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**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF THE NATIONAL BISON ASSOCIATION
December 13, 2018**

Via Telephone Conference Call

10 The regularly scheduled meeting of the Board of Directors of the National Bison
11 Association was convened at 5:05 p.m. MDT, December 13, 2018 via telephone conference call
12 pursuant to previous action by the board and notification by the Executive Director.

13 Present were:

14 Roy Liedtke	Dick Gehring
15 Tom Barthel	Paul Kolesar
16 Kristopher Kelley	Donnis Baggett
17 Brian Grubb	Boyd Meyer
18 Jeremy Allemann	Mimi Hillenbrand

19
20 Absent were Gerald Parsons, Alan Douglass, Keith Yearout, Debbie Thieman and Mike
21 Faith (ex-officio). Also attending were Dave Carter, Jim Matheson, Karen Conley, Ken Klemm,
22 Leslie Allen and Connor Elliott. Roy Liedtke presided, and Dave Carter served as recording
23 secretary.

24 Dick Gehring provided a report of the President. He reported that he spoke at the ITBC
25 meeting in November. The *Bison Disease Field Guides* were well received. He said that he said
26 that he has been fielding questions from members on board directives on labeling issues and on
27 Bison 1 Million. He noted that the sales are showing a necessary price correction, without a
28 crash.

29 The Chair directed the board's attention to the minutes of the meeting of October 17,
30 2018, which minutes were previously distributed to the board. No changes were made. A
31 motion was made by Donnis Baggett to approve the minutes, as presented. Said motion was
32 seconded and carried.

1 The Chair directed the board’s attention to the minutes of the meeting of the November
2 special email board vote on the letter to the International Union for Conservation in Nature
3 (IUCN), which minutes were previously distributed to the board. No changes were made. A
4 motion was made by Paul Kolesar to approve the minutes, as presented. Said motion was
5 seconded and carried.

6 Donnis Baggett and Dave Carter provided the Year-to-Date Financial (YTD) Report
7 through October. The Finance Committee met November 28 to review the Year-to-Date
8 Financial Report. Dave said that the association continues to struggle to make up lost ground
9 from the higher-than-anticipated expenses at Summer Conference. Through October overall
10 income of \$719,929 was \$20,991 below budget. The timing of activities for the Farmers’
11 Market Promotion Program grant are largely responsible. YTD expenses of \$749,577 were
12 \$25,001 above projections. Summer Conference expenses are a prime factor there. After
13 adjustments, YTD net income of (\$29,875) is \$46,227 below budget.

14 A motion was made by Donnis Baggett to approve the financial report, as presented. Said
15 motion was put to a vote, and carried.

16 Mr. Carter reviewed the current draft of the 2019 first-three-month budget with the board.
17 That draft includes line items for membership software, and for projects to initiate a research
18 fundraising campaign. He noted that the budget is very conservative on GTSS projections. The
19 Finance Committee preliminarily reviewed this budget at the November meeting, and will take
20 another look next week.

21 Mr. Carter said that the NBA is also attempting to budget for an intern next year to assist
22 in developing infographics that can be used as educational and outreach tools.

23 Tom Barthel reported that, at the recommendation of Chairman Liedtke, he has developed
24 a proposed procedure for recording and distribution of the minutes and financial statements. The
25 proposed procedure is included with the board packet as Attachment L. Mr. Barthel reviewed
26 the proposed procedures with the board. Discussion was held. Tom Barthel made a motion to
27 approve the proposed procedure with minor edits. Said motion was seconded and carried.

28 Jim Matheson provided a membership report. The NBA membership count as of
29 December 11th was 1,116, which is a slight increase of eight members since October. However,
30 this is still a drop of 27 members since January.

1 Mr. Matheson noted that he has shared with the board the survey conducted among lapsed
2 members. Discussion was held.

3 Mr. Matheson reported that he has been reviewing membership software, as specified in
4 the organization's strategic plan. Our strategic plan calls for the NBA to investigate developing
5 a better membership database. He said that the staff is moving ahead to establish a trial period
6 with Apricot Software Co. This software is designed to help track membership data, analyze
7 trends, and capture important information about our members. If the results of the trial period
8 are positive, the monthly cost will be \$310, but may offer some features that will allow the
9 NBA to eliminate other monthly expenses. The software will be valuable to use as a part of a
10 fundraising campaign.

