



WINERY MARKETING COMMITTEE
MEETING MINUTES
January 11, 2021

The Lodi Winegrape Commission's Winery Marketing Committee met at 2:30pm on Monday, January 11, 2021.

The meeting was called to order at 2:32pm.

In attendance were committee members Steve Felten, Jon Bjork, Todd Maley, Jorja Lerner, Dan Panella, Jason Eells, Tanya McMahan, and Jeremy Trettevik. A quorum was established.

Others present were Nina Schatz (Peltier Winery), Tom Hoffman (Heritage Oak Winery), Leslie Bloudoff (Nostra Vita Winery), and John Keleher (Community Benchmark).

Staff present were Stuart Spencer, Jenny Heitman, Gabriella Goode and Katie Crippen.

Meeting minutes (Exhibit A) from the December 15, 2020 meeting were reviewed and approved. Bjork/Felten carried.

Public Comments on Items Appearing on the Agenda

No public comments.

Covid-19 & Winery Operations Updates

Attending wineries provided an update on current tasting room operations. Effective December 7, all tasting operations have closed due to the regional stay at home order. Macchia is trying to stay engaged with the customers by sending emails weekly while the tasting room is closed. Oak Farm reported they are open for club members only and says their new strategy for email marketing is to discount the shipping rather than the wine. The committee commented that more and more businesses are re-opening in the area because they cannot continue to keep their doors shut.

2020/2021 Scheduled Winery Road Shows

There are currently no winery road shows scheduled for 2021. Staff continues to communicate with organizers of FOOD & WINE Classic in Aspen regarding the 2021 event which was rescheduled to September 10-12, 2021. Additionally, staff remains in touch with organizers of the San Diego Bay Food & Wine Festival regarding a refund of 2020 participation fees.

Lodi Wine & Chocolate 2021 – Alternatives & Options



Staff reported that they have been working with CellarPass to set up ticketing based on the proposed restructure of the 2021 event from visitation at will to reservation-only based visitation. The committee agreed to postpone the 2021 event to May, likely replacing Row x Row Festival which will be forced to cancel due to current guidelines and closures.

2020-21 Year-to-Date Budget Review

A budget for period ending November 2020 (Exhibit B) was presented. Assessments and contributions are coming in lighter this year. Largest expenditures fall under the directional signage maintenance for the installation of the new Lodi Wine branded toppers. There is also a post which needs to be reinstalled.

Reports from Other Committees

Research Education Committee – Per approval from the Board of Directors, the Lodi Winegrape Commission will hire a Viticulture Research Specialist to help plan, conduct, analyze, and communicate the results of on-farm vineyard trials around topics of importance to Lodi growers (such as rootstock selection). The position will be posted in the coming weeks.

Public Comment on Items not Appearing on the Agenda Winegrape Commission 30th Anniversary

Staff reported that a large-scale anniversary celebration would not be possible in the coming months due to current guidelines and closures. Staff is currently considering hosting several, limited-attendance meetings at Lodi wineries during the month of March 2021 for purpose of presenting the Commission's annual report. A large-scale anniversary celebration will likely take place in the fall of 2021.

Community Benchmark

John Keleher of Community Benchmark presented the committee with options for a region-wide DTC data aggregator. If implemented, the system would provide the Commission and wineries in the region track the business success of their tasting room and wine club sales relative to the entire region. There is an annual program fee of \$9,499 plus a \$150 set-up fee per winery. The committee debated whether this program would be more effective if implemented after current tasting room closures were lifted. The committee requested feedback from other regional associations prior to deciding on whether to implement the program. Staff will follow up with these associations and report feedback to the committee.

Agenda items for Future Meetings

The committee requested that Community Benchmark be added to the agenda for the next meeting.

Set Next Meeting Date

The next meeting will be at 2:30pm on Tuesday, February 9, 2021.



Adjourn

The meeting was adjourned at 3:52pm

Respectfully submitted,
Steve Felten, Committee Chair

Questions or requests for further information should be directed Steve Felten (209-333-1845) or Stuart Spencer (209-367-4727).



To empower all Lodi Crush District 11 winegrowers and serve their common interests to enhance the profitability of winegrape production through promotion, research, and education.

