

The International Exhibition Co-operative Wine Society Limited
Minutes of 144th Annual General Meeting held at 5.30pm at
The Queen Elizabeth II Conference Centre, London, W1R 6EL on 11 June 2018

In the Chair: Sarah Evans (Chairman)
Also Present: Tim Wright (Deputy Chairman)
Liz Cerroti (Interim Chief Executive)
Pierre Mansour (Head of Buying)
9 other members of the Committee
Approximately 430 members
Apologies: Ian Adams (Company Secretary)

MINUTES OF THE 142nd ANNUAL GENERAL MEETING

The Chairman noted that the approval of minutes were not a requirement under the Society Rules and consequently would be dispensed with.

ADOPTION OF THE REPORT AND ACCOUNTS

The Chairman addressed the meeting and proposed the adoption of the Accounts for the year ended 26 January 2018.

Ten members asked questions which were answered by the Chairman and Head of Buying. There follows a summary of the questions and answers:

- Q A member referred to the notes accompanying the Annual Review which mentioned that The Society was using off site storage and enquired whether Members' Reserves were stored there.
- A *Sarah Evans confirmed that there were some Members' Reserves held in the off-site storage which has proved to be a fantastic facility. Pierre Mansour explained that the main facility was located in Derbyshire in a former RAF munitions store deep within a hillside and consequently temperature control was natural and mirrors the Stevenage Warehouse. There was no natural light and humidity levels are very good. Another wine merchant has used the facilities for many years and consequently The Society was confident of the suitability.*
- Q A member enquired about the possible impact of changes to both tariffs and customs arrangements on the business of The Society.
- A *Sarah Evans observed that it was difficult to predict possible outcomes. The Society has been liaising very closely with the Wine and Spirit Trade Association, The Society's trade body. The Society had considered the impact of earlier VAT settlement and this would be managed within existing cash resources. The Society cannot influence the imposition of trade tariffs, but sources wines from all over the world. Currency hedging is undertaken to ameliorate exchange rate movements. However, whilst some prices rises could be absorbed, inevitably some increases would be passed on to members. Sarah Evans reaffirmed that members would be informed as and when the situation changes.*
- Q A member remarked that he had been introduced to a number of new grape varieties and wines predominantly from Spain, Italy and New Zealand but was disappointed these had disappeared from subsequent lists and were no longer available.
- A *Pierre Mansour explained that wine is an agricultural product and that in the case of some of the examples quoted, the last two vintages from 2016 and 2017, little volume had been produced because the vintage produced was terrible. Commenting on the wider European*

situation 2017 was a tough vintage and volumes are down. Consequently for the first time in many years global production of wine was now less than demand.

Q A female member noted that The Society was seeking to encourage more younger female members. She enquired what The Society perceived as the barriers and the measures being taken to mitigate them and to encourage more women to join?

A *Sarah Evans welcomed the member and thanked her for attending the AGM. It was recognized that young people enjoy drinking good wine as do middle aged and older people. The perception of many from the outside is that The Society is a male dominated, somewhat boring and a very authoritative society, partly perhaps attributed to its heritage. Consequently we're trying to change that image by showing we are passionate about wines offered and think there is something for everyone within the range. The Society was looking at how it could gradually change how it appears with the type of tastings offered, messaging and how to change the presentation which would make The Society more appealing to younger people and to women of all ages. Sarah Evans welcomed the opportunity to discuss the subject further after the conclusion of the formalities.*

Q George Jeffrey, former Deputy Chairman, took the opportunity to remind members about The Wine Society Dining Club for those who enjoy fine wines in their maturity in good surroundings. Members were encouraged to approach any of the Committee members if they were interested.

Q A member sought to make two quick points. Living in the north of England he had found the click and collect service from his local shop to be most preferable over the traditional doorstep delivery service. The main query concerned the use of wine boxes – the bag in a box concept which was particularly convenient when just a glass or two was required.

