

DISCOVER NEBRASKA WINES!

VINTAGE NEBRASKA



Encounter the Unexpected

A Feasibility Study for the
Nebraska Wineries & Grape Growers' Association
August 21, 2012

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Agenda

- Methods for the Study
- What is NWGGA's GOAL?
- About Wine Festivals / Some Examples
- What is the Environment?
- The Model
- Challenges & Things to Think About
- Recommendations & Resources
- Prospects for Growth & Sustainability
- A few key Questions for NWGGA

Methods

- Telephone interviews
 - NWGGA board members
 - Wine festival directors & managers
 - NE state government officials
 - Wine industry marketing consultant
 - NE marketing & PR consultants
- Internet research
- Wine industry journal research

The Question:

- Is it feasible for NWGGA to organize a wine expo/festival?
 - Where should it take place? What kind of venue?
 - What time of year?
 - How should it be staffed?
 - How to fund the start-up costs?
 - What does it cost to produce a successful festival?
 - What's the commitment of key players?
 - What's the potential for growth & sustainability?

What is NWGGA's Goal?

- Increase Awareness of Nebraska Wine
 - There is a wine industry in Nebraska
 - NE wines are different from West Coast & European wines
 - They are recognized by serious wine critics for outstanding quality
 - It's a local agricultural product
 - Try it! You'll like it!
 - Oh yeah, and increase the market for NE wines!

What else?

- Raise funds to support NWGGA
- Sell wine (at the event)
- Increase interest in wine/agro tourism
- Support a charitable cause?
- Down the road...
 - Technical seminars for industry
 - Public education seminars

FESTIVALS

Festivals

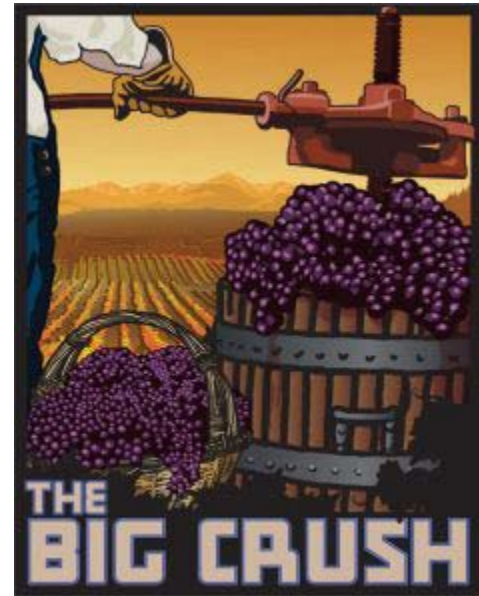
- Competition
 - Judging & Tasting
- Passport
 - Multiple wineries
 - At the winery
- Organization
 - 501 (c) 3 charitable
 - 501 (c) 6 not-for-profit
 - For Profit
- Fun & entertainment
- Fundraising
 - Self
 - Beneficiary
- Multi-purpose
- Visibility
- Sell something
- Awareness

NE wine festivals

- vinNebraska
 - March, indoor, Omaha
- Easter Seals Annual Wine Event
 - March, indoor, Omaha \$150
- Kearney Wine & Jazz Festival
 - May, outdoor, Kearney, \$20
- Cork & Ale Festival
 - April, indoor, Lincoln, \$25
- NE Balloon & Wine Festival
 - August, outdoor, Omaha, \$12/5 tastes
- Riverfront Wine Festival
 - August, outdoor, Omaha, \$30-\$60

Amador Vintners

- Passport-type event
- Weekend in October
- 37 wineries
- Each winery offers something different
 - food
 - music
 - seminars



The Barbera Festival



- Barbera only
- One-day event
- 80 wineries / 2 cases ea.
- 1750 tickets @ \$35
- Benefits Amador Community Foundation
- 10 restaurants
 - Food sold separately
 - 80%/20% \$ split
- Revenue = \$61,000
 - \$23K to charity
 - \$38K net revenue

SF Vintners Market



SF Vintners Market

- Two days, 200 wineries
- Taste & purchase – on the spot
- Started by the founders of Wine 2.0
- Bring the tasting room to the consumer
- Reserve admission (Noon-4) \$100/day
- General admission (1-4) \$80/day
- Vetted media & wine retail – no charge

HOSPICE du RHÔNE

TWENTY-TWO VARIETIES. ONE VISION.

