



JUNE 17, 2024

# Oregon Wine Board Meeting **FINAL** Agenda

Virtual

Time	Topic	Documents	Leader
10:30 – 10:35 a.m. (5 minutes)	<b>Public Board Meeting</b> <ul style="list-style-type: none"> <li>Welcome and Opening Remarks</li> </ul>		G. Jones
10:35 – 10:45 a.m. (10 minutes)	<b>Board Meeting Minutes</b> <ul style="list-style-type: none"> <li>March 8 Meeting Minutes</li> <li>May 2 Meeting Minutes</li> </ul>	March 8 Minutes May 2 Minutes	G. Jones
10:45 – 11:25 a.m. (40 minutes)	<b>Marketing</b> <ul style="list-style-type: none"> <li>Marketing Committee Update               <ul style="list-style-type: none"> <li>Marketing Committee Charter Revisions</li> </ul> </li> <li>OWM Update</li> </ul>	Revised Marketing Committee Charter	G. Mortensen M. Ponzi OWB Team
	<b>International Marketing</b> <ul style="list-style-type: none"> <li>Action Item: International Marketing &amp; Export Committee Charter</li> <li>Committee Membership</li> <li>Action Item: Appoint Adam Ramirez as Chair and David Millman as Vice Chair</li> </ul>	New Committee Charter	S. Crawford G. Bianco
11:25 – 11:45 a.m. (20 minutes)	<b>Industry Partnership Committee (IPC)</b> <ul style="list-style-type: none"> <li>Action Item: IPC Charter Revisions</li> </ul>	Revised IPC Charter	D. Irvine M. McLaughlin
11:45 – 12:05 p.m. (20 minutes)	<b>Education Update</b> <ul style="list-style-type: none"> <li>OWS Planning</li> <li>ASEV Conference</li> <li>Action Item: Appoint Austin Kraemer to the Education Committee</li> </ul>		B. Stock C. Gonzalez S. Crawford
12:05 – 12:35 (30 minutes)	<b>Finance Committee</b> <ul style="list-style-type: none"> <li>FY21-22 Restated Financial</li> <li>2024 SIBA Report</li> </ul>	FY21-22 Restated Financials	S. Crawford
	<b>Industry Grants Discussion</b> <ul style="list-style-type: none"> <li>OWB industry grant program guidelines</li> <li>Grant Request: !Salud</li> <li>Grant Request: Umpqua Valley Winegrowers Association</li> </ul>	!Salud grant request UVWA industry grant request	G. Bianco S. Crawford
12:35 – 1:00 p.m. (25 minutes)	<b>Other Business</b> <ul style="list-style-type: none"> <li>Reorganization</li> <li>Impact of IPNC Announcement</li> <li>OPC International Media Tour</li> </ul>		G. Bianco G. Jones
1:00 p.m.	<b>Adjournment</b>		G. Jones



## **ATTENDEES**

### **Board**

Greg Jones, Tiquette Bramlett, Justin King, Gary Mortensen, Cristina Gonzales, Dionne Irvine, Austin Kraemer, Adam Ramirez, Anna Maria Ponzi

### **Staff**

Gina Bianco, Sally Crawford, David DeWitt, Stacey Kohler, Bree Stock



March 8, 2024

## Board meeting minutes **DRAFT**

[Recording link](#)

### ATTENDEES

#### Board

Greg Jones, Justin King, Tiquette Bramlett, Gary Mortensen, Cristina Gonzales, Dionne Irvine, Austin Kraemer Anna Maria Ponzi, Adam Ramirez

#### Staff

Gina Bianco, Sally Crawford, David DeWitt, Celine Fauveau, Neil Ferguson, Stacey Kohler, Bree Stock

#### Guests

Morgen McLaughlin (WVWA), Julie Pond (NWSFR), UVWA members, Jana McKamey (OWA)

### MEETING OPENING

- Chair G. Jones called the Oregon Wine Board public meeting to order at 10:30 a.m.

### Review of meeting minutes

- The Board reviewed the meeting minutes from January 30, 2024.

**MOTION:** G. Mortensen moved that the January 30 meeting minutes be approved.  
J. King seconded. The motion carried 8-0. (C. Gonzales had not yet joined the meeting).

### Finance Committee & Administration

- S. Crawford updated the Board on the OWB Biannual Financial Review performed by Moss Adams.
- S. Crawford presented the Financial Reports from the second quarter of the fiscal year 2023-24.
- S. Crawford presented the fiscal year 2024-25 draft budget.
  - OWB is required to submit a budget to the State by April 1 for the upcoming fiscal year. The Board must approve a budget in March for this purpose.
  - Adjustments to the budget will be made when we get a full picture of the current year forecast and ask for the final fiscal year 2024-25 budget to be approved at the August 7 Board meeting.

**MOTION:** J. King moved to approve the Financial Reports for Q2 of the fiscal year 2023-24. G. Mortensen seconded. The motion carried 9-0.

**MOTION:** A. Ramirez moved that the 2024-25 Draft budget be approved as submitted as showing \$2,753,154 in income and \$2,870,410 in expenses. D. Irvine seconded. The motion carried 9-0.



- The Board reviewed two Industry Grant Requests
  - The Board approved the AAPI (Asian American Pacific Islander) Wine & Beer Fest \$2,000 request to help fund Chef participation in the event.
  - The Board approved the Applegate Valley Vintners Association \$2,000 request to help promote Applegate Valley's new destination website, Wander Applegate.
  - The Board discussed developing more specific details on the guidelines for the industry grant program.

### Education Committee

- B. Stock presented to the Board the final ticket sales and sponsorships for the 2024 Oregon Wine Symposium (OWS).
- B. Stock updated the Board on the Labor and Salary Survey, which is conducted every two years.
  - B. Stock will collaborate with the Executive Directors and Associations to get their feedback and input on the Labor and Salary Survey and also schedule dates for each region to host townhall meetings.
  - The Education Committee is requesting that qualitative and additional track specific surveys be created and run on a rotating annual basis that covers vineyards and growers, winery, and interns, and tasting room and sales incentives/compensations to add meaningful insights to the Labor Survey data collected. This suggestion needs to be put in front of the in-development DEI Task Force.
- B. Stock updated the Board on Community Benchmark.
  - The program is being modified to capture demographic and regional sales data outside of Oregon.
  - The Dashboard tool has expanded to include a forecasting tool for producers.
  - A marketing program and Townhall calendar is currently being developed to expand state-wide regional engagement.
  - B. Stock will convene meetings with producers and user groups to build out an effective "toolkit" and marketing campaign to engage non-users and new users.

### IPC Committee

- D. Irvine gave a summary on how and why the IPC Committee was formed a year and a half ago.



- C. Fauveau gave a high-level summary of the IPC and OWB requests on programming and deep dives.
  - Salary Survey
  - ASEV sponsorship
  - Vineyard & Winery Census
  - Wine Tourism Strategic Plan
  - Industry collaboration on grant opportunities
  - Industry database
  - Anti-alcohol climate mitigation strategy
  - DEI
- The Board gave its full support of the IPC recommendations.
- The Board discussed the anti-alcohol messaging and is working on how to develop its own industry campaign that is consumer focused, and not politically driven.
- The Marketing Committee will start to gather input and informed consent from the industry on creating a message within the scope of the Oregon Wine Board statute.

### **Research Committee**

- C. Fauveau presented the 2023-2024 approved research projects and the six current proposed research projects for 2024-25.
- She also informed the Board that in May the researchers will present updates and progress on their funded research projects.
- G. Jones emphasized the need to promote our research to gain more involvement and collaboration within the wine industry.

### **Marketing Committee**

- M. Ponzi discussed the diverse group of twelve that has been vetted and appointed to the Marketing Committee.
- A comment was made that it did not appear that there was full statewide representation in the committee.
- N. Ferguson commented that the intent was to have all the regions be represented in the committee, but some regions did not have anyone who submitted an application.
- M. Ponzi said they have a few more spots on the committee and would gladly accept more applications in the next week.
- G. Mortenson emphasized to the group that the committee members were highly vetted with different perspectives and asked for some patience while they continue to get organized.



- D. DeWitt gave an update on the OWM partnership with Tillamook, which includes an in-person event on May 4 and a virtual event on May 16.
- OWM ads will include the Oregonian, PDX Monthly, OPB, Travel Oregon, and digital ads.
- D. DeWitt also discussed the OWM sweepstakes, “Choose Your Own Adventure” package.
- He also discussed setting up a National Wholesaler Oregon Wine Month Incentive.

### **Other OWB Business**

- G. Bianco spoke about setting up more frequent Board meetings throughout the year which will include adding meetings in June and October.
  - Doing so will help in structuring the frequency of the IPC meetings as well.
- G. Bianco updated the Board on a meeting she attended regarding the Sherwood Hospitality District.
- She also brought up for discussion the three discounted tickets for the Wine Market Council meeting on March 20.
- J. King updated the Board on a meeting held with a member of the Oregon China Council that may be holding a delegation event in Oregon with the hopes that the OWB would be interested in attending to help promote Oregon as a category in China.
- G. Jones wrapped up the meeting by thanking the Umpqua Valley for its hospitality and presence at the Board meeting.

### **MEETING FINALIZATION**

- Chair G. Jones adjourned the Oregon Wine Board public meeting at 2:33p.m.

### **MARCH 8, 2024**

#### **Executive Session**

The Oregon Wine Board Directors met in Executive Session and discussed:

- Comments and concerns regarding the James Suckling team event
- General Conflict of Interest Issues
- Strategic Planning Timeline and Goals
- New Marketing Committee Make-up and Goals
- OWB Meeting Frequency and Type (in person vs virtual)



MAY 2, 2024

## Board meeting minutes **DRAFT**

[Recording Link](#)

### ATTENDEES

#### Board

Greg Jones, Tiquette Bramlett, Justin King, Cristina Gonzales, Dionne Irvine, Austin Kraemer, Adam Ramirez

#### Absent

Gary Mortensen, Maria Ponzi

#### Staff

Gina Bianco, Sally Crawford, Celine Fauveau, Neil Ferguson, Stacey Kohler

#### Guests

Dai Crisp (NCSFR), Julie Pond (NCSFR), Ken Johnston (OWC)

### MEETING OPENING

- Chair G. Jones called the Oregon Wine Board public meeting to order at 3:05 p.m.

### Research Committee

Board Chair & Research Committee Chair G. Jones presented the V&E project proposal for 2024-25.

- G. Jones briefly discussed OWB's process for vetting research project proposals for the Oregon wine industry, which also involves collaboration with various organizations such as the Unified Grape Management System, the California Grape Rootstock Commission, and the Northwest Center for Small Fruits Research.
- G. Jones discussed the 2024-25 funding requests for 16 V & E research projects.

**MOTION:** A. Ramirez moved to approve funding for all recommended projects as presented in the playlist. This includes four continuing projects for \$227,099 and four new high-priority projects for \$159,652 for a grand total of \$386,751. J. King seconded. The motion carried 7-0.

- G. Jones and C. Fauveau presented and requested that OWB be members of the International Viticulture and Enology Society (IVES).
  - IVES is an open-source publication of scientific papers, technical articles and conference proceedings from around the world.
  - This membership would allow OWB to publish and post our funded research projects for global access and recognition.

**MOTION:** C. Gonzales moved to approve OWB membership in IVES at a cost of 5000€/year or approximately \$5,500. D. Irvine seconded. The motion carried 7-0.



**ACTION:** Based on these two approved motions, the FY24-25 Budget v2024.03 will be updated to FY24-25 v2024.05 to accommodate the spending.

- Dai Crisp (NCSFR) gave a review and update on the annual Washington D.C. trip in support of agricultural research funding managed by USDA ARS.
  - He highlighted the gains and collaboration with researchers in Washington and Oregon.
    - The impact of the federal funding to the industry was cited as a 1.5 million dollar increase for 2024.
    - He emphasized the importance of having the right number of people on the trip.

### **Finance Committee**

The Board tabled the discussion on Umpqua Valley Winegrowers Association industry grant request since they have already submitted a request in the 2024-25 budget year.

- OWB's Executive Director and Chief Financial Officer will re-evaluate and clarify the industry grant policy for the upcoming fiscal year.

### **MEETING FINALIZATION**

- Chair G. Jones adjourned the Oregon Wine Board public meeting at 4:05 p.m.



## OWB MARKETING COMMITTEE CHARTER

### I. Purpose of the Committee

Elevate the Oregon wine brand through unified strategies, tactics and programming, which are aligned with OWB's strategic marketing pillars, and that seek to engage the Oregon wine industry and key partners.

### II. Committee Responsibilities

**The Marketing Committee** makes recommendations to OWB's Board of Directors, as well as to the industry at large, about marketing-related programming and budgeting. Committee recommendations will support the pillars established in the OWB Strategic Marketing Plan, which support OWB's Strategic Plan and its mandate to serve the broad Oregon wine industry, including industry members not represented by an association. The committee is a forum for conceiving, planning, and executing industry-wide marketing programs and initiatives. Program examples include Oregon Wine Month. The committee must ensure that its projects and programming benefit grape growers and wineries alike.

The Committee may make recommendations, develop programming and tactics, and coordinate execution in the following areas:

- Year-round grant cycle planning, including grants from Travel Oregon and Oregon Department of Agriculture.
- Campaign planning: sharing insights and tactics around Oregon Wine Month and other seasonal campaigns.
- Wine tourism: sharing, promoting and/or implementing tactics that increase tourism visitation and tasting room sales throughout the state.
- Digital advertising campaigns
- Direct-to-consumer (DtC) programming and tactics
- Coordination with off-premise (wholesale, retail, etc.) marketing programs
- Event planning
- Educational opportunities

### III. Committee Membership & Structure

Committee members and Co-Chairs are expected to attend every meeting; and are expected to approach the committee's work with an industry-wide perspective, seeking outcomes that support wineries and growers of all profiles and regions. Committee membership will consist of 8-15 members who are directly involved in marketing efforts in their respective industry roles. OWB will recruit committee members through its own industry contacts, as well as through industry referrals and recommendations. Committee members should primarily be marketers working with wineries, regional associations, or distributors. Additional consideration will be given to tourism groups such as Travel Oregon or local/regional destination marketing organizations (DMOs), as well as retailers.

Potential members will be required to complete an application that will include brief questions about their connection to the wine industry as well as their experience in marketing.



### **Co-Chairs:**

The Co-Chairs will preferably be from different regions and will be appointed by the OWB Board of Directors. New chair appointments take effect at the first meeting of the calendar year.

At least one co-chair position will be held by a director of the Oregon Wine Board. The second co-chair may be appointed from the Oregon wine industry and must hold a senior marketing leadership role preferably from a different region than the OWB director-appointed co-chair. Co-chairs will serve in their capacity for a minimum term of one (1) year. The co-chair mandates are renewable 3 times, although a yearly rotation is preferred to encourage statewide representation.

The Chair and Co-Chair will jointly convene and preside over all Committee meetings, they will act as the primary points of contact for the OWB Board and staff. They are responsible for bringing Committee recommendations to the OWB Board of Directors in a timely fashion in collaboration with OWB staff.

### **OWB Staff**

- OWB will organize the meetings, provide administrative support, and communicate relevant findings, priorities, trends, tactics and/or programs to the industry via quarterly webinars, the Grapevine newsletter or other appropriate means.
- The Director of Marketing, Trade Relations Manager, Communications Manager, and Executive Director will work with Marketing Committee Co-Chairs to set agendas and meeting schedules, gather information to support discussions, prepare meeting materials, report on key performance measures, etc.
- OWB directors and managers will present the programs they are responsible for according to the set meeting agenda.

