

Iowa Native Wine Production & Sales Report for the period ending 12/31/2016

By Craig Tordsen, February 2017

Native Wine Inventory, Production and Sales

Native Wine Ending Inventory & Number of Wineries									
Winery Size in Gallons of Ending Inventory	Dec-14			Dec-15			Dec-16		
	# of Wineries	Ending Inventory by Winery Size	%	# of Wineries	Ending Inventory by Winery Size	%	# of Wineries	Inventory by Winery Size	%
No Inventory	1	0	0.0%	3	0	0.0%	5	0	0.0%
1 to 5,000	68	104,900	22.6%	73	110,728	23.6%	75	116,130	22.4%
5,000 to 10,000	17	114,375	24.6%	20	140,970	30.0%	17	129,029	24.9%
Over 10,000	12	244,729	52.7%	10	218,273	46.4%	12	272,437	52.6%
Total	98	464,005	100.0%	106	469,972	100.0%	109	517,597	100.0%

The December 2016 ending inventory of 109 wineries, of wine produced in Iowa, is 517,597 gallons, up 10 percent over a year earlier.

Native Wine Production & Sales For the Year Ending						
(In Gallons)						
	Dec-14		Dec-15		Dec-16	
Production	304,146		334,897		405,317	
Sales at Retail	117,556	43.7%	125,411	44.0%	132,731	42.7%
Sold to an Iowa Licensed Wholesaler	617	0.2%	0	0.0%	0	0.0%
Sold At Wholesale	150,920	56.1%	159,437	56.0%	178,073	57.3%
Total Sales	269,092	100.0%	284,848	100.0%	310,803	100.0%

For the year ending, total wine production is 405,317 gallons (a 20.2% increase over last year) and wine sales totaled 310,803 gallons (a 9.1 percent increase over last year). Wine sold in the winery is 42.7 percent and wine sold to retail outlets like grocery stores is 57.3 percent. No wine was sold to a licensed Iowa Wholesaler.

Wine Tax Paid to the State of Iowa

Iowa Tax Paid on Native Wine Sold Outside of the Winery			
Year Ending	Dec-14	Dec-15	Dec-16
Gallons of Wine Sold to Retail Stores outside of the Winery	150,920	159,437	178,073
Gallons of Wine Sold to Licensed Wholesalers	617	0	0
Total Wine Sold Subject to Iowa Wine Tax	151,537	159,437	178,073
Wine Taxes Paid to the State @ \$1.75/g	\$265,189	\$279,015	\$311,627

Iowa Native Wineries paid \$311,627 in wine tax to the State of Iowa in 2016, an 11.7 percent increase over last year. Since 2004, Iowa Native Wineries have paid the state nearly \$2.4 million in wine tax.

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For more information, contact Craig Tordsen at 515-291-0966 or by email at ctordsen@cablone.net

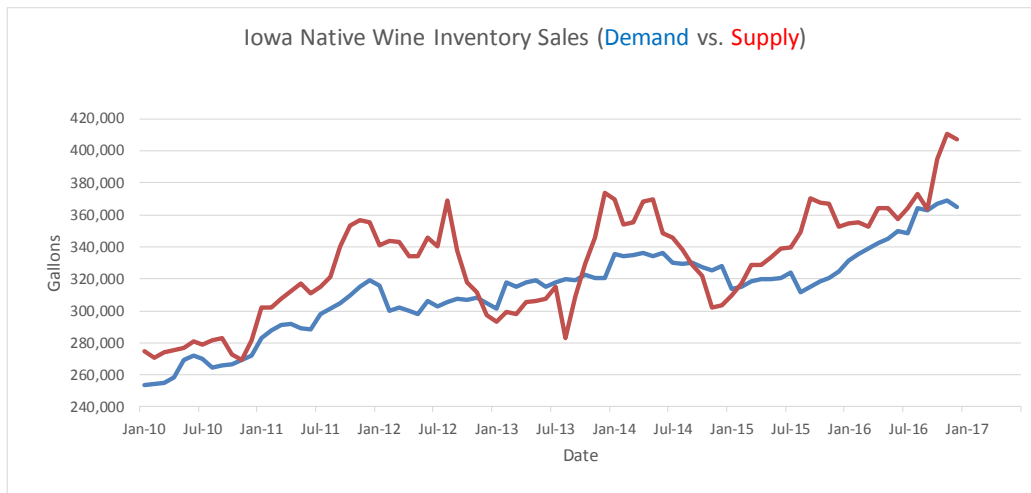
Iowa Wine Consumption

Iowans purchased an estimated 4,478,045 gallons of wine from wholesale and 310,803 gallons from native Iowa wineries for the year ending December 2016 or 6.5 percent of the total sold. Iowa's estimated December 2016 population is 3,134,693 and consumes about 1.53 gallons of wine per person. The US average is 2.83 gallons of wine per person. (1)

(1) based upon Bureau of the Census estimated resident population. Per capita consumption will be higher if based on legal drinking age population.

Native Wine Demand vs. Supply & Monthly Sales %

The chart below illustrates the growth of Iowa Native Wine supply (production) and demand (Sales including inventory adjustments) in gallons from January 2010 to December 2016.



Winery Size Rankings by Ending Inventory, Production, Sales and Sample Percentage

The following is a ranking of Iowa wineries by 2016 ending inventory and 2016 Production, Sales and Sample %.

Percentage of Samples to Wine Sold		Production		Sales		Ending Inventory		Group
Percentage	Rank	Gallons	Rank	Gallons	Rank	Gallons	Rank	
5.6%	68	50,877	1	36,799	1	76,095	1	4
5.1%	72	35,528	3	29,097	3	27,273	2	4
6.4%	58	17,571	6	14,847	6	23,516	3	4
19.7%	11	10,291	11	938	51	20,584	4	4
6.3%	61	21,642	4	17,701	5	20,451	5	4
5.8%	65	11,595	9	7,405	10	18,533	6	4
15.7%	20	10,799	10	3,729	17	16,353	7	4
1.0%	89	19,069	5	20,560	4	15,561	8	4
1.2%	85	15,631	7	13,201	8	14,740	9	4
0.0%	91	5,462	18	5,302	14	13,260	10	4
1.1%	86	43,858	2	32,625	2	13,242	11	4
8.0%	50	5,373	20	978	48	12,828	12	4
6.4%	59	7,555	14	4,467	16	9,774	13	3
10.6%	35	3,112	28	1,958	33	9,363	14	3

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Percentage of Samples to Wine Sold		Production		Sales		Ending Inventory		Group
Percentage	Rank	Gallons	Rank	Gallons	Rank	Gallons	Rank	
0.0%	92	3,722	26	2,760	25	9,360	15	3
17.0%	16	2,441	32	1,019	47	8,953	16	3
2.7%	78	14,545	8	13,259	7	8,884	17	3
1.1%	87	2,030	36	2,018	31	8,813	18	3
14.6%	22	5,456	19	4,509	15	8,344	19	3
6.8%	57	0	95	3,391	18	7,976	20	3
5.6%	67	5,908	16	5,420	13	7,538	21	3
16.6%	17	5,752	17	973	50	7,303	22	3
25.7%	6	2,000	37	474	65	7,016	23	3
0.0%	93	4,268	22	3,128	21	6,656	24	3
6.2%	62	2,155	34	2,163	30	6,155	25	3
8.1%	47	10,112	12	7,969	9	5,980	26	3
5.3%	71	8,359	13	6,662	11	5,862	27	3
6.3%	60	3,998	23	2,822	23	5,733	28	3
15.9%	19	954	52	643	59	5,396	29	3
12.1%	31	3,654	27	1,260	39	4,793	30	2
2.7%	77	455	76	1,227	41	4,775	31	2
8.6%	44	3,967	24	2,861	22	4,682	32	2
5.3%	70	2,560	31	2,810	24	4,677	33	2
2.7%	76	311	82	875	53	4,376	34	2
0.0%	94	0	102	0	102	4,229	35	2
8.9%	43	3,000	30	1,969	32	3,987	36	2
10.2%	37	685	62	1,227	40	3,955	37	2
1.6%	82	800	57	842	54	3,908	38	2
0.0%	95	1,514	43	2,509	28	3,537	39	2
0.0%	96	1,030	51	1,435	36	3,516	40	2
13.5%	25	1,828	40	1,073	46	3,339	41	2
5.9%	64	1,325	46	3,247	19	3,295	42	2
6.0%	63	2,040	35	1,125	45	3,078	43	2
0.0%	97	0	99	211	83	2,999	44	2
3.9%	74	761	58	1,200	42	2,673	45	2
13.3%	27	0	100	75	94	2,662	46	2
0.0%	98	0	103	0	103	2,539	47	2
8.5%	46	3,796	25	3,142	20	2,525	48	2
59.2%	2	0	101	58	96	2,377	49	2

Percentage of Samples to Wine Sold		Production		Sales		Ending Inventory		Group
Percentage	Rank	Gallons	Rank	Gallons	Rank	Gallons	Rank	
23.7%	7	500	73	183	87	2,249	50	2
3.6%	75	155	88	141	89	2,223	51	2
10.8%	34	1,870	38	618	61	2,039	52	2
2.5%	79	2,314	33	2,255	29	1,998	53	2
9.9%	38	1,444	44	787	55	1,988	54	2
9.6%	42	636	64	348	73	1,902	55	2
13.4%	26	0	97	318	76	1,870	56	2
2.4%	80	821	56	116	92	1,849	57	2
21.9%	8	1,231	48	767	56	1,841	58	2
5.7%	66	614	66	470	66	1,742	59	2
0.0%	99	0	96	2,571	27	1,695	60	2
8.0%	49	202	86	889	52	1,225	61	2
9.7%	41	1,862	39	634	60	1,206	62	2
10.3%	36	671	63	974	49	1,199	63	2
2.2%	81	452	77	323	75	1,081	64	2
9.7%	40	541	71	330	74	988	65	2
20.5%	10	524	72	206	84	982	66	2
4.7%	73	487	74	585	62	930	67	2
17.1%	15	1,044	50	287	78	839	68	2
12.9%	29	689	61	457	67	811	69	2
21.1%	9	869	53	385	71	805	70	2
1.0%	88	570	68	493	64	735	71	2
16.5%	18	1,713	41	1,365	37	712	72	2
0.0%	100	60	93	58	95	705	73	2
28.6%	5	859	54	242	81	627	74	2
1.4%	83	4,650	21	1,584	34	623	75	2
8.6%	45	220	85	286	79	610	76	2
19.6%	12	382	79	434	68	532	77	2
5.6%	69	1,403	45	1,192	43	531	78	2
43.2%	3	463	75	42	97	515	79	2
7.7%	51	844	55	728	57	489	80	2
7.6%	52	6,556	15	5,957	12	487	81	2
0.0%	101	6	94	23	99	482	82	2
0.0%	102	315	81	0	101	443	83	2
7.0%	55	554	70	206	85	417	84	2
8.1%	48	400	78	297	77	414	85	2
13.1%	28	690	60	400	70	391	86	2
18.6%	13	1,518	42	1,272	38	386	87	2
11.9%	32	344	80	252	80	359	88	2
7.0%	56	0	98	229	82	357	89	2

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Percentage of Samples to Wine Sold		Production		Sales		Ending Inventory		Group
Percentage	Rank	Gallons	Rank	Gallons	Rank	Gallons	Rank	
11.7%	33	3,097	29	2,587	26	346	90	2
7.4%	54	565	69	721	58	345	91	2
0.0%	103	0	104	0	104	343	92	2
14.3%	24	110	91	41	98	279	93	2
9.9%	39	630	65	535	63	251	94	2
12.4%	30	193	87	173	88	243	95	2
7.5%	53	734	59	430	69	226	96	2
0.0%	104	600	67	383	72	217	97	2
15.3%	21	138	90	133	90	186	98	2
1.3%	84	1,080	49	1,472	35	182	99	2
111.1%	1	67	92	9	100	115	100	2
17.2%	14	248	83	110	93	95	101	2
35.4%	4	224	84	194	86	26	102	2
14.5%	23	147	89	117	91	2	103	2
0.3%	90	1,235	47	1,180	44	0	104	1
0.0%	105	0	105	0	105	0	105	1
0.0%	106	0	106	0	106	0	106	1
0.0%	107	0	107	0	107	0	107	1
0.0%	108	0	108	0	108	0	108	1
New Winery in 2016								

If you know your ending inventory for December 2016, you will be able to identify your wineries ranking by Production and Sales and percentage of wine used as samples.

Summary of All the Data

The following is a summary of monthly Iowa Department of Commerce, Alcoholic Beverages Division, Native Wine Gallonage Report by year. The data is collected from 12,715 Iowa Native Wineries monthly reports.

Iowa Native Winery Production and Sales Report for Years ending 12/31/2004 to 12/31/2016													
Source: Craig Tordsen, Retired Program Manager, ISU Value Added Agriculture Program; Data Source: State of Iowa Alcoholic Beverages Division													
Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Number of Wineries	27	40	67	63	75	86	94	98	98	100	98	106	109
1. Gallons of wine on hand at beginning of year.	47,114	81,406	130,737	239,487	309,064	381,687	401,783	408,495	446,283	438,673	489,122	464,005	475,484
2. Gallons of wine produced during the year.	98,903	122,852	252,061	269,103	283,023	273,211	290,108	355,595	296,909	373,436	304,146	334,897	405,317
3. Received in bond	13,385	30,177	13,998	3,024	4,768	4,440	2,552	627	3,532	3,864	4,084	17,432	5,642
4. Gallons of wine sold retail at wineries.	51,348	59,911	85,513	105,608	103,314	109,189	103,004	114,349	122,302	119,721	117,556	125,411	132,731
5. Tax exempt adjustments:													
(a) SAMPLES (on premise consumers only)	2,105	3,000	4,943	7,645	8,335	10,253	10,022	11,784	12,618	13,034	12,777	14,107	16,345
(b) BREAKAGE	198	98	531	379	486	1,604	1,260	1,715	1,667	1,018	1,442	1,579	1,752
(c) SPILLAGE	1,103	3,123	4,601	9,297	8,652	9,880	11,357	10,738	6,094	3,786	3,350	1,941	2,514
(d) SPOILAGE	364	2,297	1,608	2,152	3,774	3,238	1,801	7,267	1,885	2,173	1,529	968	2,625
(e) DESTROYED	871	1,806	8,928	9,332	11,444	13,541	17,435	17,923	14,874	17,736	6,334	8,042	7,702
(f) MANUFACTURING						0	0	102	-2,057	18,421	30,750	17,871	20,017
(g) SOLD TO IOWA LICENSED DISTRIBUTOR	79	0	98	5,690	3,316	5,074	5,770	1,530	0	219	617	0	0
TOTAL GALLONS TAX EXEMPT	4,720	10,324	20,709	34,495	36,007	43,590	47,645	51,058	35,080	56,387	56,800	44,508	50,956
6. Transferred out in bond.	4,225	9,913	11,221	5,908	2,160	2,799	10,795	902	3,143	3,830	4,937	13,721	3,869
7. Gallons used by family.	371	676	1,025	2,379	1,903	2,054	2,136	2,579	2,878	3,171	3,136	3,284	3,219
8. Gallons of wine available for wholesale	98,738	153,611	278,328	363,224	453,471	501,706	530,863	595,828	583,321	632,865	614,925	629,409	695,669
9. Gallons of wine sold wholesale to retailers	17,332	22,874	38,841	54,160	71,784	99,923	122,368	149,545	144,648	143,742	150,920	159,437	178,073
10. Gallons of wine on hand at end of year.	81,406	130,737	239,487	309,064	381,687	401,783	408,495	446,283	438,673	489,122	464,005	469,972	517,596
11. Tax Paid ((5f +9) x \$1.75)	\$30,469	\$40,030	\$68,143	\$104,738	\$131,425	\$183,745	\$224,242	\$264,381	\$253,135	\$251,932	\$265,189	\$279,015	\$311,627
Total Gallons Sold (9 + 16 + 21)	68,759	82,785	124,452	165,458	178,414	214,186	231,142	265,423	266,951	263,682	269,092	284,848	310,803
Estimated Value of Year End Inventory @ \$60/gallon	\$4,884,360	\$7,844,220	\$14,369,220	\$18,543,840	\$22,901,220	\$24,106,980	\$24,509,676	\$26,777,004	\$26,320,380	\$27,840,304	\$27,840,304	\$28,198,324	\$31,055,772
Percentage of Wine Sales Self Distributed (9/(4+5g+9))	25.2%	27.6%	31.2%	32.7%	40.2%	46.7%	52.9%	56.3%	54.2%	54.5%	56.1%	56.0%	57.3%
Supply Vs. Demand													
Demand (4+5a,b,c,d,e,f,g+6+7+9)	73,771	93,785	146,088	196,642	213,008	254,756	275,153	317,531	304,908	323,021	328,411	332,640	364,978
Supply (2+3-6)	108,063	143,116	254,838	266,219	285,631	274,852	281,865	355,320	297,298	373,470	303,293	338,607	407,091
Demand as a Percentage of Supply	68.3%	65.5%	57.3%	73.9%	74.6%	92.7%	97.6%	89.4%	102.6%	86.5%	108.3%	98.2%	89.7%
Total Wine Tax paid to the State of Iowa since 2004	\$30,469	\$70,499	\$138,642	\$243,380	\$374,805	\$558,550	\$782,792	\$1,047,173	\$1,300,307	\$1,552,239	\$1,817,428	\$2,096,443	\$2,408,071
Gallons of Wine Sold	68,759	82,785	124,452	165,458	178,414	214,186	231,142	265,423	266,951	263,682	269,092	284,848	310,803
Gallons of Wine Sold Since 2004	68,759	151,544	275,996	441,454	619,868	834,054	1,065,196	1,330,620	1,597,570	1,861,252	2,130,344	2,415,193	2,725,996
Percentage Increase (Decrease) over Previous Year	4.4%	20.4%	50.3%	32.9%	7.8%	20.1%	7.9%	14.8%	0.6%	-1.2%	2.1%	5.9%	9.1%
Gallons of Wine Produced & Received or Transfer Out in Bond	108,063	143,116	254,838	266,219	285,631	274,852	281,865	355,320	297,298	373,470	303,293	338,607	407,091
Gallons of Wine Produced & Received or Transfer Out in Bond Since 2004	108,063	251,179	506,017	772,236	1,057,867	1,332,719	1,614,584	1,969,903	2,267,201	2,640,671	2,943,964	3,282,572	3,689,662
Percentage Increase (Decrease) over Previous Year	5.6%	32.4%	78.1%	4.5%	7.3%	-3.8%	2.6%	26.1%	-16.3%	25.6%	-18.8%	11.6%	20.2%
Increase in Number of Wineries over Last Year	15%	48%	68%	-6%	19%	15%	9%	4%	0%	2%	-2%	8%	3%
Increase in Demand over Last Year	16%	27%	56%	35%	8%	20%	8%	15%	-4%	6%	2%	1%	10%
Increase in Supply over Last Year	14%	32%	78%	4%	7%	-4%	3%	26%	-16%	26%	-19%	12%	20%

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