

NATIONAL PROCESSED RASPBERRY COUNCIL

SeaTac Marriott, Seattle, WA

November 18, 2014, 9:00 a.m.

Board Attending:

<input checked="" type="checkbox"/> Sukh Kahlon	<input checked="" type="checkbox"/> Antonio Dominguez	<input type="checkbox"/> Hector Lujan
<input checked="" type="checkbox"/> John Clark	<input checked="" type="checkbox"/> Adam Enfield	<input checked="" type="checkbox"/> Rob Dhaliwal
<input checked="" type="checkbox"/> Rolf Haugen	<input checked="" type="checkbox"/> Brad Rader	<input checked="" type="checkbox"/> Jerry Stratton
<input type="checkbox"/> Karen Holzberg	<input checked="" type="checkbox"/> Eric Larson	<input checked="" type="checkbox"/> Jennifer Ryan

Alternates Attending:

<input type="checkbox"/> Gonzalo Bachelet	<input checked="" type="checkbox"/> Jon Maberry	
<input type="checkbox"/> Frank De Vries	<input checked="" type="checkbox"/> Mark Van Mersbergen	<input checked="" type="checkbox"/> Don Sturm
<input type="checkbox"/> Erin Thoeny	<input checked="" type="checkbox"/> Jon Cotton	
<input type="checkbox"/> Guilia Tanghetti	<input type="checkbox"/> William Beadle	

Others Attending:

<input checked="" type="checkbox"/> Tom Krugman	<input checked="" type="checkbox"/> Tarun Harit	<input checked="" type="checkbox"/> Henry Bierlink
<input type="checkbox"/> Tom Skilton	<input checked="" type="checkbox"/> Lisa Samuel	<input checked="" type="checkbox"/> Susan Hughes
<input checked="" type="checkbox"/> Janet Greenlee	<input checked="" type="checkbox"/> David Burk	<input checked="" type="checkbox"/> Jeff Gross
<input checked="" type="checkbox"/> Britt Burton-Freeman	<input checked="" type="checkbox"/> Val Shepler	

x = attending

o = absent

A. Call to Order; Establish Quorum; Review of Antitrust Guidelines

The Meeting was called to Order by Tom Krugman at 9:00 a.m. Roll call disclosed a quorum to be present. Guests were asked to self-introduce themselves. Tom went over the Council's Antitrust Policy noting that their primary purpose was to prohibit agreements or activities that lessen competition in order to protect the interest of consumers. The Guidelines prohibit discussion of pricing, geographic market allocation, supply limitations, and similar subjects.

B. Housekeeping

Tom stated that the first activity for this meeting was to elect Council officers, appoint committee chairs, and to appoint members to the two standing committees. On a motion by Rolf and seconded by Jennifer, John Clark, Rob Dhaliwal, and Brad Rader were unanimously re-elected as the Council's Chair, Vice-Chair, and Secretary/Treasurer, respectively.

John took the gavel and thanked the Council for its support and recognized the accomplishments over the last year. He said that unless there was objection from any member, or interest in the positions by any member, he would appoint Brad Rader and Adam Enfield as Marketing Committee Chair and Research Committee Chair, respectively, noting a need for continuity on these positions with both programs getting launched. No objection from members to these appointments was expressed. He went on to recognize current committee members, asking for anyone interested in serving to let him know as well as any member unable to continue to serve to notify him. Adam requested that Val Shepler, Milne Fruit Company, be added to the Research Committee.

C. USDA Report

Tarun thanked all Council and Committee members for their service to USDA and the raspberry industry. He then directed all members and alternates to the Conflict of Interest Certification document in the meeting folder, noting that it needed to be signed and returned to him before the meeting was over.

His next topic was nominations for Council positions set to expire December 31, 2015. He would be working with Tom on industry outreach. With staggered terms, there will be Council seats up for re-appointment two out of every three years.

Finally he reviewed the comment period for rulemaking regarding establishment of a 1% interest rate penalty on delinquent assessment. Comments were due by December 12, 2014.

D. Approval of May 29, 2014 Minutes

On a motion by Rob and seconded by Brad, the Minutes of the May 29, 2014 meeting of the NPRC were unanimously approved.

