**Wine Board Meeting**

**Omni Hotel Charlottesville, VA**

**March 24 and 25, 2014**

**MARCH 24**

**Present**

Bill Tonkins Christopher Blosser Mitzi Batterson

Doug Fabbioli David King Mills Wehner

Ruth Saunders Len Thompson

**Absent**

Diane Flynt

**Guests**

David Robishaw Betty Lowther Emily Pelton

Molly Kelly Mizuho Nita Chris Bergh

Peter Sforza Ernest Beasley Jeffry Derr

Tony Wolf Anton Baudoin Lucy Morton

Teresa Stoepple

**Call to Order**

Chairman King called the meeting to order at 10:00 AM. Chairman King welcomed 2 new members, Doug Fabbioli and Len Thompson to the Board.

**Approval of the Minutes from the December 04, 2014**

Bill Tonkins moved to approve the minutes as presented, Christopher Blosser seconded, and with no further comments, the motion passed and the minutes were approved.

**Treasurer’s Report**

David Robishaw gave the financial report to the Board. Mitzi Batterson added additional perspective to the FY 2014 numbers and how they impact the FY 15 budget. Chris Blosser moved to approve the treasurer’s report, Len Thompson seconded, and with no further discussion, the report was approved. The financial report is included with the official minutes.

**Researchers Report with Proposed Budgets**

At this point, the Board began the process of hearing reports from researchers who have proposals before the Board.

Molly Kelly for Joe Marcy, “**Enology Extension” ($46,433).** This proposal is a result of interest and demand from the industry.

Molly Kelly “**Creating Amarone style wines with dehydration” ($28,231).** This proposal includes drying fruit in tobacco barns compared to just using a drying rack. The one hang up might be access to tobacco barns.

Molly Kelly for Amanda Stewart “**Identification and quantification of wine microorganisms with PCR” ($19,855).** Most of this is time to create a protocol and the supplies are expensive. This would be an ongoing expense if the Board chooses to fund this project.

Mizuho Nita on **“Understanding Grapevine Virus” ($45,102).** Dr. Nita reviewed the goal of the proposal and the extent of the threat to vineyards. This work will also look for new varieties of grapevine viruses.

Mizuho Nita on **“Pierce’s Disease” ($7,102).** Dr. Nita indicated this is ongoing work including monitoring vines in a vineyard near Blacksburg.

Mizuho Nita on **“Life Cycle of Ripe Rot” ($39,281).** Dr. Nita indicated that ripe rot is prevalent around the state. A very low level of contamination can have a negative impact on the quality of the wine.

Chris Bergh on “**Assessing the impact of Nematodes on Grape Root Borer” ($34,452).**

Grape Root Borer is an important vineyard pest and infestations fluctuate greatly among vineyards. At some point, the research may indicate why the infestations vary so much among vineyards. Chris Bergh did ask for a small amount of money this FY to get started.

**Working Lunch**

During lunch, the Board discussed the fruit wine sector of our industry. After talks, going forward for FY 16, the Board will look to consider research proposals involving fruit other than grapes. After further discussions, Doug Fabbioli moved that the Board take several steps, including collecting hard cider sales and tax data from the ABC, updating the RFP to add other types of wines, expand the evaluation committee to include other wine making sectors, and have the evaluation committee develop new criteria to include other fruit wines. Len Thompson seconded the motion, and with no further discussion, the motion passed.

**Researchers Reports Continued**

Peter Sforza on “**Lands Suitable for Vineyards” ($49,997).** This project will use technology to identify and rank the most suitable locations for vineyards throughout the state.

Ernest Beasley on “**Geophysical Investigations ….Precision Viticulture” ($65,746).** This project will continue to map soil conditions to aid is vineyard site assessment. The data will include soil drainage, mineral content, and other variables. This information will be “for sale” to the industry.

Ernest Beasley on “**Soil Mineralogy in Potassium Uptake” ($33,826).** The proper potassium levels are critical in making good wine. Often, potassium levels do not match what the test readings indicate, so this study will help owners get the proper levels in the fruit. This is split funding with half in this FY

Jeffrey Derr on “**Cover Crops and Vineyard Management” ($47,283).** This project is concerned with and will hope to address erosion, reduction of chemical applications, frequency of mowing as well as general cost savings opportunities.

Tony Wolf on “**Grapevine Yellows” ($110,952).** This is a continuation of the grapevine yellow work that has already been done. Grapevine yellows are a serious issue in the vineyard and infections have been noted across Virginia. For this proposal, the goal is to map all 30 of the initial vineyards, with the focus on how the disease is transmitted.

