



WASHINGTON WINE | Economic Outlook

WA
46°N
WINE

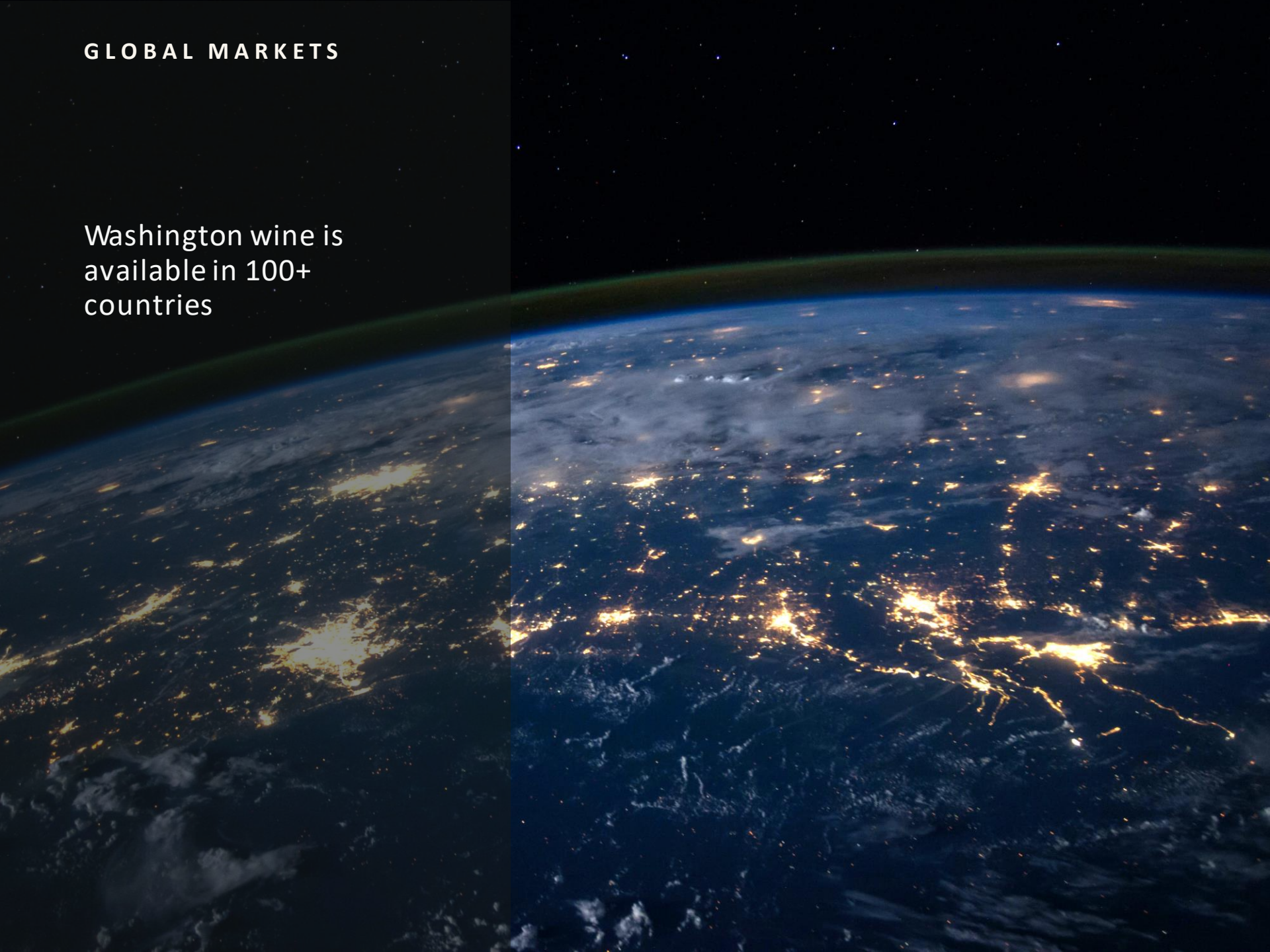


WASHINGTON STATE WINE

Washington State is the second-largest wine region in the United States, cultivating over 80 grape varieties.

GLOBAL MARKETS

Washington wine is
available in 100+
countries





WINERIES

1,070+



GROWERS

400+



TONS PRODUCED

240,000



ACRES PLANTED

60,000+



Ninety percent of Washington state's wineries are small, family-owned wineries who make fewer than 5,000 cases a year.

Annual In-state Economic Impact

\$8+ Billion

Annual Wine Production

17+ Million Cases

According to Wine Market Council:

- General alcohol consumption is down
- Mindful drinking is becoming more popular
- A larger proportion of wine drinkers are increasing their lower and no-alcohol consumption as a result of reducing their alcohol intake.
- Health is top of mind for U.S. consumers, even when it comes to alcohol.
- Over the last two years, sales of “better for you” wine products grew 35%.
- There’s much more competition in the wine landscape – RTD’s, craft beverages, low and non-alcohol beverages.



