



2021 Winter Board of Directors Meeting

DECEMBER 7, 2021 • PEBBLE BEACH, CA



AGENDA ITEM NO. 1

Roll Call



AGENDA ITEM NO. 2

Approve Minutes of Last Meeting (June 8, 2021)

Board Action Required



AGENDA ITEM NO. 3

Board Changes

Board Action Required



AGENDA ITEM NO. 3(a)

**Ratify board ballot vote conducted
in September 2021
to elect Matt Stanton to replace Tiffanie De
Liberty as At-Large Alternate
Director to Michael Walker**

Motion Requested



AGENDA ITEM NO. 3(b)

**Elect Debra Dommen to serve as
an At-Large on the Finance & Administration
Committee**

Motion Requested



AGENDA ITEM NO. 3(c)

**Elect Jane Froyd to serve as
Debra Dommen's At-Large Alternate
and Ben Duemler to replace Debra as
Ben Dollard's Alternate on the
Board of Directors**

Motion Requested



AGENDA ITEM NO. 4

Member Relations

Ian Blue – Member Relations Director, Wine Institute



AGENDA ITEM NO. 4(a)

Ratify Board Ballot Vote Conducted in September 2021

Board Action Required

New Winery Members (September)



NAME	CITY	COUNTY
Cruse Wine Co	Petaluma	Sonoma
Nicholson Vineyards & Winery	Aptos	Santa Cruz
Repris Wines	Sonoma	Sonoma
S.R. Tonella Cellars	Napa	Napa
Wild Diamond Vineyards	Napa	Napa

New Associate Members (September)



NAME	CITY	SPONSORS	SUMMARY
California Soda Company	Goleta, CA	Foxen Winery Brick Barn Winery	In-person and virtual AB 1221 compliant RBS training courses



AGENDA ITEM NO. 4(b)

New Members to be Approved for Membership

Ian Blue – Member Relations Director, Wine Institute

New Winery Members to be Approved



NAME	CITY	COUNTY
I. Brand & Family	Salinas	Monterey
Madre Wine Co.	Buellton	Santa Barbara
Paskett Winery	Acampo	San Joaquin
Sjoebloom Winery	St. Helena	Napa
Wentworth Vineyard and Ranch	Healdsburg	Sonoma



AGENDA ITEM NO. 4(b)

Election of New Members

Board Action Required



AGENDA ITEM NO. 5

Chairman's Remarks

Suzanne Groth – President & CEO, Groth Vineyards & Winery



AGENDA ITEM NO. 6

President's Report

Bobby Koch – President & CEO, Wine Institute



AGENDA ITEM NO. 7(b)(i)

Sacramento Office Report

Tim Schmelzer – Vice President, California State Relations

Noelle Cremers – Director, Environmental & Regulatory Affairs

Board Action Required

History

- **THE BOARD OF EQUALIZATION (BOE) HAS PROVIDED WINERY EXCISE TAX DATA FOR DECADES – ESSENTIAL FOR ECONOMIC ANALYSIS (GOMBERG-FREDRIKSON)**
- **BEGINNING IN 2019, THE BOE BEGAN TO ANONYMIZE THE DATA**
- **THE LACK OF COMPLETE DATA HAS COMPROMISED THE ABILITY TO UNDERSTAND INDUSTRY TRENDS**



Jon Meramarco Editor
Alan Talbot, Business Development
Manager

Volume 40, No. 7
October 21, 2020

Report for the month of
July 2020

The Gomborg-Fredrikson Report is a monthly publication that monitors shipments of leading California wineries and wine imports by country. The report includes commentary and analysis of current trends and conditions shaping the market. Its distribution is restricted to clients of Gomborg, Fredrikson & Associates, a wine industry consulting firm founded in 1948 by Louis R. Gomborg. Copyright © 2020 by Gomborg, Fredrikson & Associates. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means (electronic, mechanical, photocopying or otherwise) without the prior written permission of Gomborg, Fredrikson & Associates.



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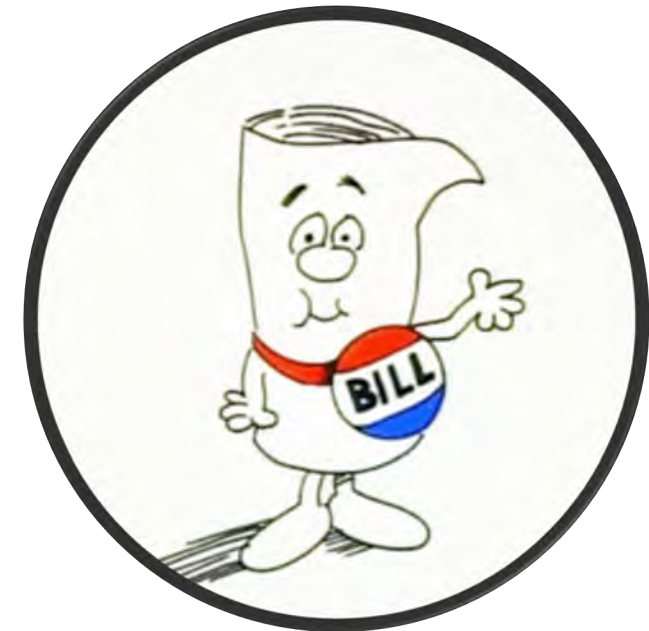
Solution

- **WI HAS ENGAGED WITH THE BOE TO DEVELOP A SOLUTION, PREFERRING AN ADMINISTRATIVE FIX**
- **OUR ANALYSIS CONFIRMS THE BOE HAS SUFFICIENT EXISTING LEGAL AUTHORITY TO PROVIDE THE DATA**
- **DESPITE OUR EFFORTS, THE BOARD HAS CONCLUDED THAT LEGISLATION IS NECESSARY**



Legislation

- **WI HAS DEVELOPED LEGISLATION TO REMOVE ANY DOUBT THE BOARD CAN RELEASE THE DATA IN ACCORDANCE WITH THEIR PAST PRACTICES.**
- **“Notwithstanding Section 15619 of the Government Code, all information contained in the winegrower return and schedule shall be made public upon request. Except for individuals, as defined in Government Code Section 1798.3, the names and addresses of all companies filing winegrower returns shall be made public upon request.”**



Cal/OSHA COVID-19 ETS



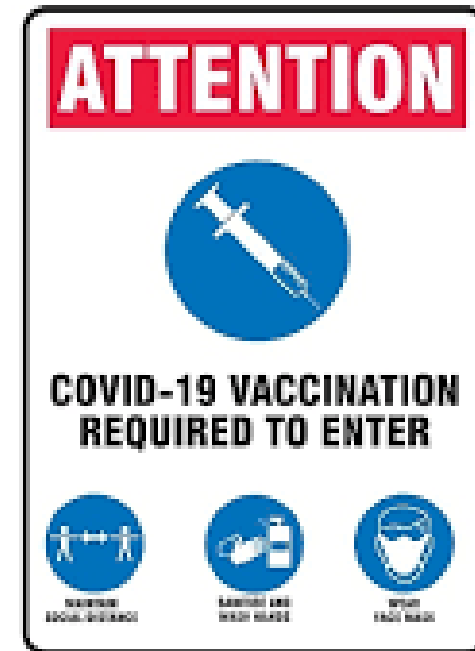
- **ETS approved on June 17 remains in effect**
- **Cal/OSHA to readopt on Dec 16**
 - **Minor – but possibly impactful – changes expected**
 - **Effective through mid-April 2022**
- **Cal/OSHA will consider a permanent standard**
 - **COVID-19 specific or all transmissible diseases**



Fed+Cal/OSHA – Vaccine Mandate



- **Fed/OSHA proposed that large employers ensure all workers are vaccinated or tested weekly**
 - **Fifth Circuit Court of Appeals issued a stay on enforcement**
- **Cal/OSHA delayed adoption of the requirement due to the federal litigation**



- **Wildfire Response**

- \$2.2 billion in state funds and \$3.3 billion in federal funds allocated for wildfire

- **Insurance**

- FAIR Plan

- Department of Insurance rate recognition of mitigation

- **WHIP+ Reauthorization**
 - \$10 billion for 2020 and 2021 losses
- **State Funding Request**
 - Research into smoke exposure impacts
 - Additional wildfire risk reduction support
- **Napa Legislative Tour**



Environment, Health & Safety



- **New Name**

Environment, Health & Safety Committee

- **Strategic Plan**

Mission: The Environment, Health & Safety Committee provides technical and policy leadership and expertise on issues such as environment, sustainability and health and safety – from the local to global level – to enhance the ability to responsibly produce, promote and enjoy California wine.

