

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM

May 19, 2015 Board Meeting

**PA Department of Agriculture, Room 309
Harrisburg, Pennsylvania**

Public notice of the May 19, 2015 Pennsylvania Wine Marketing and Research Program Board meeting was given on May 14, 2015, as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the meeting to order at 10:07 a.m. Board members in attendance (in addition to Mr. Mazza) included David Hoffman, Bradley Knapp, John Landis, Douglas Moorhead, Elwin Stewart and Karl Zimmerman. Also attending was Jennifer Eckinger, Pennsylvania Wine Association; Denise Gardner, Extension Enologist, Penn State Cooperative Extension Office; Diane Belles, Accountant for the Program; Brook Duer, Pennsylvania Department of Agriculture; Samantha Snyder, Pennsylvania Department of Agriculture; Jennifer D'Angelo attended and recorded the minutes.

MINUTES

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

RESOLUTION 2015.15 – ACCEPTANCE OF MARCH 10, 2015 MINUTES

Motion by: Karl Zimmerman

Seconded by: Bradley Knapp

Passed: Unanimously

To accept the minutes of the March 10, 2015 meeting.

FINANCIALS

Ms. Belles reviewed the financial reports as of May 7, 2015 for July 1, 2014 – June 30, 2015 and July 1, 2015 – June 30, 2016.

The revenue for July 1, 2014 – June 30, 2015 is \$173,933.05 and cash funds available as of May 7 is \$232,470.66. \$150,000.00 has been paid for the PA Wine Marketing Plan. Two more payments have been made for the PSU Viticulture Researcher position – total paid so far is \$56,250.00. There is also an invoice for April – June for \$18,750.00 – this will be paid in June which will bring the total paid for the Viticulture Research position to \$75,000.00.

The Projected Budget Report showed a cash carryover on July 1, 2015 of \$155,000.00 and assessment budget amount from July 1, 2014 – June 30, 2015 is \$200,000.00.

RESOLUTION 2015.16 – ACCEPTANCE OF FINANCIAL REPORTS

Motion by: Douglas Moorhead

Seconded by: Bradley Knapp

Passed: Unanimously

To accept the financial reports for July 1, 2014 – June 30, 2015 and the Projected Budget for July 1, 2015 – June 30, 2016.

ASSESSMENT REPORTS

Ms. Snyder reviewed the Summary of Assessment Forms 2014 Year-To-Date. As of May 13, 2015, \$208,343.26 has been collected from Pennsylvania wineries. There were 304 licensed wineries, 122 licensed wineries with no sales assessments reported, 182 producers with sales assessments and the number of producers paid was 181.

Ms. Snyder then reviewed the Assessment Income Analysis by Quarter. In the first quarter of 2014, \$51,054.63 was received; \$34,033.90 was received in the second quarter, \$42,551.85 was received in the third quarter, and \$80,702.88 for the fourth quarter for a total of \$208,343.26 collected. \$33,242.53 was received in the first quarter of 2015 and so far \$3,250.94 has been paid in the second quarter for a total of \$36,493.47.

RESOLUTION 2015.17 – ACCEPTANCE OF ASSESSMENT REPORTS

Motion by: John Landis

Seconded by: Karl Zimmerman

Passed: Unanimously

To accept the assessment reports presented by Ms. Snyder.

DELINQUENTS

Ms. Snyder informed the board members of the audit process on how the figures are compared with the report provided by the PLCB. Last year the Board decided not to pursue wineries that owed under \$100. So far there are four non-payers and 11 under-payers (less than \$5,000). The procedure last year was to start out making phone calls. If that step was unsuccessful then a letter will be sent by Ms. Snyder and then the final step is a letter sent from the Department's Legal Office.

RESOLUTION 2015.18 – ACCEPTANCE OF DELINQUENT REPORT

Motion by: Bradley Knapp

Seconded by: Karl Zimmerman

Passed: Unanimously

To accept the delinquent report presented by Ms. Snyder.

ACMA RFP FOR AUDIT

Mr. Duer stated that every year an audit needs to be completed for the commodity board programs. Mr. Duer explained that each board has been paying the same amount no matter how many checks are received or written. Ms. Snyder informed the board that the bid for a new auditing contract was sent to six auditing firms. A full financial audit does not need to be completed per the law. By stating this in the RFP the goal is to lower the cost of the audit.

