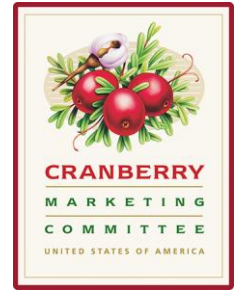


1 **2018 AUGUST ANNUAL MEETING MINUTES**
2 **WESTIN, MOUNT LAUREL, NJ**
3 **AUGUST 15 & 16, 2018**
4
5



6 **WEDNESDAY, AUGUST 15, 2018**

7 The CMC 2018 Summer Meeting was called to order by Chairman Rezendes on Wednesday, August 15,
8 2018 at 8:40 a.m. at the Westin, Mount Laurel, NJ. Prior to the start of the meeting Chairman Rezendes
9 asked that each member of the Committee sign the acceptance letter in front of them and return to Doris
10 Jamieson, the CMC's USDA Marketing Specialist. The Chair requested the CMC's Executive and Financial
11 Assistant to call roll, and Ms. Mears reported a quorum was present. Chairman Rezendes seated Mr.
12 Mauck as the District 1 Independent voting member in his place for this meeting.
13

<u>Member</u>	<u>P/A</u>	<u>Member</u>	<u>P/A</u>	<u>Alternate</u>	<u>P/A</u>
Larry Harju	P	George Rogers	P	Adrienne Mollor	P
Jim Rezendes	P	Dawn Gates-Allen	P	Parker Mauck	P
Stephen Lee	P			Joe Darlington	P
William Poinsett	P			Tom Gerber	P
Vicki Nemitz	P	Wayne Gardner	P	Jim Van Wychen	P
Martin Potter	P	David Bartling	P	Jill Amundson	P
Kevin Hatton	P			Jack Stein	P
Doug Rifleman	P			Michael Viano	P
Ron Puhl	P			Nick Puhl	P
Thomas O'Guinn	P			D. Steven White, Ph. D	P

14
15 Doris Jamieson provided the Committee with the Anti-Trust Guidelines and gave a training presentation
16 of Agricultural Marketing Orders 101 for all Committee members.
17

18 The Chair began the meeting by reviewing the rules of order. Chairman Rezendes requested a motion
19 for the slate of new officers. **Mr. Bartling motioned to elect George Rogers as Chair; Parker Mauck as**
20 **Vice-Chair; Stephen Lee as Secretary/Treasurer and Jim Rezendes as the most recent past chair.**
21 **Seconded by, Ms. Nemitz. The motion carried unanimously.**
22

23 **APCQ UPDATE**

24 Kevin Connolly, APCQ General Manager and President of the Quebec Growers Association gave an
25 update on the Quebec cranberry industry, items discussed included;
26

- 27 • Quebec's projected cranberry production for 2018 is approximately 10,000 acres, an increase
28 of 141 acres from the prior year
- 29 • Quebec's average production is expected to be 180 barrels per acre
- 30 • In 2018, production of certified organic acreage has reached 1/3 of total acres, up
31 approximately 638 acres over the previous year
- 32 • New acreage projections for 2019 is approximately 219 organic and 200 conventional acres
33 totaling 419 new acres overall
- 34 • Estimated production for the 2018 CY is 2.28 million barrels
- 35 • Due to the tariff situation, growers are being encouraged to plant. Calls have been made from
36 our markets to Canadians for fruit.

37

38 Mr. Connolly concluded his presentation with a brief update on the APCQ's marketing program efforts
39 which include upgrades to their website and the development of several 10-15 second video clips to be
40 aired on various social media platforms.

41

42 **MARKETING POLICY AND VOLUME REGULATION DISCUSSIONS**

43 Parker Mauck lead the Committee review of the industry overview and the Q2 & Q3 Position Summary
44 Reports for CY'2017. The Committee completed the marketing policy with a total US production estimate
45 of 9.2 million barrels and an estimated carry-over as of August 2018 of 7.8 million barrels. Additional
46 items of discussion were as follows:

- 47 • The President has approved \$12 billion in additional funding grants for agricultural products that
48 are being affected by the ongoing tariff retaliation issue
- 49 • When comparing this cycle report to previous cycle reports, the reason behind the dramatic
50 increase in sales is due to a processor that for many years had provided inventory data to the
51 CMC will no longer do so because of the Handler Withholding volume regulation. Previously all
52 producer-handlers and handler companies that sold to this handler reported these transfers as
53 inter-handler transfers. With this change in reporting, any producer-handler or company that sells
54 fruit to this processor is now reporting these transfers as sales instead of an inter-handler transfer.
- 55 • An adjustment of 400k bbls have been removed from foreign sales and put into shrink, due to an
56 error in reporting by one handler.
- 57 • The 2017 Handler Withhold impact on inventory has removed 792K bbls.
- 58 • Based on the proposed 2018 Producer Allotment volume regulation an estimated 1.276 million
59 barrels is expected to be removed from carry-over inventory.

60 The following is the estimated state production as developed by the Committee. Following this portion of
 61 the marketing policy discussion, the Committee developed the 2018 Crop Year Marketing Policy which
 62 reflects the impact of the 2108 Producer Allotment volume regulation that will be implemented this
 63 harvest season. A point to note is the difference between the Committees' state projections and the
 64 amount of estimated domestic production which reflects the 25% of restricted fruit on regulated
 65 handlers.*

2018 CROP YEAR MARKETING POLICY

Domestic Production (Averaged)	Committee Forecast August 2018
	<i>Bbls</i>
Massachusetts	2,150,000
New Jersey	503,000
Wisconsin	5,900,000
Oregon	525,000
Washington	160,000
TOTALS	9,238,000
	<i>Bbls</i>
Carry-In as of 09/01/2018	7,394,000
Production & Acquired	
Estimated Domestic Production	7,962,000
Estimated Foreign Acquisitions	1,767,000
Total Production & Acquisitions	9,729,000
Available Supply	17,123,000
Estimated Shrinkage	
2% of Carry-In	148,000
4% Est. of Production/Acquisitions	389,000
Shrinkage	537,000
Adjusted Supply	16,586,000
Utilization	
Fresh Fruit	330,000
Processing Fruit	9,658,000
Total Sales/Usage	9,988,000
Estimated Adjusted Carryover 08/31/19	6,598,000

67

68 **NEW/OLD BUSINESS**69 **CRANBERRY INSTITUTE UPDATE**

70 Terry Humfeld, the Cranberry Institute's Executive Director, provided an update to the Committee
71 including;

- 72 • The Scientific Advisory Board (SAB) will meet via conference call in September 2018.
- 73 • Updates were provided on completed and ongoing health research projects that the CMC has
74 contributed to as an industry funding partner.
- 75 • Mr. Humfeld informed the committee of his plans to retire in December of 2019.

76 **HEALTH RESEARCH UPDATE**

77 Dr. Amy B. Howell provided an update on "Phase 2" of the H.pylori suppression study. Updates are as
78 follows;

- 79 • Cranberry products to be used in the study just cleared customs the morning of this presentation
80 and will be delivered to Beijing Cancer Hospital for transport to Linq County.
- 81 • Phase II has been registered with the World Health Organization (WHO)
- 82 • This phase of the health study will build upon the data from Phase I project
- 83 • The timeline of the study will begin in 2 weeks and will conclude the end of October.
- 84 • Following the conclusion of the study, analysis of the data will take approximately 4 weeks.
- 85 • A final report is expected in late December 2018.
- 86 • Media and publication would then be approximately an additional 3 to 4 months after
87 completion.

88

89 **CLINICAL SCIENCE ACTIVATION PROGRAM UPDATE**

90 Louise Pollock, President of Pollock Communications gave a brief overview of the proposed
91 communications activities following the completion of the study. Communication efforts include;

- 92 • Work with agencies in China and India to develop activities in their respective regions
- 93 • Pollock Communications will review and approve invoices and coordinate all progress and final
94 reports
- 95 • Pollock Communications will develop all news releases as well as FAQ's to address inquiries from
96 the media.

- 97 • Once a positive report is published, promotional activities would be coordinated in the U.S.,
98 China, and India.

100 **TRADE POLICY ISSUES UPDATE**

101 Matt Lantz, BCI provided an update on the developments in our target export markets as a result of the
102 tariff retaliation issue and MRL issues that the CMC are currently addressing.