Crop Protection Working Group



- **Strategic Plan Update**

Protect for today, plan for tomorrow

- **TASC Grant**

- \$650,000 over 5 years (2021-2025)
- MRL Monitoring, Communication and Education
- Increased coordination with external stakeholders, including CAWG



Winery Order



- **State Water Board adopted statewide Winery Order in January 2021**
- **Implementation led by Regional Boards**
- **Submission of NOI no later than Jan. 2024**
- **Wine Institute compliance assistance spreadsheets**



Questions?

Tim Schmelzer
tschmelzer@wineinstitute.org
916-397-7955

Noelle Cremers
ncremers@wineinstitute.org
916-601-5357

Thank You



AGENDA ITEM NO. 7(b)(iv)

State Relations Update

Steve Gross – Vice President, State Relations



AGENDA ITEM NO. 7(b)(iv)

WI Draft Policy Statement on Oregon's Bottle Deposit Law

(Approved by WI's Public Policy Committee on 11/16/2021)

Board Action Required

Wine Institute Draft Policy Statement On Oregon's Bottle Deposit Law



Wine Institute will support the inclusion of wine containers in the Oregon bottle deposit law (“bottle bill”) only under the following conditions:

1. the program to implement the bottle bill is operated by an independent beverage industry entity with a limited role of government in program operations;
2. the independent beverage industry entity works to enhance the positive environmental impacts of the bottle bill and creates innovative ways to improve the consumer experience of returning beverage containers;
3. the unredeemed deposits remain with the independent beverage industry entity to reduce costs and/or improve the recycling infrastructure of the program;
4. the program implemented by the independent beverage industry entity can accommodate all 750ml or less metal, glass and plastic bottles and cans of wine; and
5. the cost data, as available, indicates that the Oregon bottle bill is the preferable economic choice for recycling wine containers, over the program to be implemented in Oregon under the Oregon Plastic Pollution and Recycling Modernization Act (SB 582, enacted 2021).



AGENDA ITEM NO. 7(c)

Technical Advisory Committee

WITAC Committee Update

Tracy Genesen – Vice President and General Counsel, Legal



Board Presentation

Smoke Exposure Task Force Update

DECEMBER 7, 2021



AGENDA ITEM NO. 8

Political Action Committee (PAC) Update

Robin Baggett – Alpha Omega Winery and Tolosa Winery

Secretary



AGENDA ITEM NO. 9

Guest Speakers

John Heckman

Executive Director, North America, Anthesis Group

Allison Jordan

*Vice President, Environmental Affairs, Wine Institute and
Executive Director, California Sustainable Winegrowing Alliance*

Honore Comfort

Vice President, International Marketing, Wine Institute



Positioning California Wines in a Sustainable Future

Climate Action Plan

Wine Institute Board of Directors Meeting | December 7, 2021



Agenda

California Wines **Sustainable Future:**
A Conversation with Dr. John Heckman, Anthesis Group

The **Current Climate State**

Goals for a **Climate Action Initiative**

Discussion/Questions



CA WINES

A Sustainable Future

John Heckman, Anthesis Group

Allison Jordan, VP Environmental Affairs

For A Sustainable Future, We Need:



To **Stabilize** Global Warming to 1.5°C



To **Achieve** Net Zero Emissions



To **Align** CA Wine on the Same Path



California's Goals For 2045

State-wide
Carbon
Neutrality

100% Carbon
Emission-Free
Electricity

Governments, Markets, and Wineries **Are** **Taking Bold** **Action**



GOVERNMENTS



CALIFORNIA

Carbon neutral by 2045

100% carbon-emission free energy by 2045

Reduce emissions to 1990 levels via statewide **cap-and-trade** program through 2030

Reduce **GHG emissions 40% below 1990** levels by 2030

INTERNATIONAL MARKETS

European Union: Green Deal goal Net Zero emissions by 2050

New Zealand: Net Zero by 2050 in law

South Africa: Low Emission Development Strategy; Net Zero by 2050

Governments, Markets, and Wineries **Are** Taking Bold Action



MARKETPLACES



Tesco

First retailer to offer financial incentives to report and reduce emissions.

Systembolaget

Beverage Industry Climate Initiative: fossil-free and 100% renewable energy by 2030