### **Committee Member Expectations**

Members of the Marketing Committee shall have the capability and willingness to put the needs of the greater Oregon wine brand above those of individual businesses or regions. Members must have experience in and currently work in a marketing-related job to include consumer marketing, DtC sales, social media, advertising, communications, public relations, or a trade marketing-related position that promotes the distribution or sale of Oregon wine.

Marketing Committee members must work in or adjacent to the Oregon wine industry and be willing and able to dedicate at least one-half day to attending in person meetings 3-4 times per year. Essential to the role is the ability to act as the eyes and ears for the member's respective region, providing input to OWB marketing planning and helping to spread the word about and solicit engagement in the OWB's marketing programs.

### **Special guests, specialists or experts**

The Committee will, from time to time, invite guests with special marketing expertise or insights needed to support the Committee's work. Guests may provide presentations, creative work, information sharing and/or participate in discussions.



#### **IV. Meeting Cadence and Agenda**

Meetings are held quarterly. The committee will endeavor to meet in-person whenever possible and will meet via video conference when required. The goal of each meeting will be to discuss, learn, and plan marketing efforts that benefit the state's wine industry and to facilitate the execution of the committee's marketing plans.

#### **Workgroups**

The Marketing Committee may form standing workgroups on the following topics as appropriate to accomplish the Committee's goals and objectives. These workgroups may include: Consumer/DTC Marketing, Trade Sales and Marketing, Communications and Public Relations. Additional standing or ad hoc workgroups may be formed to meet the needs of the Marketing Committee's work.

Workgroups formation shall be recommended to the OWB Board of Directors for approval by submission of a written request that defines the purpose, need, goals and objectives, expected outcomes, member composition, expected budget impact (if any) and performance measures for the proposed workgroup.

Once approved, each workgroup will determine an appropriate meeting schedule to accomplish their mission and will report their progress in writing to the Board of Directors through the Marketing Committee Co-Chairs and staff.

#### **Industry Communication**

OWB is committed to transparency and supporting its objective to promote statewide alignment to amplify and ensure consistency of the Oregon wine brand messaging to external audiences. To that end, the Marketing Committee Co-Chairs and appropriate OWB leadership, marketing and communications staff shall plan, develop and facilitate State of the Industry sessions following each quarterly Marketing Committee meeting. These sessions will update wine industry and business owners, managers and marketing professionals from across Oregon on OWBs marketing activities, current trends in the industry as well as tactics that can be used to grow sales and brand exposure. Other OWB Committees (Research, Education, Industry Partnership (IPC)) as well as industry experts may be engaged to present on relevant topics to enhance the educational experience.

#### **Unforeseen events and crisis situations**

Unless the event's severity requires overruling the meeting agenda, crisis or unusual circumstances will be briefly discussed and a separate meeting will be scheduled to address the situation. In the case the severity of the situation requires overruling the agenda, the decision will be made to reschedule the current meeting to make sure the scheduled agenda items are addressed in a timely fashion.

#### **V. Accessibility of the Marketing Committee's Work**

To comply with the OWB's commitment to transparency and disclosure, Marketing Committee meetings will be open to Oregon wine-grape tax-paying constituents and guests. Marketing Committee meeting notes will be made available to Oregon wine industry members following approval by the committee. The Marketing Committee may, on occasion, meet privately to discuss certain agenda items that require confidentiality. In such instances, meeting notes will reflect the substance of those conversations.

#### **VI. Marketing Committee Charter Modification**



The Marketing Committee may propose changes to this Charter occasionally to establish such rules as may be appropriate or necessary to facilitate the conduct of the Marketing Committee's collaborative work. Ratification and adoption of proposed changes to this Charter will require a majority vote of the Committee's membership and review and approval by the OWB Board of Directors.



## International Marketing & Export Committee Charter

### I. Purpose of the Committee

The primary purpose of the International Marketing & Export Committee (IMEC) is to raise awareness for Oregon as a premium, world class wine growing region among global wine trade. Increasing awareness and participation of Oregon wineries in activities facilitated via the Northwest Wine Coalition (NWC), along with growing the number of exporting Oregon wineries and overall export volume, are key objectives of this Committee.

### II. Committee responsibilities

The IMEC makes recommendations on OWB programming and utilization of funds based on export priorities, as well as OWB's mission to serve the broad Oregon wine industry and elevate Oregon wine on the global wine stage.

### III. Committee membership & structure

Committee members, Chair, and Co-Chair are expected to attend all meetings to maintain consistency and regional representation. A meeting attendance under 75% may result in reevaluation of the parties' membership.

Like OWB board directors, IMEC members are expected to approach the committee's work with an industry-wide perspective, seeking outcomes that support wineries and growers of all profiles and regions. Committee membership will consist of 6-12 members who are directly involved in export efforts in their respective industry roles. OWB will recruit committee members through its own industry contacts, as well as through industry referrals and recommendations.

NWC, a non-profit cooperative of Oregon Wine Board and Washington State Wine Commission, applies for and utilizes USDA Grants to develop and grow commercial export markets for Oregon and Washington wines.

#### **Chair and Co-Chair:**

The **Chair** is appointed by the OWB of Directors. An Oregon Wine Board director will hold the Chair position.

The **Vice Chair** may be an OWB Board Director or a member of the Committee and serve by appointment of the OWB Board of Directors.

#### **OWB staff:**

- OWB Executive Director
- OWB International Program Director
- OWB Chief Financial Officer or Director of Finance & Administration
- OWB Communications Manager
- NWC Staff (as appropriate)

### **Special guests, specialists, or experts**

To support the purpose of the IMEC, the Committee may from time to time invite experts, guests or specialists to its meetings to allow committee members to learn more about relevant issues confronting the industry. These individuals will function as advisors to the IMEC.

### **IV. Meeting Frequency & Agenda**

A meeting cadence for the year will be set at the beginning of the calendar year. The agenda of each meeting will align with OWB's decision-making schedule. Preparation material will be sent prior to meetings, participants will be expected to come to meetings prepared to discuss agenda topics. Time will be allowed in each meeting for requests unrelated to the agenda. To ensure no valuable feedback or idea is lost or forgotten, a proposal will be made to address and/or re-evaluate these requests at the most appropriate time.

At the beginning of the calendar year, retroactive planning will be proposed by OWB staff and refined with IMEC members to make sure the feedback forum is planned to allow sufficient time to provide, discuss and incorporate feedback.

### **Unforeseen events and crisis situations**

Unless the event's severity requires overruling the meeting agenda, the crisis or unusual circumstances will be briefly discussed, and a separate meeting will be scheduled to address the situation. In the case the severity of the situation requires overruling the agenda, the decision will be made to reschedule the current meeting to make sure the feedback platform is still provided.

### **V. Conflict of interest**

The IMEC members must avoid apparent or real conflicts of interest, defined as a situation in which a reasonable, well-informed person believes that a financial interest, interpersonal interest, professional interest, or personal interest could improperly influence the performance of the member's duties and responsibilities. Members are expected to openly disclose any conflicts and recuse themselves from decision-making when a conflict or potential conflict of interest exists.

### **VI. Accessibility of committee's work**

To comply with the OWB's commitment to transparency and disclosure, Committee meetings will be publicly noticed and open to Oregon Wine Grape Tax paying constituents as well as invited guests. IMEC meeting notes will be made available to Oregon wine industry members following approval by the Committee. The Committee may, on occasion, meet privately to discuss certain agenda items requiring confidentiality, and in such instances meeting notes will reflect the substance of those conversations.

### **VII. Charter modification**

The Steering Committee may propose changes to this Charter from time to time to establish such rules as may be appropriate or necessary to facilitate the conduct of the Research Committee's business. Ratification and adoption of proposed changes to this Charter will require a majority vote of the Committee membership and approval by the OWB Board of Directors.



## **INDUSTRY PARTNERSHIP COMMITTEE (IPC) Committee charter**

### **I. Purpose of the Industry Partnership Committee**

The primary purpose of the Industry Partnership Committee (IPC) is to provide a structured feedback loop between OWB and industry associations, as well as provide a scheduled, safe space for open, free-flowing discussion in forums and task groups that offer insights for OWB programs. IPC meetings should result in an agreement on how to approach a wide array of topics, including, but not limited to, communications, marketing, education, industry insights, business research and analysis, and consumer information.

The IPC also provides a forum where all marketing and advocacy associations involved in the growth of the Oregon wine industry can share their priorities and mutualize our efforts.

### **II. Committee responsibilities**

**The Industry Partnership Committee** makes recommendations on OWB programming and budget allocation based on association and regional perspectives and priorities, as well as OWB's goal to serve the broad Oregon wine industry, including industry members not represented by an association. The Committee can make recommendations to the OWB Board of Directors for consideration in the following areas.

- OWB budget allocations
- Communication plans
- Trade and consumer marketing activities
- Business research and analysis
- Viticulture and enology research priorities, technology shifts
- Industry and consumer research
- Surveys
- Education
- OWB committees' composition

### **Structured Communication Loop**

This structured communication loop ensures informed decision-making, and alignment of goals between the Oregon Wine Industry represented by the IPC, the various OWB committees and the OWB Board of Directors, driving the organization with clarity and purpose.

1. The IPC shall develop and deliver recommendations to the OWB Board of Directors. All recommendations made by the IPC to the OWB Board of Directors shall be a collective representation of the IPC members. When multiple recommendations are made to the Board, IPC shall prioritize the recommendations.
2. The OWB Board of Directors shall review and discuss these recommendations, make decisions, and provide guidance to appropriate OWB committees.
3. OWB committees implement the Board's directives, monitor progress, and evaluate outcomes.

4. OWB Committees' implementation progress and challenges are relayed back to the IPC, allowing for recommended adjustments or refinements to be made.

OWB standing committees should be represented on the IPC by at least one committee member as chosen by each committee and approved by the OWB Board

### **IPC Members Onboarding and Renewal Process**

At the beginning of each calendar year, an onboarding session shall be held, including all current and new IPC members and OWB Board members. This session may be held in different regions of the State to allow IPC members to experience the wines, culture, and environment of all Oregon wine regions.

### **III. Committee membership & structure**

Committee members are expected to attend all meetings as regional representation and consistency are very important. An attendance under 75% may result in the membership re-evaluation.

#### **Chair and Co-Chair:**

The Chair and Co-Chair will preferably be from different regions.

**The Chair** is appointed by the OWB of Directors. The Chair position will be held by an Oregon Wine Board Director. New chair appointments take effect at the first IPC meeting of the calendar year.

**The Co-Chair** is recommended by IPC members and confirmed by the Oregon Wine Board of directors. The Co-Chair position will be held by an industry association board director and is preferably a grower or winemaker. New Co-Chair appointments take effect at the first IPC meeting of the calendar year or at the earliest possible date.

The Chair and Co-Chair will jointly convene and preside over all Committee meetings. They will act as the primary point of contact for the OWB Board and staff. They are responsible for bringing IPC recommendations to the OWB board of directors in a timely fashion.

#### **OWB staff**

- **Industry relationship staff** will facilitate the meetings and provide administrative support (work with IPC Chair/Co-Chair to set agenda and meeting schedules, set up meetings, gather future agenda items, take minutes, etc.). OWB will communicate relevant IPC outcomes to the industry via the Grapevine.
- **OWB program managers and directors** will join meetings pertaining to their area of expertise.

#### **Marketing and Advocacy Associations**

- Associations will request to be members of the IPC. Their application is approved by OWB Directors.
- Each association will identify up to two representatives, the association director will participate if possible.
- Specialists: Members of the associations or staff can be appointed by each industry association's board to act as program specialists who can provide their expertise in marketing, media relations, education, viticulture & enology research, industry research, and surveys.
- IPC member associations will communicate and amplify the work and activities of the IPC>This will include non-members, when possible.

- Associations will make sure they are representing the best interests of all growers and producers in their geographical region while also representing their members. OWB will also communicate IPC's work to the statewide industry to ensure all feel represented.

#### **Independent industry members**

Industry members not affiliated with an association can apply to sit on the IPC through an application form. Applications will be submitted to the IPC Chair and Co-chair, who will determine grant membership. Applicants must currently be working in the Oregon wine industry. There is no maximum term length for members of the IPC.

#### **Special guests, specialists, or experts**

Extraordinary speakers may be invited periodically to allow committee members to learn more about relevant issues confronting the industry to support the mission and goals of the IPC. They will act as advisors to the IPC. The IPC meetings will not replace all industry forums.

#### **IV. Meeting Frequency and agenda**

A meeting cadence for the year will be set at the beginning of the calendar year. The agenda of each meeting will align with OWB's decision-making schedule. Preparation material will be sent prior to meetings, participants will be expected to attend prepared. Time will be allowed in each meeting for industry requests unrelated to the agenda. To ensure no valuable feedback or idea is lost or forgotten, a proposal will be made to address and or re-evaluate these requests at the most appropriate time.

At the beginning of the calendar year, a retro-planning will be proposed by OWB staff and refined with IPC members to make sure the feedback forum is planned to allow sufficient time to provide, discuss and incorporate feedback. The IPC may form specific working groups and subcommittees or assign specialists consistent with agenda items.

#### **Unforeseen events and crisis situations**

Unless the severity of the event requires overruling the agenda of the meeting, crisis or unusual circumstances will be briefly discussed and a separate meeting will be scheduled to address the situation. In the case the severity of the situation requires overruling the agenda, the decision will be made to reschedule the current meeting to make sure the feedback platform is still provided.

#### **V. Accessibility of IPC's work**

To comply with the OWB's commitment to transparency and disclosure, IPC meetings will be open to Oregon wine grape tax-paying constituents, and invited guests. IPC meeting notes will be made available to Oregon wine industry members following approval by the committee. The IPC may, on occasion, meet privately to discuss certain agenda items that require confidentiality. In such instances, meeting notes will reflect the substance of those conversations.

#### **VI. IPC Charter modification**

IPC may propose changes to this Charter occasionally to establish such rules as may be appropriate or necessary to facilitate the conduct of the IPC as we work together. Ratification and adoption of proposed changes to this Charter will require a majority vote of the IPC membership and approval by the OWB Board of Directors.



## **JUNE 2024 BOARD PACKET**

# **Finance Update**

**Prepared by:** Sally Crawford

### **3<sup>rd</sup> Qtr FY23-24 Financials**

Balance Sheet and P&L for 3Q FY23-24 are attached including year-end forecast.

Revenue is 16% ahead of budget due to grape assessment.

Symposium revenue was within 1.5% of budget; OWS netted a small profit for OWB this year.

Expenses are estimated to come in about 9% under budget for this fiscal year.

### **FY24-25 Budget Process**

We are extending our public input sessions to include the August budget revisions. A proposed revised budget will be posted in early July. The July 11 Industry Partnership Committee (IPC) will include a budget discussion. Additionally, a public presentation will be held on July 30 for input. The Board will vote on budget revisions at the Aug 7 meeting.

### **Biannual Financial Review and 2024 SIBA 2021-2023 Biennium Report**

All Semi-Independent State Boards and Agencies are required to undergo an independent financial review every 2 years and submit a biennium report to the state by April. Both documents are included in the board packet.

The financial review found an error in the FY21-22 year-end financial statements. Net income was lower than the general ledger by \$148,175 (\$31,880 due to a decrease in income and \$116,295 due to an increase in expenses). FY22-23 financial statements agree to the general ledger without exception.

- Budget and Financial reporting to the board was maintained in excel and the update process was performed manually. Upon detailed review, we found the P&L reported for FY21-22 year was comprised of actuals for July-April and forecasted amounts for May-June.
- Effective with FY23-24 all budget versions and financials are maintained and pulled directly from QuickBooks reducing risk from errors due to manual updates.

