



About the Tennessee Wine Industry



Founded in 1982, the Tennessee Farm Winegrowers Alliance (TFWA) is a coalition of the wineries, farm wineries, and vineyards throughout the great state of Tennessee. We support and encourage the production of commercial grapes and wines within the state as a viable agricultural value-added industry.



HOW WE HELP



Legislative Initiatives

- Custom Crush
- Farm Winery

Workforce Development

- Registered Apprenticeships
- Certification Programs

Industry Education

- Workshops
- Educational Meetings

Consumer Marketing

- Wine Festivals
- Direct Marketing

PRE-INDUSTRY TIMELINE



1874

TN Ag. Commissioner J.A. Killebrew devoted an entire chapter to cultivating grapes in his book, *Introduction to Resources in Tennessee*

U.S. Department Agricultural report from 1880 cited 1,128 acres, producing 64,767 gallons of wine in Tennessee.

1880

1907

Memphis, Chattanooga, Nashville and LaFollette are the only wet cities left after the Pendleton Act extended the Four-Mile law to the larger cities in the state.

Tennessee ratifies the 18th Amendment and commercial production of wine stops.

1919

1973

Tennessee Viticulture & Oneological Society is formed to study the art and science of grape growing and winemaking

MODERN TIMELINE



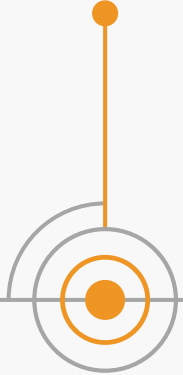
1980



First commercial crush is processed at Highland Manor Winery in Fentress County.

The TFWA is founded as a coalition of vineyards & wineries representing the growth and development of the commercial wine industry in Tennessee.

1982



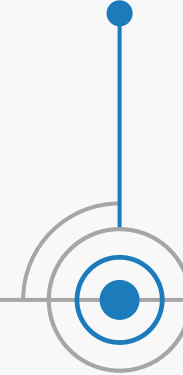
1985



The Viticulture Advisory Board is created by Governor Alexander, to study and promote the development of a grape and wine industry.

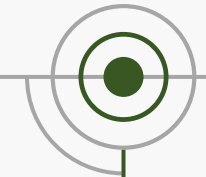
TFWA with the help of the TN Department of AG. is able to secure funding to hire the first full time staff members for the industry.

2017



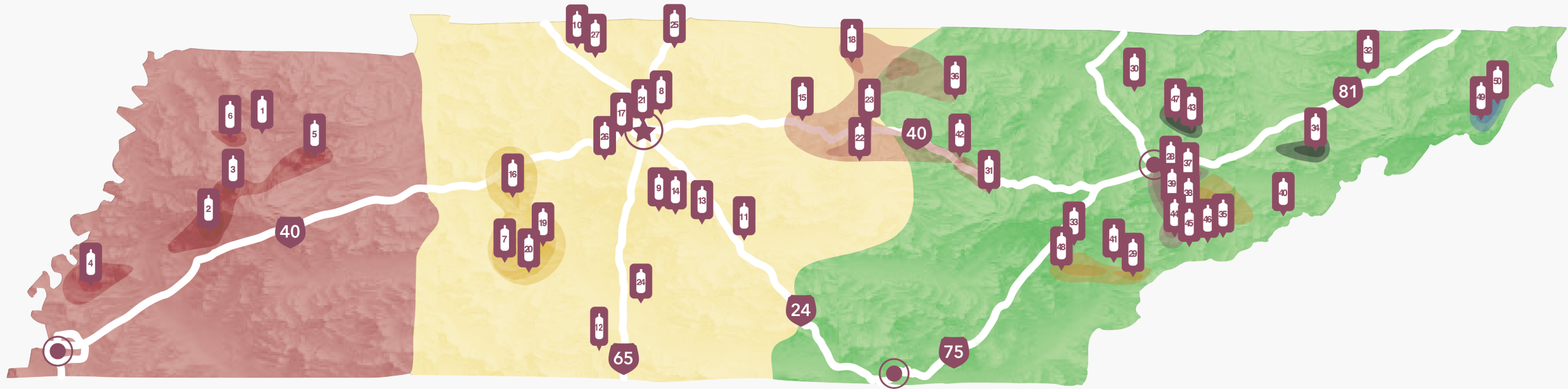
The Wine and Grape Board is created by Governor Lee, replacing the VAB with a Board of action geared to taking the Industry to the next level.

