

National Honey Board

Meeting Minutes

PRESIDING: JILL CLARK, CHAIRPERSON

LOCATION: Denver, Colorado

DATE: October 15th-16th, 2015

National Honey Board Members Present: Jill Clark, Eric Wenger, Brent Barkman, Ron Phipps, Mark Mammen, Doug Hauke, George Hansen

National Honey Board Alternates Present: Michelle Poulk, Nicholas Sargeantson, Jeffrey Dong, Randy Verhoek

National Honey Board Absent: Charlie Kocot, Mathias Leitner, Mark Jensen

National Honey Board Staff Present: Margaret Lombard, Sam Butler, Catherine Barry, Jessica Schindler, Marlys Christiason, Jocelyn Martinez, Darren Brown, Andrea Brening

Others Present: Andy Sargeantson, Pam Phipps, Jerry & Debbie Brown

THURSDAY, OCTOBER 15 2015

The Thursday session of the National Honey Board meeting was convened at 8:05 a.m. by Jill Clark. Andrea Brening called the roll.

ACTION ITEM I SEATING OF ALTERNATES

Motion by George Hansen, seconded by Doug Hauke and carried to approve seating of alternates Nicholas Sargeantson, Jeffrey Dong and Randy Verhoek.

ACTION ITEM II CONSENT AGENDA

Motion by Brent Barkman, seconded by Mark Mammen and carried to approve the Consent Agenda.

Ad hoc committee formed to review the proposed revisions to the NHB order for producer's requirements. Committee includes Doug Hauke, Mark Jensen, Nick Sargeantson, Ron Phipps and chaired by Mark Mammen. Mark Mammen will organize a phone call to begin the process and the committee will get back to the board before the Spring Board meeting.

Patty Petrella discussed what the process was to make a revision like this and Sam mentioned what the possible cost of this would be.

Sam reviewed with the board the AMS required changes to the boards internal control policies and also the board policy required additions.

Motion by Eric Wenger, seconded by Nick Sargeantson and carried to accept the internal and board policy changes.

MARKETING

Flavor of the Year award was discussed by Catherine Barry as she went over all that has been done this year to make the most of this award.

Ingredient Marketing

Barry complimented Keith Seiz with the Arland Group and commented on what a phenomenal job he has done in this field marketing to food and beverage manufacturers, craft brewers, bakers etc. through events like the Honey Baking Summit and the Honey Beer Summit. We provide a lot of materials for these groups to make marketing their items with honey much easier. All these programs are eliciting very good responses and results to increase the use of honey in all these different areas.

Foodservice Marketing

Barry highlighted the Omni partnership that was established in 2014 and how it has continued to grow and from that we had a wonderful opportunity in helping to create their pool menu. This was kicked off by inviting Omni Chefs to Amelia Island for a Honey Summit. Here they created the honey-inspired recipes used at their pools. We are continuing to foster that relationship with the Omni to grow their honey menu. Another highlight from our food service program is partnering with Rock Bottom Brewery to feature their Honey Summer Ale in their menus along with the "Honey One" logo. The National Restaurant Association Show and Flavor Experience conference were other events that the NHB was involved in that gave us a lot of positive exposure to a lot of chefs. From events like these we are developing a lot more partnerships with many restaurants and obtaining more and more visibility on their menus. With many of these summits we also have reached out to many trade editors to encourage them to run articles in their publications and experience the varietals of honey first hand.

Consumer PR

Barry discussed how the NHB has continued to build our relationship with Chef David Guas this year and hopefully continue the momentum into 2016. Conducting test kitchens and securing articles in many publications. We have showcased honey with educational events, Story of Honey Tours and through bloggers.

Kerri Walsh Jennings has been a wonderful partnership for us this year. She is extremely passionate about honey and its variety of uses and has been a great spokeswoman for the NHB.

