

Research Notes

Umpqua wine region rated #5 as a wine-tasting destination nationally by editors at TripAdvisor (www.tripadvisor.com) October 25, 2009 after compiling a list of North America's top 10 wine destinations.

In 2008, the United States is expected to have the highest wine consumption in the world. According to a Gallup Poll, wine has even surpassed beer in popularity.

Important Points

Oregon is the #3 wine-producing state in the nation and is located geographically between the #1 and 2 wine-producing states in the nation, California and Washington.

Latitudes

| | | | |
|-------------|--------------|----------------|--------------|
| Astoria, OR | 46 Degrees N | Beaujolais, FR | 46 Degrees N |
| Eugene, OR | 44 Degrees N | Bordeaux, FR | 44 Degrees N |
| Ashland, OR | 42 Degrees N | Rioja, SP | 42 Degrees N |

O&C Safety Net Issues

The expiration of the county and schools safety net, PL 106-393, is a source of grave and growing concern among counties and school districts not only in Oregon, but in 39 other states representing 780 counties and over 4,000 school districts.

The revested O&C Railroad grant lands and related BLM lands in Oregon contain approximately 2.4 million acres, and approximately 80 billion board feet of standing timber. The revested O&C Railroad grant lands were originally all in private ownership for many years, having been conveyed to the O&C Railroad Company in exchange for construction of a railroad. But the lands were not re-sold by the Railroad Company to actual settlers as Congress intended, so after decades of ownership by the Railroad they were taken back ("revested") into federal ownership, with the intent the federal government would sell the lands in small parcels so that they could again be returned to the private sector. That resale program was eventually converted to a retention and management program, but unlike national forest lands, Congress mandated that the O&C lands be managed for timber production on a sustained yield basis for the benefit of local communities.

While solutions are scarce, the problems are easy to state: Counties and schools nationwide need a permanent source of funding to replace decades of reliance on shared timber receipts. Oregon's schools, in particular, need funding assistance. Oregon Counties in the region of the O&C lands are in a particularly dire situation, as they have depended on shared timber receipts from national forest lands for road funds, and separately they have relied on shared receipts from the O&C lands to support general county services of all kinds. Over the last 15 years these historic programs have been undercut by drastically declining timber receipts, while battles continue to rage over the associated environmental issues and proposals to insure permanent protection for forested wildlife habitats.

The root of the problem stems from the federal government's control of 57% of Oregon land--of which 2,651,771 acres are O & C lands.

For the last half of the 20th century, 33 Oregon counties depended on O & C and other timber replacement revenues that resulted from [the O & C Act](#) and other federal programs and agreements. These federal payments became the mainstay for funding rural Oregon's public schools, roads, and other vital public services.

68% of Josephine County's General Fund revenues depend on federal timber replacement money; for Douglas County 69% and for Curry County 63% of their G.F. revenues come from federal payments.

Six Oregon counties will lose more than 1/3 of their GF budget.
Fourteen counties will lose more than 1/3 of their road and highway funds.
Oregon's large landowner is the Federal Government—57% of Oregon is "Federal Land"

A four-year renewal of the law, passed last year, authorizes an additional \$1.6 billion for the program **through 2011** and shifts substantial sums to states where the spotted owl never flew. While money initially was based on past logging levels, now any state with federal forests -- even without a history of logging -- is eligible for millions in Forest Service dollars.

According to the Roseburg News-Review, "Douglas County expects to receive \$46.5 million this month (January 2009) as part of its safety net payment. That's \$5.5 million less than during the 2007-08 fiscal year and payments in the next three budget cycles will decrease an additional 10 percent per year."¹ While the four-year continuation of federal timber safety net funding will rescue some counties from immediate loss of many county services and even save one county from dissolution, this crucial source of funding will expire in four years. "The loss of timber safety net revenue... makes diversification of a historically logging-dependent economy an economic imperative... One of the more promising areas has been UCC's Southern Oregon Wine Institute, a fledgling enterprise that will see the art and science of grape production and winemaking taught to students who can then go forth and help the region's burgeoning wine industry grow and flourish," noted Douglas County Commissioner Joe Laurence.