### **Restated FY21-22 Financials**

Restated Balance Sheet and P&L for FY21-22 are attached.

### **Industry Grant Request update**

#### **Strategic objectives**

Support of Wine Industry Non-Profits to advance activities consistent with OWB's emphasis on Research, Education, Media Relations, and Marketing Programs



**Overview**

Suggesting attached revision to grant program.

**Status**

\$7,000 of grants of the \$15,000 budget have been made YTD during FY23-24:

Date	Name	Memo/Description	Amount
07/03/2023	Umpqua Valley Winegrowers Association	UVWA Digital Advertising	500.00
12/01/2023	Eastern Oregon Visitors Association	Eastern Oregon Media Tour prior to Hospice du Rhône WallaWalla	2,000.00
12/11/2023	McMinnville Winegrowers Association	McMinnville AVA Passport	500.00
03/11/2024	Applegate Valley Vinters Association	Promotion of new destination website Grant	2,000.00
03/11/2024	Oregon AAPI Food and Wine	Industry Grant Oregon AAPI Food & Wine	2,000.00
			<b>\$ 7,000.00</b>

**New Requests**

Umpqua Valley Wine Growers Association

- Granted \$500 July 2023; requesting amendment of additional \$1500. The request was made in June of 2023, but granted in the new fiscal year. Timing of the application missed the opportunity to apply for the increased grant amount of \$2000. \$500 was granted in the new fiscal year.
- The grant supported digital advertising and additional funds will be put to the new logo design and additional advertising including the Umpqua Valley Tasting Pass.

Hillsboro Medical Center Foundation - ¡Salud! The Oregon Pinot Noir Auction

- Requesting \$2000 to enhance digital marketing strategy via LinkedIn and YouTube and significantly increase outreach and engagement with potential donors to boost awareness of ¡Salud! The Oregon Pinot Noir Auction for the healthcare needs of the wine industry workers.

### Profit & Loss Statement

	FY 21-22 Budget	P&L FY 21-22 as reported Aug 2022	RESTATED P&L FY21-22
<b>Income</b>			
4100 Grape Assessment (\$25/ton)	1,883,975	2,043,803	2,049,862
4200 Wine Tax (2c/gal)	310,145	352,194	352,194
4310 Symposium Revenue	150,000	104,000	101,051
4510 Interest Revenue	2,000	51	60
4620 Specialty Crop Block	84,500	84,750	84,750
4632 Wine Country License Plate	49,000	49,000	14,000
<b>Total Income</b>	<b>2,479,620</b>	<b>2,633,798</b>	<b>2,601,917</b>
<b>Expenses</b>			
Total 1R000 Research.	383,381	275,482	318,769
Total 2E000 Industry Education.	362,283	329,509	329,180
Total 3M000 Marketing.	862,151	727,704	873,679
Total 4K000 Knowledge & Insights.	158,508	99,446	88,097
Total 5L000 Leadership & Partnership	109,881	60,412	55,176
Total 6G000 General & Admin	776,771	739,619	692,381
Total 8000 General & Administrative	0	0	-8,836
Melio Credit card fee			20
<b>Total Expenses</b>	<b>2,652,975</b>	<b>2,232,172</b>	<b>2,348,467</b>
<b>Net Income</b>	<b>-173,355</b>	<b>401,626</b>	<b>253,450</b>
Beginning Balance	935,209	935,209	935,209
Ending Balance	761,854	1,336,835	1,188,659
Reserve Goal (30% of 3 Yr Ave Grape Assessment)	565,483	565,483	565,483
Surplus/Deficit After Reserve Goal	196,371	771,352	623,176
Total Compensation	1,085,097	1,014,661	1,023,796

## Profit & Loss Statement

	FY 21-22 Budget	P&L FY 21-22 as reported Aug 2022	RESTATED P&L FY21-22
<b>Income</b>			
4100 Grape Assessment (\$25/ton)	1,883,975	2,043,803	2,049,862
4200 Wine Tax (2c/gal)	310,145	352,194	352,194
4310 Symposium Revenue	150,000	104,000	101,051
4500 Other Income			
4510 Interest Revenue	2,000	51	60
<b>Total 4500 Other Income</b>	<b>2,000</b>	<b>51</b>	<b>60</b>
4600 Grant Revenue			
4620 Specialty Crop Block	84,500	84,750	84,750
4632 Wine Country License Plate	49,000	49,000	14,000
<b>Total 4600 Grant Revenue</b>	<b>133,500</b>	<b>133,750</b>	<b>98,750</b>
4690 HB 5006 Funds			
4693 Marketing	0	0	
<b>Total 4690 HB 5006 Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income</b>	<b>2,479,620</b>	<b>2,633,798</b>	<b>2,601,917</b>
<b>Gross Profit</b>	<b>2,479,620</b>	<b>2,633,798</b>	<b>2,601,917</b>
<b>Expenses</b>			
<b>1R000 Research.</b>			
<b>R100 Vit &amp; Enological Research</b>			
R101 Grants.	280,000	244,479	287,766
R102 NW Small Fruits (deleted)			3,000
R104 Grant Management/Administration			
Special Grant Award - Smoke Research	50,000	0	
R103 - Online V&E Knowledge Center	0	0	
<b>Total R100 Vit &amp; Enological Research</b>	<b>330,000</b>	<b>244,479</b>	<b>290,766</b>
<b>R800 Research. Administration</b>			
R801 Research.Committee Meetings	2,000	106	106
R803 Research.Mtg & Travel	6,000	4,601	4,601
R804 NWCSFR Contribution	3,000	3,000	
<b>Total R800 Research. Administration</b>	<b>11,000</b>	<b>7,707</b>	<b>4,707</b>
R900 Research.Employee Compensation	42,381	23,297	23,297
<b>Total 1R000 Research.</b>	<b>383,381</b>	<b>275,482</b>	<b>318,769</b>
<b>2E000 Industry Education.</b>			
<b>E100 Symposium</b>			
E101 Audio/Visual	0	25,000	25,000
E103 Facility	0	0	
E105 Materials, Fees, Misc	0	10,870	10,870
E107 Registration	0	0	155
E108 Spanish Translation	0	5,505	2,753
E109 Speakers	0	600	600
E112 Marketing	0	0	2,837
E113 Event Management Contractor	150,000	73,950	62,145
<b>Total E100 Symposium</b>	<b>150,000</b>	<b>115,924</b>	<b>104,359</b>

<b>E200 Education Projects</b>			
E201 Misc Workshops	1,000	0	
E202 DTC/Sales Workshops	10,000	0	
E203 Profit Calculator Development	5,000	3,000	3,000
E205 Community Benchmark	84,500	84,750	94,750
<b>Total E200 Education Projects</b>	<b>100,500</b>	<b>87,750</b>	<b>97,750</b>
<b>E800 Education.Administration</b>			
E801 Education.Committee Meetings	1,000	0	
E803 Education.Employee Development	0	0	1,195
E804 Education.Mtg & Travel Expense	3,000	6,232	6,274
<b>Total E800 Education.Administration</b>	<b>4,000</b>	<b>6,232</b>	<b>7,469</b>
E900 Education.Employee Compensation	107,783	119,602	119,602
<b>Total 2E000 Industry Education.</b>	<b>362,283</b>	<b>329,509</b>	<b>329,180</b>
<b>3M000 Marketing.</b>			
<b>1B000 Brand Equity &amp; Brand Identity</b>			
B100 Agency Fees (brand identity creative)	10,000	4,945	4,944
B101 Consumer Website Concept/Design/Maintenance	94,000	108,071	110,980
B104 OWM Replacement Campaign Material (agency dev fees)	35,000	0	26,818
B106 Social Media Contractor			400
<i>B106 - Photography</i>	4,000	400	
B107 Digital Advertising			
<b>Total 1B000 Brand Equity &amp; Brand Identity</b>	<b>143,000</b>	<b>113,415</b>	<b>143,142</b>
<b>2T000 Tourism</b>			
M101 Oregon Wine Month	75,000	53,201	32,082
M102 Wines Fly Free	10,000	473	1,439
M205 Wine Guide	15,000	1,038	
T100 Touring Guide Design and Production			1,038
T102 Content Development (includ. photog, Travel OR)	10,000	0	
T103 Consumer Website Platform Upgrade	5,000	11,563	11,563
<b>Total 2T000 Tourism</b>	<b>115,000</b>	<b>66,275</b>	<b>46,122</b>
<b>3X000 Market Expansion</b>			
<b>I000 International Marketing</b>			
I101 Northwest Wine Coalition	65,000	63,440	54,440
I102 Non-Reimbursable Event Cost	30,000	29,500	65,706
I103 Reimbursed Expenses	0	0	126,764
I900 Logistics & Admin Consultants	90,000	89,306	69,306
<b>Total I000 International Marketing</b>	<b>185,000</b>	<b>182,247</b>	<b>316,217</b>
<b>X103 Trade Education Tools &amp; Events</b>			
M105 Trade Events - Txsom	10,000	11,140	11,140
M107 Trade Organization Sponsorship	0	0	
M201 Resource Studio	20,000	4,933	4,933
X100 Learn Oregon Content Maintenance & Upgrades	15,000	7,000	7,000
<b>Total X103 Trade Education Tools &amp; Events</b>	<b>45,000</b>	<b>23,072</b>	<b>23,073</b>
<b>Total 3X000 Market Expansion</b>	<b>230,000</b>	<b>205,319</b>	<b>339,289</b>
<b>4C000 Communications</b>			
C100 Media Relations	75,000	50,908	51,328
C200 Media Analytics	9,000	8,615	8,615
C800 Comm.Administration			

C801 Subs & Pubs	1,500	2,654	4,576
C802 Comm.Collateral & Materials	4,000	903	903
C804 Comm.Mtg & Travel	6,000	1,308	1,290
<b>Total C800 Comm.Administration</b>	<b>11,500</b>	<b>4,865</b>	<b>6,769</b>
C900 Comm.Employee Compensation	97,880	106,258	106,257
<b>Total 4C000 Communications</b>	<b>193,380</b>	<b>170,646</b>	<b>172,969</b>
M100 Event Marketing			109
M200 Marketing Collateral			
M207 Photography			
<b>Total M200 Marketing Collateral</b>	<b>0</b>	<b>0</b>	<b>0</b>
M800 Marketing.Administration			
M801 Marketing.Committee Meetings	1,000	0	30
M802 Marketing.Collateral & Mtls	0	55	25
M803 Marketing.Employee Development	2,000	0	
M804 Marketing.Mtg & Travel	6,000	3,256	3,257
<b>Total M800 Marketing.Administration</b>	<b>9,000</b>	<b>3,311</b>	<b>3,312</b>
M900 Marketing.Employee Compensation	171,771	168,737	168,737
<b>Total 3M000 Marketing.</b>	<b>862,151</b>	<b>727,704</b>	<b>873,679</b>
4K000 Knowledge & Insights.			
M300 Marketing Research			
M301 Marketing Research	22,500	0	4,150
M302 Neilson Data	7,500	4,150	
<b>Total M300 Marketing Research</b>	<b>30,000</b>	<b>4,150</b>	<b>4,150</b>
R200 Industry Research			
R201 Ag Census	72,000	72,000	60,650
R202 Economic Impact	0	0	
<b>Total R200 Industry Research</b>	<b>72,000</b>	<b>72,000</b>	<b>60,650</b>
zK900 Knowledge & Insights Compensation	56,508	23,296	23,297
<b>Total 4K000 Knowledge &amp; Insights.</b>	<b>158,508</b>	<b>99,446</b>	<b>88,097</b>
5L000 Leadership & Partnership			
G200 Industry Contributions			500
G201 Misc Industry Contributions	10,000	2,000	
<b>Total G200 Industry Contributions</b>	<b>10,000</b>	<b>2,000</b>	<b>500</b>
G301 Grant Writing	10,000	4,770	1,770
L100 Regional Meetings (including external stakeholders)	10,000	1,568	838
L101-Information Sharing Task Force	1,000	1,000	
L103 Program Contributions			500
G600 Industry Relations			135
G601 Subscriptions	25,000	22,937	25,294
G602 Administration/Annual Report	5,000	4,541	2,541
G603 - Strategic Planning	3,500	0	
G604 - Industry Website Upgrade	0	0	
<b>Total G600 Industry Relations</b>	<b>33,500</b>	<b>27,478</b>	<b>27,971</b>
<b>Total L103 Program Contributions</b>	<b>34,500</b>	<b>28,478</b>	<b>28,471</b>
L800 Leadership & Partnership Administration			300
L804 Partnership.Mtg & Travel	3,000	300	
<b>Total L800 Leadership &amp; Partnership Administration</b>	<b>3,000</b>	<b>300</b>	<b>300</b>
L900 Leadership & Partnership.Employee Compensation	42,381	23,296	23,297

<b>Total 5L000 Leadership &amp; Partnership</b>	<b>109,881</b>	<b>60,412</b>	<b>55,176</b>
<b>6G000 General &amp; Admin</b>			
<b>G100 Board Administration</b>			
G101 Meetings.Board	10,000	8,101	8,101
G102 Travel Expense.Board	10,000	7,499	9,867
<b>Total G100 Board Administration</b>	<b>20,000</b>	<b>15,600</b>	<b>17,968</b>
<b>G300 Consultants</b>			
G302 Financial Review	10,000	8,500	8,500
<b>Total G300 Consultants</b>	<b>10,000</b>	<b>8,500</b>	<b>8,500</b>
<b>G500 Office Administration</b>			
G501 Rent	12,000	-3,894	-3,894
G502 Equipment/Furniture/Maintenance	6,000	16,161	20,564
G503 Postage/Supplies/Fees	12,000	18,507	18,635
G504 Telephone/Internet Fees	6,000	5,942	6,175
<b>Total G500 Office Administration</b>	<b>36,000</b>	<b>36,715</b>	<b>41,480</b>
<b>G800 Staff Administration</b>			
G802 Employee Development.G&A	10,000	10,700	11,803
G803 Mtg & Travel.G&A	23,000	23,714	25,484
G804 Temp & Contract Support	35,000	28,070	18,070
G805 Legal Fees	20,000	9,767	9,767
<b>Total G800 Staff Administration</b>	<b>88,000</b>	<b>72,251</b>	<b>65,124</b>
<b>G900 Employee Compensation.G&amp;A</b>	<b>566,393</b>	<b>550,174</b>	<b>559,309</b>
<b>G999 Accrued PTO Balances</b>	<b>56,378</b>	<b>56,378</b>	
<b>Total 6G000 General &amp; Admin</b>	<b>776,771</b>	<b>739,619</b>	<b>692,381</b>
<b>8000 General &amp; Administrative</b>			
<b>8200 Employee Compensation</b>			
8210 Salaries and Wages			-73,388
8230 Payroll tax			64,552
<b>Total 8200 Employee Compensation</b>	<b>0</b>	<b>0</b>	<b>-8,836</b>
<b>Total 8000 General &amp; Administrative</b>	<b>0</b>	<b>0</b>	<b>-8,836</b>
<b>Melio Credit card fee</b>			20
<b>Total Expenses</b>	<b>2,652,975</b>	<b>2,232,172</b>	<b>2,348,467</b>
<b>Net Operating Income</b>	<b>-173,355</b>	<b>401,626</b>	<b>253,450</b>
<b>Other Expenses</b>			
<b>Other Miscellaneous Expense</b>			
<b>Total Other Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Other Income</b>			<b>0</b>
<b>Net Income</b>	<b>-173,355</b>	<b>401,626</b>	<b>253,450</b>
Beginning Balance	935,209	935,209	935,209
Ending Balance	761,854	1,336,835	1,188,659
Reserve Goal (30% of 3 Yr Ave Grape Assessment)	565,483	565,483	565,483
Surplus/Deficit After Reserve Goal	196,371	771,352	623,176
<b>Total Compensation</b>	<b>1,085,097</b>	<b>1,014,661</b>	<b>1,023,796</b>

**From:** [Stephanie Buchanan](#)  
**To:** [Oregon Wine Board](#)  
**Subject:** New Industry Organization Grant Application  
**Date:** Friday, May 3, 2024 11:05:45 AM

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**Organization**

iSalud!, a project of Hillsboro Medical Center Foundation

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**Tax ID Number or another identifier as a tax-exempt 501(c):**

93-0751507

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**Make check payable to:**

Hillsboro Medical Center Foundation

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**Address to mail check**

335 SE 8th Ave  
Hillsboro, OR  
97123  
US

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**Requestor Name**

Stephanie Buchanan

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**Requestor Email**

[stephanie.buchanan@tuality.org](mailto:stephanie.buchanan@tuality.org)

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**Amount requested up to \$500**

\$500

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**Amount requested above \$500 up to \$2,000 (Board approval is required in a public Board meeting)**

\$2,000

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**Project Name**

Digital Marketing Multi-Platform Launch

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**Project Description**

¡Salud! The Oregon Pinot Noir Auction seeks a \$2,000 grant to enhance its digital marketing strategy, targeting an expansion across new platforms. This effort aims to significantly increase our outreach and engage with a focused community of potential donors, wine enthusiasts, industry leaders, and philanthropists who are committed to making a tangible difference.

