
Board of Trustees' Meeting
American Simmental Association
April 21, 2016
Bozeman, Montana

Chairman Dale Miller called the meeting to order at 8:10 a.m.

Roll Call: Dale Miller, Brian DeFreese, Tim Smith, Fred Schuetze, Gordon Hodges, Cliff Orley, Barry Wesner, JW Brune, Erika Kenner, Claye Kaelberer, John Irvine, Gary Updyke, Jon Willis, Mike Forman, Tim Curran, Clay Lassle, Bob Lanting

Staff: Wade Shafer, Steve McGuire, Chip Kemp, Paulette Cochenour, Sheldon Ross, Jackie Atkins, Callie Griffin, Leoma Wells, Jim Largess, Emily Jackson, Linda Kesler

Legal Counsel (by phone): Gene Summerlin; Guest Craig Hays

Approval of Agenda. Moved Tim Smith Second Fred Schuetze to approve the agenda as presented. Motion carried.

Minutes. Moved Fred Schuetze second Barry Wesner to approve the January 15 and 16, 2016 minutes as presented. Motion carried.

Chairman's Welcome. Dale Miller

Brainstorming Session. Discussion led by Wade Shafer.

Items Discussed:

- Fall Focus and Open Board Meeting
- Bolt/Quantum Leap
- Red Angus Association of America
- Breed Plan
- Genetic Enhanced EPDs
- Youth Strategic Planning
- Connecting with Junior Members
- Simmental Way
- Patent Challenge
- Simmental Sign
- Feeder Calculator / CAB
- SimGenetics

Financial Report – Balance Sheet and FY2015 Review. Presented by Tim Smith and Linda Kesler.

How Are We Doing – Stats and Measurements. Presented by Steve McGuire.

Emphasis to develop and look at measurements frequently and discuss: Where are we; how are we doing?

Areas of Measurements:

Registrations by Simmental Percent

AI Usage

Domestic Beef Semen Sales

Registration and Data Counts

Member Submitted Data

Bull Transfers

Credit Card Usage

Data from THE

Genetic Trends

Total Herd Enrollments by Year

Genetic Evaluation Database

Committee Meetings. Breed Improvement and Policy & Procedures.

Executive Session – Full Board. EVP Review. Moved Fred Schuetze second Bob Lanting to go into executive session. Motion carried. Moved Brian DeFreese second Barry Wesner to come out of executive session. Motion carried.

Recess until Friday, April 22, 2016, 8:00 a.m.

Reconvened Friday, April 22 at 8:20 a.m.

Roll Call: Dale Miller, Brian DeFreese, Tim Smith, Fred Schuetze, Gordon Hodges, Cliff Orley, Barry Wesner, JW Brune, Erika Kenner, Claye Kaelberer, John Irvine, Gary Updyke, Jon Willis, Mike Forman, Tim Curran, Clay Lassle, Bob Lanting

Staff: Wade Shafer, Steve McGuire, Chip Kemp, Paulette Cochenour, Sheldon Ross, Jackie Atkins, Callie Griffin, Leoma Wells, Jim Largess, Emily Jackson, Linda Kesler

Legal Counsel (by phone): Gene Summerlin; Guest Craig Hays

Committee Meetings: Activities & Events and Growth & Development.

Youth Development Strategic Planning Report. Update given by Fred Schuetze, Chip Kemp and Emily Jackson.

Financial Report – FY2016 (through March, 2016). Report given by Tim Smith.

Committee Reports and Presentation of Resolutions & Directives.

Activities & Events. Update given by Fred Schuetze.

Items discussed:

- Fall Focus
- National and Regional Classics
- PTP Judges
- Proposed AJSA President be included in A&E Committee Meetings
- 2017 NWSS – Denver Activities

Directive #1. The committee asks Staff to explore the possibility of adding a youth event to the 2016 Fall Focus. Moved and seconded in committee.

Points of Discussion:

1. Event would run at the same time as the educational symposium
2. Tie in with Montana State University
3. Focus on an advocacy or leadership program.

