

## Financing, Fundraising & Membership Committee Minutes

July 17, 2014

**Committee Head:** Aaron Lehmer-Chang

**Committee Secretary:** Michele Dziaba

**Board Liaison:** Jamie Danek

**Location & Time:** via FreeConferenceCall.com, 3:30-4:45p PST

**Attending Members:** Aaron Lehmer-Chang, Michele Dziaba, Jamie Danek, Hannah Crum, Susan Fink

### Meeting Objectives:

- 1) Re-establish committee (head) and activities.
- 2) Identify draft membership due structure.

### Committee Meeting:

#### Welcome & Introductions

Aaron Lehmer-Chang (House Kombucha)

Michele Dziaba (Karma Kombucha)

Jamie Danek (Humm Kombucha)

Hannah Crum (Kombucha Kamp)

Susan Fink (Karma Komucha)

#### Review/Approve past minutes and meeting protocol

- Minutes from 01.18.2014 were approved.
- Use Google Docs to load documents.
- Process for meeting minutes was reviewed.
- Board expectation of committees/members is two e-mails/per month as follow-ups on activities.

#### Board Expectations (Hannah)

- Establish the membership dues structure by end of August.
- Conduct a member survey. The goal of the survey is to provide a snapshot of the industry and identify what skills exist while also requesting feedback on what benefits members want. Work sessions will be needed to complete the member survey by November.
- Conduct a new membership drive in November. Membership drive will focus on those brands which are not part of KBI currently. Current members would be assigned non-member brands to solicit for membership. Solicitation of new members will be supported by a talk sheet detailing KBI accomplishments to date and plans moving forward.

#### Budget

- A draft budget has been created for KBI. Board is not anticipating any salary-based positions for another year plus since there will likely not be money for this in the near term. Funding is expected to be earmarked for web design, printed materials, etc. (Hannah)

#### Membership

- A tiered membership structure was discussed.
  - o (Beer) Brewers Association is based on volume (barrels) and has six tiers. Note: one barrel = 31 gallons (Hannah)
    - Tier 1: 0-500 barrels \$195
    - Tier 2: 501-2500 \$295
    - Tier 3: 2501-60,000 barrels \$295+
    - Tier 4: 60,001-150,000 barrels, etc.

## Financing, Fundraising & Membership Committee Minutes

July 17, 2014

### Membership continued

- Thought is to limit volume to kombucha beverages only (e.g. exclude sorbet and other kombucha-based food products) (Hannah)
- Six tiers are too many for our size. Membership levels should be based on sales. For instance >\$1MM, \$1-5MM, >\$5MM; otherwise, if we use volume to determine levels, we need to keep it simple. (Jamie)
- Consider membership levels based on geographic regions of the country. (Susan)
- Approximate annual volumes were reviewed for Karma Kombucha, Humm Kombucha and House Kombucha to dimensionalize a draft tier structure for membership.
- Committee members voted and agreed on the following draft levels:
  - Tier 1: \$195            1-25,000 gallons produced annually
  - Tier 2: \$395            25,001-250,000 gallons produced annually
  - Tier 3: \$595            250,001+ gallons produced annually
- Another tier for membership would be a brewery in progress

### Additional KBI Funding to Support Outreach/Recruit Members

- The suggestion was made to identify coordinators (paid fellows/interns) to reach out to and conduct sponsorship drives in order to find partners on a regional basis, secure new members, as well as keep the momentum for identifying funding sources. (Aaron)

### Next Steps

- Hannah will share the draft budget with this committee
- Hannah, Jamie, Susan and Aaron will reach-out to other kombucha brewers in their regions to ascertain production levels (within ranges), gauge reactions to proposed draft membership levels.
- Next meeting is planned for Friday, August 1<sup>st</sup> at 3:30PST

## Financing, Fundraising & Membership Committee Minutes

July 17, 2014

BACKGROUND FROM HANNAH provided with meeting agenda:

As we discussed there are 3 areas of focus for the remainder of the year for this committee

### 1) Membership dues structure - Brewery

As we discussed, a volume metric will likely be the best measure for membership. Due to differences in pricing, tying member dues to sales alone may not accurately depict that which we are tracking which is output. Many companies are now also making complementary products (sorbet, etc) that do not fall within the bottled Kombucha category.

We've been using this site as a reference point (click on different tabs to see benefits/cost to join):

<http://www.brewersassociation.org/membership/dues-structure/>

We'd also like to create a list of member benefits both current and anticipated to help advertise the benefits of joining our organization.

### 2) Affiliate Memberships

Suppliers, distributors, retailers, breweries in planning, etc.

To further our revenue streams and give the organization capital for administrative costs, advertising campaigns, research, and all of the goals we have as an organization, it is vital that we create several streams of income for the organization.

What benefits will they receive? How do we support or connect them to our membership?

### 3) Budget Development

Since we are a new organization, part of our application for non-profit status is to submit anticipated budgets for the next few years. We need to strategize about what expenses we foresee as well as create goals for how many members in the different categories in order to achieve our financial goals.

We have a new Treasurer, Jim Linesch (formerly of Reed's), who will be working with the FFM Committee on this project as well.

Please pow wow with the team and let me know as soon as you have a date for the first meeting so I can send out an announcement to the entire membership.

Here is the link to the "secret" page where we have the committee minutes & contact info (mostly e-mails).

<http://kombuchabrewers.org/about-us/committees/committee-minutes/>

Looking forward to working together!

Best, Hannah