

**California Walnut Board/
California Walnut Commission**

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**CALIFORNIA WALNUT BOARD/
CALIFORNIA WALNUT COMMISSION
JOINT MEETING MINUTES**

**September 13, 2013
Marriott Hotel
Rancho Cordova, CA**

A joint meeting of the California Walnut Board and California Walnut Commission was called to order by interim Board Chairperson Dr. Jerome Siebert and interim Commission Chairperson Donald Norene at 10:05 a.m. on Friday, September 13, 2013 at the Marriott Hotel in Rancho Cordova, California. The roll was called by Dennis Balint. Mr. Balint advised Chairperson Siebert and Chairperson Norene that a quorum was present for both the Board and Commission. The following members and alternates were present:

CWB Members:

Public Member TBD
William Carriere
David Keyawa
Robert Driver

Donald Norene
Steve Zaffarano
Jack Mariani
Mike Poindexter
Frank Guerra

CWC Members:

Donald Norene
Todd Ramos
David Keyawa
Pat Mecklenburg
Robert Driver

Ray Perez

Charles Crain
Kevin Wagner
Bill Tos
Martin Mariani
Public Member TBD

CWB Alternates:

Public Alternate TBD

Michael Petz

William Tos
John Kuster
Steve Lindsay
Kevin Wagner
Pete Turner
Bruce Beard

CWC Alternates:

Jack Gilbert
Vacant
Robert Lea
Carl Cilker

Bert Crane
Jonathan Graves
Vacant

William Crain
William Carriere
Steve Zaffarano
Jack Mariani
Public Alternate TBD

CWB member Jerry Moore was absent, as were CWB alternates Matthew Conant and Lisa Warner. CWC members Jeb Headrick and Jerry Moore were absent, as was CWC alternate Nacho Martin. Also in attendance were Dr. David Ramos, CWB Research Director; Mr. Dave DeWalt and Ms. Jennifer Van Court of CASS; Ms. Andrea Ricci of USDA/AMS; Ms. Kathy Diaz of CDFA; and CWB/CWC staff members Dennis Balint, Michelle McNeil, Jennifer Olmstead, Carl Eidsath, Jennifer Williams, Abhi Kulkarni, Heather Donoho and Dana Steindorf.

CWB Chairperson Siebert called for a motion to approve the minutes of the June 6, 2013, California Walnut Board meeting. Mr. Carriere made a motion to approve the minutes as mailed. Mr. Driver seconded the motion and it carried unanimously.

CWC Chairperson Norene called for a motion to approve the minutes of the June 6, 2013, California Walnut Commission meeting. Mr. Wagner made a motion to approve the minutes as mailed, Mr. Crain seconded the motion and it carried unanimously.

The next item on the agenda was the nomination and election of public member and alternate for the California Walnut Board. Mr. Jack Mariani nominated Dr. Jerome Siebert as public member and Ms. Lynn Morgan as public member alternate. Mr. Norene seconded the nomination. Hearing no other nominations, Chairperson Siebert called for the vote. The nominations carried unanimously.

CWC Chairperson Norene called for nominations for California Walnut Commission public member and alternate. Mr. Ramos nominated Dr. Jerome Siebert as public member and Ms. Lynn Morgan as public member alternate. Mr. Crain seconded the nomination. Hearing no other nominations, Chairperson Norene called for the vote. The nominations carried unanimously.

The next order of business was the nomination and appointments of California Walnut Board positions. Mr. Jack Mariani nominated Dr. Jerome Siebert to serve as Chairperson and Ms. Lynn Morgan as Vice-Chairperson. Mr. Norene seconded the nomination. Hearing no other nominations, Chairperson Siebert called for the vote. The nomination carried unanimously. Dr. Siebert thanked the Board for their support.

Mr. Guerra nominated Mr. Steve Zaffarano as Secretary of the California Walnut Board. Mr. Norene seconded the nomination. Hearing no other nominations, Chairperson Siebert called for the vote. The nomination carried unanimously.

