

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
BOARD MEETING
Minutes of the May 12, 2020 Board Meeting
Teleconference

Public notice of the May 12, 2020 Pennsylvania Wine Marketing and Research Program Board Meeting was provided as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the teleconference to order at 10:07 a.m. Board members in attendance included Karl Zimmerman, Vice Chairman; John Landis, Secretary/Treasurer; Robert Mazza; Elwin L. Stewart; Jamie Williams; Chris Dietz; David Hoffman; Lela Reichart; John Skrip, III.

Charles Zaleski, Jr. and Jonathan Patrono were not present.

Also present were Patrick Andrews, Secretary of Agriculture Representative; Laura England, Director, Bureau of Market Development; Char Riley, Administrative Assistant, Commodities and Marketing; John Howard, Esquire, Acting Chief Counsel; Greg O'Loughlin, SWELL; Lindsay Young, Senior Manager, McKonly and Asbury, CPAs; Jennifer Eckinger, Pennsylvania Winery Association; Kelly O'Donnell, Director of Transformation, PA Department of Agriculture.

Dr. Molly Kelly, Penn State Enology Extension Educator; Dr. Michela Centinari, Assistant Professor of Viticulture, Penn State University; Barb Christ, Happy Valley Vineyard and Winery; Destiny Zeiders, Agriculture and Rural Affairs Committee; William Brock, Chairman, Pennsylvania Malt and Brewed Beverage Promotion Board; Sean Casey, Pennsylvania Malt and Brewed Beverage Promotion Board; Michele Burchfield, Pennsylvania Malt and Brewed Beverage Promotion Board.

Chairman Mazza asked members to review the March 24, 2020 meeting minutes.

APPROVE MEETING MINUTES

RESOLUTION 2020.12 APPROVAL OF MEETING MINUTES

Presented by: Robert Mazza

Seconded by: Karl Zimmerman

Passed: Unanimously

To approve the Minutes of the March 24, 2020 meeting.

ACCOUNTING UPDATE

Lindsay Young, Senior Manager, McKonly and Asbury, CPAs, referred Board members to the Budget vs. Actual through April 2020 for discussion of assets, cash carryovers, and expenditures relating to the extension program, viticulture positions, and money committed to the Pennsylvania Winery Association. Ms. Young also referred to the summaries of checking, money market, and Fidelity for further discussion.

Chairman Mazza discussed two streams of funding to allocate towards projects.

John Landis commented, as the Board moves forward with budgeting, some of these funds may need to be considered.

RESOLUTION 2020.13 APPROVAL OF FINANCIAL REPORT

Presented by: John Skrip, III

Seconded by: Leila Reichart

Passed: Unanimously.

To approve the Financial Report as presented.

ASSESSMENT REPORT

Chairman Mazza referred members to the Assessment Report for an ACMA collection update. Ms. Riley noted the end of the backlog for the past two months and provided that information to Lindsay at McKonly and Asbury. Any questions would be addressed at the next meeting.

Mr. Andrews recently received data from the IT Department to start the 2018 audit.

RESOLUTION 2020.14 APPROVAL OF ASSESSMENT REPORT

Presented by: Jamie Williams

Seconded by: Karl Zimmerman

Passed: Unanimously.

To approve the Assessment Report as presented.

PA WINE/BEER BOARDS

Chairman Mazza noted William Brock, Sean Casey, and Michele Burchfield were present on the call from the Beer Board with regard to discussion about an opportunity to collaborate both industries and use information from both programs to solicit projects to aid in the recovery from the pandemic.

Mr. William Brock, President and CEO of Straub Brewery and Chairman, Pennsylvania Malt and Brewed Beverage Industry Promotion Board, provided a brief history of the brewery and the Promotion Board. He noted opportunities where the Wine and Beer Boards overlap. He indicated both industries had been devastated as a result of the pandemic and was hopeful for a recovery.

Chairman Mazza suggested the two Boards work together towards the same goal and welcomed any comments or suggestions from Board members.

Mr. Brock noted a review of concept papers by the Beer Board had been temporarily put on hold due to the pandemic.

PENNSYLVANIA WINERY ASSOCIATION UPDATE

Jennifer Eckinger, Pennsylvania Winery Association, was present to discuss the impacts of COVID-19 on its projects and ongoing efforts towards recovery. She referred Board members to their agenda packets for information regarding marketing, survey efforts, and avenues taken in that regard.

Greg O'Loughlin, SWELL, added that some of the details would be worked out within the next few weeks. He noted many wineries were prioritizing online sales at least through the summer. He discussed ways the wine industry was continuing to fulfill its goals regarding awareness of the industry. Mr. Swell urged members to review information in their packets related to the industry response and the new Pairs Well marketing initiative moving into summer, fall, and beyond.

Ms. Eckinger discussed regional marketing efforts, including new wine guides with new user-friendly layouts

ACT 39 FUNDING

Chairman Mazza noted the evaluation report from Act 39 Round 1 funding had been shared with minority and majority of both House and Senate regarding work that was accomplished in the Round 1 funding and were in the process of compiling reports for Rounds 2 and 3.

