New York Wine and Grape Foundation

Strategic Plan

May 2018
May 2018

NEW YORK WINE and GRAPE FOUNDATION

Strategic Plan Document

I. Executive Summary

A consulting team from Farm Credit East, ACA was engaged to produce an updated strategic plan by the Board of the New York Wine and Grape Foundation. Established by State statute in 1985, the Foundation has a long history of serving the interests and needs of the wine and grape production industries in New York State. With the advent of new executive leadership, and an urgency to renew and refocus the efforts of the Foundation by its Board of Directors, this strategic planning effort was commenced to produce an updated mission, vision, and objectives for the organization. Through a series of regional meetings to garner input from its varying constituencies, an intensive planning session with its Board of Directors, and engaged discussion with Foundation staff, the Farm Credit team worked to produce the following:

A. Mission: “The Foundation will promote the world-class image of New York grapes and wines from our diverse regions to responsibly benefit farmers, producers and consumers through innovative marketing, research, communication, and advocacy”

B. Vision: “To be the world’s premier region for cool and cold climate viticulture”

C. Objectives:

1. The Foundation will develop contemporary and coherent strategies that support the execution of effective statewide and regional branding.
2. We will become a member-driven organization which strives to improve the retention, engagement, development, growth and service to our constituents.
3. We will develop a secure sustainable funding model based upon member support, service delivery and strategic partnerships.
4. We will advance the image of NY grape and wine products through engagement with market makers, influencers and consumers.
5. We will continue to be the standard-bearer of the farm based beverage movement through the development of alliances and partnerships in order to improve the policy and regulatory climate.
6. We will help facilitate efforts of regional organizations to develop and achieve their objectives.
7. We will lead the development and funding of viticulture, enology and marketing research programs that will attract public and private resources.
8. We will develop and execute a communication strategy that addresses the specific needs of our constituent groups.
9. We will advocate for responsible environmental, agricultural and social practices that ensure the long term viability of the New York grape and wine industries.

Working with the Executive Director and staff, a number of goals related to each objective were developed for the 2018/19 fiscal year. These goals are specific, measurable, attainable, relevant, and timed (SMART). They will change each year to reflect progress in fulfilling the mission and vision of the organization.

Based on our interactions with the Board, staff and industry, next steps for the Foundation include:

1. Continued focus on industry concerns and engagement, which will lead to fulfillment of the objectives of the Foundation.
2. Diligence on the part of industry constituencies to continue to challenge staff and the board of the Foundation to stay engaged in addressing threats and capitalizing on opportunities faced by the wine and grape industries.
3. Regular and diligent review of the annual goals of the Foundation, which rely on developed performance metrics for staff and leadership to measure progress. The planning team at Farm Credit East will assist with this activity as requested.

II. Planning Overview

Facilitators

This engagement was facilitated by consultants Nathan L. Rudgers and Gregg McConnell of Farm Credit East, ACA.

Introduction

This report contains the key ideas, perspectives, mission, vision, objectives and goals discussed during our planning sessions. Key ideas and perspectives were captured through 11 Regional Meetings (January and February 2018), a planning session with the New York Wine and Grape Foundation (“NYWGF”) board (February 2018), a meeting with staff (March 2018) and an online survey distributed through the Press Deck.

Due to a change in the Foundation’s leadership and continuing change in the wine and grape industry across the US and especially in NY, the association determined that it needed to
undertake a comprehensive strategic planning initiative to best serve the evolving and growing needs of its constituents. As per its legislative statute, the NYWGF represents the diverse participants in the state’s grape industry including: juice grape growers, wine grape growers, commercial winery owners, farm/estate winery owners, table grape growers, manufacturers of grape products, off premises retail wine sellers, wholesale wine sellers, on premise sellers, and educational institutions that serve the interests of the overall industry. This diversity is one of the challenges of developing a coherent strategic plan. The meetings we conducted around the state resulted in full exposure to the grassroots members and stakeholders of this organization in all its diversity.

This strategic planning process resulted in the board revising the mission statement. In addition, they developed a vision statement, nine key objectives, and a set of goals for NYWGF staff for 2018 which are planning tools that had not been formally completed before. This effort created a complete strategic plan and effected a refocus of the organization on how it will direct resources in the coming years.

Strategic Planning as a Management Tool

Strategic planning has been used as a management tool by large organizations since the middle of the twentieth century. The purpose for strategic planning is to provide a framework for decision making and accountability, and a comprehensive strategic plan will provide clarity as to what the organization does, how it chooses to do the things it does—its values—where it wants to go, and how it plans to get there.

Strategic planning is also a very effective tool for smaller organizations which possess limited resources and yet have bountiful opportunities. A comprehensive strategic plan will identify which opportunities the organization wishes to pursue and how it intends to take advantage of them. The strategic planning process encompasses looking at the past, creating a "snapshot" of the present (through SWOT analysis), and creating a strategy on how to achieve a 'chosen future'. The process is not about making decisions in the future but making decisions today that will enable the organization to get to where it chooses to be—tomorrow. SWOT analysis (strengths, weaknesses, opportunities and threats analysis) is a framework for identifying and analyzing the internal and external factors that can have an impact on the viability of a project, product, place or person.

A comprehensive strategic plan is a tool that will help an organization's leaders to get to where they want to be, but like any tool, it must be used on a consistent basis and kept current. The organizations that are most successful have three outstanding attributes: conviction that what
they are doing is best and right; commitment to getting it done; and, the discipline to stay the course. The Foundation's Board and staff are to be commended for their determination this past year in the implementation of their strategic planning process.

III. Current Status of the New York Wine and Grape Foundation

Regional Meetings and Anonymous Survey

An important component of the strategic planning process for the Foundation is gathering input from the several regions of New York State’s grape and wine industry. Established by geographic or more appropriately enological regions, these meeting locations were selected to garner focused input from each of the constituent groups across the State. Our purpose was to gather strengths, weaknesses, opportunities and threats, as well as general and related observations from the regional constituencies, and use that information in driving strategic discussion at the Board level.

At the beginning of each Regional Meeting a review of the enabling legislation and purpose of the meeting was presented. Then, a “live” survey was conducted using anonymous polling devices to poll the attendees. Results were reviewed and discussed as the poll was conducted. The survey consisted of 20 questions and was also available online to help gain input from those unable to attend one of the in person sessions held across the state. The questions started by polling the survey respondents to determine what best describes their involvement in the grape and wine industry. Questions then ranged from concerns for the industry, impact of NYWGF on their businesses and event/activity rankings to why or why not those polled were members of NYWGF. The data collected was graphically represented and is located in the Appendix of this report.

The latter half of the meeting focused on SWOT analysis by the attendees and included open discussion about topics as they came up. Attendees were in general very engaged, and the staff and board of NYWGF are to be commended for working hard to get attendance up and also for their openness and willingness to hear criticism.

Here is the list of meeting locations:

<table>
<thead>
<tr>
<th>Date</th>
<th>Region</th>
<th>Location</th>
</tr>
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<tbody>
<tr>
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<td>Chautauqua</td>
<td>CLEREL 6592 West Main Rd. Portland, NY 14769 9:00 am- Juice Grape Grower</td>
</tr>
<tr>
<td>Date</td>
<td>Location</td>
<td>Time</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>2/2/2018</td>
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<td></td>
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<td>1:00 pm-</td>
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<td></td>
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<td>10:00 am-</td>
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<tr>
<td></td>
<td></td>
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<tr>
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<td></td>
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<tr>
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</tr>
<tr>
<td>2/22/2018</td>
<td>Lower Mid-Hudson</td>
<td>1:00 pm-</td>
</tr>
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**Other Input to the process:**

NYWGF receives annual funding from NYS in addition to handling many grant funds including grants from the USDA and other sources. The organization was created by State Statute and the Commissioners of the State Departments of Agriculture and Commerce are ex-officio members of the board. As such, it was important for the strategic planning team to speak with representatives of the Stakeholder Agencies and also members of the Legislature that expressed an interest in the strategic planning process. Nathan Rudgers met with several stakeholders at a state level including the following:

- Richard Ball, NYS Commissioner, New York State Department of Agriculture and Markets
• Jackie Moody-Czub, Deputy Commissioner, New York State Department of Agriculture and Markets
• Richard Newman, Executive Vice President, State Marketing Strategy, Empire State Development
• Ross Levi, Vice President, Executive Director of Tourism, I love NY Campaign, Empire State Development
• Ray Salaberrios, Vice President, Economic Revitalization Community Economic Development Department Empire State Development
• Kathryn Bamberger, Senior International Trade Manager, Global New York, Empire State Development
• Member of Assembly Carrie Woerner

All of the State Representatives we spoke with expressed a deep level of respect for the organization and the accomplishments of the Foundation over the 33 years of its existence. There was a recognition of the need for the organization to extend its leadership role from advocacy and brand development for the wine and grape industry to the entire emerging craft beverage industry, at least as far as acting as the flagship organization of craft beverages in the State. Our discussions with ESD lead to recommendations regarding focusing on the experience of wineries, not wines alone. Experiences sell in the travel, tourism and State branding arenas, and it was emphasized that the Foundation should provide assistance to wineries so they better understand the importance of the experience of wines and wineries. The value of the Foundation providing leadership for the wine trail program was emphasized as well.

The role of the Foundation in leading export development was discussed with ESD personnel. It was recommended that the Foundation coordinate the generic promotion activities of the export program with ESD, and to the extent possible, work with ESD to transition individual wineries to a branded program as well. Kathryn expressed an interest in providing input into the export program evaluation scheduled as a requirement of receiving MAP funding.

During the period when we conducted the strategic planning process (January and February 2018), we accepted comment by interested parties by email and mail. One organization (Finger Lakes Wine Alliance) mailed a letter with their input (in appendix). Several wineries emailed us and elaborated on comments already included in the SWOT analysis below.

Additional Ideas

In addition to meeting the objective of obtaining input from stakeholders in the grape and wine industry and initiating a new strategic plan, the process created an opportunity to capture many random but intriguing insights and ideas. Some of these were included
elsewhere in this report, but some that are not currently included in the plan as goals may be valuable in future action plans or goal setting activities that relate to the plan.

Here is a summary of some of those ideas:

- A small winery dues structure which is lower, should be initiated to incentivize more small wineries to join.
- Develop a subsidiary that would market wine Direct to Consumer?
- Develop a subsidiary that would distribute wine (similar to Virginia)
- Coordinate with NASS and its membership to collect grape acreage statistics by variety at least once every 3 to 5 years?
- Facilitate Sustainability Certification
- Host training webinars/seminars on sales training or social media marketing?
- Collect pertinent data from various sources – example Tourism data, grape production, economic trends
- Assist wineries in distribution including unifying NYS themes on shelf talkers

Many interesting comments were made during these meetings/emails/survey comments. Below find a sample of the wide variety of comments received:

- How can the NYWGF promote health benefits of grape juice?
- Associate members should pay more in dues.
- The image of a NY grape should have as much impact as the image of a NY apple!
- A long time ago NYWGF had a grant to assist a winery in developing its first website. What’s the next thing coming around the corner, and how can the Foundation assist us? (Ex: grants to refresh social media marketing.)
- I would pay for more sales training.
- Wine trails need the NYWGF to facilitate regional branding efforts and find unifying experiences and themes for each region.
- It’s too difficult to represent both the wine industry and juice grape growers. These are different industries, and a separate organization should be developed.
- Enlist business schools in NY to brainstorm plans to grow tourism.
- How can NYWGF help NY wineries break through the distribution (wholesale) roadblocks in our state?
- More juice grape growers should join NYWGF and let our voices be heard.
- Not enough funding and too many things to promote.

Grassroots Impact
The overall participation in this strategic plan by stakeholders, members and potential members was very compelling and much greater than the previous planning effort in 2010. This was likely due to many reasons including a focused effort to make meetings as local as possible and due to conducting the meetings during the winter – typically a slow time for wineries and grape growers. Total attendance at the 11 regional meetings was approximately 165 individuals representing all segments of the grape industry referred to above. In addition to that number, many board members attended the meetings in their areas, as well as selected NYWGF staff and the director of the Foundation (Sam Filler, who attended all of the regional meetings). The online version of the survey was initiated in late February and closed in March. We had 88 individuals respond to that survey. The combined effect of the various means of connecting with constituents and leaders related to this industry resulted in an overwhelming response relative to the prior strategic planning effort in 2010 (37 participants).

SWOT Analysis

To gain perspective from the various American Viticultural Areas (AVA) across NY State, regional meetings were held as noted above and a SWOT Analysis was conducted at each meeting to make sure that each regional opinion was represented in the strategic plan. In addition, the NYWGF Board participated in a separate SWOT Analysis during its February meeting after reviewing the results of the 11 meetings. Based on observations from each meeting, the takeaways from the SWOT Analysis are summarized below.