Mr. Zaffarano nominated Mr. Martin Mariani as Treasurer of the California Walnut Board. Mr. Carriere seconded the nomination. Hearing no other nominations, Chairperson Siebert called for the vote. The nomination carried unanimously.

CWC Chairperson Norene called for nominations for the California Walnut Commission positions. Mr. Martin Mariani nominated Mr. Bill Tos as Chairperson and Mr. Bill Carriere as Vice-Chairperson. Mr. Crain seconded the nominations. Hearing no other nominations, Chairperson Norene called for the vote. The nominations carried unanimously. At that time, Mr. Norene turned the gavel over to the newly appointed CWC Chairperson, Mr. Tos.

Mr. Crain then nominated Mr. Steve Zaffarano to serve as the Secretary of the CWC. Mr. Martin Mariani seconded the nomination. Hearing no other nominations, Chairperson Tos called for the vote. The nomination carried unanimously.

Mr. Ramos nominated Mr. Martin Mariani as Treasurer of the CWC. Mr. Wagner seconded the nomination. Hearing no other nominations, Chairperson Tos called for the vote. The nomination carried unanimously.

CWB Chairperson Siebert asked Ms. Donoho to present the next agenda item, California Walnut Board By-Laws. Ms. Donoho stated that the CWB members and alternates were sent a red-line copy of the by-laws prior to the meeting. There are two minor changes to the by-laws; the first clarifies the requirements of the officers of the Board and the second updates the language for check signers within the CWB office. Mr. Driver made a motion to approve the changes to the CWB By-Laws as presented by Ms. Donoho. Mr. Norene seconded the motion and it carried unanimously.

Chairperson Siebert asked Mr. Jack Mariani to present the next agenda item, Report of the CWB Market Development Committee. Mr. Mariani stated that domestic inshell shipments for the year ending August 31 were up just over 8 percent. Shelled shipments were down less than one quarter of a percent over the prior year.

Mr. Mariani showed some media highlights including one from the August issue of *Women's Health* that featured a research study by Dr. Frank Hu at Harvard. He also commented on his attendance at the Scientific Advisory Council meeting last month where Dr. Hu was just one member of an impressive group of researchers who are doing work with walnuts right now. Dr. Hu has also been selected to be on the Dietary Guidelines Committee in 2014. Continuing with media highlights, Mr. Mariani showed a clip from a recent episode of *Doctors* featuring Dr. Travis Stork talking about walnuts as being a food that can lower LDL cholesterol and improve HDL. There were also recipes featured in *Self* magazine for walnuts as a topper for sweet potatoes, kale pizza, and as an ingredient in pesto. This article received about four million media impressions. Mr. Mariani turned the presentation over to Ms. Olmstead.

Ms. Olmstead continued with a clip from *Better Homes & Gardens* that featured the taste side of our program – the article featured walnuts and their great taste, convenience and versatility. Also, in the most recent issue of *Diabetic Living*, there were back-to-back recipes featuring walnuts; one a grilled plum with walnuts and the other a cold cucumber soup topped with walnuts.

Ms. Olmstead also mentioned the upcoming press event for HealthCorps, a nonprofit organization founded by Dr. Mehmet Oz and his wife Lisa. We offered a culinary scholarship to a HealthCorps student last year which was awarded to Ariel Martinez from Cliffside Park High School in New York; she went on to complete her culinary education at the International Culinary Center. To celebrate her success, we are holding a press event at her alma mater, Cliffside Park High School, with Ms. Martinez and Lisa Oz.

In science and health, Ms. Olmstead discussed media impressions related to recent health research studies, including the PREDIMED study from Spain, the Nurse's Health Study from Dr. Hu at Harvard, a cardiovascular/diabetes study from Dr. Katz at Yale-Griffin and a prostate cancer study from Dr. Reiter at the University of Texas. She also showed some clips resulting from the studies from *Woman's Day* magazine, NBC in San Antonio and Fox News.

Ms. Olmstead stated that during the summer, we conducted two deskside briefings with some of our spokespeople, including Dr. Michael Roizen and Dr. David Katz. We are hoping to have good media coverage from those meetings due to the number of magazines that attending the briefings. We are also continuing to attend trade shows to reach health professionals and recently attending the American Association of Nurse Practitioners and the American Association of Diabetes Educators.

