

## **FINAL MINUTES**

Virginia Wine Board  
Wine Marketing Office  
Richmond, VA  
December 06, 2016

### **Call to Order**

Chairman King called the meeting to order at 10:00 AM and welcomed members and guests.

#### **Present**

David King  
Len Thompson  
Mitzi Batterson

Diane Flynt  
Kirk Wiles  
Patrick Duffeler

Doug Fabboli  
Steven Brown  
Dr. Gooden

#### **Absent**

Bill Tonkins

#### **Guests**

Annette Boyd  
Katie Hellebush  
Stephanie Agee  
Miyuki Katori  
Patrick Cushing  
David Robishaw

Susan Kramer  
Dr. Joe Marcy  
Laurie Aldrich  
Amanda Stewart  
Betty Lowther

Megan Womack  
Mizuho Nita  
Dan Moreland  
Tony Wolf  
Margie Gehler

### **Approval of the Minutes from August 10, 2016**

Prior to the meeting, the draft minutes were posted on Board Docs. Chairman King noted 2 items for clarification. The first item was left as it was presented and the second item was changed. With the modification, Mitzi Batterson moved to approve the minutes, Len Thompson seconded, and with no further discussion the minutes were approved.

### **Financial Report**

Margie Gehler presented the financial review, which is posted on Board Docs. Margie noted a slight change in the way the Governor's Cup figures are presented. Mitzi moved to approve the budget report, Diane seconded, and with no further discussion the motion passed.

### **Wine Board Annual Report**

Every year VDACS is required to present a formal commodity board report, which is posted for the industry. It is a compilation of the opening and closing financial balance as well as a review of the Wine Marketing Office activities for the year.

### **Virginia Vineyards Association Report**

There was no one from the Vineyards Association to make the report, but there was information from the Association listed on Board Docs. Included in the report is a draft agenda for the upcoming Winter Technical meeting. Kirk Wiles moved to accept the report, Doug Fabboli seconded and with no further discussion the motion passed.

### **Virginia Wineries Association Report**

Laurie Aldrich made the report for the Wineries Association. Prior to the meeting, the report was posted on Board Docs. The Annual Meeting was very successful, with over 20 vendors and strong attendance. After the meeting, the Association sent out an email with attachments for all the presentations so attendees could have a record of all the information presented.

Chairman King attended the Annual meeting and encouraged the industry to become more active with the Wine Board, including attending meetings, submitting ideas for the Board to consider, and providing feedback on marketing activities. Chairman King thought a bulletin board or blog where the industry could submit anonymous suggestions, comments, and criticisms that the Board could read and respond would encourage dialogue between the Board and wineries. Annette followed up with the web site management company and this is possible for an estimated cost of \$12,000. This idea is an outgrowth of the fact many in the industry have no working knowledge of the Wine Board and its function. Diane Flynt is going to investigate options to develop ways to gather information from all sources to make the Board more innovative and responsive and have an update at the March meeting.

### **Report from Diane Flynt on Governor's Cup future**

Diane made the report to the Board. Prior to the meeting, the information was posted on Board Docs. Diane analyzed the cost of doing the Governor's Cup every year to determine if the industry was getting the maximum amount of marketing for our money. One suggestion was to take \$10,000 away from the seminars and use it to get more trade. Mitzi suggested leaving the seminars as they are but make more of an effort to get trade to these events since they are already with the winemakers. Kirk suggested having a larger seminar the day after the Gala since the industry is already there. Kirk also wanted to make sure the industry is getting all the analytics from the Governor's Cup web site. Chairman King asked the Board to consider other ways to spend \$40,000 instead of the seminars. Guest Dan Moreland suggested having a "people's choice" option from customers, which may be helpful in the Washington DC market. These options will be reflected when the Virginia Wineries Association submits their Governor's Cup proposal.

### **Special report from Patrick Cushing**

Patrick Cushing previously represented the industry with the Virginia Wine Council. Patrick is now representing Kirk Wiles and his winery, Paradise Springs, in there negotiations with Fairfax County. Fairfax County is making Kirk get special use permits in order to do basic farming, negating his rights when the winery opened. Basically Fairfax County removed the wineries rights as a farm winery. Patrick is drafting a bill for Kirk's winery to retain these rights. This legislation would not apply to any new wineries that may apply to operate in Fairfax County.

### **Lunch 12:00 to 12:30**

The Board took time out for lunch

### **Virginia Wine Marketing Office Report**

Annette presented the Wine Marketing Office report, which is posted on Board Docs.

Highlights of the report include announcing the 2017 Wine Summit, set for May 16, 2017 at the Boars Head Inn in Charlottesville.

The WMO has sent the new winery guide to the printers. There are 265 wineries in the guide, up 13 from the last printing.

The WMO, in coordination with VCU, has sent out surveys for the Commercial Grape Report. Additionally, they have also sent out an Economic Impact survey, working with Frank Rimerman.

