

# Fiscal Year 2021 – 2022 Report

North Carolina Wine and Grape Growers Council

Pursuant to G.S. 106-755.1



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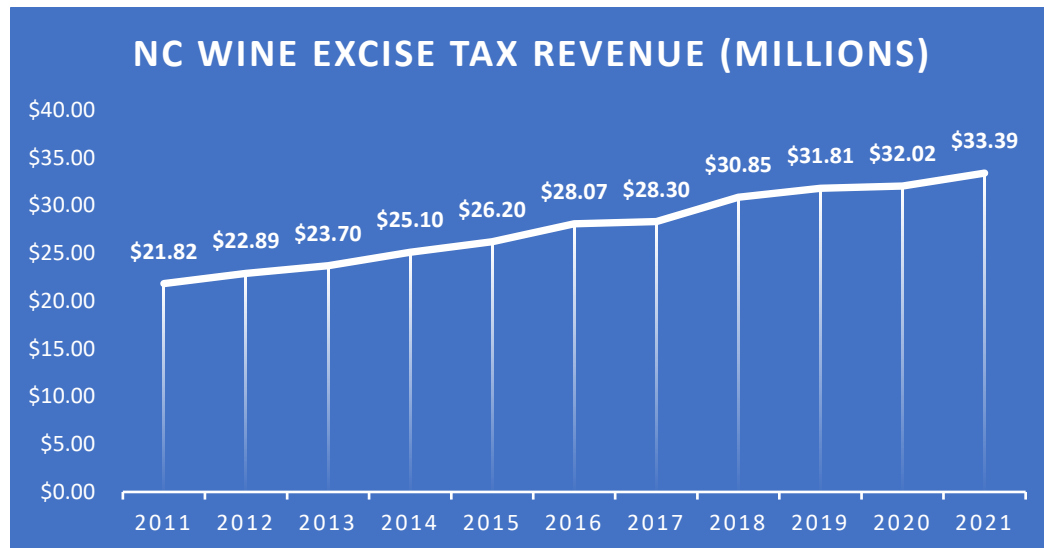
## NC WINE AND GRAPE INDUSTRY

Though every state in the country makes wine, North Carolina is by far the most diverse when it comes to grapes grown and styles produced. NC's terroir ranks the state as a top destination for quality wine production. Investors, wine travelers, enthusiasts, and visitors can enjoy more than 175 wineries and 525 vineyards. In NC, there is a wine for every palate.

The North Carolina wine and grape industry experiences strong growth every year, rising from just 21 wineries in 2000 to more than 200 according to the NC ABC Board. Wineries are now located in 71 counties across the state. North Carolina has new wineries opening every year, adding 8 within 2020 alone. Our inexpensive land for grapevines is attractive to new wine companies and wine investors. North Carolina ranks 9<sup>th</sup> in annual wine production and 11<sup>th</sup> in grape production nationally, per the 2018 industry data by Frank, Rimerman + Co. The state is also home to the most-visited winery in the United States, Biltmore Estate Winery, and boasts the world's largest Muscadine winery, Duplin Winery.

The North Carolina wine and grape industry accounts for an annual economic impact of more than \$2.06 billion and supports 14,630 jobs across the state, according to the 2018 economic impact report by Frank, Rimerman, + Co. Between 2016 and 2018 full-time industry jobs increased by 4,400, the retail value of NC wine sold increased by \$7.6 million, and wine-related tourism expenditures rose by 24 percent.

Wine excise tax collections in North Carolina continue to rise annually. According to the North Carolina Beer and Wine Wholesalers Association, state excise tax revenue on wine grew to more than \$33.39 million in 2021. The graph below shows the growth in NC wine excise taxes for the last 10 years – the trend line shows excise tax revenue from wine increasing by an average of \$1.02 million per year. Despite the challenges of Covid-19, the NC wine and grape industry has remained strong.



The North Carolina Wine and Grape Council was established in 1986 to stimulate the growth of the wine and grape industry in North Carolina. North Carolina is the home of our nation’s first cultivated wine grape, and the industry has been revived from zero wineries in 1968 to 175 wineries today. This report encompasses work done during the fiscal year 2021-2022 pursuant to G.S. 106-755.1.

