



Joint Market Programs & Ad-Hoc Appeals Committee Draft Meeting Minutes

Thursday, April 10, 2014
4:00 p.m. to 6:00 p.m.
The Classroom

Committee Members Present: Bruce Burger, Gloria Skouge, David Ghoddousi, Patrice Barrentine, Betty Halfon, Ann Magnano

Other Council Members Present:

Staff Present: Ben Franz-Knight, Kelly Lindsay, David Dickinson, Sue Gilbert Mooers, Zack Cook, James Cornell, Melissa Balding, Dana Gould, Dianna Goodsell

Others Present: Michael Schaible, Ernie Sherman, Howard Aller, Caitlin Bellum

The meeting was called to order at 4:02 p.m. by Bruce Burger, Chair.

I. Administration

- A. Approval of the Agenda
The agenda, as amended was approved by Acclamation
- B. Approval of the Market Programs March 13th, 2014 Meeting Minutes.
The minutes were approved by Acclamation

II. Announcements and Community Comments

Ernie Sherman commented on the Schaible Appeal. He noted that David Schaible was very instrumental in obtaining additional vendors in activation of the North Arcade during his time. He noted his respect for David Schaible, stating to keep his family in their present stall. He lastly stated that he could not think of a better merchant than El Gringo Imports and hopes that the PDA can accommodate the Schaible family

III. Appeal to Committee of the PDA Council

- A. Schaible Daystall Appeal - discussion of Ad-Hoc Committee to review findings and make recommendation to Council per the Daystall Rules and Regulations

Bruce Burger had each Ad-Hoc Committee member discuss their thoughts and stance on the Schaible Appeal.

Ann Magnano thanked Ernie Sherman for his sincere comments. She noted that she knew David Schaible when he came to the Market. She stated that she would like the Schaible sons to keep their current Daystall stand, whether they get their seniority. She added that relocating the business, El Gringo Imports would be a disservice to the craftspeople, the Market and their business.

Betty Halfon noted that she was not in attendance at the March 27th Schaible Appeal Hearing. She had inquired about specific details from the public appeal hearing,

Patrice Barrentine stated her appreciation for getting to know the history of the Schaible family and their business. She noted that the Schaible business stall is highly visible and it appears to stand out as a newcomer to the Market. She said her inclination is leaning more to the side of following the current Daystall rules.

Gloria Skouge inquired on how many vendors at the Market were grandfathered. She was concern if the other grandfather vendors could run into a similar scenario in the future such as the Schaible Appeal.

Bruce Burger noted that he fully understands and appreciates the issue regarding the Schaible case. He made four points regarding the Schaible Appeal:

1. If the rules were enforced 20 years ago they would get what they want
2. They are part of the market
3. They have logistical needs for their type of business
4. Their business future is challenging enough even at number 4, and at 93 it would be more challenging.

Bruce stated that we do have a lot of rules and that our rules make sense and there are reasons for these rules. He noted that his inclination is to follow the seniority system for the most part with a few inclinations on their seniority spot; he could see in looking at number 82 as a possibility.

Ben Franz-Knight presented information for the Ad-Hoc Committee regarding the Schaible Appeal; there was a summary of this information noted below:

It was noted that the Rule in effect in 2010, when the rule change occurred allowing the Schaible sons to be added to the grandfather permit:

Dissolution if one of the family member was a not a permit holder at the time of the Joint Permit was formed: Upon dissolution of a family Joint Permit, the seniority will be considered split in half so that each person will be assigned to a number halfway between the position of the joint permit and the end of the list.

Calculation applied in January 3, 2014 staff decision:

Number of permits (185) - current position (4) - missing permit #167 (1) = Number of positions to be averaged (180)/2=90 +number of permits senior to current position (3) = New Position All permit holders from #93 (Robinson) to #5 (Kuo) drop one position, increasing their seniority

Referencing a quote of a PDA Council member from the PDA Council meeting minutes dated 4/27/2010, when rule change proposed by David Schaible was passed, "averaging his and sons' seniority produces the following calculation: *End of list at signing joining permit on 4/27/2010 was #189, Carol Wolf. Schaible sons entered behind Carol Wolf, in position #190. Current (2014) position of Carol Wolf is #159, original point of Schaible sons adjusted to #160. Averaging #4 and #160 yields new position of #82.*

Michael Schaible noted that his family should be behind the Kuo family since the Kuo family received their family joint permit in 1995, during the rule change. He added that the Schaible family has been in the Market longer than other vendors with higher seniority

Gloria Skouge noted that she would like to have the PDA pull retrieve records from the 1990's archive regarding David Schaible's initial request regarding Joint Family permits for grandfather vendors.