Wine Cluster and Economic Impact Info

...the economic impact of increased vineyard and winery output is not limited to these two sectors alone. Vineyards and wineries are simply the primary members of a collection of directly affected sectors appropriately dubbed the "wine cluster." Following the pattern observed elsewhere, wine production is not simply an enterprise aimed at manufacturing a commodity for export. There is of course that element, but beyond this, the region in and about the collection of wineries often becomes a destination for the "wine tourist" (i.e., the visitor attracted to the area by the prospect of wine tasting, and a collection of other auxiliary activities that make for an enjoyable outing). The most notable of these "auxiliary industries" are full service eating, drinking and fine dining, and lodging. The collection of vineyards, wineries, and associated eating, drinking and lodging places together constitute the direct portion of the region's wine cluster. "The Umpqua Wine Cluster: Definitions and Impacts," CCbenefits Inc., 2007

The case is made by many that the Umpqua wine region has similar if not more potential to become a thriving wine cluster. Jones, G.V., Nelson, P. and Snead, N. (2004). "Modeling Viticultural Landscapes: A GIS Analysis of the Terroir Potential in the Umpqua Valley of Oregon." *GeoScience Canada*, 31(4): 167-178.

Given the characteristics of the Umpqua wine region, and talk of a new enology and viticulture center there, we felt that a five fold increase in wine production and related activities over the next ten years is not improbable. Recall that the Walla Walla wine cluster saw well over a ten-fold increase in just over ten years. "The Umpqua Wine Cluster: Definitions and Impacts," CCbenefits Inc., 2007

According to this scenario, wine cluster-related employment will grow by nearly 5,000 jobs – a growth that will explain roughly 12% of all new jobs in the region over that period. In relative terms, economic development impacts at the smaller sub-regional level will be greater, providing opportunities for economic revitalization and even transformation. "The Umpqua Wine Cluster: Definitions and Impacts," CCbenefits Inc., 2007

A comparison of current wine cluster jobs (Table 2) and projected 2015 scenario wine cluster jobs (Table 3) indicates the potential growth: nearly 5,000 new jobs and \$115 million in added labor income indicates that the region is projected to grow by 39,000 new jobs over the next ten years. If 5,000 of these jobs are the result of growth in the wine cluster, then that growth can be said to be responsible for roughly 12% of overall job growth during that period. "The Umpqua Wine Cluster: Definitions and Impacts," CCbenefits Inc., 2007

The wine industry is recognized by the State of Oregon as a critical and emerging cluster within the agricultural sector. To reflect the importance of this industry Governor Ted Kulongoski signed legislation on September 23, 2003, establishing a new and independent Oregon Wine Board to manage and oversee Oregon wine marketing and viticulture research.

According to the Oregon Wine Board, Oregon ranks third in the U.S. for number of wineries and in 2006 the number of wine cases sold totaled 1,628,608. In a 2006 study by Full Glass Research Corporation funded by the Oregon Wine Board the following economic data were collected on the industry: *The sum of all economic activity in Oregon related directly or indirectly to wine is over \$1.4 billion. The net economic contribution, a measure of value added, is \$996 million.*

- *In 2004, wine-related jobs in Oregon totaled at least 8,479; related wages topped \$203 million.*
- *700+ Oregon wine grape growers produced a crop whose average annual value in 2003-4 was \$34.2 million.*
- *247 Oregon wineries bottled 1,419,170 nine-liter cases of wine and had revenues of over \$157 million in 2004. Oregon wine and grape sales to other states/countries were \$64.1 million.*
- *Retail sales of wine in Oregon from all sources were nearly \$371 million in 2004.*
- *In 2004, wine-related tourism contributed \$92 million in revenues to the Oregon economy.*
- *Wine-related activities contributed nearly \$42 million in tax revenues to the state government in 2004.*
- *The Oregon wine and wine grape industries contribute an estimated \$3 million annually to charities.*

UCC is fortunate to have an appropriate tract of land on its campus that is uniquely suited for growing grapes and the siting of a small test winery and testing lab. This "living laboratory" would provide students the opportunity to learn first hand in a real world environment about the wine industry.

