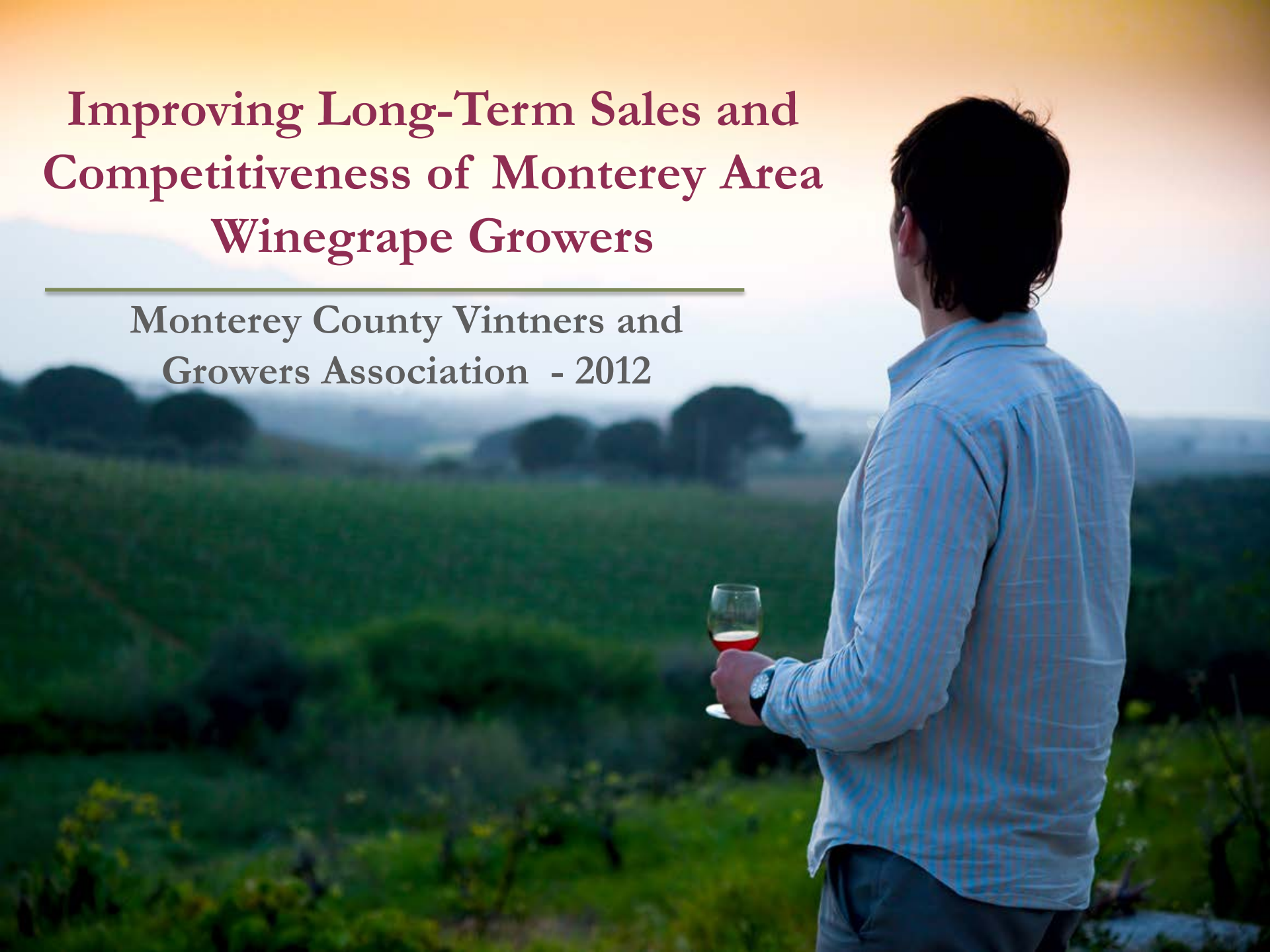
# Improving Long-Term Sales and Competitiveness of Monterey Area Winegrape Growers

Monterey County Vintners and Growers Association - 2012



# Applicant Overview

- Monterey County Vintners and Growers Association Background
- Project Motivation:
  - Lack of awareness of Monterey County as a viticulture region
  - Feasibility study demonstrated a 15% premium for Monterey grapes when used in AVA labeled wines
  - New, and cost effective, opportunities were emerging to promote the region and specialty crop producers

