

Board Members Present

Kirk Wiles, Chairman
Doug Fabboli
Patrick Duffeler, II
Tayloe Dameron
Mitzi Batterson
Luca Paschina
Megan Seibel
Courtney Mailey

Absent

Len Thompson
Tayloe Dameron

Guests / Staff

Annette Boyd, Wine Marketing Office
Susan Kramer, Wine Marketing Office
Anna Pendleton, Wine Marketing Office
Megan Womack, Wine Marketing Office
Laurie Aldrich, Virginia Wineries Association & Virginia Association of Cider Makers
Justin Rose, Virginia Wineries Association
George Hodson, Virginia Wineries Association
Mary Beth Williams, Williams Compliance
Joy Ting, Winemakers Research Exchange
Emily Pelton, Winemakers Research Exchange
Corry Craighill, Loudoun Wineries Association
Justin Bell, Office of the Attorney General
Peter Hoehn, Early Mountain Vineyards
Jane Kincheloe, Paradise Springs Winery
Caitlin Miller, Virginia Dept. of Agriculture and Consumer Services
Melissa Ball, Virginia Dept. of Agriculture and Consumer Services

I. Call to Order & Welcome – 9:59AM

II. Approval of Draft Minutes

The minutes of the August 20, 2019 meeting were reviewed and unanimously approved as presented.

III. 2018-2019 Annual Report

The Board reviewed the 2018-2019 Virginia Wine Board Annual Report and suggested adding information on the Winemakers Research Exchange and Virginia Tech to improve the research section. The Program Manager will make the revisions.

IV. Reports

- A. Financial – Mitzi Batterson presenting
- Base appropriations as of 7/1/2019 is 2,273,692.00. There is approximately 192,570.02 unallocated for the remainder of the 2019-2020 Fiscal Year.

Virginia Wine Board Financial Statement December FY20

| | Estimate/Budget |
|--|------------------------|
| Carryover/Beginning Balance | |
| Unallocated Prior Year Research | \$ - |
| Unallocated Prior Year Marketing | \$ 228,902.72 |
| De-obligated Prior Year Research | \$ 76,552.81 |
| De-obligated Prior Year Marketing | \$ 13,710.49 |
| Total Carryover/Beginning Balance | \$ 319,166.02 |
| Income | |
| Base Appropriations as of 7/1/2019 | \$ 2,273,692.00 |
| 1/3 Research | 757,897.33 |
| 2/3 Marketing | 1,515,794.67 |
| Total Income with Carryover Balance | \$ 2,592,858.02 |
| Expenses - Approved | |
| Research Expense | |
| FY 19-20 Approved Research Grants | \$ 807,132.00 |
| Total Research | \$ 807,132.00 |
| Marketing Expense | |
| Board Admin Expenses (includes Board Docs, EVA Fees, Travel) | \$ 20,000.00 |
| Office Rent | 27,324.00 |
| Wireless services | 2,257.00 |
| Contingency | 7,500.00 |
| Wine Marketing Office | 1,410,075.00 |
| Marketing Grants (non-WBMO) | 126,000.00 |
| Total Marketing | \$ 1,593,156.00 |
| Total Expenses | \$ 2,400,288.00 |
| Projected Balance | \$ 192,570.02 |
| Estimated Amount Available for Research | \$ 27,318.14 |
| Estimated Amount Available for Marketing | \$ 165,251.88 |

Approved at the AUG 2019 meeting

updated as of 8.22.19

** Dwyer \$7750

** Seillier \$8250

** Chang \$9660

** VWA Reg Roundup Increase by \$8500

- B. Winemakers Research Exchange (Joy Ting presenting)
 - a. Provided a mid-year report, discussed current project themes and requested that the Board consider developing a RFP for the WRE.
 - b. WRE requested additional funding from the Board in order to prevent cuts from the 2019-2020 project list. *The Board voted unanimously to approve up to \$12,000 in additional funding to cover the cost of lab work for WRE's existing 2019-2020 projects.*
 - c. Full report available on BoardDocs.
- C. National Grape Research Alliance (Emily Pelton presenting)
 - a. Provided an overview of the NGRA integrated plan for research and discussed the mid-year and end-of-year NGRA Board meetings.
 - b. Full report available on BoardDocs.
- D. Virginia Wine Marketing Office (Annette Boyd presenting)
 - a. Updated the Board on events and activities since the previous meeting including strategic planning, Virginia Wine Month and Cider Week.
 - b. Discussed the potential development of a Virginia wine branded label.
 - c. Proposed five new marketing initiatives for a total request of \$24,500 in additional funding. *A motion was made and unanimously approved to fund the following proposed marketing initiatives totaling \$24,500.*

