

## History of the Industry

The history of wine production is glaringly consistent, even repetitive, as seen in every winegrowing region, in every winegrowing era, across the globe. Western Europe, Eastern Europe, Argentina, Chile, South Africa, Australia, New Zealand, California, New York, Virginia, Minnesota... (just to name a few) show inarguable parallels in their evolutions having begun with vineyards. The parallels continue in each case where the wine took over as the industry driver and led to failure. Then we see parallels in each region's recovery stemming from the reassertion of vineyards, and the lands producing them, into the forefront, as leading each wine industry. Montana, ever the individualist, has the unprecedented distinction of developing a wine production industry by circumventing vineyards and going straight to opening wineries. The resulting environment is that of a state government recognizing and regulating wineries as singularly alcohol producers without regard for their inexorable tie to agriculture. This paper is an analysis of that wine production, regulation, and distribution environment to serve as the justification for a legislative solution to follow.

### France:

- Vineyards first, localized/identified wine from region to valley, to vineyard, to acre
- “Negotiant” concept of marketing bulk wines (not regions) as the product
  - ✓ Temporarily stopped France as the world’s most sought-after wine
  - ✓ Facilitated “New World” vineyards and winegrowing across the globe
  - ✓ Required reconnection to ag (appellations, estates...) to recover
  - ✓ Resulted in separate identity and new word referring to “alcohol” in wine
  - ✓ Resulted in Agriculture being the most influential cabinet position

### Argentina:

- Vineyards first, localized/identified wine from region to valley, to vineyard, to acre
- Bulk production/sales to Buenos Aires outcompeted the local markets
  - ✓ Resulted in infamously poor-quality wine un-marketable overseas
  - ✓ Richard Catena (hired a Californian wine maker) to focus on specific varietal planting and marketing wines from these specific varietal plantings

### California:

- Vineyards first, localized/identified wine from *varietal*, then valley, to vineyard, to acre
- Bulk production/sales evolved into Coca Cola/Seagram’s focus-group flavor profile marketing
  - ✓ Developed “negotiant” creating *Two Buck Chuck*
  - ✓ Reputation of common-profile wines and dramatically decreased perceived value
  - ✓ Currently much emphasis on regaining regional identity (Sonoma City restricting development of out-of-region tasting rooms)

### Montana:

- Wineries first, 1980s  
(*Although wineries and hobbyists had been experimenting with small plots of vines, most often developed for the cold climates surrounding the Great Lakes, the year 2012 saw the first plantings of Montana State University scientific trials.*)
- Several (perhaps all) original winery pioneers, of 15 years ago and more, have openly held opinions, perhaps at the time accurately, of the unsuitability of quality and volumes from Montana grown vineyards
  - ✓ Compelled wineries to opt for other fruits and/or out-of-state grapes and/or finished wine.
  - ✓ Resulted in wines’ market identity as unique but novelty, limited to tourist markets

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- All business models, consequently, regulations, were designed around wine bars with no focus nor regard for vineyard identity.
  - ✓ Resulted in wine bar styled tasting rooms capitalizing on imported grapes and wine as inputs to production
  - ✓ Incentivized out-of-state growers/producers to open wine bars in Montana, acting as wineries and, able to capitalize on their states' well-established economies of scale
  - ✓ Fostered poor engagement with distributors and retailers
    - Concern for authenticity in marketing "Montana wine" from out of state
    - Unreliable/unsustainable volumes
    - Competitive view of wineries importing wine as unregulated importers
  - ✓ Cannot represent "Taste Our Place"
  - ✓ Must market "local wine bar" experience (note: current, negative opinions of Montana grown grapes expressed on websites of Waters Edge, Yellowstone Cellars, Monta Vino, and Velo, with wines from out of state production)

## Agricultural Foundation/Connection

*Agriculture-Winery-Producer-Consumer-Agriculture...*

Grapes are an annual crop. They are not available for wine production throughout the year. In all winegrowing regions of the world, wines are identified by the region of the vineyards reflecting geography, geology, climate, and all things nature. In all cases these wines are governmentally regulated in their production and labeling to reflect and protect the integrity of their respective agriculture. Wine is *grown* as a vintage year's harvest. Essentially, wine is direct, value-added agriculture. Wine is food but with alcohol in it. To that point, the following guide traces the progressive connection from the local agriculture, through the wines, to the consumer, and ultimately returning to the agriculture.

