

**PENNSYLVANIA LIQUOR CONTROL BOARD**  
**MEETING MINUTES**

**WEDNESDAY, FEBRUARY 28, 2018**  
**NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA**

Tim Holden, Chairman  
Mike Negra, Board Member  
Michael Newsome, Board Member  
Charlie Mooney, Executive Director  
John Stark, Board Secretary

[Office of Chief Counsel](#)  
[Bureau of Licensing](#)  
[Bureau of Human Resources](#)  
[Bureau of Accounting & Purchasing](#)

[Office of Retail Operations](#)  
[Bureau of Product Selection](#)  
[Financial Report](#)  
[Other Issues](#)

**PUBLIC MEETING – 11:00 A.M**

Chairman Holden participated by telephone and Board Member Newsome led the meeting since Chairman Holden was not physically present.

**CALL TO ORDER** .....*Board Member Newsome*

Pledge of Allegiance to the Flag

**OLD BUSINESS**.....*Secretary Stark*

A. Motion to approve the previous Board Meeting Minutes of the February 14, 2018 meeting.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to approve previous Board Minutes.

**PUBLIC COMMENT ON AGENDA ITEMS**

There was no public comment on the printed agenda items.

**NEW BUSINESS**

*From the Office of Executive Director*..... *Charlie Mooney*

*Transfer to General Fund*.....*Charlie Mooney, Executive Director*

The Office of Budget requests a transfer of \$85,100,000 from the State Stores Fund to the General Fund. This transfer totals \$185,100,000 from the PLCB to the General Fund for Fiscal Year 2017-2018.

Note: Board Minutes are not officially approved until all required signatures are affixed.

The transfer of this prescribed amount of \$85,100,000 will be processed, as authorized in Expenditure Symbol Notification Number 17-021.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

Member Negra asked for clarification that the transfer of this money fulfilled the Agency obligation. Oren Bachman confirmed it did.

**Board Decision:** Unanimously agreed (3-0 vote) to the Transfer of \$85,100,000.

*From the Office of Chief Counsel .....Rodrigo Diaz, Chief Counsel*

(1) **SMBW, Inc.**  
5642-44 Boyer Street  
Philadelphia, Pennsylvania 19138-1733  
Restaurant Liquor License No. R-1162  
LID 59764  
Citation No. 17-1100

Appeal of Adjudication  
and Order of  
Administrative Law  
Judge

Executive Deputy Chief Counsel Michelle Fox stated this matter originated with a citation in August 2016 for operating without a valid health permit. Licensee did not appear at the citation hearing where the ALJ imposed a fine which was not paid within the time required. A Supplemental Order was issued imposing a 1-day suspension and a 2<sup>nd</sup> Supplemental Order was issued revoking the license. This untimely appeal does not allege any errors by the ALJ; Licensee simply wants more time to pay the fine. Licensee did not meet the burden under Cook to show that it is entitled to *nunc pro tunc* relief and the Board lacks the legal authority to vacate a revocation order to allow Licensee more time to pay the overdue fine. The recommendation is that the Board dismiss the petition for *nunc pro tunc* appeal.

Member Negra commented the common pleas court has more discretion than us.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Affirm ALJ.

Note: Board Minutes are not officially approved until all required signatures are affixed.

*From the Bureau of Licensing .....Tisha Albert, Director of Regulatory Affairs  
Barbara Peifer, Director, Bureau of Licensing*

(1) **214 East Butler, LLC** Conditional Licensing  
**t/a Chal Brit Beverage** Agreement  
D-3704 (LID No. 71931) Case No. 17-9067 Appointment of Manager –  
214 East Butler Avenue Distributor  
Chalfont, Bucks County

**HOLD – 1/17/18 SESSION**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Appointment of Manager with Conditional Licensing Agreement.

(2) **Atelier De Fer, LLC** Double Transfer & Requests for  
R-3348 (LID No. 90196) an Interior Connection with  
2000 Smallman Street Another Business & to Conduct  
Pittsburgh, Allegheny County Another Business on the  
Licensed  
Premises – Restaurant

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve the Transfer Subject to the Acceptance and Approval of the Stipulation.