The wine industry is also a critical component for Oregon and Southwest Oregon's tourism economy. Vineyards and wineries are important to expand the State's export market in other states and throughout the world. The emergence of the wine industry in Southern Oregon as a viable cluster strategy can be supported by the attached analysis conducted by Hank Robison, Ph.D. Dr. Robison describes the cluster as follows:

"As is the case with most economic development scenarios, the economic impact of increased vineyard and winery output is not limited to these two sectors alone. Vineyards and wineries are simply the primary members of a collection of directly affected sectors appropriately dubbed the "wine cluster." Following the pattern observed elsewhere, wine production is not simply an enterprise aimed at manufacturing a commodity for export. There is of course that element, but beyond this, the region in and about the collection of wineries often becomes a destination for the "wine tourist" (i.e., the visitor attracted to the area by the prospect of wine tasting, and a collection of other auxiliary activities that make for an enjoyable outing). The most notable of these "auxiliary industries" are full service eating, drinking and fine dining, and lodging. The collection of vineyards, wineries, and associated eating, drinking and lodging places together constitute the direct portion of the region's wine cluster.

Besides the direct industries, economic activity extends through familiar multiplier effects to other parts of the economy. These "indirect effects" of the wine cluster include industries that supply the direct and auxiliary industries, and through consumer income effects, industries that serve local residents, including retail of all kinds, dental and medical services, local schools, and local government. The overall role of the wine cluster in the local economy thus appears as the combined total of primary and auxiliary sector jobs and incomes.

The SO-WINE Initiative will create programs that will substantially increase the skill levels of workers, technicians, and professionals involved in the viticulture and viniculture of wine production. SO-WINE will also work to identify additional workforce training opportunities within the cluster including wine marketing and distribution, entrepreneurial supports, culinary arts, winery management, winery related fabrication and technology-related careers within the cluster.

Create an "occupational map" to identify current occupations and self-employment baseline levels and make predictions of future occupational needs within the cluster in the next ten years including viticulture; enology; inventory, distribution and logistics; winery management, viticulture and viniculture equipment fabrication and maintenance; wine-related culinary; sales and marketing; specialized cluster vendors and suppliers; hospitality related; and truck driving.

The Southern Oregon Appellation (AVA) was federally authorized as the macro viticulture area encompassing the previously authorized regions of the Umpqua, the Applegate and the Rogue Valleys. The rich variety of "micro climates" in southern Oregon provide distinctive vineyard requirements and unique grape properties. These climatic and grape differences require unique work processes and approaches in order to create the unique wines of the region.

Oregon's billion-dollar wine industry first took root in the Umpqua Valley in 1961. Since then the Pinots of the Willamette Valley have emerged dominant, lifting fortunes in towns such as Dundee, Carlton and McMinnville. But the Umpqua Valley, with its varied microclimates and complex topography (not to mention cheap land), has vast potential. A recent report commissioned by the college identified 140,000 acres of vine land in Southern Oregon, 40,000 of which were rated very good. The report predicts 5,000 jobs will be created over the next eight years in the Southern Oregon wine industry.

Umpqua's wine institute is modeled on Walla Walla College's 9-year-old Enology and Viticulture Program, where the number of nearby wineries has grown from 25 in 1999 to 125 in 2007 and wine now accounts for 15% of local jobs. Another successful program has long existed at Napa Valley Community College in California.

In southern Oregon's Umpqua Valley region, one of the most rapidly growing wine regions in the state, wine industry sales have increased between 15-20 percent per year during the last three years, said Steve Renquist, an Oregon State University horticulturist. Much of the growth can be attributed to an influx of new grape growers into the region and a growing market awareness of Oregon wines.

OSU Extension Service News, 5-30-07

The number of wineries in the state has tripled in the last decade, and last year alone 49 new wineries opened their doors. Today, there are more than 300 wineries across the state producing wine from 72 unique varieties of grape. Most of these are small operations, producing about 5,000 cases a year, according to the Oregon Wine Industry.