### Consumer-Agriculture Connection:

- Begins with vineyards' sites (agriculture), then wine, then consumers who identify the wine from its varietal and/or region (agriculture)
- Federal label requirements regard varietals, geographical/geological references, and vintage
- DtC (Direct to Consumer) wine sales in 45 states, not for beer/spirits (consumer-driven by demand for wine as representation of "place," not for beer/spirits)
- Culturally a food element, as opposed to alcohol "effects" (wine as an element of dining, not "doing shots" of wine, not picking up a keg of wine for a frat-party...)
- Closely localized agriculture, as opposed to commodities/grains used in other beverages
  - ✓ Translates to consumer's direct recognition of MT culture and nature
  - ✓ Localized as: Tobacco Valley, Flathead, Clark Fork, Bitterroot, Yellowstone Valley ...
  - ✓ Market recognition of terms: "Terroir", "Wine Country", "Winegrower"
- Consumer expectation of sales/events/tours held at vineyard/winery (agritourism)

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Consumer-Producer Connection:

- Consumer expectation (demand) of winery and wine connection to vineyards
- Consumer expectation of direct, “hand” sale, sense of personal relationship
  - ✓ Direct to Consumer (DtC) sales have increased 9%-16% annually since 2006 (COVID era spiked DtC sales 29%)
  - ✓ Expectation of traditional Tasting Room parameters (as opposed to “wine bar” model)
    - Each wine identified by varietal(s) and vineyard(s)
    - Located in “Wine Country” (translation: among vineyards)
    - Expectation of producer performing manufacturing from specific vineyards
    - Minimal tastings (rather than focused entirely on full glass pours)
    - Sales of sealed packaging (bottles/cases) only
    - Average 13-minute customer visit with average \$269 sale (WA statistic)
  - ✓ Consumer expectation of events/tours held at vineyard/winery (agritourism)

Wine/Winery-Agriculture Connection “Co-dependence”:

- Wine grapes are the most common input/source for premium wine production around the world AND wine is the only sustainable market for wine grapes
- Winery facility equipment/volumes/capacities, and intended wine styles reflect the tonnage and varietals of grapes used as inputs  
*(A note regarding “other fruits” ... Several different fruits are available in Montana as inputs to winemaking. Agriculture is the foundation of wine in this paper. The proposed resolutions to the issues highlighted involve the definition and regulation of production of wine from the fruit. The logistics regarding the production processes and yields, not to mention the applicability of AVAs (American Viticulture Areas), compel each fruit to have its own definitions. This paper and these issues focus singularly on grapes.)*
- Financial burden of vineyard installation and time-lag to grape production is translated to wine production costs AND, for estate vineyard/wineries, the lag to a revenue-producing wine product is added to that burden
- Crush (winemaking) begins at grape harvest (no long-term warehousing of raw materials)
- Wine identity and marketing to consumer is based on grape varietals and growing regions such as California Cabernet, Napa Cabernet...

## Specialty Crop Ag Economics

Compared Economic Viabilities of an Independent Vineyard with a Value-Added Vineyard/Winery

Viable on small acreage relative to historical Montana commercial agriculture:

- +/- **20 acres** to be economically viable as **standalone vineyard**:
  - ✓ **Revenue:** Approx. 700-800 vines per acre / Approx. 10 lbs. grapes per vine / Yield 75 ton in grapes / @ \$2,000 per ton / **Yield \$150,000**
  - ✓ **Expense:** Labor (approx. \$3.00 per vine) \$45,000 / Chem? Fuel? Ground Svc? Small tools? (\$0.50 per vine) \$7,500 / overhead and depreciated equip (\$40,000/15 yrs.) \$2,700 = **\$55,200**
  - ✓ **Net:** \$150,000-\$55,200 (assuming established land ownership) **\$94,800**

