

**South Dakota Beef Industry Council**  
**BOARD OF DIRECTORS QUARTERLY BOARD MEETING**  
**Ramkota River Centre**  
**Pierre, South Dakota**  
**November 23, 2015**

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

SDBIC board members present were as follows:

Eric Sumption, Vice President	SD Farmers Union
Mike Maher	SD Farmers Union
Mary Ellen Cammack	SD Farmers Union
Steve Hellwig	SD Livestock Auction Market Association
Justin Tupper	SD Livestock Auction Market Association
Karla Pazour	SD Cattlewomen
Erin Yost	SD Cattlewomen
Becky Walth	SD Cattlemen's Association
Todd Mortenson	SD Cattlemen's Association
Scott Jones	SD Cattlemen's Association
Mike Gebhart	SD Farm Bureau Federation
Stacy Hadrick	SD Farm Bureau Federation
Jeffrey Gatzke	SD Farm Bureau Federation
Ernie Mertz	SD Stockgrowers Association
Gary Deering	SD Stockgrowers Association
Randy Volmer	SD Stockgrowers Association
Kari Sanders	SD Cattlemen's Auxiliary
VeaBea Thomas	SD Beef Breeds Council
Craig Bieber	SD Beef Breeds Council
John Symens	SD Beef Breeds Council

SDBIC board members absent were as follows:

Wayne Tupper	SD Livestock Auction Market Association
Sarah Caslin	SD Cattlemen's Auxiliary
Laurie Johnson	SD Cattlemen's Auxiliary
Kodi Blotsky	SD Cattlewomen

SDBIC staff present were Suzy Geppert, Executive Director; Holly Swee, Director of Nutrition and Consumer Information; Teri Heninger, Finance Officer; and Tracey Walsh, Director of Industry Relations.

Guests present were Pam Geppert, Dakota Farm Talk; Dr. Daniel Scholl, SDSU Ag & Bio Sciences; Dr. Amanda Blair, SDSU; Dr. Ken Olson, SDSU; Dr. Joy Scaria, SDSU and Laurie Cope, SDARL.

Sumption welcomed SDBIC Executive Director Suzy Geppert. Her official start date was November 2, 2015.

Sumption asked each person in attendance to introduce themselves for the benefit of guests.

Sumption announced the following items will be added to the agenda: presentation from SD Secretary of Agriculture Lucas Lentch, Executive Session to discuss personnel issue, and SD Dairy Producers. Maher so moved, seconded by J. Tupper to adopt the amended agenda. Motion carried.

Sumption entertained a motion to approve the minutes of the September 26, 2015 meeting. Deering so moved, seconded by Walth. **Motion carried unanimously.**

### **FINANCIAL REPORT**

Heninger provided an update on the FY 16 forecast for In-state collections, which reflected a projected deficit of approximately \$200,000. She explained the majority of South Dakota Auction Markets are remitting the federal dollar directly to North Dakota as they implemented their own state checkoff and the Act and Order prohibits the SDBIC from handling that additional dollar. She further explained the deficit on the income side will be offset on the expense side as we won't be remitting the federal dollar to North Dakota.

Heninger summarized the Profit and Loss through November 22, 2015. Compared to last year In-state collections are down by \$46,000; Collections from Other States saw an increase of \$1,300; and Private Treaty collections are down by \$8,300. She noted the SD Cattlewomen will be returning \$4,792.06 for FY 2015 unexpended promotional funds. Heninger next reviewed the expense accounts, highlighting the major expenses in each category.

The Cash Balance as of November 21<sup>st</sup> is \$943,007.13; Research obligations are \$172,018.81; and the December 15<sup>th</sup> wires will be approximately 253,512. Leaving a total reserves / checking at \$517,476.82.

J. Tupper so moved, seconded by Bieber to direct the unexpended funds to Acct 5160 - Promotion – Special Projects - \$4,792.06. **Motion carried unanimously.**

J. Tupper so moved, seconded by Yost to approve the Financial Report. **Motion carried unanimously.**

### **DIRECTOR OF NUTRITION AND CONSUMER INFORMATION REPORT**

Swee presented the Director of Nutrition and Consumer Information report.

