

**MINUTES**

THURSDAY, SEPTEMBER 5, 2013  
LOUISIANA DAIRY INDUSTRY PROMOTION BOARD MEETING  
5825 FLORIDA BOULEVARD  
VETERANS MEMORIAL AUDITORIUM  
BATON ROUGE, LA

**CALL TO ORDER**

Chairman Lanny Conerly called the meeting to order at 10:00 a.m.

**ROLL CALL**

LDIPB Director Michelle Estay called the roll.

**DECLARATION OF A QUORUM**

The presence of a quorum was declared by Chairman Conerly.

**MEMBERS PRESENT**

PAUL ALFORD  
HARVEY BURFORD  
LANNY CONERLY  
DONNIE FISHER  
SUSIE SHARKEY  
JERRY SIMPSON  
MICHELLE ESTAY (COMMISSIONER STRAIN'S DESIGNEE)

**MEMBERS ABSENT**

ROBERT SHARKEY

**ELECTION OF LDIPB OFFICERS**

Chairman Conerly opened the floor for nominations for Chairman.

A motion made by Donnie Fisher and second by Susie Sharkey to keep Lanny Conerly as Chairman. The motion carried.

Chairman Conerly opened the floor for nomination for Vice-Chairman.

A motion made by Paul Alford and second by Harvey Burford to elect Donnie Fisher as Vice-Chairman. The motion carried.

**ELECTION OF SUDIA BOARD MEMBER AND DELEGATES**

Chairman Conerly informed the Board that a SUDIA board member and delegates would need to be elected.

A motion made by Donnie Fisher and second by Jerry Simpson for Lanny Conerly to remain the SUDIA board member and Susie Sharkey and Robert Sharkey to be SUDIA delegates. The motion carried.

### **PUBLIC COMMENT**

Chairman Conerly recognized John Ramer of the Louisiana Department of Health and Hospitals and asked that he introduce himself.

Dr. Wayne Gauthier of the LSU AgCenter updated board members on the dairy tax credit and informed them that all three quarters of the year qualify thus far. He gave members handouts titled, "Louisiana Dairy Tax Credit Assessment Procedure for 2013" and "Performance Indicators of the Louisiana Dairy Refundable Tax Credit Program 2007-2012."

### **APPROVAL OF MINUTES**

A motion made by Donnie Fisher and second by Paul Alford to approve the minutes of the June 13, 2013, meeting. The motion carried.

### **FINANCIAL REPORTS**

Michelle Estay read the June 2013 financial report. She recommended that the Board not vote to approve the financial reports at the present meeting so that all transactions from the June closeout could be verified as being correct. Mrs. Estay explained that when the closeout was done, the Management & Finance Department found some inconsistencies with the numbers and thinks there was a problem with a deposit in June or July of 2012. She stated that there was a year-end adjustment made in the amount of \$9,003.65. Mrs. Estay advised the Board that she has requested the LDAF internal auditor check and make sure that the adjustment needed to be made and the money taken out. She stated that a detailed explanation regarding the adjustment would be provided at the next meeting.

Mrs. Estay informed board members that the fiscal year 2013 revenues totaled \$221,911.44 and the expenses totaled \$237,638.07, resulting in the Board going into savings in the amount of \$15,726.63. She explained that the writing in the right margin of the "Budget for Fiscal Year 2013" handout was her suggestions for the current fiscal year. She stated that her recommendations would reduce the budget to what the Board is actually receiving in revenue. Mrs. Estay read over the proposed budget for the current fiscal year which would reduce the anticipated total revenue to \$228,000.00 and the total expenses to \$247,400.00, resulting in the Board going into savings by approximately \$20,000.00.

A motion made by Donnie Fisher and second by Jerry Simpson to approve changes reducing the current fiscal year budget based on Mrs. Estay's recommendations. The motion carried.

Mrs. Estay read the July 2013 financial report and suggested not approving it at this time to allow for the aforementioned adjustment to be researched.

