



September 28, 2010

Secretary of Agriculture & Forestry



Todd P. Haymore

Dear Wine Industry Friends:

As we approach the kickoff of Virginia Wine Month, I wanted you to be aware of the good news about Virginia wine sales that the Governor's office released earlier today. Congratulations - here's to more growth in the coming years!

Regards,

Todd

Governor McDonnell Announces Sales of Virginia Wines Up Nearly 13% in FY2010

RICHMOND - Governor Bob McDonnell today announced that sales of Virginia wine in FY2010 increased nearly 13% from FY2009. Total sales of Virginia wine amounted to \$1,604,387 in wine liter tax collections during the fiscal year ending June 30, 2010, whereas the total wine liter tax collected by the state derived from the sale of Virginia wine in FY2009 amounted to \$1,428,216.

Speaking about the increase in Virginia wine sales, Governor McDonnell said, "The increase in

the sale of Virginia wine is good news for our grape growers and wine makers, both of whom are responsible for producing the outstanding wines that Virginia is now being recognized for both here and abroad. The growth of the wine industry in Virginia means more jobs for our citizens and needed economic development in our communities, particularly in the rural areas of the Commonwealth. The increase in sales also means more funds will be dedicated to wine grape education and research and wine marketing initiatives that will help the Virginia wine industry continue to grow, and lead to more jobs being created in the years ahead."

Secretary of Agriculture and Forestry Todd Haymore stated, "These numbers reflect that more people are recognizing the high quality wines our farm wineries are producing. Working with our private sector partners, we're going to spread the good news about Virginia wines even farther. For the first time ever, we have in place both domestic and international marketing plans for Virginia wine that are already paying dividends. With the help of the new monies dedicated by the Governor and the General Assembly in 2010, as well as the Governor's Choose the Commonwealth campaign, we will continue to promote Virginia wine and all of our unequalled Virginia agricultural products as one of the best ways to grow our rural economy."

According to figures from the most recent economic impact study, the Virginia wine industry employs approximately 3,000 people and contributes almost \$350 million to the Virginia economy on an annual basis. The study reflected the impact of 120 wineries in 2005; today, there are nearly 180 licensed farm wineries in the state. In recent years, Virginia has become a nationwide leader in wine and is now fifth in the nation both for wine production and number of wineries. The Governor has declared October Virginia Wine Month and encourages Virginians to support this thriving agricultural sector by visiting a winery or purchasing Virginia wine through their local restaurants, grocers and specialty shops.

The wine liter tax is applied at a rate of \$3.60 per case of wine. The tax collection report is issued annually in a letter from the Department of Alcoholic Beverage Control to the House Appropriations Committee, the Senate Finance Committee and the Virginia Wine Board.

For more information about the Virginia wine industry, please visit www.virginiawine.org or contact the Virginia Wine Marketing Office at (804) 344-8200.

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