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**Board of Trustees' Meeting**  
**American Simmental Association**  
**Bozeman, Montana**  
**August 21 - 23, 2016**

Chairman Dale Miller called the meeting to order 8:30 a.m.

Roll Call: Dale Miller, Brian DeFreese, Tim Smith, Gordon Hodges, Cliff Orley, Barry Wesner, JW Brune, Erika Kenner, Claye Kaelberer, John Irvine, Gary Updyke, Mike Forman, Clay Lassle, Bob Lanting, Tim Curran, Jon Willis. Fred Schuetze not present.

Staff: Wade Shafer, Steve McGuire, Chip Kemp, Jackie Atkins, Kathy Shafer, Lauren Hyde, Sheldon Ross, Paulette Cochenour, Linda Kesler

**Approval of Agenda.** Moved Tim Smith second Cliff Orley to approve the agenda as presented. Motion carried.

**Minutes.** Moved Barry Wesner second Cliff Orley to approve the April 21, 2016 and July 16, 2016 minutes as presented. Motion carried.

**2017 Fall Focus:** North Dakota has been selected to host 2017 Fall Focus, either Bismarck or Fargo.

**Financial Report.** Financial report presented by Tim Smith. Moved Brian DeFreese second Erika Kenner to approve the financial report as presented. Motion carried.

**Interactive Committee Meetings.**

During the Fall Board Meeting, committee meetings were in a different format. Committee work was in an open forum where all Trustees, staff and members attended all committee meetings. Interaction encouraged from trustees, staff and audience during the committee meetings. Committee minutes reflect discussions held throughout the committee meetings along with committee reports and committee presentations of resolutions and directives.

**Policy and Procedures Committee.** Report given by Chairperson Erika Kenner.

Items Discussed:

- Voting Procedures for Bylaw Amendments – update explanation on ballots.
- THE – Option C.
- Fullblood cattle, importing from Canada.
- Authorized Representative – Informing members of the responsibilities of being an authorized representative.
- Board appointment should a board member be unable to fulfill his/her position.

**Resolution #1.** In the case a board member can't fulfill his/her position, the Board may appoint a successor until the next election cycle, at which point a special election would be held to fulfill the remainder of the term. The special election would not count as the consecutive regular term. Moved and seconded in committee.

Points of Discussion:

1. Greater interest in the board seats at each election.
2. Important to let the members have a voice on a board replacement
3. Bylaw Change. Pertains to Bylaw: Section 4: Subsection B: Part 4. Bylaw Currently States:  
In case of any vacancies in the Board of Trustees due to death, resignation or disqualification, the remaining Trustees, by affirmative vote of a majority thereof, may elect a successor. If a Trustee shall be absent, except for good cause as determined by the remaining Board of Trustees, from two (2) consecutive meetings of the Board of Trustees, the Board of Trustees may in its discretion, declare the absent Trustee disqualified as a result of neglect, and a successor shall be elected by an affirmative vote of the remaining Trustees to complete the unexpired portion of the absent Trustee's term.

Moved Tim Smith second Barry Wesner to accept P&P report and minutes as presented. Motion carried.

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**Member, Trustee and Staff Interactive Meeting.** Chairman Dale Miller and EVP Wade Shafer open discussion.  
Items Discussed:

- Patent Challenge, Legal/Lawsuit with Leachman.
- Feeder Profit Calculator
- RAAA Meeting. Discussion pertained to:
  - Genetic Evaluation Runs.
  - Source Code.
  - Top-Dollar.
  - Partnerships.
- BOLT. Currently:
  - Working with all entities on conformation of data.
  - Web portal for more automation – sending and retrieving data. Data flow from all entities.
  - Data will change: Correlation between the current and the new system is within 8 and 9. Some animals will have a greater shift.
  - Multi-breed stayability. Correlation of .85 between the current model and the new model.
  - ASA’s data is ready to run.
  - ASA will make from three to six runs before releasing to the public.
  - Communication with bull owners important.
  - Education – a series of educational material to be published.
- Genetic Testing.
  - Validation process/tests.
  - Testing being sold to commercial breeders.
  - Goal: ASA to develop own commercial tests along with a validation process. GeneSeek and ASA in discussion.
- API – Education and Promotion of API.
- Indexes.
  - Continued discussion of API and TI.
  - Direction and use of indexes.
  - Evaluate different scenarios – is another index needed?
  - Simbrah and Fleckvieh.
- State Associations.
  - ASA Representation.
  - Communication with members, industry, and state associations.
  - Check-off dollars.
  - Promotion to register more animals.