In advertising and digital, Ms. Olmstead talked about the summer promotion we conducted on Facebook called The California Walnut Summer Games; it was designed to engage our existing Facebook following and we had over a thousand entries. Looking ahead, we are working on a fall promotion on Facebook and Twitter that will launch in a couple of weeks call Groves of Goodness; this promotion will center around growing walnuts and the history of walnuts.

In foodservice, we just completed our promotion with Sysco Foodservice Corporation, one of the largest food distributors in the country. We conducted a recipe contest with Sysco and their chef network and received over 100 recipe entries. The finalists in the contest were brought to Napa Valley for an orchard tour and a visit to the Culinary Institute of America where they prepared their dishes for the panel of judges. The winner, Luigi Tripodi, prepared a walnut tagliatelle with braised walnuts, and received a cash prize from Sysco and a hand-carved walnut bowl from the CWB.

Mr. Mariani thanked Ms. Olmstead for her report. Mr. Cilker asked Ms. McNeil to give the report of the Export Marketing Activities. Ms. McNeil gave a recap of the year-end top export markets for 2012/2013; for this purpose she combined China, Hong Kong and Vietnam into the top position because we know that a significant portion of that volume is going into the Chinese market. Rounding out the top five markets were Germany, Japan, Korea and Turkey.

Ms. McNeil continued with an overview of each of the export markets. In China, we retained the services of Weber Shandwick as our new PR firm; part of their task is to communicate the many benefits of walnuts to consumers. The kickoff media event held in Beijing in July had 18 media outlets in attendance. We also held a series of social media activities during the summer that generated almost 20,000 new followers.

In Korea, Ms. McNeil stated that we recently established a partnership with Samsung Hospital to develop special health and nutrition classes for their employees. An RD/RN will be developing recipes for us which will be featured in a monthly publication, Nutriand. This summer we held an online event in conjunction with our new advertising launch. Consumers were invited to join and upload their favorite family photos into our ads. This generated over 15 million impressions and almost 4,000 clicks. We also have seen new promotions and products during the summer in Korea, including a shaved ice with caramelized walnuts, a walnut brownie, and a summer pizza with walnuts and cranberries.

In Japan, Ms. McNeil explained that retail promotions were conducted this summer with several large chains, including Aeon, Ito Yokado and Cotta. Also, since April, we have seen a trend towards better quality bakery items and we are building on that as we go into fall promotions.

Our summer campaign in Spain was focused on getting in shape. We held cross channel promotions with web, Facebook, Spotify and Pinterest. Next week in Granada, Spain, will be the International Congress of Nutrition and we are fortunate to have Dr. Penny Kris-Etherton as a speaker on ALA and Dr. Robert Hackman of UC Davis presenting a poster on the benefits of walnuts for postmenopausal women. Also in Spain, our Menu with Heart has been our long-standing collaboration with the Spanish Heart Foundation and has been one of our most successful events. This year we are working with leading food bloggers to develop some consumer and budget friendly recipes.

In Germany, we ran a series of consumer campaigns during the summer; one included a drawing for prizes for consumers who "liked" us on Facebook. Also, during August, we use Facebook and Instagram for consumers to share with us how they enjoyed their summer fun with walnuts.

In India, we did obtain market access this past July; with that, we will begin working on our activities which will include attending the Annapoorna Conference, the largest food and beverage show in India. We will also be participating in the Indian Dietetic Association conference in December where Dr. Linda Tapsell will speak about ALA.

Ms. McNeil introduced Mr. Brad Rose of Rose Research, to cover the next agenda item, New Market Research Findings. She commented that Rose Research conducts market research on behalf of the international and domestic markets for the CWB/CWC. Because the industry commits such a significant amount of money to health research and health research communications, we periodically assess how our consumers are receiving that information.

