



2022 & 2021 Michigan Wine Grape Survey Results

The Michigan Wine Collaborative (MWC) received a MDARD / USDA Specialty Crop Block Grant award for 2021-2022 to increase the competitiveness of Michigan Grape and Wine Producers. As a part of this campaign the MWC collected information on a specific outcome indicator that measured the change in Wine Grape Sales from 2021 to 2022. The results of two industry surveys indicate that Michigan grape and wine producers assigned a total value of \$22.5M to their grape crop in 2022, an increase of 78% over the 2021 crop value of \$12.6M. The total number of cases of wine sold across all sales channels was 950K, an increase of 58%. It should be noted, an additional 39 responses were collected in 2022 and an additional 1,000 acres were represented in the 2022 survey results when compared to the 2021 results. The table below highlights the key findings of both surveys.

Key Findings	2022	2021
Total Responses	60	41
Grape Sales (Total Revenue or Value)	\$ 22,485,849	\$ 12,640,976
Wine Sales (Cases)	953,810	602,054
Total Acreage Owned & Rented (Acres)	3,334	2,333
Average Farm Size (Acres)	32	40
Revenue per Acre*	\$ 6,744	\$ 5,418
Price per Ton**	\$ 2,453	\$ 1,970
Percent Labeled as 'Michigan Wine'	92%	88%

* Total Revenue/Total Acreage

**Average Revenue/2.75 tons to the acre per the 30-year average

The remainder of this report summarizes the 2022 and 2021 Wine Grape Survey results.

2022 Summary

In 2022, **60 Individuals valued the wine grape crop at \$22.5M**, which represents an increase of 78% year over year when compared to 2021 reported value of \$12.6M. When calculated from the vineyard acreage owned (1,936) and rented (1,398) for a total of **3,334 acres**, the calculated **return per acre was \$6,700** and the price per ton was **\$2,400/ton** based on a Michigan growers 30-year average of 2.75 tons to the acre. Several responses to this question were answered in price/ton, ranging from \$2000-2,600 per ton. The average number of wine grapes under cultivation and owned was **32 acres** (range 1-325 acres). The rented acreage under wine grape cultivation was an average of 24 acres (range 1-975 acres).

There are several things to note about the large increase in grape revenue reported from 2021 to 2022. Seven (7) additional large winemakers (>50,000 gal), representing 70% of the total acreage, responded to the 2nd survey. At the same time, we were also able to capture data from many of the smallest commercial grape growers, in fact, 17 of the respondents grew 5 acres or less of wine grapes. Anecdotally, these two categories, big wineries and small growers, are the fastest growing segments of the industry. So, it can be concluded that our 2nd survey reached more of the biggest and the smallest growers than the previous survey. Lastly, in 2021, Southwest Michigan growers indicated that they had experienced weather-related crop losses in the Spring, leading to a sharp decline in Michigan grapes available for sale.

Given the mid-year timing of the second Wine Grape survey, in addition to asking about 2022, we were able to add additional questions about 2023. **43% of respondents indicated that they had planted additional wine grape acreage in 2023.** The **total acreage planted was 77.2 acres.** The variety planted by the most growers was Pinot Noir, with 8 growers adding additional Pinot Noir acreage. Cabernet Franc, Riesling, Blaufrankish and Chardonnay were also mentioned by numerous growers. The word cloud below shows the sheer breadth of cultivars being explored across Michigan.

When asked about Tasting Room visits in 2022, in comparison to 2021, **57% indicated that the number of visitors were the same or more**. When asked to compare the **total sales across all channels, 50% said sales were up**, 26% said sales were the same, and 24% unfortunately indicated that sales were down in 2022, when compared to 2021. When asked about the 2023 Season so far, 69% of respondents indicated that they had seen the same number of visitors (14%) or more (54%). In addition, it should be noted that 37%, or 22 respondents, indicated that that had no wine sales in 2022, either they only grew grapes, or they were just starting out. Therefore, respondents who indicated that the sales questions were “Not Applicable” were factored out of the percentages reported above.

