



**A Meeting of the United Salmon Association Statewide Chapters:
USA/Kodiak, USA/Prince William Sound, USA/Copper River Salmon
Producers Association**

April 13 & 14, 2002

MINUTES

Board Member Attendees: Thea Thomas (CRSPA), Bill Lindow (CRSPA), Bill Webber (CRSPA), Bruce Robertson (CRPSA), Bill Myers (CRSPA) Doug Heimbuch (CRSPA, April 13 only), Herb Jensen (PWS), Jack Hopkins (PWS), John Wiese (PWS), Steve Riedel (PWS), John Renner (PWS, April 14 only), Matt Keplinger (Kodiak), Thom Wischer (Kodiak), Virginia Adams (Kodiak), Ross Kendall (Kodiak)

Other Attendees: Bruce Schactler (President), Erin Harrington (staff, Kodiak); Liz Senear (bookkeeper, CRSPA), Barbara Jensen (Secretary)

Saturday, April 13, 2002

Changes to/Approval of Meeting Agenda:

Additions to agenda include:

3.b.1. Election of officers

3.f. Vision discussion: Who/What/Why/Where/When

Lindow recommended a subcommittee meeting for discussion of finances.

Riedel moved to approve agenda as amended, Wischer seconds: Motion passes unanimously.

Review of professional service relationships (legal and accounting) and establish statewide policy regarding interaction with professional firms:

Schactler suggested Harrington write a letter to Mundt MacGregor requesting monthly billings for all three USA chapters, regardless of account activity.

Adams offered a motion:

USA will request that the legal firm bill separately to each chapter where applicable and send monthly billing; and billing for each chapter, as well as state billing, should be copied to the statewide office as paid.

Riedel seconds.

Discussion:

Herb Jensen noted that the discussion of the legal billings falls under a board policy manual or set of guidelines.

Keplinger said centralized accounting, billing, etc. require a statewide office.

Lindow said he supported Adams' amendment as long as it applied only to the legal bill.

Robertson said it is necessary to be as specific with the legal firm as possible, and to give them no latitude to place calls, do research, without consulting first with the Association.

Wischer noted that individuals from the local chapters have already been designated to contact the legal firm on behalf of the chapters. He suggested the same measures be taken for the statewide board.

Motion passed unanimously.

Action to appoint six members of the Board of Directors:

Each chapter identified the following interim board of directors members:

Kodiak:

Thom Wischer
Virginia Adams

CRSPA:

Bill Webber
Bill Lindow

PWS:

Herb Jensen
Steve Riedel

Discussion of Statewide Office

Schactler said the organization needed a centralized state office.

Riedel noted that the organization had moved, in the past, away from a centralized office; he suggested that may have hurt the organization.

Barb Jensen noted that discussion items for the statewide office would include Erin's salary and other shared expenses.

Riedel Offered Motion:

The Statewide Office in Kodiak and the Administrative Assistant will be a shared expense of USA, the proportion of which to be determined by the Budget Committee.

Wischer seconded motion.

Discussion:

Keplinger noted neither the building expenses nor the A.A. salary would be split evenly, as Kodiak would likely have disproportionate use of the A.A. and the office, and as Kodiak would want to maintain the ability to use Erin on the local level.

Lindow agreed that the proportion of use should be gone through in the budgeting process.

Wischer noted that Kodiak, in its current relationship with the A.A., does not permit the entire Kodiak Steering Committee to direct the work of the A.A. He suggested that a similar situation should be established in the relationship of the A.A. to the statewide board. Additionally, he noted that statewide business should take precedent over local business.

Motion passed 6-0.

Riedel noted that it would be a discussion/action item for the Statewide Board to determine who will direct the A.A.

Election of Officers:

Lindow asked if the President should be allowed to vote to break a tie.

Wischer suggested that such amendments to the bylaws be addressed in a committee.

Wischer and Lindow volunteered to serve on committee to recommend changes in the bylaws.

Herb Jensen nominated Bruce Schactler as president:
Board votes 6-0 for Schactler to be president.

