

**SOUTH DAKOTA BEEF INDUSTRY COUNCIL
BOARD OF DIRECTORS QUARTERLY MEETING
RED ROSSA CONFERENCE CENTER
PIERRE, SD
NOVEMBER 14, 2013**

President Pazour called the meeting to order at 8:05 AM CST.

SDBIC board members present were as follows:

Karla Pazour	SD Cattlewomen
Kodi Blotsky	SD Cattlewomen
Julie Holmquist	SD Cattlewomen
Wayne Tupper	SD Livestock Auction Market Association
Frank Volmer	SD Livestock Auction Market Association
Mike Maher	SD Farmers Union
Mary Ellen Cammack	SD Farmers Union
Sarah Caslin	SD Cattlemen's Auxiliary
Laurie Johnson	SD Cattlemen's Auxiliary
John Symens	SD Beef Breeds Council
VeaBea Thomas	SD Beef Breeds Council
Craig Bieber	SD Beef Breeds Council
Ernie Mertz	SD Stockgrowers Association
Gary Deering	SD Stockgrowers Association
Randy Volmer	SD Stockgrowers Association
Scott Jones	SD Cattlemen's Association
Todd Mortenson	SD Cattlemen's Association
Mike Gebhart	SD Farm Bureau Federation
Georgia Talsma	SD Farm Bureau Federation
Stacy Hadrick	SD Farm Bureau Federation
Ed Blair	Immediate Past President – Ex Officio
Linda Gilbert	Cattlemen's Beef Board
Vaughn Meyer	Cattlemen's Beef Board

SDBIC Board Members absent were as follows:

Justin Tupper	SD Livestock Auction Market Association
Eric Sumption	SD Farmers Union
Eileen Moller	SD Cattlemen's Auxiliary
Becky Walth	SD Cattlemen's Association

SDBIC staff present were Ron Frederick, Executive Director; Holly Swee, Director of Nutrition and Consumer Information; Teri Heninger, Finance Officer; and Tracey Walsh, Director of

Industry Relations. Staff absent: Briana Burgers, Nutrition Assistant/Director of Online Communications.

Guests present were as follows: Dr. Daniel Scholl, SDSU Ag Experiment Station; Dr. Joe Cassady, SDSU Animal Science Department Head; Todd Johnson, Federation Services Vice President; Lowell Mesman, SD Farm Bureau; and Pam Geppert, Dakota Farm Talk.

Pazour entertained a motion to adopt the agenda. Mertz moved, seconded by Blotsky. **Motion carried unanimously.**

Pazour entertained a motion to approve the minutes of the September 14, 2013 meeting as printed and dispensed in the meeting book. Deering moved, seconded by Maher. **Motion carried unanimously.**

FINANCIAL REPORT

A brief summary of the Profit and Loss was provided. Heninger highlighted the income accounts first, noting collections were down. She then went through the expense accounts, emphasizing the major expenses in each category. Heninger next summarized the Balance Sheet, noting the cash position as of November 13, 2013. Caslin moved, seconded by W. Tupper to approve the Financial Report. **Motion carried unanimously.**

DIRECTOR OF NUTRITION AND CONSUMER INFORMATION REPORT

Swee presented the Director of Nutrition report. A summary of her written report includes her attendance at the SD Association for Healthcare Organizations/SD Academy of Nutrition and Dietetics Association Annual Meeting and Expo; National Beef Ambassador Contest; Dakota Days; Association of Nutrition and Foodservice Professionals Conference; and Etc. for Her event.

Swee shared the positive feedback she has received from the FACS and ProStart Beef Programs. This is the sixth year the SDBIC has offered funding and resource materials for these programs and this year we had a total of 44 schools enroll impacting approximately 2,500 Middle and High School aged students. In addition, Family and Consumer Science teachers were allowed to partner with their school's Ag teacher to broaden their curriculum and share more "pasture to plate" learning opportunities.