104 **TARIFF ISSUES**

- 105 • The new EU cranberry concentrate tariff went into place on June 22, 2018 at 25%. Chilean and
106 Canadian concentrate still enter this market duty free. The EU tariff on US dried cranberries for
107 further processing remains duty free for the time being. CMC will continue to track this issue.
- 108 • China has released a tariff retaliation list in response to US actions on steel and aluminum and
109 technology tariffs from the US. Therefore, US dried cranberries now enter China with a 40%
110 tariff while Canadian and Chilean tariffs continue to enter at 15%.
- 111 • NAFTA (North American Free Trade Agreement) discussions are ongoing between the U.S.
112 Mexico and Canada. We remain optimistic that a resolution can be met in order to avoid an
113 increase in tariffs for cranberry products to these important trading partners.
- 114 • The TPP (Trans Pacific Partnership) is expected to move forward with Canada and Mexico. TTP
115 was negotiated by the previous administration but never signed; therefore the current
116 administration was able to withdraw from the original agreement. It is the hopes of the current
117 administration to begin discussions regarding new free trade agreement with key TPP members.

118 **TRADE POLICY ISSUES**

- 119 • The EU is moving ahead with their chemical evaluations and effective November 10, 2018 if a
120 chemical product is deemed hazardous, or an endocrine disruptor it will be withdrawn from the
121 market. This change in policy will affect 64% of imports into the EU including cranberry.
- 122 • As soon as the EFSA (European Union Food Safety Authority) deems a product hazardous it will
123 take approximately 2 years before the MRL will be removed. However once it's published,
124 removal of the product is 6 months.
- 125 • In April of this year, the MRL for Quinclorac was not accepted by Codex. Dr Harris of Exponent
126 advised the MRL Subcommittee that in her opinion it had a less than 50/50 chance of being
127 successful without new data testing. The MRL subcommittee met and decided to conduct other
128 additional studies for Quinclorac. A USDA/TASC grant application has been submitted to fund

129 this new study and if approved, the study will be conducted in 2019. A package will then be
130 developed for an EU in 2020, with the expectation of a decision in 2022/2023.

- 131 • Work continues with the Korean MRL submissions prior to the implementation of the new Korean
132 MRL system set to begin January 1, 2019. If no MRL is currently established prior to that date,
133 the compound will go away. As of August 1st, 2018, 14 cranberry MRL's have been established.
134 Several others have either been submitted or are in the process. Mr Lantz reported if all goes as
135 planned, there will be 31 MRL's established in Korea prior to their January 1, 2019 deadline.

136 MINUTES

137 The February 12th and 13th, 2018 meeting minutes and May 31st, 2018 conference call minutes were
138 reviewed.

139
140 **Mr. Lee moved to accept the February 2018 meeting minutes as presented. Seconded by, Mr.**
141 **Poinsett. Motion carried unanimously.**

142
143 **Mr. Harju moved to accept the meeting minutes from the May 31, 2018 conference call as presented.**
144 **Seconded by, Ms. Nemitz. Motion carried unanimously.**

145
146 Ms. Amundson requested that going forward, the recording secretary note all changes made to the
147 budget be noted immediately following the changed item, and not as a foot note.

148 FINANCIALS

149
150 Mr. Rezendes reviewed the financials from September 1, 2017 through July 31, 2018. **Mr. Harju**
151 **motioned to approve the financial statements as presented. Seconded by, Ms. Gates-Allen. Motion**
152 **carried unanimously.**

153 STAFF REPORT

154
155 Michelle Hogan, the CMC's Executive Director began her report by thanking Doris Jamieson, the CMC's
156 USDA Marketing Specialist for her respectful understanding with regards to the affects of the current and
157 ongoing volume regulation issues the CMC office has been experiencing. Additional items discussed were
158 as follows:

- 159 • Appreciation and recognition was given to her staff, the many consultants, and industry members
160 for their continuous efforts and support especially during the ongoing volume regulations coupled
161 with the retaliations.
- 162 • An AMS Internal Controls/Government Compliance Audit was conducted on May 22nd and 23rd,
163 2018 covering the last 2 ½ years. All but one of the 55 spot check activities reviewed were fully
164 compliant, with the 1 being two receipts were missing from credit card statements. One
165 recommendation the auditor suggested is to have the internal controls policy, e-compliance plan,

166 and employee handbook reviewed and approved by the committee during the August meetings
167 annually.