Directive #2. The committee asks Staff to explore corporate sponsorship for the National Classics with the potential addition of a foundation staffer. Moved and seconded in committee.

Resolution #1. The National Classic entry numbers will allow 9 to be registered and able to exhibit 6 cattle starting with the 2017 National Classic. Moved and seconded in committee.

Points of Discussion:

1. Since deciding to separate the Bred and Owned show from the Owned show, this will give juniors more of an opportunity to exhibit both cattle they raised and bought without having to choose between the two.
2. This is a great promotional opportunity for the Simmental and Simbrah breeds.
3. Will start in 2017 if Mississippi can accommodate.

Resolution #2. The A&E Committee asks that the AJSA President become a fixed non-voting member of the A&E committee. If travel is involved, ASA will cover travel expenses. Moved and seconded in committee.

Points of Discussion:

1. It would continue better interaction between the senior and junior boards.
2. AJSA perspective would be presented by the AJSA president during youth committee discussions.

Committee Reports and Presentation of Resolutions & Directives.

Activities & Events (continues).

Resolution #3. The A&E Committee asks that a line item be added to the budget to allow \$5,000 for AJSA promotional use at the discretion of the junior advisor and approval of the A&E Committee. Moved and seconded in committee.

Points of Discussion:

1. Allow the AJSA Board to have funds available to develop a fund-raising campaign with expectations that monies will be repaid.
2. Any monies over the amount of the draw will be designated as AJSA general fund for future AJSA promotional campaigns.
3. Separate line items (under promotions section) will be displayed to show the amount used and amount paid back.

Proposals from AJSA and A&E Strategic Planning Session:

Proposal 1. Commercial Steer Program. AJSA proposes the addition of a commercial steer program similarly aligned with the Carcass Merit Program, to the youth events available to AJSA members.

Directive #3. Staff (including Jackie Atkins and Emily Jackson) to work with AJSA Board and Dr. Wiegand to develop a commercial steer program. Moved and seconded in committee.

Points of Discussion:

1. One (or more) steer by an ASA database (Herdbook) registered parent entered.
2. Records kept: feed intake, health protocol, and the comprehension of profit and loss.
3. Sponsor for awards or scholarships and other details to be developed.

Proposal 2. Substitution Rule. Died in committee.

Proposal 3. AJSA App – Staff to review, sending back to AJSA.

Proposal 4. AJSA T-shirt and Promotional Budget for Fundraising. Addressed under Resolution #3.

Breed Improvement. Report given by Brian DeFreese.

Items Discussed:

- DNA enhanced EPDs.
- Project Updates. Reports in board books.
- Investigation of adding a second official testing lab for ASA.
- Carcass ultrasound scanning.
- BOLT/Theta Solutions.

Directive #1. Staff to write a letter in support of USDA Research into updating current carcass grading system. Moved and seconded in committee.

Points of Discussion:

1. No financial support needed from ASA.
2. USDA needs widespread industry support in order to request the funds for research within USDA.
3. No updating has been made in the USDA Grading System for beef since established in 1943.
4. Changes need to be made to better fit the beef animal today.
5. Changes could be very positive for SimGenetic sired cattle.

Committee Reports and Presentation of Resolutions & Directives.

Breed Improvement (continues).

Directive #2. For Staff to put forth a protocol to run a post genomic evaluation verification procedure to verify the accuracy of GE-EPDs, both the magnitude of the EPD and the accuracy value assigned to the GE-EPDs. This would be used to educate the members of ASA and their customers. Moved and seconded in committee.

Points of Discussion:

1. Looking to validate/verify the genomic technology, educate, and be more transparent with the members on our GE-EPDs.
2. Possible use the CMP calves/bulls for a post validation process.
3. Possibly work with Dorian Garrick, Bob Weaber, Mark Thallman, and other animal breeders/extension specialists to validate and demonstrate value added with genomic data.

