

MARYLAND GRAPE GROWERS ASSOCIATION

2008 VINEYARD SURVEY SUMMARY

KEY MARYLAND VINEYARD STATS FOR 2008 (2006 in Parenthesis)

Total MGGA/MWA Surveys Distributed: 270 (226)	Total Vineyards: 132 (121)
Total Survey Participation Rate: 83% (94%)	Total Vineyard Acres: 535 (431)
Total Wineries: 33 (26)	Total Vines: 440,000 (296,000)
Total Commercial Growers (Excl wineries): 22 (23)	Total 2008 Tons sold To MD Wineries: 172 (224)

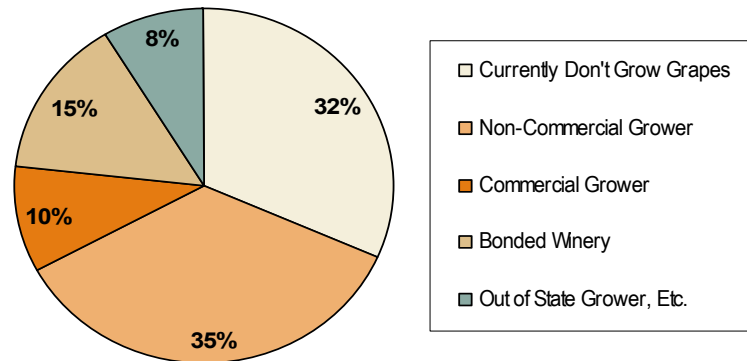
Survey Administration

In October 2008, a one-page vineyard survey was mailed to 270 current and previous members of the Maryland Grape Growers and Maryland Wineries Associations. Of the 270 surveys distributed, the Maryland Winery Association collected and compiled 33 surveys related to the wine grape growing activity of Maryland Wineries. One of the wineries grow exclusively for the purposes of making Vinegar, so their results are not included in the winery totals presented throughout the report. In addition to the wineries, 191 non-winery responses were returned, resulting in an 83% participation rate (224 out of 270). Since not all members participated, and we can't be sure that all Maryland grape growers belong to the Association, results provided are the best estimate available but probably under-represent the total Maryland grape growing activity.

Membership

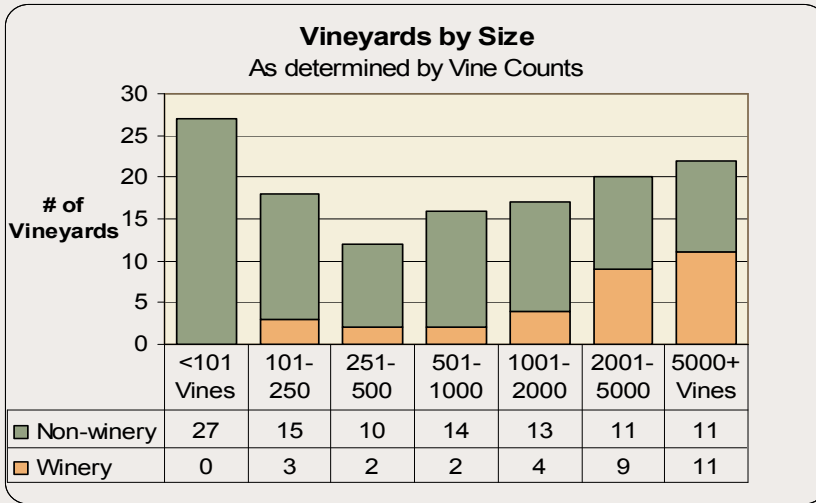
The majority of MGGA/MWA members (67%) currently do not grow grapes or grow them for personal use only. While many of that group are hobby growers with no desire to expand, thirty percent plan to be selling grapes to Maryland wineries by the year 2012, resulting in 44 additional commercial growers. By the end of 2009 there will be an additional sixteen wineries, five of which will be started by existing commercial growers. Throughout this report the definition of a commercial grower is one who sold grapes to a Maryland Winery in 2008.