WINERY MARKETING COMMITTEE December 15, 2020 Meeting Minutes

The Lodi Winegrape Commission's Winery Marketing Committee met at 2:30 p.m. on Tuesday, December 15, 2020.

The meeting was called to order at 2:35 p.m.

In attendance were committee members Steve Felten, Jon Bjork, Todd Maley, Jorja Lerner, Dan Panella, Jason Eells, Tanya McMahan, and Dave Phillips. A quorum was established.

Others present were Nina Schatz (Peltier Winery), Nancy Beckman (Visit Lodi) and Kendra Altnow (LWC Board Chair and LangeTwins Family Winery & Vineyards).

Staff present were Stuart Spencer, Jenny Heitman, and Katie Crippen.

Meeting minutes (Exhibit A) from the October 13, 2020 meeting were reviewed and approved. Bjork/Panella carried.

PUBLIC COMMENTS ON ITEMS APPEARING ON THE AGENDA

No public comments.

COVID-19 & WINERY OPERATIONS UPDATES

Attending wineries provided an update on current tasting room operations. Effective December 7, all tasting operations have closed due to the regional stay at home order. Michael David reported that prior to the regional stay at home order, they were busy, and guests kept coming back week after week. Harney Lane reported that outdoor tastings were going quite well up until the shutdown because of great weather. Macchia is trying to stay engaged with the customers by sending emails weekly while the tasting room is closed. Oak Farm reported they are open for club members only.

2020/2021 SCHEDULED WINERY ROAD SHOWS

Due to continuing cancellations, the committee will not be sponsoring Road Shows for the rest of the 2020 calendar year.

San Diego Bay Food & Wine Festival –

The San Diego Bay Food & Wine Festival, previously scheduled for November 13 & 14, 2020, was cancelled. Per committee decision, staff has requested a refund for table fees already paid. Refund has not yet been received. Staff continues to follow up.

ProWein (March 27-29, 2022) –

ProWein 2021 has been cancelled. The 2022 dates have been scheduled for March 27-29, 2022.

Food & Wine Classic in Aspen (September 10-12, 2021) –

Staff reported that the June event has been postponed to September 10-12, 2021. The Commission's 2020/21 advertising agreement with Food & Wine allows for the opportunity to secure up to five tables at the 2021 Food & Wine Classic in Aspen. Staff will continue to stay in touch with event organizers regarding participation by Lodi wineries.

LODI WINE & CHOCOLATE 2021 – ALTERNATIVES & OPTIONS

Staff presented key takeaways from the consumer survey (Exhibit B). Key takeaways from the survey included:

- Past attendees surveyed. There was a total of 480 respondents.
- 77% of respondents have attended the event at least twice and 22% more than six times.
- 76% of respondents would be comfortable attending a reservation only event weekend.
- 70% of respondents indicated they would attend Saturday and Sunday or one day only, Saturday or Sunday. The weekend dates will be key for winery participation and promotion.
- Event offering is the most important factor in attending the event followed by adherence to COVID safety protocols and price point. Virtual options or lodging was not important to respondents.
- Maintaining as much of the original event atmosphere (music, food, etc.) is important to many respondents. Freedom to select wineries/tasting locations at will is important to some respondents. We may lose this segment of the audience in 2021.

Staff reported that they have been working with CellarPass to set up ticketing based on the proposed restructure of the 2021 event from visitation at will to reservation only based visitation. The committee discussed the likely possibility of needing to push the event back to a time in March, April, or even May. This will be determined by state and county COVID regulations and restrictions. The committee will reevaluate the timeline for the event at the next meeting in January 2021.

2020-21 YEAR-TO-DATE BUDGET REVIEW

A budget for period ending September 2020 (Exhibit C) was presented. Largest expenditures fall under the directional signage maintenance for the installation of the new Lodi Wine branded toppers. There is also a post which needs to be reinstalled.

REPORTS FROM OTHER COMMITTEES

Grower Marketing Committee

Save the Old Vines Campaign (October-November 2020) – Staff reported great success with the fall "Save the Old Vines" campaign which had recently wrapped at the end of November. The campaign aimed at highlighting Lodi's rich viticultural history through its old vine vineyards and wines and the people behind both. The campaign was supported by a dedicated website (savetheold.com) and partnerships with Wine Enthusiast, VinePair, Wine Business Monthly, and Hearst Communications/SF Chronicle. The campaign was augmented through email marketing, social media, and public relations efforts including a Facebook LIVE virtual tasting on November 10 at 4:30pm PST which featured growers Kevin Phillips (Michael David Winery), Jeff Perlegos (Lodi grower, Stampede Vineyard), and Tegan Passalacqua (Turley Wine Cellars and Sandlands). Staff will be compiling a final report including analytics in the coming weeks.