He referred members to surveys in their packets conducted by both the Beer and Wine Boards concerning the impact COVID has had on progress and timeliness of currently active projects. Chairman Mazza noted the way to address those matters still needed to be worked out. There was discussion regarding whether extensions might be granted to complete those projects. Ms. Riley noted a more in-depth summary by each grantee was included in the packets for review. She discussed requesting grantees to complete a follow-up survey possibly in June with regard to their projects. There was further discussion regarding the matter.

Ms. Riley stated six grantees responded to surveys that had gone out for Rounds 3 and 4 grant funding for wine.

Chairman Mazza recommended pausing review of concept papers for maybe two or three weeks, so potentially modified timelines for existing projects could be worked out. Board members offered comments regarding the matter.

Mr. Andrews commented there had to be agreement regarding the general direction the Board would take, so proposals directly impacting the current situation could be considered. There was discussion regarding the funding challenges.

After discussion, Chairman Mazza suggested a vote to pause the review of concept papers, as well as, in conjunction with Bill Brock and the Beer Board, to reach out and actively work with PLCB to educate them on the success of the projects and the imperative nature and urgency with regards to getting funding out.

RESOLUTION-TABLING THE SCORING OF CONCEPT PAPERS

Presented by: Jamie Williams

Seconded by: Lela Reichart

Rescinded

To table the scoring of the concept papers for a period of two weeks allowing for members to score the papers and email them to Ms. Riley. Mr. Andrews requested the scores be sent to him ahead of time so he could place them on a spreadsheet for discussion. He discussed timelines to be considered before another meeting. Further comments and suggestions were offered regarding strategies going forward.

After further discussion, the motion was rescinded. Chairman Mazza summarized the discussion by noting that the Board needed to decide, one, whether to pause on these concept papers or vote on them today; two, look at existing projects for importance of ongoing potential use of ACMA funding for projects already scored and evaluated; and third, agree that a conversation needs to be had with the PLCB. Discussion continued.

RESOLUTION 2020.15 RE-EVALUATION OF ROUND 5 PROJECTS, CONTACTING PLCB REGARDING ROUND 5 MONEY AND RE-EVALUATION OF ROUND 6 PROJECTS

Presented by: Robert Mazza

Seconded by: David Hoffman

Passed: Unanimously

To require the Research Committee to reevaluate Round 5 research projects for prioritization of potential funding through ACMA monies to provide GAP funding; second, to reach out with urgency to the PLCB for a quick RFP and advocate strongly for the need for a solicitation of projects to be funded from Round 5 money due to lapse at the end of June 2020;

third, to hold on and re-evaluate Round 6 projects and evaluate the efficacy of projects from the prior two points since those funds are available for encumbrment until the end of June 2021.

There was discussion regarding a waiver extension to effectively use funds from Round 5 since projects received and those projects that need to be funded were totally different. A Board member stated legislators may have more influence and suggested they be asked to contact the PLCB regarding the matter.

A Board member suggested amending the second part of the motion to include reaching out to the PLCB to explore one of several options, including the waiver process, granting through the ACMA Board or an accelerating the RFP and timeline.

Destiny Zeiders, Agriculture and Rural Affairs Committee commented that it was good the Board was holding off on some of the programs but would need to review the Act as she was unaware if legislation would allow an extension of the waiver process. She further commented that the budget should be completed by the end of May or mid-June.

Barb Christ was requested to contact her legislative consultant to give the PWA some direction in terms of the funding issues with regard to the PLCB.

RESOLUTION-TIMELINE FOR ROUND 6 PRESENTATIONS

Presented by: John Landis

Seconded by: Lela Reichart

Rescinded

To set a timeline to review Round 6 presentations by the end of summer. Chairman Mazza commented that addressing Round 5 and urgent projects through ACMA funds would be the most urgent in nature. Mr. Skrip rescinded the motion pending further discussion.

Mr. Andrews offered to contact the individuals submitting concept papers and informing them that the Board was taking a brief pause to reevaluate moving forward appropriately.

RESOLUTION 2020.16 COMMUNICATION REGARDING ROUND 5 AND ROUND 6 PROPOSAL STATUS

Presented by: Jamie Williams

Seconded by: John Skrip

Passed: Unanimously

To draft communication regarding the upgraded status for both Round 5 and Round 6 proposals in light of the current circumstances.

RESOLUTION 2020.17 REVIEW OF THE WAIVER PROCESS BY MR. HOWARD

Presented by: Robert Mazza

Seconded by: John Landis

Passed: Unanimously

To request that Mr. Howard review the waiver process and report that information back to the Board and a meeting be scheduled with the PLCB as quickly as possible regarding previously discussed items.

ADJOURN

RESOLUTION 2020.18 ADJOURNMENT

Presented by: Jamie Williams

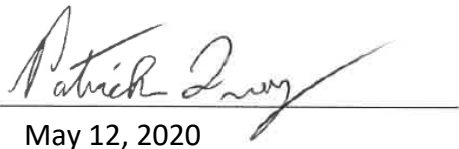
Seconded by: John Skrip

Passed: Unanimously

To adjourn the meeting.

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Teleconference adjourned at 12:48 p.m.

Patrick Troy



May 12, 2020