Resolution #1. To proceed with the contract to purchase 10% interest in Theta solutions for \$300,000 and a separate contract to receive lifetime updates and source code. Include in the contract, to Gene's satisfaction, a performance commitment for 5 years. Moved and seconded in committee.

Points of Discussion:

1. To stay on the cutting edge of genetic evaluation, it is vital to have BOLT and its updates.
2. Licensing fee for BOLT is \$65,000/year; would not have access to updated source code. Our previous software is 30 years old.
3. It would take 4.6 years of licensing to recoup the \$300,000.
4. Potential for revenue.
5. PR value in being a part owner of this progressive company.
6. Provides platform to collaborate better with Theta Solutions, Iowa State, other universities or research institutes (CSU for example).
7. Give us more voice in the updates and developments. Georgia, for example, was unable to provide multi-breed carcass EPDs and unable to deliver this for AAA. Gelbvieh and Limousin left AAA and now our clients.
8. Consider a life or disability policy for protection on a two-person company.
9. Full board will review and approve the final contracts; both contracts (purchase and updates with source code) to be signed at the same time.
10. Finance committee needs to review budgeting for purchasing.

Follow-up/Future Discussion after Contract Review.

- *ASA able to sell its interest of our interest?*
- *Clarify maximum liability?*
- *Performance clause for 6 years instead of 5.*
- *Consider life or disability insurance.*

Growth & Development Reports given by Mike Forman, Chip Kemp and Bill Zimmerman.

Items discussed:

- National Advertising/ Regional Advertising.
- Electronic/Digital Promotion.
- Goals for future advertising and promotion.
- ASA Rep Program Update.
- ASA Representation at ASA events.

Resolution #1. G&D requests reserving \$20,000 from the promotion line item for the Feed Intake Program. Moved and seconded in committee.

Points of Discussion.

1. Recognition of the value for feed intake data.
2. Feel that the data received is valuable as a whole to members and their customers.
3. 2016 is the first year collecting feed intake data from carcass merit herds with the new GrowSafe system at Chappell Feed Yards.
4. Important to sustain the relationship and commitment with Chappell.
5. The Foundation is also fundraising to support this project. The Feed Intake member group, led by Fed Schuetze, will continue to seek contributions for this project. Foundation contributions will be used first to cover expenses. The \$20,000 reserved from the promotion line will only be used if needed.
6. The \$20,000 reserve from the promotion lien item ensures continuation of this program.

Committee Reports and Presentation of Resolutions & Directives.

Growth & Development (continues).

Resolution #2. The Growth and Development Committee requests an increase in the Cost Share line item for FY2017 by \$10,000. If a state association uses the maximum allowed (\$4,000) in the current fiscal year – FY2016, they will receive an additional \$1,000 in cost share dollars for FY2017. Moved and seconded in committee.

Points of Discussion:

1. Creates an incentive for state associations to use the maximum amount of cost share.
2. Adds an additional amount to support ASA Representation at state sponsored/supported events. The first event is at no cost to the state association. This will provide the opportunity for more ASA Representation at events.
3. Believe the grass-root approach for advertising and promotion is the best use of funds to ensure matching the right message with the region.

Directive #1. The Growth and Development Committee requests Staff to revisit and develop a program which identifies and reaches out to first-time non-members to promote SimGenetics and encourage them to join ASA. In addition to identify new non-member accounts, develop a procedure where ASA Representatives collect names and addresses when attending events to receive the same promotion as first-time nonmembers. Moved and seconded in committee.

Points of Discussion:

1. Develop a hard-copy packet to send with beginning promotion; advantages/reasons to become a member, and the electronic tools available.
2. Including the *Breeder's Directory* in the packet will encourage non-member to reach out to breeders in this area.
3. Including the *Sire Source* will encourage use of SimGenetics.
4. Encourage use of electronic promotion and instruction available.
5. Create a new interest section to make it easy for first-time non-members to quickly and easily access basic “getting started” information and how to become a member.

Directive 2. The Growth and Development Committee requests Staff to develop a program to come up with better ways to connect nonmembers with members when nonmembers have expressed interest in SimGenetics.