11 Mr. Carter reported that the full report compiled by Front Range Source, which outlined
12 the steps needed to initiate a campaign to generate \$600,000 in funding for research priorities,
13 had previously been distributed to the board. The board now needs to authorize steps forward to
14 initiate that plan. He called on Mimi Hillenbrand to introduce Leslie Allen, principal of Front
15 Range Source, to address the board.

16 Ms. Allen reviewed with the board the results of the analysis, and the proposed steps
17 forward. She noted that the association needs to increase its fundraising capacity, and to
18 strengthen its relationship with potential partners. She said the steps forward will require:

- 19 a) That we have the software capabilities to monitor and manage information (see
20 membership software discussion above); and
- 21 b) That we bring on a fundraising specialist to manage the campaign.

22 She recommended that the first step will be a discussion with the Research Committee and
23 the board regarding how to structure a research campaign. The second priority is to expand
24 fundraising capacity by enlisting a person who can focus exclusively on fundraising. The third
25 area will be to coordinate planning between the NBA and the National Buffalo Foundation.

26 Mr. Carter reported that he has included two areas from the Scope of Work Proposal in the
27 NBA's draft Three-Month Budget:

- 28 a) Oversight of recruitment for a fundraising director (\$7,500); and

1 b) Facilitation of the process to frame a research campaign, including a planning retreat
2 with the NBA Executive Committee, the NBF Board, and leaders from the Science
3 & Research Committee (\$3,200).

4 Tom Barthel made a motion to move forward with a fundraising campaign as proposed by
5 Front Range Source, with authority granted to the Executive/Finance Committee to finalize the
6 details for this agreement. Discussion was held. The motion was put to a vote, and carried, but
7 not unanimously. Brian Grubb voted nay.

8 Mr. Carter reported on the status and outlook of initiatives to halt mislabeled water buffalo
9 products from being marketed in the U.S. human food and pet products channels.

10 The NBA has filed two complaints with the FDA regarding the mislabeled product that is
11 being marketed without the mark of inspection, and labeled only as natural buffalo. U.S. Sens.
12 Michael Bennet (D-CO), John Hoeven (R-ND), Heidi Heitkamp (D-ND), John Thune (R-SD)
13 and Martin Heinrich (D-NM) jointly sent a letter to FDA and FSIS urging quick action on this
14 issue.

15 Thomas Foods International, the company importing water buffalo meat into the U.S.
16 marketplace, has contacted the NBA to express a willingness to halt the importation and
17 marketing of that meat, and a desire to work more closely with the U.S. bison business to build
18 the retail presence for bison meat. Thomas Foods International has provided the NBA with
19 information on its plans, including the statement, “Production and the sale of imported ground
20 buffalo products within Thomas Foods USA will cease by March 31st, 2019.”

21 Mr. Carter reported that the NBA has also developed model state legislation, patterned
22 after a law on the books in Texas. The association is also working with the offices of Sens.
23 Bennet and Hoeven on potential legislation during the next session of Congress.

24 The NBA is also working to address mislabeling of water buffalo ingredients in pet food
25 and treats. Mr. Carter reported that the working group established within the Ingredients
26 Definitions Committee of the Association of American Feed Control Officials (AAFCO) has
27 been meeting to discuss the language that was proposed by the NBA. He has also contacted feed
28 control officials in Montana and Colorado to encourage prompt action. AAFCO may handle this
29 issue as a feed labeling term. The January AAFCO meeting is scheduled in Savannah, GA for

1 January 21-23, which conflicts with the NBA Winter Conference. Mr. Carter said that he is
2 working to have an NBA member at the meeting to represent the association's interests.

3 The board turned to discussion of the development of a blockchain program for the bison
4 business. The board has previously authorized the Executive Committee to take formal action
5 on the Memorandum of Understanding (MOU) with LedgerSpace, L.L.C. The Executive
6 Committee has finalized that agreement, which is included as Attachment I with the board
7 packet. Mr. Carter has developed a flow chart that illustrates how this program will be
8 administered.

9 Jim Matheson provided a report on Winter Conference. The registration deadline is January
10 4th. As of today, 275 people have registered. The hotel block has been sold out. The board will
11 have dinner as a group following the meeting on January 22nd.

12 Mr. Matheson reported that he met with the Summer Conference Planning Committee
13 while he was at the North Dakota Buffalo Association meeting last week. He reviewed the
14 preliminary Summer Conference with the board.

15 The chair directed the board's attention to committee reports.

16 Connor Elliott, the chair of the North American Bison Registry (NABR), provided a report
17 on NABR. He noted that the software development is nearly complete. He requested that the
18 board approve the website, so that the NABR can make a presentation at the Winter Conference.
19 A motion was made by Brian Grubb, to approve the NABR software for presentation at Winter
20 Conference. Said motion was seconded and carried.

