

South Dakota Beef Industry Council
BOARD OF DIRECTORS QUARTERLY BOARD MEETING
Red Rossa Conference Center
Pierre, South Dakota
February 29, 2016

President Wayne Tupper called the meeting to order at 10:10 AM CST.

SDBIC board members present were as follows:

Wayne Tupper, President	SD Livestock Auction Market Association
Steve Hellwig	SD Livestock Auction Market Association
Justin Tupper	SD Livestock Auction Market Association
Eric Sumption, Vice President	SD Farmers Union
Mike Maher	SD Farmers Union
Mary Ellen Cammack	SD Farmers Union
Karla Pazour	SD Cattlewomen
Erin Yost	SD Cattlewomen
Kodi Blotsky	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
Jeffery Gatzke	SD Farm Bureau Federation
Ernie Mertz	SD Stockgrowers Association
Randy Volmer	SD Stockgrowers Association
Kari Sanders	SD Cattlemen's Auxiliary
Sarah Caslin	SD Cattlemen's Auxiliary
VeaBea Thomas	SD Beef Breeds Council
Craig Bieber	SD Beef Breeds Council
John Symens	SD Beef Breeds Council
Gary Sharp	Cattlemen's Beef Board
Tammy Basel	Cattlemen's Beef Board

SDBIC board members absent were as follows:

Laurie Johnson	SD Cattlemen's Auxiliary
Gary Deering	SD Stockgrowers Association

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

Guests present were Dr. Daniel Scholl, SDSU Ag & Bio Sciences; Dr. Derek Brake, SDSU; Dr. Joe Cassidy, SDSU; Kathryn Henning, SD State Fair Foundation; Peggy Besch, SD State Fair Foundation; Daren Williams, NCBA Executive Director of Communications; and Donna Sharp.

Tupper welcomed everyone and asked for introductions for the benefit of guests.

Tupper entertained a motion to approve the Agenda as amended. Mertz so moved, seconded by Maher to adopt the amended agenda. **Motion carried.**

Tupper entertained a motion to approve the minutes of the November 23, 2015 meeting. Justin Tupper so moved, seconded by Yost. **Motion carried.**

FINANCIAL REPORT

Heninger summarized the Profit and Loss through February 28, 2016. Compared to last year In-state collections are down by \$111,104 which is due to North Dakota checkoff being directly remitted to North Dakota Beef Council; Collections from Other States saw an increase of \$9,747; and Private Treaty collections are down by \$13,343. Miscellaneous Income includes unexpended promotional funds from Pennsylvania Beef Council. Heninger next reviewed the expense accounts, highlighting the major expenses in each category.

The Cash Balance as of February 28, 2016 is \$921,460.49; Research obligations are \$168,455.78; and the March 15th wires will be approximately \$195,990.25. Leaving a total reserves / checking at \$557,014.46. Heninger noted the Federation Investment will be met in March.

Symens moved, seconded by Sumption to approve the Financial Report. **Motion carried.**

DIRECTOR OF NUTRITION AND CONSUMER INFORMATION REPORT

Swee presented the Director of Nutrition and Consumer Information report. She had the opportunity to share the value of the checkoff at the South Dakota and Wyoming Joint Farm Bureau Young Farmers and Ranchers Conference in Deadwood.

The SDBIC sponsored Dr. Kevin Maki at the SD Academy of Family Physicians Winter Seminar in Deadwood, SD on January 28-29. Maki shared research regarding how diets with lean protein, such as lean beef, provide health benefits for lowering the risks associated with heart disease and diabetes to approximately 110 Family Physicians along with students.

Swee highlighted February National Heart Month activities. The SDBIC partnered once again with the American Heart Association (AHA) by sponsoring the Sioux Falls *Go Red For Women* event on February 25th and the *Rapid City Heart Ball* event on March 5th. Swee noted our long standing relationship with the AHA fostered additional opportunities to promote the beef industry at various AHA events – National Wear Red Day, Macy's Red Dress Collection Fashion

Show, and Simple Cooking with Heart cooking classes which was featured on the KDLT morning show.

Team BEEF SD season kicked off with the Frostbite 4 race in Beresford and the February Freeze in Rapid City. This year's roster includes 98 athletes who recognize the nutritional benefits of beef the diet. This year's program is still being revised and further education and volunteer opportunities for members will be provided.

Upcoming events for Swee include SD Academy of Physicians Assistants, Ag Day at the Washington Pavilion, MTI Culinary Beef Workshop, YMCA Healthy Kids Day Camp and Girl Scouts BIG event.

DIRECTOR OF COMMUNICATIONS REPORT

Bacon thanked the board for the opportunity to serve as their Director of Communications. She provided a brief summary of her past public relations and communications work with Avera Health as well as KOTA TV News Anchor.

DIRECTOR OF INDUSTRY RELATIONS

Walsh announced she returned from maternity leave on February 22, 2016. She has been catching up on Private Treaty Compliance and planning BQA trainings. Walsh gave an update on the national BQA partnership between Farmers Assuring Responsible Management (FARM) and BQA. This new partnership will offer BQA certification to dairy farms who complete FARM requirements starting January, 2017.

Upcoming events for Walsh include BQA training at Andes Vet Clinic. The SDBIC will have a presence at the Central Plains Dairy Expo in Sioux Falls. Walsh will provide best management practice materials to attendees as well as promote BQA certification.