- Multiple events / days / int'l wines
- 400 @ small events / 1300 @ large events
- Dinners, tastings, seminars, entertainment
- Up to 1 case poured for a 3-hour tasting
- 20 years in San Luis Obispo
- New format not yet announced
 - Smaller events
 - Multiple locations around the country
- Paid staff, interns (30), volunteers (100+)
- No paid promo
- \$300K annual budget

Hospice du Rhône Mission

- Hospice du Rhône® (HdR), located on the Central Coast of California, operates as a non-profit business league with the specific purpose of improving the business conditions of the grape growers and wine producers of Rhône variety wines and grapes throughout the world. We serve as an international vintners association, providing promotional and educational opportunities. Hospice du Rhône is not affiliated with any other charitable organization. Non-profit 501 (c) (6) Business League

- Indiana wines only
- Outdoor venue, park
- 10,000 annual attendance
- 26 wineries, 14 restaurants, 23 arts vendors
- \$40,000 promo budget
- Buy weather insurance!
- June



Zinfandel Advocates & Producers

ZINFANDEL FESTIVAL

*Four Extraordinary Events,
One Classic Varietal*

22ND ANNUAL • 2013
SAN FRANCISCO, CA



AND FEB 1-2 2013

02.01.12
ST. JOSEPH
POST

Zinfandel Advocates & Producers

- Epicuria Food & Zin Pairings
 - celebrity chefs
- Flights
 - seminar style tasting
- Winemaker Dinner
 - 17 wineries
 - live auction
- Grand Tasting
 - 77 wineries

Family Winemakers of CA

FAMILY WINEMAKERS
OF CALIFORNIA



- Trade Tasting
 - Sun 1:00-3:00
 - Mon 2:00-6:00
- Public Tasting
 - Sun 3:00-6:00
 - \$65, \$75 at the door
- September, indoor
- Over 200 wineries

ENVIRONMENT

Environment

- Wine festivals everywhere!
- Charitable, for-profit
- Wine & Food
- Wine & Art / Music
- Regional, Varietal
- Beer & Wine

Environment

- Many NE wine festivals
- Few focus on NE wine only
 - Kearney Wine & Jazz
 - Balloon & Wine Festival
- Most support a charitable cause
 - Kearney Wine & Jazz
 - Easter Seals
 - vinNebraska
 - Omaha Riverfront Wine Festival

Environment

- Audience base
 - Varies
 - Middle income with disposable income
 - Low-brow (to quote one festival)
 - Younger (25-40)
 - Looking for a fun event
 - Looking to learn about wine

Environment

- National “locavore” movement to support locally grown and produced products
- GROW Nebraska
 - “Buy It Local Nebraska” campaign
 - GROW Nebraska stores
 - Online Store: Wine, Coffee & Gourmet Beverage category
 - But no wine!
 - www.growneb.com

A MODEL FESTIVAL

A Model for NWGGA



Vintage Indiana

- Serve Indiana wines only
- June, outdoor venue, park
- 11am-7pm / go home before dark
- 10,000 annual attendance
- 26 wineries, 400 wines, .5 oz. taste
- 14 restaurants, 23 arts vendors
- \$25 for a logo glass
 - Unlimited tasting
 - NEVER sell individual drink tickets

Wine Sales

- Each winery can sell its own wines at retail
- Wineries can sell a bottle for consumption on the grounds
 - open containers allowed
- Big wineries: pour & sell 250 cases
- Small wineries: pour & sell 40-50 cases
- Some wineries sell 2 months' worth of inventory in one day
- Wineries absorb the cost of tastes

Space Sales

- Rent 40X40 tents
- Sell space in $\frac{1}{4}$ tent units
 - Wineries
 - Charge \$500 (discount for early payment)
 - Provide tables, chairs, electricity
 - Restaurants
 - Charge \$700
 - Food trucks are charged less
 - Food carts, no tent, even less
 - Art vendors
 - No tent space, bring your own set-up, cheap

Staffing

- Paid
 - Event Director - Purdue Univ. employee
 - Student interns - some paid
 - Pay the money handlers!
- Volunteers – about 140
 - 3 hour shifts
 - Free admission
 - Logo glass and t-shirt
 - Training

Volunteers

- Winery Club members & friends
- College interns
 - Interested in marketing & event management
 - Event volunteers must be 21
 - Paid & unpaid

Volunteer Tasks

- Administrative assistance
- Promotions
 - Website design & set-up
 - Social media management
 - PR content, graphic design
- Event support
 - Set-up, busing (empty spittoons and fill water pitchers), clean-up

Promo

- V.I. has a \$40,000 annual promo budget
 - Rely heavily on radio & TV (in-kind)
 - Not a fan of print
 - Social media, blogs
 - List-serves are great
- Hospice du Rhone used no paid promo