(3) **DS & EK, Inc.** Stipulation - Restaurant  
R-3348 (LID No. 71184)  
133 South 23<sup>rd</sup> Street  
Pittsburgh, Allegheny County  
Citation No. 17-0948

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Accept and Approve the Stipulation.

(4) **Gift Horse Brewing Company, LLC** New – Brewery  
**t/a Gift Horse Brewing Company**  
(LID No. 86168) Case No. 17-9081  
117 North George Street  
York, York County

Note: Board Minutes are not officially approved until all required signatures are affixed.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve New Brewery License.

- (5) **T. Falbo's, LLC** Conditional Licensing Agreement  
**t/a Falbo's Restaurant** Person-to-Person Transfer – Restaurant  
R-18372 (LID No. 86272) Case No. 17-9070  
603 Unity Drive  
Unity Township  
Latrobe, Westmoreland County **HOLD – 1/17/18 SESSION**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve the Transfer with Conditional Licensing Agreement.

- (6) **Wilkes Brothers, LLC** Extension of License - Restaurant  
**t/a Al's Nut House**  
R-4486 (LID No. 87710) Case No. 17-9078  
407 East Noble Street  
Nanticoke, Luzerne County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve Application for Extension of License.

- (7) **1313 Bar, LLC** Renewal – District 5  
R-19643 (LID No. 67104) Case No. 2017-67104  
1313 Kennedy Avenue  
Duquesne, Allegheny County

**Motion Made:** Board Member Negra  
**Seconded:**

**Board Decision:** Hold by Member Negra for a Conditional Licensing Agreement.

- (8) **BCLT, Inc.** Renewal – District 5  
**t/a Ace's & Deuce's**  
R-10019 (LID No. 49876) Case No. 2017-49876  
1400 Fifth Avenue  
Pittsburgh, Allegheny County

Note: Board Minutes are not officially approved until all required signatures are affixed.

**Motion Made:** Board Member Negra  
**Seconded:**

**Board Decision:** Hold by Member Negra for a Conditional Licensing Agreement.

- (9) **Magyar Otthon Hungarian Club** Renewal – District 10  
C-1415 (LID No. 939) Case No. 2016-939  
4210 Whitaker Avenue  
Philadelphia, Philadelphia County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Refuse Renewal.

Member Newsome asked if anyone from Licensee was present. No response.

- (10) **Shooters Grill & Bar, LLC** Renewal – District 7  
R-7202 (LID No. 65854) Case No. 2017-65854  
14 North Main Street  
Port Allegany, McKean County

**Motion Made:** Board Member Negra  
**Seconded:**

**Board Decision:** Hold by Member Negra for a Conditional Licensing Agreement.

*From the Bureau of Human Resources ..... Jason Lutcavage, Director of Administration  
Jennifer Haas, Director, Bureau of Human Resources*

Personnel Actions

There are 18 personnel actions presented for consideration.

- (1) **Cierra Cottom – Removal**
- (2) **Jacob DeFrain – Removal**
- (3) **Melissa Estep – Affirm Removal**
- (4) **Dwayne Grogan – Rescind Removal**
- (5) **Lavar Hunter – Removal**
- (6) **John Huth – Removal**
- (7) **Britnee Klinger – Affirm Removal**

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (8) **Tayvon Martin-Allen – Removal**
- (9) **Brionstar Minyard – Affirm Removal**
- (10) **Benjamin Perkins – Removal**
- (11) **Christopher Pierre – Five Day Suspension**
- (12) **Jazzlyn Rawlinson-Jones – Affirm Removal**
- (13) **Apollo-Jade Riley – Affirm Removal**
- (14) **Rosalind Simpson – Removal**
- (15) **Erling Stokes – Removal**
- (16) **Kristina Stone – Removal**
- (17) **Shyna Valentin – Affirm Removal**
- (18) **Jessica Warfel – Removal**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all 18 Actions Presented for Consideration.

*From the Bureau of Accounting & Purchasing ..... Oren Bachman, Director of Finance  
Koppolu Ravindraraj, Director, Bureau of Accounting & Purchasing  
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

- (1) **Hearing Examiner Services** – Represent the Board in the capacity of a Hearing Examiner for administrative hearings conducted in the Commonwealth of Pennsylvania regarding matters which the Board shall adjudicate as required by law.

