



ANNUAL REPORT OF THE IOWA GRAPE AND
WINE DEVELOPMENT COMMISSION FOR
FISCAL YEAR 2007



Prepared by Paul Ovrom, Project Manager
Iowa Grape and Wine Development
Bureau of Horticulture and Farmers Markets
Iowa Department of Agriculture and Land Stewardship
Questions or Comments?
Please send e-mails to: paul.ovrom@idals.state.ia.us
or phone: 515-242-5028
or write to: Paul Ovrom
IDALS
Wallace State Office Building
Des Moines IA 50319

ANNUAL REPORT OF THE IOWA GRAPE AND WINE DEVELOPMENT COMMISSION FOR FISCAL YEAR 2007

Contents

Executive Summary	p 3
Overview	pp 4-7
Background and History	p 4
Organization	pp 4-5
Purpose	pp 5-6
FY2007 Makeup	pp 6-7
Year in Review	pp 8-14
Commission Activity	pp 8-10
Budget	pp 11-12
Industry Status	pp 12-14
Summary	pp 14-15
Cited References	p 15

Tables

Table 1: Submitted proposals approved in FY2007 by the Commission and the amount funded	p 8
Table 2: Income and expenses of the Iowa Grape and Wine Development Fund for FY2007	p 11
Table 3: Iowa Grape and Wine Development Fund Income and Expense Recap for FY2003 through FY2007	p 12

ANNUAL REPORT OF THE IOWA GRAPE AND WINE DEVELOPMENT COMMISSION FOR FISCAL YEAR 2007



EXECUTIVE SUMMARY

The Commission met quarterly in FY2007 with one additional meeting via phone.

The **five voting members** were:

- Karen Foster of King's Crossing Vineyard and Winery (Chair through April 30th, 2007)
- Benjamin Jung of Ingersoll Wine and Spirits and Ingersoll Wine Spirits (current Chair)
- Linda Larson Melin of Snus Hill Winery
- Ron Mark of Summerset Winery
- Paul Tabor of Tabor Family Winery

Representatives for the ex-officio members were:

- Mike Bevins, State Horticulturist and representative from IDALS
- Denny Michel, Forester III and representative from IDNR
- Gerald Miller, ISU Dean for Extension Programs & representative from the College of Agriculture
- LuAnn Reinders, Research and Welcome Center Manager and representative from IDED

The Commission **approved 14 projects** out of 43 submitted proposals **for a total of \$394,194** in Iowa Grape and Wine Development Fund expenditures. Project **highlights included:**

- Funding toward the creation of the Midwest Grape and Wine Institute at ISU including salary support for the enologist, viticulturist, lab technician, administrative assistant, and equipment (five approved proposals in all)
- Funding to support a viticulturist position at DMACC
- Funding for four wine festivals and marketing for a wine trail
- Funding for the first Mid-American Wine Competition

Other items of note included:

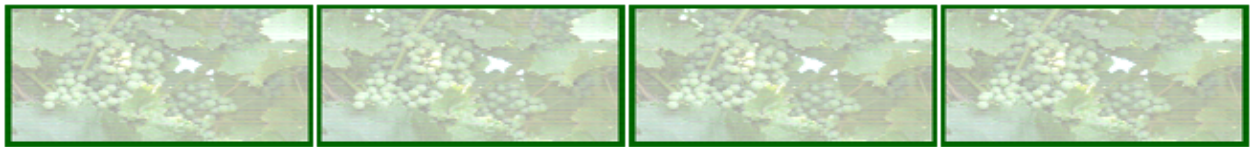
- Support and funding for a survey of the state's grape and wine industry
- The passage of Senate File 551 that struck down the allocation of 5% of the wine gallonage tax to the Development Fund and replaced it with an appropriation of \$238,000 for FY2008
- The reappointment of Ron Mark and Paul Tabor as Commissioners for three-year terms
- Funding to create a brochure on Iowa's vineyards and wineries