Tony Wolf on “**Nitrogen Management” ($39,321).** This is a new project but built on work previously done with the goal of enhancing wine quality with nitrogen management. This is important work in conjunction with cover crops as the vines compete with the cover crops for minerals

Tony Wolf on “**Optimized Wine Quality” ($51,200).** This project hopes to evaluate the timing or magnitude of fruit zone leaf removal and if that impacts fruit composition and wine quality.

Tony Wolf on “**Viticulture Extension Associate” ($8,000).** This has been an ongoing project for several years. Most of this expense in this proposal is for travel.

At this point, Chairman King relayed information on a proposal submitted by Hantzmon and Weibel, an accounting firm in Charlottesville. The proposal, “**Cost and Profitability Analysis” ($15,000)**, will help growers calculate their prospects for financial success.

Dr. Anton Baudoin on **Powdery and Downy Mildew Resistance and Sensitivity ($46,442).** One of the keys in this proposal will be the study of resistance to certain chemicals.

Dr. Anton Baudoin on **Botrytis Cinerea Fungicide Sensitivity ($43,878).** This proposal will continue the work on Botrytis related problems.

**Additional Funding FY 14 existing proposals**

Chairman King and David Robishaw reviewed for the Board the additional funding requests for already approved FY 14 projects. Bill Tonkins moved to approve the additional funding, Mills Wehner seconded, and with no further discussion, the motion passed. Below are the additional amounts awarded to the existing proposals. The total amount awarded was $55,188

Baudoin 11,327 VVA 7,500

Derr 6,995 Beasley 11,632

Wolf 14,575 Nita 1,500

Nita 1,659

**Evaluating and Approving proposals for FY 15**

After extensive discussions, Len Thompson moved that the Board fund the following projects. Ruth Saunders seconded the proposal, and with no further discussion, the motion passed. Projects funded are listed below.

Pierce’s Disease Nita 7,102

Viticulture Extension Wolf 8,000

VVA Technical Meeting VVA 15,000

Powdery and Downey Mildew Baudoin 46,442

Ripe Rot Nita 39,281

Grapevine Virus Nita 45,102

Spotted Wing Drosophila Pfeiffer 48,652

Identification of M/organisms/PCR Stewart 19,855

Botrytis Baudoin 43,878

Cost Analysis Martinelli 15,000

Nematodes on Grape Root Borer Bergh 34,452\*

Grapevine Yellows Wolf 110,903

Enology Extension Marcy 46,433

Optimized Wine Quality Wolf 51,200

Potassium Uptake Hydro Geo/Beasley 33,826\*

Land Suitable for Vineyards Sforza 49,977

Creating Wine with Dehydration Kelly 28,231

**TOTAL 643,334**

\*These 2 proposals included some funding in FY 14 in order to get the project started. Bergh will request up to $1,595 before June 30, 2014 and Beasley will request up to $16,913 before June 30, 2014.

With no further business, the Board adjourned at 6:20 PM

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**Present**

Bill Tonkins Christopher Blosser Mitzi Batterson

Doug Fabbioli David King Mills Wehner

Len Thompson Secretary Haymore

**Absent**

Ruth Saunders Diane Flynt

**Guests**

David Robishaw Katie Hellebush Annette Boyd

Susan Martin Laurie Aldrich Amy Ciarametaro

Mary Beth Williams

**Call to Order**

Chairman King called the meeting to order at 9:00 and welcomed members and guests

**Board Docs**

Because the meeting was rescheduled due to snow, the Board Docs trainer was not able to attend. David Robishaw gave a very brief overview of the program. The Board will schedule a trainer to attend the next meeting to conduct Board training, but in the meantime, the Board will begin using Board Docs and David will begin loading historical documents into the program

**Industry Reports**

Katie Hellebush gave the Board an update on the activities of the Virginia Wine Council activities. Prior to the meeting, David Robishaw provided the Board a copy of her report which is also included with the official minutes. Katie’s report included updates on cider legislation, limited brewery licenses (there is more interest in craft brewery issues) for breweries that are located on farms, ongoing work related to regulating on farm agricultural activities (known as the Boneta bill) as well as other issues

Mitzi Batterson and Laurie Aldrich gave the report for the Virginia Winery Association to the Board. Prior to the meeting, David Robishaw sent the Board her report, which is included with the official minutes. The VWA has adding some marketing materials to go along with participation in the CQA program. The Board discussed how the VWA could offer some education and testing services to the industry to help with CQA related problems at the winery level. Work is continuing on the research guide that was previously funded by the Board. The VWA is working on the next Governor’s Cup, including securing judges, location, etc but there is a chance for the VWA to reduce the budget. The Board discussed how best to solve the timing issue of having enough White wines in stock to participate in the Governor’s Cup competition.

