Our Goal:

The Foundation will promote the world-class image of New York grapes and wines from our diverse regions to responsibly benefit farmers, producers and consumers through innovative marketing, research, communication and advocacy.
New York Wine & Grape Foundation
A Productive Public-Private Partnership

33 years ago, the New York State legislature unanimously passed, and Governor Mario M. Cuomo signed into law, a bill that created the New York Wine & Grape Foundation to address an industry economic crisis, restore stability, and stimulate growth.

Today the grape and wine community represent one of the strongest growing industries of the State’s agricultural and tourism sectors, and a key economic driver. The following chart depicts that growth, illustrating an extraordinary return on investment for the State of New York.

<table>
<thead>
<tr>
<th>Annual Economic Impact: $13.8 Billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York’s grape juice and wine products, and related industries, produced more than $13.8 billion of economic value to New York State in 2017.</td>
</tr>
<tr>
<td>Full-time Equivalent Jobs-102 thousand</td>
</tr>
<tr>
<td>Wages Paid- $5.2 billion</td>
</tr>
<tr>
<td>Number of Wine Related Tourist Visits-4.5 million</td>
</tr>
<tr>
<td>Wine-Related Tourism Expenditures-$1.8 billion</td>
</tr>
<tr>
<td>Taxes Paid (State and Local) -$1.1 billion</td>
</tr>
<tr>
<td>Taxes Paid (Federal) -$1.2 billion</td>
</tr>
<tr>
<td>Industry consumption taxes:</td>
</tr>
<tr>
<td>Federal -$73.7 million</td>
</tr>
<tr>
<td>State and Local (including excise tax and sales tax) -$204.1 million</td>
</tr>
</tbody>
</table>

Executive Summary

Sam Filler, Executive Director, announced at Cornell University’s Annual B.E.V. New York Conference in March 2017 that the 2017-2018 Fiscal Year theme would be “Year of Grafting the Future.” The start of the fiscal year in April 2017 marked the beginning of Sam’s leadership of the Foundation. He chose this theme to acknowledge the work done by the Foundation’s prior President to develop and strengthen the “roots” of the New York grape and wine industry. Moving forward, Sam will “graft” new strategies to strengthen and grow the industry onto the strong and stable rootstock cultivated by the Foundation over the previous 32 years.

Three (3) priorities were identified and approved by the NYWGF Board of Directors to support the fiscal year theme “Year of Grafting the Future,”:

- Revamp Membership Programming and Development
- Launch a Strategic Planning Process
- Cultivate New Funding Sources

To address the membership priority, the Foundation expanded its staff capacity by creating a new position, Director of Member Relations and Development, to focus on membership retention and development. Valerie Venezia-Ross was hired in August 2017, and she brings 18 years’ experience leading non-profit industry membership programs. In this position, she will increase grape grower and winery enrollment as dues paying Foundation members, while also increasing the engagement of our business associate members to provide education and exclusive services to grape grower and winery members. The Foundation will also reframe its programming and events from the perspective of improving the membership experience and facilitating opportunities that support members in growing their businesses. And, the Foundation’s membership will renew its focus on consumers as they represent an important and influential audience for growing the market for New York grape products.

To support the renewed membership focus, the NYWGF board voted at their March 2017 meeting to support a new strategic planning process to be initiated within the 2017-2018 fiscal year. Given NYWGF’s leadership change and industry growth, the organization’s strategic direction required a comprehensive refresh and update. The last organizational strategic plan was completed in 2011. NYWGF selected a consultant team from Farm Credit East led by Nathan Rudgers, former Commissioner of NYS Department of Agriculture and Markets, to conduct statewide public meetings and to produce a new five-year strategic plan document. Key ideas and perspectives were captured through 11 Regional Meetings (January and February 2018), a planning session with the NYWGF board (February 2018), a meeting with staff (March 2018) and an online survey distributed through the Press Deck newsletter. Over 240 industry members participated in the regional meetings and online survey. A summary of the new strategic plan’s mission, vision, and objectives is included in this report.

Through the strategic planning process, the NYWGF board recognized that opportunities exist to cultivate new funding sources to support the organization. Annual funding from the State supports research and promotion programs that NYWGF executes on behalf of the wine and grape industry. Private sector contributions through member dues and program fees supplement the State’s commitment and contribute to NYWGF’s overall budget. This past fiscal year, the Foundation pursued and secured new revenue through program sponsorships, federal and state grants, and paid newsletter
advertising. We intend to continue cultivating these supplemental revenue sources into the new fiscal year.

The investments made in organizational infrastructure through new staff and the strategic plan position the Foundation to build on its legacy and to continue to serve as the industry’s partner. The following report details many of the Foundation’s and industry’s successes from the past fiscal year. It also documents how public and private resources were leveraged to advance the industry’s ongoing growth.

Program Highlights

Since its inception in 1985, NYWGF and the industry have benefited from the State of New York’s support to conduct basic programs of promotion and research. The private sector contributes similar amounts to match the State funding. The sections that follow summarize the programs, with additional detail in the Appendices. We manage several Promotional programs including a Wine Competitions program, a Wine Trails program, New York Drinks New York, and several special events. We also manage an Export Program and support viticulture, enology and product development through our Research program.

Wine Competitions Program

The New York Wine & Grape Foundation sponsors a Wine Competitions Program that was created to gain more recognition for the high-quality wines that are produced in New York State. NYWGF assists wineries by contributing 25% to the entry fees in national and international competitions.

From April 1, 2017 to March 31, 2018 NYWGF paid entry fees to 34 competitions on behalf of 50 wineries. All awards of Gold (90 Points) or higher get published on the NYWGF website under the Awards & Accolades section. The number of awards that New York attains continues to increase each year, which in turn increases the awareness of New York as a top-quality producer of wine. A listing of all the wineries who took advantage of the program, and the wine competitions we collaborate with, can be found in Appendix 3.

Top Awards

In 2017, New York Wines were awarded over 640 medals in the Gold or higher categories. These also include ratings of 90 points or better in wine publications. To demonstrate the type of recognition that these fine wines are receiving, here is a list of all the “Best of Show” winners, which are considered the “best wine” in each competition:

- Hazlitt 1852 Vineyards, 2014 Vidal Blanc Natural Ice Wine, Best of Show, East Meets West Wine Competition
- Hazlitt 1852 Vineyards, Sherry, NV, Best New World Dessert Wine, Jerry Mead’s New World International Wine Competition
- Wagner Vineyards, 2014 Riesling, Caywood East Vineyard, Best of Show White, San Diego Wine Challenge
- Swedish Hill Vineyard, 2016 Blue Waters Dry Rosé, Rosé Wine of the Year, Indy International Wine Competition
• Coyote Moon Vineyards, 2015 Razzle Dazzle, Best of Show Fruit Wine, International Women’s Wine Competition and Dan Berger’s International
• Lakewood Vineyards, 2016 Vignoles, Best of Show, American Wine Society Wine Competition

Ratings
In the world of wine publications (online and magazine), New York Wines performed very well. Paumanok Vineyards’ 2010 Tuthill’s Lane Vineyard Merlot was rated 94 points and chosen as a cellar selection by Wine Enthusiast. Hermann J. Wiemer also received 94-point accolades by Wine Enthusiast for their 2015 HJW Vineyard Riesling and Magdalena Vineyard Riesling. Wine Enthusiast chose three New York wineries to include in their “Top 100 Best Buys of 2017” ranking; Wagner Vineyards ranked #60 with their 2016 Unoaked Chardonnay, Dr. Frank Wine Cellars ranked #74 with their 2015 Dry Riesling, and Hermann J. Wiemer Vineyard ranked #99 with their 2015 Riesling. Hermann J. Wiemer was also ranked #35 on the “Enthusiast 100” by Wine Enthusiast. The World Wine Championships at the Beverage Tasting Institute awarded Arrowhead Spring Vineyards 2014 Estate Cabernet Sauvignon with a 95-point Gold medal. Wagner Vineyards 2014 Caywood East Vineyard Riesling received a 95-point award from Wine Review Online. Wine & Spirits magazine listed two of Dr. Frank Wine Cellars’ sparkling wines in their list of the “Year’s Best US Sparkling Wines.” The 2012 Blanc de Blancs, rated 92 points, and the 2012 Blanc de Noirs, rated 90 points were the ones to make the list. Wine Spectator also included a New York winery in their top listing: Forge Cellars’ 2015 Finger Lakes Classique Riesling, rated 92 points, was ranked #31 in the Top 100 wines of 2017. ¹

New York Wines in the Press

New York wines made international headlines with some outstanding awards in 2017. Anthony Road Wine Company was the only US wine to win a gold medal at the 2017 Riesling Du Monde. Their 2013 Art Series Riesling was the medal winner. Lakewood Vineyards was named New York Riesling Winery of the Year at the Berlin International Wine Competition. At the Canberra International Riesling Challenge, both Colloca Estate Winery and Red Newt Cellars took home a 95 point gold medal for their 2016 Colloca Lake Effect Vineyards Dry Riesling and 2014 The Knoll-Lahoma Vineyards Riesling. Wine & Spirits magazine listed Ravines Wine Cellars as one of their Top 100 wineries of 2017. In the June 2017 edition of Wine Spectator, James Molesworth calls Richard Olsen-Harbich “one of the Deans of Long Island winemaking” and goes on to call his Cabernet Franc and Chardonnay “textbook examples of what Long Island can do well” in an article titled Fresh and Breezy.