Budgetary items of note included:

- Total income for FY2007 was just over \$676,000 with realized and committed expenses just over \$483,000. Uncommitted carryover to FY2008 was just over \$193,000.
- Over the five years the Fund has been in existence, income has totaled just over \$800,000 and expenses have totaled just over \$607,000.
- "Technical" funding – funds going to accredited institutions to support educational, research, and technical assistance needs – has accounted for 83% of expenses to date.
- "Financial" funding – funds allocated to area and statewide events that enhanced consumer knowledge of Iowa vineyards and wineries – has accounted for 6% of expenses to date.
- Administration - 11% of expenses - has been handled by employees within IDALS.

The **status of this industry** in Iowa appears to be robust and continues to grow:

- Sixty-five commercial wineries held active licenses with Iowa's Alcoholic Beverages Division at the end of FY2007 compared to 30 as of August 2004.
- Over 330 commercial vineyards were reported by ISU Extension at the end of FY2007 compared to just over 200 in August 2004.
- Information from ABD and ISU Extension revealed that over 246,000 gallons of wine were produced in Iowa in 2006 with a market value in excess of \$12,300,000.



ANNUAL REPORT OF THE IOWA GRAPE AND WINE DEVELOPMENT COMMISSION FOR FISCAL YEAR 2007



Overview

Background and History

In January, 2000 the 15-member Iowa Wine and Grape Advisory Council was formed to provide recommendations to the Iowa Department of Agriculture and Land Stewardship (IDALS) on reestablishing the grape and wine industry in the state. Fostering this industry was seen as a way to encourage agricultural diversity, economic development, tourism, and enhance the quality of life in Iowa.

The Council was composed of representatives from IDALS, Iowa State University, existing grape growers and wine makers, the Iowa Department of Economic Development Tourism Division, and Resource Conservation and Development Areas in the state. The Council met eight times that year.

Recommendations that came out of those meetings included the creation of an Iowa Wine Development and Marketing Council that would find ways to support the industry. The Council would set priorities and administer any appropriated funds. To that end, it was recommended that legislation should be introduced to the Iowa General Assembly directing a portion of existing wine gallonage tax be set aside in such a fund for the support of the native grape and wine industry.

With the passage of Senate File 524, these goals were effectively achieved on July 1, 2001 with the creation of the formally named Iowa Grape and Wine Development Commission and the Iowa Grape and Wine Development Fund. That Commission held its inaugural meeting on May 30, 2002.

The Commission's and IDALS' duties and responsibilities were set forth in Chapter 175A of the Iowa Code.

Organization

As per Chapter 175A of the Iowa Code, the Commission was to be composed of the following persons or their designees, to serve as nonvoting, ex officio members:

- The Iowa Secretary of Agriculture
- The Dean of the College of Agriculture of Iowa State University of Science and Technology

- The Director of the Iowa Department of Economic Development
- The Director of the Iowa Department of Natural Resources

The Iowa Secretary of Agriculture was to appoint the following persons as voting members:

- Two Iowa Grape Growers
- Two Iowa Winemakers
- One Iowa Retail Wine Seller

Unless the Secretary of Agriculture determined that it was not feasible, the Commission's makeup was to be composed using the following guidelines:



- o geographically balanced with representatives from each of Iowa's congressional districts
- o composed of no less than two, but no more than three, representatives of a given gender and political party
- o each appointed commissioner would have a three-year term with a one-year rotating chairmanship

Pursuant to Chapter 175A of the Iowa Code, requests for proposals would be accepted and voted upon at quarterly Commission meetings held under Iowa's open meetings laws.

Under the Iowa Code, the Iowa Grape and Wine Development Fund was created in the state treasury under the control of IDALS. Guidance on expenditures would come from the Commission. Of the money collected from the State's wine gallonage tax, \$75,000 was earmarked for the Fund for each of the fiscal years 2003, 2004, and 2005. Starting in FY2006, 5% of the quarterly gallonage tax was deposited into the Fund and this formula ran through FY2007. Income into the Fund for FY2006 totaled over \$279,000 and for FY2007 over \$295,000.