Grower Relationship Mailing (December 2020) – Staff is currently organizing an industry mailing utilizing the new Lodi Wine Growers brand. Key objectives are to 1) Elevate the perception of quality of Lodi winegrapes and wines; 2) Favorably position Lodi winegrapes and growers with high-intent and 3) Foster existing relationships between buyers and Lodi growers and establish new relationships.

Marketing collateral provided to recipients may include a backpack, notebook, water bottle or mug, power bank, hat, and more. The mailing is being distributed this week, to be received prior to Christmas.

PUBLIC COMMENT ON ITEMS NOT APPEARING ON THE AGENDA

2020 Awards

Staff reported that several Lodi brands and wines had recently received well-deserved recognition including: 1) Michael David Winery recognized as 2020 American Winery of the Year by Wine Enthusiast Magazine; 2) Klinker Brick Grenache Blanc included in Wine Spectator's Top 100 of 2020 list; and 3) Klinker Brick Farrah Syrah included in Wine Spectator's Top 100 Values of 2020 list.

Community Benchmark

Staff reported they had been in conversation with representatives of Community Benchmark – a winery DTC software which uses proprietary algorithms to measure the relative success of tasting rooms and helps wineries discover new growth opportunities. Based off committee interest, staff will look into organizing a virtual presentation for Lodi wineries. There will be a fee associated for the Commission to provide this service to Lodi wineries. There may be additional costs to wineries who want access to in-depth analytics and reports.

AGENDA ITEMS FOR FUTURE MEETINGS

No agenda items were requested to be added to future meetings.

SET NEXT MEETING DATE

The next meeting will be at 2:30 p.m. on Monday, January 11, 2021.

ADJOURN

The meeting was adjourned at 3:49 p.m.

Respectfully submitted,
Steve Felten, Committee Chair

Questions or requests for further information should be directed Steve Felten (209-333-1845) or Stuart Spencer (209-367-4727).

LODI WINEGRAPE COMMISSION
2020-2021 BUDGET
AS OF NOVEMBER 30, 2020

ACCOUNT CODE	REVENUES	FY 2020 - 2021 BUDGET	REVENUE TO DATE	%
4120	Assessments	\$1,605,285.00	\$541,357.04	33.72%
4160	Winery Contributions	\$85,000.00	\$43,000.00	50.59%
4162	Event Revenue	\$270,000.00	\$0.00	0.00%
4122	Lodi Rules Licensing Fees	\$49,500.00	\$0.00	0.00%
4131	Grant Income	\$0.00	\$0.00	#DIV/0!
4130	Interest	\$1,000.00	\$351.22	35.12%
4150	Other Income (Sponsorship)	\$10,000.00	\$924.45	9.24%
	Subtotal Commission Revenue	\$2,020,785.00	\$585,632.71	28.98%
	Revenue (CWEF-Visitor Center)			
4145	Administrative Agreement	\$210,209.88	\$54,488.79	25.92%
4148	Rent	\$48,051.91	\$20,019.50	41.66%
	Other	\$0.00	\$0.00	#DIV/0!
	Subtotal CWEF Revenue	\$258,261.79	\$74,508.29	28.85%
	Total Revenue	\$2,279,046.79	\$660,141.00	28.97%
ACCOUNT CODE	EXPENDITURES (LWC)	FY 2020 - 2021 BUDGET	EXPENDITURES TO DATE	%
	Grower Marketing	\$730,950.00	\$328,952.21	45.00%
	Winery Marketing	\$135,000.00	\$3,967.42	2.94%
	Research, Education & Communication	\$154,700.00	\$25,154.49	16.26%
	Lodi Rules	\$49,500.00	\$979.20	1.98%
	Admin & Personnel	\$904,270.86	\$335,643.35	37.12%
	Visitor Center Sponsorship	\$75,000.00	\$31,250.00	41.67%
	Subtotal Commission Expenditures	\$2,049,420.86	\$725,946.67	35.42%
	CWEF Expenditures			
	Visitor Center	\$258,261.79	\$74,508.29	28.85%
	Subtotal CWEF Expenditures	\$258,261.79	\$74,508.29	28.85%
	Total Expenditures	\$2,307,682.65	\$800,454.96	34.69%
	Excess of Revenues Over (Under) Expenditures	-\$28,635.86	-\$140,313.96	

