

CAL  FLOWERS™

California Association of
Flower Growers & Shippers

2016 Member Meeting

August 9, 2016 • Monterey, CA

August 16, 2016 • San Diego, CA

August 18, 2015 • Santa Barbara, CA



WELCOME TO 2016 MEMBER MEETING

August 2016

2016 Member Meeting

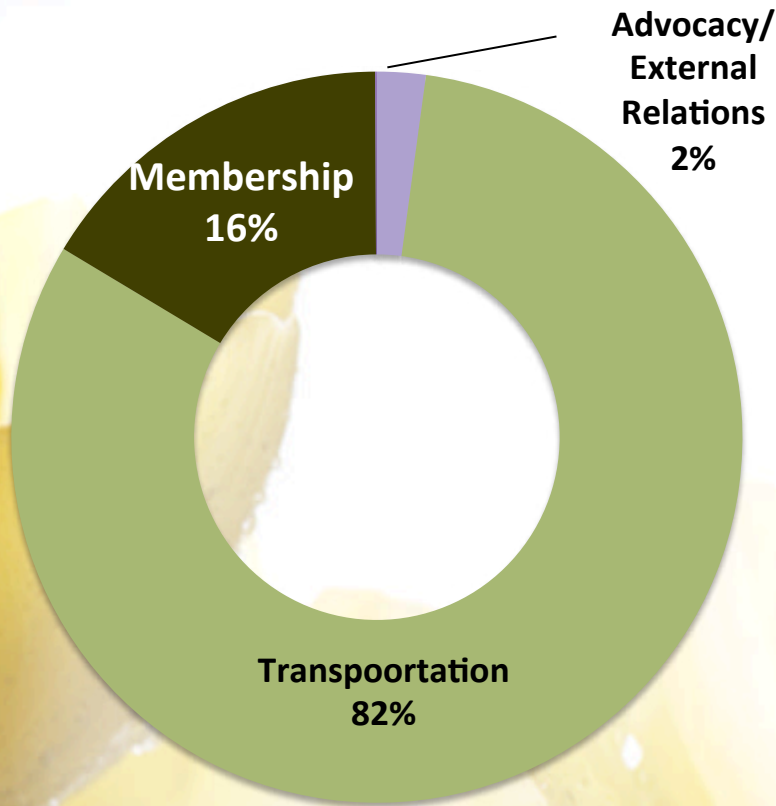
CAL  FLOWERS™
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State of CalFlowers

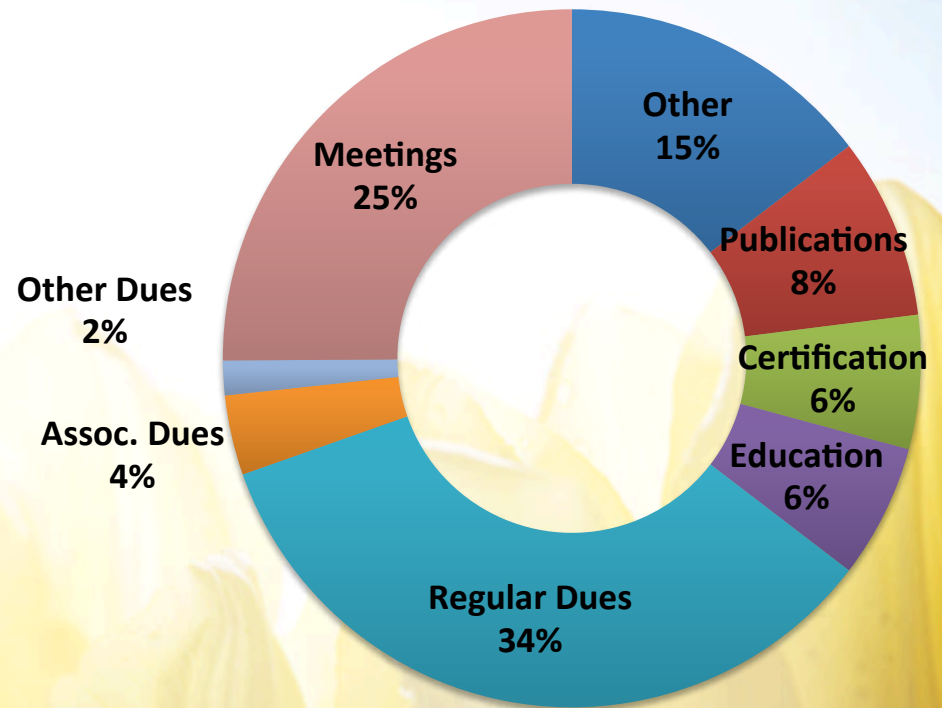
- Consolidated Financial Picture (Assoc. & LLC)
 - Sources of revenue
 - Allocation of resources
- Member Profile 2016-17
- Transportation Programs
- Marketing Programs for 2016-17
- Calls to Action