The beverage media outlets provided excellent coverage of the breadth and depth of New York wines across many of our wine regions. In particular, New York Times writer Eric Asimov published an article praising the Cabernet Franc wines of New York State and in particular those made in the Finger Lakes. The article complemented his visit to the Finger Lakes in early November where he participated in public conversation at Finger Lakes Community College that was moderated by WXXI anchor Evan Dawson. The Chicago Tribune also published an article praising the quality of wines to be found in the Hudson Valley, Finger Lakes, and Long Island. Finally, Food and Wine Magazine celebrated the esteemed New York grape pie made from concord grapes and the annual Grape Pie festival held in Naples.

¹ A full listing of New York’s top award winners is available at www.newyorkwines.org, by clicking on “Awards”
Wine Trail Program

The Wine Trail program assists New York’s wine trails to increase the amount of tourism to wine regions throughout the state. This program generates and facilitates increasing levels of wine tourism and visits to wineries. Other states often model their trails after New York’s wine trails, which are known for their cooperative spirit, commitment and organizational success. The Cayuga Lake Wine Trail, established in 1983, was the first designated wine trail in the nation and serves as the model for many of the other trails in our program.

The 15 wine trails that participated in our program during the 2017-2018 year were: Seneca Lake Wine Trail, Cayuga Lake Wine Trail, Shawangunk Wine Trail, Niagara Wine Trail USA, Canandaigua Wine Trail, Lake Erie Wine Country, Cooperstown Beverage Trail, Keuka Lake Wine Trail, Chautauqua Juice Program, Lake Ontario Wine Trail, Upper Hudson Valley Wine Trail, St. Lawrence Wine Trail, Hudson-Berkshire Beverage Trail, Long Island Wine Council, Dutchess Wine Trail, Schoharie County Beverage Trail, and the Thousand Islands-Seaway Wine Trail.

Each year, NYWGF hosts an annual meeting of the wine trails where trail leadership exchange ideas and success stories from the year. The most common activities within the program include marketing efforts in the form of brochures, television, radio advertisements, and social media. Passports, tickets to events, and other operational expenses are also utilized for the funding this program offers.

Special Events

Organizing and participating in special events forms an important component of the promotion program. The events range from major industry conferences and seminars to small trade and media tastings, as well as consumer tastings and festivals, often in conjunction with partners and other sponsors. Some of these events include NY Farm Day in Washington DC, New York Wine & Food Classic Wine Competition and the Unity Banquet at the annual B.E.V. NY conference.

New York Farm Day was held in the Senate Kennedy Caucus Room on Capitol Hill in coordination with Senator Gillibrand’s office, to showcase the importance of New York agriculture to our federal representatives and their key staff members. In our 15th year holding this event, we had nearly 600 people who experienced the bounty of New York from over 50 wineries, six cideries, five spirit producers, seven beer producers, and 39 food producers and/or restaurants.

The New York Wine & Food Classic An annual wine, spirits, and cider competition created and run by the New York Wine & Grape Foundation which focuses solely on products made from New York ingredients. A panel of 21 distinguished wine writers, retailers, restauranteurs and educators from all over the United States judged a total of 960 wines, spirits, and ciders. The winning entries see increased publicity and sales results following the competition. These coveted awards are often added to road signs and other winery advertising, and the awards are highly respected by trade magazines including WineBusiness.com.
The Unity Banquet is an industry awards luncheon featured at the 2018 B.E.V. NY conference to recognize individuals and businesses that have made important contributions to the wine and grape industry in New York. These awards recognize leadership, dedication, commitment, outstanding service, and more. These individuals and businesses contribute to the NYWGF’s goal to have the New York grape and wine industry recognized as a world leader in quality, productivity, and social responsibility.

2018 Award Winners:
Trent Preszler, Bedell Cellars – Phyllis Feder Unity Award
Jay Hardenburg – Jim Finkle Industry Award
Tina Hazlitt – Grower Award
Coyote Moon Vineyards – Winery Award
Marilyn Konopka – Research Award
Graft – Restaurant Award
Pedulla’s Wine & Liquor – Retailer Award
John Iszard – Ron Reals Distributor Award
Tracy Schuhmacher – Consumer Award

New York Drinks New York

NYWGF was awarded a 7th grant from the Genesee Valley Regional Market Authority (GVRMA) to support the creation and execution of a major promotion of New York wines in New York City beginning in June 2017 and extending through March 2018.

Phase VII of the New York Drinks New York program included bringing over 40 of New York City’s wine writers, restaurateurs, sommeliers, and wine store buyers to New York’s wine regions to introduce them to New York wines, to meet the owners and winemakers behind them, and to educate them about harvest. Phase VII also included an initiative to form strategic partnerships for wine education with the Astor Center, DeGustibus Cooking School, Corkbuzz Wine Studio, and Murray’s Cheese.

Over 650 consumers had the opportunity to taste New York wines at these events throughout the year. In addition to a public relations and advertising program, Phase VII also featured a year-round social media campaign which increased our following by over 1,000 people on Instagram, Facebook, and Twitter. Finally, we held our annual Grand Tasting for the trade, media, and consumers in Manhattan in March.

The 7th annual Grand Tasting featured over 200 wines from 39 participating wineries from across the state. The event, which was designed to help increase the momentum already achieved for stimulating the awareness, trial, and sales of New York wines in New York City. The tasting welcomed over 230 trade and media and another 240 consumers. A summary impact statement is included as Appendix 2.
**Export Program**

For 25 years, the New York Wine & Grape Foundation has conducted an export program with funding support from the United States Department of Agriculture’s Foreign Agricultural Service (FAS). NYWGF Vice President, Susan Spence, coordinates and executes the program, which includes both “generic” (New York) and “branded” (individual winery) components focused primarily on markets of interest to the participating wineries. In FY 2017-18 activities were carried out in Australia, Belgium, Canada, China, Denmark, France, Germany, Hong Kong, Japan, The Netherlands, and the United Kingdom.

Each year, all New York wineries receive an invitation to participate in the program. Those who choose to participate must contribute a modest amount of wine samples, pay their own travel expenses for some events and branded advertising costs. In this program year, wines from 23 wineries were used in one or more of the export program activities.

The principal activities include “New York Wines” trade exhibits at major trade shows and consumer events and hosting meetings with key wine buyers. We also run advertising and public relations campaigns, familiarization tours of New York’s wine regions for the press and trade and produce comprehensive educational resources such as the New York Wine Course & Reference, the Varietal Series and other literature. For the Canadian market, NYWGF works with a professional trade representative who organizes the events and arranges contacts. While the export program is not designed to promote tourism, the awareness created by these activities has stimulated visits by tourists from Canada, Asia and Europe.

This program has also allowed NYWGF to develop many valuable resources to promote the New York wine industry internationally and in New York State. A more detailed description of the international market program and a list of participating wineries can be found in Appendices 4 and 5.

**Research Program**

Since its creation in 1985, NYWGF has sponsored an ambitious and comprehensive program in close coordination with the industry and academia. As with the promotion program, private sector funding is required to leverage the state matching funds. NYWGF’s annual research budget is normally between $350,000-$500,000 to support many individual projects, mostly conducted by Cornell University’s New York State Agricultural Experiment Station in Geneva.

The private sector funds come from various organizations, businesses and individuals to support the three main areas of research: viticulture (grape growing), enology (winemaking), and wine and health. The state matching funds are allocated in proportion to the respective amounts of private sector funds supporting each category.