Promo

- Use wineries' mailing lists
 - Club member lists
 - Email blasts (Constant Contact)
- Prepare a PDF document for each winery to use to send to their list
- Heavy use of social media
- Put notices on winery websites
- Design a poster

Ticket Sales

- Sell tickets at wineries
- Call the NWGGA office
- Sell on NWGGA website
 - www.eventbrite.com
 - Link on each winery's site
 - Link on other sites that have event calendars (Chamber of Commerce, etc.)
- www.localwineevents.com

Side Show

- Food & Wine Education tent
 - Beef, poultry and pork associations
 - Food sponsors
 - artisan cheese maker
 - baker, chocolatier
 - food trucks
 - farmers' markets
- Agricultural and commodity groups

Insurance

- Insurance
 - general liability
 - liquor liability
 - weather insurance for outdoor event
- Have an emergency evacuation plan
 - lightning – problem with tent poles

NWGGA Guidelines

GUIDELINES FOR ENTITIES WISHING TO SPONSOR NEBRASKA WINES TASTINGS OR FESTIVALS

1. There will be no charge to participating wineries. Wineries will supply the tastings, but will be reimbursed by (entity sponsoring the event (ENTITY) in the amount of \$1.00 /tasting, based on tasting tickets they turn in at end of event. Wineries should be on premises no later than _____ ENTITY will have doors open for wineries to set up at _____. The event will run from _____ to _____. on _____ (date/s)
2. A SDL license that allows for on site consumption and bottle sales for the day(s) will be furnished by ENTITY.

Liquor Control

- Special Designated (SD) Permit from LCC
 - NWGGA permit if tasting only
 - Each winery needs permit if selling wine
 - Chapter 6, Section 002.01 of LCC Rules & Regulations
- Training of pouring staff not required, BUT:
 - Age ID
 - ID of intoxicated customers

Wine Sales

- Wineries sell retail at their table?
 - SD permit for each winery
 - Sell a bottle for on-site consumption (if facility allows)
 - Winery handles money and inventory
- Sell space to a retailer (HyVee for example) to handle sales?
 - Wineries get paid wholesale price
 - Retailer pays to be a major event sponsor or Commission to NWGGA
 - Retailer handles the money & inventory
 - Retailer gets the SD Permit

Security

- Money handling
- Crowd control
- Emergency response
- First aid

Logistics

- Equipment rental
 - tables & chairs, table cloths, spittoons, water pitchers, radios for communication, trash cans, signage
- Supplies
 - glasses
 - logo imprint? Get a design
 - volunteer t-shirts
 - water, ice, towels, mops, napkins
- Entertainment

Schedule

- **It's a year of planning & preparation**
 - solicit grant funding & sponsorships
 - select & contract for a venue
 - determine theme
 - design marketing materials
 - recruit volunteers
 - sell tickets
 - set-up
- **Event Day & Clean-up!**
- **The Hangover**
 - **debrief** with staff/volunteers/sponsors/wineries
 - start all over again – while the coals are still hot

RESOURCES

Resources

- Financial
 - Government grants
 - Governor's Grape & Winery Board
 - NE Division of Travel & Tourism
 - NE Department of Agriculture
 - use small grants to support specific tasks
 - Sponsorships
 - fee for promotional value
 - sponsorships for specific tasks/events/items

Resources

- Sponsors

- Whoever wants to get in front of:
 - wine drinking consumers
 - consumers with disposable income
- Whoever wants to support wineries and grape growers

- In-Kind

- glass supply – logo glasses
- promotional
 - media / radio and TV

Sponsors

- Grocery/liquor store
 - HyVee
 - Whole Foods
- Wine distributors
- Drink manufacturers
- Specialty food suppliers
- Bank, insurance, CPA, law
- NE Lottery
- Hotel
 - free or discounted rooms
- Vendors
- Convention & Visitors Bureau
- Pork, beef, poultry associations
- Printer
- Glass mgf. or supplier

Advisory

- NE Liquor Control Commission
 - Jerry Van Ackeren – Audit Div. / 402-471-4892
 - Mary Messman – Lisencing Div. / 402-471-4893
- NE Division of Travel & Tourism
 - travel Guides – 18 mo. lead time
 - e-newsletters
 - tourism conventions
 - posters & brochures on display at offices, rest stops
 - In-State Tours
 - Michael Collins 402-471-3795
 - Agri-Tourism Specialist
 - Karen Kollars 308-249-3220
- Convention & Visitors Bureau

CHALLENGES

NWGGA Board Concerns

- It must be done right the first time
- “We are a small industry made up of small family businesses. Most of us have day jobs. We do not have the time or the expertise to accomplish this on our own.”
- Wineries need to break even
- How do we fund the start-up phase?

