

**PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM**  
**MS TEAMS VIRTUAL BOARD MEETING**  
**Minutes of the February 20, 2024 Board Meeting**

Public notice of the February 20, 2024 Pennsylvania Wine Marketing and Research Program Board Meeting was given as stipulated by the Sunshine Law.

**CALL TO ORDER**

Mario Mazza, Chairman, called the meeting to order at 10:01 a.m. Board members in attendance in addition to Chairman Mazza included Karl Zimmerman, Vice Chair; Carley Razzi, Treasurer; David Hoffman; John Landis; Jamie Williams; Robert Mazza; and Jake Gruver.

Also in attendance were Jennifer Hilt, McKonly and Asbury CPAs; Patrick Andrews, Secretary of Agriculture Representative, PDA; Holly Zarefoss, Administrative Assistant to the Markets Division; Jenny Groff, Clerical Assistant; and Adam Morris, Esquire.

Also present was Virginia Mitchell, PWA; Scott Neeley, PWA; and Deborah Ingravallo, Food Export USA.

**APPROVAL OF MEETING MINUTES**

**RESOLUTION 2024.01-MEETING MINUTES**

Presented by: Robert Mazza

Seconded by: Karl Zimmerman

Passed: Unanimously

To approve the Minutes of the November 14, 2023 meeting.

**FINANCIAL REPORTS**

Jennifer Hilt, McKonly and Asbury, CPAs, referred members for further discussion to information regarding the Budget v. Actual for the period ending January 31, 2024, A/P Aging QuickZoom, A/P Aging Summary form, Balance Sheet as of January 31, 2024, Profit and Loss, Budget vs. Actual, and Profit and Loss.

**RESOLUTION 2024.02-APPROVAL OF FINANCIAL REPORT**

Presented by: Jake Gruver

Seconded by: John Landis

Passed: Unanimously

To approve the Financial Report as presented.

## **ASSESSMENT REPORT**

Jenny Groff, Clerical Assistant, referred to the Wine Assessment Report as of February 12, 2024, and all assessment years tracked increased to some degree, for 2019, \$318,630.48; 2020, \$361,362.14; and both years are closed. For 2021, \$279,945.26; 2022, \$251,015.70; 2023, \$147,619.14. She noted the 2022 audit letters are actually the 2021 audit letters, and the next round will be sent out shortly. Members reviewed the Wine Assessment Report as of 10/31/2023.

Mr. Andrews noted assessments are reviewed as best as possible but noted recent errors in the system. There was noted to be a downward trend, and there may be some slowing of revenue for various reasons. Mr. Andrews noted the new system may increase the speed that the revenue comes in. Ms. Zarefoss may be able to provide a figure of how much was brought in for a given audit year if the Board was interested.

### **RESOLUTION 2024.03-APPROVAL OF ASSESSMENT REPORT**

Presented by: Carley Razzi

Seconded by: David Hoffman

Passed: Unanimously

To approve the Assessment Report with the correction noted.

## **PWA ACTIVITY UPDATE**

Virginia Mitchell, PWA, provided an update regarding Pennsylvania Wine's marketing efforts. She reported that the PWA kicked off with the 108th PA Farm Show, noting 25 wineries provided tastings throughout the week at the PA Wine Booth. She estimated over 30,000 visitors sampled wines, and handout materials were provided. She noted PWA provided a selfie station made out of corks from PA wineries.

Ms. Mitchell reported six wineries poured wines at the PA Preferred reception, participated in the culinary connection pairings and then hosted educational lectures. An ad promoting PA Wines was also placed within the Farm Show Guide, which was distributed to over 35,000 people. PWA plans to do a similar placement in the visitor's guide for the 2025 Farm Show.

Ms. Mitchell indicated that pennsylvaniawine.com has a new, easier to use look, which was launched at the end of 2023, to be used as a portal for industry members, wine consumers and media to find upcoming events. Members can log in to update their winery information in real time. She noted a giveaway was introduced to gain engagement, reach and views, and to push people to their favorite PA winery to purchase wine.

Ms. Mitchell reported the year was also kicked off with PA Wines collaboration with PA Eats. Knowledgeable industry members are being interviewed to develop content on various topics,

including fermentation and chambourcin. She also talked about development of stories about winegrowers and winemakers in the state. All can be found on PA Eats and PA Wine websites, under the blogs and both social media channels.

