

Wine Board Meeting
Department of Forestry, Charlottesville
May 27, 2015
FINAL MINUTES

Present

Chris Blosser	Bill Tonkins	David King
Len Thompson	Doug Fabboli	Mitzi Batterson
Diane Flynt	Patrick Duffeler	Steven Brown

Absent

Secretary Haymore

Guests

Charles Green	Margie Gehler	Stephanie Agee
Laurie Aldrich	Katie Hellebush	Teri Cofer Bierne
Annette Boyd	Susan Wagner	Amy Ciarametaro
Kellie Boles	Bettina Ring	Melissa Ball

Call to Order

Chairman King called the meeting to order at 10:05. Chairman King welcomed the Board and visitors.

Approval of the Minutes from March 23 and 24, 2015

Chairman King asked for some clarification from the last minutes. Once those were answered, there was no further discussion. **Doug Fabboli moved to approve the minutes, and Len Thompson seconded and the minutes were approved.**

Financial Review

Chairman King introduced Margie Gehler from Virginia Department of Agriculture, who is set to take over the management of the spreadsheet and keep the financials up to date, if approved by the Board. Margie reviewed the P/L statement, the Comprehensive look at the budget, and the projected 2015-2016 budget. These documents are all posted on Board Docs and included with the official minutes. **Mitzi moved to contract with VDACS to use Margie Gehler to provide financial services for the Board for \$10,000 per FY, Chris Blosser seconded, and with no further discussion, the motion passed.**

Report from the Virginia Wine Council

The report was presented by Katie Hellebush and is listed on Board Docs. There is activity in the General Assembly regarding distilleries and breweries that may overlap or in some cases mirror legislation governing the wine industry. There has been a significant increase in the number of breweries and distilleries over the last few years. There continue to be zoning issues between counties and farm operations (wineries) that the Wine Council will be monitoring. Katie also encouraged everyone to pay attention to the general elections this fall

and get to know the candidates and their positions. Katie and Patrick Duffeler met with Secretary Haymore to begin to explore what cost share opportunities might be available to help the industry promote growing more grapes. Patrick will report the activities to the Board and the Board will be able to support those efforts. Katie introduced Kellie Boles from Loudoun County Agricultural Development Office who is helping the Virginia Agricultural Development Officers (VADO) promote economic opportunities and is seeking some financial sponsorship from the wine industry. There will be an event in Pittsylvania County where the industry can make a presentation. **After answering Board questions, Len Thompson moved to support this for \$500, Doug Fabboli seconded, and with no further discussion, the motion passed. This proposal will take place through the Wine Marketing Office**

Report from the Wine Marketing Office

Annette gave the Board the Wine Marketing Office report and budget request. All the documents and reports are on Board Docs and included with the official minutes. Some of the marketing accomplishments include the web site redesign, the Governor's Cup, wine tours, the Wine Summit, the wine roadshow, October wine month, as well as other branding and public relations efforts. After the presentation, the Board had several questions about the Wine Marketing Office. Is the industry/Wine Marketing Office hitting the right balance between promoting the trade (retail sales) versus building sales at the winery?

At this point, the Board took a break and continued with a working lunch.

Annette reviewed her broad categories for funding, and the Board incorporated her funding proposals with a review of the industry strategic plan, as the budget and strategic plan are intertwined. The budget and strategic plan should be complimentary and work as one.

In discussions, the Board was interested in developing additional marketing and business development materials. Annette will have to do research with design companies in order to give the Board an accurate cost estimate. **David King moved for Annette/WMO to get quotes for developing branding materials and present costs at the next meeting. Doug Fabboli seconded the motion, and with no further discussion, the motion passed. Patrick Duffeler then moved for the WMO to develop a plan for the reduction and eventual elimination of the Winery Guide and present the timeline at the next meeting. Len Thompson seconded, and with no further discussion, the motion passed.**

The Board also had a discussion on how to improve the way research proposals are solicited and evaluated in order to broaden the work for the industry. **Mitzi moved to contact the head of the review committee (David King to speak with Emily Pelton) to work on improving the process, including how they operate, following the strategic plan, increasing the number of proposals, and the criteria used for evaluating the proposals. Diane Flynt seconded the motion and after further discussion, the motion passed. The review committee will be asked to make a presentation at the next meeting.**

Chairman King continued to work on analyzing the strategic plan and who is going to do the work and how are we going to be accountable for achieving the objectives of the plan. The Wine Board does not have the staff or the budget to implement the plan. It is apparent other industry groups are going to have to help implement the plan. **Steven Brown moved the Board members review the first objective of the strategic plan and come to the next Board meeting prepared to rewrite that objective. Doug Fabboli seconded the motion, and with no further discussion, the motion passed.**

Annette continued her review of the Wine Marketing Office matching grant proposals. At the March 24 meeting the Board allocated \$40,000 for the Wine Marketing Office. Mitzi reviewed the proposals submitted, and how the review committee scored the proposals. **After review, Steven Brown moved to fund these proposals as presented, Doug seconded and with no further discussion, the motion passed.**

The Board reviewed the Wine Marketing Office's proposed 2016 budget. **After discussion, Len Thompson moved to fund the budget as presented, Diane Flynt seconded, and with no further discussion, the motion passed.** The budget is included with Board Docs.

Report from the Virginia Vineyard Association

Bill Tonkins provided a report to the Board. The VVA is working on their plans for the summer technical meeting, including a demonstration using a drone for the meeting. The meeting will take place at Ingleside Vineyard.

Report from the Virginia Wineries Association

Laurie Aldrich gave the report to the Board. All the documents are listed on Board Docs. Her first report was on the Governor's Cup. The report included some changes in methodology for 2016, including the length of the tastings as well as the breakdown of wine in each case. The VWA budget request for the FY 16 Governors Cup is \$140,000. **Len Thompson moved to fund the Governor's Cup as presented, Steven Brown seconded and with no further discussion, the motion passed.** This completes one of the tabled items from the last meeting.

The second item presented by the VWA was the "Vine to Wine Cooperative". At the last meeting, the Board asked the "Vine to Wine" cooperative to go back and rework parts of the proposal, looking for cost savings as well as ways to better promote the cooperative. The Board had questions on how (or if) the Cooperative was going to be profitable. **After further discussion, Steven Brown moved to table funding the Vine to Wine Cooperative, Chris Blosser seconded the motion, and the motion passed.** This completes one of the tabled items from the last meeting.

Old Business

Peter Sforza had a project in FY 15 that he was not able to complete. The project was lacking data that will be available in FY 16 and he requested the funding to carry over. **Bill Tonkins moved to fund this proposal again in FY 16, Mitzi seconded, and the motion passed**

During the March meeting, the Board funded a proposal submitted by Chris Bergh. Since that meeting, Chris Bergh has withdrawn his request. After discussion, the Board is going to ask the review committee to look at the unfunded proposals and reevaluate and come to the Board with a suggestion for funding.

New Business

Chairman King discussed the Hantzmon-Weibel proposal that was funded for FY 15. The report will be ready at the next meeting.

Next meeting and adjourn

The next meeting is tentatively set for August 4 or August 19, depending on Secretary Haymore's schedule. The meeting will be at the Wine Marketing Office in Richmond.

With no further business, the meeting adjourned at 3:50 PM.

Respectfully submitted,

David King, Chairman

David Robishaw, Secretary