Mr. Rose gave a brief overview of the global health findings. History shows that health research conducted over the past 20 years has had a positive impact on the consumer perceptions of walnuts, not only domestically, but internationally as well. Walnuts are considered to be a heart healthy product, one that is high in omega-3 fatty acids and reduces cholesterol. In 1987, consumers' health perception of walnuts was zero percent; after just one health study, the Loma Linda study in 1993, the health perception of walnuts jumped to 68 percent. In 2013, eight out of ten respondents indicated that they believe walnuts are a healthy product. Mr. Rose explained that the health benefits attributed to walnuts fit with many of the consumers health concerns for themselves and their family members; the top four universal health concerns are cancer, heart health, brain cognitive function and obesity. Secondary concerns are stroke, high blood pressure, high cholesterol and type 2 diabetes.

Mr. Rose then talked about the domestic attitude and usage studies from 2008 through 2013. Data shows gains in terms of the health benefits associated with walnuts including omega-3 content of walnuts, reduction of the risk of heart disease, good for brain function, may reduce the risk of cancer and may reduce the risk of type 2 diabetes. Internationally, steady gains have been made regarding many key health perceptions as well; in Germany, Spain, Korea and China, more than 50% of the consumers, and in some cases more than 70%, believe that walnuts provide more health benefits than other nuts.

Mr. Rose also discussed how consumers get their health information; the majority, both domestically and internationally, get most of their information from their physician or the internet. He also talked about the effect of the health message. If told that eating just a handful of walnuts a day as a snack could improve their health, the majority would do so.

Other areas of the U.S. attitude and usage study show that purchase intent has almost doubled since 2000. Consumers are also using walnuts more often as a health snack or health addition to the diet, with fewer using them as a baking ingredient. Evolving health perceptions have also shifted the way in which consumers use walnuts and in what type of dishes. Mr. Rose concluded his report by stating that the investment that the industry has made in scientific research and marketing has worked successfully to change consumer perceptions and attitudes about walnuts.

Chairperson Tos thanked Mr. Rose for his report and asked Mr. Balint to report on the next agenda item, Update on AMS & CDFA Oversight. Mr. Balint stated that we have an ongoing dialogue with AMS on oversight of our communications and other areas; staff continues to have meetings with AMS and CDFA to discuss areas of possible disagreement and we have made good progress.

Chairperson Siebert asked Mr. DeWalt of CASS to give the report on the Objective Crop Forecast. Mr. DeWalt stated that the 2013 walnut growing season was good with above average rainfall during the winter months; the spring weather conditions were unusually dry and warm which contributed to a longer bloom. Sunburn damage was limited during the summer. The survey work was conducted in August on 740 orchard blocks, two trees per sample. He

stated that the objective measurement forecast for 2013 is 495,000 tons inshell. This is down less than one percent from the 2012 production of 497,000 tons. Mr. DeWalt presented a graph of the historical September objective forecast versus the final production.

Mr. DeWalt stated that the nut set is a record low for 2013, considerably lower than the two years prior. The low nut set is off-set by the overall sizes (weight, width, cross-width and length) which are up over the previous year's measurements. Moving on to acreage, Mr. DeWalt stated that the number of trees per acre has increased steadily over the past several years. It has been two years since the last acreage survey and based on information from that survey they indicated that 12,000 acres would come into bearing during 2012/13. Taking into consideration the number of acres reported to be pulled, they have determined that bearing acreage increased from 245,000 to 255,000 acres.

Chairperson Siebert thanked Mr. DeWalt for his report and asked for a motion from the Board to accept the Objective Measurement Survey as presented by Mr. DeWalt. Mr. Carriere so move, Mr. Mariani seconded and the motion carried unanimously.

Mr. Balint stated that because of sequestration, USDA will not be releasing a price report as they normally do. However, CASS will be releasing their annual Walnut, Raisin and Prune Report sometime in late October or early November which will include field prices.