PWA is currently planning out the social media calendar to engage with new and existing followers and noted a new virtual event, PA Wine Hour recently introduced via Zoom. Three upcoming in-person consumer events include annual festivals, Liberty Mountain, Seven Springs, and Longwood Wine and Jazz Festival.

A consumer survey was initiated to determine the buying habits of consumers in PA and surrounding areas, currently at over 1,500 respondents. Results will be shared at the PWA Annual Business Meeting. The Wine and Grape Conference will soon be held where more details on upcoming projects will be shared.

Mr. Andrews requested to know PWA website traffic numbers as he was talking about the website many times during the Farm Show. Ms. Mitchell will investigate the matter. She suggested a QR code may be helpful. Mr. Andrews stated a graphic with the PWA logo on one side, and a QR code on the other side for reference would be helpful.

#### **SUBCOMMITTEE UPDATES**

Chair Mazza requested comments from any of the subcommittees.

There was discussion regarding a scholarship program proposed last meeting by the Industry Relations Committee. Beth Williams, Board Project/Program Coordinator, noted the Department of Ag put an end to the idea as the way it was funded was not allowed under the statute.

Chairman Mazza noted for the record that Chris Dietz, Leila Reichart, and Elwin Stewart have stepped off the Board. All were commended and appreciated for their service over the years. Reappointments will be held in the future.

#### **PSU VITICULTURE SUPPORT AGREEMENT**

Chairman Mazza noted an MOU between Penn State University, and the Wine Marketing Research Board has been received. He provided an overview of the terms of the agreement. Attorney Morris and Chairman Mazza will review the agreement within the next week.

#### **TUITION FUNDING IN GRANTS - PSU**

Mr. Andrews referred to an email regarding this matter for further discussion. Chairman Mazza suggested contact with the Dean of Research at PSU for discussion of an agreement.

## **PROFESSIONAL DEVELOPMENT FUNDING IN GRANTS - PWA**

Ms. Mitchell noted PWA had extra money in the budget and exploring different programs for professional development. PWA is requesting an extension of the total funding of \$52,274.43 to continue to promote the wineries and wine events. Chairman Mazza commented that it has to be shown how professional development would have a direct impact on marketing or research.

Scott Neeley, PWA, commented that part of the approach is to increase credentials of Ms. Mitchell and Ms. Miller with regard to how to market wineries and the wine regions. Ms. Razzi suggested more detail and discussion regarding which credentials may or may not work along with feedback from the Board.

Attorney Morris opined that Board expenditures should be research and marketing based, and it was his position to defer to the Board's discernment and wisdom. He cautioned signing off on two agreements with Penn State. Chairman Mazza suggested there be additional professional development discussion in the future.

## **PWA EXTENSION REQUEST**

Chairman Mazza referred members to discussion of the \$52,274.43 remaining funds in the ACMA portion of Round 7 to be extended across personnel, contractual and others, as well as indirect costs.

### **RESOLUTION 2024.04-APPROVAL OF PWA EXTENSION REQUEST**

Presented by: Jake Gruver

Seconded by: Carley Razzi

Passed: Unanimously

To grant the extension as requested.

## **PA WINE AND GRAPE INDUSTRY CONFERENCE UPDATE**

Beth Williams provided information regarding the upcoming Wine and Grape Industry Conference scheduled for February 28-29, 2024. She noted that registration closes February 21, 2024. There were between 60 and 70 people registered. A dinner will be held at the Penn Stater, and Secretary of Agriculture Russell Redding is scheduled as guest speaker.

Scott Neeley commented that having the support of Secretary Redding would be very beneficial.

Ms. Williams will place the registration link in the chat, so members can review the details. She noted that viticulture and marketing programs will be held in the afternoon.

She noted her attendance at the recent North Carolina Winegrowers Conference where good ideas were obtained, but opined that the Penn Stater provides a more intimate climate and the opportunity to have personal interaction. There was further discussion regarding the attendance numbers.

## **SCORING METRICS**

Mr. Andrews noted that the Board would soon receive concept papers as they are due Friday, February 23, 2024, and scoring metrics would be used in scoring the concept papers. Chairman Mazza suggested consistency by taking an industry viewpoint that would be influenced by a member's own opinion, and thorough project evaluation metrics should be scored appropriately. There was further discussion regarding whether the weight of each category should be adjusted. Bob Mazza opined that adjustments should be made on the total and not each of the five buckets.

Chairman Mazza opined that two areas that should be weight heavier is whether a project is needed to help progress the industry forward in regards to research or marketing and the impact. John Landis agreed with the suggestion.