Procured via Sole Source – **VENDOR: Thomas R. Miller, Esquire** – **TERM: One (1) year** – **\$200,000.00 estimated cost.**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all Procurement Actions.

Note: Board Minutes are not officially approved until all required signatures are affixed.

Inter-Agency Charges:

None

*From the Office of Retail Operations..... Carl Jolly, Director of Retail Operations*

1. **#1521 – 1239 Horseshoe Pike, Route 322, Downingtown  
Amendment**
2. **#5158 – 6824 Rising Sun Avenue, Philadelphia  
Amendment**
3. **#3801 – 102 North 8<sup>th</sup> Avenue, Lebanon  
Rebrand**
4. **#67XX – One West, 1 West Market Street, York  
Relocation ( to replace #6701)**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all Retail Operations Actions.

*From the Bureau of Product Selection .....Dale Horst, Director of Marketing & Merchandising  
Tom Bowman, Director, Bureau of Product Selection*

**1. Regular PA Spirits New Items**

| <u>BRAND NAME AND SIZE</u>      | <u>REASON</u> |
|---------------------------------|---------------|
| <u>Reading Distilling Guild</u> |               |
| Reading Rum 750 ML              | 8             |
| Reading Spiced Rum 750 ML       | 8             |

RECOMMENDED ACTION: We recommend the Board approve this action

**New Items – Recommended Listings**

**Reason Codes**

1. Strong marketing support
2. High brand recognition
3. Line/Size extension of successful brand
4. Trade up opportunity
5. Growing category
6. Growing segment
7. National rollout
8. Niche item / Limited distribution

Note: Board Minutes are not officially approved until all required signatures are affixed.

9. High dollar profit potential
10. Trade out
11. High quality for the value
12. Innovative product/flavor
13. High sales through other PLCB channels (Luxury, Online, SLO)
14. Underrepresented category/segment
15. Hole in selection – consumer/store requests

## 2. Regular Recommended Delist

| <u>BRAND NAME AND SIZE</u>                         | <u>CODE</u> |
|--|-------------|
| <u>Constellation Brands</u>                        |             |
| Serpent's Bite Apple Cider Flavored Whiskey 750 ML | 9411        |
| <u>Stoli Group USA LLC</u>                         |             |
| Stolichnaya Premium Vodka 80 Proof 200 ML          | 1071        |

EFFECTIVE DATE: The transference to closeout will become effective April 2, 2018

## 3. Regular Recommended Delist Revision

| <u>BRAND NAME AND SIZE</u>         | <u>CODE</u> |
|------------------------------------|-------------|
| <b>RESCIND</b>                     |             |
| <u>Stoli Group USA LLC</u>         |             |
| Stolichnaya 100 Proof Vodka 750 ML | 7430        |

**Note: Sent to the board as recommended delist 1-31-18**

RECOMMENDED ACTION: We recommend the Board approve this action

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve all Bureau of Product Selection / Marketing Actions.



Note: Board Minutes are not officially approved until all required signatures are affixed.

**FINANCIAL REPORT** ..... *Michael J. Burns, Comptroller Operations, Office of Budget*

The Financial Report was presented by Paul Jones of the Office of Budget.

**Commonwealth of Pennsylvania  
Pennsylvania Liquor Control Board  
State Stores Fund  
Comparative Statement of Net Position  
(Unaudited)**

