

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
MS TEAMS VIRTUAL BOARD MEETING
Minutes of the February 21, 2023 Board Meeting

Public notice of the February 21, 2023 Pennsylvania Wine Marketing and Research Program Board Meeting was given as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the virtual meeting to order at 10:09 a.m. Board members in attendance included Karl Zimmerman, Vice Chair; David Hoffman; Carley Razzi, Treasurer; Elwin Stewart; Chris Dietz; Jamie Williams; Jake Gruver; John Landis; John Skrip, III; and Robert Mazza.

Lela Reichart was not present.

Also present were Patrick Andrews, Chief of Marketing Development, PDA; Beth Williams, Board Project/Program Coordinator; Jenny Groff, Clerical Assistant; Holly Zarefoss, Administrative Assistant for Commodities; Adam Morris, Esquire; and Ashley Fehr, Director of Agricultural marketing and Business Development.

Also in attendance were Lindsay Young, McKonly and Asbury, CPAs; and Virginia Mitchell, PWA Grant Administrator; Abigail, PWA.

APPROVAL OF MEETING MINUTES

RESOLUTION 2023.01-MEETING MINUTES

Presented by: Robert Mazza

Seconded by: John Skrip, III

Passed: Unanimously

To approve the Minutes of the November 15, 2022 and December 7, 2022 meetings.

FINANCIAL REPORT

Lindsay Young, McKonly and Asbury, CPAs, referred members to information regarding Actual Revenue and Expenditures from July 1, 2022 through June 30, Profit and Loss from July 2022 through January 2023, Profit and Loss Budget vs. Actual from July 1, 2022 through February 13, 2023, and Profit and Loss Comparison and A/P Aging Summary.

RESOLUTION 2023.02-APPROVAL OF FINANCIAL REPORT

Presented by: Jake Gruver

Seconded by: John Skrip, III

Passed: Unanimously

To approve the Financial Report as presented.

There was discussion regarding placing funds in a money market account. Mr. Mazza noted that at a previous meeting the Board authorized the investment committee to move \$600,000 in investments. There was discussion regarding current interest rates.

ASSESSMENT REPORT

Jenny Groff, clerical assistant, referred members to the Wine Assessment Report as of February 14, 2023 for further discussion of the 2019 through 2021 marketing seasons and the 2022 and 2023 marketing seasons as of February 14, 2023, as well as outstanding balances paid. Corrections to the Wine Assessment Report as of 10/31/2022 and 7/31/2022 were also included in the packets.

RESOLUTION 2023.03-APPROVAL OF ASSESSMENT REPORTS

Presented by: Karl Zimmerman

Seconded by: John Landis

Passed: Unanimously

To approve the Assessment Reports as presented.

PWA ACTIVITY UPDATE

Virginia Mitchell, PWA Grant Administrator, and Abigail, PWA, reported that 2023 started with promotions at the PA Farm Show in mid-January. 18 member wineries participated and had record sales. PWA promotional items were distributed.

PWA began promoting its collaboration with the Pennsylvania Cheese Guild. Postcards were distributed promoting the upcoming interactive digital PA Wine and Cheese Pairing Guide, which will be published on the website and App later in 2023.

The vineyard videos were showcased at the PA Farm Show with almost 10,000 views during that time period.

2023 Videos will include various topics that will highlight the winemaking process, including grape processing, fermentation, barrel aging. Filming will begin later in February of 2023 with the AVA Group at six host wineries.

Ms. Mitchell indicated the podcasts will continue in 2023 with 12 episodes from April to October to promote PA Wine. Approximately \$62,425 will be spent for advertising. The

website will be taken over in 2023 by new vendor, Think It First, which will update with new and modern features, plug-ins, and content to create a much better experience with the users.

PWA will introduce new organic social media campaigns in 2023 to entice additional wineries. She noted some of the topics that would be featured.

Ms. Mitchell commented that last year's most successful social media campaign was Wineries of the Week, and that will be held again in 2023, along with other initiatives.

There was discussion regarding the elimination of the Wine Trail grant process from PWA marketing. Rollover of remaining ACMA funds in the amount of approximately \$18,000 from 2022 was requested. There was further discussion regarding updates on the Ap.

SUBCOMMITTEE UPDATES

Marketing

Chris Dietz reported the subcommittee had some discussion regarding concept papers. Information regarding the types of projects and what is being sought might help alleviate some proposals in the future.

Research

Jamie Williams provided an update of Round 3 projects, which had recently been submitted to the PLCB. He thanked Ms. Williams for her help in assembling those projects.

Institutional Relations

Chairman Mazza reported that regarding the viticulture educator position he had been in touch with Liz at PLCB requesting a meeting some time in April with what has developed with the program. Anyone interested in joining in on that meeting was asked to please email Chairman Mazza.

Finance

Chairman Mazza noted no other updates than what was provided previously with the Financial Report.

Industry Relations

Chairman Mazza noted a conversation earlier with Mr. Hoffman regarding the intent of the committees, what is being worked on and what needs to be worked on. Mr. Hoffman suggested further discussion of industry relations after the upcoming conference.