Ann Magnano urged the committee to have the Schaible seniority number better than 30.

Bruce Burger noted that there are four possible outcomes regarding today's Ad-Hoc Committee recommendation:

1. Current seniority is applied which would place the Schaibles' at 93
2. Modified interpretation of the current rule which would place the Schaible's at 82 -
3. New algebra where a new number comes out to a number better than 34
4. Placing the Schaible's at 4

Bruce Burger asked each Ad-hoc Committee member for their recommendation on the four options.

Bruce Burger was in favor of option 2; Modified interpretation of the current rule which would place the Schaible's at 82

Ann Magnano, David Ghoddousi, Gloria Skouge and Betty Halfon were in favor of option 3; New algebra where a new number comes out to a number better than 34

There was clear consensus of the committee to recommend to council with a new calculation from Ben regarding option 3. Ben would need to confirm the year of the first request made from David Schaible with the calculation of the special grant of seniority in consideration.

Patrice Barrentine noted that it would be wonderful to recognize the Schaibles as well as other Grandfathered vendors with signage and/or other form of commemoration in the Market for their status and longevity in the Market.

IV. Programs and Marketing Directors Report

A. Programs & Promotions Update

Kelly Lindsay briefly presented the Programs and Promotions Update for the month of April 2014. She provided an update on the monthly Marketing metrics with the committee. She reported on several housekeeping items including progress on the partial Marketing Campaign and the Trademark Renewal Agreement with Jewel Hospitality. The owners of the business Jewel Hospitality have been traveling extensively out of the country and will be meeting with staff soon to discuss the Trademark Agreement in April. Kelly Lindsay commented on the Daystall Rules and Review process and one of the rule proposals from Linda Boitano. Market farmer. Linda had requested for a rules change proposal to change the current daystall rules governing the production methods of bath and body products; this would lower the percentage of

those products to be made by the vendor themselves. The rule change proposal did not go into effect. Kelly provided an overview on the situation and noted permitted farm vendors are eligible to sell supplemental farm products; the rule being that the materials creating the products significant value, these additional supplementary products are subject to review by the Market Master. She stated that during the growing season these additional supplementary products take up no more than 25 percent of that farmers table. Kelly reviewed the production standard guidelines with the Committee. She lastly noted that staff have continue to work with Linda Boitano regarding coming into compliance with the new Daystall rules and have assisted her with finding resources to change her product formulations.

There was a brief discussion that followed by the Committee.

Betty Halfon commented on the consistency on the Daystall Rules and Rule Changes. She noted that it seems every time we make a rule change, especially in the case with the Schaible Appeal and Linda Boitano's rules request, the rules may become inconsistent to what has been taught from the beginning. She noted that we need to look at this consistency issue much closer regarding rules and rule changes.

Ann Magnano noted her agreement with Betty's comment above.

Patrice Barrentine noted that as the marketplace changes it become difficult to follow the original rules since times do change and the Market becomes more competitive.

V. Presentations and Discussion

A. Farm Program Aggregation

Zack Cook, Farm Program Manager, Melissa Balding and Dana Gould, Farm Program staff presented on Farm Program Aggregation; a copy of the presentation was included with the meeting minute's record. A summary of the presentation was noted as follows:

2014 PDA Farm Program - Aggregation

Program Objectives

- Provide farms with additional revenue stream(s)
- Create incentive for new farmers to join Pike Place Market
- Establish "economies of scale" through centralized packaging, distribution and/or promotion
- Develop new opportunities for customers to engage with Market brand
- Increase access for low income shoppers

2014 Programs

- "Farm to Go" Tote
- PDA Employee CSA
 - 125 bags produced weekly
 - sourced from 11-13 farmers
 - 12 weeks
 - Three sales channels
 - Out to Lunch Concerts
 - PDA Employee CSA
 - SNAP/Low Income Produce Delivery
- SNAP/Low Income Produce Delivery

- 50 bags delivered to 3 preschools
 - Including PMCCP
- SNAP/EBT accepted
- Partially subsidized by a grant from Newman's Own Foundation
- Educational materials included
- Partnership with Seattle Human Services, Seattle Tilth, NABC
- Community Meals
 - Food sourced from farmers
- Canning/Preserving classes
 - Promote in-season fruits and vegetables
- Wholesale to Social Service Agencies/Market Restaurants
 - Pike Market Child Care and Preschool
 - 150 meals/150 produce-based snacks per day
 - Working together to help source local, organic produce
 - Restaurants and Chefs
 - Market Analysis demand, competition, best practices
 - Partnership development: Chef's Collaborative, NABC, etc
 - Seattle Tilth Partnership
 - Help newer Pike Place farmers build wholesale capacity
 - Fill gaps in orders

Program Evaluation Criteria

- Resource requirements
 - Staff time
 - Operational expenses
 - Admin/accounting
- Total revenue/profit margin for farmers
- Controlling for product quality and minimizing waste
- Opportunities for expansion

There was a discussion that followed from the Committee.