Particularly in the case of viticulture, NYWGF’s research committee and Board of Directors solicit recommendations from the Lake Erie Regional Grape Research and Extension Program, an industry committee of processors who conduct a thorough review of all proposals submitted. Once NYWGF receives their recommendations, the Foundation’s research committee makes final allocations to individual projects.

NYWGF took action this past fiscal year to address a crisis in the concord grape industry by investing $16,900 in product development research at Cornell University. Research was conducted this past fall.
to determine the viability of denaturing concord juice and concentrate so it can be used as a neutral blending juice for wineries. If successful, this research will help create an additional market for grape farmers, and wineries will have access to affordable blending juice. Welch’s has already pledged financial support to continue this research project for this upcoming fiscal year based on the initial research results. The projects funded in Fiscal Year 2017-2018 are listed later in this report.
## PROMOTION BUDGET

**FISCAL YEAR 2017-18**

### Project

Regional programs involving brochures, special events, signage, advertising and other activities planned and implemented by:

<table>
<thead>
<tr>
<th>Project</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Island Wine Council</td>
<td>$25,000.00</td>
</tr>
<tr>
<td>Hudson Berkshire Wine Trail</td>
<td>$7,403.33</td>
</tr>
<tr>
<td>Dutchess Wine Trail</td>
<td>$1,360.00</td>
</tr>
<tr>
<td>Shawangunk Wine Trail</td>
<td>$60,086.60</td>
</tr>
<tr>
<td>Upper Hudson Valley Wine &amp; Grape Association</td>
<td>$7,116.58</td>
</tr>
<tr>
<td>Cooperstown Beverage Trail</td>
<td>$27,851.83</td>
</tr>
<tr>
<td>Cayuga Wine Trail</td>
<td>$64,552.81</td>
</tr>
<tr>
<td>Seneca Lake Winery Association</td>
<td>$102,468.89</td>
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<tr>
<td>Keuka Lake Winery Route</td>
<td>$41,323.72</td>
</tr>
<tr>
<td>Canandaigua Wine Trail</td>
<td>$49,324.6</td>
</tr>
<tr>
<td>Lake Ontario Wine Trail</td>
<td>$11,774.12</td>
</tr>
<tr>
<td>Niagara Wine Trail</td>
<td>$73,200.19</td>
</tr>
<tr>
<td>Lake Erie Wine Country</td>
<td>$55,121.00</td>
</tr>
<tr>
<td>Thousand Island Seaway Wine Trail</td>
<td>$3,368.01</td>
</tr>
<tr>
<td>St Lawrence Wine Trail</td>
<td>$5,388.00</td>
</tr>
<tr>
<td>Adirondack Coast Wine Trail</td>
<td>none requested</td>
</tr>
<tr>
<td>Schoharie County Beverage Trail</td>
<td>$1,350.00</td>
</tr>
</tbody>
</table>

Publication and distribution of brochures, web site and other materials $5,618.72

Grape juice promotional program - Chautauqua County Visitors Bureau $11,900.00

Participation by New York wineries in national and international wine competitions $100,014.57

Special Cooperative Promotions designed to increase awareness of New York wines $41,910.32

Ongoing media relations program, organization of statewide promotions and special events long range planning production and distribution of various promotional and advertising, economic impact study, special research information access. $113,480.05

NYWGF Payroll and Benefits Expenses $448,004.51

**Promotion Program under Ag & Markets Contract & GRVMA agreement** $1,292,612.14

New York Wine & Food Classic $43,092.56

Special programs for expanding awareness of New York Wine & Agricultural Products $98,339.38

Synergistic Marketing/Taste NY event $87,621.93

Participation in export programs administered by the Foreign Agricultural Service $309,036.18

New York Drinks New York Program and Craft Beverage activities $226,040.29

Distribution of promotional materials such as shopping bags and other items for wineries, restaurants, and retailers $29,372.24

**Promotion Programs not included in the main Ag & Markets Contract or GRVMA agreement** $793,502.58

**Total Promotion Program** $2,086,114.73
## Research Projects 2017-18

<table>
<thead>
<tr>
<th>Researcher(s):</th>
<th>Study Pertaining to:</th>
<th>Rec.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bates</td>
<td>A System Approach to Concord Productivity and Fruit Quality in the Lake Erie Production Region</td>
<td>$69,072.00</td>
</tr>
<tr>
<td>Weigle</td>
<td>Increasing the Reliability and Scope of NEWA Weather and Pest Model Information in the Lake Erie Region</td>
<td>$31,672.00</td>
</tr>
<tr>
<td>Martinson</td>
<td>Bud Hardiness and Winter Injury Assessment 2017-2018</td>
<td>$18,194.00</td>
</tr>
<tr>
<td>Martinson</td>
<td>Residual Decline and Efficacy of Commonly Used Insecticides Against Grape Berry Moth <em>Paralobesia vitae</em> (Clemens) in Concord Grapes</td>
<td>$8,550.00</td>
</tr>
<tr>
<td>Timer</td>
<td>Continuing Veraison to Harvest Newsletter and Fruit Sampling in 2017</td>
<td>$22,512.00</td>
</tr>
<tr>
<td>Timer</td>
<td>Effectiveness, Feasibility, and Profitability of Optimizing Insecticide and Fungicide Spraying Programs in High Pressure Vineyards</td>
<td>$11,070.00</td>
</tr>
<tr>
<td>Reisch</td>
<td>Breeding and evaluation of new wine grape varieties with improved cold tolerance and disease resistance</td>
<td>$22,512.00</td>
</tr>
<tr>
<td>Hed</td>
<td>Efficacy of alternative fungicides for grape disease management</td>
<td>$9,141.00</td>
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<tr>
<td>Timer</td>
<td>Improving Management Protocols of The Grape Berry Moth, <em>Paralobesia vitae</em>, by Characterization of Developmental Synchrony</td>
<td>$9,966.00</td>
</tr>
<tr>
<td>Wise</td>
<td>Gauging vine water status to improve fruit quality</td>
<td>$18,875.00</td>
</tr>
<tr>
<td>Wise</td>
<td>Evaluation of wine grape cultivars and clones on Long Island</td>
<td>$19,991.00</td>
</tr>
<tr>
<td>Olsen-Harbich</td>
<td>Cutting edge viticultural practices in applied physiology and vine cultivation techniques</td>
<td>$4,450.00</td>
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<tr>
<td><strong>Sub-Total - Viticulture Projects</strong></td>
<td></td>
<td><strong>$246,005.00</strong></td>
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<table>
<thead>
<tr>
<th>Enology</th>
<th>Crown Gall requested by Dyson</th>
<th>$12,000.00</th>
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</thead>
<tbody>
<tr>
<td>Burr</td>
<td>Cabernet Franc Clone and Rootstock Selection Suitable for Hudson Valley AVA and Viticultural Techniques for Superior Fruit Quality</td>
<td>$22,018.00</td>
</tr>
<tr>
<td>Jentsch</td>
<td>Wine Analytical Laboratory and the New York Wine Data Bank</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>Mansfield</td>
<td>Understanding stable pigment formation in cool-climate and hybrid red wines</td>
<td>$33,355.00</td>
</tr>
<tr>
<td>Sacks</td>
<td>Development of rapid approaches for quantifying key flavor compounds and their precursors in grapes</td>
<td>$117,632.00</td>
</tr>
<tr>
<td>Sacks</td>
<td>New approaches to copper fining to avoid re-forming sulfur-like off-aromas during bottle storage</td>
<td>$18,533.00</td>
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<tr>
<td><strong>Sub-Total - Enology</strong></td>
<td></td>
<td><strong>$243,538.00</strong></td>
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<table>
<thead>
<tr>
<th>Wine &amp; Health</th>
<th>Ellison $25,000.00</th>
<th>FIVS $11,107.00</th>
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<tr>
<td><strong>Sub-Total Wine &amp; Health &amp; Marketing</strong></td>
<td></td>
<td><strong>$36,107.00</strong></td>
</tr>
</tbody>
</table>

| Miscellaneous Research | $35,900.00 |
| Research Order         | $25,000.00 |

| **Total Research** | **$586,550.00** |
Financial Position

The following is a summary of the financial position of the New York Wine & Grape Foundation at March 31, 2018 and the results of operations for the year then ended.

