

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
BOARD MEETING
Minutes of the February 19, 2019 Board Meeting
Pennsylvania Department of Agriculture
Room 309
2301 North Cameron Street
Harrisburg, PA 17110

Public notice of the February 19, 2019 Pennsylvania Wine Marketing and Research Program Board Meeting was given on February 14, 2019 as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the meeting to order at 10:04 a.m. Board members in attendance included Karl Zimmerman, Vice Chairman; John Landis, Secretary/Treasurer; Robert Mazza; Charles Zaleski, Jr.; Elwin L. Stewart; John Skrip, III; Jamie Williams.

Board members not in attendance included Lela Reichart and Jonathan Patrono.

David Hoffman and Chris Dietz (both via conference call) were not present at the commencement of the meeting.

Also, in attendance were John Howard, Esquire, Acting Chief Counsel, Pennsylvania Department of Agriculture; Patrick Andrews, Chief, Agriculture Marketing Development Division, Pennsylvania Department of Agriculture; Laura England, Pennsylvania Department of Agriculture Designee; Char Riley, Administrative Assistant, Commodities and Marketing.

DISCUSSION OF MEETING MINUTES

Chairman Mazza referred members to the November 13, 2018 Minutes for review.

RESOLUTION 2019.01 APPROVAL OF MINUTES

Presented by: John Landis

Seconded by: Charles Zaleski, Jr.

Passed: Unanimously

To approve the Minutes of the November 13, 2018 meeting.

Chris Dietz entered the meeting via telephone at 10:06 a.m.

FINANCIAL REPORT/ASSESSMENT REPORT

Patrick Andrews stated the Department was in the process of hiring another accountant by March 13, 2019, noting that Diane Belles had resigned from her obligations as an accountant to all Boards. Members were referred to the Financial Statements for further review. Mr. Andrews stated, per the Assessment Report, \$213,689.89 had been collected as of February 14, 2019; 197 out of 301 licensed PA wineries had paid for 2018. There was discussion regarding the selection process of the new accountant.

RESOLUTION 2019.02 APPROVAL OF THE FINANCIAL REPORT/ASSESSMENT REPORT

Presented by: Robert Mazza

Seconded by: Karl Zimmerman

Passed: Unanimously

To approve the Financial Report/Assessment Report.

BOARD OBLIGATIONS TO ACT 39 REPORTING AND EVALUATION FUND/ENDOWMENT DISCUSSION

Mr. Andrews referred members to relevant language pertaining to the Wine Section of Act 39. He explained the section requiring applicants to provide the PA Wine Marketing and Research Program Board with full and complete access to all records relating to the performance of the grant and indicating that the information submitted was truthful and accurate information. Additional language in the Act required that the Board complete an annual evaluation of current projects and that legislative appointees would then be required to report to the legislature. Mr. Mazza suggested that both be presented with the same report and further suggested that the Board report back to the individual legislators who appointed members to the Board.

Chairman Mazza offered to continue to advocate for committee structure to handle some of these matters, including the Research and Marketing Committees, which would provide summaries for review by the full Board.

Mr. Andrews suggested that folders be created on the FTP website to offer further assistance in the matter.

Chairman Mazza welcomed Char Riley to the meeting.

Mr. Dietz present via telephone requested an emailed copy of the Act 39 Reporting Requirements.

Chairman Mazza discussed the future of the industry and the evaluation of opportunities for investment or endowment opportunities to utilize ACMA funds. He commented that Mr.

Howard was working on a legal opinion as to what was in and out of bounds with regard to the ACMA program. Chairman Mazza referred Board members to correspondence from Leemhuis Legal and Lehigh Valley Community Foundation for information regarding what structures can be taken and what mechanisms are available to the Board. He stated John Landis, Robert Mazza and David Hoffman were already discussing the matter. Chairman Mazza suggested that the committee schedule a conference call before the next meeting to have a more thorough discussion of the available options and opportunities. There was further discussion regarding the implementation of the endowment.

David Hoffman entered the meeting via telephone at 10:26 a.m.

NEW FORMATS FOR PRESENTATIONS

Mr. Andrews discussed changes to the formats for presentations. He noted the presentations would now be three minutes in length with three minutes for questions from the Board and foregoing any PowerPoint presentations. Two five-minute breaks would also be incorporated into the meeting.

The Board recessed from 10:35 a.m. until 10:42 a.m.

PRESENTATION OF PROPOSALS

The following proposals were presented for funding consideration:

#	Proposal	Applicant	Requested Amount
1)	Does delaying bud burst reduce the risk of frost damage while maintaining grape and wine quality? Effectiveness of pruning time and Amigo Application, Year 3	Kathy Kelley, on behalf of Michela Centinari (via telephone), PSU	\$46,365
2)	Evaluating the impact of under-trellis groundcover practices on winegrape production profitability and sustainability, Year 2	Kathy Kelley, on behalf of Michela Centinari (via telephone), PSU	\$45,221
3)	Defining regional typicity of Gruner Veltliner wines, Year 2	Ryan Ellis (via telephone), PSU	\$158,314
4)	Boosting polyfunctional thiols and other aroma compounds in white hybrid wines through foliar nitrogen and sulfur application, Year 2	Ryan Ellis (via telephone), PSU	\$109,892