168 In closing, Ms. Hogan followed up with the Formal through Informal rulemaking request to add the
169 authority to accept voluntary financial contributions to the marketing order. The final rule is making its
170 way through the USDA review process and the referendum is expected to take place in October of this
171 year. In addition, Ms Hogan expressed the importance that all handlers and growers fill out in its
172 entirety and return their ballots for the voluntary contributions referendum ballot.

173
174 Following the Executive Directors Staff Report update, Chairman Rezendes requested a motion to accept
175 the three documents from the staff report. **Mr. Rogers moved to accept the 3 plans as presented in the**
176 **book consisting of the e-compliance plan; internal controls policy; and the employee handbook.**
177 **Seconded by, Mr. Poinsett. Motion was carried unanimously.**

178
179 The Committee moved into Executive Session at 2:45 pm.

180
181 **THURSDAY, AUGUST 16, 2018**

182 Chairman Rezendes called the meeting to order at 8:35 a.m. and requested Ms. Mears call the roll.
183 Chairman Rezendes stated members seated the prior day would remain seated through the duration of
184 the meeting and reported a quorum was present.

185

<u>Member</u>	<u>P/A</u>	<u>Member</u>	<u>P/A</u>	<u>Alternate</u>	<u>P/A</u>
Larry Harju	P	George Rogers	P	Adrienne Mollor	P
Jim Rezendes	P	Dawn Gates-Allen	P	Parker Mauck	P
Stephen Lee	P			Joe Darlington	P
William Poinsett	P			Tom Gerber	P
Vicki Nemitz	P	Wayne Gardner	P	Jim Van Wychen	P
Martin Potter	P	David Bartling	P	Jill Amundson	P
Kevin Hatton	P			Jack Stein	P
Doug Rifleman	P			Michael Viano	P
Ron Puhl	P			Nick Puhl	P
Thomas O'Guinn, Ph. D	P			D. Steven White, Ph. D A	P

186
187 Chairman Rezendes reported out of Executive Session as follows:

- 188
- A discussion and vote on directing Executive Director Hogan send a letter to the Secretary of
189 Agriculture requesting his help in expediting a final rule on our 2018 Producer Allotment volume
190 regulation.

191 • Over the next month members of the Committee would like to schedule a meeting with the
192 Secretary of Agriculture.

193 • Salary adjustments

194 **INTERNATIONAL PROMOTION PROGRAM UPDATE**

195 Updates and recommendations for the International Promotion Program were given by Sarah Gelpi-
196 Hooker and David McCaleb, of Bryant Christie, Inc. Included in the presentation were highlights and
197 activities for each of the target markets, results of the individual programs, key initiatives, results of
198 handler interviews and the proposed budgets for CY2019. Throughout the presentation Mr McCaleb
199 and Ms Gelpi-Hooker provided additional details, as questions were raised by the Committee members
200 and the audience. Additional reports on the International Promotion Program included;

- 201 • Overall exports are up 4%, while Mexico, Korea, and China are down.
- 202 • India is a fast growing market with a great deal of opportunity
- 203 • During the handler interviews there was support for the CMC's shift to China & India however
204 there was concern on how challenging the India market is to penetrate.
- 205 • Many handlers stressed the importance of a focus on the health benefits of cranberries, as well as
206 promoting concentrate.

207 Key initiatives presented included;

- 208 • Promote health benefits
- 209 • The launch of our International Newsletter on a monthly basis that will help keep handlers
210 informed on CMC activities and target market opportunities
- 211 • Continue to utilize all grant program opportunities
- 212 • Modify strategies as needed in response to the global challenges the industry currently faces
213 regarding trade policy issues and the effects on our key target markets

214
215 An extensive discussion was held regarding the China market including;

- 216 • Laws governing foreign Non Governmental Organizations (NGO's).
- 217 • Regulations pertaining to health claims.
- 218 • Among the in-country trade there is an overall hesitancy to work with US organizations

219
220 Ms Gelpi Hooker presented possible short-term funding options using a multi-prong approach due to the
221 recent unforeseen issues. Various recommendations were:

- 222 • Exploring if CMC could roll-over funds from China into 2019.

- 223
- Perhaps divert a small portion to India to enhance the remaining 2018 activities.
- 224
- Continue with existing markets of Pan Europe, Mexico and South Korea though the calendar year.
- 225
- Conducting market research in new markets such as the Middle East or Southeast Asia or other
- 226
- markets as indicated by the handlers as prospective markets during their interviews.

