

Council for Burley Tobacco Minutes
July 10, 2017

Board Members Present: Barry Bush, David Chappell, Greg Harris, Hampton Henton, Bob James, Al Pedigo, Scott Travis, Eddie Warren, Darrell Varner, and Shane Wiseman. Rod Kuegel by phone.

President Greg Harris called the meeting to order.

Eddie Warren welcomed the group to Madison County and Chenault Vineyards.

Harris presented the minutes from the March 20, 2017 board meeting. Motion was made by Al Pedigo and seconded by Shane Wiseman to approve minutes. Motion passed without dissent.

Hampton Henton presented the Council's Financial Update. Motion was made by David Chappell seconded by Al Pedigo to accept the financial update as presented. Financial Update is on file. Motion passed without dissent.

A motion was made by Scott Travis and seconded by David Chappell to reimburse Hampton Henton the travel costs for attending the Altria Board of Directors meeting. Motion passed without dissent.

A motion was made by Scott Travis and seconded by Eddie Warren to add the active president to the Chase checking and savings account. Motion passed without dissent.

Harris welcomed the industry representatives Zachary Paulsen and Stewart Livesay from Philip Morris International and Mike Ligon from Universal Leaf to the meeting. The group engaged in a discussion on the future of the industry and what role the Council should play on behalf of the farmers as the industry continues to change.

Daniel Green, ITGA President, gave an update on ITGA's Regional Meeting in Africa and the fall meeting in Greece.

A motion was made by Hampton Henton and seconded by David Chappell to cover the travel costs to send Greg Harris to the ITGA fall meeting in Greece. Motion passed without dissent.

Board reviewed proposed spray drift template letter and asked staff to upload letter on website.

Hampton Henton passed out his report from Altria Board of Directors annual meeting. He encouraged the board to continue the engagement with companies at all levels.

Al Pedigo gave an update on GAP meetings and the continued discussion of labor issues, insurance, and mandatory certification.

A motion was made by Bob James and seconded by David Chappell to get all grower states in agreement and go to labor and ask for a reduction in H2A rates. Motion passes without dissent.

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The board discussed wage rates, prevailing versus adverse, and how to make changes to the system.

Hampton Henton gave an update on the RAI/BAT merger. The board discussed the continuing changes to the industry structure.

A motion was made by Hampton Henton and seconded by David Chappell to send a letter to Altria to request a meeting to make a presentation on ways growers and companies can work together on social responsibility, quality, compliance, traceability, and sustainability. A motion was made by Scott Travis and seconded by Barry Bush to amend the motion to start discussion with leaf procurement division to engage companies. Amendment passed with one dissent. Amended motion passed.

A motion was made by Bob James and seconded by Scott Travis that the Council reach out to the Kentucky Department of Agriculture and work with them to address the delinquent payments by tobacco buyers. Motion passed without dissent.

Barry Bush and Daniel Green gave an update from the Burley Stabilization Corporation.

Steve Pratt and Pat Raines gave an update from Burley Tobacco Growers Cooperative Association.

Scott Travis gave an update from Kentucky Farm Bureau noting that there will be a Tobacco Committee Meeting in Hopkinsville on August 10, 2017.

Orlando Chambers gave an update from Kentucky Tobacco Research and Development Center.

David Knopf, Director of Kentucky USDA NASS. Knopf gave a general update reports and asked for the Council's support in the upcoming promotion of the Ag Census.

Board discussed the October fall meeting and agreed to invite Altria to speak. Meeting date and location will be determined based on company availability to meet.

Motion was made by David Chappell and seconded by Scott Travis to adjourn. Motion passed without dissent.

Guests: Mike Ligon, Universal; Stewart Livesay, PMI; Zach Paulsen, PMI; David Knopf, NASS; Bill Maksymonicz, Burley Stabilization, Chris Gifford, Burley Stabilization, Orlando Chambers, UK; Steve Pratt, Burley Coop; Pat Raines, Burley Coop; and Donald Mitchell.