**Activities & Events.** Report given by Tim Smith.

Items Discussed:

- SPC – Youth Steer Profitability Competition. – Chip Kemp and John Irvine.
- National and Regional Updates. – Emily Lochner.
- Seeking Corporate Sponsorships.
- Possible Rotation at specified locations vs. host state’s location.
- Meet and Greets at the major PTP Shows – Denver, NAILE, Kansas City; other events?
- Denver – Foundation Auction.
- WSF 2018 – Hosting the World Simmental Federation Event if Fred Schuetze becomes WSF Chairman.

Moved Barry Wesner second JW Brune to approve the committee minutes and report as presented. Motion carried in committee.

Resolution #1. AJSA Bylaw change for Electing AJSA Trustees. Moved and seconded during AJSA Board Meeting. Juniors: motion and vote made on the floor during the AJSA Annual Meeting. Moved and seconded in committee.

Amendment for Article II, Section 2 (AJSA Constitution/Bylaws): “Voting: Voting rights in the organization shall be vested exclusively with active members. Trustee candidates must submit application by June 1. A ballot will be sent to entire membership on June 3 and due on June 15. Any member wanting to run as a write-in must have 10 nominations to be considered for the ballot and must submit application by June 15. Applications will weigh 15% in the election process.

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Individuals seeking to run as a write-in will be notified if they make the ballot by June 16. All candidates will go through interview process at the AJSA National Classic, which will weigh for 15% of the election process. The membership quorum at the Annual AJSA Membership Meeting will complete the voting process. The majority vote will weigh for 70% in the election process.”

Points of Discussion:

1. The original “ballot” sent to all AJSA members will be sent via eBlast, therefore, eliminating cost. This “ballot” is a non-voting ballot, used for information purposes only.
2. The voting ballot will be printed and handed out at the National Classic, as always.
3. The panel evaluating AJSA trustees for interview and application to consist of ASA Staff, ASA Trustees and past AJSA Presidents on-site.

Resolution #2: Bred and Owned Show at Regionals. On behalf of the American Junior Simmental Association Board of Trustees, we would like to propose a rule change to the AJSA Regional Classics. This rule change would separate the Bred and Owned Show at the Regional Classics to coincide with the National Classic Rule change made the previous year. However, the rule change for Regional Classics would not allow junior exhibitors to double enter their cattle, as they would be able to at the National Classic. As a board, we feel this is an important detail because numbers are not consistent between regions. As a result, each region would not have to hire two judges, and the judge would not have to evaluate an animal twice. This rule change that was presented to the entire junior membership in attendance of the National Classic in Des Moines. The membership discussed this issue and voted to be sure this rule change the juniors would like to see happen. As a board, we do realize this rule change would not match the National Classic rules completely, but fee that it is a good compromise when look at the number consistency between regions as well as finances for Regional Classics. Moved and seconded in committee.

Points of Discussion:

1. Creating a style that mimics Nationals would require two judges, not viable for smaller regional shows.
2. Letting animals enter in both the Bred and Owned, and Owned Shows under the same judge would eliminate the prestige since showing under the same person twice.

Resolution #3: AJSA Board proposes a rule change to the AJSA Regional Classics. Allow members to sign up nine head and bring six to Regional Classics. Moved and seconded in committee.

Points of Discussion:

1. This will coincide with the National Classic rule change that will be in effect at the 2017 National Classic.
2. Important to match the number of head allowed at the Regionals with the number allowed at the Nationals.
3. Host states will have the option to opt out for 2017 (since late proposal of this rule change).
4. 2018 rule will become mandatory.

Resolution #4. Accept Oregon Simmental Association as the host state for the 2017 Western regional in Klamath Falls, Oregon. Moved and seconded in committee.