PWA

Ms. Eckinger reported on PWA activities:

- Legislative
- Festivals
 - Split Rock – June 20 and 21
 - Longwood – June 6
 - Seven Springs – Scheduled for August 29 and 30
 - PA Wine Land – Scheduled for September 26
- PA Wine Competition
- Annual Conference/WMRB Summit
- Marketing

- Next committee meeting will take place following the PWMRP board meeting in July
- More #s from PA Wine Land
- Tourism Outreach + Co-Op Program
- Band of 30
- PR Efforts
- Philly Wine Week
- Social Media

PA WINERIES GUIDE

Ms. Eckinger stated they are currently working on the guide. The list of limited licensed wineries obtained from the PLCB is up to 240. She informed the board that they are trying to decide what the essentials are to be placed in the guide. Ms. Eckinger stated that there are between 15-20 newly licensed wineries (some may have paid in). The mobile site is more flexible so the information can be updated easily. The amount of guides expected to be printed is about 60,000. The PWA would like guidance from the PA Wine Marketing and Research Program Board on the conditions a winery must meet in order to be listed in the guide. The board agreed that in order for a winery to be included in the guide they must be listed as currently active, in good standing and open for sales.

SUBCOMMITTEE UPDATES

Marketing – Ms. Eckinger covered updates on marketing.

Research – Mr. Knapp stated there was not an update for research at this time.

2015 PENNSYLVANIA WINE MARKETING AND RESEARCH BOARD SYMPOSIUM

Ms. Gardner stated that 88 people including speakers attended the symposium. The total cost was \$4,315.42. Positive feedback was received from all survey responses received. The conference was rated on a scale from 0 or 1 to 7 being the highest. This year the conference was rated at 6.26 which is the highest rating received to date. All of the speakers received above a 6 for their average score. Suggestions for next year were pesticide credits for some of the talks, outlines of key points from the talks, using less scientific titles of the topics being discussed, and online registration (PWA handled registration – having PWA take care of registration was a huge help and very supportive).

OTHER BUSINESS

Mr. Landis recommended that the board pay the extra expense for the symposium since it was a successful program. It would be an extra \$500-\$700.

RESOLUTION 2015.19 – APPROVAL OF ADDITIONAL COST FOR SYMPOSIUM

Motion by: Douglas Moorhead

Seconded by: Karl Zimmerman

Passed: Unanimously

To cover the additional costs incurred by Penn State for the 2015 PA Wine Marketing and Research Board Symposium.

NO-COST EXTENSION REQUEST FROM MICHELA CENTINARI

A letter was submitted by Dr. Centinari requesting a no-cost extension for project ME# 44144995 – Evaluation of Cost Effective Practices for Reducing the Risk of Spring Frost Injury in Vineyards. The original project date was July 1, 2014 – July 1, 2015. Dr. Centinari is requesting the performance end date to be changed to December 1, 2015.

RESOLUTION 2015.20 – APPROVAL OF NO-COST EXTENSION

Motion by: Bradley Knapp

Seconded by: Douglas Moorhead

Passed: Unanimously

To approve the no-cost extension submitted by Dr. Centinari for ME# 44144995 – extended date to December 1, 2015.

FUTURE SYMPOSIUM AND PWA ANNUAL CONFERENCE

The board is in favor of having both events held together again. It was also discussed on where to schedule it for the following year.

DR. CRASSWELLER PROJECTS

Mr. Landis asked the Research Board if any feedback was received from Dr. Crassweller. Ms. D'Angelo informed the board that an email was sent to Dr. Crassweller informing him that his project will not be funded this year. Board members and Ms. Gardner discussed the previous projects and the project submitted this year by Dr. Crassweller. Mr. Knapp will reach out to Dr. Crassweller again and inform him that his project will not be funded for this year and remind him that a report is due August 1 for his 2014-2015 project.

NEXT BOARD MEETING

The next board meeting will be held on Tuesday, July 14, 2015. Future meetings are scheduled for Tuesday, September 1, 2015, and Tuesday, November 10, 2015.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:38 a.m.

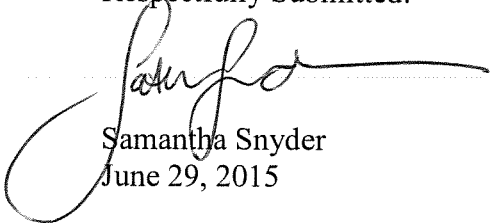
RESOLUTION 2015.21 – ADJOURNMENT

Motion by: John Landis

Seconded by: Douglas Moorhead

Passed: Unanimously

Respectfully Submitted:



Samantha Snyder
June 29, 2015