Chairperson Siebert asked Mr. Balint to continue with the next agenda items, Production of Competing Tree Nuts, Walnut Production Estimates of Foreign Suppliers and Walnut Import Analysis and Review of the 2012/13 Supply & Demand and Projections for 2013/14. Mr. Balint presented a series of slides: The first compared the forecast production verses the USDA final crop number for the past five years; next was inshell exports in 2012/13 to the top six countries of Hong Kong, China, Turkey, Vietnam, Italy, and Spain; also, the top six shelled export countries in 2012/13 were Japan, Germany, Korea, Canada, Spain and Australia. The schedule of competing tree nuts shows that almonds, pecans and pistachios are all projecting production down slightly from 2012. Foreign walnut production forecast shows that Chile, China and Turkey project up slightly in 2013. U.S. imports of foreign walnuts indicated a huge increase in 2012 to over 14 million pounds, about half of that from India. Mr. Balint speculated that most of the product can be attributed to rebaggers but he reminded handlers that they are required to report imports of foreign walnuts on a quarterly basis on a CWB form.

Mr. Balint presented a slide on exchange rates which showed that the rates are up and down against the dollar depending on the country. The supply and utilization table indicates that we will have an estimated total availability for 2012/13 of 1,089,501,000 pounds and estimated total availability of 1,083,868,000 pounds of walnuts for 2013/14. The projected inshell domestic, inshell exports, shelled domestic and shelled exports are relatively steady. The projected ending inventory for 2013/14 is almost 46,000 inshell equivalent tons.

Chairperson Siebert asked Mr. Jack Gilbert, Chair of the CWB Export Committee, to present the Committee report. Mr. Gilbert stated that the Committee met the prior day and voted to recommend no reserves and no minimum prices for the 2013/14 marketing year. Mr. Carriere made a motion to accept the Export Committee's recommendation; Mr. Guerra seconded the motion and it carried unanimously.

Chairperson Siebert asked for a motion from the Board to adopt the Marketing Computation Policy as presented by Mr. Balint. Mr. Mariani so moved, Mr. Carriere seconded and the motion carried unanimously.

Mr. Guerra made a motion that prices will not exceed parity for the 2013/2014 crop year. Mr. Tos seconded the motion and it carried unanimously.

Chairperson Tos turned the presentation over to Mr. Balint to discuss the next agenda item, Health Research Update and Review. Mr. Balint stated that the Scientific Advisory Council meeting was held in August with excellent researcher and industry attendance. He invited industry members who attended the conference to comment on the experience. Mr. Keyawa, Mr. Zaffarano and Mr. Driver all expressed how impressed they were with the caliber of health researchers and projects that we fund and how professionally the conference was conducted. Mr. Balint stated that the Scientific Advisory Council has added a new cardiologist member, Dr. Joanne Foody of Brigham and Women's Hospital. Also, Connie Diekman, RD, has been added as a SAC member. Dr. Foody, Ms. Diekman and Dr. Roger Clemens of USC will be helping us with written and oral testimony for the Dietary Guidelines meeting coming up in a few weeks.

Mr. Balint then presented five new health research projects for the CWC to review. The first is a database as the result of the PREDIMED study from Dr. Ros; the cost for the one-year study is \$69,702 to data mine and look for relationships between ALA consumption and risk of fatal and non-fatal cardiovascular disease and all-cause mortality. The second study is from Dr. Kris-Etherton and is a clinical trial on the effects of walnuts on central blood pressure, arterial stiffness indices, lipoproteins, and other cardiovascular disease risk factors; the cost for three years is \$507,800. The third project is from Dr. Daniel Rosenberg and is an animal study on the beneficial effects of walnut consumption on colon cancer and inflammation; the cost is shared with AICR and the cost to the CWC would be \$233,514 for three years. The next project is another data mining from the Nurses' Health Study and will be conducted by Dr. Francine Grodstein; the one-year project will study walnut intake in relation to physical function at a cost of \$50,000. The final project for review is a food allergy clinical study by Dr. Stephen Taylor; the one-year project will determine the threshold dose for walnut allergy in humans for \$35,000.

Mr. Mariani made a motion to approve the five health research projects as presented by Mr. Balint for a total of \$896,016. Mr. Wagner seconded the motion and it carried unanimously.