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# Project Deliverables

- AVA Maps
- Online Database
- Viticulture Videos
- Public Relations Campaign / Media Tours
- Signature Series Wine Collection

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# Project Approach

Nine Stage Project, Performed from Fall 2009 – June 2012

1. Planning
2. Designing, proofing and printing of an AVA map – inclusive of new branding platform for the region
3. 2010 grape harvest for Signature Series Wine Collection
4. Video filming, production and distribution
5. Signature Series Wine Collection – winemaking, bottling and labeling
6. Signature Series Wine Collection – materials design

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# Project Approach – Cont.

Nine Stage Project, Performed from Fall 2009 – June 2012

7. Public relations campaign
8. Signature Series Wine Collection – Wine Launch
9. Program evaluation and surveys

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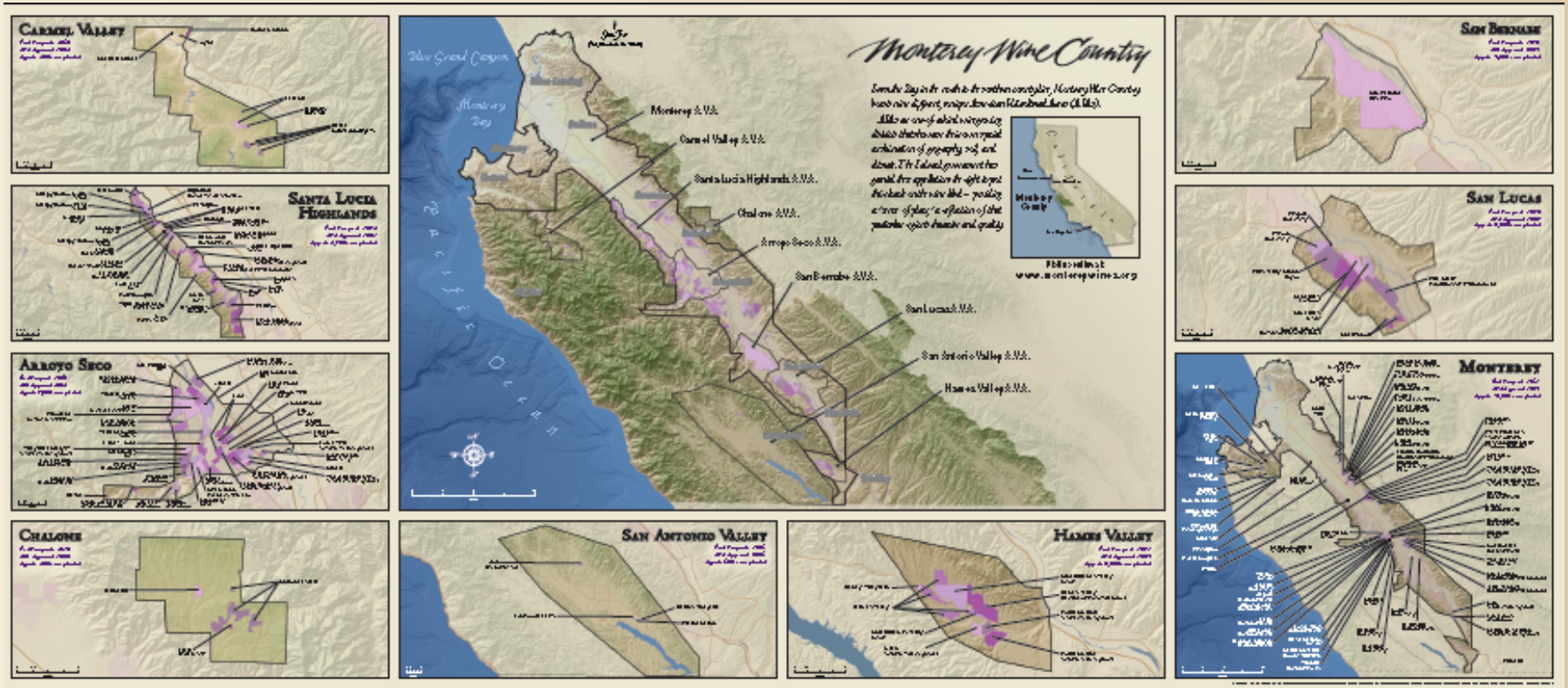
# Monterey County AVA Map