LODI WINEGRAPE COMMISSION
GROWER MARKETING
2020-2021 BUDGET
AS OF NOVEMBER 30, 2020

DEPARTMENT: GROWER MARKETING

<u>ACCOUNT CODE</u>	<u>CATEGORIES</u>	<u>FY 2020 - 2021 BUDGET</u>	<u>EXPENDITURES TO DATE</u>	<u>%</u>
	<u>Industry, Trade & Consumer Promotion</u>			
6100	Graphic Design (Advertising Design)	\$50,000.00	\$80,480.59	160.96%
6110	Advertising (Paid Media)	\$350,000.00	\$122,029.18	34.87%
6120	Printing & Materials	\$30,000.00	\$12,080.26	40.27%
	Industry, Trade & Consumer Promotion Expenditures	\$430,000.00	\$214,590.03	49.90%
	<u>Promotional Events & Activities</u>			
6023.2	Export Promotion	\$30,000.00	\$10,000.00	33.33%
6140	Promotional Sponsorship	\$10,000.00	\$5,000.00	50.00%
6150	Community Sponsorship	\$6,000.00		0.00%
6160	Trade Shows	\$3,200.00		0.00%
	Promotional Events & Activities Expenditures	\$49,200.00	\$15,000.00	30.49%
	<u>Public Relations</u>			
6023	Consulting Services (Agency)	\$78,000.00	\$32,500.00	41.67%
6098	Supplies	\$3,000.00	\$366.14	12.20%
6130	Public Relations Activities	\$75,000.00	\$21,199.15	28.27%
6132	Lodi Wine Blog	\$72,000.00	\$33,000.00	45.83%
6170	Wine Purchases	\$1,500.00	\$994.04	66.27%
	Public Relations Expenditures	\$229,500.00	\$88,059.33	38.37%
	<u>Activities Support</u>			
6033	Office Supplies	\$1,000.00	\$0.00	0.00%
6035	Postage/Shipping	\$3,000.00	\$4,444.98	148.17%
6060	Website - Internet	\$10,000.00	\$6,835.73	68.36%
6076 & 6080	Travel	\$7,500.00	\$22.14	0.30%
6221	LWC Meeting Expenses	\$750.00		0.00%
	Activities Support Expenditures	\$22,250.00	\$11,302.85	50.80%
	Total Expenditures	\$730,950.00	\$328,952.21	45.00%

LODI WINEGRAPE COMMISSION
WINERY MARKETING
2020-2021 BUDGET
AS OF NOVEMBER 30, 2020

DEPARTMENT: WINERY MARKETING

<u>ACCOUNT CODE</u>	<u>CATEGORIES</u>	<u>FY 2020 - 2021 BUDGET</u>	<u>EXPENDITURES TO DATE</u>	<u>%</u>
	<u>Consumer Promotion</u>			
6070.3	Maintenance Directional Signs	\$2,500.00	\$2,903.82	116.15%
6100 & 6120	Wine Trail Maps	\$20,000.00		0.00%
6100	Graphic Design (Advertising Design)	\$15,000.00	\$810.00	5.40%
6110	Advertising	\$15,000.00		0.00%
6120	Printing & Materials	\$7,500.00	\$149.96	2.00%
6130	Public Relations	\$2,000.00		0.00%
	Consumer Promotion Expenditures	\$62,000.00	\$3,863.78	6.23%
	<u>Events (Roadshows)</u>			
6140	Promotional Sponsorship	\$30,000.00		0.00%
6070.2 & 6098	Supplies & Maintenance	\$30,000.00		0.00%
6076 & 6080	Travel	\$7,500.00	\$5.18	0.07%
	Events Expenditures	\$67,500.00	\$5.18	0.01%
	<u>Activities Support</u>			
6221	Meeting Expenses	\$2,500.00		0.00%
6033	Office Supplies	\$1,000.00		0.00%
6090	Merchant/Bank Fees	\$500.00		0.00%
6035	Postage	\$1,500.00	\$98.46	6.56%
	Activities Support Expenditures	\$5,500.00	\$98.46	1.79%
	Total Expenditures	\$135,000.00	\$3,967.42	2.94%