EXECUTIVE DIRECTOR REPORT

Geppert provided an update on office matters. She announced Amanda Bacon accepted the Director of Communications position for the SDBIC. Bacon will be responsible for managing and directing communications, develop educational Podcasts, improve Social Media engagement and Website management.

Geppert invited board members to attend the staff Strategic Planning meeting scheduled for March 21-22, 2016. The Impact Reports completed by staff will be reviewed to assess educational and promotional outcomes and implement changes to address any needs

Geppert summarized the Chili Cookoff during the Black Hills Stock Show. She noted her concern in regards to consumer traffic and location during the SDBIC sponsored Chili Cookoff and suggested we team up with an event to create a larger impact.

The SDBIC had a presence at the SD Cattlemen's Convention in Pierre. This provided Geppert an opportunity to meet South Dakota producers and field any questions or concerns in regards to the checkoff.

Geppert attended the Cattle Industry Convention in San Diego. She provided a brief summary of the meetings she attended and noted the network opportunities it provided.

The SDBIC Annual Report was disseminated as an insert in Tri State Neighbor and will be posted on our website.

PRESIDENT'S REPORT

Tupper next gave the President's report. He reflected on the transition since the Annual Meeting. He expressed his gratitude toward staff and their commitment to promote the beef industry.

Tupper introduced Daren Williams, NCBA Executive Director of Communications. Williams summarized Issues Management on the national level and the process utilized to respond to media with accurate information.

FEDERATION/CBB REPORTS

Walth, Jones, Pazour, Deering and Sharp provided written reports. Sharp made mention of the new appointments to CBB – Eric Sumption and Tammy Basel. Pazour congratulated Sharp and Deering on their appointment to the Operating Committee.

EXECUTIVE COMMITTEE REPORT

Tupper summarized the Executive Committee meeting that was held earlier in the day. The committee reviewed recommendations from the Independent Audit and received an update on personnel and office matters. Tupper appointed Stacy Hadrick and Todd Mortenson to review the SDBIC Bylaws in regards to the process and procedures of which an organization can attain membership on the council.

RESEARCH COMMITTEE REPORT

Walth presented the Research Committee report. The committee reviewed six pre-proposals submitted by SDSU researchers. Walth noted the committee identified three projects for full proposal submission. Walth so moved, seconded by Gebhart to accept the Research Committee report. **Motion carried.**

PROMOTION COMMITTEE REPORT

Blotsky presented the Promotion Committee report. She summarized the committee's recommendation for the following Authorization Requests:

- Northern Hills Beef Bowl – SD Cattlewomen will provide beef education materials to the 2,500 attendees during the football event featuring Spearfish, Belle Fourche, Sturgis, and St Thomas More - \$5,000
- Northeast Beef Promotion Initiative – NEBPI is requesting a redirect of funds for the BeefMersion event

Blotsky shared the committees desire to allocate Pennsylvania Beef Council unexpended promotional funds of \$2,451 from Misc. Income to Promotion – Special Projects.

Blotsky so moved, seconded by Justin Tupper to approve the Promotion Committee report. Discussion followed. **Motion carried.**

President Tupper introduced Kathryn Henning and Peggy Besch with the SD State Fair Foundation. Henning and Besch provided an update on the Nordby Exhibit Hall Educational Wall Display. Insight Design developed a three color coordinated wall concept around the theme “Ag is Built Around Me”. SDBIC board members were offered the opportunity to ask questions and share concerns.

Tupper introduced Dr. Joe Cassady, Department Head SDSU Animal Science. Cassady provided an update on the new Cow Calf Research Unit. Once completed the facility will expand the types of research currently being conducted and strengthen the University in beef cattle research. He invited board members to the ribbon cutting on September 16, 2016.

Tupper called for Executive Session at 1:45 PM to discuss legal matters. Meeting reconvened at 2:18 PM.

Bieber so moved, seconded by Maher for staff to notify the SD State Fair Foundation that the SDBIC will not pay for the design concept developed by Insight Design as a result of it not meeting the expectations requirements of the Beef Checkoff Act and Order. **Motion carried.**

Justin Tupper so moved, seconded by Caslin for staff to reach out to the other commodity groups participating in the education display to discuss the possibility of meeting with the SD State Fair Foundation to negotiate a new concept or terminate the contract if a new concept is not developed within 45 days. **Motion failed; 2 ayes, 6 nays.**

Mortenson so moved, seconded by Caslin for the SDBIC to withdraw their participation in the Nordby Educational Wall Display on the grounds the concept does not meet the requirements of the Beef Checkoff Act and Order. In addition, the SDBIC requests their initial investment of \$10,000 be returned. **Motion failed; 4 ayes, 4 nays.**

Hellwig so moved, seconded by Maher to contact the SD State Fair Foundation with a 45 day deadline to meet the proposal objectives as presented to the board during the June 2015 meeting. If they are unable to meet these objective the SDBIC will act on their right to discontinue any further obligations to the Nordby Exhibit Hall Educational Display as well as request our initial investment of \$10,000 be returned. **Motion carried.**

The next Board of Directors meeting is scheduled for Monday, June 20, 2016.

There being no further business, the meeting adjourned at 2:45 PM.