

OREGON WINE BOARD MEETING MINUTES
MARCH 24, 2015 <<FINAL>>
LOCATION: LINFIELD COLLEGE, MCMINNVILLE, OR

Attendance

Board: Ellen Brittan (Chairwoman), David Beck (Vice Chairman), Steve Thomson (Treasurer), Michael Donovan, John Pratt (by phone), Doug Tunnell, JP Valot, Leigh Bartholomew and Bill Sweat (Chair Emeritus)

Staff: Tom Danowski, Rose Cervenak, Jessica Willey, Marie Chambers, Jana McKamey, Leah Palermo

Guests: Jeanne Beck and Margaret Bray

Call to Order

- Brittan called the OWB Board meeting to order at 1:15 p.m.

Board Minutes (Attachment)

Beck moved for approval of the Jan. 13, 2015 Board Meeting minutes as presented. Sweat seconded and the motion carried unanimously.

Research Committee Report (Attachment)

- Beck gave a brief recap of the Feb. 23 Research Committee Meeting and highlighted the process for selecting projects to be recommended to the Board for funding.
- He then presented the committee's recommendation for funding and gave a brief description of each of the recommended proposals.
 - Three projects were recommended for partial funding (2015-1826, 2015-1662 and 2015-1703) and Beck provided some insight into the decision.
 - He commented further that a few researchers on the Committee's recommended list have submitted proposals to the American Viticulture Foundation (AVF) as well. The funding announcement for the AVF will be on April 1 and Beck will report back to the Board on whether or not any receive funding there, (although AVF normally funds projects in California).
 - Brittan asked if the cut in funding for the three projects mentioned would put any of the projects in jeopardy and Beck replied that he did not believe it would.
 - **ACTION: Donovan requested that the Committee include a column in their recommendation spreadsheet that advises the Board of multi-year projects and what year into the project they are funding.**
 - Thomson added that including the cumulative OWB investment in multi-year projects would also be beneficial to the Board when making funding decisions.

Bartholomew moved to approve the recommended funding proposal in the amount of \$269,870. Thomson seconded and the motion carried unanimously.

- During the 2015-16 budget discussion later in the meeting, the group discussed the research budget and considered various options for expanding OWB's research

influence, ultimately deciding to fully fund all the projects recommended by the Research Committee and increasing the 2015-16 research budget to \$325,000.

Beck moved to fully fund all 7 projects in the Research Committee's recommendation, thus increasing the 2015-16 research grant amount to \$292,895. Donovan seconded and the motion carried unanimously.

OWSCR Update

- JP Valot (OWSCR Chair) gave a brief update on the Feb. 23 OWSCR meeting.

Education Committee Report (Attachment)

- Bray, Willey, Chambers and DeArment presented a review of OWS survey data, as well as a financial recap with actions for 2016 Symposium.
- Jeanne Beck provided a statistical analysis of the survey data and a comparison to past years' survey data.
 - Only 29% of paid registrants responded to the survey.
 - The overall Symposium rating was 8.64.
 - Greg Jones was the highest rated speaker with an average 4.59 out of 5.
 - Michael Dorf, keynote speaker was the highest rated speaker on day two.
- There was discussion about how to improve attendance and increase revenue for 2016.
 - Improving session content relevance and tailoring to the needs of various segments of the industry.
 - There was also discussion about attending to an emerging demographic of industry members – essentially third generation owners, winemakers and vineyard managers – millennials.
 - Brittan commented that the executive business track could probably be eliminated and/or provided to the industry in a different form since the data show that it may not serve a majority of the industry any longer.
 - Develop a session that plays off the wine/beer/spirits interface.
 - Staggered schedule
 - Valot suggested recording the sessions so people could go back and review the sessions they were not able to attend. It was also suggested that people may be willing to pay extra for this option.
 - This may also help improve traffic in the trade show area since the staggered schedule was one of the two main issues for vendors.
 - Focus on outlying areas like Southern Oregon or the Columbia Gorge.
 - Pratt commented that Medford is about the same distance to Sacramento as it is to Portland. So many Southern Oregon participants attend Unified, particularly the trade show because of its size.
 - Some discussion about regional symposia and how they may be siphoning attendees for the larger, more expensive Portland event.
 - Use of more analytics to develop profiles of groups who show interest in the Symposium, but don't register.
 - Develop a strategy based on that information to convert those people into attendees.
- Most agreed that the Board (along with the new education manager) needs to be more involved in formulating session content and working with volunteers to better curate the sessions and deliver them in a way that is useful and polished.

Finance Committee Report (Attachment)

- Thomson gave the Finance Committee Report.

- There was some discussion about how to utilize a surplus in a way that would discourage outside groups from soliciting OWB for loans and or funding for pet projects.
 - Thomson suggested setting up a reserve account for marketing similar to that for research.
- Brittan commented that OWB has an obligation to the industry when additional revenues are realized like from the 2014 harvest.
 - Sweat suggested having a list of projects that OWB could fund in the event of a larger than normal harvest like 2014.
 - Brittan commented that this is a philosophical discussion that has to occur within the Board.

Beck moved that the Balance Sheet and P&L through February 2015 be approved as submitted. Pratt seconded and the motion carried.

- 2015-16 Budget
 - Thomson walked the Board through the proposed budget for the 2015-16 fiscal year.
 - There was discussion about how to balance the appearance of operating at a deficit (\$100,000) and sitting on a large surplus of \$729,000 that is forecasted after contributing additional funds to the reserve.
 - There was discussion about increasing the research budget even more than the \$325,000 proposed after a 25% increase from 2014-15 budget of \$270,000.
 - It was suggested that OWB consider using some of the additional budget to help fund the effort to get important research information out to the industry.
 - **ACTION: Chambers to propose a thoughtful draw-down of the \$729,000 surplus at the May 19 Board meeting.**
- After much discussion, the Board agreed to the following changes in the proposed 2015-16 budget:
 - Increase research grant budget to \$325,000
 - Add \$50,000 for market research
 - Add \$50,000 for a research communications contractor
 - Increase seminars/workshops under Education to \$50,000

Tunnell moved to approve the budget as revised. Sweat seconded and the motion carried unanimously.

Marketing Committee Report

- Thomson discussed the idea of re-scoping the marketing committee.
- Experts would present to the committee at each meeting and fulfill the need for more and better marketing data.
 - Tunnell suggested a mechanism for sharing any valuable information provided during the meetings, with industry members.
- Much more intentional committee with vision and strategy to advance the industry.

Brittan adjourned the OWB Board meeting at 5:26 p.m.