2015-16 Revenue Sources

CalFlowers & LLC



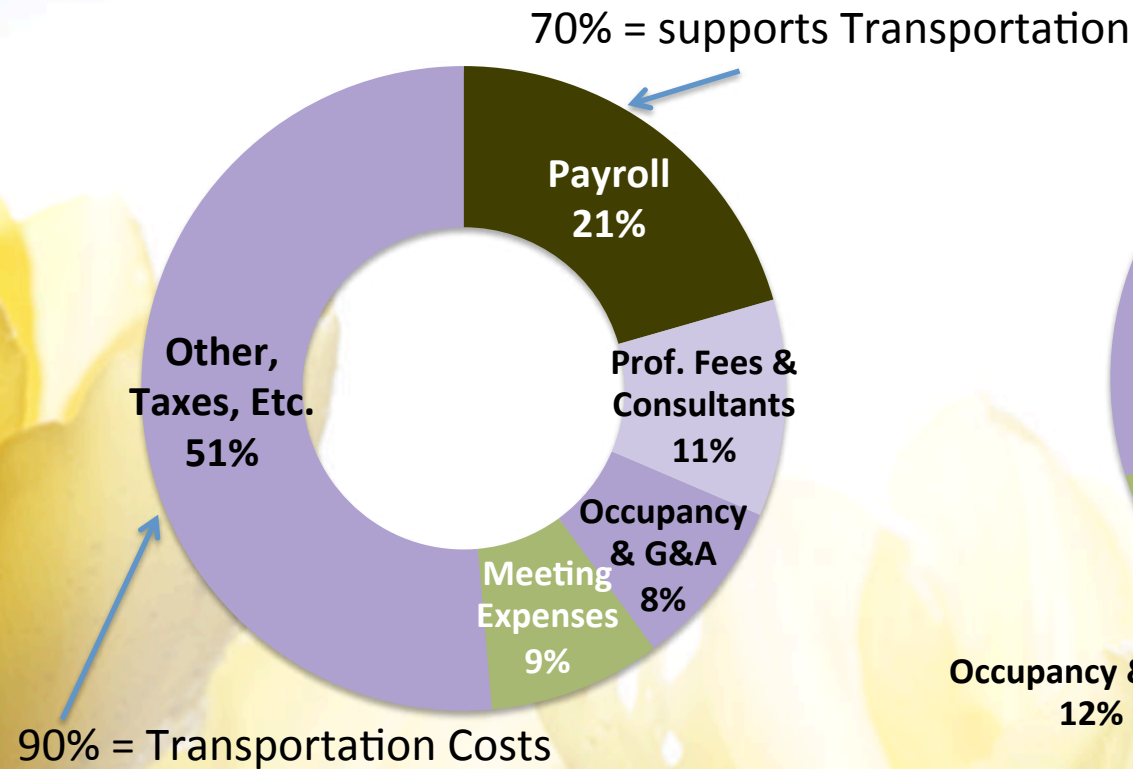
Industry Averages †



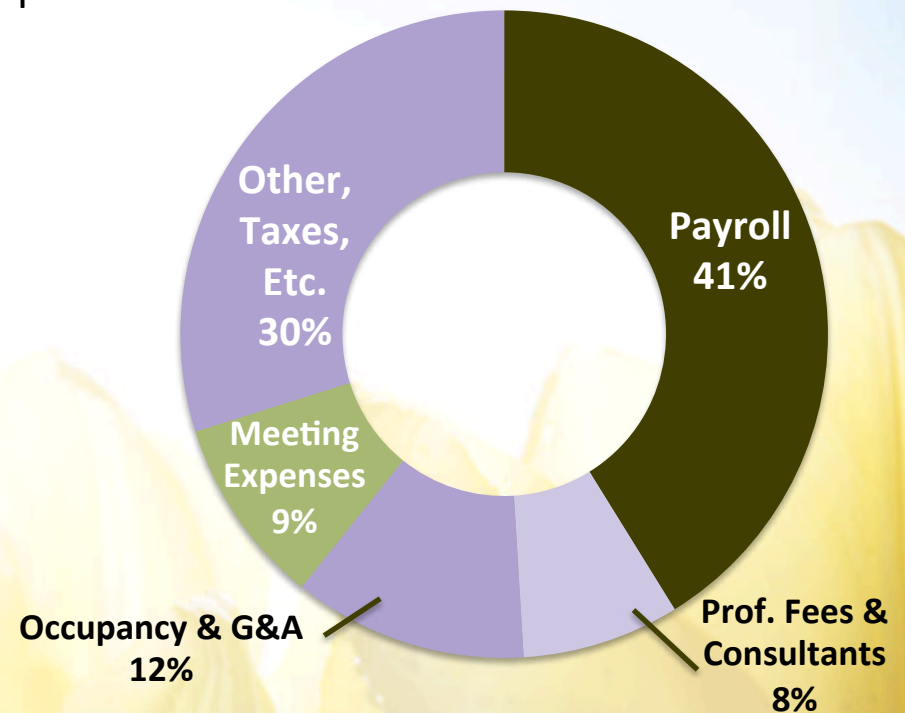
† 14th Edition, ASAE Operating Ratios – 298 trade associations w/budgets between \$1M and \$2M

