

Minutes of the FEST General Assembly held in Frankfurt on 14th March 2019

Present

Beatrix Ostermann (President), Johan Stevens (Vice President), Caroline Van Marcke (Past-President), Sue Knight (Director General), Benedikt Mahr, Sven Machielsen, Kim Holst, Magnus Sirén, Raphaël Flipo, Rachel Chermain, Hans Henning, Achim Laubenthal, Corrado Oppizzi, Henri-René Feyereisen, Terje Røising, Tomasz Boruc, Krzysztof Osipowicz, Carlos Rosa, José de Matos, Esther Estevez, David Juan Navarrete, Mats Rosman, Ron Kompeer, John Newcomb, Robert Just.

Apologies

Franz-Xaver Brücker, Martin Scholl and Marius Heinze.

Welcome

Ms Iris Jeglitza-Moshage welcomed everyone to ISH, now celebrating its 60th Anniversary with a revised sequence of days from Monday to Friday.

SK also expressed a warm welcome to Rachel Chermain who is taking over from Raphaël Flipo as Secretary General of FNAS.

Compliance Guidelines

SK circulated a copy of the FEST Compliance Guidelines and reminded everyone that these were the rules governing the meeting.

1) President's Opening Remarks

BO expanded on a list of FEST activities over the last year which had kept her busy, including a very successful and well-attended Congress in Vienna. She wished to thank JS for his support throughout this period and hoped progress on the Data Guideline would continue into the coming year. She went on to explain that over the last few months the FEST Board have been seeking to address many of the issues raised at the EGM in December 2018.

2) Approval of the previous GA Minutes and 2018 Accounts, Re-appointment of the Auditors and Nominations for future Vice-President

SK sought approval for the previous minutes which were agreed. She explained the appointment of a professional firm of Accountants (Ecovis) who had prepared the Balance Sheet and P&L for 2018. The Accounts reflect a strong profit performance (€57.6K), mainly as a result of the income from Associate members. SK went into detail regarding the most significant variances to budget, namely the lack of income from Mostra Convegno (€6K), the unbudgeted costs of interpreters (€10K) at the Congress and the reimbursement of €5K from the Lobbyist following his resignation.

Concerns were raised over the tax implications of such a sizeable profit for a non-profit organization, however this would be short-lived once decisions were taken over the future management structure of FEST. KH suggested formalizing the budgeting of Interpreter costs for future Congress'. **All agreed.**

Approval was then sought to re-elect the Auditors, M. Henri-René Feyereisen and Dr Hans Henning, for the coming year. The motion was carried by the members. 2018 accounts would be audited once the paperwork had been retrieved from Ecovis. **(Action SK, HH & HF).**

BO invited members to nominate a wholesaler for future Vice-President, ideally from a country that is supportive of the key initiatives. This is work in progress. **(Action BO, JS & SK).**

3) FEST's future management structure, resources and strategic partners

BO explained the need for a change to the management structure, recognizing that FEST could not carry on with a DG on 4-days a month. She outlined continued support for the three major initiatives agreed in December and an additional strategic focus on far greater communication to members and Associate Partners. Discussions had already begun with Krammer Verlag to provide more external industry news via a quarterly online bulletin, in addition to a two-weekly LinkedIn social media feed at a cost of €5K per annum.

JN made reference to the fact that networking and events, such as Field Trips, are a major factor when it comes to weighing up the benefits of FEST membership. He felt this should be given more importance, alongside the introduction of a Young Wholesalers group, previously discussed. JS agreed but emphasized the fact that all this additional activity needed administrative structures in place to assist the DG, as well as the requirement for an Advisory Board to expedite decision making.

All agreed that such initiatives would be part of the future strategy, with the Board agreeing to expand on the detail of each of the four major strategic topics and to amend "Communication" to "Networking/Communication". Detailed goals will be set for each, including a list of pros and cons and anticipated users. The Board would revert to members at the next GA. **(Action FEST Board)**.

Having agreed the strategy, the next question was how to execute it? For this, the Board had explored a number of options, with JS and SK interviewing three companies that provide specialist solutions for professional trade bodies like FEST. Based on their recommendation, negotiations should continue with Kellen, the most affordable option at this stage. Kellen's organization is also able to fulfill the Lobbying role as well as providing a menu of other services. Naturally, all of this additional cost would have a significant impact on FEST's profits in future.