Purpose

As outlined in Chapter 175A of the Iowa Code, the Commission was charged with making recommendations to IDALS on submitted proposals regarding the expenditure of moneys to enhance and develop the native grape and wine industry and/or to provide an infrastructure to encourage the growth of that industry. This included oversight and accounting by the Commission and IDALS for expenditures of moneys from the Grape and Wine Development Fund.

As outlined in the Iowa Code, two areas of funding have been of major import to the Commission: "Technical" funding has supported the educational and research needs of the industry. This funding typically has gone to accredited institutions in Iowa that have the resources to build and sustain on-going scientific and instructive projects. "Financial" funding has promoted wineries and vineyards via event and program

sponsorships that foster community awareness and involvement. Typically this funding has been allocated to local, regional, and statewide events that enhance consumer knowledge of the participating wineries.

The unofficial guideline of the Commission for funding projects has been to use 15% of funds for "Financial" projects, 70% of funds for "Technical" projects, and the remaining 15% of funds has been set aside for administrative purposes. Currently, administrative oversight has been handled by a member of the Horticulture Bureau of IDALS, and a portion of the administrative costs has gone to supporting a part-time Horticulture Bureau staff member.

FY2007 Makeup

As outlined above, the Commission is composed of five voting members and four ex-officio members or their representatives.

The five voting Commissioners are:

Karen Foster. Ms. Foster, co-owner of King's Crossing Vineyard & Winery near Glenwood in southwest Iowa, presided as Chair to the Commission during the first half of FY2007. Her chairmanship ran from May 1st, 2006 through April 30th, 2007. Ms. Foster's term on the Commission runs through April 30th, 2008.

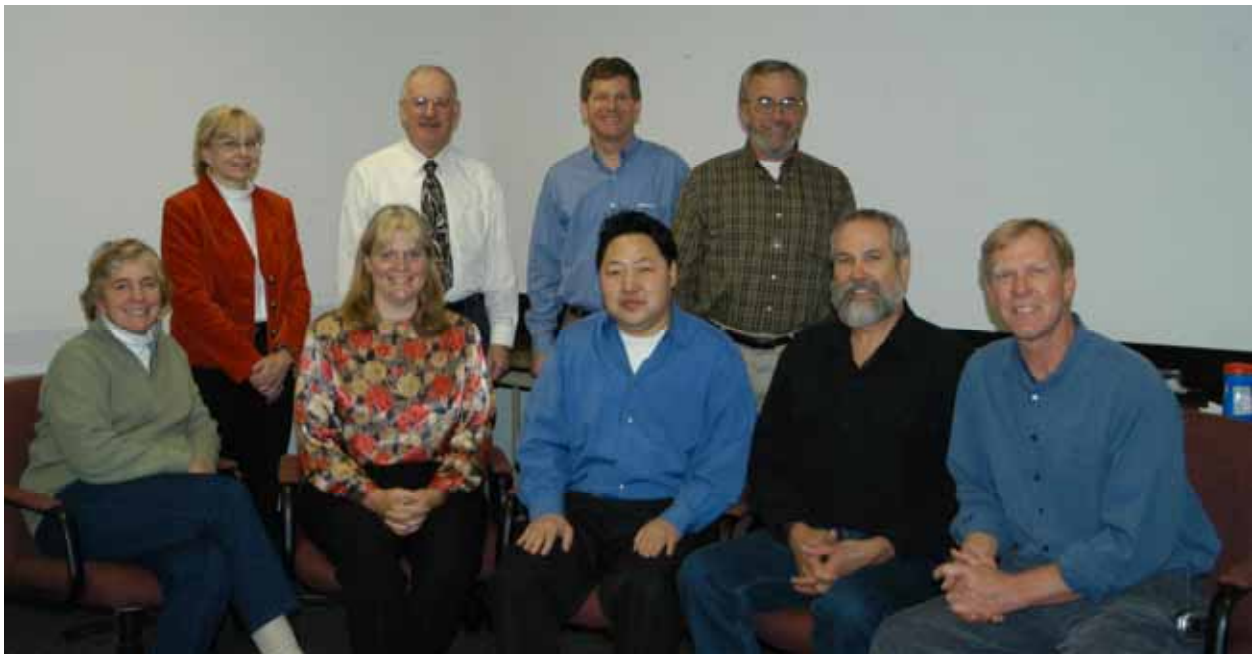
Ben Jung, Chair. Mr. Jung, co-owner and manager of Ingersoll Wine and Spirits in Des Moines and Ingersoll Wine Spirits in West Des Moines, filled the Iowa Wine Retailer seat on the Commission. He was nominated and elected by the other Commissioners to the Chairmanship for the term running from May 1st, 2007 through April 30th, 2008. Mr. Jung's term runs through April 30th, 2009.

