

**LLC Managing Committee Meeting Agenda
Live Meeting**

Thursday, January 26, 2017
Noon – 1:30 pm

Lunch Included

Committee Members (8):

Aaron Lange (CAWG Chair), Chair (January-December 2017)

John Aguirre (CAWG President), Tom Collins (ASEV Secretary/Treasurer), Nichola Hall (ASEV Board President), Dan Howard (ASEV Executive Director), ASEV Rep. TBD, Bill Pauli (CAWG Past Chair), and Tom Slater (CAWG Director)

LLC Managing Committee Meeting Agenda

1. **Call to Order**
2. **Approval of January 26 Agenda**
3. **Approval of January 13 Meeting Minutes***
4. **Old Business**
 - a. Winery of the Year
5. **New Business**
 - a. New LLC Managing Committee Member (ASEV Representative)
 - b. Registration Report
 - c. Convention Center Remodel Discussion
 - d. 2018 Program Development Committee Chair
 - e. Springing Proxy and Conflict of Interest Statement Form*
 - f. Quorum and Vote of the Members (from LLC Operating Agreement)
 - i. Quorum:
Section 7.8.(f) Quorum. The presence in person, by means of conference telephones, video conferencing, online conferencing or similar communications equipment or by Proxy of six (6) of eight (8) of the Managing Committee members shall constitute a quorum at a meeting provided, however, that there must be at least three (3) Managing Committee members present representing each Member. If a quorum is lost during any meeting, the Managing Committee shall transact no further business and adjourn the meeting.
 - ii. Vote of the Members:
Section 1.35. "Vote of the Members" means Members making decisions by a Vote of six (6) of the eight (8) members of the Managing Committee provided, however, that a Member will be deemed to have voted on a matter when at least three (3) of its appointees on the Managing Committee express support or opposition for the matter, as they deem appropriate.
6. **Other Business**
 - a. Brown-Miller Communications – Issue Registering Eric Asimov's Photographer
7. **Next Meeting Date and Time**
8. **Adjournment**

**LLC Managing Committee Meeting Minutes
Conference Call**

Friday, January 13, 2017
1:00 PM

Committee Members Present

Aaron Lange (CAWG Chair), Chair (January-December 2017)

John Aguirre (CAWG President), Tom Collins (ASEV Secretary/Treasurer), Nichola Hall (ASEV Board President), Dan Howard (ASEV Executive Director), Jim Kennedy (ASEV Past President), Bill Pauli (CAWG Past Chair), and Tom Slater (CAWG Director)

Others Present

Jenny Devine-Smith (CAWG Staff)

LLC Managing Committee Meeting Agenda

1. **Call to Order.** Aaron Lange called the meeting to order at 1:05 PM.
2. **Approval of January 13 Agenda.** Aaron Lange requested to add the UC Davis Exhibitor Booth contract update to Old Business. Nichola Hall moved to approve as amended, second by John Aguirre. Motion was approved.
3. **Approval of December 9 Meeting Minutes.** Bill Pauli moved to approve the minutes, second by Tom Slater. Motion was approved.
4. **Old Business**
 - a. **Winery of the Year Announcement.**
 - i. **Winer of the Year Memo.**
 1. John Aguirre reviewed the Winery of the Year memo and proposal, that was drafted after further discussions with Jon Moramarco and Mike Veseth, with the committee. John Aguirre's recommended continuing the Winery of the Year announcement. Aguirre stated this is the most heavily attended session, and he had not heard any negative comments from attendees regarding previous announcements. However, in 2011 when Jon Fredrikson was not on the panel, Aguirre did hear complaints and concerns regarding Jon's absence. Aguirre reported Mike Veseth also believes the audience would miss the announcement.
 - ii. **Committee Discussion.** Aaron Lange opened the floor to discussion.
 1. Nichola Hall stated that she made her position very clear on the last call. Hall does not believe we should move forward with the announcement in 2017. An announcement limited solely to California and Washington wineries does not properly represent the national scope of the show and the diversity of the audience. Hall noted when Jon Fredrikson's retirement from the panel was announced several months ago, the committee discussed how this was going to be managed from a PR standpoint. There shouldn't be an expectation that an announcement will be made. This announcement should not drive the success of the State of the Industry, and if this is making or breaking the success of the State of the Industry, then we have a bigger issue on our hands.