Assets:
- Cash and cash equivalents $395,004
- Grants & Accounts Receivable $301,453
- Furniture, fixtures, equipment and digital assets subject to amortization $23,488
  - net of accumulated depreciation and amortization
- Security Deposit and pre-paid expenses $1,030

Total Assets $720,975

Liabilities:
- Accounts Payable $415,732
- Unearned revenue $35,380

Fund Balance:

Total Liabilities & Fund Balance $736,727

Results of Operations

Support:
- New York State Grant - Department of Agriculture & Markets $1,020,000
- US Department of Agriculture - Commodity Credit Corporation $301,458
- Other Grants $584,200

Total Support $1,905,658

Revenue:
- Memberships $142,207
- Program Fees $666,535
- Miscellaneous $145
- Interest and finance charges $828

Total Revenue $809,715

Total Support & Revenue $2,715,373

Expenses:
- Promotion $2,123,829
- Research $585,864
- Administration $21,432

Total Expenses $2,731,125

Support & revenue over (under) expenses $(15,752)

The above financial position at March 31, 2018 and results of operations for the year then ended are the pending results from our auditor, Heveron & Company CPAs. Final audit report will be available upon request.
Organizational Structure

Board of Directors

Kim Wagner, Chairman
Stoutridge Vineyard

John Martini, Treasurer
Anthony Road Wine Company

Rick Sampson, Secretary
NYS Restaurant Association

Gerry Barnhart
Victory View Vineyard

Mike Colizzi
Kashong Glen Vineyards

Kevin Faehndrich
Mazza Wines

Stefan Fleming
Empire State Development

Russell Hearn
Premium Wine Group

Nichole Malec
Constellation Brands

Jackie Moody-Czub
Department of Agriculture & Markets

Jan Nyrop
NYS Agricultural Experiment Station

Linda Purdy
Pendleton Farms

Max Rohn
Wolffer Estate

Harold Smith
Smith Farms

Robert Smith
National Grape Cooperative Association

Julie Suarez
Cornell University

Oscar Vizcarra
Vizcarra Vineyards

Staff

Sam Filler, Executive Director
Susan Spence, Vice President
Dana Alexander Dir of Business Development
Jennifer Cooper, Special Projects Manager
Kim Hughes, Program Manager
Teresa Knapp, Project Manager
Valerie Venezia-Ross, Dir of Member Relations and Development

Programs: Promotion, Research

Products: Grape Juice, Wine, Table Grapes

Regions: Chautauqua/Lake Erie, Niagara Escarpment, Finger Lakes, Hudson Valley, Champlain Valley of New York, Long Island, Other
Membership 2017-2018

The New York Wine & Grape Foundation placed renewed focus on our membership benefits and programs this year. As guided by our recent strategic plan, we began the process of providing access to special educational events and resources, research and policy information, increased subsidies, discounted products and more – all for members only.

New Webinars & Seminars
The Foundation was pleased to provide a series of online and in-person trainings for our members this year. Presented in partnership with our Business Associate Members, the topics represented interests that were important to wineries and growers, directed by their input, and focused on best practices in business development, legal compliance, marketing and more. Over 250 winery staff and grower members registered to attend these workshops and seminars. Topics included:

- What Wineries & Growers Need to Know About the 2017 Tax Cuts and Jobs - March 2018
- Business Law and Succession Planning - January 2018
- Environmental Compliance and Considerations - January 2018
- Employment Law Issues - January 2018
- Advanced Licensing and Compliance - January 2018
- Are You Prepared for NYS Paid Family Leave? - December 2017
- Beyond the Label: Trademarks and Copyrights in Wine Industry Contracts - December 2017
- Social Media is Your Friend. Five Essential Thoughts for the Social Novice - November 2017
- Understanding Health Reimbursement Arrangements and How They Can Save You Money - November 2017
- Uncorking Energy Savings: The Benefits of an Energy Audit - October 2017

New Discounts on DTC Webinars
DTC Wine Workshops is a consulting and training firm serving wineries of all sizes nationally and internationally since 2013. Sandra Hess, founder, launched the company out of response to winery teams ready to grow direct wine sales and retain loyal customers with an ideal blend of technology and internal processes. Sandra also launched the DTC Consultant Network in 2014 to provide flexible consulting and training services on a project-by-project basis. DTC Wine Workshops is a recognized leader in the direct to consumer wine sales industry. New York Wine & Grape Foundation members received a discount on all capacity building webinars provided by DTC Wine Workshops this year.

Research and Policy Information Sharing
The New York Wine & Grape Foundation launched a Members Only website in November 2017. This website will be a repository where we house data and reports from the Wine Market Council as well as regular Policy Updates from FIVS, among others. Information includes infographics on High Frequency Wine Consumers, their Purchase Behavior and much more.
New Press Deck Email newsletter

The Press Deck email newsletter is a valued source of news for our members and friends in the grape grower and winery community. Distributed to over 5,500 people every Wednesday morning, with a personal update on Foundation activities from the Executive Director, our readers depend upon The Press Deck for the latest on industry news, research, awards, policy news, and trends. In February 2018, the Foundation was successful in securing advertising support for the Press Deck and plans to continue to partner with Business Associate Members to subsidize the cost of producing the newsletter in the future.

Engagement in Social Media

The New York Wine & Grape Foundation has significantly increased its activity on social media platforms like Facebook and Instagram. The Foundation’s Facebook page shows an increase of over 2,000 followers this year. With the addition of a Communications Manager, we will be engaging in a more strategic application of social media practices to increase overall brand visibility, educate consumers, and connect our winery and grower members to potential customers.

Welcome New Members and Sponsors

As the New York Wine & Grape Foundation has improved communication and developed new Members Only benefits, many have taken notice and are joining to take advantage of them. The Foundation welcomed 17 new Winery Members, 13 new Grower Members, 26 new Consumer Members, and 12 new Business Members this year.

The Foundation was also successful in procuring sponsors (see list) for our Annual Unity Awards held during the B.E.V. NY Conference presented by Cornell. The Foundation is planning to create an Annual Meeting for our members and friends in 2018-19 fiscal year.
Grape Growers

Albert Vandette
Anthony Pagano, Jr.
Black Walnut Farm
Bowman Farms, Inc.
Bruce Henderson Farms
Butternut Hollow Vineyards
C & D Wager, Inc.
Carl Widmer
Christian Thompson
Christopher Smith Grape Farm
Clearview Farms
CMC Vineyards
Daren Simmons
Double A Vineyards, Inc.
Doyle Vineyard Management, LLC
Edward C. Dalrymple Farm, Inc.
Edward Szumigala
Erdle Farm
Falcone Farms
Falcone Vineyards
Fred Bassette
Gilded Grapes
Glen & Dale Shaw
Grafted Grapevine Nursery
Green Acres Farm
Gridley Vineyards
Harold Smith
James Hicks
Jay Hardenburg
Jerome's U-Pick
Jim Bedient
JM Joy Farms
Joan Jones
John & Marilyn Hemmer
John Hardenburg
John Ingle
Jonathan Gage- Gage Vineyards
Joyful Vineyards
June Pendleton
Kenneth Fulkerson
Lakewood Farms
LKF Vineyards
Lois & Eugene Nicandri
Loughlin Vineyards
Louis Catalano Farms
Lucas Rice
Lyn Oaken Farms
McCullough Vineyard
Michael Colizzi/Kashong Glen V
Militello Farm Supply
Naeser Vineyards
Neil Simmons
New Vines Bed & Breakfast
Olde Chautauqua Farms
Orton Farms
Phyllis Bauer
Sawmill Creek Vineyards, Inc.
SJF Farms
Smith Brothers Farm - Naples
Spencer Heeler
Springledge
Thomas Pellegrino
Thompson AG
Tuller Vinifera Vineyards
Two Gorges Vineyards
Wickhams Tango Oaks Farm

