

KENTUCKY GRAPE & WINE COUNCIL
January 7, 2014
Fruit & Vegetable Conference
Embassy Suites
Lexington, KY
12:00PM



MEMBERS IN ATTENDANCE:

REPRESENTING WINERY OPERATORS:	DENNIS WALTER
REPRESENTING WINERY OPERATORS:	ANN KARSNER
REPRESENTING THE UNIVERSITY OF KY:	PATSY WILSON
REPRESENTING GRAPE GROWERS:	JEFF WILES
REPRESENTING CITIZEN AT LARGE:	ROGER LEASOR
REPRESENTING GRAPE GROWERS:	JEFF WHEELER (PROXY)
REPRESENTING KY DEPT OF AGRICULTURE:	TYLER MADISON (PROXY)

MEMBERS ABSENT:

REPRESENTING WINERY OPERATORS:	LOGAN LEET
REPRESENTING CITIZEN AT LARGE:	ANN MCBRAYER
REPRESENTING TOURISM, ARTS & HERITAGE:	MONA JUETT

OTHERS REPRESENTED:

Call to Order

Mr. Dennis Walter called the meeting of the Kentucky Grape & Wine Council (KGWC) to order at 12:10 pm. Those present introduced themselves. Mr. Madison called the role and a quorum was confirmed.

Mr. Walter made a motion to approve minutes from the previous meeting. Mr. Jeff Wiles seconded the motion, all were in favor and the motion passed.

Financial Report

- Mr. Madison reported that a total of \$543,597.61 of grant funds allotted to the Marketing Cost-Share program has been distributed. To date, \$11,573.65 has been reimbursed for P2-13 in which 51 wineries opted-in at a cap of \$1,270.00 per winery. With the rollover calculated from P1-13 added to the allotted \$50,000, the funds available for P1-14 total \$65,500.00. Fifty-six wineries have opted in for P1-14 setting the cap per winery at \$1,000. The P1-13 Marketing Cost Share is the most money paid out since P2-09 showing that use of funds amongst wineries is increasing dramatically with more wineries utilizing all of their allotted grant money.

KENTUCKY GRAPE & WINE COUNCIL

January 7, 2014 MEETING MINUTES

- A total of \$345,557.83 of grant funds allotted to the Wholesale Reimbursement program has been distributed. To date, \$15,450.00 has been reimbursed for P2-13 in which 39 wineries represented by 20 wholesalers opted-in at a cap of \$1,440.00 per winery. With the rollover calculated from P1-13 added to the allotted \$37,000, the funds available for P1-14 are \$64,898.80. Forty-four wineries have opted in for P1-14 setting the cap per winery at \$1,470.00 or 73 cases. With three months remaining to claim funds for P2-13, 31 wineries have already been partially reported by participating wholesalers, which tracks well above previous program periods at similar times. This is in large part due to a few aggressive new wholesalers eager to distribute KY wines. Additionally, the number of wineries seeking wholesaler representation is declining rapidly.

KDA Staff Report

Wine Trail App Updates:

According to Mr. Madison, the app is currently being transitioned from administration by the original outside developer to New West. This will allow faster, easier updates while not requiring outsourcing of work. Once the transition is complete, it would behoove the Council to expediently make the previously discussed changes in order to have the app ready prior to the start of the spring media plan. Changes include: tiered levels of completion, news/events options, push notifications, cleaner maps and allowing wineries to view from the backend who has checked in at their location. Of the original budgeted amount approved to develop the app, \$4,000 remains. Mr. Madison relayed that the estimated costs to complete the previously mentioned alterations is \$7,000, requiring an additional approval of \$3,000. **Mr. Walter made a motion to approve \$3,000 for updates to the Kentucky Wine Trails app, the motion was seconded by Mr. Roger Leasor, all voted in favor and the motion passed**

Vintage Kentucky II Documentary Updates:

Mr. Madison reported that they had some really incredible days of filming this fall at four wineries (Lovers Leap, Chrisman Mill, First Vineyard and Jean Farris) where they captured harvest, de-stemming and crushing, grape reception, etc. and had superb weather and great interviews. Editing is taking place throughout the winter and filming will pick back up with this spring before wrapping up mid-summer. Planning has commenced to organize a premier event in conjunction with the event celebrating the competition winning wines in August.

Holiday Posters:

Following Mrs. Mona Juett suggestions in the previous KGWC meeting to work with the Kentucky Arts Council, an open contest to Council Members statewide requesting original artwork for Kentucky Wine Holiday Posters was created. The winning artist was paid \$850. Including printing, the total amount for Holiday posters was under \$2,000- much cheaper than the proposed \$9,000 for design quoted by New West. Mrs. Ann Karsner noted the importance of beginning earlier next year in order to provide ample time for artist entries and selection of winning entry by council members. **Following a discussion on the potential effectiveness at minimal costs of these posters for wineries and retail locations, Mrs. Karsner made a motion to approve \$2000 for a spring poster competition with the instructions to have poster printed and distributed by the 1st of April; prior to the Kentucky Derby and the busy**

KENTUCKY GRAPE & WINE COUNCIL
January 7, 2014 MEETING MINUTES

summer retail months. The motion was seconded by Mrs. Patsy Wilson, all voted in favor and the motion passed.

Fall 2013 Media Plan, review:

Mr. Madison reported that at the conclusion of the budgeted fall media plan, BrightRoll ran as planned from 10/9-11/30 with 167,043 completed views. The projected contract at \$10,500 was for 105,000 views which was impressively surpassed by 62,000 impressions. The Flurry.com campaign was paused on 11/8 because of issues with the necessary coding in the app resulting in what would be ineffective advertising based on the technology required. The coding issue has since been remedied and the remaining funds (\$2,336.53) will be moved to the spring campaign and used to increase video placements for mobile/tablet in the selected target markets.

Legislative

Mr. Leason reported that two bills are planned to be submitted into the upcoming legislative session by Mike Hatzell and the Kentucky Wineries Association after discussion and agreement by the major winery organizations around the state. The first bill will be an amendment to the Small Farm Winery license that would allow current holders of said license to distill in limited quantities. The second bill would allow state-wide Sunday sales for Small Farm Wineries.

Research Report & Grower Development

Mrs. Patsy Wilson reported that the University of Kentucky's new offering of classes on viticulture and vinification have proven very popular, filling to capacity in brief times.

Wholesale Distribution

No Report

Adjournment

There being no further business, Mr. Dennis Walter made a motion to adjourn the meeting, the motion was seconded by Mr. Jeff Wiles, all were in agreement and the meeting was adjourned at 12:58 pm.