

Mount Rogers Area Christmas Tree Growers Association

PO Box 127
Whitetop, Virginia 24292

Minutes – General Membership Meeting, February 26, 2012, Whitetop Fire Hall, Whitetop, VA

The meeting was called to order by President John Rosser at 3:00 PM.

Trees for Troops Recognition

President John recognized those individuals and farms that supported the Association's contribution to the "Trees for Troops" program last December. He presented Christmas tree ornaments to those individuals present. The other supporters not present will receive their gift by mail.

National Christmas Tree Marketing Report

President John gave a summary of the ***National Christmas Tree Association 2011 Marketing Survey***. The number of Christmas trees sold was up in 2011. 30.8 million trees were sold. This was a 14% increase in sales. However, average prices were down 3% from the previous year. Approximately 1.074 Billion dollars was spent on Real Trees in 2011. This is down from 2005. It was noted that our industry only spent 1/100th of a cent on promotion per tree sold. There has been a real decrease in our overall marketing effort and it is reflected in a general decline in trees sold and prices received.

Trees sold and prices received on "Choose and Cut" farms was up for the year. Prices received at retail outlets was down according to the survey. Big Box store's sales were down from a 22% share to 16%. Garden Centers and "stand alone" lots saw some increase in sales for the year. Choose and Cut farms had a small increase in their sales.

An interesting statistic to come from the Marketing study was why people did not buy a REAL Christmas tree. These are as follows:

- 69% - Own a Fake tree
- 37% - Real tree too messy
- 32% - Fake tree is better for the environment
- 25% - Worried about fire safety
- 25% - Cost too much
- 22% - Too difficult to get rid of
- 21% - Too much time to pick out
- 19% - Too much trouble to put up
- 16% - Allergies
- 14% - Not enough space

The National Christmas Tree Association is planning to focus its efforts on the following areas in the 2012 Marketing Effort:

- Environmental Education – REAL Christmas trees are better for the Environment
- Fire Safety – Real or fake which is safer and how to safely display a REAL tree
- Allergies – Is it the tree or the dust and weed seed on the tree?
- Convenience – How can growers and retailers make REAL trees easier to install and remove?

Are we in a dying industry? 23% of the people had no tree in 2011. 55% had a Fake tree and only 20% of the surveyed people had a REAL tree. People living in the South buy fewer REAL trees. Nationally, 3.2 REAL trees are sold to every FAKE tree. Sales of FAKE trees rose 16% over the previous year. This should worry every grower. The FAKE tree is our competitor – not Oregon or Michigan growers. Our industry needs every grower contributing to a National Marketing campaign by making direct contributions or through a “Check Off” program. Unfortunately, politics killed our marketing efforts funded from a Check Off program. No program is expected to be launched as long as the present administration is in office.

The Trees for Troops campaign is one of our successful marketing efforts. 20 million people heard about the program. 2 million people indicated that they bought a REAL tree because of the Trees for Troops program. This means that 105 more trees were sold for every 1 tree donated. A lot of free advertising was also obtained through newspapers, radio and television stories about the program. Every grower is needed in this great and worthwhile effort.

Budget and Financial Report

Earl Deal reported on our expenditures and receipts since September, 2011. Attached to these minutes is a spread sheet giving these items. The budget for 2012 was presented to the membership. It was approved without change. A copy of the budget is attached to these minutes.

Orchard Reports

Charlie Conner reported that the initial cleaning of this year’s cone/seed crop has been completed using James Haynes crew. The next step is to contact Jim Rockis about having him complete the cleanup process at his facility near Morgantown, WV. Following contact with Jim, we learned that he was going to be in Wilkesboro, NC at a seed workshop. He then picked up the seed on the 17th and will begin work on it the week of February 20th. We were fortunate in having Jim pick up the seed. This eliminated a special trip to the Morgantown area. Jim is planning on delivering the processed seed back to us some time in March in conjunction with a trip back down this way. Earl Deal will pick up the seed in April if this does not work out. No decision was made concerning having Jim Rockis store some of the seed in his facility as an insurance measure.

Charlie Conner reported on the status of both the Grayson Highlands and Old Flat orchards. Della Deal continues to work with different growers to identify outstanding trees in their fields that can be included in the Flat Orchard. Fifty-eight (58) different trees have been selected for evaluation for use as grafting material in the new orchard. She is now working with John Frampton in taking more cuttings in November for evaluation of their needle holding ability.