| <b>ASSETS</b>                                  | <b>January 31, 2018</b> | <b>January 31, 2017</b> |
|--|-------------------------|-------------------------|
| Current assets:                                |                         |                         |
| Cash   | \$ 49,512,020           | \$ 27,126,929           |
| Investments - short term                       | 235,472,863             | 259,142,242             |
| Accounts and claims receivable, net            | 1,710,905               | 1,543,238               |
| Due from other funds - Note 8                  | -                       | -                       |
| Merchandise inventories, net                   | 258,001,926             | 263,444,527             |
| Operating supplies                             | 130,234                 | 272,397                 |
| Prepaid expenses                               | 2,252,730               | 2,744,419               |
| Total current assets                           | 547,080,678             | 554,273,752             |
| Non-current assets:                            |                         |                         |
| Non-depreciable capital assets:                |                         |                         |
| Land   | 322,973                 | 322,973                 |
| Depreciable capital assets:                    |                         |                         |
| Building                                       | 19,816,479              | 19,557,620              |
| Leasehold improvements                         | 612,301                 | 864,825                 |
| Machinery and equipment                        | 48,425,495              | 47,173,960              |
| Intangibles - internally generated software    | 29,600,100              | 28,329,441              |
| Less: accumulated depreciation                 | 66,912,503              | 57,744,660              |
| Net depreciable capital assets                 | 31,541,872              | 38,181,186              |
| Total non-current capital assets               | 31,864,845              | 38,504,159              |
| Total assets                                   | \$ 578,945,523          | \$ 592,777,911          |
| Total deferred outflows of resources - Note 4  | \$ 107,891,773          | \$ 101,801,449          |
| <br><b>LIABILITIES</b>                         |                         |                         |
| Current liabilities:                           |                         |                         |
| Trade accounts payable                         | \$ 284,996,902          | \$ 239,959,107          |
| Other accounts payable                         | 33,959,407              | 24,813,770              |
| Accrued expenses                               | 20,534,106              | 18,681,788              |
| Self-insurance, workers' compensation - Note 6 | 10,239,857              | 11,271,965              |
| Due to other funds - Note 8                    | 5,053,929               | 4,655,833               |
| Due to fiduciary funds - Note 8                | 2,822,181               | 2,057,536               |
| Due to other governments - Note 8              | 755,342                 | 614,777                 |
| Total current liabilities                      | 358,361,724             | 302,054,776             |
| Non-current liabilities:                       |                         |                         |
| OPEB - Note 5                                  | 858,849,000             | 99,978,113              |
| Self-insurance, workers' compensation - Note 6 | 42,256,546              | 39,287,287              |
| Net pension liability - Note 4                 | 494,943,490             | 472,415,699             |
| Compensated absences - Note 1                  | 18,904,788              | 19,506,861              |
| Total non-current liabilities                  | 1,414,953,824           | 631,187,960             |
| Total liabilities                              | \$ 1,773,315,548        | \$ 933,242,736          |
| Total deferred inflows of resources - Note 4   | \$ 20,657,976           | \$ 6,966,121            |
| <br><b>NET POSITION</b>                        |                         |                         |
| Net investment in capital assets               | \$ 31,864,845           | \$ 38,504,159           |
| Deficit***                                     | (1,139,001,073)         | (284,133,656)           |
| Total net position                             | \$ (1,107,136,228)      | \$ (245,629,497)        |

\*\*\*Effective July 1, 2017, the PLCB implemented the Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). This standard established new standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB. The State Stores Fund Net Position changed by a total of \$(751,632,988) as a result of implementing GASB 75.

Note: Board Minutes are not officially approved until all required signatures are affixed.

**Commonwealth of Pennsylvania**  
**Pennsylvania Liquor Control Board**  
**State Stores Fund**  
**Comparative Statements of Revenues, Expenses, and Changes in Net Position**  
**For The Month Ending January 31, 2018 and January 31, 2017**  
**(Unaudited)**