Wischer nominated Herb Jensen to serve as Vice President.
Board votes 5-1 (Jensen dissenting) to have Jensen serve as VP.

Riedel nominated Lindow for Secretary/Treasurer combination position.
Adams noted that the nomination was with the understanding that the bylaws would be changed to allow the responsibilities of the Sec/Treas to be delegated to staff or others.

Board votes 5-1 (Lindow dissenting) to have Lindow serve as Secretary/Treasurer.

Keplinger suggested that the board consider changing bylaws so that a local chapter requires participation from a percentage of permit holders in a CFEC area, rather than participation from 10 permit holders, as is currently the situation.

Schactler noted that participation from 10 permit holders enables a CFEC area to apply to become a USA chapter, but does not guarantee them that right.

Hopkins asked if USA is branching out into the political arena or if USA is going to focus on marketing.

Schactler explained that he feels marketing and politics are necessarily combined, as funding and legislative support must come through political sources.

Myers said he thought USA should stand behind the existing directed political groups like CDFU and UFA, and be certain not to work against them

Thomas said USA should be let groups like CDFU and UFA handle the political aspects of the industry.

Herb Jensen read the USA Mission Statement:

The United Salmon Association is a fishermen's marketing association dedicated to increasing market share and prices for wild caught Alaskan Salmon.

- To enhance and promote wild caught Alaska salmon
- To expand markets for wild caught Alaska salmon
- To work with fish buyers to improve product
- To stabilize salmon prices
- To sign pre-season, market driven contracts

Jensen noted that agendas of other groups don't always help USA's own issues, and that USA needs to stand on its own beliefs.

Riedel said there are three things USA should be treating:

1. Negotiating contracts
2. Promotions/marketing—including work on production, harvesting, handling, transportation, etc.
3. Quality – Which should be contractual between fishermen and processors.

Schactler said that dealing with processors is 100% politics. He gave some examples: in order to work with more than one of them together, you have to do it through an anti-trust exemption out of Washington, D.C; if markets are to be expanded, it requires funding, which comes through politics.

Wischer noted that negotiating pre-season contracts is a major goal of United Salmon Association. However, the Association is now doing much more than just negotiations, and that message needs wide broadcasting.

Hopkins said that USA and other groups do not want to be duplicating each other's works and stepping on each other's work.

Jensen noted that the salmon industry will need to change to survive.

Lindow said he would prefer to let UFA and CDFU tackle political issues unless USA feels those groups are not going to adequately address the issues.

Adams said she agreed with Lindow, though there is a fuzzy line between politics and marketing.

Keplinger noted that the discussion of policy falls on the Board of Directors. But if a person has ideas on an individual level, the person must do it as an individual and not as part of USA. It is necessary for USA people to relinquish their personal issues as part of USA.

Wischer noted that the Association bylaws say the purpose of USA is to facilitate the distribution of product as directly and efficiently as possible. Additionally, he said the responsibility of Boards of Directors, at statewide and chapter levels, is to seek direction and leave personal matters aside.

Riedel noted that legislators consistently point out that fishermen continuously contradict each other in politics, which undermines respectability.

Schactler noted that some groups within UFA have different ideas, and that it's important to remember that an organization to which you belong doesn't necessarily represent your ideas all the time.

Riedel noted that political positions give USA trouble in negotiations and with membership growth.

Adams noted that people who support USA and people who don't support USA both reap the benefit of USA's work.

Myers said USA can, through negotiations, create an incentive to be a USA member.

Jensen said it's okay to fight within an organization, as long as the public face is completely united.

Finance Committee:

A Finance Committee was named and tasked with sorting out issues concerning legal and accounting bills and discussing a statewide budget during lunch on Saturday. Thea Thomas, Bill Lindow, Liz Senear, Barb and Herb Jensen, Jack Hopkins, Virginia Adams, Thom Wischer and Erin Harrington were assigned to the Finance Committee by the president.

Vision for the Association:

Schactler said the Association needs to work on getting more information out to more people.

Webber said he wanted to commend Harrington for the recent USA Kodiak newsletter. He said a goal for the Association is to get more email addresses and develop a more comprehensive web site.