Mr. Balint continued with the next agenda item, CWC Issues Management Report. He stated that the Korean Free Trade Agreement continues to be an issue; our duty on shelled walnuts into Korea is 20 percent, down from 30 percent two years ago. We have the trade in Korea writing letters supporting acceleration of the KFTA.

Chairperson Tos asked Ms. McNeil to give the report on India. Ms. McNeil stated that the industry gained market access to India on July 12th; walnuts are allowed to ship into India via the phytosanitary protocol that has been communicated to all members and handlers. She mentioned that there have been some discussions about imports into India being backed up and we have made inquiries with the Ministry of Agriculture; it appears that the plant quarantine system is taking some time to update.

Chairperson Siebert asked Mr. Driver to report on the CWB Production Research Committee in the absence of Committee Chairperson Mr. Jerry Moore. Mr. Driver stated that in June, the Board approved a research budget for 2013/14 of \$1.5 million; the Committee will meet in early 2014 to approve projects. Since the June meeting, the PRAC Genetic Improvement working group has met and several members of the Research Committee and CWB staff met with Carolyn Pickel on the subject of sustainability.

Mr. Driver turned the discussion over to Dr. Ramos to report on Production Research Advisory Council (PRAC). Dr. Ramos stated that PRAC, created in 2005, has gone through several changes recently; Mr. Carriere who had been co-chair of the Genetic Improvement working group and an active member of PRAC since its inception, withdrew his involvement due to other commitments. Brian Blain of Visalia has accepted the appointment to co-chair of that working group. PRAC is made up of the eight co-chairs of the working groups along with Dr. Bruce Lampinen who is the walnut specialist at UC Davis. The four working groups (Genetic

Improvement, Plant Pathology, Orchard Management and Entomology) are charged with developing production research priorities, reviewing proposals and making recommendations to the Research Committee. The full PRAC is meeting this December to review the priorities and evaluate the ongoing work. Dr. Ramos stated that he is very pleased with the way the PRAC has developed and the proposal review process has evolved over the past few years.

Dr. Ramos also mentioned the 46th annual Walnut Research Conference which will be held in Bodega Bay in January 2014. This conference is a U.C. sponsored event and all of the farm advisors, researchers and many representatives from the industry, including Research Committee and PRAC members, attend.

Ms. Pickel then presented the update of the California walnut sustainable program. She explained that there are several areas that the California Walnuts Sustainable Program focuses on: Integrated pest management, energy efficiency, water quality, nutrient efficiency, air quality and food safety. Ms. Pickel stated that the industry is working on identifying sustainable practices used by California walnut growers, quantifying existing successes by California walnut growers to showcase, improving sustainability of California walnuts by using research program appropriate PRAC priorities and maintaining a sustainable presence on the walnuts.org website. Ms. Pickel also discussed current trends in sustainability.

The walnut sustainable program on the website will be expanded to include a general overview statement, examples of successes that are written for the public, information about improving sustainability through research, and our food safety guidelines. Ms. Pickel also mentioned that during her recent meeting with CWB staff and Dr. Ramos, they discussed other opportunities, such as working with a third party certification group and conducting environmental stewardship tours showcasing farms that use sustainable practices.

Mr. Driver thanked Dr. Ramos and Ms. Pickel for their reports. Chairperson Siebert moved on to the next agenda item, Report of the CWB Grades & Standards Committee. Committee chair Mr. Carriere stated that the committee met the prior afternoon and took action on several items, including the renewal of Mr. Don Henry's contract as a field representative for the CWB. The Committee also discussed, but did not fund, the DFA huller audits and the food safety workshop in the winter, which was been postponed until the next year.

Mr. Carriere asked Mr. Eidsath to continue with the details of the food safety research projects. Mr. Eidsath stated that for the past two seasons, we have funded an antimicrobial wash study to determine the efficacy of the peracetic acid wash on reduction of bacteria at the huller. We have found that the antimicrobial wash is about as effective as clean water and there is no significant reduction in bacteria. Also, the concentration of peracetic acid was found to be irritating to line workers. One benefit discovered was that the wash keeps the huller equipment very clean; to that end we are going to be conducting a test of a lower concentration of peracetic acid, to limit irritation to workers, on huller equipment and rock tank water. The National Food Labs in Livermore will be conducting the testing to determine bacterial load on the equipment and rock tank water treated with peracetic acid.

