

MICHIGAN GRAPE AND WINE INDUSTRY COUNCIL  
MICHIGAN DEPARTMENT OF AGRICULTURE  
ANNUAL REPORT  
FISCAL 2009 OCTOBER 2008 – SEPTEMBER 2009

The Michigan Grape and Wine Industry Council continues to provide an important forum for statewide collaboration in research, promotion and professional development to meet the changing needs of this exciting growth industry. The Council has established a goal to increase the size of the industry to 10,000 wine grape acres by the year 2024 (current acreage is approximately 2000 acres).

#### INDUSTRY HIGHLIGHTS

- Seven new wineries were recognized by the Council as new “producers of Michigan wine”, bringing the state total to 65, up from 17 in 1995.
- The economic downturn in Michigan created a drop in sales revenue for many wineries across the U.S. as consumers “traded-down” and purchased less wine at restaurants. A decline in Michigan tourism due to the economy and high gas prices in late Summer/ Fall 2008 negatively affected tasting room sales by many wineries, but sales to distributors, restaurants and retailers remained strong and grew for many wineries. Wine sales in Michigan by Michigan wineries increased 5% in 2008 over 2007, while sales of all wine in Michigan showed no growth in volume in the calendar year.
- WineMichigan, an industry legislative action organization, developed policy positions regarding sampling of distilled spirits at remote tasting rooms and charging for samples of wine at wineries and tasting rooms.
- Michigan State University conducted a 2 day Winery Establishment Workshop, with 100 attendees from Michigan and other states. The Michigan Grape and Wine Industry Council was a major sponsor of the conference.
- The 2007 Census of Agriculture was released, indicating commercial grape production in 65 Michigan counties.

#### COUNCIL HIGHLIGHTS

- The Council awarded a total of \$20,000 in grants to regional groups of wineries and the International Riesling Foundation to support marketing objectives of the industry.
- The Michigan Wine and Spirits Competition received 395 entries from 42 wineries. Increased media coverage of the competition helped raise public awareness of the competition and the trophy presentation reception.
- Booth Michigan was retained through the Department of Management and Budget to produce and sell advertising for Michigan Wine Country magazine. 200,000 copies of this popular publication were printed in March 2009 and will be fully distributed by March 2010.
- Winery touring was included in several ads by Travel Michigan, thanks to the close working relationship with this state agency. Articles on winery touring frequently appeared in Travel Michigan’s consumer e-newsletter.
- Prominent consumer and trade events during the year included the Grand Rapids International Wine and Food Festival, AFD Show, the Wine and Food Festival at Meadowbrook and Schoolcraft College Fundraising event.
- LKF Marketing of Kalamazoo completed a redesign of the touring maps on the Council’s website in September 2009.
- April Wine Month continued to grow in consumer and trade education impact. More than thirty events were held around the state to tie in with Wine Month.
- The Council announced a renaming of the annual conference to the Michigan Grape and Wine Conference and a new location for 2010, the Amway Grand Hotel in Grand Rapids.
- Discussions continue with Michigan State University, Northwestern Michigan Community College and Lake Michigan Community College to develop curriculum to help train workers for employment in the Michigan wine industry.