|  | <u>January<br/>2017-18</u> | <u>January<br/>2016-17</u> |
|--|----------------------------|----------------------------|
| Sales net of taxes   | \$ 142,510,279             | \$ 134,805,868             |
| Cost of goods sold   | <u>(98,287,754)</u>        | <u>(94,074,950)</u>        |
| Gross profit from sales                                    | 44,222,525                 | 40,730,918                 |
| Operating (expenses):                                      |                            |                            |
| Retail operations  | (34,632,138)               | (32,554,905)               |
| Marketing & merchandising                                  | (1,919,255)                | (1,188,989)                |
| Supply chain   | (58,697)                   | (838,937)                  |
| Wholesale operations                                       | (150,998)                  | (83,073)                   |
| Information technology services                            | (2,478,411)                | (2,172,336)                |
| Regulatory affairs   | (1,684,385)                | (1,895,008)                |
| Administration   | (1,252,522)                | (1,207,454)                |
| Finance  | (349,724)                  | (317,632)                  |
| Board & secretary  | (511,921)                  | (542,589)                  |
| Legal  | (301,977)                  | (266,797)                  |
| Commonwealth provided services - Note 2                    | <u>(1,267,723)</u>         | <u>(1,107,479)</u>         |
| Total  | <u>(44,607,751)</u>        | <u>(42,175,199)</u>        |
| Operating profit   | (385,226)                  | (1,444,281)                |
| Other operating revenues (expenses):                       |                            |                            |
| Enforcement fines  | 131,568                    | 97,708                     |
| License fees   | 4,298,947                  | 2,344,848                  |
| Miscellaneous income                                       | 94,994                     | 92,250                     |
| Administrative law judge                                   | <u>(251,095)</u>           | <u>(223,101)</u>           |
| Total  | <u>4,274,414</u>           | <u>2,311,705</u>           |
| Total operating income                                     | 3,889,188                  | 867,424                    |
| Non-operating revenues (expenses):                         |                            |                            |
| Interest income  | 184,804                    | 235,702                    |
| Other  | <u>15,741</u>              | <u>-</u>                   |
| Total  | <u>200,545</u>             | <u>235,702</u>             |
| Income before operating transfers                          | 4,089,733                  | 1,103,126                  |
| Operating transfers out:                                   |                            |                            |
| PSP enforcement - Note 3                                   | (2,398,212)                | (2,138,216)                |
| Income after enforcement/before other transfers            | <u>1,691,521</u>           | <u>(1,035,090)</u>         |
| Other operating transfers out:                             |                            |                            |
| General fund - Note 3                                      | -                          | (73,300,000)               |
| Drug and alcohol programs - Note 3                         | -                          | -                          |
| Total  | <u>-</u>                   | <u>(73,300,000)</u>        |
| Change in net position                                     | 1,691,521                  | (74,335,090)               |
| Total net position, beginning 2017-18<br>restated - Note 9 | <u>(1,108,827,749)</u>     | <u>(171,294,407)</u>       |
| Total net position - ending                                | <u>\$ (1,107,136,228)</u>  | <u>\$ (245,629,497)</u>    |
| Liquor tax   | 25,357,240                 | 24,944,567                 |
| State Sales Tax  | 9,975,138                  | 9,620,513                  |
| Local Tax  | 703,763                    | 651,063                    |
| Taxes remitted to Dept.of Revenue PTD                      | <u>\$ 36,036,141</u>       | <u>\$ 35,216,143</u>       |

Note: Board Minutes are not officially approved until all required signatures are affixed.

**Commonwealth of Pennsylvania  
Pennsylvania Liquor Control Board  
State Stores Fund  
Comparative Statements of Revenues, Expenses, and Changes in Net Position  
For The Seven Months Ending January 31, 2018 and January 31, 2017  
(Unaudited)**

