



2021 Annual Membership & Board of Directors Meeting

JUNE 8, 2021 • ZOOM WEBINAR

Zoom Webinar Instructions



Chat

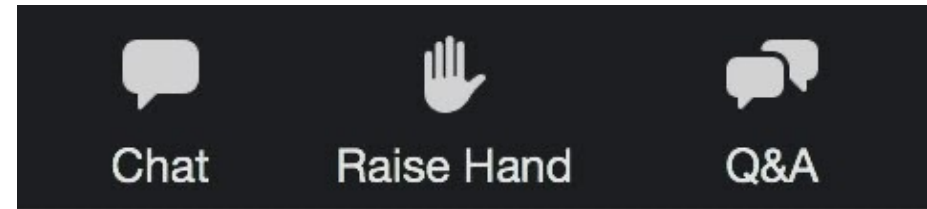
Communicate to the panelist and other attendees via the **chat** function.

Q&A

To ask a question of one of the panelists, use the **Q&A** function.

Motions

To make a motion, use the **raise hand** function and you will be un-muted to state your motion.





AGENDA ITEM NO. 1

Roll Call



AGENDA ITEM NO. 2(a)

Approval of Minutes

(June 9, 2020 Annual Meeting)

Board Action Required



AGENDA ITEM NO. 2(a) CONT'D

Approval of Minutes

(March 9, 2021 Annual Meeting)

Board Action Required



AGENDA ITEM NO. 2(b)

Resolution

Board Action Required



AGENDA ITEM NO. 2(b)

(1) Resolution

WHEREAS, The officers of this corporation in the conduct of the business of the corporation since the last Annual Meeting of Members, have expended various sums of money, made contracts, and otherwise performed various acts;

NOW, THEREFORE, BE IT RESOLVED, By the members of the Board of Directors duly assembled this 8th day of June, 2021, that all the acts and actions so taken, and all things done and performed by the officers and each of them, be and they are hereby in all respects approved, ratified and confirmed as of the dates taken or done, respectively.

“The chair will entertain a motion to approve the resolution by unanimous consent.”



AGENDA ITEM NO. 2(b) CONT'D

Resolution

Board Action Required



AGENDA ITEM NO. 2(b)

(2) Resolution

WHEREAS, The officers and directors of this corporation, in the conduct of the business of the corporation since the last Annual Meeting of Members, have expended various sums of money, made contracts, and otherwise performed various acts;

NOW, THEREFORE, BE IT RESOLVED, By the members in Annual Meeting duly assembled this 8th day of June, 2021, that all acts and actions so taken, and all things done and performed by the officers and each of them, the directors, be and they are in all respects hereby approved, ratified and confirmed as of the respective dates taken or done.



AGENDA ITEM NO. 2(c)

Dates of Future Board Meetings

DATE	LOCATION
September 2021	At the discretion of the chairman of the board, a fourth regular meeting of the Board of Directors may be held in September
December 5-7, 2021	The Lodge at Pebble Beach
March 7-8, 2022	Sacramento <ul style="list-style-type: none">▪ Monday, March 7, 2022 – <i>Evening Legislative Reception</i>▪ Tuesday, March 8, 2022 – <i>Legislative Briefings and Board Meeting</i>
June 19-21, 2022 (New Dates)	The Ritz-Carlton, Half Moon Bay



AGENDA ITEM NO. 2(d)

2021/2022 Board of Directors Election Results

Brian Harvey – Deloitte & Touche



AGENDA ITEM NO. 2(e)

Board Changes Alternate Vacancies

Board Action Required



AGENDA ITEM NO. 2(f)

Board Changes

Board Action Required



REMINDER

The New Board of Directors will meet immediately following this meeting. Board members should remain in the virtual meeting for the New Board meeting to ensure that we have a quorum.



AGENDA ITEM NO. 3

Member Relations

Ian Blue – Member Relations Director, Wine Institute

New Winery Members



NAME	CITY	COUNTY
AJA Vineyards	Valencia	Los Angeles County
Burtech Family Vineyard	Encinitas	San Diego County
Hammerling Wines	Berkeley	Alameda County
Langtry Farms	Middletown	Lake County
Michael Brughelli Wines	Santa Maria	Santa Barbara County
Robledo Family Winery	Sonoma	Sonoma County
Toshokan	Berkeley	Alameda County
Voluptuary Wines	Sacramento	Sacramento County



AGENDA ITEM NO. 3

Election of New Members

Board Action Required

New Associate Members



NAME	CITY	SPONSORS	SUMMARY
California Soda Company	San Anselmo, CA	Pisoni Vineyards; Bacigalupi Vineyards	Winery sanitation supplies, including industrial cleaners, sanitizers, and application equipment.



