

**Virginia Wine Board  
March 18 and 19, 2013  
Omni Hotel-Charlottesville, VA “Downtown Business Center”  
DRAFT MINUTES**

**March 18, 2013**

**Present**

Mitzi Batterson  
Luca Paschina  
Mills Wehner

John Stephens  
Chris Blosser  
Bill Tonkins

David King  
Ruth Saunders  
Diane Flynt

**Absent**

Secretary Haymore

**Guests**

Ron King  
Emily Pelton  
Greg Rosko  
Jeffrey Derr  
Tony Wolf

Melissa Ball  
Jason Murray  
Valerie Palamountain  
Anton Baudoin  
Teresa Stoepler

David Robishaw  
Ernest Beasley  
Molly Kelly  
Mizuho Nita

**Call to order**

Chairman Stephens called the meeting to order at 10:05 AM. The Chairman welcomed the Board and guests to the meeting.

**Minutes**

Prior to the meeting, David Robishaw sent out the minutes from the December 17, 2012 meeting to the Board. Mitzi moved to accept the minutes, David King seconded, and with no further discussion, the motion passed.

**Financials**

Prior to the meeting, David Robishaw sent out a copy of the financials to the Board. A copy of the report is included with the official minutes. David and Melissa answered questions from the Board on specific line items. Melissa will simplify the form to make it more user-friendly. The Board allocation is a General Assembly line item and the amount is based on the previous year's appropriation. However, the amount is based on wine sales and the liter tax collection, so the Department of Planning and Budget reviews the collections mid-year and could raise or lower the final amount.

## **Overview of meeting**

David Robishaw gave a quick overview on hotel procedures, policies, dinner plans and parking. Rock Stephens also went over the basic format for hearing reports from the researchers.

## **Presentation by Researchers**

**Jason Murray – In Canopy Weather Sensor.** John L. Cox is the co-researcher on this project. There was a question on “who owns the sensors” and can they be leased? Jason will check with the lead researcher from UMD.

**Earnest Beasley – Soil Mapping Techniques.** Mr. Beasley reviewed the process and technology to be used in gathering information. The Board did have some questions, including the budget, which seemed high. When asked, Mr. Beasley said there was not a lot of “wiggle room” in reducing the budget costs.

**Greg Rosko – PVCC Viticulture.** Greg Rosko reviewed the goals and objectives of this proposal.

**Molly Kelly – Enology Extension Specialist.** Molly reviewed her background and interests. She also laid out her plans going forward, including roundtables, website, surveys, and workshops. Molly is going to come back with a detailed plan for this year.

**Jeffrey Derr – Perennial Cover Crops.** Jeffrey went over his plans for the research project.

## **Lunch Break – 12:30 PM to 1:15 PM**

**Anton Baudoin – Botrytis (1) and Downey Mildew (2).** Anton reviewed both projects for the Board. Anton answered questions from the Board.

**Mizuho Nita – Ripe Rot (1), Pierce’s Disease (2), and Leafroll (3).** Mizuho gave the Board an update on his current projects as well as the goals for the FY 14 proposals he has submitted.

**Tony Wolf – Fruit Zone (1), Grapevine Nitrogen (2), Extension (3), and Grapevine Yellows (4).** Since Tony has 4 proposals to go over, he spent very little time on the Extension project since the Board has funded this previously. Tony will supply the Board with a list of extension visits.

## **3:45 PM Break**

### **4:00 Research Project Discussion**

The Board discussed the grant process in general, and how it could be strengthened and improved.

### **4:15 Project Discussions and Voting**

After a brief procedural discussion, the Board reviewed and voted on each project

**Fruit Zone Management**      Wolf                      52,753                      **Approved**  
David King moved to fund, Mitzi Batterson seconded, and the motion passed

**VVA Technical Meeting**      VVA                      15,000                      **Approved**  
Luca Paschina moved to fund, Chris Blosser seconded, and the motion passed

**Ripe Rot**                      Nita                      12,167                      **Approved**  
Bill Tonkins moved to fund, Mitzi Batterson seconded, and the motion passed

**Pierce's Disease**              Nita                      7,322                      **Approved**  
Mitzi Batterson moved to fund, Mills Wehner seconded, and the motion passed

**SWD**                      Pfeiffer                      47,066                      **Approved\*\*\*\***  
Luca Paschina moved to fund, Bill Tonkins seconded and the motion passed  
*Write letter to Dr. Pfeiffer with concerns (quality of proposal and timeliness of required reports)*

**Grapevine Nitrogen**              Wolf                      49,264                      **Approved**  
David King moved to fund, Ruth Saunders seconded, and the motion passed

**Viticulture Extension**              Wolf                      8,000                      **Approved**  
Bill Tonkins moved to fund, Luca Paschina seconded and the motion passed

**Cover Crop**                      Derr                      31,904                      **Approved**  
Luca Paschina moved to fund, David King seconded and the motion passed

