation on the committee and agreed the results indicated the Popcorn Board was doing a good job.

B. Domestic Marketing Plan

Deirdre Flynn reported the domestic marketing plan follows what has been done in the past and runs from January 1, 2021 through March 31, 2022 to incorporate the compilation of the *Popcorn Agri-Chemical Handbook*. The proposed budget is similar to 2020 and takes into account lower mandatory assessments on domestic sales due to current market conditions. Flynn added the plan includes proceeding with the Advisory Panel even though its relevancy was questioned in the board survey; if the Board feels the panel is not something we should be spending money on, the 2021 domestic marketing budget would be reduced by \$14,000. The plan, she noted, incorporates proactive issues management, continuation of fulfillment, materials development and distribution including recipe development, videos and Popcorn Poppin' Month support.

After some discussion, it was agreed to continue with the Advisory Panel.

C. International Marketing Plan

Flynn mentioned the Board is awaiting its 2021 MAP allocation to conduct activities in Colombia, Costa Rica, Mexico, Southeast Asia and a global activity, which is primarily trade shows and website maintenance, and anticipates a \$350,000 allocation. The board's ATP allocation of \$150,000 also will continue into 2021. The survey raised concern about participation in trade shows; the budget was not altered because funds earmarked for trade show participation can be redirected to other activities such as social media and web-based marketing due to current COVID conditions.

Discussion followed on trade show participation and leads generated. It was agreed trade show opportunities would be evaluated in 2021 with dollars shifting to other global activities such as expanding the Board's foreign-language websites and doing more virtual marketing if trade show participation is unavailable.

a. BeanCon21

Flynn reported BeanCon21 is scheduled to be held March 2-4 in Las Vegas. This is the replacement for the U.S. Bean Congress held in Mexico, which the Board has been a co-sponsor of utilizing approximately \$10,000 in MAP funding. This event cannot be supported with MAP funds because it is being held in the U.S. Based on where we anticipate international mandatory assessments to be, only \$20,000 is budgeted to support projects not covered by MAP funds. Discussion followed on the merits of spending a majority of that budget to sponsor BeanCon21. It was agreed to obtain additional information on the event and address participation during a future Popcorn Board meeting.

## **V. 2021 Approvals**

### **A. Operating Budget**

Flynn highlighted the proposed 2021 budget in board materials.

- Budget reflects mandatory assessments of \$580,000, with no budget for voluntary assessments or interest.
- The board anticipates \$350,000 in 2021 MAP funding.
- Expenses are very similar to 2020 with administrative budgeted at \$167,122; international marketing \$447,500; and domestic marketing \$397,600.
- Total revenue of \$930,000 against total expenses of \$1,012,222 will result in a net loss of \$82,222.

Net assets as of December 31, 2019 totaled \$413,793 plus \$59,592 identified by Selden Fox in the 2018 financial audit as an over accrual for AMS/FAS expenses. Less the cost to finalize the *Popcorn Agri-Chemical Handbook* and the forecasted 2020 loss, net assets beginning January 1, 2021 is forecasted to be \$255,959. A budgeted 2021 loss of \$82,222 results in forecasted net assets beginning January 1, 2022 of \$173,737. Flynn added the government likes the board to have a \$150,000 minimum in reserve.

It was MOVED (Sleaford), SECONDED (Krug) and APPROVED UNANIMOUSLY to approve the 2021 operating budget as presented.

It was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to approve the 2021 domestic and international marketing plans as presented.

### **B. Management Agreements**

Flynn noted SmithBucklin appreciates the opportunity to continue to work with the Popcorn Board and presented the administrative and marketing management agreements for services from January 1 through December 31, 2021 for consideration. She added the agreements are materially the same as in previous years and had been reviewed by the government and SmithBucklin.

It was MOVED (Krug), SECONDED (Boever) and APPROVED UNANIMOUSLY to contract with SmithBucklin for 2021 administrative and marketing services.

## **VI. Old Business**

Dan Sleaford asked about popcorn's eligibility in the Coronavirus Food Assistance Program (CFAP). It was the consensus that popcorn was included as corn.

## **VII. New Business**

### **A. Board Appointments**

Victoria Carpenter reported the nomination package was sent forward to Secretary Sonny Perdue, and was awaiting his appointments. Genny Bertalmio added Dan Sleaford and Rachel Foley will continue to serve until December 31 or when their successors have been appointed by the Secretary.

## **VIII. Time and Place of Next Meeting**

The board will meet after the Secretary makes the board appointments to elect 2021 officers. The 2021 Annual Meeting will be scheduled for March.

## **IX. Adjournment**

There being no further business, the video conference was adjourned at 2:24 p.m. CDT.

/gb

**The Popcorn Board  
Video Conference  
February 4, 2021**

**MINUTES**

**I. Call to Order**

The video conference was called to order by Chair Dan Sleaford at 3:04 p.m. CST.

Attendance

Tracy Boever	American Pop Corn Company
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn
Dan Sleaford	Weaver Popcorn Bulk

Absent

Bill Brush	Popcorn County USA
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USDA

Victoria Carpenter	AMS
George Webster	AMS

Staff

Deirdre Flynn	The Popcorn Board
Genny Bertalmio	The Popcorn Board

**II. Mexico Marketing Activities**

Deirdre Flynn reported the Popcorn Board (PB) had previously utilized \$10,000 of MAP funding to co-sponsor the International Dry Bean Congress along with US Dry Bean Council, USA Dry Pea and Lentil Council and the USA Sunflower Association. The Congress brought together buyers of pulses from Mexico and Central America for presentations by each commodity, and one-on-one meetings between processors/suppliers and distributors. In the years PB participated as a sponsor, two or three processors participated in the Congress. Following the event, the list of participants was disseminated to the industry for follow-up.

For 2021, the lead cooperator, the US Dry Bean Council, chose not to host the Congress, and instead, planned a bean-centric event in Las Vegas in March. Due to the pandemic, that event has moved from an in-person to a virtual conference. Since the meeting is in the US, it was not included in PB's 2021 UES, and MAP funding cannot be utilized for financial support. The US Dry Bean Council offered other cooperators an opportunity to be an event sponsor, but that support did not include content/programming development. This activity does not fall within the domestic program. PB has a small budget (\$20,000) to support international activities not covered by MAP funds. Items covered with PB's international funds (those assessments collected on international sales) go to things such as product purchases for sampling, giveaways, etc.

The agency in Mexico, Mercalimentos, managers of the Congress and other trade servicing activities for many of the above-named cooperators, has developed two activities which could garner PB sponsorship: One is a virtual trade mission in March, the exact date to be determined, and the second is a healthy snack trade webinar on Feb. 25. Only the Sunflower association currently is supporting the trade mission; Pea and Lentil and Sunflower are supporting the Feb. webinar. The cost for the Board to participate in these two events is approximately \$8,000, \$4,000 per event. There could be an additional \$1,000 per event based on translator and material needs.

Flynn expressed there are challenges with both events: a concrete date and time has not yet been established in March for the trade mission; the webinar content proposed to PB includes food-processing



technology, which is not the kind of information PB has readily available. The close Feb. date for the webinar also is concerning to confirm applicable content.

There is also a financial constraint. Without prior knowledge of these events, they were not included in PB's 2021 UES and cannot be funded by MAP dollars. PB's budgeted \$20,000 supports activities/items that cannot be reimbursed by ATP and/or MAP funding, such as participating in an Embassy event that showcases American products. In addition, \$10,000 of the \$20,000 budget is dedicated to the firm that writes the Board's UES, which has been successful in getting the Board a \$350 - \$400,000 allocation each year. Supporting these two events out of PB's controlled funds would leave no financial support to our approved MAP and ATP activities. PB must be the sponsor for the events; individual popcorn companies are not eligible to sponsor or participate on their own.

She added the issue was being brought before the board because a processor had requested PB reconsider the opportunities to fund these activities.

Discussion followed on the use of PB's limited dollars, planning, the audience for each event, and the opportunities for the popcorn industry to participate and make meaningful contacts. It was proposed that PB could, if interested, investigate whether or not PB could host its own virtual event, with a similar agenda – general report on the popcorn industry and PB's efforts to promote US popcorn, and one-on-one meetings between popcorn industry participants and the trade.

Following discussion, it was agreed to seek a proposal from the Mexico agency to conduct a popcorn-specific virtual trade mission in May or June with opportunities for one-on-one processor meetings with the Mexican trade as part of the Board's MAP trade servicing activities. This could replace or complement existing trade servicing activities, already funded through MAP dollars.

It was MOVED (Boever), SECONDED (Krug) and APPROVED UNANIMOUSLY to not participate in the Mexico virtual trade mission and healthy snack trade webinar.

### **III. Adjournment**

There being no further business, the video conference was adjourned at 3:14 p.m. CST.

/gb

The Popcorn Board  
Annual Board Meeting  
March 15, 2021  
Video Conference

MINUTES

I. Call to Order/New Board Member Recognition

Chair Dan Sleaford called the meeting to order at 1 p.m., Central. Victoria Carpenter acknowledged the reappointments of Rachel Foley and Sleaford to serve a consecutive three-year term expiring December 31, 2023. Both will receive an electronic certificate and letter from the Secretary of Agriculture.

ATTENDANCE

Tracy Boever	American Pop Corn Company
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn Bulk LLC

USDA

Amber Beseli	FAS
Victoria Carpenter	AMS
Zack Henderson	FAS
George Webster	AMS

STAFF

Genny Bertalmio	The Popcorn Board
Wendy Boersema-Rappel	The Popcorn Board
Deirdre Flynn	The Popcorn Board

GUESTS

Steve Antolick	SmithBucklin
Larry Bruyer	Schlessman Seed Co.
Brian Churchill	Preferred Popcorn LLC
Dennis Demshar	Crookham Company
Todd Gable	Metzger Popcorn Farms
Rosi Hernandez	Preferred Popcorn LLC
Kevin Gillespie	Ag Alumni Seed
Brian Hamilton	Weaver Popcorn Hybrids
Jay Hulbert	Ag Alumni Seed
Norman Krug	Preferred Popcorn LLC
Clay Robinson	Illinois State University
Carlton Smith	American Pop Corn Company
Garrett Smith	American Pop Corn Company
Ilene Smith	I ON FOOD
Brad Thada	Weaver Popcorn Hybrids
Scott Whiteside	Clemson University
Aaron Whalen	Ag Alumni Seed

II. Approval of October 6, 2020 and February 4, 2021 Video Conference Minutes

It was MOVED (Boever), SECONDED (Krug), and APPROVED UNANIMOUSLY to accept the minutes from the October 6, 2020 and February 4, 2021 video conferences as presented.