Social Media

Jocelyn Martinez presented about the growth of social media for the NHB through Facebook, Twitter, Pinterest and Instagram. She did a review of a lot of the ads that we have run on these social media sites and some of the contests and giveaways we have done. All these efforts have promoted our hits, impressions and followers on social media sites. This is a great way to reach out to general consumers, foodies and bloggers. This is also a great platform to share a lot of recipes and photographs that we have developed. The Honey Feast which is the NHB newsletter, and the Straight from the Hive Blog post both continue to be good ways to reach out to a lot of our followers.

It was asked if our social media program is similar to other groups and boards. In comparison to other boards that are similar to our size and funding we are right in line with what we do and the results we achieve.

In House Activities

This presentation was covered by Jessica Schindler as she did an overview of events like Music City Food & Wine Festival, Taste of Home Cooking Schools and baby shows. These are perfect opportunities to showcase the versatility of honey with a large number of people.

The NHB was also able to secure ads in the following publications that featured the “Flavor the Year” award ad:

1. Cooking Light
2. Eating Well
3. Every Day with Rachel Ray
4. Family Fun
5. Food Network

6. Taste of Home

With this promotion we should reach almost 47 million.

Hispanic PR

Schindler presented some of the campaigns highlighted throughout the year, such as Sweet Quinceaneras, Honey Grilling with Michelle Sanchez and show casing honey at the “Viva los Dodgers” pregame festival. These programs have resulted in a huge number of media hits throughout the country.

Sports Marketing

Schindler continued with an overview of the minor league baseball programs that we sponsored this year. This year we sponsored 14 teams vs the 5-6 teams we usually sponsor. These teams are a little bit smaller so overall our impressions and redemptions this season have been about the same as previous years.

It was asked if we have been able to measure the Nielsen results on honey sales after these events. Also debates whether this is as much about sales as it is education. This has proven difficult to measure.

Information Technology

Marlys Christiason explained the possible new on-line expense reimbursement software “Sutisoft”. Went over the basic information in regards to this program as far as submission and mobile apps, direct deposit. This program would be used for staff members and board member reimbursements. If the board wants to proceed with this then we would have the staff start using it and then roll it out after the first of the year to the board.

Import Tool

Darren Brown discussed the new process for importing customs into our accounting system, rather than be manually entered, which was a time consuming process. This has been a huge task to undergo but extremely beneficial.

NHB Online Catalog Website

This is a project that Brown has been working on for a while. This will simplify the time consuming process of placing orders for fulfillment materials and provides lots of other benefits. We are planning on having this up and running come the first of the year.

2016 Strategic Marketing Plan:

Presented by Margaret Lombard who prefaced this by stating this is a Marketing plan not a National Honey Board plan. She then began by explaining why it is necessary to have a strategic marketing plan. She reviewed the benefits of having a plan both for staff, marketing agencies and the board itself. Steps for this include reviewing the historical perspective and prioritizing the programs the board engages in, based on the overall goal of the board. Achieving this goal is based on five key objectives.

Branding Presentation

Laura Morin & Jennifer Jones with SRG started off by giving a little background information about SRG. They began by going over the objectives and design with the intent to make all our materials more unified, for example by using one distinctive logo. They consulted and interviewed lots of people in the industry, on the board and other NHB agencies. They conducted focus groups to better determine key insights for moving forward. The plan is to focus on the many equities of honey, its uniqueness and the value added by the use of honey. Jennifer Jones explained in-depth steps they took to come up with a recommendation for a logo. Descriptive explanations were given for all three of the logos they created. Of those choices SRG's recommended first choice was number three.

Andy Sargeantson asked what Barry thought was one of the weaknesses of our current programs, in order to look ahead at the new plans for 2016. Barry said she thought that getting all the agencies to be cohesive would be a major goal and probably the one thing lacking in our older programs. However, she felt the programs we've had have achieved what was wanted.

Lombard reminded everyone that this year the metrics are somewhat limited, but next year with the new metric in place, we should have measurements to really better evaluate the programs.

George Hansen mentioned that in regards to production research, he feels that the board needs more cohesive goals and he doesn't feel there is enough impact. It was suggested that maybe production education might be a worthwhile investment with positive results. Focus on bee health and that by working with people like Marla Spivak we might see more of an impact.

