



**Draft Minutes - Board of Directors Meeting
June 7th, 2016 – 1:00pm to 3:00pm (EST)**

Teleconference

Item #	Description	Action
1	<p>Call to Order</p> <p>The meeting was called to order by Peter Brain at 1:00pm sharp. Attendees: Simon Resch, Peter Brain, Paul Dickinson, Len DaSilva, Philippe Bachand and Laurie Karson</p> <p><i>Draft Minutes of April 19th, 2016:</i> Peter Brain noted one amendment to the draft minutes which is to rephrase that Brent McRoberts noted a recommendation to cancel the Peace Bridge License as opposed to the current wording.</p> <p><i>Added Agenda Items to the June 7th teleconference:</i> Laurie noted that Len DaSilva to discuss recent customs officer information to the travelling public. Laurie to also provide the board with an update on the tobacco plain packaging issue.</p>	<p>Motion by Len DaSilva and seconded by Paul Dickinson for approval of April 19th, 2016 minutes and approval of June 7th, 2016 draft agenda/consent items. All members voted in favour. No opposition.</p> <p>ACTION: Laurie to make wording change in April 19th, 2016 minutes referencing Brent McRoberts.</p>
2	<p>Government Relations <i>Update on Lease File</i></p> <ul style="list-style-type: none"> • Peter and Laurie updated the board on recent activities that have transpired since the last board teleconference. All documentation in chronological order has been provided to the board for review and comment. • The GR Committee alongside our GR Consultants – TSA have provided Martin Bulduc a letter outlining concerns with the Peace Bridge Board Authority and potential conflicts as it relates to the RFP. A response has been provided by Mr. Bulduc outlining that not only D432 is a factor in their review of the matter but other factors as well. We are not sure what those other factors are and are seeking clarification especially before the July 1st RFP winning bid is set to be announced. • The GR Committee is working to create a response to David Hurl and Minister Bulduc for the Committee’s review which should be distributed in the next week. We are also asking Gerry Stobo, legal counsel (BLG) to review Mr. Bulduc’s response and create a high level response from the FDFA – to be attached to our response on BLG letterhead. <p>Conflict of Interest – Windsor Tunnel Complaint:</p>	<p>ACTIONS: All GR documentation on the lease file will continue to be populated via the GR Committee portal page for full board review. Laurie will also reach out to the Coalition against Contraband tobacco to assess any new stats or data on contraband.</p>

- The Board agreed that no action or review can be taken at this time pertaining to the conflict of interest complaint since Justin Guay who is cited within the complaint is currently formerly recused given the lease topic.
- The Board will review the conflict matter once the RFP issue has resolved and the recusal is no longer in play.

Sales Statistics – CBSA:

- Laurie noted that we are still waiting for a response from CBSA to the FDFA letter noting the importance of the sales statistics.

US/Canada Pre-Clearance Sites:

- TSA has provided under their current retainer a full brief on the current status of the US/Canada Pre-Clearance sites and initiative. It appears that other modes of transportation such as rail are the main priority with minimal mention of land border. However, L.Karson will monitor the situation via Canada’s lead in Minister Goodale’s office – David Hurl. She will ensure to identify if there are any stakeholder consultations whereby the FDFA would have an opportunity to provide our position/input.

Tobacco – Menthol

- The GR Committee recently reviewed an opportunity via the Federal Government to provide input on the proposed federal ban of menthol tobacco. Given the lack of response provincially that occurred both in ON and Quebec last summer when the FDFA provided our position on menthol i.e. to be exempt, the FDFA GR Committee agreed not to provide our input on this respective stakeholder consultation. It is the consensus that the menthol ban is a foregone conclusion and by placing our input publically, it could negatively impact the industry at this time.

Tobacco – Plain Packaging Update

- Laurie noted that she is meeting with RBH and their team pertaining to the WHO’s mandate to implement plain tobacco packaging globally. She noted she met with a Professor from Sydney University (RBH), who is travelling across Canada to discuss plain packaging and his economic analysis as to whether plain packaging really is effective in lowering tobacco usage or creating new smokers. His findings indicate that plain packaging has little impact on tobacco uptake, but the contraband issue is the real crux of the problem.