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- +/- **6 acres** to be viable **with added value wine sales**
  - ✓ **Revenue:** Net grapes yield 22.5 ton (calculations from preceding passage)
    - Approx. 55, 9-liter cases of wine per ton / Yield 1,238 cases wine
    - (Debatable retail sale price) \$20 bottle / \$240 case / **Yield \$297,120 revenue**
  - ✓ **Expense:** (vineyard operations at 17% increase/vine from 20 acre =\$19,000)
    - Winery (debatable operating/overhead): \$130 case =\$160,940 + grapes = **\$180,000 cost**
  - ✓ **Net:** \$297,120 -\$180,000 =**\$117,120**
- High per-acre value (grapes \$7,500, wine \$50,000+)
- Low ecological impacts
  - ✓ Drip irrigation provides dramatic water conservation
    - 20-acre hay field employing wheel-line at 135 gal/min  
...converted to...
    - 20-acre vineyard employing drip at 15 gal/min
  - ✓ Dry climate with irrigation lends to greatly reduced chemical use/pest control
  - ✓ High vigor, cold-hardy vines require less fertilization
  - ✓ No, or reduced tillage
  - ✓ “Pockets” of vineyards state-wide prevent monoculture issues of CA and France
  - ✓ Ag source near wine production facilities reduces/eliminates trucking impacts
- Ancillary benefits:
  - ✓ Another Montana natural resource identity (wine consumers’ view of ag component)
  - ✓ Specific, independent, agritourism alternative
    - Destination: tasting, food-wine, tours
    - Events
    - Camp-host, B&B...
  - ✓ Additional tourism attraction (travel, rooms, meals) with a *labeled*, Montana natural resource product “taken home” to out-of-state markets
  - ✓ Small acreage requirement provides a close sense of community relationship

#### Economic Barriers to Entry “Pioneering” in Montana:

- Expensive **\$225,000 - \$275,000 w/o real estate and structures** for entry level (6-acre/1,200 case) vineyard/winery
  - ✓ Vineyard installation (does not include land value) \$10,000 - \$13,000 per acre
  - ✓ Winery installation (1,200 case minimum entry level, does not include 3,000 sq. ft. structure) equipment: \$80,000 - \$100,000, improvements: \$40,000 - \$60,000
  - ✓ No commercial lending available in Montana
    - Unavailability of crop insurance disallows conventional ag lending
    - Slow return on *revenue* while incurring installation, production, and maintenance costs (vineyard 3-5 yrs., winery 1-3 yrs., combined estate vineyard/winery 4-8 yrs.) is beyond typical Montana banking parameters
    - Entirely dependent on annual crop, cannot produce grapes/wine “as needed” (*facilitates need for privileges to purchase grapes and wine for production*)

## Current Environment in Montana

### Regulations (inhibiting):

- Originally (understandably) designed around a single operation
  - ✓ Unsuccessfully experimenting with wine grapes
    - Often chose inappropriate varietals for the climate
    - Often chose inappropriate sites
    - Often chose grapes rendering inconsistent wine styles
  - ✓ Largely sourcing out-of-state grapes and various fruits
  - ✓ Without regard for a future industry or expansion of Montana grown vineyards
- “Winery production” definition allowing 100% wine imports (root of many problems)
- Distribution regulations complicated by involvement of State, broad-stroke view of alcohol
  - ✓ DOR (justifiable) disregard for agriculture-wine co-dependence
  - ✓ Assumption of legislation through Labor and Industry committee
  - ✓ Assumption of influence of Alcohol Coalition
    - Coalition’s assumption of wineries’ “covert” motives for wine-bars
    - Brewers’ assumption that wineries’ self-imposed ag restrictions will translate to them
  - ✓ Cost prohibitive, complicated, disjointed, without consistent rationale
  - ✓ Burdening Dept. of Revenue to interpret MCA legalese on a case-by-case basis
  - ✓ Alcohol industry lobbyists (concern for DtC sales and brewpub “sample room” history)
    - Heavily (inappropriately) influenced by the history of Brewpubs
      - Breweries entered DtC market with winery tasting room model and failed
      - Modified to brewery model, now compete with taverns
    - MTA (justifiable) view of competing with wine-bar tasting rooms
    - Distributors’ (justifiable) view of competing with unregulated importers
    - Compelled DOR to halt established, direct sales of wine to Agency liquor stores (caused 47% loss of revenue to Willow Mountain Winery)
  - ✓ Seemingly random DtC restrictions
    - 4,500 case max. allowable self-distribution (shared with B2B (business-to-business sales))
    - Inconsistent delivery restrictions
    - Inconsistent shipping restrictions
    - Inconsistent special permit restrictions (no bottle sales)
  - ✓ Seemingly random (B2B) restrictions
    - 4,500 case maximum allowable self-distribution (shared with DtC sales)
    - Inconsistent delivery restrictions
    - Inconsistent shipping restrictions
    - Inconsistent special permit restrictions
  - ✓ In one case, caused Dept. of Commerce to disallow use of Dept. of Revenue permit at Made in MT event, prohibiting only wineries from conducting commerce
- Tasting room currently modeled as a wine bar (“Traditional” tasting room is described below in the Potential Solutions section.)
  - ✓ only one allowed
  - ✓ Must be attached to winery (which allows 100% wine import... like a wine bar)
    - No alternative for simple (traditional) sales of sealed packages (bottles) only
    - Prevents traditional tasting room at vineyard/winery due to rural location
    - Compels vineyard/winery to use wine bar/event business model from the start
    - Facilitates non-production wineries, importing wine as production, in metro areas