Points of Discussion:

1. Ensure nonmembers who have interest in SimGenetics are connected with ASA members in their region.
2. Provide a resource for members to know of nonmembers' interest in SimGenetics and able to reach out to these nonmember.
3. Create an easy network for nonmember to use.
4. Create a map or search capabilities to identify members within a 350 mile radius.
5. Easy access (very visible) link to sign-up for *SimTalk*.

Policy & Procedures. Report presented by Erika Kenner.

Items Discussed:

- Authorized Representatives.
- Dilution Gene. TraitTrac.
- Call to the Meeting/Ballot Wording
- Transferred Certificates - returning certificates.
- Fullblood Designation for Canadian Association Registrations.
- ASF Household Memberships/Members associated with another membership.
- SimGenetics/SimSolutions
- Rules of Conduct for parents or members at junior shows/events.
- Total Herd Enrollment – Option C / Advantages of THE – Option A

Committee Reports and Presentation of Resolutions & Directives.

Policy and Procedures (continues).

Resolution #1. When Canadian cattle are imported to the U.S., if the animal qualifies as a Fullblood in Canada, then it qualifies for the Fullblood designation with ASA without the affidavit. Moved and seconded in committee.

Points of Discussion:

1. Currently the procedure is to request a signed affidavit by the Canadian Association stating to the best of their knowledge it is a Fullblood.
2. Current ASA Rules require in order for animals from a qualified foreign registry to receive the designation of Fullblood, satisfactory evidence that the animal has no known ancestry of another breed must be provided to the ASA prior to the registration.
3. The submission of a registration certificate from the Canadian Simmental Association which designates an animal as a Fullblood shall constitute satisfactory evidence that the animal has no known ancestry of another breed.
4. The Canadian certificate must show 5 generations and state 32/32 Simmental.
5. All other countries still need an affidavit from recognized breed associations.

Directive #1. Direct staff to include the responsibilities and consequences associated with signing on as an authorized representative on the website along with the membership application and in the magazine periodically. Moved and seconded in committee.

Points of Discussion:

1. Makes it clearer to the members ahead of time that they may be accountable for the actions of the others on the membership.
2. Brought about after the suspension of membership a couple of years ago where some members were suspended as a result of being an authorized representative.
3. Suspension of a membership expands to suspension of all memberships for all authorized representatives from the initial membership suspended.

Directive #2. Direct Staff to add wording to the 3rd paragraph of the Call to the Meeting. Moved and seconded in committee.

Added wording:

The Bylaws of the Association may be amended by an affirmative vote of three-fourths (3/4) of the Active Members voting by means of mail-in ballot, electronic ballot, proxy or in person at the Annual Membership meeting; however, only those Bylaw changes printed in the Official Call to the Meeting may be acted upon.

Points of Discussion:

1. At the last Annual Meeting, there was some confusion prior to the meeting and during the meeting as to what votes actually count.
2. It does state it earlier on the page (Call to the Meeting), but this makes it very clear so there are no questions.

Simbrah Committee. Report presented by Jon Willis.

Items Discussed:

1. Simbrah and SimAngusTMHT – bull test station 12-1-2016 through 3-31-2017; working to maintain contemporaries
2. Advertising to promote fescue tolerant cattle.
3. Collaboration, more interaction, among Simbrah and SimAngusTMHT breeders.

Resolution #1. Requests providing a 50% discount on LD Genomic testing for Simbrah and SimAngusTMHT producers who provide feed intake data in conjunction with birth weights, weaning weights, and yearling weights on those cattle. Moved and seconded in committee.

Points of Discussion:

1. Recognition of the value of feed intake data.
2. Recognition of the value of genomic data and phenotypic data on smaller ASA subsets.

Moved Brian DeFreese seconded Tim Smith to table and reconsider offering to all producers. Motion carried. Chairman Dale Miller sent to Breed Improvement Committee.

Foundation Report. Update given by Fred Schuetze.

