

**PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM**  
**Minutes of the September 6, 2016 Board Meeting**  
**PA Department of Agriculture, Room 310**  
**Harrisburg, Pennsylvania**  
**Conference Call**

Public notice of the September 6, 2016 Pennsylvania Wine Marketing and Research Program Board meeting was given on September 4, 2016, as stipulated by the Sunshine Law.

**CALL TO ORDER**

Mario Mazza, Chairman, called the meeting to order at 10:03 a.m. Board members in attendance (in addition to Mr. Mazza) included Bradley Knapp, John Landis, Joanne Levensgood, Jonathan Patrono, Elwin Stewart and Karl Zimmerman. Also attending was Jennifer Eckinger, Pennsylvania Wine Association; Deputy Secretary Hannah Smith-Brubaker; Chief Counsel Brook Duer, Pennsylvania Department of Agriculture; Bureau Director Laura England; Morgan Sheffield, Pennsylvania Department of Agriculture; and Jennifer D'Angelo attended and recorded the minutes. The following individuals participated in a portion of the conference call: Gail Reinard, Executive Director for the Senate Law and Justice Committee and Josh Funk, Council for Senator John R. Gordner's Office.

**ACT 39**

Ms. Reinard opened the floor for outstanding questions or issues. Mr. Stewart asked why there are only 38 wineries registered for direct shipping. Ms. Reinard stated that the PLCB is currently working through the permits and more information can be found on the PLCB website. Ms. Reinard informed the board that she is unaware if any appointments to the board have officially been made at this time. This is one board with four additional appointees. Mr. Duer stated that the new money that is coming in will be completely segregated and handled by the Comptroller's Office and subject to all normal commonwealth fiscal and procurement requirements. Mr. Duer also stated that it is unclear if the new members have the power to vote and make decisions on what happens with the existing money that the board collects on its own. Mr. Funk stated that the intent of these new members is to have the same right and privileges as the old members which is the language that is in Act 39. Mr. Funk informed the board that it is the legislative intent that this became an expanded board and that all members are now responsible for the old money and new money. Mr. Landis mentioned that the Program Order may have to change. Mr. Duer will look into this and provide additional information at the next meeting. Mr. Duer stated that it is still unknown when the new money will become available. Ms. Reinard stated that the statute did not provide an actual date of when the funds will be transferred to the general fund which is an annual allocation. It may be transferred in August/September 2017. Mr. Funk stated that the PLCB would be better suited to answer that question regarding when the funds would be available. The board decided that they will further discuss Act 39 at the next board meeting which takes place in November.

**MINUTES**

Minutes of the July 12, 2016 meeting were emailed to Board members for their review in advance of the meeting.

**RESOLUTION 2016.26 – ACCEPTANCE OF JULY 12, 2016 MINUTES**

Motion by: Karl Zimmerman  
Seconded by: John Landis  
Passed: Unanimously  
To accept the minutes of the July 12, 2016 meeting.

**FINANCIALS**

Mr. Landis informed board members that there was a mistake on the financial reports. The financial reports are for July 1, 2016 not July 1, 2015. Diane Belles will make the correction. Mr. Landis stated the total projected funds available is \$232,478.30, cash carryover from July 1, 2016 is \$202,892.12; expenses are \$69,843.69; cash funds available as of September 1, 2016 is \$158,348.23.

**RESOLUTION 2016.27 – ACCEPTANCE OF FINANCIAL REPORT**

Motion by: Bradley Knapp  
Seconded by: Karl Zimmerman  
Passed: Unanimously  
To accept the financial reports for July 1, 2016 – June 30, 2017.

**ASSESSMENT REPORTS**

Ms. Sheffield reviewed the Summary of Assessment Forms 2016 Year-To-Date. As of September 2, 2016, \$73,296.73 has been collected from Pennsylvania wineries. There were 333 licensed wineries, 163 licensed wineries with no sales assessments reported, 170 producers with sales assessments and the number of producers paid was 132.

Ms. Sheffield then reviewed the Assessment Income Analysis by Quarter. In the first quarter of 2016, \$27,434.12 was received, \$31,864.45 was received in the second quarter, and \$13,998.16 was received in the third quarter for a total of \$73,296.73 collected.

**DELINQUENTS**

Ms. Sheffield stated that in July there were six delinquents from 2014 (three wineries owed over \$100 and three wineries owed under \$100). All three wineries that owed over \$100 have now paid so no legal action was taken.

**RESOLUTION 2016.28 – ACCEPTANCE OF ASSESSMENT REPORTS AND DELINQUENT REPORT**

Motion by: Elwin Stewart  
Seconded by: Bradley Knapp  
Passed: Unanimously  
To accept the assessment reports and delinquent reports presented by Ms. Sheffield.

**ENFORCEMENT ISSUES**

Mr. Mazza asked PDA if there was an update regarding the wineries that are not reporting sales. Important questions/concerns are how many wineries does this include and determining how to address this issue. More discussion needs to take place regarding this issue. This topic will be added to the agenda for next meeting.

**PWA**

Ms. Eckinger reported on PWA activities:

- Toast Campaign

- PA Wine Month Promotions
- New Website
- Industry Surveys

**SUBCOMMITTEE UPDATES**

Marketing – Updates were provided by Ms. Eckinger.

Research – No updates at this time.

**NEXT BOARD MEETING**

The next board meeting will be held on Tuesday, November 15, 2016 at the PA Department of Agriculture.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:55 a.m.

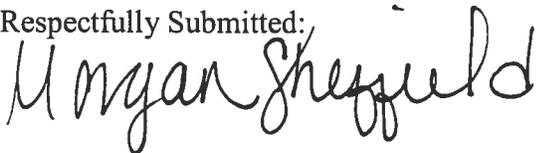
**RESOLUTION 2016.29 – ADJOURNMENT**

Motion by: Elwin Stewart

Seconded by: John Landis

Passed: Unanimously

Respectfully Submitted:



Morgan Sheffield  
November 8, 2016