AGENDA ITEM NO. 3

Election of New Members

Board Action Required



AGENDA ITEM NO. 4

Chairman's Remarks

John Sutton – CFO, The Wine Group



AGENDA ITEM NO. 5

President's Message

Bobby Koch – President & CEO, Wine Institute



AGENDA ITEM NO. 6

2021-2022 Proposed Budget

Board Action Required



AGENDA ITEM NO. 7

Guest Speaker

Dale Stratton – Wine Market Council



ROLE OF WINE IN A WELLNESS LIFESTYLE



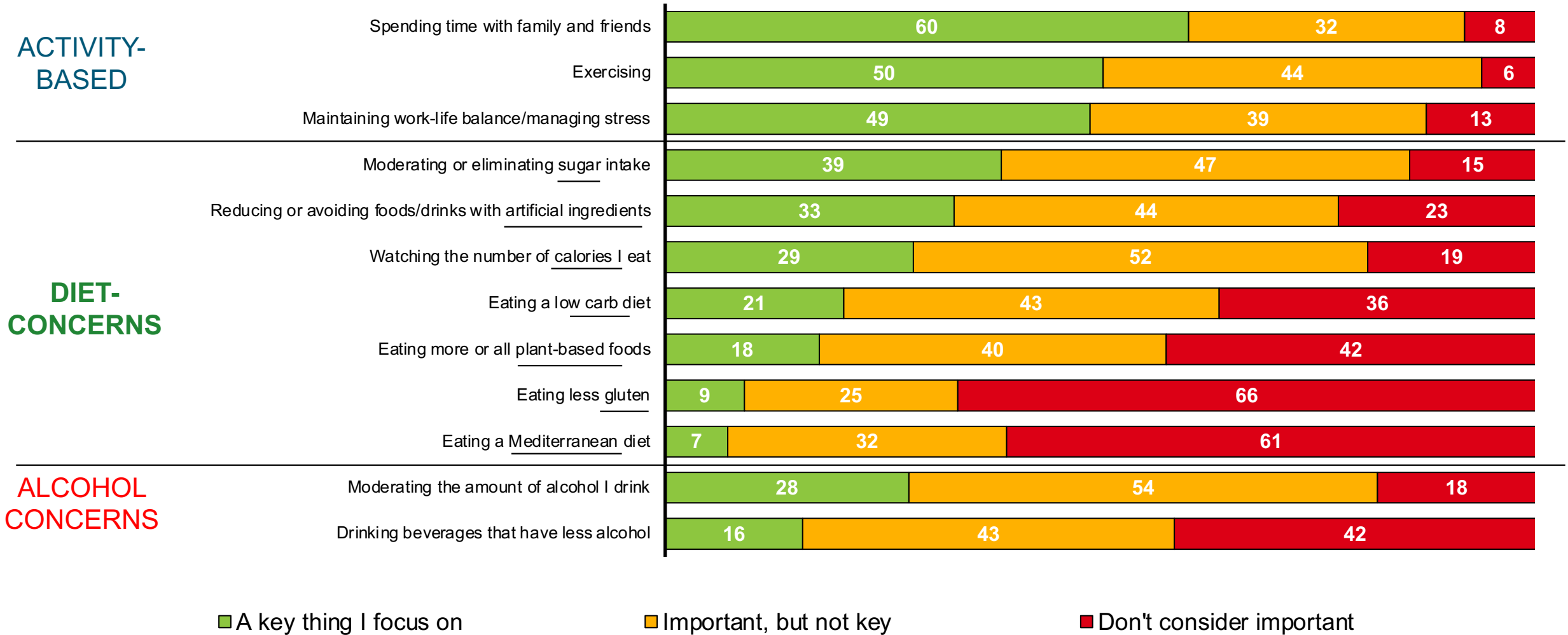
Methodology

- Two distinct but related data sets used
 - Survey-based data, derived from a survey of Nielsen's Homescan panel. This data is based on answers to a survey of self-reported consumption trends and opinions on various wellness-related topics.
 - Household panel data, derived from the actual purchase data of the same sample of Nielsen's Homescan panel Barriers to wine category consumption

- Used WMC Benchmark Study consumer definitions
 - Core
 - Marginal
 - Non-adopters

WELLNESS MEANS MORE THAN DIET TO CONSUMERS

Healthy Lifestyle Choices (%)



Q17. Please indicate how important each of the following is to you in order to maintain a healthy lifestyle.
 Wine Market Council – Health & Wellness Nielsen Homescan Panel Survey (Fielded 10/16/2020 – 11/9/2020)