Juice Producers

National Grape Cooperative (Welch's)
Growers Co-Op

Wineries

21 Brix
A Gust of Son
Adirondack Winery
Anthony Road Wine Company
Ancyela's Vineyard
Applewood Winery
Arbor Hill Grapery
Arrowhead Spring Vineyards
Atwater Estate Winery
Azure Hill Winery
Barnstormer Winery
Barrington Cellars
Bedell Cellars
Belhurst Estate Winery
Bella Brooke Vineyard
Bet the Farm
Billsboro Winery
Black Diamond Farm
Black Willow Winery
Boundary Breaks
Brooklyn Winery
Brotherhood, America's Oldest
Winery Buttonwood Grove
Winery/Robins
Caywood Vineyards
Channing Daughters Winery
Chateau Frank
CJS Vineyards
Clearview Vineyard
Clermont Vineyards & Winery
Clinton Vineyards
Colloca Estate
Constellation Brands
Coyote Moon Vineyards
Damiani Wine Cellars
Deer Run Winery
Dr. Frank Wine Cellars
Eveningside Vineyards
Fly Creek Cider Mill
Four Maples Vineyard and Winer
Fox Run Vineyards
Frontenac Point Vineyard
Fulkerson's Winery & Juice
Glen Park Vineyards
Glorie Farm Winery
Goose Watch Winery
Hazlitt 1852 Vineyards
Heart & Hands Wine Company
Hermann J. Wiemer Vineyards
Jamesport Vineyards
JD Wine Cellars
Keuka Lake Vineyards
Keuka Spring Vineyards
King Ferry Winery/Treleaven
Kontokosta Winery
Lakeland Winery
Lakewood Vineyards
Lamoreaux Landing Wine Cellars
Leidenfrost Vineyards
Lenz Winery
Leonard Oakes Estate Winery
Liberty Vineyards
Lieb Cellars
Macari Winery Ltd.
Mazza Chautauqua Cellars
Milea Estate Vineyard
Miles Wine Cellars
Millbrook Vineyards
Montezuma Winery
National Grape Cooperative
Niagara Landing Wine Cellars
Northern Cross Vineyard
Nostrano Vineyards
One Woman Wines
Oson Wine Cellars
Owera Vineyards
Pail Shop Vineyards
Paumanok Vineyards
Penguin Bay
Ravines Wine Cellars
Red Hook Winery
River Myst Winery
Robibero Family Vineyards
Sannino's Bella Vita Vineyard
Schulze Vineyards & Winery
Schenck Wine Cellars
Serenity Vineyards
Shalestone Vineyards
Sheldrake Point Winery
Silver Springs Winery
Silver Thread Vineyard
Simcha Cellars/Suhru Wines
SOUTH SALEM WINERY
Sparkling Pointe LLC
Stever Hill Vineyards
Stoutridge Vineyards
Swedish Hill Vineyards
The Grapes of Roth
Thirsty Owl Wine Company
Thorpe Vineyards
Three Brothers Winery
Torrey Ridge Winery & Earle Estates
Valkyrie Crafted Libations
Ventosa Vineyards
Victory View Vineyard
Vineyard View Winery
Vizcarra Vineyards
Wagner Vineyards
White Birch Vineyards
Whitecliff Vineyard
Winery at Marjim Manor
Wolffer Estate
Young Sommer Winery

Business Associate Members

Adirondack Barrel Cooperage
Advance Media
Albany Times Union
Alexandria Bay Chamber of Comm
Anderson VanHorne Assoc.
Angels' Share Wines
Astra Pouch - Impaq
Bond, Schoeneck & King, PLLC
Boylan Code LLP
Cabot Creamery Cooperative, In
Century Enrollment & Benefits
Christine Bertrando
Cindy Harris
Dejabrew FKA
Mastercraft
E.C. Cooper, Inc.
Edge Architecture, PLLC
Farm Credit East
Farm Family
Finger Lakes Times
Finger Lakes Visitors Connection
Flint Mine Group
Foley Enterprises Inc
Galaxy Events
GCG Risk Management
Gray Locey, CPA
Harris Beach PLLC
Harter Secrest & Emery LLP
HR One Consulting
John Mourey
Keeper of the Brand
Kindred Fare
Knapp & Schlappi
Lance McFetridge
Lindsey Zahn
Longs Cards & Books
Mengel, Metzger, Barr & Co.
New Energy Works of Rochester
New York Wines Sarl
NYS Pollution Prevention Inst
NYS Restaurant Association
Plate + Decanter
Plate + Decanter
Power Management Company
SCT Computers Inc.
Stork Insurance Agency
The Arrigo Agency
Traphagen Law
Western Weather Group
Winery Pak Insurance
Women for NYS Wine
Yates County Farm Bureau
Young Lion Brewing
**Consumer Members**

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Genevieve Bissonnette</td>
<td>Lorraine Hems</td>
<td>Catherine Pacella</td>
</tr>
<tr>
<td>Helen Calvelli</td>
<td>Pat Hooker</td>
<td>Jeff Rayner</td>
</tr>
<tr>
<td>Roger Collinge</td>
<td>Justin Hunter</td>
<td>Bruce Reisch</td>
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<tr>
<td>Dennis Coon</td>
<td>Samantha Hunter</td>
<td>David Roady</td>
</tr>
<tr>
<td>Marguerite Dewine</td>
<td>Kelly Leonard</td>
<td>David Ross</td>
</tr>
<tr>
<td>Max Dyksterhouse</td>
<td>Helund Martin</td>
<td>Jefferson Svengsouk</td>
</tr>
<tr>
<td>Annika Fusco</td>
<td>Barry Milea</td>
<td>Charles Wochele</td>
</tr>
<tr>
<td>John &amp; Diane Gummoe</td>
<td>Ivan Molomut</td>
<td>Scott Wohl</td>
</tr>
<tr>
<td>Vanessa Hedlund</td>
<td>Naomi Oshiro</td>
<td></td>
</tr>
</tbody>
</table>
Appendices

1. Consultants/Outside Contracts
2. NY Drinks NY
3. Wine Competitions
4. Wine Trail Program Summary
5. Export Program
6. International Market Summary
7. NYWGF Strategic Plan
8. Wine America Economic Impact Study
## Appendix 1

### Consultants and Outside Contracts

The following consultants, institutions or organizations received monies from the Foundation during FY 17-18. The listing includes a brief description of the projects and the amounts committed during the fiscal year.

<table>
<thead>
<tr>
<th>Consultant/Service Provider (Project)</th>
<th>Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonn, Dioguardi &amp; Ray (CPA for NYWGF)</td>
<td>$4,600.00</td>
</tr>
<tr>
<td>Book Marshall (design and print work for FAS Market Access Program)</td>
<td>$6,550.00</td>
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<tr>
<td>Brooklyn Winery (event rental space for NYDNY grant funded program with GVRMA)</td>
<td>$3,810.63</td>
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<tr>
<td>Brooklyn Winery (event rental space for Celebrate NY grant funded program through ESD)</td>
<td>$1,088.75</td>
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<tr>
<td>Charles D. Cramton, Esq (Legal services for NYWGF)</td>
<td>$2,094.00</td>
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<td>Cornell University &amp; Cooperative Extension offices statewide (For projects described in the Research section)</td>
<td>$456,832.00</td>
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<tr>
<td>Farm Credit East, ACA (NYWGF strategic plan consultant)</td>
<td>$26,836.98</td>
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<tr>
<td>HROne (contract to rewrite NYWGF staff handbook)</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Inn at Glenora (Vineyard Visit accommodations- NYDNY grant funded program with GVRMA)</td>
<td>$4,621.28</td>
</tr>
<tr>
<td>John Mourey (TiPS training for wineries across NYS)</td>
<td>$2,196.00</td>
</tr>
<tr>
<td>Ketchin Sales &amp; Marketing (Program expenses and Trade Rep fees for Export program with USDA-FAS)</td>
<td>$7,719.37</td>
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<tr>
<td>Keuka Creations, LLC (consultant services)</td>
<td>$33,994.14</td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>New York Wine &amp; Culinary Center (Rent for office space)</td>
<td>$29,666.88</td>
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<tr>
<td>New York Council of Nonprofits (business audit of NYWGF organization)</td>
<td>$6,582.00</td>
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<tr>
<td>Pennsylvania State University (For projects described in the Research section)</td>
<td>$38,727.00</td>
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<tr>
<td>Plate and Decanter (Agency fees and expenses for NYDNY grant funded program with GVRMA)</td>
<td>$77,000.00</td>
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<tr>
<td>Plate and Decanter (Agency fees and expenses for Celebrate NY grant funded program through ESD)</td>
<td>$95,000.00</td>
</tr>
<tr>
<td>Randall Tagg Photography (services updating NY Wine Course &amp; Reference for FAS Market Access Program)</td>
<td>$4,597.00</td>
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<tr>
<td>Restaurant Associates (Farm Day in Washington DC)</td>
<td>$5,625.00</td>
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<tr>
<td>Rose Research (evaluation services FAS Market Access Program)</td>
<td>$17,000.00</td>
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<tr>
<td>SCT Computers (computer equipment and monthly maintenance)</td>
<td>$3,158.40</td>
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<tr>
<td>Supply Technologies (Uncork New York wine bags for wineries)</td>
<td>$29,360.00</td>
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<tr>
<td>The Altman Building (event rental space for NYDNY grant funded program with GVRMA)</td>
<td>$39,962.48</td>
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<tr>
<td>Watkins Glen Harbor Hotel (Venue, lodging and meals for New York Wine Classic 2017)</td>
<td>$22,958.41</td>
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<tr>
<td>Watkins Glen Harbor Hotel (Vineyard Visit accommodations- NYDNY grant funded program with GVRMA)</td>
<td>$7,170.06</td>
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</tbody>
</table>

**Total Consultants and Outside Contracts:** $928,150.38
Appendix 2

NY DRINKS NY PHASE VII IMPACT

“NY DRINKS NY 2018” MARKET VISIT AND PROMOTION
- Over 2,700 members of the trade and media have attended the Grand Tasting over the last six phases of the campaign.
- Over 250 trade and media and more than 230 consumers attended the Phase VII Grand Tasting in March where they had the ability to taste 200 wines from 39 different Finger Lakes wineries.
- Two seminars moderated by Laura Maniec, Master Sommelier and C-Founder of Corkbuzz and Thomas Pastuszak, Sommelier and Wine Director at The Nomad were presented to 80 members of the trade and media during the afternoon session.