A *Pierre Mansour noted that the bag in a box technology had improved dramatically in the last few years. Following the trial of a Soave last year it will be repeated this year. The main disadvantage of bags in boxes to The Society as wine merchants is that we have to commit to quite a large quantity. The trial had proved very successful and it was confirmed a Rhône would be included in the next List.*

Q A member expressed concern with The Society's introduction of storage in bond would make en primeur offers more attractive to speculators and enquired if this had been the case.

A *Sarah Evans explained that the introduction of bond storage for en primeur was only introduced after determining it was something members wanted. Indeed it has now become the default with around 85% of members leaving their wine in bond. Nonetheless, it can be put into duty paid warehouse should members prefer. The Society monitors quite closely what members are buying and the amounts bought. Our allocation system means buying from The Society for speculation is extremely difficult. Oversubscribed wines are reduced to sixes and threes making speculation difficult. Sarah Evans reminded the meeting that Rule 7.5 states wine is not to be bought with the intention of reselling. So far The Society had not seen any unusual behavior but it is actively monitored.*

Q A member picked up on a reply to an earlier question concerning enhancing the appeal of The Society to younger people but hadn't mentioned branding and The Society logo. Altering The Society image and brand might be considered sacrilege by some members.

A *Sarah Evans replied that the logo was in fact changed about six or seven years ago. Brand covers much more than the visual appearance of the logo but also encompasses how we portray ourselves, tone of voice, range of products and levels of service. Sarah Evans noted that branding image and logo is discussed at least once a year by the Committee in quite earnest debates. The logo has undergone many changes since The Society was established, and branding and image will continue to be discussed and changes will be inevitable in the future.*

Q A member, having given prior notice of his question, enquired whether The Society might consider introducing in its Wine Without Fuss plan a screwcap bottles only case, perhaps limited to entry level wines. These would be easier to open than the traditional cork closures which certain members may have difficulty opening.

A *Pierre Mansour replied that there had been an increase in the range of screwcap bottles. However, The Society follows the guidance of the producers because they are best placed to know what is the best closure for a particular style of wine. The Wine Without Fuss plans are built around price and style of wine. An easier solution, were there to be sufficient demand would be to offer a mixed case of just screwcap bottles on the List.*

Q A member who had been a participant in the Vintage Cellar Plan Rising Stars enquired how The Society increases its ranges and in particular whether a white selection might be introduced.

A *Sarah Evans replied that there could be challenges with the ageing of the wines. Pierre Mansour ventured that if there was sufficient interest there were white wines from around the world that might be suitable. A classic example might be from Australia Hunter Valley Semillon where white wines age for decades.*

The Accounts were adopted on a show of hands without objection.

COMMITTEE REMUNERATION

The meeting considered the remuneration of the Committee in line with a recommendation that the Committee Honoraria be looked at each year by the Annual General Meeting.

It was agreed without objection that the remuneration of the Committee for the year ended 25 January 2019 would be as follows:

- Chairman: £37,200 per annum.
- Deputy Chairman: £18,600 per annum.
- The other Elected Members: £45,200 per annum in aggregate, to be shared in the ratio of the actual number of meetings attended to the total number of possible attendances by Elected Members.

Co-opted Members (other than the Chief Executive), would be paid at the same rate per meeting as calculated for the Elected Members.

COMMITTEE ELECTIONS

Mike Thompson was retiring by rotation and offered himself for re-election.

Guy de Froment was retiring at the end of the Annual General Meeting. Ken Brown was standing for election.

There were no other nominations for election to the Committee and therefore the Chairman declared that Mike Thompson and Ken Brown were elected to the Committee.

COMMITTEE CO-OPTIONS

As required by Rule 27.3, the meeting confirmed the following co-option appointments:

- (a) Ken Brown for a term of one year from 21st September 2017
- (b) Michael Findlay for a term of one year from 24th January 2018
- (c) Thomas Foster for a term of one year from 17th January 2018

The Chairman declared the meeting closed at 6.20pm.