227 After a lengthy discussion, **Mr. Rogers moved to have our consultants at BCI over the next few weeks**
228 **find out if the USDA would approve a rollover of funds from 2018 to 2019, and delay decision until**
229 **then on the unused \$250K funds currently budgeted for China. Seconded by, Ms. Gates-Allen.**
230 **Motion was carried unanimously.**

231

232 Ms Gelpi-Hooker presented the CY'2019 proposed international marketing budget to the Committee.
233 Chairman Rezendes stated as discussed in the previous day's meeting, the officer's committee felt the
234 need to keep a minimum of \$100k in each market for health promotional activities following completion
235 of the *H. pylori* study. During discussions a Committee member let it be known that BCI should fully
236 understand this is the committee's intention and that the in-country marketing representatives from China
237 and India will be notified these funds are to be held for this specific purpose.

238

239 **Mr. Mauck moved to allocate \$150K in China and \$100K in India to be set aside for potential use for**
240 **communication of the study results. Seconded by, Mr. Harju. Motion was carried unanimously.**

241

242 **COMMUNICATIONS AND MARKETING UPDATE**

243 Karen Cahill, CMC's Communications and Marketing Specialist reported the majority of her time has been
244 spent developing communications for the volume regulation via mailings, emails, posting updates to
245 website, and updating the grower organizations through their newsletters.

246 Another area of focus for Ms. Cahill was the development of the of the new website which launched in
247 June 2018. Highlights of the new website include:

- 248
- The website's platform is Wordpress, a universally known website building platform that allows
- 249
- the CMC flexibility to control future edits and changes without the need for an intermediary
- 250
- Mobile and tablet integrated
- 251
- Visually more appealing and friendly, simplifying the process of finding information
- 252
- High resolution images for recipes, including the ability to share items on an individual's own social
- 253
- media
- 254
- New retail section where content can be utilized for in-store promotions
- 255

256

257

258 **DOMESTIC PROMOTION PROGRAM UPDATE**

259 Alexandra Oppenheimer of Pollock Communications provided an update on the Domestic Promotion
260 Program for 2017/2018 and presented the 2018/2019 Domestic Program recommendations and
261 budget. CMC activities included;

- 262 • Partnering with ChefsFeed in creating a Hispanic video timed for summer
- 263 • Partnered in creating a retailer database of resources and recipes with Ms. Cahill, and
264 announced the new retail section of CMC website to 65 supermarket registered dieticians, 32
265 retailers and 7 regional Texas supermarket dieticians that have a large Hispanic consumer base.
- 266 • Attended the School Nutrition Association conference in Las Vegas, NV in July for foodservice
267 professionals.

268 Pollock Communications objectives and recommendations for 2018-2019 include;

- 269 • A Spring/Summer media blitz for All AmeriCran Summer BBQ series
- 270 • Desk side meetings with print editors in the U.S.
- 271 • Secure a “foodie”
- 272 • Conduct outgoing media outreach
- 273 • Attend the SNA (School Nutrition Association) in St Louis, MO July 14-16, 2019
- 274 • Summer retail promotion with 3 to 5 retailers: Jewel Osco, Redner’s, Big Y

275 In closing Ms. Oppenheimer’s presentation, she provided additional tactics that the Committee may want
276 to consider which included;

- 277 • An interactive social media campaign for the All American Summer BBQ Series
- 278 • Fresh cranberry promotions with Coborn’s
- 279 • Develop new school service recipes featuring cranberries

280

281 After a discussion regarding the domestic budget, recommended the establishment of a new
282 subcommittee to review and recommend any changes to the current promotion domestic program to the
283 full Committee at our February 2019 for the domestic program for 2019-2020. Members of the
284 Committee and audience volunteering to participate on the subcommittee included Steve White, Tom
285 O’Guinn, Steve Berlyn, Vicki Nemitz, Mike McManama and Mike Viano. Staff members and our
286 consultants from Pollock Communications will also participate on the subcommittee.

