

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
Minutes of the February 9, 2016 Board Meeting
PA Department of Agriculture, Room 309
Harrisburg, Pennsylvania

Public notice of the February 9, 2016 Pennsylvania Wine Marketing and Research Program Board meeting was given on January 29, 2016, as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the meeting to order at 10:08 a.m. Board members in attendance (in addition to Mr. Mazza) included Dave Hoffman, Bradley Knapp, John Landis, Douglas Moorhead, Elwin Stewart and Karl Zimmerman. Also attending was Jennifer Eckinger, Pennsylvania Wine Association; Gregory O'Loughlin, SWELL, LLC; Michela Centinari, Assistant Professor of Viticulture, Diane Belles, Accountant for the Program; Samantha Snyder, Pennsylvania Department of Agriculture; and Morgan Sheffield attended and recorded the minutes. Bryan Hed, The Pennsylvania State University; Denise Gardner, Extension Enologist, Penn State Cooperative Extension; Ryan Elias, Penn State Cooperative Extension; Robert Mazza; Daniel Brown, Deer Foot Vineyard and Winery; and Brook Duer, Pennsylvania Department of Agriculture attended a portion of the meeting.

2016-2017 RESEARCH, MARKETING AND EDUCATIONAL PROPOSALS

Proposals for wine research, marketing and education for 2016-2017 (April 1, 2016 – March 31, 2017) funding consideration were reviewed. The following proposals were considered:

Title	Submitted by:	Total
Penn State		
1. The mechanization of early leaf removal for enhanced adoption into bunch rot control programs in Pennsylvania	Bryan Hed Michela Centinari	\$13,817
2. Assessing the impact of under-trellis groundcovers on wine grape production profitability and sustainability	Michela Centinari	\$8,555
3. Preventing Post-Bottling Reductive Aroma in Pennsylvania Wines Using Immobilized Copper	Ryan Elias	\$35,622
4. Evaluating a seaweed extract for reducing freeze injury in vineyards	Michela Centinari	\$6,664
5. Assessing the potential impact that bird repellent Avian Control has on wine quality	Michela Centinari	\$13,129
6. Yield regulation in wine grapes: effect on vine health, fruit composition, wine chemistry, and economic sustainability - Year 2	Michela Centinari	\$14,026
7. Rejuvenation and Redirection of NE-1020 Wine Grape Variety Trial	Robert Crassweller Joshua Lambert	\$10,930
8. Impact of viticultural practices on polyphenol composition and anti-inflammatory effects	Ryan Elias Denise Gardner Michela Centinari	\$9,209
9. Annual Meeting WMRB Symposium	PWA Penn State Extension	\$6,000
Pennsylvania Wine Marketing and Research Program		
10. Pennsylvania Wines Marketing: "Pennsylvania Wine Land" campaign	PWA and Swell	\$150,000
TOTAL		\$ 267,952.00

FINANCIALS

Ms. Belles reviewed the prepared financial reports for July 1, 2015 – June 30, 2016. Ms. Belles stated revenue year to date is \$155,329.25, and total marketing and enology and viticulture research budget was \$200,000.00, cash carryover from 7/1/2015 was \$234,743.33; the funds available currently listed as \$390,072.58.

RESOLUTION 2016.01 – ACCEPTANCE OF FINANCIAL REPORTS AS AMENDED

Motion by: Bradley Knapp
Seconded by: John Landis
Passed: Unanimously
To accept the financial reports for July 1, 2015 – June 30, 2016.

ACCOUNTING/FINANCIAL SERVICES AGREEMENT

Board members discussed and reviewed the two submitted accounting/financial services agreement for the period of January 1, 2016 through December 31, 2018. The board agreed on retaining Diane Belles for the period of January 1, 2016 through December 31, 2018 at an annual price of \$5,300.00

RESOLUTION 2016.02 – ACCEPTANCE OF ACCOUNTING SERVICES CONTRACT FOR DIANE BELLES

Motion by: John Landis
Seconded by: Bradley Knapp
Passed: Unanimously
To retain services with Diane Belles as the Pennsylvania Wine Marketing and Research Program’s accountant/bookkeeper according to the proposal agreement submitted with an annual contract price of \$5,300.00 which is invoiced on a monthly basis - terms of agreement are from January 1, 2016 – December 31, 2018.