Strengths:

1. Research Functions and the Ability to Receive Matching Funds
2. Representing the Industry to the NYS Government
3. Raising the Profile of Riesling Raised the image of NYS wine (Awareness of NY as a Wine/Grape Region)
4. Efficiency Related to Outreach and Staffing with Limited Funding
5. Reputation of Organization
6. Events (especially NY Drinks NY)

Weaknesses:

1. National Recognition of the quality of the diverse wines of NYS
2. Board Communication with the Rest of the Industry (Foundation Engagement and Regional Presence)
3. Dated Logo and Catch Phrase/Lack of Innovation in Print and Online Marketing
4. Alliance with Tourism Industries
5. Inclusive and Transparent Communication
Opportunities:

1. Membership Growth and Development
2. Contemporary and Coherent Branding (including Regional Branding)
3. Sustainable Sources of Revenue
4. Expansion of events to Upstate NY and surrounding regions
5. Access to Market Makers and Influencers
6. Market Research
7. Workforce development
8. Stewardship and Sustainability

Threats:

1. Labor Availability
2. Government Funding
3. Craft Beverages and Wine Market Saturation
4. Declining Juice Consumption due to health trends away from sugar
5. Trucking limitations – especially for grapes and bulk wine in our heaviest producing regions
6. Aging Grape Growers and need for succession planning
7. Continual increase in SLA and labor regulations
8. Consolidation in distribution (wholesale wine sales)
9. Increased expense and complexity for Direct-to-Consumer sales (ex: online sales)
10. Incompatible land uses (large industrial use vs pristine wine region and zoning regulations in some areas limiting winery related events)

Development of the Mission and Vision Statements of the New York Wine and Grape Foundation

The mission statement of an organization defines why the organization exists and sets forth the beliefs on which the organization is founded. A mission statement answers the following questions:

- What is the activity that we are engaged in?
- What is the scope of our organization?
- What is the essence of our organization?
- What is the direction in which the organization is growing?
All of the above must be framed by the legislation that brought the Foundation into existence. This section from the legislation captures the duties of the Foundation:

“§ 3. Purposes and powers. 1. The Foundation is authorized and directed to plan and provide for the implementation of programs to:
   (a) Engage in research into market development, new or improved methods of production, packaging, and processing of wine, grapes, and grape products; production of by-products of grape manufacturing processes and any other marketable products; improved methods of grape breeding, virus resistance and control of pests and disease; vineyard conversion; mechanization of brandy production; and overall improvement in the production and quality of wines, grapes and grape products,
   (b) Reduce agricultural unemployment and increase state and local revenues by developing methods and techniques to enhance the image and quality of New York wine and grape products so as to expand existing markets and develop new markets therefor,
   (c) Advertise and promote the sale of wine and other grape products in areas that will reach the greatest number of potential consumers,
   (d) Publish and distribute to producers, retailers and consumers information relating to the grape, wine and grape products industries,
   (e) Facilitate educational and promotional activities to enhance the image of New York wines and grape products through coordination, promotional and educational activities with other organizations,
   (f) Carry out in any other way the declared policy of this act to promote wine and other grape products and the grape industry of this state.”

A mission statement is the focal point for all the activities of the New York Wine and Grape Foundation. It brings the Foundation’s constituents together and requires them to come to a common agreement of the reason for the existence of the organization and the direction the organization will take. The writing of a mission statement enhances the teamwork necessary to make the organization successful. The mission statement indicates to those inside the organization as well as to customers and clients the reason for the existence of the organization. The mission statement helps to determine and clarify goals and objectives of the organization. It is also used in the selection of opportunities that may arise, and it can help provide stability during times of change. Finally, a clear mission statement is an absolute necessity for the organization to have proper leadership. The definition of leadership is the accomplishment of the mission without the destruction of the assets available to the leader. If a mission is not identified, effective leadership cannot be provided. Values and circumstances of the organization and its members’ goals are combined in a mission statement. The NYWGF Board of Directors developed a new mission statement, vision statement and objectives at its February 2018 meeting hosted by the strategic planning consultants.

The following is the new Mission Statement of the New York Wine and Grape Foundation:
“The Foundation will promote the world-class image of New York grapes and wines from our diverse regions to responsibly benefit farmers, producers and consumers through innovative marketing, research, communication, and advocacy.”

A vision statement is a caption of the organization’s essence, a message written in the present tense that describes what the New York Wine and Grape Foundation strives to be 5 or 10 years into the future. The Board crafted the following vision for the New York Wine and Grape Foundation:

“To be the world’s premier region for cool and cold climate viticulture.”

Setting Objectives and Goals

By grouping the strengths, weaknesses, opportunities and threats into common themes which could be addressed by a single objective, we were able to create the principal objectives of the organization for the coming 5 to 10 years. Objectives are general, observable, challenging and untimed directions for the Foundation.

The objectives need to be kept to a manageable number. Too many objectives will result in too many priorities to focus on. The group strived to establish at least four but no more than nine objectives, built from the SWOT analysis. Based on the diverse constituents that this organization serves, they developed the nine objectives which are listed below.

Below each objective are the goals (designated by letters) developed by staff for 2018. These goals were developed in a separate planning session in March 2018. The staff worked towards developing “SMART” goals which will help the Foundation meet the determined objectives as determined by the Board. “SMART” goals are Specific, Measurable, Attainable, Rewarding, and Timed.

**Objective 1: The Foundation will develop contemporary and coherent strategies that support the execution of effective statewide and regional branding.**

  a. By consumer polling and/or focus groups, identify brand recognition and favorability of current brand(s) to establish a baseline. With this information, identify specific funding strategy for revitalizing our brand.
  b. After determining umbrella brand and subordinate brands, develop a plan for their use in our external communications and audiences.
  c. Using the above, determine metrics for brand identification and success of brand penetration in FY 2020 goals.
Objective 2: We will become a member-driven organization which strives to improve the retention, engagement, development, growth and service to our constituents.
   a. Empower staff to engage constituents on a deep level and demonstrate responsiveness through suggestion or delivery of new or enhanced programs.
   b. Identify regional leaders who will be ambassadors (at least 3 per region) for the Foundation and provide constructive guidance for activities in each region to drive membership growth.
   c. Develop one common database (CRM) for staff use.
   d. All Staff to provide input to keep database updated as to prospect and prospect type.
   e. Utilize the database to further market to prospect and member base.
   f. Develop a “Proud Member of NYWGF” sticker or e-sticker

Objective 3: We will develop a secure sustainable funding model based upon member support, service delivery and strategic partnerships.
   a. Increase Business Associate memberships by ______# or by $______. in 2018-19 FY
   b. Grow and maintain Memberships to ______% of constituents.
   c. Detail and recalibrate the member benefits for each category (Member, Associate, Consumer, and Professional)
   d. Seek out related service programs which add value to constituents and that can be delivered in a revenue positive manner.
   e. Demonstrate to New York State Legislature and Executive Branch that we are fulfilling the legislative mission of the organization as reflected by constituent support (match) and innovative engagement.

Objective 4: We will advance the image of NY grape and wine products through engagement with market makers, influencers and consumers.
   a. Identify 2 top strategies to connect to the consumer segment.
   b. Plan our activities through the lens of how will this impact these various target groups.
   c. Expand NY Drinks NY type event success into one other region (through research and constituents’ ideas).
   d. Present this to other funding sources. (GVRMA)
   e. Position the Foundation to be helpful in executing the outcomes of the concord summit.
   f. Refresh our export strategy and grow the participants in the program. Adopt measurement tools to show benefits from those participating. (Ties to USDA reporting)
g. Revamp the promotion of the Wine and Food Classic, through better reporting of results, and measure growth in participation (by X%). Capture: quotes from winners, from consumers, key retailers, sell out stories, and can we get other sub-category winners as well to sell out as well.

h. Build a marketing tool kit for participants in Classic (example tweets, and FB posts and assist the winners in that arena).

**Objective 5:** We will continue to be the standard-bearer of the farm based beverage movement through the development of alliances and partnerships in order to improve the policy and regulatory climate.

   a. Executive Director to offer quarterly meetings with leadership of other craft beverage organizations, liquor store organization and restaurant association, develop and manage a regular agenda which results in growing opportunity for all organizations.

**Objective 6:** We will help facilitate efforts of regional organizations to develop and achieve their objectives.

   a. Develop a list of key regional partners. Use existing lists.
   b. Clarify the alliance connections and structures.
   c. One staff member to attend each meeting for each regional organization.
   d. Develop cross membership strategy between regional wine trails and other groups, and the Foundation.

**Objective 7:** We will lead the development and funding of viticulture, enology and marketing research programs that will attract public and private resources.

   a. We will develop an RFP strategy for gathering research priorities from our constituents.
   b. We will report the research findings we have funded across marketing channels including our annual meetings, industry meetings, website, etc.

**Objective 8:** We will develop and execute a communication strategy that addresses the specific needs of our constituent groups.

   a. Our website is our front door. Evaluate the website performance and its effectiveness in converting browsers to engaged consumers.
   b. Evaluate whether segmentation is appropriate for our communication strategy (including our website).
   c. Evaluate alternative communication strategies (Ex: podcasts, Facebook live, etc.), execute at least one new alternative communication strategy this FY.
   d. Develop metrics to evaluate the effectiveness of our communication tools (Set a numeric goal for followers, hits, etc.?)
e. Consider hiring a person that is focused on this strategy.
f. Develop “tool kits” for regional participants.

**Objective 9: We will advocate for responsible environmental, agricultural and social practices that ensure the long term viability of the New York grape and wine industries.**

a. We will obtain legal assistance/guidance to share with wine trails on how they can limit liability at their events. Deal with the potential liability of a drunk driver incident. Risk management strategies for winery and wine trail events and festival preparation.
b. We need a subtle shift in messaging on the profitability and sustainability of the industry (Profitable expansion of the industry vs numbers of wineries).
c. Revive the Vine Balance concept in partnership with the New York State Wine Grape Growers and the Long Island Sustainable Winegrowing program.
d. Implement a grant to develop a state wide certification system.

Continued expansion of the TIPS training program

**Action Plans**

Every goal must have action plans that explain how that goal will be accomplished. Action plans (or tactics) are precise and individually itemized plans for action. They describe exactly Who, What, When, Where and How activities will take place in order to accomplish a goal. To ensure action plans are achieving the desired results, control mechanisms need to be in place to monitor progress. The management function of controlling is measuring and reporting actual performance at prescribed intervals comparing that performance to set standards, and taking appropriate corrective action when events are not contributing to the success of the goal. Control mechanisms may involve holding regular (weekly or monthly) management and/or staff meetings to communicate progress on various action plans. The key to successful action plans is proper monitoring and comparison to predetermined measurable standards with proper corrective action when necessary. Action plans were not a part of the engagement with Farm Credit East, but remain an important part of NYWGF staff’s ability to execute this plan.

**Summary:**

The Strategic Planning effort resulted in wide spread communication from all regions and all types of stakeholders in the grape and wine industry in New York State. The SWOT analysis was robust in finding areas of strength that should be continued as well as areas for immediate improvement and areas for consideration in the long term. Many opportunities were discussed through this effort, the direction of the Board in establishing nine concrete
objectives as priorities for the organization will focus staff on what is important for the Foundation. The mission and vision statement that NYWGF adopted will assist the Foundation for many years to come in guiding these decisions. The planning team at Farm Credit East stands ready to assist Foundation staff in the development of action plans for each of the goals established, and in producing staff performance metrics to help measure progress towards meeting these goals. There are several other potential areas of collaboration between the New York Wine and Grape Foundation and Farm Credit East. For example, Farm Credit East’s work with wine trails in New York State results in the development and dissemination of valuable market data to participants. An area of concern expressed by constituents during the strategic planning process is the need for access to more robust market data for wineries in New York State. This concern was highlighted in objective 6, and could be addressed collaboratively through a strategic partnership with Farm Credit East. Our consulting team could provide market analysis of current conditions, and focused benchmarking of effective marketing strategies and enhanced market opportunities for use by participating wineries, and funded cooperatively by the Foundation and the wineries who are part of the program. Other areas of collaboration to consider going forward, include: the Winery Benchmark Program, Export Promotion and Evaluation, focused industry educational programs coordinated by the Knowledge Exchange group within Farm Credit East, and other industry promotional efforts.