SAQ

Selection criteria includes supplier commitments to reducing GHG emissions



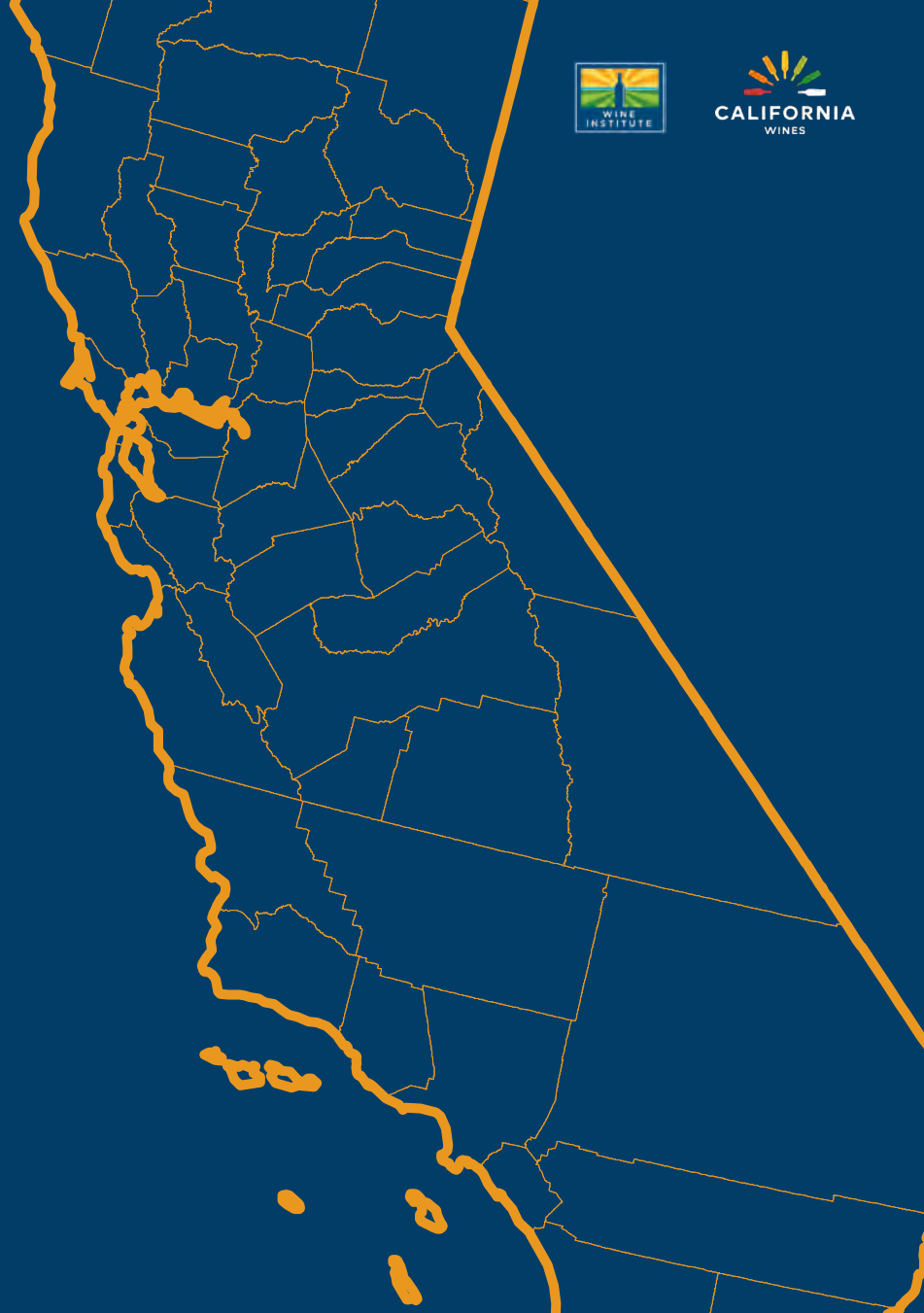


“

Food and Ag is Big and Complex. We have to get out of our silos and collaborate together ... to help us all be successful.

-Secretary Karen Ross

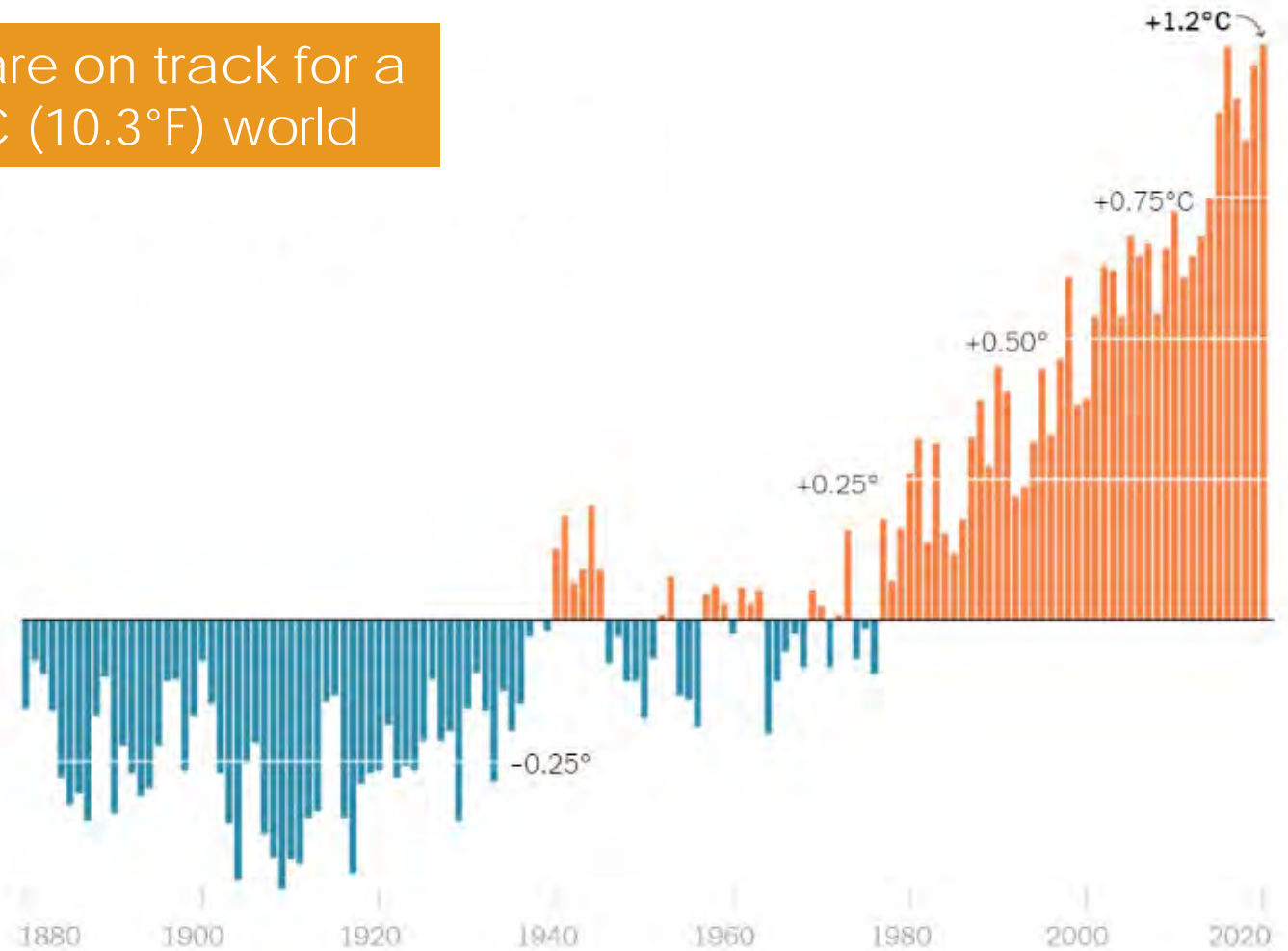
”



To avoid the worst impacts of climate change, **We Need to Limit Global Temperature Rise To 1.5°C**

Source: [NY Times](#)

We are on track for a 5.7°C (10.3°F) world



Governments, Markets, and Wineries **Are** **Taking Bold** **Action**



WINERIES



Jackson Family Wines (JFW)

50% emissions reduction by 2030 &
Climate Positive by 2050 without
buying carbon offsets

Torres Family + JFW

Co-created the IWCA to take a
collective stance to decarbonize the
industry

Fetzer Vineyards

B Corp certified; Net Zero by 2030

New Zealand Wine

All New Zealand wine will be Net
Zero by 2050

Treasury Wine Estates



Net Zero emissions by 2030, 100%
renewable electricity by 2024

Taylor's Wines

50% emissions reduction by 2030,
Net Zero by 2050



To Reduce GHG Emissions Do More of Some and Less of Others

 More	Pillars	 Less
100% renewable energy Electrify everything & renewable energy	ENERGY	Zero fossil energy Energy efficiency and GHG reduction
Net Zero value chain Reduce, reuse, recycle -renewable materials	VALUE CHAIN	Zero fossil energy in value chain Reduce, reuse, recycle
Sustainable agriculture Accelerate sustainable practices	AGRICULTURE	Zero degradation to natural systems Restore balance to nitrogen & methane cycles



CA Wine Is Leading The Way Towards **A Sustainable Future**

Amplify California Wines'
Collective Position

Show Progress Without
Duplicating Efforts

Build Our Future Together



How Can We Amplify Our Position?



VISION

For CA Wine to prosper in a Net Zero future



GOAL

Be powered by 100% renewable **energy by 2045**

Enable a Net Zero **value chain** for wine

Lead in sustainable **agricultural** practices on our vineyards



STRATEGY

Identify actions across pillars

Track and report progress

Communicate ambition





MEASURE

Establish KPIs to measure collective progress

Capitalize on previous and ongoing work

We Will Build a Framework to Show Progress and Inspire Action

 More	Pillars	 Less
100% renewable energy Electrify everything & renewable energy	ENERGY	Zero fossil energy Energy efficiency and GHG reduction
Net Zero value chain Reduce, reuse, recycle -renewable materials	VALUE CHAIN	Zero fossil energy in value chain Reduce, reuse, recycle
Sustainable agriculture Accelerate sustainable practices	AGRICULTURE	Zero degradation to natural systems Restore balance to nitrogen & methane cycles

Wine Institute and partners **will** **support the CA** **wine community** **through...**



Advocacy and
Public Policy



Tools and
Education



Communications



Funding and
Technical
Support



Compliance

Actions to Date

Established Global Benchmarks

Built Sustainable Future Discussion Deck

Gathered Winery Stakeholder Input

Shared with CSWA Board and EH&S Committee

Established Advisory Committee

What We Heard From Stakeholder Interviews

“

This conversation is long overdue

Broad support for CA Wine committing to a 2045 Net Zero goal that doesn't create complications

Support for 'simpler' approach, focusing on getting things done, working together

Consider interconnectedness of climate change – include adaptation, water, and diversity/inclusion

Concern that 'Only Net Zero by 2045' is not enough to be considered a leader

”



Advisory Committee Members To Date

Bronco Wine Company

Paul Huckaba

Constellation Brands, Inc.