Respondents indicated selling a total of **953,810 cases** in 2022, which represents a 58% increase when compared to the data collected in 2021 (600K Cases). It should be noted that there were 19 more responses in 2022 and 7 additional responses that checked the Large Winemaker box. The 2022 survey results are believed to capture the industry more holistically. In fact, the simultaneously study of MI Excise Tax data indicates that at least 850K cases of Wine were reported as removed in Michigan, by the 280+ Michigan Winemakers & Direct Shippers who Sold ‘Michigan Wine’ in 2022.

This survey also sought to understand how much of the wine sold by Michigan Wineries is labeled and sold as made from ‘Michigan Wine Grapes’. Of the wine sold, the average response was that **92% of the wine sold was made from Michian grapes**, the range of responses was 45-100%. Plus, respondents (46) who are located within an American Viticultural Area (AVA), indicated that approximately **80% of their wine was also labeled with an AVA distinction**, the range of responses was 50%-100%. Why is this important? Michigan’s 5 AVA’s have been where most grapes have historically originated. This confirms that AVAs are still where most of the Michigan Wine originates, but also shines light on the importance of the 20% of wines that are labeled as other than ‘AVA-grown’.

Marketing & COOL is HOT

72% strongly and 25% agree that *To sustain the sale of Michigan wine and grapes, it is critical to invest in marketing that encourages consumers to purchase wines made with Michigan-grown grapes*

This survey also asked a series of questions about the Cool is Hot Campaign that was launched in May of 2023. In ranking what they thought was most important, respondents selected social media as a top marketing priority, followed by email, public relations, video spots, print, radio, billboards, events...events being the lowest rated priority was a surprise.

Here are some of the responses to the Cool is Hot Campaign:

- Do not promote hybrids please. We work hard to be recognized for good quality Wines
- Have not seen anything on this promotion!
- I don't know this
- I haven't heard of it.
- I love it.
- I saw a lot of it in my inbox and on social media, but I also already subscribe to these accounts. I was not in an area where I encountered any other form of campaign, so it's hard for me to truly understand the importance or impact of the different avenues.
- I think it has fallen a bit on deaf ears, but it is in its infancy as a campaign. Very promising!
- I would love more focus in the messaging, what really sets us apart from California, Washington, etc...
- It is worthless
- It's cheeky
- keep it going
- Luke warm.
- Never heard of it
- Not a fan at all
- Not familiar... which I guess is feedback
- Not really, sounds cheesy
- This has nothing to do for the winegrowers.
- This means nothing to us growers.
- Too early
- While I appreciate the effort in launching a marketing campaign for the Michigan wine industry, I am not in support of the COOL is HOT marketing campaign. In my opinion, the Michigan wine industry marketing needs to be taken to a more professional, minimal, sophisticated, and visually stunning level - showcasing our unique & varied terrain throughout the state, farmer & winegrower portraits & their captivating stories.

- YES! Don't promote hybrids! It is killing our industry in the long run and benefit very few people growing grapes where they should not! MI from the 1990 is a vinifera state!
- Yes, do not promote hybrids. We are not hybrids growers like Minnesota, Ohio for Illinois. We need to compete for our reputation with NY, WA, OR and CA. Don't promote cheap and sweet hybrid wines sold only in the testing rooms.
- Yes, don't promote hybrids. We need to establish our reputation. We moved away from the wines produced in the 70s
- Yes. Keep up the good work!

MWC Committee - Level of Interest

A bonus question about serving on a MWC Committee was added to ascertain which committees have the most interest. 26 individuals answered this question, 34 skipped it, and some selected multiple committees as being of interest to them. Research and Education was the most common response. Other responses included working on grower relations, creating new appellations, resurrecting an annual conference, and creating a coop for growers.

Committees	No. Interested
Research and Education	10
Other (please specify)	7
Sustainability - Vine Balance	6
Finance, Grants, & Foundation	6
Board Seat - we have a few openings	6
Membership - increase members	4
Marketing - drive the Cold is Hot	2

This indicates that there is an interest in members and non-members in serving on committees and steering the direction of the MWC. This also suggests that there is a disconnect between the individuals willing to help and their ability to properly connect with the MWC. In fact, anecdotal evidence suggests that growers don't know MWC exist and have not been asked to join our organization, especially those new to our industry.