Resolution #5. Accept Ohio Simmental Association as host state for the 2017 Eastern Regional in London, Ohio. Moved and seconded in committee.

Resolution #6. Accept Missouri Simmental Association as the host state for the 2017 South Central Regional in Springfield, Missouri. Moved and seconded in committee.

Directive #1: For staff to seek corporate sponsorship for the National Classic events immediately and look at the division of responsibilities between the ASA and host states. Moved and seconded in committee.

Points of Discussion:

1. National Classic events have grown in numbers of exhibitors and cattle.
2. Concern of the financial impact for state associations.

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**Directive #2:** Staff to identify potential locations for the National Classics which are large enough for hosting the event and report back to committee for further discussion on event venues. Moved and seconded in committee.

Points of Discussion:

1. Offer up to six locations with 4 to be selected for rotation.
2. Proper facilities needed to accommodate the growth of this event.
3. Locations selected do not come with the expectation that those state associations are required to be the host states.
4. State associations may be any one or more states to place a bid to host the event regardless of location.

**Directive #3:** Staff to pursue corporate sponsorships for the 4 major PTP “Meet and Greet” events. Moved and seconded in committee.

Points of Discussion:

1. Meet and Greet events for Denver, NAILE, Kansas City and Fort Worth.
2. Respect and coordination with state associations who use these venues for their fundraising.
3. National Show is the American Royal for 2017.
4. Emphasis is to target conversations within the Simmental community – trustees, staff and member

**Growth & Development.** Report given by Chairman Mike Forman.

Items Discussed:

- High Impact Commercial Relationships. – Chip Kemp
- THE – Option D/Commercial Option. – Chip Kemp
- Pilot Project – THE Commercial Option Outreach through Missouri Cattlemen’s association. – Chip Kemp
- Feeder Profit Calculator.
- IGS Partners – Joint Programs.
- State Association Update. – Bert Moore.
- ASA Representation Program.
- Membership Growth.
- Promotional Videos.
- Outreach Packets – New members and non-member.
- Connectivity Efforts – member search tools, complimentary *SimTalk* link, Social Media efforts, seek state association news.
- Continued Growth in electronic communication.
- Simbrah Marketing and Promotion.

Moved Brian DeFreese second Tim Curran to approve the committee minutes and report as presented. Motion carried.

**Directive #1:** To have a Simbrah booth as part of ASA’s NCBA tradeshow event along with an ASA Representative attending the event. ASA Representative attendance is donated by Tim Smith (Rep Credit). Moved and seconded in committee.

Points of Discuss:

1. Simbrah to be represented as well as SimGenetics.

**Resolution #1:** The Growth & Development Committee encourages staff to pursue a pilot project, in conjunction with the Missouri Cattlemen’s Association, to incentivize progressive commercial producers within Missouri to enroll in THE – Commercial Option. Moved and seconded in committee.

Points of Discussion:

1. Develop joint pilot project between ASA and MCA that incentivizes MCA staff to encourage commercial producers to consider use of ASA’s THE – Commercial Option.
2. Allows regional and locally know personalities to promote THE – Commercial Option through new and previously established channels.
3. Allows for development of a format that could easily be packaged and adjusted for additional states.

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**Breed Improvement.** Report given by Chairman Brian DeFreese.

Items Discussed:

- Genetic Conditions. – Jackie Atkins
- Science, Research and Education Updates. – Jackie Atkins
- Carcass Merit Program.
- DNA Testing
- Genetic Correlations between carcass and maternal traits.
- Fall Focus
- BOLT Programming and Processes. – Lauren Hyde
- Indexes.

Directive #1: Staff to do a cost analysis for using two labs (GeneSeek and Zoetis) for DNA services and report back to committee. Moved and seconded in committee.

Directive #2: For the ASA Board Chairman to consider creating an adhoc committee to explore a new index. Moved and seconded in committee.

Points of Discussion:

1. A new scenario(s) would have to be determined if a new index is needed.
2. Determine the needs of the membership if there is a need for a new index.
3. Is a new scenario/index good for the population and realities in the market place?
4. Breed mature cows, keep heifers and quit at weaning (scenario) – want to keep heifers but don't want stayability in the scenario.
5. Consider TI – Terminal Index – potential rename and better promotion of the use of the terminal index instead of a new index.
6. Is this a marketing index request instead of a breed improvement index?