LODI WINEGRAPE COMMISSION
RESEARCH EDUCATION & COMMUNICAT
2020-2021 BUDGET
AS OF NOVEMBER 30, 2020

DEPARTMENT: RESEARCH, EDUCATION & COMMUNICATION

ACCOUNT CODE	CATEGORIES	FY 2020 - 2021 BUDGET	EXPENDITURES TO DATE	%
	<u>Outreach & Education</u>			
6033 & 6098	Supplies	\$2,000.00	\$27.22	1.36%
6070.2	Maintenance - Cleaning	\$400.00	\$12.00	3.00%
6076 & 6080	Travel	\$10,000.00	\$271.98	2.72%
6130	Public Relations	\$1,000.00	\$152.74	15.27%
6160	Trade Show & Conference Fees	\$2,200.00		0.00%
6200 & 6270	Staff Education & Reference Materials	\$500.00	\$295.00	59.00%
6220	Grower Meetings & Socials	\$16,000.00	\$1,626.80	10.17%
6221	LWC Meeting Expenses	\$1,200.00	\$45.86	3.82%
6250	Membership/Dues	\$3,000.00	\$350.00	11.67%
6255	Subscriptions	\$1,500.00	\$1,493.80	99.59%
6266	Weather Services	\$30,000.00	\$6,970.00	23.23%
6310	San Joaquin Farm Advisor	\$2,000.00		0.00%
	Outreach & Education Expenditures	<u>\$54,200.00</u>	<u>\$11,245.40</u>	<u>20.75%</u>
	<u>Communications</u>			
6035	Postage	\$10,000.00	\$2,930.21	29.30%
6060	Website/Internet	\$5,000.00	\$1,149.89	23.00%
6070.5	Demo Vineyard	\$10,000.00		0.00%
6100	Graphic Design	\$8,000.00	\$462.50	5.78%
6120	Printing & Materials	\$2,500.00	\$399.94	16.00%
6210	Publications	\$30,000.00	\$4,802.57	16.01%
	Communications Expenditures	<u>\$65,500.00</u>	<u>\$9,745.11</u>	<u>14.88%</u>
	<u>Research</u>			
6320	AVF Contributions	\$10,000.00		0.00%
6320	NGRA Contributions	\$10,000.00		0.00%
6330	Winegrape Research	\$15,000.00	\$4,163.98	27.76%
	Research Expenditures	<u>\$35,000.00</u>	<u>\$4,163.98</u>	<u>11.90%</u>
	Total REC Expenditures	<u>\$154,700.00</u>	<u>\$25,154.49</u>	<u>16.26%</u>

RESEARCH, EDUCATION, COMMUNICATION

LODI WINEGRAPE COMMISSION
 LODI RULES
 2020-2021 BUDGET
 AS OF NOVEMBER 30, 2020

DEPARTMENT: LODI RULES

<u>ACCOUNT CODE</u>	<u>CATEGORIES</u>	<u>FY 2020 - 2021 BUDGET</u>	<u>EXPENDITURES TO DATE</u>	<u>%</u>
	<u>Communications, Marketing & Promotions</u>			
6060	Website/Internet	\$2,000.00		0.00%
6100	Graphic Design	\$3,000.00		0.00%
6120	Printing & Materials	\$2,000.00	\$100.00	5.00%
6130	Public Relations	\$8,600.00		0.00%
6160	Trade Shows/Conferences	\$500.00		0.00%
6210	Publications (Newsletters & Videos)	\$10,000.00		0.00%
6220	Grower Meetings & Seminars	\$9,000.00	\$545.00	6.06%
	Communications, Marketing & Promotions Expenditures	\$35,100.00	\$645.00	1.84%
	<u>Program Improvements</u>			
6023	Consulting Services	\$7,000.00		0.00%
6200	Reference Materials	\$200.00		0.00%
	Program Improvements Expenditures	\$7,200.00	\$0.00	0.00%
	<u>Activities Support</u>			
6022	Legal Fees	\$1,200.00	\$325.00	27.08%
6033 & 6098	Supplies	\$300.00		0.00%
6035	Postage/Shipping	\$700.00	\$9.20	1.31%
6076 & 6080	Travel	\$4,000.00		0.00%
6221	LWC Meeting Expenses	\$1,000.00		0.00%
	Activities Support Expenditures	\$7,200.00	\$334.20	4.64%
	Total Expenditures	\$49,500.00	\$979.20	1.98%