LinkedIn Advertising: \$500 Investment

With LinkedIn's targeted advertising capabilities, our goal will be to reach individuals directly involved in or passionate about the wine industry, including professionals, enthusiasts, and philanthropists. By utilizing sponsored content and targeted ads, we plan to communicate the importance of the auction and its role in supporting healthcare services for vineyard and winery workers, appealing to the industry's collective sense of responsibility.

YouTube Advertising: \$1,500 Investment

On YouTube, our strategy will involve creating and circulating engaging video content that emphasizes the unique aspects of the ¡Salud! auction and its integration with the Oregon wine industry. Strategic ad placements on this leading platform are intended to capture a wide audience, drawing attention to our cause and encouraging further exploration and participation.

Objectives and Expected Impact

Our digital advertising expansion has clear objectives:

- Boost Awareness: To elevate the profile of ¡Salud! The Oregon Pinot Noir Auction among essential stakeholders and market segments.
- Drive Engagement and Conversion: To increase website traffic and conversion rates relating to bidder registration and ticket sales.
- Expand Community Support: To engage a broader audience, thereby expanding our

network of donors and sponsors and reinforcing the support structure for vineyard and winery employees and their families.

#### The Vision with Grant Support

Backing from the Oregon Wine Board Industry Grant would allow ¡Salud! to not only ensure the success of the auction event but also contribute to a sustainable future for the health and welfare of Oregon's wine industry workers. This grant represents more than just financial support; it signifies an investment in the ongoing health and vitality of our community.

We are confident that with this grant, we can significantly enhance our digital presence, leading to higher engagement, increased donations, and greater support for the healthcare needs of our workforce. In return, we commit to recognizing the Oregon Wine Board Industry Grant's contribution across our communication platforms, aligning our shared interest in a healthy and thriving Oregon wine community.

In partnership, we can create lasting impact and ensure the well-being of those who are the foundation of our industry.

Thank you,

Jillian Bradshaw, Beaux Frères, ¡Salud! co-chair

Merritt Olson, ¡Salud! co-chair

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#### **Date by which organization will report how funds were used**

01/31/2025

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#### **I certify that this request has authorization from the requesting organization's Board of Directors or other governing body.**

Yes

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Sent from [Oregon Wine Industry](#)

Umpqua Valley Winegrowers Association – amendment to the grant request dated June 26, 2023.

This request is an amendment to our original \$500 grant request dated June 26, 2023. At the time, the maximum amount that could be requested was \$500, which was modified the following month to \$2,000.

In our original grant request, which was funded, we received OWB support for digital advertising. We have been advertising our Umpqua Valley Tasting Pass online since the end of 2023, and plan to continue to do so. In addition, we made a big media and digital advertising push for Oregon Wine Month, with the culmination being Memorial Day weekend, and an Umpqua Valley 40 year anniversary. The weekend was extremely successful, and we are grateful for all of your support.

We will continue to advertise our Umpqua Valley Tasting Pass this year, but would like to step up our game. We would like to create a cohesive advertising campaign with ads that all have the same look and feel. We want to use these ads to entice visitors to come wine taste in the Umpqua Valley. Instead of using only 1 advertisement again and again, we would like to create multiple ads in a similar format, so that when a customer sees the ad variation, it reinforces that they should put the Umpqua Valley on their list.

We recently created a new logo (check it out on our website!) and the same designer is willing to help build out our brand voice/appearance with a branding tool kit and style guide. (Similar to what the OWB has done with their branding.) This money would cover the full cost of the project, and go a long way in helping to brand the Umpqua Valley for our social media marketing and advertising.

What I forgot to mention is...

this "branding tool kit and style guide" will not only be used to help advertise the tasting pass, but will be used for many years to come—elevating a wine region that has been struggling with identity for many years.

Thanks again for your (and the Board's) consideration.

Regards,  
Ali

Ali Rodgers  
Executive Director, Umpqua Valley Winegrowers Association

**From:** [Ali Rogers](#)  
**To:** [Stacey Kohler](#)  
**Subject:** New Industry Organization Grant Application  
**Date:** Monday, March 25, 2024 3:35:56 PM

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**Organization**

Umpqua Valley Winegrowers Association

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**Tax ID Number or another identifier as a tax-exempt 501(c):**

92-2835005

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**Make check payable to:**

Umpqua Valley Winegrowers Association

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**Address to mail check**

Umpqua Valley Winegrowers Association  
PO Box 447  
Roseburg, OR  
97470  
US

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**Requestor Name**

Ali Rogers

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**Requestor Email**

[ali@umpquavalleywineries.org](mailto:ali@umpquavalleywineries.org)

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**Amount requested up to \$500**

\$2,000

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**Amount requested above \$500 up to \$2,000 (Board approval is required in a public Board meeting)**

\$2,000

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**Project Name**

40th Anniversary of the Umpqua Valley AVA

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**Project Description**

40th Anniversary of the Umpqua Valley AVA Project:

The Umpqua Valley's wine growing history dates back to the 1880s when German immigrants who had worked for the Beringer Bros., the oldest continuously operating vineyard in Napa, planted the first wine grape vineyard in the Valley. Post-prohibition, Richard Sommer established Hillcrest Vineyards near Roseburg in 1961. He was the first to plant Pinot noir in Oregon despite being told by his California (Davis) cohorts that it was impossible to successfully grow wine grapes in Oregon. Obviously, they were wrong. Just eight years later, in 1969, Paul Bjelland of Bjelland Vineyards founded the Oregon Winegrowers Association in the Umpqua Valley. During the 1970s new wineries opened, including Henry Estate Winery, whose winemaker Scott Henry developed a now world-famous trellis system, which increases grape yield, among other benefits. The Umpqua Valley appellation continues to evolve as new winemakers discover the area, bringing with them a passion for innovation and world class wine. The Umpqua Valley appellation became official in 1984, 40 years ago.

To pay homage to our rich history of the Umpqua Valley and the 40th anniversary of the Umpqua Valley AVA our wineries and partners are planning to celebrate with events and special offers over this coming Memorial Day weekend. In order to support our wineries the Umpqua Valley Winegrowers Association (UVWA) is asking for \$2,000 to provide advertising and 40th anniversary logo design.

The goal of the advertising is to drive traffic to our tasting rooms and educate consumers about the Umpqua Valley AVA. The bulk of the advertising will be done through digital platforms such as Google, Instagram, and Facebook. Target markets will be metropolitan areas and the Oregon coast.

Celebrating the 40th anniversary would not be complete without a commemorative logo that people will appreciate and collect. The UVWA will need to hire a firm to bring our thoughts of a design to life. Once done we can use this logo in advertising, clothing, and glassware.

This grant of \$2,000 will definitely help the UVWA accomplish this project and support our wineries and partners in celebrating the 40th anniversary of the Umpqua Valley AVA.

Thanks for your consideration,  
UVWA

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**Date by which organization will report how funds were used**

07/01/2024

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**I certify that this request has authorization from the requesting organization's Board of Directors or other governing body.**

Yes

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Sent from [Oregon Wine Industry](#)

**From:** [Chuck Knostman](#)  
**To:** [Oregon Wine Board](#)  
**Subject:** New Industry Organization Grant Application  
**Date:** Monday, June 26, 2023 2:39:29 PM

Organization

Umpqua Valley Winegrowers Association

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Tax ID Number or another identifier as a tax-exempt 501(c):

26-1148945

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Make check payable to:

Umpqua Valley Winegrowers Association

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Address to mail check

PO Box 447  
Roseburg, OR  
97470  
US

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Requestor Name

Chuck Knostman

---

Requestor Email

[chuck@knostmanfamilywinery.com](mailto:chuck@knostmanfamilywinery.com)

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Amount requested up to \$500

500

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Project Name

UVWA Digital Advertising

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Project Description

Dear Mr. Danowski,

The Umpqua Valley Wine Growers is pleased to present this proposal for your review. The objective of this letter is to request a \$500 grant from the Oregon Wine Board to put towards digital advertising. This advertising will be used to drive potential Customers to our digital media assets. We have completed upgrading our website <http://www.umpquavalleywineries.org> with your help and have leaned hard into Social Media. Our next step in the digital realm is to utilize digital passports and tasting passes to help consumers not only find our wineries but to educate them on what our wineries have to offer. We have secured funding for this via a grant from Travel Southern Oregon. We would use the OWB grant money to make consumers outside of our area aware of the passports and passes via digital advertising.

Thank you for considering this proposal and thanks for all the support you have given to the Umpqua Valley AVA. Please let me know if you need more information.

Chuck

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Date by which organization will report how funds were used  
12/31/2023

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I certify that this request has authorization from the requesting organization's Board of Directors or other governing body.  
Yes



#### **OTHER UPDATES**

- Finance update
- Marketing update
- Trade Relations update
- International Marketing update
- Education update
- Insights & Industry Relations update

# 3QFY23-24 Balance Sheet



## Balance Sheet

	<u>As of Mar 31, 2024</u>	<u>As of Dec 31, 2023</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
1000 Umpqua Bank Checking	1,288,394.75	333,723.24
1050 Umpqua Bank Money Market	549,058.01	549,044.32
<b>Total Bank Accounts</b>	<u>1,837,452.76</u>	<u>882,767.56</u>
<b>Total Accounts Receivable</b>	<u>123,341.18</u>	<u>12,216.16</u>
<b>Total Current Assets</b>	<u>1,960,793.94</u>	<u>894,983.72</u>
<b>Total Other Assets</b>	<u>8,550.00</u>	<u>0.00</u>
<b>TOTAL ASSETS</b>	<u>1,969,343.94</u>	<u>894,983.72</u>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Total Current Liabilities</b>	<u>265,784.71</u>	<u>167,798.15</u>
<b>Total Liabilities</b>	<u>265,784.71</u>	<u>167,798.15</u>
<b>Equity</b>		
3000 Opening Bal Equity	13,492.81	13,492.81
3900 Retained Earnings	1,260,442.18	1,260,442.18
<b>Net Income</b>	429,624.24	(546,749.42)
<b>Total Equity</b>	<u>1,703,559.23</u>	<u>727,185.57</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>1,969,343.94</u>	<u>894,983.72</u>