Swee summarized the World Health Organization's International Agency for Research on Cancer (IARC) report that was released October 26, 2015. The report categorized processed meat as

carcinogenic to humans and red meat as “probable” carcinogenic to humans. Leading up to the release, NCBA provided a workshop to assist state beef council staff with media preparation as well as timely responses in all communication efforts. Talking points were provided to industry stakeholders and nutrition influencers. Swee noted consumers’ reaction to the report was NOT negative towards beef as scientific evidence supports the nutritional benefits of lean beef in a healthy diet. Local communication efforts included interviews with Dakota Farm Talk, KDLT in studio interview, phone interview with KSFY and KELO AM Ag Show with Bill Zortman.

Swee highlighted the American Heart Association’s *National Eating Healthy Day* sponsorship. The SDBIC along with Avera Heart Hospital and Rapid City Regional Hospital hosted cooking demonstrations showcased at the Museum of Visual Materials in Sioux Falls and Ciao! Italian Eatery in Rapid City. Local chefs and RDs provided attendees with beef samples as well as education regarding lean cuts of beef in a heart healthy diet. Leading up to events, numerous online, digital, radio and TV promotional efforts were provided.

The SDBIC partnered with the American Heart Association through their Simple Cooking with Heart program. The program is offered through the Sioux Falls Parks and Recreation program and provides the SDBIC an opportunity to share affordable and heart-healthy beef options to consumers.

The SDBIC had a presence at the SD School Nutrition Seminar held in Chamberlain. Swee presented current menu trends and shared a variety of beef recipes. She noted the information was well received by the 70 school foodservice attendees.

Swee provided an update on the 2015 Dietary Guidelines to be release on December 11, 2015. She believes the report will contain language similar to the 2010 Dietary Guidelines and will be favorable to lean beef as part of an overall dietary pattern. She noted the Federation has scheduled a webinar prior to the release of the guidelines to prepare state beef councils for possible scenarios.

FACS and ProStart Beef Programs were offered to Family and Consumer Sciences and ProStart teachers in early September and funding as well as resources were sent out in October. These programs offer teachers an opportunity to apply for funding to be used to purchase beef for cooking labs and nutrition education within the classroom.

Swee provided an update on Home Ideas Kitchen Creations. She taped three 2 minute educational and promotional TV vignettes featuring beef’s nutritional value and versatility. The segments will run 33 times throughout the year and will be aired on KELO, KSFY, KTTW MyUTV and KCPO.

Upcoming events for Swee include AHA Simple Cooking with Heart event on December 16<sup>th</sup>, Hy-Vee / KIKN Holiday Roast promotion on December 17<sup>th</sup>, Farm Bureau Young Farmer and Rancher Conference on January 22<sup>nd</sup>, and SD Academy of Family Physicians Winter Seminar on January 28<sup>th</sup>.

## **NUTRITION ASSISTANT/DIRECTOR OF ONLINE COMMUNICATIONS REPORT**

Executive Director Geppert announced that Briana Burgers has left the SDBIC to pursue other career opportunities. Geppert met with staff to evaluate the position and develop a transition plan focusing on current programs that generate quality not quantity. She noted plans for program completion are being discussed.

As a follow up from the November 4, 2015 Executive Committee meeting, Geppert stated a Website design budget would not be presented at this time. She would like more time to assess the needs of the SDBIC in order to develop an effective website.

## **DIRECTOR OF INDUSTRY RELATIONS REPORT**

Walsh provided the Director of Industry Relations report.

Walsh provided an update on the Nordby Exhibit Hall sponsorship. Six organizations have committed to an educational wall display with each group receiving a 10' x 6' space for their display with the option of sharing some type of Central Processing Unit (CPU). Insight, a Sioux Falls marketing firm, has agreed to create a cohesive message among the groups with a total budget of \$30,000 – \$5,000 for each organization. It was noted there was not a definite plan in place.

South Dakota, Nebraska, Colorado and Wyoming teamed up to offer a free BQA training in conjunction with the Range Cow Beef Symposium held in Loveland, CO. Walsh noted the training was well received with 92 participants from seven states taking advantage of the educational opportunity provided by the state coordinators. In addition, Curt Pate presented a cattle handling demonstration for attendees.

