

KENTUCKY GRAPE & WINE COUNCIL
April 16, 2014
Elk Creek Vineyards & Winery
Owenton, KY
1:00PM



MEMBERS IN ATTENDANCE:

REPRESENTING WINERY OPERATORS:	DENNIS WALTER
REPRESENTING CITIZEN AT LARGE:	ANN MCBRAYER
REPRESENTING GRAPE GROWERS:	BRUCE KUNZE
REPRESENTING WINERY OPERATORS:	ANN KARSNER
REPRESENTING WINERY OPERATORS:	LOGAN LEET
REPRESENTING THE UNIVERSITY OF KY:	PATSY WILSON
REPRESENTING CITIZEN AT LARGE:	ROGER LEASOR
REPRESENTING TOURISM, ARTS & HERITAGE:	MONA JUETT

MEMBERS ABSENT:

REPRESENTING KY DEPT OF AGRICULTURE:	KRISTEN BRANSCUM
REPRESENTING GRAPE GROWERS:	AWAITING APPOINTMENT

OTHERS REPRESENTED:

REPRESENTING KY MALT BEVERAGE COUNCIL:	JASON BAIRD
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Call to Order

Chairman Dennis Walter called the meeting of the Kentucky Grape & Wine Council (KGWC) to order at 1:07 pm. Those present introduced themselves. Mr. Madison called the role and a quorum was confirmed.

Mrs. Ann Karsner made a motion to approve minutes from the previous meeting. Mr. Bruce Kunze seconded the motion, all were in favor and the motion passed.

Financial Report

- Mr. Madison reported that a total of \$570,217.50 of grant funds allotted to the Marketing Cost-Share program has been distributed. To date, \$3,030.50 has been reimbursed for P1-14 in which 56 wineries opted-in at a cap of \$1,000.00 per winery.
- A total of \$357,707.23 of grant funds allotted to the Wholesale Reimbursement program has been distributed. To date, \$4,554.40 has been reimbursed for P1-14 in which 44 wineries represented by 20 wholesalers opted-in at a cap of \$1,470.00 per winery.

Neck Rider Coupons Discussion Pertaining to the Wholesaler Reimbursement Grant

Mrs. Ann McBrayer raised the idea of creating a coupon reimbursement program for customers purchasing Kentucky wines via neck-riders (placed around the neck of a wine bottle in a retail location) as to a possible way to more effectively use the funds allotted to the wholesale reimbursement grant. Mr. Madison noted that such an idea would definitely require a change to the regulations legislatively which is something the Council has previously attempted to avoid. Mrs. McBrayer mentioned that it could be a way for the wineries to receive more “bang for the buck,” and greater promotion which is what the grant is intended to accomplish as opposed to merely putting money in the hands of the wholesalers. Further, Mrs. McBrayer discussed the success of the coupons as a solid selling point for the wholesaler to take to the retailer in order to secure more shelf space. Mrs. Ann Karsner questioned if the KGWC would be allowed to use funds to create a coupon program and, if so, if it would be possible to use the Wholesaler Reimbursement Grant funds to sponsor the program. Chairman Walter agreed that initial research would need to be carried out to understand if the Council has the ability to use the funds in this way. A discussion ensued on the possibility of partnering with an outside company to track and be in charge of issuing reimbursing coupons. Chairman Walter entertained a motion to research possibility of funding an outside source to manage such a program as well as the feasibility of creating such a program. The motion was seconded by Mr. Roger Leasor, all voted in favor and the motion passed.

KDA Staff Report

Wine Trail App Updates:

Mr. Madison reported that updates are complete with a few final tweaks being made to correct a few problems he noticed; all of which are on the admin side of the site. Wineries can now all have their own log-ins which allows them to search people who have checked in at their wineries. It also provides email address and dates. Tiered levels of completion are an additional feature added.

Spring Video Series:

In previous meetings, the idea of promoting specific grapes popularly grown in Kentucky for wine production has been discussed often as a way to educate the public/let people know what to look for when purchasing wine. Mr. Madison had the thought of creating a series of videos highlighting 4-5 grapes that may be used in media campaigns and also on the Kentucky Wine website. The proposed videos would use volunteers (keep costs down) to taste wine and candidly tell the camera what they smell/taste. This would be a standard white back ground set to give a real/raw impression. Mr. Madison proposed the intro shot of set with the Kentucky Wine logo and grape name underneath, name phonetically spelled under with film roll sound. The series would be edited down to 0:15 and 0:30 videos comprised of short 1-2 word descriptions of each grape to provide a tasting note from multiple people. New West gave a preliminary quote of \$10,500-11,000 for studio location, equipment, editing, etc. A motion was made by Mr. Logan Leet to approve \$12,000 for completion of the video series which will focus on Chambourcin, Norton, Cabernet Franc, Vidal Blanc and Traminette. The motion was seconded by Mr. Leasor, all voted in favor and the motion passed.

2014 Commissioner’s Cup & Awards Ceremony/Documentary Premier funding:

Mr. Madison reported that there were some delays with the grant but that all issues have been remedied and the grant to the Kentucky Wineries Association (KWA) for the competition and awards ceremony will soon be dispersed. The competition is two months away and everything is going well, Madison

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relayed. There are currently 88 entries, which is far beyond the number of entries at the same time in 2013. The competition will be held in Lexington at ArtsPlace. The budget for the Awards Ceremony and Documentary Premier in the fall was cut back a bit from \$25,000 to \$16,000. Working with an event planner from New West, the current proposal is to serve around 200 guests with heavy hors d'oeuvres, screening of documentary premier and then award ceremony/speeches/wine, etc. KWA wants to work with the KGWC to create a "Kentucky Wine Person of the Year" award that would be presented at the Ceremony. KWA also suggested the Kentucky Vineyard Society sponsor a hall of fame type of award to honor the early pioneers who did so much to get see the modern industry up and running. Wine will be commissioner cup winners. Tickets will be two for every winery that entered the competition (restrictions on size of space/budget), KDA, KGWC, media, bloggers, etc.

Legislative

Mr. Leasor reported that the Sunday Sales Bill was passed. The bill doesn't automatically give wineries Sunday sales, but it reduces geography to tackle in order to achieve Sunday sales through the ability to have a precinct vote. The Brandy Bill allowing Small Farm Wineries the ability to distill in small quantities didn't pass but there is a solution to create an inexpensive license for distillation just for Small Farm Wineries with the same restrictions that are on distilling licenses but without the privileges given to Small Farm Wineries.

Research Report & Grower Development

Mrs. Patsy Wilson relayed that the main focus recently has been working to ensure the grant from the Agricultural Development Board to the Kentucky Vineyard Society which, amongst other things, pays for the enology and two viticulture positions at the University of Kentucky, is renewed. The bi-annual grant in the amount of \$515,000 is up for renewal on June 30th. Chairman Walter moved that the KGWC draft a letter of support to the Agriculture Development Board detailing the importance of this grant to the Grape & Wine Industry of Kentucky. The motion was seconded by Mr. Leasor all voted in favor and the motion passed.

Wholesale Distribution

No Report

Adjournment

There being no further business, Mr. Roger Leasor made a motion to adjourn the meeting, the motion was seconded by Mrs. Patsy Wilson, all were in agreement and the meeting was adjourned at 2:40 pm.