Linda Larson Melin. Ms. Larson Melin, co-owner of Snus Hill Winery near Madrid in central Iowa, joined with other family members in the vineyard and winery business in 2004. Vineyards at Snus Hill were started in 1999 when members of the Larson family planted the first acre of Frontenac and Marechal Foch on their fourth-generation farm. An acre of a different variety was planted each succeeding year. In 2003 and 2004, the commercial vineyard became a reality when Snus Hill Vineyard sold grapes to Summerset Winery. In 2005 Snus Hill Winery opened for business. Ms. Larson Melin's term runs through April 30th, 2008.

Ron Mark. Mr. Mark, co-owner of Summerset Winery near Indianola in central Iowa, has been in the wine-making business for decades. The first acre of grapes at Summerset was planted in 1989. In 1997 Summerset Winery officially opened. An acre of grapes was planted every year until the vineyard reached its current size of 12+ acres with 9 varieties of grapes. Summerset Winery has enjoyed 20% (+) increases in sales most every year it has been in existence. In 2007, 140,000 bottles of wine were produced. Currently the business employs five fulltime staff members and many part timers to help out on weekends and events. Mr. Mark has also served as President and

was one of the founders of the Iowa Wine Growers Association. Mr. Mark's term runs through April 30th, 2010.

Paul Tabor. Dr. Tabor, co-owner, winemaker, and manager of Tabor Family Winery near Baldwin in eastern Iowa, represents the fifth generation to work and live on the Tabor family's 1860s farmstead. Tabor Home Winery opened in July 1997 and offered six wines. In 2007 the winery produced 19 wines. The winery's emphasis has been on the production of premium table wines from their own vineyards. Presently 1500 of the 9000 gallons produced come from Tabor-owned vineyards. Wine production has increased 40% annually and, each year, more than half of this winery's wines win awards at international competitions. Dr. Tabor's term runs through April 30th, 2010.



Iowa Grape and Wine Development Commission for FY2007.

Left to right, back row (ex-officio members): LuAnn Reinders, Research and Welcome Center Manager and representative for the Director of the Iowa Department of Economic Development; Gerald Miller, Associate Dean for Extension Programs and Outreach and representative for the Dean of the College of Agriculture of Iowa State University; Mike Bevins, State Horticulturist and representative for the Secretary of Agriculture; Denny Michel, Forester III and representative for the Director of the Iowa Department of Natural Resources.

Left to right, front row (voting members): Linda Larson Melin, Snus Hill Vineyard and Winery; Karen Foster, King's Crossing Vineyard and Winery; Ben Jung, Ingersoll Wine & Spirits and Ingersoll Wine Spirits; Ron Mark, Summerset Winery; Paul Tabor, Tabor Family Winery.

Photo courtesy of IDALS.