Walsh provided BQA trainings for Mitchell Tech Institute Beginning Ag class as well as Highmore Vet Clinic. She noted Highmore had an overwhelming turnout with 62 participants being certified.

Walsh has attended several National BQA planning meetings to develop new programs that align with the FarmCheck program being implemented by packing plants. The FarmCheck program is meant to ensure responsible treatment of animals.

## **EXECUTIVE DIRECTOR REPORT**

Geppert presented the Executive Director report.

As incoming Executive Director, Geppert met with staff to discuss structure and expectations. In addition, a SWOT exercise was completed to evaluate the challenges within each employee's position as well as the SDBIC. She conveyed the commitment and passion each employee has for the industry.

Geppert attended the SD Farm Bureau annual meeting held in Pierre on November 20-21, 2015. She provided a brief summary of the USMEF session she attended.

Geppert announced the SDBIC Annual Report will be complete by January. She noted the report is a key communication tool for reaching the industry's stake-holders and suggested we distribute it through the Cattle Business Weekly as an insert. Discussion followed.

## **NATIONAL RESEARCH**

Sumption introduced Federation Services Vice President Todd Johnson. The mission of the checkoff funded research program is building demand and optimizing the business climate for beef through research and dissemination programs that serve as the foundation for sustaining beef industry success.

Johnson presented an overview of the National Research Priorities that include Beef Safety, Human Nutrition, Product Quality, Sustainability and Market Research. The research conducted in these areas each year provides the knowledge foundation for the industry's checkoff-funded marketing, promotion, education and information programs.

Johnson encouraged State Universities to coordinate research focused on national priorities but within their scope of expertise.

## **EXECUTIVE COMMITTEE REPORT**

Sumption presented the Executive Committee report. The committee met November 2, 2015 at the SDBIC office to welcome Suzy Geppert and offer support as the new Executive Director.

As a follow up from the September 25, 2015 meeting, the Executive Committee accepted the Independent Auditor bid from Stulken, Peterson, Lingle, Walti & Jones. In addition, the committee directed staff to move forward with the current health insurance policy.

Sumption shared the Executive Committees recommendation to revise the Personnel Policy and Procedures handbook as follows:

### **Employment of Relatives**

~~Given the small size of the Council, relatives of employees and Board members may almost inevitably find themselves in situations where the Council and private interests are in conflict. Therefore~~ It is the policy of the Council that no immediate relative of an employee or a Board member shall be employed by the Council as long as the original employee or board member remains with the organization.

Immediate relatives include: parents, siblings, and children; ~~people in those categories with a "step" or "in law" relationship;~~ and any other member of the employee's or Board member's immediate household, such as the "significant other."

Should employees marry each other while working for the Council, they may both remain employed so long as the Board does not perceive any conflict or the appearance of any conflict of interest. If such a conflict or the appearance thereof arises, the employees will be given an opportunity to decide which will leave the Council. If the employees do not make this decision, the Council reserves the right to select and terminate one of them with

30 days' notice. The same policy applies should a Board member and an employee become married.

Sumption moved to accept the Executive Committee report. Seconded by Mortenson. **Motion carried unanimously.**

#### **PROMOTION COMMITTEE REPORT**

Volmer presented the Promotion Committee report. The committee met on November 22, 2015 for an update on the Nordby Exhibit Hall Educational Wall Display and to consider Authorization Requests. Volmer so moved, seconded by J. Tupper to approve the committee report with the following funding recommendations. **Motion carried.**

- SDSU sponsorship - SDBIC staff to negotiate a marketing campaign with SDSU with a budget parameter of \$11,200
- USD sponsorship - SDBIC staff to negotiate a marketing campaign with USD with a budget parameter of \$7,950
- The Watertown Premier Cooking Event and the Sioux Falls Burger Battle were not funded.

Sumption called for a pause in the meeting at 10:26 AM for an update from SD Secretary of Agriculture Lucas Lentsch.

Lentsch thanked the board for allowing him time on the agenda. Lentsch summarized the impact of agriculture in South Dakota and how his department is providing resources to assist the rural communities within the state. He noted agriculture remains the common thread linking the citizens, businesses and communities of our state.