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- Dissuades wineries from using MT agriculture
- Imports out of state wine (most often bottled) to sell as “Montana Made”
- ✓ No restriction to business hours (like a wine bar)
- ✓ Sales of full glass-pours (like a wine bar)
- ✓ Sales volume limited only by production volume (defined by 100% *wine* import)
- ✓ *Incentivizes and facilitates out-of-state vineyards/wineries in-state access to MT retail consumers while prohibiting in-state growers from the same*
- ✓ Frequently modified by the influence of the alcohol lobbyists
  - From perception of negative impact of brewery tasting rooms
  - Viewing wineries as identical to brewery “sample rooms” encroachment on market
  - Viewing wineries as unregulated importers
  - (...can you blame them?)
- Distributors aggressively protect their large producer/supplier relationships and retail accounts by denying services to local wineries and intimidating retailers

*In their defense...*

*Mid-level distributors are the result of a federal mandate to exit the Volstead Act. As such, they have had a federally protected market environment for 100 years and have much to protect. The explosion of internet commerce is eroding that protection and facilitating the booming producer-consumer (Direct to Consumer or “DtC”) relationship. The wave of this relationship is too big to ignore.*

*At the same time Montana’s size and distance between populated markets necessitates the large margins, and impedes the personal, direct, hand-sales for distributors to benefit from carrying wines of small producers. Generally, the small, unreliable volumes, poor market recognition, and historically inconsistent quality of the local wineries dissuade Montana distributors’ from jeopardizing their relationships with the big, commercial producers by engaging in Montana wines. “We’re looking for brands which already have traction,” is the distributor’s quote best summing it up. Hence, there is a 4,500 case self-distribution allowance with no practical method to use it.*

- Workers’ Compensation categorized as “General Farm Labor” for vineyards
  - ✓ Extremely high cost (triple that of winery rate)
  - ✓ Not relative to MT vineyard labor uses
    - No machinery (feet always on the ground)
    - No livestock
    - No moving irrigation
- Difficult to permit traditional vineyard/winery construction and commerce in Rural Montana
  - ✓ “Industrial” classification (rather than agricultural or winery-specific) for county/state regulation implementation
    - Sanitation among DEQ, DPHHS, and individual counties inconsistent and irrelevant to vineyard/winery conditions
    - Inhibits rural tasting rooms when forced to permit the complexities of a wine bar (required as attached to winery which is adjacent to vineyard)
    - Disregards agricultural elements of wine making as “Right to Farm”
      - Disregarding agriculture assumes “industrial” regulation of wineries
      - Renders inappropriate view of physical, winery activities as hazardous (Grape residue and water regulated as “industrial waste”)
      - Disallows view of conducting simple commerce as value added agriculture

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- ✓ Sales, shipping, and self-distribution allowances regulated to physical winery facilities as if operating in urban/metro environments rather than rural Montana
- ✓ Small vineyard/wineries historically *dependent* on ancillary income: food, entertainment, lodging, tourism... would benefit from true, agritourism image rather than “industrial”
- Historical misuse of high dollar returns to grapes, by non-commercial (ornamental) vineyards, looking to the tax advantage of “Agricultural” property designation

Regulations (enabling)

- Good ag-industry relationship with MT Dept. of Agriculture, USDA, and NRCS
  - ✓ Significant grant financing in research, development, and marketing
    - Specialty crops (small acreage, diversification, high returns, ancillary benefits...)
    - Value added ag. (high returns, consumer engagement in Montana)
    - Water conservation (vineyards show 60%-85% reduction from that of hay)
  - ✓ Developing concept of wine’s direct connection to agriculture
- Historically good relationships with county Sanitation and State DEQ as we vet these concerns
- Good relationship, open door/dialogue, with MT Dept. of Revenue as we vet these concerns (“This looks like an Ag bill to me.”)