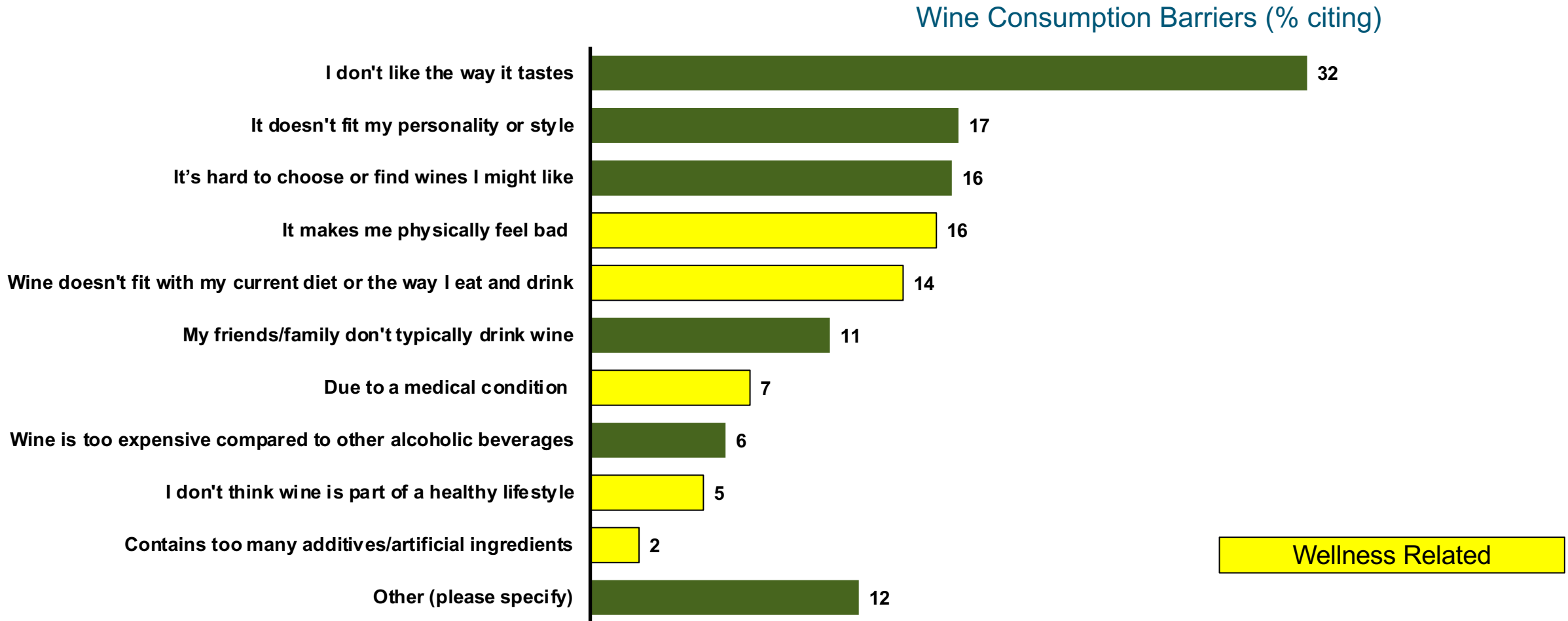
WINE PERCEIVED AS HEALTHIER ALTERNATIVE

% Associating Attribute With Type Of Alcoholic Beverages	Wine	Beer	Spirits	Hard seltzer	None of these
Is low calorie	10	9	9	24	56
Is low carb	11	7	14	21	56
Contains less sugar	9	13	14	21	52
Is a good option when dieting or watching what I eat	18	4	9	18	59
Is healthier than most alcoholic beverages	34	6	5	13	48
Is lower in alcohol	14	23	1	22	47

Q21. Which type or types of alcoholic beverages, if any, would you most closely associate with each statement? Please select as many types of alcoholic beverages as apply... Wine Market Council – Health & Wellness Nielsen Homescan Panel Survey (Fielded 10/16/2020 – 11/9/2020). Alcoholic Beverage Buyers (n=1,933)

REASONS FOR NOT DRINKING WINE MARGINAL & NON-ADOPTERS

BASE: those that selected Never drink, A few days a year or less, or About once every 2-3 months for Wine in Q4 of the Nielsen Oct-Nov 2020 survey