Profit & Loss Statement

	Budget FY23-24 vDec2023	Actual thru 3Q FY23-24	Budget Earned thru 3Q FY23-24	Variance - YTD Actual less Budget Earned	FY 23-24 Year End Forecast (as of June 6)	Variance Year End Forecast vs Budget	FY 22-23 Actual
<b>Income</b>							
4100 Grape Assessment (\$25/ton)	1,872,572.00	2,189,985.27	1,772,572.00	417,413.27	2,310,000.00	23.4%	1,885,949.97
4200 Wine Tax (2c/gal)	328,725.00	237,455.25	246,543.75	(9,088.50)	310,000.00	-5.7%	305,341.97
4305 Marketing Participation Revenue		650.00		650.00	650.00		
Total 4330 Export Participation Revenue	0.00	4,600.00	0.00	4,600.00	4,600.00		0.00
Total 4300 Program Revenue	0.00	5,250.00	0.00	5,250.00	5,250.00		0.00
4310 Symposium Revenue	326,250.00	321,435.00	326,250.00	(4,815.00)	321,435.00	-1.5%	268,860.40
Total 4500 Other Income	50.00	41.37	37.53	3.84	55.00	10.0%	54.90
Total 4600 Grant Revenue	7,500.00	7,500.00	7,500.00		7,500.00	0.0%	119,750.00
Total 4690 HB 5006 Funds							55,956.00
<b>Total Income</b>	<b>2,535,097.00</b>	<b>2,761,666.89</b>	<b>2,352,903.28</b>	<b>408,763.61</b>	<b>2,954,240.00</b>	<b>16.5%</b>	<b>2,635,913.24</b>
<b>Expenses</b>							
<b>1R000 Research.</b>							
Total R100 Vit & Ecological Research	410,000.00	253,095.00	338,700.03	(85,605.03)	329,060.00	-19.7%	345,456.61
Total R800 Research. Administration	12,000.00	14,101.74	9,000.00	5,101.74	14,101.74	17.5%	3,091.26
R900 Research.Employee Compensation	56,071.00	40,509.74	42,053.22	(1,543.48)	56,071.00	0.0%	51,228.69
Total 1R000 Research.	478,071.00	307,706.48	389,753.25	(82,046.77)	399,232.74	-16.5%	399,776.56
<b>2E000 Industry Education.</b>							
Total E100 Symposium	326,250.00	296,992.59	326,250.00	(29,257.41)	296,992.59	-9.0%	284,780.58
Total E200 Education Projects	9,000.00	3,000.00	9,000.00	(6,000.00)	3,000.00	-66.7%	74,750.00
Total E800 Education.Administration	25,000.00	9,351.27	17,500.00	(8,148.73)	15,440.08	-38.2%	11,668.96
E900 Education.Employee Compensation	163,565.00	120,288.72	122,673.78	(2,385.06)	163,565.00	0.0%	160,302.56
Total 2E000 Industry Education.	523,815.00	429,632.58	475,423.78	(45,791.20)	478,997.67	-8.6%	531,502.10
<b>3M000 Marketing.</b>							
Total 1B000 Brand Equity & Brand Identity	15,000.00	15,645.49	11,250.00	4,395.49	15,645.49	4.3%	15,557.98
<b>2T000 Tourism</b>							
Total M101 Oregon Wine Month	150,000.00	40,786.69	85,000.00	(44,213.31)	135,000.00	-10.0%	65,639.82
M102 Wines Fly Free	10,000.00	16,106.87	7,499.97	8,606.90	16,106.87	61.1%	485.00
M108 Bounty & Vine	10,000.00	10,926.25	10,000.00	926.25	10,926.25	9.3%	
M205 Wine Guide	15,000.00	11,000.00	11,250.00	(250.00)	11,000.00	-26.7%	38,684.95
T102 Content Development (includ. photog, Travel OR)	25,000.00	24,161.73	22,500.00	1,661.73	24,161.73	-3.4%	1,913.70
Total 2T000 Tourism	210,000.00	102,981.54	136,249.97	(33,268.43)	197,194.85	-6.1%	106,723.47
<b>3X000 Market Expansion</b>							
Total 1000 International Marketing	170,000.00	163,882.11	143,750.00	20,132.11	179,881.56	5.8%	140,443.49
M104 Other Programs	5,000.00		5,000.00	(5,000.00)		-100.0%	
M105 Trade Events - Texsom	14,000.00	14,502.71	14,000.00	502.71	14,502.71	3.6%	13,009.69
M107 Trade Organization Sponsorship	10,000.00	3,000.00	10,000.00	(7,000.00)	8,000.00	-20.0%	6,205.42
M109 Domestic Trade Tasting/Education	10,000.00		5,000.00	(5,000.00)		-100.0%	
M201 Resource Studio	15,000.00	7,963.51	11,250.00	(3,286.49)	8,086.88	-46.1%	230.40
Total X103 Trade Education Tools & Events	54,000.00	25,466.22	45,250.00	(19,783.78)	30,589.59	-43.4%	19,445.51
Total 3X000 Market Expansion	224,000.00	189,348.33	189,000.00	348.33	210,471.15	-6.0%	159,889.00
<b>4C000 Communications</b>							
Total C100 Media Relations	126,500.00	91,665.36	85,875.03	5,790.33	114,670.28	-9.4%	75,543.61
C200 Media Analytics	10,115.00	10,200.00	7,586.28	2,613.72	10,200.00	0.8%	10,176.89
Total C800 Comm.Administration	7,900.00	5,053.36	5,924.97	(871.61)	5,289.36	-33.0%	671.22
C900 Comm.Employee Compensation	73,925.00	20,174.28	55,443.78	(35,269.50)	30,000.00	-59.4%	103,659.06
Total 4C000 Communications	218,440.00	127,093.00	154,830.06	(27,737.06)	160,159.64	-26.7%	190,050.78
Total M200 Marketing Collateral							10,000.00
Total M800 Marketing Administration	27,000.00	17,340.42	20,250.00	(2,909.58)	23,983.50	-11.2%	11,475.42
M900 Marketing.Employee Compensation	297,380.00	218,743.56	223,035.03	(4,291.47)	297,380.00	0.0%	272,336.18
Total 3M000 Marketing.	1,011,820.00	688,775.49	749,615.09	(60,839.60)	927,755.78	-8.3%	766,032.83
<b>4K000 Knowledge &amp; Insights.</b>							
Total M300 Marketing Research	49,950.00	16,294.27	36,875.03	(20,580.76)	22,769.27	-54.4%	775.00
<b>R200 Industry Research</b>							
R201 Ag Census	82,265.00	78,845.33	82,265.00	(3,419.67)	78,845.33	-4.2%	62,472.50
R202 Economic Impact	20,000.00	21,940.00	20,000.00	1,940.00	21,940.00	9.7%	13,750.00
R203 Misc. Studies	8,750.00		4,250.00	(4,250.00)		-100.0%	
Total R200 Industry Research	111,015.00	100,785.33	106,515.00	(5,729.67)	100,785.33	-9.2%	76,222.50
zK900 Knowledge & Insights Compensation	32,557.00	24,370.32	24,417.72	(47.40)	32,557.00	0.0%	22,415.31
Total 4K000 Knowledge & Insights.	193,522.00	141,449.92	167,807.75	(26,357.83)	156,111.60	-19.3%	99,412.81
<b>5L000 Leadership &amp; Partnership</b>							
Total G200 Industry Contributions	15,000.00	7,000.00	11,250.00	(4,250.00)	12,000.00	-20.0%	25,422.17
<b>L100 Regional Meetings (including external stakeholders)</b>							
G600 Industry Relations							
G601 Subscriptions	35,000.00	22,602.45	26,250.03	(3,647.58)	35,000.00	0.0%	35,110.72
G602 Administration/Annual Report	5,000.00	6,222.50	5,000.00	1,222.50	6,222.50	24.5%	4,108.75
G603 Strategic Planning	40,000.00		10,000.00	(10,000.00)		-100.0%	
G604 Industry Website Platform Upgrade	4,000.00	2,543.75	4,000.00	(1,456.25)	2,543.75	-36.4%	
G605 DEI Leadership-Infrastructure	8,400.00	1,200.00	8,400.00	(7,200.00)	1,200.00	-85.7%	

3QFY23-24 P&L Budget vs Act



Total G600 Industry Relations	92,400.00	32,568.70	53,650.03	(21,081.33)	44,966.25	-51.3%	39,219.47
Total L800 Leadership & Partnership Administration	6,000.00	3,033.69	4,500.00	(1,466.31)	3,275.13	-45.4%	1,691.95
L900 Leadership & Partnership.Employee Compensation	100,159.00	70,771.15	75,119.22	(4,348.07)	95,000.00	-5.2%	97,825.53
Total 5L000 Leadership & Partnership	216,059.00	113,373.54	146,394.22	(33,020.68)	155,241.38	-28.1%	164,159.12
6G000 General & Admin							
Total G100 Board Administration	25,300.00	19,612.07	22,800.00	(3,187.93)	23,933.48	-5.4%	4,687.75
Total G300 Consultants	10,000.00	8,000.00	10,000.00	(2,000.00)	10,000.00	0.0%	0.00
Total G500 Office Administration	53,000.00	40,568.04	39,749.94	818.10	51,500.00	-2.8%	46,790.40
Total G800 Staff Administration	142,500.00	135,014.77	99,374.97	35,639.80	165,299.34	16.0%	85,598.64
G900 Employee Compensation.G&A	516,451.00	448,977.57	424,854.40	24,123.17	550,000.00	6.5%	395,532.29
G999 Accrued PTO Balances	70,000.00		52,499.97	(52,499.97)	27,000.00	-61.4%	77,000.00
Total 6G000 General & Admin	817,251.00	652,172.45	649,279.28	2,893.17	827,732.82	1.3%	609,609.08
Total 8000 General & Administrative	0.00	(814.69)	0.00	(814.69)	0.00		0.00
Total Expenses	3,240,538.00	2,332,295.77	2,578,273.37	(245,977.60)	2,945,071.99	-9.1%	2,570,492.50
Net Income	(705,441.00)	429,371.12	(225,370.09)	654,741.21	9,168.01		65,420.74
Beginning Balance		1,267,129.00			1,267,129.00		1,215,593.00
Ending Balance		561,688.00			1,276,297.01		1,281,013.74
Reserve Goal (30% of 3 yr Avg Grape Assessment)		561,771.60			624,242.00		568,490.00
Surplus/Deficit after Reserve Goal		(83.60)			652,055.01		712,523.74
Total Compensation		1,240,108.00			1,224,573.00	-1.3%	1,103,299.62

## Report of Independent Accountants

Oregon Wine Board  
Oregon Secretary of State Audits Division

We have performed the procedures enumerated below, on the accounting records noted below for the Biennium ended June 30, 2023 (the Biennium). The Oregon State Wine Board (the Board or OWB) is responsible for the accounting records noted below.

The Oregon State Wine Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Oregon Wine Board in complying with Oregon Revised Statute (ORS) 182.464. Additionally, the Oregon Secretary of State Audit Division has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed and our findings are as follows:

### ***Receiving, Recording and Reporting Transactions***

1. We obtained a listing of internal controls for receiving, recording and reporting transactions. We agreed the listing of internal controls to the Board's policies and procedures without exception.
  - a. Executive Assistant (formerly Ops Manager) picks up the mail, scans in any checks and emails the scans to accounting and finance. The checks are then stamped with the appropriate restricted endorsement stamp.
  - b. All revenues received via on-line credit card payments should be posted into QuickBooks monthly and a copy of the transaction with all pertinent information, including payee, date of payment into the OWB bank account, the amount and the reason for the payment, will be filed in the file for credit card transactions.
  - c. The Accounting Manager will reconcile the check log to the cash receipts that were deposited at the bank to ensure that all checks were deposited.
  - d. The Accounting Manager insures all invoices have the account code written on them and approved by the appropriate Program Manager of Vice President of Finance and Administration to being processed.
  - e. Expense reports must be approved by [the employee's] manager in Expensify. The President's credit card expense report and back-up documentation will be given to the Board Chair for approval in Expensify.
  - f. The President will review payroll expenditures and allocations twice annually.

2. We obtained a schedule from management of all transactions that occurred during the Biennium and haphazardly selected 10 transactions. Upon receipt of the listing of the internal controls from Procedure 1, we compared those internal controls identified to the evidence of the control taking place for each of the 10 transactions selected. The results of our procedures are included in the table below:

RRRT Transactions Selected	Control B	Control D	Control E	Control F
1	N/A	✓	N/A	N/A
2	N/A	✓	✓	N/A
3	N/A	✓	N/A	N/A
4	N/A	✓	✓	N/A
5	N/A	✓	✓	N/A
6	N/A	✓	N/A	N/A
7	N/A	✓	N/A	N/A
8	N/A	N/A	N/A	✓
9	N/A	N/A	N/A	✓
10	✓	N/A	N/A	N/A
✓	= Procedure performed without exception			
N/A	= Control not applicable for this selection			
<i>Controls A and C not applicable to any of the items selected.</i>				
Control B: Revenues: Online payments: We agreed a copy of the transaction documentation for payee, date of payment, amount, and reason for payment.				
Control D: Expenses: We obtained the invoice and noted both account coding and approval.				
Control E: Expenses: Employee expenses: We noted the Expensify expense report contained Manager or Board Chair approval.				
Control F: Expenses: Payroll: We noted payroll journal contained evidence of twice-yearly review and approval by VP Operations and Finance and by President.				

### ***Bank Reconciliations***

3. We confirmed bank balances with financial institutions that the Board uses as of June 30, 2023. We agreed the confirmations to the June 30, 2023, bank reconciliations without exception.
4. We obtained the following list of internal controls over bank reconciliations. We agreed the list of internal controls to the Board's policies and procedures without exception.
- The Accounting Manager will attach the completed bank reconciliation to the applicable bank statement along with all documentation.
  - The Accounting Manager will review the reconciliations and investigate any checks that are outstanding over six months.
  - The reconciliation report will be reviewed, approved, dated, and initialed by the VP Operations and Finance.

5. We obtained a list from management of all bank reconciliations for the Biennium and haphazardly selected 3 reconciliations. Upon receipt of the listing of the internal controls from Procedure 8, we compared those internal controls identified to the evidence of the control taking place for each of 3 reconciliations selected. The results of our procedures are included in the table below:

Reconciliations Selected	Control A	Control B	Control C
1	✓	☒	✓
2	✓	☒	✓
3	✓	☒	✓
✓	= Procedure performed without exception		
☒	= Procedure exception		
N/A	= Control not applicable for this selection		
Control A: We agreed bank reconciliation to attached bank statement and supporting documentation.			
Control B: We inspected bank reconciliation for checks outstanding over 6 months and evidence of investigation, if any noted.			
Control C: We noted the bank reconciliations contained initials indicating review and approval from the VP of Operations and Finance.			

Regarding Control B, Moss Adams noted that the bank reconciliation contained no supporting evidence of investigation or resolution of the outstanding checks over six months.

6. We haphazardly selected 3 reconciling items from each of the bank reconciliations selected in Procedure 5 and noted that one reconciling item contained supporting evidence. The other eight reconciling items selected were aged outstanding checks that we were not able to agree to supporting documentation.

**Revenues**

7. We obtained the following list of internal controls over revenues. We agreed the list of internal controls to the Board's policies and procedures without exception.
- a. Checks: Executive Assistant (formerly Ops Manager) picks up the mail, scans in any checks and emails the scans to accounting and finance. The checks are then stamped with the appropriate restricted endorsement stamp.
  - b. Credit card: All revenues received via on-line credit card payments should be posted into QuickBooks monthly and a copy of the transaction with all pertinent information, including payee, date of payment into the OWB bank account, the amount and the reason for the payment, will be filed in the file.
  - c. ACH: For grape assessments and wine tax revenues received from the OLCC by ACH, the monthly bank reconciliation includes a comparison of dates and amounts of deposits and other credits as shown in QuickBooks and on the bank statement.

8. We obtained a schedule from management of revenues during the Biennium, and haphazardly selected 10 non-licensure revenue items. Upon receipt of the listing of the internal controls from Procedure 6, we compared those internal controls identified to the evidence of the control taking place for each of the 10 revenue items selected. The results of our procedures are included in the table below:

Revenues Selected	Control B	Control C
1	N/A	✓
2	N/A	✓
3	N/A	✓
4	N/A	✓
5	N/A	✓
6	N/A	✓
7	✓	N/A
8	✓	N/A
9	✓	N/A
10	✓	N/A
✓	= Procedure performed without exception	
N/A	= Control not applicable for this selection	
<i>Controls A not applicable to any of the items selected.</i>		
Control B: Online payments: We agreed a copy of the transaction documentation for payee, date of payment, amount, and reason for payment.		
Control C: Online payments: We noted that the monthly bank reconciliation includes a comparison of dates and amounts of deposits and other credits as shown in QuickBooks and on the bank statement.		

**Expenses**

9. We obtained the following list of internal controls over expenses. We agreed the list of internal controls to the Board's policies and procedures without exception.
- a. The Accounting Manager ensures that the account code is evidenced on the invoice and we noted the appropriate Program Manager or Vice President of Finance and Admin's signature is present as evidence of approval for payment, or email approval is documented in lieu of physical signature.
  - b. Expense reports must be approved by [the employee's] manager in Expensify. The President's credit card expense report and back-up documentation will be given to the Board Chair for approval in Expensify.
  - c. The President will review payroll expenditures and allocations twice annually.

10. We obtained a schedule from management of expenses during the Biennium, and haphazardly selected 10 expense items. Upon receipt of the listing of the internal controls from Procedure 9, we compared those internal controls identified to the evidence of the control taking place for each of the 10 expense items selected. The results of our procedures are included in the table below:

Expenses Selected	Control A	Control B	Control C
1	✓	N/A	N/A
2	✓	N/A	N/A
3	✓	N/A	N/A
4	✓	N/A	N/A
5	✓	N/A	N/A
6	✓	N/A	N/A
7	✓	N/A	N/A
8	N/A	N/A	✓
9	N/A	N/A	✓
10	✓	N/A	N/A
✓	= Procedure performed without exception		
N/A	= Control not applicable for this selection		
Control A: Expenses: We noted the invoice contained account coding and approval.			
Control B: Expenses: Employee expenses: We noted Expensify expense report contained Manager or Board Chair approval.			
Control C: Expenses: Payroll: We noted the payroll journal contained evidence of twice-yearly review and approval by VP Operations and Finance and by President.			

## **Budgets**

We reviewed the budget to actual report for the Biennium, and we noted that the following budget line items exceeded 10% of total revenues or expenses and had a variance exceeding 10% of total revenues or expenses for the biennium.

- a. Total Research Expense; actual was 22.7% (\$198,119) less than budget. We obtained documented support from management for the variance.
- b. Total Education Expense; actual was 12% (\$116,940) less than budget. We obtained documented support from management for the variance.
- c. Total Marketing & Communications Expense; actual was 19.9% (\$374,583) less than budget. We obtained documented support from management for the variance.

We noted that the following budget line items exceeded 10% of total revenues or expenses but did not have a variance exceeding 10% of total revenue or expenses for the biennium so did not perform any additional procedures. As follows:

- d. Grape Assessment Revenue (\$25/ton); actual was 4% more than budget
- e. Wine Tax Revenue (2c/gal); actual was 3.5% more than budget
- f. Grants Expense; actual was 8.9% less than budget
- g. Employee Compensation G&A Expense; actual was 9.9% more than budget
- h. General & Admin; actual was 2.2% less than budget

11. We obtained the following list of internal controls for the reporting of financial information (budget to actuals) and reviewed 8 quarterly reports to the Board to determine compliance with the internal controls.