OSU Extension Service News, 5-30-07

Available Acreage

Napa, Sonoma and most of northern California cannot significantly expand production. Asking prices for (scarce) undeveloped acreage starts at \$200,000 per acre + current environmental restrictions do not allow new wineries to be built on the land.

Agricultural acreage in southern Oregon is abundant and ranges from \$2,000 - \$5,000 per acre with most acreage at the lower end. "... if you are talking about bottom land, zoned EFU, with irrigation rights, there was a 492 acre parcel of bottom land with 200 acres of irrigation that sold last October for \$1,750,000. (\$3,557/acre). I also have a 1,247 acre parcel of hillground with good grape potential for around \$2,000./acre. So, I think you are right on for land prices. I would use \$5,000/ acre for irrigated acreage, and \$3,000./acre for sloping dry-land acreage." Per Greg Johnson, GStiles Realty, Realtor of the Year in Douglas County, 2007.

Wine Grape Growth

Winegrapes have grown from the 37th to the 10th largest agricultural commodity in Oregon over the last 15 years 1994-2008 **Year over Year Average Growth:**

| | |
|---------------------|-------|
| Number of Vineyards | 7.7% |
| Planted Acreage | 12.8% |
| Bearing Acreage | 12.4% |
| Price per Ton | 9.5% |
| Number of Wineries | 13.6% |
| Tons Crushed | 16.1% |
| Cases sold | 12.4% |
| Value of production | 44.8% |

Source: http://www.nass.usda.gov/Statistics_by_State/Oregon/Publications/Vineyard_and_Winery/

2008 19300 acres 856 vineyards 395 wineries

from 2007 +1900 acres +64 vineyards +25 wineries

In 2004, wine-related tourism contributed \$92 million in revenues to the Oregon economy. Wine-related activities contributed nearly \$42 million in tax revenues to the state government in 2004.

“Economic Impact of Oregon State Wine” Full Glass Research 2005

Ultra-Premium Focus

Oregon winegrowers have successfully focused on the higher priced, higher quality segments of the wine market. Of the major producing states, Oregon growers get the highest average returns per ton. Oregon wineries realize the highest average revenues per case. Despite producing a much smaller volume of wine, Oregon winery revenues per capita (state population) are comparable to New York and Washington.

“Economic Impact of Oregon State Wine” Full Glass Research 2005

The market for Oregon wines outside of the Northwest is underexploited, offering good growth potential given Oregon’s reputation for quality. Wine tourism is also underdeveloped compared to other wine regions in California.

“Economic Impact of Oregon State Wine” Full Glass Research 2005

The romance and appeal of wineries and vineyards make wine regions a strong attraction for tourists. The upscale demographics of wine consumption ensure that many wine tourists spend more than the average visitor, boosting restaurant and hotel revenues in wine regions.

“Economic Impact of Oregon State Wine” Full Glass Research 2005

Oregon Wineries – Upscale and High Margin

Compared to other wine-producing states, the position of Oregon’s wines in the marketplace is unique. From the start, Oregon grapegrowers and wineries focused on modest quantity and very high quality. Oregon initially gained notice for quality and character in the high end of the market, now equivalent to \$15+ /bottle. Although the wineries have leveraged their reputation to compete in the \$8-15 market, Oregon has only a minimal presence in the low end of the market (wines marketed in 750ml bottles retailing for under \$8.00 a bottle). This makes Oregon less vulnerable to price-based competition from low cost high volume producers in areas like Australia, California’s Central Valley, Argentina, Chile, southern France, Spain and Italy.

“Economic Impact of Oregon State Wine” Full Glass Research 2005

Wine tourists spend considerable sums of money on hotels, restaurants and shopping. They also boost direct-to-consumer sales of wine, which is the revenue source with the highest margins for wineries.

Currently Oregon only sells less than half of its wine production outside the state; in contrast to Washington, which sells 75% of its wine outside the state, despite having a larger home market.

Leadership in sustainable and organic viticulture – Oregon appears to be one of the leading wine regions in terms of percentage of grapevines in these categories. Oregon is home to some important organizations in the field such as Food Alliance and LIVE. Figuring out how best to leverage this position will be another element in Oregon’s future success.

