

**CALIFORNIA AVOCADO COMMISSION  
BOARD MEETING MINUTES  
November 19, 2020**

A web/teleconference meeting of the California Avocado Commission (CAC) Board was held on Thursday, November 19, 2020 with the following people present:

**MEMBERS PRESENT**

Gary Caloroso  
Jason Cole  
John Cornell  
Randy Douglas  
Rob Grether  
Jessica Hunter  
Ohannes Karaoghlanian  
Rachael Laenen  
John Lloyd-Butler  
Daniella Malfitano  
Andrew Prechtl  
Ryan Rochefort  
Peter Shore

**ALTERNATES PRESENT**

Connor Huser  
Daryn Miller  
Doug O'Hara  
Michael Perricone

**MEMBERS ABSENT**

None

**ALTERNATES ABSENT**

None

**ITEM #1 CALL TO ORDER**

Ben Kardokus, representing the California Department of Food and Agriculture (CDFA), called the meeting to order at 10:01 a.m.

**Announcement of Election Results and Introduction of New Members and Alternates - Item 1.A.**

Mr. Kardokus announced that results from the recently concluded 2020 CAC General Election had been tallied and the following individuals had been elected to the CAC Board for two-year terms ending October 31, 2022:

<u>Affiliation</u>	<u>Members</u>
District 1:	Jessica Hunter
District 2:	John Cornell
District 3:	John Lloyd-Butler
District 4:	Rachael Laenen
District 5:	Andrew Prechtl
Handler:	Gary Caloroso

Mr. Kardokus stated that as a result of the election, vacancies now existed for District 2 and 3 alternate seats, as Mr. Cornell and Mr. Lloyd-Butler had resigned their alternate seats to assume the member positions. He noted that these alternate vacancies would be filled at a future board meeting.

**STAFF PRESENT**

Monica Arnett  
April Aymami  
Tom Bellamore  
Zac Benedict  
David Cruz  
Jan DeLyser  
Angela Fraser  
Stacia Kierulff  
Miriam Martinez  
Ken Melban  
Cristina Wede

**OFFICIALLY PRESENT**

Katie Cook, USDA  
Ben Kardokus, CDFA  
Lauren Kelley, MullenLowe  
John McGuigan, HAB  
Sam Schaitberger, MullenLowe  
Temra Wald, TWC  
Sean Wright, Mullen

**GUESTS PRESENT**

David Anderson  
Jennifer Baker  
Carolyn Becker  
Hillary Brandaw  
John Burr  
Xavier Equihua  
Emiliano Escobedo  
Candace Hollar  
Gerardo Huerta  
Susan Hughes  
Kathleen Johnson  
Kim Kurata  
Scott Model  
Marji Morrow  
Steven Muro  
Laura Paden  
Martin Pagh Ludvigsen  
Bryan Reugebrink  
Gwen Sanders  
Tim Spann  
Bill Steed  
Catie Stoneberg  
Charley Wolk

Roll Call – Item 1.B.

Mr. Kardokus conducted roll call attendance and determined that a quorum was present.

Introductions

April Aymami, CAC industry affairs director, announced the United States Department of Agriculture (USDA), California Department of Food and Agriculture (CDFA), CAC staff, CAC agency personnel and known guests participating in the web/teleconference call. She asked for all other guests to announce themselves and recorded all participants in attendance.

**ITEM # 2 OPPORTUNITY FOR PUBLIC COMMENT**

There was no public comment.

**ITEM # 3 ELECTION OF OFFICERS**

Instruction on How Nominations and Voting for Board Officers will be Conducted – Item 3.A.

Mr. Kardokus provided a brief overview of Commission law as it pertains to the nomination and election of Board officers. He stated that all current officers, except for Rob Grether, were eligible to serve in their same positions for another year. Mr. Kardokus stated that if more than one nominee was presented, voting would be conducted utilizing the chat feature in Zoom with results read aloud and recorded into the minutes.

Nominations and Election of Chairperson – Item 3.B.

Following the instructions on nominations and voting for board officers, Mr. Kardokus called for nominations for the seat of Chairperson. Rob Grether was nominated for the position of Chairperson by Jason Cole, with a second by Daniella Malfitano.

