

AGRICULTURAL COMMODITY BOARD

ANNUAL REPORT

for the Virginia Wine Board

Fiscal Year 2023 – 2024

Date Due: November 1, 2024

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The Virginia Wine Board

FY 2023 – 2024

I. INTRODUCTION

Created by the Virginia General Assembly in 1984 as part of Virginia's Department of Agriculture and Consumer Services, the Virginia Wine Board promotes the interests of vineyards and wineries in the Commonwealth through research, education and marketing. The Board fulfills the following duties:

- Receives funding from the Virginia Wine Promotion Fund and dispenses it for wine-related projects and initiatives.
- Contracts research to improve viticultural and enological practices in the Virginia wine industry.
- Promotes education about and appreciation for Virginia wines.
- Promotes the growing of wine grapes and wine production throughout the Commonwealth.
- Disseminates information on wine and viticultural topics.
- Contracts marketing, advertising and other programs that promote the growth of the state's wine industry and the enjoyment of Virginia wines.
- Collaborates with state, regional, national, and international organizations on their work related to Virginia's wine industry.

The Board consists of 10 members, nine of whom have voting privileges, all appointed by Virginia's governor for four-year terms. Three of the Board members are growers and six of which represent wineries. Approximately two-thirds of the Board's budget goes towards marketing, with the remaining third spent on wine-related research and education.

II. BUDGET

2023-2024 Budget	
Total Revenues (Base appropriations)	\$2,514,048.00
1/3 Minimum to Research and Education	\$838,016.00
2/3 to Marketing and Administration	\$1,676,032.00

III. PROJECTS AND FUNDING

Awardee	Title	Approved
VWA	Regulation and Rules Round Ups and Winery Resources Guide	\$34,000
VWA	VWA Governor's Cup Seminar 2023 (GovCupSem)	\$5,000
VWA	VWA Conference - Technical & Reception for 2023	\$37,910
VWA	VWA Ask the Expert Workshops	\$10,000
VCA	Virginia Cider Educational Meetings FY 23-24	\$7,500
Virginia Tech	Viticulture Extension and Research Support FY 23-24	\$33,093
Virginia Tech	Grape Pathology Projects	\$53,718
Virginia Tech	Maintain Fungicide Resistance Testing Capabilities for Grape Diseases V	\$12,900
Virginia Tech	Virginia Sentinel Vineyards Extension and Research Network - Phase 2	\$15,000
VVA	Support for Facility Rental for VVA Technical Meetings	\$25,000
WRE	ARS/USDA - WRE Collaborative Wine Grapevine Breeding Initiative	\$226,919.76
WRE	Breeding Downy Mildew Resistant Vinifera-Style Wine Grapes Adapted to the Mid-Atlantic US	\$125,000
VCA	2023 Virginia Cider Apple Report	\$22,000
NGRA	NGRA Travel (FY24 and FY25) & Membership (FY24)	\$26,600
Oenoverse	Oeno Camp: A Virginia Wine Immersion Program	\$10,000
VVA	Virginia Commercial Grape Report (CGR)	\$33,300
WRE	Enology Research Services (contract)	\$318,810
VWA	Governor's Cup Competition 2023 (contract)	\$120,000
StonyWater	Grant and Budget Management (contract)	\$80,000
Ringwood Boyd	Virginia Wine Marketing Office (contract)	\$1,525,400

Virginia Wine Board Marketing Office

The Virginia Wine Board Marketing Office (VWBMO) completed their seventeenth year of operation. With a staff of four full time employees and one part-time, the VWBMO carried out a wide variety of marketing programs.

Below are some of the highlights of their marketing efforts. The total budget for FY 2024 was \$1,525,400.

The Wine Marketing Office's core marketing priorities and objectives include:

- Drive traffic to Virginia wineries with the intent to increase bottle sales.
- Increase Virginia trade engagement with Virginia wines, in both in-state and out-of-state markets.
- Build brand awareness for Virginia wines nationally and regionally.