Growth in American Wine Consumption

From 1991 to 2004, sales of wine in the U.S. grew from 466 million gallons to 668 million gallons. Table wine sales went from 394 million to 591 million in the same period. (Source: *Wine Institute/Gomberg, Fredrikson & Associates*) Even more promising for Oregon, consumption of premium wine has grown at double-digit rates for most years since the early 1990s.

The premium wine boom in particular has both demographic and cultural causes:

- Demographic – the baby boomers, the largest generation to date in the U.S. population and its most important wine consumers, have hit their peak earning years. Wine consumption correlates strongly and positively with education level and certain professions. The population of college-educated and white collar/professional workers is increasing. The Echo boom generation is entering adulthood and is adopting higher-priced wines earlier than its predecessors.
- Luxury trend – the scope, variety and prices of high-end consumer goods have expanded dramatically since the 1990s.
- Gourmet trend – the variety and intensity of flavor of most foods and beverages have increased exponentially in the last two decades. Wine is arguably the least standardized and most intensely flavored of popular alcoholic beverages.

Research by Travel Oregon indicates that the average leisure trip consists of 2.6 adults and average spending is \$240 for overnight trips and \$110 for day trips. Applying these numbers to our survey results, we estimate wine-related tourism brings in \$92.2 million of spending each year, of which \$60.5 million is from out of state. These spending figures do not include wine purchased (which is covered in the direct sales portion of winery revenues).

Wine grapes

Grapes are the highest value fruit crop produced in the United States.

MFK Research, "The Impact of Wine, Grapes and Grape Production on the American Economy 2007"

Wine grapes were the fourth highest fruit crop in Oregon in 2004. Five years later they are number one!
2008 Oregon Department of Agriculture, "Oregon Agriculture Facts and Figures,"

Revitalization of Rural Communities

Wine, grapes, grape products and allied industries create employment and new market opportunities in rural communities.

MFK Research, "The Impact of Wine, Grapes and Grape Production on the American Economy 2007"

Wineries have proven particularly effective tourist magnets, attracting some 27 million visitors, and the many businesses which support them from hotels and bed and breakfasts to shops, restaurants and travel organizations, often reinvigorating the economies of their rural communities.

Such programs are gradually emerging in several states, often at the community or junior college level. Continuing to build this institutional infrastructure will help ensure the long-term strength of the US wine and grape industry.

Project Information

In the Fall 2008 Umpqua Community College (UCC) established the Southern Oregon Wine Institute (SOWI) as the first viticulture and enology program in Oregon outside the Willamette Valley. UCC initiated this program in response to the dire economic condition facing southern Oregon. The economic development mission of SOWI consists of a seven-county region including Coos, Curry, Douglas, Jackson, Josephine, Klamath and Lane Counties. The timber industry has long been the economic powerhouse for the largely blue collar population. In recent years, however, the decline of public land logging has impacted all of southern Oregon with massive layoffs that have led to high unemployment rates and a sinking economy. The national economic crisis has multiplied this to disastrous heights for our regional workforce, as the current seven-county average unemployment rate has climbed to a staggering 14.0%, compared to the national average of 8.5%, according to WorkSource Oregon (Jan. 2009). Additionally, the Roseburg News-Review states, "University of Oregon economist Tim Duy predicts job losses in Oregon will increase significantly at least through the first half of this year."

Southern Oregon is poised for growth, and has been compared to the Napa Valley, California in the 1960s and Walla Walla, Washington in the late 1990s before experiencing extraordinary economic growth due to the booming wine industry. As a result of this project, southern Oregon has the potential to realize a ten-year growth factor of 5,000 additional wine cluster related jobs and \$115 million in added labor income in the labor market.

This is an investment in the regional economy encompassing a variety of uses:

- Headquarters for the Southern Oregon Wine Institute
- Living laboratory with student-cultivated vineyards
- Industry-standard winemaking facility for educational and proprietary use
- Nationally recognized testing facility available to all regional wine producers at the facility (the closest facility is currently in McMinnville, 160 miles from Roseburg)
- New wine producers will have ready access to a Wine Incubator with state-of-the art winemaking equipment, small business development center services, capital financing plans and marketing planning
- Temperature-controlled wine storage facilities
- Tasting room as community gathering place, learning center and tourist draw

The facility will be designed for local winemakers to have access to equipment to start making and bottling wines for a few years before they are able to establish their own wineries.

