

# SVB Annual State of the Wine Industry Survey



## Survey Questions

For almost 30 years, Silicon Valley Bank has conducted this survey to gather and provide metrics, insights and trends in the wine industry. All respondents who fully complete the survey will receive gratis survey results that include anonymized detailed responses, summary analysis and more than 50 charts wineries can use to benchmark their performance. We scrub surveys that are incomplete or do not meet minimum levels of accuracy.

Please use this printable guide to review the survey questions before finalizing your responses, which **must be submitted via the online survey**. Thank you for participating in our annual survey!

**1** What is your annual case production?

**2** Estimate the average RETAIL price per 750ml bottle on the shelf for your wines in 2024.

\$

**3** How many years has your winery been selling wine commercially?

**4** From which region do you **primarily** produce your wine?

Napa County, CA

Oregon

Washington

Santa Cruz, Monterey, Santa Clara and San Benito Counties, CA

Paso Robles AVA

San Luis Obispo County, CA, other than Paso Robles

Livermore, CA

Solano, Yolo, and Contra Costa County, CA

Lake County, CA

Sonoma County, CA

Santa Barbara, CA

New York

Virginia

Texas

Mendocino County, CA

San Joaquin County, CA (Lodi/Clarksburg)

Northern Central Valley, CA (Valley counties from Sacramento north.)

Southern Central Valley, CA (Stanislaus, Fresno, Kings, Kern, Tulare, and Madera Counties)

Southern California (San Diego, Riverside (Temecula), and Los Angeles Counties)

Sierra Foothills, CA (Amador, Calaveras, El Dorado, Nevada, and Placer Counties)

Other counties or regions in the United States not listed.

5 If family run, which generation is currently running your winery? Please select one.

- Not family run
- 1st Generation
- 2nd Generation
- 3rd Generation
- 4th Generation
- 5th Generation
- Past the 5th Generation

6 Describe the percentage of wine sales made through each of the following channels in 2024. (Total must equal 100%. Please enter whole numbers i.e., 32; not 32% or 0.32.)

Wholesale on-premise	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Wholesale off-premise	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Export	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Tasting room or visitor center	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Wine club	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Allocation model sales	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Subscription model sales	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
On-site events	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Offsite events	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Telesales	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Internet and web	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Virtual tastings	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
Other, please list	<input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="text" value="%"/>
100%	

7 Expressed as a percentage, estimate your sales growth rate for the end of this year (2024) compared to last year (2023). Round your answers to the nearest whole number. For instance, if your growth rate in sales was -3.6%, you would round up and enter -4 without the decimal or percent sign.

8 During the past year, how successful were you in adjusting your business for the impact of higher costs? Please select one.

We **recaptured all of our higher costs** through a combination of bottle price increases, and/or a focus on managing expenses.

We **recaptured some of our higher costs** through a combination of bottle price increases and/or a focus on managing expenses.

We **recaptured the higher costs** by doing something other than increasing price or controlling expenses.

Though we tried, we could not **recapture our winery's higher costs**.

We haven't experienced cost increases.

None of these options describe our experience.

9 When the 2024 year is complete, our winery will probably say that it was...? Please select one.

The best year in our history.

One of our better years.

A good year.

Neither a good year nor a bad year.

A disappointing year.

One of our most challenging years ever.

The most difficult year in our history.

**10** Select the statement that most closely matches your belief about the net retail bottle price adjustments you expect to make in 2025. Please select one.

**Strong Decrease:** I need to take substantial price reductions on most of my wines.

**Moderate Decrease:** I need to take modest price reductions on most of my wines.

**Small Decrease:** I need to take some small price reductions on select SKUs.

**Hold Prices:** I can pretty much hold my shelf price on average.

**Small Increase:** I can take some small price increases on select SKUs.

**Moderate Increase:** I can take modest price increases on most of my wines.

**Strong increase:** I will be able to take substantial price increases on most of my wines.

**11** If you grow your own grapes, based on what you know today, how would you rate the quality of your 2024 harvest compared to an average year? Please select one.

Excellent

Good

Average

Below Average

Poor

We don't grow our own grapes.

**12** If you grow your own grapes, ignoring any unharvested acreage, what do you think your harvest yield per acre will be compared to historical averages? Please select one.

At or slightly below record-high yields.

Better than historical average yields.

Close to average historical yields.

Weaker than historical average yields.

At or near record-low yields.

We don't grow our own grapes.

**13** If you grow grapes, fill in the following blanks. If not, skip to the next question.

How many **acres** did you farm during the 2024 growing season?

What is your estimated **tons per acre** for the 2024 growing season?

How many **acres** do you **not** plan to harvest during the 2024 growing season?

**14** Estimate how much of your winery's tank capacity was used during the 2024 harvest. (If you haven't finished crush, please estimate. If you offer custom crush services, estimate only for your winery.)

We were short of sufficient tank capacity.

We harvested using between 90% - 100% of our tank capacity.

We harvested using between 80% - 89% of our tank capacity.

We harvested using between 70% - 79% of our tank capacity.

We harvested using between 60% - 69% of our tank capacity.

We harvested using between 50% - 59% of our tank capacity.

We harvested using less than 50% of our tank capacity.

None of the above.

**15** Select the response most closely matching your belief about your **wine supply**.

We believe the supply of our wine is **very short** of the expected demand.

We believe the supply of our wine is **somewhat short** of the expected demand.