2015-16 Allocation of Resources

CalFlowers & LLC



Industry Averages †



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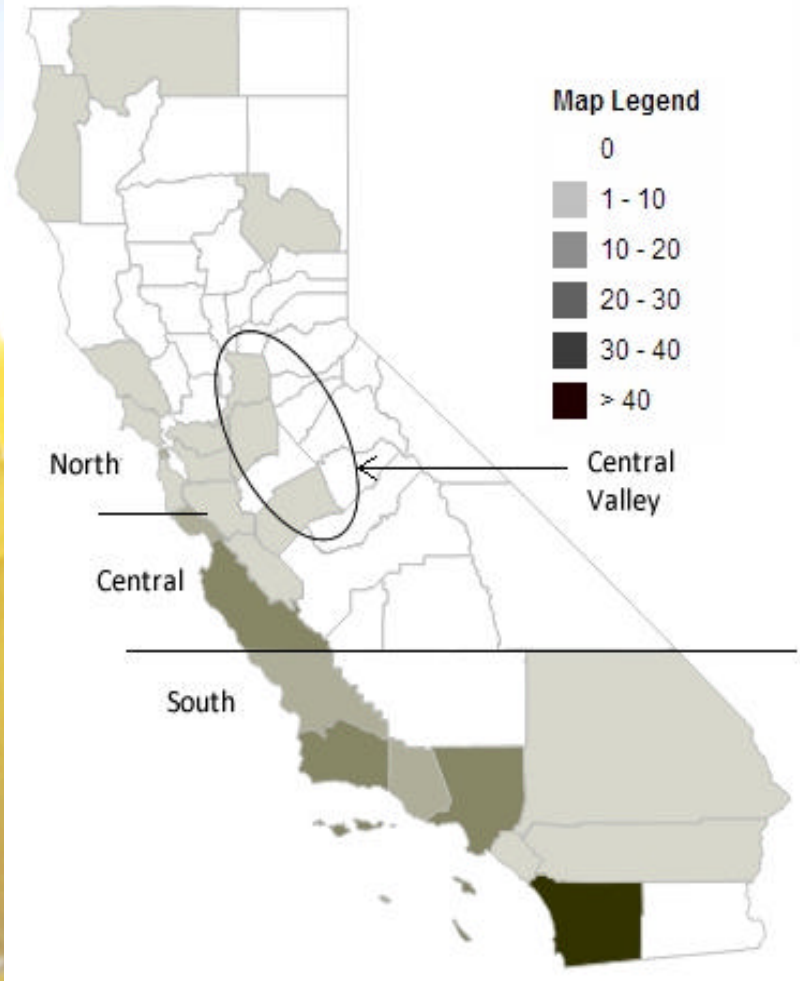
MEMBERSHIP PROFILE