### III. Treasurer's Report

#### Financial Update

Secretary/Treasurer Tracy Boever gave the financial update. Highlights included:

- One company is not in compliance in remitting 2020 assessments; staff continues to follow-up with the company.
- 80% of 2020 assessments collected are for domestic sales; 20% are for international sales.
- January financials currently reflect unaudited 2020 net assets of \$324,933.
- Audit will reflect the Board will have more assets due to higher mandatory assessments collected and savings in domestic promotional material development.
- As of January 31, the Board's checking account was \$165,214. There were times last year when the account was slightly over the \$250,000 FDIC insurance limit, but that wasn't for longer than a week and was primarily due to collections and bill paying being slowed due to the pandemic.
- The Board has Certificates of Deposit totaling \$159,542.
- The 2021 mandatory assessment rate continues at 6 cents per hundredweight. Collections begin in April.
- Based on unaudited figures, the \$82,222 budgeted loss plus the cost to finalize 2020 projects, namely, \$9,750 for the 2021 Agri-Chemical Handbook and \$46,469 for the Purdue microbial study, will reduce net assets beginning January 1, 2022 to \$246,084.

It was MOVED (Foley), SECONDED (Krug) and APPROVED UNANIMOUSLY to accept the Treasurer's Report as presented.

#### Audit Update

Genny Bertalmio reported Selden Fox, AMS and staff had the audit entry call on February 10. The audit begins the week of March 22, with a draft expected at the end of April. After an exit call with Selden Fox and AMS, Selden Fox will present the audit for approval to the Popcorn Board via conference call.

### IV. Administrative Update

Deirdre Flynn welcomed new AMS marketing specialist George Webster and SmithBucklin Account Executive Steve Antolick, who will be stepping into her role at the end of the year.

#### Financial Management Practices/Operational Policies & Procedures/Code of Ethics

Flynn reported the Financial Management Practices and Operational Policies & Procedures have been updated to comply with revised AMS Guidelines. The reserve policy also was revised, per AMS' suggestion, allowing for three years of average monthly expenses. The reserve limit was raised from up to \$150,000 to \$252,550. Following Board approval, these documents will be submitted to AMS for approval. Flynn requested board members initial and sign the code of ethics and return to headquarters. She also noted AMS now needs to approve all PB international contracts and promotions.

It was MOVED (Boever), SECONDED (Foley) and APPROVED UNANIMOUSLY to approve the revised Financial Management Practices, Operational Policies & Procedures/Code of Ethics as presented.

#### Global Strategic Plan

Flynn stated the Global Strategic Plan is updated annually, following the Board's UES submission, noting the document included in board materials has an updated Global Market Analysis section. Once the 2022 UES is completed, she added, the document will be updated again and submitted to the board for approval at its next meeting.

## V. Subcommittee Discussions

### A. Technical

Technical Subcommittee Chair Brian Churchill shared discussions from the committee's March 1 video conference. Highlights included:

- Popcorn Agri-Chemical Handbook The 2021 edition of the handbook was published and postcards were received announcing its publication. Staff is researching making the Handbook more accessible on mobile devices.
- Purdue Microbial Research Study Update Purdue is asking for an extension to March 31, 2022 to finalize the study.

It was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to extend the deadline for the Purdue Microbial Research Study to March 31, 2022.

- Jeff Waggoner, Fumigation Services, reported EPA has not updated phosphine gas since 1998; it's up for review and different qualifications for point of use may be issued.
- Illinois State Producers Agronomic Practices Survey Proposal With carbon footprinting becoming more of an issue, Churchill directed board members to the Illinois State University (ISU) proposal for an agronomic practices study to support that popcorn producers are already utilizing growing and soil management best practices. ISU will develop the survey, which will be provided by processors to their growers. Following discussion, processors were encouraged to submit survey questions to headquarters for ISU's consideration. The survey is expected to be fielded from June – August. Survey results are anticipated by March 31, 2022.

It was MOVED (Krug), SECONDED (Boever) and APPROVED UNANIMOUSLY to approve up to \$11,000 to support the Illinois State Producers Agronomic Practices Survey.

- Ga1 Alleles Churchill reported Jay Hulbert is monitoring the Ga1 issue and advised Blue River Organic Seed is testing Ga1 in some of their organic non-GMO field corn. Hulbert will continue to work with the American Seed Trade Association (ASTA) on this issue and hopes to have more to report after ASTA's June event. Dennis Demshar added if Ga1 is in organic field corn, it will not be carrying a GMO trait, and therefore the popcorn crop should not test positive for GMOs.
- Packaging Advisory Panel Presentation Flynn introduced Advisory Panel member Scott Whiteside, PhD who provided background on his work with Clemson University.
- Agriculture Advisory Panel Presentation Advisory Panel member Clay Robinson, PhD presented his agriculture observations. A copy of the presentation is attached and made a part of these minutes.

### B. International Marketing

International Marketing Subcommittee Chair Norm Krug shared discussions from the committee's March 1 video conference, noting the Board is spending ATP and MAP funding in Mexico, Colombia, Costa Rica and Southeast Asia. Promotions in China have been suspended due to the NGO registration requirements. Highlights included:

- 2017-2020 Compliance Review Flynn introduced Amber Beseli, PB's new FAS marketing specialist, and reported PB underwent a virtual MAP compliance review January 4-11. Compliance staff sampled claims from 2017 through October 2020 for program expenses that totaled just over \$900,000. Also reviewed was travel by the Board's in-country agencies to conduct activities, fraud prevention and contracting guidelines. Flynn added the exit interview did not reveal any findings, but we are awaiting the final report. Also discussed were recommendations on improving our claim management process for future reviews.



- 2020 ATP/MAP Recap Flynn referenced results of the Board's ATP activities in Vietnam and MAP promotions in board materials. Promotions changed dramatically due to COVID-19, and shifted from in-store to digital promotion.
- 2021 ATP/MAP Activities ATP activities continue in Vietnam and the Philippines through September 2021 with MAP activities to be conducted in Colombia, Costa Rica, Mexico, and Southeast Asia. PB's global activities include website maintenance, a non-GMO awareness campaign in Western Europe to remind consumers that popcorn is a non-GMO product, and a subscription to the International Maximum Residue Level (MRL) Advisor.
  - Mexico Trade Mission Krug emphasized since Mexico is the largest export customer for popcorn, it would be worthwhile to conduct a virtual trade mission in June. Content would include an update on U.S. popcorn and the opportunity for processors to have one-on-one meetings with the trade. The estimated cost of \$5,000 is covered in PB's MAP trade servicing budget.

It was MOVED (Brush), SECONDED (Foley), and APPROVED UNANIMOUSLY to conduct a virtual Mexico trade mission in June as a MAP trade servicing activity.

  - 2021 UES Feedback Letter Flynn referenced the FAS feedback letter to improve PB's MAP programs and application.
- 2022 UES Submission Flynn reported the committee wants to investigate the Middle East, Panama, Honduras and South America countries - Peru, Ecuador and Chile - as potential new markets to add to the existing markets and global activities in the 2022 UES. She cautioned not all countries can be added because PB has limited dollars to support its in-kind contribution. To add a country, she noted, the Board would need to reduce its presence in another country. Staff will research these markets and potential opportunities and make a recommendation. Trade show participation in the Middle East, in the U.S. pavilion for the Gulfood Show, for example, could potentially be a start. Findings will be reported to the committee and added to the 2022 UES.

#### C. Domestic Marketing/PR

Domestic Marketing Subcommittee Chair Tracy Boever shared discussions from the committee's March 2 video conference, noting the Board's primary market to promote popcorn to is the primary snack food purchaser for each household worldwide (moms with kids in the home), with the second being snack food purchasing influencers (consumer and trade). She encouraged the industry to follow the Popcorn Board, like and share its content to help organically grow the number of people seeing our promotions. Highlights included:

- 2020 Recap Boever reported influencers on social media have millions of followers; getting the word out to them is much more cost effective than running various ads. Monthly marketing emails featuring photos, recipes and feature stories are sent to influencers, bloggers, writers and editors who are capable of reaching a greater audience.
- Wendy Boersema-Rappel reported a National Popcorn Day online media kit was created and forwarded electronically to media.
- www.popcorn.org was revised. Improvements included home-page video, recipe page upgrades, new photography and the return of the "Ask Poppy" feature. The redesign also improved search engine optimization and ADA compliance.
- Six new recipes were created, including a new recipe for National Popcorn Poppin' Month, and eight editorial photos created, bringing the library to more than 200 recipe photographs and 75 editorial/lifestyle photographs that support messaging.
- 20 new how-to recipe videos were created and added to the website and YouTube channel.
- Six new educational videos covering math, science, art and social studies featuring Power Pop characters, and a new slow motion popping video also were created and added to the site.
- An interactive, online media kit was shared with media contacts for Popcorn Poppin' Month.

- With the pandemic effecting schools across the globe and remote learning becoming the norm, the 11<sup>th</sup> Popcorn Pep Club contest still saw creative ideas submitted and four awards given.
- Mat releases included “Snack Hacks That Really Pop”, a total ad equivalency of \$1,648,500 and a ROI of 95:1; “Popping Up Festive Holiday Fun”, a total ad equivalency of \$1,186,358 and a ROI of 118:1; “Pop Up New Traditions This Holiday Season”, a total ad value of \$8,480.
- The weathercaster promotion had an editorial value of \$550,000 and a ROI of 17:1.
- The board partnered with 72 Point to create a survey-led news story focusing on movie viewing habits during COVID and included several questions about popcorn, such as: preferred method of preparation – 49% microwave, 30% stove, 21% RTE; favorite flavors – 30% butter, 18% salted, 14% white cheddar, 10% cheddar, 9% kettlecorn; how often consumed – 1-3 times per week. This had a local broadcast publicity value of \$38.2K.
- Website analytics included 434,000 page views, with 1.5 pages viewed per session; visitors spent an average of one minute on the website, and 1.16 sessions per user. Sessions increased 13%, mobile traffic increased 13% meaning more people are viewing it on their mobile devices. Top traffic sources include Google organic search (nearly 70%), direct traffic (17.5%), FamilyFeatures.com (5%); Social Media (1.5%) Bing organic search (1%)
  - The most popular web pages were: Nutritional Information; Different Types of Corn; From Seed to Snack; Early History of Popcorn; What Makes Popcorn Pop?, Our Story; Recipes; A History of Popcorn and Corny Facts/
- 32,250 Facebook, 900 Instagram, 591 Pinterest and 592 Twitter follow PB on social channels. Boever encouraged all to like and share to build PB's credentials.