| | |
|--|----------|
| Governor's Cup Media and Influencer Budget | \$7,500 |
| To bring influential and high caliber media to the Governor's Cup Celebration | |
| Virginia Governor's Cup Trade & Media After Party | \$2,500 |
| To supplement the budget for the first industrywide after party for trade & media following the Governor's Cup Celebration | |
| Virginia Wine Ambassadors | \$10,000 |
| For continued presence of Virginia Wine at important events | |
| Southeast Trade Event Marketing | \$2,500 |
| For additional chef events between now and end of fiscal year | |
| Wine & Cider Library | \$2,000 |
| To meet sampling requests for remainder of fiscal year | |

- E. Virginia Association of Cider Makers (Laurie Aldrich presenting)
 - a. Cider Week took place November 15-24, 2019. The week's events were hugely successful. One event in Richmond had over 3000 attendees. There were many other events throughout the week also well attended.
 - b. An educational/sensory meeting is planned for February 24, 2020. Speakers will include Mary Beth Williams of Williams Compliance and Scott Labs.
 - c. Full report available on BoardDocs.
- F. Virginia Wineries Association (Laurie Aldrich, Mary Beth Williams and Jim Turpin presenting)
 - a. Laurie Aldrich provided updates on FY20 grants. The Governor's Cup entry period ended on December 13. There are 514 entries surpassing the previous year's numbers. The VWA 2019 Annual Meeting was held on November 21-22, 2019 at Lansdowne Resort in Leesburg. Survey results are available for the Board to review.

- b. Jim Turpin and Mary Beth Williams provided a legislative report including information on the 2019 election results and upcoming General Assembly session in addition to further updates on Virginia ABC restructuring of licensing.
- c. The Board discussed the 2020 Governor's Cup Competition and expressed concerns about accessibility based on new eligibility requirements. The Board made and unanimously approved the following motion: *Any Virginia winery can have access to the Governor's Cup Competition provided the winery meets the other eligibility requirements of the competition.*
- d. Full report available on BoardDocs.

V. Freedom of Information Act

- A. Justin Bell, Assistant Attorney General for the Commonwealth of Virginia, presented information on the Virginia Freedom of Information Act to the Board and meeting attendees.

VI. Old Business

A. 2018-2019 Grants

- a. An invoice for the Virginia Vineyards Association 2018-2019 grant was not received until October 2019. However, funds for that grant period were de-obligated during the August Board meeting. The amount owed to VVA is \$15,000. *The Board made and unanimously approved a motion to re-obligate \$15,000 to pay the 2018-2019 invoice from Virginia Vineyards Association.*

B. 2019-2021 Education Grants

- a. WRE made a request for an additional \$250 for their education grant entitled, "Developing an Employer's Training Resource for Seasonal and Part Time Cellar Workers". *The Board voted unanimously to increase WRE's education grant budget by \$250 for a total award of \$8,000.*

C. 2019-2020 Grants

- a. Virginia Wine Board grant project leaders are required to submit one six-month progress report (education and research projects ONLY) and one final project report (all projects). The 2019-2020 mid-year progress reports were due on December 1, 2019. These reports are available on BoardDocs.
- b. During the March 2019 meeting, the Board voted to fund a Whitebarrel Winery project titled, "Validation of Bacteriophages as Novel Biocontrol Agents for Crown Gall in Grapevines" in the amount of \$35,500. However, the project leader has not signed the award agreement, submitted a mid-year progress report or responded to correspondence from the Program Manager or Board Chairperson. As such, *the Board voted unanimously to terminate the 2019-2020 grant held by Whitebarrel Winery and to reallocate \$35,500 in research funds.*
 - i. Additionally, *the Board made and unanimously approved a motion requiring project leads to sign an award agreement within 30 days in order to receive the approved funds.* This language will be added to the award agreement, grant guidelines and VWB handbook.