Marketing Initiatives Completed in FY2024

Media Relations: Key media personnel and publications were targeted throughout the year. Both wine sample mailings and media tours continue to be a priority. In October, a tour focused on innovation and diversity brought six top journalists to Virginia. In addition, a few individual tours were hosted as well. Efforts in FY 2024 resulted in many main-stream media features. Most notably, [Wine Enthusiast named the Monticello AVA Wine Region of the Year.](#)

Featured coverage:

- [VinePair: 10 of the Best Wines from Virginia](#)
- [VinePair: Is this the path to establish Virginia's signature wine?](#)
- [Washington Post: These 3 Virginia wines are extraordinary](#)
- [The Wine Independent coverage, Lisa Perrotti-Brown](#)
- [WSJ: America's Next Great Wine Destination? Northern Virginia](#)
- [Forbes: How To Discover Virginia's Best Wines](#)
- [Decanter: Virginia vintage guide: 2019-2021 plus the top reds to try](#)
- James Suckling: Virginia review
- Decanter coverage, Elaine Chukan Brown

Trade Relations: Trade partners and distributors were engaged throughout the year with various events and activations including:

- Northern Virginia Trade Tasting featuring 30 VA producers
- New York Trade & Media Event featuring 11 wineries, 2 masterclasses and a grand tasting with 80 attendees
- TexSom sponsorship
- Unified Symposium sponsorship
- Southern Foodways Alliance sponsorship
- Cider Media & Trade dinner at Commonhouse
- Shalom Farms sponsorship
- Julia Child Dinner, Washington DC and Chicago
- SFA Chicago Reception for James Beard Nominees

Advertising & Brand partnerships: To support the office's core marketing objectives, various advertising campaigns and brand partnerships took place throughout the FY. National and regional advertising promoted visitation to Virginia vineyards, using the Gold Medal Wine Tour to plan a visit and awareness about Virginia being the home of Wine Region of The Year by Wine Enthusiast Magazine. Advertising was placed in Hemispheres Magazine, Dulles Airport, Business Bon Appetit, and Architectural Digest as well as VinePair. Local print as well as digital advertising was used throughout the year.

Digital Marketing & Content Development: The VWBMO continued to invest in Virginia Wine's digital presence in FY 24. Social followings and online engagement continue to grow with over 22k email subscribers. Traffic and engagement to the virginiawine.org website and blog was also a priority. To enhance user experiences, the website saw improvements to search functionality across the site and new features like tracking winery visits. Winery profiles also received updates to increase producer engagement on the site.

Virginia Governor's Cup - The VWBMO continues to support and promote the Virginia Governor's Cup Competition. The annual gala was held in Richmond with a record breaking 860 total attendees, including consumers who purchased tickets. Trade and media were engaged with a virtual tasting series of the competition winners with over 45 recipients of case winning wines. The Gold Medal Wine Trail was refreshed with the best performance to date with over 2,050 sign ups with over 5,000 check-ins.

International- In FY 24 Virginia Wine re-engaged with international marketing initiatives. In February, Virginia Wine's largest international initiative was a presence at the 2024 VinExpo in Paris. The event featured a Virginia pavilion featuring six wine producers, media tastings and a

Masterclass hosted by Master of Wine, Jay Youmans. The US Ambassador's residence also hosted a dinner dedicated to Virginia Wine and was attended by influential trade and media partners. Virginia Wine also partnered with VTC for a United airlines event in Munich. Increased international initiatives led to the Wine and Spirits Education Trust including a D6 Essay Topic is about Virginia for diploma students world-wide, marking a milestone for Virginia's reputation on the world stage.

Wine Month- Virginia Wine Month continues to be a flagship promotion. The month-long initiative offers opportunities for increased visitation and trade promotion. Digital and print advertising support the programming.

Cornus Virginicus: VWBMO worked to launch and promote the second edition of Cornus Virginicus, a limited-release wine that celebrates Virginia agriculture during October. The project is a collaboration between the First Lady of Virginia, Suzanne S. Youngkin, and a rotating Virginia winemaker. The second edition of Cornus Virginicus was developed by Cana Vineyards with proceeds benefiting Virginia Agriculture in the Classroom.

Matching Marketing Grants: The Virginia Wine Board funded five matching marketing grants for a total of \$22,500.

