

OREGON WINE BOARD MEETING
MEETING MINUTES
NOVEMBER 14, 2011
HELD AT THE OFFICES OF DAVIS WRIGHT TREMAINE IN PORTLAND, OR

In Person

Board: Sam Tannahill (President), Michael Donovan (Vice President), Terry Brandborg, Kara Olmo, Bill Sweat, Leigh Bartholomew (Treasurer), David Beck & Tim Kennedy

Staff: Rose Cervenak, Katie Bray, Charles Humble, Stacie Jacob, Steve Burns

Not in attendance

Board: David Adelsheim

At 8:45 a.m. Tannahill called for an Executive Session under ORS192.660(2)(a). Under this provision only the Board and press are allowed to participate. Staff and guests were excused from the meeting.

Call to order

Tannahill called the Oregon Wine Board meeting to order at 9:45 a.m.

Minutes Approved

Beck moved that the minutes be approved as amended, (Bartholomew was erroneously noted as "Chair Emeritus"). Bartholomew seconded and the motion carried unanimously.

Board Administrative Items

- 2012 OWB Board Retreat – Scheduled for January 17, one day prior to OWA Annual Meeting at the Salem Conference Center in Salem, OR.
 - Some discussion about scope/breadth of the meeting.
 - **ACTION: Agenda to be reviewed/accepted at the December 6 OWB Board Meeting**
 - **ACTION: Cervenak will get the 2012 industry calendar compiled for review/acceptance at the December 6 Board Meeting.**
 - The Board retreat will be an all-day meeting, divided between OWB and OWA matters. Agenda will include time to review 2012 strategic plan.
 - Burns: Local wineries would provide wine (to share) for the Governor's luncheon and at the wine caucus tasting, the afternoon of January 18.
 - Dinner is planned for the evening of January 17 welcoming the new OWB Executive Director. Location will be at the only Superior Cellar restaurant in Salem, Orupa.
 - Sweat: Requested that drafts of the strategic plans be sent to the Board prior to the retreat.
 - Beck: Maybe we could meet with candidates in the 1st congressional district (David Wu's former seat) before the election.
- Nominating Committee Update
 - The OWB office will remain in contact with the Governor's office about new Board appointees. (The deadline for the Governor's appointments is November 30)

- Humble: It would be interesting to do a brief workshop at Symposium or something like that. Also, educating the media is another key to shaping the message. **ACTION: Humble to come up with a proposal for the workshop.**
 - Olmo: This would be a good webinar topic too.
 - Sweat: There are definitely some wineries that have a closer relationship with the press than others and we need to make sure they take advantage of those relationships for the entire industry.
 - News release for the QR code for the new mobile app will be in conjunction with an effort to get folks out to wineries during the Thanksgiving holiday.
- Bray gave brief overview of the International Marketing Report provided in the Board packets
 - 17 or so wineries represented at the Export Committee meeting held on November 3.
 - Symposium – we expect about 150 exhibitors with space to grow even more, if necessary.
 - Tannahill: You should reach out to Bank of the West/Adam Beak for a sponsorship.
 - **ACTION: Bray or Sloane will reach out as Tannahill suggests**
 - Tannahill: Have you heard any feedback about moving the location to Portland?
 - Bray: It's quieted down, but we received quite a bit originally. Overall it's been positive.
 - Tannahill: Do we want to do something as a Board as a fund-raiser this year or in the future.
 - Kennedy: PAC reception/speaker?
 - Olmo: Progressive dinner throughout Portland?
 - Beck: Have we given any thought about how we would get attendees out to the Superior Cellar restaurants during the Symposium? Suggest giving people a list as they register so they can make decisions in advance.
 - Olmo: Suggest that we ask Superior Cellar restaurants to waive corkage fees.
 - Donovan: Or maybe have some other sort of gesture rather than waiving corkage fee.

