

Oregon Wine Industry

Collaborative Forum for Strategic Issue Resolution

Meeting Summary

November 30, 2020

11:00am-12:30pm

ACTION ITEMS:

ACTION	BY WHOM?	BY WHEN?
<ul style="list-style-type: none"> OLCC will gather available data and information around wine industry tax payments. 	Steve/OLCC	Prior to first session
<ul style="list-style-type: none"> Refine the scope and redistribute for review and directional feedback 	Robin	This week
<ul style="list-style-type: none"> Justin, Bob and Donna will connect with Tom to present at the next OWB meeting to discuss the possibility of funding this mediated process. Bob will update this forum on the results of that meeting. 	Bob/OWB	This week
<ul style="list-style-type: none"> Raise question of funding the next facilitated effort with Board 	WVWA- Mike McNally; others as appropriate	This week
<ul style="list-style-type: none"> OWC will share information from an OSU report (tons harvested) and numbers for regionality to provide background information on the grape tax topic 	Sam/OWC	Prior to grape tax discussion

Meeting Attendees:

Project Team Members:

Donna Morris (OWB), Bob Morus (OWB), Elin Miller (OWC), Rob Wallace (OWC), Jennifer Kerrigan (SOWA), Carrie Kalscheuer (WV-WVWA), Andy Steinman (WV-Eola-Amity Hills), Ken Johnston (OWC), Alex Sokol Blosser (OWA), Laurent Montalieu (OWC), Mike McNally (WV-WVWA), Scott Kelley (UVWA), Sam Tannahill (OWC), Gretchen Boock (OWC), Justin King (OWB), Steve Marks (OLCC), David Adelsheim (WVWA)

Oregon Solutions & Oregon Consensus Facilitation Team: Robin Harkless, Karmen Fore and Jennah Stillman

OLCC Staff: Devon Morales

MEETING SUMMARY:

Welcome, Introductions, Frame for the Day - Robin Harkless

Facilitator Robin Harkless welcomed the group and reviewed that the focus for the day is to discuss the proposed draft scope for the Phase II wine industry collaborative process and clarify the substantive agenda, as well as discussing next steps to securing facilitation for the effort and confirming the timeline. Robin noted that based on the input from today, the draft scope will be refined and then redistributed.

Discussion on Phase II for Wine Industry Collaboration

The group reviewed the draft scope document that was sent in advance of the meeting and provided feedback on the three topics identified. There was general agreement around the topics and sequential order outlined, with some refinements. See below.

OWB Objectives, Tactics and Orientation

It was recommended that starting with first reviewing the statutory mandate, as well as the strategic planning process guiding OWB would be helpful for context setting. Then, the group could better engage in a discussion around what the industry would like from OWB and how OWB's strategy aligns with that going forward. A question was raised about whether there was still a need to clarify OWB's role regarding advocacy; industry members suggested that clarity around OWB's linkages in supporting industry requests for, e.g. research and education, which could support industry advocacy efforts, would be helpful.

Industry-wide transparency and communication

As a sign of industry health, this topic session would be aimed to objectively identify where needs for transparency still exist and can be collectively solved and strengthened by the group. In acknowledgement of the evolution that has occurred between the OWA and OWB board separation, there are expectations of OWB, as a government entity, to provide certain information transparently given this new approach. Educating the industry on what that information is and where it can be found would be helpful. Also included in this section, it was noted that there is a need for clarification on how AVA or sub-AVA association advocacy needs connect to OWA and OWC efforts. Finally, a suggestion was made that this topic could also include a discussion of fair representation with regards to board elections and appointments.

Grape tax- who pays and how benefits are distributed

There was general agreement around holding this topic until last, either to occur at the end of the 2021 legislative session or shortly after. The group confirmed that, while often conflated, the grape tax and excise tax issues are separate but should both be addressed. Compiling background information around the current taxation structure, available data collected by OLCC or other state entities, and information gathering for a comparative analysis to other state tax systems, would be helpful to informing these discussions. There was a conversation around what information is

available and also who would conduct the information gathering and analysis. Steve Marks, OLCC, offered to do some initiating information gathering for the group and suggested that if scoped and requested, OLCC may be able to offer technical assistance for this effort.

Robin acknowledged that there is a need to further scope this topic in order to determine beneficial questions and information that will support the group's deliberations and dialogue to identify potential changes needed, and solutions or pathways for change that the group feels are important to keep the industry strong.

Discussion on Facilitation, Participation, and Timeline

Robin reviewed various options for pursuing facilitative services and acknowledged that there is still an outstanding need to identify the funding source. After reviewing the various options for engaging in a next phase facilitated process, the group reached agreement that they are committed to taking the next steps in this collaborative, mediated process and would like to continue with Robin, and Oregon Consensus, to provide that service. There was discussion around how to create equitable buy-in to the process, but acknowledging that some organizations have budgets and others do not. Although there was an offer to potentially include this \$5,000 funding in an OLCC budget line item, it was ultimately determined to keep this funding request out of the legislature and instead look to the industry for funds. To make this a valuable investment and time well spent, it was suggested that agreements and commitments made within this forum should be memorialized or codified to have lasting impact.

One individual raised the question of including staff/Executive Directors in future conversations, which could help ensure continuity, recognizing the transitional nature of board appointments. An alternative perspective was raised around concerns of ED involvement, which could potentially hinder candid conversations. The group agreed that staff invitations to meetings should be considered case by case and agreed to by industry participants. There was also general agreement that the group should remain as is for continuity, and also look to add any missing voices to ensure full representation.

Finally, Robin reviewed the suggested approach to create a smaller group of dedicated individuals to help guide clear purpose and objectives and be a point of contact of leadership for the facilitator, in streamlining the efficiency of the process. This group would not be a decision making body, more of a coordinating assist. Donna, Alex and Elin were proposed for this administrative group.

Next Steps

The forum will review the updated scope and confirm next steps to secure facilitation moving forward. OWB will discuss this topic at their 12/2 Board meeting. Mike McNally said he would also take this up with the WVWA Board this week. Both will communicate back with this group soon.