- a. Every quarter the Board Meeting will include discussion of the Balance Sheet Profit & Loss with Budget to Actual Report.

Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8
Control A	✓	✓	✓	✓	✓	✓	✓	✓
✓ = Procedure performed without exception								
Control A: We noted the Board Meetings contained discussion of the balance sheet and profit & loss with budget to actual report.								

**Financial Statements**

- 12. We obtained the internal financial statements prepared by management for the Biennium and noted that the financial statements agree to the general ledger.
- 13. We compared the schedules obtained for Procedures 8 and 10 to the internal financial statements or to the underlying general ledger accounts and noted that the schedule totals agreed to the financial statements or the underlying general ledger accounts.

We were engaged by the Oregon Wine Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on accounting records of the Oregon Wine Board for the Biennium ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Oregon Wine Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

*Moss Adams LLP*

Portland, Oregon  
 March 7, 2024

## Section I: Copy of Financial Review

The Report of Independent Accountants issued by Moss Adams and OWB Financial Statements for the 2021-23 biennium are included in the following pages.



## JUNE 17, 2024 BOARD PACKET

# Marketing update

Prepared by: Neil Ferguson

### Digital advertising RFP update

#### Strategic objectives

- Market expansion
- Brand equity
- Wine tourism
- Insights & Integration

#### Overview

Following the successful transition from digital advertising during Oregon Wine Month to a consistent year-round basis with Double Tap Marketing as a digital ad consultant, OWB's new executive director has requested that marketing move forward with putting out an RFP to explore options for digital advertising vendors.

#### Status

- Neil researched a list of potential agencies/vendors to send an RFP, which includes the following:

<https://doubletap.marketing/>

<https://www.wineglassmarketing.com/>

<https://studio-707.com/work/>

<https://www.ernstmedia.com/work/>

<https://corkandforkmedia.com/our-team/>

<https://lisamattsonwine.com/work/>

<https://www.mccaplan.com/>

<https://5forests.com/>

- Neil is drafting an RFP that will include marketing objectives and budget

#### Next steps and timing

- Draft and approve RFP (Neil and Gina) as well as 2024-25 digital advertising budget
- Request end of FY 2023-24 report from Double Tap Marketing to be shared with industry
- Send to RFP out to potential vendors with early July deadline



## **Wine Touring Guide RFP update**

### **Strategic objectives**

- **Brand equity**
- **Wine tourism**

### **Overview**

OWB is entering the planning/preparation process for the bi-annual wine touring guide following the record-breaking 2023-24 edition.

### **Status**

- While OWB has worked with Portland-based MediAmerica on the previous 2 editions, OWB's new executive director has requested that marketing move forward with putting out an RFP to explore options for potential new partners.
- Neil is putting together an RFP that will specify budget, objectives, and creative vision.
- Need to look at allocated budget while also exploring possibility of funding through WCLP grant.

### **Next steps and timing**

- Traditionally, new touring guide planning begins in July with initial publishing run beginning in February the following year to time with Oregon Wine Symposium. Ideally, we will stay on this timeline but the RFP process may push it back.
- OWB needs to meet and discuss budget.
- Neil has researched and compiled a list of potential media partners and will contact them with RFP within the next couple of weeks.

## **Wine Country License Plate Matching Grants update**

### **Strategic objectives**

- **Market expansion**
- **Brand equity**
- **Wine tourism**
- **Insights & Integration**

### **Overview**

Following back and forth meetings with Travel Oregon with a delay and potential hold on the matching grants program, OWB has been able to establish a timeline for this year's grant cycle.

### **Status**

- OWB has met with TO and reviewed grant guidelines for finalization
- OWB is planning to announce the grant timeline via industry announcement
- OWB will set up at least one planning meeting in June/July to discuss collaborations and grant projects
- OWB needs to meeting internally to determine budget and priorities



## **Next steps and timing**

### **Here's the application timeline:**

Grant Guidelines available: early July

Application open: Aug. 22-Sept. 20, 2024

Award announcement: Nov. 21, 2024

Mid-project Report due: May 28, 2025

Projects complete by: Nov. 28, 2025

Accomplishment Report due: Dec. 15, 2025

## **Bounty & Vine planning update**

### **Strategic objectives**

- **Market expansion**
- **Brand equity**
- **Wine tourism**
- **Insights & Integration**

### **Overview**

Following a successful launch of an initial Bounty & Vine campaign last year, OWB is exploring how to expand the campaign for 2024.

### **Status**

- Neil and David have been meeting to review and plan for the campaign
- OWB planning budget meeting to explore costs
- Looking into funding video production and other campaign assets via WCLP grant

### **Next steps and timing**

- Review campaign strategy
- Launch campaign mid-August

## **Marketing Committee update**

### **Strategic objectives**

- **Market expansion**
- **Brand equity**
- **Wine tourism**



- **Insights & Integration**

### **Overview**

Marketing Committee met for first time on May 9 and engaged members in important, exploratory discussions while also providing context on OWB marketing programs.

### **Status**

- Neil and Gina working with co-chairs to finalize meeting minutes
- OWB working to plan next meeting and agenda, targeting early August

### **Next steps and timing**

- Neil waiting on co-chairs to provide feedback on May 9 meeting minutes
- Decide on next meeting date. Recommending the week of August 5 or August 12. Neil will create a doodle poll for the group.
- Decide on location for the next meeting. Neil suggesting the group move to a new location so that we are bringing the group to other regions. Craig Camp offered up Troon in the Applegate Valley. Maybe we can also look into King Estate in Eugene (where we had the VNA), Abacela in Umpqua.
- Share meeting minutes with the group, accept any additional feedback, lock in a time and location via Doodle poll.
- Start planning for next meeting.

## **Shortform Masterclass Series update**

### **Strategic objectives**

- **Brand equity**
- **Wine tourism**
- **Insights & Integration**

### **Overview**

Launched as part of OWB's Oregon Wine Month programming to replace the hour-long masterclass webinars done the past few years, the Shortform Masterclass series touches on questions and topics that are of informative and of interest for trade as well as consumers, intended to both educate and enlighten:

- Addressing topics that are frequently searched via Google (we will identify)
- Incorporate the economic, cultural, and agricultural impact of Oregon wine
- Will be searchable on YouTube to provide evergreen value in the long-term

The videos, which have been rolled out each Monday (Masterclass Monday), have been OWB's most successful videos to date with each earning thousands of views.



### **Status**

- Almost all videos have been posted as a playlist on the OWB YouTube account, helping establish this account for consumer and trade-focused marketing.

### **Next steps and timing**

- Neil is building a landing page for oregonwine.org that will host the videos as well so they be leveraged in the long-term an evergreen content resource.
- OWB will continue sharing videos throughout the summer.
- Neil is exploring strategy around deploying videos as advertisements in the future as a way to increase awareness and drive consumer interest in Oregon wine and wine country as a destination.
- We may explore ways to expand this series in the future with special guests, new locations, etc.



## **JUNE 2024 BOARD PACKET**

# **Trade Relations update**

**Prepared by:** David DeWitt

### **Oregon Wine Month 3-tier and consumer updates**

#### **Strategic objectives**

Market Expansion, Brand Equity

#### **Overview**

Since 2012, the Oregon wine industry has celebrated Oregon Wine Month Annually in May as a promotional period of focused trial and awareness.

#### **Status**

The OWB is recapping all Trade, Consumer and Industry activations from Oregon Wine Month 2024 and starting the planning process for 2025. We will be recapping OWM on 7.17.24 with an all Trade and Industry webinar.

- All activations and “spends” are being analyzed and measured. This includes advertising, social engagement, retail programs, etc,
- KPI’s and sales data is being gathered and analyzed for all sales channels. The OWB will contract Danny Brager and additional resources to compile sales results.
- The 2024 spends will be finalized for measurement against budget.
- Consumer activations (sweepstakes, giveaways, and social) will be finalized and measured, by OWB staff and various vendors.

#### **Next steps and timing**

- Oregon Wine Month Recap and Mid-Year Sales Review 7.17.24 11 am PST webinar.
- Shore up all vendor activations (billing and recaps) by end of month.
- Tillamook events May 4 (in person) and May 16 (virtual).
- Activations and ad spending April through May.

### **TexSom 2024 – Conference Sponsorship and Trade Educational Luncheon**

#### **Strategic objectives**

Brand Equity, Market Expansion

#### **Overview**

TEXSOM is regarded as one of the premier trade/industry conferences in the country with international participation. TEXSOM Conference brings the industry together to educate and inspire beverage professionals from around the country. Many buying professionals attend this conference annually as it is recognized as one of the premier trade events held domestically each year.



## **Status**

We will be sponsoring the conference and supporting the event with an educational luncheon.

- The OWB will educate over 150 Trade and Industry professionals.
- Since 2016 OWB has participated in the conference and awards process.
- The trade luncheon provides an opportunity to influence buying professionals and emerging trade professionals.

## **Next steps and timing**

- Secure and ship all wines to conference – we highlight TexSom Awards medal winning wines from around the state.
- Produce all sales collateral and educational materials in time for the conference.
- Highlight involvement for social media and OWB newsletters.
- Capture all attendees contact information for trade database.

## **Resource Studio – Audits and Updates**

### **Strategic objectives**

Brand Equity, Market Expansion, Education

### **Overview**

The Resource Studio serves as an educational tool for trade and industry members. The Full Story presentation is the master file used for content on a variety of resources, such as AVA information and maps, labeling laws, sustainability, etc.

### **Status**

A comprehensive audit and update is underway to refresh the website and the layout of the information and presentations.

- David DeWitt is in the process of auditing the site and will work with a word press professional to make site upgrades.
- David DeWitt is working with a graphic designer to bring all presentations and page elements into the True Character branding.

### **Next steps and timing**

- Audit is currently underway, and presentations are being updated and rebranded.
- Project and site improvements should be finalized by the end of July.



# JUNE 2024 BOARD PACKET

## International Marketing Committee Update

Prepared by: Sally Crawford

### FY23-24 Activities & Budget

#### Strategic objectives

Enhance the reputation of Oregon Wine and market expansion

#### Overview

OWB is a member of the Northwest Wine Coalition (NWC). NWC applies for and receives USDA funds for export and growth of international markets.

#### Status

USDA Grants for FY23-24

- Market Access Program (MAP) - \$548,268
- Agricultural Trade Programs (ATP) - \$438,692 – (year 5/5; ATP total = \$1,370,000)

	OCT	NOV	DEC	J	FEB	MAR	APR	MAY	JUNE
<b>UK</b>	London Rest. Festival Oct 21-30	Wines from the Edge, London Nov 6 and WSET Int. Masterclass Nov 8			UK targeted London, Manchester, Edinburgh w/ WVA week Feb 5				
<b>Canada</b>	Grande Degustation Montreal w/ WVA; Oct 19-21	ANBL Festival NB Nov 3-4 BCLDB Prdct Cnsltnt Mtg Vancouver BC Nov 21					Trade tastings in Toronto Apr 8 & Montreal Apr 10 w/WVA		WUSATA Wine & Cheese Event, Vancouver June 16-18
<b>S. Korea</b>			NW Wine Cert, Seoul w/WVA Dec 4-6					Trade tastings Seoul w/WVA May 24	
<b>Europe</b>						Trade Tastings Oslo w/WVA Mar 4, Trade Tastings Stockholm Tasting w/WVA Mar 6; Gothenburg Masterclass Mar 7	Inbound Norwegian Monopoly Buyer Tour w/WVA		
<b>Japan</b>	Inbound Japan Harvest Tour w/ WVA Oct 4-7							NW Wine Cert, Tokyo w/WVA May 20-21	
<b>Trade Shows</b>					Vinexpo Paris w/ CA & NY Feb 12-14	Prowein, Dusseldorf w/ WVA Mar 10-12		Vinexpo Asia Hong Kong May 28-30 w/WVA	
<b>Summer Tour</b>									Summer Tour OPC June 22-28

## FY23-24 International Spend



	MAP/ATP	OWB Budget
UK	\$228,000	\$228,000
Canada	\$139,950	\$139,950
S. Korea	\$81,000	\$81,000
Europe	\$65,150	\$65,150
Japan	\$56,500	\$56,500
Trade Shows	\$223,000	\$223,000
Summer Tour	\$100,000	\$100,000
Misc & Fees	\$93,264	\$93,360
OWB Fees	\$170,000	\$170,000
	<b>\$1,156,864</b>	<b>\$986,960</b>

FY23-24 GRANT SOURCE	
MAP	\$548,268
ATP	\$438,692



## **Committee Charter and FY24-25 Budget & Planning**

### **Strategic objectives**

Enhance the reputation of Oregon Wine and market expansion

### **Overview**

OWB is a member of the Northwest Wine Coalition (NWC). NWC applies for and receives USDA funds for export and growth of international markets.

### **Status**

Proposing attached International Marketing Committee Charter

USDA Grants for FY24-25

- Market Access Program (MAP) - \$519,523
- Regional Agricultural Promotion Program (RAPP) - \$960,000 – Tranche 1 for use over 18-60 months
- Global Broad-Based Initiative (GBI) - \$223K - Year 2/3 in Canada market with WA, NY and CA

### **Next steps and timing**

International Marketing Committee to provide input and guidance on strategic international market events and educational programs, which raise awareness and develop Oregon wine ambassadors that promote interest in and market expansion opportunities for Oregon Wine.

- June 20 – 2 pm
- Committee Members based on interest and participation
  - David Adelsheim/John Kimball (Adelsheim)
  - Cam Christie (Elk Cove)
  - Randy Ford (Cristom)
  - John Grochau (GC Wines)
  - David Millman (DDO)
  - Robert Morus (Phelps)
  - Kate Norris (Division)
  - Adam Ramirez – (Coventry Vale)
  - Howard Rossbach (Citation)
  - Abigail Smyth (Crimson Wine Group – Archery Summit)
  - Mark Wisnovsky (Valley View)

### **OWB Staff**

- Gina Bianco – OWB Executive Director
- Sally Crawford – OWB Chief Financial Officer
- Margaret Bray – OWB International Program Contractor

# **Insights & Industry Relations Update**

Prepared by: Celine FAUVEAU SCHAFF

## **Industry Partnership Committee update**

### **Charter**

The IPC Charter has been revised to better reflect the committee's objectives and clarify the feedback-loop between the IPC and the OWBC Board. View the updated [IPC charter](#).

#### **Feed Back Loop As described in the [updated charter](#):**

1. The IPC shall deliver recommendations to the OWB Board of Directors. All recommendations made by the IPC to the OWB Board of Directors shall be a collective representation of the IPC members. When multiple recommendations are made to the Board, IPC shall prioritize the recommendations.
2. The OWB Board of Directors shall review and discuss these recommendations, make decisions, and provide guidance to appropriate OWB committees.
3. OWB committees implement the Board's directives, monitor progress, and evaluate outcomes.
4. OWB Committee's implementation progress and challenges are relayed back to the IPC, allowing for recommended adjustments or refinements to be made.

OWB standing committees should be represented on the IPC by at least one committee member as chosen by each committee and approved by the OWB Board

### **IPC Meeting Scheduling**

The IPC Co-Chairs and management team are in the process of rescheduling IPC meetings to align with OWB Board meetings scheduling.

### **Attendance**

Dionne Irvine as IPC Co-Chair is reaching out to current IPC members to ensure we get a committed group going forward.

