

South Dakota Beef Industry Council
BOARD OF DIRECTORS QUARTERLY BOARD MEETING
Drifters Events Center
Fort Pierre, South Dakota
June 20, 2016

President Wayne Tupper called the meeting to order at 1:05 PM.

SDBIC board members present were as follows:

Wayne Tupper, President	SD Livestock Auction Market Association
Steve Hellwig	SD Livestock Auction Market Association
Eric Sumption, Vice President	SD Farmers Union
Laurie Johnson, Treasurer	SD Cattlemen's Auxiliary
Kari Sanders	SD Cattlemen's Auxiliary
Shirley Thompson	SD Cattlemen's Auxiliary
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
Gary Deering	SD Stockgrowers Association
VeaBea Thomas	SD Beef Breeds Council
Craig Bieber	SD Beef Breeds Council
Gary Sharp	Cattlemen's Beef Board
Tammy Basel	Cattlemen's Beef Board

SDBIC board members absent were as follows:

Mike Maher	SD Cattlemen's Auxiliary
Karla Pazour	SD Cattlewomen
Erin Yost	SD Cattlewomen
Mary Ellen Cammack	SD Farmers Union
Justin Tupper	SD Livestock Auction Market Association
John Symens	SD Beef Breeds Council

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 Karla Hofhenke, SD Farmers Union; Pam Geppert, Dakota Farm Talk; Kaitlyn Carey, Pennsylvania Beef Council; Christie Brown, Northeast Beef Promotion Initiative; Donna Sharp and SDSU Faculty Dr. Joe Cassidy, Dr. Bill Gibbons, and Dr. Rosie Nold.

Tupper thanked the directors for attending and asked each person to introduce themselves for the benefit of members and guests.

Tupper welcomed SD Cattlemen's Auxiliary Director Shirley Thompson who replaces Sarah Caslin effective immediately.

Tupper entertained a motion to approve the Agenda. Gatzke so moved, seconded by Bieber to adopt the agenda. **Motion carried.**

Tupper asked if there were any corrections to the February 29, 2016 minutes as dispensed in the meeting book. Hearing none, Tupper announced the minutes approved as distributed.

FINANCIAL REPORT

Heninger summarized the Profit and Loss through June 15, 2016. Compared to last year In-State collections are down by \$26,923 which is due to North Dakota checkoff being directly remitted to North Dakota Beef Council; Collections from Other States saw a decrease of \$5,174; and Private Treaty collections are down by \$12,014. Miscellaneous Income includes the returned funds from the SD State Fair Foundation for the initial investment in the Nordby Exhibit Hall Education Wall Display.

Heninger next reviewed the expense accounts, highlighting the major expenses in each category.

The Cash Balance as of June 15, 2016 is \$992,032.12; Research obligations total \$135,961.27; and the July 15th wires will be approximately \$83,453. Leaving a total reserves / checking at \$772,618.85. Heninger noted the Cash Balance at the same time last year was \$675,804.

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

DIRECTOR OF NUTRITION AND CONSUMER INFORMATION REPORT

The board acknowledged receipt of the Director of Nutrition's written report. A summary of her recent activities include:

- Swee shared the beef production story and provided hands-on activities targeting youth and their parents at various events in the Sioux Falls and Vermillion area. In addition, elementary teachers received beef education lesson plans to use in their classrooms.
- Team BEEF SD has approximately 103 members this year. Revisions to the program include rewards and incentives to the fitness enthusiasts who go above and beyond in promoting the nutritional benefits of beef.
- Swee along with SDSU Extension Meat Specialist Dr. Amanda Blair and Adam Rhody provided a hands-on beef value added cuts workshop to 14 first-year and 2 second-year Mitchell Tech culinary students.

- Swee continues to forge relationships with health and nutrition influencers by providing cooking demonstrations in partnership with the American Heart Association and Sanford Health. In addition, Hy-Vee Registered Dietitians were offered May Beef Month and Summer Grilling promotional materials to help support beef sales.
- The SDBIC offered Extension Food and Nutrition Educators with resources as well as funding to extend beef nutrition and cooking skills to more than 2,500 consumers statewide. The program includes Expanded Food and Nutrition Educational programs, Extension Field Specialists, AmeriCorps and 4-H Youth Educators.

