

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
SPECIAL VIRTUAL BOARD MEETING
Minutes of the March 1, 2022 Board Meeting

Public notice of the March 1, 2022 Pennsylvania Wine Marketing and Research Program Board Meeting was given as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the virtual meeting to order at 10:04 a.m. Board members in attendance included Karl Zimmerman, Vice Chairman; Jake Gruver; Robert Mazza; David Hoffman; Carley Razzi; Elwin Stewart; John Skrip, III; and Lela Reichart.

David Hoffman and Chris Dietz were not present at the commencement of the meeting.

Also present were Patrick Andrews, Chief of Marketing Development, PDA; Laura England, Director, Bureau of Market Development; Beth Williams, Board Project/Program Coordinator; and Adam Morris, Esquire, Chief Counsel.

Laura England was not present at the commencement of the meeting.

PROPOSED TOPICS OF DISCUSSION

Chairman Mazza noted the purpose of this special meeting for the whole Board to converse on recent topics for discussion.

David Hoffman entered the call at 10:11 a.m.

Topics shared at the last meeting as well as those submitted by members included the following:

John Landis suggested discussion around management of ACMA funds within allowable parameters of those funds as well as earning interest in a low risk setting.

A topic brought up years ago is with regard to the effort to build reserve "rainy day" funds and considering utilization of funds by potentially setting up a scholarship. Another topic, something that was funded through PWA in the past, is a fresh economic impact study.

The Chairman suggested the topic of utilization of committees and use committee structure most effectively to achieve more productive, more efficient and more informed meetings. Also, Beth Williams and her role in the development of a communication plan and how to utilize her skill set moving forward.

A topic forwarded by Patrick Andrews was with regard to where the Board stands in terms of handling marketing applications from CVVs and entities not necessarily a statewide focus.

Mr. Williams made a motion to request proposals to have an Economic Impact Study done. The motion was seconded by Mr. Stewart. There was further discussion.

Mr. Andrews commented that PWA had previously provided funding for John Dunham and Associates to provide a U.S. wide economic study for the wine industry and suggested they be included for consideration. After further discussion Mr. Williams amended the motion to use ACMA funds for the impact study.

Chairman Mazza asked for members to help draft language for the proposal which would be reviewed by the Board for final approval. Mr. Andrews would complete the draft RFP with the help of Beth, Jamie, Carley and Bob and it would be presented at the May meeting.

RESOLUTION 2022.05-MOTION TO REQUEST PROPOSALS

Presented by: Jamie Williams

Second by: Elwin Stewart

Passed: Unanimously

A request for proposals to have an Economic Impact Study done utilizing ACMA funds.

Chairman Mazza repeated the list of possible topics for discussion.

He next requested discussion of reserve ACMA funds and what can be done to utilize those funds wisely to ensure the ability to have reserve funds available to act on an important opportunity and also to ensure a parachute, so the Board has a way to "land softly." Mr. Landis inquired if the invested ACMA funds were being handled by a professional money management firm. Chairman Mazza commented that it was a matter of moving some money into a simple money market account and nothing beyond that. There was further discussion regarding whether or not to engage in a professional firm.

Mr. Stewart suggested the use of investment money to fund a scholarship, rather than taking a principal amount. He noted that an investment firm could help develop policies regarding the utilization of those funds. Mr. Bob Mazza suggested that a professional money manager be hired to oversee an endowment and the proceeds from investments be used to fund a scholarship.

Chairman Mazza requested a committee of members to develop a strategy to bring back as a proposal to act on with regard to investments and the utilization of funds. Mr. Stewart, Mr. Bob Mazza, and Mr. Landis volunteered to serve on the investment committee. Beth Williams was requested to sit in on these committee meetings. It was suggested that the committee reports be made part of the routine agenda.

There was discussion regarding possibly revisiting the assessment of the out-of-state wineries.

Mr. Stewart commented that the RFP process should spell out exactly the aspiration of the Board, high quality research, and to monitor the process going forward. He further noted a Board member expressed to him concerns regarding the quality of the research.

Chris Dietz entered the call at 11:03 a.m.

There was further discussion concerning applied and hard-core research, the scoring system, and topics that the Board would be interested in having researched by the different colleges and universities.

Laura England entered the call at 11:09 a.m. Chairman Mazza reiterated matters discussed up to this point.

Mr. Williams commented that communication is the key. Ms. Razzi suggested having people participate in a poll of questions and then offering them something in return. Spray credits and RAMP certifications were suggested. Ms. Razzi noted one of her goals is to obtain the emails of primary contacts, so that information can be provided to the appropriate person, and then list the projects in a quarterly newsletter directed to one specific website. There was further discussion regarding what information would be found at the website. Mr. Andrews will try to find a list of wineries and obtain their email addresses.

Zack Newby, the new Deputy Digital Director, is on the web team and would probably implement the website. Attorney Morris will research the matter as to whether or not there are any confidentiality provisions for the researcher that would apply. Ms. Williams suggested that industry members be reminded during the next few days of the Penn State conference to jot down or drop off certain research topics that they would like covered. Mr. Skrip would be willing to work with Ms. Williams on a communications plan.

Carley Razzi exited the call from 11:22 a.m. until 11:28 a.m.

Chairman Mazza noted another topic of discussion to consider is research and marketing proposals, how proposals should be evaluated for research and how marketing fits in with the slate of proposals. Bob Mazza stated this would set the tone for how proposals are considered and what the criteria is. He commented that he is "disgusted" at some of the proposals the Board is receiving over the last five years, including two proposals from the vineyard at Hershey that were received, one proposal from a local winery to build a hay wagon to ride through the vineyard and most recently, one requesting funds to build a new facility and hire a salesperson, none of which benefit the industry as a whole. There was further discussion regarding the addition of language to RFPs that covers equipment and how and when it is permissible. Mr. Andrews read language that is currently being considered by the Beer Board.

There was discussion regarding a letter from Senator Argall concerning a bill that would be introduced that would change the makeup of this Board. The Board talked about a letter from Senator Argall in support of Schuylkill County's concept paper that was submitted. There was

discussion regarding clarification of appropriate and inappropriate things that could be funded by providing guidelines and feedback opportunities.

Mr. Stewart suggested that a marketing initiatives and research policy be developed and put in place. It was noted there was no policy in effect, and proposals were submitted based on RFPs. The policy cannot be changed to disqualify or change the attitude of the Board. Mr. Dietz noted working with the Beer Board in the past and suggested this Board provide feedback to modify their proposal to better align with the policies of the wine industry.

Chairman Mazza inquired if Mr. Dietz and others would be willing to draft a policy. Chairman Mazza offered to reach out to William Brock on the Beer Board regarding the possibility of joint proposals. Mr. Andrews noted there are stipulations regarding proposal structure if both boards consider a joint proposal. There was further discussion.

Ms. England commented that she was on the call with the Secretary and Senator's Argall's office and would locate and review her notes regarding that call.

ADJOURNMENT

RESOLUTION 2022.06-MOTION TO ADJOURN

Presented by: Chris Dietz

Second by: Jamie Williams

Passed: Unanimously

To adjourn the meeting.

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Special Virtual Meeting adjourned at 12:07 p.m.

Hannah Bartkowski



March 1, 2022