LODI WINEGRAPE COMMISSION
ADMINISTRATION
2020-2021 BUDGET
AS OF NOVEMBER 30, 2020

DEPARTMENT: ADMINISTRATION

ACCOUNT CODE	CATEGORIES	FY 2020 - 2021 BUDGET	EXPENDITURES TO DATE	%
	<u>Personnel</u>			
6000	Salaries/Wages	\$544,030.00	\$216,233.68	39.75%
6010 & 6015	Retirement, Payroll Taxes, & Benefits	\$133,972.00	\$48,042.89	35.86%
	Personnel Expenditures	\$678,002.00	\$264,276.57	38.98%
	<u>Office Expenses</u>			
6026	Insurance	\$16,000.00	\$841.92	5.26%
6033	Office Supplies	\$12,000.00	\$3,499.93	29.17%
6035	Postage	\$2,000.00	\$589.95	29.50%
6040	Rent	\$75,474.86	\$31,312.60	41.49%
6041	Offsite Storage	\$5,136.00	\$2,233.00	43.48%
6054	Property Tax	\$1,200.00	\$1,074.47	89.54%
6056 & 6058	Utilities & Telephone	\$9,000.00	\$5,390.17	59.89%
6070.2 & 6070.6	Office Maintenance	\$6,500.00	\$2,899.00	44.60%
090 & 6560 & 9010	Payroll & Bank Fees	\$1,000.00	\$282.40	28.24%
6120	Printing & Supplies	\$1,000.00	\$1,065.15	106.52%
	Office Expenditures	\$129,310.86	\$49,188.59	38.04%
	<u>Professional Fees</u>			
6022	Legal Counsel	\$5,000.00	\$1,771.88	35.44%
6024	CPA (Fiscal & Compliance Audits)	\$21,000.00		0.00%
6099	CDFA Charges	\$40,000.00	\$8,430.82	21.08%
	Professional Fees Expenditures	\$66,000.00	\$10,202.70	15.46%
	<u>Information Technology</u>			
6060	Software Licenses	\$2,000.00		0.00%
6070.1	IT Services	\$23,216.00	\$9,673.25	41.67%
6070.4	Copier/Lease	\$3,742.00	\$1,558.80	41.66%
	Information Technology Expenditures	\$28,958.00	\$11,232.05	38.79%
	<u>Other Admin Expenses</u>			
6075	Vehicles	\$500.00		0.00%
6076 & 6080	Travel (Mileage & Travel)	\$250.00	\$4.03	1.61%
6221	LWC Meeting Expenses	\$1,000.00	\$180.41	18.04%
6250	Dues	\$250.00	\$559.00	223.60%
	Other Admin Expenditures	\$2,000.00	\$743.44	37.17%
	Total Expenditures	\$904,270.86	\$335,643.35	37.12%

LODI WINEGRAPE COMMISSION
CWEF
2020-2021 BUDGET
AS OF NOVEMBER 30, 2020

DEPARTMENT: CALIFORNIA WINE EDUCATION FOUNDATION/VISITOR CENTER

<u>ACCOUNT CODE</u>	<u>CATEGORIES</u>	<u>FY 2020 - 2021 BUDGET</u>	<u>EXPENDITURES TO DATE</u>	<u>%</u>
	<u>Personnel</u>			
8000 & 8003	Salaries/Wages	\$173,080.00	\$44,140.55	25.50%
8010 & 8015	Retirement, Payroll Taxes, & Benefits	\$37,129.88	\$10,348.24	27.87%
	Personnel Expenditures	\$210,209.88	\$54,488.79	25.92%
	<u>Office Expenses</u>			
8040	Rent	\$48,051.91	\$20,019.50	41.66%
	Office Expenditures	\$48,051.91	\$20,019.50	41.66%
	Total Visitor Center Expenditures	\$258,261.79	\$74,508.29	28.85%