Bill Tonkins gave the report from the VVA to the Board. The winter meeting at the Omni was a big success. One of the new features was the added workshop for new and potential grape growers. One of the goals of the industry is to increase the amount of grapes grown to fill the needs of the wineries. The Summer Technical meeting will be held on June 5, 2014 with the site to be determined. The VVA will continue to push for more grape production within the state. The VVA also worked closely with Wineries Unlimited, including encouraging members to attend the event. The attendance at Wineries Unlimited was down this year, something that may be of concern to the industry.

Annette Boyd gave the report for the Wine Marketing Office (WMO). Most of the information was previously sent to the Board, but the WMO passed out some additional information. All materials are included with the official minutes. The highlights of the report included an update on website enhancements, the Commercial Grape Report, the Governor’s Cup marketing, and March “Wine and Dine” month. The WMO is continuing work on the strategic Marketing initiatives, including the Wine Summit, social media, London International Wine Fair, and Charleston Wine and Food.

Annette went over her budget request to the Board for the rest of FY 14. The WMO has the potential to do some additional marketing activities with added funding. There were also some unanticipated marketing opportunities the WMO took advantage of within her existing budget and this money has already been spent or committed. Her request for funds for the remainder of this FY is below:

Wine Summit and Out of State Events 50,000

Governor Trade Missions 18,000

 London 6,000

 Chicago 6,000

 San Diego 6,000

Washington DC Work 20,000

Wine Ambassador Program (at her disposal) 6,000

Social Marketing Support 6,000

Wine Spectator ½ page ad 24,000

Strategic Planning meeting 5,000

Total 129,000

Mills moved to fund the budget as presented, Mitzi seconded and with no further discussion, the motion passed.

Secretary Haymore asked the Board (in the place of the Commissioner of the Department of Agriculture) for support for the Southern Association of State Departments of Agriculture meeting which Virginia is hosting. The Wine Board discussed the proposal and the opportunities, Bill Tonkins moved to fund this event for $15,000, Len Thompson seconded, and with no further discussion, the motion passed.

**National Wine and Grape Initiative**

Rock Stephens has served as the representative for Virginia. Last year, the Board supported the National Wine and grape Initiative. The request this year is $10,000 for dues and 4,000 for travel. Bill Tonkins moved to fund this, Doug Fabbioli seconded, and with no further discussion, the motion passed.

**Commercial Grape Report**

The WMO conducted the industry survey, compiled and published the data. This is the fourth year the WMO has done the survey. The WMO is working hard to be consistent, so the data collected will be as accurate as possible. After hearing the report, the Board discussed whether it would be advisable to hire this out to a firm that is experienced and expert at data collection, with a proven methodology. The WMO will bring options to the Board for the next meeting.

**Wine Expo Review**

The WMO is meeting in April with Alex Papajohn from the Wine Expo. Alex said there were 50 Virginia wineries exhibiting at the show, and a large spike in customers. Alex wants more Virginia wineries to continue to grow his event. If he can’t get a commitment from 60 wineries, Alex wants to include wineries from other states. For this event to continue to have Virginia winery support, it will have to offer some reasons/incentives for wineries to continue to participate in this event.

**Beyond 2015**

 While the Board has already had some discussions on a new strategic plan, the Board engaged in extended discussions on how the industry is going to position itself to continue sales growth. The discussion focused on ways to grow the market regionally, especially along the Eastern Seaboard. The fastest growing sales sector is wine priced between $15 and $25 per bottle. Virginia is uniquely positioned to be the sales leader between New York and Georgia, with no significant competition from other mid Atlantic states.

The Board reviewed the summary from the July 2013 strategic planning session held in Richmond. In reviewing the first objective listed on the strategic planning session (increasing acreage), the VVA could develop a complete “road show” where they could travel around (on a local/regional basis) and show folks how they could profitability plant wine grapes. This is just one example of how a small, focused group could come up with ideas to implement the objectives. There are 13 objectives from the planning session, so it’s now a matter of developing strategies to implement the objectives.

As a result of these discussions, Len Thompson moved that the Wine Board and select industry personnel hold an all day meeting on April 24 in Richmond and take the already developed objectives and create a strategy to support the objectives with an extra $2500 (to go along with the original $2500 for a total of $5000). The meeting will begin at 9 AM with the site to be determined. Doug Fabbioli seconded, and with no further discussion, the motion passed. The WMO will take the lead on issuing invitations for attendees.

**Wine Marketing Office renovation**

There is money in the General Assembly for renovations to the building where the WMO is housed. The WMO will have to move before the fall of 2015 so they will explore all options, including relocating in a state facility, sharing space with industry partners, or finding a facility in the private sector. The WMO will report back to the Board at the next meeting.

**Next meeting**

The next meeting will be on May 12, 2014 at 10AM in Charlottesville

**Adjourn**

With no further business, the Board adjourned at 2:15 PM