With the continued growth of wineries and vineyards in North Carolina and the promising forecasts for wine sales and US consumption, North Carolina must continue to focus on developing, growing, and promoting its industry to gain market share in the global wine market. The state expects to benefit from further investment and development of the North Carolina wine and grape industries.

### **MISSION STATEMENT**

The mission of the North Carolina Wine and Grape Council is to facilitate the development of the North Carolina grape and wine industries by enhancing product quality for consumers; encouraging economic viability and opportunity for growers and processors through education, marketing, and research; and improving awareness of North Carolina wineries and wines, thereby generating more visitation and sales to increase tax revenue for the state.

### **COUNCIL ADMINISTRATION**

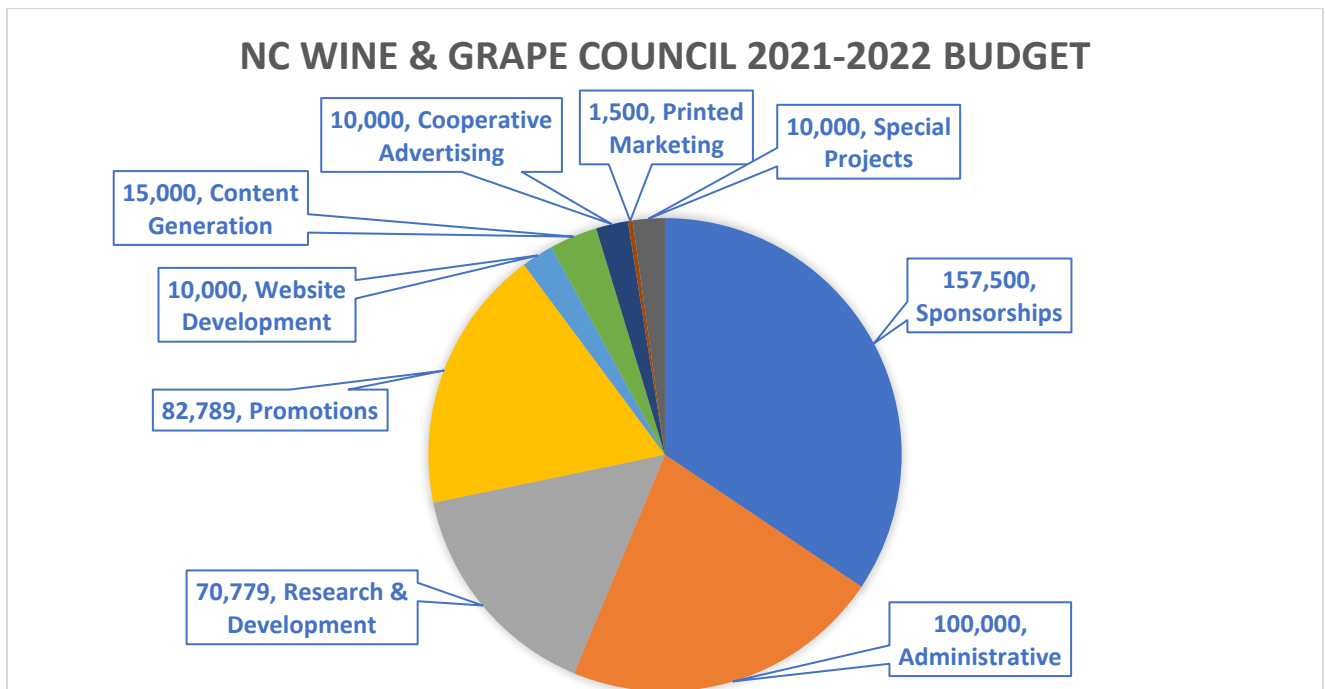
The North Carolina Wine and Grape Council operates within the NC Department of Agriculture and Consumer Services (NCDA&CS). The Commissioner of Agriculture appoints ten members to serve as the Wine and Grape Council; five members are appointed to represent the Vinifera group and five members represent the Muscadine group. The focus of the two groups is to promote the wine and grape industry in North Carolina. By partnering with existing programs within NCDA&CS, the Council can capitalize upon existing knowledge and strategies, allowing it to address multiple industry needs.

