

**NC Wine & Grape Council Meeting Minutes**  
**October 29, 2007**  
**Biltmore Estate, Asheville, NC**

Council Members Present: Willard Hinnant, Dan Smith, Frank Hobson, Bill Hatcher, Charlie Shelton, Jerry Douglas, Mark Friszolowski, Michael Helton, Joe Neely

Others present: Margo Metzger, Lynn Mines, Marlise Taylor, Greg Nivens, Jennifer Montgomery, Amy Helton, Lenna Hobson, Tina Smith

Chair Willard Hinnant called the meeting to order at 10:05a.m.

Dan Smith passed out a packet of fresh grape marketing information. He said that the Council's \$25,000 allocation to NCDA&CS paid for the packet.

Tina Smith reported that the NC Muscadine Grape Association had completed its strategic plan with a \$75,000 grant from Golden Leaf, and that a bound copy was in the mail to each Council member.

Charlie Shelton moved to approve the meeting minutes from September 12 as written. Dan Smith seconded the motion, which passed.

Greg Nivens, President of Moorea Marketing, spoke briefly about his company and his roots in North Carolina. He said that he hailed from Charlotte and attended UNC Chapel Hill. He gave dates for upcoming Great Grapes festivals as April 19 in Raleigh and October 4 in Charlotte. He said that he was developing new festivals: Capital City Cheers in downtown Raleigh and a festival in Asheville next year. He went on to say that his company manages 22 beer and/or wine festivals with state organizations. He stressed that dialogue is always open with his company and that he wants to build relationships with NC wineries. He said that he has worked hard to solve any problems at festivals in the past, and that he looks forward to working with the Council in the future.

Jennifer Montgomery, Director of Grassroots and Political Affairs at WineAmerica, presented information about key national issues affecting the wine and grape industry. She discussed the Farm Bill, Immigration, FDA policies and agricultural labor issues. She also distributed a hand-out summarizing her report.

Margo Metzger reported that she had issued an RFP through the Dept. of Commerce for the Wine Challenge contract. Charlie Shelton inquired as to why the Council couldn't have someone of the Council's choosing do the job and hire them through LKM. Dan Smith suggested that the Council could shape the hiring process if it was contracted through LKM. Willard Hinnant responded that they could try to go through the state's process first. Lynn Minges added that hiring this position is not in LKM's contract, and that sticking to the state policy ensures a fair and equitable process. Bill Hatcher said that

hiring an individual is good but it worries him that he/she may move on to another job before the contract is completed.

Willard Hinnant began the discussion about the draft of the strategic plan. He said that the Council needs to come to consensus on its role, and then assign dollars to each area of action. Charlie Shelton expressed concern that various universities and schools were getting involved with the wine industry. He reported that four schools had received \$150,000 each from the Community College board for viticulture programs. Michael Helton said that ASU has good program with a rolling lab but that he was upset with the analysis cost per bottle for the little guy. Jerry Douglas said that the Council has a responsibility to direct what educational programs offer in regards to research & curriculum.

Dan Smith said that the mission needs to be beefed up. He added that PR, marketing, and research should be separate headings, and that they should further describe the Council's relationship with the executive director. Jerry Douglas questioned the wisdom of offering marketing vs. PR, advocating that PR is a subset of marketing. Willard Hinnant said that the committee agreed that the marketing & PR section was a good basic foundation. Dan Smith suggested that the PR section should have the following additions: work with tourism to get funds; create a speakers bureau; and update economic impact survey every 2 years.

Tina Smith reported that the NCMGA took a more traditional approach to developing their strategic plan. She said that the board met with industry partners, hired facilitators to keep on task, had five specific goals, came up with specific tactics and assigned a responsible party to each tactic. She said they had received a new grant for implementing those tactics.

Jerry Douglas suggested that the group ratchet up intensity to get some things done that were already agreed upon; then work at the strategic plan on a parallel track.

Margo Metzger suggested that the group perform a SWOT analysis at the upcoming retreat. Jerry Douglas said he has a guy on staff that can lead short analysis for free.

Charlie Shelton asked if anyone had any comments on digital billboards.

Dan Smith said that the current design did not leave enough room to ID a winery on billboard, and that they needed to relax the rules- but still have conformity with NC theme. Charlie Shelton said that the billboards have got to have continuity.

Margo Metzger reported that the current billboards expire in January. Dan Smith moved to extend program thru June 30, the end of the fiscal year. Charlie Shelton seconded the motion, which passed. Bill Hatcher added that he thought the current billboard design was "fetching".

Jerry Douglas asked for a financial recap of what we have spent, allocated vs. expended. Joe Neely requested a calendar of advertising. Margo agreed to provide this information.

Charlie Shelton inquired if we had gotten the closed wineries off the map. Margo said that she was looking into the status of Windy Gap.

Charlie Shelton moved to spend \$500,000 over 2 years, subject to the Wine Challenge RFP pending approval by the full board. Mark Friszolowski seconded the motion, which passed.

Charlie Shelton moved to approve the draft of the strategic plan with input from Dan Smith. Bill Hatcher seconded the motion, which passed.

*Short break for lunch at 11:55*

At 12:12 Chairman Hinnant reconvened the meeting.

Margo Metzger reported on several issues.

She said that CAWG was advocating changes to the labeling rules for American Appellation to require 100% American-sourced fruit. Jerry Douglas said that he wants to include vintage dating on American wines, but they can't under the current rules. He said the change would be good for the consumer. Charlie Shelton suggested that Margo write a letter in support but also ask for vintage dating. Jerry Douglas moved to write the letter, and Joe Neely seconded the motion which passed. Margo also reported that there were two new wine producers called Zimmerman Vineyards. Jerry Douglas suggested that she list them both in the brochure with the same name. Finally, Margo informed the Council that Randy Drew's video is due by Dec. 31, 2007.

Amy Helton noted that [www.ncwine.org](http://www.ncwine.org) is no longer the main web site, and that some folks found it difficult to find basic wine info on the new site.

Dan Smith said that Council needed to try to figure out a way to get continuity of images with the new brochure. Mark Friszolowski said he knew someone who could do it for \$1500 for print ready.

Lynn Minges added that you can do informal bids for jobs less than \$10,000.

Willard Hinnant said that the group needed to have a real working retreat and suggested Jan. 31 as the date. Dan Smith reported a conflict. The group decided on Feb 7-8 in Greensboro. Margo agreed to find a suitable location other than the airport Marriott.

Willard Hinnant asked if the Council was still endorsing festivals. Mark Friszolowski reported that he had cancelled 80% of shows because they were not worth it. Charlie Shelton echoed that his company had quit going to most of them. Jerry Douglas said that sampling wine at festivals can be a key part of success for a new winery. He said it is a good way to introduce yourself to the public and make friends "bottle by bottle".

The meeting was adjourned at 12:54p.m.

*Submitted by Margo Knight Metzger.*