Who Answered our Survey?

Demographics of the 2022 Respondents: 72% self-identified as farmers, 50% as wine makers and 65% as owners. 2 were Veterans. 31 of the respondents indicated that they were male, 14 were female, 1 LGBTQIAS+, and 14 choose not to select a response. 43% of the respondents were Michigan Wine Collaborative Members.

Communication & Call to Action

The MWC included a blurb and link to survey in all MWC communications 6/29-7/20. Plus sent 2 direct emails to 150 grape and winery contacts in the Collaborative database (Wild Apricot). The survey was also shared across all MWC Social Media channels and (QR Code) in person at the MWC Annual meeting in June.

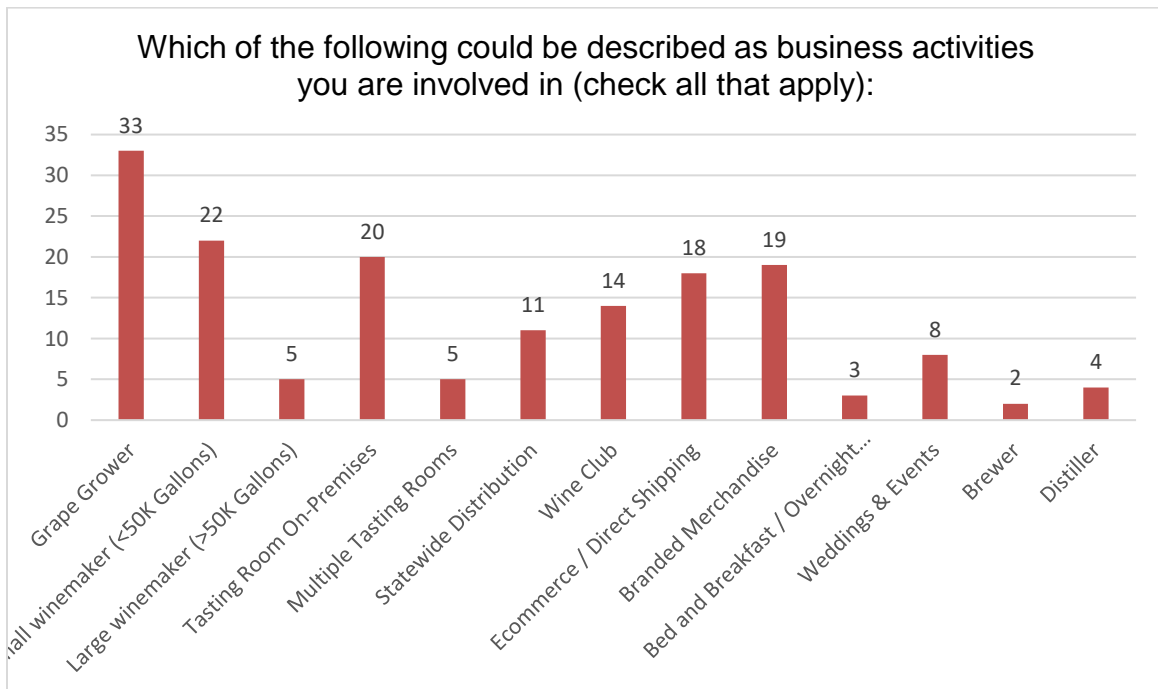
In addition, the blurb was requested to be included in P45, SAGGA, Michigan Grape Society and Michigan State University Grape Net Emails, reaching an additional 350 email addresses. A public address and QR Code was shared at the NWMHS Meeting June 14th and MWC Annual Meeting June 30th. Direct text and email messages were also sent to known and familiar contacts in the wine industry.

17 Questions were asked online using Survey Monkey. It took an average of 10 min to complete. Our goal was to get 50 individual respondents to complete the anonymous survey, we surpassed that by 10. Further analysis shows that the 2022 survey captured a nearly identical amount of acreage as the reported in the 2020 NASS Small Fruit and Hop Inventory of 3,375 acres. However, that same report counted a total of 390 farms in Michigan that were growing wine grapes in 2020. Adequate steps were taken to inform growers of the survey, but many chose not to provide us with an answer or were not reached by our efforts.