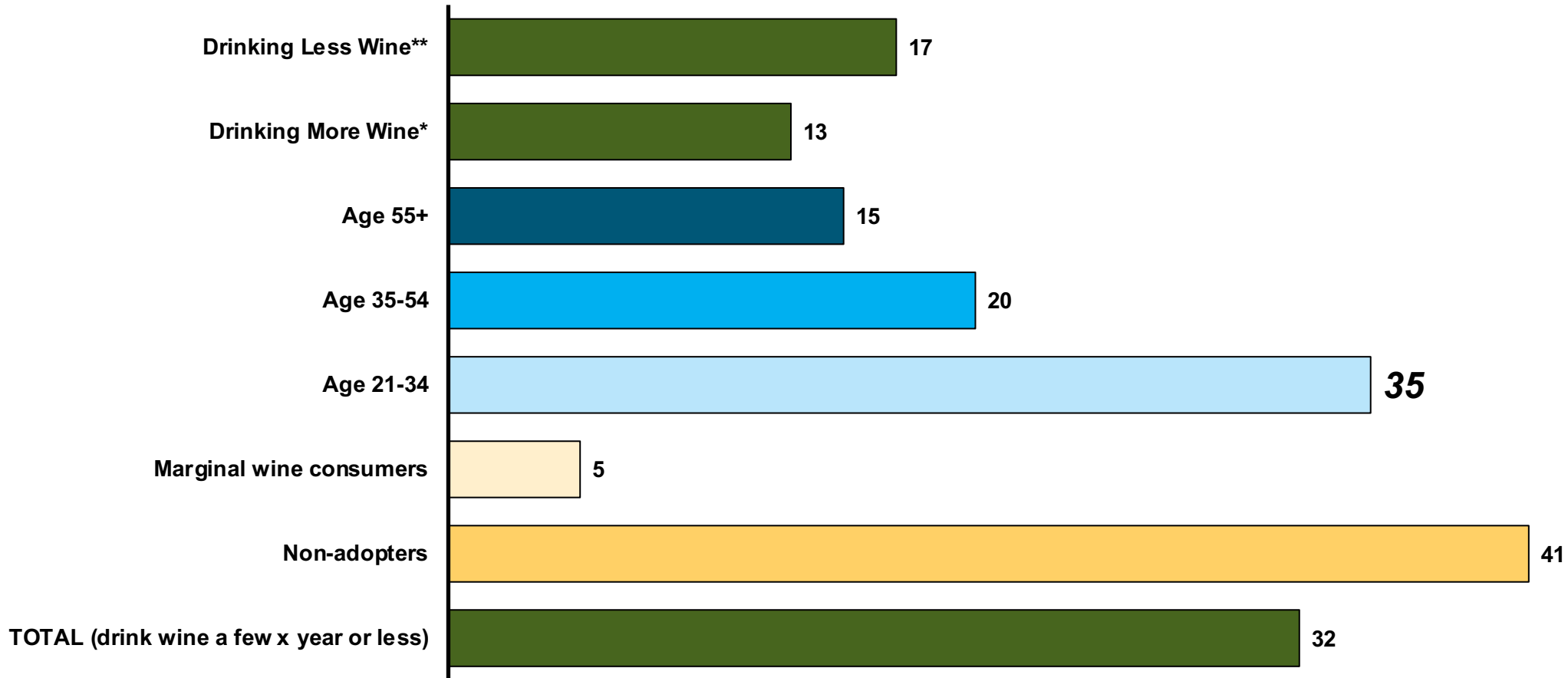


Q7. You mentioned you don't drink wine (sparkling or still) or drink it less often than about once a month. Why don't you drink wine (sparkling or still) more often or at all? Please select up to three of the most important reasons. *Among those that selected Never drink, A few days a year or less, or About once every 2-3 months for Wine in Q4.*

Wine Market Council – Health & Wellness Nielsen Homescan Panel Survey (Fielded 10/16/2020 – 11/9/2020)

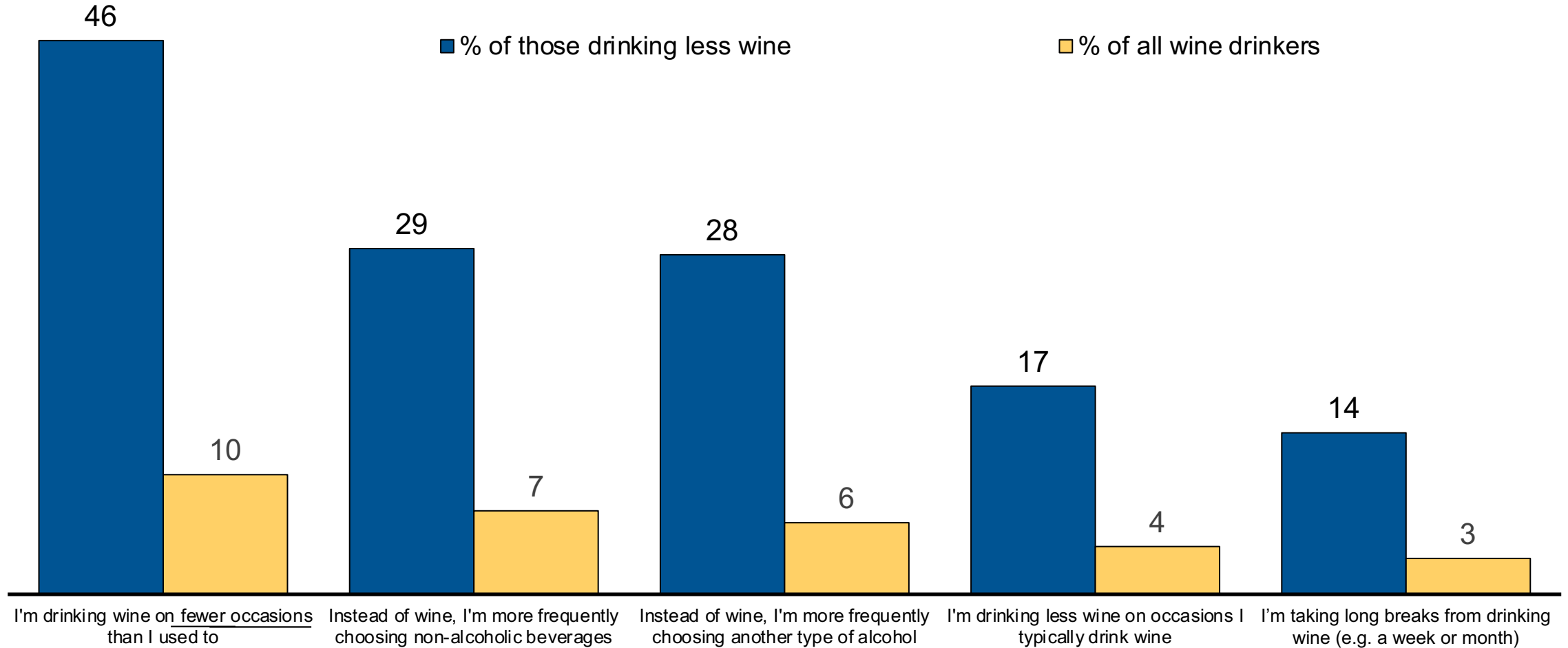
“DON’T LIKE THE WAY IT TASTES” BY SEGMENT