August 2016

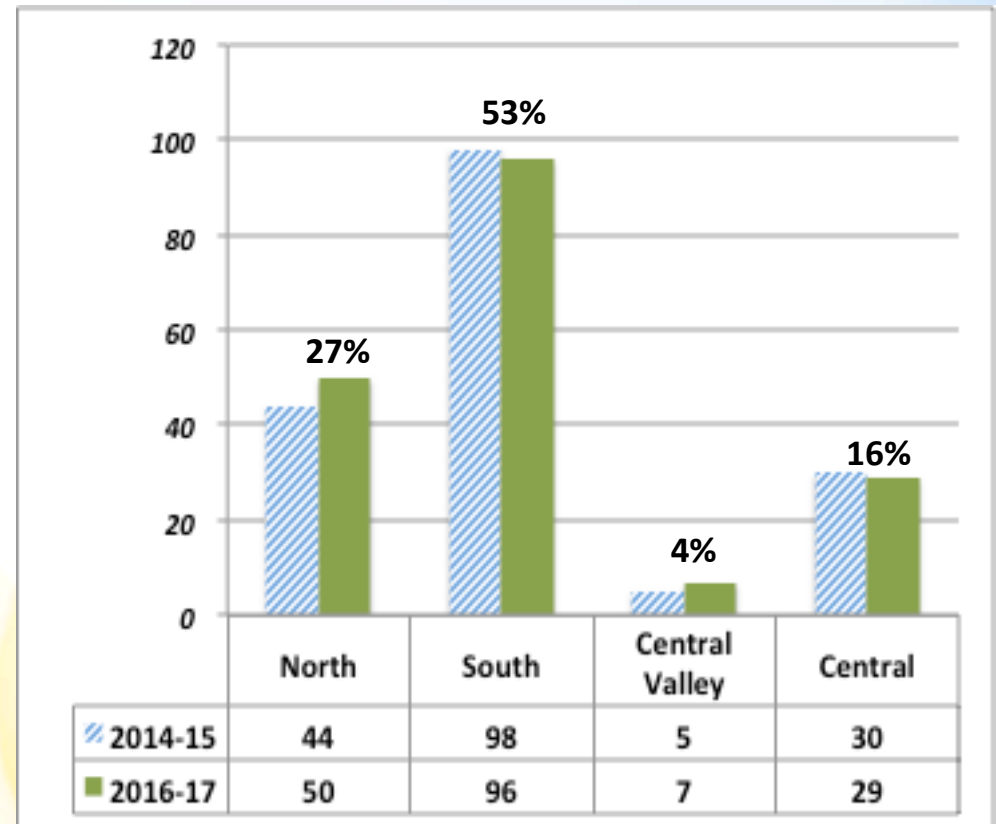
2016 Member Meeting

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2016-17 Member Profiles – Floral

