



COLORADO WINE INDUSTRY DEVELOPMENT BOARD
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Colorado Wine Industry Development Board Meeting

11-12 Jan 2009

Gateway Inn, Salida

Sunday, January 11

Attending: Tom Lipetzky, director of Markets Division, CO Dept. of Agriculture; board members: John Garlich, Guy Drew, Dick Walton, Brandon Witham, Dave Tewksbury, Corky Douglass, Matt Cookson, Paul Hilbink and Bruce Talbott; staff: Doug Caskey, Steve Menke and Horst Caspari; guests: Debra Ray from Desert Moon Vineyards and Jim Durr (Surface Creek Winery) from the CO Tourism Office Board.

The board reviewed the results from the on-line survey of CO wine industry members. They felt that the survey was very informative and would like to do additional surveys for retailers and consumers to track those groups feelings of Colorado wine.

The board spent time looking at winery responses regarding sales to restaurants and the nature and necessity of having CO wines in restaurants. Dave Tewksbury proposed and organized a group, including Dick Walton, Terry Cekola, Corky Douglass, Brandon Witham and Paul Hilbink, to write down a strategy and proper approach to selling to restaurants to assist wineries in determining if they want to or should be selling to restaurants and how to approach those accounts. Doug Caskey noted the current amount of restaurant experience currently on the Wine Board, meaning we have great resources to offer to wineries.

The board also requested a Wine Board report and start-up winery information with contact information to be posted on coloradowine.com. Sylvia Tawse and Kuvy Ax phoned in to discuss marketing and branding possibilities, recommending a 1-2 hour session to “energize the brand” of the CWIDB.

Therefore, Guy Drew moved and Matt Cookson seconded to adopt the mission statement and goals with the addition of energizing the brand:

- **Mission Statement: To promote the quality, development and growth of the Colorado wine industry.**
- **Strategic Goals, in no particular order of importance or priority:**
 - Mature and develop the Quality Assurance Program
 - Foster greater cooperation, communication and participation within the wine industry
 - Strengthen relationships with complementary industries
 - Promote effective relationships with members of the beverage alcohol industry: wholesalers, retailers and restaurants
 - Define, develop and energize the Colorado wine brand

These goals were adopted unanimously.

Monday, January 12

Joining the group on Monday morning was board member Terry Cekola, while Debra Ray was not present on Monday.

Guy Drew moved to accept the minutes from the September 29, 2008 meeting. Matt Cookson seconded and the minutes were approved unanimously.

Doug Caskey presented revenue and spending figures through November 2008. Revenues YTD are \$259,101 indicating a potential of \$640,000 for annual revenues. Matt Cookson moved and Guy Drew seconded to accept the treasurer's report.

Horst then gave a viticulture program report. We need to find ways to encourage new growers to fill out the grape growers' survey. He has received 50 surveys representing 408 acres, 357 of which are producing. 2008's degree days in the Grand Valley were dead on average, but were over by October 13 when a hard freeze came. New planting reports seem to be slowing down, with only about 30 acres reported.

Steve Menke then provided a report on the status of his enology projects. He provided an overview of an approach to his Quality Assessment Program. His model in Pennsylvania put costs at roughly \$5000-7000 per session for two panels' travel and per diem. The panel members pay \$250 for 3 days training. He is searching for a food sensory lab facility at which to hold the trainings. Possibly venues suggested were Coors brewery and Celestial Seasonings.

The board then turned from Quality for a public relations report from Kuvy, who joined by phone. Kuvy affirmed the need and benefit from an educational approach for selling to restaurants for both the wineries and restaurants. She then pointed out the great recent stories in the NY Times Travel Section, the Rocky Mountain News, the Denver Post, 5280 Magazine, as well as small pieces on Redstone Meadery in Wine Enthusiast, the town of Minturn in Sunset, and mention of eating green with local wineries in Bon Appétit. The presence of Sunset wine editor, Sara Schneider, at the Governor's Tourism Conference wine festival in October was a great advancement in relationship building with national media.

Kuvy and Doug then reported on plans for ColoradoBiz Magazine's Denver Wine Festival in Denver during June. They are looking at the Denver Botanic Gardens as a venue, though Corky warned of current construction issues there. There will be a trade tasting during the afternoon before that festival opens to the public.