Infrastructure/R&D (inhibitors):

- Long distances between economic centers, commercial, and metro areas for distribution
- Significant and specific site requirements to establish successful vineyards (limited lands)
- Much pioneering in Montana viticulture
- Unavailability of in-state, skilled labor
- Limited access to vineyard/winery construction/design technicians
- Limited access to infrastructure components for vineyards and wineries
  - ✓ Few appropriate suppliers of vineyard supplies/equipment
  - ✓ Few, if any service technicians
  - ✓ Fledgling research in viticulture and chemistry for Montana-grown wines
  - ✓ Significant and specific site requirements for sustainable vineyard production
- Significant technical skill/education requirement
  - ✓ Horticulture, plant pathology, agricultural development
  - ✓ Chemistry, wine production, finishing, ageing, packaging...
  - ✓ Wine-related marketing
  - ✓ Federal/State licensing/tracking/reporting

Infrastructure/ R&D (enablers):

- Montana Dept. of Agriculture interest in vineyard/winery industry development
  - ✓ Funding for value-added specialty crops, specifically for vineyards
  - ✓ Marketing
    - Beverage show
    - Grown in Montana at Made in Montana show
    - “In-Bound” Canadian connection
    - Aggressive advocacy with Montana Farm Bureau Federation
- Montana Grape and Wine Association (MTGWA)
  - ✓ Representation/Validation
  - ✓ Research funding and oversight (potential industry oversight committees)
  - ✓ Networking (internal and outreach)

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- Multitudes of small, hobby vineyard/wineries conducting experiments
- Producer-level vetting of ideas: research, operations, development
- Developing internal industrial standards
- ✓ Winery Association of Montana (WAM)
  - Commercial, Montana Grown winery voice of MTGWA
  - Legislative and marketing voice for Montana Grown wineries
- MSU WARC research activities
- Bitterroot College interest in developing vineyard/winery programs
- MT Farm Bureau Federation declaration of policy regarding the fostering of vineyards
- MT Farmers Union declaration of policy regarding the fostering of vineyards

Marketing/Identity (inhibitors):

- Limited or poor consumer and retailer perception of product and industry
  - ✓ Historically off-putting wine styles
  - ✓ Current wineries, established under current tasting room / wine bar business model, are often opposed to positive recognition (competition) of in-state vineyards
  - ✓ Many vineyards too small to be viably commercial and misrepresent the outlook of the industry as economically sustainable
  - ✓ “Novelty” fruit wines, marketed to tourists, establishing Montana wine identity
  - ✓ Inherent comparison to MT brewery/distillery model misrepresents winery business model (results in inappropriate legislation, marketing, distribution...)
  - ✓ Alcohol coalition’s disregard for wineries’ petition
    - House Legislative Ag. Committee misinformation and rehearsed responses
    - Legislative attempt to eliminate all winery tasting rooms (failed)
- No Montana American Viticulture Areas (AVA)
  - ✓ No recognition of Montana geography or geology
  - ✓ Limited means for consumer-ag connection on labels
  - ✓ Allows identity, marketing, and consumer misinformation regarding out-of-state ag (considering 100% wine importation allowance)
  - ✓ Allows out-of-state operations to capitalize on MT marketing of their wines DtC while current laws are restricting Montana growers from the same
- An industry littered with diverse goals
  - ✓ Varied availability of ag inputs
    - Many and various, locally grown fruits overdiversifying the Montana wine identity
    - Microclimates providing inconsistent crop production qualities and yields
  - ✓ Tasting room business models (rural, metro, tourist, import, grown, wine-bar, traditional...)
  - ✓ Varied perceptions of Montana’s “validity” regarding vineyards and wineries
    - Arguable economic returns to define “commercial” as opposed to “hobby”
    - Agricultural capacity for vineyards
    - Production methods of grown, made, or imported