George Hansen reiterated that the NHB will not be pursuing sports marketing in 2016. There seemed to be no disagreement with this.

Motion by Mark Mammen and seconded by Ron Phipps and carried to accept the 2016 Marketing Plan

Discussion then continued on to discussing the 2016 Proposed Budget. Butler reviewed the figures with the board. Then opened the floor for questions. Hansen questioned how the 5% poundage increase estimate is calculated for domestic and imported assessments. The trend is

to estimate low. Hansen is concerned with the stability of the current market and the fact that the price of honey is going down.

The next assessment increase in January 2016 is in place with customs for imports and the NHB will be sending out a letter to the domestic assessment payers to remind them of the increase.

Hansen brought up the 5% production research order that stipulates that 5% of the budgeted amount must be spent. Is it supposed to be 5% of the estimated budget? The thought is to make adjustments needed to production research based on the actual budget at the end of the year, as we do with the rest of the budget. Lombard suggested that we make a contribution to an outside research firm that has more flexibility in timing in order to spend all funds that are allocated to research.

Motion by George Hansen and seconded by Brent Barkman and carried to accept that it is the intent of the board at year end that the production research funds of 5% would be trued up according to the actual revenue.

This should apply to the 2015 research budget.

Can we expand the RFP search to wire news that includes overseas researchers? We got clarification from Patricia Petrella that we can spend research funds outside the United States.

Motion made by George Hansen, seconded by Eric Wegner to accept the 2016 budget and board accepted unanimously

There was a discussion during executive session for the NHB logo to be reviewed by another source outside of SRG and the board before proceeding with the rebrand. The general consensus of the board is to proceed picking the logo without further consultation.

Motion by Brent Barkman seconded by Ron Phipps to select option 3 and have staff continue to refine the development of that logo and adopt it as our new NHB logo and unanimously accepted by the board

Apimondia was recapped by Lombard and the bid to win the 2019 conference. Despite the beautiful booth and great presentation by the United States the bid was won by Montreal, CA.

Look Ahead at Marketing for 2016

Barry reviewed some of the marketing ideas for 2016. Fewer programs, but bigger is the general thought. They hope to expand with more advertisements with Taste of Home and continue to build that partnership as other sponsors do.

The hope is to utilize Chef Guas's charisma by doing more events with him and leveraging our work with him by putting together a comprehensive package which would be managed in-house.

Retail Promotional Program

Barry shared the much anticipated retail program showcasing honey usage during the summer months. The hope of the "Honey Up Your Summer" program is to have a national impact on consumers focusing on the versatility of honey. This includes partnering with other companies to enjoy more exposure. This concept includes, coupons, sweepstakes, store demos, radio ads, social media, in store signage all promoting honey. Don Landoff is who we are working with to implement this program and coordinating the details and partnerships of it. Since this would include a lot of assessment paying honey packers, Jill Clark asked how we would fairly distribute these opportunities to everyone in an equally timely manner. Brent Barkman suggested sending out notifications soon to all the domestic assessment payers via email and the board agreed on this in order to maintain neutrality

Advertising Campaign

Barry expressed that with the additional assessment funds, this gives us the ability to obtain more placements in key magazines. The staff is looking further into determining which publications would receive the most views.

Brand Initiatives

Barry Explained that the new brand roll-out will include a whole range of changes including business cards, letterhead, NHB informational video, website overhaul, marketing materials, booth displays. SRG will play a huge role in getting all this done.

Motion by Brent Barkman, seconded by Ron Phipps that the NHB staff is directed to attend the national meetings of assessment payers and give an account of the activities of NHB. It shall be at the discretion of the NHB CEO whether the NHB should present at the National Beekeepers Meetings. Staff shall provide presentation materials for board members who are asked to provide updates to state beekeeper meetings or other organizations related to the honey industry. The board was in favor of the motion.

The board's intent is to increase the consumption or awareness of honey

Motion by George Hansen, seconded by Brent Barkman and carried to adjourn

The meeting was adjourned at 11:47 a.m.

Andrea Brening/Transcriber