



Winery Scale Up Planning Grant

GO Virginia Region 9



VIRGINIA INITIATIVE FOR
**GROWTH &
OPPORTUNITY**
IN EACH REGION

2024 Virginia Wine Industry Report

Objective: Identify challenges in scaling up the region's wine industry and increasing sales in target markets

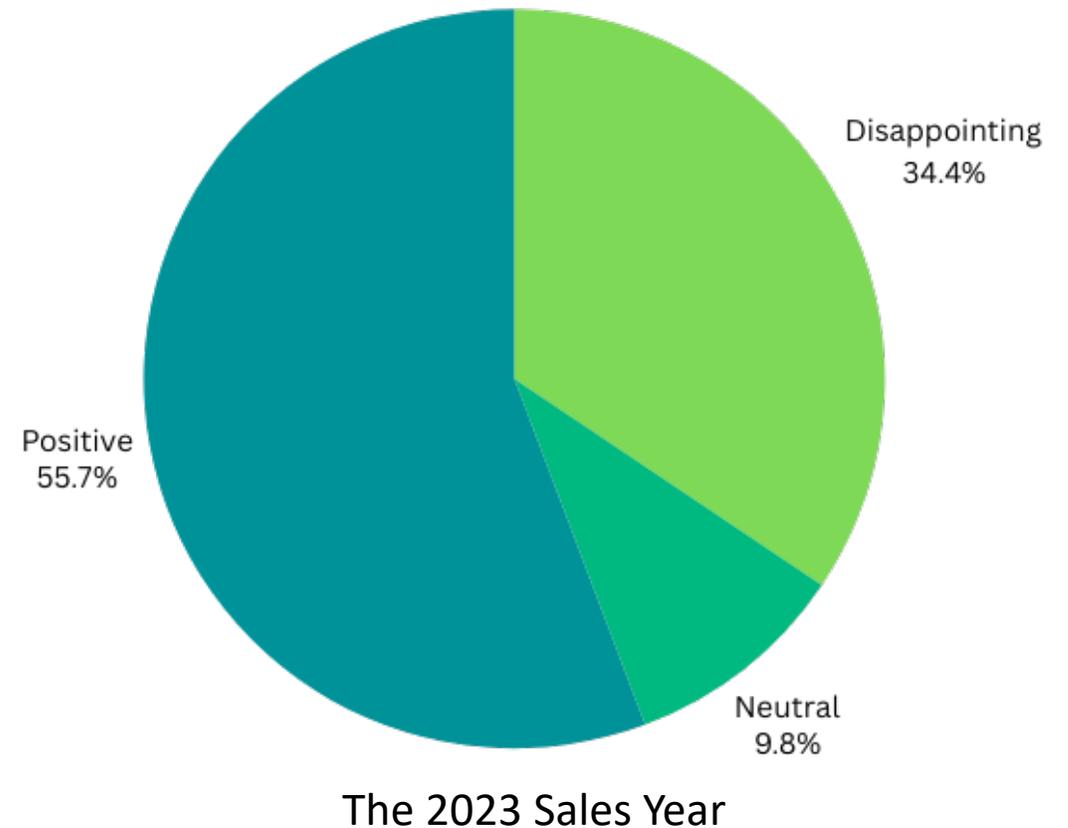
Method:

- Vineyard & Winery Survey
- Wine Trade Feedback – buyers, distributors, sommeliers, writers, etc.

Result: A wide-ranging action plan to address many of the identified gaps and barriers to entry in the traded sector

Vineyard & Winery Concerns

- Economy/Inflation – 78%
- Visitor Traffic – 75%
- Vine Diseases & Viruses – 63%
- Labor Supply – 62%
- Management Costs – 62%
- Staffing/Training – 58%
- Cash Flow – 50%
- Climate Change – 47%



From Consumers



From the Wine Trade



Recommendations – Organizational Initiative

- Establish Industry Coalition – Virginia Wine Institute
 - Provide crosspollination of existing organizations while filling gaps not currently being met
 - Drive various educational initiatives directed at support business growth into the traded sector
 - Source long term sustainability through public/private partnerships

Recommendations – Consumer Relations

- Secret Shopper Program
 - Gather feedback on guest experience and supply action items to owners and managers
- Focus Groups
 - Gather feedback on perception of wine quality, style, packaging branding, pricing, etc.

Recommendations – Distribution & Market Building

- Virginia Winery Distribution Company Review
 - Investigate feasibility of expanding VWDC for more full-service operation
- Virginia Wine Roadshows
 - Bring Virginia winemakers and wines to decision makers in target markets
- Ease ABC Store Placement Process
 - Move industry and Virginia ABC leaders to streamline placement of Virginia wines on ABC store shelves

Recommendations – Industry Collaboration

- Equipment Sharing Cooperative
 - Investigate potential for a cooperative equipment sharing entity
- Industry Speaker Series
 - Provide two annual opportunities to hear from outside industry experts
- Sustainability Partnership
 - Support the organization of winemakers working to define and establish best practices for increased sustainability
- Cost of Production Review
 - Outline Virginia specific goals for costs of grape growing and winemaking

Recommendations – Educational Opportunities

- Certificate on Virginia Wine
 - Develop online Virginia wine certification program to leverage consumers and front-line staff as Virginia wine ambassadors
- Workforce Development
 - Strengthen partnerships between educational institutions, state programs, and private sector partners to build robust work skills study program
- Internship Opportunities
 - Design internship program and utilize V-TOP to support hiring interns
- Immersive Educational Trips
 - Subsidize visits to region by connecting with high performing wine professionals through educational/marketing presentations and contests

Recommendations – Industry Wine Branding

- Agricultural Partnerships
 - Develop cross-industry marketing – “what grows together, goes together”
- Anti-Alcohol Campaign Awareness
 - Educate producers and lawmakers on the growing temperance movement and the threat to the alcohol industry

Recommendations – Business & Accounting

- Financial Educational Resources
 - Provide training material to address specific accounting challenges that are inadequately covered by existing resources
- Funding Resources
 - Work with agriculturally focused financial institutions, grant organizations, and government-backed programs to clarify financing options

Recommendations – Outreach

- “Hidden Gems” Wine Trail
 - Establish a “Hidden Gems Wine Trail” showcasing wineries producing fewer than 2,500 cases
- Branding Consultations
 - Arrange consultations with regional businesses in wine focused label and packaging design, branding, marketing, and website development.
- Resource Directory
 - Curate comprehensive guide of available resources and programs
- Connecting with Influencers
 - Support Gold Medal winning wineries to connect with various influencers