Matt McGuinness

Delicato Family Wines

Lindsay Moorehead

E. & J. Gallo Winery

Chris Savage

Fetzer Vineyards

Jessica Baum

Honig Vineyard & Winery

Ashley Egelhoff

J. Lohr Vineyards & Wines

Steve Lohr

Jackson Family Wines

Julien Gervreau

Treasury Wine Estates

Will Drayton

Trinchero Family Estates

Ted Wells

The Wine Group

Kyle Schmidt, Joey Giordano

What's Next?

Advisory Committee to
develop Action Plan
and KPIs for collective
progress towards goal of
Net Zero by 2045

Present Action Plan &
KPIs to Board in **March
2022**



Questions?

GET IN TOUCH

Dr. John Heckman
Anthesis Group

John.heckman@anthesisgroup.com

Allison Jordan
VP Environmental Affairs

Ajordan@wineinstitute.org

Honore Comfort
VP International Marketing

hcomfort@wineinstitute.org



Appendix – Background Materials



We're Experiencing The Direct Impacts Of Climate Change **NOW**

More frequent extreme weather events

Increased prevalence of disease

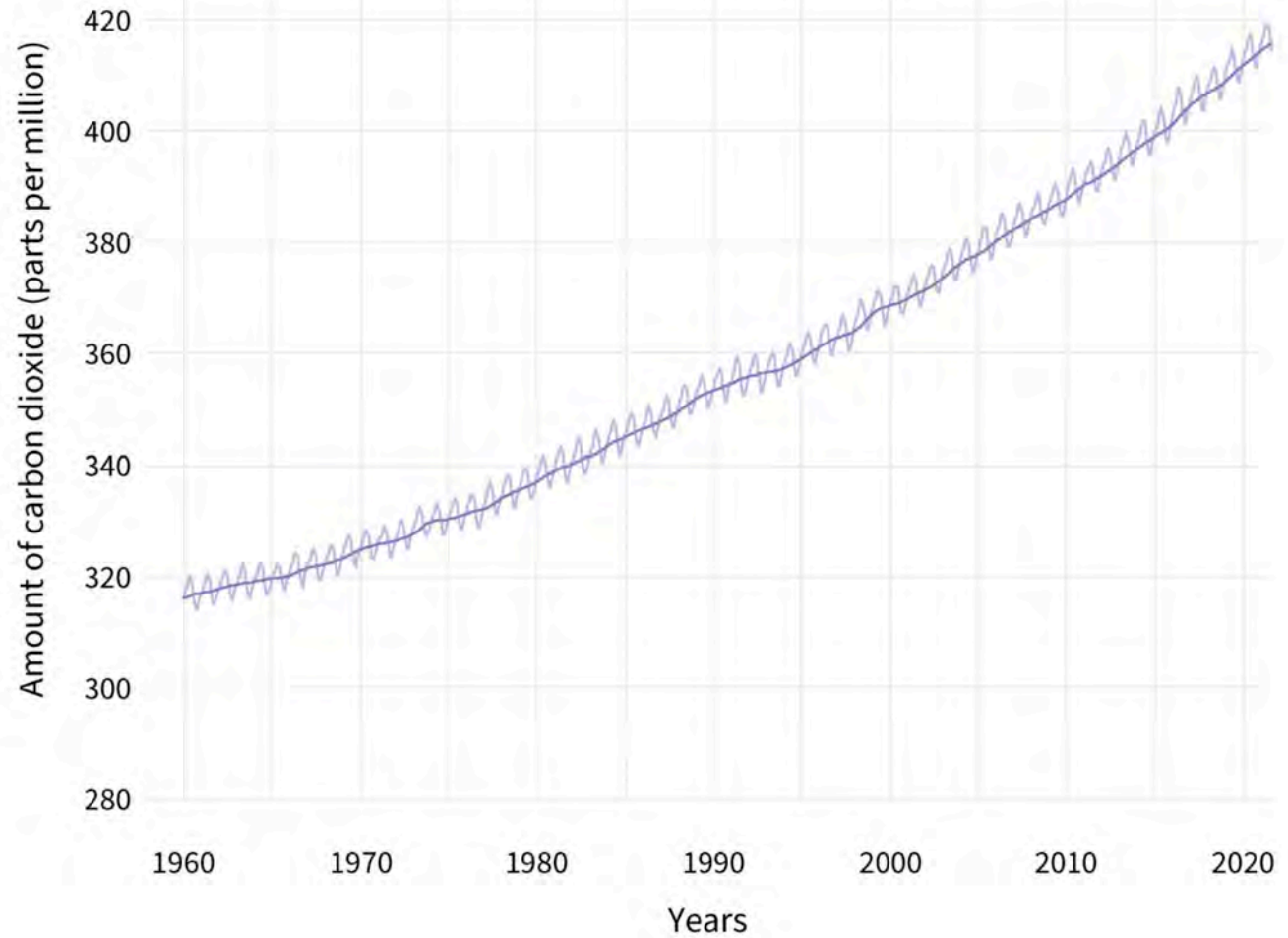
Less cool nights

Increased frequency and severity of wildfires

Shift in growing seasons

Variability in rainfall patterns

Our CO₂ concentration in the atmosphere continues to increase

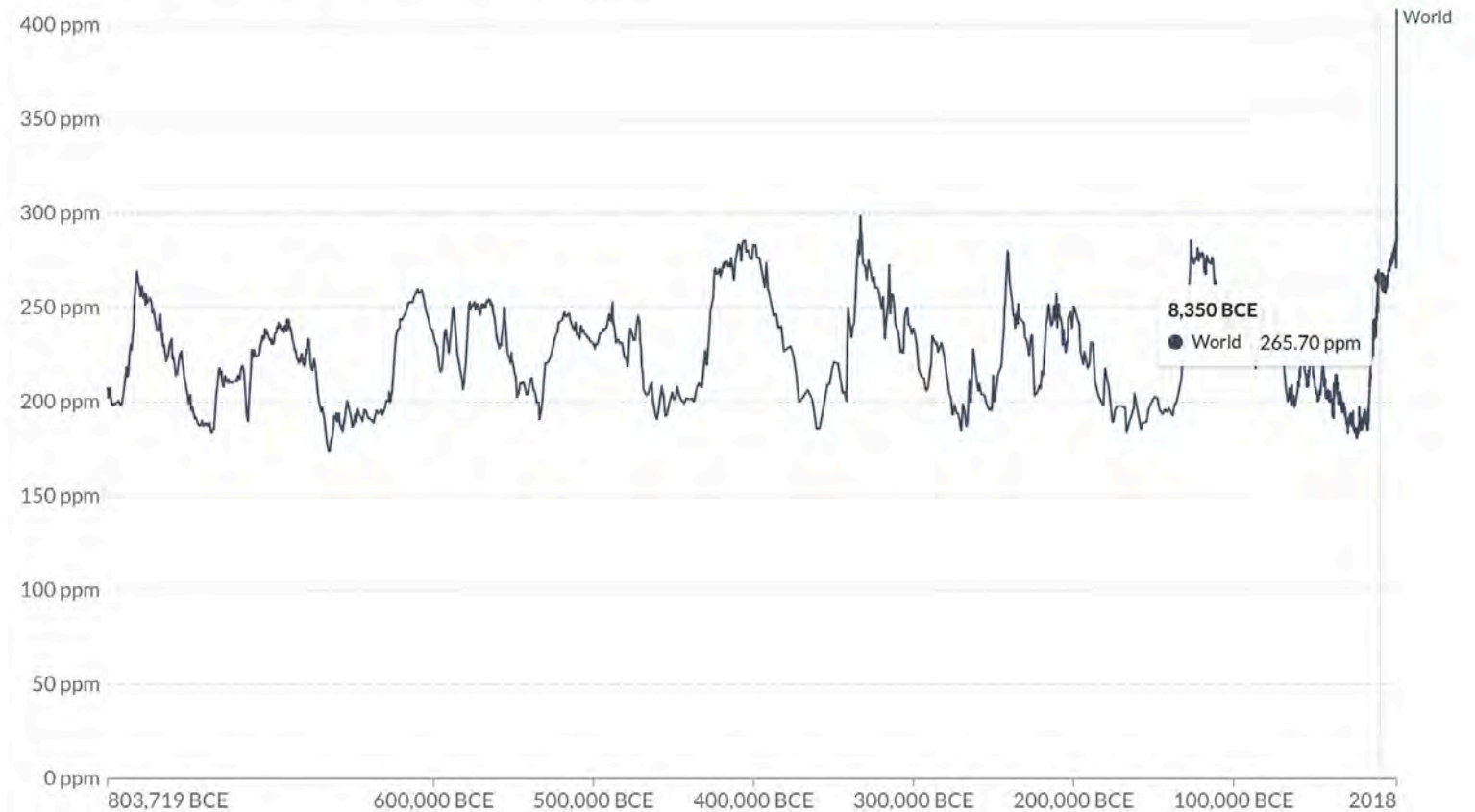


The increases
can't be
explained by
historical
cycles

Atmospheric CO₂ concentration

Global average long-term atmospheric concentration of carbon dioxide (CO₂), measured in parts per million (ppm). Long-term trends in CO₂ concentrations can be measured at high-resolution using preserved air samples from ice cores.

Our World
in Data



Source: EPICA Dome C CO₂ record (2015) & NOAA (2018)