The board thanked Secretary Lentsch for his commitment to Agriculture.

CBB Auditor Dean Oyster jointed the meeting via teleconference to address questions and concerns in regards to Conflict of Interest. Oyster noted a potential conflict of interest shall exist if a director is in a leadership role with the organization that is requesting funding. In addition, a potential conflict may also exist if the person or persons transacting business with the SDBIC is his or hers immediate family member. If a potential conflict of interest does exist, then the director should recuse themselves to avoid the appearance of a conflict of interest or personal prejudice.

#### **OTHER BUSINESS**

USMEF Directors Gebhart and Symens summarized their recent attendance of the USMEF Strategic Planning Conference held November 4-5, 2015 in Tucson, AZ. The need to be aggressive in the future to win the market place for U.S. meat was communicated throughout the conference. The industry will not grow by itself due to all the competition.

The Trans-Pacific Partnership (TPP) offers significant tariff relief for U.S. beef and pork. Failure to ratify TPP could cause the U.S. red meat industry to face significant disadvantages as competitors.

They reiterated the importance of exports to producer's profitability.

Sumption announced the New Staff and Director Orientation is March 7-8, 2016 in Denver, CO.

Bieber so moved, seconded by Deering to allow the SD Dairy Producers to become a member organization on the SDBIC. Discussion followed. Sumption called for organizational vote by secret ballot. **Motion failed unanimously.**

Deering so moved, seconded by Mortenson for the Executive Committee to review the SDBIC Bylaws in regards to process and procedures of which an organization can attain membership on the council. **Motion carried unanimously.**

The next SDBIC meeting will be February 29, 2015.

Maher or Gebhart moved, seconded by Jones to grant staff holiday leave Christmas Eve day through New Year's. **Motion carried unanimously.**

Deering so moved, seconded by Bieber to go into Executive Session for personnel matters. **Motion carried unanimously.**

Mortenson so moved, seconded by Maher to create a Director of Communications position as presented to the full board – see below. **Motion carried unanimously.**

**Title: Director of Communications**

**Reports to: Executive Director and SDBIC Board of Directors**

Under the direction of the Executive Director, the Director of Communications will develop, guide, and maintain the strategy for communications regarding the South Dakota Beef Industry Council (SDBIC) website, blogs, social media, news releases, and program marketing messages consistent to the SDBIC mission statement and priorities.

**Responsibilities**

1. Develop marketing strategies for beef promotions and assist in coordinating media events for beef promotional events in South Dakota.
2. Work with the Federation of State Beef Council's Communications Team to extend national, nutritional and industry related messages and initiatives.
3. Help the SDBIC team evaluate and monitor the nutrition and industry environment to identify critical issues and attitudes about the use of beef.
4. Develop, implement and evaluate the placement of on-line content including SDBIC's website, social media endeavors and webinars.

5. Develop and write all news release articles for the SDBIC with the understanding that all news releases will be reviewed and approved prior to submission.
6. Expand current media and retail outreach with the assistance of the SDBIC team and approval of the Executive Director.
7. Assist SDBIC program staff in development, execution and evaluation of the state marketing plan to promote beef and extend national programs and objectives.
8. Attend workshops and skill development sessions applicable to the responsibilities and duties of the position.
9. Other related tasks as assigned by the Executive Director or Board of Directors including assisting other staff with SDBIC events and activities as needed.

**Minimum Qualifications:**

Education/Experience:

1. A bachelor's degree in Communications or a related field with concentration in one of the following areas: journalism, public relations, emerging media, marketing, business and organizational communication, and website design and maintenance.
2. A combination of experience and education deemed appropriate.

**Skills, Knowledge & Abilities:**

1. Strong oral & written communication skills.
2. Self-motivated and organized worker.
3. Proficient in the use of computer applications and technology.
4. Knowledge in photo-editing and document design.
5. A team player with a dedication to get the job done.
6. Willingness and ability to travel in-state and out-of-state.
7. Knowledge of the beef industry or willingness to learn.

There being no further business Maher so moved, seconded by Yost to adjourn. Meeting adjourned at 12:10 PM.