

Department of Agriculture, Trade and Consumer Protection
Division of Agricultural Development
Agricultural Development & Diversification Program (ADD)

Grant Project Final Report

Contract Number: 16039

Grant Project Title: Establishing a Commercial Grape Production Industry as an Alternative to Tobacco Production – Year 2.

Project Beginning Date: July 1, 2001 Project End Date: June 30, 2002

Amount of Funding Awarded: \$8,000

Name of Principal Contact Person: Tim Rehbein, Sec./Treasurer
Northern Wisconsin Tobacco Exposition

Telephone: 608-637-5276 Fax Number: 608-637-5504

E-Mail or WEB Address: timothy.rehbein@ces.uwex.edu

Submitted by: Tim Rehbein Date: October 10, 2002

Department Contact: DATCP – Agricultural Development - ADD Grants
PO Box 8911
Madison, WI 53708-8911
Tel: (608)224-5137
Fax: (608)224-5111

A. Brief Project Description:

The tobacco industry in the northern growing region of Vernon, La Crosse, Monroe and Crawford Counties was a \$16 million dollar industry in 1980 in tobacco sales only. In 2000, the region had less than \$1 million in sales. The main purpose of the project is to continue development of a very young commercial grape industry to build back the lost economy of the tobacco industry. The project will help to establish a grape growers association to assist with problem solving, information sharing and development of a grape network among the growers. The project will also help in market development activities.

B. Summarize Project Achievements:

1. Job Creation – The project started in July, 2001 with 21 project participants in the grant program and an additional 4 vineyards started with 100% of the establishment costs paid by the grower. Since the start of the second year, two more growers have established a vineyard and the Westby High School Agriculture Department has established a vineyard for use in instruction and fund raising for the local FFA chapter. One of the original grape grant recipients has increased the size of his vineyard to a point where he did have to hire a person to help manage the vineyard. He estimated that this worker has over 400 hours in the vineyard and at a rate of \$7 per hour, comes to \$2,800 in new job creation.
2. New Capital Investment:
With the start of 3 new vineyards for a total of 2 acres and an investment of \$3200 per acre, approximately \$6,400 have been invested in the industry.
3. Diversification or expansion of the production:
To date, at the end of year 2 of the project, no products have been developed.
4. Market Expansion:
In addition to the initial list of marketing options available to wine grape growers, the group has initiated discussion with Northern Vineyards of Stillwater, MN about a “custom bottling agreement”. The initial response from the cooperative has been very positive. A cooperative representative has indicated that the board of directors will be asked about this possibility and a custom bottling charge will be determined. This would allow for a quicker income return to the project participants compared to having to start a new winery within the year. The group will still have to organize locally to handle the “producers” side of the agreement and under what structure they wish to operate. Long term plans still call for the development of at least one local winery.
5. Commercial application of new technology:
No new technology has been applied to the vineyard establishment phase of the project.
6. Improvement of the competitive position of Wisconsin’s agriculture industry:
With no production at this time, it is difficult to determine the improvement. It is estimated, however, that the project will be able to supply grapes as a needed raw product to already existing Wisconsin wineries, thereby reducing their need to import juice from other states.

7. Efficient use of farm land or other agricultural resources:
In an informal survey of the group participants, they have indicated that the use of their land in vineyards is much less erosive than tobacco or other traditional crops and all the participants have established sod cover crops in between the rows.
8. Sustainable practices and enhanced economic returns to farmers:
The “year 2” vineyard project has determined that new plantings can survive the winter in Wisconsin. Based on feedback from existing vineyards, grape vine longevity can be in the range of 20 to 30 years. This longevity will reduce the number of times the soil would have to be tilled or exposed to erosion.