Items discussed:

- Reestablish the importance of the Foundation Auction in Denver.
- Fundraising for Fall Focus
- Fundraising for Feed Intake
- Seeking new Foundation Board members to provide suggestion to ASA Board Chairman.
- Thank you gift for Nancy for her services. (plaque of recognition).
- Recognition of members going off the board.

Short Recess for Breed Improvement Committee to meet.

Breed Improvement. Resolution #2 presented by Brian DeFreese (handout).

Resolution #2. The BIC requests providing a 50% price discount on LD genomic testing for producers who provide feed intake and/or carcass data in conjunction with birth, weaning, and yearling weights in contemporary groups that are viable for genetic evaluation. Moved and seconded in committee.

Points of Discussion:

1. Recognition of the value of feed intake and carcass data.
2. Recognition of the value of genomic data and phenotypic data on smaller ASA subsets and hard to collect phenotypes.

Recess until Saturday, April 23 at 7:00 a.m.

Reconvened Saturday, April 23 at 7:12 a.m.

Roll Call: Dale Miller, Brian DeFreese, Tim Smith, Fred Schuetze, Gordon Hodges, Cliff Orley, Barry Wesner, JW Brune, Erika Kenner, Claye Kaelberer, John Irvine, Gary Updyke, Jon Willis, Mike Forman, Tim Curran, Clay Lassle, Bob Lanting

Staff: Wade Shafer, Steve McGuire, Chip Kemp, Paulette Cochenour, Jackie Atkins, Linda Kesler

FY2017 Budget. Presented by Tim Smith.

Moved Fred Schuetze second Cliff Orley to approve the budget as presented. Motion carried.

Voting on Resolutions and Directives.

Activities & Events. Fred Schuetze

- Resolution #1. Exhibiting cattle at National Classic. Motion carried.
- Resolution #2. AJSA President becomes non-voting member of the A&E Committee. Motion carried.
- Resolution #3. AJSA Fundraising support. Line Item added \$5,000. Motion carried.
- Directive #1. (Potential) Adding a youth event to Fall Focus. Motion carried.
- Directive #2. Corporate sponsorships to help support the National Classic. Motion carried.
- Directive #3. Staff (Emily Jackson, Jackie Atkins) to work with Dr. Wiegand and the AJSA Board to develop the parameters for a youth commercial steer program. Motion carried.

Breed Improvement. Brian DeFreese

Resolution #1. To proceed with the 10% purchase of Theta Solutions.

Moved Erika Kenner second to amend the resolution to state the contract must be presented to the full Board for approval. Motion carried.

Amended Resolution #1: To proceed with the contract to purchase 10% interest in Theta solutions for \$300,000 and a separate contract to receive lifetime updates and source code. Include in the contract, to Gene's satisfaction, a performance commitment for 5 years. Final draft of the contract must be presented to the full Board for approval. Motion carried.

Voting on Resolutions and Directives

Breed Improvement (continues).

Resolution #2. 50% price discount on LD testing for producers who provide feed intake and/or carcass data.

Moved Tim Smith second Brian DeFreese to strike the words in conjunction with birth, weaning and yearling weights. Motion carried.

Amended Resolution #2. The BIC requests 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.

Directive #1. USDA Letter of Support. Motion carried.

Directive #2. Staff to develop verification protocol GE-EPD. Motion carried.

Growth & Development. Mike Forman.

Resolution #1. \$20,000 Reserved (Carcass Merit line item) – FY2017. Motion carried.

Resolution #2. Increase Cost Share by \$10,000 –FY2017. Motion carried.

Directive #1. First-time non-members promotion. Motion carried.

Directive #2. Connect non-members with members. Motion carried.

Policy & Procedures. Erika Kenner

Resolution #1. Policy for Fullblood designation from Canadian Registry. Motion carried.

Directive #1. Explanation/Clarification of Authorized Representatives. Motion carried.

Directive #2. Explanation/Clarification of qualified votes on the Call to the Meeting. Motion carried.

Adjournment. Move Tim Smith second Gordon Hodges to adjourn. Motion carried.