Challenges to Success

- Expectations
 - What does success look like to NWGGA?
 - What do wineries expect?
 - What do growers expect?
- Ticket Sales
- Financial support: Cash, Cash, Cash
- Liability & Security

Challenges to Success

- Identify your brand
 - What message/image do you want to project to your target audience in your promotions?
 - What do you want your attendees to take away from the event?
 - What's your story?

Challenges to Success

- Start-up funding
 - What is the source of funds
 - What is the source of labor
 - For planning
 - For the event
- Management / leadership commitment
 - Executive Director
 - Board of Directors
 - Members

RECOMMENDATIONS

Recommendations

- Organizational
 - Assign an event Chair (Board Member)
 - Assign an event Director (PAID)
 - Executive Director of NWGGA
 - Professional event planner
 - Reports to event chair

Recommendations

- Assign event committees?
 - most event directors recommend NO
 - prefer to assign task ownership to an individual – but get help
 - committees have trouble meeting – don't react quickly
 - who's responsible?
- Budget/Finance Committee
 - NWGGA Treasurer, Chair
 - Event Chair
 - Event Director

Recommendations

- Start now for a Fall 2013 event
- Create a mission statement for the event
 - stick to it
 - continuity over time is important
- Create an identity, a personality, a story
- Start the social media PR early
- Get some buzz going

A Nebraska Story

- Tie in with the locavore movement?
- A “classy approach” with a Nebraska touch
- Wine is an emotional purchase:
 - People like to know the story behind the wine and the growing of the grapes. The story of people and land.
- “Take the mystery out of wine, but leave the mystique.”

Michael Mondavi

Theme

- Discover Nebraska Wines!
- Wines of Nebraska
- Nebraska's Wine Fest
- A Taste of Nebraska
- Taste Nebraska

Location: Omaha v. Lincoln

Omaha

- Largest population
- Sophisticated wine market
 - lots of interest in wine
 - lots of wine festivals
 - West Coast & Euro focus
- Good venues
- Attract from other states

Lincoln

- Smaller market
- More Nebraska-focused community
 - better opportunity to grow interest in NE wine?
- Good venues
- Fewer wine festivals

Venue - Omaha

- Midtown Crossing
 - Management Office
3220 Farnam Street, Suite 2102
Omaha, NE 68157
402.934.9275
- Stinson Park / Aksarben Village
 - Lisa Bockman
Marketing & Events
Noddle Companies
402.496.1616
lisa@noddlecompanies.com

Venue - Lincoln

- Haymarket / The Yard & Canopy Street
 - Joint Powers Authority
 - City of Lincoln
 - www.haymarketnow.com
- Lancaster Event Center
 - Lancaster Co Agricultural District
 - Fairgrounds
 - 402-441-6545

Venue - Other

- Nebraska State Fair, Grand Island
 - closer to center of state
 - further from the population centers
- Leid Lodge Conf. Ctr., Nebraska City
- Brownville

Date

- Not summer – too hot
- Spring
 - successful event may provide a bump in winery visits during summer travel season
- Fall
 - best NE weather
 - after harvest
 - stay away from UN home football weekends!?

RECOMMENDED VENUE

Haymarket: The Yard & Canopy Street

- Developed under a JPA
- Fall 2013 completion?
- Licensed for "open container" events
- Street closures
- Canopy coverage, weather
- Social district, designed for roaming
- www.haymarketnow.com

Haymarket: The Yard & Canopy Street



Haymarket: The Yard & Canopy Street



PROSPECTS

Prospects for Growth & Sustainability

- Excellent prospects
- Interest and commitment appear to be high
 - NWGGA members
 - government officials
 - marketing & PR consultants
- Start by establishing
 - mission statement
 - image/theme/personality
 - measures for determining success
- Cash flow, Cash flow, Cash flow / specifically for start-up
 - government agencies are interested in promoting NE products and will provide financial support, services and advice.
 - sponsorships: financial and in-kind

QUESTIONS FOR NWGGA

The Key Questions for NWGGA

- Do you have the commitment?
 - to solicit sponsors and grants
 - to market and sell tickets
 - to recruit volunteers
- How do you fund start-up activities?
- Who manages the project?
- How do measure success?

QUESTIONS?

THANK YOU

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