The North Carolina Wine and Grape Council consists of two advisory committees, with five industry members each. Within the Council, four committees exist to help achieve the Council’s goals: The Budget Committee, Marketing Committee, Special Projects Committee, and Research and Development Committee. The current Council members are:

<b>Muscadine Committee Member:</b>	<b>Business:</b>	<b>Current Term:</b>
Mark Friszolowski, Chair	Childress Vineyards	9/1/20 - 8/31/22
Nadia Hetzel	Cypress Bend Vineyards	9/1/21 - 8/31/23
Bill Hatcher	Duplin Winery	9/1/20 - 8/31/22
Ron Taylor	LuMil Vineyard	9/1/21 - 8/31/23
David Myrick	Myrick Vineyards	9/1/21 - 8/31/23

<b>Vinifera Committee Member:</b>	<b>Business:</b>	<b>Current Term:</b>
Ethan Brown, Chair	Shelton Vineyards	9/1/20 - 8/31/22
Amy Helton	Hanover Park Vineyard	9/1/21 - 8/31/23
Mark Pickel	Biltmore Estate Winery	9/1/20 - 8/31/22
Thomas Salley	Wilkes County Tourism	9/1/21 - 8/31/23
Diana Jones	Jones von Drehle	9/1/21 - 8/31/23

The Council’s advisory committees met 3 times during the 2021-2022 fiscal year (though only mandated to meet twice per fiscal year) to develop and review plans and industry issues. The meetings were open to the public and included industry involvement and activities. In the future, the Council has voted to meet every other month to better serve the industry and the Council’s activities. The Council’s budget was \$500,000 via appropriation from the state’s general fund, including staffing for one full-time position. The Council distributed the allocation as outlined below and activities for the year are detailed in the following sections.



## RESEARCH AND DEVELOPMENT

The Council assists viticulture and enology research across the state focused on improving the North Carolina wine and grape industry. The Council utilized \$70,779 to fund research and development projects during the 2022-2023 calendar year.

## MARKETING AND EDUCATION

The Council promotes the North Carolina wine and grape industry with multifaceted marketing, public relations, and education programs. Upon the completion of each project, these programs were evaluated to identify opportunities for improvement so adjustments could be implemented for their continued success.

### Got to Be NC Wine

The North Carolina wine and grape industry continues to be included in the promotion of Got to Be NC products, the official marketing program for NCDA&CS. For the promotion of the Got to Be NC marketing campaign, the new logos below are registered with the NC Department of the Secretary of State Trademarks section. NCDA&CS promotes NC wine through programs such as Flavors of Carolina, the Got to Be NC Festival and the NC State Fair. The Got to Be NC marketing program has become a symbol of quality products grown, raised, caught, or made right here in North Carolina.



### Advertising, Public Relations, and Social Media

Strategies utilized this fiscal year include an integrated mix of advertising and public relations activities to promote wine and grape sales, as well as wine tourism. This included increasing awareness of the industry, interest in NC wines, and visitation to wineries and wine-growing regions of the state. Advertising was placed with local and regional media including Our State Magazine, various print media outlets statewide, and digitally through a national mobile advertising network.

The Council also worked with various media outlets across the state to produce quality stories and editorials about the NC wine and grape industry. Whenever a story is being written or produced about the NC wine and grape industry, the Council contributes to the journalistic efforts by providing information, facts, and resources to better promote the industry. Official press releases were also issued for activities of statewide interest.

Social media has been an increasingly useful tool to connect with consumers and promote the industry on platforms such as Instagram, Facebook, and Twitter. The Council educates the public, collects feedback, and discusses ideas with wine lovers around the world. Followers continue to grow each year and statistics as of August 18, 2022, are as follows:

Instagram: 7,774

Facebook: 13,700

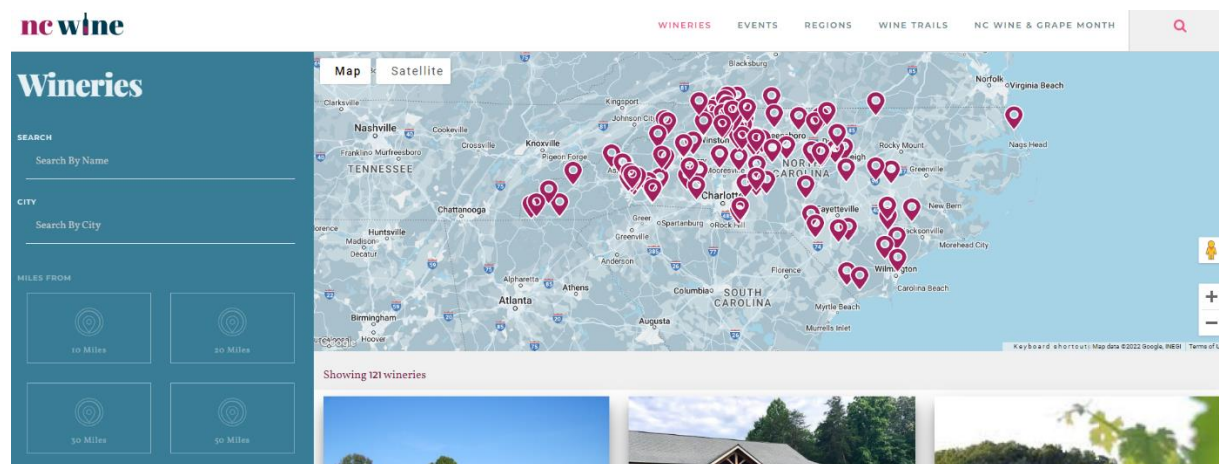
Twitter: 5,313

## Websites

The Council operates a consumer-focused site and an industry-focused site for the North Carolina wine and grape industry. The consumer-focused website, [www.ncwine.org](http://www.ncwine.org), offers information ranging from tasting tips and information about the NC wine industry to an interactive winery map and list of statewide wine-related events. This site is included in all Council marketing and advertising efforts. The council aligned with a Charlotte-based agency to redesign the site for optimum consumer performance and enhanced capability. With a new streamlined structure and increased content, the site will be better suited to support the needs of the consumer. The newly redesigned website continues to feature all wineries across the state.

In addition, new developments are in progress to add the ability to capture consumer e-mails for e-mail marketing. Other developments include an easy-to-use event posting for wineries to submit their events. This will create an important opportunity to drive consumers to the [www.ncwine.org](http://www.ncwine.org) website and push those consumers back to the winery websites. Creating linkbacks and attaching websites through clicks uses Google's algorithm to boost companies to the top of a search list and makes them more searchable overall.

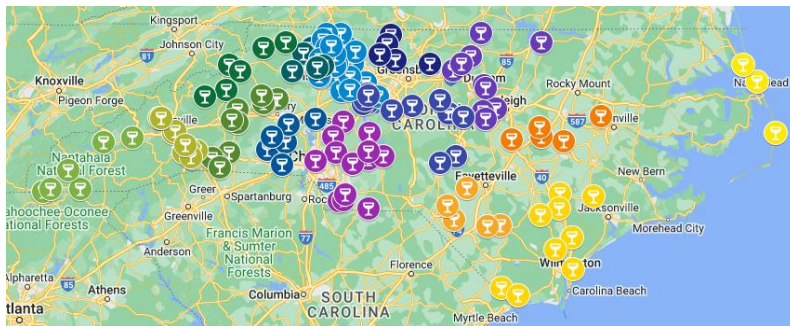
The newly redesigned consumer site also features information from the industry site, giving the industry and the public one cohesive source for all their informational needs. The site also features a media page to serve the dual purpose of providing a quick and comprehensive resource for any media outlets seeking information and a page to highlight stories about the industry.



The industry-focused website is [www.ncwine.org/industry-resources](http://www.ncwine.org/industry-resources), which offers resources and information aimed at helping wineries grow and improve their product quality in NC.

## NC Winery Rack Card

In lieu of an NC winery guide, a rack card will be printed to be displayed in tourism offices, welcome centers, wineries, retail locations, restaurants, and hotels across the state. Rack cards will give brief information about our wine industry with a QR code. This QR code will lead to a Google map to show all the wineries in the state. Wineries are color-coded to show wine trails and to give the consumer a better idea of the scope of wineries and their locations. A future goal of the Council is to combine aspects from the rack card and the websites for a fully comprehensive and intuitive app for NC Wine.