Assumptions for 2024-28:

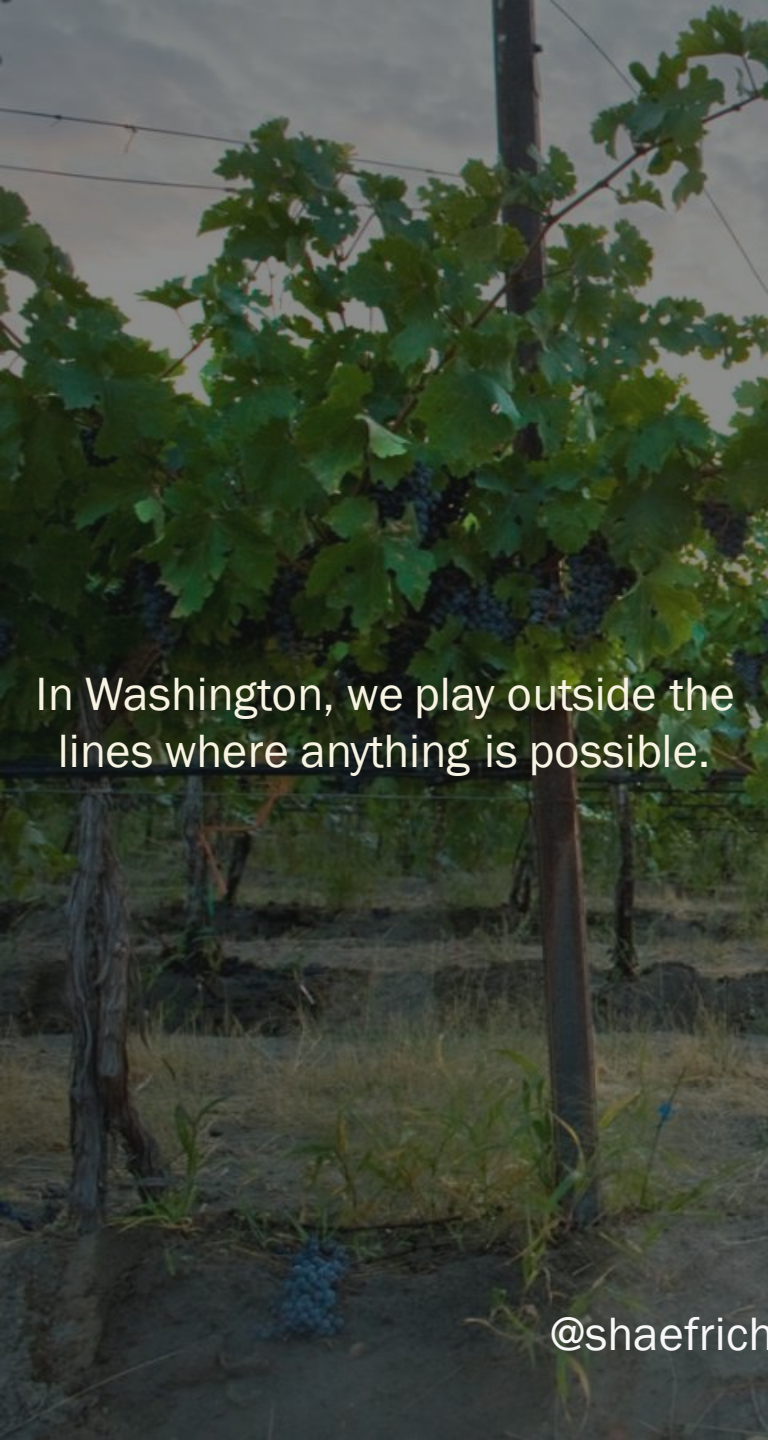
- US wine market will continue to decline by volume avg 3% per year
- Supply will exceed demand
- Distributors will play a key role for WA Wine
- Dist and Retail consolidation will continue
- DEI work initiatives will be vital to industry viability
- Anti-alcohol pressures will continue to impact consumer behaviors
- Media landscape/digi/social and emerging tech will continue to diversify



Trends and opportunities

- Low and no alcohol
- Making wine more fun in marketing/digital spaces
- Social commerce grew by 35% last year
- Leaning on sustainability in messaging and marketing will appeal to younger demographics
 - Packaging – lighter bottles, less waste
 - Carbon footprint – water use, shipping
 - Certifications on bottles – Sustainable WA





In Washington, we play outside the lines where anything is possible.



@shaefrchette | @frichettewinery