

**Final Minutes
Virginia Wine Board
Virginia Wine Marketing Office
April 07, 2009**

Present

David King	Luca Paschina	Ruth Saunders
Mills Wehner	John Stephens	Dean Triplett
Patrick Dueffler	Jennifer McCloud	Todd Haymore

Absent

William Moses (resigned)

Guests

Annette Boyd	Steven Jack	Amy Ciarametaro
Dan Layman	Matt Conrad	Scott Elliff
Ann Heidig	Marcie Siegel	Terri Cofer Beirne
Chad Zakaib	Alex Papajohn	David Robishaw

Call to Order

At 1:05 PM, Chairman King called the meeting to order and welcomed all members and guests. There was a special recognition of Delegate Frank Hall, the new Alcoholic Beverage Control (ABC) Commissioner. Commissioner of Agriculture Todd Haymore also addressed the Board.

Approval of the Minutes

Prior to the meeting, David Robishaw sent the Board copies of the draft minutes from the August 07, 2009 meeting. With no further discussion, Patrick Duffeler moved and John (Rock) Stephens seconded to accept the minutes as presented. With no further discussion, the motion passed. There was also an emergency meeting on September 12, 2009 when the Board went into closed session. Those minutes were distributed at the meeting. After review, Patrick Duffeler moved to accept the minutes as presented, Rock Stephens seconded the motion, and with no further discussion, the minutes were approved as written.

Review and Approval of the Financial Statement

Prior to the meeting, Dave Robishaw sent the Board a financial update through February 2009 (copy with the official minutes). The financial statement was discussed at several points in the meeting and there were three (3) motions relating to finances. Jenny McCloud moved to accept the financial statement as presented, including the bonus to the Marketing Contractor and Marketing Assistant. Patrick Duffeler seconded the motion, and with no further discussion, this motion passed. Patrick Duffeler also made a motion that prior to the end of the fiscal year, all remaining monies in cost codes 604 and 605 (approximately \$5,000) be sent to the Wine Marketing Office for marketing programs. John Stephens seconded the motion, and with no further discussion, the

motion passed. Finally, Rock Stephens moved that the Wine Marketing Office spend the approximately \$5,000 as laid out in the report from the Wine Marketing Office (report included with the official minutes). Dean Triplett seconded the motion, and with no further discussion, the motion passed.

Report from the Virginia Vineyards Association (VVA)

Dean Triplett distributed a list of criteria used to evaluate the research proposals and a list of projects in order of preference (complete report included with the official minutes). In February, the research committee of the VVA reviewed the proposals as well as the amount of money requested. The proposals recommended to the Board are as follows:

1	Baudin	24,500
2	Wolf	32,242
3	Zoecklin	61,714
4	Nita	16,699
5	Bergh	8,680
6	Zoecklin	6,500
7	Pffiefer	30,000

These projects total \$180,335, which is approximately \$13,000 less than the 1/3 of the total funding that should be committed to research. After further discussion, Rock Stephens moved to approve projects 1-7 as presented and asked the VVA and VVA to work together to decide on how best to allocate the remaining money. Patrick Duffeler seconded the motion, and with no further discussion, the motion passed.

Report from the Virginia Wineries Association (VWA)

Ann Heidig reported to the Board on the recent activities of the VWA. The VWA presented the Governor's Cup awards at the 2009 Wine Expo. The VWA will continue to work with Alex Papajohn and the Wine Marketing Office to increase the publicity. Ann introduced Marcie Seigel who will be helping the VWA with administrative issues. The VWA is working with the VVA to present a unified voice in talking with Virginia Tech on wine issues vital to the industry. It is critical the industry presents a unified position when dealing with Virginia Tech. Alex Papajohn also thanked the Board for the support given to the Wine Expo and is looking forward to an even better event in 2010.

Report on Legislative and General Assembly Issues

Matt Conrad from the Virginia Wine Council thanked the industry for their support. The wine industry got bipartisan support in the General Assembly this year to defeat some bills that would have had been bad for the industry. Matt emphasized how important it is to have a presence in Richmond during the General Assembly session. Delegate Frank Hall then confirmed Matt's position, that it is critically important to be in Richmond during the General Assembly session and don't hesitate to speak with your elected representatives. This is really the only way a delegate has to learn about issues is to hear directly from the industry. Matt is formalizing plans to set up a permanent business structure that would allow him to continue the Virginia Wine Council.

Report from the Wine Marketing Office

Annette Boyd, Wine Marketing contractor distributed marketing materials to the Board, all of which are included with the official minutes. The first order of business was the Food and Wine Society wants to give the Wine Board \$6,860 since they are not going to be in operation. Jenny McCloud moved to ask the Virginia Board of Agriculture to accept the money from the Food and Wine Society on behalf of the Wine Board and give the money to the Wine Board. Dean Triplett seconded the motion and with no further discussion, the motion passed.

Dan Layman, Sales Representative for Prince Michel Vineyards, spoke to the Board on the topic of “Virginia appellation versus American appellation” and how it relates to marketing in a retail store. Basically, Mr. Layman believes emphasizing this distinction at the retail level will have a negative impact because it is too difficult for stores to differentiate between the wines as well as confuse the consumer. After lengthy Board discussion, the Chair felt this complex issue would not be solved at this meeting. The Chair requested the Board think about all the ramifications of this issue and be prepared to discuss this at a future meeting.

At this time, Scott Elliff from DuCard Vineyards made a presentation to the Board on the work done by the University of Virginia Darden Graduate Business School. Darden School faculty and second year students took on the task of beginning to work on a comprehensive marketing strategy for the Virginia Wine Industry. The preliminary report is included with the official minutes. The project began in January of 2009 and included traditional business school methodologies as well as input from wineries and other industry partners such as hospitality, tourism, wholesalers, and consumers. The objective of this initial work is to stimulate industry thinking about what our wine marketing strategy should be. A presentation of findings should be ready for the next Board meeting. Following Scott’s presentation, the Board had a brief discussion and asked Scott to continue to monitor this project.

Annette resumed her presentation to the Board by sharing a proposal from the Farm Wineries Council and their “Virginia Winery Hopping Guide”. After discussion, David King moved that the Board does not have funding to support this guide but communications should remain open between the Farm Wineries Council and the Wine Marketing Office. Patrick Duffeler seconded the motion, and with no further discussion, the motion passed.

Annette next reported on the AWASAW (material included with the official minutes). AWASAW is a Native American word meaning “beautiful things” and AWASAW in Staunton hopes to become a cultural center and tourist destination for the Shenandoah Valley and Western Virginia. Annette wanted the Board to be aware of this project but no action is required until 2010.

Chairman’s Corner

Chairman King asked the Board to begin thinking about future members to the Board. At the end of this fiscal year (June 30), the terms of 3 Board members will expire. William Moses has resigned, Luca Paschina will have served 2 consecutive terms and is not eligible to serve again, and Rock Stephens is up but he has expressed a willingness to serve again. The industry should be prepared to submit nominations to the Governor’s Office.

Public Comment

Other than comments noted in the minutes, there were no additional public comments

Next meeting and Adjourn

The next meeting of the Virginia Wine Board is scheduled for June 11, 2009 at the Wine Marketing Office in Richmond. With no further business before the Board, the meeting adjourned at 4:20 PM

Respectfully Submitted,

David King, Chairman

Dave Robishaw, Secretary