2021 Marketing Plan Boever provided the following highlights:

- Create more seasonal video content that can be shared on the website as well as on social media.
- Do more seasonal promotional materials to engage media year-round.
- Possibly create a monthly newsletter for consumers – recipe-of-the-month that would allow us to collect email information and keep connected to our audience.
- Consider diverting print/postage budgets to digital and social advertising, including Google search and display campaigns to further reach and build website traffic.
- Use a portion of printing budget to subscribe to a tool like Feathr to remarket content to website visitors.
- Plan and budget for regularly paid boosted content on Facebook/Instagram and create promoted content on Pinterest.
- Re-engage TAG Worldwide (Canada) Inc., formerly THP, for placements in specialty campaigns, i.e. influencer or blogger campaigns.
- Continue to invest in new video content.
- Create more visual content for the website.

Issues Management Boever mentioned key issues are nutritional value, packaging, chemical migration, *trans* fats, genetic modification, allergenicity, and more. Flynn added COVID actually helped from an issue management perspective because the focus was on the virus and less on day-to-day health/nutritional topics.

Mushroom Popcorn Definition Flynn reported Popcorn Institute leaders suggested the board change the online definition of mushroom popcorn to: “Mushroom-shaped popcorn has a spherical center with a rough surface.”

Nutrition Advisory Panel Presentation Flynn introduced Advisory Panel member Ilene Smith, MS, RD who presented on consumer food/nutrition trends. A copy of the presentation is attached and made a part of these minutes.

## VI. Old Business

### Popcorn Institute (PI) Activities Update - Section 32 Food Purchase Program

Flynn stated the Popcorn Board requested the Institute work with USDA to determine whether popcorn would qualify for Section 32 product purchases by the government. The Section 32 program provides overstock of commodities to the nation's food banks. After review, USDA declined to include popcorn in the program at this time. Flynn stressed USDA makes purchases based on products being requested by food banks, in quantities and packaging recipients would typically find in the grocery store. Staff will continue to monitor the program, and if appropriate, re-engage in conversations with Section 32 program administrators to see if popcorn can be added to the program.

## VII. New Business

### Budget Amendment

Deirdre Flynn reported the ATP and MAP budgets were placeholders. The budget amendment reflects an ATP budget of \$123,520, MAP budget of \$371,895 and a budget not to exceed \$11,000 to conduct the producers agronomic practices survey to be completed by March 31, 2022. This increases the budgeted net loss to \$93,222, which will be funded by the board's current net assets. Assets beginning January 1, 2022 are forecasted to be \$235,084. Net assets are likely to increase following the audit.

It was MOVED (Boever), SECONDED (Krug) and APPROVED UNANIMOUSLY to amend the budget as presented.

### Nomination Process

Genny Bertalmio reported Tracy Boever, Bill Brush and Sam Krug's terms expire December 31; all are eligible to serve a consecutive 3-year term. Processors who processed over 4 million pounds in 2020 are eligible to nominate themselves and other individuals for consideration by the Secretary of Agriculture to serve on the board. The nomination form and instructions on how to complete will be sent to processors in April requesting the nomination forms be returned to headquarters by May 1. Bertalmio reminded the Secretary considers diversity, geographic location and company size when appointing board members to serve.

## VIII. Time and Place of Next Meeting

### 2020 Audit Conference Call

The board will meet to review and approve the 2020 audit when completed by Selden Fox.

### Combined Seedsmen Field Day

The seedsmen are tentatively planning to host the Combined Seedsmen Field Day August 26 in the Omaha, Neb. area. If the Field Day can take place, the Popcorn Board is invited to meet. If the event cannot move forward, the Seedsmen are considering a winter 2022 event in a warm-weather location. The board will determine when/where the next meeting takes place when Field Day plans are finalized. The plots will be planted.

## IX. Adjournment

There being no further business, it was MOVED (Foley), SECONDED (Boever) and APPROVED UNANIMOUSLY to adjourn the video conference at 2:36 p.m.

/gb

# 2021 Agronomy Update Popcorn Board

Clay Robinson, PhD, CPSS, CCA

[c.drdirt.robinson@gmail.com](mailto:c.drdirt.robinson@gmail.com)

806-236-5956

1

## Agronomy Trends

- Technology advancement slower than in packaging and processing
- Not as volatile as markets and marketing
- Even when the knowledge and technology are available, technology transfer and adoption is slow
  - Sociology, cost, increased management skill, etc.
- So I repeat the same themes

2



## Past topics



- 4Rs Nutrient Management
- Environmental issues: water quality
  - Nutrients lost from fields enter streams, lakes, rivers, and the Gulf
  - Possible solutions
- Tillage systems, erosion, and carbon loss
- Herbicide resistant weeds, integrated pest management
- Soil health, cover crops
- Precision agriculture

3

## Precision Agriculture

- Variable rate nutrient application
- Variable rate seeding
- Change varieties across the landscape
- Imagery: satellite and drones
- ***Irrigation – IRTs on center pivots***

4

## Soil Health

- Tillage management
  - Decrease frequency and intensity
- Cover crops
- Increase soil organic matter
  - ***Carbon sequestration, markets***
- Soil “health” tests
  - ***What do the results mean?***
- <https://www.npr.org/2021/02/24/967376880/new-evidence-shows-fertile-soil-gone-from-midwestern-farms>



5

## “Wonder” Products: Sold, not Bought

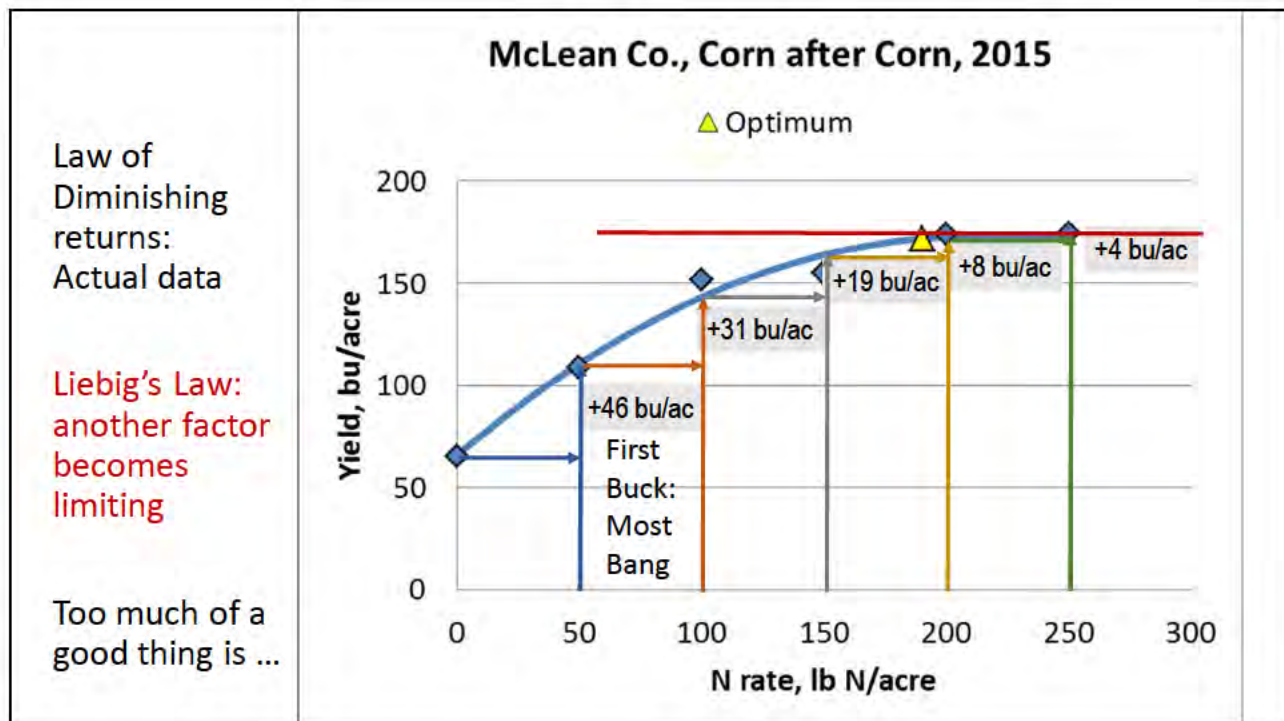
- Many forms
  - Proprietary mixtures, e.g., micronutrients + soil microbes
  - Humates, Humic solutions
  - Super Absorbent Polymers
- Question of scale!
  - How much will do what?
- Others: Pivot add-ons to improve water quality

6

## The Deceptive Lure of Maximum Yield

- Maximum yield contests encourage all the wrong management practices! (even on a small portion of the field)
- Optimum profit should be the goal (lower yields, but fewer inputs)
- Law of Diminishing Returns
- Liebig's Law of the Minimum
  - <https://www.youtube.com/watch?v=sbmGqnLEWDA>

7



8

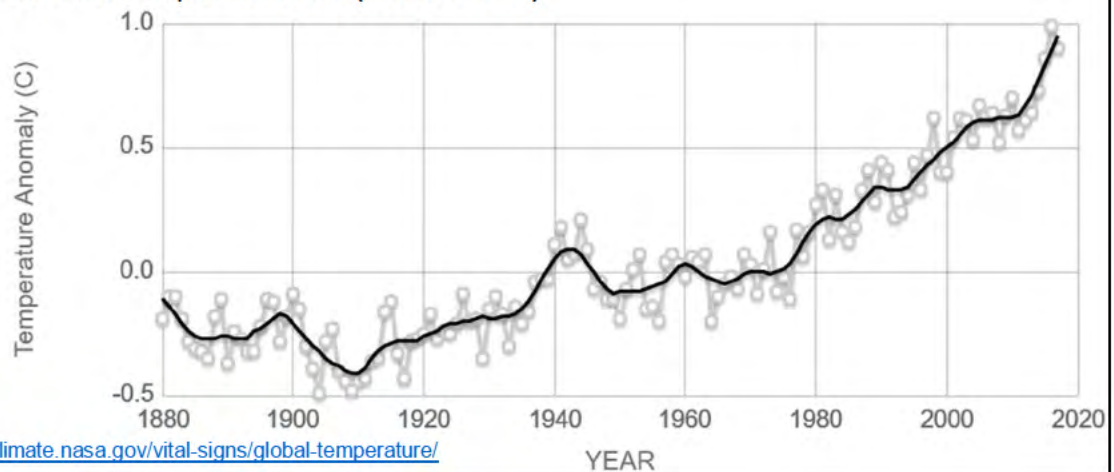




9

## Changing Climate: Warming planet

- Weather  $\neq$  Climate: events vs. long-term trends
- 18 of 19 **hottest** years on record (137 years) occurred since 2001
- $\uparrow$  0.15-0.20  $^{\circ}\text{C}$  per decade ( $\sim$ 0.3-0.4  $^{\circ}\text{F}$ )

