



LOCATION

P A Short Distributing Company
440 Industrial Dr
Roanoke, VA 24019

[Microsoft Teams](#)

DATE & TIME

Wednesday, June 11, 2025
12:00 PM

MEETING MINUTES

Call to Order

The Chair, Jason Romano, called the meeting to order at 12:05 pm.

Directors Present

Jason Romano, Chair, Lake Anne Brew House
Aden Short, Vice Chair, P.A. Short Distributing Company
Joseph Guthrie, Secretary, VDACS Commissioner
Matt Mullett, Member, RichBrau Brewing
Greg White, Member, Hoffman Beverage Distribution Company

Others Present In-person

Dakota Rust, VDACS, VBDC Operations Manager
Staci Saunders, VDACS, VWDC Operations Manager

Others Present Virtually

Missy Johnson, VDACS, VBDC Financial Analyst
W. Dewey Jennings, Ph.D., VDACS Director of Administrative and Financial Services
Michael Mullin, VBWA General Counsel

Approval of Agenda

Chair Romano made a motion to approve the agenda as written. The motion was seconded by Mr. White, and the motion passed unanimously.

Approval of Draft Minutes

Chair Romano made a motion to approve the draft minutes as written. The motion was seconded by Vice Chair Short, and the motion passed unanimously.

Public Comment

Chair Romano opened the public comment period after the approval of the minutes. The live stream link was opened, and there were no comments. It was brought to the Vice Chair Short's attention that there were technical issues involving attendees being able to verbally share comments, so it was noted that another public comment period would be opened at the end of the meeting. However, it was realized due to restricted Teams meeting settings, enabling microphones and camera for attendees was grayed out. Attendees were afforded the opportunity to submit written comments in the Q&A chat section of the meeting but there were no comments at that time.

Operations Manager Report

FY24-25 Budget overview

Mr. Rust presented the budget as of May 29, 2025. The budget is on track regarding what has been spent or is pending. We may be a little under at year-end. The primary expenses include software development, marketing, and salaries and benefits. Since January 2025, transaction fee revenue has totaled over \$500. There were no questions about the current budget.

Barriers to VBDC Registration Survey Results

Mr. Rust sent an anonymous VBDC Barriers survey to 50 breweries that were in pending status between April 17th and May 31st. The response rate was 24%. The primary barrier identified was the license fee. The Board discussed the value of the company and strategies to help small breweries view the application and licensing fees as investments in marketing their brands, emphasizing the potential cost-benefit to their business growth. Mr. Rust also plans to send a mass mailing to retailers across the Commonwealth. Increasing the number of retailers available to purchase beer may enhance the interest of breweries.

Licensing

Mr. Rust provided the Board with an update regarding distribution licenses. There are currently 19 wholesale licensed locations, 8 applications pending approval, and 49 breweries that have either registered their accounts, paid the application fee, or are in the process of submitting their documents.

Sales

As of May 29, 2025, twelve out of nineteen locations have total sales of \$15,873.50, totaling \$528.41 in revenue from transaction fees. 66 purchase orders were processed, and almost 26 barrels have been sold. There are more than 60 retailers signed up and 122 unique products available.

Engagement

Mr. Rust informed the Board about the steady growth that VBDC continues to experience with social media and retailer registrations. Chair Romano and Mr. Rust presented at the second quarter Virginia Craft Beer Quarterly Seminar held at the New Realm Brewing Company on June 9, 2025. This presentation focused on the cost-benefit analysis of distributing through VBDC.

On July 3, 2025, VBDC will have a booth at the Richmond Weddings Summer Show to raise consumer awareness about banquet licensees participating in the event. Once consumers obtain their license, they can make purchases from any retail location. However, it is beneficial for them to buy at wholesale prices through VBDC. The conversation about distributing to consumers with banquet licenses highlighted that the wholesalers are required to collect and pay sales tax for these licensees and must provide at least cups and ice.

Before moving forward, Secretary Guthrie announced to the public to enter any questions for the board in the meeting chat box. Technical issues prevented hearing them.

System Update

The VWDC system upgrade project is currently in progress. Both the VBDC and VWDC systems will utilize a shared database platform while maintaining separate interfaces. This improvement will streamline the registration process for retailers by providing a single sign-on landing page that allows them to register for both VBDC and VWDC with multiple locations. Retailers will function independently from each company, using just one login. This enhancement addresses the previous setup, where retailers with multiple locations required separate logins for each one.

Business Development

Virtual Meeting Policy Renewal

The Board is required to review and vote on the virtual meeting policy annually. (see VDACS Number 2.3 pg 7- item C. ALL-VIRTUAL PUBLIC MEETING PARTICIPATION BY BOARD MEMBER 9.) The board moved to adopt and approve the virtual meeting policy as written, and the motion passed unanimously.

Internal Policies

Mr. Rust asked the Board to consider adopting the three new internal policies. There were no further comments from board members.

- **Distribution Rights Release-** Chair Romano made a motion to approve the Distribution Rights Release policy as written. The motion was seconded by all, and the motion passed unanimously.
- **Invoices -** Chair Romano made a motion to approve the Invoices policy as written. The motion was seconded by Mr. White, and the motion passed unanimously.
- **Distributing to Remote Events –** Chair Romano made a motion to approve the Sale and Distribution of Beer to Banquet and Special Event Licensee policy with the update referring to “Brewery” rather than “Supplier.” The motion was seconded by Mr. White, and the motion passed unanimously.

Operating Agreement

Mr. Rust provided a revised Operating Agreement for the Board to review. The proposed changes included an additional clause discussing VBDC’s sovereign immunity status, VBDC space requirements, and streamlining a requirement to keep designated wholesale agents up to date with VBDC. There was discussion amongst the Board regarding the need for the VBDC space to be separate and secure per TTB compliance requirements. Chair Romano made a motion to approve the sovereign immunity disclaimer (section 3.15), the requirement to keep designated wholesale agents up to date in the VBDC order system (Exhibit Two), but not the proposed relaxed wholesale space change. The motion was seconded by Mr. White, and the motion passed unanimously.

Vendor Agreements

The Board discussed big box retailers wanting VBDC to sign vendor agreements. A statement will need to be added to the operating agreement about breweries not being able to sign on behalf of VBDC. It was noted that Virginia beer wholesalers often don’t sign vendor/distribution agreements with retailers due to the illegality of requirements within these documents. The Board was in agreement that VBDC should stay away from these agreements and if the retailers want to purchase from VBDC, it would have to be without an agreement.

Delivery Fees

Mr. Rust requested the Board's opinions on VBDC charging delivery fees. Mr. Mullett noted that a 4% transaction fee is significantly lower than the 30% charged by other distributors. All retailers would have to be charged the same delivery fee; it cannot vary based on location. Breweries need to evaluate their delivery areas and establish minimum order amounts based on specific locations. Furthermore, breweries have the option to accept or decline a delivery order. The Board’s does not want delivery fees charged.

Operating Budget Proposal

Mr. Rust explained the budget proposal to the board. Secretary Guthrie made a motion to approve the proposed FY25- 26 Operating Budget. The motion was seconded by Mr. White, and the motion passed unanimously.

Next Meeting

According to the bylaws, the annual meeting must be held to elect officers after the start of the fiscal year. The upcoming board meeting is scheduled to take place virtually on August 13, 2025, from 11:00 AM to 1:00 PM.

Adjourn

The meeting was adjourned at 2:17 PM.

DRAFT