WINERY EVALUATION OF INITIATIVES
- All 39 of the Finger Lakes wineries that participated indicated that they feel this promotion is important in helping to increase the awareness and receptiveness of their and other New York wine amongst New York City media, retailers, restaurateurs, and consumers.
- Participating wineries anticipate selling an average of 43 cases of wine in the two months following the promotion valued at nearly $200,000.
- When we initiated this program in 2010, participating wineries indicated that many of the restaurants and retail stores were not receptive of their brand. Today, 75% of the participating wineries indicated that retailers and restaurants were definitely receptive of their brand with the remaining 25% indicating that the trade was at least somewhat receptive to their brands.
- 70% of participating wineries indicated that retailers or restaurateurs have initiated contact with them expressing an interest in buying and selling their wines.

FINGER LAKES VINEYARD VISIT, HARVEST HOUSE, AND CELLAR VISIT
- These visits combine actual wine tastings at the wineries, special luncheons and dinners to highlight the “wine country cuisine” and other agricultural products of the region, and other activities which showcase the special attributes of the Finger Lakes region. The visits brought 40 members of the trade and media to the various wine regions.
### Wine Competitions Program Participants 2017-2018

<table>
<thead>
<tr>
<th>21 Brix Winery</th>
<th>Keuka Spring Vineyards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adirondack Winery</td>
<td>Knapp Winery</td>
</tr>
<tr>
<td>Anthony Road Wine Company</td>
<td>Lakewood Vineyards</td>
</tr>
<tr>
<td>Arbor Hill Grapery &amp; Winery</td>
<td>Lamoreaux Landing Wine Cellars</td>
</tr>
<tr>
<td>Atwater Estate Vineyards</td>
<td>Liberty Vineyards &amp; Winery</td>
</tr>
<tr>
<td>Belhurst Estate Winery</td>
<td>Macari Wines</td>
</tr>
<tr>
<td>Black Willow Winery</td>
<td>Merritt Estate Winery</td>
</tr>
<tr>
<td>Buttonwood Grove Winery</td>
<td>Montezuma Winery</td>
</tr>
<tr>
<td>Casa Larga Vineyards</td>
<td>Owera Vineyards</td>
</tr>
<tr>
<td>Chateau LaFayette Reneau</td>
<td>Penguin Bay Winery</td>
</tr>
<tr>
<td>Chateau Niagara</td>
<td>Red Newt Cellars</td>
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<tr>
<td>Colloca Estate Winery</td>
<td>Rooster Hill Vineyards</td>
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<tr>
<td>Coyote Moon Vineyards</td>
<td>Schulze Vineyards Winery</td>
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<tr>
<td>Deer Run Winery</td>
<td>Serenity Vineyards</td>
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<tr>
<td>Dr. Frank Wine Cellars</td>
<td>Sheldrake Point Winery</td>
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<tr>
<td>Five Sons Winery</td>
<td>Swedish Hill Winery</td>
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<td>Fox Run Vineyards</td>
<td>The Winery at Marjim Manor</td>
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<td>Fulkerson Winery</td>
<td>Thirsty Owl Wine Company</td>
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<tr>
<td>Glenora Wine Cellars</td>
<td>Three Brothers Estates &amp; Wineries</td>
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<tr>
<td>Glorie Farm Winery</td>
<td>Treleaven Winery</td>
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<td>Goose Watch Winery</td>
<td>Tug Hill Vineyards</td>
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<td>Heron Hill Winery</td>
<td>Ventosa Vineyards</td>
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<td>Hosmer Winery</td>
<td>Wagner Vineyards</td>
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<td>Hunt Country Vineyards</td>
<td>Whitecliff Vineyard</td>
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<tr>
<td>Idol Ridge Winery</td>
<td>Zugibe Vineyards</td>
</tr>
<tr>
<td>Johnson Estate Winery</td>
<td></td>
</tr>
</tbody>
</table>
Eligible Wine Competitions 2017-2018

- American Wine Society Commercial Wine Competition
- Atlantic Seaboard Assn. Wine Competition
- Berlin International Wine Competition
- Canberra International Riesling Challenge
- Concours des Grands Vins
- Critics Challenge International Wine Competition
- Dan Berger’s International Wine Competition
- Drink Outside the Grape
- International East Meets West Wine Challenge
- Finger Lakes International Wine Competition
- Florida State Fair International Wine Competition
- Great American International Wine Competition
- Grand Harvest Awards
- Indy International Wine Competition
- International Women's Wine Competition
- Jefferson Cup Invitational
- Jerry Mead’s New World International Wine Competition
- Los Angeles International Wine & Spirits Competition
- New York World Wine and Spirits Competition
- Pacific Rim International Wine Competition
- San Diego Wine Challenge
- San Francisco Chronicle Wine Competition
- San Francisco International Wine Competition
- Six Nations Wine Challenge
- Sommelier Challenge International Wine and Spirits Competition
- Tasters Guild International Wine Judging
- Tasters Guild Wine Lovers Consumer
- TexSom International Wine Awards
- Ultimate Beverage Challenge
- Ultimate Wine Challenge
- Winemaker Challenge International Wine Competition
- World Value Wine
- World Wine Championships at the Beverage Testing Institute
Appendix 4

2017-2018 Wine Trail Program Summary

The Canandaigua Wine Trail utilized a large portion of their allocation during the program year to try a new and innovative marketing strategy called Influencer Marketing. This type of marketing focuses on using online leaders to drive your brand’s message. The group is also exploring the idea of doing a series of “InstaMeets” instead of their signature big event. The trail is also continuing to use traditional marketing methods, as they spent over $18,000 on brochure expenses.

The Cayuga Lake Wine Trail continues to utilize Radio and TV advertising, in addition to printing brochures, as their main ways to share information about upcoming events on the wine trail.

The Chautauqua County Visitors Bureau promotion program showcases the wine and grape products and experiences available to visitors in the Chautauqua/Lake Erie region (Lake Erie Wine Country). This is accomplished through inclusion of a dedicated section of the Chautauqua County Travel Guide/Map, information and listings on TourChautauqua.com, social media posts and ads, press releases, and mentions in CCVB’s e-newsletters about wine/grape related events, distribution of wine and grape information at our two information centers, and distribution of wine/grape themed promotional items at travel shows and information centers.

The Cooperstown Beverage Trail once again utilized their funds from the wine trail program to produce the QUENCH Magazine. Distributed through paid service and Cooperstown/Otsego County Tourism and the Cooperstown Chamber of Commerce, QUENCH is the go-to printed piece to direct travelers within the County. QUENCH is also distributed at travel trade shows not only through Cooperstown/Otsego County Tourism but also smaller more regional consumer and specialty shows.

The Dutchess Wine Trail was able to create a new website with their funding allocation for the 17-18 program year.

Each year the Hudson-Berkshire Beverage Trail utilizes their funding allocation by helping out with the cost of promoting their annual Wine Festival with a billboard advertisement as well as print and radio ads.

The Keuka Lake Wine Trail continues to see success from distributing their printed brochure throughout New York and in target areas in the Pennsylvania, New Jersey and Ohio regions. The majority of their allocation is used to offset the brochure expenses, with the remainder going to event expenses and event advertising. The funding provided to Lake Erie Wine Country has contributed to the fact that they are now considered an economic driver in Western New York and Pennsylvania, with 23 members and
over 65 tourism partners. The trail publishes and distributes 125,000 copies of its brochures for regional distribution in Ohio, PA, and NY. The Trail recently completed a strategic plan and anticipates a rebranding including new website, which will assist the trail in its mission to promote Lake Erie Wine Country as a premier wine destination.