287

288 **Mr. Rogers motioned to approve the Domestic Program budget as presented with the intent to revisit**
289 **the Domestic promotion activities and direction, and form a subcommittee that will utilize the**

290 **expertise and knowledge of CMC's Public Members. A recommendation will be put forth to the full**
291 **Committee at its' February 2019 meeting. Seconded by, Ms. Nemitz. Motion was carried**
292 **unanimously.**

293
294 **MARKETING POLICY AND VOLUME REGULATION DISCUSSIONS – CON'T**

295 Chair Rezendes asked if there were any additional recommendations or comments regarding a volume
296 regulation recommendation for 2019. Although carry-over inventories are decreasing the Committee
297 decided to wait until the 2018 final rule is published and harvest is complete for any further discussions
298 regarding future volume regulations. If necessary, the Committee can schedule a conference call meeting
299 to discuss. Hearing no additional comments, the Chairman continued to the next item on the agenda.

300
301 **BUDGET**

302 Chairman Rezendes reviewed the Proposed/Adjusted FY 2018/2019 Budget as recommended by the
303 Officer's Committee. Changes noted from the February 2018 approved budget include;

- 304 • The amount of income from assessments is an updated estimate and is on increase from the prior
305 approved budget. This amount reflects the amount of assessments CMC can expect from fruit that
306 will be acquired from handlers that will be exempt from the 2018 Producer Allotment volume
307 regulation.
- 308 • Payroll, payroll taxes and 401K contributions have been adjusted to reflect the Committee's
309 approved salary adjustments
- 310 • There has been a decrease in BCI's retainer fees for 2018/2019 of \$10,000
- 311 • Trade Policy contractual services has been updated to reflect work that will be performed by
312 Weber Shandwick – Brussels
- 313 • The Domestic Promotion Program budget has been adjusted down to \$214,000
- 314 • Special Projects line-item will be \$50,000

315 **Mr. Hatton moved to keep \$50K in the Special Projects line-item but not to spend these funds until t a**
316 **later time when the committee can revisit and determine the best area to spend and upon approval**
317 **of the Committee. Seconded by, Mr Lee. Motion carried unanimously.**

318 **Ms. Nemitz motioned to accept the budget as shown. Seconded by, Mr. Puhl. Motion was carried**
319 **unanimously.**

320
321 The approved FY'2018 Budget is as follows:

<i>Items</i>	<i>FY18 Approved Budget</i>
INCOME	
Assessments	\$ 2,189,000
Interest Income	\$ 2,500
MAP Funding - Generic (Sept- Dec)	\$ 466,096
MAP Funding - Generic (Jan-Aug)	\$ 932,192
MAP Funding - Branded	\$ 400,000
FMD Funding	\$ 154,107
TASC Funding	\$ 110,000
QSP Funding	\$ 39,600
EMP Funding	\$ 233,500
GBI Funding	\$ 130,000
Reserve Funds: Restricted	\$ 400,000
Reserve funds: Unrestricted	\$ - -
INCOME	\$ 5,056,995
<u>OPERATING EXPENSES-ADMINISTRATIVE</u>	
Salaries	
Total Salaries	\$ 343,384
Benefits & Payroll Taxes	
Employee Benefits	\$ 70,000
Payroll Taxes-FICA	\$ 20,250
Payroll Taxes-Medicare	\$ 4,700
Pension Plan	\$ 25,481
TOTAL BENEFITS & TAXES EXPENSES	\$ 120,431
Meeting & Travel Expenses	
Staff Expenses	\$ 20,000
Committee & Meeting Expenses	\$ 150,000
Subcommittee Expense	\$ 10,000
Field Staff Expenses	\$ 5,000
TOTAL MEETING & TRAVEL EXPENSES	\$ 185,000
Administrative Expenses	
Facility Rent	\$ 22,500
Office Expenses (General)	\$ 47,500
Insurance (D&O/GL)	\$ 27,000
Board Restricted for Operating Reserve	\$ 350,000
Professional Services	\$ 22,000
Owned Equipment	\$ 5,000
Leased Equipment Expense	\$ 12,000
Maintenance/Repair Expense	\$ 5,000
Subscriptions & Dues	\$ 2,500
Payroll Services	\$ 4,500
Admin Contractual/Compliance/Other	\$ 36,500
TOTAL ADMINISTRATIVE EXPENSES	\$ 534,500
TOTAL OPERATING EXPENSES	\$ 1,183,315