Year in Review

Commission Activity

FY2007 (July 1, 2006 through June 30, 2007) proved to be a busy year for the Commission. The Commissioners met quarterly with one additional phone conference in May 2007. In all 43 proposals were submitted to the Commission. Of those 14 were approved for a total of \$394,194 in Fund expenditures.

Table 1 provides a recap of the 14 approved proposals:

Table 1: Submitted proposals approved in FY2007 by the Commission and the amount funded

Recipient or Pass-through Entity	Purpose	Amt Approved
ISU's Midwest Grape & Wine Industry Institute	Salaries, Lab Equipment and Supplies	\$150,000
ISU's Midwest Grape & Wine Industry Institute	Hire Viticulturist	\$51,000
Des Moines Area Community College	Hire Viticulturist	\$42,000
Jasper Winery	Corks, Cooks, and Chords Event	\$5,000
Des Moines Area Community College	Mid-American Wine Competition	\$20,000
Madison County Winery	Wine Caves	\$5,000
ISU's Midwest Grape & Wine Industry Institute	Supplemental Funding for Lab Supervisor	\$33,794
ISU's Midwest Grape & Wine Industry Institute	Rapid Screening Development of Aroma & Chemical Analyses	\$15,000
ISU's Horticulture Farm	Renewal of Grape Cultivar Research Program	\$40,000
ISU's Midwest Grape & Wine Industry Institute	Contingent Funding for Enhancing Iowa Wine & Co-products Program	\$5,000
Iowa Wine Trail, Inc.	Marketing Program	\$10,000
Madison County Winery	2007 S-WINE Event Funding: "Iowa's Premier Pork & Wine Event"	\$10,000
Rosey Acres Winery	2007 Iowa Wine Festival	\$5,000
Tassel Ridge Winery	Centerville Heritage & Wine Festival	\$2,400
Total		\$394,194

The fourteen programs funded show the wide range of proposals that came before the Commission in FY2007.

Some project highlights included funding toward the creation of a Midwest Grape and Wine Institute at Iowa State University (ISU). The Institute was designed to be responsive to industry needs by providing relevant grape and wine research, education, and extension. The proposed budget included the hiring of Extension Enologist Dr. Murli Dharmadhikari, an administrative assistant, a laboratory technician, and equipment and supplies. Dr. Dharmadhikari's research, including that for his Ph.D., has specialized on Midwest grapes. A laboratory supervisor position at the Institute was added with an additional approved proposal. In another approved proposal, the Institute acquired an extension field specialist/viticulturist.

An on-going grape cultivar research project at ISU's Horticulture Farm was renewed in FY2007.

The Des Moines Area Community College (DMACC) also sought and received funding to help support a viticulturist position that will enhance that institution's enology and viticulture programs and provide technical assistance to this industry's workforce.

The Mid-American Wine Competition hosted by DMACC was also provided funding. This Competition was unique in that it focused only on wines of the Midwest. The Chief Judge for the event was Master of Wine and Master Sommelier Doug Frost.

Four Festivals or public wine events were provided with funding. In addition, the Iowa Wine Trail in eastern Iowa was provided funding to promote and enhance public awareness of the trail.



Judges sample wines at the 2007 Mid-American Wine Competition on DMACC campus. Photo courtesy of DMACC.



Wine Makers share information on their wines at one of the public wine events that received funding from the Iowa Grape and Wine Development Commission. Photo courtesy of IDALS.

An administrative item that was funded and supported by the Commission in FY2007 was the creation of the brochure "Living Near a Vineyard." The brochure described the seasonal agricultural practices in an Iowa vineyard and promoted awareness of the harm some herbicides can have on grape vines. Over 3000 of these brochures were printed and approximately half were disseminated throughout the state to wineries, vineyards, Research and Conservation Development offices, Natural

Resource and Conservation Services offices, and Farm Service Agency offices. A sample brochure is included in this report as [Addendum 1](#).