2019



Today Wineries stretch across Tennessee.

Impacting Agriculture, Manufacturing, and Tourism



Things to consider:

- Tourists like to visit 3 or more wineries per day (especially on “Wine Trails”)
- Largest concentration of wineries in Pigeon Forge and Gatlinburg
- Most other wineries in Tennessee are too dispersed to be on effective Wine Trails



BIG IMPACT

\$1.9 BILLION

Total Economic Impact

16,792 JOBS


2017 Data



216,842
Wine-Related
Tourists




\$89.1M
Tourism
Expenditures



50 COUNTIES
HAVE A
WINERY
OR
VINEYARD



\$104M
STATE & LOCAL TAXES



\$140.8M
FEDERAL TAXES



\$286M
IN ANNUAL WAGES



86
GROWERS



4.8M+
lb's of TN
FRUIT

488+
ACRES



66+
WINERIES

Comparing to Neighboring States

Significant opportunities for growth!



	Tennessee	Virginia (7 th)	N. Carolina (8 th)
Economic Impact	\$1.9 Billion	\$5 Billion	\$4.7 Billion
Wine Producers	67	272	155
Gallons Sold	347,107	2,378,000	2,352,073
Vineyard Acres	488	3,400	2,023
Jobs	9,757	25,236	24,095
Annual Wages	\$286 Million	\$1.7 Billion	\$1.6 Billion
Tourist Visits	216,842	996,751	522,031
Tourist Spend	\$89.1 Million	\$409.4 Million	\$214.4 Million
State/Local Taxes	\$104.3 Million	\$300 Million	\$217.7 Million

**2017 Data*

Top 10 Wine Producing States (2018)

	State	Gallons
1	California	684,864,000
2	Washington	35,670,000
3	New York	28,536,000
4	Oregon	10,938,800
5	Texas	4,280,400

6	Michigan	2,853,600
7	North Carolina	2,378,000
8	Virginia	2,378,000
9	Illinois	2,378,000
10	Pennsylvania	2,140,200



Where is TN right now?