2021 Summary

Forty-One (41) individuals representing diverse grape growing and wine making businesses, of various sizes, from across the state of Michigan answered the 2021 Survey. Collectively, those who reported, **valued the Wine Grape Crop at \$12,650,000+** for the 2021 Growing Season. **Vineyard acreage** reported, owned (1,274) and rented (1,059), was **2,333 Acres**. This is estimated to be 69 % of the wine grape acreage in Michigan, per the USDA NASS Grape Report 2020 that purports Michigan has 3,375 Acres of Wine Grapes. The **Average Farm is 40 Acres** owned (ranging from 1-175 Ac) and the average rented acreage pushed 100+ acres (ranging in size from 1-775 Ac), when adjusted for zero responses.

33 of 41 respondents (80%) reported to be grape growers, 66% of respondents reported manufacturing and 61% reported to have Tasting Room(s) as a part of their operations. Of those reporting wine sales, the **Total Cases Sold** (Across All Channels) was upwards of **602,000+ cases of wine**. 88% of which was made from Michigan grown grapes and more than half carried an American Viticulture Area (AVA) Distinction from one of Michigan's 5 AVA's (5 producers were 100% AVA). **54% said Total Sales were UP**, 5% said they were the same and sales were down for 10% of businesses, when compared to 2020. Direct to Consumer wine clubs, shipping sales of wine and merch are important secondary business functions to nearly half of the respondents.



Covid has been especially challenging for hospitality-based businesses. **54% Strongly Agree**, 32% Agree, 14% Disagree with the following statements: *The COVID pandemic continues to create significant hardship and uncertainty for Michigan grape growers and wineries. To sustain wine and grape sales, it is critical to invest in marketing that encourages consumers to purchase wines made with Michigan-grown grapes.*

Of the 25 businesses operating Tasting Rooms, **44% stated that visits to Tasting Rooms were UP in 2021**, 10% had the same number of visitors and 7% had less visitors when compared to 2020. Reservations, tasting by appointment, and improved outdoor seating we mentioned as strategies that we undertaken to mitigate COVID challenges. Staffing, outdoor tasting with MI weather, and the changing business environment were still labeled as challenges faced by Tasting Rooms.

Wine Grape Marketing Questions

When Asked to Rank the Importance of the Michigan Wine Collaborative Rebranding & Marketing Strategies, **Social Media was the TOP ranked priority.**

#1 Social Media

- 64% Ranked this at the Most Important Strategy

#2 Public Relations

- 33% Ranked this as the Most Important
- 30% Ranked this 2nd

#3 & # 4 Video and Email

Not as Important: Print and Radio

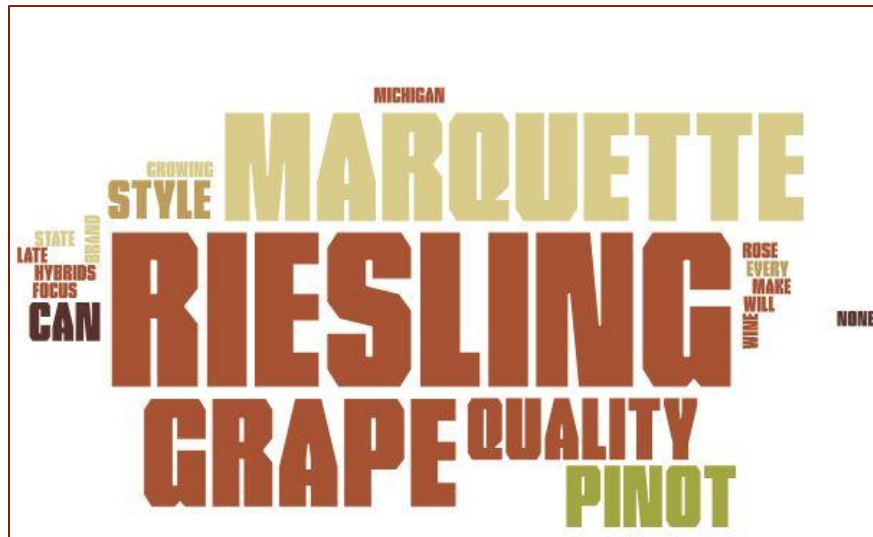
This survey also set out to gather anecdotal information to help guide MWC marketing efforts, the following pages list the responses and showcase word clouds created from the Open-Ended Questions.