**Botrytis**                      Baudoin                      51,058                      **Approved**  
**Downy Mildew**                      Baudoin                      3,600  
54,658

Diane Flynt moved to fund, David King seconded, and the motion passed

**Leafroll**                      Nita                      48,106                      **Approved**  
David King moved to fund, Chris Blosser seconded, and the motion passed

**Grapevine Yellows**              Wolf                      95,525                      **Approved**  
David King moved to fund, Bill Tonkins seconded, and the motion passed

**Root Borer**                      Bergh                      17,814                      **Approved**  
David King moved to fund, Bill Tonkins seconded, and the motion passed

**Enology Extension**              Marcy                      72,191                      **Approved\*\*\*\***  
David King moved to fund, Diane Flynt seconded, and the motion passed with the provision that  
Molly Kelly *come to the Board meetings (quarterly) with a report on her activities.*



### **Report from the VWA**

Mitzi gave the Board the update on the Governor's Cup, which was very successful. The dates of the educational seminars have been set and they are going to be held around the state. The VWA is sending out industry alerts to keep everyone updated. The Governor's Cup report is included with the official minutes. The VWA is hosting a "regulations" meeting at King Family Vineyards tomorrow that will include wineries and later officials from ABC. Mitzi also updated the work done with CQA. Wineries Unlimited is interested in working with the industry to improve attendance. The VWA is still pushing forward on the formation of a cooperative to do group purchasing. Additionally, they are working on an on-line web portal for sales and a physical warehouse and fulfillment center.

### **Report from the VWC**

Katie Hellebush gave the Board an update on the activities of the VWC. The report is included with the minutes. The highlights of their activities with the General Assembly include: Contract Wine Making, mulled wine, tax policy, water quality, and transportation issues. Several land use laws restricting counties ability to regulate wineries were defeated in committee. Most of the resistance has come from the Northern Virginia counties. The Board also had a lengthy discussion on potential attempts by localities to levy a tax on wineries events. The VWC is monitoring this situation as well as other issues that could have a major impact on the wine industry.

### **Comments from Secretary Haymore**

There will be another round of new road signage marking the Virginia AVA's. The costs of the signs continue to come in under budget which is allowing more signs to be put up. The Governor and First Lady's second Wine Summit is planned for October at Salamander Resort in Northern Virginia. Wineries Unlimited is committed to coming to Richmond in 2014 and the Virginia wine industry is going work with Wineries Unlimited organizers to try and increase attendance and the quality of the schedule. The industry is already starting to work with the staff from Wineries Unlimited to plan the 2014 meeting (March 12 and 13, 2014). As a result of the efforts coming out of the Governor's office, NASA is going to provide some new technology and a researcher to Dr. Tony Wolf and his staff to assist the industry. Finally, the Governor's 1813 Wine is close to being ready and the Board previewed the bottle and packaging.

### **Report from the Wine Marketing Office**

Annette Boyd gave the WMO report to the Board. Her report is included with the official minutes. Highlights of the report include wine sales (which are increasing), status of the wine guide, the commercial grape report, the impact of the Charleston Wine and Food Festival, Governor's Cup marketing, advertising, and the passport program. The WMO is currently working on the next Wine Summit, the International Wine Fair in London, and they announced the next round of matching marketing grants valued at \$50,000.

### **Working Lunch**

Old Business

**On Line Winemakers Course update**

Rock gave the Board an update on the status of the course that was provided by Dr. Joe Marcy. He also handed out a summarized report of what was being done by Virginia Tech. Virginia Tech will do a peer review, evaluate whether the course meets Virginia Tech standards for an on-line course and provide an estimate if it doesn't. They will also review what other courses are out there and help determine what could be charged for the course. Based on feedback, Virginia Tech will come back with some proposals.

**National Grape and Wine Initiative (NGWI)**

NGWI is a nationwide coalition representing all segments of the grape industry including: raisin, juice, fresh grape and wine. NGWI membership includes grape growers, processors, wineries and representatives of academic institutions and cooperative extension organizations committed to improving our industry. Its vision is to maximize the productivity, sustainability and competitiveness of the American grape industries. The President of NGWI asked Rock Stephens to become an NGWI Board member. Rock Stephens passed out a handout describing the activities of NGWI and answered questions by Board members. He thought that since Virginia was the fifth largest vinifera growing state in the US and numbers one though four had seats on the NGWI Board of Directors; that it was time for Virginia to participate. David King moved to fund NGWI \$10,000 plus \$3,000 allocated for travel expenses. Chris Blosser seconded, and with no further discussion, the motion passed.

**Unallocated Marketing Money**

The Wine Marketing Office made a request for additional funding. The request is included with the official minutes. The request included money to market the Governor's Cup (\$29,000), hire a media consultant (\$18,000), redesign the web site (\$22,000), and pay for magazine advertising (\$9,020). The total amount requested is \$78,020. After discussion, the Board had concerns with the web site request and asked the WMO do more research into what it will cost, what is involved with the update, and what capabilities will the web site need going into the future? Before approving money for the web site, the Board needed a detailed description of what was planned. The Board voted on each line item separately.

