

Louisiana Seafood Promotion and Marketing Board

Regular Meeting Minutes

August 14, 2013

1:00 p.m.

Capitol Park Welcome Center

702 N. River Road, Baton Rouge, La. 70802

The meeting was called to order at 1:13 p.m. The roll was called:

Board Member	Present	Absent
Chef John Folse, Chairman	X	
Larry Avery		X
Sherbin Collette	X	
Lt. Gov. Jay Dardenne		X
Byron Despoux		X
Alan Gibson	X	
David Maginnis		X
Frank Randol	X	
Chef Peter Sciafani	X	
Tommy Stoddard		X
Sal Sunseri	X	
Pete Tortorich	X	
Sarah Voisin	X	
Keith Watts	X	

Staff:

Ewell Smith, Executive Director

Kristin McLaren, Assistant Executive Director

Krystal Cox, Administrative Assistant

Guests:

Cathy Berry, DCRT

Randy Davis, DCRT

Kyle Edmiston, DCRT

Jacques Berry, DCRT

Julie Samson, DCRT

Donovan Burke, LDWF

Dan Austin, GCR

Kathy Anderson, Graham Group

Donna Klingenberg, The Food Group

Michael LeBlanc, New Orleans Saints

R.J. Mata, New Orleans Saints

Doug Daigle, Louisiana Hypoxia Working Group

Julie Falgout, LSU Sea Grant

Michaela York, Chef John Folse & Co.

Erin Brown, LDWF

Dr. Jon Bell, LSU Sea Grant

The chairman provided opening remarks and encouraged members to participate in discussion. He stated the public is welcome to provide comment prior to votes being taken and general comments should be held until the end of the meeting.

Frank Randol moved to adopt the agenda, seconded by Sherbin Collette. There being no discussion or public comment, the motion carried unanimously.

Frank Randol moved to accept the meeting minutes of June 19, 2013; July 16, 2013 and July 26, 2013, seconded by Sarah Voisin. There being no discussion or public comment, the motion carried unanimously.

Kristin McLaren provided the Treasurer's Report indicating a balance of \$121,957.68 in statutory funds that will carry over next year and a balance of BP Funds of \$5,302,556.29. Frank Randol moved to adopt the Treasurer's Report, seconded by Sarah Voisin. There being no discussion or public comment, the motion carried unanimously.

The chairman called on Ewell Smith to provide the executive director's report. Mr. Smith showed a WWL media clip of the Great American Seafood Cook-off that was held August 3, 2013 and recapped the event. Mr. Smith recapped media interviews that he has participated in. The Nicholls State University Institute of Seafood Studies invited Mr. Smith to chair the board and he has accepted the invitation. Mr. Smith reported to the Board two staff members have left since the last regular Board meeting. DCRT is providing office space in Baton Rouge to house LSPMB staff. Mr. Smith said he would like to invite the meeting facilitator, Dr. Christel Slaughter, back to assist the Board and DCRT with developing policies and procedures. Also, Mr. Smith and Graham Group met with the Louisiana Lottery and he showed lottery tickets that are being considered. The Lottery is not looking for a monetary contribution, but may need assistance with the design.

Sal Sunseri asked if any Board members attended the Great American Seafood Cook-Off; Chef Peter Sclafani and Chef John Folse were in attendance. The chairman asked about the attendance and Mr. Smith said it's difficult to measure but at least 2,000 people passed through the competition at some point. The chairman inquired as to the judges of this competition to which Mr. Smith responded.

Mr. Smith would like to fill the vacant Public Information Officer position. Chef Sclafani asked why Ashley Roth left and Mr. Smith said the office's relocation to Baton Rouge was the largest factor.

Mr. Randol asked how LSPMB will function in Baton Rouge. Lt. Gov. Dardenne said the function will be virtually the same. Mr. Randol expressed concern that a lot of the work is not accomplished within bricks and mortar and asked if there was any flexibility since the staff now reports to the lieutenant governor. Mr. Randol said very little fisheries business is actually conducted from Baton Rouge. The lieutenant governor said the staff would not be tied to an office in Baton Rouge and is expected to stay in touch with the industry. The lieutenant governor said Mr. Smith is the equivalent of an assistant secretary and many of his assistant secretaries' office in Baton Rouge but work in the field. The lieutenant governor expressed when the responsibilities of the position require the staff to be out in the field, his commitment is they will be in the field. Mr. Randol said since he has been appointed to the Board his observation is two-thirds of the job is out of the office and the Board has a substantial interest in the staff keeping in touch with the industry. The lieutenant governor said staff had more autonomy under LDWF than what they will have with DCRT.

