

## **Washington Beer Commission: Commission Meeting Minutes**

August 2, 2013: No-Li Brewing, Spokane, WA

Attendees: Doug Hindman (remote), Neil Fallon (remote), Matt Russell, Eric Radovich, Kate Hedstrom, Mark Irvin, Rebecca Elias (remote)

Meeting called to order at 5:05PM

### Chairman's Report

- Eric offered to lead the meeting since Chairman is not present.
- Reviewed last month's meeting minutes, minutes were unanimously approved (approval took place at end of meeting, once there was a quorum.)
- Rebecca gave a summary of the Team RFP progress: The received 3 proposals for the RFP. They have a recommendation and feel they can proceed without doing interviews. The committee felt that Radovich Communications was exceptional and based on the proposal and the work they have seen to date, they were thrilled with this candidate. Other proposals had no festival experience or came from beverage industry though they did show strengths in other areas (project management, event, etc.). This decision will be approved at the Sept 10 Commissioner meeting.
- Rebecca announced that she will be leaving the WSDA (and therefore the commission). She has taken another position with Public Health – King County and is happy to report that she will still be able working closely with the Commission. She also hopes to still be able to serve on the Marketing committee and/or consult as the grant writing process goes forward. She is unsure of her replacement at this time.

### Treasurer's Report

- Neil reported that he met with Eric and reviewed and signed off on all budget reports and approves Eric completing the financial report.
- Eric reported that the Commission closed out the WA Brewers Festival financials at the end of July, although we do still have \$5,000 from a security deposit coming from King County's Marymoor Park.
- Eric summarized and reviewed Balance Sheet and P&L that are included in the meeting packet.
- Even if remaining festivals don't make a profit, we'd make \$80,000 for the year.
- Reviewed and summarized Brewer's Festival P&L Budget vs Actual; Increase was 26% in attendance at WBF, very happy with final outcome of the festival, no incidents, park was happy, served 175,000 5oz beers. WBF net profit at \$208,000!
- Eric reviewed and summarized Bremerton's P&L Budget vs. Actual; Will probably come in at about \$10,000, Eric is happy with this, event went well, city was happy, incident free, over 3,000 attendees.
- Rainy Day fund: by the end of this month there will be the mandated \$160,000 in the account. This is 25% of annual expenses.
- At the September meeting, the Commission will discuss the excess proceeds from WBF and the ability to spend those funds; 50% will go to marketing, 25% for rainy day and 25% available for infrastructure needs, pay increases etc.

### Executive Director's Report

-Marketing Committee is working on a mobile app update. There have been contract issues and the committee is potentially looking at another company that could take over this app in January.

-WA Beer Awards was an overall success and announcing awards at WBF went well, there was some media success and the marketing committee felt it was worth doing again next spring.

-WABL was at the Bite of Seattle beer garden; Good exposure, signed up some new members.

-The committee is working on a television commercial; There have been a few set backs but Eric will report more at the next meeting.

-Matt and Eric will be going to GABF. The Commission will have a booth and pouring station, able to bring WA beer with, must be a BA and guild member.

### Director of Festival Operation's Report

-WBF report: Matt is working to improve the admissions tent at WBF during peak hours. Working on expanding space and how to best fix that issue, as he would like to get people in the venue within 20 minutes. ProMotion events did another great job this year and Marymoor was very happy with the event.

-Bremerton report: Kate worked with Orswell Events, the event went smoothly, and the special coffee beers were well received.

-Everett report: Breweries will be pouring a beer through a Randall of fruit or hops, there will be 30 breweries, changing site slightly by moving a block north.

-Spokane report: Response has been positive about the festival name change, there will be a few Idaho breweries pouring, will have glass tasters, thinking of changing locations in the future, local breweries are happy to help as needed and have ideas.

-WABL report: Signed up over 1000 members in June bringing member total to almost 3,000. Reported that Kate, Eric and Matt met with Julie Anderson about WABL changes to passport system, festival sign-ups and social media.

### New Business

-Doug inquired about the idea of meeting in a central location. Eric said we will probably revisit that idea in 2014 and we hope to coincide with Guild. Doug suggested we discuss further in October retreat.

-Doug asked about Commissioner tenures expiring and how the process works moving forward.

-Greg asked about the goal of the Marketing Committee and returned to idea of a Consumer Report. Heather suggested we speak to Taphandles because they are interested in helping to market and brand the WA Beer Commission.

Next meeting: September 10, 2013 at Iron Horse Brewery, Ellensburg

Meeting Closed by unanimous motion at 6:20pm.

Minutes recorded by Kate Hedstrom

## **Washington Beer Commission: Commission Meeting Minutes**

September 10, 2013: Iron Horse Brewery, Ellensburg, WA

Attendees: Allen Rhoades, Neil Fallon, Greg Parker, Doug Hindman (remote), Matt Lincecum (remote), Eric Radovich, Matt Russell, Kate Hedstrom

Meeting called to order at 6pm

### Chairman's Report

*Executive Director/Team Contract Award Approval:* Allen summarized the search and the unanimous decision to choose Radovich Communications as Executive Director team; The State Department of Agriculture wrote the contract, Eric has had lawyer look over it, the amending process is relatively easy as we move forward, the term is for 4 years, Commission will review performance every year and dictate performance, objectives, goals, costs, etc.