E. Executive Director Report

Tom briefly introduced members of the Salt and Company PR Team, noting that further introductions would be forthcoming during their presentation later in the agenda. He stated that this meeting was the first time all elements of the Council's activities were fully operational, with a research report by one of the contracted researchers the night before followed by presentation of the marketing plan by the Agency.

He then presented a review of the FY 2014 budget versus unaudited expenses, noting that he estimated income low and expenses high to present a conservative picture. Part of the discussion revolved around the timing of assessment collection, recognition that FY 2014 showed a fifteen month period, and the existence of a relatively small amount of delinquent assessment which were being addressed by Tom S.

Attention then turned to a pro forma budget projection over the next three years. The purpose of the projection was to capture the existence of investment in both research and marketing to get the program off the ground relative to budget implications in future years. His projection for research only reflected those multi-year projects currently underway and not the addition of new projects if the Council issues an RFP this coming Spring. Council members felt a "place holder" level of spending comparable to that shown for FY 2016 at minimum needed to be included in subsequent years to demonstrate its commitment to nutrition research. Tom said that in future years this document would be adjusted accordingly.

F. Executive Committee Report

John reviewed the Committee's meeting the previous afternoon. He summarized four potential budget amendments that had been recommended by the Committee for Council consideration.

The first concerned assignment of usage rights to the Council by the Washington Red Raspberry Commission for permanent use of the "taste you love, nutrition you want" trademark. There was a request for \$3,000 for assignment.

Next was a need to add \$7,500 to the budget to cover the full cost of the FY 2014 Audit. The budget as approved included \$7,500 with the contract for this activity at \$15,000.

Third was reconciling an inconsistency in the budget versus the contract for Dr. Noratto, the result of incorporating the matching fund value for FY 2015 rather than the Council's portion of the study into the budget. The proposed amendment would be in the amount of \$14,278.

Finally, Tom had presented a proposal for Dr. Burton-Freeman to develop a research manuscript for publication reviewing the current science of red raspberries and major red raspberry constituents as outlined in the Summary of Research Database. When completed, the manuscript would be submitted to professional journals for publication. The proposed cost of the manuscript was \$5,000.

On a motion by Brad and seconded by Adam, it was unanimously approved to amend the FY 2015 budget by \$29,778 to a total of \$1,869,583, and to amend each respective budget narrative to incorporate the activities presented by the Executive Committee for consideration.

G. Research Committee Report

Adam first thanked Britt Burton-Freeman for her presentation on raspberry research the previous evening. He stated that he did not realize how much research was being completed that was funded outside of the Council. He then directed members to a summary of current research projects which reflects the budget obligation or potential obligation in each of the next three years for the Council. He expected future funding to increase as a result of new projects identified through the RFP process.

Beginning next calendar year, the Research Committee will have regular conference calls every quarter to discuss funded projects. This is important as projects increase from four funded in FY 2014 to ten in FY 2015. Jennifer asked if there was anything negative in the research reports regarding raspberries. Tom answered that there was not, which opened discussion on getting information out to the industry on results. Discussion noted the importance of regular reporting on the projects as growers want to know how their money is being spent.

He concluded by noting a proposed USDA grant program that is currently being developed which would provide up to \$500,000 per year to R&P programs for research. Tom will monitor the program and keep the Committee updated as to its progress.

Discussion then turned to adding to the resources available to the Committee and the Council to help steer nutrition and post-harvest research. The need to have a Science Advisor under contract was proposed. Recognizing Britt's familiarity with food and nutrition, and her knowledge of raspberry research, she was asked as to her interest and availability to serve in that capacity. On a motion by Adam, seconded by Rolf, the Council unanimously approved further amending the FY 2015 budget by an amount not to exceed \$10,000 for time and expenses to contract Britt as its Science Advisor. As part of the motion, Tom was directed to work with Britt to develop a scope of work that would include but not be limited to assistance in developing an RFP and evaluating proposals received, reviewing and/or writing a column for the newsletter, participating in Research Committee conference calls and meetings, and provide oversight to the Council's research program.