OurWorldInData.org/co2-and-other-greenhouse-gas-emissions • CC BY

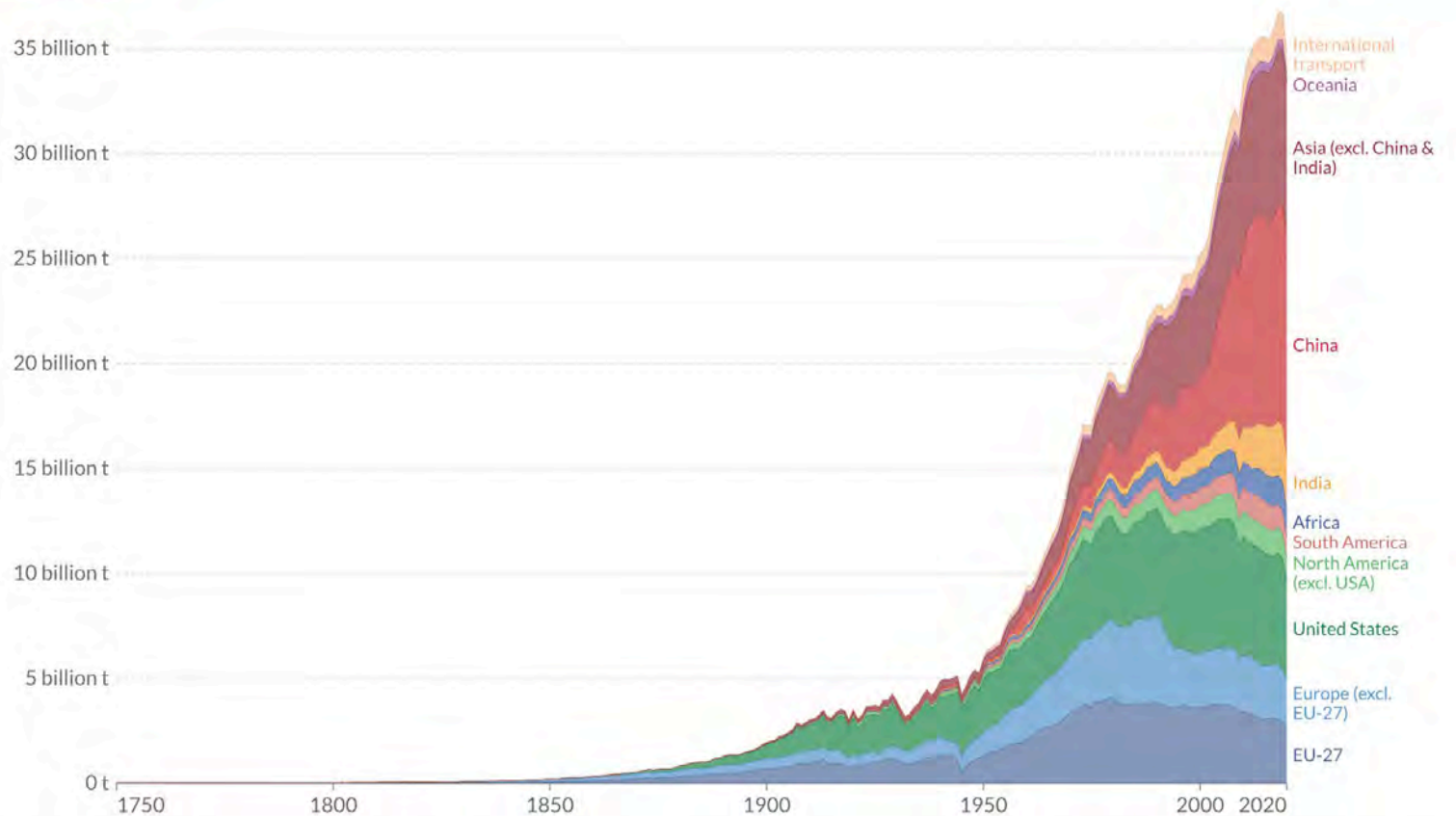
▶ 803,719 BCE ◯ 2018

But it can be explained by the CO₂ we're adding from fossil fuel emissions

Annual CO₂ emissions from fossil fuels, by world region

Our World in Data

+ Add region Relative



Source: Global Carbon Project

Note: This measures CO₂ emissions from fossil fuels and cement production only – land use change is not included. 'Statistical differences' (included in the GCP dataset) are not included here.

OurWorldInData.org/co2-and-other-greenhouse-gas-emissions • CC BY

To avoid the worst impacts of climate change, we need to limit global temperature rise To 1.5°C

Source: [NY Times](#)

Global greenhouse gas emissions and warming scenarios

Our World
in Data

- Each pathway comes with uncertainty, marked by the shading from low to high emissions under each scenario.
- Warming refers to the expected global temperature rise by 2100, relative to pre-industrial temperatures.

Annual global greenhouse gas emissions
in gigatonnes of carbon dioxide-equivalents

150 Gt

100 Gt

50 Gt

Greenhouse gas emissions
up to the present

0

1990 2000 2010 2020 2030 2040 2050 2060 2070 2080 2090 2100

No climate policies

4.1 – 4.8 °C

→ expected emissions in a baseline scenario if countries had not implemented climate reduction policies.

Current policies

2.7 – 3.1 °C

→ emissions with current climate policies in place result in warming of 2.7 to 3.1°C by 2100.

Pledges & targets (2.4 °C)

→ emissions if all countries delivered on reduction pledges result in warming of 2.4°C by 2100.