|  | <u>2017-18</u>            | <u>2016-17</u>          |
|--|---------------------------|-------------------------|
| Sales net of taxes   | \$ 1,237,906,701          | \$ 1,210,801,006        |
| Cost of goods sold   | <u>(844,865,938)</u>      | <u>(835,031,972)</u>    |
| Gross profit from sales                                    | 393,040,763               | 375,769,034             |
| Operating (expenses):                                      |                           |                         |
| Retail operations  | (234,997,658)             | (236,120,318)           |
| Marketing & merchandising                                  | (9,558,676)               | (8,861,132)             |
| Supply chain   | (5,863,107)               | (5,671,620)             |
| Wholesale operations                                       | (1,006,207)               | (744,969)               |
| Information technology services                            | (18,772,454)              | (20,548,497)            |
| Regulatory affairs   | (12,308,259)              | (13,452,855)            |
| Administration   | (8,729,919)               | (8,318,794)             |
| Finance  | (2,291,185)               | (2,185,305)             |
| Board & secretary  | (4,328,757)               | (3,676,485)             |
| Legal  | (2,056,878)               | (1,742,472)             |
| Commonwealth provided services - Note 2                    | <u>(8,312,381)</u>        | <u>(7,804,188)</u>      |
| Total  | <u>(308,225,481)</u>      | <u>(309,126,635)</u>    |
| Operating profit   | 84,815,282                | 66,642,399              |
| Other operating revenues (expenses):                       |                           |                         |
| Enforcement fines  | 939,503                   | 742,120                 |
| License fees   | 27,109,484                | 14,457,140              |
| Miscellaneous income                                       | 1,521,043                 | 822,400                 |
| Administrative law judge                                   | <u>(1,600,867)</u>        | <u>(1,546,443)</u>      |
| Total  | <u>27,969,163</u>         | <u>14,475,217</u>       |
| Total operating income                                     | 112,784,445               | 81,117,616              |
| Non-operating revenues (expenses):                         |                           |                         |
| Interest income  | 1,485,031                 | 1,272,838               |
| Other  | <u>30,031</u>             | <u>(45,023)</u>         |
| Total  | <u>1,515,062</u>          | <u>1,227,815</u>        |
| Income before operating transfers                          | 114,299,507               | 82,345,431              |
| Operating transfers out:                                   |                           |                         |
| PSP enforcement - Note 3                                   | <u>(17,323,848)</u>       | <u>(16,487,627)</u>     |
| Income after enforcement/before other transfers            | 96,975,659                | 65,857,804              |
| Other operating transfers out:                             |                           |                         |
| General fund - Note 3                                      | (100,000,000)             | (73,308,937)            |
| Drug and alcohol programs - Note 3                         | -                         | -                       |
| Total  | <u>(100,000,000)</u>      | <u>(73,308,937)</u>     |
| Change in net position                                     | (3,024,341)               | (7,451,133)             |
| Total net position, beginning 2017-18<br>restated - Note 9 | <u>(1,104,111,887)</u>    | <u>(238,178,364)</u>    |
| Total net position - ending                                | <u>\$ (1,107,136,228)</u> | <u>\$ (245,629,497)</u> |
| Liquor tax   | 222,543,533               | 218,259,372             |
| State Sales Tax  | 87,483,831                | 85,447,419              |
| Local Tax  | 5,555,597                 | 5,361,899               |
| Taxes remitted to Dept.of Revenue YTD                      | <u>\$ 315,582,961</u>     | <u>\$ 309,068,690</u>   |

Note: Board Minutes are not officially approved until all required signatures are affixed.

**OTHER ISSUES**

*Pennsylvania Malt and Brewed Beverages Industry Promotion Board.....Elizabeth Brassell,  
Director of Policy and Communications*

Act 39 of 2016 created the Pennsylvania Malt and Brewed Beverages Industry Promotion Board and authorized the PLCB to approve up to \$1 million annually for development and marketing of the Pennsylvania beer industry. The Pennsylvania Malt and Brewed Beverages Industry Promotion Board has recommended 13 grants totaling \$704,985 for PLCB approval. The grant projects are intended to increase the production of Pennsylvania-made malt and brewed beverages and enhance the Pennsylvania beer industry through promotion, marketing, and research-based programs and projects.

Member Newsome asked if there were any comments on the grants.

Elizabeth Brassell stated the 13 grants are intended to increase the production of Pennsylvania-made and brewed beverages and enhance the growth of the craft beer industry in Pennsylvania through promotion, marketing, and research-based programs and projects.