Customs Officers Information to Travelling Public:

- Len noted that last week it came to his attention from some CDN customers that the CDN customs officers provided allowance information that he believes is incorrect. The incident was based on the couple buying two bottles of liquor at West Coast Duty Free – and consumed one bottle in the US and brought back the other unused bottle. They were told that it was outside their limits and they would be charged. The couple then returned the bottle. Len noted that it is unclear as to how many times customs is providing misinformation on this matter and requested that the FDFA seek clarification from CBSA with the hopes of receiving a formal notification on this allowance rule that Len or other operators across the country can provide to their customs offices should there be any confusion.

ACTION: Laurie will update the board on CBSA’s response to the allowance question and strongly request to CBSA that a formal notification on the ruling be provided.

	<ul style="list-style-type: none"> It was noted by the board the seriousness of this matter as this can have a detrimental impact on sales. Laurie reemphasized the importance of our certification program with our employees as they are providing allowance information to customers and in fact worked in tandem with CBSA to verify the allowance certification program questions and answers last year. Laurie has reached out to CBSA and they are currently identifying the correct CBSA representative to look into the matter and provide clarification. 	
5	<p>FDFA Committee/Association Updates (full reports noted in E.D. Report to Board)</p> <p><i>National Certification Program Update – Duty Free 101</i></p> <ul style="list-style-type: none"> The online certification program is live and has been communicated by the FDFA to its members. Laurie reiterated the importance of the program in terms of ensuring accurate information on land border duty free to its employees and its potential positive impact to stores via increased sales and retention rates for employees. She noted that she has reached out to several stores who are engaged in the program and encouraged the board to use the program given the FDFA investment in its creation last year. 	<p>ACTION: Laurie will send out another operator communication outlining who is taking the courses and hoping to encourage other stores to take advantage of this internal training program.</p>
	<p>National Marketing Program</p> <ul style="list-style-type: none"> We continue to have this program in a dormant phase given the lease issue. Mars still continues to administer the website but no activities are taking place – most likely for the duration of 2016. <p>Convention 2016 and Strategic Convention Update:</p> <ul style="list-style-type: none"> It was noted that the sponsorship is going well with 80% to our target. We have also seen an increase in new suppliers compared to this time last year. The draft newsletter is ready to be released both via mail and online. We anticipate end of June for the registration to go live. Distributions Fontaine has confirmed that they will not require the multitude of breakout rooms as they had at the Hyatt in 2014, but have secured three suites. Beler is expected to make their logistical decisions at the end of August. The FDFA requested the board to make a decision on the 4 or more buyers discount that we offered in Vancouver. The FDFA is recommending eliminating this offering for the Toronto show in order to meet budgetary targets. <p>Strategic Convention Review:</p> <ul style="list-style-type: none"> Simon Resch, L.Karson and Allison Boucher recently met in Toronto to review various hotel properties that could potentially host our convention in 2018 and onwards. Pre-review of such properties is required as only certain hotels can accommodate our convention requirements and it is required to book years in advance as other conventions can book required timeslots in November. 	<p>Motion: to approve the Convention Committee’s request to approve the FDFA request for the 2016 additional buyer’s registration costs and other benefits. Len DaSilva approved and Simon Resch seconded.</p> <p>ACTION: Laurie to complete a project plan on the review of future convention needs for the board’s review.</p>

	<p>Communique/FDFA Website:</p> <ul style="list-style-type: none"> • The board reviewed the design template for the new FDFA website and overall thought it was a good look and feel. It will provide a more mobile friendly experience and a more user friendly navigation system specifically for the members only site. • The Communique is underway, and the board also liked the overall design template. It was noted by Laurie that some of the articles will reflect various sponsorship agreements such as the airports will provide an article on i.e. new renovations or a marketing program. The purpose is similar to other associations whereby these are short articles on various industry subject matters. We will include various board objectives and progress on these initiatives throughout the year. 	
6	<p>Adjournment of the Meeting Next BOD Teleconference is August 9th, 2016 – via teleconference</p>	Len DaSilva Adjourned.