MINUTES

Minutes of the November 10, 2015 meeting were emailed to Board members for their review in advance of the meeting.

RESOLUTION 2016.03 – ACCEPTANCE OF NOVEMBER 10, 2015 MINUTES

Motion by: Karl Zimmerman
Seconded by: John Landis
Passed: Unanimously
To accept the minutes of the November 10, 2015 meeting.

ASSESSMENT REPORTS

Ms. Snyder reviewed the Summary of Assessment Forms 2015 Year-To-Date. As of January 29, 2016, \$198,584.54 has been collected from Pennsylvania wineries. There were 320 licensed wineries, 129 licensed wineries with no sales assessments reported, 191 producers with sales assessments and the number of producers paid was 175.

Ms. Snyder then reviewed the Assessment Income Analysis by Quarter. In the first quarter of 2015, \$53,428.00 was received; \$52,276.38 was received in the second quarter, \$52,115.12 was received in the third quarter, and \$40,765.04 for the fourth quarter for a total of \$198,584.54 collected. \$299.00 was received so far in the first quarter of 2016.

There were two delinquents, one paid in full and the other paid half and will be paying the remaining half that's due.

RESOLUTION 2016.04 – ACCEPTANCE OF ASSESSMENT REPORTS

Motion by: John Landis

Seconded by: Elwin Stewart

Passed: Unanimously

To accept the assessment reports presented by Ms. Snyder.

PWA

Ms. Eckinger reported on PWA activities:

- Legislative
- Farm Show
- Annual Conference/WMRB Summit- March 29-30, 2016
- Marketing
 - Next committee meeting – Via Conference Call in Mid-February
 - Tourism Outreach + Co-Op Program
 - Band of 30
- PR Efforts
- Social Media
- Wine Guide

REALLOCATING OF APPROVED MARKETING DOLLARS OF PWA

Mr. Zimmerman asked if the board could loan PWA money that is sitting in the Program's bank account due to the state budget impasse. Ms. Snyder indicated that they could and they would discuss this option more at the March 15 meeting. Mr. Mazza indicated that the board could approve PWA to reallocate funds that have already been awarded for the fiscal year from advertisement and placement to also include creative services fees and shipments of the wine guide.

RESOLUTION 2016.05 –REALLOCATING OF APPROVED MARKETING DOLLARS OF PWA

Motion by: John Landis

Seconded by: Elwin Stewart

Passed: Unanimously

To reallocate funds that have already been awarded for the fiscal year from advertisement and placement to also include creative services fees and shipments of the wine guide.

SUBCOMMITTEE UPDATES

Marketing – updates were provided by Ms. Eckinger. Research –researchers presented on the status of their 2015 proposals. Presenters included, Michela Centinari and Ryan Elias.

SCHOLARSHIP OPPROTUNITY

Mr. Brown, owner of Deer Foot Vineyard and Winery in Berks County suggested to the board that they set up a scholarship fund to help students going through the enology and viticulture program across Pennsylvania. He would like the board to consider this and would help the board raise money for this scholarship. Mr. Brown indicated that the American Wine Society Chapter out of Lancaster has \$3,500 ready to donate for this cause. Mr. Mazza asked if the board can do this and Ms. Snyder said they could. The board needs to come up with an application and process for this. Continuation of this scholarship conversation will be added to the March 15 board meeting agenda.

RESEARCH PROJECT – REQUEST FOR NO-COST EXTENSION

Ms. Snyder informed the board that a letter was received from Dr. Ryan Elias requesting a no-cost extension for the following projects, “Development of a Semi-Quantitative Kit for Predicting a Wine’s Ability to Exhibit Reductive Aroma Post-Blotting”, “Oxidation Techniques for Improving Color Stability of Pennsylvania Red Wines” and “Investigation of a Novel Polymer-Based Fining System for the Removal of Foxy/Native Aroma in Vitis Vinifera Wines”. The request is to extend the end date from March 31, 2016 to November 30, 2016 – request is due to the delay in receiving the funding.