(% of marginal/non-drinkers who don’t like taste)



*very small sample size, only drinking a few x more often in a year. **includes those who stopped drinking wine
Wine Market Council – Health & Wellness Nielsen Homescan Panel Survey (Fielded 10/16/2020 – 11/9/2020)

METHODS OF REDUCING WINE CONSUMPTION



Q15. Which of the following best describes how you are drinking less wine (sparkling or still)? Please select all that apply. *Among those that selected Less for Wine in Q11. Wine Market Council – Health & Wellness Nielsen Homescan Panel Survey (Fielded 10/16/2020 – 11/9/2020). Alcoholic Beverage Buyers (n=430)*



THANK YOU





AGENDA ITEM NO. 8

Departmental Reports



AGENDA ITEM NO. 8(a)

International Marketing

Capstone California & Export Update

Honore Comfort – Vice President, International Marketing



AGENDA ITEM NO. 8(b)(iv)

Sacramento Office Report

Legislative & Wildfire Update

Tim Schmelzer – Vice President, California State Relations

Alcohol Policy

- **DUPLICATE TASTING ROOM:** SB 19 (Glazer) would allow wineries to add an additional offsite tasting rooms under their existing license. The bill passed the senate unanimously.
- **CHARITABLE PROMOTIONS:** AB 1267 (Cunningham) would allow for a manufacturers to donate to nonprofit organizations in connection with the sale of their products.
- **DRINKS TO GO:** Bills have passed both houses, but the assembly bill would prohibit delivery of products between on-sale licensees and customers, setting up a showdown in how to regulate delivery.

COVID-19 Policy

PPP LOANS: Legislation allowing business to deduct expenses paid for with PPP loans was signed into law.

ABC FEES: Legislation authorizing ABC to waive license renewal fees for small producers was signed into law.

Labor Policy

SUCCESSSES: We have defeated bills to expand mandatory paid sick leave (AB 995) and require employers to report extensive worker statistics to the state (AB 1192).

CHALLENGES: AB 616, which would create a card check program, appears to have significant momentum.

Environmental Policy

- **RECYCLING:** There are several concurrent efforts in this area. The plastics-only single-use recycling bill has been shelved for the year, a bill to fashion the bottle bill to mimic Oregon's stewardship model is moving forward, and Senator Dodd is leading efforts at reforming the bottle bill such that wine & spirits can participate on more favorable terms.
- **CLIMATE CHANGE/WATER POLICY:** We have successfully defeated two problematic bills: AB 377, which would have upended the state's water quality policy, and SB 260, which would have required extensive greenhouse gas emission reporting.

Wildfire Policy

BIG FOCUS THIS YEAR: WE ARE TRACKING 43 WILDFIRE BILLS AND 2 BONDS.

