



Western Iowa Grape Grower's Association, Inc.

January 2006 Annual Meeting

Report from Richard Black
Western Iowa Delegate to the Iowa Wine Growers Association

The major issues and actions that came before the IWGA board (April through November), which will influence WIGGA member's interests as growers and operators of Native Wineries were those associated with ABD legislation, and the United States Supreme Court decision on the Granholm case.

Legislation and the passage of a 5% gallonage tax on wines imported into the state for sale wholesale and sold at wholesale, and the transfer of 5% of this tax to the Wine Development Board to establish objectives and administrate a grape and wine development program to enhance and develop the native wine industry: and to provide an infrastructure to encourage the growth of the native wine industry in the state.

The Alcohol Beverages Division definition of (state code) 'Native Wine' as wine manufactured in Iowa; and 'Native Winery' as a manufacturer who processes in Iowa, the fruit, vegetables etc. etc. or any combination of those ingredients, by fermentation. The key word in each definition is 'manufacture', receiving strong discussion by members of the board.

These definitions in the Iowa code are, or will be challenged by the Wine Institute, the Iowa beer distributors and possibly others. The Granholm decision opens a host of questions involving the definition of native wine and native wineries, and the legality of the 5% tax transfer to the Wine Development Board.

The practice by some wineries of importing 'blending wine' received strong discussion from mixed viewpoints by members of the board. This brought forward the word 'manufacture' in the state code definition. Ideas concerning blending ranged from 75-25% to 51-49%. The board also recognized a conflict between Federal and Iowa definitions of wine by alcohol (Federal 1-17% and Iowa 5-17%).

Dr. Murli Dhamadhikari was introduced to the board in July and at the November meeting presented his 'Vision Statement, Iowa 2020', a 3 and 5 year plan for at ISU for setting the course of the Enology/Viticulture Industry in the State of Iowa. Considerable discussion was given to the organization, structure, and function of the center. Subsequent recommendations by Dr Dhamadhikari refined the intentions of the center concerning its structure and function as a regional institute promoting the development of a quality Iowa wine to become ranked third in the nation. Long range plans would see the institute become a regional enology/viticulture center for surrounding states.

Other issues under consideration involve the make up of the board; increasing members from 6 to 7, and the representation of growers on the board. This may be of significance in the near and long range importance of winery/grower issues.