



Board of Directors | Meeting Summary

June 21, 2016

Present

Directors

Keith Alverson (National Corn Growers Association), Suzy Friedman – remotely (EDF), Stefani Grant (Unilever), Franklin Holley (WWF), Monica McBride – for Debbie Reed (Coalition for Agricultural Greenhouse Gases), Marty Muenzmaier (Cargill), Keith Newhouse (Land O’ Lakes), Kari Niedfeldt-Thomas (Mosaic), Gary O’ Neill (USDA NRCS), David Schemm (National Association of Wheat Growers), Jennifer Shaw (Syngenta), Bob Young (American Farm Bureau Federation)

Staff and Consultants

Catherine Campbell (Field to Market), Kate Fairman (Field to Market), Alison Gibson (Field to Market), Betsy Hickman (Field to Market), Paul Hishmeh (Field to Market), Michael Parks (Thompson Coburn), Stewart Ramsey (IHS), Rod Snyder (Field to Market), Ray Stewart (Thompson Coburn), Allison Thomson (Field to Market), Grant Wick (Field to Market), Sarah Stokes Alexander (Keystone), Jonathan Geurts (Keystone)

Motions

Keith Newhouse moved to approve the minutes from the May call. Bob Young seconded. The motion passed unanimously.

Kari Niedfeldt-Thomas moved that the employee handbook be finalized by the Executive Committee. David Schemm seconded. The motion passed unanimously.

Keith Newhouse moved to approve all of the new members. Marty Muenzmaier seconded. The motion passed unanimously.

Bob Young moved to approve option #3 as Field to Market’s interim data retention policy. Keith Alverson seconded. The motion passed with nine (9) board members voting in favor, one (1) opposed, and one (1) abstaining.

David Schemm moved to approve the version of the goals statement amended by the Goals Work Group with the grower sector language change, and also altered by the Board, as the Board recommendation for the General Assembly’s approval. Kari Niedfeldt-Thomas seconded. The motion passed with eight (8) Board members voting in favor and three (3) opposed.

- ***A Board member proposed a friendly amendment to change the term “absolute” to “overall,” as the former might imply falsely that the Fieldprint metrics can quantify absolute changes in greenhouse gas emissions.***

Keith Alverson moved to reconsider the motion to approve the goals statement. Bob Young seconded. The motion passed unanimously.

Marty Muenzmaier moved to approve the version of the goals statement initially proposed by the Goals Work Group with the grower sector language change, in addition to the friendly amendment that changed the word “absolute” to “overall.” Franklin Holley seconded. The motion passed unanimously.

Bob Young moved to authorize the MRCC proposal to jointly fund the development of a Sustainable Ag Resource Center as proposed. David Schemm seconded. The motion passed unanimously.

Next Steps and Action Items

- The agribusiness sector will select a new Board representative to replace Kari Niedfeldt-Thomas.
- The Verification Committee will address an outstanding concern regarding how members are permitted to share information. Should FTM data and/or claims be used by members in grant reporting, it is important to stipulate how the grantee may use the information.
- A subgroup of the Board may be formed to outline the considerations and propose options for reapportioning the sectors, particularly the option to split the agribusiness sector.
- Allison and Stewart will circulate draft social metric questions developed for the purpose of seeking equivalency with the SAI Platform as early as August.
- Rod will send the Board an alignment analysis between FTM and SISC metrics.

Proceedings

Opening

Stefani Grant opened the meeting.

Ray Stewart read aloud the anti-trust statement.

Rod Snyder introduced Field to Market’s (FTM) new interns.

- Grant Wick (Colorado State University) will be working with Allison Thomson primarily on the National Indicators Report.
- Alison Gibson (Syracuse University) will be working with Betsy Hickman to add content and capacity to FTM’s communications.

Keith Newhouse moved to approve the minutes from the May call. Bob Young seconded. The motion passed unanimously.

Plenary Agenda

Rod reviewed the plenary agenda. He introduced the new FTM committee structure. Committee members will serve alternating two-year terms, so members serving both one-year terms and two-year terms will be selected by their sectors this year. Any given member may only be represented at most twice across the committees. The agribusiness sector will also need to select a new Board representative to replace Kari Niedfeldt-Thomas.

The Board thanked Kari for her service as a director on the Board.

Council members, unlike committee members, will not be based on sector representation. Allison Thomson reached out to potential members of the Science Advisory Council directly based on their areas of expertise.