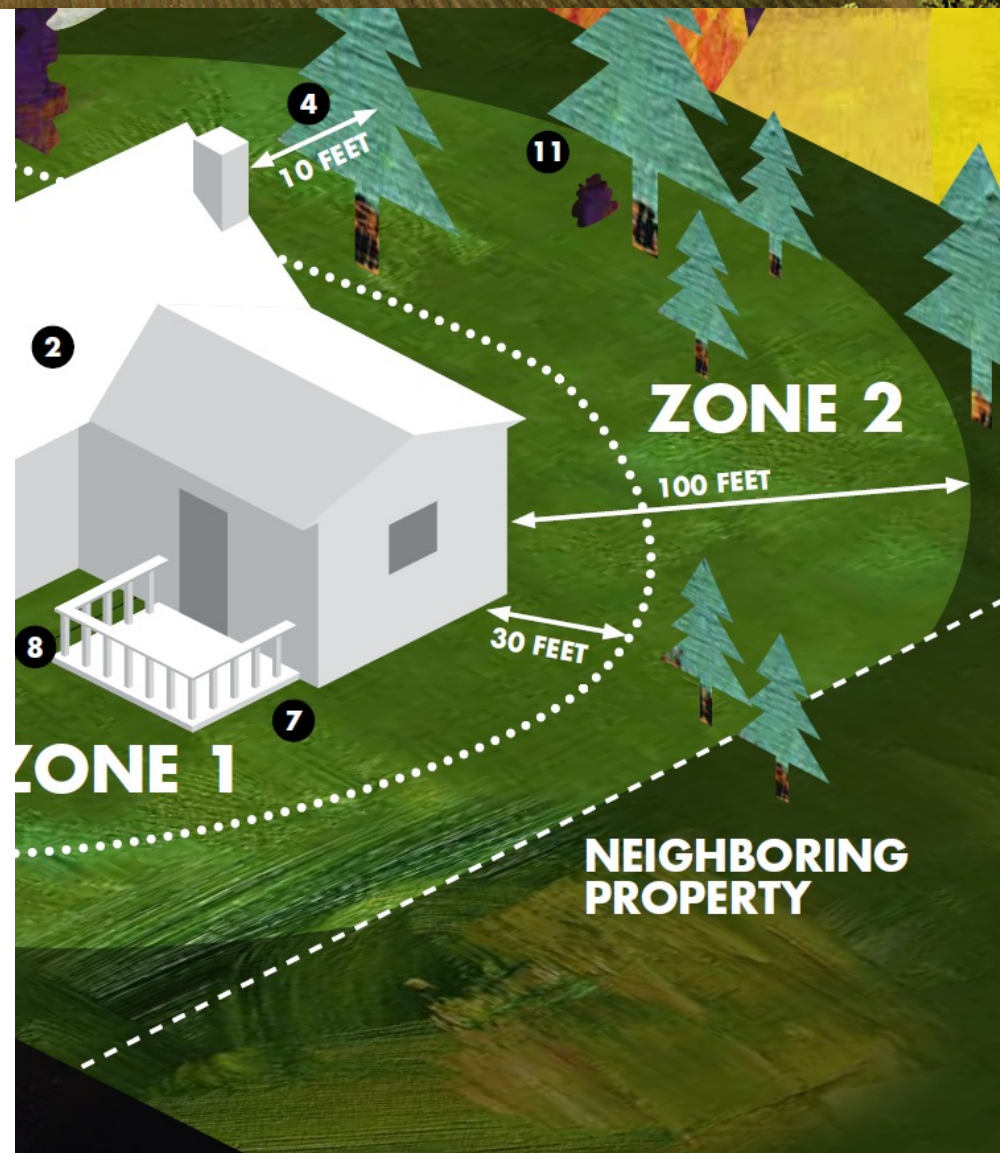
- **BUDGET:** We are supporting budget efforts for local fire prevention and education efforts.
- **ACCESS:** AB 1103 would ensure agricultural businesses could enter their property to care for their crop during disasters.
- **PREVENTION:** Bills are moving to increase prescribed burns by providing liability relief and expanding training.
- **HARDENING:** Assistance being offered for retrofitting structures and creating defensible space.

Wildfire Policy Update



Prevention

- Secured Budget \$\$ for prevention efforts (fuel management, hardening, fire fighting).
- Held webinar on fire preparedness.
- Working to ensure wine community fire risk reduction efforts are supported.



Wildfire Policy Update



Federal Assistance

- Secured USDA funding to compare grapes exposed to smoke in U.S. to those in Australia.
- Obtained \$3.5M for FY 2021 for smoke exposure research, advocating for \$5M in FY 2022.
- Seeking a reauthorization of WHIP+ to recoup losses incurred in 2020.
- Grants are available to qualifying entities for both prevention and cleanup projects.



Research

- WITAC leading efforts on an international scale to inform and coordinate research around “measure, mitigate, and prevent” smoke exposure to grapes.
- Working group formed on “Fire Impact” within FIVS, including partners in Australia, plus European and South African trade associations.



Wildfire Policy Update



Insurance

- Supporting legislation (SB 11) to ensure wineries are eligible for Fair Play insurance.
- DOI has issued a “data call” to support rulemaking to ensure wildfire risk prevention is acknowledged in rates.



Questions?

Tim Schmelzer

Vice President, California State Relations

tschmelzer@wineinstitute.org

916-397-7955



AGENDA ITEM NO. 8(d)

Technical Advisory Committee

WITAC Committee Update – Paul Huckaba

Tracy Genesen – Vice President and General Counsel, Legal

The Wine Institute Technical Advisory Committee (WITAC) is comprised of 5 working groups that address technical issues for the wine industry. These groups are as follows:

- Food Safety and Product Integrity
- International Technical Policy
- Labeling
- Wine Components
- Education, Communication, and Outreach

In addition, we have a number of Task Forces which are formed to address specific issues on a short-term basis.