Based on 2019 Harvest and Crush Survey

68 Wineries

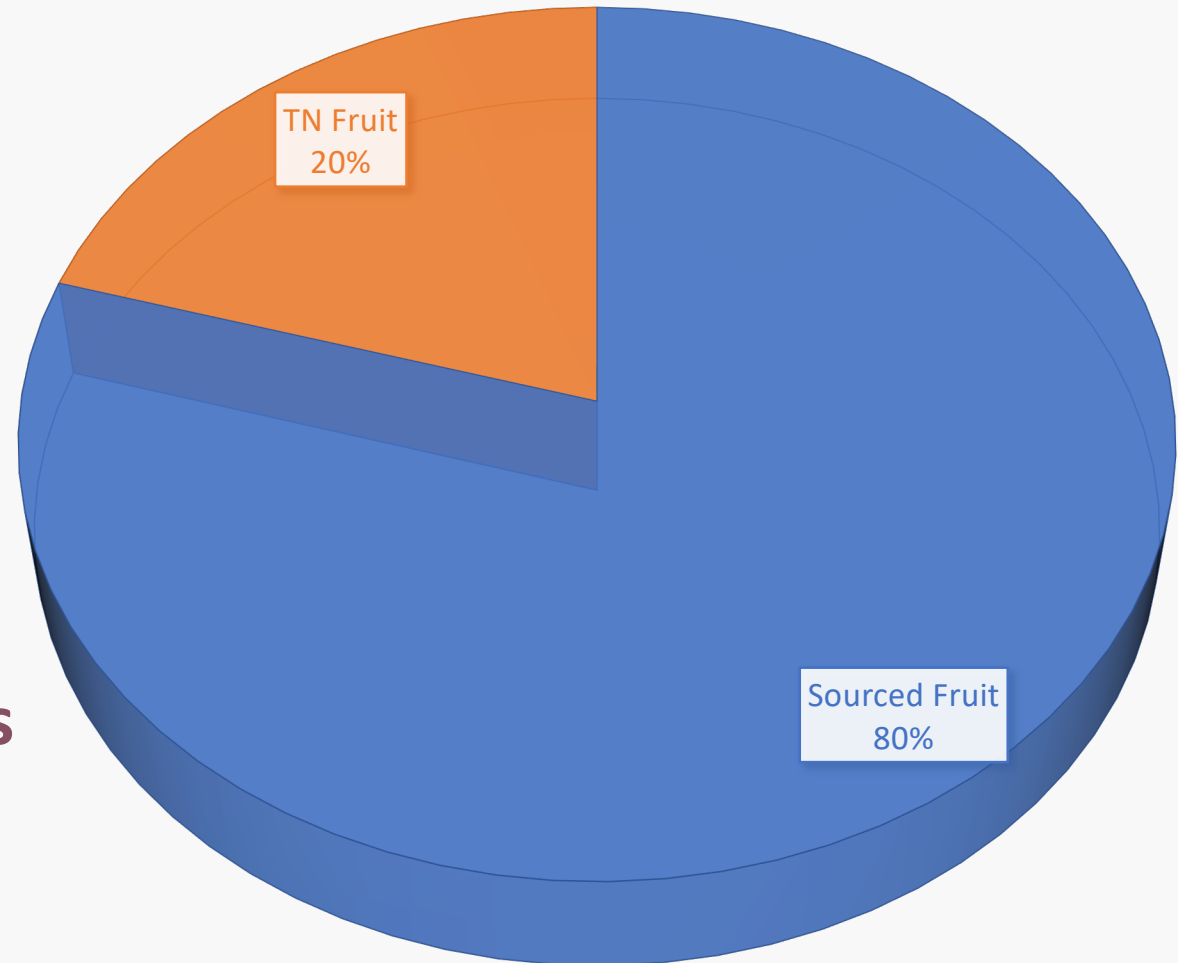
Estimated **662,192** Gallons Produced

Roughly **4,415** Tons of Fruit

Approximately **1,380** Vineyard Acres

**Opportunity for
1,094 Vineyard Acres**

FRUIT SOURCE FOR WINE PRODUCED



We grow around
29 different Varieties!

Magnolia Cayuga Muscat
Muscadine
Merlot Cabernet Franc
Doreen Concord
Noble Syrah Norton Campbell
Niagara Sanicovese Vignoles Baco Vidal
Catawba Chardonnay
Traminette
Cabernet Sauvignon Chardonnay
Stueban Seyval Blanc Sunbelt
Noiret Riesling



Why the Grape and Wine Industry?



Localized Market

- No Fixed Commodity Pricing
- Wineries prefer freshly harvested fruit
- 90% of Wine sales will be DTC

Profitability

- \$3,000 - \$5,000 per Acre as Grapes
- \$12,000 - \$23,000 per Acre as Wine

New Verticals

- Weddings and Events
- DTC Wine Sales
- Enhanced Retail Sales



Commercial
Vineyards



Farm
Winery



Winery

Paths into the Industry



Commercial Vineyards

Things to Consider

- Grow Grapes Needed by the Market
- Contract with Wineries to sell your Fruit prior to Harvest
- Concentrates on Quality vs Yield
- Operate a Test Vineyard for Future Growth
- Shoot for 10+ Acres Producing Vineyard
- Variety Variation is not a good thing
- It's still farming subject to weather and climate change
- You now have a Wedding Backdrop
- Grant Funding exists to help you get started



Licensing

None

Farm Winery

Things to Consider

- Same considerations as a Vineyard
- Contracts with Wineries for Custom Crush to get Wine back
- No investment in Production Equipment needed
- Can operate Main tasting room and up to 2 Satellites
- Sell your wine at Wine Festivals
- 5+ Acres Producing Vineyard
- Can not obtain a Direct Shippers License unless you have a Federal License but you can ship using a 3rd party like VinoShipper
- Increases Profitability on fruit you grow
- You are now an Agritourism Destination (Events, Weddings, etc)
- Consider Retail Items in your Tasting Room
- Consider onsite Café or Restaurant



Licensing

- Farm Winery License (TABC)
- Alcohol Dealer Registration (TTB)

OPTIONAL

- Federal Winery License (TTB)
- TN Winery License (TABC)
- Direct Shippers License (Individual States)