The Southern Oregon Wine Institute at Umpqua Community College is located centrally to serve this seven-county area in a large rural region of southern Oregon, which includes Coos, Curry, Douglas, Jackson, Josephine, Klamath and Lane Counties. This area encompasses a 23,742 square-mile region with a total population of 875,362. This seven-county region served by this project is larger than nine separate states and the District of Columbia.

The purpose of the Southern Oregon Wine Economic Development Project is to create a vehicle for training and business opportunities in the regional wine industry, which is projected to stimulate the region's economy. Since the timber industry is no longer able to support the workforce, communities in southern Oregon are working together to reinvent the region as a center for agriculture and tourism.

This is a valuable use of taxpayer funds because this project will lead to self-sufficiency for counties in southern Oregon who have depended on federal timber revenues for many years. A fraction of the federal funding that will be lost with the timber safety net can be reinvested in southern Oregon for a return of training, jobs, tourism development and overall economic growth in an up-and-coming industry. A study completed by CCbenefits, Inc. confirms that southern Oregon has the potential to realize a ten-year growth factor of 5,000 additional wine cluster related jobs and \$115 million in added income to the labor market; a four-fold increase from the 1,200 current full/part time jobs in the region in the wine industry.

Scarcity of Skilled Labor

Concerns about a shortage of skilled labor are growing in the industry, whether it be winemaking, vineyard management or vineyard workers. The growth of the industry across the country has exacerbated the problem. The US still has relatively few institutions and programs for viticulture and enology education.

This labor shortage has constrained the continued expansion of the wine and grape industries as well as continuing efforts to improve grape quality and to identify the most appropriate grapes for cultivation in rapidly emerging wine regions.

Distance is a substantial barrier for cluster residents needing training.

Growing Demand for Wine

This growing demand for wine derives from a variety of underlying trends among American consumers, including:

- **Demographics:** All generational segments are increasing their wine consumption, led by baby boomers. While wine has long been the favored alcoholic beverage among women, men are increasingly joining them in consuming wine. Wine consumption is also increasing across nearly all ethnic groups and regions.
- **Consumer values¹⁰:** Americans are increasingly seeking opportunities to socialize in small groups and at meals, settings which are especially well complemented by wine. The diversity and quality of American wines respond to American consumers' exploration of new product experiences and rising demand for premium products.
- **Retail patterns:** Retailers are responding to this growing interest in wine by expanding the variety, quality and settings of their offerings, although many challenges for wineries still remain in this area.
- **Restaurant patterns:** Offering quality and diverse wine has now become a major marketing and business generation tool for America's restaurant industry, which is America's largest employer.

- Health effects: A variety of studies suggest that consuming wine in moderate amounts with food may positively affect the well-being of healthy adults, due to the health benefits associated with grapes, as described below.

Walla Walla

There may not be a single that that's had as much impact on Washington State's wine industry as the Walla Walla Community College's Center for Enology and Viticulture. Vintage: Walla Walla Valley, 2004

The degree and certificate programs offered by the Center combine a mix of conventional classroom training and experiential learning. Classroom training provides students with a foundation of enology and viticulture knowledge. Experiential learning provides a real-life, informal mode of acquiring skills that are context-specific, not easily communicated in a classroom setting, and best learnt through doing. Local industry support for vocational education and training enables experiential learning to form a central part of the curriculum.

Number one out of the top five places to retire in the USA in 2006.

<http://money.cnn.com/magazines/moneymag/bpretire/2006/>

Walla Walla, Washington

Population: 30,000

Maximum income tax: 0%

Sales tax: 8.3%

Typical three-bedroom house: \$275,000

Est. property tax: \$3,500 to \$4,100

This southeastern Washington town has become a destination for wine connoisseurs, urban refugees and roving retirees, despite its out-of-the-way location. 19th century Italianate-style commercial buildings are being revamped to house art galleries, bookstores and restaurants. Three colleges are hubs of activity for retirees, who can enjoy classical music, lectures or lifelong learning classes. Walla Walla home prices, up more than 50% over the past five years, are still affordable by big-city standards.