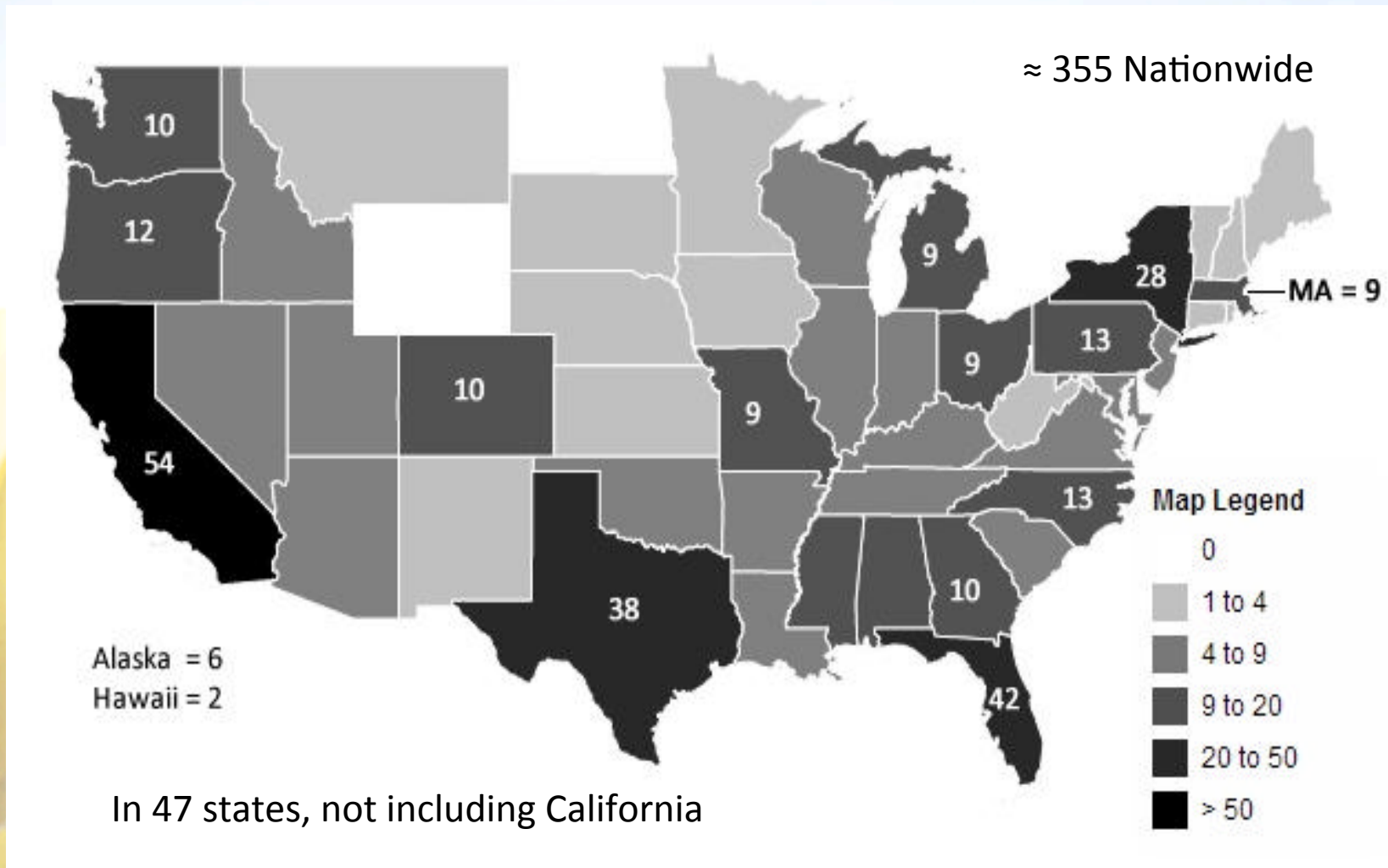


2014-15 vs. 2016-17 – Floral Members



2014-15 = 177 2016-17 = 182 3% Increase

2016-17 Associate Member Profiles



TRANSPORTATION PROGRAM ACTIVITIES (SHIPMENTS)

Existing Programs

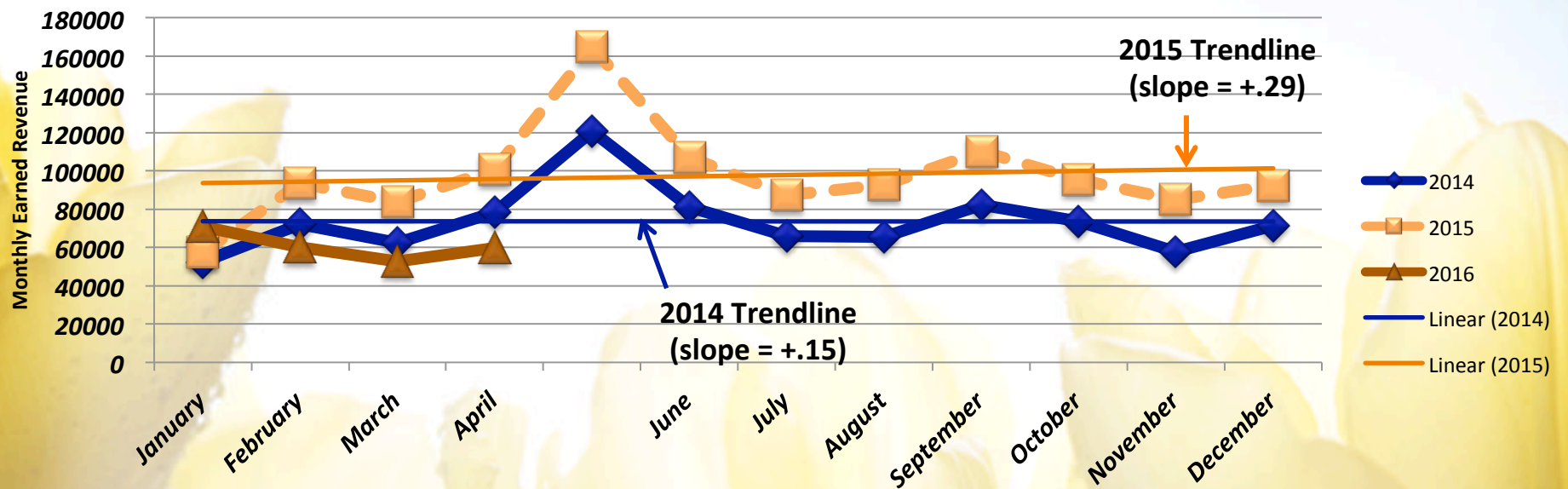
- FedEx – Domestic
- FedEx – IPD
- OnTrac
- Airlines

New Initiatives

- GSO
- Greyhound
- Box Standardization
- Consolidation

FedEx Domestic

**FEDEX EARNED DISCOUNT REVENUE
2014, 2015 & Jan-Apr 2016**



FedEx IPD

(Int'l PriorityDirect Distribution®)

- Testing with 3-4 members is in progress with more interested in participating.
- Once program service goals and onboarding is sufficiently tested, a more aggressive marketing program is planned which we feel will add new shippers. Testing is very close to completion.
- Contact Chris Johnson to learn how to apply and participate

OnTrac

- Shipping rates discounted well over 70%
- Service issues are currently posing significant challenges to the program. Shipping volumes are reflecting this.
- Member satisfaction survey results are in showing service concerns where improvements need to be made.
- We have reached out to OnTrac management to address ongoing service concerns.