After Kuvy's presentation, the board returned to its discussion of quality programs. Steve Menke noted that it should be possible to start his quality analysis trainings within two months and could then be ready to evaluate wines late in the year. Panel members would need three days of training to attain a certificate.

Doug presented a rough outline of a Federal State Market Improvement Program (FSMIP) that would focus on developing a training curriculum for wine buyers based on using the new Market Maker database program to find wine and wineries. He noted that while this grant project would not focus directly and solely on wineries, it will put the Wine Board in front of and in better

contact with restaurants. Dick Walton moved to have the CWIDB move forward with this FSMIP grant application. John Garlich seconded and the program was adopted.

Matt Cookson had proposed greater participation with the State Fair, elevating the image of the wine competition and our industry there. He inquired about doing a wine tasting on the train often chartered to Pueblo. Doug reported that the charter train from Denver to the State Fair is still up in the air, and is a very expensive endeavor, so it may not be the best venue for a tasting. If the winemaking competition was held well in advance of the fair, only medal winners would be poured on the train. Doug will monitor the status of the train.

Discussion of holding one statewide winemaking competition at the State Fair in conjunction with RMAVV and Winefest explored the possibility of requiring all submissions to be available at Winefest, to hold the competition at a better venue with air conditioning such as Pueblo Community College or the University of Southern Colorado. Such a statewide event would be like the Governor's Cup.

Matt suggested that the CWIDB should compile a list of preferred competitions nationwide.

Doug reported that he had delayed requesting a waiver from the Governor's hiring exemption to replace the part-time Wine Board assistant until December revenues were finalized, to be sure that CWIDB funds could actually support the position. As of this point, preliminary December reports suggest that we should break \$600,000 in annual revenue at the very least. Doug asked whether the CWIDB would support seeking to rehire the assistant, especially for updating winery listings in anticipation of publishing the brochure. Bruce supported the idea. Matt Cookson moved, Guy Drew and John Garlich seconded and the board supported the idea unanimously.

Several possible ideas for cross promoting with tourism industries were discussed, including exchanging coupons with CO Ski County for \$5 off your lift ticket or your case of wine, and an ad to draw mountain bikers to Fruita and Wine Country.

In terms of the publication of the brochure the board decided: to get a bid for changing the format to saddle stitching as opposed to the current fold out, and to plan on going with the status quo for the time being; to explore an RFP to hire a firm to sell advertising for a larger format brochure for the next publication after this year. Dave Tewksbury made a formal motion to this effect, seconded by Dick Walton, which was passed unanimously.

On the issue of Bart Taylor's proposal to create video segments for every Colorado winery plus restaurants and retail outlets serving Colorado wines, the board's consensus was to pass. They felt that Bart was asking the CWIDB to fund the sample product and that this would be a tough product to sell at \$1500-2500 per segment.

The board opted to leave Touring and Tasting Magazine's proposal to individual wineries, without endorsing the offer, but rather referring to Sally Cookson's experience with the magazine when Holy Cross worked with them last year.

John Garlich moved to fund the Denver Independent Network of Restaurants Harvest Week for 2009, which will occur in FY 2010, at \$4000. Terry Cekola seconded and the motion passed. The board will work to educate DINR members about working with our wineries and will encourage wineries to train restaurant staff.

Doug Caskey floated his concept to give recognition of wineries using primarily Colorado fruit by putting into statute some kind of zoning designation as an agricultural business to encourage better treatment by local governments. The board took no action on this topic, but instructed Doug to contact David Carlson, a former statistician for the CDA who has worked with some related topics.

The board briefly revisited the survey results and discussed how to get Colorado wines in front of retail buyers and convince them to buy. Ideas included a web-based printout or shelf-talker of awards, or perhaps a running counter of awards won by Colorado wines on the first page of www.coloradowine.com. The board also recommended doing a regular newsletter feature in the Beverage Analyst.

Doug presented the town of Sterling's request for a wine festival and funding. The board asked the town to do more research of potential attendance and demographics and then make a more detailed pitch.

The next meeting dates selected were Monday, April 6 at noon in Boulder and Friday, June 12 in Winter Park.