C. Evaluation of the results and benefits of the project:

1. “Increase knowledge on commercial grape production”
The second year of the project concentrated on getting the vines ready for their first winter and the importance of proper pruning and training. Two special, in field pruning demonstrations were held in March, 2002 to teach and demonstrate the pruning and training. Between these sessions and one-on-one sessions, 100% of the project participants learned about training and pruning and 100% of them applied their knowledge to the pruning of their own vineyard. During the spring and early summer of 2002, the project coordinator conducted farm visits to project participants who needed extra help in understanding how to train a vine to the trellis system properly.
2. “Apply their selected grape production system based on the market potential of wine, juice and/or table grapes”
One hundred percent of the project participants constructed their trellis system based on the type of grape that they are growing. Of the 21 project participants, 5 are adopting the certified organic production practices.
3. “Supply the needed inputs to manage their established commercial vineyard”
Project participants continue to “grow” their vineyard enterprise. They are utilizing their labor and equipment to manage their vineyards.
4. “Re-build the agricultural economy that was lost due to the decline in the tobacco industry”
Local agri-business supply companies have increased new sales as a result of the project. A local cooperative has now started to carry a commonly used fungicide for several of the growers. Growers are buying other inputs such as sprayers and trellis equipment also.
5. “Continue the ‘grape grower’ network to enhance the education process and to provide added synergism with problem solving in the vineyard”
To date, none of the original 21 selected for the grant project have dropped out of the group and continue to participate in group functions.

D. Description of information or educational materials developed through the project (field days, presentations, manuals, directories):

Public information- A bus tour to two of the vineyards was conducted on October 2, 2001 for county board members from the WACEC 2 district. Counties attending were: Vernon, Columbia, Grant, Green, Richland, Jackson, LaFayette, Dodge, Rock and Sauk. The county board members were informed about the reasons for the grape project, the ADD grant funding source and then toured the vineyards.

Educational materials used: The "Growing Grapes in Minnesota" handbook is still used by the project participants as the source of educational material. It is also the main item that is mailed to clientele when requests for information are received by the Vernon County UW-Extension Office. The "Fruit Spraying Calendar 2002" from Michigan State University Extension Service is a key document used for pest management control.

Presentations: The project coordinator was asked to give a presentation on the project to the Viroqua Economic Development Committee on May 8, 2002. The committee was very supportive of the program and indicated that if a winery would be located in the region, they would like to work with the group to see if the winery could be located in Viroqua.

Educational sessions: The project coordinator organized and carried out a disease management class on Saturday, February 9, 2002. The main presenter was Paul Tabor of Tabor Home Vineyards, located just south west of Dubuque, Iowa. He informed the group of the need for a solid disease prevention program for the vineyard. The project coordinator made available the pest management recommendations for grapes from Michigan State, Iowa and Minnesota.

The project coordinator attended the Ohio Grape and Wine Industry Short Course, February 16 through the 19th. Information was gained on grape production and wine production from presentations made during the short course. Contacts were also made with the trade show exhibitors.

Due to a winter storm, the trip up to the Minnesota Grape Growers Association Spring Symposium was cancelled.

Pruning and vine training sessions were held on Saturday, March 9th at Larry and Donna Mikshowski's vineyard with John Marshal leading the training. Blue Bell grapes for the fresh market and pick your own was highlighted. A second session was held on Saturday, March 16th with Robin Partch leading the session highlighting the Edelweiss grape.

At the invitation of Bob Wollersheim from Wollersheim Winery at Prairie du Sac, the project coordinator and a member of the steering committee attended the Wollersheim Grape Growing School.

Wine making may become an important option for some of the grape growers wishing to add value to their crop. Based on this, the project coordinator attended a "Basic Testing Practices for Grapes and Wine" day long course at the University of Minnesota Wine research facility. The course covered equipment needed to test grapes prior to harvest and the juice after harvest.

E. Future projections resulting from the receipt of grant funds:

More vineyards will be established in the years to come. Every member of the grant project continually displays a positive attitude and a strong commitment to make the project successful. It is this strong positive attitude of the group that will (and has) caused other non-grant recipients to become interested in grape production. With new growers starting each year and some of the current growers already expanding acreage, the coulee region of south west Wisconsin is fast becoming the grape growing region of the Upper Mississippi Valley.

F. Other appropriate information related to the project:

During the second year of the project, the grant recipients and the other grape growers have agreed to function informally under the name of "The Coulee Region Grape Growers Association". Future meetings of the group will determine more specifically what further structure will be developed.

Respectfully Submitted,

Timothy K. Rehbein
Project Coordinator