VII. New Business

A. 2020-2021 Grant Pre-proposals

- a. The Board reviewed 55 pre-proposals submitted for the 2020-2021 fiscal year.

The Board voted unanimously to request and review full proposals for the following projects:

| TITLE | ORGANIZATION | AMOUNT |
|--|--------------------------------------|-----------|
| Support for Virginia Vineyards Association Technical Meetings | Virginia Vineyards Association | \$25,000 |
| Virginia Commercial Grape Report | SMS Research Advisors | \$36,000 |
| Analysis of Marketing Efforts of Environmental Sustainability in Virginia's Wine Industry | EEE Consulting, Inc. | \$50,000 |
| Viticulture Training for High-School Students | Revaluation Vineyards | \$15,000 |
| Which can lining material is best for canned wines? | Virginia Tech | \$18,500 |
| An analysis of short-term vacation rental hosts and guests and Virginia wine tourism | Old Dominion University | \$35,056 |
| Virginia Winemakers Research Exchange: 2020-2021 Experiments and Sensory Sessions | Winemakers Research Exchange | \$160,000 |
| Calibrating benchmarks for Virginia grape and wine using historic data sets | Winemakers Research Exchange | \$25,000 |
| Detection of grapevine downy mildew using an Unmanned Aerial Vehicle (UAV) mounted with a multispectral sensor | Virginia Wine Consulting | \$29,000 |
| Validate the efficacy of pre-release formulations of Rhizobium vitis ARK-1, a biological agent against crown gall of grape | Virginia Tech | \$52,000 |
| Develop methods for early detection and identification of grape pathogens in the environment and on plants | Virginia Tech | \$69,000 |
| GrapeIPM.org Phase 2: Grape disease management decision support system | Virginia Tech | \$18,000 |
| Grape disease management projects 2020 | Virginia Tech | \$18,000 |
| Establishment of Virginia sentinel vineyard network for extension and research | Virginia Tech | \$20,000 |
| Quantifying the Contribution of Topsoil to Virginia Grape Quality | Virginia Tech | \$29,500 |
| Refining Soil, Tissue, & Juice Potassium Testing for High Quality Winegrape Production | Virginia Tech | \$12,000 |
| Spotted lanternfly affecting Virginia vineyards: Expansion, and control of egg masses | Virginia Tech | \$55,240 |
| Mealybug species composition and management in Virginia vineyards | Virginia Tech | \$54,036 |
| Virginia Cooperative Extension assistance with identifying commercial vineyards | Virginia Tech | \$15,000 |
| Viticulture Extension and Research support | Virginia Tech | \$47,021 |
| Maintain fungicide resistance testing capabilities for grape diseases, and follow-up tests on cane-infecting fungi-II | Virginia Tech | \$14,400 |
| Characterizing the regional microbial terroir of Virginia wines and their effects on ambient fermentations | Virginia Tech | \$58,955 |
| Enabling relationship building and knowledge transfer between industry stakeholders and enology extension personnel through in-person interactions | Virginia Tech | \$4,262 |
| Winter & Summer Education & Technical Programs 2020-2021 | Virginia Association of Cider Makers | \$7,500 |
| Virginia Winery Tasting Room Education & Training Program | The New Ag School | \$24,190 |
| Showcasing Our Roots: Expanding the Virginia Wine Industry's Regional Market through the Culinary Cultural Experience | Encore Event Partners, LLC | \$30,000 |
| The Official Wine Podcast of the Virginia Wine Country | RIESTER Public Affairs | \$72,000 |
| Evaluation of alternatives to glyphosate for vineyard weed control | Virginia Tech | \$27,000 |
| Vineyard Incentive and Economic Development Collaboration | Resonance, LLC | \$32,000 |