21 Dave Carter and Jim Matheson provided a report on the Science and Research Committee.
22 The NBA is continuing to work with South Dakota State University to implement the process
23 for producers to collect and submit Mycoplasma samples to SDSU for analysis. Drs. Murray
24 Woodbury and Dave Hunter are finalizing a video on conducting a necropsy. The *Bison Disease*
25 *Field Guide* has been produced, and will be offered as a free benefit for NBA members.

26 Boyd Meyer provided a report on the Gold Trophy Show and Sale Committee. There are
27 102 head of live animals consigned, along with 17 carcasses. The yearling bull and two-year-old
28 bull categories have both been filled, so no more entries are being accepted in those classes.
29 There has been discussion among some producers regarding those class limits.

1 Mr. Carter provided a report of the Commercial Marketers' Committee. The November
2 Commercial Marketers' Survey has been compiled. The survey shows a softening of market
3 conditions and outlook, but also continues to list an increase in demand for bison meat.

4 Ken Klemm, chair of the Conservation Committee, provided a report of that committee. He
5 reported that the committee met with consultant Tre Cates in Salina, KS in conjunction with the
6 Kansas Buffalo Association sale in December. Mr. Cates has developed a preliminary
7 questionnaire to go out to members. Mr. Klemm said that he is working with Mr. Cates to revise
8 the survey. The Conservation Committee is working to make sure that small producers can
9 participate in the process.

10 Dave Carter provided a report on legislative and regulatory activities. The Farm Bill
11 passed both the Senate and House this week by overwhelming majorities, and is expected to be
12 signed by President Trump. The Farm Bill contains report language that directs the FSA to work
13 with the NBA on an ongoing basis to update the Livestock Indemnity Program compensation
14 rates.

15 The U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers have
16 released a revised rule defining what constitutes a "Waters of the United States" for purposes of
17 the Clean Water Act. The proposed rule removes ephemeral streams – those that flow only
18 when the rain falls – from federal jurisdiction. The proposal also would exclude ditches from
19 regulation unless they contribute flow to a perennial or intermittent stream. Comments are now
20 being accepted on that proposed regulation.

21 The proposed U.S. Mexico Canada Agreement does not negatively impact the bison
22 business.

23 Mr. Carter reported that the Trump administration has announced intentions to enter into
24 negotiations for a trade agreement with Japan. The NBA has submitted the following comments
25 via the Agricultural Trade Advisory Committee of Animals and Animal Products:

26 *Bison meat exports to Japan were halted when that nation closed its doors to all U.S.-*
27 *produced red meat in 2003. The announcement earlier this year that Japan will reopen*
28 *its market for U.S. lamb now provides hope that U.S. bison exports will soon be allowed*
29 *as well. USDA's Foreign Agricultural Service and Animal and Plant Health Inspection*
30 *Service are initiating discussions with the Japanese government to accomplish this goal.*

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2 *Bison producers are looking to the U.S.-Japan trade agreement with anticipation of the*
3 *rules that will be put in place once that market is reopened for U.S. bison meat.*

4 *Accordingly, we fully support the U.S. Beef Industry Priorities stated above, and ask*
5 *that these same priorities be extended to bison through tariff reduction provisions that*
6 *reference “bovine” rather than “beef.”*

7 The administration is also initiating discussions with the EU to reduce the current tariffs,
8 and to start negotiations on a free trade agreement involving non-agricultural goods. The NBA
9 has submitted the following comments via the Agricultural Trade Advisory Committee of
10 Animals and Animal Products:

11
12 *U.S. Bison Priorities*

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14 *Bison meat is gaining popularity, not only among U.S. consumers, but among customers*
15 *around the world. U.S. bison and beef products are eligible for export to the EU under*
16 *what is known as the “Hilton Quota,” which carries a 20 percent tariff. Because of the*
17 *desire by customers in the EU to purchase meat produced without added growth*
18 *hormones, a Memorandum of Understanding (MOU) was established between the*
19 *United States and the EU in 2009 to allow beef produced without the use of growth-*
20 *promoting hormones to enter EU markets at zero tariff. From the signing of the MOU*
21 *until summer 2011, the EU was also admitting bison (which, under U.S. regulations, is*
22 *produced hormone free) at zero-tariff. It has since rescinded this practice, once again*
23 *subjecting bison to the 20 percent tariff imposed under the Hilton Quota.*