| <b>Grant Project</b>  | <b>Grantee</b>   | <b>Grant Amount</b> |
|---|--|---------------------|
| <i>Pennsylvania Pursue Your Hoppiness:</i> Identification of 12 beer trails geographically linking breweries based on the state’s existing tourism regions, and creation, development, and employment of a single, identifiable brand identity for Pennsylvania’s malt and brewed beverage industry.  | PA Department of Community and Economic Development, Pennsylvania Tourism Office | \$127,500           |
| <i>Distributors Training and Development:</i> Three regional marketing workshops across Pennsylvania for beer distributors that (D licensees) that will allow industry experts to provide distributors with information and tools to take advantage of recent changes in Pennsylvania law to remain an integral part of the Pennsylvania beer industry. | Malt Beverage Distribution Association   | \$95,000            |
| <i>Design and Development of Improved Drying Technologies for Pennsylvania Hop Growers:</i> Development of research-based recommendations for dehydrating fresh hops with a focus on preserving hop aroma compounds currently in demand by Pennsylvania breweries.  | The Pennsylvania State University  | \$70,559            |
| <i>Effect of Fungicides on Pennsylvania Hop Aroma Quality:</i> Evaluation of the effects that fungicides have on the final quality of hops and beer brewed with those hops.   | The Pennsylvania State University  | \$65,595            |
| <i>“Poured in Pennsylvania”:</i> A feature-length documentary film that will explore the state’s craft beer industry, including its impact in agriculture, tourism, and the economy in order to both educate viewers and spur beer tourism throughout Pennsylvania.   | GK Visual LLC  | \$65,000            |

Note: Board Minutes are not officially approved until all required signatures are affixed.

|   |  |          |
|---|--|----------|
| <i>Beer Tourism: The Digital Ale Trail:</i> Development of a new app – a comprehensive, immersive mobile experience for residents and tourists to experience the best of the commonwealth’s beer industry at the touch of their fingers – to raise the profile of Pennsylvania breweries                        | Brewers of Pennsylvania  | 60,000   |
| <i>“What’s Brewing”:</i> A television series promoting all aspects of Pennsylvania’s evolving brewing scene to raise the visibility of Pennsylvania’s growing craft brewing industry and increase tourism.  | CCI Communications   | \$50,000 |
| <i>Pennsylvania Craft Malt Production and Promotion for Commonwealth Brewed Beverages:</i> A project to increase production, promotion, and research and development of Pennsylvania craft malt while increasing the quality, profitability, and sale of commonwealth brewed beverages.                         | Deer Creek Malthouse   | \$49,214 |
| <i>PABrewReview.com:</i> Improvement and expansion of a brewery review website using user-submitted ratings to provide consumers with a consolidated source of information for each brewery in the commonwealth, searchable by location and other categories.   | PA Brew Review   | \$39,970 |
| <i>Professional Development and Education Program:</i> Direct education of individual brewers in western Pennsylvania increasing their knowledge and improving the quality of beer produced through the offering of professional speakers, technical seminars and other professional development opportunities. | Master Brewer’s Association of Pennsylvania, District Pittsburgh | \$35,000 |
| <i>Pittsburgh Brewery Guide:</i> An innovative and interactive online and print guide to breweries across Allegheny County focused on increased knowledge of unique local brewing traditions, tourism and economic impact.  | Pittsburgh Brewers Guild   | \$30,000 |
| <i>The Hops on Lots Pittsburgh Project:</i> Development, in conjunction with a local community, of an urban hop farm to supply a local brewer for creation of a truly local beer for the community.   | Hops on Lots Pittsburgh  | \$10,000 |
| <i>Bringing Brewers and Farmers Together:</i> Two “matchmaking events” in 2018 to connect interested farmers with local brewers in order to strengthen Montgomery County’s role in the local brewing economy.   | Montgomery County Planning Commission                            | \$7,147  |

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Newsome

**Board Decision:** Unanimously agreed (3-0 vote) to Approve the 13 Grants Totaling \$704,985.00.

**CITIZEN COMMENT/BUSINESS FROM THE FLOOR**

None

Note: Board Minutes are not officially approved until all required signatures are affixed.

**NEXT BOARD MEETING**

**The next meeting of the PLCB will be a formal meeting on Wednesday, March 14, 2018 beginning at 11:00 A.M. Prior to the public meeting, there will be an Executive Session to discuss matters of personnel and to engage in non-deliberative informational discussions, some of which are regarding actions and matters which have been approved at previous public meetings.**

**ADJOURNMENT**

On a motion by Member Negra, seconded by Member Newsome, the meeting was adjourned.

The foregoing actions are hereby officially approved.

\_\_\_\_\_

Chairman

\_\_\_\_\_

Member

\_\_\_\_\_

Member

ATTEST:

\_\_\_\_\_

Secretary