Directive #3: Approval to involve all IGS partners in the advancement of the Feeder Calf Calculator program. Moved and seconded in committee.

Points of Discussion:

1. Important to have all IGS partners involved.
2. Approval of this directive will allow staff to reach out and work with IGS partners in the final development of the program.
3. To be determined:
  - a. Cost of the program / service.
  - b. Requirements / use of the service.
  - c. Promotion.
  - d. Start-up / Roll-out.

Directive #4: Contingent on Breed Improvement Directive #3 approval from the full board: Direct staff to present recommendations to the full board on the launch of the Feeder Calf Calculator program to the membership. Moved and seconded in committee.

Points of Discussion:

1. Cost.
2. Requirements which must be met to use service.
3. Promotion.

Recess until Monday, August 22 at 8:30 a.m.

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Reconvened on August 22 at 8:30 a.m.

Roll Call: Dale Miller, Brian DeFreese, Tim Smith, Gordon Hodges, Cliff Orley, Barry Wesner, JW Brune, Erika Kenner, Claye Kaelberer, John Irvine, Gary Updyke, Mike Forman, Clay Lassel, Bob Lanting, Tim Curran, Jon Willis. Fred Schuetze not present.

Staff: Wade Shafer, Steve McGuire, Chip Kemp, Jackie Atkins, Kathy Shafer, Lauren Hyde, Sheldon Ross, Paulette Cochenour, Linda Kesler

Legal Counsel by phone: Gene Summerlin.

### **Breed Improvement (continues)**

- Theta Solutions Agreement. Presented by Gene Summerlin.

**Resolution #3:** To accept the BOLT Software Term License & Agreement with Theta Solutions, LLC as presented. Moved and seconded in committee.

Points of Discussion:

1. Subscription agreement with support and maintenance for five years.
2. After five years, additional support (ASA requested changes) will occur additional charges.
3. ASA has the source code (software) as of January 1, 2016.
4. ASA cannot provide the source code to our customers.
5. Maintenance provided to all subscribers, ASA will not incur charges.
6. Agreement for \$325,000 payable in five consecutive annual amounts, fully vested after 5-years.
7. Updated source code available if:
  - a. \$325,000 paid in full and
    - i. Bruce Golden, Dorian Garrick or their lineal descendants no longer control the company or
    - ii. Theta Solutions ceases to exist.

**IGS currently as a dba under ASA's umbrella vs. as a for-profit LLC.** Discussion led by Gene Summerlin.

- After discussion, legal counsel Gene Summerlin determined there is no reason to pursue IGS as a LLC.

Gene Summerlin left the meeting.

**Collecting more carcass and feed intake data.** Update presented by Jackie Atkins.

Items Discussed.

- Seeking more carcass and feed intake data.
- Clarification needed for previous resolution.

**Resolution #1:** To amend resolution #2, from April 21, 2016. Moved and seconded in committee.

*Resolution #2, April 21, 2016: The BIC request providing a 50% price discount on LD genomic testing for producers who provide feed intake and/or carcass data in contemporary groups that are viable for genetic evaluation. Motion carried on April 21, 2016*

**Resolution #2:** Amended resolution: The BIC requests providing a 50% price discount on an LD genomic test per each animal on which an ASA member provides feed intake and/or carcass data. The 50% discount may be used on any GGPLD testing invoiced on their account. To qualify, an animal's record must be viable for use in genetic evaluation (i.e., come from a valid contemporary group in ASA's Herdbook database) and been born later than August 31, 2015. Data produced through the Carcass Merit Program are not eligible for this discount. Moved and seconded in committee.

Points of Discussion:

Amendment to the previous resolution ensuring qualified records are:

1. From ASA members.
2. On animals in the ASA's Herdbook database.

For instance, records owned by ASA members but submitted through an IGS client database into our genetic evaluation would not qualify.

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**Breed Improvement** – Continued Discussion, open to the floor.