The members recommended by staff are then reviewed and approved by the Board. Paul will compile the Technology Advisory Council in much the same way in August. The Fieldprint Project Advisory Network will be comprised of everyone who is running Fieldprint projects and will not need to be either selected by staff or Board-approved.

Financial Update

The April report was delayed due to the audit. Therefore, the numbers are the same as those reviewed at the May Board meeting. Squire, Limpkin, & Co. conducted an on-site audit in the FTM office from June 7-8. The process is close to being done, and a full report should be ready for the August meeting.

Operations Update

The business development director position was posted June 20th, with a July 19th deadline. The listing includes a number of potential duties.

Thompson Coburn is working on final language for a new child leave policy within the FTM employee handbook.

Kari Niedfeldt-Thomas moved that the employee handbook be finalized by the Executive Committee. David Schemm seconded. The motion passed unanimously.

Membership

Betsy Hickman noted a 23% growth in membership since January, bringing the total to 102. Board members should reach out to new members during the plenary meeting. New applicants up for approval include the following.

- Several FTM members are already members of the ***Corn Refiners Association (Agribusiness)***, which is interested in enabling the recruitment of farmers.
- ***Hampton Creek (Food/Bev/Retail)***, which is focused on baking, is interested in helping to bring sorghum into the program.
- ***Healthy Food Ingredients (Food/Bev/Retail)***, a family of specialty ingredient companies (e.g. organic, gluten free, non-GMO, etc.) is interested in applying the FTM sustainability framework to their contract growers.
- ***Kansas State University (Affiliate)***, which came to FTM through the American Bakers Association, may be a key partner for Fieldprint projects.
- ***Texas A&M AgriLife Research (Affiliate)*** sees an opportunity for improving agriculture in Texas, is connected with cotton projects and wants to connect with sorghum.
- The ***U.S. Grains Council (Grower)*** is interested in communicating the sustainability message to an international market.

Board members discussed the new members, including the following comments.

- It sounds as if Healthy Food Ingredients might not agree with some of the technologies used by other FTM members.
 - FTM's environmental indicators are still relevant, regardless of technology.
 - The company may be responding to purchasers more than actively forwarding an agenda.
 - It would be good to see organic and non-organic farmers using the same tool to measure environmental performance.
 - FTM retains the right to permit or forbid certain usages of its name and logo.

- The grower sector may not be best for the U.S. Grains Council, which is primarily comprised of agribusiness members.
 - o U.S. Soybean Export Council was classified in the grower sector because of check-off funding. If we reclassify Grains, we'll need to do the same with Soybeans.
 - o Most USGC funding comes from grower groups, and they share their staff and space with the National Corn Growers Association.

Keith Newhouse moved to approve all of the new members. Marty Muenzmaier seconded. The motion passed unanimously.

Communications

Betsy reported a strong up-tick in media impressions, with a year-to-date increase of over 150% above 2015. High profile publications such as USA Today, Scientific American, and Forbes have mentioned FTM in some way. Twitter followers and LinkedIn connections have also increased. FTM staff and members have spoken at many events. FTM was invited to contribute to strategic meetings with the Walton Family Foundation and with CropLife America.

The Shelton Group has been selected to develop the website and member portal, with an estimated completion date of November 2016. The goal is to allow members to officially unveil the site at the November plenary. The member portal portion of the site will streamline project registration and annual reporting, as well as permitting members to access project information and network with other members.

Agricultural Technology and Financial Sectors

Several prospective FTM members are agricultural data/technology companies or financial firms. At this point, there is not a good sector fit for these organizations, so they are only permitted to be associate members. Agrible, Agronomic Tech Solutions, and GMO Renewable Resources fit into these categories and have requested full membership. About nine other tech companies are current associate members of FTM. Board members discussed the pros and cons of different solutions, including the following.

- Technology is going to play a large role as the API scales up. Relegating tech companies to the associate level may limit FTM's attractiveness to them and FTM's ability to benefit from their expertise.
- Financial institutions may have an interest in offering financing based on FTM-demonstrated continuous improvement.
- The agribusiness sector currently contains 40 members, of which 29 are full. It may well need to be split if these companies are allowed to join.
 - o Splitting any of the sectors would require reconsideration of FTM's governance structure.
- There may not be motivation for the tech companies to contribute much more than in the Technology Advisory Committee.
- A subgroup of the Board could convene them to work through the relative advantages.