PWMP and BEER BOARD

Chairman Mazza explained that Ms. Williams was brought on board nearly two years ago with the intent that the Beer Board use her skillset to accomplish many of the same obligations with

regard to reporting. They were supportive of the idea and a proposal recommended to the PLCB was not approved on technicalities of no way to generate a paid invoice to reimburse against so she was not able to start working the Beer Board in 2023 as hoped. The Wine Marketing Research Program as an ACMA program applied for Beer Board's funds to pay for Beth's services to do like reporting and the concept paper due last week on February 17, 2023 has been submitted. He is hoping to keep Ms. Williams involved and gainfully employed with the Wine Board to service both Beer and Wine. Chairman Mazza noted Liz at the PLCB commented it was a good creative solution.

RESOLUTION 2023.04-APPROVAL OF PROPOSAL

Presented by: Karl Zimmerman

Seconded by: Chris Dietz

Passed: Unanimously

To approve the proposal to subcontract Ms. Williams' services out to the Beer Board and make a proposal to the Beer Board on behalf of the ACMA program as such.

BETH WILLIAMS' CONTRACT 2023

Chairman Mazza suggested revisiting the rate of compensation and to compensate Ms. Williams retroactively for work done thus far in 2023.

Ms. Williams is requesting an increase to \$40 per hour for 2023. There was further discussion regarding the matter.

RESOLUTION 2023.05-APPROVAL OF 2023 CONTRACT

Presented by: Elwin Stewart

Seconded by: Robert Mazza

Passed: Unanimously

To approve renewal of Ms. Williams' contract in the amount of \$40 per hour through 2023 retroactive to January 1 of 2023.

PA WINE & GRAPE INDUSTRY CONFERENCE UPDATE

Ms. Williams indicated that this was the last day to register for the conference, and arrangements can be made to make payment the day of.

She stated Elwin and Barb graciously agreed to have a welcome reception at Happy Valley Vineyard and Winery. Barb recommended the caterer who had accommodated events there in the past.

PSU VITICULTURE EDUCATOR

Chairman Mazza noted the Board previously authorized him to negotiate with Penn State regarding an additional teaching appointment for Kane Hickey's position to also include a teaching appointment. He noted the receipt of a draft proposal that would include increases tied to that appointment that would amount to \$5,000 to \$26,000 per year over the next three years.

He requested the Board's approval to finalize negotiations of the educator in line with a three-year commitment to support that position. Board members had comments regarding the matter.

Chairman Mazza indicated that Wine Marketing and Research Program and PWA could share operational costs for the viticulture and enology educator positions at approximately \$8,000 per year each. He recommended the Board continue to support the positional appointment and increase solely from the Wine Marketing and Research Program but it could be shared by the PWA.

A follow-up separate conversation was requested of PWA regarding the matter.

RESOLUTION 2023.06-APPROVAL OF VITICULTURE EDUCATOR

Presented by: Elwin Stewart

Seconded by: Robert Mazza

Passed: Unanimously

To approve finalization of the viticulture educator additional teaching appointment by Chairman Mazza with Penn State.

SOFTWARE BUILD UPDATE

Mr. Andrews reported the software team was "cruising right along," and features were being programmed including registration for the site. Keystone login is being utilized with support staff from GreenPort.

He indicated a meeting would be held next Monday, February 27, 2023 with the PLCB IT staff regarding software that the Board would be connecting to regarding licensee information. He explained the current process that would be imported into the new system. A Memorandum of Understanding or a Letter of Understanding would be processed regarding the matter.

The payment portal would be able to take ACH payments, which would reduce ongoing costs. There was discussion regarding some of the data available including bad email addresses and spam. There would be further discussion at that meeting.

NEW BUSINESS

Bob Mazza suggested that next year, assuming the funding goes through with the Beer Board to help them along as well, that an administrative' fee be built into her fee that the Beer Board is charged. He suggested a 5 or 10 percent administrative charge for that purpose and to keep that in mind for next year. Mr. Mazza requested the concept paper be circulated to the Board for review.

Bob Mazza had further discussion regarding phone Aps and making payments accessible for Blackberry phones.

Ms. Williams and Mario had previous discussion regarding some professional development opportunities for her to virtually attend the Bath, New York event and attend in person the EWE Conference, which is nearby her home.

RESOLUTION 2023.07-APPROVAL OF MS. WILLIAMS TO ATTEND TWO EVENTS

Presented by: Jamie Williams

Seconded by: Board Member

Passed: Unanimously

To approve registrations for Beth to virtually attend the Bath, New York event and in person for the EWE event.

ADJOURNMENT

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Virtual Meeting adjourned at 11:20 a.m.

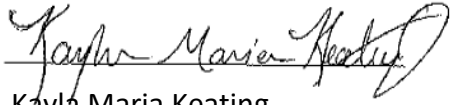
The next meeting is scheduled for April 4, 2023. A subsequent meeting is scheduled for May 30, 2023.

There was further discussion regarding the concept papers. Mr. Andrews indicated those should be organized and sent to the Board by the middle of next week to review and score on April 4, 2023.

Mr. Hoffman requested an update on the remainder of the meetings for the year via email.

John Skrip, III expressed interest in reappointment, Karl Zimmerman and Jake Gruver were unsure. Mr. Andrews requested that when nomination forms come out, that members please be sure to submit nominees. He explained that the July 11, 2023 meeting is in person and also at that meeting the Board would be recommending funding to PLCB, electing officers and setting up the budget.

Respectfully submitted,

A handwritten signature in black ink, reading "Kayla Maria Keating". The signature is written in a cursive style with a horizontal line underneath the name.

Kayla Maria Keating

February 21, 2023