DIRECTOR OF COMMUNICATIONS REPORT

The board acknowledged receipt of the Director of Communications written report. A summary of her recent activities include:

- Bacon is forging relationships with statewide trusted media sources to pitch stories on the beef industry and assist with execution. This type of media is considered “Earned Media” and is one of the most powerful communication tools. In addition, various Ag media outlets are sharing our articles on a continual basis. Consumer related articles are being shared with other outlets as well.
- The SDBIC continues to build online relationships with consumers and producers through Facebook, Twitter, Pinterest and the newly launched Instagram. Facebook has seen the most success thus far with an astounding 300% increase in followers. The month of May saw the most activity with women ages 25-34 being the largest audience. These online tools create an opportunity to increase visibility and enrich relationships with very little cost involved.

DIRECTOR OF INDUSTRY RELATIONS

The board acknowledged receipt of the Director of Industry Relations written report. A summary of her recent activities include:

- An improved tracking system for Private Treaty compliance has been implemented and new avenues for collections are being explored.
- Walsh is working to expand the BQA program by offering certification and trainings to High School students enrolled in FFA as well as forging relationships with veterinarians to help build awareness of the program. In addition, Walsh provided education material on quality care and handling to attendees at the Central Plains Dairy Expo.
- Walsh recently attended the State BQA Coordinator meeting in Kansas City, MO where they received program updates and new developments.

EXECUTIVE DIRECTOR REPORT

Geppert highlighted her written report. Staff continue to evaluate their program areas by completing impact reports to measure the educational efforts and their checkoff impact. The SDBIC had a strong Social Media presence during May Beef Month. Food Network’s Chopped Junior Champion Sabrina Swee shared videos providing beef cooking and grilling tips,

prizes were awarded weekly for various contests, and beef messaging posts were shared via Facebook.

Staff members Bacon and Walsh attended the Rapid City Beef Crawl. This progressive dinner ties consumers with local beef producers who are on-hand to discuss today's beef production practices.

The SDBIC once again sponsored the beef meal for the Avera St. Mary's Foundation Gala. Geppert, Walsh and Bacon attended the event on behalf of the SDBIC.

Geppert discussed the importance of creating a consistent and holistic message in regard to the beef industry stating that everything we do must work towards connecting the consumer to the producer and vice versa. This creates understanding between both and helps in eliminating misinformation. This cross-linkage engagement ties social media, programmatic, promotion, and research areas together so that producers and consumers can make connections to our industry and see that everything is interrelated.

Geppert concluded her report with a summary of her presentation during the SD Livestock Auction Market annual meeting. She shared the SDBICs programming and marketing efforts.

President Tupper introduced Dr. Bill Gibbons, SDSU Professor in Biology and Microbiology. Gibbons will service as Interim Associate Director of SDSU Ag Experiment Station.

Dr. Joe Cassady addressed the board. Cassady provided an update on SDSU activities and noted the enrollment number in the animal science program. He invited SDBIC Board members to tour the new Cow-Calf Educational and Research facility on September 16th in conjunction with Beef Bowl.

President Tupper introduced Christie Brown with the Northeast Beef Promotion Initiative and Kaitlyn Carey with Pennsylvania Beef Council. Brown and Carey thanked the SDBIC for their past partnership with both organizations and provided a PowerPoint presentation showcasing various influencer and consumer events which have a direct impact and extend national efforts. These educational and promotional opportunities focus on addressing the results of the Consumer Beef Index which revealed approximately 73 million consumers populate the northeast region, and those consumers eat beef less often, with their primary focus on the quality and nutritional value of their food.

COMMITTEE REPORTS

Chair Jones presented the Nominating Committee report. Jones so moved, seconded by Mertz to recommend Becky Walth as Region VII representative on Federation Nominating Committee. **Motion carried.**

Chair Blotsky presented the Promotion Committee report. She noted the committee reviewed five Authorization Requests and selected the 2016 Prime Promoter award recipients.