Data Retention Policy

Rod introduced the proposed interim data retention policy for data collected in proprietary platforms and processed via the API connection. The required minimum for Fieldprint project data reporting and retention would be option #3 – aggregate input and output data – reported semiannually in accordance with detailed guidance issued by FTM. Option #4 – anonymized field-level input and output data – would be permitted as an alternative for those members not wishing to aggregate the data.

Board members asked clarifying questions, coming to the following conclusions.

- For this interim policy, the aggregated data will only be matched to the state and crop, not to any more specific location.
- This policy will not change the amount or quality of data collected to generate the Fieldprint.
- Multi-year impact claims will need to be verified by third party assessment of field-level information, whether it is stored on FTM servers or those of its members.
- Option #4, straight reporting without any aggregation, is simpler for FTM members than option #3. On the other hand, the more data that is stored by FTM, the higher the potential risk and cost of storing it.
- Option #3 requires manual aggregation of data with twice a year reporting to FTM.

Board members commented on the policy in the following ways.

- Software companies will need a degree of certainty greater than an interim policy to invest in an API connection. Ideally, this policy should last for at least three years.
- At some level, FTM is about promoting the practices that generate desirable sustainability outcomes. It might damage FTM's credibility not to have access to this practice information.
- It might be best to build from option #1 to option #3 over time.
 - o The options with less data retention would not permit FTM to aggregate information successfully across all of its projects.
- Ideally, this decision would be made based on a business plan and informed by a verification system, not the other way around.

Bob Young moved to approve option #3 as Field to Market's interim data retention policy. Keith Alverson seconded. The motion passed with nine (9) board members voting in favor, one (1) opposed, and one (1) abstaining.

Board members added a couple of follow-up requests, including the following.

- As part of the timeline for roll-out of this policy, both full and associate members should be updated regularly to prevent surprises at the project level.
- The Verification Committee should address an outstanding concern regarding how members are permitted to share information. Should FTM data and/or claims be used by members in grant reporting, it is important to stipulate how the grantee may use the information.

Data Usage and Access Requests

Rod notified the Board that the National Association of Wheat Growers had requested for wheat data for the whole U.S. FTM does not have any precedent for sharing data with an organization not directly associated with a project, therefore such a decision would need to be made by a vote of the Board.

Fieldprint Platform 3.0

Paul Hishmeh noted that he has looked into the history of the Fieldprint Platform as it grew from a purely educational tool to a platform that will be used to support supply chain sourcing at scale. Presently, the tool is comprised of an analytics engine, an API, integration with NRCS-CSU erosion models, and project admin/reporting. Near-term improvement includes sensitivity analysis with regards to the RUSLE2 erosion model and an ongoing effort to improve response time; the improvement of management templates; the improvement of API technical readiness, and the addition of crops. Longer-term improvements will be a part of the Version 3.0 platform refresh. The new version will be more scalable and extensible, readily accepting of new modules and with an improved user interface.

Rod summarized that it no longer makes sense to add more content to the frame of the old platform, as it would be insufficient for the needs anticipated in the long run.

Sarah Stokes Alexander recalled that the Fieldprint Calculator was initially designed to be a simple educational tool and was designed well in advance of the widespread adoption of precision agricultural tools.

Rod remarked that the IBM technology roadmap specified that it should not be FTM's goal to compete with FTM member capabilities. Between this meeting and the end of the year, FTM will aim to determine from its members how drastic the change needs to be and issue an RFP representing these decisions. It would be a fair timeline to develop the tool in 2017 and deploy it by the end of the year.

Board members discussed the platform transition, offering the following comments.

- The term "Fieldprint Calculator 3.0" may need to be scrapped altogether to emphasize the difference it will have from its current state.
- The RFP should be written up sooner than later and should target a multi-faceted team with a broad skillset, not just a software development firm.
- ZedX is still drafting the documentation for the current set of algorithms. The new request needs to specify a certain amount of capacity in a new firm and a transition period – three months – between the two.
- FTM needs a clear intellectual property (IP) strategy going forward.

Ray Stewart observed that Michael Parks specializes in IP law, which is why he has been brought onboard to assist in this transition. He noted that vendor agreements were one of the first documents his team looked at and in some cases renegotiated on behalf of FTM.

A Board member recommended that the drafting of an RFP for a technology firm be a task for the Board or a subgroup of Board members.

Goals Statement

Sarah introduced the goals statement, which was amended by the Goals Work Group to include both efficiency and absolute goals on greenhouse gas (GHG) emissions. In addition, the grower sector added language about economic sustainability.

A Board member recommended striking the aspiring language from the GHG goal, adding instead a required timeline within which to address the science in the research section of the statement.

