Sustaining Growth and Profitability in the Wine and Grape-Growing Industries

Vineyard Economics Seminar 2000
Napa Valley Marriott
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8:30 a.m.-4:30 p.m.
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Market expansion through consumer outreach and Internet sales and education were listed as some of the greatest opportunities for growth in the wine and grape-growing industries during the next three years, according to survey conducted as part of the Fifth Annual Vineyard Economics Seminar.

This year's survey marks the first time respondents have ranked the Internet so prominently, listing it as the No. 3 greatest opportunity behind other efforts of "expanding the consumer base." The Internet opportunity displaced "perceived health benefits" of wine in its expected potential to spur industry growth.

The survey findings, to be presented at the May 24 Vineyard Economics 2000 conference at the Napa Valley Marriott, suggest that although grape growers remain optimistic about the future growth of the wine and grape industries, they also are aware that the industry needs to undertake strategic initiatives aimed at expanding the current wine market.

David Freed, founder of Napa-based **Wine Industry Symposium Group**, which conducts the Vineyard Economics Seminar, believes the findings illustrate the industry's desire to be pro-active.

"This is really an opportune time for everybody to work together to build the U.S. wine market," said Freed of UCC Vineyards Group.

The top opportunity for growth remains economic well-being in virtually all of the Symposium's surveys. In addition, "increased industry advertising" and "export market expansion" were listed as the other top opportunities and "internet-wine education" made it into the ninth spot.

Some 41 percent of growers feel the current wine boom will continue another 3-4 years, virtually unchanged from last year. There was a slight increase in those predicting the boom will last more than seven years; the percentage rose from 9 percent to 14 percent.

The Vineyard Economics Seminar will examine ways that the wine and grape growing industries can plan for continued growth whatever the economic cycles over the next several decades.

The seminar's theme this year is "Sustaining Growth and Profitability." Speakers will argue that the wine and grape-growing industry must take a more global perspective in today's marketplace and work together on a share vision for the future that encompasses sustainable agriculture and stewardship of the land.

Speaker presentations include:

- An update on the winegrape harvest and current supplies of bulk wine by Barry Bedwell of Joseph Ciatti & Co. and Steve Fredricks of Turrentine Wine Brokerage.

- A look at the economics of Pierce's Disease by Patrick Gleeson, executive director of the American Vineyard Association, and Dave Whitmer, agricultural commission for Napa County.
- An analysis of statewide grape pricing trends and estimates of the 2000 harvest will be discussed by a panel headed by Jim Verhey, president of UCC Vineyards. Panelists include Andy Bledsoe, vice president of wiStee McIntyre, president of Monterey Pacific; Daniel Roberts, winegrowing research manager for Kendall-Jackson; John simpson of Simpson Farming Co.; and Mike Walsh, a winegrower consultant based in Napa.
- A report on California vineyard real estate values will be delivered by a panel headed by Tony Correia, president of Correia-Xavier. Joining his panel are Tony Korman of Kendall-Jackson and Charles Day, vice president of Silicon Valley Bank.⊙