PROGRAMS

INTERNATIONAL PROMOTION PROGRAM

CMC Assessments Appropriation	\$	550,000
CMC Staff/Consultant Int'l travel	\$	20,000
MAP Generic	\$	1,398,288
FMD	\$	154,107
EMP	\$	233,500
GBI	\$	130,000
QSP	\$	39,600
TASC	\$	110,000
Sub-Total	\$	2,635,495
Branded Program	\$	400,000
Sub-Total	\$	3,035,495

CONTRACTOR

BCI Retainer Fee (G, F & EU Region)	\$	140,000
BCI Add'l (New Grants, Financial, Launches)	\$	55,500
BCI: Misc. Expenses (Travel & Comm)	\$	30,000
Sub-Total	\$	225,500

TRADE POLICY PROGRAM

BCI Trade Policy Retainer Fee	\$	152,000
Travel & Communications	\$	30,000
Data Packaging	\$	50,000
Contractual Services	\$	52,000
Sub-Total	\$	284,000

Total International Program **\$ 3,544,995**

DOMESTIC PROMOTION PROGRAM

Domestic Promotion/Partnerships	\$	214,000
Website Maintenance	\$	15,000
Collateral Material	\$	10,000
Total Domestic Promotion	\$	239,000

TOTAL PROMOTION & TRADE PROGRAMS

\$ 3,783,995

PROJECTS

Scientific Advisory Board (SAB)	\$	17,000
Special Projects*	\$	50,000
Grower Database Program (Website)	\$	15,000

TOTAL PROJECTS **\$ 82,000**

TOTAL PROGRAMS & PROJECTS **\$ 3,865,995**

TOTAL OPERATING/PROGRAMS/PROJECTS **\$ 5,049,310**

Deficit/Surplus

\$ 7,685

324

325 **OTHER BUSINESS**

326 Chair Rezendes stated that the public member and alternate public member term must be discussed as
327 these positions are required to be seated for the February 2019 meeting.

328

329 **Mr. Rogers motioned to move Dr. White to the Public Member position and Dr. O'Guinn to the**
330 **Alternate Member position for the next term. Seconded by, Ms. Nemitz. Motion was carried**
331 **unanimously.**

332

333 **Mr. Mauck motioned to retain Gosule, Butkus & Jesson as the independent auditor of the CMC for the**
334 **2017-2018 crop year fiscal period pursuant to &929.31(f)', Cranberry Marketing Order. Seconded**
335 **by, Ms. Gates-Allen. Motion was carried unanimously.**

336

337 **Mr. Potter motioned to authorize the Executive Director with the Officers Committee to make inter-**
338 **item transfers of budgeted funds among line-item accounts in excess of 10% for annual audit**
339 **purposes, as to provide for adequate funding of such accounts through the end of the fiscal period,**
340 **August 31, 2018. Seconded by, Mr. Hatton. Motion was carried unanimously.**

341

342 The CMC Winter meeting will be held Arlington, VA at the Ritz-Carlton on February 12th and 13th, 2019.

343

344 The CMC 2019 summer meeting will be held in Massachusetts, dates and location TBD.

345

346 Chairman Rezendes presented two crop forecasting programs from two separate companies, Spherical
347 Analytics and Skycision. He informed the audience that the Officer's Committee had received this
348 information and was given presentations in July from both companies. Although we are unable to move
349 forward in engaging in this type of work, the Officer's Committee felt it was important to share the
350 information received.

351

352 Chairman Rezendes notified the committee that the CMC staff and consultants will continue to look into
353 government program grant opportunities and will keep the Committee informed of any information
354 received.

355

356 Chairman Rezendes thanked Ms. Amundson for all her hard work and dedication over the last several
357 years as she will be stepping down from the Officer's Committee.

358 Mr. Rogers thanked Mr. Rezendes for all his efforts and dedication to the Industry for the last two years
359 as Chairman of the CMC. Mr. Rogers noted the extreme difficulty and challenges the outgoing Chairman
360 had to endure.

361

362 Hearing no additional business to come before the Committee, **Mr. Gardner motioned to adjourn the**
363 **meeting. Seconded by, Mr. Hatton. Motion was carried unanimously.**

364

365 *Meeting adjourned at 12:45 p.m.*

366

367 Respectfully submitted,

368 Judy Mears

369 Recording Secretary

370

371

DRAFT