

OREGON WINE BOARD MEETING MINUTES

MAY 19, 2015 <<FINAL>>

LOCATION: OFFICES OF DAVIS WRIGHT TREMAINE, PORTLAND, OR

Attendance

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

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

Guests: Chad Vargas/Adelsheim Vineyard and Dai Crisp/Lumos Wine Company

Absent: Michael Donovan

MEETING OPENING

Call to Order

- Brittan called the OWB Board meeting to order at 9:02 a.m.

Board Minutes (Attachment)

- Pratt requested that the attribution of the comment “OWB consider using some of the additional budget to help fund the effort to get important research information out to the industry,” during the finance committee report be removed.
- **ACTION: Cervenak will remove the attribution before posting the final minutes online.**

Sweat moved for approval of the Mar. 24, 2015 Board meeting minutes as amended. Pratt seconded and the motion carried.
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MATTERS FOR DECISION

Finance Committee Report (Attachments)

- The finance committee report was presented.
 - Current cash balance will be spent down somewhat by the final 2014-15 research grant payments.
 - Income has been received as expected. Overall expenses are coming in on budget.

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

- The Board reviewed the approved 2015-16 budget that included a more detailed breakdown of OWB’s projected expenses. This budget has been approved by Sean Robbins at *Business Oregon* as required. The budget reflects the following:
 - A Research expense increase of 20% over 2014-15 to \$325,000 and also the costs for a contract resource to report periodically to OWB on the status and results of Board-approved V & E research projects.
 - An Education expense increase on the “seminars/workshops” line to \$50,000 that will help build out the education calendar for 2015-16.

- There was discussion about some of the expense commitments as infrastructure commitments that will be funded longer-term, so a request was made to project out a few more years on “planned” expenditures.
- **ACTION: Danowski and Chambers to provide a multi-year projection and funding analysis at the next Board meeting.**
- The Board discussed allocating some OWB funds for grant writing and Chambers confirmed that there is \$10,000 built into the budget for this.
 - She further commented that the USDA MAP grant funds that the OWB receives for export marketing is approximately \$460,000 (confirm this please, Marie). MAP funds are not reflected in the annual OWB budget since the amount is not recorded as income to OWB but rather is accessed by the Wine Board for international marketing expense reimbursement via the non-profit NW Wine Coalition of which OWB is a charter member.
 - There was lengthy discussion regarding the Travel Oregon wine license plate grant application process and parameters.
 - There was interest in how to mobilize the industry so that funds aren’t left unused.
 - **ACTION: In light of the above concern, Willey will determine if the unused funds roll over or how they are otherwise managed. OWB will continue communicating to industry associations about the application process and deadlines.**
 - OWB will apply for some of the funds to be used for wine tourism-related projects.
 - There was a suggestion that perhaps grant funds could be used for funding a project in conjunction with the James Beard Market.
 - Also discussed was a project that would be in conjunction with the proposed Southern Oregon Visitors Center near Ashland.

Research Committee Report (Attachments)

- Beck presented an updated Research Committee Funding Recommendation for 2015-16.
- He explained the addition of Joe DeFrancesco’s project, “Pest Management Strategic Plan (PMSP) for Wine Grapes in Oregon” – a formal plan for common/new pest threats.
 - 1-year project, doesn’t tie up budget for successive years.
 - Total project cost is \$21,929.
- There was mention of a PMSP for wine grapes in WA and how Oregon’s PMSP would be different.
 - Beck commented that of course the researchers will take into account Oregon’s laws and regulations, Oregon’s preferences (i.e. cool climate), etc.
 - Valot also commented that there will be an advisory committee to inform the research.
- The question was raised regarding how the final report will be disseminated to the industry.
 - The response was that it will like go out broadly throughout the state and provided to industry members through agencies and organizations like OWB.
- There was interest in knowing whether there is a component in the OWB strategic plan that would operationalize the findings from the research.
 - It was suggested that the advisory committee (mentioned earlier) would enable this and inform this step.
 - Another idea mentioned would be to use time at the Oregon Wine Symposium in 2016 to inform the industry.

- There was some discussion about the OWB's responsibility after the findings are published.
- There was also discussion about research scientists including a commitment to disseminating findings to the industry in each proposal submitted for research grant funding.

Tunnell moved that the Board accept the updated Research Committee grant funding proposal to include funding the PMSP project for Oregon wine grapes, bringing the 2015-16 grant total to \$314,824. Sweat seconded and the motion carried.

MATTERS FOR DISCUSSION

Miscellaneous Items for Discussion

- There was a brief discussion regarding Symposium content planning.
 - It was suggested that OWB tie as many sessions into showcasing OWB-funded research projects – connect the research initiatives to industry members who may not be as informed as Board or Research Committee members might be.
 - **ACTION: Bartholomew will send the Board the list of session topics that are currently being considered.**
- There was discussion around how to create a more robust OWB committee structure with broader industry participation and active involvement from volunteers.
 - Specifically, whether it should be mandatory for a Director to chair a committee.
 - One idea was to have a Director chair every committee but not participate in the day-to-day activities of that committee.
 - Another was to expand the Board to 11 people.
 - Further discussion is needed to find methods to involve new leadership as the industry grows.

NWCSFR DC Trip Recap

- Dai Crisp/Lumos Wine Company and Dai Crisp/Adelsheim Vineyard gave a brief recap of their annual Washington D.C. trip on behalf of the Northwest Center for Small Fruits Research and the Oregon wine industry.
- They met with all the Congressmen and women from OR, WA and ID.
 - Tremendous support from Congressman Kurt Schrader's office (Oregon's 5th Congressional District).
 - Congressman Schrader is not currently on the Agriculture Committee, but is on the committee through which the Farm Bill must pass.
 - Spent a lot of time with Senator Jeff Merkley who is on Agriculture Appropriations Committee.
- Met with both USDA offices – NIFA (National Institute of Food and Agriculture) and ARS (Agricultural Research Service)
 - Spoke with Sonny Ramaswamy/Director of NIFA about the process for Centers for Excellence funding.
 - They explained the consortium-approach to getting an SCRI (Specialty Crop Research Initiative) grant which NCSFR has applied for.
 - Unfortunately they did not make it past the stakeholder relevance phase.
 - Feedback will be provided to the group and they will evaluate learning and the next steps.

- The Board engaged Crisp/Vargas about strategies for providing applicability, value and results of research that is funded. What can OWB do to improve that process?
 - One recommendation was to take projects that have had a big impact and use them as examples of how a small amount of funding can be leveraged to improve processes, etc.
 - Regarding securing funding for small fruits research, it was suggested that OWB showcase work that is extremely effective and run an economic analysis (ROI) to provide legislators with data on how a particular effort has impacted business in a huge way.
- **ACTION: OWSCR will continue discussions on research ROI and ask to be included in the business research discussions happening with OWRI.**
- **ACTION: Beck to debrief interested Board directors on a meeting with OWRI on May 15 regarding business and market research priorities and capabilities.**

Brittan adjourned the OWB Board meeting at 11:32 a.m. and called for an Executive Session in accordance with ORS192.660(2)(a), only the Board and press are allowed to participate. Staff and guests will be excused from the meeting.