**9 Monterey County American Viticultural Areas:**

Carmel Valley, Santa Lucia Highlands, Arroyo Seco, Chalone, San Antonio Valley, Hames Valley, San Bernabe, San Lucas and Monterey

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# Monterey Branding

- The Blue Grand Canyon™
- Thermal Rainbow™
- 42 Varietals
- Chardonnay & Pinot Noir
- Winery Tours
- Tasting Rooms and Wineries
- Vineyards
- 8 Primary Soil Types

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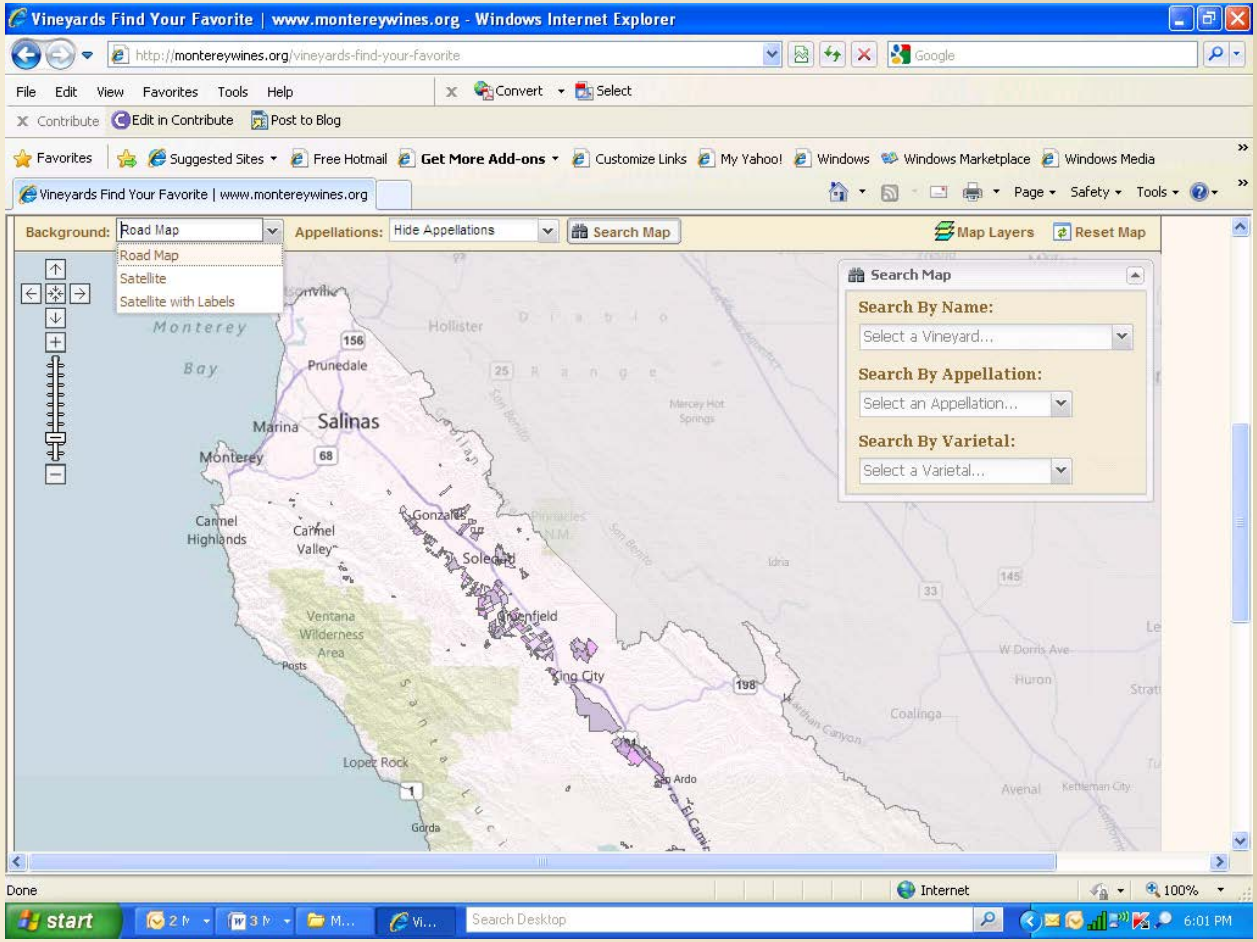
# Monterey AVA Database – Front End

