

**AGRICULTURAL COMMODITY BOARD**

**ANNUAL REPORT**

for the Virginia Wine Board

Fiscal Year 2022 – 2023

Date Due: November 1, 2023

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# The Virginia Wine Board

FY 2022 – 2023

## 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. Two of the Board members are growers and seven 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

2022-2023 Budget	
<b>Total Revenues (Base appropriations)</b>	\$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

Title	Organization	Approved Amount
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Virginia Cider Association Strategic Planning	Virginia Cider Association	\$10,390
Regulation Round Ups and VWA Winery Resource Guide	Virginia Wineries Association	\$64,000
VWA Annual Meeting & Conference for 2022	Virginia Wineries Association	\$25,000
Virginia Cider Educational Meetings	Virginia Cideries Association	\$7,500
Commercial Cider Apple Survey and Report	Panacea Wine Consulting	\$24,500
Support for Virginia Vineyards Association Technical Meetings	Virginia Vineyards Association	\$25,000
Virginia Commercial Wine Grape Report	Virginia Vineyards Association	\$35,800
Evaluation of Novel Grapevine under Local Growing Conditions	Virginia Tech	\$11,296
Mealybug species composition and management in Virginia vineyards	Virginia Tech	\$58,992
Spotted lanternfly affecting Virginia vineyards: Expansion and control of egg masses	Virginia Tech	\$55,675
Official launching of grapeIPM.org with collaboration between VT and VVA	Virginia Tech	\$20,000
Viticulture Extension and Research Support	Virginia Tech	\$33,000
Establishment of Virginia sentinel vineyard network for extension and research	Virginia Tech	\$22,000
Grape Pathology Projects 2021-2023	Virginia Tech	\$44,514
Application of biocontrol agent <i>Rhizobium vitis</i> ARK-1 at the time of grafting	Virginia Tech	\$48,000
Maintaining fungicide resistance testing capabilities for grape diseases and follow-up tests on cane-infecting fungi-IV	Virginia Tech	\$11,771
Improving grape quality in Virginia vineyards using soil stabilizers	Virginia Tech	\$25,583
Natural Cider Fermentation: Management Strategies for Success	Virginia Tech	\$54,900
ARS/USDA - WRE Collaborative Wine Grapevine Breeding Initiative	Winemakers Research Exchange	\$209,407.46
GeoVine	Satellite Arts LLC	\$52,500
National Grape Research Alliance Travel & Membership	NGRA	\$15,000

<b>Total Grant Awards Approved</b>		<b>\$854,828.46</b>
Enology Research Contract	Winemakers Research Exchange	\$298,748
Governor’s Cup Competition (contract)	Virginia Wineries Association	\$120,000
<b>Total Project Awards Approved</b>		<b>\$1,153,576.46</b>

## Virginia Wine Board Marketing Office

The Virginia Wine Board Marketing Office (VWBMO) completed their sixteenth year of operation. With a staff of four full-time and one part-time employees, 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 2023 was \$1,468,900.

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

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

## Marketing Initiatives Completed in FY2023

**Advertising & Brand partnerships:** To support the office’s core marketing objectives, various advertising campaigns and brand partnerships took place throughout the FY. Partners included:

- V is for Vino
- Wine Folly
- Hemispheres
- Wine Enthusiast
- Conde Nast/Bon Appetit
- Dulles Airport
- Provi
- Various statewide/local publications

**Digital Marketing & Content Development:** The VWBMO invested heavily in Virginia Wine’s digital presence in FY 23. Virginawine.org and the app underwent a transition to GA4 analytic

platform and had extensive usability testing to inform future functionality. Email marketing was a focus and the VWBMO's consumer email list has over 21k subscribers, showing over 90% growth in open rates. Virginawine.org had over 280k visits in FY23 with another 25k views on the Virginia Wine blog.

**Media Relations:** Key media personnel and publications were targeted throughout the year. Both sample mailings and media tours are a priority. Featured efforts:

- Vicki Denig, Decanter
- Wanda Mann, Travel and Leisure
- Craig Chamberlain, Wine Enthusiast
- Lauren Mowery, Decanter

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

- Richmond Trade tasting
- SommCon Atlanta educational lunch
- TexSom sponsorship
- Unified Symposium sponsor
- Southern Foodways Alliance sponsor

**Cornus Virginicus:** VWBMO worked to launch and promote Cornus Virginicus, a limited-release wine that celebrates Virginia agriculture. The project is a collaboration between the First Lady of Virginia, Suzanne S. Youngkin, and a rotating Virginia winemaker.

**Winery Guide-** The statewide map and guide for Virginia wineries, cideries and meaderies was updated, printed and distributed to all producers.

**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 726 total attendees, including consumers who purchased tickets. Trade and media were engaged with a virtual tasting series of the competition winners. The Gold Medal Wine Trail was created for the third year and showed the highest performance to date with over 2,000 sign ups.

**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.

- Covid Impact report- contracted a study to understand the financial impacts to the industry in 2019, 2020 and 2021.

**Wine Month-** Virginia Wine Month continues to be a flagship promotion. In October 2022, there were 2.7million ad impressions and over 20 featured trade partners that supported the campaign.

**IV. FUNDING LEVEL AT END OF FISCAL YEAR**

<b>a. Cash Balance: 6/30/2022:</b>	<b>\$1,682,751.27</b>
<b>b. Revenues through 6/30/2023:</b>	<b>\$2,514,048.00</b>
<b>c. Expenditures through 6/30/2023:</b>	<b>\$2,457,594.00</b>
<b>d. Cash Balance: 6/30/2023:</b>	<b>\$1,739,205.27</b>

**V. BOARD MEETING ATTENDANCE**

	8/24/2022	12/1/2022	3/27/2023	6/14/2023
K. Wiles	Y	Y	Y	Y
M. Seibel	Y	Y	Y	Y
A. Rose	Y	Y	Y	Y
J. King	Y	Y	Y	Y
N. Walsh	Y	Y	Y	Y
L. Paschina	Y	Y	Y	Y
S. Barnard	Y	Y	Y	Y
C. Mailey	Y	N	N	N
G. Hodson	Y	Y	Y	Y
J. Guthrie	N	Y	Y	N