My suggestion would be to have for the IPC, as is the case for other OWB committees, one or two OWB board members who are actively engaged in the committee's work. Other OWB Board Members could be invited as needed as subject matter experts or to provide updates from the committee they are actively engaged in.

This would show a better picture of OWB Board engagement for other IPC members by not having "absentees" or camera-off participants.

This would also be less stressful for board members who think they are expected to attend but are too busy to be able to honor the commitment.

## Vineyard & Winery Census Status

As of June 6, 2024, 433 businesses have participated.

- The [preliminary grape pricing report](#) was released and posted on the OWB website on June 4 with password protection (WeParticipated24) to offer exclusive access to census participants.

Harvest year	2017	2018	2019	2020	2021	2022	2023
# Price Datapoints	582	439	445	370	398	422	387

Price data Points per region	2017	2018	2019	2020	2021	2022	2023
Statewide	582	439	445	370	398	422	387
North Willamette Valley	300	219	213	156	215	207	266
South Willamette Valley	90	93	63	66	55	67	35
Umpqua Valley	44	16	21	24	22	44	15
Rogue Valley	93	47	91	89	50	46	25
Columbia River	51	50	49	28	40	44	41
All Other	6	14	8	7	16	14	5

### Next steps and timing

- We extended the data collection until June 30 to allow more growers to participate especially in the Umpqua and Columbia gorge. Currently, for many varieties we did not collect enough “non estate” fruit datapoints to provide transfer prices.
- The final 2023 report will be released in September and will include in addition to previously available information
  - New Vineyard plantations
  - Sparkling wine production
  - Sustainably grown vineyard acreage
  - Nested AVA reports
  - Tonnage of fruit crushed out of state
  - Rootstocks (new in partnership with OSU)
- We will plan a listening session to improve data collection in the future.
- We plan on moving data collection earlier in the year.
- Pending questions:
  - o How many businesses closed down in 2023?
  - o Acreage of grapes not harvested because of fire taint in the Umpqua?

## Viticulture & Enology Research Status

On May 14 the OWB hosted a webinar where scientists presented OWB Funded Research. The recording has been shared in the Grapevine. (Recording available [here](#))

- **Webinar Agenda:**

### Vine Mealybug

- Update on the 2023 delimitation project and next steps for 2024 - *Josh Vlach, OSU*

### Completed Research

- Rootstock Effect on Pinot Noir Growth - *Patty Skinkis, OSU*
- Malolactic Fermentation Timing and Color - *James Osborne, OSU*

### Current Projects

- Rootstocks, drought, and isotopes - *Alec Levin, OSU*
- Spoilage potential of Oregon Brettanomyces - *Christopher Curtin, OSU*
- RNAi against Red Blotch Virus - *Laurent Deluc, OSU*
- GTD management - *KC, Achala, OSU*

### Additional updates

- Background Concentrations of Smoke-Related Phenols in Oregon Wines Without Smoke Exposure - *Cole Cerrato; Elisabeth Tomasino, OSU*
- Northwest Center for Small Fruit Research updates and OWB collaboration for funding - *Julie Pond and Oregon Wine Industry Delegation to Washington DC*

### Next steps:

- A webinar page will be created on the industry website to link the recording and presentation decks
- Single pages per funded research are being created (see example [here](#))
- Celine will work with OSU new Communication Outreach manager to amplify the outreach of OWB-funded research on [IVES](#). (Kierra and I met once we will be working on a plan)

## Wine Market Council

Since OWB has become a Wine Market Council member I have joined their research committee. We are working on two studies.

### Study 1: Wine Club Members and DtC

Oregon Wineries were offered the opportunity to participate in the study by sending a link to their club members. The opportunity was shared by the OWB with the industry through dedicated emailings and through the information-sharing task force. I also attended winery associations meetings (WVWA, Chehalem WA, and Umpqua) and reached out to larger wineries directly in all regions.

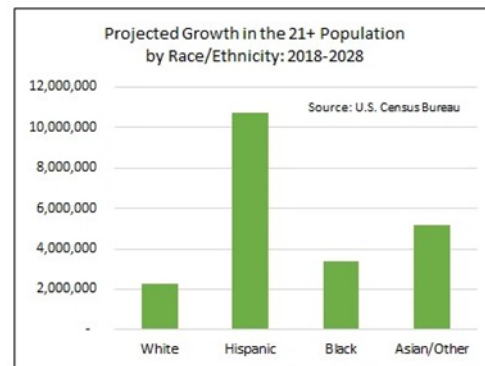
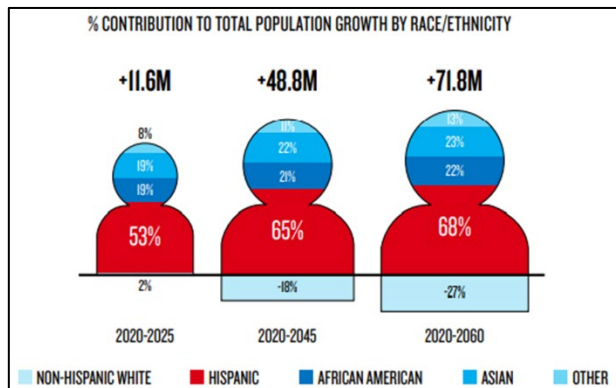
As of today WMC has gathered 153 responses from Club Members of Oregon Wineries all participating wineries are community benchmark users.

### Study 2: Young Multicultural consumer

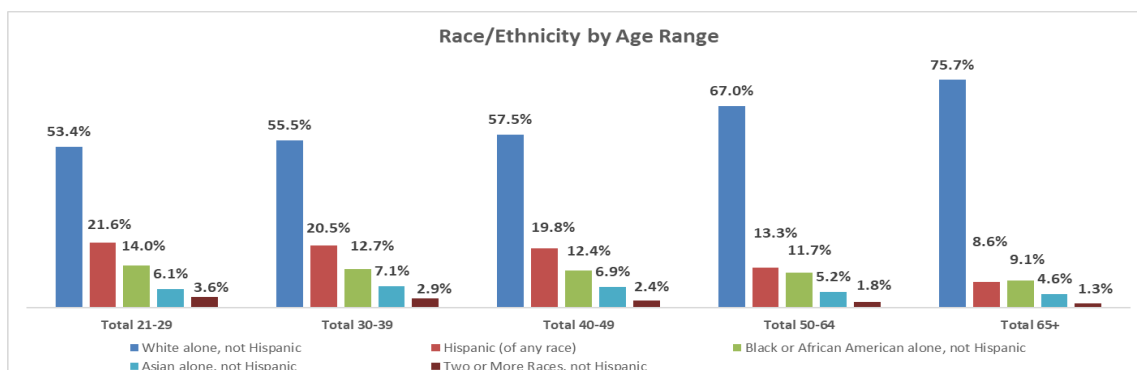
WMC has chosen EthniFacts as the research provider for this project for their combination of innovative qualitative methods, substantial sample size, and expertise with diverse consumer groups. I have attached their proposal for reference.

## Proposal: Wine Market Council Research Initiative Attracting Younger and Multicultural Consumers to the Wine Category

**Background:** The Wine Market Council is concerned about the flattening/decline in table wine volumes over the past 2 years as, after steady increases, declines are being driven by various sources. Adults in their 20's are not increasing wine consumption, in fact GenZ (which includes those from 21-27 of LDA) appears to be decreasing wine consumption rapidly. As evidenced in our prior research (both for the WMC and other beverage suppliers), young consumers are bombarded by a myriad of choices, including other BevAl categories, lower priced alternatives such as RTD's, non-alcoholic options, cannabis products, other tastes, general health and wellness trends, and cultural norms. While those in their 20's appear to be declining in wine consumption, there is evidence that those in their 30's show a high level of participation and above-average frequency. This difference in behaviors and preferences and what triggers wine category participation in the 30's as consumers age will be a major focus of our research. Can this trend be accelerated?



At the same time, the U.S. population is becoming more multicultural in make-up, as ALL growth in the U.S. is projected to be Hispanic, African American, Asian, and Multiple Race through 2060. This trend is compounded by the fact that deaths are already exceeding births for the non-Hispanic White population, which is projected to contribute -27% to growth between 2020 and 2060. As shown in our previous research for the WMC and others, Hispanic, Black and Asian Americans currently under-index as wine consumers in terms of market penetration, frequency and volume. Given these strong forces, it is important that the industry take action to attract more young and multicultural consumers to the wine category.



Specifically, looking at LDA ranges in focus for this study, 21-29 year olds are only 53% non-Hispanic White and 30-39 year olds are only 56%. These realities will drive our sample decisions for qual and quant.

**Objectives:** The stated objective of the WMC for this project is to “...describe and quantify perceptions, attitudes and usage of U.S. young, multicultural consumers towards wine, identify barriers to adopting wine and which attributes of wine are most valued or attractive to these consumers. The research should be usable for developing marketing strategies and tactics to encourage them to adopt and enjoy wine in moderation. It needs to build on, rather than just test or confirm, earlier research on these populations. In particular, to:”

- Probe deeper into the purchase decision process, on and off-premise. How do they make decisions in real time on what drink category to buy, and within wine which wine to buy?
- Probe deeper into the consumption process/occasion: what is the impact of ambience and who you are with? Is wine not “sessionable”?
- Confirm or modify our knowledge of the broad downturn in alcohol consumption, and why or how this varies among younger consumers and between specific ethnicities or genders. If “wellness” is a factor, what does that actually mean? If important, what is the precise role/mechanism behind economic or social reasons for cutting back? (E.G. Physical impact such as headaches vs. medical fears like cancer vs. loss of energy/effectiveness? Reducing spending broadly vs. wine perceived as r
- 6+elatively expensive? Peer group trend or fear of embarrassment/loss of control?)
- Confirm and understand the reasons behind some widely held perceptions of wine being relaxing but not energizing; insufficiently fun, not celebratory; expensive. Confirm and better understand the reasons behind positive perceptions or attributes of wine.
- Obtain more detail on the perception by a large minority that they don’t like the taste of wine or prefer other drinks? What trial/experience is that based on? Which taste attributes would they find attractive and which are turnoffs?
- Test, or at least obtain reactions to, some product propositions or attributes designed to overcome barriers identified in the above research. Understand potential role for wine events, winery visitation or changes in packaging/presentation to reinforce these.

EthniFacts supports these objectives and believes working to better define the Wine Buying Journey as consumers progress through: Awareness, Consideration, Purchase, Retention, and Advocacy will be core to both the qualitative and quantitative portions of this proposal.



Our initial foundational multicultural research for the WMC concentrated on whether they drank wine, how they were introduced, choice of drink by occasion, frequency for leading drink types, types of wine preferred, perceived attributes of wine, sources of information, stated reasons for drinking or not drinking wine, and who they drink wine with. Our objective in this study will be to build and go deeper into the 5 steps of the Wine Buying Journey and the key elements of each of these steps. Keeping in mind the exploratory bullet points above, the overriding objective will be to produce a “roadmap” for the WMC members with actionable steps they can take to influence Awareness, Consideration, Purchase, Retention, and Advocacy.

**Intercultural Affinity Approach:** We are excited that non-Hispanic Whites will be included in this study so that a crosswalk can be developed utilizing the EthniFacts intra-ethnic model to segment within multicultural groups, while employing the inter-ethnic model (ICA) to crosswalk findings to ALL consumers including Non-Hispanic Whites who share common ambicultural traits. The largest and fastest growing segments of the U.S. population are ambiculturals who exhibit mindset, behavior, and opportunity to think and act outside their root culture. These ambiculturals tend to share their opinions and feelings more readily and are the key to products and trends “going viral.” By understanding and activating wine ambicultural consumers of ALL

racess/ethnicities, we can make the actionable “buckets” bigger and accelerate the roadmap for wine adoption and expansion. This article written in partnership with Nielsen details this rapid intercultural path to expansion: [ICA Rationale](#).

**Proposed Phased Workplan:** Our proposal consists of 2 initial phases beginning with a qualitative study of Hispanic, NH Black, NH Asian, and NH White wine drinkers probing for key touchpoints in their wine buying journey through interactive online retail shoppalongs (both physical and virtual) and on premise tagalongs. The learnings from this phase will feed the second quantitative phase, which will seek to quantify the key points where wineries and suppliers can influence consumers in the 5 steps of the wine buying journey: Awareness, Consideration, Purchase, Retention, and Advocacy. A 3rd potential phase, which can be discussed afterwards, could be to develop an ongoing intercultural tracker that employs the Intercultural Affinity segmentation model to track bigger “buckets” of consumers than those merely identified by Census demographics, the consumers that share cultural DNA and are most likely to make trends go viral.

➤ **Phase 1 - Qualitative Online Shopping Trips, Retail Shoppalongs, and On Premise Tagalongs:**

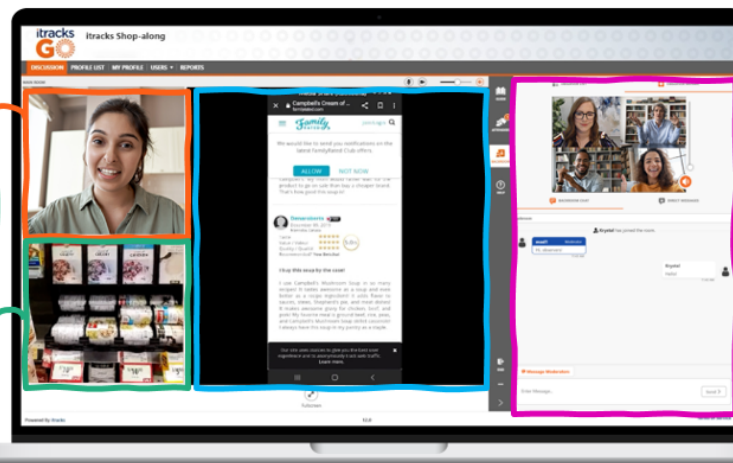
**Objective:** This exploratory phase will include a review of existing research including learnings and extensions suggested in our previous WMC work, Datassential’s March 2024 study of 3,000 Gen Z BevAl drinkers, Nielsen IQ and Scarborough data, and other relevant studies. Once agreement is achieved from WMC stakeholders, EthniFacts will employ itracks mobile shoppalong software to conduct one on one engagements with 27 participants who will each perform a mobile retail or on premise encounter and an online shopping trip with either a DTC or online retailer, resulting in 54 consumer engagements (WMC’s Benchmark study showed that 29% of consumers purchase wine on a mobile phone and that number is growing). The participants will engage in a pre-survey that will concentrate on the Awareness and Consideration steps in the wine buying journey and then be walked through an online shopping trip with their favorite wine buying site before leaving their car and entering a physical location for a retail or on premise engagement. This physical engagement will concentrate further on Awareness and Consideration, while emphasizing the Purchase considerations and decisions made at the point of purchase. The result will be 27 videos showing the participants screens and voice during an online shopping trip and 27 videos of a physical retail shoppalong or an on premise tagalong.

## itracks Realtime for Shop-alongs

The image below is shown from the viewpoint of an Observer observing a live shop-along in a grocery store.

This is the **Moderator**. She is controlling the session and can communicate with both the Participant and the Observers.

This is the **Participant video feed**. The participant is participating via mobile and using her phone’s rear facing camera to show what she’s looking at (in this case, soup.) She can also use her front-facing camera to show her face.



This is the **Participant screenshare**. In this case, the participant is using their phone to look up reviews and recipes of the soup that they were shopping for (pictured in their camera feed). This only shows when requested by the moderator.

This is the **Observer backroom panel**, where Observers can chat to one another and to the moderator both by video chat and text chat. It can be hidden or resized by each Observer depending on what they want to focus on.

The participant does not see the observers.