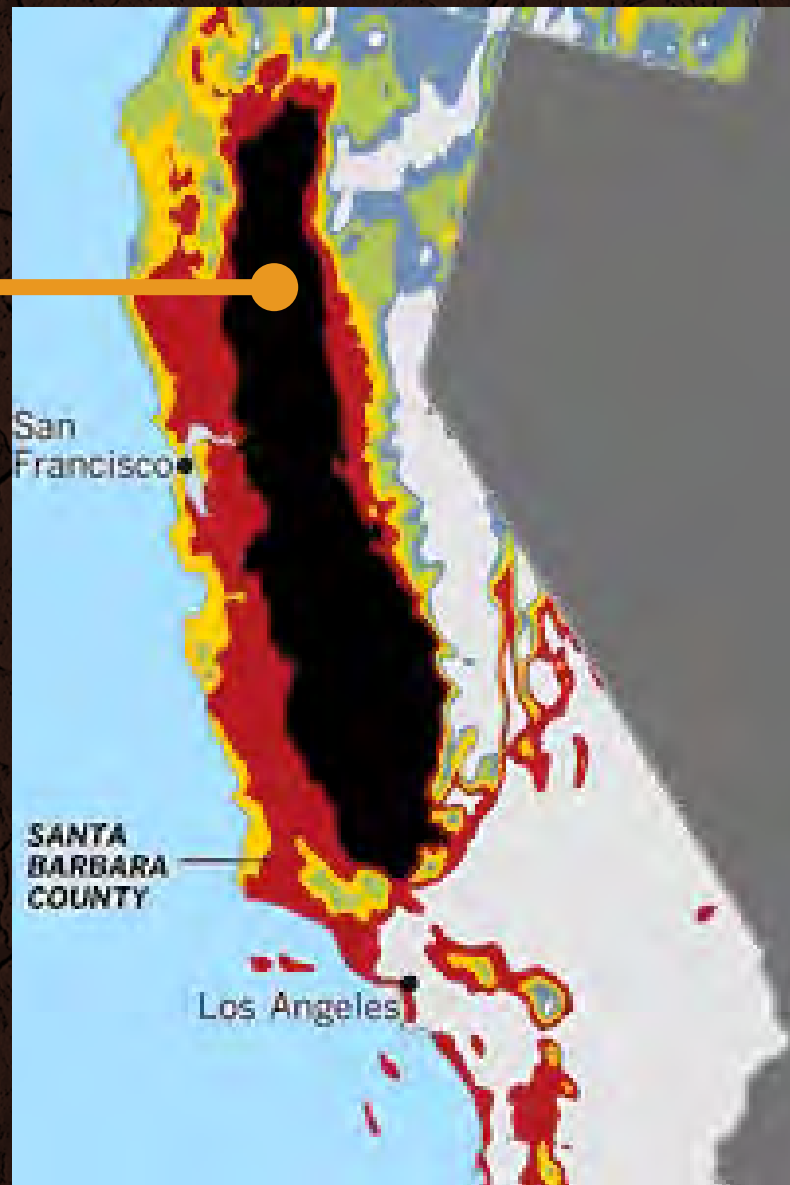
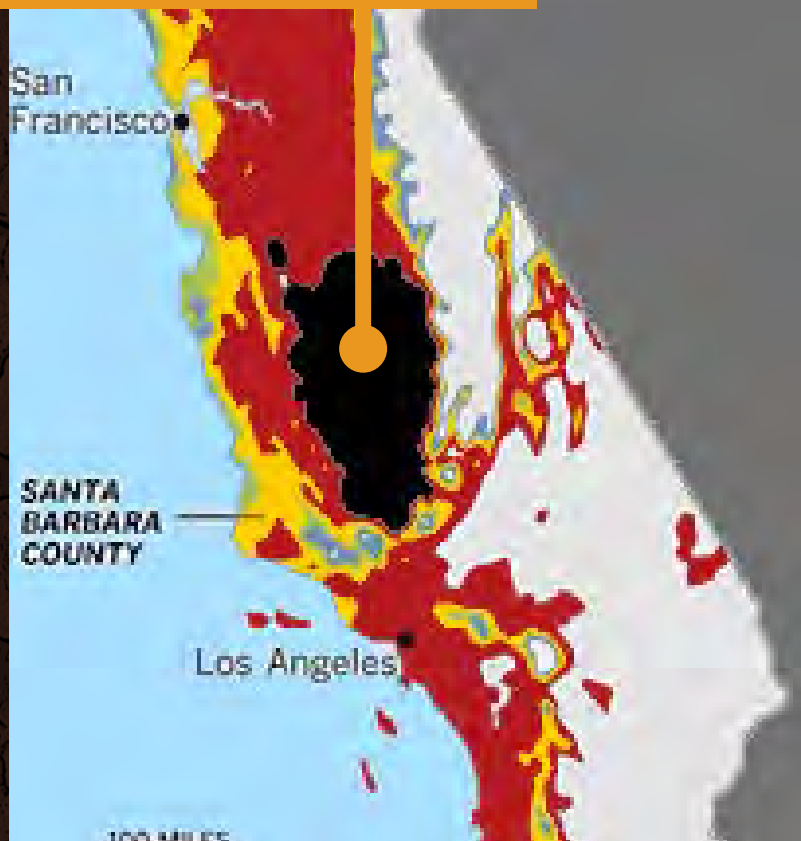
2°C pathways

1.5°C pathways

Data source: Climate Action Tracker (based on national policies and pledges as of May 2021).
OurWorldinData.org - Research and data to make progress against the world's largest problems.

Last updated: July 2021.
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Expansion of
NON-VIABLE
growing regions



Some
projections
show California
is expected to
lose up to
**50% of wine
growing
regions by
2050**

Source: [Gregory V. Jones, Southern Oregon University](#)



AGENDA ITEM NO. 10

State Relations Update Panel Presentation

Steve Gross – Vice President, State Relations and the State Relations Team



State Relations Update Panel

Wine Institute Board of Directors

DECEMBER 7, 2021 | PEBBLE BEACH, CA

State Relations Team



State Relations: (L-R) **Steve Gross** ('86), VP State Relations; **Carol Martel** ('99), Northeastern Counsel; **Hunter Limbaugh** ('04), Southeastern Counsel; **Terri Cofer Beirne** ('08), Eastern Counsel; **Katie Jacoy** ('05), Western Counsel; **Tyler Rudd** ('16), Central Counsel; **Sally Jefferson** ('10), Great Lakes States Director; **Annie Bones** ('05), Regulatory Compliance Manager

