

Virginia Wine Board
August 16, 2017
Wine Marketing Office
Richmond, VA

Present

Diane Flynt
Mitzi Batterson

Doug Fabboli
Dave King

Len Thompson

Absent

Steven Brown
Patrick Duffeler

Bill Tonkins

Kirk Wiles

Guests

Annette Boyd
Bob Rupy
Anna Pendelton
Laurie Aldridge
Megan Seibel
Robin Hill
David Robishaw
Steve Custer

Susan Kramer
Charles Green
Matt Brehony
Mary Beth Williams
Stephanie Agee
Ashley Cicero
Justin Bell
Kaitlyn Watson

Megan Womack
Morgan Guthridge
Samantha Cox
David Robishaw
Terri Bierne
Margie Gehler
Dr. Van Wood

Call the Meeting to Order

Chairman King called the meeting to order at 10:10 AM and welcomed the Board and guests.

Approval of the Minutes from May 18, 2017

Prior to the meeting, David Robishaw posted the minutes on Boarddocs. Len Thompson moved to approve the minutes as presented, Diane Flynt seconded, and with no further discussion, the motion was approved.

Financial Report

Prior to the meeting, David Robishaw posted the financials on Boarddocs. Margie Gehler reviewed the financial report for the Board. Doug Fabboli moved to approve the financials as presented, Len Thompson seconded and with no further discussion, the motion was approved.

Public Comment

Morgan Guthridge from the Virginia Wine Wholesalers Association (VWWA) attended the meeting and thanked the Board for the opportunity to introduce himself. The VWWA represents 8 distributors, including Republic, Blue Ridge Beverage, National, and others. The mission of the VWWA is to promote education and awareness of issues related to the distribution at wholesale of wine and other non-malt alcoholic beverages. Chairman King asked Morgan Guthridge if the WWA could provide sales figures for out of state sales and Morgan will check with his Board and confirm they can provide that information. Chairman King invited Morgan to come to the next Wine Board meeting. The Board will direct any questions for Morgan to the Wine Marketing Office to compile and share with Morgan.

Robin Hill from the Wine Distribution Company addressed the Board. She offered to answer any questions the Board may have and is willing to attend future Board meetings.

Virginia Vineyards Association

Prior to the meeting, David Robishaw posted the report on Board Docs. There was no one from the Virginia Vineyards Association to give the report so there was no review or additions to the report.

Virginia Wineries Association

Prior to the meeting, David Robishaw posted the report on Boarddocs. Laurie Aldrich briefly reviewed the reports, including the upcoming Regulation Roundup and the Annual Meeting

Virginia Wine Council

Prior to the meeting, David Robishaw posted the report on Boarddocs. There was no one from the Virginia Wine Council so there was no review or additions to the report.

Williams Compliance

Mary Beth Williams from Williams Compliance addressed the Board. Mary Beth summarized some activities happening in Rockingham County that could have implications for wineries in other counties. Rockingham County only has 4 wineries but they are trying to separate winery buildings from farm buildings. This will effectively regulate activities that can occur on a farm. At this point, the Board of Supervisors of Rockingham County is not responsive to winery concerns and this should be a concern for all wineries should this type of legislation expand to other counties. The Board discussed this and other regulatory issues that will be in front of the General Assembly this year. There is progress being made with all sides working together but nothing is finalized and the political process has not played out. It would be beneficial for all wineries to be active and engaged with support organizations like Farm Bureau and Virginia Agribusiness Council.

Virginia Wine Marketing Office

Prior to the meeting, David Robishaw posted all the Wine Marketing Office (WMO) reports on Boarddocs. Annette Boyd presented to the report to the Board.

Annette started her report with the notation that the new office was very functional. All the renovations were paid through funds from the General Assembly.

Annette requested a budget reallocation for some unspent funds. The amount of unspent funds is a combination of overages from the last 2 fiscal years. The WMO was involved with a RFP for her office with no guarantee Ringwood Boyd would have the contract, so they didn't have an opportunity to submit proposals to spend the unspent funds. Mitzi Batterson moved to allow Annette to reallocate funds up to \$131,757 without going over her approved budget. Doug Fabboli seconded, and with no further discussion, the motion was approved.

Annette provided sales figures for sales within state as well as out of state. There was a slight increase of sales through distributors which is a good trend.

Annette continued her report, including updates on October Virginia Wine Month. There is a lot of social media updates promoting October Wine Month including Facebook and Instagram as well as working with Virginia Tourism. The "It's Just Lunch" program is continuing with another event in the Shenandoah Valley and it features 3 wineries at each event.

The updates are continuing on the website. Work is moving forward for the Wine App for mobile devices as well as expanded functionality on the website.

The branding program is moving forward. Matt Brehony and Samantha Cox from Padilla Company provided the Board with a written and oral report to the Board. Branding is an effort to change and enhance perceptions. The WMO is trying to create a brand that sets Virginia wine apart from other regions. The branding effort will not move away from the tourism aspect but rather build a regional and national base. Matt is suggesting the Virginia wine industry needs to build a brand platform. Matt included some suggestions to consider in the branding program.

Lunch

Viognier, is this Virginia's Grape

At a Board meeting in 2011, it was determined that Viognier would be the official grape of the Virginia wine industry. At the time, it was done to help distinguish Virginia from other states since no other states claimed Viognier. The program was modeled on Oregon and their Pinot Noir program. Since 2011, the industry has not taken significant steps to promote the grape and with a new branding effort, now is the time to reassess the decision. After further discussion, this topic will be addressed at the next meeting.

VCU Commercial Grape Report

Dr. Wood and his associates made a brief presentation to the Board. VCU is currently conducting grape growing research and data collection for the industry. Chairman King asked if VCU could begin to gather the data through an online portal. For this year, VCU may have to still gather data with a written survey in addition to the online portal. Using an online portal would hopefully increase grower participation in the data collection process. Several data collection ideas were mentioned, and after discussion, the VCU team will report back to the Board at the next meeting.

RFP Process

Prior to the meeting, David Robishaw put the RFP process on Boarddocs. After discussion, the Board decided to also include requests for marketing proposals along with the research and education proposals. This process will allow the Board to review all proposals and then route them to the appropriate area for review and scoring.

New Business

The Wine Marketing Office has a policy that you must have a farm winery license in order to be included in the Wine Guide. Several companies have asked to be included that do not have a farm winery license, but the Board felt the requirement should remain in effect.

Next meeting and adjourn

The next meeting will be in Charlottesville (location TBD) and is set for Tuesday, December 5, 2017. With no further business, the meeting adjourned at 2:10 PM.

Respectfully submitted,

David King, Chairman