

**OREGON WINE BOARD
MEETING MINUTES
JANUARY 9, 2006**

Attendees: Kevin Chambers (Outgoing Chair, Incoming Chair Emeritus), Earl Jones (Outgoing Chair Emeritus), Steve Girard (Outgoing Vice Chair, Incoming Chair), David Adelsheim, Casey McClellan (Treasurer), Kara Olmo (Incoming Vice Chair), Lee Mankin, Pat Dudley

Guest: Laura Burgess from USDA NASS, Boyd Teegarden from Natalies Estate, Ray Ethel from Broadacres Nursery, Inc.

Staff: Ted Farthing (Executive Director), Stephany Boettner, Sara Gourley

Call to Order

Chambers called the OWB meeting to order at 1:02pm

Officer Election

Jones moved, Mankin seconded to nominate and elect the following officers for the 2007 calendar year: Girard as Chair, Olmo as Vice Chair, Chambers as Chair Emeritus, and McClellan as Treasurer. Motion passed unanimously.

Minutes Approval

An incorrect budget was included in the draft December 13, 2006 minutes.

Mankin moved, Chambers seconded to approve the minutes of the December 13, 2006 OWB meeting with the correct budget included. Motion passed unanimously.

Financial Report

Farthing presented the July – November 2006 Profit & Loss and Balance Sheet reports. At this point in time total expenses are relatively low, however, that will change as the year continues. Furthermore, budget decisions can be made throughout the year based on the results of the 2006 Oregon Vineyard and Winery Report conducted by the USDA National Agricultural Statistics, and from actual tonnage receipts.

Plant Tax Proposal

Ray Ethell of Broad acres Nursery, Inc. presented a letter to the Board proposing to create a Clean Grape Plant Program for Oregon. The program would consist of regular rotating virus testing on all certified mother plants of wine and table grapes, including root stocks. Initial testing of all certified mother plants would occur when replacements are available from the Northwest Grape Foundation Services in approximately three to four years. Program funding would come from a certification fee of \$.05 per plant and \$.01 per cutting, paid by the nurseries. These funds would be put in an Oregon Department of Agriculture-administered fund earmarked to pay for the virus testing on the mother plants and maintaining a Regional Foundation Block for Oregon varieties. The certification fee would be passed along to the buyer.

Mankin moved, Jones seconded that the Board supports the clean grape plant initiative in the form of a plant tax and communicate this to the Oregon Department of Agriculture. Motion passed unanimously.

Mankin moved, Chambers seconded that the Board empower Matt Novak, Scott Henry, Tom Lodge, Ted Casteel and Earl Jones to identify and prioritize a list of grape varieties to be introduced into the Northwest Grape Foundation Block; and electronically submit the list to the Board by February 10, 2007 for final approval before sending it to the Northwest Grape Foundation Block. Motion passed unanimously.

Marketing

Oregon Certified Sustainable Plan (OCS)

Dudley led a Board discussion on the current OCS plan; ideally this would be on a fast track to completion but not at the expense of content and integrity. The next steps include (1) assess winery appetite to include OCS on labels and (2) identify the shared principles of the certifying agencies for messaging. Farthing will present a white paper on the subject to the Sustainability Committee by Feb. 1.

OWB Messaging

Farthing presented the OWB's current messaging strategy which includes:

- Unique place
- Artisanal Wine
- Sustainability Leadership
- Promotes Health

The Board agreed to go forward with the current strategy. However, based on the results of the Wieden + Kennedy marketing research, the current messaging strategy could evolve throughout this year.

Research

Wine and Grape Quality Improvement Plan and Budget

Girard presented the quality improvement plan and budget; the goal is to improve the overall quality of Oregon wine and provide help for those who are struggling. Volunteer vine and wine quality advisors will ideally be established in each region; their names will be published for easy accessibility. The plan and budget have no associated costs and will use no staff time. In the future there could be an online forum; cost to be determined.

Industry Survey

Discussion about improving the survey to assess industry research and education needs. The survey would be based on the American Vineyard Foundation survey and customized to include the unique needs for each of Oregon's growing regions; it would be conducted every two to three years.

Spray Drift Task Force

The Board wants to identify severity and commonality of the negative impacts of spray drift throughout Oregon. A Chairperson is needed to lead this task force.

OVID

Farthing presented a proposal to the Board for absorbing OVID in the OWB.

OVID – Building critical mass proposal

Action Plan

- 10 influential vineyards populate their data (Q1 '07)
- Build demo that shows value proposition, not data entry process (Q2 '07)

- Hire part time recruiter/trainer (May '07)
- Implement group training sessions for founders (Q3 '07)
- Set up group recruitment/training sessions for potential new members (Q4 '07 on)

Incentives to participate

- OVID participants are guaranteed inclusion on 2007 AVA maps
- Ability to browse shared vineyard data
- No fee
- Better record keeping capacity for research carried out in commercial blocks
- Reduced viticulture costs and risk with increased fruit quality
- ODA pesticide reporting (2008?); No redundant data entry for NASS survey (2008?)

Budget

- FY '06-'07
 - Software/Demo to max of \$25K (amt. not covered by Risk Mgmt. grant)
 - \$5K Trainer
- FY '07-'08
 - Software bugs, maintenance \$10K
 - Trainer \$20K

Dudley moved, McClellan seconded to spend up to \$30,000 for each of the next two fiscal years, 2006-2007 and 2007-2008, to bring OVID into the OWB per Farthings proposal, conditional upon seeking as much grant money as possible in addition to presenting quarterly metrics to the Board. Motion passed unanimously.

Approval of the OWB Draft Plan

Farthing presented the OWB draft plan.

Chambers moved, Mankin seconded to approve the OWB draft plan as proposed by Farthing. Motion passed unanimously.

Girard adjourned the OWB meeting at 4:17pm.