WITAC Strategic Plan



WITAC Strategic Plan reviewed and renewed every 5 years

- New strategic plan covers 2021-2026
- Separated some previous initiatives that are now part of Environmental Health and Safety Committee Labeling



Reviewed and renewed

- Mission
- Operating Environment (including Opportunities and Threats)

Identified

- New Key Success Factors (what will be true if WITAC succeeds in its mission)
- Required Organizational Attributes

Annual OGSMs follow Key Success Factors

WITAC Mission Statement



(WHAT WITAC WILL DO TO REALIZE THE VISION)

Functioning in support of the Wine Institute, the Technical Advisory Committee will provide technical leadership and expertise to enhance the California wine industry's operating environment and therefore the achievement of the Institute's Mission by:

- Taking appropriate steps to anticipate and/or respond to opportunities and challenges with technical dimensions that arise at local, state, federal and international levels.
- Providing relevant technical communication to Institute staff, and education/outreach to members and others, as appropriate.

WITAC – Organizational Attributes



Qualified and Participatory Membership

Experience in

- Grape growing and vineyard technologies
- Winemaking or wine production
- Quality Assurance in Food Production, particularly in microbiology, food safety and analytical measurement
- Technical Research
- Data Analysis
- Policy development, advocacy, training and outreach
- Report writing, drafting of grant applications and other technical written communication

WITAC – Organizational Attributes



- Active Working Groups
- Executive WITAC Working Group
- Adequate resources and funding
- Rapid access to information
- Highly developed and interactive Communications Network
- Optimized Interactions with Key Agencies and Partners
 - Enhanced Technical Relations
 - Continued use of Forums
 - Creation of Task Forces as necessary

WITAC – Work Update – Smoke Impact



“Smoke Impact” – a term to describe the effects that the smoke from fires can have on wine

Our strategy: Measure – Mitigate – Prevent (Short-, Medium-, Long-term)

- Measure – **Smoke impact analysis is a relatively young field**
 - Project launched through the FIVS Scientific and Technical Committee (FIVS STC) for a “Proficiency Test” (a.k.a. a “Ring Test”) program for analysis of wines for smoke compounds
 - Objective – To determine the consistency of current testing methods for labs worldwide.
 - Participants – (Round 1) FIVS members, including 6 US industry labs and ETS Laboratories
 - Compounds of Study – the 7 typical smoke volatile marker compounds*

* (Guaiacol, 4-Methylguaiacol, Syringol, 4-Methylsyringol, o-Cresol, m-Cresol, p-Cresol)



The Australian Wine
Research Institute

- Measurement consistency is critical, and once this has been addressed, we can then start to look at what the data actually means.

WITAC – Work Update – Smoke Impact



We are monitoring research and other efforts currently underway

- Grant funding left from International Wine Technical Summit (IWTS) TASC Grant (must be used by Sept. 2021)
 - \$40K for a Technical Coordinator to research the body of information on smoke impact on grapes & wine and to develop a forward-looking work plan for research
 - \$2K to fund Laboratory Proficiency Test
- Working toward increased alignment with CAWG and West Coast Smoke Exposure Task Force on common goals.
- Coordinating with FIVS STC members, which includes the Australian Wine Research Institute (AWRI), to keep up with recent developments worldwide.
 - Proficiency Testing
 - Synthesis of special chemicals to help quantitate sugar-bound smoke marker compounds
 - Sharing of information and best practices

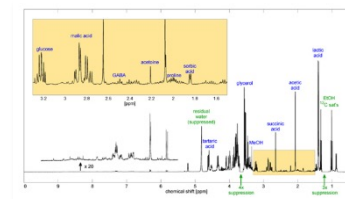
WITAC – Work Update – Authenticity



NMR Spectra Database Development

The Authenticity Task Force has been formed for this project

- Why? California wines have been rejected due to not “matching” the profile of database wines
- Objective – To develop an NMR spectra database for California wines
- Working with ETS Labs to scan wines using a Bruker® NMR instrument
- Database of wines throughout the world already in use, especially in the EU
- California wines are not part of the current calibration (similar to a “library”)
- Dr. Patricia Howe is our Project manager and will oversee robustness of the database as well as supervise confidentiality of data, with guidance from WI Legal.
- Current funding is covered by remaining funds from our IWTS TASC grant.
- **Participants – YOU!**
- Wines needed: 100% Varietal samples from the most popular wine varieties



Cabernet Sauvignon, Chardonnay, Malbec, Merlot,
Petite Sirah, Pinot Grigio, Pinot Noir, Riesling,
Sauvignon Blanc, Syrah/Shiraz, Zinfandel/Primitivo

WITAC – Work Update – Crop Protection



A TASC Grant has been secured to track changes to Crop Protection Products in the most important foreign markets for wine.