Appendix

- List of current Board of Directors NYWGF
- Survey results – merging the “live” polling and the online survey, these pages graphically represent the data collected via in person Meeting Polls and the Web Survey sent out. The rankings questions assign point values to determine rank – therefore the numbers represented are not individual responses but rather the total values determined through rank values assigned.
- Letter from the Fingerlakes Wine Alliance
- Copy of Powerpoint presented at each regional meeting
- Copy of Powerpoint used at the Board Meeting (Summary)
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<th>Director</th>
<th>Office</th>
<th>Term</th>
<th>Sector</th>
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<td>Kim Wagner</td>
<td>Chairman</td>
<td>6 / 2018</td>
<td>At large</td>
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<tr>
<td>John Martini</td>
<td>Treasurer</td>
<td>6 / 2019</td>
<td>At large</td>
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<td>Rick Sampson</td>
<td>Secretary</td>
<td>6 / 2018</td>
<td>Restaurant Industry</td>
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<td>Immediate Past Chair</td>
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</tr>
<tr>
<td>Linda Purdy</td>
<td></td>
<td>6 / 2018</td>
<td>Grape Juice Grower</td>
</tr>
<tr>
<td>Max Rohn</td>
<td></td>
<td>6 / 2020</td>
<td>Retailer</td>
</tr>
<tr>
<td>Rob Smith</td>
<td>National Grape Cooperative</td>
<td>6 / 2019</td>
<td>Grape Juice Processor</td>
</tr>
<tr>
<td>Julie Suarez</td>
<td></td>
<td>6 / 2019</td>
<td>Advertising / PR</td>
</tr>
<tr>
<td>Oscar Vizcarra</td>
<td></td>
<td>6 / 2018</td>
<td>Table Grape Grower</td>
</tr>
</tbody>
</table>
Describe your business / involvement in the grape industry

- Juice Grape Grower: 15 (Meeting Polls), 2 (Web Survey)
- Wine Grape Grower: 20 (Meeting Polls), 9 (Web Survey)
- Table Grape Grower: 2 (Meeting Polls), 2 (Web Survey)
- Estate Winery: 35 (Meeting Polls), 27 (Web Survey)
- Winery: 60 (Meeting Polls), 42 (Web Survey)
- Professional: 18 (Meeting Polls), 2 (Web Survey)
- Government: 4 (Meeting Polls), 0 (Web Survey)
- Other: 2 (Meeting Polls), 4 (Web Survey)
What is the greatest concern for the grape business in NYS?

- Disease/IPM: 9 (Meeting Polls) 9 (Web Survey)
- Labor: 29 (Meeting Polls) 23 (Web Survey)
- Markets: 69 (Meeting Polls)
- Price: 18 (Meeting Polls) 8 (Web Survey)
- Quality: 20 (Meeting Polls) 12 (Web Survey)
- New Varieties: 2 (Meeting Polls) 0 (Web Survey)
- Yields: 5 (Meeting Polls) 2 (Web Survey)
What is the largest impact NYWGF has had on your business in the past 7 years?

- NYS wine image: 64 (Meeting Polls), 27 (Web Survey)
- Maintain/Expand Markets: 13 (Meeting Polls), 15 (Web Survey)
- Research: 41 (Meeting Polls), 16 (Web Survey)
- Legislative/Public Policy: 29 (Meeting Polls), 20 (Web Survey)
- Other: 3 (Meeting Polls), 10 (Web Survey)
What is your opinion of the current representation on the NYWGF board?

- **Meeting Polls**
  - Good: 50
  - Fair: 53
  - No Opinion: 34

- **Web Survey**
  - Good: 37
  - Fair: 29
  - Poor: 6
  - No Opinion: 15
What is your opinion of the actions of the current Board of Directors?

- **Effective**: Meeting Polls: 23, Web Survey: 23
- **Somewhat Effective**: Meeting Polls: 66, Web Survey: 33
- **Ineffective**: Meeting Polls: 8, Web Survey: 10
- **No Opinion**: Meeting Polls: 53, Web Survey: 21
Rank these NYWGF Activities, most to least valuable

<table>
<thead>
<tr>
<th>Activity</th>
<th>Meeting Poll</th>
<th>Web Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research/Education</td>
<td>264</td>
<td>115</td>
</tr>
<tr>
<td>Marketing/Promotion</td>
<td>349</td>
<td>204</td>
</tr>
<tr>
<td>Communication &amp; Networking</td>
<td>158</td>
<td>84</td>
</tr>
<tr>
<td>Regional Programming</td>
<td>143</td>
<td>65</td>
</tr>
</tbody>
</table>
Rank the following marketing initiatives of NYWGF

- Wine competition program
- Getting NY Wines in the Press
- Wine Trail Program
- Events
- Export Program (MAP)
- Supporting Research

Meeting Poll  Web Survey
Rank the following events held by NYWGF for marketing impact

- NY Farm Day
- NY Wine & Food Classic
- NY drinks NY (NYC)

Survey results:
- NY Farm Day: 1207 Meeting Polls, 691 Web Survey
- NY Wine & Food Classic: 1310 Meeting Polls, 743 Web Survey
- NY drinks NY (NYC): 1312 Meeting Polls, 720 Web Survey
NYWGF's focus on wine activities in its promotions efforts are:

- **Balanced**: 33 Meeting Polls, 25 Web Survey
- **Focused on too many varieties**: 25 Meeting Polls, 12 Web Survey
- **Focused on too few varieties**: 70 Meeting Polls, 18 Web Survey
- **No Opinion**: 24 Meeting Polls, 30 Web Survey
Rank current viticultural research supported by NYWGF funds:

- Yield & fruit quality: Meeting Poll 223, Web Survey 135
- IPM: Meeting Poll 161, Web Survey 153
- Cold weather injury: Meeting Poll 153, Web Survey 82
- Economic return: Meeting Poll 162, Web Survey 86
- Evaluate clones: Meeting Poll 52, Web Survey 30
- New varieties: Meeting Poll 66, Web Survey 34
Rank current enology research categories supported by NYWGF:

- Fruit Quality: Meeting Polls = 1317, Web Survey = 757
- Wine Analysis: Meeting Polls = 1289, Web Survey = 701
- Chemistry / Technique: Meeting Polls = 1238, Web Survey = 695
Research currently supported by NYWGF is:

- **Balanced**: 57 (Meeting Polls), 40 (Web Survey)
- **Too much viticulture**: 8, 4 (Meeting Polls), 6, 3 (Web Survey)
- **Too much enology**: 38 (Meeting Polls), 18 (Web Survey)
- **Regional imbalance**: 40, 21 (Meeting Polls), 40, 21 (Web Survey)
- **No opinion**
Communication for the past 12 months from NYWGF has been:

- Very good: 42 (Meeting Polls), 27 (Web Survey)
- Good: 57 (Meeting Polls), 36 (Web Survey)
- Okay: 33 (Meeting Polls), 17 (Web Survey)
- Not good: 5 (Meeting Polls), 0 (Web Survey)
- No opinion: 14 (Meeting Polls), 2 (Web Survey)
Did you review the Annual Report for the period 4/1/16 to 3/31/17 (on our website)?

- Yes: 12, 20
- No, but had access: 30, 43
- No, could not find it: 109, 22

Legend: Meeting Polls, Web Survey
Has NYWGF been transparent about its activities and financial information the past 3 years?

- Yes: 15 (Meeting Polls), 27 (Web Survey)
- No: 36 (Meeting Polls), 16 (Web Survey)
- Good, but needs improvement: 53 (Meeting Polls), 18 (Web Survey)
- No opinion: 46 (Meeting Polls), 25 (Web Survey)

Legend:
- Meeting Polls
- Web Survey
How well is NYWGF achieving its mission?

- **Meeting Polls**
  - Very well: 4
  - Well: 51
  - Okay: 68
  - Not good: 18
  - No opinion: 11

- **Web Survey**
  - Very well: 11
  - Well: 32
  - Okay: 28
  - Not good: 9
  - No opinion: 6
Is your company / organization currently a dues-paying member of NYWGF?

- **Yes**: 77
  - Meeting Polls: 56
  - Web Survey: 30
- **No**: 37
  - Meeting Polls: 30
  - Web Survey: 30

Legend:
- **Meeting Polls**
- **Web Survey**
If you answered YES, which of the following factors most influenced your decision?

- Meeting Polls
- Web Survey

- Want to raise NYS wine image: 23 (Meeting Polls), 25 (Web Survey)
- Research, data, reports: 5 (Meeting Polls), 22 (Web Survey)
- Events / networking: 1 (Meeting Polls), 10 (Web Survey)
- Newsletter: 0 (Meeting Polls), 11 (Web Survey)
- Marketing resources: 5 (Meeting Polls), 11 (Web Survey)
- All of the above: 41 (Meeting Polls), 35 (Web Survey)
- Other: 6 (Meeting Polls), 5 (Web Survey)
If you are NOT a member, what was the biggest factor?

- Dues too expensive: Meeting Polls 10, Web Survey 11
- Benefits not valuable: Meeting Polls 2, Web Survey 3
- Benefits not clear: Meeting Polls 13, Web Survey 5
- Unaware of how to join: Meeting Polls 5, Web Survey 1
- None of the above: Meeting Polls 10, Web Survey 9

Legend:
- Meeting Polls
- Web Survey
February 19, 2018

Sam Filler
New York Wine & Grape Foundation
800 South Main Street, Suite 200
Canandaigua, NY 14424

Dear Sam,

I am writing on behalf of the Board of Directors of the Finger Lakes Wine Alliance (FLWA). We would like to contribute our perspective to the current Strategic Planning efforts of the New York Wine and Grape Foundation.

WHO WE ARE

The Finger Lakes Wine Alliance was founded in 2004 and today represents 37 winery and vineyard owners in the Finger Lakes. Many FLWA members are also members of the New York Wine and Grape Foundation. As an organization made up of winery owners, the FLWA would like to reach out to you and your team as the NYWGf formulates its Strategic Plan. (For more information on the FLWA and its members, please refer to the attached materials, or visit www.fingerlakeswinealliance.com.)

OUR MISSION: TRADE AND MEDIA “INFLUENCERS”

Unlike the Wine Trails—whose mission is focused on the wine consumer—the FLWA focuses its efforts on Trade and Media. The “Trade” includes on-premise and off-premise purchasers of wine for sale in retail wine shops or restaurants; and “Media” includes reporters and editors who review wines and cover the wine industry for publications such as Wine Spectator and Wine Enthusiast.

Members of the Trade and Media are considered “influencers” who might have a much broader impact than any individual consumer on the perception of Finger Lakes Wines. The goal of the FLWA is to identify key influencers and develop a relationship that fosters the understanding of Finger Lakes wines.

POSITIVE EXISTING ALIGNMENT WITH THE NYWGf

Many programs sponsored by the NYWGf are in sync with the goals of the FLWA. For instance, the Harvest House program is exactly the kind of program that aligns with the goals of the FLWA. Additionally, the New York Drinks New York program held in NYC that brings wine industry professionals together to taste wines from New York also is very much aligned with the goals of the FLWA.
The Board of the FLWA believes that its efforts (and those of the NYWGF) have been quite successful in raising the profile of the wines of New York within the NYC Metro area. The Board feels that it is now time to expand the programs that focus on Trade and Media and extend them beyond the borders of New York State.

CRAFT BEVERAGE SATURATION WITHIN THE STATE OF NEW YORK

One development affecting wine producers in the Finger Lakes is the rapid growth of producers of alternative craft beverages. As the number of wineries, breweries, cideries and distilleries increase, the consumer audience within the New York State fragments further. This fragmentation of the consumer market in New York is one of the many reasons wine producers in the Finger Lakes are seeking to expand distribution outside of New York. To accelerate that expansion, the FLWA members require promotional support to reach influencers outside our immediate area.

GROWTH OF FINGER LAKES WINES OUTSIDE OF NEW YORK STATE

Over the last several years, the wines and other craft beverages produced in New York have shown that they can grow their market outside of New York State. There are an increasing number of wine producers with distribution in the Northeast and mid-Atlantic regions of the US. A handful of producers have extended their reach beyond the eastern portion of the US and are now distributed nationally.

The Board believes that its members could grow their businesses more rapidly outside New York State with additional promotional support. The wine producers already distributing their products outside of New York have demonstrated that a market exists. Many of the wines produced here possess the quality and price that enables them to compete successfully against global competition.

A recent survey of FLWA members illustrated that ten or more members distribute their wines outside of New York. The highest concentration of out-of-state distribution is in the states contiguous to New York, including MA, PA, NJ, CT, OH. The number of wineries distributing outside of New York continues to grow.

RECOMMENDATION: SCALE-UP PROMOTION OF OUR WINES OUTSIDE OF NEW YORK

In light of these generally positive developments, we are urging the NYWGF to include among its initiatives promotional activities in the states contiguous to New York. We believe that the programs that focused on Trade and Media personnel in New York City (such as Harvest House and the NY Drinks NY event) could target some new metropolitan areas. These include Philadelphia, Pittsburgh, Cleveland, Boston and the Washington, DC/Northern VA area.

There are direct benefits to the individual wineries who are likely to sell more wine in these regions. There is even greater benefit to the economy of the Finger Lakes (and New York) when more visitors come to the region. Consumers who become familiar with Finger Lakes wines outside of New York are more likely to become visitors to the region to learn more and experience the wineries in person.
Needless to say, all businesses that benefit from tourism spending will benefit from the promotional support of Finger Lakes wine outside the region.

CONCLUSION

In conclusion, the NYWGF and the FLWA have shared a common goal to reach Trade and Media influencers in the NYC Metro market. We believe the programs that the NYWGF has sponsored have been effective. The NYWGF could extend these program to new geographies without making any substantial changes. The formula works, and we would like to see it continue to expand.

Sincerely,

Eric Frarey, Board Chair
Finger Lakes Wine Alliance

CC:
Nathan Rudgers
Gregg McConnell
Dana Alexander
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Kim Wagner
Gerry Barnhart
Smith, Robert
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Finger Lakes Wine Alliance
500 Technology Farm Drive, Geneva, NY 14456 | (315) 791-3259
www.FingerLakesWineAlliance.com
History of Region

Established in October of 1982, the Finger Lakes AVA (American Viticultural Area) is the largest wine-growing region in New York State with approximately 11,000 acres of labrusca (native), French-American and vinifera (European) grapes and just over 130 wineries.

