**   **

**Beyond 2015 – Blueprint for VA Wine**

**Statistics from Wine Marketing Office**

**2004 2009 2012**

78 wineries 157 wineries 231 wineries

2,360 acres 2,900 acres 3,376 acres

303,708 case sales 399,744 case sales 484,982 case sales

3,707 tons grapes 8,600 tons of grapes 7,532 tons

$1,300 Avg. $ ton 1,600 Avg. $ ton $1700 Avg. $ ton

49% sales/wineries 56.5% sales/wineries 64% sales/wineries

44% distrib. 40.5% distrib 33% distrib.

4% total market share (in VA) 4.79% 4.63%

**Vision Statement for 2020**

*By year 2020, the Virginia Wine Industry will have a definitive brand identity and be established as the Eastern capital of the American wine industry, measurable by premium wine sales.*

**Objectives and Strategies**

**Objective #1: Increase amount of premium vineyard acreage by 50% by 2020. Or, 200 acres of new vines planted each year.**

**Short Term Strategies:**

1. Develop a packet of information to support the planting of new vines by recruiting absentee landowners, new farmers to put land back into production and to urge existing farmers to diversify and include wine grapes in portfolio.
   1. Conduct economic study/report to show viability of planting new vineyards.
   2. Conduct a survey of winemakers to determine varietals and clones to be planted in specific regions
   3. Include information on available funding (public and private)
   4. Show cost and value of acre/wine grapes and need for more wine grapes to support increased wine production
   5. Gear packet of information for vineyards of 10+ acres.
2. Identify and put together a team to make presentations and meet with interested parties.
   1. Experienced grower
   2. Experienced winery owner with successful contracts
   3. Viticulturist
   4. Wine Maker
   5. Accountant
   6. Banker
   7. Lawyer
3. Identify Audience (Potential Growers) and Reach Out
   1. Absentee landowners
   2. Deep pockets
   3. Existing farmers who want to diversify
   4. Write articles about need and advertise sessions in local newspapers, via extension offices, newsletters, local farm bureaus, local banks
   5. Work with VSU and VT Outreach Programs
   6. Attend Ag Expo and other trade conferences to speak with current farmers
4. Secure funding to support vineyard development in form of cost share program

**Long Term Strategies**

1. Establish Vineyard Management Team to bring new agricultural lands into wine grape production
2. Increase access to capital for wineries and vineyards
3. Maximize Winery and Vineyard Tax Credit to encourage planting of new seedlings
4. Increase funding for Wine Promotion Fund; maintain funding for Virginia Winery Distribution Company

**Objective #2: Reduce the financial risk of grape growing** **by reducing cost of growing wine grapes and improving profitability of vineyards and wineries**

**Short term Strategies**

1. Long term contracts between growers and winemakers
2. Low-interest loans or grants
3. Explore crop-insurance
4. Site selection / varietal education (Virginia Tech [Virginia Viticultural Suitability Investigative Too](http://vmdev.cgit.vt.edu/Vineyards/)l)
5. Co-operative purchase of grape-growing materials
6. Identify federal grants for underserved areas
7. Identify internship programs and relationships with colleges, other countries
8. Start discussion with VT, Community Colleges re: certificate programs, internships, classes

**Long Term Strategies**

1. Address economy of scale issues for Virginia wineries and identify ways to minimize financial impact
   1. Investigate the cooperative type structure
   2. Research reducing chemical usage
2. Study on profitability
   1. Identify costs of labor, materials
   2. Identify areas to diversity - agritourism
   3. Investigate ways to provide for more vineyard mechanization wherever possible
   4. Incentivize frost protection and assistance, irrigation
3. Develop plan to develop vineyard into winery
4. Education on best practices/mitigation of problems for growing in a humid climate
5. Share equipment/Utilize Coop
6. Increase access to capital for vineyards and wineries
7. Increase pool of trained labor and/or vineyard management/mechanization to support vineyard expansion
8. Bi-lingual training classes
9. Explore certification
10. Specific training for Spanish-speaking audience (Traveling Program)
11. Increase use of H2-A program
12. Explore practical mechanisms for small vineyards

**Objective #3: Relationships with local and state government**

**Short Term Strategies**

1. Improve sharing of information with industry and with VWC regarding local issues
   1. Send surveys and request information from wineries, vineyards
2. Develop a white paper on economic impact of industry
3. Develop model sense of board/local ordinance
4. Develop list of threats from local government action/be proactive in averting adverse action
5. Develop list of government agriculture development officers
6. Funding of VWC needs to be more broad based
7. Plug into council of states and distribute information
8. Outreach to economic development departments – local and state
9. Meetings with local representatives; meet the candidates; encourage attendance at meetings
10. Publish Annual Report

**Long Term Strategies**

1. Oppose a patchwork of local laws and restrictive regulations from land use to taxation
2. Support Virginia’s Use Value Assessment Program
3. Engage with localities in the development of local economic development plans and in education and workforce development

**Objective #4: Marketing-**

**Short Term Strategies**

* 1. Drive Branding
     1. Continue to enhance the reputation of Virginia wines through strategic events and communications
        1. The Virginia Governor’s Cup
        2. The Virginia Wine Summit
        3. Target opinion shapers
           1. Trade tours
           2. Wine Camps
        4. Establish more AVA’s in Virginia
  2. Drive People to Wineries
     1. Partner with VTC to promote Virginia as a destination
     2. Continue to create vehicles for consumers to find easy access to winery travel information
     3. Create promotional opportunities to generate interest in visiting VA wineries
  3. Increase sales in VA with “Drink Local” Messaging
     1. VA based publications
     2. Restaurant/retail incentives
     3. Governor’s Cup recognition for retail sales
     4. Use our marketing assets for winning retailer/restaurant
     5. Wine tastings vs. benchmark wines
     6. Lifestyle publications vs. wine publications
  4. Preserve Virginia wine shelf space
     1. Promote wine shops that promote Virginia wines
     2. Engage wine marketers – market to trade
     3. Continue to build trade tours
  5. Marketing Materials for Governor’s Office
  6. Create synergies with the local food movement

**Long Term Strategies**

Drive Sales

Improve Yield and Consistency of Virginia Wine Grapes

CQA

1. Protect and support on-site retail sales for Virginia wineries
   1. Consolidate information in one place
   2. Establish statistics on winery income vs. strain on local economies
2. Increase sales and distribution of Virginia wines out-of-state.

Create interest for Virginia wines through select marketing opportunities within targeted markets

Markets of interest include

1. Washington DC

2. North Carolina

3. Maryland

4. South Carolina

5. New York

6. Illinois

Other states to include:, Florida, Georgia, Pennsylvania

1. Create a national “Virginia” brand that definitively positions Virginia as a preeminent wine country
   1. Expand Virginia brand beyond Virginia borders
   2. Increase funds to expand March “Wine & Dine Month”
   3. Secure additional funding to support VA branding initiative
   4. Working group with facilitation to define the National brand
   5. Virginia Wine Month
   6. Redefine metrics/analytics and measurement on consumer demographics, preferences etc.,
2. Improve the quality and uniqueness of VA wine
   1. Work with VT and other groups to establish the best location (AVA) for specific varietals
   2. Support training winemakers in small or start-up wineries
      1. A winemaker’s version of FLITE tours
      2. Get winemakers from different regions to see what other winemakers are doing.
      3. Promote the CQA
      4. Conduct research so that we can tie viticulture practices and their impact in addition to the qualitative aspects of wine profiles.
   3. Measurement:

i. Double CQA participation

ii. Improve Gov. Cup participation

iii. Measure MKT acceptance of the wines