Swee provided a PowerPoint presentation of the American Heart Association's *National Eating Healthy Day*. The SDBIC hosted cooking demonstrations showcased at the Naked Winery in Hill City, SD on November 1st and the Strawbale Winery in Renner, SD on November 9th. The events focused on lean cuts of beef as part of a heart-healthy diet. Numerous online, digital, radio and TV promotional efforts were provided leading up to the events for more exposure.

Upcoming events for Swee include:

- Swee will provide a beef presentation during the SD Farm Bureau Annual meeting on November 23, 2013.
- The SDBIC will participate in a Holiday Roast promotion and live radio remote at the Minnesota Ave Hy-Vee in Sioux Falls on December 19, 2013.
- Swee and Walsh will attend the SD Farm Bureau Young Farmers and Ranchers meeting on January 17, 2013 in Aberdeen, SD. Walsh will provide BQA training and Swee will provide a Beef Flavor Pairing demonstration.
- Swee will team up with SDSU Extension Meat Specialist Keith Underwood to provide a hands-on workshop to first and second year culinary students at Mitchell Technical Institute.
- The SDBIC is sponsoring Dr. Mike Rousell as a speaker during the SD Academy of Family Physicians annual meeting scheduled January 29-31, 2013 in Deadwood, SD. Dr. Rousell will present the BOLD research to attendees.
- Swee and Burgers will share beef wellness information at the Girl Scout's Glamor and Glitz Night on January 11, 2014 in Sioux Falls, SD. Approximately 550 age 8-18 year old girls are expected to attend the event.
- February is Heart Month and the SDBIC will be partnering with the American Heart Association in their Go Red for Women event in Sioux Falls on February 21st and the Rapid City Heart Ball event on March 1st. Additionally, SD Team Beef is partnering with Sanford Health on February 7th during the Go Red for Women Dash in Sioux Falls.

NUTRITION ASSISTANT/DIRECTOR OF ONLINE COMMUNICATIONS REPORT

It was noted that Burgers was unable to be present for the meeting; however, a written report of her recent activities was provided.

DIRECTOR OF INDUSTRY RELATIONS REPORT

Walsh provided the Director of Industry Relations report. The SDBIC partnered with Zoetis and Cross County Veterinary Clinic to provide necropsy training and BQA certification to approximately 35 people. Walsh has been coordinating efforts with SDSU Extension in developing materials SD Dairy Beef Quality Assurance on farm training opportunities.

Upcoming events for Walsh include BQA trainings for Mitchell Technical Institute 1st year Ag Students and attending the Range Cow Beef Symposium in Rapid City.

Walsh concluded her report by emphasizing the consumer interest in production practices. BQA Best Management practices are a tool that can be used to share production practices with consumers.

EXECUTIVE DIRECTOR REPORT

Frederick shared his Executive Director report. He summarized his written report by highlighting the SDSU Beef Bowl and USD Dakota Days Beef Up Your Game promotions. The SDBIC provided Beef Tailgater of the Game awards.

Frederick presented beef industry facts to approximately 35 millennial consumers during the 2013 Leadership Rapid City conference. He noted the group voiced their concerns on animal husbandry and how food is produced and labeled.

SDBIC staff recently attended the Partnerships In Action conference in Denver, CO. Frederick shared the shift in direction of the national checkoff's marketing and promotion efforts from traditional print and radio advertising to digital marketing. He noted millennial parents want to make the best food choices for their families and communicating the message about the nutritious benefits of beef is critical.

PRESIDENT'S REPORT

President Pazour and Executive Director Frederick introduced the new SDBIC Directors and provided a summary of their roles as a director. The new directors are: Randy Volmer, SD Stockgrowers; Kodi Blotsky, SD Cattlewomen; Laurie Johnson, SD Cattlemen's Auxiliary; Sarah Caslin, SD Cattlemen's Auxiliary; and Stacy Hadrick, SD Farm Bureau.