Mr. Eidsath also stated that the statewide *Salmonella* and *E.coli* survey will be conducted for the third year at a very large sample size. We are also continuing our pesticide survey with DFA. Mr. Eidsath commented that our postharvest fumigation research will continue with the third year of the TASC grant for phosphine research, the goal of which is to find a replacement for methyl bromide. Also, the Committee approved year three of the sulfur dioxide/PPO fumigation blend study and year two of the organic disinfestation using CO₂.

Moving on to the UNECE Update, Mr. Eidsath stated that we are developing an inspection manual that the European inspectors can use called *The Explanatory Brochure for Inshell Walnuts*. He and Abhi Kulkarni are working on putting together the manual with

photographs of defects; it is still a work in progress. Once the manual is finished it will be presented to the UNECE committee in June 2014.

Mr. Carriere thanked Mr. Eidsath for his presentation. Chairperson Tos asked Mr. Keyawa to present the next agenda item, Report of the CWC Intra Industry Communications Committee. Mr. Keyawa indicated that the committee met in June, just prior to the last joint CWB/CWC meeting to discuss the CWB continuation referendum that will take place in April 2014 and how best to communicate to the industry. In preparation, staff is working to ramp up communication to growers to inform them of the key activities and accomplishments of the CWB and CWC. Mr. Keyawa asked Ms. Olmstead to give more details of the communications plan.

Ms. Olmstead stated that there have been several activities in preparation for the upcoming referendum. There was a grower survey sent out that generated 200 completed telephone interviews; the survey included questions to assess grower perception and understanding of the activities that the CWB/CWC conducts, and also about whether or not they are receiving industry communications and how we can better communicate with them. The data from the 200 phone surveys is being processed by Rose Research and the results will be used to guide our communication efforts to the growers.

Ms. Olmstead explained that other activities will include more frequent press releases to industry publications, development of collateral materials that can be distributed at various events and tradeshows, and advertising in industry publications and radio. In addition to presenting at the annual U.C. Extension service meetings, we are also looking to attend other agricultural trade shows including the Pacific Nut Producers Tree and Vine Expo and the Grape and Nut Expo in November, the California Farm Bureau's annual meeting in December, the West Coast Nut Grower Guide's annual walnut show in January, and the Colusa Farm Show and the World Ag Expo, both in February.

Ms. Donoho presented the next agenda item, Delegate Authority to CWB/CWC Audit Committees for Housekeeping and Legal Changes to Policies & Procedures and Employee Handbook. She explained that this is an annual authority that will be moved to the Spring meeting agenda along with all the other committee authorities next year.

Mr. Wagner, on behalf of the CWC, made a motion to give the authority to the CWC Audit Committee. Mr. Crane seconded the motion and it carried unanimously.

Mr. Driver, on behalf of the CWB, made a motion to give the authority to the CWB Audit Committee. Mr. Poindexter seconded the motion and it carried unanimously.

Mr. Balint presented the next agenda item, Issues for Consideration for CWB Marketing Order Revision Committee. He asked the Board to give the directive to the MORC to convene to review the marketing order and potential issues that may need to be addressed.

Mr. Driver made a motion to direct the Marketing Order Revision Committee to meet at its earliest convenience. Mr. Zaffarano seconded the motion and it carried unanimously.

There was no Executive/Closed Session necessary. Chairperson Siebert stated that the time and the place of the next meeting of the Board and Commission will be on February 21, 2014, at Silverado Resort in Napa, CA. Hearing no further business, Chairperson Siebert and Chairperson Tos adjourned the joint meeting at 11:56 a.m.

I HEREBY CERTIFY that the above is a full, true and correct copy of the minutes of the meeting held on September 13, 2013 in Rancho Cordova, California, by the Boards of the California Walnut Board and the California Walnut Commission



12/3/13

Date

Dennis Balint, Executive Director/CEO