- Winebow Virginia Wine Truck Wraps: \$4,200
- VWDC-Sevenfifty listing: \$3,300
- Monticello Wine Region of the Year Media event: \$3,000
- Monticello Wine Week Gala: \$2,000
- Daze of Rose Wine Festival: \$10,000

Industry Projects: The VWBMO supported various projects that aim to further the impact of the Virginia Wine industry.

- Virginia Wine Vision- continued management and updating of the industry wide strategic plan
- Commercial Grape Report- VWBMO worked with the Virginia Vineyards Association to conduct an industry wide survey of grapes grown and tonnage harvested within Virginia within the 2023 Harvest.
- Virginia Cider Apple Report- VWBMO worked with the Virginia Cider Association to conduct an industry wide survey of cider production and sales within Virginia within the 2023 harvest.

Winemakers Research Exchange

In FY2023-2024, the Winemakers Research Exchange (WRE) completed the second year of a five year contract to provide Enological Research Services for the Virginia Wine Board. The WRE maintains a Board of Directors populated with industry leading winemakers and a Cider Advisory Board to advise on cider projects. With two full time staff and one part time consultant, the WRE serves Virginia wine and cider producers around the state regardless of location, size or scale of production. The primary objective is to promote innovation and quality improvement through experimentation and education.

The primary means of providing enological research services is through support of production scale experimentation around winemaker-initiated, practical questions. In FY2023-2024, the WRE facilitated 54 practical experiments planned by 20 different wine and cider producers. These experiments focused on practical solutions for improving grape, cider apple, and wine production quality and market competitiveness. Through WRE projects, wineries received real-time chemistry results for their projects, along with data interpretation. In 2023-2024, the WRE reported over 1200 wine chemistry panels. Most projects are also presented at sensory sessions, where blind sensory analysis is conducted, providing qualitative and quantitative sensory data for winemakers.

WRE sensory sessions are open to all commercial wine producers in Virginia. The sessions incorporated elements of sensory analysis, group discussion, training, and education. The WRE hosted 10 sensory sessions in 2023-2024: eight wine sensory sessions, one cider sensory session, and one cider roundtable discussion. Sensory sessions were held in various locations around the state to improve accessibility for attendees with 126 unique individuals representing 81 wineries and cideries attending sessions (37 individuals attended a wine session for the first time).

In addition to sensory sessions, the WRE employed various communication methods to connect with Virginia wine and cider makers and communicate results, including an email subscription list, a website, social media, and presentations at regional and national conferences. These outlets also raise the visibility of Virginia wine outside the state. In 2023–2024, the WRE website had 19,000 unique users, with approximately half from outside the United States, including Australia, New Zealand, and Mexico. Within the US, 9.5% of users were from Virginia, with the remaining users primarily from California, North Carolina, Colorado, Pennsylvania, and Tennessee. WRE staff also presented at regional conferences including the Virginia Vineyards Association Winter Technical Meeting, the North Carolina Winegrowers Association Annual Meeting, and the Texas Wine & Grape Growers Association. Contributions to industry publications sharing research findings and best practices included the Grape Press (VVA) and Wine Business Monthly.

IV. FUNDING LEVEL AT END OF FISCAL YEAR

a. Cash Balance: 6/30/2023:	\$1,739,205.27
b. Revenues through 6/30/2024:	\$2,514,048.00
c. Expenditures through 6/30/2024:	\$2,191,155.52
d. Cash Balance: 6/30/2024:	\$2,062,097.75

V. BOARD MEETING ATTENDANCE

	8/14/2023	12/4/2023	3/23/2024	5/14/2024
M. Seibel	Y	Y	Y	Y
G. Hodson	Y	Y	Y	Y
A. Rose	Y	Y	Y	Y
J. King	Y	Y	Y	Y
N. Walsh	Y	Y	Y	N
L. Paschina	N	Y	Y	Y
S. Barnard	Y	Y	Y	Y
K. Baki	Y	Y	Y	Y
A. Shelton	Y	Y	Y	Y
J. Guthrie	N	Y	Y	Y