5)	What do consumers look for in PA wines? A mixed-methods approach to study the importance of regionality and hybrid grapes	Helene Hopfer, on behalf of Michela Centinari (via telephone), PSU	\$90,597
6)	Improving tannin extraction in wines made from red interspecific hybrid (vitis spp) grapes	Helene Hopfer (via telephone), PSU	\$119,741
7)	Survey for grapevine leafroll viruses in Pennsylvania	Bryan Hed (via telephone), PSU	\$52,001
8)	Microbiome analysis of Chambourcin wine grapes	Carley Gwin (via telephone), PSU	\$31,970
9)	Canopy penetration of a common-use insecticide on Concord grapes in northwestern Pennsylvania: How Effective are Contemporary Spray Techniques?	Samuel Nutile (via telephone), PSU	\$13,403
10)	Eliminating herbicide drift into vineyards through education., cooperation and collaboration with herbicide use stakeholders.	Lawrence A. Shrawder, PAW	\$38,898
11)	Control; a proposal for the evaluation of small to medium-sized winery/cidery's cooperage challenges	Christine McCarl, Vineyard at Hershey	\$68,950
12)	Consumer attitudes and purchasing behaviors toward PA wines, wineries and retail wine marketing programs	Ferdinand F. Wirth, SJU	\$98,021
13)	Wine Marketing Grant for the Wineries and Vineyards Trail of Greater Philadelphia	Michael Newmuis, Visit Philadelphia	\$150,000
14)	Drink PA Wine	Salim Makhoulouf (in person) and Paul Vigna (via telephone), PA Media Group	\$283,515

The Board recessed from 12:16 p.m. to 12:29 p.m.

15)	Marketing education and professional development for the Pennsylvania wine industry	Tanya Lama, PSU	\$49,904
16)	State of Wine	Donna Quinn, State of Wine	\$150,000
17)	Pennsylvania Wine Land Statewide Marketing and Promotions	Jennifer Eckinger, PWA	\$600,000
18)	Everything that the PA Winery Association should be asking about the winery sales of wine gift creations and wine gift basket programs but were afraid to ask	Tom Catanese	\$10,000
19)	PA Wine Industry wine gift basket DVD video - 120 minutes	Tom Catanese	\$26,850
20)	My wine gift basket and gift design and gift construction seminar	Tom Catanese	\$5,000
		TOTAL	\$2,148,642

The Board recessed from 1:06 p.m. until 1:24 p.m.

Chairman Mazza thanked Mr. Andrews for providing the presentations for review several weeks in advance. He stated a baseline would need to be established with regard to the projects that are generally supported and those that are not, and the application of grants would need to be addressed with most of the proposals.

WINE SYMPOSIUM PROPOSAL (ACMA)

Chairman Mazza discussed a proposal submitted for support of the Wine Marketing Research Board Symposium at Penn State in conjunction with the PWA. He noted the symposium was supported in the past but wanted to include that in the proposals for review via a separate motion.

RESOLUTION 2019.03 APPROVAL OF FUNDING FOR THE WINE MARKETING RESEARCH BOARD SYMPOSIUM AT PENN STATE

Presented by: John Landis

Seconded by: Jamie Williams

Passed: Unanimously

To approve ACMA funding for the symposium as proposed.

GRANT PROPOSAL DISCUSSION

Chairman Mazza stated there was \$1 million for fiscal year 2019/2020 from Act 39 funds. He stated that there was approximately \$442,000 in ACMA funds, which was projected to over \$600,000 at the end of the fiscal year.

Chairman Mazza noted a few topics of conversation for consideration included having money in the ACMA fund, most likely for endowment, and the other would be supporting a viticultural extension agent with Penn State, which had been approved and was moving forward.

After further discussion, the Board noted that Proposals 9,11,13,14,16,18, 19, 20 would not be considered for funding.

Chris Dietz exited the meeting at 1:10 p.m.

Chairman Mazza stated there are questions to be answered by the Research Committee regarding research projects. He summarized the Board's proposal discussions as follows: From a marketing perspective approaching PWA about potentially incorporating some things with PA Media; From PSU's Tanya's Lama's proposal parsing down the budget and foregoing the international component and regarding it as a pilot program; Follow up with PWA regarding how contract and renewal periods are evaluated.

Elwin L. Stewart exited the meeting at 2:10 p.m.

The Board discussed PSU and SJU consumer research projects. Proposal 5 would need further review prior to the next meeting. Chairman Mazza suggested that funding decisions be made at the March meeting.

There was discussion whether the Board could apply research dollars when considering certain elements of a project, other than for research, marketing and education activities. Mr. Mazza stated, in summary, if an applicant was willing to rewrite a proposal to a certain extent that does not involve lawyers, but involves community, public awareness, and education, there would be no liability and that would all be funded. Chairman Mazza suggested follow-up conversations with regard to marketing, research and finance.

NEW BUSINESS; WMRB STAFFING SUPPORT

The Board discussed using some WMRB funding to support part-time staff to help with some of the its obligations.

ADJOURNMENT

RESOLUTION 2019.04 ADJOURNMENT

Presented by: Jamie Williams

Seconded by: No second.

There being no further business, the meeting was adjourned at 12:53 p.m.

A handwritten signature in cursive script, appearing to read "Amber Garbinski", is written above a horizontal line.

Amber Garbinski

February 19, 2019