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### **"Wine Promotion Board and Other Commodity Promotion"**

The New Jersey Department of Agriculture's (NJDA) Division of Marketing and Development works with seven different commodity promotion councils on projects aimed at enhancing commodity-specific marketing and research opportunities. This partnership is in place for the following promotional councils: wine, apples, poultry, dairy, sweet potatoes, white potatoes and blueberries.

The Wine Industry Advisory Council, a council created in 1985, was authorized with the goal of "assess(ing) the condition of the wine industry and to advise the Secretary of Agriculture on expenditures for research, development, and promotion of the New Jersey wine industry from the New Jersey Wine Promotion Fund". According to the Division's website, the council is structured as follows:

- Through the New Jersey Department of Treasury's Division of Taxation, the Council receives the equivalent of 47 cents per gallon on all sales of New Jersey wine sold by plenary and farm winery licensees each year. The amount collected in annual fees is pooled together and repackaged in the form of grant funding for project proposals that promote the state's wine industry as a whole, not any one specific winery or product. Applicants for grant funding submit their materials for consideration (the deadline for this year is April 11, 2014) by the Wine Industry Advisory Council. The Council reviews all grant proposals, and forwards those funding requests that meet their criteria on to the State Board of Agriculture's grants subcommittee, who then make a recommendation for final action by the full State Board to approve grant applications.
- The Council meets quarterly to develop and promote New Jersey's wine industry. The Garden State Wine Growers Association sponsors annual group wine festivals to promote and share their wine-making tradition with the public. Individual wineries have their own festivals surrounded by country scenery. All wineries are open for tours and tastings. "Wine Trails" tours can be scheduled for groups.
- The Council is composed of eight members, including the Secretary of Agriculture, the Commissioner of Commerce and Economic Development and the Dean of Cook College at Rutgers University, or their designees, who serve as ex-officio and nonvoting members. The remaining five members, appointed by the State Board of Agriculture, include two holders of a plenary license, two holders of a farm winery license and one viticulturist.

For some perspective, the Division reports that in 2013, the 47-cent fee was levied against 447,444 gallons of wine, resulting in available grant funding totaling \$210,289.75.

Currently, legislation is being considered (A-4218) to modify the parameters for the Wine Industry Promotional Council. That legislation would rename this council as the Wine Board, and make the following modifications to how the board is structured:

- Increase the levy on holders of plenary and farm winery licenses from 47-cents per gallon to 84-cents per gallon, and additionally impose a 15-cent per gallon levy on the sale of hard cider.
- Authorize the board to begin engaging in educational, research-based, or promotional revenue-producing activities related to growing grapes or producing wine in New Jersey, which may include but need not be limited to, publishing materials with printed advertisements; selling printed materials; renting exhibit space at meetings or other events; and charging entrance or participation fees.
- The make-up of the new Wine Board would include Secretary Agriculture or his/her designee and the Director of the Div. of Travel and Tourism or his/her designee, both of which would serve as non-voting members. The balance of the membership, all voting members, would include one member recommended by the New Jersey Farm Bureau; one member recommended by the Garden State Wine Growers Association; one member who is an agricultural expert with Rutgers; and three members of the public who hold a plenary winery license or a farm winery license or grow grapes or are a viticulturist, and of whom one is to be from each of the three regions in the State – northern, central, and southern.

The following information is also available from the Division of Marketing and Development about the other promotional boards that they partner with. Unlike the Wine Industry Advisory Council, funds derived from these other promotional accounts are allocated in the form of grants, and are instead issued at the discretion of the various boards for research and development (R&D) or marketing-related projects:

**Apples:** Funding is derived from an assessment of three cents per bushel for all apples sold for fresh market consumption, excluding apples used for cider. Current membership includes: Current members of the New Jersey Apple Council are Taylor S. Applegate, Robert Best Jr., Myron Hurff, Joe Conti, Richard Mood and Gary Mount.

**Dairy:** Funding for the Council's activities is derived from an assessment of ten cents per hundredweight of milk delivered by producers to processors for sale. Current members of the Dairy Industry Advisory Council are Richard Byma, Bernard Beatty, Oscar Unangst, Frank Gibbs, James Watters, Adam Herb, and Robert Fulper II.

**Poultry:** The Council collects a mandatory assessment of one cent per 100 pounds of poultry feed from distributors of all poultry feed except poultry feed used in the production of meat birds. The money is administered by the Council with the approval of the New Jersey Secretary of Agriculture. The Council is made up of 11 members - six poultry growers, three distributors of poultry feed, a representative of the New Jersey Agricultural Experiment Station and the New Jersey Secretary of Agriculture (ex-officio). Members of the Council are Chairman Emanuel Puglisi, John Bezpa, Richard Lee, Karen Puglisi, John Evans, Mary Puglisi, and Edwin Schuster. Other members are the Dean of the New Jersey Agricultural Experiment Station and the Secretary, New Jersey Department of Agriculture.

**White Potatoes:** Current council members are: Abe Bakker (Chair); Hilary Barile; Chris Probasco; Amanda Coombs-Shimp; Duane Cruzan; Ron Budd (industry rep). Funds raised are used for research and development and marketing projects, and often involve coordination with NJAES researchers. In 2013, the white potato promotion council generated \$2,235 in funding for these types of projects.

**Sweet Potatoes:** Current council members are: Ben Patton (Chair), Guy Matro, Chuck Mazziarello Jr., Joe Nicolosi and Dante Spina. In 2013, this promotional council generated \$4,800 in funds, again targeted for R&D and marketing-related activities. One key program is an annual advertisement in the Hunting Digest to promote a portion of their product as a form of bait for NJ sportsmen.

**Blueberries:** The seven-member New Jersey Blueberry Industrial Advisory Council was formed to represent New Jersey's blueberry industry. Here again, funding is targeted for research, promotion and development for the state's blueberry industry. This group has also successfully obtained USDA specialty crop block grant funding for certain promotional projects.

More information about the Wine Industry Advisory Council can be obtained by contacting Lynn Coffin at NJDA (856-453-3882). Requests for information about the other councils listed here within can be directed to Bill Walker at NJDA (609-292-8854).

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April 11, 2014