Airlines Partners



New Initiatives: GSO

- Golden State Overnight is a comprehensive door-to-door ground service – we're negotiating an exclusive member program for overnight shipping within: California, Nevada, Arizona & New Mexico.
- Golden State Overnight owns their own equipment, terminals and retains their own employees. They do not subcontract out services or other vital components of their tightly controlled network.
- This will also generate an earned rebate for the Association, much like FedEx and OnTrac today

New Initiatives: Greyhound

- We are also currently working with Greyhound management exploring the possibility of an exclusive shipping program for the west coast and beyond.
- This overnight shipping option is point-to-point with the option of adding door-to-door services when requested.
- Greyhound ships nationwide with air conditioned cargo bays over a huge network of point to point connections that could offer new opportunities for members and their customers.

Box Standardization

- With the completion of the 1st phase of the project, phase 2 is now prioritized and moving forward. This next level will primarily address hampers and other upright containers.
- Box size dimension data has been requested and received from our trucking partners and currently is being analyzed.
- The Box Standardization Committee will be meeting soon after analytics are completed.
- Mike Crosby, formerly with The Sun Valley Group and now with Mellano, is again chairing this initiative!

Shipping Terminal Consolidation

- With the success of the Carlsbad area Terminal, we have shifted our attention to the Watsonville / Salinas area.
- Watsonville / Salinas area presents a number of unique challenges, but we continue to explore various possibilities that make sense to offer improved logistics for members.



MARKETING INITIATIVES 2016-17

Fun 'N Sun: August 9 – 12, 2017

Park Hyatt Aviara
Carlsbad, CA

The Committee met yesterday, August 15th
here at the Park Hyatt Aviara

Interested to being part of this year's Committee?

...but that's not all!

Programs, Functional Themes & Target Audiences	Promotion			Logistics			Education					
	Brokers	Wholesale Florists	Retail Florists	Studio Florists	E-tail	Mass Markets	Growers	Carriers	Breeder / Propagator	Students	Consumer	Association
1. WFE 15		■	■		■	■	■					
Industry Promotions/Relations	■											
2. AIFD (July in Anaheim)			■	■						■		■
3. SAF			■	■								■
4. CSFA (State Fair Student Design Comp)			■	■							■	
5. SDF&P Golf Tournament											■	
6. WF&FSA	■	■						■				
7. IFE (June in Chicago)	■	■				■		■				
8. Petal-It-Forward											■	■
9. Inspirational Design Days (Florabundance)				■	■							■
10. Memorial Day Flowers	■		■								■	
11. Women's Day - Posters			■								■	
12. Women's Day - Phoenix Promo		■	■								■	
13. PMA (Exhibit)		■	■								■	
14. Bouquets to Art (deYoung- SF)											■	
15. Filed to Vase Tickets (8)												■
16. Fun 'N Sun 2017 Advertising												■
Membership Support Promotions	■											
17. Recruitment Project	■	■	■				■	■				
18. OoS Growers		■	■					■	■			
19. Member Events (Post Mother's Day Party)								■	■			
20. Annual Member Meeting	■	■	■	■			■	■	■			
21. Member Directory	■	■	■	■	■	■	■	■	■			
Transportation	■											
22. General	■	■	■	■			■	■	■			
23. IPD		■	■	■				■	■		■	
24. Market Research		■	■	■	■	■	■	■	■	■		■
25. Rebranding Exercise		■	■	■	■	■	■	■	■	■		
26. Website Content												
27. General (e.g., meetings and ongoing support)												

CalFlowers' Theme...

More Americans, enjoying more
flowers, more often...

3 Momentum Builders...

- Women's Day Promotion
- World Floral Expo
March 22 – 24, 2017 • Las Vegas,
NV
- Memorial Day Flowers



Calls to Action...