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Quick Facts

- Established October 1, 1982
- Trace and media focused
- 130 wineries
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- 900 acres of Riesling
- 220,000 cases of Riesling
- Small, specific producers whose wine reflects place and personality
- Strong, regional aromatic whites with a focus on Riesling
- The average producer makes 2-3 styles of Riesling wine a year
- The Finger Lakes is home to over 200 Riesling brands

Scope of Work

The FLWA coordinates quarterly wine submissions to major wine publications, Wine Enthusiast, Wine Spectator and Wine & Spirit's Magazines which has offered regional and individual winery recognition. Every September, the FLWA hosts a focused marketing effort with trade and media across NY State and NYC Metro highlighting Finger Lakes Rieslings. Our annual Finger Lakes Riesling Camp held in April immerses 15 trade and media into Riesling and the Finger Lakes region. They leave as ambassadors of the region and enthusiasts of our esteemed varietal. Throughout the year, the FLWA collaborates with other organizations to spread awareness of the region (American Wine Society, Society of Wine Educators, and other media and trade collectives).
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New York Wine & Grape Foundation

2018 Strategic Planning Session

Process

• Regional Meetings: Facilitate SWOT analysis and discussion with stakeholders
• Assess current status and future opportunities
• Determine elements of mission and vision
• Provide constituent feedback and ideas to the NYWGF Board
• Planning Session with NYWGF Board
• Written report and recommendations
What’s in a Strategic Plan

- **Mission Statement** – A sentence describing your organization’s function, markets and competitive advantages, it captures the organization’s goals and philosophies. “We are” or “We Will” Statement of today. How we will get there.

- **Vision Statement** – An organization’s declaration of its mid-term and long term goals. “To be”, or “to provide” Statement of the future. Where we want to go.

- **Objectives (Priorities)** – a series of 6 to 8 succinct statements of action that carry out the mission statement

- **Goals** – Specific, Measurable, Attainable, Relevant and Timely actions that guide the Staff in their daily activities, 2-3 per objective. Developed with staff.

SWOT Analysis

- **Strengths** – core competencies, existing quality services and existing leadership

- **Weaknesses** – items that could be improved upon or added to their services

- **Opportunities** – areas of impact that are external to NYWGF that could be capitalized upon

- **Threats** – areas of risk that NYWGF has little to no control over, but will impact their mission
Strengths

What does NYWGF do well?

Weaknesses

What does NYWGF do poorly or not at all?
Opportunities

• For NYWGF
• For constituents

Threats

• For NYWGF
• For constituents
Develop the Mission Statement

A sentence describing your organization’s function, markets and competitive advantages, it captures the organization’s goals and philosophies. “We are” or “We Will” Statement of today. How we will get there.

NYWGF Current Mission Statement

“To have the New York grape and wine industry recognized as a world leader in quality, productivity, and social responsibility.”
NYWGF Mission Statement

The Foundation will promote the world-class image of New York grapes and wines from our diverse regions to responsibly benefit farmers, producers and consumers through innovative marketing, research, communication, and advocacy.

Develop the Vision Statement

• An organization’s declaration of its mid-term and long term goals. “To be”, or “to provide” Statement of the future. Where we want to go.
NYWGF Vision Statement

To be the world's premier region for cool and cold climate viticulture.

Objectives:

- Priority Actions for the Organization
- The building blocks that define achievement of our mission
- Staff will develop 2 or 3 goals for EACH objective
Development of NYWGF Objectives

Priority Actions for the Organization

NYWGF Objectives Continued

1. The foundation will develop contemporary and coherent strategies that support the execution of effective statewide and regional branding.

2. We will become a member-driven organization which strives to improve the retention, engagement, development, growth and service to our constituents. This will lead to a secure sustainable funding model.
NYWGF Objectives Continued

3. We will advance the image of NY grape and wine products through engagement with market makers, influencers and consumers.

4. We will continue to be the standard-bearer of the farm based beverage movement through the development of alliances and partnerships in order to improve the policy and regulatory climate.

5. We will help facilitate efforts of regional organizations to develop and achieve their objectives.

6. We will lead the development and funding of viticulture, enology and marketing research programs that will attract public and private resources.

7. We will develop and execute a communication strategy that addresses the specific needs of our constituent groups.
NYWGF Objectives Continued

8. We will advocate for responsible environmental, agricultural and social practices that ensure the long term viability of the New York grape and wine industries.

Strategic Plan Next Steps

Complete interviews with key stakeholders
Complete interviews with Staff
Development of Goals with Executive Director
Presentation of Draft Final Plan for Board Review
Finalization of Plan
Thank You!

[Logos: WINE & GRAPE FOUNDATION and FARM CREDIT EAST]
New York Wine & Grape Foundation

2018 Strategic Planning Session

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# Locations & Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Region</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/24/2018</td>
<td>Chautauqua</td>
<td>CLEREL 6392 West Main Rd. Portland, NY 14769</td>
</tr>
<tr>
<td>2/2/2018</td>
<td>Finger Lakes</td>
<td>NYSAES Jordan Hall 620 West North Street Geneva, NY 14456</td>
</tr>
<tr>
<td>2/6/2018</td>
<td>Niagara</td>
<td>Cornell Coop-Est 4487 Lake Ave. Lockport, NY 14094</td>
</tr>
<tr>
<td>2/14/2018</td>
<td>St. Lawrence/Tug Hill</td>
<td>Farm Credit East, ACA 25417 Route 12 Watertown, NY 13601</td>
</tr>
<tr>
<td>2/15/2018</td>
<td>Champlain/Saratoga</td>
<td>Farm Credit East, ACA 394 Route 29 Greenwich, NY 12834</td>
</tr>
<tr>
<td>2/20/2018</td>
<td>Long Island</td>
<td>Macari Mattituck Tasting Room 150 Bergen Ave. Mattituck, NY 11952</td>
</tr>
<tr>
<td>2/20/2018</td>
<td>Long Island</td>
<td>Cornell Coop Est. 423 North Griffing Ave #100 Riverhead, NY 11901</td>
</tr>
<tr>
<td>2/22/2018</td>
<td>Upper Mid-Hudson</td>
<td>Hudson Valley Lab 25371 US Highway YW Highland, NY 12328</td>
</tr>
<tr>
<td>2/22/2018</td>
<td>Lower Mid-Hudson</td>
<td>Farm Credit East, ACA 669 E. Main St. Middletown, NY 10940</td>
</tr>
</tbody>
</table>

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A word from your Director!
NYWGF Legislative “Charter”

- 1985 - State Law – represent all sectors of grape industry with centralized coordination of promotion and research
- References Economic Impact
- Board as determined by Statute: 11 directors from diverse participants in the state’s grape industry
- Board meetings: conducted in a manner to ensure active participation
- Funding: Limits from NYS Ag & Markets
- Annual Report to Governor & Legislature

Who are NYWGF Constituents?

- What are their values?
- What are their needs?
- How do they differ?
SWOT Analysis

- **Strengths** – core competencies, existing quality services and existing leadership
- **Weaknesses** – items that could be improved upon or added to their services
- **Opportunities** – areas of impact that are external to NYWGF that could be capitalized upon
- **Threats** – areas of risk that NYWGF has little to no control over, but will impact their mission

Survey Says!

We are going to take a live survey! Please get your polling devices ready.
Channel = 41

To turn the clicker on:
Click ENTER

To enter a response:
1) Click the letter key that corresponds to your choice
2) Then click ENTER

Do you like the weather we have been having the past 4 weeks?

A. True
B. False

![Bar Chart]

- True: 38%
- False: 62%
Describe your business/involvement in the grape industry?

A. Juice Grape Grower
B. Wine Grape Grower
C. Table Grape Grower
D. Estate Winery
E. Winery
F. Professional
G. Government
H. Other

What is the greatest concern for the grape business in NYS?

A. Disease & IPM
B. Labor
C. Markets
D. Price
E. Quality
F. New Varieties
G. Yields
What is the largest impact NYWGF has had on your business in the past 7 years?

A. NYS Wine Image  
B. Maintain/Expand Markets  
C. Research  
D. Legislative/public policy impact  
E. Other

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<thead>
<tr>
<th>Director</th>
<th>Office</th>
<th>Term</th>
<th>Sector</th>
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<tbody>
<tr>
<td>Kim Wagner</td>
<td>Chairman</td>
<td>6 / 2018</td>
<td>At large</td>
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<tr>
<td>John Martini</td>
<td>Treasurer</td>
<td>6 / 2019</td>
<td>At large</td>
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<tr>
<td>Rick Sampson</td>
<td>Secretary</td>
<td>6 / 2018</td>
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<td>Harold Smith</td>
<td>Immediate Past Chair</td>
<td>6 / 2020</td>
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<td>Gerry Barnhart</td>
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<td>Mike Colizzi</td>
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<td>Kevin Faehndrich</td>
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<td>Wholesaler/Distributor</td>
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<td>Stefan Fleming</td>
<td>Empire State Development</td>
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<td>Russell Hearn</td>
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<td>Jan Nyrop</td>
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<td>Linda Purdy</td>
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<td>Max Rohn</td>
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<td>Rob Smith</td>
<td>National Grape Cooperative</td>
<td>6 / 2019</td>
<td>Grape Juice Processor</td>
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<td>Julie Suarez</td>
<td></td>
<td>6 / 2019</td>
<td>Advertising / PR</td>
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<tr>
<td>Oscar Vizcarra</td>
<td></td>
<td>6 / 2018</td>
<td>Table Grape Grower</td>
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</table>
What is your opinion of the current representation (within legislative context) on the NYWGF board?

A. Good
B. Fair
C. Poor
D. No Opinion

What is your opinion of the actions of the current Board of Directors?

A. Effective
B. Somewhat effective
C. Ineffective
D. No Opinion
Current Activities

- Research & Education
- Marketing & Promotional Programs
- Newsletters & Publications
- Regional Wine Trail Programs

Rank these NYWGF activities (Most valuable to least valuable):

A. Research/Education
B. Marketing/Promotion
C. Communication & Networking
D. Regional Programming
Rank the following marketing initiatives of NYWGF:

A. Wine competition Program
B. Getting NY Wines in the Press
C. Wine Trail Program
D. Events
E. Export Program (MAP)
F. Supporting Research

Rank the following events held by NYWGF for marketing impact:

A. New York Farm Day
B. NY Wine & Food Classic
C. NY drinks NY (NYC)
NYWGF’s focus on wine varieties in its promotions efforts are:

A. Balanced
B. Focused on too many varieties
C. Focused on too few varieties
D. No Opinion

NYWGF Viticultural Research

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Study Pertaining to:</th>
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<tbody>
<tr>
<td>Bates</td>
<td>A System Approach to Concord Productivity and Fruit Quality in the Lake Erie Production Region</td>
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<tr>
<td>Weigle</td>
<td>Increasing the Reliability and Scope of NEWA Weather and Pest Model Information in the Lake Erie Region</td>
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<tr>
<td>Martinson</td>
<td>Bud Hardiness and Winter Injury Assessment, 2017-2018</td>
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<td>Timmer</td>
<td>Residual Decline and Efficacy of Commonly Used Insecticides Against Grape Berry Moth Paralobesia viteana (Clemens) in Concord Grapes</td>
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<tr>
<td>Martinson</td>
<td>Continuing Verasion to Harvest Newsletter and Fruit Sampling in 2017</td>
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<td>Timmer</td>
<td>Effectiveness, Feasibility, and Profitability of Optimizing Insecticide and Fungicide Spray Programs in High Pressure Vineyards</td>
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<td>Bech</td>
<td>Breeding and evaluation of new wine grape varieties with improved cold tolerance and disease resistance</td>
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<td>Hed</td>
<td>Efficacy of alternative fungicides for grape disease managment</td>
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<tr>
<td>Timmer</td>
<td>Improving Management Protocols of The Grape Berry Moth Paralobesia viteana, by Characterization of Developmental Synchrony</td>
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<tr>
<td>Wise</td>
<td>Gauging vine water status to improve fruit quality</td>
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<tr>
<td>Wise</td>
<td>Evaluation of wine grape cultivars and clones on Long Island</td>
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<tr>
<td>Olsen-Harbich</td>
<td>Cutting edge viticultural practices in applied physiology and vine cultivation techniques</td>
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Sub-Total - Viticulture Projects
NYWGF Enology Research

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<th>Enology</th>
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<th>Crown Gall requested by Dyson</th>
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<tr>
<td>Amtech</td>
<td>Cabernet Franc Clone and Rootstock Selection Suitable for Hudson Valley AVA and Viticultural Techniques for Superior Fruit Quality</td>
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<tr>
<td>Gerling</td>
<td>Wine Analytical Laboratory and the New York Wine Data Bank</td>
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<tr>
<td>Handfield</td>
<td>Understanding stable pigment formation in cool-climate and hybrid red wines</td>
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<tr>
<td>Sacks</td>
<td>Development of rapid approaches for quantifying key flavor compounds and their precursors in grapes</td>
<td></td>
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<tr>
<td>Sacks</td>
<td>New approaches to copper fining to avoid re-forming sulfur-like off-aromas during bottle storage</td>
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</table>

Sub-Total - Enology

| Wine & Health | Ellison | Surveillance and Appraisal of the Scientific Literature on Wine, Alcohol, & Health |

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Rank current viticultural research supported by NYWGF funds:

A. Yield & Fruit Quality
B. IPM (Int Pest Mgmt)
C. Cold weather injury
D. Economic return
E. Evaluate clones
F. New Varieties

```
Percentage
Yield & Fruit Quality: 8%
IPM (Int Pest Mgmt): 14%
Cold Weather Injury: 12%
Economic Return: 19%
Evaluate Clones: 26%
New Varieties: 21%
```
Rank current enology research categories supported by NYWGF:

A. Fruit Quality 35%
B. Wine Analysis 33%
C. Chemistry/Technique 32%

Research currently supported by NYWGF is:

A. Balanced 35%
B. Too much viticulture 8%
C. Too much enology 0%
D. Regional imbalance 4%
E. No Opinion 54%
Communication for the past 12 months from NYWGF has been:

A. Very good
B. Good
C. Okay
D. Not good
E. No Opinion

Did you review the Annual Report for the period 4/1/16 to 3/31/17 (on our website)?