Sarah Voisin expressed a concern about all the changes the Board has undergone. Ms. Voisin commented LSPMB and its staff have a lot of momentum and she is concerned about losing that. The

lieutenant governor reminded Ms. Voisin we are six weeks into the transition and it has gone as smooth as the lieutenant governor envisioned it, which is not to say there hasn't been bumps in the road.

Pete Tortorich asked if the staff could work from home to mitigate the commute. The lieutenant governor advised the Board several of his staff members commute every day from Lafayette, Lake Charles and other parts of the state and acknowledged it would be a sacrifice. The lieutenant governor invited staff to speak with him if either has an issue.

Sherbin Collette thanked the lieutenant governor for trying to improve the Board. Alan Gibson reminded Mr. Collette that this Board is where it is today because of some issues in the past and this Board should not fight the changes and let time work.

Frank Randol moved to adopt the executive director's report, seconded by Keith Watts. There being no discussion or public comment, the motion carried unanimously.

The chairman turned the meeting over to the lieutenant governor who provided information on where LSPMB staff will be housed within the Capitol Annex Building. LSPMB will be located next to Tourism and they will be neighbors and can cross-promote. Many DCRT employees have undergone change to welcome LSPMB. The lieutenant governor said they have invoiced \$5 million to BP and is in the process of invoicing the remaining \$5 million which will provide a \$10 million cash infusion. The cash disbursements are not contingent upon execution of the Amendment. The lieutenant governor referenced a memo from Randy Davis regarding the balance of BP funds available to the Board and encouraged the Board to prioritize their activities to maximize every dollar and coincide with the strategy recently developed. The lieutenant governor said he met with LSPMB staff and agreed on parameters for NewsRoom's contract. The lieutenant governor said the Board should develop policies for the staff to follow; however, from a procedural standpoint, DCRT is going to dictate that for LSPMB just as they do for all other entities. The lieutenant governor said it's up to the Board if a third-party facilitator is needed to come up with policies and procedures and he will defer to the Board on that decision but he doesn't feel it is necessary. The lieutenant governor wanted to discuss the New Orleans Saints because they have approached him directly through Kyle Edmiston. The lieutenant governor wanted to confirm whether or not the Board is not interested in a partnership with the Saints.

A report was passed out to members regarding the lieutenant governor's recent travels and promotion of Louisiana seafood, including his testimony before the International Trade Commission's hearing in Washington, DC on August 13, 2013. The lieutenant governor hosts a Tourism Summit each year; it will be taking place August 26-28, 2013 in Baton Rouge and the Board is welcome and invited to attend at DCRT's expense so they can learn what his department is doing for Tourism and for the seafood board. Mr. Randol asked about the deadline to respond on the lieutenant governor's breakfast to which the lieutenant governor directed him to get with staff.

Mr. Gibson thanked the lieutenant governor and the chairman for participating in the trade case hearing in Washington, DC. Mr. Gibson also recognized Rep. Joe Harrison for his participation as well. Mr. Gibson encouraged Board members if they have any questions related to this case to please feel free to speak with him. The chairman said it was a great experience and the lieutenant governor represented the industry well. The chairman said he was asked by questions by commissioners to learn what LSPMB is doing to market seafood and educate the public. The chairman and lieutenant governor's written testimony has been made available for public distribution.

Mr. Watts said each country had to be named specifically when they filed a petition on behalf of the crab industry against the imports. Mr. Gibson agreed the same was true for the shrimp industry and said this is one of the largest cases in history. Mr. Randol said crawfish went through the same thing fifteen years ago and the crawfish industry has common ground with the shrimp industry as it specifically relates to the imports. Mr. Sunseri asked how much of the case is about price suppression versus health risks to which Mr. Gibson said price suppression. The chairman said the confusion regarding the tariffs is where disbursements will go and there is some misinformation out there on e-mail.