Winery

Things to Consider

- Same considerations as a Farm Winery
- May have a Vineyard
- May produce your own wine or contract with another Winery to produce for you
- Contracts with Growers for Fruit
- Purchase bulk fruit, juice, and wine from anywhere
- Contracts to provide Custom Crush for Farm Wineries & Wineries
- Concentrates on Quality and Consumer Market Demand
- Can sell Wine from Main Tasting Room and up to 2 Satellites
- Events and Tourism are key
- Wine Clubs and Internet Sales play a major DTC sales roll
- Can self-distribute up to 100 miles from facility
- Contract with a Wholesaler (25,000+ Gallons Recommended)



Licensing

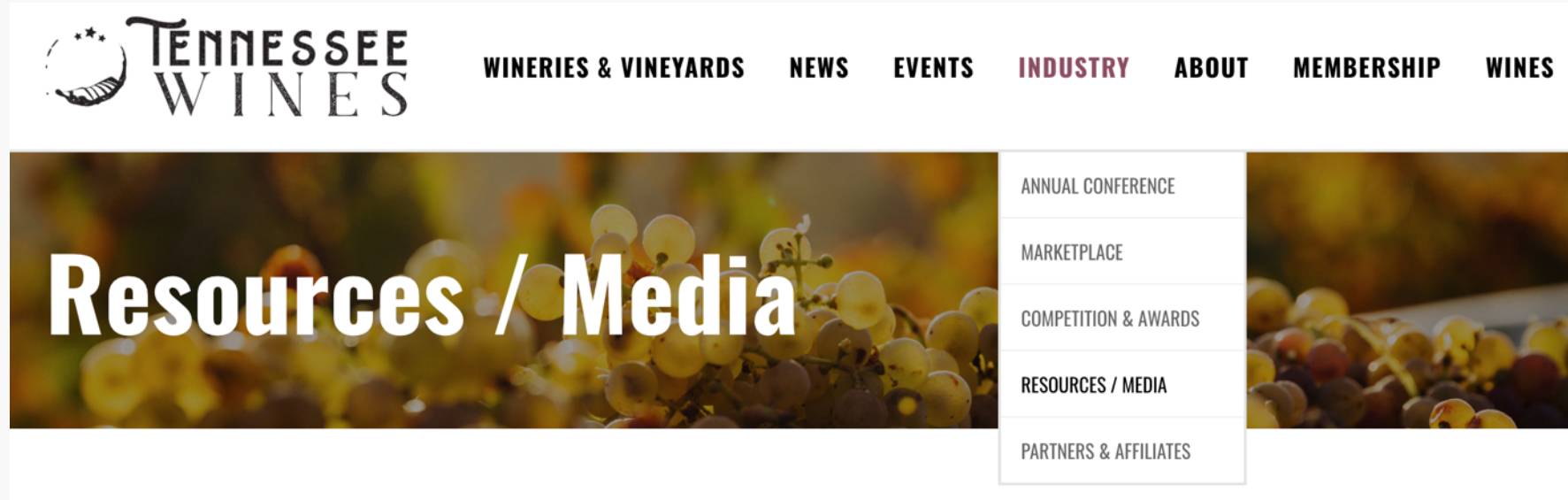
- Federal Winery License (TTB)
- TN Winery License (TABC)

OPTIONAL

- Direct Shippers License (Individual States)
- Self Distribution License (TABC)

More Resources

<https://tennesseewines.com/resources/>

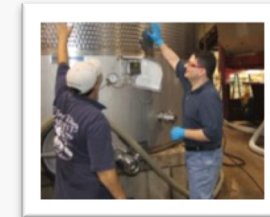


- Licensing & Permitting
- Operational Cost Calculators
- Feasibility Workbooks
- How to Establish a Business
- UT Extension Publications
- Out of State Publications
- Educational Blogs
- TDA Grants





Registered Apprenticeships for The TN Grape and Wine Industry



www.vesta-usa.org

- 39 online courses
- 3 educational tracks – viticulture, enology, and wine business entrepreneurship.
- Multiple educational paths
 - Individual courses
 - Technical Certificate
 - Associate of Applied Science
- Curriculum that is industry driven and supervised by notable professors



For detailed information please contact.

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Tennessee Farm
winegrowers

ANNUAL CONFERENCE

February 21 & 22 at the Cool Springs Marriott.

<https://tennesseewines.com/annual-conference/>





Questions?