The Commission also saw a need to provide for increased educational opportunities for vineyard and winery staff. To that end, a Scholarship Program Committee was formed in February 2007. The Committee outlined eligibility requirements for potential recipients of up to \$400.00 in reimbursable educational costs at accredited institutions. The Commission hoped to implement this program in FY2008.

The Commission promoted the 2006 USDA National Agricultural Statistics Service Winery – Vineyard – Orchard Survey. Over \$11,000 was earmarked for the development of both the vineyard and winery portions of this survey. This included mailings, telephone follow-ups, results tabulations, cover letters, and identification and contact with over 400 vineyards and over 60 wineries. Some of the principle reasons for the survey were to determine the 2006 production of grapes and wine by cultivar; to estimate the production of grapes and wine for the next three years by cultivar; to identify possible deficits and surpluses of cultivars; and to locate and communicate vineyards to pesticide applicators. A copy of the results is included as [Addendum 2](#). The survey is discussed in more detail in the Industry Status portion of this document.

Another item of note to the Commission in FY2007 was the passage of Senate File 551. The new law struck down the language allocating 5% of the wine gallonage tax to the Iowa Grape and Wine Development Fund and replaced it with an appropriation of \$238,000 for FY2008.

Yet another item was the reappointment by Iowa Secretary of Agriculture William Northey of Ron Mark and Paul Tabor as Commissioners for three-year terms.

Budget

Table 2 shows sources of income and expense for the Iowa Grape and Wine Development Fund for FY2007. Total income exceeded realized expenses by a little more than \$403,000. However, over \$210,000 that was approved for various projects in FY2007 were for expenditures in FY2008, bringing uncommitted carryover to FY2008 to just over \$193,000.

Table 2: Income and expenses of the Iowa Grape and Wine Development Fund for FY2007

<u>INCOME</u>	<u>2007</u>
Carry-Over	\$ 363,505.33
Gallonage Tax as FY '07	\$ 295,472.77
Accumulated Interest	<u>\$ 17,377.01</u>
Total Income	\$ 676,355.11
<u>EXPENSES</u>	
<i>Administrative</i>	
Salaries & Benefits	\$ 31,924.66
Misc.	\$ 7,383.75
NASS - Survey	<u>\$ 11,743.06</u>
Total Administrative Expenses	\$ 51,051.47
<i>Technical Assistance</i>	
Viticultural Assistance	
DMACC - Viticulturist	\$ 27,013.30
UNI - Cultivar ID	\$ 10,484.77
ISU - Cultivar Research xxx3032	\$ 60,049.73
ISU - Field Specialist xxx3012	\$ 2,564.55
Oenological Assistance	
ISU - Enologist xxx3019	\$ 71,616.47
ISU - Institute xxx3051	<u>\$ 24,639.93</u>
Total Technical Assistance Expenses	\$ 196,368.75
<i>Financial Assistance</i>	
Madison County Winery	\$ 5,000.00
Corks, Cooks, & Chords 2006 (Jasper Winery)	\$ 5,000.00
S-Wine Festival (Madison County Winery)	\$ 10,000.00
Iowa Wine Festival (Rosey Acres Winery)	<u>\$ 5,000.00</u>
Total Financial Assistance	\$ 25,000.00
Total Expenses*	\$ 272,420.22
REMAINING BALANCE	\$ 403,934.89
Amounts approved and committed but not spent in FY07	<u>\$ (210,683.34)</u>
Uncommitted Carryover to FY08	\$ 193,251.55

*Expenses reflect money spent for projects approved in 2006 and 2007; monies approved for projects in a given year may or may not be spent in the same fiscal year

Table 3 provides a yearly recap for FY2003 through FY2007 of the Iowa Grape and Wine Development Fund income from the state gallonage tax appropriations and the expenses broken down into administrative, financial, and technical line items.