What should Michigan's State Grape Be? Willamette Valley markets Pinot Noir, Ontario markets Ice Wine, and the Finger Lakes markets Riesling?

- There is not a correct answer here.
- Not Riesling! That has been tried and failed, how about Pinot Gris?
- Too late for that marketing strategy

- We should not have a "state grape". We can market what does well as do the regions mentioned. Naming a "state grape" paints us into a corner and says that's the only grape that makes great wine here.
- Riesling
- Marquette or La Crescent
- A cold hearty, Marquette
- Marquette
- No signature grapes, already taken. Brand high-quality wines and their producers LFC, Mari, Wyncroft. Their quality will help others to grow. Avoid branding hybrids.
- Focus on style, not varietal
- Given the diversity from the northwest to the southwest and all the cold-hardy varieties being grown, I am not sure we need to specify ONE grape as the grape of Michigan. It could be more about style and gain recognition that way.

- Marquette
- Riesling or Chardonnay
- There may not be one. Unless it's a grape that can be grown in every AVA, any "State Grape" will leave non-growing areas out of the equation.



- Northwestern Michigan: Whites: Riesling, Pinot Blanc; Reds: Gamay Noir, Blaufränkisch, Blends; Rose/Sparkling: Pinot varieties
- Riesling
- I don't think we should have one... I think that hybrids are the future of grape growing with climate change
- Riesling
- Marquette
- I'd love a Michigan "Rosé Capital USA" brand identity. Every single winery can make rosé (vinifera, cold-hardy, blends) and we can easily have a trade rosé festival. Consumers love it and can pronounce it. It can be sweet, dry, slushy—very versatile.

- Too many options. If we would have chosen a grape in the 80s, it would have been Vidal. I think we are better suited to focus on regionality/style versus specific grape.
- None
- Riesling
- Riesling
- Too late for that
- Marquette
- Pinot Blanc
- Cabernet Franc (Rose)
- We need to make quality wine. Hard to say. depends on region.
- None. Focus on quality.

What is Michigan's Signature Style (Rose, Crisp Whites, Cool Climate, etc.)?

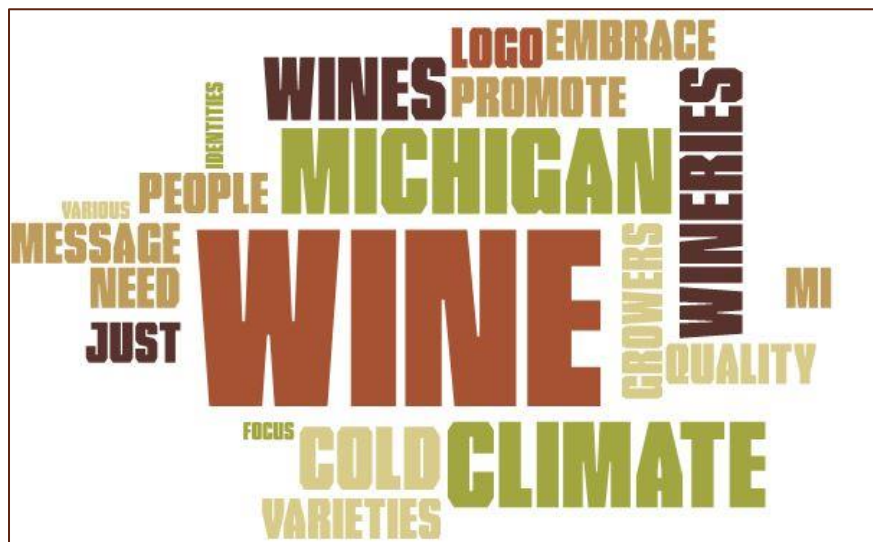
- Dry Whites
- sparkling wine
- Fresh, clean and crisp with proper acidity
- Crisp Whites
- Crisp whites
- Sparkling
- Rose
- Cool climate
- Sparkling wines
- fruit forward, food friendly wines
- Cool Climate crisp whites
- sparkling wine
- Cool Climate
- Crisp Whites, Medium-Bodied Reds, Sparkling
- None and everything
- Cool climate white, reds and rose's
- Fresh & Vibrant
- Cool Climate
- Sparkling
- Fruity, Crisp Whites
- Cool climate



