

KENTUCKY GRAPE & WINE COUNCIL
March 27, 2013
Old 502 Winery
Louisville, KY
1:00PM



MEMBERS IN ATTENDANCE:

REPRESENTING WINERY OPERATORS:	LOGAN LEET
REPRESENTING WINERY OPERATORS:	CHUCK SMITH
REPRESENTING THE UNIVERSITY OF KY:	PATSY WILSON
REPRESENTING GRAPE GROWERS:	JEFF WILES
REPRESENTING GRAPE GROWERS:	BRUCE KUNZE
REPRESENTING TOURISM, ARTS & HERITAGE:	MONA JUETT
REPRESENTING CITIZEN AT LARGE:	ROGER LEASOR

MEMBERS ABSENT:

REPRESENTING WINERY OPERATORS:	DENNIS WALTER
REPRESENTING CITIZEN AT LARGE:	JOHN CARPENTER
REPRESENTING THE KY DEPT. OF AGRICULTURE	KRISTEN BRANSCUM

OTHERS REPRESENTED:

REPRESENTING THE KY DEPT. OF AGRICULTURE	TYLER MADISON
REPRESENTING THE UNIVERISITY OF KY	DR. TOM COTTRELL
REPRESENTING NEW WEST AGENCY	BOBBI DAVIS

Call to Order

Mr. Roger Leasor called the meeting of the Kentucky Grape & Wine Council (KGWC) to order at 1:05 pm. Those present introduced themselves. Mr. Tyler Madison called the role and a quorum was confirmed.

Mrs. Mona Juett made a motion to approve minutes from the previous meeting. Mr. Roger Leasor seconded the motion, all were in favor and the motion passed.

Financial Report

Mr. Madison reported that, to date, \$486,797.58 of grant funds allotted to the Marketing Cost-Share program has been distributed. To date, \$28,607.78 has been reimbursed for P2-12 in which 58 wineries opted-in at a cap of \$860 per winery.

A total of \$311,554.23 of grant funds allotted to the Wholesale Reimbursement program has been distributed. To date, \$15,485.00 has been reimbursed for P2-12 in which 19 distributors representing 34 wineries opted-in at a rate of \$20 reimbursement per case at a cap of \$1,100 per winery.

Mr. Madison reported that caps for the P1-13 Marketing Cost-Share and Wholesaler Reimbursement Programs are considerably higher than caps set in P2-12 due to unencumbered funds rolled over from P1-12 that may now be calculated. Funds available for the P1-13 Marketing Cost-Share Program will

KENTUCKY GRAPE & WINE COUNCIL

March 27, 2013 MEETING MINUTES

total \$72,045.44 while funds available for the P1-13 Wholesaler Reimbursement Program will total \$57,771.61. With 54 wineries opting in to the Marketing Cost Share Program, caps per winery were set at \$1,250.00. With 35 wineries represented in the Wholesaler Reimbursement Program, caps per winery were set at \$1,640.00. As of March 26, 2013, \$4,456.07 of Marketing Cost Share funds have been paid as well as \$5,221.60 of Wholesaler Reimbursement funds.

KDA Staff Report

Wine Trail App Updates:

Mr. Madison reported that the Virtual Wine Trails App is nearing completion and on schedule to launch prior to the summer tourist season. Mr. Madison showed a web application of the current state of the app and explained the various user functions as well as editing managing ability to retrieve and retain statistics such as user contact information, email list and various analytics pertaining to number of visits per winery.

App Media Plan and Additional Media:

Mr. Madison mentioned the possibility of creating a new generic 0:15 video spot for the spring television campaign that would focus on Kentucky's vineyards to replace the two Kentucky Wine 0:15 spots that have run in the previous four campaigns.

Mr. Madison and Ms. Davis from New West Advertising and Marketing Agency discussed various ways to promote the launch of the Virtual Wine Trails App, suggesting producing a new 0:15 video spot and adding supplemental media purchases to the soon to begin Spring Media Plan. Mr. Madison reported that there is approximately \$51,500.00 remaining Promotional/Marketing Funds for FY 2012/2013.

Mr. Smith raised the question of the viability and worth of pursuing the previously approved Mobile Kiosk. Mr. Smith suggested that, in light of the apparent shift of importance of the app launch, funds set aside for the kiosk may be better used elsewhere. Mr. Smith made a motion to revisit the Mobile Kiosk at the start of the following fiscal year and to repurpose the allotted \$2,000.00 to other projects. Mrs. Juett seconded the motion, all were in favor and the motion passed.

After considerable conversation, and with a remaining FY 2012/2013 budget of \$53,500.00 available, Mr. Kunze made a motion to: approve \$17,000.00 for creating two new 0:15 video spots (one of which will replace the spring TV spots and promote vineyards and one which will promote the app and mainly run on pre-roll video), approve an additional \$14,000.00 supplement to the current spring television campaign, approve an additional \$10,000.00 supplement to the Spot XChange pre-roll video campaign and approve \$4,000.00 for costs related to the Kentucky Wine Trails App launching events. Mr. Wiles seconded the motion, all were in favor and the motion passed.

2013 Kentucky Commonwealth Commercial Wine Competition & Commissioner's Cup

Mr. Madison reported that, as previously directed, funding previously allotted to cover cost related to the Kentucky State Fair Commercial Wine Competition have been reallocated to creating a standalone competition scheduled for July 27th in Louisville, Kentucky.

Legislative

Mr. Leason reported that the legislative session has now closed. Election Day sales passed, as expected. The contentious House Bill 310 which would allow wine and liquor sales in various retail locations such

KENTUCKY GRAPE & WINE COUNCIL

March 27, 2013 MEETING MINUTES

as grocery stores has been bottled up in committee and ultimately decided by the courts. Additionally, the Kentucky Wineries Association and the Kentucky Vineyard Society are holding a meeting to ensure their legislative agendas match.

Research Report

Mrs. Wilson reported that four acres of vines are currently planted at the UK research farm. The acreage is planned to increase to five acres with a lot of chestnut trees being taken out. Christy Durbin has worked as an intern in recent months and has proved very helpful. A more detailed report will be submitted at the following meeting.

Wholesale Distribution

No Report

Grower Development

Nothing to report, currently the vineyards are busy pruning.

Events

Adjournment

There being no further business, Mr. Leasor made a motion to adjourn the meeting, the motion was seconded by Mr. Smith, all were in agreement and the meeting was adjourned at 2:37 pm.