



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/4/2013

Agenda Placement: 8A

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Charlene Gallina for Hillary Gitelman - Director
Planning, Building and Environmental Services
REPORT BY: Charlene Gallina, SUPERVISING PLANNER - 299-1355
SUBJECT: Wine Industry Trends - Direct to Consumer Sales

RECOMMENDATION

WINE INDUSTRY TRENDS: DIRECT TO CONSUMER SALES PRESENTATION

Request: Informational presentation on wine industry trends. Two experts in the field will present their perspectives on direct to consumer sales by wineries. The experts include Paul Mabray, Chief Strategy Officer of VinTank - Powering Social Intelligence for the Wine Industry, and Michael Honig, Honig Vineyard & Winery and Board of Director Member of the Napa Valley Vintners Association.

Staff Recommendation: Informational Item. No action necessary.

Staff Contact: Hillary Gitelman, 253-4805 or hillary.gitelman@countyofnapa.org.

(THIS ITEM IS SET TO BE DISCUSSED AT 9:00 A.M.)

EXECUTIVE SUMMARY

Proposed Action:

This is an informational item; no action is proposed.

Discussion:

From time to time, the Commission raises questions regarding trends in the wine industry, and two experts have agreed to provide their perspectives on direct to consumer sales. The speakers will each provide a 10-15 minute perspective, and will also be available to answer questions from the Commissioners. The Commission may also accept questions from members of the public if desired. The purpose of this agenda item is to provide information

only; it is not intended as the forum for a discussion or debate regarding existing or future policies governing winery visitation. (If the Commission wishes to engage in such a discussion, it should request a future agenda item.)

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: No action is proposed and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The Planning Commission regularly considers proposals from property owners seeking to establish new wineries or to modify the operational characteristics and conditions of approval that apply to existing wineries. The Commission also conducts an annual "spot" audit of winery use permit compliance, which has proved to be a valuable tool in identifying trends in the local wine industry. The 2012 audit results suggest a continued trend towards increasing winery visitation to facilitate direct to consumer sales.

Given the Commission's purview and interests, Planning staff thought it would be useful to provide some insights regarding wine industry trends related to direct to consumer sales. Two speakers have been invited to provide their perspectives and to answer questions on this topic. More information about the speakers is attached.

Note: this agenda item is not intended as a discussion of policy matters or as the forum for a discussion of the impacts of winery visitation, but as an opportunity for the Commissioners and staff to better understand an important wine industry trend.

SUPPORTING DOCUMENTS

- A . Paul Mabray Biography
- B . Michael Honig Biography

Napa County Planning Commission: Approve

Reviewed By: John McDowell