- Committee recruitment to implement strategic plan goals:
 - Fun ‘N Sun Committee
 - Marketing Committee
 - Box Standardization Task Force
 - Program Committee

Round Tables – how they'll work

Transportation Services



Fun 'N Sun 2017

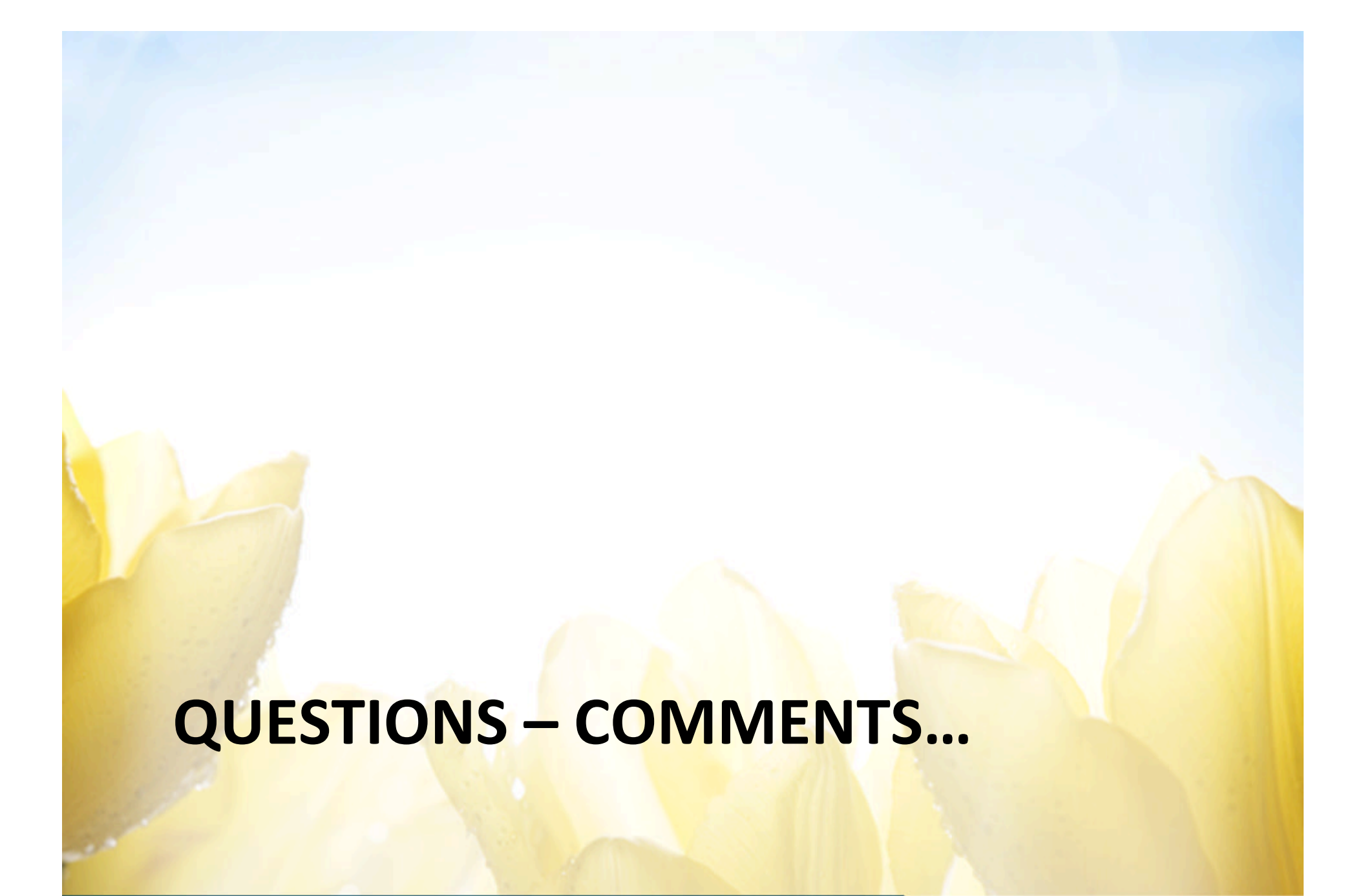


Promotions & Programs



Choose 2:

- Each table has a moderator and a scribe.
- After 30 minutes, switch tables;
- After another 30 minutes, switch again



QUESTIONS – COMMENTS...