Virginia Mitchell, PWA, commented that the scoring is outlined in the RFP. Members provided feedback. Chairman Mazza suggested the matter be kept on the agenda, and there should be further discussion as the Board goes through the next two scoring rounds with additional feedback being provided by members.

## **2023 ECONOMIC IMPACT STUDY**

Chairman Mazza referred members to the study by John Dunham and Associates for further discussion of side-by-side comparisons. It was noted that it is the millions of visitors to the wineries who generate the \$747 million in revenue. Chairman Mazza commented that with regard to wine production numbers, the volume figure provided by John Dunham and Associates "just doesn't seem to quite jive," and the disconnect cannot be exactly located, but on the whole, a growing economic impact for the industry. Tax revenue impacts were noted for discussion.

The Department of Ag press office will provide a release, which will go out during the conference. The John Dunham and Associates Report will be placed on the webpage.

Bob Mazza noted, in the past, after receipt of the John Dunham Report, a brochure was assembled that highlighted all the important aspects of economic impact and growth trajectory. He suggested that be translated into a marketable piece of literature similar to a rack card for use when educating legislators and staff.

## **RESOLUTION 2024.05-APPROVAL OF SUMMARY**

Presented by: Jake Gruver

Seconded by: Bob Mazza

Passed: Unanimously

A motion to approve \$1,000, not to exceed \$2,000, to have the summary piece developed to include highlight numbers with a district by county breakout. All agreed to use ACMA money to fund under PWA branding.

## **BOARD MEMBER RE-APPOINTMENTS**

Chairman Mazza noted his appreciation of service for Leila Reichart, Elwin Stewart, and Chris Dietz. He noted these three vacancies, two legislative appointees and one industry member appointment. A letter would be sent out soliciting nominations for Mr. Stewart's seat on the Board around April 1, 2024. Mr. Andrews suggested that someone be asked to join the Board in an advisory capacity if an appointment is not made of somebody with research experience.

Mr. Andrews indicated the appointment requires time commitment to contribute to the meetings, scoring process, reporting process and committees.

Ms. Zarefoss reminded Board members that those reaching end of terms include Mario Mazza, David Hoffman, and Carley Razzi. She will contact them regarding whether they are interested in serving.

## **FOOD EXPORT USA - NORTHEAST**

Deborah Ingravallo, liaison, Food Export USA Northeast, introduced herself to the Board and provided a brief summary of the program. She noted Food Export receives funding from the USDA, works closely with the State Department of Agriculture, and hopes to work with this Board as well.

She discussed the three pillars of food export, including market entry, meeting buyers, and the Branded Program that offers 50 percent reimbursement on international marketing expenses.

Chairman Mazza noted his participation in the Latin American and Caribbean Buyers Mission in Miami in 2023 and the National Restaurant Association of Chicago show as well as others. He commented these dollars are helpful to get into export markets and hopeful to join forces to have a general Pennsylvania presence in the future. Ms. Ingravallo hoped to meet the Board in April.

## **NEW BUSINESS**

Mr. Andrews had concerns regarding use of ACMA funds, which now is primarily to invest them, and opined he is uncomfortable as there is an implied imperative in every program order to spend the dollars collected rather than hold onto them, which is the expectation, and suggested all to consider the practice of attempting to spend the funds.

Chairman Mazza suggested a communication be drafted sharing the Board's position that it agrees to a draft letter that would inform the industry and see what feedback would be provided.

Bob Mazza commented that what this Board is doing "is responsible" as it looks at long-term vitality and existence of the Wine Marketing Research Board, irrespective of Act 39 monies, which he referred to as a "very defensible position" if put into that situation.

Chairman Mazza indicated that it was good the Board's position was being recorded in the Minutes, and he would be happy to be more proactive about that communication going forward.

Mr. Andrews noted work began last October or November to build a research portal on the Board's website where every Board's research would be available. The matter will be revisited in the future.

## **ADJOURNMENT**

### **RESOLUTION 2024.06-ADJOURNMENT**

Presented by: Board Member

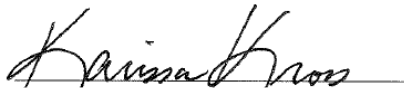
Seconded by: Jake Gruver

Passed: Unanimously

A motion to adjourn the meeting.

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Virtual Meeting adjourned at 12:02 p.m.

Respectfully submitted by,



Karissa Kross  
February 20, 2024