**MOTION:**

***Move to close nominations for the position of Chairperson.  
(Rocheft/Douglas) MSC Unanimous***

**MOTION 20-11-19-1**

**MOTION:**

***Move to elect Rob Grether to the position of Chairperson.  
(Cole/Karaoghlanian) MSC Unanimous***

**MOTION 20-11-19-2**

**ITEM #4 CHAIRPERSON TAKES GAVEL AND PRESIDES**

Nominations and Election of Vice-Chairperson, Secretary, and Treasurer – Item 4.A.

**Vice Chairperson**

Mr. Grether assumed the position of Chairperson and requested nominations for the position of Vice-Chairperson. Ryan Rocheft was nominated for the position of Vice-Chairperson by Jessica Hunter, with a second by Jason Cole.

**MOTION:**

***Move to close nominations for the position of Vice-Chairperson.  
(Caloroso/Douglas) MSC Unanimous***

**MOTION 20-11-19-3**

**MOTION:**

***Move to elect Ryan Rocheft to the position of Vice-Chairperson.  
(Karaoghlanian/Lloyd-Butler) MSC Unanimous***

**MOTION 20-11-19-4**

### **Secretary**

Mr. Grether requested nominations for the position of Secretary. Ohannes Karaoghlanian was nominated for the position of Secretary by John Cornell. Jessica Hunter was nominated for the position of Secretary by Ryan Rochefort, with a second by Daniella Malfitano.

#### **MOTION:**

***Move to close nominations for the position of Secretary.  
(Rochefort/Malfitano) MSC Unanimous***

**MOTION 20-11-19-5**

#### **MOTION:**

***Move to elect Jessica Hunter to the position of Secretary.  
(Karaoghlanian/Lloyd-Butler) MSC Unanimous***

**MOTION 20-11-19-6**

### **Treasurer**

Mr. Grether requested nominations for the position of Treasurer. Jason Cole was nominated for the position of Treasurer by Ryan Rochefort, with a second by John Lloyd-Butler.

#### **MOTION:**

***Move to close nominations for the position of Treasurer.  
(Douglas/Karaoghlanian) MSC Unanimous***

**MOTION 20-11-19-7**

#### **MOTION:**

***Move to elect Jason Cole to the position of Treasurer.  
(Caloroso/Karaoghlanian) MSC Unanimous***

**MOTION 20-11-19-8**

#### **Chairperson's Opening Remarks – Item 4.B.**

Mr. Grether thanked the Board for their support and electing him to the position of Chairperson. He congratulated the new members to the board and welcomed back those who were reelected. Mr. Grether commented that the Board was a diverse group, but that their diversity can serve as a good resource to the CAC staff. He also noted that he would look to the Board to continue to serve as responsible stewards of the growers' funds.

#### **President's Comments**

Tom Bellamore, CAC president, stated that it was his pleasure to serve the Board. He commented that the newly elected Executive Committee members represented the youngest slate of officers in his tenure and that he looked forward to the youthfulness and energy they will bring. Looking forward, Mr. Bellamore said that the year would bring plenty of issues with Covid likely continuing and being the foremost challenge. He highlighted that CAC management continued to receive calls from growers regarding the challenges of production costs and profitability. Mr. Bellamore also stated that the Board would be preparing for leadership transition before the fiscal year was out.

### **ITEM # 5 CONSENT CALENDAR**

Mr. Grether introduced the consent calendar items and asked for questions or comments. Mr. Grether requested to remove Item 5.B, the proposed 2020-21 calendar, for further discussion.

#### **MOTION:**

***The CAC Board of Directors approves the Consent Calendar, Items 5.A and 5.C as presented.  
(Douglas/Cole) MSC Unanimous***

**MOTION 20-11-19-9**

Mr. Grether noted that he had a conflict with the proposed October 2021 meeting date and suggested moving the date to October 13, 2021, which met no dissent. He also noted that

normally the CAC Board would meet in February, but due to redistricting which must be approved by March 2021, staff had proposed a January meeting to approve committees and a March meeting to approve the redistricting committee's recommendation. Mr. Grether proposed amending the calendar to meet in December 2020 to approve committee appointments, not meeting in January and instead meeting in February 2021. CAC staff supported these recommended changes to the calendar.