Total Survey Respondents
Representative of the MGGA/MWA Membership



Membership Future Plans	Total Responses	Plan to be a Commercial Grower by 2012	Plan to be a Winery by 2012
Currently Don't Grow Grapes	71	20	7
Non-Commercial Grower	79	24	11
Commercial Grower	22	n/a	7
Bonded Winery	33	n/a	n/a
Out of State Grower, Etc.	19	n/a	n/a
Grand Total	224	44	25

MGGA 2008 VINEYARD SURVEY SUMMARY (Continued)



Vineyard Size and Type

There are at least 132 vineyards across the state, representing 535 acres and over 440,000 vines. That represents a 24% increase in acreage over the two year period since the 2006 survey and a 49% increase in vines. Remarkably, growers also project a 23% acreage increase from 2008 to 2009. There are 22 vineyards that have more than 5000 vines, half of which are wineries. There are two wineries that do not have vineyards.

On the chart below, note that there are nearly as many non-commercial acres of grapes as commercial (non-winery). This could be taken as evidence of the influence the Vineyard Capital Assistance Grant had on promoting plantings by first-time growers. There is now a vineyard in every Maryland county.

2008 MARYLAND VINEYARDS	ACRES				VINES			
	Non-Commercial	Commercial Grower	Winery	Total	Non-Commercial	Commercial Grower	Winery	Total
Total	121.2	129.8	284.1	535.1	85,185	95,795	259,195	440,175
Allegany	2.3			2.3	2,800			2,800
Anne Arundel	1.3	9.0	9.0	19.3	352	6,000	3,300	9,652
Baltimore	26.8		42.0	68.8	15,460		34,300	49,760
Calvert	2.7		24.3	27.0	1,698		14,900	16,598
Caroline		16.5		16.5		12,850		12,850
Carroll	5.0	53.5	1.9	60.4	1,950	41,618	3,270	46,838
Cecil	8.5	0.3	15.5	24.3	8,351	107	8,275	16,733
Charles	0.7			0.7	549			549
Dorchester	4.0	1.5		5.5	2,250	500		2,750
Frederick	10.0		128.1	138.1	7,268		132,850	140,118
Garrett			2.0	2.0			1,100	1,100
Harford	1.3	5.3	15.5	22.0	893	5,566	14,100	20,559
Howard	3.5		0.3	3.8	1,550		450	2,000
Kent	0.3	2.5		2.8	255	1,571		1,826
Montgomery	0.7	4.8	12.5	17.9	250	3,400	23,000	26,650
Prince George's	5.0			5.0	2,446			2,446
Queen Anne's	5.8	24.0	18.3	48.1	4,172	16,831	12,250	33,253
Somerset	0.1				24			
St. Mary's	22.0	5.0		27.0	15,061	3,167		18,228
Talbot	2.2	4.5	4.0	10.7	1,178	2,755	3,400	7,333
Washington	17.3	3.0		20.3	17,406	1,430		18,836
Wicomico	0.5		10.8	11.3	322		8,000	8,322
Worcester	1.5			1.5	950			950

This chart highlights the surge in non-commercial and winery growth and also the trend towards reduced vine spacing per acre.

2006-2008 COMPARISON	ACRES				VINES			
	Non-Commercial	Commercial Grower	Winery	Total	Non-Commercial	Commercial Grower	Winery	Total
2006	69.6	120.9	241.5	431.9	32,296	87,361	176,397	296,054
2008	121.2	129.8	284.1	535.1	85,185	95,795	259,195	440,175
% Increase	74.1%	7.4%	17.7%	23.9%	163.8%	9.7%	46.9%	48.7%

MGGA 2008 VINEYARD SURVEY SUMMARY (Continued)

Grape Varieties

There are at least 96 varieties of grapes growing in Maryland. Statewide, we've seen an increase from 668 vines per acre in 2001 to the present 823 vines per acre in 2008. The wineries current average is 912 vines per acre. The top eight varieties remain unchanged from 2006 and all except Cabernet Sauvignon have major 2009 plantings (over 5000 vines). Petit Verdot is the only other variety with more than 5000 vines being planted in 2009.