## Organizational Meetings

The Council was involved and worked cooperatively with local wine and grape organizations, including the North Carolina Winegrower's Association and the North Carolina Muscadine Grape Association. This included multiple seminars and workshops across the state for wineries, grape growers, winemakers, affiliated businesses, and industry newcomers.



The Council was involved with national organizations including WineAmerica and Wine Institute. These organizations regularly shared industry information, research, issues, activities, and opportunities with the Council.

## Wine Festivals

Wine festivals in North Carolina have grown from one event in 2000 to more than 35 festivals today. From Asheville to Morehead City, festivals featuring North Carolina wines attract more than 150,000 visitors annually. The Council promotes these festivals on different marketing channels to increase visibility and attendance. Council members regularly assist with festival planning to help guide their direction to include wine education and the promotion of NC wine.



### North Carolina State Fair Wine Competition

The Council hosts and conducts the annual North Carolina State Fair Wine Competition. The competition includes commercial wineries and amateur winemakers from across the state. In 2021, there were 235 commercial wine entries and 45 amateur wine entries. Awards from the competition attract local and national recognition as well as media attention for North Carolina wineries. The Council displays the competition winners in the Education Building at the annual NC State Fair.



### North Carolina Wine Month and North Carolina Grape Month

Historically, September has been North Carolina Wine & Grape Month. However, to allow winemakers, who are often busy with harvest in September, to become more involved in the NC Wine Month promotion, the Council decided that May was more suitable. Given that grape harvest typically begins in August, August was selected to be NC Grape Month. These celebratory months were created to recognize the importance of the wine and grape industry to the state and encourage the support of local wine.

Restaurants and retailers are urged to help the industry by promoting North Carolina wines through additional special events, including harvest festivals and Grape Day at the State Farmers Market. NC Wine Month and NC Grape Month were promoted through targeted social advertising, a cohesive digital marketing package, and printed materials. A giveaway was added to get more likes and followers for @NCwines and for every winery in the state.



# nc wine

@ncwines • #ncwinemonth #ncwine

## #NCWineMonth Giveaway Entry Rules:

1. Post a photo on social media during your winery visit
2. Follow and tag the winery & @ncwines
3. Use hashtags #ncwinemonth & #ncwine
4. One entry per photo
5. 3 winners will be selected every week in May



## #NCWINEMONTH

VISIT US THROUGHOUT MAY & ENTER TO WIN

It's time to get out and explore NC Wineries and we're sweetening the deal. Throughout May we are giving away prizes and all you have to do is visit us!

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. Come for a visit</li> <li>2. Snap a photo of yourself, friends or family enjoying our beautiful vineyards/tasting room.</li> <li>3. Post to social media, follow &amp; tag us and @ncwines to qualify for entry.</li> </ol> | <ol style="list-style-type: none"> <li>4. Use #ncwinemonth and #ncwine to find new wines to love!</li> <li>5. That's it! @NCWines will announce 3 winners* each Monday in May</li> <li>6. One entry per photo</li> </ol> |
|---|--|

NCWINES.ORG

#NCWINEMONTH #NCWINE

nc wine

## SUPPORT FARMERS, DRINK WINE!

# May is NC Wine Month!

Celebrate with us and enter for a chance to win a picnic-themed gift package.

### ENTRY RULES:

- Post a photo on social media during your winery visit
- Follow and tag us & @ncwines
- One entry per photo
- 3 winners selected every week

nc wine  
#ncwinemonth #ncwine



## CONCLUSION

The North Carolina Wine and Grape Council works diligently to continue advancing its goal of growing the industry they serve in size and quality. The Council raises the bar for the NC wine and grape industry using allocated funds effectively, engaging in the projects that will have the greatest impact on the growers and producers of North Carolina, and educating the consumer on the value of choosing local products, year after year.

Next year, the Council will continue with the most effective projects they have completed in the past and continue to explore new opportunities for the growth of the wine and grape industry in North Carolina. In 2022-2023, expect a new and improved NC State Fair Wine Competition, more development on the website, and the introduction of an app for consumers, in addition to a full-service marketing firm to expand reach and gain market share throughout the country.