The program and the graduates it produces have helped buoy this struggling eastern Washington city of 30,000 once known for sweet onions and another big employer, Washington State Penitentiary. Now visitors to area wineries are driving its rebound, and wine students are one reason the population of Walla Walla, which declined in the second half of the 1990s, is rising. The community expects that 15% of its jobs will be created from the wine industry in the coming years. With wineries popping up, busloads of tourists are crisscrossing the area; on many summer weekends, every hotel -- from the upscale Marcus Whitman to the Budget Inn -- are filled. And community colleges from Idaho to North Carolina are trying to follow Walla Walla's example to bolster their own wine industries. Source: "How a College's Budding Vintners Helped Walla Walla Create a Buzz," The Wall Street Journal, January 4, 2008

According to an article in the Seattle Times, "*wine is pouring money into the valley. While most of Eastern Washington — and the state — struggles with an economic downturn, Walla Walla is enjoying the best economy in the state. Accommodations and eating places, a direct tie to wine tourism, boasted nearly*

6,000 jobs in Walla Walla County in the fourth quarter of 2002, with an economic impact worth \$18.5 million." (Mapes, 2003).

Quotes

It is clear that southern Oregon is perhaps the last undisturbed mecca for all types of fine wine.
by Dan Berger March 17, 2008

The study, conducted by an Idaho-based consulting firm, produced surprising facts. The consulting company came up with a model that this area would produce 5,000 wine-country jobs and create \$115 million in annual payroll, said Blaine Nisson, president of Umpqua Community College. That represents 12 percent of the region's economic growth. He said the Walla Walla example showed that over an eight-year period, the area grew from just 22 wineries in the late 1990s to 120 today, and our region has a number of advantages over Walla Walla. The latter area in far-eastern Washington, on the Oregon border, is a five-hour drive from Seattle. It is more than four hours by car from Portland. And what it offers to those who make the long drive is not much in the way of scenery unless you like looking at rolling wheat fields, said Andy Perdue, editor of *Wine Press Northwest* and author of *The Northwest Wine Guide: A Buyer's Handbook*. Nisson of UCC said, Walla Walla is off the beaten path, but this region has the Umpqua river, other streams for boating and fishing, a hunting industry, and the beauty of the nearby Oregon coastline

Oregon's Wine Country: An Alternative to Napa Valley

Who would have thought that Southern Oregon would become the Napa Valley of 30 years ago?
Global Writes, International Food, Wine & Travel Writer's Association

Oregon was that it lies roughly on the same latitude as Burgundy, France and has similar weather patterns.
Global Writes, International Food, Wine & Travel Writer's Association

Surrounded by a vast backdrop of mountains, rivers and green forests, Oregon wine country is small enough that visiting a diverse collection of wineries by car requires anywhere from a 45-minute to a three-hour drive between them.

Mile after magnificent mile of Southern Oregon's national parks, unique festivals, and spectacular scenery. Oregon wines coupled with organic fresh vegetables and fruits were served in many restaurants. Medford and its surrounding area has become one of the top "agritourism" destinations for travelers. Our visits included historic orchards and farms, award-winning creameries and wineries rich in tradition and taste.

This is also home to the famous Harry and David gourmet country store selling Southern Oregon-grown fruit and other delectable goodies. World-famous pears, mountains of chocolate and gifts to satisfy the richest of tastes—it all began with one man, Samuel Rosenberg, who passed his love of agriculture on to his sons, Harry and David, in 1914. The brothers have since turned the 240 prime acres of pear orchards in Southern Oregon's Rogue Valley into a thriving export market that stretches to the grand hotels and restaurants of Europe. The nearby fertile Rogue Valley is home to more than 35 award-winning wineries and vineyards offering the perfect location for relaxing wine tours and tasting rooms.

