



Virginia Wineries Association Newsletter

www.vawine.org

May 2011

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Vintage Virginia News

It is that time of the year again, flowers are blooming, grass is growing faster than you can cut it, temperatures are going up and Vintage Virginia is right around the corner! This year's festival at Bull Run Park on June 4th and 5th is expected to draw huge crowds, lots of vendors and great wineries to demonstrate how far the industry has come over the years.



Mark your Calendar

May 31 - Expo Pouring Fees due

June 4-5 Vintage Virginia

August 2011 -

Governor's Cup White

October 2011 - Wine Month & Governor's Cup Winner Announced

Visit our [Calendar of Events](#) for a full listing for the year.

Welcome Pete Johns!

Please welcome Pete Johns of New Kent Winery to the VWA board. Pete replaces Ray Summerell on the board for the remainder of his term.

Virginia Wineries Association Cooperative is Incorporated

The Virginia Wineries Association Cooperative is now incorporated and applying for a grant to assist with its planning.

Look for communications

In an effort to respond to the number one complaint from our customer surveys at this festival, Across the Way Productions, in conjunction with the VWA events committee, has an initiative to answer the question of long wait lines at tents for sampling.

The "Top 5 Tent" will allow consumers a place where, for a fee, they will get a chance to sample 5 wines from each of the different wineries who are participating in this trial. Each winery participating will have their wines sampled by a staff of volunteers put together by Neil Williamson of the Wine of the Month Club for approximately 20 minutes in a tent reserved only for those customers. No selling will be done at the Top 5 Tent, so customers will have to come to your tent to buy the wine. A fee of \$50 is required for the wineries to participate.

Participation in this trial is voluntary for wineries and consumers alike. If it is a success, then obviously we will repeat in following years, if not then we will modify as appropriate or discontinue.

See you at the festival!

Len Thompson, Committee Chair

Quality Assurance Program is coming to you in June!

In June, a letter with details of the Commonwealth Quality Alliance program is coming your way. The letter will announce the start of the program and the availability for entries to be submitted and for wineries to join. Look for further information then or feel free to contact any of these committee members.

Simone Bergese - Potomac Point Winery
Jake Busching - Mount Juliet Vineyard
Jim Corcoran - Cocoran Vineyards
Mattieu Finot - King Family Vineyard
Bill Gadino - Gadino Cellars
Neil Glaser - Horton Vineyards
Pandit Patil - Narmada Winery
Emily Pelton - Veritas Vineyard

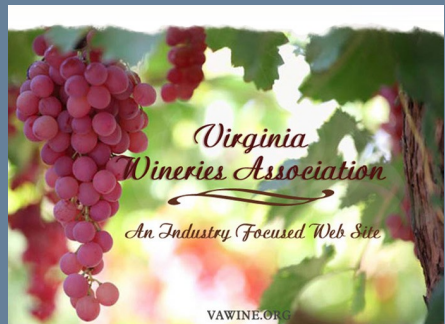
over the next a year and half as we gather further input and develop this organization.

Justin Rose - Rosemont of Virginia
Dean Triplett - Willowcroft Vineyards

Looking for Volunteers - Be a part of it!

The VWA is looking for volunteers to join the new Marketing Committee. The committee has several goals. The first of which is to provide input to the Wine Board regarding the current marketing needs of the wineries of the VWA. Another goal of the committee will be to work to further the goals set forth for 2015 plan and also to look ahead to 2020.

Please contact the VWA office at info@vawine.org or (804) 592.3916 if you are interested in participating on the Marketing Committee.



www.vawine.org



Legislative News

President's Report and Legislative Update

VWA's Legislative Committee met this month to work on Legislative Policies. Once the work of the committee of the committee is completed, these policy statements will be brought before all Virginia's Wineries for review and approval. These policies will be used in several ways. They will be used as a guide for those who represent us legislatively. It will be given to new wineries to know where the association stands. Finally, it will be shared with policy makers, so they are aware of what is important to the industry.

This document will serve as a living document, changing on an ongoing basis. Please let us know if you are interested in serving on the Legislative Committee or have ideas for policies. We have a good start and also welcome your input.

Federal Legislation:

WineAmerica held their policy meeting in Washington, DC on May 9-11, 2011. The issues

at the Federal level are: The CARE Act (HR 1161); Farm Bill funding for Specialty Crops; Viticultural Research; Legal labor force; and Taxes (estate and excise). Good news is that Senator Webb has signed on to the "Dear Colleague" letter opposing the CARE Act legislation. There were also meetings with USDA personnel to discuss strategies for normalizing our research dollars, since most of the funding is "Congressionally designated spending" or "earmarks" which will not be allowed in the budget. USDA believes that they can identify funding for our initiatives. We also need to ensure that the Specialty Crop Block Grant Program and Research Initiative funding remains in the Farm Bill which is due to be reauthorized in 2012. There are currently funds for the National Clean Plant Network and Value-Added Producer Grant Program which we also want to maintain.

An interesting feature of the WineAmerica meeting is the State Associations Council. At this meeting, we exchange information about happenings in our respective states. Many are experiencing cutbacks and attempts to raise taxes. Virginia is a bright spot with the strong support of our Governor which has resulted in increased funding for marketing and research and a tax credit for vineyard and winery expansion. We are awaiting information from the Department of taxation on how to apply for the credit. Several states reported growth in their in-state market share, with Missouri reporting an eight percent share with a goal of 10% by 2018. Texas has a seven percent share and Michigan a 6.5% share in state.