A. Yes
B. No, but had access
C. No, didn’t know it was there
Has NYWGF been transparent about its activities and financial information the past 3 years?

A. Yes
B. No
C. Good, but needs improvement
D. No Opinion

NYWGF Mission Statement

“To have the New York grape and wine industry recognized as a world leader in quality, productivity, and social responsibility.”
How well is NYWGF achieving its mission?

A. Very Well
B. Well
C. Okay
D. Not Good
E. No Opinion

Strengths

*What does NYWGF do well?*
Weaknesses

What does NYWGF do poorly or not at all?

Opportunities

• For NYWGF
• For constituents
Threats

• *For NYWGF*

• *For constituents*

---

Is your company/organization currently a dues paying member of NYWGF?

A. Yes
B. No

- Yes: 61%
- No: 39%
If you answered YES, which of the following factors most influenced that decision?

A. Want to Raise NYS Wine Image
B. Research, Data, Reports
C. Events/Networking
D. Newsletter
E. Marketing Resources
F. All of the Above
G. Other

If you are NOT a member, what was the biggest factor?

A. Dues too expensive
B. Benefits not valuable
C. Benefits not clear
D. Unaware of how to join
E. None of the above
If you are NOT a member, Rank the following in order of “Most Likely” to motivate you to join!

A. Take part in image building events
B. Access to Data/Research
C. Marketing Events
D. Newsletter
E. Don’t know

What one service or product would motivate you to be a member?

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<thead>
<tr>
<th>Rank</th>
<th>Responses</th>
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<td>1</td>
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<td>6</td>
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</table>
Top Priorities

What is the next thing NYWGF should do to improve their impact?

Strategic Plan

- Mission
- Vision
- Objectives/Goals
Thank You!

[Logos for WINE & GRAPE FOUNDATION and FARM CREDIT EAST]
NYWGF Stakeholder Meetings

Chautauqua Grape Growers 1/24/18

Strengths:
Keep up the news....like to hear about what’s going on in the industry. Ability to receive funds to match the current research, public image of NY Wine, putting Riesling on the map (premier Riesling destination), tapping into NYC (NY Drinks NY), research functions have been critical (like industry determining research needs/funding)

Weaknesses:
Not educating the public about vineyard practices... good stewardship of the land...IPM...using chemicals.
Regional branding is too narrow. FLX gets good press, but other regions seem to have less focus. Welches brand seems to last traction. The apple industry has a nice jingle. But we seem to be fractured in our branding. Nathan acknowledged that the AVAs naturally fracture. There’s not much promotion of juice. The NYWGF seems to not be much connected to the juice industry. Perhaps could present the message that NYS is local juice even to Boston. Nathan: who does the best job now??? Ocean Spray. That branding is working and has a long run. Nathan asked: How are we doing on research? What’s lacking? Allowed to spend 25 to 45% of their budget ....why are they only spending 30%?
Jay: I’m not sure that there are huge deficiencies in research...seems to be well balanced between juice and wine grape growers. The only advantage over Washington State, other areas of juice grapes....the only advantage we have is research...Cornell. Our cost of production is higher. I wish the whole industry would kick in money so we could get more matching funds.
Some cooperatives provide matching funds. Not everyone.
Branding: WGF has done a good job of improving the overall image through Riesling. BUT still the #1 wine grape is concord. It still is a cash flow wine. NYS is a supplier of concord and Niagara grapes for wineries outside of this state!! Sweet Labrusca wines are still a big seller and cash flow wine.
Promotions of wines: sparkling wines seem to be less promoted. There is growth in sparkling wines across the nation, but are we promoting enough?
The new varieties: hard to brand. Traminette for example. It has been just named the state wine grape of Georgia, and it was developed here. A new variety needs support and promotion. Someone else popped up with that the apple industry DOES a better job of promoting new varieties. It seems like consumers are NOT enthusiastic about concord wines in concept, they actually do drink them. You look at what they are drinking, and many popular wines have concord as a blending wine or major component.
NYS and Washington State were on equal footing 20 years ago. But not now. Used to be Concord and Niagara, but now it’s a big wine grape state. Concord is dying out there. Lots of laughter. BUT I don’t want it to die here!!
Nathan: NYWGF should be mirroring your industry direction. If you choose to continue to go that way, then you need to tell them. Is it a fight worth continuing? (Big nod from Gary ....Liberty Winery)
Having spent a year in Washington, they looked at the return per acre and they started pulling concord and planting wine grapes. It also had to do with
IN order to succession plan, you need to be able to increase income. Especially if you had one family and now will be two families. You can’t easily grow your concord sales with same acres. With more
women owners, and the need to go into wine making and retail sales in the driver of increased wine making.
We have these beautiful vineyards along the Thruway, but why don’t we have big signs on the road educating the public that this is the largest grape growing region east of the Rockies.
If you try to market this region as better than France (California story), then you may have to concede that FLX and Long Island will be featured. However, the Concord grape remains a popular grape.
There is a consumer that not considered typical.....NASCAR...sweet wine drinkers.....moscato, concord, and Niagara......most wineries won’t tell you that they keep the lights on with sweet wines. These are the same consumers that come to wine trail events.
What about wine in juice boxes?? Lot of laughter.
It appears that only 400 to 600 acres of NYS table grapes are sold in the state ??? They haven’t had a seat at the table in years.
Closing comment: Would like the foundation to redouble the efforts to include the grape growers of NYS. Feels like the purpose was clear but the name and past efforts have been winery focused.

Opportunities:
Nathan: the interesting thing about summits is that in 2 hours......the new direction will spring out of that. This opportunity should not be wasted. You need to have some direction....a plan.
Can we rebrand Concord?
We’ve been doing that for years. Blue haze, Dooby Blues, many named wines were thrown out.
What about a strategy like Meritage? Can we do a common name that brands the concord? The consumer likes it, but they have been told it’s not good wine.
Can we brag up that NYS juice is going to other regions to support their wine industries? As those markets grow, we grow....it’s a large user of concord. We are efficient growers. Perhaps the NYWGF can assist in that interstate promotion.
Is there an opportunity for NYWGF to set up an online clearing house for setting up connects between suppliers and buyers?
Can more research be done on the health benefits? Is there any opportunities to market fructose? (Wouldn’t be competitive). Can use for coloring of other drinks and foods.
Vinegars - can consume
This facility is well known in the world and other areas of the country.
How does everyone see the grape belt in the next 20 years? We have 30,000 acres of grapes. Will that still be mostly juice grapes?
Economics of wine grapes is much better (per acre). The scales of the wine grape are totally different than the juice grape. Thus, we are stuck with supporting concord/Niagara for now.
Need to bifurcate and find ways to add value for the diverse members.

Threats:
The national juice market has dropped 25% over the past X years. That’s what the juice market is facing. This is not
We are getting into the cycle of over production. We should be balancing our vines better. We are in a cycle of over producing and we are not balancing our yields. Pushing yields. This
If the research component is a defining role in our branding? Then it could be
How are we going to manage this industry without a succession plan? How can the next generation keep farming with land values continuing to go up?
Labor: pruning and harvest labor is a real pinch point. One grower said that he has reached the limit of what he can grow....no more acres. Has embraced mechanical pruning. Used to be done by Feb, and now by May....... Labor costs are higher. The thresholds on tax payment haven’t gone up. Thus, the labor rates go up even higher than just the wage rates.

Trucking: During harvest it’s a big issue. The contract pricing is the problem. Number of people on the farm has shrunk, those with CDLs are few. Farmers are going all the way to Cleveland to rent flat beds and other equipment.

We compete with the municipalities for CDLs and equipment operators. Can’t compete with wage rates and benefits.

Is the industry well positioned to use H2A workers? No....only a few due...most of those do year around activities.

Pest management:

We are going a good 10 years on the latest produces. Most new products are geared towards the wine industry....not broad spectrum....upwards of $20 to $30 per acre. New research and new products to battle disease resistance is needed.

Nathan: is genetic engineering a threat to this industry or a possible asset? Would be a great need of education if used......would people buy the products?

Nutrition research and branding warfare:

How did milk fat get popular again?

Things go in cycles
Some millennials are trying to go back to cooking from scratch.

Farm to table is a hot topic

Wrap up:
Sam asked what other types of communication will be valuable
Like more meetings like this
Attend a coffee pot meetings??
Not as much involvement by concord growers...not viewed as their organization

Rebranding.

Chautauqua Wine Grape Growers:

SWOT. What if the foundation was NOT there, how would it impact?

Strengths: Promoting wine tourism, creation of the NY Image around Riesling, advocating in Albany & on a federal level of the industry, PressDeck communication, support for the competitions for small farm owners, valuable for acquired matching funds

Weakness:
Virginia example noted: a portion of their excise taxes go back to their equivalent organization. Fundraising is an issue for NYWGF. Marketing Order – didn’t succeed despite the best efforts of NYWGF and others. 20% of the Labrusca grapes end up in wine, but often these aren’t marketed at all. Discussion about too many or too few varieties being promoted. Variety branding - should be from the ground up….better left up to the regions…as defined by the AVAs. NYWGF’s market research, possible investment opportunity. Allocating resources between regions. Staffing of NYWGF, lots of goals but not enough people, low rate of membership in NYWGF

Only 10% of NY wines produced are vinifera.
People talk dry and drink sweet. Others said
How much of WGF of research funds are directed to market research? Appears to be not much. In the past, has had trouble distributing its resources equitably. But it seems that, with the region of WNY producing 60 to 70% of the grapes produced in the state should get more attention than the far north (1000 island region).

Much talk about can we brand on the coat tails of Riesling. “We are Riesling and More” or “Riesling and so much more”, or “More than Riesling”

Would like to see more social media that is consumer facing rather than industry facing.

NYWGF does not have an agency of record. Most of the ad budget goes to the Wine trail program. Lack of funding for advertising. ....$1,000,000 budget. For comparison, the Erie PA puts $1.2MM of ad money in a 200 mile radius.

Not sure if NYC is the wisest use of our dollars. It’s a hard market

Why aren’t we targeting other areas that are easier to market?

Two viewpoints.....NY drinks NY: it touches people and it has impact. Others it just seems like an expensive party. It has 2 impacts it helps align the food and wine industry for one day with the power brokers.

Opportunities:
Regional identity, “Riesling and so much more”, expand to close states so that outside dollars are coming into NY, perhaps not most efficient use of money to market to NYC, opening up to new brands (not as brand loyal) – new generation, including craft beverages (cross-marketing) under NYWGF’s umbrella or craft beverage alliance (in controlled manner/systematic), educating consumers as they don’t know that this region even grows grapes, market research, evaluating how other segments are raising funds

Nathan: this process is about refining mission, vision, objectives and goals...it’s about change or the chance to change.

Millenial generation will define their own tastes...values...different brands than their parents

One of the controversial issues is the presence of beer and distilled products. Perhaps it’s the time to embrace the other craft beverages and become the umbrella organization over all these beverages

Seemed to be agreement about an alliance between organizations.
Market research
Drive membership
Low rate of membership in the NYWGF

Threats:
The presence of breweries and distilleries are considered a threat
Some argued with this and said that the breweries draw more tourists
FLX wineries are complaining more
Having coordinated efforts in some cases makes sense
Sam Filler: the brewers, distillers, each got $10,000 last year. They are increasing their lobby and they have a good case.
Nathan: what about locally grown. Is there any new ground to plow regarding this theme and connecting to the consumer?
Local is relative....My whiskey is considered local in NYC. Another winery noted that one brewery wasn’t considered local in Rochester. Local is about authenticity to the grapes are grown and wine produced on site.
From a wine trail perspective, changing laws pertaining to drinking and driving. Proposal is to lower it to 0.5%. Tasting in general and wine trail events could be threatened.

Labor: used to be all local labor, and now immigrant labor. Therefore, research on substituting capital for labor. Research on technology gains.