August 2016

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STRATEGIC PLAN

Strategic Planning Process

- Board task force reviewed proposals and selected AMMR in February
- Stephen Carey, Ph.D., AMMR principal, met with Board in early March to initiate process
- Between the end of March and mid-June conducted:
 - In-depth interviews and focus groups with industry leaders and Association members & staff;
 - Quantitative, on-line survey of members;
 - Detailed scan of 12 separate environmental areas; and
 - 13 hours of face-to-face discussions with planning team and staff

Lessons learned – incorporated into plan

1. Be relevant—future oriented –proactive –embrace change –stay ahead of plan
2. Diversify revenue streams
3. Need to recruit and retain new leaders
4. Doing nothing is not an option for stability and growth
5. Development of education and programming – younger members and partnering with universities
6. Stay in touch with the needs of the membership
7. Make decisions before you are forced to do them by external forces
8. Need to form our identity—key to solving our issues
9. Tackling one thing at a time

Mission Statement

Strengthen member businesses through logistics, education and promotion to grow the use and enjoyment of flowers

Implications of the mission...

- Retain focus on core strength of “transportation” – expand where possible geographically and with member benefits where it makes sense.
- Drive California-centric market expansion by growing the U.S. market through demand-generation initiatives in all domestic markets supported by member businesses (mostly No. America).
- Become a recognized authority for learning about cut flower production and distribution.

Strategic Plan Overview



A. Partnership Relations & Advocacy

- Obj. 1 Hold a 2014 Summit with other floral organizations ... to grow the use and enjoyment of flowers in the US market
- Obj. 2 Support legislation and lobbying activities of our partner organizations, serving the interests of CalFlowers members
- Obj. 3 Exploring relationships with educational institutions to cultivate viable business models, education programs and training for next generation industry leaders.
- Obj. 4 Elevate existing relationships with transportation providers about future higher level transportation industry issues and opportunities.

B. Transportation Services

- Obj. 1 Increase consolidation efficiency (hubs), understanding of trucking industry limitations, and investigate statewide day-ahead sales program
- Obj. 2 Aggressively promote our transportation programs to ensure market protection and member benefit
- Obj. 3 Continue the Box Standardization project and investigate future needs and solutions
- Obj. 4 Implement continuous contract improvements to maximize our financial position
- Obj. 5 Create a carrier communications plan to timely and accurately disseminate information

C. Membership Services, Engagement & Services

- Obj. 1 Explain our mission and value to existing and potential members
- Obj. 2 Develop a vibrant recruiting and retention program to increase and maintain membership; review and clearly define membership criteria for each category of membership
- Obj. 3 Create a task force to determine if membership should be state, regional or national, and the ramification of international membership
- Obj. 4 Review and align all ancillary services offered with the needs of members in mind

D. Education, Trade Shows & Programs

- Obj. 1 Establish a standing program/curriculum committee to integrate all education programs of the association
- Obj. 2 Investigate Fun 'N Sun and other potential (off year) programs and events that will best serve our mission
- Obj. 3 Review and recommend “industry events” for participation to promote the association products and services
- Obj. 4 Form the 2015 Fun 'N Sun Program Committee for early start and program identification

E. Communications & Public Relations

- Obj. 1 Define messaging that explains clearly who the Association is and what it represents to our members and other stakeholders for the future of each class of membership
- Obj. 2 Facilitate information sharing among members via the website and other communication channels using our content, and shared content from other association and corporate providers
- Obj. 3 Stratify delivery of “pushed” messages appropriately among all segments with traditional and new business (social) media; pinpoint how these media can enhance communication among targeted segments

F. Governance, Leadership Development, Operations & Management

- Obj. 1 Complete review, assessment and upgrades to the information technology infrastructure
- Obj. 2 Evaluate and align staffing with priorities and programs
- Obj. 3 Redesign work processes and work flows to match programs and services after strategic plan is created and implemented
- Obj. 4 Create and implement an annual evaluation of the management firm and develop an ongoing professional development plan for the staff
- Obj. 5 Review bylaws for best practices in board structure, composition and governance policies and procedures; review term limits, succession planning, leadership development and the election process

Committee Involvement

For Member Representatives:

- Participate in as many committee meetings as possible (should be majority)
- Meetings expected to be teleconference calls
- Provide input and direction re: industry and member perspectives
- Take on small, short term projects as capable
- Assist in the direction and evaluation of programs and draft reports (by Chairman of Committee w/staff)
- Time estimates: 2 – 3 hours / month, including conference calls.
- HAVE FUN!

Staff Support for Committees

Staff Members:

- Participate on all committee meetings; if primary staff contact is unable to attend meeting a substitute will
- Support Chairman in creating meeting agendas; distribute agenda and supporting meeting materials
- Prepare meeting notes & distribute
- Implement actions, unless it's best performed by a Member Rep.
- Assist w/Committee reports, especially for Board of Directors
- Time estimates: As necessary
- **MAKE IT BOTH PRODUCTIVE & FUN FOR MEMBERS!**

Interested?

- Please let a member of the staff know if you're interested in exhibiting at this event: