

OREGON WINE BOARD MEETING MINUTES

MAR. 3, 2016 <<FINAL>>

LOCATION: COLUMBIA GORGE HOTEL, HOOD RIVER, OREGON

Attendance

Board: David Beck (Chairman), Steve Thomson (Vice Chairman), Michael Donovan, Bill Sweat, Ellen Brittan (Chair Emeritus), John Pratt (Treasurer), JP Valot and Hilda Jones

Staff: Tom Danowski, Rose Cervenak, Marie Chambers, Jessica Willey, Christina DeArment, Michelle Kaufmann and Carrie Hardison

Guests: Sierra Wright/The Pines 1859 and Nicole Backus/Columbia Gorge Winery Association

Absent: Doug Tunnell

At 12:15 p.m. Beck called for an Executive Session in accordance with ORS192.660(2)(a), only the Board and press are allowed to participate. Staff and guests were excused.

MEETING OPENING

Call to Order

- Beck called the OWB Board meeting to order at 1:12 p.m.

Board Minutes (Attachment)

It was moved and seconded that the Dec. 8, 2015 Board meeting minutes be approved as submitted. The motion carried unanimously. (Sweat had Tunnell's proxy).

MATTERS FOR DECISION

Finance Committee Report (Attachments)

- Chambers gave the finance committee report.

Brittan moved that the Balance Sheet and P&L through January 2016 be approved as submitted. Thomson seconded and the motion carried unanimously. (Sweat had Tunnell's proxy).

- 2013-15 Financial Review Response
 - Chambers reviewed the one-page summary response to the financial review.
 - Pratt endorsed the response stating there were no concerns or questions.
 - **ACTION: Chambers will name the person responsible for review, approval and filing of journal entries in the official response memo.**

Brittan moved to approve the 2013-15 Financial Review Response, as amended. Beck seconded and the motion carried unanimously. (Sweat had Tunnell's proxy).

- **ACTION: OWB will report to the industry on the financial review process.**

Research Committee Report

- The committee chair reviewed each project proposed for funding in 2016-17 and provided an explanation of the “special award.”
- The Board discussed the “special award” and mentioned it as part of the approved 2016-17 RFP voted on by the Board in the Oct. 20 meeting.
- There was some discussion about the commitment that Jerry Lohr/J. Lohr Vineyards made at Symposium and whether OWB could use that as a catalyst to involve more organizations in the effort to solve some of the critical issues (i.e. red blotch).
- **ACTION: Pratt was urged to clarify within the award letter for the “special award” project, the criteria and contingencies for being funded for multiple years.**
- There was discussion about why the committee recommended funding in excess of the \$325,000 budget they were expected to allocate.
- **ACTION: Regarding the critical issue of red blotch, it was suggested that the investigator or committee chair report to the Board periodically on the progress in this critical area.**

Thomson moved that the research committee recommendation for funding be accepted as presented. Valot seconded and additional discussion ensued about funding projects in excess of the budget. The Board Chair tabled the motion so the Board could consider the additional funding in the context of the proposed 2016-17 budget discussed later in the meeting.

- **ACTION: OWB provide the Board with a pro forma budget in December so the Research Committee and other committees have as much information as possible to make decisions that impact the upcoming fiscal year’s budget.**

MATTERS FOR DISCUSSION

Strategic Planning

- Chambers presented a 2016-19 Strategic Plan summary.
- 2015-16 budget proposal
 - Chambers provided an adjusted 2015-16 budget for Board approval.

Pratt moved that the adjusted 2015-16 budget proposal with Total Income of \$2,288,432; Total Expenses of \$2,167,618 be approved. Thomson seconded and the motion carried unanimously. (Sweat had Tunnell’s proxy).

- 2016-17 preliminary budget proposal
 - There was discussion about various additional research programs/projects that may be realized in the ‘16-‘17 fiscal year. (Business research, water usage study, emergency red blotch research).
 - **ACTION: The Board requested Chambers add a business research figure of \$40,000 to the budget.**
 - **ACTION: The Board requested Chambers insert \$20,000 for program sponsorships.**
 - Final spending approval will require Board review of project specifications and specific proposals.
 - **ACTION: Chambers will submit the 2016-19 Strategic Plan summary and approved 2016-17 OWB budget to Business Oregon by March 31.**

Pratt moved to approve the Research grant funding of \$350,761. Thomson seconded and the motion carried unanimously. (Sweat had Tunnell’s proxy).

- **ACTION:** With regard to the “special award” proposal, Danowski will confirm with the DOJ, the Board’s capacity to enter into multi-year contracts.

Sweat moved that the 2016-17 budget proposal with Total Income of \$2,138,250 and Total Expenses of \$2,538,300 be approved as amended. Brittan seconded and the motion carried unanimously. (Sweat had Tunnell’s proxy).

Education Committee Report

- The mission of the Education Committee was presented: “To drive competitive advantage through industry education.”
 - Going forward the committee will treat the marketing and research committees as clients.
 - Conduct a needs assessment and deliver training, based on those needs, in the most cost effective and essential way throughout the state.
- **ACTION:** Board members interested in being on the committee can contact Ellen Brittan.
 - Composition of the committee will be multi-regional and multi-institutional.
- There was discussion about whether or not there needs to be a “keynote” speaker at Symposium and what the impact would be if the content was restructured without a keynote.
 - **ACTION:** The committee will consider this issue in planning for 2017 and invited Board feedback to be provided to Ellen Brittan or Carrie Hardison.
- 2016 Symposium Debrief
 - **ACTION:** Board members were asked to provide their feedback and any feedback they hear directly to Marie Chambers.
 - **ACTION:** OWB will provide the Board with a full Symposium recap, including financials in the June 7 meeting.
- Marketing/Communications Committee Report
 - There was discussion about trying to bring AVA associations together to hear how they interpret “Brand Oregon” and how they own it within the context of their own story.

MATTERS FOR DECISION (continued)

Grant Proposal

- The Executive Committee Chair presented a proposal (Terroir, the Cultural Traditions and Contemporary History of Southern Oregon grape Growers and Wine Makers) and advised that the committee was not recommending it for funding because it fails to meet the criteria:
 - Promote Brand Oregon
 - Offer value to all Oregon growers and wineries and all grape varieties
 - Deliver sustained benefit and have the potential to bring long-term value to the industry.
- **ACTION:** Board to discuss the current criteria for submitting unsolicited funding requests.

Donovan moved that the funding request be denied based on failure to meet the criteria established. Thomson seconded, Jones and Pratt abstained and the motion carried. (Beck, Donovan, Thomson, Brittan, Valot, Sweat and Tunnell by proxy.)

- **ACTION:** OWB will notify the proposal's investigator of the Board's decision.

Beck adjourned the OWB Board meeting at 4:38 p.m.