Financial Review

- Q1 2011 Update
 - Discussion about the "reserve goal."
 - Tannahill: Maybe 30% of the average of the previous 3 years
 - Jacob commented on the Paso "reserve."
 - Beck: Many non-profits have wanted reserves equivalent to an annual budget if you're depending on donations. We have to make a decision about what the reserve is to be used for before we can invade the reserve.
 - Sweat: This feels like a number that should be on the balance sheet rather than on the P&L
 - **ACTION: Stacie to ask Karen for an explanation on why it shows up on the P&L as opposed to the balance sheet as a liability.**
 - Sweat: For research, it gives us some buffer in the variability in our industry so that if we have a low harvest year we don't have to reduce workforce, etc. What about "research obligations plus 10% of a 3-year revenue average."
 - **ACTION: Sweat and Bartholomew to come up with a proposal for the next Board meeting to discuss the reserve.**
- Marketing programs re-allocation
 - Website overview/discussion
 - Oregon Wine Month campaign

- Burns working with the Governor to proclaim at the OWA Annual Meeting on January 18, 2012.
 - Humble working on two media tours – one preceding April and a second (with a slightly broader focus) during Oregon Wine Month and the kick-off event. There was discussion by the Board about the two tastings.
 - Olmo: Idea about doing a tasting with media/consumers at tables and have the wineries visit them rather than the other (traditional) way.
 - Some discussion about working with other trade organizations to host an alternative tasting and develop some new contacts for future. The American Lamb Board was one suggestion.
 - Donovan: (Referring to the capacity of the proposed location). Seems like our projected participation figures are low for both wineries and consumers. Maybe we are setting our sites too low.
 - Olmo: Would help us sell it to other groups if we had hotel packages, etc.
 - Jacob: Would love a list of who are the retail/restaurants on our list as we begin to get partners on board. **ACTION: Board to send their suggestions to Humble and Jacob.**
 - Tannahill: May be worthwhile to meet with top 10 distributors in Portland.
 - Olmo: Need to remember our smaller wineries when developing programs, specifically so they can be involved as well.
- US Market development
 - Olmo: Suggestion that this would be a good topic for a webinar – how to self-market in WA
 - Tannahill: Is there any way to link it with a pay to play smaller tasting for trade/media to make a little bit more worthwhile?
 - Jacob: Maybe an after-hours idea. **ACTION: Stacie will investigate and get back to the Board.**
- Budget re-allocation/Value-added Producer Grant Funding
 - At the 8/31 meeting the Board approved new program direction based on the July Strategic Planning retreat.
 - Jacob provided an update on the Value-added Producer Grant status.
 - Olmo: Does the “sustainable” message have to be OCSW or can we say something like “local is sustainable?”
 - Humble: They leave the messaging to us. They don’t dictate how we represent the sustainability message.
 - Jacob: We have applied for a value-added user grant of \$49k and won’t hear until December whether or not we will get that. The whole grant was framed for the Oregon Wine Month campaign. If we get those funds then we can shift some of these into other areas.
 - Beck: In June the ASEV meeting will be here – we may want to participate in that convention in some way. Is there room in the budget for “something?”
 - Olmo: We should hold a reception.
 - Tannahill: From time to time they contact regional wineries and arrange tours for attendee – so that is a thought.
 - Beck: Sometimes they have a special tasting (i.e. Riesling at the last Portland meeting).
 - **ACTION: Burns will look into it.**

- ACTON: Jacob to run the production estimate “through the budget” before the December meeting.

Donovan moved and Kennedy seconded to approve the re-allocation. The motion carried unanimously.

- Audit review
 - Jacob gave a brief overview of the findings of the audit. No major deficiencies or problems were found.

Tannahill adjourned the OWB meet at 11:15 a.m.

TOWER BOARD MEETING

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Staff: Rose Cervenak, Katie Bray, Charles Humble, Stacie Jacob, Steve Burns

Not in attendance

Board: David Adelsheim

Call to Order

Tannahill called the TOWER Board meeting to order at 11:44 a.m.

Financial Review

- Tannahill: Asked if there was ever a motion that we have to have \$25k on hand in TOWER?
- Olmo: I think the amount was arbitrary.
- Tannahill: Asked if it is possible for an org like TOWER to have a line of credit rather than cash reserve for that purpose only?
 - **Action: Burns will look into possible line of credit for TOWER**

TOWER meeting adjourned at 11:57 a.m.