Malbec, Barbara, Viognier and Petit Verdot have shown the largest vine count increases since 2006; all of their counts have more than tripled. It is interesting to note that three of the four are red vinifera.

Cabernet Franc is the most commonly planted variety, by far. It can be found in 75 of the 132 vineyards - 57% of all Maryland vineyards. Chardonnay is the next most common (44%) followed with a tie between Cabernet Sauvignon, Chambourcin and Merlot (all at 42%).

In 2009, we'll see Maryland vineyard growth of more than 20% as measured by both vines and acreage.

In 2006, we could only document 74 varieties grown in the state, but that number has increased by 22. We're seeing many growers experimenting with test plots of new varieties.

MARYLAND STATEWIDE VARIETAL SUMMARY

Variety	Total 2008 Vines	Ttl 2009 New Vines	Total 2009 Vines	% Increase
TOTAL REPORTED	440,175	94,039	534,214	21.4%
Cabernet Sauvignon	61,871	4,537	66,408	7.3%
Chardonnay	52,871	13,357	66,228	25.3%
Merlot	53,100	5,937	59,037	11.2%
Cabernet Franc	46,210	8,705	54,915	18.8%
Chambourcin	38,639	12,270	50,909	31.8%
Vidal Blanc	27,260	9,669	36,929	35.5%
Pinot Gris	15,701	9,422	25,123	60.0%
Seyval Blanc	12,895	5,560	18,455	43.1%
Syrah/Shiraz	14,916	200	15,116	1.3%
Cayuga	14,110	0	14,110	0.0%
Petit Verdot	7,837	5,139	12,976	65.6%
Traminette	10,348	1,965	12,313	19.0%
Viognier	8,224	2,062	10,286	25.1%
Barbera	5,419	2,410	7,829	44.5%
Pinot Noir	6,792	0	6,792	0.0%
Malbec	4,624	1,130	5,754	24.4%
Gewurztraminer	4,607	850	5,457	18.5%
Sauvignon Blanc	4,536	25	4,561	0.6%
Norton/Cynthiana	2,696	1,400	4,096	51.9%
Albarino Fore	1,209	2,500	3,709	206.8%
Sangiovese	1,984	1,080	3,064	54.4%
Vignoles	2,930	0	2,930	0.0%
Niagra	2,896	0	2,896	0.0%
Montepulciano	850	1,300	2,150	152.9%
Zinfandel	1,400	400	1,800	28.6%
Concord	1,781	0	1,781	0.0%
Chancellor	1,235	50	1,285	4.0%
Gruener Veltliner	1,080	0	1,080	0.0%
Nebbiolo	780	97	877	12.4%
Riesling	870	0	870	0.0%
Reliance	659	0	659	0.0%
Pinot Blanc	621	0	621	0.0%
Lemberger	566	0	566	0.0%
Petit Manseng	430	100	530	23.3%

Maryland Varieties with fewer than 500 vines include:

Aglianico	DeChaunac	Hibernal	Petit Sirah	Tannat
Aleafico	Diamond	Himrod	Pinotage	Tempranillo
Aurora	Dolcetto	Interlaken	Primitivo	Thompson Seedless
Baco	Durif	Landot	Rayon d' Or	Tinto Cao
Bianca	Fiano	Leon Millot	Roussanne	Touriga Nacional
Canadice	Flame	Liniae	Rubired	Verdejo
Carmenere	Foch	Malvasia Blanca	Saturn	Verdelho
Catawba	Freisa	Mars	Semillon	Vernaccia
Chardonnal	Frontenac	Marsanne	Souzao	Villard Blanc
Chelois	Gamay Noir	Mourvedre	St. Vincent	Villard Nior
Chouchillon	Golden Muscat	Muscat Ottonel	Steuben	Viozinhos
Columbard	Graciano	Negro Amaro	Suffolk Red	
Counoise	Grenache	Noiret	Swenson Red	