Marketing/Identity (enablers):

- Montana is consistently, widely, and effectively marketed and marketable
- Currently strong markets for
  - ✓ Farm-to-Table and” Know your Farmer”
  - ✓ MT Made, MT Grown, Taste Our Place
  - ✓ Agritourism

## Summary

*Montana's vineyard/winery environment...*

*...is unprecedented as requiring "Montana-Grown" Wineries to compete, at home, with CA and WA economies of scale, wine bar profit margins, and unmotivated, often obstructive distributors, while enduring the risks and costs of a vineyard/winery large enough to be economically self-sustainable and plagued with the headwinds of limited vineyard histories, no conventional lending, practically no facilities/equipment support, no legislative support, at best inconsistent regulation, often favorable to the out-of-state import model, and hostile compatriots protecting their identities and market share of these business models.*

*In a perfect world...*

- *Breweries / Distilleries / Wine Bars*
  - ✓ *Year-around access to inputs from several, competitive sources*
  - ✓ *Production/sales in town*
  - ✓ *Service by the glass*
  - ✓ *Localized marketing through permitted events*
  - ✓ *Legislative and marketing environments relative to traditional distribution and metro-based, saloon guest/consumer*
- *Winery (winegrower)*
  - ✓ *Has the limits and advantages of vineyard connection (Montana Wine Country)*
  - ✓ *Production/Sales at vineyard/winery and limited in town*
  - ✓ *Vineyard/winery events, full service, agritourism*
  - ✓ *Personalized, farmer-consumer marketing through permitted events and tasting rooms*
  - ✓ *Legislative and marketing environments focused on protecting the identity of "Grown in Montana" and Right-to-Farm*