**MOTION:**

***The CAC Board of Directors approves the Consent Calendar, Item 5.B, amended as follows:***

- ***Mid-December Board Meeting (Date TBD)***
- ***No January Board Meeting***
- ***February Board Meeting (Date TBD)***
- ***October Board Meeting Date changed to 10/13/21***

***(Rocheffort/Cole) MSC Unanimous***

**MOTION 20-11-19-10**

The Consent Calendar is included in the November 2020 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Items 5.A through 5.C.

**ITEM #6 CONSUMER TRACKING STUDY RESULTS – Temra Wald Consulting**

Mr. Bellamore stated that because CAC does not sell product, it uses consumer tracking studies as one way to measure success, and to gain insights and learnings on how to approach consumers.

Temra Wald of Temra Wald Consulting (TWC), presented the results of the 2020 CAC Tracking Research providing an overview of methodology used, along with highlights of significant findings. The research indicated that the new ad campaign appeared to be making a positive impact and that California Avocados are seen as most premium, best tasting, freshest, safest, worth paying more for and the preferred region. Ms. Wald noted that moving forward there were opportunities for CAC to increase region checking, as well as leverage safety benefits.

Mr. Grether asked Jan DeLyser, CAC vice president marketing, and Mr. Bellamore for their takeaways from the tracking study. Ms. DeLyser said she was pleased to see that the needle has been moved with the new campaign, but that CAC needs to keep their finger on the pulse of the Premium Californians, as well as the economy. Mr. Bellamore stated that he was very pleased with the results given the climate of the current year. He noted that it was interesting to see Utah and Arizona markets pick back up, an indication that Premium Californians are not just in California anymore.

The 2020 CAC Tracking Research Presentation is attached to the permanent copy of these Minutes and identified as EXHIBIT B.

**ITEM #7 MARKETING REPORT**

**Shop.CaliforniaAvocado.com - Item 7.A.**

Ms. DeLyser reported that the California Avocado merchandise e-commerce site launched in early-to-mid September, however due to the pandemic, social unrest and fires, CAC had made the decision to not heavily promote the site at that time and currently had just started social promotion of the merchandise shop. Lauren Kelley and Sam Schaitberger of MullenLowe presented highlights of the social rollout and influencer program aimed to promote the new merchandise site, which had successfully reached over 15,000 consumers, with more than 135,000 engagements and 74,000 impressions. It was noted that CAC and MullenLowe were

continually monitoring and evaluating product movement and would be reporting to the Board regularly on performance.

The California Avocado Merchandise Shop presentation is attached to the permanent copy of these Minutes and identified as EXHIBIT C.

Virtual PMA Fresh Summit - Item 7.B.

Ms. DeLyser commended Angela Fraser, CAC director trade affairs, who served as PMA Fresh Summit Committee Co-Chair on an excellent job in assisting PMA in transitioning Fresh Summit to a virtual event.

Ms. Fraser provided an overview of the Fresh Summit virtual platform and examples of how attendees and exhibitors were able to participate. She noted that PMA had reported an uptick in the number of buyers, which represented a 9 to 1 ratio of buyers to exhibitors. Ms. Fraser reported on CAC's participation, sponsorship benefits and event results. She stated that while it was different than an in-person event, CAC was glad they participated. If the convention is held as a virtual event in 2021, however, CAC would plan to participate at a level to be determined.

Mr. Bellamore congratulated Ms. Fraser for a job well done and read an email from PMA CEO Cathy Burns acknowledging the hard work and efforts of Ms. Fraser which made the virtual event a great success.

The Virtual PMA Fresh Summit presentation is attached to the permanent copy of these Minutes and identified as EXHIBIT D.

Year-End Dashboard 2019-2020 Season - Item 7.C.

Ms. DeLyser called the Board's attention to the year-end dashboard included in the Board Packet, stating that the metrics and key performance indicators covered the full fiscal year of November 2019 through October 2020.

The California Avocado Commission Dashboard, November 2019 – October 2020 is included in the November 2020 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 7.C.

Sneak Peek at 2021 Campaign - Item 7.D.