24
25 *Losing favorable duty treatment for U.S. bison exports bound for the EU created a*
26 *significant economic setback for the American bison industry. In today’s market, the*
27 *EU’s 20 percent tariff pushes bison meat beyond the price threshold for most European*
28 *consumers. Major bison marketers surveyed earlier this year by the National Bison*
29 *Association reported the potential for more than four-fold increase in exports if that*
30 *tariff was eliminated.*

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2 *The trade agreement finalized between Canada and the European Union last year*
3 *eliminates the tariffs of up to 3,000 metric tons of Canadian bison meat shipped to the*
4 *EU each year. Similar elimination of this tariff on U.S. bison meat is the most significant*
5 *export priority for the U.S. Bison Industry.*
6

7 Mr. Carter reported that the ATAC for Animals and Animal Products has scheduled a
8 meeting in Washington, D.C. for January 8th.

9 Jim Matheson provided a report on the International Union on Conservation in Nature.
10 The letter drafted by Ken Klemm, and approved by the board in November, was sent to the
11 IUCN Bison Working Group. Mr. Matheson followed up with a conversation with working
12 Group Chair Glenn Plumb. Mr. Plumb has asked the NBA to consider being the formal partner
13 for the IUCN working group. This will involve some minor increase in administrative work,
14 primarily managing funds as they relate to the group's fundraising efforts. However, the NBA
15 can charge an administrative percentage fee against donations received by IUCN. No objection
16 was listed. Mr. Plumb has expressed a desire to map all bison throughout the world, including
17 commercial herds. Mr. Plumb will be addressing the NBA Winter Conference.

18 The Chair directed the board's attention to the grant activities being administered by the
19 NBA.

20 Mr. Carter reported on the activities being conducted through the Farmers' Market
21 Promotion Program Grant. He said that the NBA has completed the on-line videos and
22 promotional materials and are producing the point-of-sale materials for vendors to use to
23 promote the on-line videos. The on-line directories for agritourism and farmers' marketers are
24 being finalized. Mr. Carter conducted a farmers' market workshop in conjunction with the
25 Western Bison Association meeting in Ogden, UT earlier this month.

26 Jim Matheson provided a report on the USDA Risk Management Agency (RMA) grant. He
27 is working with project partners to develop the producers' app that is authorized under the grant.
28 The next step is to develop a Request for Proposals for software development.

29 The chair asked for reports from regional directors.

1 Kristopher Kelley provided a report from Region VIII. There was a large bison auction in
2 Kentucky in November.

3 Brian Grubb provided a report from Region VII. The Eastern Bison Association will have
4 its show and sale in March.

5 Jeremy Alemann provided a report from Region V. The Minnesota Buffalo Association had
6 a successful Show and Sale in November.

7 Mimi Hillenbrand provided a report from Region III. She reported on the auctions that
8 were conducted in her region over the last month. The Dakota Territory Buffalo Association is
9 finalizing its plans for its winter conference. She is working with the Audubon Society to
10 develop a certification program for bird-friendly bison operations.

11 Paul Kolesar provided a report of the International Director. Mr. Kolesar reported that the
12 Canadian Bison Association conference in November was very successful. The recent sales in
13 Canada have had a strong variance in prices. He reported that there is some work being
14 conducted on the use of ultra-high frequency tags on bison being exported from Canada to the
15 United States. This will reduce the need to unload animals at the border. He suggested that
16 perhaps the time has arrived to establish a North American Bison Hall of Fame.

17 Mr. Carter provided a report from the Executive Director. He reported that the NBA has
18 hosted trade show booths at the FFA National Convention, the National Association of Farm
19 Broadcasting, and the National Agricultural Bankers conference in November. The association
20 is developing a one-hour webinar for ag advisors and ag lenders. In addition, the NBA has
21 offered to host a dinner for the summer board meeting of the National Association of Farm
22 Broadcasters in Colorado next summer.

23 Mr. Carter also reported that he NBA has formally joined Connect Americans Now
24 (CAN), a Microsoft-sponsored coalition that is working to bring technology, broadband, and
25 high-speed internet to Rural America.

26 The next meeting of the board will be at 4:30 p.m. January 22nd, in Denver.

27 There being no further business to come before the board, and upon motion made,
28 seconded and carried, the meeting adjourned at 7:20 p.m.

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30 Respectfully submitted,

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Tom Barthel, Secretary

Dave Carter, Recording Secretary