Rugged mountain valleys and diverse climates allow for a wide variety of intensely flavored grapes to be grown. The cooler areas produce wonderful Pinot noir, Pinot gris, Sauvignon blanc and Chardonnay while the warmer more arid regions ripen big reds such as Cabernet Sauvignon, Grenache, Merlot and Syrah.

Many other unique varieties such as Viognier are also produced here. This makes Southern Oregon one of the most diverse wine growing regions in the world with 56 wineries.

Imagine living in a place where the locally picked strawberries can be tasted for breakfast and fresh fish just caught from the river can be enjoyed for dinner? With an emphasis on sustainable organic practices, food producers build partnerships with many of the local restaurants.

Nestled between the Cascade and the Siskiyou Mountain ranges, the nearby town of Ashland provides a beautiful backdrop of evergreens and vineyards, half-way between Portland and San Francisco. Ashland is blessed with more than 80 restaurants featuring incredibly talented chefs. Mostly independent, family-owned and run, these restaurants are individual, unique and a joy to behold! If you love to dine and want variety, this town will delight you. Bakeries produce amazing blends of fresh breads, European pastries, cakes and pies. Locally made Dagoba chocolate, handmade ice creams, award-winning Rogue Valley Creamery cheeses and locally produced jams and vinegars are just some of the excellent food products. The Rogue Valley is rich in agriculture from pear, apple and peach orchards to a healthy new wine industry. Rolling hills, microclimates and the commitment to open space and organic practices all lead to making this area a special place to visit.

LEED Certification

Leadership in Energy and Environmental Design (LEED) certification for her winery. LEED encompasses a range of eco-friendly building strategies, including, but not limited to energy conservation, interior air quality standards, permeable pavement, and the use of non-toxic and recycled building materials.

LIVE Certification

Low Input Viticulture and Enology, Inc. (LIVE) practices. Though not as stringent as organic or Biodynamic certification, many producers in the northwest wine industry view LIVE’s attention to pest management, wildlife conservation, irrigation, and other farm practices, including a living wage for workers, as a step in the right direction.

LIVE—Low Input Viticulture and Enology—is an Oregon non-profit corporation certified in 2001 by IOBC, the International Organization of Biological Control and Promotion of Integrated Systems. This certification enables LIVE, in turn, to certify Oregon vineyards that demonstrate compliance with the internationally-based standards.

Public and private organizations that have supported/endorsed this project:

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|--|---|
| <p>Vineyard and Winery Industry Partners</p> | <p>Oregon Wine Board Oregon Winegrowers Association Southern Oregon Wine Association (SOWA) The American Vineyard Foundation Umpqua Valley Winegrowers Association (UVWA) Winegrowers of Lane County Rogue Valley Winegrowers Association Oregon Coast Winery Association Henry Estate Winery</p> |
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| | <p>Abacela Winery Wild Rose Vineyards MarshAnne Landing Winery Spangler Vineyards & Winery Trinchero Family Estates, Sutter Home Winery</p> |
| <p>Education and Training Regional Partners</p> | <p>Oregon Department of Community College and Workforce Development Umpqua Community College Lane Community College Southwestern Oregon Community College Klamath Community College Douglas County Education Service District Oregon State University Extension Service Southern Oregon University</p> |
| <p>Economic Development and Workforce Regional Partners</p> | <p>Norm Gershon – Umpqua Training & Employment Department Oregon Consortium and Oregon Workforce Alliance Oregon Economic and Community Development Department The Partnership for Economic Development in Douglas County Roseburg Area Chamber of Commerce City of Roseburg Economic Development Commission Coos, Curry, Douglas Business Development Corporation Rogue Valley Workforce Development Council</p> |
| <p>Government Partners</p> | <p>Douglas County Commission City of Roseburg Cow Creek Band of the Umpqua Tribe of Indians</p> |
| <p>Foundation and Business Partners</p> | <p>Umpqua Community College Foundation Allyn Ford – Roseburg Forest Products Carol Whipple – Rocking C Ranch Donna Woolley – Eagle’s View Management Company, Inc., and Wildlife Safari Andy Owens, Sr. – A & M Transport, Inc.</p> |