Pazour reminded the board of the policy on Director Standards. Incoming directors are required to attend the Director of Orientation meeting as well as all directors are required to attend three quarterly meetings per fiscal year. It was noted that the February Director of Orientation meeting in Denver was generally not a feasible time for most cow-calf producers. These concerns were addressed and other possibilities were discussed.

Pazour provided a brief summary of the Strategic Planning Session that was held the day before. The planning session enables the SDBIC Board of Directors to set policies and goals to guide the organization and provide direction for program implementation.

Pazour introduced Todd Johnson, Federation Services Vice President. Johnson thanked the SDBIC for their willingness to plan and for allowing him to facilitate the Strategic Planning Session. Johnson noted he utilized the Long Range Plan as a guideline in the planning process. He reminded the board that as checkoff resources continue to diminish we will have to be more efficient on how the dollars are utilized and focus on programs that are effective. Below is the 2015-2017 "Draft" Strategic Plan summarized by Todd Johnson.

South Dakota Beef Industry Council
DRAFT Strategic Plan for 2015-2017
November 13, 2013

Next steps

- November: Distribute draft plan to full board for consideration
- February 2014: Discuss, amend and take action by board on plan for use in developing 2015 marketing plan
- June/July 2014: Budget committee uses direction to set budget priorities
- September 2014: Board sets marketing plan based on budget priorities
- October 1, 2014: New fiscal year begins with marketing plan developed on new priorities

Vision Statement:

To be the primary source for accurate, trusted beef information.

Mission Statement:

Increase consumer beef demand and producer profitability.

Goals and Expectations:

- Serve the industry through a professional staff
- Insure integrity of the beef checkoff program through a qualified board of industry leaders committed to the financial integrity of the SDBIC and dedicated to a common focus
- Create partnerships that leverage SDBIC assets and industry knowledge to create synergy.

Strategic Priorities:

- **Improve the image** of the beef industry by educating influencers about modern beef production.
 - Focus on family ownership and operation of cattle businesses.
 - Educate about the use of modern technology in beef production.
 - Provide accurate information about incorrect perceptions regarding animal care and environmental impact of beef production.
 - Increase adoption of Beef Quality Assurance among producers and educate consumers about how this system insures safe, wholesome beef.
 - Target Audience: Food and lifestyle influencers.
- Educate health influencers about the **nutritional benefits** of beef in a balanced diet.
 - Focus on the natural nutrients of beef and how they help the body prevent (cancer, muscle wasting, need for supplements, etc.)
 - Leverage beef's diet satiety benefits and results of the BOLD study.
 - Demonstrate how beef fits into the diet of an active, healthy individual through Team BEEF engagement.
 - Target Audience: Health influencers and active lifestyle consumers.
- Educate consumers about the **convenience of beef** in a busy lifestyle.
 - Focus on beef as a part of social events.
 - Demonstrate how beef easily fits multiple meal events (breakfast, lunch, dinner) and versatility in menu planning.
 - Provide menu ideas that "modernize" beef.
 - Target Audience: Older Millennials and Millennial Parents
- Insure the **safety of beef**.
 - Enhance beef safety research.
 - Educate producers and supply chain partners about the value of BQA practices in raising healthy, wholesome beef.
 - Educate supply chain partners about safe beef handling practices.
 - Target Audience: Supply chain and research community.
- Support the growth of beef sales in **foreign markets**.

PROMOTION COMMITTEE REPORT

Bieber presented the Promotion Committee report. He summarized the committee's discussion on the process of evaluating proposals to provide measurable outcomes. Bieber noted the

committee reviewed three proposals of which they determined did not reach the SDBIC target audience. Bieber so moved, seconded by Maher. **Motion carried.**

EVALUATION COMMITTEE REPORT

Talsma next addressed the board. She noted the committee met the night before and discussed the objective and goals of the newly formed committee. The committee directed staff to develop a matrix as well as update the Authorization Request form to use as a tool in the evaluation process and to have available for approval at the March meeting. She noted the committee postponed discussion on SD State Fair promotions until the matrix is developed.

