

The National Grape and Wine Initiative

“Building our Future Together”

Status of Global Grape Market

Status of Global Wine Market

- Past 10 Years, Market for Grapes and Grape Products has become Global
 - Barriers to trade dismantled
 - Measures taken to rationalize tariffs
 - Favorable currency exchange rates for exports

Successful Model:

Australia

Research Contribution Key to Australian Wine Industry Success

- Targeted research provided the knowledge base for innovation
- Industry together with researchers created an environment in which innovation flourished

Australia (continued)

- A technical infrastructure was created to support exports, e.g.
 - Solution of technical problems & dissemination of information
 - Agrochemical grid & spray diaries
 - ISO accredited analysis of export wine regulatory intelligence
 - Sensory inspection of all wines exported

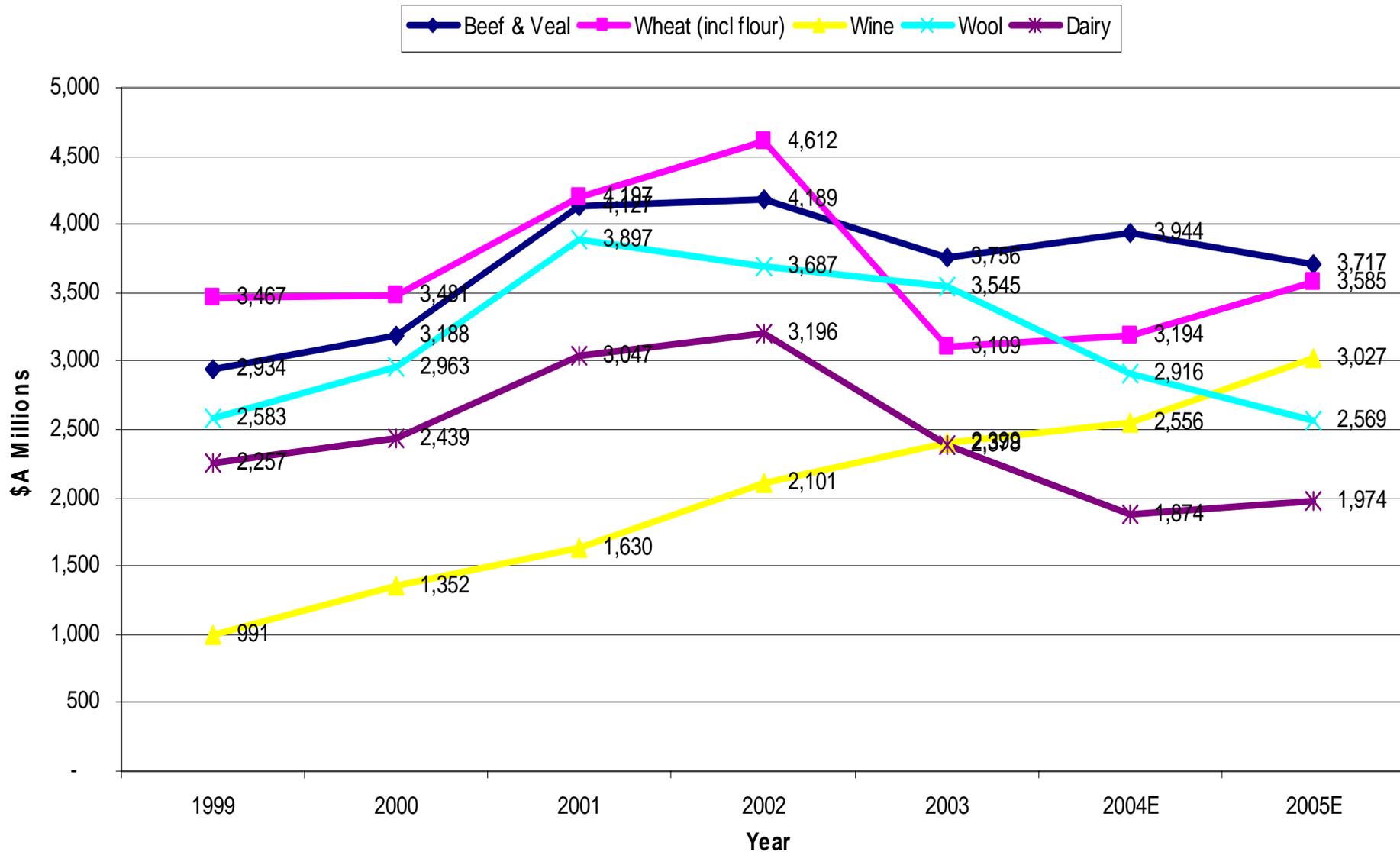
Characterization of the Australian Research Effort

- Long history of wine industry support for research on technical problems
- Annual funding from industry and government: US\$37 million per year
- State Departments of Agriculture and CSIRO have undertaken grape research for 100 years
- The AWRI was established in 1955

Australian Research Effort (continued)

- Industry agreed to a mandatory levy for research in 1986 which attracted matching government funds
- In 1991 wine industry secured a Cooperatives Research Centre on a competitive basis
- 2025 strategy developed in 1996; R&D a key element of the strategy