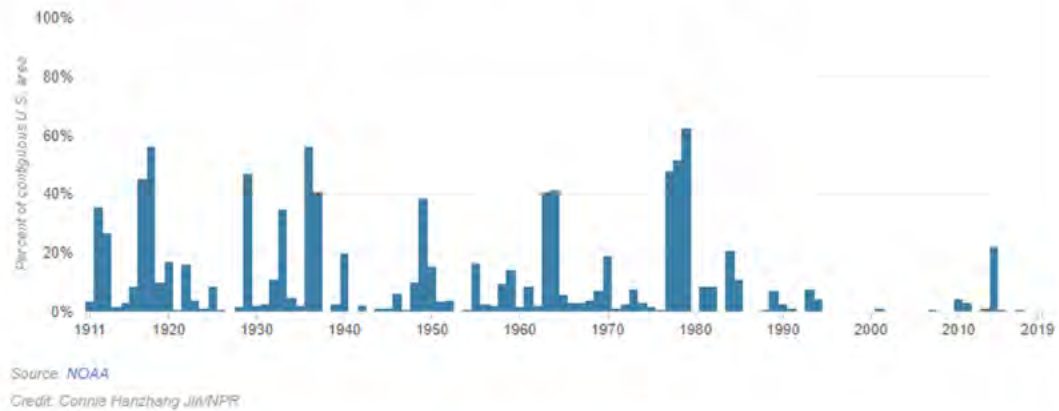


10



## Changing Climate: Warming Planet

- Warmer Winters: Relative area (Lower 48) with extremely cold (lowest 10% of historical record)
- 4 **warmest** winters occurred since 2016



<https://www.npr.org/2020/02/18/803125282/how-warming-winters-are-affecting-everything>

11

## Warmer Winters: Implications

- ***Less insect pest die-off in freezing temperatures***
- Midwest
  - **Possibly decreased soil organic matter: more decomposition in shorter winter with warmer temperatures**
    - *Decreased fertility and water-holding capacity*
    - *Increased erosion susceptibility*
  - **Increased erosion potential: more runoff when rain falls on frozen ground (compared to melting snow)**
  - Fewer chilling hours for fruit/nut trees: reduced production or crop failures
  - Ice-fishing and winter sports threatened (thinner ice, less snow)

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## Summary: Questions?

- Precision irrigation
- Carbon sequestration
- Soil Health tests
- Wonder products
- Maximum yield
- Warming planet
- Clay Robinson, PhD, CPSS, CCA
- [c.drdirt.robinson@gmail.com](mailto:c.drdirt.robinson@gmail.com)
- 806-236-5956

# Food, Nutrition and Snacking Trends

Prepared by Ilene V. Smith, MS, RD for  
Popcorn Board  
March 15, 2021



# A LOOK BACK ON 2020



# WHERE WE WERE HEADED

Plant-based &  
partially plant-  
based

Sustainable

FODMAPs, pre-  
and pro-biotics

Intermittent  
fasting, keto and  
intuitive eating

Pro- and pre-  
biotics

CBD

Diet gets  
personal

Sugar reduction  
and alternatives

Going viral

# THE ELEPHANT IN THE ROOM

- Changed our priorities
- Brought some trends further into the forefront



GOING  
VIRAL



**EAT SEAFOOD  
AMERICA!**

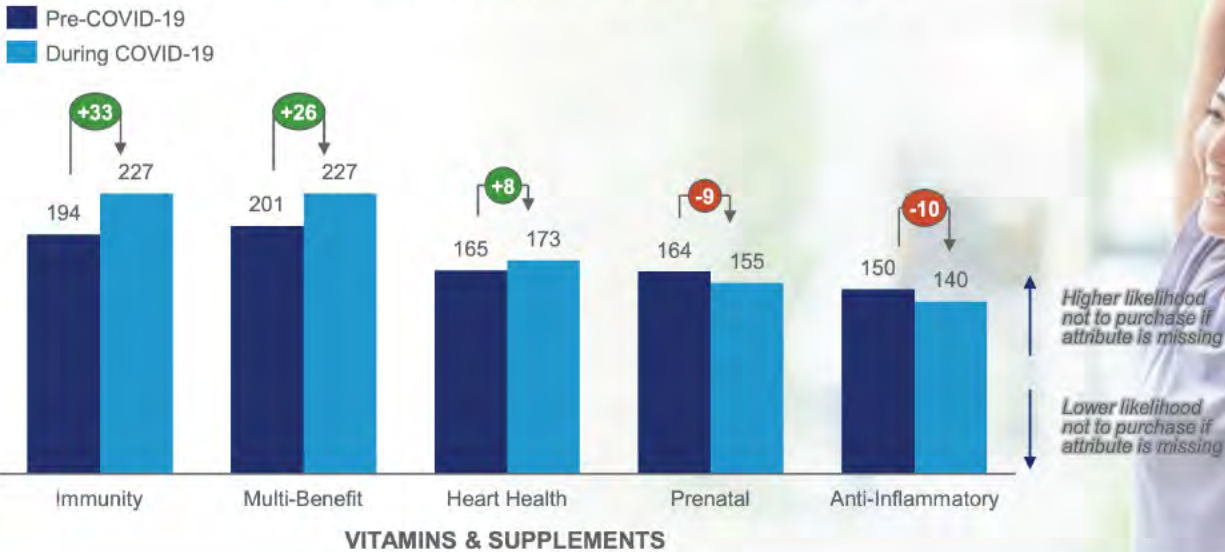
**HELP SUPPORT YOUR  
IMMUNE HEALTH**



IMMUNITY IS THE  
TOP SELF-CARE  
BENEFIT  
CONSUMERS ARE  
SEEKING

Example: Shoppers Prefer Self-Care Benefits

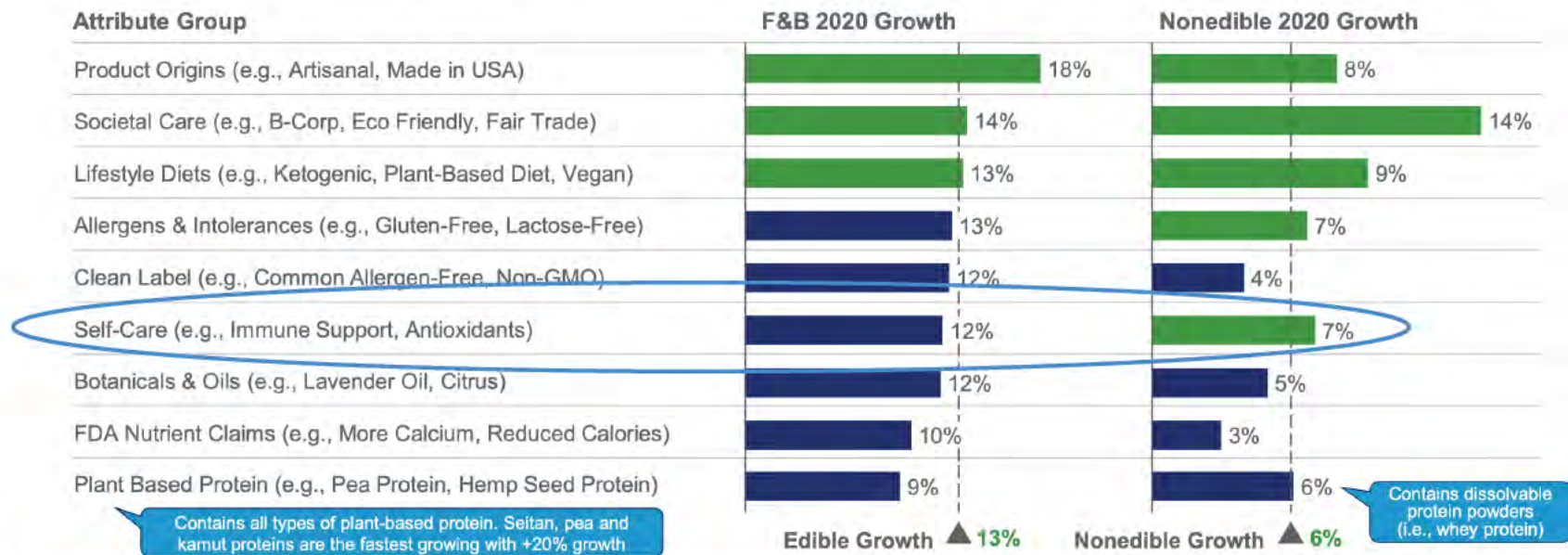
Shopper Loyalty Index to Product Attributes Pre- & During COVID-19



Note: Pre COVID: time period ending 2/29/2020. During COVID from March 1, 2020. Based on attributes shoppers look for in product choice. Source: IRI Hendry analysis, IRI Consumer Panel.  
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## Dollar Sales Growth of Products With Attribute and Benefit Types – MULO+C, 52 WE 12/27/20



Note: Growth based on sum of relevant claims within group. Excludes ingredient label-based attributes. Source: IRI POS Data, Label Insights Claims; MULO+C, Data ending 12/27/2020

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# BUT THE VIRUS ISN'T THE ONLY THING DRIVING CONSUMER BEHAVIOR

# WHAT ELSE IS NEW?



CLIMATE CHANGE BECOMES  
THE NEW SUSTAINABLE



GET COOKING!



PUTTING GROCERIES AT  
YOUR FINGERTIPS



GETTING COMFY



SOCIAL EATING



TRAVELING TASTEBUDS



FOOD SCIENCE'S NEW  
MEANING





CLIMATARIAN IS THE NEW SUSTAINABLE



Since the start of COVID-19's impact across the United States, do you pay greater attention to any of these issues? Select all that apply.