Sustainability of the NYWGF budget. We haven’t developed the strategy for consistent funding of this organization. Threat from politics and state budget and competing interests for those $. What’s the revenue from membership? $130,000 last year. Business association members: $6,000. Consumer membership: $0. Brewers association raises $200,000 a year from Business associates. One indicated that they appreciated the support of WGF on their wine trail.....perhaps it’s time for the wine trail members to give something back.

Tax cuts to brewers: A. Busch is getting $1.4B in excise tax relief. Constellation also will get relief. This will likely be used to advertise!

For wineries: regulation...cost of compliance.
From constellation perspective: the survival of wine grape growers. They don’t like to sign long term contracts....succession planning and low profits are bad mix.
Labor: min wage is a driving force on wage rates. With minimum wage rates going up....it’s not able to be passed down. Additional regulation: Need to schedule employees 14 days in advance. A real hardship.

What’s the membership of Wine America relative to NYWGF? Less than 6% according to Mario. Sam believes that there are 20 NY wineries on that organization.

**What one thing**: drive membership. Go from 130 to 260 members. More about clout than Add services....You got to find that benefit that people really want. Shipping? Credit card? Bundled? One thinks: Focus on marketing...it helps everyone.
Parting comment: The mission statement doesn’t resonant. The mission should be to sell more wine and sell a product that consumers want.
What we want to achieve is a mission statement...it’s a what..
How is a visions statement.

**FLX Wine Grape Growers 2/2/18:**

**Strengths:**
Promotion (NY Drinks NY) increasing market share in NYC brings in influencers to the area, representing our industry to the NYS government (have come out to see industry), research is impactful, leading with NY

**Weaknesses:**
Would like promo outside this region.
Too much emphasis on wine competition.
Too much emphasis on NYS ....too broad.
A market image of a NY grape should have as much impact as a NY apple.
Riesling and Cab Franc are well represented inside and outside the region. However, a LARGE portion of our plantings are other varieties that tend to have lower margins. Need some focus on this.
Nathan asks: NYWGF: Our brand identity(ies). Catch phrase. 3 logos. Is that something that the board should focus on?
Have our advertising linked (not sure what this means)
Very different styles of wine, thus it’s very difficult to make a common branding.
Finger Lakes are better known in France and other places abroad than within the USA.
Need a stronger lobbying organization. I understand it is illegal.
Nathan: affirmed that they are not able to lobby, but they can educate.
Alliances play a part: Horticultural society and Farm Bureau.
We don’t have a good understanding of acreages of each variety. Thus, need to understand the
industry better as a whole. How does that relate to revenue? Perhaps a better analysis would be by revenue. 2 comments - on this matter. Which sector is thriving? Where is the ball going? Would
demographic data would be helpful. Ontario did some analysis on their industry.
The research outcomes that are being funded doesn’t seem to be made available. You have to have a subscription to ACB??? TO get access. (Gregg’s thought: could that be something on members only
part of their website)?
Used to be a NYS crop reporting survey. It used to list by region....by tonnage, by variety and by
region. Does that still exist? Nathan believes that this used to be done by state/federal partnership
with embedded federal staff. NAAS did the compilations and reporting. These have been declining.

Opportunities:
Table grapes have made a recent resurgence with the Mennonites. Grape pies....it’s an industry!
About $500,000 market annually! These also find their way into produce boxes. This year the
produce sales through the FLX market was $5,000,000. Another market is developing near Rushville.
Growers near Naples: There are other opportunities for other grape products.
How can we leverage the locavore movement?
More outreach to state tourism industry. It appears that the visitation is declining, and tasting
opportunities
Nathan asks: is there an opportunity to partner with other “craft beverage” industries? Is this an
opportunity or a threat? One participant says that this results in confusion. Another said that perhaps
it’s an opportunity to
A sustainability certification is being done in some other states. (Gregg: Is this something the
Foundation can assist with?)
Nathan: pointed out...sustainability is in the mission statement....is this important? (Seemed to be
some nods).
Can NYREA???, NYWG, and XX get together and provide this? 3rd party verification would be
valuable. Nathan - referred to program of NY Grown is already a certification program. Could there
be an alliance?
Nathan: An example of an outstanding organization that has done a good job of getting a face of a
grower on their product. Ocean Spray.
Having a new director is a huge opportunity! Marketing changes and demographics changes have
happened during the last director’s tenure. This process is a great opportunity for Sam and the board
to reinvigorate the marketing.
The Foundation could assist us in holding classes and instruction on how to better use social media.
Reaching out to our neighboring states is very important.
Access to tourism data.
A new researcher at Cornell that would devote themselves to various uses of grapes.....especially.
Currently: Grape seeds, grape oil and vitamins. Dried and powdered grape juice. Could research
benefits of Riesling for instance. Gave an example of Fairlife milk. If we could do something similar
with grapes and grape juice...that would be a boon.
Rules for the winery outlets. SLA issues. Separate entrances, etc. making Wine separate from
food....is an unnecessary impediment. The laws should be loosened. Ex: You can sell at a farm stand
within 25 miles, but still need a separate entrance. Can’t even do a tasting.
Concord grapes - opportunities. John Brown?? (Arbor Hill?)
Recent trends - reducing sugars in diet
Examples of recent trends: Kumbacha...Water Kiefer...have made some grape based Kumbacha.
Waffle House - apple, cherry, etc. syrups. No grape.
Healthy purple - filling. The Concord grape has Y times the amount of antioxidants
If we could get 1/2 of 1% of the pie filling sales to grapes...that would be huge.
Welch’s had a product called “Fruit of the Vine” ...grape preserves.
Direct to consumer market is exploding. The opportunity is driven by greater concentration of
population in metropolitan areas. Like wine clubs...but can be expanded to table grapes and
preserves. Nathan asks: is the amazon model an opportunity or a threat?? What are the difficulties
regarding interstate shipment.

Threats:
Labor laws: The new edict to have labor scheduling......this is getting crazy!
Labor availability
Funding for the Foundation
Other Craft Beverages - grape vines have to be by the lake. Also, the other beverages aren’t restricted
to just NYS grown products
Some breweries aren’t as careful on volumes served. It would only take ONE terrible accident to cast
a pall over the the winery industry. (This consumption problem is widespread...includes wineries)
Breweries seem to be run more like a bar. The hanging out model is not helping the traffic flow
through the wineries.
60 new wineries! The lower barrier to entry is perhaps not a good thing for existing wineries. The
dilution is happening. Another says that we have hit critical mass. NYS - 60/40 out
migration....population in NYS is decreasing.
A large consolidation is happening in the US! 6 wholesalers distribute 50%???
Wine in Grocery Stores...Not permitted in NYS. But statistically 50% of wine is sold in grocery
stores nationwide.
Marijuana
Waste incinerator
What one thing!
Engagement with constituents
Expanded promotion
More representation in Albany. (Alliance)

FLX Wineries:
Strengths: Interpretation of current state law, raise profile of Riesling to a national variety (helped
raise entire industry in the area), find funding/channel it for good of the industry, MAP program
execution (using USDA funds effectively), coordination and matching funds for research, outreach

Weaknesses:
Branding of the wine regions; need stepping stone of growth on image. A NYS section of the on the
wine
Can the board composition be reworked?
Are the board members communicating enough to the base?
A difficult mission statement to achieve. Should the mission statement be changed to be remain to
the “world’s biggest market”. (NYC)
Nathan asks: How about the foundation’s brand identity? Logo? Uncork NY is a recognizable. Is that
logo that important? They should promote the industry not themselves.
Diversity - is a weakness
NW - supply of grapes.....yields on vinifera are phenomenal

Investment of a major investor to promote nationwide promotion
Do we have enough grapes to make a million cases?
Consistent supply of grapes at relatively consistent price
We need to invest in some grapes that will GROW well on a mass scale in the FLX
Proximity to a large population center????
It’s about value added.... a few more heavy hitters on varieties like Riesling would be.
Distribution - it’s a hard, hard road to follow. It’s very hard to crack this nut. We can’t even get placed in our OWN liquor stores and restaurants!
The opinion of NYS and FLX wineries....it’s kind of still dragged down
We have more impact marketing in Missouri, Mississippi than we do in NYC. They are cheaper to market in and more receptive.
It’s easier to sell far away than
Is there a way that the Foundation could assist us in marketing to Pennsylvania, Ohio and etc.? Nearby states...states we can ship to.
Would like a comparable program to the MAP program to assist in wholesale distribution
The Foundation could organize tasting events. This could assist in marketing across state lines.
If you trying to get into other states...do you first market the consumer or the distributor? It was said that you need to market first the consumer....... You must get it into key stores first and then the distributor gets interested
Distributors are just order takers.
Set aside a certain amount of funds from each WS case and save it for marketing. Ask the distributor to match.
What’s missing from NYWGF?
Can we get a block of wineries to go in together to distribute to another state?
If you just had 2 or 3 producers......We could get a shelf full. Right now we are looking at partnering with Carolina wineries.
Expand NY drinks NY into other metro areas. There seemed to be some consensus that this is an effective program and consensus that this could work in other environments.
Nathan: Do you all have enough data about those market opportunities in other metro areas?
We have good information about those people that visit our winery. Can we get into the local grocery store?
But that’s another hurdle....regional buyers for grocery stores are hard to crack.
Starting in the restaurant by the glass...builds the brand.
We have all these different layers and different voices....doing the same thing? Redundant? Can there be some alliances that would get the messaging correct and consistent from the region (as Washington and Oregon have done).
Research order failed....it was a shame. Other regions reinvest in their region. Perhaps there is not enough profitability in our wines to to allow for such reinvestment.
Just got a visit from director. I feel like it’s a new day in the foundation. Being able to attend a meeting like this is a positive. I don’t know anyone on the board except for Julie S. Because I don’t have a relationship with anyone on the board. That could have changed the research order vote....personal relationships with the board would have enhanced the trust needed to get it approved.

Opportunities:
Alliances with other craft beverages? Is the growth of the craft beverage businesses an opportunity or a threat? Both.
With a hundred + businesses...has the tourist base grown? The consensus seemed to be NO. Same pie and smaller slices.

How does the NYWGF order its efforts? Should it create alliances or build walls? Most agreed that alliances are good.

One said that focus NOT on growing visitors but wine consumption outside our regions.

Getting the right data is critical for strategy.

Are you reaching the right demographic? Are we or the WGF? Both. Outreach to millennials is bigger in other industries. Elevating the experience and interaction? But that takes a LOT of labor.

The casino took a huge chunk of the work force in this region. How do we be more strategic about that?

There sounds like there is an opportunity in Work force development.

Each region has a separate work force development and a source of funding. Sam - said that this ties to the legislation of NYWGF - to improve rural unemployment.

Sales training - business training - etc.

Could the NYWGF work closely with the FLCC viticulture program and develop a marketing course (elective).

Is Uncork/New York a program or a motto? It may have served its purpose? It could pave the way to national impact.

Although NY drinks NY is effective, it’s expensive. There are easier places and cheaper places to sell.

**Threats:**

Present trends of craft beverage market dilution

What if Competing states and organizations are more organized and effective? (Ex: Indiana and Georgia: Traminette is now their grape)

Worldwide competition for our market

Labor availability/supply. It’s a very seasonal business. Retraining is imperative. Other industries - competing for jobs. If the lake is not beautiful, (algae blooms) then tourism is threatened. Ex: Trash incinerator. These large scale industries threaten the character of this region.

Labor regulation: labor scheduling notification. The farm is exempt, but the winery is not.

Weather...climate change?

Cost of production

What one thing?

Board members to be known and engaged with the constituents

Regional Branding

Address the tough issues - Incinerator?

Introduce to restauranteurs outside NYC

Market beyond NYS - neighboring states - targeted national marketing

Key alliances and better coordination... Make our money go further.

Labor issue: - training especially

**Niagara 2/6/18**

**Strengths:** Hour long webinars, competition program, NY Drinks NY, PressDeck (content), administration of matching funds grant program (wine trails), efficiency (lots of things happening, low staff), very responsive, aggregating data

**Weaknesses:** Fallen short on mission statement (global recognition/world platform), focus on region (Finger Lakes), “uncork finger lakes” vs. Uncork NY, access to the market (sell wine in
other markets, attracting tourism), do not capture the market for those traveling to Niagara Falls (very well captured in Canada), NY Drinks NY is very costly for this region, coordinated place to stay/discounted rate, need help on how to grow viniferous grapes in this climate/disseminating the research (no variety trials), incentives for wineries (tax cuts)

**Opportunities:** brand update (both regional and statewide recognition), coordination of efforts with “I Love NY” to get tourists to stop at wineries, NY Drinks NY shop in Niagara Falls, NY Drinks NY in other cities, marketing opportunity (framework of common message ex. Wines of Ontario – regional branding, but also whole message), investment in technology, empowering customers to be their advocates, incentivizing our markets (local restaurants) – education on the end line (server to customer), NY Restaurant Association – developing that alliance, goal 30% of local restaurants with 6 different NY wines, regional tastings with restaurant staff, ability for external markets (most wine in Niagara is sold within region), comprehensive marketing study (help with the transition from local to external), bifurcate the organization (subsidiary 501c3 formed), more membership could come with separate subsidiaries), UNOS program through Cornell (make that a roadshow), increase outlets of retail sales (home tastings, local businesses)

**Threats:** Quality wines, legislative threats (not enough dues paying membership could affect funding), membership engagement, BAC level regulation changes, marijuana drinks, possible adoption of wine in grocery store, local regulation control, scaled labor, FMLA, scheduling of employees, decline in retail traffic, 20% less tasters this year over last (on a winery) – going into Buffalo instead (revitalization), health permits needed 1oz vs 5oz

**Watertown. 2/14/18**

**Strengths:**
Online communications and emails and trails exposure.
Email updates are appreciated
Pretty good job of keeping us aware of competitions and marketing opportunities
Nathan prompted question about ...have any of you participated in the events. Response: we don’t participate. Logistically tough. We understand why they are doing these promotions, but they aren’t a benefit AT ALL to us up here. Too far of a drive and too far from our market place. Would be better to focus on Rochester or Syracuse. One had followed Gillibrand’s program in Washington D.C. More of a policy benefit, not a marketing benefit. “Horton hears a Who” affect.