2. Tom Collins believes this was always a Jon Fredrikson announcement and this should not be a Unified announcement. Collins states ASEV adamantly opposes hosting the announcement under these circumstances. This takes it to a different place, because it now essentially becomes Unified, we own it, even though it was Jon Fredrikson announcement, he is no longer apart of the State of the Industry.
3. Dan Howard stated that even if the LLC Managing Committee does not have anything to do with this process, and it is given to Jon Moramarco, the committee is still driving it. He continued to state that the ASEV Executive Committee is not in favor of moving forward with the announcement and with this transitional year, now is the time to break the cycle. They do not agree with the process and the way that it is determined, and he stated that it could be a political nightmare. They have no interest in continuing this. Dan Howard stated that when this issue was originally discussed, the committee discussed looking at the process for 2018, not 2017. They were caught off guard when it was discussed during the last meeting to push it through for 2017.
4. John Aguirre recognized the divergent views represented on the committee, but it is important to arrive at a decision. Aguirre emphasized the managing committee should focus on the consumer experience, our attendees. Aguirre believes customers enjoy and value the announcement and the analysis behind the announcement, and there is a cost in denying our paying customers. The State of the Industry session is undergoing significant change and we should retain this feature of past presentations.
5. Aaron Lange stated he doesn't see the negative impacts of this announcement as stated thus far in the discussion. He sees the announcement as a fun tradition that should be continued, and it generates positive PR. He does not believe this announcement will make or break the session, but he does not see a negative with continuing the announcement. Lange noted Jon Fredrikson did not ask for permission to conduct this in the past, so it's not inappropriate for the State of the Industry session panelists to make this decision.
6. Bill Pauli stated he has heard no solid reasons for discontinuing the announcement. Pauli has talked to industry members to gauge the importance of the announcement. Recognition of wineries, successful brands, sales programs, creativity, the work and effort involved is important to the industry. Pauli believes discontinuing the announcement would have a significant negative impact. Pauli adamantly supports continuing the announcement at this year's State of the Industry session. He stated the need to be very aware of and concerned about the competition from regional shows, and discontinuing a highly anticipated, unique aspect of the session may impact overall registrations and revenue.
7. Aaron Lange asked if those committee members who oppose the announcement would be willing to discuss this again after the 2017 show to consider process and the specifics of a future announcement. Dan Howard stated that if it is less subjective and open to more groups/wineries, they may be open to it and consider it.
8. Tom Slater stated that the announcement is easily the most popular topic, it is wanted by most the attendees, and is picked up by the media. Looking at the big picture, if this is what the majority wants, then why wouldn't we want to give them an announcement?

Slater believes we should keep the announcement if we can use the process that John Aguirre described with the committee.

9. John Aguirre made a final comment on the matter. He noted that we are not going to be able to devise a formula that produces a crystal-clear winner, based exclusively on data analysis. An examination of sales, shipping data and market share can narrow the pool of prospective winery candidates, but it will be an inherently subjective process to identify who ultimately merits special recognition in any given year. Often, the winery of the year is emblematic of the analysis and insights offered by the panelists, which is why the announcement is such a powerful and useful part of the session. The winery of the year typically reflects that trends occurring in the marketplace. Aguirre stated strongly we should continue with the announcement in 2017, but if the committee votes no, then the committee should revisit the issue for the 2018 show.
10. Jim Kennedy feels that the committee members from CAWG bring up very good points and understands where they are coming from, and at the same time he understands the ASEV committee member's comments and concerns. He believes that since this is the eleventh hour, we should opt not to do the announcement this year and have further discussions down the line. He does not feel that this phone call will vet this process properly to allow us to truly understand what the ramifications will be. With Jon Fredrikson retiring, Mike Veseth could explain this to the attendees, that the LLC Managing Committee feels that this is an important part of the State of the Industry, but rather than being impulsive, we wanted to give it more thought and figure out how to do it in a way that Jon Fredrikson would be proud. He feels we need more time to discuss the process and how to move forward, how it will work for Unified. He does see the value and feels that we should look at it in future years.

iii. **Motion:** John Aguirre would like to move to approve the proposal provided by Jon Moramarco as presented, with the recommendation that the LLC Managing Committee would not be a part of review and approval process of the selection of the Winery of the Year. Bill Pauli seconds the motion, with an amendment to the motion that this is for the 2017 Unified Symposium and the committee will then revisit the process for Winery of the Year selection for the 2018 Unified Symposium.

1. **Vote**

- a. Tom Collins: Opposed
 - b. Dan Howard: Opposed
 - c. Nichola Hall: Opposed
 - d. Jim Kennedy: Opposed
 - e. Bill Pauli: For
 - f. Tom Collins: For
 - g. John Aguirre: For
 - h. Aaron Lange: For
2. **4 For the Motion/4 Opposed the Motion - The motion does not pass.** John Aguirre believes we should pay attention to the attendees' responses and comments. He does know that the State of the Industry is a work in progress. It remains a high priority as a future discussion. Aaron Lange wants a vote of assurance that we as a committee will discuss again. Dan Howard stated that this will be on the agenda for our onsite meeting, as we will know what the outcome is with this decision. Tom Slater feels that there will be a

lot of questions asked, what will be the standard answer? The committee agreed to speak as one voice - it was Jon Fredrikson's announcement, his award, it was not a Unified Symposium award.

- b. **UD Davis Exhibitor Contract Update.** The Foundation Plant Services did agree to combine their contract with UC Davis Enology and Viticulture Department for 2017, but will revisit in 2018.

5. **New Business**

- a. **LLC Managing Committee: Jim Kennedy Ending Term.** Jim Kennedy stated that it is time for him to step down from the committee. Aaron Lange thanked him for his years of service on the committee. ASEV will determine who his replacement will be at their board meeting and they will be attending the meeting on Thursday, January 26.

6. **Next Meeting Date and Time**

- a. **Tuesday, January 24, 9:00 AM – 10:00 AM,** Sacramento Convention Center Room #103 – information on the convention center remodel – not an official voting meeting.
- b. **Thursday, January 26, Noon – 1:30 PM,** Capital Board Room, Hyatt Regency – this is the official meeting. In Aaron Lange's absence, if he must leave early, he will ask another CAWG committee member to lead the meeting.

- 7. **Adjournment.** Tom Collins has made a motion to adjourn the meeting, Nichola Hall second the motion. Meeting was adjourned at 1:55 PM.