Items Discussed:

- Performance Advocate Program and Requirements. Moved Jon Willis seconded Gordon Hodges to table discussion for further review by committee. Moved and seconded in committee.
- Top 50 Testing. Committee to review current policy in depth.
- Feeder Calf Calculator. Currently in test. Target release date: Spring, 2017.
  - Involve all IGS Partners.
  - Set fee for the service – any fee for breeder to use the program?
  - Promotion.
  - Process/Procedure for using the program.

Directive #1: Moved Gordon Hodges second John Irvine to involve all IGS Partners in the further development and promotion of the feeder calf index. Motion carried in committee.

Directive #2: Contingent on the first directive accepted by the full board, direct Staff to bring recommendations of the promotion and launching of the feeder calf index program. Motion carried in committee.

- Breeding Information – Herdbook Services. Potential to upload breeding information in Herdbook Services. Moved John Irvine seconded Gordon Hodges to table for further committee discussion. Motion carried in committee.
- Breed Improvement Committee name. Consider changing the name to Genetics Improvement Committee to better reflect its purpose. No action taken.

**Beef Cattle Research Fund** – Presentation by Marty Ropp, CEO Allied Genetic Resources

- Seeking Supporters for start-up funds to form a non-profit entity
- Entity to administrate the fund
- Fund Beef Cattle Research
- Business Plan available
- Resolution will be presented at NCBA in February
- Sent to Breed Improvement for further discussion.

**Finance Committee:** Discussion led by Tim Smith and Wade Shafer.

Items Discussed:

- Simmental Way Property.
  - Bob Mahaney's offer has been terminated.
  - 19<sup>th</sup> Street Access is an important factor
  - Chamber of Commerce pursuing the state (and federal) about obtaining the rest area; if that happens may gain access at the stop light, however, that will be years in development.
  - Outstanding loan \$315,000 tied to Simmental Way property

Resolution #1: Moved Tim Smith second Mike Forman to approve up to \$10,000 to pursue North 19<sup>th</sup> ingress-egress. Motion carried in committee.

- Making the best use of ASA's funds. Are we utilizing our resources to the best advantage of our members?
- When Simmental Way property sells – how do we manage this windfall to the advantage of the members?
- Fund more research?
- Set up a research station?
- Cattle ranch or feedlot?
- Consider buying animals from the cooperator's herds.
- Focus on Carcass Merit Herds – added incentive to get more carcass merit herds.
- Suggest forming an adhoc committee to research and offer suggestions to ensure we are utilizing our resources to the best advantage for our members.

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**Nominating Committee.** Presentation given by Chairman Brian DeFreese

Trustee Election Process

- Nominations: Interested adult members submit their applications by a specified deadline before the Fall Board meeting. Deadlines are determined by the Annual Meeting Date.
  - Trustees review applications and select their nominations for out-going trustees.
  - Nomination ballots are mailed announcing the number of trustee positions open in each region and the board's nominations for the open positions.
  - Adult members may select the board nomination(s) in their region or write-in a candidate for the open position(s).
    - Members vote only for candidate(s) in their region.
    - Write-in candidates must receive 10 or more votes to advance to the election ballot.
    - In the event that more than two candidates receive 10 votes, the candidate with the highest number of votes will advance to the election ballot.
- No more than two members of the Board can reside in any one state.
- Election ballots are mailed to active adult members to elect (by written or electronic ballot) Trustees within their region.
  - Candidates with the most votes are elected to the Board.
  - Staff to send an eBlast to encourage members to vote electronically.

**ASA Publication Report.** Report given by Brian DeFreese.

Items Discussed:

- Invoice procedures.
- Enterprise Analysis.
- Delivery/Mailing.
- Editorial.
- Show and Sale Advertising.

**Foundation Report.** Update given by Emily Lochner.

**Executive Session.** Moved Gordon Hodges second Erika Kenner to go into Executive Session for Golden Book Awards and Board Trustee Nominations. Motion carried.

Moved Erika Kenner seconded Tim Smith to come out of Executive Session. Motion carried.

Recess until Tuesday, August 21 7:00 a.m.

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Reconvened at 7:00 a.m. August 23

Roll Call: Dale Miller, Brian DeFreese, Tim Smith, Gordon Hodges, Cliff Orley, Barry Wesner, JW Brune, Erika Kenner, Claye Kaelberer, John Irvine, Gary Updyke, Mike Forman, Clay Lassel, Bob Lanting, Tim Curran, Jon Willis. Fred Schuetze not present.