The Wine Marketing Office has continued their branding efforts by participating in regional wine events, including the Fire, Flour, and Fork event, as well as their ongoing public relations efforts.

Lastly, the WMO will be moving to their new office in January 2017.

Chairman King suggested to the Wine Marketing Office that they continue to look at new marketing ideas and not just do the same things every year. Annette said her office reviews previous marketing efforts before committing for another year. Annette will come back at the March meeting with some new ideas for the Board to consider.

### **Pre-Proposals**

There were 28 preproposals submitted to the Board for consideration and prior to the meeting they were posted on Board Docs. Each Board member submitted their evaluation summaries and the scores were compiled by Margie. Dr. Joe Marcy, Dr. Amanda Stewart, Dr. Tony Wolf, Dr. Mizuho Nita, and Laurie Aldrich were all in

attendance and had the opportunity to address the Board and answer questions about their submissions.

After discussion, the Board would like full proposals on 24 projects with 4 proposals not moving forward. The 24 selected to submit full proposals include:

|                               |                                     |
|-------------------------------|-------------------------------------|
| Viticulture Extension         | Tony Wolf                           |
| Technical Meeting             | Virginia Vineyard Association (VVA) |
| Continuing Enology Research   | Winemakers Exchange                 |
| Enology Extension             | Molly Kelly                         |
| Regulation Round Up           | Virginia Wineries Association (VWA) |
| Grape IPM Web site            | Mizuho Nita                         |
| Crown Gall                    | Mizuho Nita                         |
| Reducing pH                   | Tony Wolf                           |
| Governor's Cup Seminars       | VWA                                 |
| Ripe Rot                      | Mizuho Nita                         |
| Vineyard and Orchard Portal   | Peter Sforza                        |
| Marketing Boot Camp           | VWA                                 |
| Mandipropamid Resistance      | Anton Baudoin                       |
| Pre-Bloom Thinning            | Tony Wolf                           |
| Annual Meeting                | VWA                                 |
| Enhanced Dehydration          | Molly Kelly                         |
| Fermentation Cider Production | Amanda Stewart                      |
| Pesticide Degradation         | Agrospheres                         |
| Soil pH and Fruit pH          | HydroGeo                            |
| Grape Berry Moth              | Doug Pfeiffer                       |
| Nutrition Strategies          | Amanda Stewart                      |
| Parasitic Nematodes           | Anton Baudoin                       |
| Weeder Geese                  | Jeffrey Derr                        |
| Vineyard Incentivizing Plan   | Resonance Company                   |

The proposals NOT selected to submit a full proposal include:

|                                     |                        |
|-------------------------------------|------------------------|
| Wine Analysis Proficiency           | Eldon Hurley           |
| Effect of Soil and Site Preparation | Ryan Stewart           |
| Best Sites Using Drones             | Resonance Company      |
| Cider house restoration             | Cedar Creek Foundation |

With no further discussion, Mitzi moved to accept the 24 listed preproposals to submit full proposals with the 4 listed not being asked to submit. Diane Flynt seconded, and with no further discussion, the motion passed. David Robishaw will notify all the researchers of the results.

### **Virginia Wine Council**

Katie Hellebush made the presentation to the Board. Prior to the meeting, the Wine Council report was posted on Board Docs.

Katie mentioned all state Agencies have been asked to make budget reductions, including the Department of Agriculture and Virginia Cooperative Extension, which may have an impact on the wine industry. There does not seem to be any imminent danger the liter tax will be diverted.

The ABC is transitioning to a semi private Agency, which hopefully will make it more effective. The ABC may be adding personnel as well as updating their technology capabilities.

The Wine Council had elections and has added new members to their Board of Directors. This is especially important as the General Assembly comes into session.

### **Wine Marketing Office RFP**

Before beginning discussion on the RFP, Chairman King mentioned that Bill Tonkins wanted to expand the scope of the RFP to include a role for an Executive Director. The Board discussed this option, and without making any decision on the merits of the idea, felt that for now the Board should proceed with the RFP as developed for a Wine Marketing Office director. The idea of having someone be the point person for the entire industry may be worthy of further investigation and discussion.

The RFP was posted on Board Docs prior to the meeting. Betty Lowther, Director of Procurement, reviewed with the Board the working process of the RFP. After one minor edit, Betty will officially post the RFP the week of December 12, 2016. The RFP must be submitted by the closing deadline on February 8, 2017. The Board will meet at 1:00 PM on February 21, 2017 at the VDACS in Richmond to review the proposals. The Board will then meet March 20 and 21 in Charlottesville, starting at 9 AM both days. The Board will evaluate and award research proposals as well as award the Wine Marketing Office contract during the 2 day meeting.

### **Additional Business**

Doug Fabboli moved to allow HydroGeo to submit his last bill late. Mitzi seconded, and with no further discussion, the motion passed.

### **Public Comment**

There was no additional public comment

### **Adjourn**

With no further business, the meeting adjourned at 3:45 p.m.