Old Flat Orchard Establishment

Della Deal also sent a report on progress being made on the Old Flat Orchard. This report included the following items:

- The goal is to have at least 50 "Exceptional" Fraser fir ready to graft by 2013.
- Grafting of the first 15-20 Fraser fir will occur this spring within 2 weeks of Bud Break
- Dr. John Frampton will have the results from the 2011 needle retention study by clone to us by late March
- We are planning to use an Orchard Design Program to give us the pattern we need to use to graft into the orchard. This pattern will ensure related and replicated grafts will be as far apart as possible to reduce inbreeding.
- We need to identify another 80 "Exceptional trees to run through the needle retention study in the winter of 2012. All members are encouraged to help Della identify candidates for the orchard in their fields and please contact her (336.372.2756).
- Regular Maintenance including weed management, soil samples and fertilizer recommendations are planned.
- Red spruce seed was collected in the fall of 2011. Initial cleaning has been completed and Jim Rockis has taken it to his facility to complete the cleaning process. This red spruce will be grown by contract this year with the seedlings planted around the orchard as a living border. Hopefully, this will be completed over the next 2 years.
- Work on access roads within the orchard to eliminate major rocks and boulders that interfere with tractor operations.

Earl Deal reported that the Association has received a \$29,400 grant from the USDA and Va. DA & CS small crops grant program for the continued establishment of the Flat Orchard. This money will be used to offset the cost of the activities listed above.

Marketing

Danny Neal reported on the Board of Directors discussion about the need for marketing help for our members. This would begin with obtaining a grant for help in this effort. Our proposal to the Tobacco Indemnification and Community Revitalization Commission did not get funded this year.

The consensus of the board was to rework our proposal and resubmit it this coming year. The major needs mentioned during the discussion included the following:

- Expanding our Web site with more information about each farm, including Face Book pages and Blogs to attract more visits by people searching the Web and including more general articles and pictures for people visiting the site.
- Making an effort to visit more nurserymen's shows in more distant markets.
- Making a proactive effort to sell more seed.
- Developing a Quality Tree Certification program in order to Brand the Mount Rogers Fraser fir.

Danny also reported that the Mexican import problem has been worked out with a trucking agreement between the US and Mexico. Christmas tree exporters should not have the same problems as experienced over the past several years.

Gypsy Moths in Grayson County

A program on Gypsy Moths was conducted last February for the members of the Association. Unfortunately many members did not go the second mile by getting their paperwork in to receive a certification stamp that allows them to inspect and ship their trees out of a Gypsy Moth quarantine area. Grayson County may be part of a quarantine area in the near future. Consequently the board elected to have a second class for those members that did not attend the last time and for those that must re-attend since they did not complete their paperwork. It was held concurrently with this regular meeting on February 26th. Jim Zinck of the Virginia Department of Agriculture conducted the class.

MANTS

Danny and Charlie reported on the Mid-Atlantic Nurseryman's Trade Show in Baltimore. They manned the booth for both the Virginia Christmas Tree Association and also the Mount Rogers Association. They reported that the show was impressive with a lot of people stopping by the booth put together by Della Deal, Charlie and Danny. Most people were interested in obtaining a list of growers. However, Danny and Charlie also talked with several people about our seed. They had sample packs that were distributed to those interested.

GRAYSON COUNTY SUPERVISORS

A report was made about two of Grayson County's supervisors proposing to eliminate the county garbage fee. Their proposal would be to add it to the tax levy. This is approximately \$ 0.05 to \$ 0.07 per hundred assessed value. They also indicated that all the Christmas tree growers had the ability to pay the fee and help out those other people that could not. The general consensus of those attending the meeting was that we needed to fight this proposal.

Joint Virginia Tech and NC State Christmas Tree Specialist

President John reported that the administrators from both Virginia Tech and NC State have met to discuss the possibility of funding a joint position to work on Christmas trees. The person filling this position would work across state lines in some specialty area needed by Christmas tree growers. These discussions are preliminary at this time with funding problems in both states dictating when this position might be created.

Warehouse

President John reported that the standby generator and telephone emergency line are partially installed at this time. The installation should be completed by June. Rodney Richardson is also in the process of contacting a contractor to repair the guttering that was damaged by ice last year.

There being no further business, the meeting was adjourned.

Submitted by:
Earl L Deal, Jr.
Secretary/Treasurer