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| VWA Annual Meeting & Conference for 2020 | Virginia Wineries Association | \$15,000 |
| Workforce Development – Bilingual Vineyard Workshops | Virginia Wineries Association | \$17,000 |
| Social Media and Digital Marketing Workshop | Virginia Wineries Association | \$16,000 |
| Governor’s Cup Competition 2021 | Virginia Wineries Association | \$119,500 |
| Governor’s Cup Seminar 2021 | Virginia Wineries Association | \$15,000 |
| Regulation Round-Ups and VWA Winery Resource | Virginia Wineries Association | \$64,000 |
| Governor’s Cup Consumer Event 2021 | Virginia Wineries Association | \$40,000 |
| Design and Implementation of Biofungicides for Resistance Management in Organic Wine Production | Lytos Tech, Inc. | \$50,000 |

The Board voted unanimously to redirect the following proposals to the matching grant program facilitated by the Virginia Wine Board Marketing Office:

| TITLE | ORGANIZATION | AMOUNT |
|--|------------------------------|----------|
| Northwest Loudoun Winery Marketing Campaign and Harvest Party Promotion | Loudoun Economic Development | \$10,000 |
| Development of American Viticulture Areas in Loudoun County | Loudoun Wineries Association | \$6,000 |
| Building Consumer Loyalty & Awareness of Virginia Wine through Event Experiences | Loudoun Wineries Association | \$2,500 |
| Building Consumer Awareness of Loudoun County wine through social media | Loudoun Wineries Association | \$3,000 |
| Photography Marketing Initiative for the Shenandoah Valley Wine Industry | A Desk 4 Me | \$15,000 |

The Board elected not to request full proposals for the following projects:

| TITLE | ORGANIZATION | AMOUNT |
|---|-------------------------------|-----------|
| Virginia Petit Manseng: Development of Consumer-Relevant Sensory Lexicon | Virginia Tech | \$40,651 |
| Identifying and measuring the size of market opportunities for Virginia Wines | Atlantic Corporation | \$47,000 |
| Leveraging Local in Virginia Wine Marketing | University of Texas | \$36,500 |
| Data Mining, Digital Communication & Marketing for Precise High Impact Brand Awareness | dBase Media | \$100,000 |
| Virginia: Rooted in History & Vines | Hemsworth Communications | \$60,000 |
| Wine Selector for the Restaurant Wine Buyer | Definitive Business Solutions | \$60,000 |
| VWB Return on Investment (ROI) Maximization | Definitive Business Solutions | \$20,000 |
| Study of the Impact of Cannabis Decriminalization or Legalization on the Virginia Wine Industry | ASAP Consulting, LLC | \$5,000 |
| Tour Virginia’s Grapes of Destiny | Prepare To Be Resilient, LLC | \$73,020 |
| Consumer Perception and Visitation Study | Probolsky Research | \$50,000 |

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|---|----------------|----------|
| Design Thinking for Virginia Wine Innovators | The Spill Teem | \$15,000 |
| You Heard It Through the Grapevine: The Latest from Virginia Wineries | A Desk 4 Me | \$5,000 |

B. Virginia Found sponsorship request

- a. The Board reviewed a sponsorship request for Virginia Found, a new PBS travel series. The Board requested that the Virginia Wine Board Marketing Office analyze the value of the sponsorship and make a determination on whether or not to include it in the marketing budget.

VIII. Housekeeping

A. Full Proposal Scoring Rubric

- a. The Board reviewed the recommended scoring rubric for full proposal submissions. Courtney Mailey will send revisions to the Program Manger. The revised rubric will be used to score full proposals. The Program Manger will send the rubric and grant guidelines to project leaders submitting full proposals.

B. Technical Review Committee

- a. The Board reviewed the Technical Review Committee member list from 2019 but did not make suggestions for additional members at this time. The Program Manager will contact committee members from 2019 to determine their willingness to participate in the current grant cycle and to coordinate a full proposal review meeting.

IX. Public Comment

None

X. Next Meeting and Adjourn

The next meeting will be held on Tuesday, March 31, 2019 at the Department of Forestry (tentative) in Charlottesville.

The meeting adjourned at 4:00 PM.