Sean Wright of MullenLowe presented a sneak peek of the 2021 California Avocado campaign creative, noting that the 2021 campaign would continue the best avocados have California in them campaign, but would feature 10 new artists creating 11 new unique "CA" artworks. He stated that the process had been reworked for 2021, wherein CAC and MullenLowe would select their favorite artists and allow them a blank canvas to bring their ideas and concept artwork to CAC/Mullen who will then select one concept for each artist to finalize.

The 2021 Campaign Sneak Peek presentation is attached to the permanent copy of these Minutes and identified as EXHIBIT E.

**ITEM #8 INDUSTRY AFFAIRS REPORT**

Section 201 Global Safeguard Investigation - Item 8.A.

Ken Melban, CAC vice president industry affairs, provided an overview of the Section 201 global safeguard investigation process which seeks to address the threat posed by increased imports to American producers of seasonal and perishable fruits and vegetables. He noted that recently a Section 201 investigation had been initiated for blueberries, resulting in some calls from California avocado growers for the Commission to pursue a Section 201 investigation for the California avocado industry. Mr. Melban stated that management's position on pursuing a

Section 201 investigation would not be to limit trade, but rather to get relief in the form of monetary compensation for growers to the degree possible.

Mr. Melban read a letter from California avocado grower Eddie Grangetto suggesting that CAC initiate a Section 201 investigation, but not limit the remedy to monetary compensation. John Burr, a California grower in attendance at the meeting, read from a letter he sent to CAC which encouraged the Board to initiate a Section 201 investigation and provide adequate financial resources to hire consultants to prepare the petition and develop strategic and tactical recommendations to implement the preservation of the avocado industry. Bill Steed, another California grower in attendance, who is also involved in the blueberry industry, cautioned CAC to research the situation, and develop a strategy and plan before soliciting for a Section 201 investigation. Mr. Steed commented that the final determination of the investigation also will consider how the ruling may impact the consumer.

Board discussion ensued which included questions regarding the change in administration following the election, whether the California industry has sustained, or will sustain, "serious injury" as a result of imports, how the consumer plays into the final determination and what additional data may be needed to determine if a Section 201 investigation might be successful. Points were made in support of soliciting for a Section 201 investigation immediately, with others who supported gathering more information prior to filing.

**MOTION:**

***The CAC Board of Directors directs CAC staff to research what information and financial commitments would be required to pursue a Section 201 investigation, and report to the Board at the December 2020 meeting.***  
***(Douglas/Cole) MSC Unanimous***

**MOTION 20-11-19-11**

The Section 201 Global Safeguard Investigation board packet write-up is included in the November 2020 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 8.

Section 201 Investigation Letter – Eddie Grangetto is attached to the permanent copy of these Minutes and identified as EXHIBIT F.

Section 201 Investigation Letter –John Burr is attached to the permanent copy of these Minutes and identified as EXHIBIT G.

**ITEM #9 CONSIDER APPROVAL OF, AND PARTICIPATION IN, HAB LEADERSHIP DEVELOPMENT PROGRAM**

John McGuigan, Hass Avocado Board (HAB) director of industry affairs, addressed the Board, reporting that HAB's Leadership Development Program Committee had worked to complete details of the program with the goal of developing a pipeline of potential leaders. He stated that the program was slated to begin in January 2021 and that CAC was invited to participate in the program by sponsoring a participant. Mr. McGuigan noted that CAC's financial contribution would be limited to travel reimbursements for the selection program participant, which could be up to \$9,000 if meetings were to take place in person.

John Lloyd-Butler, CAC's representative on the HAB Leadership Development Committee, voiced his concerns about the effectiveness of the program if the meetings were virtual in 2021. He also shared his concern about equitability if CAC only sponsored one participant, but there are multiple districts throughout the industry.

**MOTION:**

***The CAC Board of Directors approves sponsoring one program participant in the HAB Leadership Development Program.  
(Caloroso/Prechtl)***

There was general support for participating in the program, however concern expressed about sponsoring a participant that later is not elected to serve on the CAC Board. It was suggested that instead of extending participation to the entire California industry, that it be limited to currently seated CAC Board Members and Alternates.