The Compliance Corner

by Mary Beth Williams

Neighborly Spirit

It's been a busy few weeks for our neighboring states; both Maryland and Tennessee changed their positions on direct to consumer shipping, and Virginia wineries stand to gain from their efforts. The changes in both states are expected to become effective on July 1.

- **Tennessee** - Previously, wineries could only ship to consumers in "wet" counties, which made the logistics of shipping to Tennessee somewhat daunting. There was legislation forwarded to the governor earlier this week that would allow direct to consumer shipping to any county in Tennessee, regardless of whether it's considered a "wet" or "dry" county. The governor has been outspoken in his support of this measure, and is expected to sign it in the next few weeks. The application process will not change, and wineries that are currently licensed to ship to TN will automatically be able to ship to the new counties without further application or amendment.

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Maryland - Yesterday, the Governor signed the bill allowing direct shipping to Maryland consumers. The Comptroller's office is already working on the application for the license that will be required, but we don't know what the final product will look like, or what the expected turnaround time for license processing will be. MD is generally pretty quick to turn applications around, but they are expecting a crush of applications immediately after July 1, so the initial turnaround times will likely be slower than normal. Here is what we know about the requirements though:

1. A winery can ship 18 cases a year to a MD resident. This is per winery, not cumulative.
2. There will be a \$1000 bond required as part of the application package.
3. The license fee will be \$200 annually.
4. The license will allow shipments to consumers in ALL MD counties, including Montgomery.
5. The sales tax that will be assessed on direct to consumer sales is 9%.

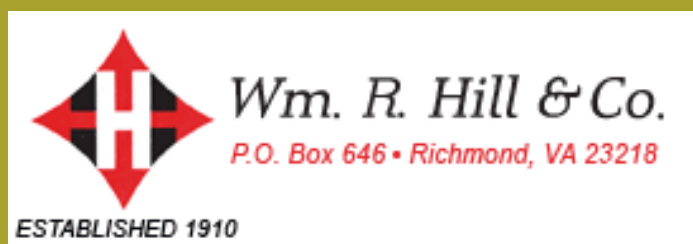
If you're interested in either of these licenses, let us know. We'd be happy to help you get them, and as always, VWA members eligible for Preferred Partner discounts receive a 20% discount off our services.

Mary Beth Williams is the President of Williams Compliance, a compliance services provider based in Hanover County, Virginia. For more information, contact Mary Beth at Marybeth@williamscompliance.com or (804) 445-2924.

WM. R. Hill & Co., Inc.

William R. Hill and Company, Inc. was founded in 1910 by William R. Hill, Sr., the grandfather of the present owner, William R. Hill, III. They are a general line distributor of glass, plastic and closures dating back over 45 years ago. They can supply you with bottling and packaging needs.

They serve all of Virginia. VWA Silver and Gold members receive a special cash discount of 2% -10 days or 1% -20 days from wine bottle purchase (discount does not apply to pallets, freight or credit card purchases).



Visit <http://wmrhill.com/> or call Jennifer Porter at 804-226-4464.



VDOT Sign Program Update

By Ann Heidig

The Virginia Statewide Directional Signing Advisory Committee met in Richmond on May 4, 2011. During this meeting the Tourist-Oriented Directional Signs program was discussed. This discussion was promulgated by Fauquier County's request to be permitted to opt out of the TODS program. Basically, Fauquier County believes that there are too many signs (blue and white) and the number is continuing to grow. The Board of Supervisors in their resolution stated that these signs are not in keeping with the agricultural and rural character and need for preservation of open spaces and the scenic beauty of the county. During the discussion it was stated that the Commonwealth Transportation Board, should they decide to allow this, would not exempt a specific county, but develop a policy whereby any county could opt out. There are both Federal and State guidelines which would have to be followed, and the signs would not be allowed in the VDOT right-of-way. There are two more counties interested in opting out, Isle of Wight and Loudoun. The only counties not in the TODS program are Arlington and Henrico which took over their own road systems. Allowable signage is controlled by the Federal Government under the National Transportation Safety Board.

VDOT is getting a number of requests for Trail signage. These will be for areas of historic or social significance only.

Supplemental guide signs in the term for the old grape-logo signs which were grandfathered into the TODS program. VDOT believes that the TODS program is meeting the needs of the wineries, and no additional signs are needed.

We will continue to monitor and provide input to VDOT on signs for wineries because these are an important tool to guide people to our tasting rooms.

To Virginia Winemakers and Winery Owners

From: Bruce Zoecklein, Emeritus Professor, Virginia Tech

Subjects: Wineries Unlimited Side Shows, Reminder of Sensory Session 2 Remaining Schedule

The slide shows for the 2011 Wineries Unlimited Program are posted on-line at www.wineriesunlimited.com/2011presentations/. The postings include the New Comers Workshop, Opening Remarks, Tasting Room Profitability and Wine Cub Summit, Wine Marketing Sessions, and Viticulture Sessions.

The remaining Winemakers Sensory Training Session #2 session schedule is as follows:

Central Virginia Date: Monday May 16

Veritas Vineyards

Northern Virginia *Wineries located in Upper Northern VA (as indicated by the 2011 Wineries Guide)* Date: Monday, May 23

Vermar Vineyards

Wineries located in the Mid-Northern VA (as indicated by the 2011 Wineries Guide)

Date: Tuesday, May 24

Barrel Oak Winery

Chesapeake Bay and Eastern Shore Date: Monday, June 6

Athena Vineyards

Dr. Bruce Zoecklein

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