

# INTERNATIONAL BOTTLED WATER ASSOCIATION BOARD OF DIRECTORS MEETING

Thursday, November 9, 2017  
8:00 a.m. – 10:00 a.m.

## MINUTES

### Call to Order

The meeting was called to order by IBWA Chairwoman Shayron Barnes-Selby, DS Services of America, Inc., who announced the presence of a quorum.

Those present were:

#### Officers

- Shayron Barnes-Selby, Chairwoman, DS Services of America, Inc.
- Lynn Wachtmann, Vice Chairman, Maumee Valley Bottlers
- Brian Grant, Treasurer, Pure Flo Water Company

#### Directors

- Joe Bell, Aqua Filter Fresh, Inc.
- Charles Broll, Nestlé Waters North America, Inc.
- Philippe Caradec, Danone Waters of America
- Andrew Eaton, Eurofins Eaton Analytical
- Brian Hess, Niagara Bottling
- Doug Hidding, Blackhawk Molding
- Greg Nemec, Premium Waters
- Bryan Shinn, WG America Company
- Robert Smith, Grand Springs Distribution
- Bill Young, Absopure Water Company, Inc.

#### IBWA Staff/Counsel

- Joe Doss, IBWA President and CEO
- Joseph Levitt, Hogan Lovells

## Approval of the Minutes

Chairwoman Barnes-Selby requested a motion to dispense with the reading and receive approval of the minutes from June 8, 2017. **It was MOVED and SECONDED, and the MOTION CARRIED.**

## Treasurer's Report

IBWA Treasurer Brian Grant (Pure Flo Water Company) presented the Treasurer's report to the Board for its consideration.

The September 2017 financial statement prepared by IBWA's accountant indicates that overall revenue has exceeded the amount budgeted for 2017. The annual revenue budget is \$4,292,000, and ten months into our fiscal year, which ends on November 30, we have received \$4,546,000.

The largest single source of revenue for IBWA is membership dues. As of September 30, the amount of dues paid is \$4,009,000; the annual dues revenue budget is \$3,653,000.

At this time, we expect that IBWA will end the fiscal year with a budget surplus of approximately \$450,000. This is the result of several factors:

- Our usual conservative budgeting.
- Dues income from new members, which is never included in the revenue budget because the amount is always uncertain.
- Substantial dues increases by several of our larger companies, some in the range of 20-29 percent.
- Dividend income, which is never included in the revenue budget since the amount is always uncertain.
- Our usual cost-cutting whenever possible.

As a result of having such a large surplus in 2017, IBWA may not need to obtain a margin loan from the IBWA reserve fund later this year and early in 2018, while we wait for the 2018 dues income to be received.

The Board approved the 2018 IBWA budget last month. The 2018 budget is balanced, and it does not include an increase in the IBWA membership dues rates. This is the first time in many years that we find ourselves in a position where we don't need to increase the dues in order to meet our projected budgeted expenses. This is certainly welcome news to all of our members, particularly the many small companies.

As of September 30, our year-to-date reserve fund dividend income is \$64,000 and the year-to-date unrealized gains are \$131,000, for a net increase in value of \$195,000.

Because of the continued volatile economic conditions, and the impact they can have on the IBWA reserve fund, the Executive Committee continues to follow the market situation very closely so that we can take any necessary actions in a timely fashion.

The Board of Directors heard and accepted the Treasurer's report.

## **Committee Reports**

### **Executive Committee**

Chairwoman Barnes-Selby reported that the IBWA Executive Committee met on November 7, 2017, to review the many issues being considered by the various IBWA Committees. During the Executive Committee meeting, the following matters were considered:

#### Bisphenol-A

The Executive Committee discussed the BPA issue and was aware that several IBWA committees also considered this matter during the week. This continues to be a very important issue for all IBWA members – small, medium and large. The Executive Committee believes that IBWA should continue to defend the safety of BPA and continue to proactively provide the facts to the media, government officials, and consumers.

#### Plant Siting and Permitting

The Executive Committee continued its discussion about the efforts by anti-bottled water groups to prevent bottled water companies from opening new plants or renewing their existing permits. This is a very important issue that will impact the future of the bottled water industry. As a result, we need IBWA to continue its efforts to support our members. We look forward to hearing from the various IBWA committees about the actions we are taking and materials we are preparing to push back against these bottled water critics.

The Board of Directors heard and accepted the Executive Committee's report.

### **Drinking Water Research Foundation**

The Drinking Water Research Foundation (DWRF) report was presented by DWRF Chair Jack West (Puro Filter Company). A copy of the minutes of the DWRF Board of Trustees meeting held on November 7, 2017, is available upon request.