EXECUTIVE COMMITTEE REPORT

Vice President Wayne Tupper presented the Executive Committee report. The committee met on November 4th via teleconference as a follow up from the annual meeting. Tupper noted the committee did not grant the Executive Director a salary increase for FY 2014. Additionally, the committee directed the SDBIC President to enforce the Board of Director Standards policy. The issue of employee contracts versus the current SDBIC policy of at-will employment status was also discussed.

Tupper continued with the report noting the committee met again November 13, 2013 and granted staff holiday leave from December 24, 2013 through New Year's Day. The board next discussed the Executive Committee's recommendation to amend the Policy Manual. Tupper so moved, seconded by Holmquist to approve the Executive Committee report with the following Policy Manual changes. **Motion carried.**

- **MEETINGS**

The Board shall meet at least four times a year, but may meet more often if necessary. The fall meeting shall be the "Annual meeting". The budget shall be approved at the fall meeting for the following fiscal year.

Meetings of the Council are open to the general public. The Board may go into closed sessions for personnel negotiations, contract considerations, legal matters, or otherwise as the President may deem necessary.

The President and the Executive Director shall prepare the agenda. Any member of the Council may request an item to be placed on the agenda. Agendas shall include those items requiring Council approval including, but not limited to, the Council's minutes, budget and financial statements, personnel actions, and contracts of the Council. Notice of Board meetings shall be sent to Council members not fewer than two weeks prior to the meeting. Tentative agendas are to be sent no fewer than five (5) days before each Council meeting.

Meetings will be conducted in an orderly and business-like manner using Robert's Rules of Order (revised) as a guide except when such rules are superseded by the Council's rules or procedures. Voting in the Council shall be by member organizations, each organization

having one vote. Any action decided upon shall be by majority vote of the member organizations present. (Insert) - Voting rights may be exercised only by appointed directors in attendance at the meeting of the Council. ~~in person and by those in attendance at the meetings of the Council.~~

- **ANNUAL REPORT**

An annual report of the Council shall be prepared following each fiscal year. The report shall include a summary of activities conducted by the Council, national and international activities funded by the Council, and a financial summary.

The report shall show a general description of funds used for:

- National programs and projects;
- International market development; and
- In-state programs and projects.

This report will be made available to South Dakota producers. ~~is available to anyone requesting it and shall be distributed to a producer mailing list of beef producers.~~

Bieber so moved, seconded by Deering to amend the budget by allocating \$4,600 from Administration – Executive Director Salary to Promotion – Special Projects. Discussion followed. Pazour called for caucus. **Motion carried 7 ayes, 1 nay.**

Pazour called for Executive Session at 10:20 AM. Board reconvened at 11:05 AM.

CBB REPORTS

CBB Directors Linda Gilbert and Vaughn Meyer provided a brief summary. Gilbert noted that she is running for the Operating Committee again and noted it is her goal to receive input from producers. Meyer noted that he is up for re-election this year.

FEDERATION REPORTS

Federation Directors Scott Jones and Gary Deering provided a summary. Jones noted that the Sustainability Committee has not met since Summer Conference. Deering expressed his concern in regards to the diversity of state representation on the various national committees. He noted the benefits of sitting on different committees. Todd Johnson made mention that he would address the issue with the Federation and explore other committee options.

USMEF REPORTS

John Symens highlighted his written report. He noted that USMEF is made up of nine organizations that work together as a team. He thanked the SDBIC for allowing him the opportunity to represent South Dakota as a USMEF Director.

Pazour reminded the directors to complete their Conflict of Interest forms.

The board discussed efforts being provided for ranchers affected by the Atlas blizzard.

Pazour introduced Dr. Joe Cassady and Dr. Daniel Scholl. They provided a PowerPoint presentation and update on the SDSU Ag Experiment Station.

The next Board of Directors meeting will be March 5, 2014.

There being no further business Pazour declared the meeting adjourned at 11:57 AM.