It was noted that one of the goals of the pilot program is to bring information to the council so we can make an informed and transparent decision based upon the information. It was also noted that 2014 is the year of the pilot program; as we prepare the budget for 2015 we can see if we want to continue this program based upon the results.

There would be an update to the Committee on the 2014 PDA Farm Aggregation Program in the next 4 to 5 months.

B. Trademark Guidelines

Kelly Lindsay briefly presented the Programs and Promotions Update for the month of April 2014. She provided an update on the monthly Marketing metrics with the committee.

Action Item: Proposed Resolution **14-29:** Update to Trademark Usage Guidelines

Kelly Lindsay introduced the resolution which states that the Pike Place Market Preservation and Development Authority (PDA) is the owner of all rights, title, and interest in and to certain trademarks and graphical representations of the Pike Place Market name and trademark; and, WHEREAS, the trademarks include those listed in Attachment A; and, WHEREAS, the PDA

licenses other parties to use these trademarks for uses that will enhance the image of the Pike Place Market as defined by the Market's Charter; and, WHEREAS, the primary purposes for granting licenses for the above referenced trademarks is:

1. to enhance the image of the Pike Place Market as defined in the Market's Charter
2. to cultivate shoppers and promote retail sales for Market merchants
3. to further the public appreciation of the traditional character, purposes, and products of the Market; and,

WHEREAS, the issuance of non-exclusive license agreements meets certain general conditions including:

1. the proposed licensed use is consistent with all the primary purposes listed above
2. the licensed use does not infringe upon licenses already granted, nor does it create confusion in the mind of the consumer, based on interpretation by the PDA
3. the licensed use materially benefits and improves the Market community by producing revenues not otherwise available through normal Market resources; and,

WHEREAS, licensing partners agree to use the licensed name and trademark only in a way that will reflect positively on the Pike Place Market; and, WHEREAS, the PDA pursues enforcement against those infringing on our trademark rights to cease using them in order to protect our trademark rights and the integrity of our marks; and, WHEREAS, active licensing of products in various categories strengthens the PDA's ability to pursue enforcement of trademark infringement, BE IT RESOLVED that the PDA Council will add the following to the general conditions of issuance of non-exclusive license agreements:

4. Production methods of all licensed products must be consistent with the high standards established for Permitted Arts and Crafts:
 - a. The licensee must be closely involved with the design of each article.
 - b. The licensee must be closely involved with the production of each article.
 - c. Design and production standards should relate to the specific materials and processes used to produce the specific item.

Food products, books, and print reproduction from original artwork and photography are exempt from this requirement.

5. The majority of the licensed product must be derived from original artwork, design or craftsmanship.
6. Food products considered for licensing will be those developed by Pike Place Market tenants who produce unique products with their own recipe (this condition is closely aligned with the trademark use requirement that calls for licensed items to further public appreciation of the traditional character, purpose and products of the Market). Creators of such food products could apply for a license to use the name Pike Place Market as part of their product name.
7. Items not in compliance with standards established in Conditions 4 through 7 above, but that demonstrate an extraordinary ability to meet the General Conditions for Licensed Use may, at the discretion of staff, be brought forward to the PDA Council for consideration.

David Ghoddousi moved, Betty Halfon seconded

For: Bruce Burger, David Ghoddousi, Gloria Skouge, Ann Magnano, Patrice Barrentine, Betty Halfon

Against: 0

Abstained: 0

There was a brief discussion that followed.

Resolution **14-29**: Update to Trademark Usage Guidelines passed unanimously

VI. Action Items

None

VII. Items for the Consent Agenda

None

VIII. Concerns of Committee Members

None

IX. Public Comment

Howard Aller commented on the updated logo which emphasizes “Public Market” and defending the “Pike Place Market”. He noted that the Market started changes their logo so that business cards, stationary, promotional materials started saying “Public Market Center”; he noted that we are fighting mightily for Pike Place Market not Public Market Center.

Ann Magnano noted that it bothers her when people and Councilmembers refer to the Market as “Pike Market” or “Pikes Market”.

X. Adjournment

The meeting was adjourned at 5:57 pm by Bruce Burger, Chair

Meeting minutes submitted by:

Dianna Goodsell, Administrative Services Coordinator