The Board of Directors heard and accepted the DWRF report.

### **International Council of Bottled Water Associations Report**

The International Council of Bottled Water Associations (ICBWA) Report was presented by Annick Moreau (Danone). She gave an overview of ICBWA's current activities.

12/13/17

IBWA Board Meeting  
Page 3 of 6

The Board of Directors heard and accepted the ICBWA report.

### **Technical Committee**

The Technical Committee report was presented by Committee Co-Chair Kevin Matthews (Nestlé Waters North America). A copy of the minutes of the Technical Committee meeting held on November 7, 2017, is available upon request. Jack West commented that the bottled water-related waterborne illness outbreak in Andorra, Spain, would not have happened in the United States due to the multi-barrier approach in North America. He suggested that IBWA have a statement ready in the event bottled water adversaries use this outbreak against the U.S. bottled water industry.

The Board of Directors heard and accepted the Technical Committee report.

### **Government Relations Committee and Political Action Committee Board**

The Government Relations Committee and Political Action Committee reports were presented by Government Relations Co-Chair Derieth Sutton (Niagara Waters).

A copy of the minutes of the Government Relations Committee meeting held on November 8, 2017, is available upon request. Greg Nemecek (Premium Waters, Inc.) asked, in relation to the CalRecycle plastic content reporting, if the content weight would include the water in the bottle or not? Joe Doss replied saying this was a very good point and the matter is currently not clear. He said IBWA would come up with a template and language that would be passed along to IBWA members.

The Board of Directors heard and accepted the Government Relations Committee report.

### **Communications Committee**

The Communications Committee report was presented by Committee Member Mark Campbell (DS Services of America). A copy of the minutes of the Communications Committee meeting held on November 7, 2017, is available upon request.

The Board of Directors heard and accepted the Communications Committee report.

### **Environmental Sustainability Committee**

The Environmental Sustainability Committee report was presented by Committee Co-Chair Jeff Davis (Blackhawk Molding Co.). A copy of the minutes of the Environmental Sustainability Committee meeting held on November 7, 2017, is available upon request.

The Board of Directors heard and accepted the Environmental Sustainability Committee report.

### **Supplier and Convention Committee**

The Supplier and Convention Committee report was presented by Committee Co-Chair Brian Grant (Pure Flo Water Company). A copy of the minutes of the Supplier and Convention Committee meeting held on November 6, 2017, is available upon request.

The Board of Directors heard and accepted the Supplier and Convention Committee report.

### **Education Committee**

The Education Committee report was presented by Doug Hupe (Aqua Filter Fresh, Inc.). A copy of the minutes of the Education Committee meeting held on, November 6, 2017, is available upon request.

The Board of Directors heard and accepted the Education Committee report.

### **Membership Committee**

The Membership Committee Report was presented by Co-Chair Kelley Goshay (DS Services of America). A copy of the minutes of the Membership Committee meeting held on November 6, 2017, is available upon request.

The Board of Directors heard and accepted the Membership Committee report.

### **State and Regional Associations Committee**

The State and Regional Associations Committee Report was presented by Robert Smith (Grand Springs Distribution). A copy of the minutes of the State and Regional Associations Committee meeting held on November 6, 2017, is available upon request.

The Board of Directors heard and accepted the State and Regional Associations Committee report.

### **Old Business**

No old business was brought before the Board of Directors for its consideration.

### **New Business**

Chairwoman Barnes-Selby acknowledged and thanked IBWA Board Member Charlie Broll (Nestlé Waters North America, Inc.) for his participation during the past several years and that announced

Tara Carraro (Nestlé Waters North America, Inc.) would be taking his position on the IBWA Board beginning in January 2018.

Incoming IBWA Chairman Wachtmann acknowledged and thanked Brian Hess (Niagara Bottling) for his willingness to be the new IBWA Treasurer and a member of the leadership team, and new Board members Kari Mondt (Allied Purchasing) and Dennis Rivard (Crystal Mountain Products) for their willingness to serve on the board.

Wachtmann also thanked Chairwoman Barnes-Selby for her leadership and service as IBWA chairwoman during the past year.

Chairwoman Barnes-Selby said being IBWA chairwoman was a highlight of her career and she truly loves working in this industry. She thanked everyone for the hard work they all do.

### **Adjournment**

There being no further business to come before the Board of Directors, Chairwoman Barnes-Selby requested a motion to adjourn the meeting. **It was MOVED and SECONDED, and the MOTION CARRIED.**