David King moved to fund the WMO \$2,000 for a consultant to help evaluate the web site and determine what needs to be done to keep it current. Chris Blosser seconded, and with no further discussion, the motion passed.

Mitzi Batterson moved to fund the Virginia Ag magazine ad for \$9,020. Bill Tonkins seconded, and with no further discussion, the motion passed.

Bill Tonkins moved to approve the WMO to retain the Polished Pig consulting firm for \$6,000/month for 6 months (\$36,000 - not consecutive months). Mills Wehner seconded, and

the Board continued the discussion. The Polished Pig will help secure meeting speakers, follow up on the Governor's Cup, and otherwise assist the WMO. David King and Diane Flynt will serve on a committee to work with the WMO to best utilize Polished Pig. With no further discussion, the Chairman called for a vote and the motion passed.

David King moved to give the VWA fees collected from the Governor's Cup (29,000) for the Wine Marketing Office to use to market the Governor's Cup. Diane Flynt seconded, and with no further discussion, the motion passed.

*120 cases of wine at \$200 per case (30 cases will be paid for out of the education/research budget=\$6,000)*

### **Extension activities reporting**

Diane reported that extension will submit a report including dates and wineries visited. The purpose of the visit need not be revealed. The report will be submitted along with the quarterly billing to David Robishaw.

### **Winery Resource Guide - \$22,000**

The Board discussed this proposal submitted by the Virginia Wineries Association at a previous meeting. The proposal is included with the official minutes. The idea came out of the need to gather all pertinent information on legal questions that wineries face, including ABC laws, state laws, etc. This would be made available on-line at no charge to any winery or vineyard in Virginia, but people would have to have a password to log on for security reasons. The VWA will bear the cost to maintain and update the site. There is no plan to come back to the Board for additional funding. Bill Tonkins moved to fund this proposal for \$22,000, Luca Paschina seconds and with no further discussion, the motion passed.

### **Committees**

The Chairman reviewed Wine Board standing committee's membership and asked for volunteers to fill vacancies

Public Relations Committee – David King and Diane Flynt

Matching Grant Committee – Chris Blosser and Mitzi Batterson

Marketing Committee – Luca Paschina and Mills Wehner

Research Committee – Ruth Saunders and Bill Tonkins

Winery Guide Committee – to be appointed after July 2013

AVA Signs Committee – Luca Paschina and Chris Blosser

### **Wine Industry Strategic Retreat**

This would be a wine industry summit to review our past progress on Vision 2015develop a new industry strategic plan like "Vision 2020". This would include marketing, education, research, legislation, and grape growing. The goal would be to hold this summit before the end of the

calendar year. This could come out of the Secretary's office, perhaps in July (Wednesday 10<sup>th</sup> at the University of Richmond?). Rock and David King will serve on a planning committee. David King moves to set aside \$2500 for planning this event (\$1,500 from research and \$1,000 from marketing). Mitzi Batterson seconded, and with no further discussion, the motion passed.

#### **Scott Eliff Letter to the Board**

Scott Eliff sent Chairman Stephens a letter with concerns over the direction the Virginia Wine Expo is moving. The founder of the Expo wants to add international wines to the event, which is a cause for concern. After a lengthy Board discussion, the Board felt the Expo, as it was originally created, had value. The Wine Expo has already severed its ties with the VWA and this year had a Beer & Burger night on Friday. David King will talk with Alex to see if there is a way for the Expo to repair relationships and continue to work with the industry (VVA, VWA, and others) to feature only Virginia wines. David King will report back to the Board.

#### **Matching Grants for Marketing**

The Wine Marketing Office will be soon be reviewing marketing matching grant proposals for regional marketing efforts. The existing budget has no money allocated yet. The WMO recommended allocating \$50,000. Ruth Saunders moved to provide the WMO with \$50,000, Chris Blosser seconded, and with no further discussions, the motion passed.

#### **Virginia Wine Education and Marketing in the UK**

Chris Parker, New Horizon Wines in the UK, submitted a proposal for 3 educational events at \$8,000 per event. The proposal did not have any detail, especially on how the budget was developed and would be spent. Because of the lack of detail, the proposal was not funded. However, the Board thought there is merit to working with Chris to help promote wine in the UK, so David King moved to give the Wine Marketing Office \$10,000 to use in the UK to promote wine. Mitzi Batterson seconded the motion, and with no further discussion, the motion passed.

#### **Public Comment**

Neil Williamson addressed the Board and thanked the Board for the direction, focus and hard work on growing the Virginia wine industry. He also challenged the Board to continue to help the smaller wineries.

#### **Adjourn and next meeting**

The next meeting is tentatively set for June 4 in Richmond.

Ruth Saunders moved to adjourn, Mitzi seconded, and at 3:10 PM, Chairman Stephens adjourned the meeting.

Respectfully submitted,

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John Stephens, Chairman

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David Robishaw, Secretary

