

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
Minutes of the February 18, 2014 Board Meeting
PA Department of Agriculture, Room 202
Harrisburg, Pennsylvania

Public notice of the February 18, 2014 Pennsylvania Wine Marketing and Research Program Board meeting was given on February 6, 2014, as stipulated by the Sunshine Law.

CALL TO ORDER

John Landis, Secretary-Treasurer, called the meeting to order at 10:40 a.m. Board members in attendance (in addition to Mr. Landis) included Bradley Knapp and Karl Zimmerman. Chairman Mario Mazza and Board Member Douglas Moorhead arrived a few minutes after the meeting was called to order. Elwin Stewart and Joanne Levengood participated in the meeting via conference call. Also attending was Jennifer Eckinger, Pennsylvania Wine Association; Jamie Williams, Pennsylvania Wine Association; Liz Diesel, Pennsylvania Wine Association – Marketing Committee; Gregory O’Loughlin, SWELL, LLC; Brook Duer, Pennsylvania Department of Agriculture; and Diane Belles, Accountant for the Program; Samantha Snyder, Pennsylvania Department of Agriculture; and Morgan Sheffield, Department of Agriculture. Jennifer D’Angelo attended and record the minutes.

MINUTES

Minutes of the September 3, 2013 and November 12, 2013 meetings were emailed to Board members for their review in advance of the meeting.

RESOLUTION 2014.01 – ACCEPTANCE OF SEPTEMBER 3, 2013 AND NOVEMBER 12, 2013 MINUTES

Motion by: Karl Zimmerman

Seconded by: Bradley Knapp

Passed: Unanimously

To accept the minutes of the September 3, 2013 and November 12, 2013 meetings.

FINANCIALS

Ms. Belles reviewed the prepared financial reports for fiscal year 2013-2014. Ms. Belles stated that the total income received as of December 31, 2013 was \$87,622.50.

RESOLUTION 2014.02 – ACCEPTANCE OF FINANCIAL REPORTS

Motion by: Bradley Knapp

Seconded by: Karl Zimmerman

Passed: Unanimously

To accept the financial reports for fiscal year 2013-2014.

AUDIT

Ms. Belles informed the board that the audit has not been received to date and a possible discount could be requested for the tardiness. Ms. Snyder stated that there is no due date for the audit in the contract itself and that the deadline portrayed was only verbal. Ms. Snyder informed board members that an actual due date can be added into the contract when the contract will be sent out for bid (this is once the current contract with Neil Lewis is completed). Ms. Belles will reach out to the auditor regarding these issues.

ASSESSMENT REPORTS

Ms. Snyder reviewed the Summary of Assessment Forms 2013 Year-To-Date. As of January 31, 2014, \$126,907.10 has been collected from Pennsylvania wineries. There were 251 licensed wineries, 81 licensed wineries with no sales assessments reported, 170 producers with sales assessments and the number of producers paid was 137.

Ms. Snyder then reviewed the Assessment Income Analysis by Quarter. In the first quarter of 2013, \$28,579.94 was received; \$34,780.40 was received in the second quarter, \$14,607.68 was received in the third quarter of 2013, \$48,939.08 for the fourth quarter of 2013 was received for a total of \$126,907.10 collected. \$30,418.72 was received so far in the first quarter of 2014. Ms. Snyder noted that for 2011 the actual percentage collected to date is 100% not 97.87% as listed on the report – 2011 is closed. Ms. Snyder is working with IT for a close out date for 2012. Currently the database is on a rolling calendar (2010 merges into 2011 which merges into 2012). No other boards currently close out each year so this is new for IT. 91.22% has been collected for 2012 and once the PLCB provides the data again to PDA then numbers will be compared to close out the 2012 year.

RESOLUTION 2014.03 – ACCEPTANCE OF ASSESSMENT REPORTS

Motion by: Douglas Moorhead

Seconded by: Karl Zimmerman

Passed: Unanimously

To accept the assessment reports presented by Ms. Snyder.

DELINQUENTS

Mr. Duer stated that the educational mailing still needs to be sent to the wineries. This mailing will remind wineries of how they report because the numbers are compared to the PLCB. The mailing will hopefully make wineries more aware of this issue and to exercise extra caution when reporting their numbers.

Mr. Duer and Ms. Snyder provided a recap of the process regarding the 2011 delinquent wineries.

PWA

Ms. Eckinger reported on PWA activities:

- Legislative
- Farm Show
- Marketing
 - Winery Guide
 - Band of 30 Welcome Center Program
 - Weekends are for Wine Land Campaign
- PR Efforts
- Events
 - Annual Conference – March 3 at the Lancaster Convention Center
- Social Media

MARKETING

Mr. O'Loughlin gave a presentation for PA Wines Marketing which included an update and request for support.

CONTRACT FOR ACCOUNTING SERVICES

A new contract was proposed by Diane Belles for the 2014 calendar year.