The Lake Ontario Wine Trail utilizes their funding to support print advertising of their major trail events; Christmas Around the World, Summer Sips and Sounds, and Roll Out the Barrels. It is also used towards cooperative advertisements, social media, website hosting, wine trail brochures and newsletters.

The Long Island Wine Council utilized most of their funding allocation in 2017 to support their largest annual event, Harvest East End. The well-known event sold out at 550 tickets at $75/each, as people love the intimate atmosphere and access to the winemakers themselves. The Council also utilizes funding to support TIPS training of winery member employees.

The Niagara Wine Trail USA printed and distributed 100,000 brochures through local distributors in New York, Pennsylvania and Ohio during the 2017-2018 program year. They are also distributed at festivals, trade shows, chambers and information centers all over New York State. In addition, funding was utilized for print advertising in many of the well-known publications in the greater Niagara area.

The Schoharie County Beverage Trail joined our program this year for the first time. Their allocation was utilized for print advertising as well as special event expenses.

For the Seneca Lake Wine Trail, the funding provided to the Trail enabled them to not only continue their printing and distribution of an estimated 425,000 brochures throughout the Northeast and Mid-Atlantic regions, but also allowed for continuation of a substantial radio advertising program in central NYS. The resources that are saved through this program allow for the Trail to evolve other industry and membership programs like customer service training.

The Shawangunk Wine Trail utilized the majority of their funding for the 2017-2018 program year to help with the cost of print advertising, as well as the printing of their wine trail brochures.

The St. Lawrence Wine Trail continues to utilize funding to help with the expense of their billboard advertising. The billboard is displayed on Route 68 in Ogdensburg, NY.

The Thousand Islands-Seaway Trail sought rejuvenation through a new mobile website and digital map with their 2017-2018 funding. Several members are working hard to ensure the success of the trail.

The Upper Hudson Valley Wine Trail utilized funding to operate their website, facilitate an electronic newsletter, enhance social media marketing, and distribute brochures and rack cards.
Appendix 5

2017 MAP Export Program Participants

Anthony Road Wine Company
Bellangelo
Boundary Breaks
Brotherhood, America’s Oldest Winery
Chateau Lafayette Reneau
Damiani Wine Cellars
Dr. Konstantin Frank Vinifera Wine Cellars
Fox Run Vineyards
Glenora Wine Cellars
Herman J. Wiemer Vineyard
Keuka Spring Winery
Knapp Winery
Lamoreaux Landing Wine Cellars
Martha Clara Vineyards
McGregor Vineyard Winery
Palmer Vineyards
Paumanok Vineyards
Ravines Wine Cellars
Red Newt Cellars
Swedish Hill Winery
Thirsty Owl Wine Company
Trestle 31
Wölffer Estate Vineyards
Appendix 6

The International Market Summary

The New York Wine & Grape Foundation’s export program, which began in 1992, is designed to explore the potential of international markets, provide pertinent information to wineries, create awareness about New York regions and wines among the trade, press and consumers in foreign countries, assist in the establishment of commercial relationships between wineries and importers, and support group promotions with public relations, advertising, and other marketing communications. At the same time, individual brands are expected to capitalize on these activities and sell their own wines into the new markets.

Market Access Program (MAP) and Global Based Initiative (GBI)

MAP and GBI, administered by the United States Department of Agriculture’s Foreign Agricultural Service (FAS) and funded by the Commodity Credit Corporation (CCC), are the major components in our export program, and are of key importance to the expansion of New York wines into foreign markets. With private funds and contribution of personnel time and product from the wineries, the assistance and coordination by the Foundation as a trade association, Federal funds can be utilized to gain their maximum impact. If any link in the partnership is diminished, the entire project is diminished and less effective overall. The Foundation is pleased to be able to do its part to keep the work going and focused on potentially profitable markets for New York wines and hopes to see continued success for the industry in the future.

The New York Wine & Grape Foundation is the commodity participant for New York wines in the generic program in MAP and also administers the branded program. NYWGF also works with other US wine regions under the GBI program. This means that the Foundation, with input from participating wineries and our foreign trade representatives, completes the application for federal funding and establishes a strategic plan for each market; devises an activity plan for each segment of the generic plan; and carries out the activities in the markets. As administrator for the branded programs, the Foundation is available to provide information on the markets; to assist wineries with developing their plans; and to generally provide overall guidance on opportunities in the market, as allowed within the guidelines of the program.

The overall export program has had many positive effects on the industry—larger wineries which were able to export on their own are benefiting from the increased exposure for New York as a wine producing region in the foreign markets; small companies which may not have been able to fund export initiatives on their own, are now able to learn about new markets and experiment with participation in these markets; and all New York wineries are benefiting from the increased exposure for our region and from learning how our wines stack up in the global market.
In our fiscal year 2017-18, we conducted generic programs to increase awareness amongst the professional wine trade in several markets as summarized in the chart that follows.

<table>
<thead>
<tr>
<th>Market(s)</th>
<th>Federal funds Allocated</th>
<th>Principle Activities</th>
<th>Exports in CY 2017 *</th>
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</thead>
<tbody>
<tr>
<td>Australia</td>
<td>$0.00</td>
<td>Shipped wines for Canberra International Riesling Competition</td>
<td>$30,818</td>
</tr>
<tr>
<td>Canada</td>
<td>$56,000</td>
<td>Supported winery efforts at shows in Alberta, updates to educational materials, hosting writer’s visit</td>
<td>$6,186,454</td>
</tr>
<tr>
<td>China</td>
<td>$16,000</td>
<td>Masterclass for New York Wines in Shanghai</td>
<td>$1,064,081</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$84,000</td>
<td>Vinexpo Hong Kong trade show</td>
<td>$44,496,028</td>
</tr>
<tr>
<td>Japan</td>
<td>$20,000</td>
<td>Masterclasses in country, buyer’s tour in New York</td>
<td>$6,239,194</td>
</tr>
<tr>
<td>“Western Europe” Region including Belgium, Denmark, France, Germany, Netherlands and the UK</td>
<td>$270,932</td>
<td>Trade and consumer shows, Special trade events in Paris and Amsterdam, Public Relations, hosting visitor learning about the Regions and wines, program evaluation</td>
<td>$6,418,291</td>
</tr>
<tr>
<td>Global</td>
<td>$15,000</td>
<td>Program review and planning for future</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$461,932</td>
<td></td>
<td>$64,434,866</td>
</tr>
</tbody>
</table>

* According to USA Tradeonline. Wine shipped with State of Origin of New York
Appendix 7

2018 NYWGF Strategic Plan

Background
In 2018, a consulting team from Farm Credit East, ACA was engaged to produce an updated strategic plan by the Board of the New York Wine and Grape Foundation. With the advent of new executive leadership, and an urgency to renew and refocus the efforts of the Foundation by its Board of Directors, this strategic planning effort was commenced to produce an updated mission, vision, and objectives for the organization. Through a series of regional meetings to garner input from its varying constituencies, an intensive planning session with its Board of Directors, and engaged discussion with Foundation staff, the Farm Credit team worked to produce a new five-year strategic plan.

Mission
The Foundation will promote the world-class image of New York grapes and wines from our diverse regions to responsibly benefit farmers, producers and consumers through innovative marketing, research, communication, and advocacy.

Vision
To be the world’s premier region for cool and cold climate viticulture.

Objectives
1. The Foundation will develop contemporary and coherent strategies that support the execution of effective statewide and regional branding.

2. We will become a member-driven organization which strives to improve the retention, engagement, development, growth and service to our constituents.

3. We will develop a secure sustainable funding model based upon member support, service delivery and strategic partnerships.

4. We will advance the image of NY grape and wine products through engagement with market makers, influencers and consumers.

5. We will continue to be the standard-bearer of the farm based beverage movement through the development of alliances and partnerships in order to improve the policy and regulatory climate.
6. We will help facilitate efforts of regional organizations to develop and achieve their objectives.

7. We will lead the development and funding of viticulture, enology and marketing research programs that will attract public and private resources.