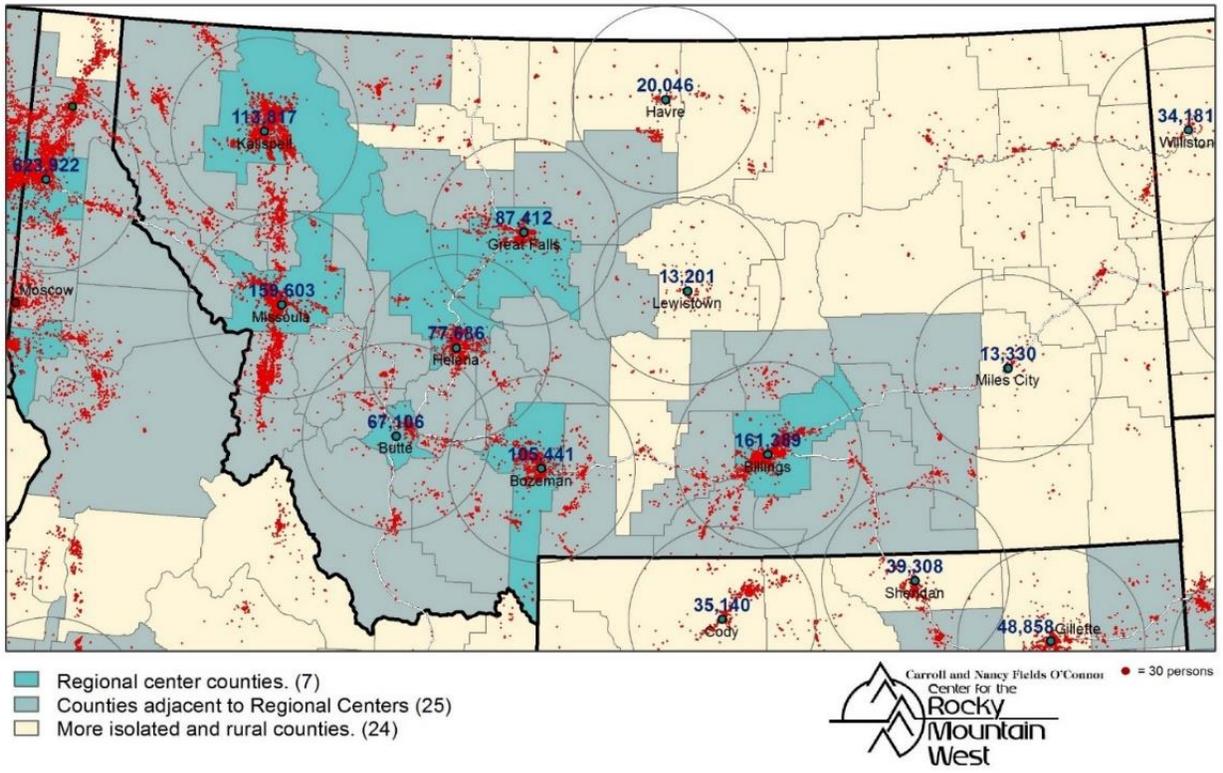
## Potential Solutions

- Establish a path (license) for recognition of "Montana Grown" as Farm Wineries
  - ✓ Do not alter current licensing
  - ✓ Designed under vetting from Depts. of Agriculture and Revenue, commercial vineyards/wineries, and capable, legal representation, incorporating the successes found by other developing states.
  - ✓ Recognize Farm Winery development/operations under Right-to-Farm principles
  - ~~✓ Consider Virginia model of State sponsored, limited, mid-level distribution~~
  - ✓ Accurately define "MT wine", "MT winery", "Production/Manufacturing" ...
  - ✓ Establish Montana State labeling requirements to recognize agriculture
  - ✓ Assist in developing AVA's
    - Soils/geology engineering
    - State (Depts: Ag, Commerce, Revenue) political support
    - Expansion of vineyard acres to meet AVA requirements

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- ✓ Permit traditional tasting rooms (limited to one, full service tasting room)
  - Simplified permitting of low impact, agricultural commerce
  - Sales of sealed, labeled packages only (no glass-pours)
  - Sales limited to production
  - Limited business hours to avoid conflict with taverns
  - Limited to “snack” foods to avoid conflict with taverns and DPHHS regulation
  - Access to consumer population across Montana to build “traction”
  - Full service tasting room requires special endorsement and full county regulation
- ✓ Expand and update special permits
  - Allow sales of sealed, labeled packages in addition to glass-pours
  - Increase number to 25 to reflect farmers’ markets
  - Limited to production
  - Access to consumer population across Montana to build “traction”
  - Most applicable marketing for small start-ups as foundation of vineyard/winery industry
- ✓ Relax, simplify shipping/delivery restrictions
  - Allow shipping from winery to consumers, retailers, and agency liquor stores
  - Allow delivery to consumers, retailers, and agency liquor stores
- ✓ Move ag-winery legislation away from Labor and Industry Committee “alcohol” view and into Agriculture with support and oversight from Depts. Agriculture, Commerce, and Revenue
  - To facilitate management of vineyard/agriculture related issues
    - Industry advisory council (checkoff) system alternative to crop insurance
    - AVA development
    - Agriculture related requirements to labeling
    - Research oversight
    - Manage criteria for Made/Grown in Montana identification
  - To capitalize on MT Ag Dept. marketing methods
- ✓ Segregate licensing for vineyard/wineries from importers, hobbyists, non-manufacturing...
  - Manage fruit / wine input sourcing to protect and identify Montana agriculture
  - Clarify and solidify the border between producers and importers
  - Clarify and simplify regulatory enforcement for Dept. of Revenue
    - Agricultural/vineyard issues of production inputs, crop loss, reporting, ag-related commerce, protection of interstate commerce laws... managed by Dept. of Ag.
    - Any differences in rights/obligations to vineyards vetted by Dept. of Ag.
  - Ease tensions of Distributors and Tavern owners
- Standardize state-wide, winery specific sanitation (consider oversight by Dept. of Agriculture)
- Establish workman’s compensation category to reflect vineyards’ activities
- Restrict property tax exemption to vineyards with genuine commercial viability
- Government involvement in lending
  - ✓ Guarantees/subsidies/deferred payments to conventional lenders
  - ✓ Deferred taxes
  - ✓ Develop vineyard crop insurance
  - ✓ Incentivize “Farm wineries”
  - ✓ Farm-based protections and permits for rural ag economic development
  - ✓ Solidify winery industry’s ag foundation without jeopardizing brewery/distillery access to commodity ag

## Montana's Regional Centers and Their Surrounding Counties



## Montana Vineyards