The itracks software allows our moderator to guide the participants, while simultaneously recording the participant’s video feed and mobile phone screen. This will allow us to record what is being seen by the participant on their screen while searching, shopping, and buying; while also recording what is physically being seen in the retail or on premise location through their phone’s camera.

There are many advantages to the mobile shopalongs/tagalongs including allowing more participants in more geographic locations, which will be important in recruiting representative consumers of multiple cultural segments. The ability to record both screensharing and camera feed will facilitate 2 shopping experiences for each participant and allow us to gain deep insights on both online shopping and physical activity.

**Sampling Methodology and Topics:** Our sample plan is detailed below and allows us to recruit 27 participants across all races/ethnicities resulting in 54 captured video experiences, 27 virtual and 27 physical. The sample is weighted more heavily with Hispanics and Blacks, as they represent the largest multicultural opportunity.

	Total	Hispanic	NHW	NHB	NHAsian
<b>Total Physical Retail &amp; Virtual Retail</b>					
Mobile Physical Shopalong	15	5	2	5	3
Grocery	9	3	1	3	2
Package	6	2	1	2	1
Mobile Online Shopalong*	15	5	2	5	3
DTC	Min 6	Min 2	1	Min 2	Min 1
Retail Platform	each	each	each	each	each
<b>Total On Premise &amp; Virtual Retail</b>					
Mobile On Premise Tagalong	12	4	2	4	2
Restaurant	6	2	1	2	1
Club/Bar	6	2	1	2	1
Mobile Online Shopalong*	12	4	2	4	2
DTC	Min 6	Min 2	1	Min 2	1
Retail Platform	each	each	each	each	each
<b>Total Captured Experiences</b>					
Mobile Physical Shopalong	15	5	2	5	3
Mobile On Premise Tagalong	12	4	2	4	2
Mobile Online Shopalong*	27	9	4	9	5
<b>Total Captured Experiences</b>	<b>54</b>	<b>18</b>	<b>8</b>	<b>18</b>	<b>10</b>
*Participants will perform a Mobile Virtual Shopalong and their physical experience.					

The topics to be covered in the qualitative phase will concentrate on the Awareness, Consideration, and Purchase steps in the wine buying journey with care taken to identify cultural nuances. We will conduct pre-exercises in addition to the 2 shopping trips each participant will perform. We’ll work with stakeholders for specific topics that can include:

- Understanding preplanning vs. impulse (what influences impulse in both online and physical trips).
- Opinions and perceptions of wine vs. other BevAl alternatives. Does their culture influence this?
- Identify potentially important barriers to adopting wine as well as the most attractive potential attributes of wine.
- What social media participants use and what level of influence this has on purchase. We can ask participants to take us directly to sites they frequent often and record their screens. Are there specific cultural sites they frequent?
- Do they screen shot anything wine related when they see something interesting.
- Purpose for shopping trip (gift, home, gathering with friends)
- Is shopping an intimidating experience?

- Do they ever feel a bias against them with store staff?
- What level of decisions are made before entering, impulse influence of displays, etc.?
- How important is price point in deciding where you shop on a shelf and at on premise?
- Can they readily find the category and then brand of they know what they want?
- Do they usually shop for 1 bottle or multiple to pantry load?
- What do participants do to educate themselves on wine before trip and during trip?
- Do they take pics of wine labels or make a note as they try them (on-premise, parties, etc.)?
- Do they understand how to read wine ratings (in-store shelf talkers, neckers on bottles) and do they care?
- Is there someone they trust for direction during the experience (wine steward, sommelier, online reference, etc.)?

**Deliverables:** The final analysis and report of the qualitative will elaborate on the similarities and differences between the race/ethnicity groups and identify cultural adjacencies to feed the roadmap of influencing as many as possible in each step of the wine buying journey. The report will be delivered in powerpoint and include images and videos to bring the findings to life.

**Timeline and Cost:** (Detailed unified timeline at end of proposal) The qualitative workplan will begin as soon as approved and the pre-study deck is delivered with specific parameters agreed upon. The timeline for the qual after agreement on pre-study deck parameters will be 60 days from start to reporting. The cost for the qualitative as detailed here is \$39,000.

➤ **Phase 2 - Quantitative Survey to Inform the “Roadmap” for Influencing the Wine Buying Journey and to Identify Cultural Adjacencies and Differences:**

**Objective:** The objective of the quant will be to inform the roadmap for influencing the wine buying journey by quantifying the key points where wineries and suppliers can influence consumers in the 5 steps of the wine buying journey: Awareness, Consideration, Purchase, Retention, and Advocacy. We will seek to quantify the key touchpoints identified in the qualitative, particularly in the Consideration step, including an ethnic breakdown of each major barrier and perception of most attractive wine attributes in each of the major ethnic segments. We intend to identify both similarities and differences between key sub-segments to inform our roadmap. We will continue our dive into the Awareness and Purchase steps informed by qualitative findings and will also delve into the Retention and Advocacy steps which will be critical in informing activation steps for WMC members.

**Sampling Methodology and Topics:** A readable sample of 1,525 LDA adults will be surveyed online in a survey to be conducted in English and Spanish. The sample will consist of adults who drink at least one beverage alcohol category a minimum of one to three times per year and will further be segmented into a sample of non-wine adopters, core wine consumers and marginal wine consumers utilizing the WMC definitions. The sample will consist of 550 Hispanics and 325 Blacks, Asians, and non-Hispanic Whites. The sampling approach is detailed below and will be designed to mirror the population parameters of the 2022 U.S. Census American Community Survey, skewed a bit higher in income and education to reflect wine consumers.

### Proposed U.S. Sample Plan

		Total	Hispanic	NHW	NHB	NHAsian
Total		1525	550	325	325	325
Region	Northeast	235	75	60	40	60
	Midwest	196	45	67	42	42
	South	591	205	113	189	84
	West	503	225	80	59	139
Gender	Male	610	220	130	130	130
	Female	915	330	195	195	195
Age	21-29	534	193	114	114	114
	30-39	534	193	114	114	114
	40-64	457	165	98	98	98
Nativity	Native Born		400			150
	Foreign Born		150			175
Country of Origin	Mexican		330			
	Other Hispanic		220			
Hispanic Ambifluidity	Tradicionales/Seekers		125			
	Ambi/Yearner		330			
	Americanos		95			
Education	HS or Less	396	200	45	114	55
	Some College	610	195	130	114	91
	Bach+	519	155	150	98	179
Language of Survey	English Survey	1425	450	325	325	325
	Spanish Survey	100	100			
Need to Decide on Non-Adopters	High Frequency Wine Drinker (min)	305				
	Occasional Wine Drinker	1037				
	Non-Adopter* (min)	183				

\*drink alcoholic beverages at least monthly, but rarely or never drink wine

**Deliverables:** The final report of the quantitative will consist of a powerpoint which will detail all findings culminated with a “roadmap” for activation along each of the 5 steps in the Wine Buying Journey. Our intention is to give the WMC members specific steps they can take in each of these areas to increase trial and spur increased consumption among multicultural and Gen Z consumers, the majority of which will ambicultural by definition. These results will be reported as a stand-alone, but ideally they can build on the qualitative to inform the steps of the roadmap. Frequency tabs and raw data will be provided to the WMC and care will be taken in our processes to assure common parameters are met to mirror findings from the WMC Benchmark and other studies.

**Timeline and Cost:** (Detailed unified timeline at end of proposal) The quantitative survey workplan will begin with consultation with all stakeholders to ensure needs are prioritized and built into the plan followed by questionnaire design, translation, programming, recruitment, fieldwork, tabulations, analysis, and reporting. The cost for the quantitative as detailed here is \$31,000.

➤ **Potential Phase 3 – Intercultural Adult Beverage Tracker:**

Objective: The Intercultural Adult Beverage Tracker could become an ongoing survey of multicultural and culturally adjacent consumers utilizing EthniFacts ICA (Intercultural Affinity) segmentation model to track the buying habits and preferences of ambiculturals, thereby making the “buckets” much bigger than mere Census demographics reflect. By employing this methodology and providing it as a sponsored or subscription model, this tracker could actually become a revenue generator for the Wine Market Council. EthniFacts has been conducting a nationally syndicated study called PICAT (Personality Intercultural Affinity Tracker) twice per year since 2017 with clients such as Northwestern Mutual, Major League Baseball, Denny’s, Yum! Brands, Diageo, Bacardi, and Remezcla, and this study can be modeled after the successes built there. Details of this can be discussed after a successful outcome of this project, which we expect will garner strong interest in the methodologies being used.

**Overall Unified Timeline (Qual and Quant can be separated if necessary):**

<b>Dates</b>	<b>Milestone and/or Activity</b>
Week of 5-6	Project approved and notice to proceed issued
Week of 5-13	Consultations on final scope, design and timeline
Week of 5-20	Deliver sample design, scope of qualitative exercises, and get approvals
Week of 5-27	Complete recruiting for online qualitative encounters
Weeks of 6-3 – 6-10	Conduct online qualitative encounters
Weeks of 6-17 - 7-1	Data analysis of qual and report writing
Week of 7-15	Final report of qualitative findings with videos and powerpoint
TBA	WMC webinar detailing qual results
Week of 7-29	Deliver sample design
Week of 8-5	Draft instrument and get approvals
Week of 8-12	Complete all translation, programming and pretest
8-18 – 9-2	Data collection for quant survey
Beginning 9-9	Analysis and stat testing
Weeks of 9-16 – 9-23	Data tabulation and reporting
Early October	Quantitative report delivered including “Roadmap” of wine buying journey with influence touchpoints (optimal will be to perform qual and quant to fully build this)
TBA	WMC webinar detailing quant results and overall “roadmap” in October/November

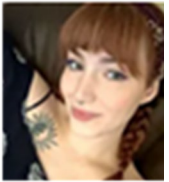
**The EthniFacts Wine Market Council Project Team:**



**Mike Lakusta – EthniFacts CEO/Founding Partner and WMC Project Lead:** A frequent speaker and moderator, Mike is a 40-year veteran of the Consumer Products Industry having worked on the development & growth of many brands during his management career with Procter & Gamble, E&J Gallo Winery, and major wholesalers in the adult beverage industry. As SVP of International Business Development & Multicultural Marketing for a multi-billion dollar beverage company, Mike worked with and advised major beverage suppliers both domestically and internationally. He was a founding member of the Curriculum Committee of the Wine and Spirits Institute at the Conrad Hilton College of Hotel and Restaurant Management, is a member of the Latino Hotel Association Board of Directors, and serves on the Yum! Brands Equity Inclusion and Belonging Committee. Mike founded EthniFacts out of frustration with the lack of accurate multicultural research and actionable insights as an innovative research firm focused on the intersection of personality and culture and how they drive consumer behavior. Applying expertise in psychometric and statistical sciences, innovative demographic tools, and deep cultural observation and interpretation, EthniFacts delivers actionable understanding of today’s dissonant consumer environment to their clients. Recent clients include Coca-Cola, AT&T, Telemundo, Bacardi, Diageo, NBCUniversal, Nielsen, the CDC, We Are All Human, MRI-Simmons, BanCoppel, Lowe’s, Major League Baseball, Northwestern Mutual, The Wine Market Council, Latino Leaders Magazine, and many others.



**Ashley Thompson, PhD - EthniFacts Director of Statistical Services:** Ashley is an Associate Professor and the Psychology Department Head at the University of Minnesota Duluth. Ashley's research broadly relates to the investigation of group processes and stigma facing those of marginalized identities. With over a decade of experience in behavioral research, she regularly provides professional, methodological, and statistical consulting to support diversity-focused research. Her expertise encompasses psychometrics, the handling of large data sets, model selection, estimation, and a wide variety of quantitative methods/statistics. She received her PhD in Experimental and Quantitative Psychology from the University of New Brunswick (Canada) and teaches courses in both Psychology and Statistics. Ashley has led statistical analysis on many EthniFacts projects including our previous WMC research and current projects for the CDC, FDA, Bacardi, Northwestern Mutual, and many others in addition to captaining analysis for EthniFacts syndicated PICAT (Personality Intercultural Affinity Tracker) performed twice per year.



**Rachel Willhite – EthniFacts Field Market Research Manager and Data Analyst:** Receiving degrees in psychology, statistics, and mathematics from the University of Minnesota Duluth (UMD), Rachel's interest in combining data analytics and human behavior led her to joining EthniFacts. She applies her interdisciplinary knowledge to gather high-quality data and uncover novel insights as she oversees quantitative and qualitative fieldwork covering a wide variety of topics. Rachel has deep experience leading qualitative and quantitative projects for EthniFacts with various responsibilities including managing our programmatic panel exchange portal capturing the necessary respondents to meet complex quotas, sourcing qualitative respondents through our many partnerships with niche cultural organizations, and a variety of other necessary tasks.



**David Aikens – Qualitative Moderator and Project Specialist:** David Aikens is a veteran Sales & Marketing leader with a track record of success in developing and driving Multicultural Marketing agendas across several organizations. David started his career working in Advertising at BBDO before moving into promotional marketing, and then into the wine & spirits industry, overseeing Multicultural programming at Glazer's Distributors – working across various leading wine and spirit supplier portfolios. His time working at Glazer's led David to eventually becoming the co-owner and Managing Director of 20.10 Media, an independent strategic and executional multicultural agency based in Houston that serviced the Glazers portfolio of wine and spirits brands. In 2018, David successfully orchestrated a merger between 20.10 Media and TEAM Enterprises, and immediately started leading strategy and programming for Bacardi's multicultural consumer and trade marketing efforts. David continued his career, joining Bacardi USA in 2019 as Customer Marketing Director where he led the business transformation making customer marketing and brand marketing organizations prioritize Multicultural Marketing as a growth driver for Bacardi's future. In David's final role as Sr. Director of Multicultural Marketing at Bacardi, David played a significant role in the company's Diversity, Inclusion and Equity agenda, working across all marketing and commercial teams as well as with external agency and vendor partners. Currently, David is a corporate and new business start-up consultant with his vision of "over-serving the under-served" consumers and communities as a strategic conduit to accelerated business success. David works with companies using insights, data and lived experiences to help leaders realize their future business goals and profitability must include integrated strategies that include diversity and equity practices.



**Marta Villanueva - Qualitative Moderator and Project Specialist:** Marta has deep expertise in marketing and advertising strategy, as lead account manager for Procter & Gamble accounts spanning several years at groundbreaking Hispanic agency, Bromley Communications and serving as Marketing and Advertising Director at Guerra DeBerry Coody, a fully-integrated marketing firm. She is a member of the Qualitative Research Consultants Association and the Maryanne Pflug Award Winner. As one of the only market research veterans with a Master's in Creative studies, she publishes and speaks in various industry organizations about uncovering the unconscious emotional drivers in consumers. She has a B.B.A in Management and Marketing from Idaho State University and further Moderator training through the Burke Institute and facilitator training through the Creative Education Foundation. Marta has a proven track record with companies like Coca-Cola, Disney, MIT, L'Oreal, Kraft, Google, and others and she has become a trusted expert for creative exploratory, positioning strategies, marketing strategies, new products innovation, brainstorming sessions, consumer exploratory, and creative problem-solving workshops using her ability to empower respondents to provide richer responses with customized techniques grounded in creative thinking. Her adept use of creativity models uncovers new thinking that leads to breakthrough strategies. Marta is a native Spanish speaker with deep experience in uncovering insights from Hispanic, as well as respondents of all races/ethnicities. She has much experience in the BevAl industry including work for Hennessy, Heineken, Corona, Miller Lite, Stella Artois, Nestle, Walmart, Kroger, CVS, and Target.