PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM

Minutes of the September, 3 2013 Board Meeting

PA Department of Agriculture, Room 309
Harrisburg, Pennsylvania

Public notice of the September 3, 2013 Pennsylvania Wine Marketing and Research Program Board meeting was given on June 25, 2013, as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazzo, Chairman, called the meeting to order at 10:14 a.m. Board members in attendance (in addition to Mr. Mazzo) included John Landis, Joanne Levengood, Douglas Moorhead and Elwin Stewart. Also attending was Jennifer Eckinger, Pennsylvania Wine Association, Jonathan Patrono Pennsylvania Wine Association; Ben Junkin, representing the Secretary of Agriculture; Brook Duer, Pennsylvania Department of Agriculture; Lela Reichart, Pennsylvania Department of Agriculture and Diane Belles, Accountant for the Program. Samantha Snyder, Pennsylvania Department of Agriculture, attended and **record** the minutes.

MINUTES

Minutes of the July 9, 2013 meeting were emailed to Board members for their review in advance of the meeting.

RESOLUTION 2013.28 – ACCEPTANCE OF AMENDED MAY 7, 2013 MINUTES

Motion by: Douglas Moorhead
Seconded by: John Landis
Passed: Unanimously
To accept the minutes of the July 9, 2013.

FINANCIALS

Ms. Belles reviewed the prepared financial reports for fiscal year 2012-2013 and 2013-2014. Ms. Belles handed out two different formats for the financials for an easier read. Board voted on the format with the added horizontal lines that were requested at the previous 7/4/2013 meeting.

RESOLUTION 2013.29 – ACCEPTANCE OF FINANCIAL REPORTS

Motion by: Joanne Levengood
Seconded by: Doug Moorhead
Passed: Unanimously
To accept financial reports for fiscal years 2012-2013 and 2013-2014.

ASSESSMENT REPORTS

Ms. Snyder reviewed the Summary of Assessment Forms 2013 Year-To-Date. As of September 3, 2013, $65,569.30 has been collected from Pennsylvania wineries. There were 240 licensed wineries, 96 licensed wineries with no sales assessments reported, 144 producers with sales assessments and the number of producers paid was 125. **Ms. Reichart** then reviewed the Assessment Income Analysis by Quarter. In the first quarter of 2013, $28,579.94 was received; $31,989.35 was received in the second quarter and for the third quarter of 2013, $5,000.13 was received for a total of $65,569.30 collected.

RESOLUTION 2013.30 – ACCEPTANCE OF ASSESSMENT REPORTS

Motion by: John Landis
Seconded by: Doug Moorhead
Passed: Unanimously
To accept the assessment reports presented by Ms. Reichart.

DELINQUENTS

The following documents were handed out to Board members: Compliance Report template, Assessment Collections Briefing and a spreadsheet with 2011 PWMRP (PDA) versus PLCB Reported Gallons. Mr. Duer stated that the spreadsheet will be collected from everyone due to the information only being preliminary. Mr. Duer informed the Board that the Compliance Report has already gone out to 19 wineries that paid nothing to the PWMRP (PDA) but reported gallons to PLCB.

Mr. Duer provided the Board with an explanation of the spreadsheet listing the 2011 PWMRP (PDA) versus PLCB Reported Gallons. This spreadsheet shows under-payments, over-payments and wineries whose information match exactly. Issues regarding this spreadsheet were discussed.

RESOLUTION 2013.31 – LETTER TO WINERIES LISTED AS "UNDER-PAYERS"

Motion by: Doug Moorhead
Seconded by: John Landis
Passed: Unanimously
A soft letter will be sent to all wineries listed as "under-payers" of $100 or more. This letter will point out the discrepancy between the PLCB numbers and the PDA numbers asking for payment or an explanation of the discrepancy. Within 30 days, in the absence of payment or verifiable satisfactory explanation for the discrepancy, the winery will then be considered delinquent and obligation will be based on the PLCB numbers that we received for 2011 and collection efforts shall proceed as per last month's motion (Resolution 2013.15).

PWA

Mr. Patrono and Ms. Eckinger reported on PWA activities:

- Legislative- possible appetite to approach direct Shipping.
- Festivals- Scranton Festival at the Toyota Pavilion has been postponed until 2014
- Online Ramp
- Marketing
  - Re-branding
  - "PA Wine Land" Brainstorm
  - Mobile Website
  - "Band of 30" Sales and Welcome Center Program
  - Wine Guide and PA Wines Regions
  - Ongoing Committee Meeting
- PWA Member Forum
- Events
  - Annual Conference – March 3 at the Lancaster Convention Center

- Social Media-

  Twitter:
  5,207 followers
  Gaining 4-6 new followers per day
  Generates an average of 3 scheduled Tweets per day
  Facebook:
  10,805 like/followers
  Average 2 posts per week
  Post PA wine trail events, news and happenings
  Pintrest:
  4 boards
  Wine trail board, winery board and festival board

RESOLUTION 2013.32 – WINERIES LISTED IN PWMRP FUNDED PROJECTS

Motion by: Bradley Knapp
Seconded by: Carl Helrich
Passed: Unanimously
To exclude delinquent, non-reporters and not active wineries from being in any advertising funded project by the PA Wine Marketing and Research Program. Wineries which show a discrepancy between the Program (information reported to PDA) and PLCB are allowed to be listed in projects.

MARKETING

Mr. Mazza stated that the meetings have been very productive. Ms. Eckinger covered all the progress for marketing.

RESEARCH

Mr. Knapp stated that there is nothing new to report at this time.

SUBCOMMITTEES

Nothing new was reported in regards to the subcommittees.

LEGISLATIVE UPDATE

Mr. Junkin informed the Board that the state budget passed. Agriculture overall did very well with the budget.

AMENDMENT REFERENDUM

Ms. Reichart stated that there is a checklist/timeline that was developed for the amendment referendum. A public hearing will need to be held prior to the amendment referendum voting period. Pending the outcome of the hearing we then begin the actual amendment referendum process. The hearing would be tentatively scheduled for September 27, 2013. The amendment referendum process would begin the beginning of 2014 with the voting period being March 3-17, 2014.

Mr. Duer stated that the reasoning behind the assessment increase will need to be discussed so the information can be relayed to the Secretary. Board members discussed outreach opportunities for informing the producers on what the Program has accomplished as well as projects that were funded.

NEXT BOARD MEETING

The next board meeting will be held on Tuesday, November 12, 2013 beginning at 10:00 a.m. at the Pennsylvania Department of Agriculture. Future board meetings are scheduled for Tuesday, January 21, 2014 at the Pennsylvania Department of Agriculture.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:00 p.m.

RESOLUTION 2013.34 – ADJOURNMENT

Motion by: Douglas Moorhead
Seconded by: Elwin Stewart
Passed: Unanimously

Respectfully Submitted,

Lela Reichart
November 8, 2013