Staff: Wade Shafer, Steve McGuire, Chip Kemp, Jackie Atkins, Kathy Shafer, Lauren Hyde, Sheldon Ross, Paulette Cochenour, Linda Kesler

### **Voting on Resolutions.**

#### Activity & Events.

Resolution #1. Amendment for AJSA Constitution Article II Section 2. Motion carried.

*Note: After Legal Counsel Review. Resolution is void. Improper protocol followed. Sent back to the AJSA Board.*

Resolution #2. Bred and Owned Show at Regionals. Motion carried.

Resolution #3. Allowing registration of 9 head and bring 6 to the Regional Classics. Motion carried.

Resolution #4. Accept Oregon Simmental Association as host state for Western Regional. Motion carried.

Resolution #5. Accept Ohio Simmental Association as host state for Eastern Regional. Motion carried.

Resolution #6. Accept Missouri Simmental Association as host state for South Central Regional. Motion carried.

Directive #1: For staff to seek corporate sponsorship for the National Classic events immediately and look at the division of responsibilities between the ASA and host states.

Moved Barry Wesner second Gary Updke to amend the Directive to: The youth coordinator to obtain corporate sponsorship for the National Classic events immediately. Motion carried to accept the amendment.

Amended Directive #1: The youth coordinator to obtain corporate sponsorship for the National Classic events immediately and look at the division of responsibilities between the ASA and host states. Corporate sponsorship could be used starting with the National Classic in 2017. Motion carried as amended.

*Note: After legal Counsel Review. Directive sent back to Activities & Events for amendment: youth coordinator needs to be changed to staff.*

Directive #2: Identify potential locations for National Classics. Motion carried.

Directive #3. Corporate sponsorships for PTP “Meet and Greets”. Motion carried.

#### Breed Improvement.

Directive #1: Cost Analysis for using two labs (GeneSeek and Zoetis) for DNA services. Motion carried.

Directive #2: ASA Board Chairman to consider creating an adhoc committee to explore a new index. Motion carried.

Directive #3: Involve all IGS partners in the advancement of the Feeder Calf Calculator program. Motion carried.

Directive #4: Development promotion to launch the Feeder Calf Calculator program. Motion carried.

Resolution #1: 50% price discount – amendment of resolution passed April 21, 2016. Motion carried.

Resolution #2: 50% price discount – amended resolution. Motion carried.

Resolution #3: Accept BOLT contract. Motion carried.

#### Finance Committee.

Resolution #1: Pursue North 19<sup>th</sup> Access up to \$10,000 in expenses. Motion carried.

#### Growth & Development Committee

Directive #1: Simbrah booth as part of ASA’s NCBA tradeshow. Motion carried.

Resolution #1: Staff to pursue a pilot project with the Missouri Cattlemen’s Association. Motion carried.

#### Policy & Procedures Committee

Resolution #1: Bylaw change – board member fulfillment. Motion carried.

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## **Wrap-Up.**

Items discussed:

- Fall Focus 2017
  - Target young cattlemen (26 – 40 years of age).
  - Invite commercial customers.
  - Break-out into committee meetings as done at April Board Meetings. Let attendees choose which committees to attend.
  - Conduct committee meetings as done at April Board Meeting and invite interaction at the conclusion of the committee meeting.
  - Exception: Breed Improvement Committee in the morning on the first day of the board meeting for all to attend.
  - Have the “Bull-Session” after committee meetings where committee chairpersons have bullet points to direct the open-floor conversations.
  - Audience member: Microphone in toward the front center, ask that they identify themselves and the subject of discussion.
  - Trustees – no wireless microphones (turns off too quickly and causes a distraction—not knowing if the mic is on or off).
- April, 2017 Board Meeting.
  - Ensure enough time for face-to-face committee meetings.
  - Fly out on Sunday.
- Creation of adhoc Index Investigation Committee. Clay Lassle (Chairman), Tim Curran, John Irving, Willie Altenburg and Marty Ropp.

Moved Erika Kenner second Mike Forman to adjourn. Motion carried.