Riedel said the Association needs to work on marketing, quality, etc.

Thomas reported on the Quality Program for Copper River Salmon. The program has developed standards for fishermen, tenders and processors. The Alaska Manufacturers Association (AKMA) is funding the program. It is designed to be a pilot program that can be exported to other regions. This year it is being exported to Bristol Bay and to Kenai.

Webber noted that Surefish provided a manual on the program this year.

Thomas said AKMA is paying for the Surefish oversight.

Riedel wanted to know how the program is dealing with poor quality fish.

Webber said fishermen are doing their job well, but some fish get demoted to non-program fish at the processor level.

Lindow said CRSPA has talked about writing contracts with a quality price differential. He said that is an item they might seek in a contract.

Riedel said there have to be minimum quality standards.

Lindow said processors would likely support such a price differential if they felt that fishermen wanted to see a break.

Herb Jensen said it is important to work on vertical integration—from the ocean to the plate—on quality issues.

Barb Jensen suggested that USA could offer a resolution supporting quality standards for ASMI.

Thomas suggested that USA might have a quality policy on the books supporting quality standards for Alaskan Salmon.

Adams said she would like to see USA adopt a strong position of support for quality standards.

Herb Jensen said a subcommittee should get together to work on a USA position on quality.

Anti-Trust Exemption:

Riedel asked for discussion on the issue of an anti-trust exemption for processors.

Schactler reported Joe Sullivan (USA attorney) recommended that USA write up an anti-trust exemption and submit it to the Dept. of Justice. He also added that the Salmon Task Force might be the best place to bring up an anti-trust exemption.

Lindow asked for more information on the reasons behind an anti-trust exemption.

Schactler said there is currently a chasm between marketing and production, because processors can't coordinate.

Hopkins noted that without processor support, you can't expect a marketing program to go very far.

Schactler said he would like to see USA support an end to all ASMI sales promotions that are not backed up by product to fill any orders.

Additionally, he challenged USA to get some position papers on marketing out into the public.

Hopkins said that hatchery programs and cost recovery are a problem for marketing.

Riedel said there has been some talk of placing a 1% tax on cost recovery programs, with funds to go to ASMI.

Thomas and Herb Jensen volunteered to coordinate on a USA quality position paper.

Schactler suggested that USA try to get an article in the Alaska Fishermen's Journal every month. Thomas said she would work on a quality article. Other articles include one about Exxon tax exemption and one about the Saltonstall-Kennedy marketing funds.

Corporation Finances:

Lindow proposed that Schactler, Lindow, and Harrington sit down and prepare a draft statewide budget for submission to the Board.

Webber asked that realistic USA revenues based on membership numbers be used for the baseline for a budget.

Herb Jensen suggested that a membership committee be organized.

Barb Jensen suggested that USA membership be made uniform throughout all three chapters.

Webber and Wischer said the membership message should be that people are joining a statewide organization.

Schactler noted that within the Dept. of Agriculture there is money for harvester/production/marketing cooperatives.

Wischer reported that Joe Sullivan felt it would be possible for USA to have associate members.

Lindow said a good statewide budget would help in membership drives.

A Budget Committee was appointed: Thom Wischer and Bill Lindow will serve, with support from Harrington.

Thomas, Head and Griesen policy:

Schactler suggested that each chapter designate one person to speak with THG. Additionally, he suggested that USA create a policy under which professional service providers, including bookkeepers, attorneys, accountants, etc. are not authorized to call one another without USA consent.

Lindow said he would ask THG what they project expenses to be for the Association once it is a non-profit.

Thomas said each chapter should write to THG to designate authorized callers, and that a return receipt should be requested.

Meetings:

Wischer suggested that a fall and spring budgeted state board of directors meeting would be appropriate.

Other:

Webber suggested that a white paper be prepared for potential members.

Schactler suggested that USA make its issues election issues in 2002.

Adjourn for day, 5 pm

Sunday, April 14, 2002

Call to order: 9:10 am

Discussion of USA negotiation strategy: Confidential.

Adjourn 3:15