RESOLUTION 2014.04 – ACCEPTANCE OF ACCOUNTING SERVICES CONTRACT

Motion by: John Landis

Seconded by: Karl Zimmerman

Passed: Unanimously

To accept the accounting services contract with Diane Belles for the annual contract price of \$5,300.00 which is invoiced on a monthly basis and terms of agreement are from January 1, 2014 – December 31, 2014.

2014-2015 RESEARCH, MARKETING AND EDUCATIONAL PROPOSALS

Proposals for wine research, marketing and education for 2014-2015 funding consideration were reviewed. The following proposals were considered:

- 1) Maintenance of Wine Grape Cultivar Trials in Pennsylvania
Robert Crassweller, The Pennsylvania State University, \$15,000
- 2) Investigating Consumer Use and Reaction to Pennsylvania Wineries Use of Social Media Tools
Kathleen Kelley, The Pennsylvania State University, \$12,185
- 3) Evaluation of Botector for Bunch Rot Control of Wine Grapes in Pennsylvania
Bryan Hed, The Pennsylvania State University, \$1,996
- 4) Monitoring Fungicide Residue Retention on Grapes in Pennsylvania
Bryan Hed, The Pennsylvania State University, \$4,900
- 5) Evaluation of Cost Effective Practices for Reducing the Risk of Spring Frost Injury in Vineyards
Michela Centinari, The Pennsylvania State University, \$20,760
- 6) Crusher/Destemmer Equipment for Extension Enology Program
Denise Gardner, The Pennsylvania State University, \$21,175
- 7) Native Aroma Carryover in *V. Vinifera* Wines – Part 2: A Comprehensive Survey of Affected Wines in Pennsylvania and Possible Solutions to Prevent the Problem
Ryan Elias, The Pennsylvania State University, \$25,500
- 8) PA Wine Marketing and Research Board Symposium Financial Support
Denise Gardner, The Pennsylvania State University, \$2,700
- 9) The Role of Insect-Vectors in the Spread of Grape Bunch Rot in Pennsylvania
Michael C. Saunders, The Pennsylvania State University, \$6,634
- 10) Assessing Spotted Wing Drosophila Injury Potential on Grape Production
Michael C. Saunders, The Pennsylvania State University, \$5,435

11) Pennsylvania Wines Marketing Plan

The Pennsylvania Winery Association / Greg O'Loughlin, SWELL, \$150,000

12) Drink Local Wine Conference 2015

The Pennsylvania Winery Association / Greg O'Loughlin, SWELL, \$60,000

RESOLUTION 2014.05 – ACCEPTANCE OF PROPOSALS AND OTHER PROJECTS

Motion by: Douglas Moorhead

Seconded by: Elwin Stewart

Passed: Unanimously

That the board fund the above proposals in 2014-2015 in the following amounts and conditions:

- Proposal #1 for up to \$15,000 provided the conditions are met – conditions will be provided by Bradley Knapp and Elwin Stewart
- Proposal #2 will not be funded
- Proposal #3 for full amount of \$1,996
- Proposal #4 for full amount of \$4,900
- Proposal #5 for full amount of \$20,760
- Proposal #6 will be funded for \$10,000 which is to be used towards the cost/purchase of the crusher/destemmer equipment
- Proposal #7 for full amount of \$25,500
- Proposal #8 for full amount of \$2,700
- Proposal #9 will not be funded
- Proposal #10 for full amount of \$5,435
- Proposal #11 for full amount of \$150,000
- Proposal #12 will be tabled and decided upon at the next board meeting
- This motion also includes the \$50,000 ongoing commitment to the Pennsylvania State University for the Viticulture Research position

A letter regarding the PA Wine Marketing and Research Board Symposium will be included with the educational mailing that Mr. Duer is going to handle. This letter will provide additional information regarding the symposium. Mr. Mazza will work with Ms. Gardner concerning the details.

AMENDMENT REFERENDUM

Ms. D'Angelo informed the board members that the voting period for the amendment referendum will take place between March 17 – 31, 2014 and the ballots will be mailed on March 10.

NEXT BOARD MEETING

The next board meeting will be held on Tuesday, March 18, 2014 beginning at 11:00 a.m. via conference call. Future board meetings will be held at the PA Department of Agriculture in Room 309 and are scheduled for Tuesday, May 6, 2014, Tuesday, July 8, 2014, Tuesday, September 2, 2014, and Tuesday, November 18, 2014.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:38 p.m.

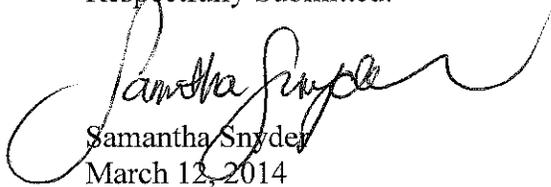
RESOLUTION 2014.06 – ADJOURNMENT

Motion by: Bradley Knapp

Seconded by: Karl Zimmerman

Passed: Unanimously

Respectfully Submitted:



Samantha Snyder
March 12, 2014