Table 3: Iowa Grape and Wine Development Fund Income and Expense Recap for FY2003 through FY2007

INCOME	2003	2004	2005	2006	2007 and Est.*	Total to Date
Gallonage Tax Appropriation	\$75,000.00	\$75,000.00	\$75,000.00	\$279,823.61	\$295,472.77	\$800,296.38
EXPENSE**						
Administrative (11% of total to date)		\$ 822.74	\$ 1,066.42	\$ 13,032.24	\$ 51,051.47	\$ 65,972.87
Technical Assistance (83% of total to date)			\$25,000.00	\$102,703.76	\$378,368.20	\$506,071.96
Financial Assistance (6% of total to date)				\$ 10,000.00	\$ 25,000.00	\$ 35,000.00
Total Expenses to Date			\$26,066.42	\$125,736.00	\$454,419.67	\$607,044.83

*Includes monies approved in FY2007 that have – and have yet to be – spent

**Commission guideline for expenses: 15% Administrative, 70% Technical, 15% Financial

Over the five years shown, the gallonage tax has provided more than \$800,000 in Fund income. After expenses, there was just over \$193,000 that was carried over to FY2008. Technical Assistance has accounted for 83% of expenses as opposed to the Commission guideline of 70% for that line item. The Commissioners noted that Financial Assistance has increased over the five years, and unofficially agreed that promotion of Financial Assistance needs to continue and strengthen. They are hopeful the Scholarship Program will generate interest and increase total expenditures from the Financial Assistance line item.

Industry Status

As mentioned in the Commission Activity portion of this report, a three-part USDA National Agricultural Statistics Service Winery – Vineyard – Orchard Survey was conducted in 2006. The 2006 winery portion of this survey by the USDA - in cooperation with IDALS - had an 87% response rate. Some of the major findings of the winery survey follow:

- Ninety-two percent of the survey respondents reported they plan to continue to produce wine commercially in the future.
- Sixty-three percent of respondents reported buying Iowa-grown grapes/juices to help meet their needs.
- Forty-four percent of survey respondents reported being able to purchase enough Iowa-grown grapes/juices to meet their needs.



Display of Iowa wines at a state regional event. Photo courtesy of IDALS.

- Fifty-four respondents were seeking other Iowa-grown fruits/juices.
- Survey respondents reported the projected wine production in 2009 will be six times greater than their 2002 production.
- Survey respondents plan to utilize grapes grown in Iowa for 68 percent of the production by 2009, compared to thirty-five percent in 2002.
- Currently, fifty percent of respondents' wine was made from non-Iowa grown grapes/juice.
- Thirty-five percent of respondents had less than two years of commercial wine-making experience; thirty-three percent had two to four years experience; nineteen percent had five to ten years experience; thirteen percent had more than ten years of commercial wine-making experience.

The 2006 vineyard portion of this survey was conducted by the USDA in cooperation with IDALS. IDALS provided the USDA National Agricultural Statistics Service Iowa Field Office with a list of apple and grape growers expected to be in operation at the time of the survey. There were 236 operators that reported they did own, lease or operate a grape vineyard in Iowa in 2006, and, in all, they managed 538 acres of grape vines. Some of the major findings of the vineyard survey included the following:

- Sixteen percent of the survey respondents who were growing grapes also owned or operated a commercial winery.
- Twenty-three percent of those grape growers that did not own or operate a winery said they plan to open a commercial winery.
- Seventy-one percent of the responding grape growers reported that a commercial winery was the intended market for their grapes/juices.
- Nine percent of responding grape growers had less than two years of experience growing grapes; thirty-nine percent had two to four years of grape growing experience; forty-two percent had five to ten years of grape growing experience; ten percent had more than ten years of grape growing experience.



Early summer in an Iowa vineyard.
Photo courtesy of IDALS.

Based on these results, it would appear that the number of wineries in Iowa will continue to increase at a relatively rapid pace for at least the next few years. The growth in the number of Iowa's vineyards may be faster yet as demand for wines made

from all-Iowa-grown grapes continues and wineries seek to purchase Iowa-grown grapes from their regions of the state.