Susie Sharkey informed the Board that she called milk hauler Danny Lee to see if he received the SUDIA decals for his truck. She stated that Mr. Lee will not put it on his truck

because it does not have local farmers on it. Mrs. Sharkey said that Mr. Lee would return the decals to SUDIA. Cheryl Hayn of SUDIA informed the Board that there are approximately 50 trucks across the Southeast with these decals on them. She stated that some of the decals distributed in Louisiana have the LDIPB logo and others do not. Mrs. Hayn let board members know that any new hauler would have to sign an agreement with SUDIA before putting them on his truck. She stated that the Board contributed \$4,000.00 to pay for these decals. She said that SUDIA can take care of putting the decals on the trucks if needed. Mrs. Hayn reiterated that an agreement between SUDIA and the farmer is supposed to be signed first before sending any decals and said she would follow up with Mr. Lee.

Mrs. Estay brought some assessment issues to the Board's attention. She stated that there are two new producer/processors that the Board has not started receiving payments from yet. She said that the USDA is getting assessments from one of these companies which documents to them they are paying the Board, but are not. Mrs. Estay stated that one company said they would pay their assessments to the Board about a month ago. She said that the other company is very new and may not have known about the assessment, so she wrote a letter from the Board to inform them. She stated that all of the other processors pay on time. Mrs. Estay advised the Board that late fees, penalties and fines can be assessed for companies that do not pay. Mrs. Hayn informed board members that the Market Administrator can pull permits for any companies refusing to pay their assessments. Mr. Simpson inquired which companies were not paying their assessments to the Board, and Mrs. Estay stated that they were Feliciana's Best and Flowing Hills, the latter being the newest producer/processor.

### **XDESIGN ADVERTISING REPORT**

Hunter Territo of XDesign updated board members on promotional and advertising efforts. He stated that the Facebook promo, "30 Days of Dairy," ran during June Dairy Month and the Board's total Facebook page reach was 120,556 as of June 2013. Mr. Territo said that the smaller size shelf talk banners resulted in a 1.23% increase in dollar sales and a 2.81% increase in volume sales. He stated that the larger size shelf talk banners resulted in a 4.26% increase in dollar sales and a 5.14% increase in volume sales. Mr. Territo said that 60 unique names were submitted for the Facebook "Name Our Mascot" contest and gave the Board a handout of the names. He stated that board members could pick the top three names and let Facebook fans decide between those. The Board chose the following names: "Lucy Anna," "Mooly Mae" and "Bayou Bessie." Mr. Territo informed board members that there could be a t-shirt contest on Facebook to choose the design for the Washington Parish Fair and kids can submit artwork or ideas for a period of two weeks. He said that Mrs. Estay had a "Cow Dynasty" idea for the t-shirts and gave board members a handout with a sketch of this proposed theme. Mrs. Sharkey said that she asked dairy farmers what type of t-shirt they would like, and they said camouflage. Mrs. Estay suggested getting the contest into schools. Mr. Territo said that XDesign will e-mail t-shirt designs to Michelle, and she could forward them to board members. He stressed that the final t-shirt design would be the Board's decision. Mr. Territo stated that they could give t-shirts or a prize pack to the winner.

Christine Kennedy of XDesign presented the proposed marketing and advertising budget to the Board for the period of July 1, 2013, through June 30, 2014, a copy of which was given to board members and included the following: T-Shirts - \$15,000.00, Xdesign Services - \$15,000.00, GeauxDairy.com Web Site Updates - \$6,000.00, iPhone/iPad Add Update - \$12,000.00, Digital Advertising - \$15,000.00, Point of Purchase or Other Traditional Media -

\$20,000.00, Social Media/Facebook Ads - \$7,000.00, School Recipe Contests - \$5,000.00, To Be Allocated - \$4,000.00 and Cow Replica (estimated) - \$10,000.00 for a total of \$109,000.00. Mrs. Sharkey suggested not funding the iPhone/iPad app update. Mr. Fisher recommended putting that money into point of purchase signs since they were so successful. Mrs. Estay and Mr. Simpson also agreed that the funding in the proposed budget should be taken out of the app update and moved to point of purchase.