A letter from Bryan Hed was received requesting a no-cost extension for the project titles, “The Mechanization of Early Leaf Removal for Enhanced Adoption into Bunch Rot Control Programs in Pennsylvania”. The request is to extend the end date from March 31, 2015 to June 30, 2016 – request is due to the severe winter cold of last February which causes extensive damage to vineyards.

A letter was received from Dr. Michela Centinari was received requesting a no-cost extension for the project titled, “Assessing Spotted Wing Drosophila Injury Potential on Grape Production”. The request is to extend the end date from March 31, 2016 to June 30, 2016- request is due to extensive winter kill of Vinifera grapes. Michela Centinari also requested to move funds from “Evaluation of Cost Effective Practices for Reducing the Risk of Spring Frost Injury in Vineyards” (ME#44144955) in the amount of \$2,500.00 from year one into “Evaluation of Cost Effective Practices for Reducing the Risk of Spring Frost Injury in Vineyards” (ME#44155243) year two- request is due to a delay in shipping of the equipment. The movement of the \$2,500 will be from ME#44144955 to ME#44155243) as it pertains to the same project in two different years.

RESOLUTION 2016.06 – NO-COST EXTENSIONS GRANTED/TRANSFER OF FUNDS FOR SUBMITTED PROJECTS

Motion by: Elwin Stewart
Seconded by: Bradley Knapp
Passed: Unanimously

To grant no-cost extensions listed above submitted by Dr. Ryan Elias, Bryan Hed and Dr. Michela Centinari and grant the transfer of funds of \$2,500 from ME#44144955 to ME#44155243.

2016-2017 RESEARCH, MARKETING AND EDUCATIONAL PROPOSALS

Board members discussed the proposals.

RESOLUTION 2016.07 – ACCEPTANCE OF PROPOSALS AND OTHER PROJECTS

Motion by: Elwin Stewart
Seconded by: Bradley Knapp
Passed: Unanimously

That the board funds the following proposals in 2016-2017 in the following amounts and conditions:

Title	Submitted by:	Funded Amount
Penn State		
1. The mechanization of early leaf removal for enhanced adoption into bunch rot control programs in Pennsylvania	Bryan Hed Michela Centinari	\$8,000
3. Preventing Post-Bottling Reductive Aroma in Pennsylvania Wines Using Immobilized Copper	Ryan Elias	\$25,000

4. Evaluating a seaweed extract for reducing freeze injury in vineyards	Michela Centinari	\$6,664
6. Yield regulation in winegrapes: effect on vine health, fruit composition, wine chemistry, and economic sustainability - Year 2	Michela Centinari	\$14,026
	PWA	
9. Annual Meeting WMRB Symposium	Penn State	\$6,000
	Extension	
Pennsylvania Wine Marketing and Research Program		
10. Pennsylvania Wines Marketing: "Pennsylvania Wine Land" campaign	PWA and Swell	\$120,000
	TOTAL	\$ 179,690

NEXT BOARD MEETING

The next board meeting will be held on Tuesday, March 15, 2016 beginning at 10:00 a.m. Future board meetings are scheduled for Tuesday, May 10, 2016, Tuesday, July 12, 2016, Tuesday, September 6, 2016, and Tuesday, November 15, 2016.

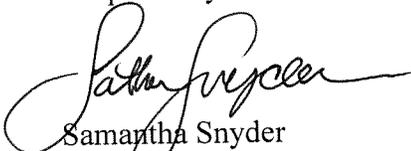
ADJOURNMENT

There being no further business, the meeting was adjourned at 2:59 p.m.

RESOLUTION 2016.08 – ADJOURNMENT

Motion by: John Landis
 Seconded by: Karl Zimmerman
 Passed: Unanimously

Respectfully Submitted:


 Samantha Snyder
 March 4, 2016