Despite some reservations, **all agreed** to continue the negotiations and appoint an external agency to provide a range of administrative services for a one-year trial term. **(Action JS & SK)**. On this basis SK was unanimously reappointed to the role of Director General for a further two years.

In order to finance these arrangements an additional €60K of funding would need to come from the recruitment of more Associate members, hence the need to decide on their future role in FEST. BO outlined the current offer of a Bi-annual Congress, involvement in workshops and in the development of specific joint projects, such as development of the ML tool. Again, the quarterly news bulletin would provide the missing platform for the Associates to share in our activities.

All agreed that a set of Associate membership criteria should be drawn up that would exclude suppliers with a poorly defined trading strategy and include only pan-European partners who demonstrate a progressive mindset and cover a broad cross-section of industry products. The Board would define the criteria and circulate for approval before approaching potential new members. **(Action FEST Board)**.

To conclude the future management structure discussions, BO reiterated the need to create an Advisory Board to progress the key initiatives. This would involve participation in one additional meeting a year, with members representing wholesalers from each European region, wherever possible. In addition to the existing Board members, the nominees who agreed to join were:
Kim Holst (Nordics),
Sven Machielsen (Benelux),
Benedikt Mahr (Germany),
John Newcomb (UK),
Rachel Chermain agreed to discuss a nominee with the FNAS Board.

4) Master Data Guideline

Robert Just and Magnus Sirén presented an update on the progress of the Data Guideline 1.0 following a recent meeting of experts and suppliers in January this year. In particular, there was still much more work facing suppliers. The aim is to create a single European guideline for wholesalers, thereby mapping all product features in a single file. This would include some mandatory fields as well as some country-specific fields. The suppliers would then utilize the same key to match their data to the wholesalers'. It would then be dependent on each country to determine how they utilize the guideline. All agreed, improving industry data was one positive means of fighting off competition from alternative channels of distribution.

With further workshops planned for June and later this autumn, approval to continue the project was requested from the members. **All agreed.** Belgium and The Netherlands would also support the workshops with experts from their countries. A decision on the best platform to communicate the data would also be taken in due course, this being the next big question for the project leaders. **(Action RJ & MS).**

5) Machine Learning Tool

Due to a delay in obtaining suppliers' test data, the presentation of the ML tool by Squadra was postponed and a progress update was provided instead by MS. He explained the two phases of the tool's development, firstly in being able to classify data to the ETIM standard by detecting patterns from test data already supplied by the Finnish and 2BA databases. Whilst not foolproof, the method is far less time-consuming than manual data-mapping and the tool provides a 4-tier risk factor when reporting accuracy. The second phase involves feature-mapping, a more complex process with only a small amount of test data in use so far. The aim is to launch the final Smart classifier in conjunction with our 50/50 project partners, ETIM International, mid-year 2019. SK indicated this would most likely be by Webinar in order to guarantee access to the maximum audience of potential subscribers.

Implementation proposals

There have been preliminary discussions regarding the implementation plans, however this would need further in-depth discussion before finalization at launch. The initial time-limited subscription cost of €1,500 was felt to be a sensible figure, with the potential for smaller charges for future updates. **(Action MS & FEST Board)**



6) Country Trading Reports

Each country member gave a brief trading summary for 2018 and an indication of trading performance year-to-date.

7) Any other business

- Field Trip to the UK between 9th-11th October 2019. Work in progress with a further update expected within 2 months.
- CVM raised the matter of the Water Label, allowing SK to give a brief update on the presentation that had taken place at ISH only the day before. To date, 4 labels have collaborated to produce a single label under the **Unified Water Label** banner, however, the WELL Label was still refusing to co-operate. A spokesman from the EU who attended the session confirmed that without 80% industry support a mandatory label would be introduced in due course. Dr Henning agreed to contact the senior director of the WELL Label to provide an update on his position. **(Action HH).**
- Date for the next **Congress in Lisbon** - This was provisionally agreed as **24th-26th September 2020.**

The meeting closed at 12H30.

Signed by: .....(President). .....(Director General)