

**OREGON WINE BOARD  
MEETING MINUTES  
JANUARY 12, 2010  
PORTLAND, OR**

**Attendees:** Sam Tannahill (Chair), Kara Olmo (Chair Emeritus), Terry Brandborg, Tim Kennedy (Treasurer), Michael Donovan, David Beck, Leigh Bartholomew, David Adelsheim (via phone) (Vice Chair)

**Absent:** Harry Peterson-Nedry

**Guests:** Ted Casteel, Ed Fus, Al McDonald, Betty O'Brien, Chris Serra, Jason Tosch, LIVE Inc.; Stirling Fox, Stirling Wine Grapes; Jeff Meader and Tim Moore, Oregon Wine Services & Storage; Corey Guinnee, Core Enology Group Mecal Samkow, IVIS, Inc.

**Staff:** Ted Farthing (Executive Director), Stephany Boettner, Lavonda Driskell, Hannelore Buckenmeyer, Annie Cocchia, Katie Bray

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### **Call to Order**

Tannahill called the OWB meeting to order at 10:53 am.

### **Minutes Approval**

Olmo moved, Brandborg seconded that the Board approve the minutes from the December 9, 2009 OWB meeting. Motion passed unanimously. Bartholomew abstained.
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### **Action Items**

Farthing explained that the Marketing Activity Tax Credit rule remains available for wineries to consider submitting marketing expenses for reimbursement. Tannahill requested staff review the rule and prepare guidelines for a brief discussion at the March meeting. A draft list of approved marketing activities for this and subsequent years should be put in place along with guidelines. The Board would approved each January for the wineries to consider submitting expenses for reimbursement.

Clean Plant Network -- Olmo suggested a committee be formed to include the Board's Research Committee members. Tannahill and Bray will initiate communication requesting participation.

Adelsheim joined via conference line at 11:03am.

### **Financials**

Farthing updated the Board on financial status reporting that program revenue was substantially higher while research, education and marketing spending was on track. We anticipate hiring an industry relations manager March - April 2010. Farthing explained a balance of at least \$200,000 is always maintained to protect research commitments in the case of consecutive debilitating harvests. The OWB is in sound financial shape.

### **LIVE grant proposal**

LIVE Board members present were Ted Casteel, Ed Fus, Al McDonald, Betty O'Brien, Chris Serra, and Jason Tosch. LIVE Chair Casteel spoke briefly about LIVE and the development of a comprehensive winery certification program. Serra reported there are currently 15-17 wineries who participate in OCSW and the grant request of \$11,040 to the OWB would be used to broaden membership by recruiting 10 new members by end of year. Specifically, the monies would be used for recruitment, travel and materials and training new members.

Farthing applauded LIVE for the amazing job creating a world caliber winery certification program and successfully recruited participants. The Board will discuss LIVE's grants request within the context of the broader strategic plan and budget later on in the agenda. Casteel thanked the Board for its time.

Tannahill recessed the OWB meeting at 12:05pm.

Tannahill reconvened the OWB meeting at 12:25pm.

### **Financial and Revenue Forecast; Budget Review**

Farthing continued his report to the Board reminding them the final 2010-11 strategic plan and budget must be submitted to the Legislature each year by April 1. Farthing asked the Board for input in allocating funds between research, education and marketing. As the net cost for educational activities is approximately \$60K, due to substantial sponsorship and trade show revenue, the conversation focused on research and marketing. Staff updated the Board on their respective initiatives to build the Oregon brand, outlining tourism programs, website enhancements, online marketing, export marketing and OCSW trade education materials. Farthing will plan a "listening tour" with the new industry relations manager to solicit further industry input on long term balance between research, education and marketing.

Board discussed draft plan and budget as proposed by Farthing. Adelsheim suggested monies be identified for a distribution marketing program until the Marketing Committee meets to discuss further. Tannahill proposed Board vote on draft plan as amended and circulate to the industry for comment.

Donovan motioned and Beck seconded to approve draft plan and budget as amended for circulation to industry incorporating the changes made to reduce the ending balance from \$213K to \$203K, thereby moving \$10k into trade/distribution of the 2010-2011 budget. Motion passed unanimously with Adelsheim voting by phone.

Kennedy motioned and Olmo seconded to accept latest estimated fiscal year 2009-2010 budget as presented to the Board (LE2). Motion passed unanimously.

Tannahill adjourned the OWB meeting at 4:38p.