**AMENDED MOTION:**

***The CAC Board of Directors approves sponsoring one program participant, who is a currently seated Board Member or Alternate, in the HAB Leadership Development Program.  
(Cornell/Karaoghlanian) MSC (10 Yay/1 Nay)***

**MOTION 20-11-19-12**

The HAB Leadership Development Program board packet write-up is included in the November 2020 Board Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 9.

**ITEM #10 RECOMMEND MEMBER AND ALTERNATE TO SERVE ON HASS AVOCADO COMMITTEE**

Mr. Grether stated that HAB had requested that CAC recommend one member and one alternate to serve on the Hass Avocado Committee (HAC). He noted that John Lloyd-Butler, who was currently serving as the CAC's HAC alternate had volunteered to serve as the member for the coming year. Rachael Laenen volunteered to serve as CAC's HAC alternate.

**MOTION:**

***The CAC Board of Directors recommends John Lloyd-Butler and Rachael Laenen to serve as California's representatives on the HAC, as Member and Alternate respectively.  
(Cole/Grether) MSC Unanimous***

**MOTION 20-11-19-13**

The Letter from HAB Chairman Jorge Hernandez Requesting HAC Representatives is included in the November 2020 Board Packet and attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 10.

**ADJOURN MEETING**

Mr. Grether adjourned the meeting at 1:28 p.m. The next Board meeting will be held in December 2020, on a date to be determined.

Respectfully submitted,

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April Aymami, CAC Industry Affairs Director

I certify that the above is a true statement of the Minutes of November 19, 2020 approved by the CAC Board of Directors on December 10, 2020.

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Jessica Hunter, CAC Board Secretary

California Avocado Commission  
Board Meeting Minutes  
November 19, 2020

**EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES**

EXHIBIT A November 2020 Board Packet  
EXHIBIT B 2020 CAC Tracking Research Presentation  
EXHIBIT C California Avocado Merchandise Shop Presentation  
EXHIBIT D Virtual PMA Fresh Summit Presentation  
EXHIBIT E 2021 Campaign Sneak Peek Presentation  
EXHIBIT F Section 201 Investigation Letter – Eddie Grangetto  
EXHIBIT G Section 201 Investigation Letter –John Burr  
EXHIBIT H November 19, 2020 Board Meeting AB 2720 Roll Call Vote Tally Summary





**CALIFORNIA AVOCADO COMMISSION**  
**AB 2720 Roll Call Vote Tally Summary**  
*To be attached to the Meeting Minutes*

<b>Meeting Name:</b> <i>California Avocado Commission Regular Board Meeting</i>	<b>Meeting Location:</b> <i>Zoom Web/Teleconference</i>	<b>Meeting Date:</b> <i>November 19, 2020</i>
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<i>Attendees Who Voted</i>	<i><u>MOTION 20-11-19-1</u></i>	<i><u>MOTION 20-11-19-2</u></i>	<i><u>MOTION 20-11-19-3</u></i>	<i><u>MOTION 20-11-19-4</u></i>	<i><u>MOTION 20-11-19-5</u></i>	<i><u>MOTION 20-11-19-6</u></i>	<i><u>MOTION 20-11-19-7</u></i>	<i><u>MOTION 20-11-19-8</u></i>	<i><u>MOTION 20-11-19-9</u></i>	<i><u>MOTION 20-11-19-10</u></i>	<i><u>MOTION 20-11-19-11</u></i>	<i><u>MOTION 20-11-19-12</u></i>	<i><u>MOTION 20-11-19-13</u></i>
Ryan Rochefort	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Jessica Hunter	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Not Present	Not Present	Not Present
Michael Perricone											Yea	Yea	Yea
Ohannes Karaoghlanian	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
John Cornell	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Rob Grether	Yea	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote	Did Not Vote
John Lloyd-Butler	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Jason Cole	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Rachael Laenen	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Randy Douglas	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Nay	Yea
Andrew Prechtl	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Peter Shore	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Gary Caloroso	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea
Daniella Malfitano	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Yea	Not Present	Not Present	Not Present
<b>Outcome</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>Unanimous</b>	<b>10 Yea/1Nay</b>	<b>Unanimous</b>