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WINE
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Oregon's Wine Industry Contributes \$3.35 Billion To Oregon's Economy

PORTLAND — January 19, 2015 — The Oregon wine industry continues to substantially grow its contribution to the state's economy according to a study released by the Oregon Wine Board today. In 2013 the sum of all economic activity in the state related to Oregon wine was more than \$3.35 billion, a 28% growth in the economic impact of wine in Oregon since the last study, in 2010. In addition, the industry contributed 17,099 wine-related jobs to Oregon, paying \$527 million in wages, and brought \$207.5 million to the state in wine-related tourism revenues.

"Oregon's wine industry is excited to be such a dynamic economic performer for the state," said Ellen Brittan, chairwoman of the Oregon Wine Board. "The increasing awareness of Oregon's wine quality is sparking global demand for Oregon wines, which in turn is fueling the industry's growth, enabling us to add new jobs and bring in new revenue to the state."

Economic Benefits Are Broad-Based

The nature of Oregon's wine industry means that it has far-reaching beneficial economic effects. As the wine industry grows, many associated parts of Oregon's economy prosper as a result.

Wine is a consumer product that requires large amounts of capital investment, wage-paying labor, and ongoing purchases of services, equipment, and supplies. Allied industries, such as tourism, hospitality, packaging, distribution, and retailing benefit from the wine industry's

success. Compared to other agricultural products, wine typically adds more value and keeps more of its revenues and profits inside the state's economy because almost all of the wine supply and production chain is Oregon-based.

The growth of the wine industry is felt throughout the state. The increase in the number of wineries since 2010 in Southern Oregon, the Columbia Gorge and Walla Walla, and the Willamette Valley has ranged by region from 25% to 90%. Vineyard acres throughout the state have grown significantly since 2010: Southern Oregon grew by 147%, the Columbia Gorge and Oregon portion of the Walla Walla Valley by 26%, and the Willamette Valley by 8%.

Economic Impact Highlights

The study, conducted by Full Glass Research, a Berkeley, Calif.-based research firm specializing in wine and food industries, was commissioned by the Oregon Wine Board, a semi-independent state agency managing industry marketing, research and education. Among the study's highlights are:

- Oregon wine grapes are now the state's most valuable fruit crop, valued at \$128 million
- The Oregon wine industry directly created 9,837 jobs
- 605 Oregon wineries had revenues totaling over \$363 million from the sale of wine
- \$127 million were added to state and local government through taxes and licensing
- Since 2011, vineyard acres have grown by 18%, the number of wineries grew by 45% and Oregon wine sales volume has increased by 39% to 2,780,237 cases

Outlook Positive for Continued Growth

Demographic and cultural trends bode well for continued growth of the Oregon wine industry. Pinot noir, the state's most important wine grape, remains one of the fastest growing varieties in the wine market. Demand for higher quality wines, and for wines priced above \$20—typical of Oregon wines—is also increasing. Equally important, Oregon's leadership in producing sustainably farmed and made wines is in concert with expanding market demand for ecologically responsible products.

"The Oregon wine industry is well positioned to continue adding value to Oregon's economy," says Brittan. "The vast majority of our wineries are small, family-owned businesses who focus

on high-quality, artisan products that are finding an enthusiastic market throughout the country and internationally. This study shows that the beneficial impact the Oregon wine industry in our home state is widespread, and growing!”

The full report, *The Economic Impact of the Wine and Wine Grape Industries on the Oregon Economy*, will be made available at the Oregon Wine Board’s website:

http://www.oregonwine.org/media/140474/or_econreport_2014_final.pdf

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About the Oregon Wine Board.

The Oregon Wine Board is a semi-independent Oregon state agency managing marketing, research, and education initiatives that support and advance the Oregon wine and wine grape industry. The Board works on behalf of all Oregon wineries and independent growers throughout the state’s diverse winegrowing regions. Visit www.oregonwine.org

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