- Vineyards Find Your Favorite – www.MontereyWines.org

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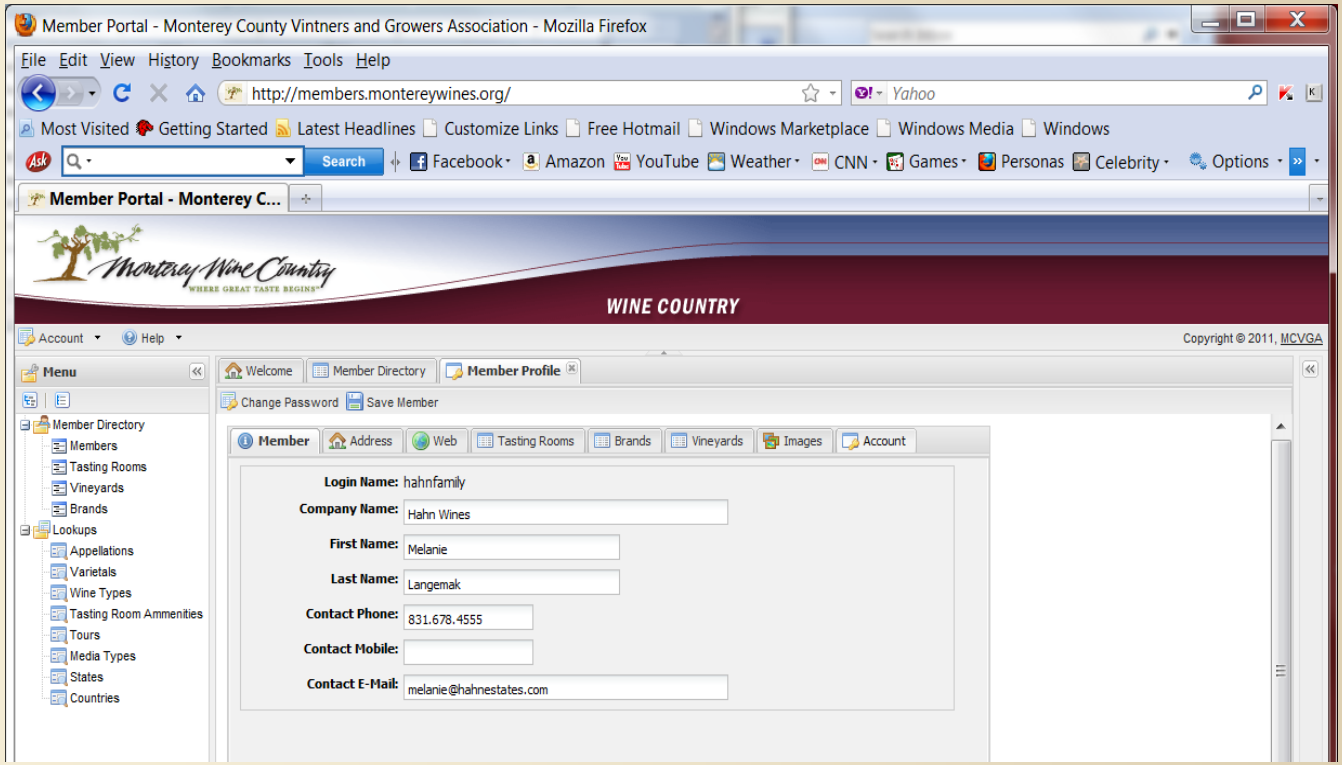
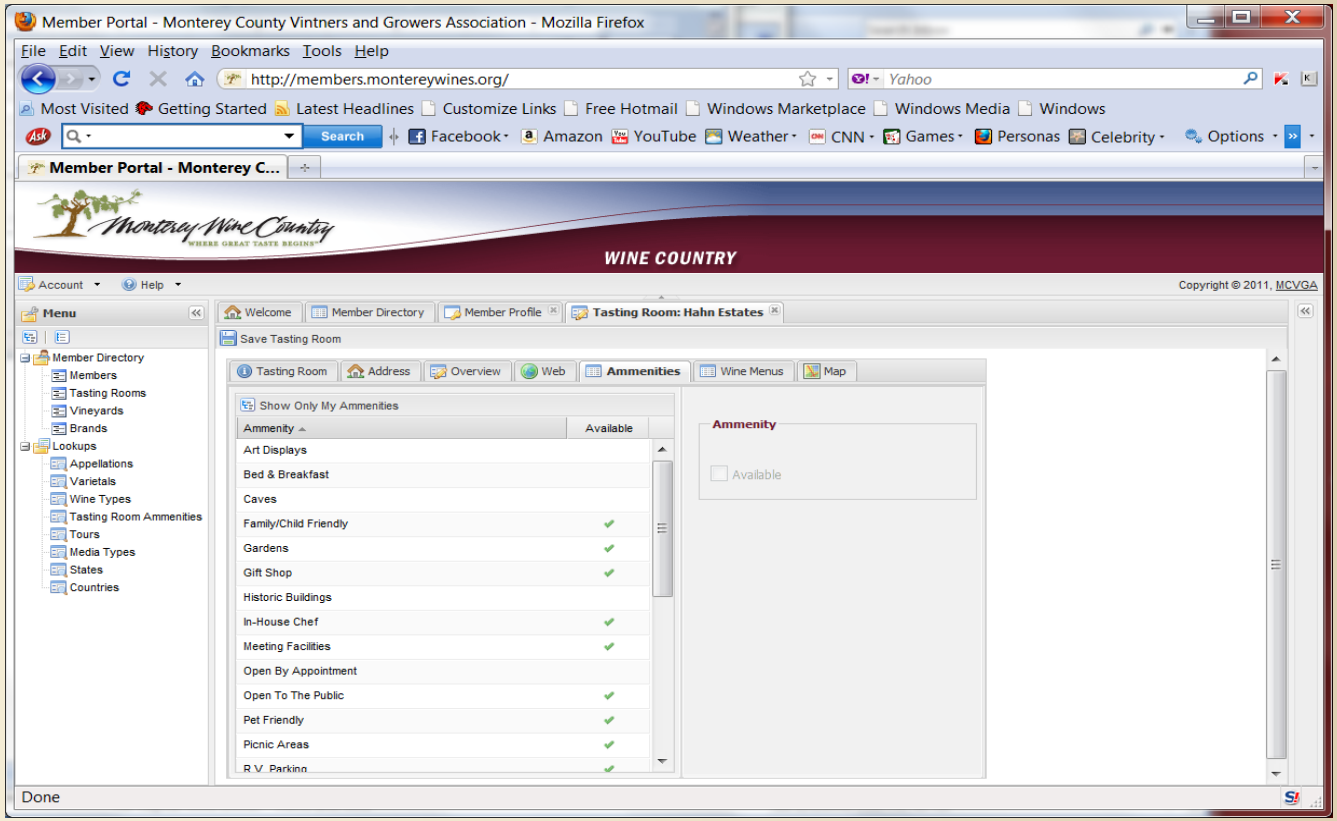
# Monterey AVA Database – Back End Database

