

Wine-Grower-News #111

January 15, 2010

(Next Newsletter in two Weeks!)

Midwest Grape & Wine Industry Institute: <http://www.extension.iastate.edu/Wine>

Information in this issue includes:

***Book Review – Wine Marketing & Sales: Success Strategies for a Saturated Market
Common Wine Price Segments***

***Free Urban Beekeeping Webinar - Learn how to raise your own honey for mead
Wine Jelly? Sounds like something that would go well in a winery!***

Save the Date: WeIGGA Annual Meeting

2nd Annual Iowa Fruit & Vegetable Growers & Marketers Conference

2010 Mid Atlantic Fruit & Vegetable Convention

NY Viticulture 2010 and the 39th Wine Industry Workshop

2010 Midwest Small Fruit & Grape Spray Guide now available!

ISU Extension Iowa Farm and Rural Life Poll – now available!

Show n Tell

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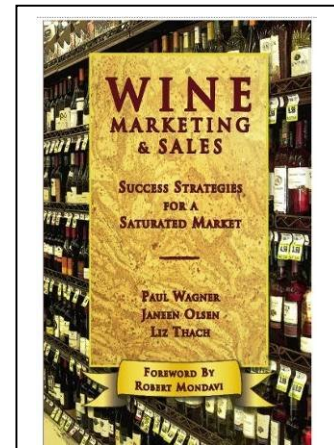
Neeto-Keeno WWW Stuff

Save these Annual Convention 2010 Dates:

Book Review – Wine Marketing & Sales: Success Strategies for a Saturated Market

I just finished reading the textbook: *Wine Marketing & Sales: Success Strategies for a Saturated Market* Copyright 2007, 347pp. by [Paul Wagner](#), [Dr. Janeen Olsen](#) and [Dr. Liz Thlach](#). Paul Wagner is an instructor at [Napa Valley College of Viticulture & Enology](#), Dr. Olsen is a professor of Marketing at Sonoma State University and Dr. Thlach is a professor of Management and an instructor in the [Wine Business Program at Sonoma State University](#). The forward of this book was written by Robert Mondavi.

For a textbook, I found it very easy to read and understand. The content is current and presented in a manner that makes it very understandable. It puts the wine sales business into a very relevant perspective. An eye opener for anyone wanting to get into this business. The titles of the 15 chapters are:



1. Basic Wine Marketing Principles
2. Research & Demographics of Wine Consumers
3. Wine Branding
4. Wine Advertising and Promotion
5. Graphic Design in the Wine Industry
6. Wine Packaging and Labels
7. Wine Public Relations
8. Wine Budgeting and Pricing
9. Three Avenues to Wine Sales
10. Wine Sales & Distribution Management
11. Direct Wine Sales – Wine Clubs & E-Commerce
12. Establishing a Tasting Room
13. Strategies for Wine Exporting & Importing
14. Wine Repositioning & Turnarounds
15. The Big Picture & Evolving Topics

The suggested retail for this hardcover textbook is only \$69.95, but I found it on several Online store sites for around \$45 to \$47. I consider this price a bargain for the amount of excellent advice provided inside its two covers. I would recommend this book to anyone contemplating establishing a winery or wanting to get into the wine sales business. Anyone owning a winery would be well served having this book in their library. mlw

Common Wine Price Segments

Price categories are defined in different ways by different marketing research organizations. Most are very similar with cutoff points that vary slightly. Here are the six most common wine price segments:

Common Wine Price Segments (1)

Super Value Wines	Less than \$3.00/750ml bottle
Basic or Sub Premium Wines	\$3.00 to \$6.99
Premium Wines	\$7.00 - \$9.99
Super Premium Wines	\$10.00 to \$13.99
Ultra Premium or Deluxe Wines	\$14.00 to \$49.99
Icon Wines	\$50.00 or greater

Wineries are not allowed by law to dictate what the final price to the customer will be in the retail store or restaurant. They can make a suggested selling price, but ultimately, the distributor and retailer can discount or deviate from the amount the winery suggests. The suggested retail price is typically determined by doubling the winery's FOB (freight-on-board) price. The FOB price is the total cost the winery spends to make the wine, plus their profit. This assumes that the distributor would mark up the price by 33.3% and the retailer mark-up would be another 50%. The allows for a 25% distributor margin and a 33.3% retail margin.(2)

In the wine business, it is relatively easy to gain sales volume by reducing your price. Unfortunately, this has long-lasting repercussions with your image of quality.(3) Consumers do not cross price segments very often. Lowering your price typically will bring in a new class of customer.(4) Once consumers and the trade get accustomed to seeing your wine at that reduced price, the bargain no longer seems attractive.(5) One final point, trying to increase brand awareness by reducing price will probably not work. Consumer brand loyalty is almost non-existent in the wine industry.(6)

1. P 41, Wine Marketing & Sales: Success Strategies for a Saturated Market
2. PP 206-207, Wine Marketing & Sales: Success Strategies for a Saturated Market
3. P 301, Wine Marketing & Sales: Success Strategies for a Saturated Market
4. P 58, Wine Marketing & Sales: Success Strategies for a Saturated Market
5. P 16, Wine Marketing & Sales: Success Strategies for a Saturated Market

Free Urban Beekeeping Webinar - Learn how to raise your own honey for mead



What: One hour “Free” Urban Beekeeping Webinar

When: 5 p.m. - CST, Sunday, January 24th, 2010

Who: Hear from 3 experienced Urban Beekeepers. Learn from these people and issues they confront and mistakes they have made.

Sponsored by: [Bee Culture Magazine](#), [The Daily Green](#) and [Brushy Mountain Bee Farm](#)

Register here: <https://www2.gotomeeting.com/register/153470658>

Wine Jelly? Sounds like something that would go well in a winery!

Simply put, wine jelly is made out of wine. You can use any type of wine to make wine jelly. Wine jelly can be purchased from a number of retailers, but it is quite easy to make yourself. Unlike some other types of jelly, the preparation time is minimal, and you can have wine jelly ready to serve after a short two hours of chilling.

Most recipes for wine jelly simply call for wine, sugar, and pectin or gelatin. The ingredients are boiled and placed in jars. The cooking process evaporates off all of the alcohol. Some wine jelly recipes require only a few hours or a night of chilling in the refrigerator. Wine jelly can also be sealed in jars and treated in a bath of boiling water for five or ten minutes, allowing it to last months on the shelf. Homemade wine jelly can make a great gift, and recipes can easily be adapted to suit personal taste.



[Napa Valley Wine Jellies](#)

Check out these resources and recipes:

1. Napa Valley Wine Jelly: <http://www.winejelly.com/>
2. What is Wine Jelly: <http://www.wisegeek.com/what-is-wine-jelly.htm>
3. Rick's Wine Jelly: <http://www.rickswinejelly.com/>
3. Wine Jelly Recipes:
 - a. <http://allrecipes.com/Recipe/Wine-Jelly/Detail.aspx>
 - b. <http://www.instructables.com/id/How-to-make-Wine-Jelly/>
 - c. <http://homecooking.about.com/library/archive/bljelly2.htm>
 - d. <http://scorpius.spaceports.com/~goodwine/winejelly.htm>
 - e. <http://www.grouprecipes.com/s/wine-jelly/recipe/1/relevancy>



What: *2nd Annual Iowa Fruit & Vegetable Growers & Marketers Conference*

When: All day Friday & Saturday, January 29-30, 2010

Where: [Holiday Inn Airport/Conference Center](#), 6111 Fleur Dr. Des Moines, Iowa

Call 515-287-2400 prior through January 15 to reserve a room for \$89 plus taxes.

This Year's Theme: *Sustaining our Environment, our Livelihoods and the Future of our Industry*

Sponsored by: [Iowa Fruit & Vegetable Growers Association](#) , [Visit Iowa Farms](#), Iowa State University Value Added Agriculture Program, [Iowa Farm Bureau](#) and [Hy-Vee](#)

Cost: \$55/day/person, pre-registration requested.

Registration brochure: http://www.iafruitvegetablegrowers.org/upcoming_events.html

Funds for this program are being provided by the USDA Specialty Crops Block Grant Program through the Iowa Department of Agriculture and Land Stewardship.

Save the Date: WeIGGA Annual Meeting



What: [Western Iowa Grape Growers Association](#) (WeIGGA) Annual Meeting

When: Saturday, February 13, 2010

8:30 a.m. registration

9:00 a.m. meeting called to order

Where: [Looft Hall, Iowa Western Community College](#), Council Bluffs, IA

Cost: Free - rolls and coffee will be served

Further info: Contact Jim Lang 712-527-5404 or jimjanetlang@msn.com



What: *2010 Mid Atlantic Fruit & Vegetable Convention*

When: Tuesday – Thursday, Feb. 2-4, 2010

Where: Hershey Lodge & Convention Center, Hershey, PA

Who: Jointly sponsored by the State Horticultural Association of Pennsylvania, the Pennsylvania Vegetable Growers Association, the Maryland State Horticultural Society and the New Jersey State Horticultural Society for the past 32 years.

Vendors: 152 vendors listed to attend.

Cost: (Cheap!) Members 3-day advance = \$50, walk-in - \$65; Non-members 1 day - \$85, 3-day – \$125.

Full details here: <http://www.mafvc.org/html/>

NY Viticulture 2010 and the 39th Wine Industry Workshop

What: Unique educational, commercial and networking opportunity for grape growers, juice producers, wineries, researchers and others in New York, the Northeast, Midwest and U.S.



When: Wednesday – Friday, February 17-19, 2010

Where: [Rochester Riverside Convention Center](#), Rochester, NY

Key dates: 11-30-09 Early bird Trade Show exhibitor registration deadline.
1-22-10 last date to get reserved hotel room rates.

Cost: Wed. – Fri. = \$250 each, Wed. or Thurs. only = \$135, Fri. only = \$100

Registration & General Questions, contact: Jennifer Cooper (585) 394-3620 or
info@viticulture2010.org

Homepage, program and online registration: <http://www.viticulture2010.org/>

Show n Tell (Note: Pictures are always welcome from readers.)

(Right) picture accompanying article in ISU College of Agriculture & Life Sciences “Stories” magazine entitled: *ISU Raises a Glass to a Growing Iowa Industry*:
http://www.ag.iastate.edu/stories/arc_hives/2009fall/grapes.php



Bob and Sharman Wersen, owners of Tassel Ridge Winery, call on ISU Extension's Murli Dharmadhikari for answers to help their three-year-old business. The trio is shown in the winery's tasting room, which opened more than three years ago.

Interesting Factoid

Maine enacted the nation's first statewide Prohibition law in 1846 when it banned the sale of spirits for all but medicinal and industrial uses and enacted the more stringent “Maine Law” in 1851, prohibiting the manufacture and sale of liquor entirely. The Pine Tree State remained dry until the repeal of national Prohibition in 1934. There are still as many as forty dry towns in the state, but that is changing.

From: *Is Maine Screwing up its wine industry?*, 1-14-10, *Down East.com*:
<http://www.downeast.com/node/13588>

Quotes of the Week - (All from Rudyard Kipling this week.)

“We have forty million reasons for failure, but not a single excuse.”

“I keep six honest serving-men, (They taught me all I knew); Their names are What and Why and When, and How and Where and Who.” (Motto of Journalists – 1902)

*“I have eaten your bread and salt.
I have drunk your water and wine.
The deaths ye died I have watched beside
And the lives ye led were mine.”*

--- [Rudyard Kipling](#) 1865 – 1936 (Nobel Prize for Literature – 1907)

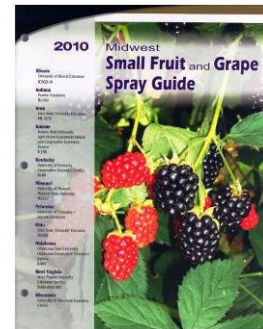
2010 Midwest Small Fruit & Grape Spray Guide now available!

The 88 page 2010 Midwest Small Fruit & Grape Spray Guide is now available as a “FREE” pdf download here:

<http://www.extension.iastate.edu/Publications/PM1375.pdf> .

You can also order the hardcopy form here ISU Extension publications here for \$6.00:

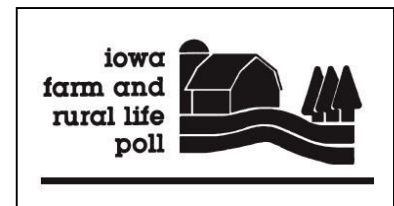
<https://www.extension.iastate.edu/store/ListItems.aspx?Keyword=1375>



ISU Extension Iowa Farm and Rural Life Poll – now available!

The [summary report](#) on the 2009 Iowa Farm and Rural Life Poll is now available through the ISU Extension Online Store.

The poll has been conducted since 1982 and is the longest-running survey of its kind in the country. It currently is directed by J. Gordon Arbuckle, extension sociologist. Respondents in 2009 were asked about The Next Generation of Farmers, Farm Policy and Commodity Production, Mixed Livestock and Grain Farming, Farming and Food Systems in Rural Communities, Value-Added Agriculture, Targeted Conservation, Nutrient Removal Wetlands, Personal and Financial Well-Being.



Videos of Interest

1. Excellent set of 8 hands-on viticulture training videos from Shore Vines in Maryland:

<http://www.shorevines.com/news-a-info/info-videos>

Articles of Interest

1. *Northwest Iowa Winery Among Many Taking Root*, 1-6-10 – Iowa Farmer Today:

http://www.iowafarmer.com/articles/2010/01/06/top_stories/iawinery.txt

2. *Vineyard runs tractor on vine prunings*: NZL, 1-7-10 – Foodweek online:
<http://www.foodweek.com.au/main-features-page.aspx?ID=6162>
3. *The Wine World in 2010, What to Expect*, 1-7-10 - Business Week:
http://www.businessweek.com/lifestyle/content/jan2010/bw2010017_325474.htm
4. *Wine Industry Sets Standards for Sustainability*, 1-13-10 – The Press Democrat:
<http://www.pressdemocrat.com/article/20100113/BUSINESS/100119795/1350?p=3&tc=pg>

Neeto-Keeno WWW Stuff

1. “New!” *Wine We Drank* radio: <http://www.winewedrank.com/>
2. WineVision: <http://www.winevision.com>
3. Shore Vines, (An excellent viticulture training site set up by the Upper Shore Regional Council of Maryland to increase the development of vineyards in the Upper Shore Region of Maryland):
<http://www.shorevines.com/>
4. Napa Valley College Viticulture & Enology Library:
<http://www.napa valley.edu/Library/Pages/Viticulture.aspx>
5. American Marketing Association: <http://www.marketingpower.com/Pages/default.aspx>

Post & View Classified Ads here: <http://iowawinegrowers.org>

Past issues archived as html and/or pdf here:

<http://www.extension.iastate.edu/Wine/Resources/winegrowernews.htm>

Total Circulation of 1,160+ recipients in CA, CO, FL, GA, IA, IN, IL, KS, KY, MI, MN, MO, MS, MT, NC, ND, NE, NV, NY, OH, OR, PA, SD, VA, VT, WA, WA DC, WI, Australia, Canada & Norway

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Save these Annual Convention 2010 Dates:

January 16 Mississippi Valley Grape Growers Association Annual Meeting, Park Farm Winery, Bankston, IA. Contact Ian Bonnette at: ibonnette@Sunsetridgewinery.com

January 16 Eastern Iowa Wine Club, Ray House, Vinton, IA: <http://www.iowawineclub.org/>

January 26-28 Unified Wine & Grape Symposium, Sacramento Convention Center, Sacramento, CA: <http://www.unifiedsymposium.org/>

January 29-30 Iowa Fruit & Vegetable Growers Marketers Conference, Des Moines Airport Holiday Inn, Des Moines, IA: http://www.iafruitvegetablegrowers.org/upcoming_events.html

February 6 North Dakota Grape Growers Association Annual Meeting
Chieftan Inn, Carrington ND: <http://www.ndgga.org/index.cfm?page=calendar>

February 6-8 Midwest Grape & Wine Conference, Tan-Tara Resort, Osage Beach, MO:
<http://www.midwestgrapeandwineconference.com/>

February 6 Northwest Iowa Grape Growers Association, ISU Extension office, Sac City, Iowa:
<http://nwiowagrapegrowers.com/>

February 11-13 Minnesota Grape Growers Association's Cold Climate Grape & Wine Conference, Sheraton Bloomington Inn, Minneapolis, MN: <http://www.mngrapes.org/>

February 13 Western Iowa Grape Growers, [Looft Hall, Iowa Western Community College](#), Council Bluffs, IA: <http://www.westerniowagrapegrowers.org/>

February 25-27 Illinois Grape Growers & Vintners Association Annual Conference Hilton Hotel, Springfield, IL: <http://www.illinoiswine.org/>

March 5-7 NE Grape Growers Spring Forum, Kearney, NE: <http://www.nebraskawines.com/>

March 9-11 Wineries Unlimited (largest show east of Rockies) Valley Forge Convention Center King of Prussia, PA: <http://wineriesunlimited.vwm-online.com/>

March 19 & 20 Iowa Wine Growers Association Annual Conference
Airport Holiday Inn, Des Moines, IA: <https://iowawinegrowers.org/content/view/206/9/>

April 13-15 License to Steal – National Wine Marketing Conference
<http://www.nationalwinemarketing.com/>

June 20-25 American Society of Enology and Viticulture National Conference, Seattle, WA:
<http://asev.org/annual-meeting-2010/>

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