

Washington Beer Commission: Commission Meeting Minutes

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

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

Meeting called to order at 6pm

Chairman's Report

Executive Director/Team Contract Award Approval: Allan 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, goals, costs, etc.

Search Committee recommends that the Commissioners vote in favor of hiring Radovich Communications. Allen motioned to hire Radovich Communications, there was a unanimous decision by WA Beer Commission to hire from commissioners Allen Rhoades, Matt Lincecum, Doug Hindman, Greg Parker and Neil Fallon. Contract will go back to the state for approval followed by signatures before October 10, 2013, 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 a 3-year term, the next positions up are Greg Parker and Doug Hindman. Nominations for those positions will be accepted in July and August of 2014.

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 \$10,050, 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 currently 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 this infrastructure money and the Commission could supply technology to Commissioners so that everyone can have audio and video. 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 at Lynnwood Marriott from 9am-4pm. Allan moved to take operating overage and divide it, Neil seconded and it was unanimously approved. The finance committee will move those funds around.

Executive Director 's Report

Commission Festivals Overview: Would like to discuss the future of festivals at the retreat; the Commission makes \$10,000 a day at these small events, not showing 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 the new WABL changes will be go into effect on Jan 1 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 budget for 2014.

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

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Next Meeting: Tuesday, October 29, 2013 at the Lynnwood Marriott
Meeting Closed by unanimous motion at 6:45 PM
Minutes recorded by Kate Hedstrom