## ❑ MCVGA Member Directory / Profile



# Monterey AVA Database
# Back End Database

## ❑ MCVGA Member Directory / Special Features



# Monterey Wine Country Video

- Over 210,000 video impressions

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# Monterey Signature Series Wines

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# Accomplishments

## ❑ Increase sales of Monterey AVA wines.

Target: 10% increase in Monterey AVA wines. A sampling of over 20% of the winery membership indicated that all members experienced or exceeded this growth. Such examples included:

• Brand 1: Case sales of 67,236 (January 2009 through August 2009) increased to 124,294 from (January 2012 through August 2012)

• Brand 2: Monterey Cabernet grew 28% to 25,500 and Pinot Noir grew 9% to 35,000.

• Brand 3: Over 12% growth, year over year, since 2009.

• Brand 4: Chardonnay grew by 365%, Pinot Noir by 87% and Sauvignon Blanc grew by 208%. As a result of this success across varietals and tiers, another label was launched, with a Monterey AVA, that is distributed nationwide and in such major outlets as BevMo.

• Brand 5: Leading varietal of Monterey Chardonnay increased from 159,868 cases in 2009 to 328,724 cases in 2011. In 2012, this brand is on track to sell approximately 350,000 cases of Monterey AVA Chardonnay.

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# Accomplishments

## ❑ Increase Consumer Awareness.

The benchmark was that a consumer recognition was at a mere 3% for recognizing Monterey as a wine region or wine destination. The target was an increase to a 6% name recognition. This was easily surpassed in two independent studies.

• In 2009,170 out of every 1000 Monterey visitors were aware of, and participated in wine tasting. In 2011, this increased to 210 out of every 1000 visitors. This is an increase of 23%, or 40 visitors for every 1000. (CVB)

• In a second independent survey, conducted in 2012, 33.8% of the respondents recognized Monterey as an area for winegrowing. (185 respondents, across the US, over the age of 21).

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# Accomplishments

## ❑ Increase Media Coverage.

The benchmark was to begin to track media references and value through the length of the grant.  A key target was to have the Signature Series wines released referenced in at least 25 media outlets.

• Burrelles and PR Newswire reported that over 280 outlets picked up the story and reported on the Signature Wine Series Wine Collection.

• In another metric, utilizing an independent comparison via BurrellsLuce, the MCVGA more than tripled the number of impressions. In 2011, this number jumped to 857,896,236.

• Media value of the referenced articles in 2011 was tracked at $1.89M, a new metric for future measurements.

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# Accomplishments

## ❑ Increase Media Coverage.

Sample quotes from the media tour:

“It is absolutely California’s best-kept secret,” *Austin Chronicle* Wine Writer Wes Marshall.

Thank you for a lovely trip to beautiful Monterey. It was a real eye-opener for me. The wines are sensational. I applaud you for your professionalism and at the same time warm hospitality. ~ Carol Kotkin, *Miami Herald*

Home again, home again! We were introduced to so many beautiful people and beautiful wines in Monterey County...thank you all so much for making our visit so special! – Karen & Brian Aungst, *Tampa Bay Fine Wine Guide*. (Monterey to be featured in the 2013 Buying Guide)

The food, wine and accommodations were stupendous. The trip was incredibly well organized and provided an excellent taste (all puns intended) of the area. Look forward to including stories and reviews in future issues of *The Wine Connection*. - Rob Hahn, *The Wine Connection*

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# Accomplishments

## ❑ Increase traffic to the website.

Increase unique visitors by 25%.

• The methods how people obtained information that they were seeking changed considerably from when the grant was proposed. This resulted in favorable results for our project, as more and more people utilized the web, channels such as *Facebook*, and mobile applications to acquire information.

• The independent data figures of webhosting company, *Bluehost*, shows that unique visitors to the MontereyWines.org website increased by 20% from 12/10 to 7/12 and the total number of visitors has increased 238% from 12/10 to 7/12.

• Utilizing Google figures, there has been an overall increase in all top level categories from 7/11 to 7/12 and new visitors have been consistent from 7/11 through 7/12 at an average rate of 75%.

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# Conclusion - All Goals Achieved

• Over 80 vintner-grower operations within Monterey County, as well as additional brands who procure grapes from Monterey County, and who opt to label as such, reaped the benefits from this project.

• According to the Monterey County A Commissioner's Office, a cooperating entity for the project, the newly developed 2012 Economic Report showed that the overall economic impact of Monterey grapes to the county is over $632M.

• The volume of Monterey County tasting rooms also increased by over 40% over the past two years.  This is particularly impactful for the 3.3 million guests who visited Monterey County in 2011 and were seeking sources of entertainment during their stay.

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# Conclusion - All Goals Achieved

• According to the June Monterey County Agriculture Crop Report, of the top five red varietals from Monterey county, all five experienced an increase in the price per ton of Monterey County specialty crop grapes.

• The most aggressive gain was in the area of Pinot Noir, also one of the Monterey County Signature Wine Series Wine varietals, which showed an increase of $238 from 2010 to 2011.

• Of the five white varietals from Monterey County, four of the five experienced an increase in the price per ton.  Chardonnay, the second Monterey County Signature Series Wine varietal and the varietal with the most acreage in Monterey County, had an increase of $166 from 2010 to 2011.

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# Thank You

- Thank you to CDFA for the privilege of managing a CDFA Specialty Crop Grant

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