	Money I spend on groceries	The ability to find products	The healthfulness of the food	Food wasted from meals eaten at home	Environmental impact of products	Packaging used in products I buy	I don't pay greater attention
Total	46%	39%	35%	28%	22%	20%	16%
Men	42%	38%	36%	25%	26%	22%	15%
Women	51%	40%	35%	30%	19%	18%	17%
Less than \$40K	48%	37%	32%	27%	15% ↓	19%	18%
\$40K-\$79K	47%	41%	36%	27%	21%	17%	18%
\$80K+	43%	40%	40%	31%	30% ↑	26% ↑	10% ↓
White	45%	41%	34%	28%	20%	20%	19%
African American	45%	34%	37%	28%	26%	19%	11%
Hispanic/Latinx	45%	27%	35%	28%	31%	24%	14%
Under 45	42%	33% ↓	36%	32%	26% ↑	25% ↑	10% ↓
45-64	47%	44%	36%	25%	20%	19%	19%
65+	54%	45%	32%	22%	15%	8% ↓	28% ↑
Non-college	44%	39%	31% ↓	25%	18%	18%	21% ↑
College	48%	39%	40%	30%	25%	22%	11% ↓

YOUNG, WHITE CONSUMERS MORE CONCERNED ABOUT ENVIRONMENTAL IMPACT



# FOOD SCIENCE TAKES ON NEW MEANING







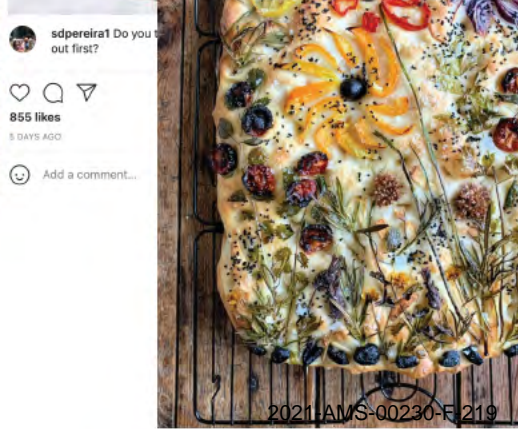
# CONSUMERS GET COOKING!

# LETTING YOUR TASTEBUDS DO THE TRAVELING



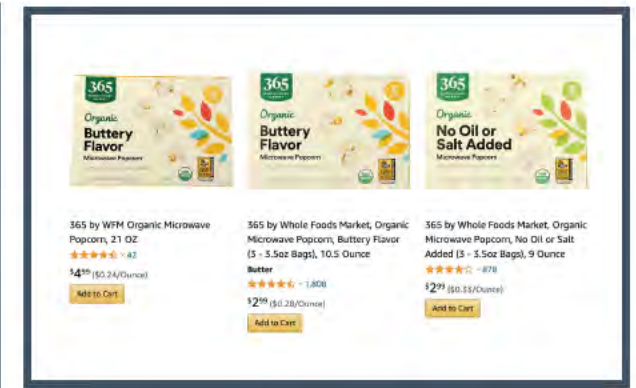
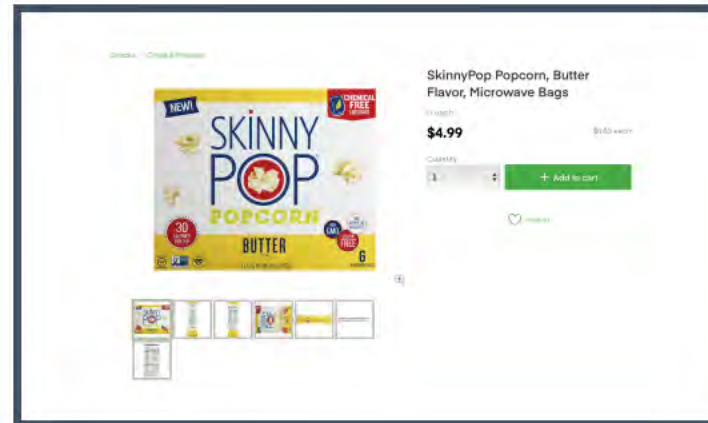
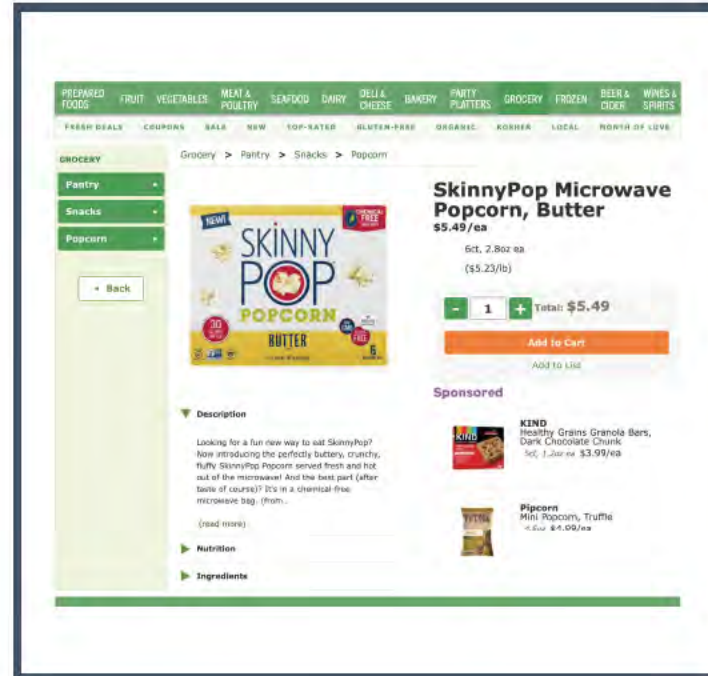