Search Committee recommends that the Commissioners vote in favor of hiring Radovich Communications. Brief discussion followed. Allen motioned to hire Radovich Communications, it was seconded by Neil Fallon. There was a unanimous decision by WA Beer Commission to hire Radovich Communications from commissioners Allen Rhoades, Matt Lincecum, Doug Hindman, Greg Parker and Neil Fallon.

Contract will go back to the state for final approval followed by signatures before October 10, 2013, with contract taking affect November 1, 2013 through October 31, 2017.

*Minutes:* Reviewed last month's meeting minutes which were unanimously approved.

*Appointments:* Allen Rhoades and Matt Lincecum have been reappointed to the Commission for 3-year commission terms. The next positions up are Greg Parker and Doug Hindman. Nominations for those positions will be accepted in July and August of 2014 through the Dept. of Agriculture office.

### Treasurer's Report

*Balance Sheet:* Accounts Receivable down about \$1,500 from last meeting. \$377,000 in account balance.

*P&L:* YTD net income of \$143,000 versus budget of \$32,500. There is still about \$35,000 for the Marketing Committee to spend this year and there is still some overhead though the Winter Beer Fest should help to break even. We will probably come in about \$80,000 over projected budget for the year.

*Festival Financials:* Bremerton will finish around \$10,000, which is about \$2,000 shy of budgeted amount. Everett will end up at \$12,000, which makes up difference from Bremerton.

*Rainy Day Fund Update:* Account is fully funded at \$160,000 (25% of annual expenses). We have \$205,000 in operating account.

Allen suggested that the Marketing Committee should focus on making good decisions and acting on those decisions, as they have the money to spend.

We are at least \$60,000+ over income budget for 2013 and Allen motioned to disperse 50% of this overage to the Marketing Committee, 25% to rainy day fund and 25% to infrastructure and overhead support. He noted that there is an interest

in having meetings at one location and with some of this infrastructure money and the Commission could supply technology to Commissioners so that everyone can have audio and video capabilities for meetings. Matt Lincecum wants to head a technology committee for this.

Doug asked if meeting in the same location would be different from other Commissions and Eric explained that most commissions meet in a centralized location and as far as the law is concerned, we can have our meetings anytime and anywhere as long as we post them 30 days ahead of time and hold six per year with some every other month parameters. Doug suggested holding Commission meetings on different days than the guild so that those who choose to attend both are able. Greg noted that he would like the marketing committee to have a comprehensive strategy if they are receiving more money, which will be added as an agenda item at the retreat on October 29 from 9am-4pm.

Allen moved to take operating overage and divide it, Neil seconded and it was unanimously approved. Eric will move funds with oversight from finance committee.

#### Executive Director 's Report

*Commission Festivals Overview:* Would like to discuss the future of smaller festivals at the retreat; the Commission makes \$10,000 in a day at these events, not showing much signs of growth, marketing differently but same amount of people, need to decide if festivals are the only/best way to market the commission.

Everett was a success, we got venue for free and the city loves having us there. Spokane will have 30 breweries, 2 from Idaho, we are spending a little more on marketing which will hopefully create more awareness, there is a strong potential for growth at this year's event.

*Marketing Committee Report:* The Seattle Magazine October issue is coming out soon, 7-page feature about WA Beer. Creating first TV commercial on CW-11: WA beer Wednesdays, 5 commercials between 10pm-midnight, 11 of the weeks will feature a specific region on the CW website.

There have been 10,134 downloads of mobile app with little to no marketing, the committee is still working to enhance the app. Next marketing meeting is Sept 17.

#### Director of Festival Operation's Report

*Festival Committee Report:* Everett was an hour shorter than last year, the crowd was similar, weather was ok, the randall beers went over well, themed brews is something we'll probably continue for future festivals.

Spokane will have a similar layout, with a few more breweries, 2-3 food vendors, many more Eastern WA breweries than Western this year, moving to a glass tasting cup. We have enhanced marketing this year.

Winter beer festival is moving to Hanger 30 at Magnuson Park, a 20,000 sq ft space. There is room for 40-50 breweries, looking for 1,000 attendees per session. Will do a walk-through during the first week in Oct. Next festival meeting is Oct 17.

*WABL Update:* Kate reported that all of the new WABL changes will be go into effect on Jan 1, 2014 and the announcement will be made in October. Hoping for 800 more members by the end of the year.

Eric noted that we are working towards a more detailed WABL budget for 2014.

Greg suggested we work hard on message delivery of the changes as to avoid any push back and confusion from members.

Next Meeting: Tuesday, October 29, 2013 north of Seattle

Meeting Closed at 6:45 PM

Minutes recorded by Kate Hedstrom