MGGA 2008 VINEYARD SURVEY SUMMARY (Continued)

Commercial Growers (Non-Winery)

There were 22 growers that sold grapes to Maryland Wineries in 2008 vs. 23 in 2006. They represent 130 acres located in twelve counties, with Carroll County accounting for more than 43% of the vines. A total of 172 tons were reported sold in 2008 to Maryland Wineries and 9 tons were sold elsewhere (fruit stands, pick-your-own, etc.), resulting in an average yield of approximately 1.4 tons per acre, based on total vines (not harvested vines). The 2008 tons sold was 52 tons less than the amount sold to wineries in 2006. One of the variables that might account for the loss include reports of higher than normal disease pressure in 2008. Of the seventeen commercial growers from 2006 that reported in 2008, 11 had lower yields in 2008. Vidal Blanc, Chardonnay and Cabernet Franc were the most commonly sold varieties, with Vidal Blanc representing nearly 25% of the total tons sold. Red Vinifera average prices ranged from \$1500 to \$1,833. There were only two white vinifera sold, Chardonnay and Pinot Gris. Average prices are not shown for single purchases of one variety to protect confidentiality.

2008 Varieties Sold by Maryland Commercial Vineyards to Maryland Wineries

	Commercial Non-Winery Growers			Non-Winery Plantings	
	Commercial Growers	Tons Sold to Md Wineries (172 Total)	Avg Price Paid by MD Winery	Total Vines of this Varieties	Statewide 200+ Vine Plantings
Vidal Blanc	9	42.1	1,050	27,260	15
Cabernet Sauvignon	8	27.8	1,833	61,871	15
Merlot	5	19.5	1,533	53,100	15
Chardonnay	9	17.1	1,550	52,871	18
Cabernet Franc	9	15.0	1,521	46,210	17
Seyval Blanc	4	11.0	850	12,895	4
Chambourcin	7	10.5	950	38,639	19
Pinot Gris	1	8.5	-	15,701	4
Traminette	4	6.1	1,300	10,348	9
Sangiovese	1	5.3	-	1,984	2
Chancellor	2	3.6	875	1,235	2
Pinot Noir	2	1.8	1,600	6,792	3
Barbera	1	1.1	-	5,419	2
Noiret	1	1.0	-	400	2
Lemberger	1	0.5	-	566	1
Villard Blanc	1	0.5	-	402	0
Cayuga	1	0.4	-	14,110	2

Maryland Wineries

There are 33 Maryland Wineries, but one grows grapes and currants for Vinegar production, so their numbers are excluded. In 2008, the 30 wine producing winery vineyards grew 284 acres of grapes, or approximately 260,000 vines, throughout thirteen counties. Frederick County has the most wineries. The wineries harvested 465 tons of grapes and purchased 172 tons from Maryland Wineries. The total Maryland tons used (bought and grown) was 637, yielding a winery shortfall of 1.25 tons purchased outside the state for every ton grown in Maryland.

MARYLAND GRAPE INDUSTRY GROWTH

	2001	2006	2008	2009 Forecast
Total Vineyards	75	121	132	142
Commercial (Non-Winery) Vineyards	Not Available	23	22	23
Wineries	12	26	33	49
Vines	141,686	296,054	440,175	534,214
Vineyard Acres	212	431	535	660

There will be 11 new commercial growers in 2009 but 5 of them will become wineries - we will also have 5 existing commercial growers become wineries- resulting in a net Commercial grower change of +1

Summary

There continues to be a significant shortfall in Maryland grape production to be able to meet winery demand, but there has been tremendous industry growth since 2001. The number of vineyards in Maryland has nearly doubled and acreage has more than tripled. There will also be four time more wineries in 2009 than 2001. The numbers also point to a surge in additional commercial vineyard start-ups to continue to fill the demand for Maryland Grapes.