At the end of FY2007, the State of Iowa's Alcoholic Beverages Division (ABD) listed 65 active licenses to native wholesale wine distributors, i.e., state wineries. That number was down from 70 as of February 2007. ISU Extension Viticulturist Mike White noted that several Amana Colony wineries closed or consolidated and two additional wineries failed to renew their licenses.¹ Still, the number of wineries has more than doubled since August of 2004 when 30 wineries held active licenses.² ABD listed 11 licensed wineries in 1999. Vineyards have seen dramatic increases as well. In 2007, ISU Extension posted over 330 vineyards on its "Iowa Grape Expectations" map.³ In 2004, that figure was just over 200.²

From data collected by the State of Iowa and ISU, the wine production for this industry could be termed robust. According to Craig Tordsen with the Value Added Agriculture Program at ISU, and from information obtained from ABD, annual wine production for all Iowa wines increased from 51,500 gallons as of June 2002 to over 246,000 gallons produced as of December 2006 and had an annualized market value in excess of \$12.3 million.⁴ Average monthly wine sales for all wines produced in Iowa increased from just over 5000 gallons in December 2004 to over 9800 gallons in December 2006.

Another industry trend has been the growth of wine trails. In addition to the three existing trails, work has continued on two additional trails set to open later in the year – one in central Iowa encompassing the Des Moines metro area and one encompassing wineries in southeast Iowa and west central Illinois. The three wine trails in place – the Western Iowa Wine Trail, the Iowa Wine Trail in northeast Iowa, and the Amana Colonies Wine Trail encompass 21 participating wineries.

Summary

FY2007 was a productive year for the Iowa Grape and Wine Development Commission. Fourteen proposals were recommended for funding totaling over \$390,000 in outlays. Included in the approved proposals were funds for the establishment and staffing of a Midwest Grape and Wine Institute at Iowa State University, a newly created viticulturist position at Des Moines Area Community College, funding for the first annual Mid-American Wine Competition, and marketing and promotion of four regional cooperative wine events and one wine trail. Commission funding supported a survey of commercial wine producers and grape growers and a new brochure on Iowa's vineyards. A committee was formed to provide details for a Scholarship Program to aid vineyard and winery staff with the expenses of accredited coursework.

Based on the survey conducted and from other governmental and industry sources, the Iowa grape and wine industry appears to continue to be very viable and growth continues at a strong pace. Wine produced in the state for 2007 was estimated at a market value in excess of \$12.3 million.

A tabulation of the budget revealed that just over \$800,000 in wine gallonage tax appropriations have been received into the Grape and Wine Development Fund from

FY2003 through FY2007. Expenditures have totaled just over \$607,000 during that same time. Just over 80% of expenditures have gone to “Technical” spending.

Over time, funds invested in “Technical” programs will translate into an increasingly educated and institutionally-supported industry. Local, regional, and statewide events also appear to be increasing in popularity and the Commission plans to continue and increase support for these events. It is hoped the Scholarship Program will be up and running and funding will need to be appropriated for that project. The Commission also believes many projects and events will become more and more self-sustaining as they develop and mature.

As they continue to support Iowa’s grape and wine industry, the members of the Commission look forward to working with individuals, commercial enterprises, state and federal agencies, and industry-sponsored institutions in the upcoming year and in years to come.



Cited References

¹ “Wine Grower News #5,” June 7, 2007, Michael White, ISU Midwest Grape and Wine Institute

² “Iowa Vineyard and Winery Map 2004”, Michael White, ISU Midwest Grape and Wine Institute

³ “Iowa Vineyard and Winery Map 2007”, Michael White, ISU Midwest Grape and Wine Institute

⁴ “Iowa Native Wine Production as of December 2006,” Craig Tordsen, ISU Extension Value Added Agriculture Program