We believe the supply of our wine **matches** the expected demand for our wine.

We believe the supply of our wine is **moderately in excess of what we need** to meet the expected demand.

We believe the supply of our wine is **well in excess of what we need** to meet the expected demand.

None of the above.

**16** If you purchase or contract for grapes, how much do you expect to purchase for the next growing season?

If you intend to buy more grape tonnage in 2025, please estimate the percentage increase from 2024. (Please enter the % increase below as a number without decimal or % signs)

%

If you intend to buy less grape tonnage in 2025, please estimate the percentage decrease from 2024. (Please enter the % decrease below as a number without decimal or % signs)

%

We will keep grape purchases in tonnage about the same in 2025 as in 2024.

We don't purchase grapes.

**17** If you purchase grapes for your winery under contract, how do you expect the price to change for new or renewing contracts in the next growing season? Please select one.

Prices will go up sharply.

Prices will go up moderately.

Prices will remain relatively consistent.

Prices will decrease moderately.

Prices will decrease sharply.

We don't purchase grapes.

None of the above.

**18 Winery Confidence Rating:** Based on what you know today, how will the below business factors impact your winery for 2024?

You will decide the direction the factor is moving, then rate each component's impact as positive, neutral, or negative for your winery. If the factor doesn't impact your winery, answer neutral. For instance, if you think the economy is trending in a negative direction but not having an impact on your winery, you will respond neutral. If the negative trending economy is impacting your winery, your response will be 'negative.'

positive  
neutral  
negative

The impact of the **economy** on your winery

The impact of changing **consumer demand** on your wine.

The impact of any changes in the **sales channels** in which you sell your wine.

The availability or price of **grapes or bulk wine** for your winery.

The availability or cost of skilled **labor** for your winery.

The evolution of national, regional, and local **laws and ordinances** on your ability to conduct business.

Changes in the availability, rates, or terms of **debt and capital** on your winery.

The impact of **foreign competition**.

The impact of **substitutes** on your wine sales, such as craft beer.

The impact of **climate** to your winery. (water, weather, pests, etc.)

The impact and use of **data management and/or artificial intelligence** platforms for your winery.

We've asked the following three questions for over twenty years with excellent response rates. Some may think the questions are sensitive in nature, but we have a track record and assure you that your answers are completely confidential.

**19** Describe the financial health of your winery by selecting one of the following statements that most closely reflects your winery's current financial condition:

**Rock Solid** (Very strong sales growth, strong margins, and profits combined with low levels of debt.)

**Very Strong** (Strong sales growth combined with good margins and profits, and only modest levels of debt.)

**Strong** (Positive sales growth combined with average margins and profits, and modest levels of debt.)

**Good** (Flat sales growth combined with average margins and profits, and average levels of debt.)

**Slightly Weak** (Flat sales growth combined with below-average margins and minimal losses. You may be stretching vendors on occasion to make debt payments.)

**Very Weak** (Negative sales combined with weak margins and modest losses. You may be stretching vendors consistently or selling assets to make debt payments.)

**On Life Support** (Large declines in sales and/or large losses. You may be past due on your bank loans and have already pushed your vendors as about as far as you can and need a miracle. Survival is still possible.)

**20** If you are considering an acquisition in the near term, what assets are you seeking to acquire? (Select all that apply.)

Not applicable. We aren't in an acquisitive mode today.

Brand

Vineyard

Winery or Production Facility

Hospitality space

Other. Please name

**21** In the next five years, presuming you receive a fair price, the sale of your winery would be:

Likely

Something you would seriously consider.

Only a remote possibility.

Unlikely

Not going to happen.

**22** How familiar is your company with the business upside of adopting advanced and predictive data analytics? Select the response that most closely represents your current belief.

We are not familiar with the business upside and are not interested in exploring the topic quite yet.

We know enough about the topic to conclude that we don't need to change what we are doing to be successful.

We are interested in learning more but feel largely lost on this topic today.

We are beginning to discuss how we want to adopt a range of solutions and strategies.

We understand the topic relatively well, but we know we have a ways to go to understand the full upside.

We have fully implemented a data management plan and use data and analytics widely in our company.

None of the above apply.

**23** Which of the following data analysis tools and practices do you employ to run your business? (Select all that apply.)

Manual data entry and data analysis using spreadsheets.

Automated, out-of-the-box reporting generated by your winery software in functional areas such as ERP, DTC, distributor sales management, inventory management, etc.

Tailored/Custom reporting and dashboards using vendors or customizable software.

Business intelligence software such as Power BI, Tableau, MicroStrategy, etc.

Dedicated internal staff responsible for collecting, managing, and cleaning data.

Active use of outside data management vendors.

None of the above.

**24** In the next few years, how important do you believe data analytics will become to the wine industry? (Select the response most closely aligned with your belief.)

I haven't given it any thought and don't have an opinion.

I don't believe data analytics will evolve much from how it's presently used.

I expect data analytics will meaningfully grow in importance and use.

I believe focused data analytics will become a defining characteristic of the most successful wineries.

None of the above.

Other

## You're almost done!

Once you've finished populating this guide with your answers to the survey, please visit

[https://svb.co1.qualtrics.com/jfe/form/SV\\_1FAcW49asHEfDcW?source=PDF](https://svb.co1.qualtrics.com/jfe/form/SV_1FAcW49asHEfDcW?source=PDF)

**to enter and submit your responses no later than October 20, 2024.**

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