



Viticulture, enology and marketing for cold-hardy grapes



Baseline Monitoring for the Cold Hardy Grape and Wine Industries

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Background and Rationale: The emergence of cold hardy wine grape cultivars (primarily *vitis riparia*) in the 1990s created a new and rapidly expanding industry of small vineyard and winery enterprises in states across New England, northern New York, and the Upper Midwest. While the North American ancestry of these cultivars confers exceptional climatic adaptation and disease resistance, other challenges to production, processing, and marketing have slowed their successful commercialization in regional and national markets. Marketing tools are required to educate consumers unfamiliar with the grapes and the wine styles they produce. Consequently, the long-term viability of these new businesses requires coordinated research and extension to optimize viticulture, enological (winemaking), business management, and marketing practices including an assessment of the state of the industries. This study is intended to provide that baseline information.

Methods: To measure progress on these goals, one of the first tasks of the project team was to conduct a baseline survey. This survey, sent to grape growers and wineries in the participating states, gathered data on the current status of the grape and wine industries in general and on cold-hardy grape and wine production, specifically. Questions were asked pertaining to sales and production (wineries and vineyards), growing practices (vineyards), and operating practices (wineries). In early 2012, project researchers at the University of Minnesota sent a survey to grape growers and wineries in the participating states. Grower and winery lists were provided to the University of Minnesota by industry associations in each state. An email was sent to all members on these lists, resulting in 2,746 invitations to participate in the survey. Of these, 501 responded, for an overall response rate of 18 percent. In addition, links to the survey were available allowing individual growers and wineries not directly associated with an industry group, and thus not receiving a direct email invitation, to participate in the survey. These links were also announced during the Northern Grapes Project webinars. The survey links generated 110 responses. Therefore, in total, there were 611 total responses to the survey.

Results: Results from each state, or grouping of states if sufficient completed questionnaires were not enough from one state, have been published. In addition to statistics about the types of grapes grown, acreage, wine volume produced etc each state, as well as all states together, were analyzed with respect to the economic impact of the grape and wine industries including the tourism component. Some of the all states results include: grown grapes and fruits in their production (hereafter, locally-sourced wineries).

- In 2011, the *wine grape and locally-sourced winery industries* contributed: \$1.5 billion dollars to the economy, including \$409 million of labor income. The industries generated 28,200 jobs.

- In 2011, the *cold-hardy wine grape and locally-sourced winery industries* contributed \$401 million to the economy, including \$130 million of labor income. The cold-hardy industries generated 12,600 jobs.
- Locally-source wineries generated \$926 million in economy activity and 13,500 jobs. Wines from cold-hardy grapes produced at these wineries contributed \$215 million of the output and 5,000 jobs.
- Winery tourists visiting locally-sourced wineries created \$470 million of economic output and 5,300 jobs in 2011. Of this, \$140 million of output and 1,700 jobs were as a result of visits to wineries utilizing cold-hardy grapes in their wine production.
- Wine vineyards were responsible for \$120 million of economic activity in 2011, including the creation of 9,400 jobs. Wine vineyards growing cold-hardy grapes generated \$46 million of the output and 5,900 of the jobs.
- Wineries are the primary driver of economic impact across the project states. Wineries provide the value-added to the wine grape and capture that value in their sales.
- Winery tourists account for a significant share of economic activity generated by the industry. Wineries are also unique in the sense that most of their sales originate from the tasting room. This requires wineries to attract customers to them, often to rural locations. This strategy drives a strong tourism-related industry.

What the results mean: Cold-hardy wine grape vineyards and locally-sourced wineries remain a small portion of the total economic engine of the industries. However, survey results published in related Northern Grape Project publications document the recent growth of the industry. The results also indicate growth is expected to continue in the cold-hardy industry.