- White
- Rose
- Cool Climate, crisp white, edgy rose, elegant reds and a ton of options in-between that truly offer a little something for everyone!
- Should be cold climate
- Riesling
- Cool Climate
- Great Whites
- too late for that
- Rosé! See above.
- Cool climate (but im in SE MI)
- None yet. Focus on cool climate.

Do you have any suggestions for the committee working on the Michigan Wine Collaborative Brand?

- Need to focus on the various identities of the AVAs in Michigan and wineries as destinations as much as wine quality.
- Promote cold hearty varieties
- Let everyone know what your goal is as an organization



- Do not rely on Riesling to be our savior!
- I feel that we need a Michigan Wine logo - like the Pure Michigan logo, and simple tag line that people can remember. Put that in every wine shop, grocery store, restaurant etc. where MI wine is available to make the message stick. I think the more people see the message the more they will believe in MI wine.
- Engage the quality producers. They are the image of this industry.
- Collaborative's brand or Michigan's brand?
- Brand of what?

- Emphasis that we produce more than just good whites as many wineries are producing some great cool climate reds and educating the consumer about hybrids
- Work closely with high-end restaurants and professional sommeliers
- Embrace our diversity - there are few states that offer what we do in wine varieties and styles.
- Focus on cold climate grapes and wines. Don't try to promote wines commonly found on the west coast. Embrace our ability to grow cold climate varietals
- Please share the results of this survey with MWC board, particularly the R/E Committee. Also please note that the questions assume we are all making wine, vice just growers. If not for the growers, the wineries, tasting rooms and retailers would have no product to sell.
- Don't compare to CA wine. Our colder climate/shorter growing season yields fruity and light varieties that stand very well on their own.
- Organize annual conference
- Increase social media presence and host a few events throughout the year to increase the awareness of Michigan wines.
- Rosé! :-)
- Bringing North, SW and SE wine regions together, whoever wants to participate to do a fundraiser to raise money for the Collaborative.

Who Answered our Survey?

A diverse grape growers and winemakers from across Michigan. Self-selected demographic info of our respondents are 68% Male and 20% Female, 21 indicated they were Farmers, 18 were Winemakers and 12 were Key Employees, 2 of whom are also Veterans.

Communication & Call to Action

The MWC included a blurb and link to survey in all MWC communications 4/1-4/29. Plus sent 2 direct emails to 142 winery contacts in the Collaborative database (Wild Apricot). The survey was also shared across all MWC Social Media channels and (QR Code) in person at the MWC Annual meeting in January.

In addition, the blurb was requested to be included in P45, SAGGA, Michigan Grape Society and Michigan State University Grape Net Emails, reaching an additional 300 email addresses. A QR Code was shared at the Spring Kickoff in person April 29th NWMHS, reaching 40 people. Direct text and email messages were also sent to known and familiar contacts in the wine industry.

14 Questions were asked online using Survey Monkey. It took an average of 7 min to complete. Our goal was to get 50 individual respondents to complete the anonymous survey, we fell short by 9 growers, but concluded that 69% of the acreage was represented. Adequate steps were taken to inform growers of the survey, but many chose not to provide us with answers.

Two surveys were designed and analyzed for the Michigan Wine Collaborative in April of 2022 and June of 2023. Paid for by a Michigan Department of Agriculture and Rural Development Specialty Crop Block Grant. Respectfully Submitted by Cristin Popelier Hosmer, Alchemae Craft Beverage Consulting. All data was collected anonymously and is protected by a Non-Disclosure Agreement.

8/26/2023

ALCHEMAE
CRAFT BEVERAGE CONSULTING