New Director, Great Lakes States



Geralyn Lasher

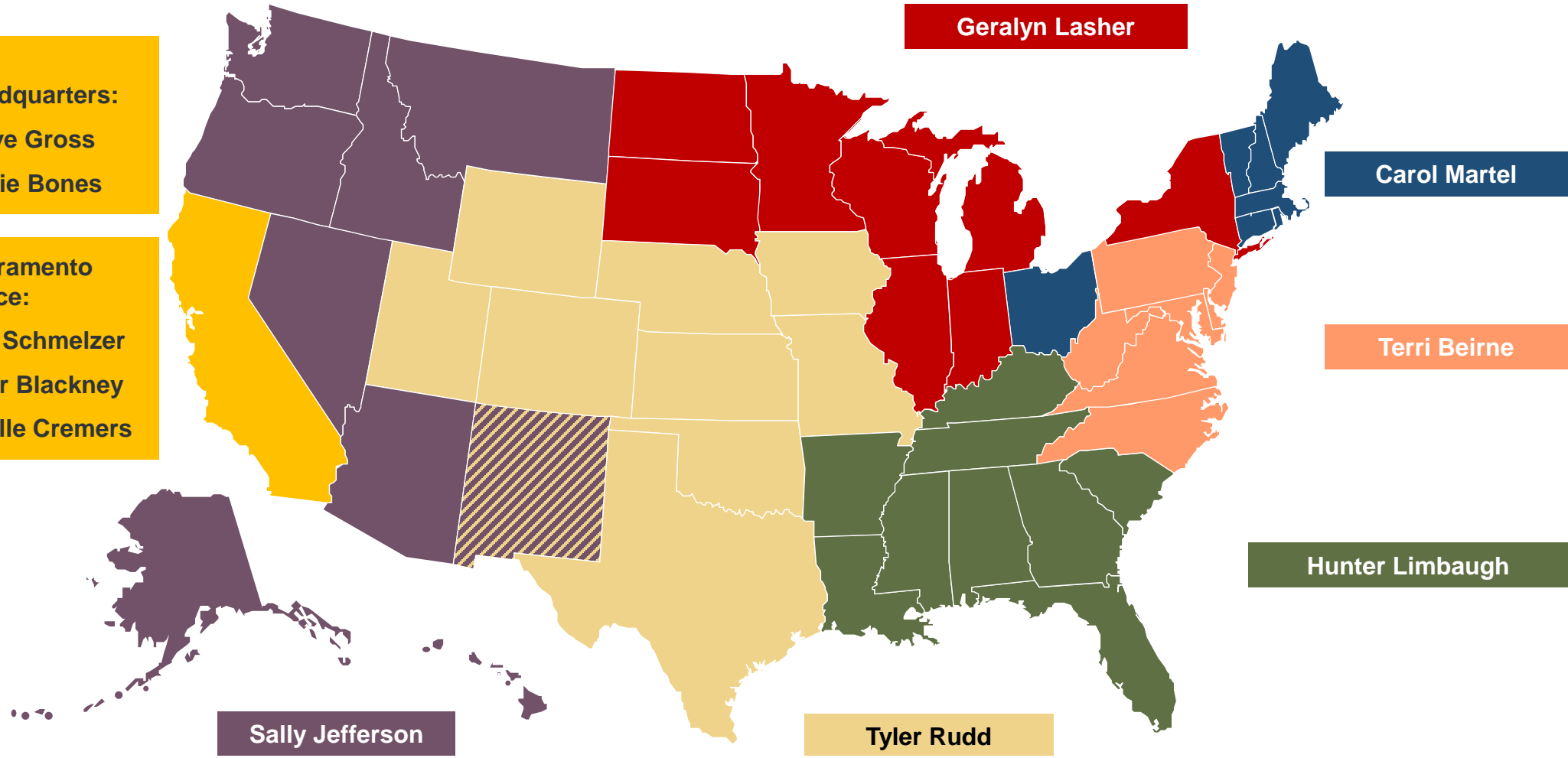
Director, Great Lakes States
Effective Dec. 1, 2021