H. Public Member Task Force

Tom began by recognizing members of the Task Force, Adam, Brad, and Rolf, and that he had been elected chair for the purposes of reporting on its activity to the Council. The Task Force had two conference calls to discuss potential members and/or alternates, with two individuals being identified that were willing and able to serve. There had been a number of names considered, but these other individuals were unable to commit to the time necessary to serve. First presented for consideration was Nicki Briggs, former Marketing Director for Chobani. In that role, Nicki had been responsible for public relations, influencer marketing, social media, digital engagement, customer service, corporate communications, executive visibility, government affairs, CSR, reputation management and nutrition strategy. Since leaving Chobani she has launched a private nutrition/wellness consulting and communication company.

The second candidate, Megan McKenna, has served as the marketing director for US Mangos. While there, Megan managed the consumer (including nutrition), retail and foodservice programs in addition to the website and assisted with produce trade, industry and board communications.

Brad was impressed with the experience these two individuals could bring to the Council and believed they would be an asset. Both had expressed a willingness and desire to serve as either the public member or the alternate, and recognized that it was a voluntary position with only expenses reimbursed.

After discussion on their qualifications, on a motion by Brad and seconded by Adam, it was unanimously approved to recommend to the Secretary, USDA, the appointment of Nicki Briggs as Public Member and Megan McKenna as Alternate Public Member.

I. Old/New/Other Business

To allow an uninterrupted Marketing Committee presentation after lunch, with the concurrence of the Council John moved Old Business, New Business, and Other Business forward in the agenda.

Tom presented the amended contracting policy as approved by the Council for incorporation into the Policies and Procedures Manual. On a motion by Rob and seconded by Jennifer, an amendment to the Policies and Procedures Manual incorporating a revised contracting procedures policy was unanimously approved.

Discussion then turned to Customs collection of importer assessments and the definition of a domestic first handler. There was question of how the Washington Raspberry Commission assesses Washington production versus how the Council treats growers that deliver to Canadian processors. Members were also brought up to date on the status of all assessment collection, both from domestic first handlers and importers.

In light of the increase in marketing activity and the Council now having a PR Agency of record, Rolf asked about the Council's mission statement, and asked that it be sent to the Council for review.

Finally, it was decided to hold the next meeting at Semiahmoo Resort in Blaine, WA on May 18-19, 2015, along with a tour of the industry.

J. Marketing Committee

Brad began by noting how excited he was about the addition of Salt and Company to the Council's team. He reminded the Council that the process began with RFPs being sent to twelve potential PR firms with ten responding with their qualifications. Of these, Tom had conducted site visits with six. Of those, four presented their qualifications and ideas to the Marketing Committee. He likened the four presentations to "speed dating" as each had 1-1/2 hours to present to the Committee. It was an exciting process, and felt all committee members had learned a lot about their business from a promotion perspective. The energy shown by Salt and Company, as well as its vision for where the raspberry program could go made the unanimous committee decision an easy one. Brad noted that Allison had come up to Lynden the day after being selected for a tour, and that some of the team had been in town just before the Council meeting to meet with members of the industry. He concluded by thanking the Council for authorizing the committee to make the final decision, which accelerated the process of getting the Agency on board at the beginning of the fiscal year.

Allison Beadle, president and founder of Salt and Company, was introduced by Brad and joined the meeting by Skype. She thanked the Council for its trust and the opportunity it presented to build a customized team focused on building demand for frozen raspberries. Since receiving the RFP to selection, she had immersed herself and the team into raspberries, working as though the NPRC was already her client. This allowed Salt to hit the ground running.

Before beginning the marketing presentation, Tom showed the Council the recently completed harvest video, entitled "A Family Tradition".

Tom then introduced members of the marketing team present at the meeting and their roles. Along with the team, he then presented the elements of the FY 2015 marketing program. An integrated program that will revise and update the website, assimilate the Council's existing social media program into the digital marketing strategy, conduct consumer and trade focused market research, effect trade and consumer media communications, educate the trade through professional events, and communicate directly with health care professionals was presented.

At the conclusion of the marketing presentation, one member of the team led the Council through an Issues Management Workshop to begin the process of building a proactive issues communications program.

ADJOURNMENT

There being no other business to come before the Council, on a motion by Brad and seconded by Jennifer, the meeting was unanimously adjourned at 4:05 p.m.