**Weaknesses:**
Regional Marketing: not the wines or wineries...just the region itself. WE aren’t upstate....general upstate promotions don’t help the Thousand Island/NYY area.
Nathan: are you evolving a regional identity. The funding of late has torn the region apart. The foundation COULD help with healing those wounds and getting the wineries to pull together.
The prior regime seemed to feel that it was a benefit to have more businesses arise. It seemed over promoted and not exactly honest...it’s not the glamor business it’s presented to be and profits and hurdles are difficult.
The SLA and other legislation remains very difficult to keep up to. Would like a run-down of the current policies and legislation in simple language.
Resources to hand out to others that explain why they
Gorilla marketing is our biggest source of marketing. Going to farmers markets and other off site tastings. It would be very helpful to have some resources to keep in compliance.
Nathan: What role could the Foundation play in the messaging toward new entrants? Many acknowledged that it’s a delicate balance. They should promote entrants into the industry. Perhaps the NYWGF should be an alliance with the ESD rather than two prongs. A real partnership rather than perceived one.
We need a “Taste of NY” tasting blitz in Syracuse and Rochester for instance so that we can expand our distribution within our region.
NYC is different enough from the rest of NYS that getting distribution to work with us is a challenge.
Nathan: could the foundation assist in the area of facilitating distribution? Response: up here...we do mostly self-distribution. At some point, we need to be open to a distributor. We have to develop the market and then the distributor will take a look. Distribution Reps are order takers rather than market makers.
Nathan: When you go into these retail outlets, do you take NYWGF literature with you? Our unique flavor (palate) isn’t known. Our cold hardy varieties aren’t known.
Is there a market? Yes. Can you access it? No. We go south....not north. The $15 duty cuts off all possibility of us selling to Canada. They like our wines, but they won’t buy much due to cross border The Canadians are growing the same varieties. The large population however, we could compete since if they open markets, they would sell across into a smaller NNY population, and we would have access to their 5 million. Highly unlikely, thus the need to market south, east and west.
The foundation was intended to be self-funded. Because that never happened, our foundation is handicapped on speaking to certain issues bluntly. At $700k, they can’t do much promotion. We should figure out what we can do to fund it ourselves.
Research order: We don’t need research now...we need MARKETING! If it was also a “tax”. It was applied to the farm gate price....rather than a per unit item. All other agriculture promo fees are per unit.

Opportunities:
Nathan: if you applied that to a market order, if it were structured more like the “check off” programs...is that something that should be revisited? Yes. How do you distribute the marketing benefits? Ex: FLX produces more grapes...should they get more promotion? In 1987 there was a market order vote that succeeded, but then was challenged and overturned. This is because wine is not considered an agricultural product. Grapes are.
Going forward: there is a production credit that is a partial refund of your excise taxes. Sam’s thought is you could do a check off to voluntarily choose that you could return that money to the NYWGF for promotion. The state has already indicated that the excise tax is being used in the general funds of the state.
One thought was that the marketing funds could go more towards where the most NYWGF members are.
Sam: what about wine in grocery stores? Still being discussed in state legislature. Response: Seems like a hot potato. Some of us wish you could have taken a public stance.
Nathan asked: where’s the next big opportunity? Has NYWGF made good use of and does the market still resonant with Uncork NY. The response was need for training in social media, compliance, and how to get to the millennial demographic. It’s easy to break the law with alcohol. Can’t figure out if I can promote a liquor store over another. You can’t age gate some of these types of promotions.
Should we evolve into the craft beverage foundation? Some viewed it as opportunity and some as a threat (reallocated the “pie”)
There’s a limit to the dollars coming into the region, thus the pie is only so large. But an opposing view was that the more food opportunities, the more the region is known for this type of activity. Should the trails become a craft beverage trail? FLX no, but perhaps here it should be. But, one view was that the foundation would be distracted from focus if they adopted all beverages. A lot ESD funds got into hands of the wrong people....how can you compete with that. We have the wine volume right now that other areas don’t have, but how to take advantage?

**Threats:**
- Regionally: weather and water levels....affected tourism numbers in a big way.
- Local up here is different: Fort Drum and Dairy are big impacts up here. Our local economy is struggling. Fort Drum is in decline. Used to be this area was insulated due to the impact of Fort Drum.
- Economic climate is bad in NYS...taxes up, regulation up, minimum wage up.
- Finding GOOD labor is hard. Our workers come because it’s fun. Finding workers that want to do this is hard. Retraining all the time. Hiring from Fort Drum area somewhat. Kids that have connect to the area are declining. You train and you get 8 weeks out of a worker.
- Nathan asked: Are there generic items that the foundation could provide training on? More important is training staff that goes off site.....no oversight.
- The market dilution is huge. Whiskey trail, beer trail, the 1% trail....hard to get noticed. In the last few years, it became very apparent that we couldn’t survive on just taster traffic.
- **What one thing:**
- Would like the results of the survey
- More regional focus...more $ and energy and focus on the regions attributes
- Targeted markets

**Long Island meeting**
Attendees included: Gabriella Macari, Sparkling Point, etc.

**Strengths:**
- NY drinks NY
- Research
- The current research funding is limited by % but not by Gross $. Membership grows the possibility of higher research
- Export program: exposure of our labels in different customers

**Weaknesses:**
- Website - presentation/representation of AVAs has been boring. Disaster. There is no place to get a clear presentation of WHY to visit a region.
- Unified point of view of what NYS wine IS and how each region plays a role in that unified presentation of the state. Nathan: other meetings....seems like other meetings....haven’t been able yet to strengthen regional identity.
- Formerly: Old World and new world....Now: cool climate and warm climate. This could be a way to connect the the various regions of NYS into some kinds of unified marketing approach. Embracing cool climate wines and what they are.
- “Export” to other states.....should be emphasized even more than outside of the nation. Nathan: this is a common theme. But....identification of the places you should go is difficult
- Not sharing information now. Generic market information.
The foundation has not promoted each region equally. Seems like the FLX gets more of the share of the attention. Meetings ON Long Island are very helpful. Take the Riesling model, but use that model to raise the profile of other regions and wines. First and foremost is getting the brand and visibility out to world on all NY wine. This was echoed.

The 800# gorilla is our history. Not the foundations actions exactly. The former director of the Foundation was on a Riesling association. Then there was some extremely effective private marketing done. The wines, were very, very good. Despite not being directly the result of the foundation, going forward...the Foundation could help each region to develop its brand identity.

Nathan: have there been private initiatives in this area? Response: FLX is lucky. HERE - we can overwinter and we can grow wine grapes of much greater variety...but we don’t have any unified style or identity.

Question: where does Long Island - Fit into the overall membership. FLX 60%, Long Island 15%, Hudson 10%. 200 licensees...50 LI......40 Hudson. 140 dues paying members over the years.

Comment: So....then we are about “equal”....meaning % of available licensed wineries vs dues paying members.

Overseas: They recognize NY wines far more than the FLX or any other definitive region. Another participant commented that they noticed people asking for upstate wines. We believe and people tell us that based on blind tastings that our Long Island quality is as good as wines from any great wine region around the world! But there is a lot of room to celebrate everything that goes on in the state. In Long Island, there was an effort to promote one variety and it fell apart. Here....we got over that, and we feel like the quality of the region needs to be marketed.

Nathan: Have we made any progress in improving the NY wine image? Can we move on?

One measure/barometer: look at the headlines? It seems like a disproportionate # of headlines are about the presence of limos, drunken patrons, etc. versus the quality experience.

Last articles written by heavy hitters: all very negative about the region. If we can’t get consensus, then we certainly can’t expect this to change. (Nathan: move to Threats)

The Wine and food classic...need to bring some influencers into the event. WE need to revamp that event.

Logo/Catch phrase: One negative...one liked it...but felt that it needed a rework. Another felt like it didn’t reflect the mission/vision...Need to resonate with millennials. Needs to tie to the events sponsored.

Mission statement: any suggestions? Social responsibility.....This is a rear guard (preemptive strike) on the possible negative reaction to an alcohol industry. Question about productivity as valid. What about juice grape grower? It’s there for the juice grower, but perhaps it’s irrelevant as long as revenue is there.

Opportunities:

Nathan: What excites you about the future? How can the Foundation align themselves?

Nathan: We are within x miles of 50% of the US population and 50% of the wealth.

Associate members don’t get a vote. I would join if I had a vote. A lot of growers in the state don’t have a vote?????. The opportunity is to grow the membership. Nathan: this also relates to representation on the board.

Social responsibility: This means environmental responsibility. Long Island has nailed this area, but we aren’t getting credit for this. Other areas of the state haven’t embraced this as of yet.

Nathan: Emerging markets: Experience and connectedness is a big deal. The environmental message needs to be part of that. The overall NYS initiative is perhaps NOT in direct alignment. The Long Island version is similar to the Lodi and Oregon programs. They hired a consultant to establish the program and has a document that governs it. Worked on it since 2002. A second....sustainability should be a word in the mission statement.
Wine sales are UP in the US. We are prime for a chance to educate. Quality has never been better on Long Island. Sustainability is there. Scores have never been better. The opportunity is there. WE have the clear opportunity to have an elevator pitch for NYC. NYC is a clear opportunity. For some reason, NY wine is not local. NYC doesn’t embrace us as local. A counter: NYC is the center of the universe not the center of NYS. This could be a threat. My age group: Brooklyn - they will pay extra for local, sustainably sourced. But hard to connect them to wine. The way we work on this is by exposure in restaurants. Direct to consumer: This is the area of opportunity. Perhaps NYWGF can focus on legislation to ease interstate shipping. There is no NYS digital marketplace. There is no one place to go to links to all NYS wines, and then with a few clicks...buy that wine. Nathan: are there SLA restrictions? Sam: Just need a good lawyer. We did it at the NYS wine and culinary center. We have been thinking about this.

**Threats:**
Outside of your and NYWGF control, but still needs to know
Weather Labor: current administration especially. A guest worker program. We have high labor demand practices in this area. We have a lot of competition with restaurants and landscapers. Would like the Foundation to work with legislators to come up with a fix.
State funding of the foundation
Government regulation - all of it: Certified every year for use of dust mask even applying organic materials. Test kit for detecting lead in paint but the test is carcinogenic. To maintain my applicator certification, I have to answer some general health questions.
General lack of vision of seeing beyond what we ARE NOW. Example of Chobani.....prior...no vision of this market? The point is that we don’t know what is possible if we can’t imagine new potential. How can we do 10% better than we do now.
Craft beverage industry: is it opportunity or threat? Our industry is based in farming, but the others are not necessarily. Is there any regulation or oversight? Nathan: You are limited by your connection to land....Another: local municipalities have their own rules....to have a winery, must have X # of acres “under vine”. Also, being painted in the same brush with these businesses.
Comment: wine industry makes up a segment of agriculture...all in the same boat in some ways. Labors, Fed, state, and local ordinances. Similar pressures of weather, markets, etc. Could join...create alliances with other organizations that support agriculture? Ex: great job in Southhold...by coming together, we impacted the town, county and state.

**What one thing:**
Improve Wine region image and presence to those outside state
Total revamp of the website
Amend the grant match requirements. It’s one of the highest matching requirement
Is marketing research something that could be added?

**Long Island Meeting #2:**
Attendees included: Steve Bates, Judi Betts (sp?), and Auggie.

**Strengths:**
Economic impact statements seem quite helpful
From a regional perspective....if Alice is being funded (and she shows up twice) then it demonstrates that Long Island interests are being funded.
Susan is doing an exceptional job on the MAP program (Export)
NY drinks NY - Seems like a good program...well attended, and well organized
Competition program is well run and seems to have impact for the overall desire to develop a positive image of NYS wines. Commented that the Long Island wineries haven’t participated as much as they could have.