David Schemm moved to approve the version of the goals statement amended by the Goals Work Group with the grower sector language change, and also altered by the Board, as the Board recommendation for the General Assembly's approval. Kari Niedfeldt-Thomas seconded. The motion passed with eight (8) Board members voting in favor and three (3) opposed.

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Midwest Row Crop Collaborative (MRCC)

Rod reviewed the request from the MRCC for a strategic expansion of their program, including expansion of FTM’s involvement in elements of the proposal that overlap with FTM’s mission. At the May Board meeting, concern was voiced about the potential for confusion over program governance, staff reporting, etc. In response, MRCC proposed that Keystone take the lead on the project, including serving as its fiscal agent and hiring a program director. FTM would still lead the development of the Sustainable Ag Resource Center. This project would be funded as a 0.75 FTE with 0.25 covered by FTM to help staff our Education and Outreach Committee. The total first year budget for this new proposal is \$450,000.

The Sustainable Ag Resource Center would be an online platform owned by FTM with information targeted at crop consultants, agricultural retailers and others. The information would help them build a business case within their own organizations for the promotion of sustainability practices to their clients. The platform would include a compiled directory of localized programs, featuring both an online portal and opportunities for in-person engagement. FTM has wanted such a resource center, as it matches well with its goals, but has not had the resources to make it happen.

Board members discussed the proposal, including the following ideas.

- Thought should be put into how this resource center would be integrated into the FTM member portal and the other elements of FTM’s technology suite.
- It would be ideal if ARA (Agricultural Retailers Association) and others would be willing to provide content for the resource center.
- This project feels as if it will have a synergistic effect on FTM’s growth.
- This proposal would position FTM well within the MRCC process and would offer growers more than just their own data.
- Having fiscal responsibility for the 0.25 FTE would give FTM more authority over the employee than if he/she were entirely funded by MRCC.
- In general, MRCC should trust that FTM has the expertise and resources to complete this project and should not seek to micromanage this position. This management role needs to be clearly defined in the MoU (Memorandum of Understanding) between FTM and MRCC.

Sarah noted that, while it is within Keystone’s expertise to assist with clarifying governance structure, it would be more appropriate for FTM to lead the development of this resource center.

Bob Young moved to authorize the MRCC proposal to jointly fund the development of a Sustainable Ag Resource Center as proposed. David Schemm seconded. The motion passed unanimously.

Harmonization and Alignment

Allison Thomson is still working with TSC (The Sustainability Consortium) on alignment with no major updates. Meanwhile, a recent meeting with a representative of the SAI (Sustainable Agriculture Initiative) Platform identified a handful of social metrics that are not covered either by FTM or by the applicable U.S. statutes. An initial analysis has been determined that FTM unchanged would meet SAI Platform bronze standards, with one additional question for the silver level and eight for gold. This amount of extra work is far preferable to growers completing both full programs. Additional legal analysis of U.S. statutes will be conducted by SAI in

July to firm up these numbers. Once this is complete, the questions will be worded to make them appropriate for a U.S. context. SAI Platform is overall eager to have U.S. growers included in their program via FTM.

A Board member asked if SAI is open to having input into how the questions are phrased, to which Rod responded that Allison and Stewart are working on a draft that the Board may review in August.

A gap analysis between FTM and SISC (Stewardship Index for Specialty Crops) took place in the spring and is now up for review. Rod will send around the gap analysis, which looks overall as if SISC metrics are roughly half aligned with FTM. A number of structural alignment options between the organizations are still on the table. SISC's grant from USDA expires at the end of the year, after which they will need to find a new source of funding. Their current annual budget is estimated to be about \$100,000/year.

Board members discussed the potential for alignment with SISC, offering the following comments.

- SISC and FTM talk very differently about their futures together. It would be a heavy lift for FTM to take them on as a component of the organization, given their light resources and spreadsheet metrics.
- The governance option raised in January did not address funding, and SISC members have not been polled for their willingness to join FTM according to the existing dues structure. In general, specialty crops have a wider range of solutions for the communication of sustainability than commodities and may not be as motivated to pursue those offered by such an organization.
- SISC does want to be able to make the same kinds of statements that FTM is making today. It might be smart to start by approaching the retail end of the chain first (e.g. Walmart, Campbell's)
- Cool Farm Tool is also an option open to SISC, which adds further uncertainty to the conversation.

Adjourn

Stefani closed the meeting and thanked the Board members for their work.