State Relations Regions – 1/1/2022



**WI
Headquarters:**
Steve Gross
Annie Bones

**Sacramento
Office:**
Tim Schmelzer
Tyler Blackney
Noelle Cremers



Regional Presentations



Highlights from 2021

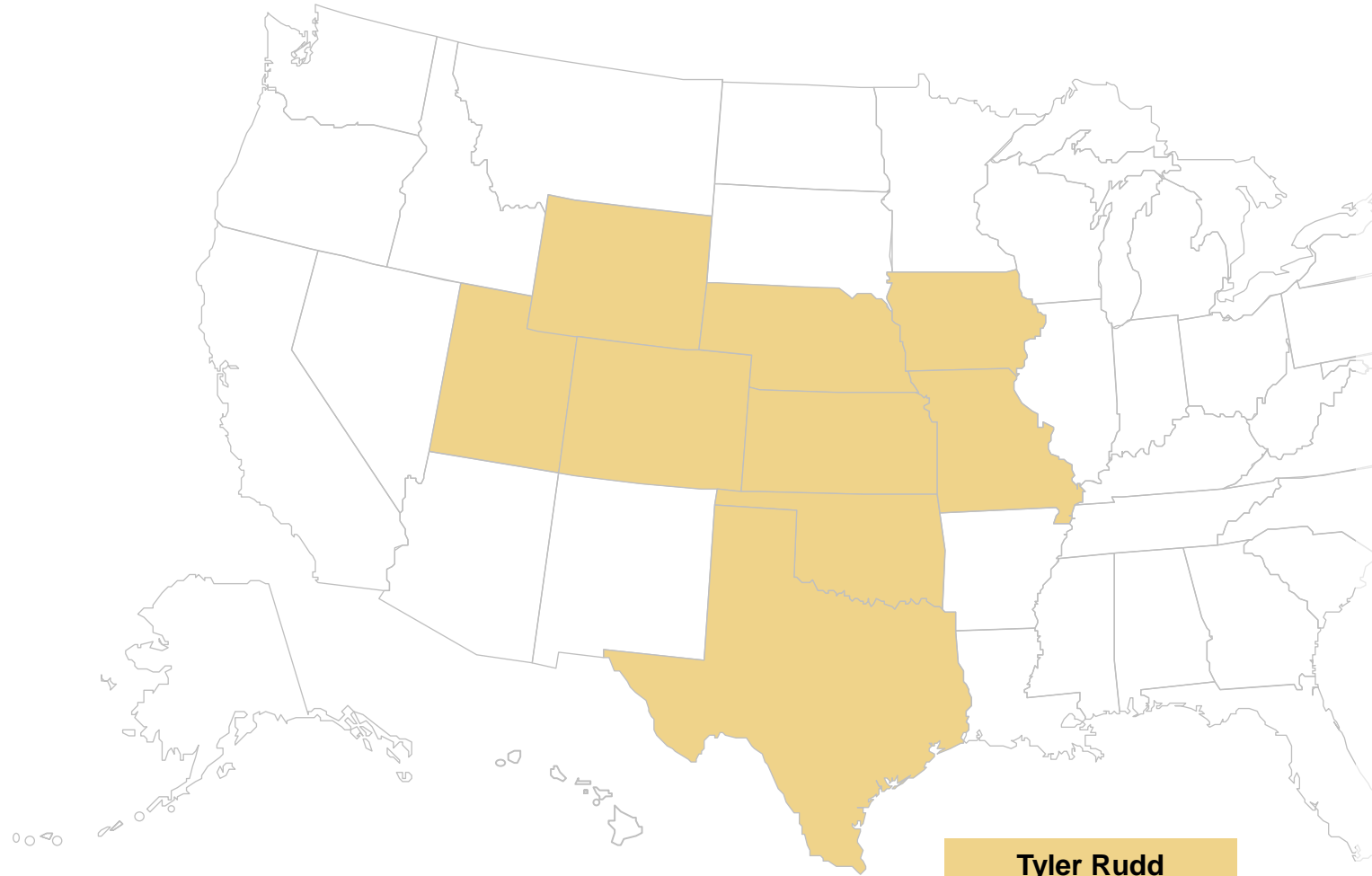
2021 Highlights – Western States



Alaska
Arizona
Hawaii
Idaho
Montana
Nevada
New Mexico
Oregon
Washington

Katie Jacoy /
Sally Jefferson

2021 Highlights – Central States



Colorado
Iowa
Kansas
Missouri
Nebraska
Oklahoma
Texas
Utah
Wyoming

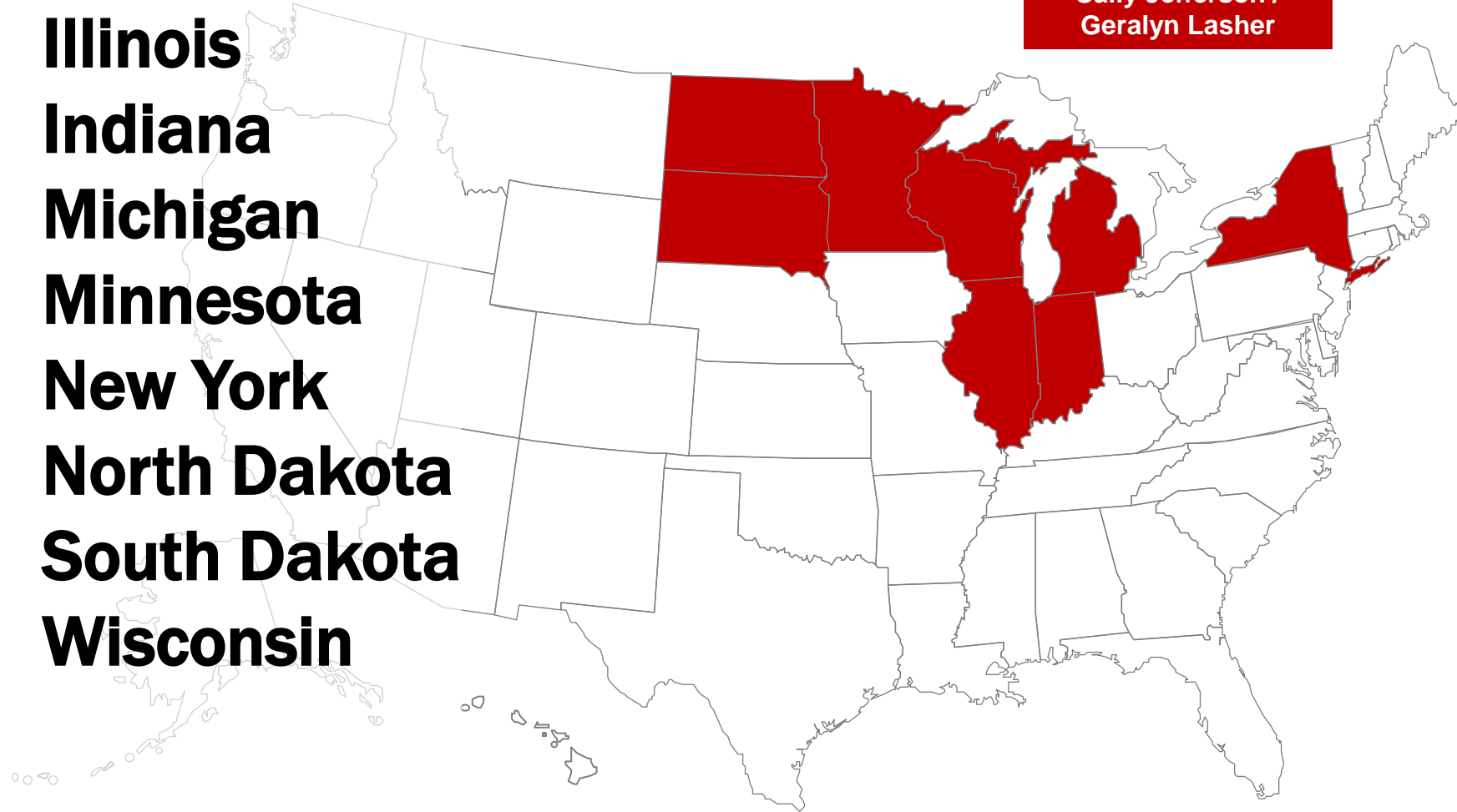
Tyler Rudd

2021 Highlights – Great Lakes



Sally Jefferson /
Gerald Lasher

- Illinois**
- Indiana**
- Michigan**
- Minnesota**
- New York**
- North Dakota**
- South Dakota**
- Wisconsin**



2021 Highlights – Southeastern States



Alabama
Arkansas
Florida
Georgia
Kentucky
Louisiana
Mississippi
South Carolina
Tennessee

Hunter Limbaugh

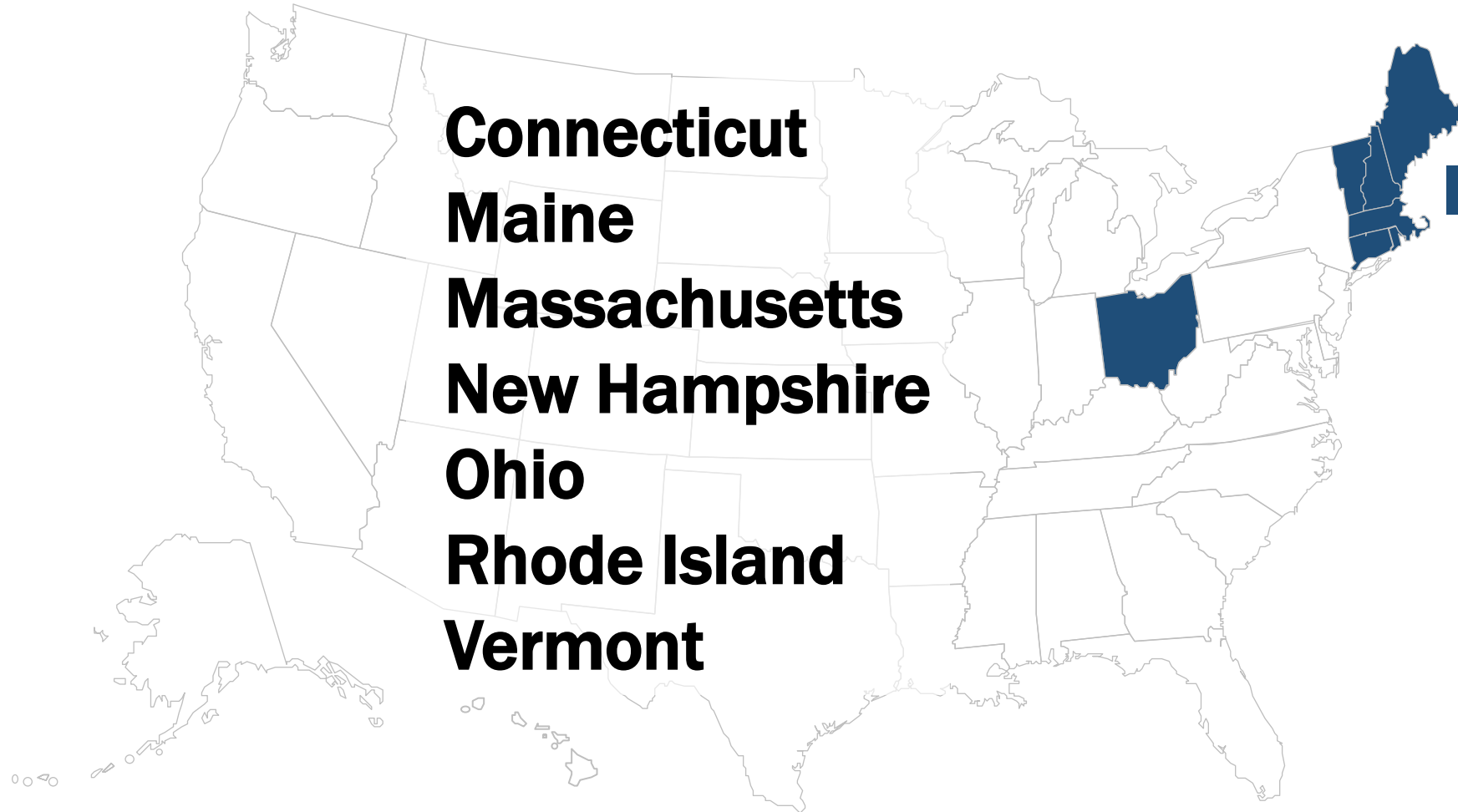
2021 Highlights – Eastern States



Delaware
District of Columbia
Maryland
New Jersey
North Carolina
Pennsylvania
Virginia
West Virginia

Terri Beirne

2021 Highlights – New England States



Connecticut
Maine
Massachusetts
New Hampshire
Ohio
Rhode Island
Vermont

Carol Martel

Questions?



AGENDA ITEM NO. 11

Unfinished Business



AGENDA ITEM NO. 12

New Business



AGENDA ITEM NO. 13

Adjournment