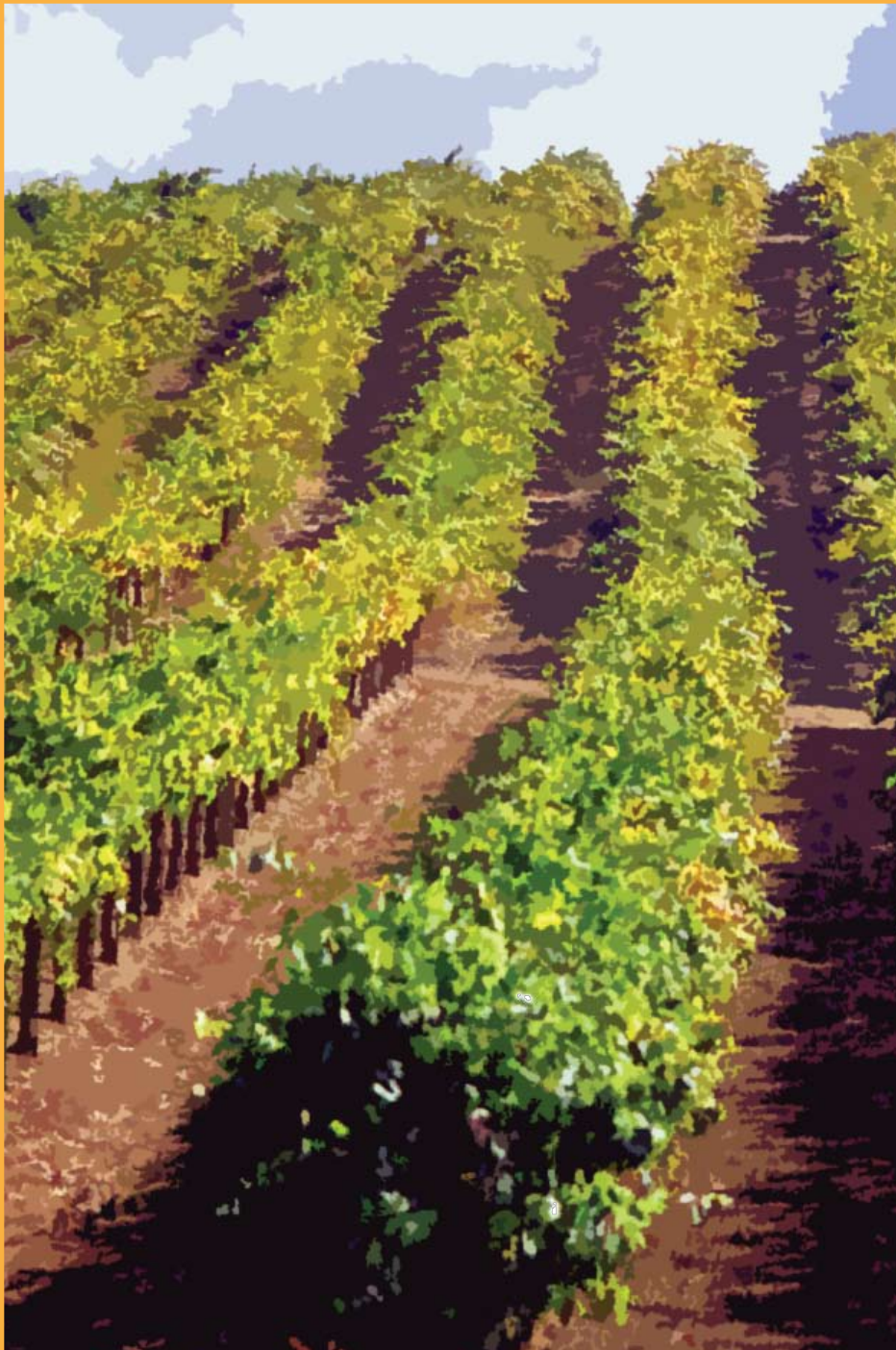


**A Signature California Industry**

# California Wine



**Wine is the number one finished agricultural product in retail value in the U.S.**



- ▶ California is America's top wine producer, making 90% of all U.S. wine.
- ▶ California is the fourth leading wine producer in the world behind the countries of France, Italy and Spain.
- ▶ California's high wine quality is tied directly to the state's ideal climate, topography, and soil for winegrapes, so the industry will always be based in California.
- ▶ California wine is world renowned with sales increasing every year since 1993 and accounting for two-thirds of all wine sales in the U.S.
- ▶ California's wineries are predominantly family owned and multi-generational.
- ▶ California wineries support their communities and are philanthropic.

## California's Wine Industry Benefits the State and Nation

- ▶ Produces \$51.8 billion in economic value for California.
- ▶ Generates \$125.3 billion for the U.S. economy.
- ▶ Creates 309,000 jobs in California and a total 875,000 jobs nationwide.
- ▶ Pays \$10.1 billion in wages in California and a total \$25.2 billion nationwide.
- ▶ Makes \$13 billion in state and federal tax payments.
- ▶ Attracts 19.7 million tourists annually to all regions of California.
- ▶ Generates wine-related tourism expenditures of \$2 billion in California.
- ▶ Gives \$115 million in annual charitable contributions from California wineries.

## California Wine and Wineries Offer Intangible Benefits to Communities:

- ▶ Enhance the quality of life.
- ▶ Promote farming and winemaking practices that are socially and environmentally responsible.
- ▶ Offer cultural attractions such as music, festivals, theater, gardens and museums.
- ▶ Support local retailers, restaurants, hotels and other businesses.
- ▶ Preserve open space and provide scenic pastoral landscapes.
- ▶ Build pride for rural communities.
- ▶ Bring positive visibility to California and the U.S. worldwide.

## California Wine Industry Profile<sup>1</sup>

<b>Number of Bonded Wineries</b>	<b>2275</b> Nearly all family-owned, Up 182% from 807 wineries in 1990
<b>Number of California Grape Growers</b>	<b>4,600</b>
<b>California Wine Sales to the U.S.</b>	<b>185 million cases</b> Up 19% from 156 million cases in 1990
<b>Retail Value of California Wine in the U.S.</b>	<b>\$16.5 billion</b>
<b>Share of U.S. Wine Market</b>	<b>63%</b> Two out of three bottles sold in the U.S. are California wines
<b>U.S. Wine Exports (95% from California)</b>	<b>\$672 million winery revenues</b> Up 391% from \$137 million in 1990
	<b>43 million cases to 165 countries</b> Up 258% from 12 million cases in 1990
<b>Winegrape Acres</b>	<b>522,000</b> Though vineyards cover less than 1% of the state's terrain
<b>Average Tons Harvested of Winegrapes<sup>2</sup></b>	<b>3.1 million</b>
<b>Farm Gate Value of Winegrapes<sup>2</sup></b>	<b>\$1.78 billion</b>

Source: MKF Research LLC and Wine Institute.

<sup>1</sup>Based on 2005 data. <sup>2</sup>Five-year average based on 2000-2005 data

## What Wine Institute Supports

- ▶ Legislation and regulation that serve to encourage growth of the California and U.S. economy.
- ▶ Sensible and reasonable immigration reform that protects U.S. borders and ensures a reliable workforce.
- ▶ Funds for agricultural research to remain competitive in the global marketplace.
- ▶ Fair taxation and science-based regulation.
- ▶ Liberalized direct-to-consumer shipping.
- ▶ Leveling the playing field for California wine exports by reducing high tariffs and eliminating other trade barriers.
- ▶ Sustainable winegrowing and winemaking practices.
- ▶ Public policy and educational initiatives that promote the responsible and moderate consumption of wine.
- ▶ A Code of Advertising Standards that requires responsible marketing practices by Wine Institute members.



Established in 1934, **Wine Institute** is the public policy advocacy group of more than 1000 California wineries and affiliated businesses. For more information, contact Wine Institute, 415/512-0151, or: [www.wineinstitute.org](http://www.wineinstitute.org). 425 Market Street, Suite 1000, San Francisco, CA 94105