

NGWB Grant Final Report (FY14-15)

Contract 18-13-259
Economic Impact Study

Grant Amount
\$17,500

Contact Information

Group: Nebraska Winery and Grape Growers Association Contact:
 Lori K. Paulsen
Phone: (402) 310-7264
Address: P.O. Box 82081
 Lincoln, NE 68501-2081
Email: lpaulsen@nebraskawines.com

Issue of Interest

The purpose of the project was to obtain a current economic impact study of the production of wine and grapes in Nebraska. Having a current Economic Impact Study from a reputable research firm is an important resource to show the importance and vitality of the grape and wine industry.

An Economic Impact study had not been completed for over 10 years in Nebraska. During this time, significant growth of the industry has occurred. This report is important because it allows the Nebraska wine industry to understand where it stands in the current business climate and to measure growth of the industry since the last study in 2005.

Having this current information is important because it give us credible, 3rd party data regarding the growth of the industry which is then shared with the Nebraska Dept. of Tourism, state and federal regulators, state and local policy makers, other wine Associations and all wine industry members.

Approach to the Problem

This grant allowed for the NWGGA to work with Stonebridge Research Group, LLC, the leader in strategic research solutions for the wine industry. The Stonebridge research group analyzed the current economic impact of the production of wine and grapes in Nebraska. They collected data from various state and local sources and compiled a comprehensive report.

Goals/Achievement of Goals

The goal was to demonstrate the competitiveness and sustainability of Nebraska's grape and wine industry by utilizing credible research to show growth in the industry.

The Stonebridge Research Group provided the final report entitled, "The Economic Impact of Nebraska's Wine and Grape Industry" in February 2015. The study is attached to this document.

Results, Conclusions and Lessons Learned

The results of the study showed a significant increase in the Economic Impact of the Nebraska Wine and Grape industry. Here are the highlights of the report (2013 data):

- Number of License Wineries (2013) 27
- Winery Revenue \$4.3 million
- Retail Value of NE Wine Produced \$6.9 million
- Value of Grape Crop \$629,853
- Full-time equivalent jobs 1,137
- Wages paid \$30.8 million
- Wine Related Tourism Expenditures \$36.8 million
- Annual Number of Winery Visits 175,000
- Full Economic Impact of NE Wine/Grapes \$150.8 million

The study showed that the industry has grown significantly since 2005 when the economic impact was approximately \$20 million compared to the \$150.8 million dollar impact as of the end of 2013.

One of the lessons learned is that it is important to use an industry leader in determining economic impact so that the information utilized in the analysis is consistent and credible. It's also important to conduct these studies at regular intervals in order to accurately track change and growth or decline.

Progress Achieved According to Outcome Measures

The study has shown that between 2005 and 2013, the Nebraska Wine and Grape industry has increased the economic impact from \$20 million to \$150.8 million, a gain of nearly \$131 million.

Financial Report

The total grant amount was \$17,500 to conduct the study. Total expenditure in the amount of \$17,500 was used for having the study conducted and delivered.