- Project is in collaboration with the WI Environmental Health and Safety Committee and the WI Crop Protection Steering Committee
- Tracking of Maximum Residue Limits (MRLs) for “High” and “Very High” priority substances
- Work being done by Bryant-Christie
- To be updated semi-annually

 GLOBAL MRL REVIEW THE WINE INSTITUTE Updated as of April 12, 2021															
Active Ingredient	Trade Name	Pesticide Type	FRAC HRAC IRAC	Registrant	Registered in CA	Current Priority WI Notes	Foreign Country Testing List	United States MRL (ppm)	Codex MRL (ppm)	China MRL (ppm)	European Union MRL (ppm)	Great Britain MRL (ppm)	Hong Kong MRL (ppm)	Japan MRL (ppm)	Korea MRL (ppm)
Buprofezin	Applaud	Insecticide	FRAC 15	Actagro	Yes	HIGH Insect Growth Regulator. Very good tool for Mosquitoes	EU Japan UK Korea	1	1	1	0.01	0.01	1	1	2



Questions?



AGENDA ITEM NO. 8(e)

Environmental Affairs

**Environment, Health & Safety and CSWA Update
EH&S Committee Update – Chris Savage**

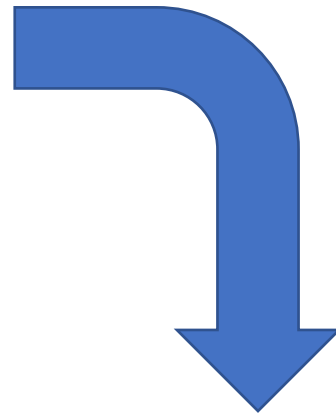
*Allison Jordan – Vice President, Environmental Affairs
& Executive Director, California Sustainable Winegrowing Alliance*

Committee Status Update



The name says it all...

**Environmental
Committee**



Environmental, Health, and Safety Committee

Critical Committee Work



What We've Done!

- Updated Strategic Plan –
Glide path for the next 3 years
- Statewide Winery General Order
- COVID-19 Working Group
- Stronger engagement and
participation in working groups
- Outstanding information sharing
between members!!

Where We're Headed!

- Implementation guidance for
G.O.
- CV-SALTS implementation –
Nitrate and Salt Control plans
- AG Order 4.0
- OSHA COVID-19 ETS Regs.



Statewide G.O. Deep(ish) Dive

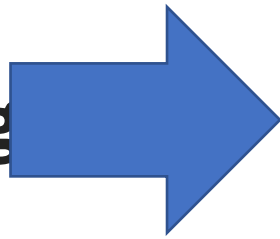


Applicability

Applies to wineries discharging between 10,000 and 15 million gallons of process water annually

Standards, Monitoring and Reporting for:

- Ponds
- Subsurface Disposal Systems
- Land Application



Call Outs:

- Groundwater monitoring required for wineries over 1 million gallons of process water
- Simplified Compliance for wineries under 30,000 gallons of process water

COVID-19 Prevention Emergency Temporary Standard (ETS)

On June 3rd, the Occupational Safety and Health Standards Board (OSHSB) Approved Amendments to the ETS.

Positive changes:

- Recognizes vaccinated employees and employees with post-infection immunity
- Exemptions from workplace exclusion and certain COVID-19 testing requirements

Concerns:

- Fails to align with face covering and physical distancing guidance from the CDC
- Requires employers to distinguish between vaccinated and non-vaccinated employees
- Creates new requirements for N95 voluntary respirator use
- Overall confusion due to inconsistency with public health directives

Education: We will continue to host webinars and develop compliance materials



AGENDA ITEM NO. 9

Unfinished Business



AGENDA ITEM NO. 10

New Business



AGENDA ITEM NO. 11

Adjournment



REMINDER

The New Board of Directors will meet immediately following this meeting. Board members should remain in the virtual meeting for the New Board meeting to ensure that we have a quorum.



2021 Annual Membership & Board of Directors Meeting

JUNE 8, 2021 • ZOOM WEBINAR



AGENDA ITEM NO. 1

Call Meeting to Order



AGENDA ITEM NO. 2

Determine Quorum



AGENDA ITEM NO. 3

Nominations for New Officers

Board Action Required



Continuation of Meeting of New Board of Directors

**Virtual Zoom Webinar
June 8, 2021**



AGENDA ITEM NO. 1

New Chairman

Suzanne Groth – President and CEO, Groth Vineyards & Winery



AGENDA ITEM NO. 2

(1) Resolution

Board Action Required



AGENDA ITEM NO. 2

(1) Resolution

BE IT RESOLVED, That Deloitte Touche be and they are hereby engaged as independent auditors for this corporation's fiscal year commencing with the first day of July 2021 and ending June 30, 2022, to serve at the pleasure of the Board of Directors, but in no event beyond the next annual meeting of members.



AGENDA ITEM NO. 2

(2) Resolution

Board Action Required



AGENDA ITEM NO. 2

(2) Resolution

BE IT RESOLVED, That the President of this corporation be and he is hereby authorized to appoint one or more Assistant Secretaries and an Assistant Treasurer, whose duties shall be as prescribed in the bylaws of this corporation.



AGENDA ITEM NO. 3

Nominations

Board Action Required



AGENDA ITEM NO. 4

New Business



AGENDA ITEM NO. 5

Adjournment