Top 5 Australian Farm Exports (fob)



Challenges to the U.S. Grape/Wine Industry

Challenges

- Imports of subsidized grape and wine products
- Increasing regulations
- Labor cost and availability
- Climate changes

Challenges

- R&D not competitive due to:
 - Disconnect between industry & researchers
 - Severe government cutbacks for extension positions
 - Many important research areas insufficiently funded
 - Focus on research priorities insufficient
 - Many funding organizations (such as AVF), but industry contribution voluntary & uneven

Meeting National Needs

Meeting needs

- Create a common vision for the grape & wine industries at the national level
- Identify strategic research & extension needs & priorities
- Build a partnership among public & private sectors for sustained investment in research & outreach for the wine industry

Opportunity Identified

- Ongoing discussion between academia & industry identified opportunities to improve the relationship between industry & academia
- Opportunity to review:
 - Process for setting research priorities that benefit the industry
 - Funding for these research activities
 - Involvement of the industry in the conduct of the prioritized research activities
 - Future shape of academia to be able to respond to the research priorities of the industry
- Furthermore, academia suffered severe government cutbacks, particularly in extension activities

National Grape & Wine Initiative Formed (NGWI)

- Organization formed 2006
- Board of directors
- By-laws & certificate of incorporation
- Committees developed to represent regions & products
- USDA ARS conference & Extension Leadership conference

The Vision

- By 2020, the American grape & wine industry will triple its economic impact by strongly increasing market share, becoming the undisputed world leader in value & sustainability, & contributing to the quality of life in rural communities

The Mission

- To achieve our vision, we will assure outcome based funding to deliver innovative, prioritized, collaborative research, technology development, extension & education. Leadership & funding will be provided through creative public/private partnerships among government, academic, non-profit & private sector partners accountable for research, development & adoption of business, environmental & socially responsible best practices in the American grape & wine industry

Strategies

- To address consumer value:
 - Understanding & improving quality
 - Production efficiency
 - Consumer insights/business practices
 - Nutrition & health – table grapes, raisins, juice, wine

- To address sustainability:
 - Environmental, Economic, & social sustainability

NGWI

- Understanding & Improving Quality
- Consumer Insights, Nutrition & Community
- Production & Processing Efficiency
- Sustainable Practices
- Education and Outreach

Understanding & Improving Quality

- Understand the components of grape /grape products & linkages to sensory
- Deliver grape & grape products to specification



Consumer Insights, Nutrition & Community

- Identify nutritional & health effects associated with grape consumption
- Advance consumer understanding of health, nutritional & disease prevention aspects of grapes & grape products
- Understand consumer preferences to ensure targeted product development

The Boston Globe boston.com
Online
THURSDAY, NOVEMBER 12, 1998

Grape juice is as good as wine, it says here

WHETHER THIS COMES AS GOOD or bad news depends on your viewpoint: Drinking purple grape juice may be as beneficial in reducing your risk of heart attack as sipping red wine.

Research presented this week in Dallas at a meeting of the American Heart Association suggests that grape juice has a similar effect to that of alcohol on blood clotting.

Dr. Jane E. Freedman of Georgetown University Medical Center said that alcohol inhibits blood clotting, but only when there is a lot of alcohol in the blood – enough to cause intoxication. In the laboratory, however, nonalcoholic purple grape juice reduced clotting and also caused platelets, the cells that form clots, to release nitric oxide, which dilates blood vessels, Freedman said.

She did not present clinical evidence of grape juice's effect on heart disease risk.

Production & Processing Efficiency

- Define/improve/optimize vineyard efficiency
- Optimize vineyard production systems
- Optimize efficiency of grape processing facilities



Sustainable Practices

- Manage waste streams of grape & grape product processing/packaging facilities
- Manage nutrient/mineral cycle & soil health & quality in vineyards
- Manage resources (energy, capital, labor) through vineyards & processing facilities
- Enhance vineyard ecosystem & interaction of grape industry with the community
- Promote vineyard sustainability through development & optimization of IPM practices



Education and Outreach

- Educate on best practices
- Uniform trial design (NE 1020)
- Develop broad-based expert system
- Viticultural influences on wine & juice quality
- Communications strategy on wastewater management to regulators

Alignment with Other Specialty Crops (SCRT)

- Includes Almond Board, American Vineyard Foundation, California Tree Fruit Agreement, Citrus Research Board, Dried Plum Board, National Berry Crop Initiative, National Tree Fruit Technology Roadmap, & the Walnut Marketing Board
- Recruiting new members

Accomplishments

- Established organizational structure and BOD
- Alignment of priorities with VC, AVF, and USDA ARS and CSREES
- Funding of operations
- Selected funding for priorities
- Farm Bill initiatives
- Health and Nutrition initiative
- Workshops with USDA and Extension Educators

Workshop Goals

- Build relationships between NGWI industry leaders and ARS scientists
- Align NGWI priorities with USDA ARS capabilities
- Gain commitment to address key NGWI priorities
- **THE NEED IS NOW!**