Mrs. Estay suggested compiling a cookbook using recipes submitted for the School Recipe Contests. Mr. Fisher stated that this cookbook could be added to the Board's website, and Mrs. Kennedy said that an online flipbook could be created for the website. Mrs. Kennedy said that the estimate for the cow replica was based on The "Incredible" Milking Cow which costs \$7,100.00 for a full size and \$6,900.00 for the smaller size. She stated that the cow can be customized and a "moo" sound added for \$750.00. Mrs. Estay suggested having the Culinary Institute make some of the recipes that are submitted for the contest. Mr. Fisher asked if the Board could swap internet advertising with other companies, and Mrs. Estay said she would check with the Department's attorney. Mrs. Estay requested that Xdesign check into being able to advertise in Wal-Mart and Winn-Dixie and said the Board could possibly do more promotions in these stores as an alternative to Digital Advertising. She stated that the Board may be able to purchase a commercial soft serve ice cream machine to bring to schools and serve ice cream to the children after talks instead of purchasing a milking cow replica.

Mrs. Estay informed board members that if it does the "Cooking Up Louisiana Treasures" show for \$6,500.00, the money would be taken out of reserves resulting in the Board being approximately \$25,000.00 over budget.

A motion made by Donnie Fisher and second by Susie Sharkey to approve the following components of the proposed marketing and advertising budget: T-Shirts, Xdesign Services, GeauxDairy.com Web Site Updates and Social Media/Facebook Ads. The motion carried.

Mrs. Kennedy informed the Board that Xdesign will work off of a \$105,000.00 total budget.

Mrs. Estay estimated that the cost of the ice cream machine would be between \$2,500.00 and \$3,000.00.

## **SUDIA REPORT**

Cheryl Hayn updated board members on SUDIA staff changes and stated that a new staff member from Atlanta would be helping in Louisiana. Mrs. Hayn and Terry Charles presented the SUDIA report. Mrs. Hayn began the report with updates on the agenda for today; the reason for the state of fluid milk; fluid milk action plan and progress; Starbucks: iced coffee at retail; liquid milk enhancers; oatmeal and milk volume potential; Quaker and Kroger – better together; print milk messaging campaign; Despicable Me 2 Happy Meal focusing on milk; and the mission and direction. Mrs. Charles continued the presentation and updated the Board on Dairy Everywhere in Louisiana schools; expanding breakfast growing milk sales; Yo To Go!; World School Milk Day – Wednesday, September 25; Coolers for Coaches promoting chocolate milk; Saints contests coming soon; program supporters; nutrition affairs in New Orleans; dairy messages in health professionals' inboxes weekly; coming soon media tour 2013; what's coming; Louisiana being Dedicated to Dairy; [www.southeastdairy.org](http://www.southeastdairy.org) display ads expanding;

Dedicated to Dairy (including Dedicated to Dairy ads, Dedicated to Dairy kits and Milk Moments ads); community outreach; and social media.

Mrs. Hayn presented SUDIA's July 2013 financial reports, a copy of which was given to board members.

### **OTHER BUSINESS**

Mrs. Estay informed the Board that Dr. Gauthier e-mailed her about sponsoring the 2014 US Youth Soccer Southern Regional Championship which is being hosted by the Baton Rouge Soccer Club June 19-26. She stated that they are asking for contributions and donations, and there is no request at this time for a certain amount of money. She said that there is expected to be 4,200 soccer players and 14,000 visitors. Dr. Gauthier spoke about this event and gave a handout to board members with information regarding it. Dr. Gauthier asked if Mrs. Estay would be willing to meet with representatives of this event in the future to discuss a sponsorship once they had more advertising information. Mrs. Estay said she would.

### **ADJOURNMENT**

No further comments were made. A motion made by Paul Alford and second by Harvey Burford to adjourn. The motion carried.