The chairman reminded Board members they received the Marketing Committee report at the July 16, 2013 Special Board Meeting, but it was not adopted. Chef Sclafani made a motion to adopt the Marketing Committee Report, seconded by Pete Tortorich. There being no discussion or public comment, the motion carried unanimously. The chairman advised the next Marketing Committee meeting will be held at Nicholls State University and asked Ms. McLaren to provide an overview of the Board’s partnership with Nicholls State University. Ms. McLaren advised it is a \$400,000 partnership with \$150,000 paid by BP funds and another \$250,000 paid from a federal grant for a research/test kitchen in the Chef John Folse Culinary Institute, inclusion in the culinary curriculum, sponsorship of the school’s Bistro, menuing and serving Louisiana seafood items and sponsorship of several annual events for the school. The chairman reviewed current policies and procedures as it relates to sponsorships.

Ms. McLaren requested clarification from the Board since the Seafood Marketing Campaign agencies will be presenting plans beyond November 2013 and given the fact their contract is through May 2014. Mr. Randol said the dialogue on any contract extension would be started in committee. Mr. Randol moved to direct the agencies to prepare a \$4 million plan to carry LSPMB through June 30, 2014, seconded by Mr. Sunseri. The chairman opened the floor for discussion and Mr. Gibson asked how much of the BP funds is left. Randy Davis recapped the e-mail he provided to the Board, indicating an \$8.2 million balance. The chairman asked Mr. Davis for clarification on the operating costs totaling \$200k annually. Mr. Randol said his motion is not intended to set the budget because there are other variables that need to be taken into account. There being no further discussion or public comment, the motion carried unanimously:

Board Member	Yay	Nay	Abstain
Chef John Folse, Chairman	X		
Sherbin Collette	X		
Alan Gibson	X		
Frank Randol	X		
Chef Peter Sclafani	X		
Sal Sunseri	X		
Pete Tortorich	X		
Sarah Voisin	X		
Keith Watts	X		

The chairman opened discussion on elections and made a personal recommendation that since the year is already half over to maintain status quo because the individual serving would not be eligible to serve a full term. Mr. Randol commented the last vote was a split vote and with the enabling legislation requiring one year of service, this limits the number of candidates the Board is able to consider. Ms.

Voisin clarified that tabling elections would just be for the remainder of the year. Discussion held on term expiration dates. The chairman said he is not attempting to change anything; rather, he doesn't want to put valuable people in a four month job.

Mr. Randol moved to defer election of the remaining officers to the next election cycle, seconded by Pete Tortorich. The chairman called for discussion. Mr. Gibson clarified a comment by Mr. Randol made regarding the one year service requirement for members to serve as an officer in LSPMB's enabling legislation. Mr. Watts pointed out that by deferring the elections until January, the one year service requirement for members to serve as officers will still limit the number of people eligible to be elected. Mr. Sunseri asked how the lieutenant governor feels about the discussion and he agreed with delaying the elections. Mr. Randol called a point of order. There being no further discussion and no public comment, the motion passed unanimously:

Board Member	Yay	Nay	Abstain
Chef John Folse, Chairman	X		
Sherbin Collette	X		
Alan Gibson	X		
Frank Randol	X		
Chef Peter Sclafani	X		
Sal Sunseri	X		
Pete Tortorich	X		
Sarah Voisin	X		
Keith Watts	X		

The chairman called on DCRT to update the Board on the BP MOU extension. The lieutenant governor provided general discussion on the status of the amendment.

The chairman reminded Board members they received the Strategic Plan 2013-2015 in advance that staff prepared. Mr. Randol moved to adopt the document titled Strategic Plan 2013-2015, seconded by Mayor Collette. Mr. Gibson cautioned the Board to remember his comments from previous meetings where the Board decides to attend a trade show for \$...X and ends up spending \$XXX. The chairman advised new mechanisms are in place with DCRT providing oversight. Mr. Randol said this Strategic Plan provides a gauge, which the previous Board did not have. There being no further discussion or public comment the motion passed unanimously:

Board Member	Yay	Nay	Abstain
Chef John Folse, Chairman	X		
Sherbin Collette	X		
Alan Gibson	X		
Frank Randol	X		
Chef Peter Sclafani	X		
Sal Sunseri	X		
Pete Tortorich	X		
Sarah Voisin	X		
Keith Watts	X		

The chairman recognized Rep. Joe Harrison who joined the meeting at 2:51 p.m. Rep. Harrison provided comments about his trip to Washington, DC to testify before the International Trade Commission regarding imports on August 13, 2013. Rep. Harrison was disappointed about misinformation that was circulating prior to the hearing. Rep. Harrison publicly thanked Chef Folse and Lt. Gov. Dardenne for their support and participation. Mr. Gibson listed the congressional representatives that supported COGSI at the ITC hearing on August 13, 2013. The chairman said given the attention to the chairman's attendance at this hearing, he has made his written testimony publicly available. Mr. Randol brought to Rep. Harrison's attention the one year service requirement outlined in the enabling legislation that was discussed earlier and called on him for his assistance. Rep. Harrison said he would further investigate the matter.

The chairman called on Mr. Smith to discuss LDWF's Certification Program. Mr. Smith would like the Board to provide direction on how much of the program should be incorporated into the Board's advertising. Mr. Smith introduced Donovan Burke, LDWF, who provided an overview of the program. Mr. Burke advised there are 100 companies across the industry (including, retailers, restaurants, docks, processors, etc.) that are participating. Mr. Sunseri thanked Mr. Burke for the program and expressed his concern regarding safeguards as it relates to origin and the labeling of the product. Mr. Burke advised this is a multi-agency program extending beyond LDWF to LDAF and DHH. Mayor Collette asked if the certified logo could look more like a state seal. Mr. Burke said there is an existing private entity that has a similar logo to the state seal and there was concern that a logo described by Mayor Collette would be confused with the private entity's logo. Ms. Voisin asked how the logo is enforced in restaurants outside Louisiana. Mr. Burke said if the logo is utilized on the menu, there must be proof they are in the program. Mr. Randol said HAACP and trip-ticket linking would be a good idea. Chef Sclafani indicated restaurants cannot participate until January yet there are billboards advising consumers to request it. Mr. Watts asked if Mr. Burke was including the MSC certification on their materials to which Mr. Burke said MSC is separate from this program. Rep. Harrison said he will be tweaking the statutes in the next legislative session and discussed the intent of the original legislation. Rep. Harrison offered to work with the Crab Task Force on the possibility of including MSC.

The chairman called on Mr. Smith to update the Board on Lake Pontchartrain fisheries, since Warren Delacroix is unable to make the meeting. Mr. Watts commented on a recent story on WWL regarding the lack of availability of crabs in Lake Pontchartrain. Mr. Watts said it is cost-prohibitive to crab in Lake Pontchartrain right now and referenced data published by UNO. Additional discussion held by Board members. Mr. Watts said the Crab Task Force is going to take an in-depth look at the UNO study and will report findings at the next Board meeting.

Mr. Smith introduced Doug Daigle of the Louisiana Hypoxia Working Group to present information on the Hypoxic Zone to LSPMB and thanked the lieutenant governor for his joint statement with Illinois governor on the importance of the Mississippi River.

The chairman invited Michael LeBlanc and R.J. Mata of the New Orleans Saints to address the Board per the lieutenant governor's earlier comments. The chairman advised LSPMB just set its Strategic Plan and our agencies will be looking at devising a \$4 million plan and if the New Orleans Saints would like to see about integrating into that plan to work with staff. Mr. Smith reminded the Board of our sponsorship process and the New Orleans Saints proposal will be handled in the same manner, as will Mr. Avery's request for the Board to consider a sponsorship with Chennault Airport. Mr. Sunseri asked if the Board

could accelerate the process given the timing of the football season. The chairman invited the New Orleans Saints to make a presentation at the next Marketing Committee meeting.

The chairman called for public comments to which none were made. Mr. Sunseri asked about materials produced by GCR or its subcontractors are owned by LSPMB to which Mr. Smith said yes.

Upon motion made by Sarah Voisin and seconded by Sal Sunseri, the meeting adjourned at 3:48 p.m.

Respectfully submitted,
Kristin McLaren