# PLAYING WITH YOUR FOOD



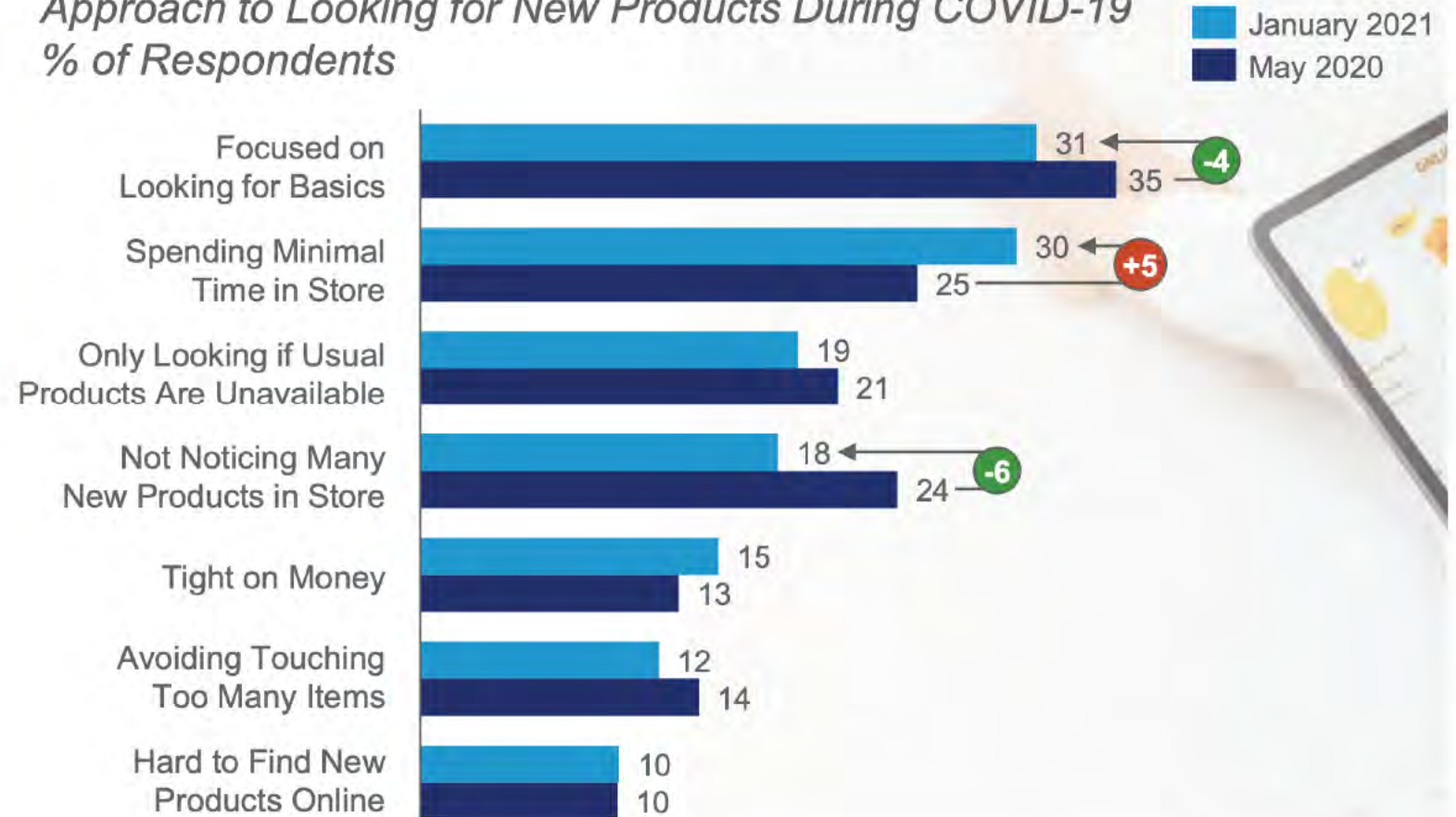


# PUTTING GROCERIES AT OUR FINGERTIPS



# CONSUMERS STICKING BY THEIR FAVORITES; RELUCTANT TO TRY ANYTHING NEW

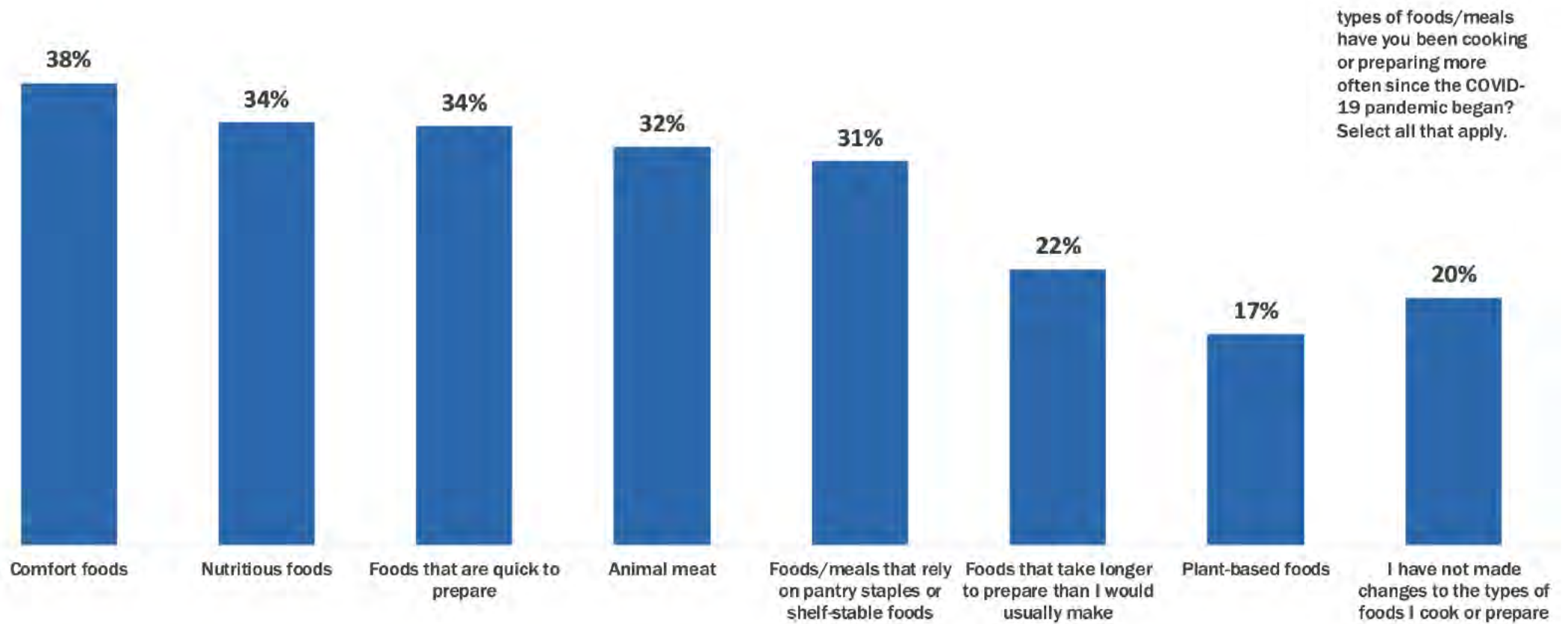
*Approach to Looking for New Products During COVID-19*  
% of Respondents







# GETTING JUST A BIT COMFY

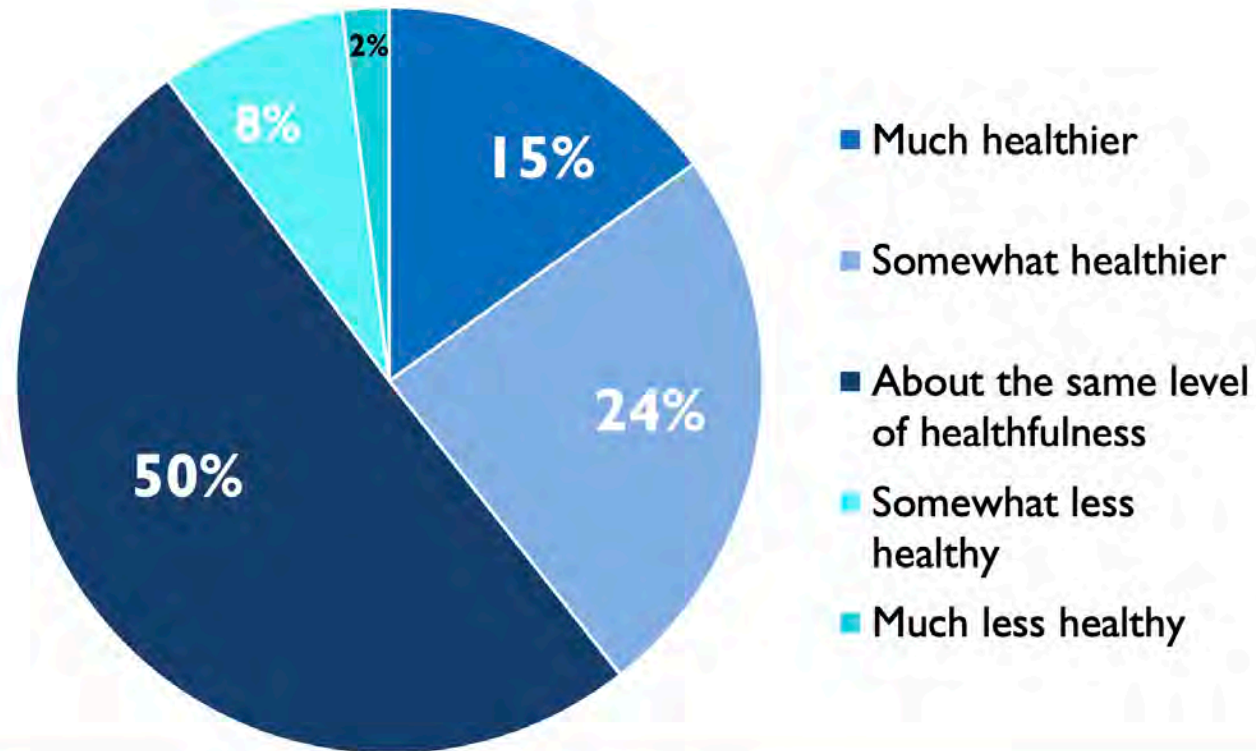


# BUT CONSUMERS ARE DIVIDED



## Nearly 4 in 10 say they're eating at least somewhat healthier compared to pre-pandemic

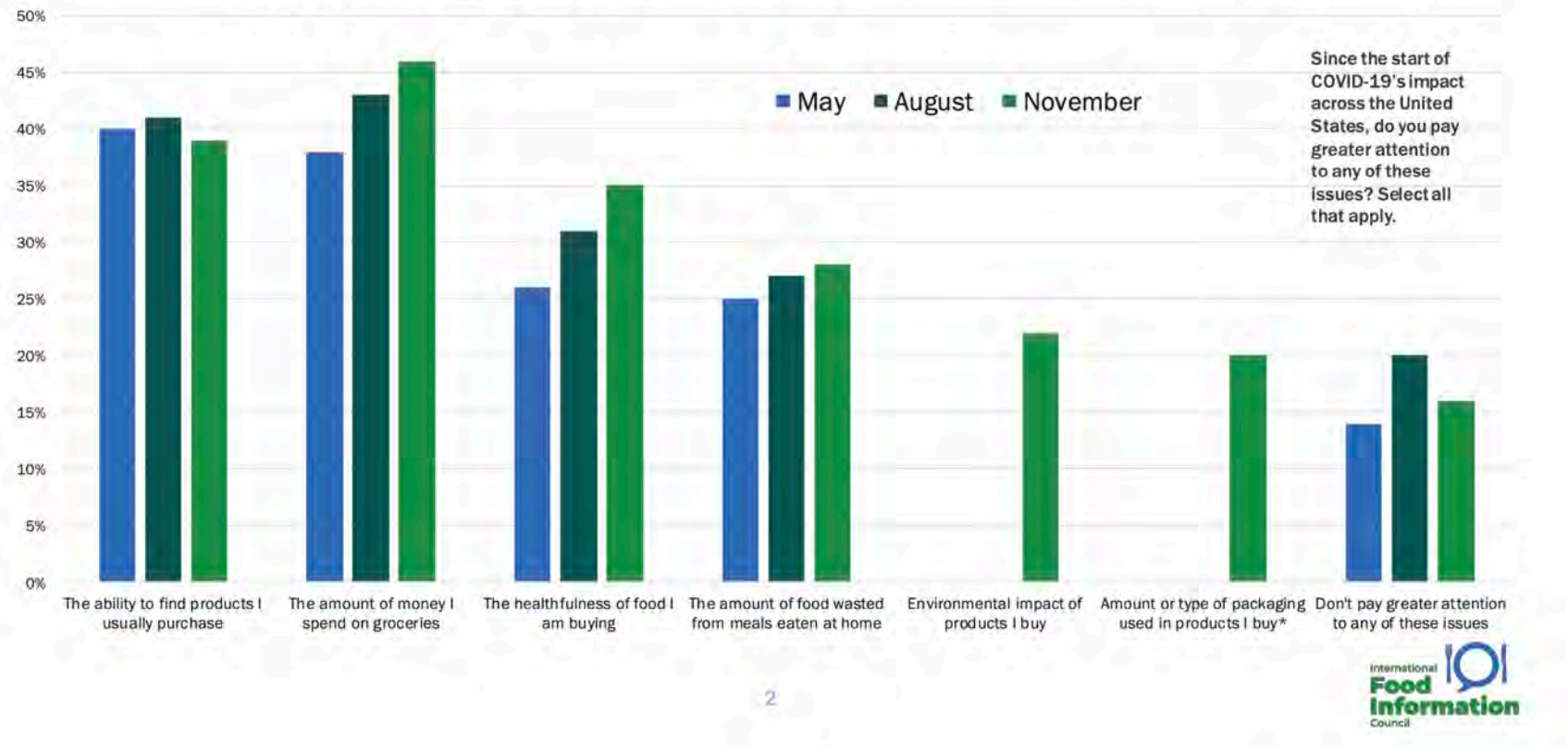
**39% report eating at least somewhat healthier vs. 43% in May 2020**



Compared to before COVID-19 began impacting the United States, do you consider your current eating habits to be:

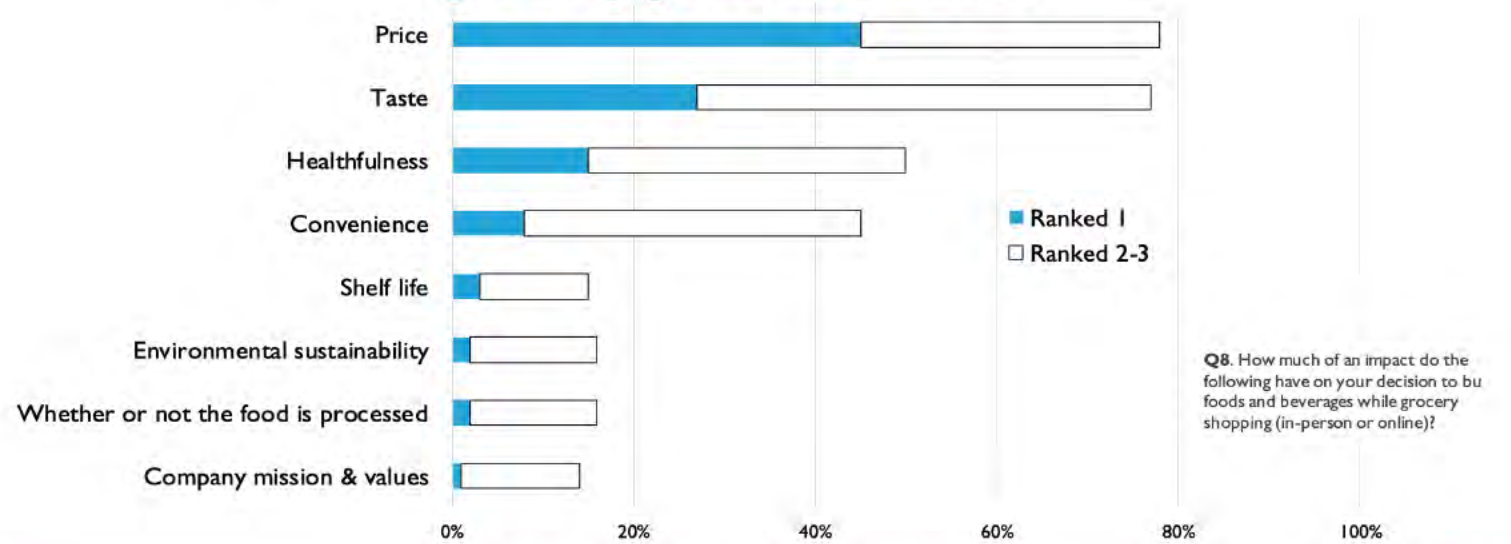
# IMPORTANCE OF HEALTH CONTINUES TO GROW

## An increasing number of people are paying greater attention to the amount of money they spend on groceries and the healthfulness of foods purchased



# YET TASTE IS STILL KING

**Environmental sustainability, degree of processing, a food company's mission/values lag far behind price and taste as grocery purchase drivers**



EATING PATTERNS & COVID-19 | IFIC SEPTEMBER 2020 | FOODINSIGHT.ORG



# CONSUMERS ARE SNACKING MORE POST-COVID

## 1 in 3 report snacking more often since COVID-19 pandemic began



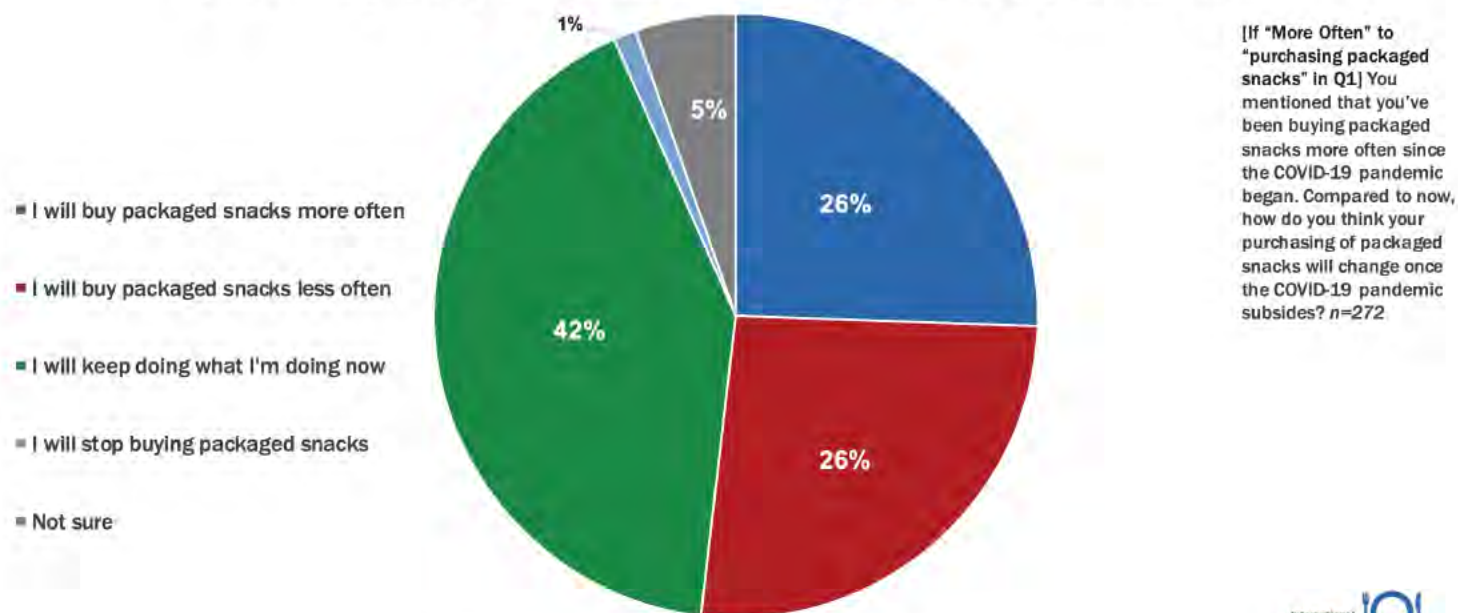
**Q2.** What changes, if any, have you made to your snacking habits since the COVID-19 pandemic began? Select the response you most agree with for each item below.

EATING PATTERNS & COVID-19 | IFIC, SEPTEMBER 2020 | FOODINSIGHT.ORG



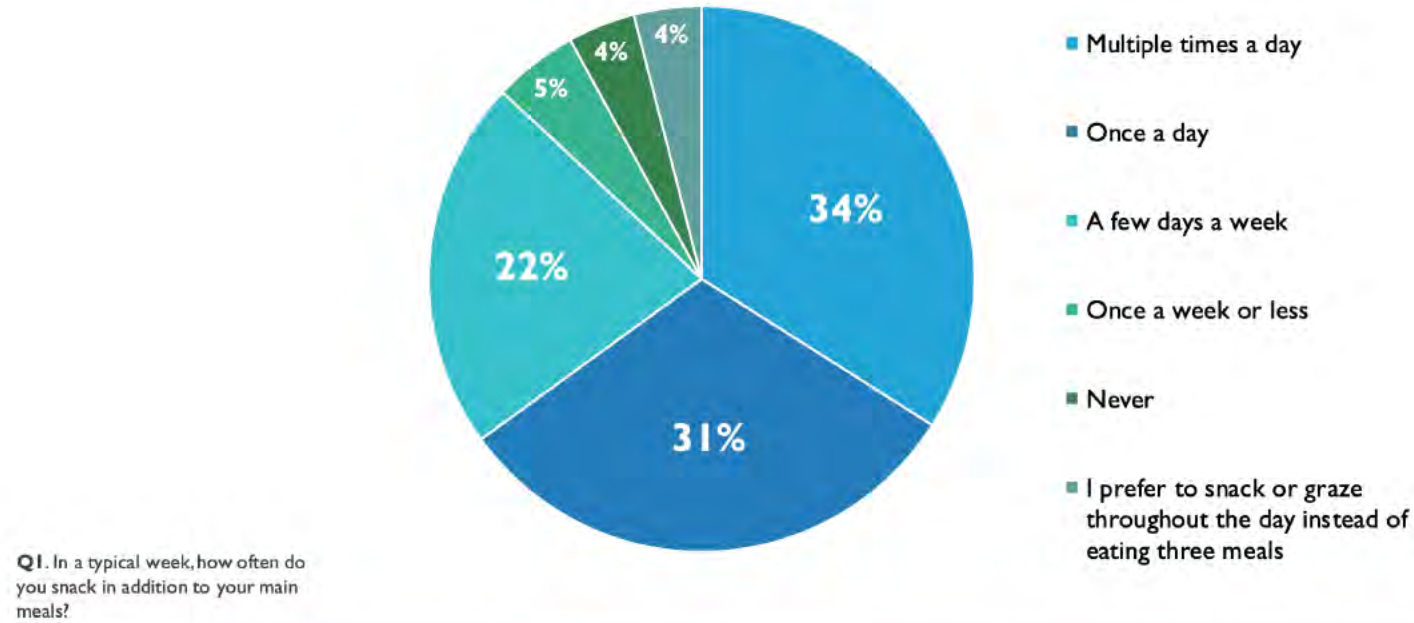
# THE SNACKING HABIT IS HERE TO STAY

Nearly seven in 10 who've been buying packaged snacks more often say they'll continue doing so post-pandemic



COVID-19 | FEBRUARY 2021 | FOODINSIGHT.ORG

## 1 in 3 consumers snack multiple times each day

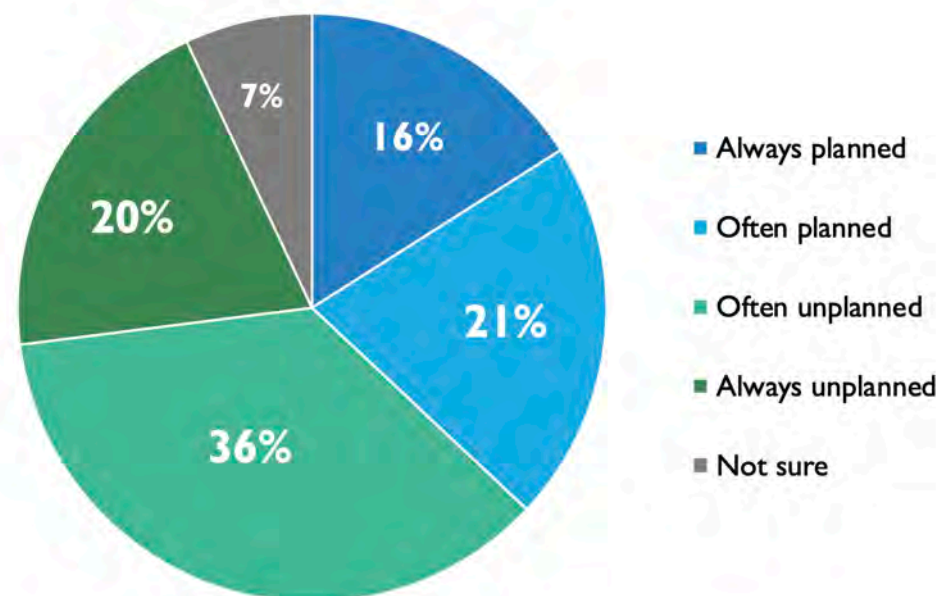


EATING PATTERNS & COVID-19 | IFIC SEPTEMBER 2020 | FOODINSIGHT.ORG

# AND MOST ARE SNACKING SEVERAL TIMES A DAY

THEY'RE NOT  
PLANNING  
AHEAD

More than half say their snacks are often or always unplanned



Q4. When thinking about your snacking habits, are your snacks:

EATING PATTERNS & COVID-19 | IFIC SEPTEMBER 2020 | FOODINSIGHT.ORG

# APPENDIX



**Q11.** Compared to before COVID-19 began impacting the United States, do you consider your current eating habits to be:

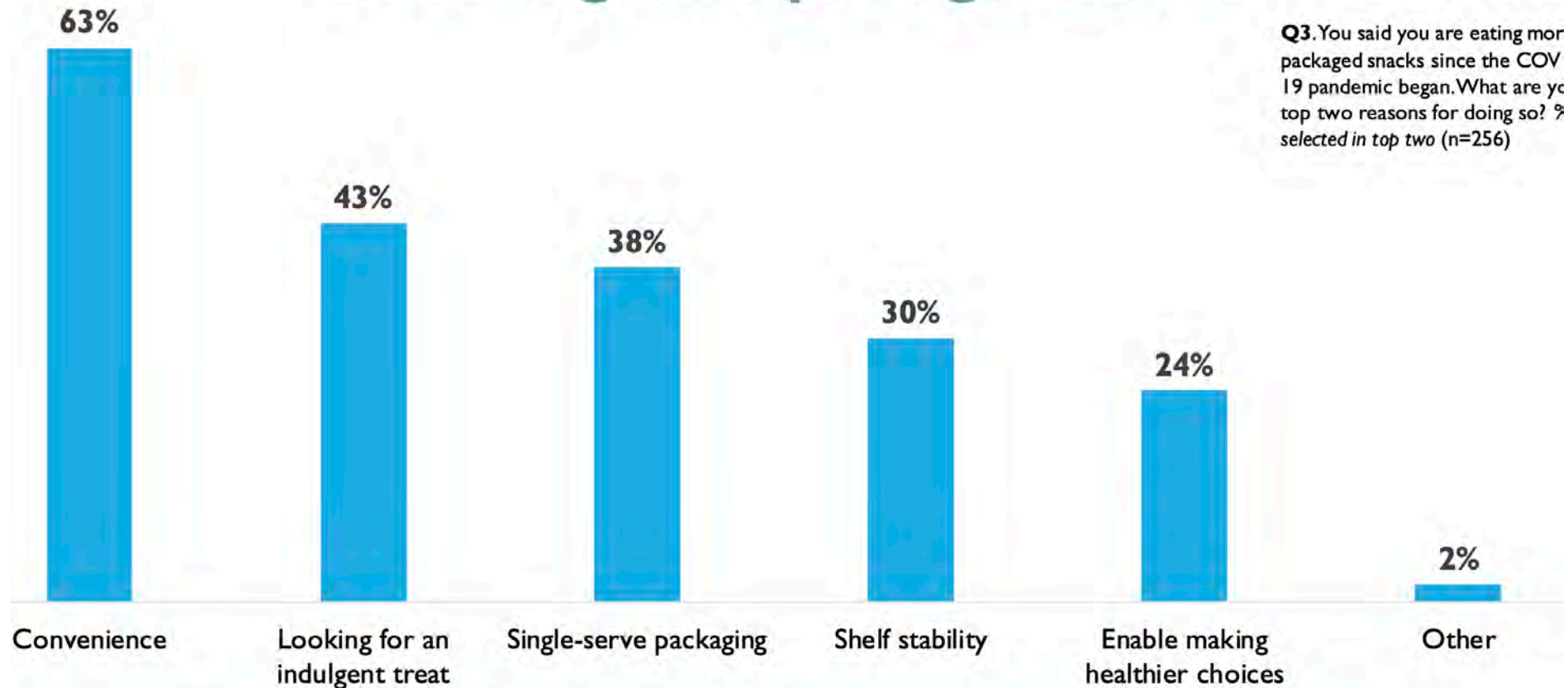
	<b>Much healthier</b>	<b>Somewhat healthier</b>	<b>About the same</b>	<b>Somewhat less healthy</b>	<b>Much less healthy</b>
Total	15%	24%	50%	8%	2%
Men	21% ↑	22%	49%	7%	1%
Women	10% ↓	27%	51%	8%	3%
White	14%	21% ↓	56% ↑	7%	1% ↓
African American	20%	32%	35% ↓	7%	5%
Hispanic/ Latinx	18%	30%	37% ↓	9%	5%
Under 45	21% ↑	29% ↑	37% ↓	9%	4% ↑
45-64	14%	21%	56%	8%	1%
65+	3% ↓	20%	73% ↑	4%	0%
Northeast	19%	29%	43%	7%	1%
Midwest	9% ↓	22%	61% ↑	7%	0%
South	20%	23%	48%	6%	3%
West	15%	24%	47%	10%	4%
Non-college	12%	22%	56% ↑	7%	3%
College	19%	26%	46% ↓	8%	1%

Which of the following types of foods/meals have you been cooking or preparing more often since the COVID-19 pandemic began? Select all that apply.

	Comfort foods	Nutritious foods	Foods that are quick to prepare	Animal meat	Pantry staples	Foods that take longer to prepare	Plant-based foods	I have not made changes
Total	38%	34%	34%	32%	31%	22%	17%	20%
Men	34%	37%	34%	34%	27%	23%	17%	19%
Women	41%	32%	34%	31%	35%	22%	17%	22%
Less than \$40K	34%	26% ↓	36%	36%	32%	19%	14%	20%
\$40K-\$79K	39%	36%	30%	30%	32%	22%	16%	22%
\$80K+	40%	42% ↑	36%	33%	31%	28%	23% ↑	15%
White	37%	33%	32%	31%	31%	22%	15% ↓	24% ↑
African American	34%	39%	34%	27%	28%	22%	24%	14%
Hispanic/Latinx	38%	30%	40%	43%	31%	20%	23%	13%
Under 45	36%	36%	35%	34%	34%	24%	22% ↑	11% ↓
45-64	40%	34%	34%	33%	27%	25%	16%	23%
65+	36%	32%	30%	27%	32%	13%	7% ↓	38% ↑
Non-college	38%	28% ↓	36%	34%	28%	17% ↓	12% ↓	25% ↑
College	37%	40% ↑	32%	31%	34%	27% ↑	22% ↑	16% ↓



## Majority report convenience as the reason they are consuming more packaged snacks



# THANK YOU!

- FOR MORE INFORMATION, CONTACT

ILENE V. SMITH, MS, RD  
| ON FOOD

[ILENESMITHRD@GMAIL.COM](mailto:ILENESMITHRD@GMAIL.COM)



The Popcorn Board  
Video Conference  
June 30, 2021

MINUTES

I. Call to Order

Chair Dan Sleaford called the video conference to order at 2:30 p.m. CDT.

ATTENDANCE

Tracy Boever	American Pop Corn Co.
Bill Brush	Popcorn County USA
Rachel Foley	Conagra Brands
Sam Krug	Preferred Popcorn LLC
Dan Sleaford	Weaver Popcorn

USDA

Victoria Carpenter	AMS
George Webster	AMS

STAFF

Steven Antolick	The Popcorn Board
Genny Bertalmio	The Popcorn Board
Deirdre Flynn	The Popcorn Board

GUEST

Bob Wujek	Selden Fox
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II. 2020 Financial Audit

Bob Wujek, senior vice president, Selden Fox, presented the 2020 audit. Highlights included:

- Financial statements are consistent with those of the prior year and reflect a basically breakeven year.
- Operating revenues were \$843,324 versus expenses of \$858,568 resulting in a net loss of approximately \$14,000 after factoring in some minor interest.
- Spending is being matched against the revenues and monitored so as not to overspend in relation to budget and incoming cash flow.
- Statement of Cash Flows reflect a positive change because receivables were down.
- No new notes, same as prior year.
- Detail reflects actual compared to budget.
- Small finding associated with accrual of some grant payback provisions which management has responded to. This is an isolated incident also discussed with USDA-AMS and should not be an issue.
- There were no significant adjustments beyond the finding.

It was MOVED (Boever), SECONDED (Foley) and APPROVED UNANIMOUSLY to accept the 2020 audit as presented.

III. Old Business

Agronomic Practices Survey

Deirdre Flynn reminded the board the agronomic practices survey is underway. Staff is expecting to receive the surveys at the end of the week, which will then be forwarded to processors for distribution to their growers. Enough surveys were produced to accommodate a second mailing, if necessary. Survey results are expected to be released in early 2022.

#### Mexico and Latin America Trade Mission

Flynn added the board held the Mexico and Latin America Virtual Trade Mission June 23, with 18 buyers attending. Tracy Boever gave the Popcorn Board report during the morning informational session and processors participated in one-on-one business meetings with potential buyers in the afternoon. A survey will be sent to all participants for feedback on the June 23 meeting, and their interest in board-hosted trade missions.

#### UES Submission

Genny Bertalmio reported the board's 2022 UES for MAP funding was submitted June 25 and included a new trade show activity for the Middle East.

#### Board Nominations

Bertalmio added the period to nominate individuals to serve on the Popcorn Board was extended to July 1. Boever, Brush and Krug's terms expire December 31, and all are eligible to serve a second term.

#### IV. New Business

##### Field Day Meeting

Following discussion, it was agreed the board would meet in-person prior to the start of the Combined Popcorn Seedsmen Field Day, August 25, from 1 – 3 p.m., in Omaha, Neb. The agenda and meeting materials will be forwarded to the board mid-August.

#### V. Time and Place of Next Meeting

The board will be polled to determine a date/time for its virtual year-end meeting in October to approve the 2022 operating budget.

#### VI. Adjournment

There being no further business, it was MOVED (Krug), SECONDED (Boever) and APPROVED UNANIMOUSLY to adjourn the meeting at 2:50 p.m. CDT

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