8. We will develop and execute a communication strategy that addresses the specific needs of our constituent groups.

9. We will advocate for responsible environmental, agricultural and social practices that ensure the long-term viability of the New York grape and wine industries.
Appendix 8

The Wine Industry Boosts the New York Economy by $13.8 billion in 2017

The production, distribution, sales, and consumption of wine in New York benefits many sectors of the state’s economy and generates close to $13.8 billion in total economic activity. This ultimate value-added product preserves agricultural land, provides American jobs, attracts tourists, generates taxes, and enhances the quality of life.

Economic Impact of the Wine Industry in New York

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Supplier</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>$5,528,619,600</td>
<td>$3,449,561,200</td>
<td>$4,786,162,200</td>
<td>$13,764,343,000</td>
</tr>
<tr>
<td>Jobs</td>
<td>62,450</td>
<td>14,359</td>
<td>24,997</td>
<td>101,806</td>
</tr>
<tr>
<td>Wages</td>
<td>$2,379,712,400</td>
<td>$1,197,176,300</td>
<td>$1,620,584,500</td>
<td>$5,197,473,200</td>
</tr>
<tr>
<td>Business Taxes</td>
<td></td>
<td></td>
<td></td>
<td>$2,248,990,200</td>
</tr>
<tr>
<td>Consumption Taxes</td>
<td></td>
<td></td>
<td></td>
<td>$277,802,300</td>
</tr>
</tbody>
</table>

**Total Output**: The wine industry generates close to $13.8 billion in total economic activity in the State of New York, dramatically illustrating that wine is the ultimate value-added beverage. The broader economic impact flows throughout the state, generating business for firms seemingly unrelated to the wine industry. Real people, with real jobs, working in industries as varied as farming, banking, accounting, manufacturing, packaging, transportation, printing, and advertising depend on the wine industry for their livelihoods.

**State Reach**: The New York wine industry includes a total of 450 wine producers\(^1\) as well as 11,684 acres of vineyards.

**Job Creation**: The New York wine industry directly employs as many as 62,450 people, and generates an additional 14,359 jobs in supplier and ancillary industries which supply goods and services to the industry, and whose sales depend on the wine industry’s economic activity. Ultimately, 101,806 jobs are created and supported by the wine industry.

**Wage Generation**: The New York wine industry provides good jobs, paying an average of $51,100 in annual wages and benefits. The total wages generated by direct, indirect, and induced economic activity driven by the wine industry are $5.2 billion.

**Tourist Activity**: The New York wine industry is a major magnet for tourists and tourism-driven expenses. New York’s “wine country” regions generates 4.5 million tourist visits and $1.8 billion in annual tourism expenditures, benefiting local economies and tax bases.

**Tax Revenues**: The New York wine industry generates sizeable tax revenues on the local, state, and national levels. In 2017, the industry will pay nearly $1.1 billion in state and local taxes, and $1.2 billion in federal taxes for a total of $2.2 billion. In addition, the industry generates approximately $73.7 million federal consumption taxes and $204.1 million in state consumption taxes which include excise and sales taxes.

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\(^1\) Throughout this study, the winery count refers to the number of winery facilities. A single winery may have multiple facilities throughout the state or county. Each of these facilities is included in the winery count.

[www.wineamerica.org](http://www.wineamerica.org)

## Direct Economic Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>Jobs</th>
<th>Wages</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winery</td>
<td>3,212</td>
<td>$253,402,400</td>
<td>$1,013,312,300</td>
</tr>
<tr>
<td>Vineyard</td>
<td>677</td>
<td>$16,489,900</td>
<td>$27,600,600</td>
</tr>
<tr>
<td>Wholesale</td>
<td>3,148</td>
<td>$316,626,800</td>
<td>$859,800,100</td>
</tr>
<tr>
<td>Retail</td>
<td>37,441</td>
<td>$1,202,126,200</td>
<td>$2,290,036,500</td>
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<tr>
<td>Associations</td>
<td>73</td>
<td>$7,940,700</td>
<td>$16,251,700</td>
</tr>
<tr>
<td>Research and Education</td>
<td>122</td>
<td>$11,252,400</td>
<td>$29,554,500</td>
</tr>
<tr>
<td>Tourism</td>
<td>17,777</td>
<td>$571,874,200</td>
<td>$1,292,063,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>62,450</td>
<td>$2,379,712,400</td>
<td>$5,528,619,600</td>
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</table>

## Supplier Impact

<table>
<thead>
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<th>Category</th>
<th>Jobs</th>
<th>Wages</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>715</td>
<td>$23,675,600</td>
<td>$48,882,100</td>
</tr>
<tr>
<td>Mining</td>
<td>35</td>
<td>$2,065,600</td>
<td>$7,578,500</td>
</tr>
<tr>
<td>Construction</td>
<td>298</td>
<td>$20,556,000</td>
<td>$58,510,300</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,593</td>
<td>$124,086,400</td>
<td>$311,567,400</td>
</tr>
<tr>
<td>Wholesale</td>
<td>836</td>
<td>$83,809,500</td>
<td>$225,818,900</td>
</tr>
<tr>
<td>Retail</td>
<td>603</td>
<td>$23,138,700</td>
<td>$55,271,600</td>
</tr>
<tr>
<td>Transportation &amp; Communication</td>
<td>1,728</td>
<td>$165,107,100</td>
<td>$605,969,200</td>
</tr>
<tr>
<td>Finance, Insurance &amp; Real Estate</td>
<td>2,061</td>
<td>$204,893,600</td>
<td>$747,087,600</td>
</tr>
<tr>
<td>Business &amp; Personal Services</td>
<td>5,145</td>
<td>$477,426,700</td>
<td>$815,657,400</td>
</tr>
<tr>
<td>Travel &amp; Entertainment</td>
<td>963</td>
<td>$35,624,000</td>
<td>$78,273,700</td>
</tr>
<tr>
<td>Government</td>
<td>382</td>
<td>$36,783,100</td>
<td>$79,344,500</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,359</td>
<td>$1,197,176,300</td>
<td>$3,449,561,200</td>
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</table>

## Induced Economic Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>Jobs</th>
<th>Wages</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>190</td>
<td>$8,611,700</td>
<td>$21,674,200</td>
</tr>
<tr>
<td>Mining</td>
<td>26</td>
<td>$1,323,100</td>
<td>$5,272,000</td>
</tr>
<tr>
<td>Construction</td>
<td>299</td>
<td>$20,712,500</td>
<td>$59,653,700</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,228</td>
<td>$97,011,700</td>
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</tr>
<tr>
<td>Wholesale</td>
<td>764</td>
<td>$76,075,500</td>
<td>$207,129,900</td>
</tr>
<tr>
<td>Retail</td>
<td>3,185</td>
<td>$125,054,500</td>
<td>$265,577,200</td>
</tr>
<tr>
<td>Transportation &amp; Communication</td>
<td>1,307</td>
<td>$127,247,400</td>
<td>$544,552,200</td>
</tr>
<tr>
<td>Finance, Insurance &amp; Real Estate</td>
<td>2,720</td>
<td>$308,274,400</td>
<td>$1,396,411,400</td>
</tr>
<tr>
<td>Business &amp; Personal Services</td>
<td>10,882</td>
<td>$693,757,300</td>
<td>$1,176,539,900</td>
</tr>
<tr>
<td>Travel &amp; Entertainment</td>
<td>3,600</td>
<td>$118,785,500</td>
<td>$297,163,600</td>
</tr>
<tr>
<td>Government</td>
<td>345</td>
<td>$33,677,300</td>
<td>$79,469,600</td>
</tr>
<tr>
<td>Other</td>
<td>451</td>
<td>$10,053,600</td>
<td>$21,954,300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24,997</td>
<td>$1,620,584,500</td>
<td>$4,786,162,200</td>
</tr>
</tbody>
</table>

## Total Economic Impact

<table>
<thead>
<tr>
<th></th>
<th>Jobs</th>
<th>Wages</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>101,806</td>
<td>$5,197,473,200</td>
<td>$13,764,343,000</td>
</tr>
</tbody>
</table>

### Federal, State and Local, Total

<table>
<thead>
<tr>
<th>Category</th>
<th>Federal</th>
<th>State and Local</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Taxes</td>
<td>$1,187,539,300</td>
<td>$1,061,450,900</td>
<td>$2,248,990,200</td>
</tr>
<tr>
<td>Consumption Taxes</td>
<td>$73,712,000</td>
<td>$204,089,700</td>
<td>$277,802,300</td>
</tr>
<tr>
<td><strong>Total Taxes</strong></td>
<td>$1,261,251,900</td>
<td>$1,265,540,600</td>
<td>$2,526,792,500</td>
</tr>
</tbody>
</table>