The Promotion Committee recommends the following ARs:

- Stockyards Ag Experience – The Ag Experience barn will provide “farm to table” interactive exhibits that will utilize virtual reality and hands-on activities; providing an agricultural learning center for people of all ages and communicate agriculture’s important role in our economy and society. This is to be funded as follows: \$25,000 - \$12,500 in FY 2016 and \$12,500 in FY 2017 with the stipulation the beef portion meets the educational and promotional requirement of the Act and Order. **Amended to reflect the \$25,000 be funded in FY 2016.**
- Watertown Public Opinion’s 6th Annual Premiere Cooking Event – With the SDBIC sponsorship the premier cooking event featuring live cooking demonstrations with a renowned Chef will be “Beef” exclusive. This is to be funded as follows: \$5,500 from Promotion-Special Projects.
- YES! (Youth Eating Smart) – YES! specializes in school teaching gardens where all activities are linked to health, wellness physical activity and awareness of food. This partnership guarantees beef will be incorporated into the educational sessions as a high quality protein in diets. This is to be funded as follows: \$2,500 from Promotion-Special Projects.

The Promotion Committee recommends the following individual and business be recognized for their committee to the beef industry by awarding them with the 2016 Prime Promoter Award:

- Brenda Schnose – 2016 Prime Promoter – Individual
- Dakota Butcher – 2016 Prime Promoter – Business

Blotsky shared the committees desire to allocate the returned funds of \$10,000 from the SD State Fair Foundation from Misc. Income to Promotion – Special Projects.

Blotsky so moved, seconded by Bieber to approve the Promotion Committee report. Discussion followed. Bieber moved to amend, seconded by Deering to fund the Stockyards Ag Experience entire request of \$25,000 in FY 2016. Amendment carried. **Motion carried as amended.**

Chair Tupper presented the Executive Committee report. The committee is recommending the following Bylaws change to be acted on during the Annual Meeting:

ARTICLE IV.

Representation

Section 2. Additional Organizations. ~~Other organizations may be accepted to make up the Council. Non-affiliated agricultural and/or livestock organizations may be admitted by 2/3rds vote of the member organizations after attending meetings of the South Dakota Beef Industry Council for one year at their own expense.~~ **Other Ag organizations unaffiliated with the current member organizations and unable to gain representation on the board, may petition for membership after attending the meetings of the**

South Dakota Beef Industry Council for one year. A two-thirds vote will be necessary for inclusion on the board.

If rejected, they may repetition three years after attending the meetings of the South Dakota Beef Industry Council for one year.

The board reviewed the committee's recommendations to the Policy Manual. Thomas so moved, seconded by Gebhart to approve the Policy Manual changes as presented. **Motion carried.**

Tupper summarized the new Federal Overtime Law which states that most salaried, exempt employees earning less than \$47,476 per year and working more than 40 hours a week will be entitled to overtime compensation. Previously the salary threshold was at \$23,660 per year. The new regulations will take effect December 1, 2016. Mortenson so moved, seconded by Hadrick for Executive Session at 2:43 PM. **Motion carried.** Board reconvened at 3:00 PM.

Tupper reported the Executive Committee is recommending a six percent salary increase for Geppert, Heninger and Swee; and increase the salary for Walsh and Bacon to meet the threshold of the Federal guidelines for salaried, exempt employees.

Deering so moved, seconded by Mortenson to approve the Executive Committee report. **Motion carried.**

Deering gave a brief summary of the CBB Operating Committee. He attended the orientation for new members. He noted the Operating Committee Budget is down 10%.

Tupper shared his attendance at the USMEF Convention in St. Louis, MO. He noted beef export competition is increasing with more countries providing beef in the international markets.

Hadrick announced BeefSD is accepting applications for young producers to participate in the two year program. Applications are due July 15th.

There being no further business, Johnson moved to adjourn, seconded by Jones. Meeting adjourned at 3:10 PM.