Weaknesses:
The foundation really hasn’t marketed ITSELF. It could be very useful to get the word out about the research it is involved with.
Nathan: noted other meeting’s interest in regional identity. You could take a lesson from California....we know California has a reputation, but its regions are also well known. They were able to do this without fracturing the wine industry.
A question was asked about LI Wine Council and NYWGF alliance. The comment was made that the “go to” place was the LIWC.....not NYWGF.
Had an unfavorable ruling on preserved farmland...can’t build any structures on preserved farmland.
Went to farm bureau to facilitate that appeal.
It’s not fair for the wineries to complain about the NYWGF when they have no cohesion in vision themselves. Nathan: Every region has raised the issue that NYWGF should facilitate the discussion of what their regional identity should be.
Sam said that: Jim T used to recommend that all regional councils require or strongly encourage that all their members join. Valerie: indicated that we need to think more entrepreneurially about how to use grant funds or some other mechanism to take a membership in a regional association and make it automatic that their dues would be paid to NYWGF.
Nathan: membership has its privileges. Perhaps we haven’t done a good job of articulating what those benefits are.
Sam: asked if it was a weakness that the foundation doesn’t have contact with the counties that are in winery regions. There was some affirmation to that this would be an enhancement.
It would be nice to have the matching grant a little richer than 60/40. It would make it more comparable to other programs. It works perfectly for guides. Sam: it’s much more flexible thus it’s much more valuable even at a lower match. It might need to be reframed.

Opportunities:
Having a big sponsor for an event can really create a splash. We used to do a big event coordinated with the Wine Spectator.
One idea was is that the foundation could release quarterly economic data.
Sam: wondered if the website should have a list of research hyperlinked to the actual research sites. There was some agreement.
Nathan: how can the foundation capitalize on and strengthen the “Buy Local” movement.
Farming is “sexy” these days. It’s really changed. That opportunity exists and how do we capitalize on that.
Brooklyn/millennials/locavore movement is all a great opportunity. Another organization did charity events in local areas. It was relatively low cost and effective as a way to get known as local.
Restaurants in the nearby locations were marketed.
Gregg asked: Is there anything that the foundation can do to assist distribution. Idea: Host a meeting to “meet the distributors”. Perhaps some education on how it works. Are there ways to find market slots?
Promoting a Long Island section in a liquor store. Counter opinion: it’s the most difficult thing we ask them to do. Often can’t get sufficient wineries to participate.
Did this! But was mostly Pindar wines. Why? Very aggressive marketing, very aggressive branding, and very aggressive pricing
Could the foundation hold a campaign....create some shelf talkers?
Virginia has its own wine distribution company. Should the foundation develop a “for profit” subsidiary to market wine?
Sam: has made an appeal to market study collaboration with liquor stores...what would move product. Bully Hill and Thousand Island have the best shelf talkers and their wine moves the best.
Threats:
Market saturation
Craft beverages are not the problem
A survey done by a participant: 82% of the wineries had concerns about future profitability. Vastly greater than other agricultural businesses.
Regulation - municipalities are getting more concerned and imposing regulation. Events legislation.
Goes back to learning how to be a good neighbor.
The farmland preservation is restricting what can happen in the future of the Ag industry.
Traffic Capacity is restricting future performance.
What one thing?
Communication ...some self-promotion

February 22, 2018 Hudson
Attendees: Millbrook (owner and manager), Nostrand Vineyards, Kim,

Strengths:
Wine analysis program
Marketing and Promotion
Keeping us informed - nice job....Some hadn’t heard of the Press Deck
A lot of the changes in legislation that added to flexibility to new venues to sell wine. The new governor has improved this but has been aided by the NYWGF knowledge of the industry
Supportive of the wine competitions - we haven’t taken advantage of as much as we could have
The NYWGF is raising the reputation of NY wines on an INTERNATIONAL basis.

Weaknesses:
Regional challenges around wine trails - the foundation could serve as in a mediating role.
Why not on the wine trail? Small tasting room. Not able to handle the types of people that typically come through the wine trail. Some times when the wine trail events are on, we benefit.
What if the wine trail had no events? Response: it would be a positive.
Not sure that the wine trail system works at this stage
Oregon model: What can we do really well? Choose Pinot Noir...brought in experts from Burgundy.
Long Island: Cab Franc and merlot...Hudson: Cab Franc. FLX: Riesling
Discussion about how to facilitate that process of a regional identity. Is it about the experience or about the varieties or about the style of wines? Sam: noted that a Long Island winery pitched a unifying theme of “we all produce cool climate wines....celebrate that.
Retail vs wholesale: here mostly retail, but one stated that it’s imperative to get placed on restaurant lists and on shelves.
Some discussion about why or why not going to NY Drinks NY. Some pitched it as a good way to market our region. Some wanted more representation of Hudson Valley. Some wanted the wine trail to subsidize. One indicated that they Hudson) gets to go for 1/2 the price.
What about Albany drinks NY. Trade tastings are super important! A great way to build exposure to wines. “Vin Expo” - an international company that does wine trade shows around the world. Because this particular

What is the best way to communicate? Segmented emails...enology vs research vs viticulture. Sam just invested in a CRM database. Subject line management could help..... What about a quarterly webinar? Gregg: what about podcast?

Nathan: How is the foundation “with you” in the process of bringing people to your door? NYS branding. Regional branding. Does Uncork still resonant?

Is the job of the foundation to be recognized or behind the scenes player? Sam: The visual logo IS important since it is a gateway to the NYS wine industry AND it’s an easy link on the website which lists ALL NYS wineries. Our goal is to do a nice hand off to the individual winery. Kim: a long time ago the Foundation had a grant to help establish a first website for a winery? What’s the next thing coming around the corner and how can the foundation assist us?

Are we reaching millennials? Are we reaching the right kind of customer? One of the hardest things to figure out is where people are coming from.

Opportunities:
Exposure by word of mouth through Hispanic community

We have a lot of international visitors flying into Stewart Airport...Norwegian Air. Tourists - some looking for things to do, not necessarily wine experienced. Some wineries are quality focused, and some are entertainment focused. Are we targeting people that are looking for an experience or looking for a quality wine? Nathan: This is the number one conflict on the wine trails in NYS.

One thing the foundation could do is spread the word to trade and distribution?
What is more effective? Winning wine competition or getting a high score on Wine spectator. One answered: the publications are the stronger voice. So...could the foundation help target the reviewers? With the publications it has to be very curated. In the early days of the Long Island wine growth, they would get together and put a case together for the reviewers. Carlo was trying to do that for us. So...once that high score is accomplished, how to maximize that impact. Two outcomes from this discussion: Foundation could discretely help get wines in front of reviewers AND help provide the ability to disseminate or guide the lucky winery on how to maximize the impact. Could help with TIMING....best to not be too in advance of deadlines but not miss them. Example: a coordinated Rose’ push.

Threats:
Volatility from climate change; FLX 2,700 to 2,300 degree days. Here, he measured lower down that they had 3,200 to 2,900 growing degree days. Some disagreed: it’s the late frosts or hard freezes that are impacting us. One said: if you can find something you can grow, then grow it. We found Pinot Noir and P. Gris works best for us!!!!

Nathan: What about labor? One winery said that they were labor limited...they would grow more grapes if they had more labor. The cost of labor is going up dramatically. One reflected on the legal seminar - the complexity of compliance is enormous. This is driving a lack of competitiveness....the price of wine is relatively low...but we are already uncompetitive on costs. To get someone here...its $2,500 and then you house them. AND - you have to pay the “adverse” wage rate.

Our vineyards are not easily mechanized. Ex: leaf pullers and hedgers aren’t effective.

Nathan: On the tasting room labor front...what about the consistency of TR labor? The culinary institute provides some excellent labor supply. A lot of them end up a sommeliers in the city. What about craft beverages? Kim indicated that since we have a licensed distillery it’s helping us. We have a history in brewing! Another said that breweries are a trend (Fad). We should stick to our
guns. We’ll be here. You can now carry New York beers in our tasting rooms. Thus...I feel it’s a trend. It’s more competition but more variety. We send people up to the nearby Brewery, and they reciprocate.

What’s the ONE THING!
Communication what you guys are doing to your members is very important. You are doing more than we thought. Finding ways to communicate that jive with busy lives.
Grow members. Members in the area (16 or 17 wineries are members out of 40). Only 7 at this meeting
Our one grape grower...table grapes and juice grapes. Please don’t forget that we are factor. They are relatively profitable. What are your primary channels? CSA’s and farm markets. Our early varieties. A lot of our fruit goes to Connecticut and NYC. We will grow more table grapes. We are a price maker, and not taker. We price by variety ...disease and bird pressure drives price up. More conscious of pesticides and fungicides. 40,000 acres of grapes. 30,000 Labrusca. 8,000 vinifera/French hybrids acres. Only 2% table grapes.
Concord: Welches, Moag and David, Constellation.
Chard: $1,800 and $2,200. 2# quarts...flat 12# $20 to $25. Lots of hand work. Hand washed.

**February 22, 2014 Hudson at Middletown:**
Dick Hardy - vineyard
Dick Eldridge...
John HOLL
Frank Clear view vineyard

**Strengths:**
Likes brochures and likes the advertising
Overall, likes their promotion of NYS wines and the regional promotions. Likes the export program and feels like it’s very easy to work with the foundation. NYS is now #4 in wine production. Oregon surpassed us.
They have a very relevant role in the industry. Government also plays a role. Serves a role of allocating the resources to the right area
It’s good to have someone to represent us.
What is our share of markets and what are the trends over the past 20 years.

**Weaknesses:**
435 wineries and 130 members. This is NOT enough representation. There should be a STRONG effort to get members signed up
For a startup winery (let’s say 600 cases). Recommendation, set the dues lower for the smallest wineries. Currently, there is a step down.
Is there a way to get a package deal...automatically
Goal should be 50%. Sam: Valerie’s title is member recruitment and retention. Retention is just as important. Because we don’t want to be viewed as a “tax” on the wineries, thus we are seeking more categories and thus are pushing hard for associate members for the businesses that serve the industry. For the small wineries, the dues haven’t increased in many, many years. Having dues “due” in January is tough!!!
One said that he pays dues to cider, mead and now the winery organization.
The brewery organization requires dues of its associate members in the magnitude of $500 to $15,000 (statewide law firm for example) whereas the NYWGF charges only $50.
Where could the foundation be a help?
Filling out the MT40…it’s hard (excise tax)! Should be on the internet. The federal form is well designed
Getting wines placed in distribution
Increasing wine placement in NYC
Ideas: More run time on the ads from NY could help. Buy local emphasis could help. The NY wines are so expensive compared to other markets.
Focus on quality is perhaps more important. California is recognized all over the world.

Opportunities:
Nathan: Getting wines rated by wine spectator...mentioned at the former meeting. Will that help?
Multiple intense “yeses” around the group.
The foundation could design some shelf talkers for the wine stores that have a NYS section.
Cultivate wine writers from the region.
Isaac Asimov’s article on Cabernet Franc in the FLX was a HUGE win. He even mentioned some hybrids. He noted that this is a cold-climate region. Lower alcohol, more subtle, and pair well with food. The market is drifting our way!
The foundation could develop some unity over the
Our advantages: we have more beautiful views, rolling hills and vistas, and our wines are 1/2 the price.
Hudson Valley particular marketing: Right now we are pushing cab Franc. Some disagreement. We struggle to grow it effectively year in and year out. More bud damage than growing degree days, but sometimes (like the summer of 2017) we didn’t get enough heat to ripen it fully.
Some vineyards along the Hudson can grow it.
You need to have a collective cooperative effort that has broad support. They need to be able to develop what they are looking for...what seems to work, what the trends are, and how to market to that trend. Could the foundation help with that?
The Hudson region has a lot of diversity. Diverse wines. Diverse experiences. Can we celebrate that diversity?
Nathan: How well is the foundation helping on getting information on who is walking through your door. One mentioned Neilson data?? Gregg asked if that would be specific enough to the region. Millennials seem to be drinking everything. They will switch from sweet to dry and back. Beer, cider, etc.
Could the foundation put together a survey together that would facilitate a better understanding. Used to have growers, wineries, associate members and consumers....only had one member.
Could we have a group of consumers that based on reporting we would provide coupons? Gregg: what about an app?
Marketing, marketing, marketing. We compete with too many regions of the world. Of course, each of us is responsible for marketing our own wines and locale impact. But, the foundation has a role in broadcasting a common message.
The Uncork theme. One: it’s not relevant any more. It’s not up with the times with how people drink wines. Other: it was a really good initial marketing push when it came out. The visual identity may need to be updated. The catch phrase still rolls off the tongue nicely. One other: the phrase still has traction.
Nathan: what’s going to drive sales for you in the next 5 years? Quality of wine and at the right price. 3 people echoed quality.
Marketing: yelp and website are the biggest. Does the foundation have a role? Distribution: you have to support the distributor...they are order takers.
Shipping wine is getting VERY expensive. The compliance and expense is almost shutting down online shipments.

**Threats:**
Craft beverages - the dilution factor
Labor: it’s a big problem. We don’t have a large enough industry here. Very hard especially in the vineyard. You really have to watch your expenses to make it. It makes it hard to compete.
Climate: it’s actually improving our situation. But the volatility is a big threat.
Entertainment: live music can be a problem. You have pay some fees to get to play the music from copyrighted music. Wine America is the lead on this issue. Comes to about $400 per event for one participant.

**What one thing:**
Paper Marketing on the shelves of NYS wine section of wine stores
Grants!
More members. More members in an area should be factored into the research. 15 members...100% participation. That should be on the score card of the grants.