

**KENTUCKY GRAPE & WINE COUNCIL**  
**April 18, 2018**  
**Kentucky Department of Agriculture, Office of Marketing**  
**Frankfort, KY**  
**1:00PM**

MEMBERS IN ATTENDANCE:

|                                      |                   |
|--------------------------------------|-------------------|
| REPRESENTING CITIZENS AT LARGE:      | RAYMOND MEYER     |
| REPRESENTING CITIZENS AT LARGE:      | RACHAEL PEAKE     |
| REPRESENTING GRAPE GROWERS:          | JENNY BEETZ       |
| REPRESENTING GRAPE GROWERS:          | SHANNA OSBORNE    |
| REPRESENTING KY DEPT OF AGRICULTURE: | MELANIE BLANDFORD |
| REPRESENTING THE UNIVERSITY OF KY:   | PATSY WILSON      |
| REPRESENTING WINERY OPERATORS:       | LOGAN LEET        |
| REPRESENTING WINERY OPERATORS:       | ANTHONY PARNIGONI |
| REPRESENTING WINERY OPERATORS:       | FRANCINE SLOAN    |

MEMBERS ABSENT:

|  |        |
|--|--------|
| REPRESENTING TOURISM, ARTS & HERITAGE: | VACANT |
|--|--------|

OTHERS REPRESENTED

|                                 |                   |
|---------------------------------|-------------------|
| GOVERNOR'S OFFICE OF AG POLICY: | STEFANIE OSTERMAN |
| KY DEPT OF AGRICULTURE / KGWC:  | TYLER MADISON     |
| KY DEPT OF AGRICULTURE          | KEITH ROGERS      |

**Call to Order:**

Mr. Logan Leet called the meeting of the Kentucky Grape & Wine Council (KGWC) to order at 1:05 pm. Mr. Tyler Madison called the role and a quorum was confirmed.

**Ms. Shanna Osborne made a motion to approve minutes. Mrs. Rachael Peake seconded the motion, all voted in favor and the motion passed.**

**Financial Report:**

1. **Wholesale Reimbursement:** Following the grant rollover payout, a total of \$32,551 was paid out in P2-17. A record 14 wineries exceeded the case cap.
2. **Marketing Cost-Share:** Following the grant rollover payout, a total of \$51,299.63 was paid out in P2-17.
3. **PROMO Account:** Spring media creative is complete and all media has been purchased and placed (flights commenced on 4/9). Approved expenses/projects still open or yet to begin in FY18:
  - a. App Updates: Funds remaining = \$1,473.25
  - b. Sweetness Scale POP = \$2,000.00
  - c. App Promo Items: Funds remaining = \$1,404.22
  - d. Seminars/Travel: Funds remaining = \$3,627.08
  - e. Agency Retainer: Funds remaining = \$1,982.50
  - f. Miscellaneous / Additional Media: Funds Remaining = \$11,190.00 (Note: Approximately \$3,000 to be used in partnership with KGB for industry tasting on May 17<sup>th</sup> in Louisville [event rental, food, direct mailing] resulting in approximately \$8,000 remaining for additional media use in FY18.)

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**KDA Staff Report:**

1. **Holiday Campaign Results:** Shifted focus away from promoting the Drink KY app and direct tasting room sales to retail sales for holiday meals/parties. Total spend: \$31,590.28
  - a. Approach:
    - i. Digital geo-targeting wine shops/liquor stores in KY and surrounding states that sell KY wine (174 stores targeted)
    - ii. Canvas KY Wine gift bags delivered to retail stores
    - iii. Promoted posts on FB
    - iv. Behaviorally and contextually targeted banner ads
  - b. Results:
    - i. Facebook: 1.1 million impressions with a reach of 264k. Hit key performance with high click through rate. Baby boomers proved to be the most engaged age demographic
    - ii. Digital: 1.2 million impressions with 2k click through. Although this doesn't sound like a lot, it is actually a CTR of 0.16% which far exceeds the average of 0.05%. Particularly robust around geo-fenced ads.
2. **Spring Campaign:** Return to app promotion/downloads and driving traffic directly through tasting room doors. Estimated spend: \$87,104.00
  - a. Approach:
    - i. Airport Advertising: This proved very popular last year. It's affordable and targets those visiting the state as well as residents returning. In addition to LEX and SDF, we included CVG and added advertisement in terminals and baggage claim. Backlit signs and video.
    - ii. Renewed broadcast partnership with Local12 (N. KY/Cincinnati to highlight KY Wine stories).
    - iii. Print: Full page ads and advertorials in TOPS, Churchill Downs Magazine (Derby edition), The Voice and SWIG Magazine
    - iv. Digital: Behavior targeted cross platform. Native contextual (e.g. digital advertorials). Removed pre-roll video and increased OTT
    - v. Social Media: FB Promoted post campaign
    - vi. Over the Top (streaming): 30 second <http://red-stash.com/KYWINE/COMK-02017-WineTV15.mp4> 2

**Committee Reports:**

**Legislative:** Kentucky Department of Agriculture Chief of Staff, Keith Rogers addressed the room to discuss council funding. Mr. Rogers explained that HB 200, the 2018-2020 state budget, retained the KGWC in statute but zeroed out all funding. Mr. Rogers suggested that, though by no means assured to be approved, the KGWC might consider applying for funding at a reduced rate through the Governor's Office of Agriculture Policy.

The University of Kentucky (UK) will submit their application for funding in June to be included in the July meeting. It was suggested that, if the KGWC decided to submit an application, they should submit the application at the same time as UK and that both applications should be separate yet complement each other and not overlap. Mrs. Stephanie Osterman was in attendance and answered many questions regarding the application process.

**Mr. Tony Parnigoni made a motion to begin work on an application requesting KGWC funding from the Governor's Office of Agriculture Policy. Mr. Raymond Meyer seconded the motion, all voted in favor and the motion passed.**

**Research:** Mrs. Patsy Wilson noted that if purchasing grapevines, growers should look for vines designated "Protocol 2010." Foundation Plant Services (UC Davis) called Protocol 2010, are the newest and cleanest grapevine stock in the world. All Protocol 2010 material have been through a meticulous micro-shoot tip propagation process.

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**Wholesale and Distribution:** No report

**Grower Development:** See UK Report

**UK Report:** See research report

**Events:** None

**Announcements:** None

**Adjournment**

There being no further business to discuss, Mrs. Jenny Beetz made a motion to adjourn at 3:10 pm.