



photo by Brent Isenberger

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## **New Knowledge Uncorked at the Iowa Wine Growers Association's 2011 Annual Conference**

The Iowa Wine Growers Association (IWGA) held its 11<sup>th</sup> Annual Conference March 18 and 19, 2011 at The Hotel at Kirkwood Center in Cedar Rapids.

Attendees were able to tour two different wineries in the Cedar Rapids area on Friday before the Annual Meeting and work sessions began.

Concurrent viticulture, enology, and marketing sessions were held Friday and Saturday this year. Sessions addressed topics and concerns of specific interest to winemakers and grape growers.

The Annual Conference wrapped up with a fun and wine filled evening during Saturday's Wine Reception.

Thank you to everyone who attended and displayed at the IWGA Annual Conference! The Iowa Wine Growers Association appreciates your support!

IWGA is also seeking input from members who both attended and could not make the 2011 Annual Conference. If you have not completed the Annual Conference survey, please take a moment to fill it out and let the IWGA know your thoughts on the conference.

The IWGA is committed to monitoring the quality of our Annual Conference and our members' feedback is important to us. Please let us know what you liked and disliked about this year's conference, so we can continue to improve on the event.

All survey submissions are anonymous. Please follow this link to fill out the IWGA Annual Conference survey: [http://www.surveymonkey.com/s/IWGA\\_conf\\_survey](http://www.surveymonkey.com/s/IWGA_conf_survey).

If you have any questions please call the IWGA office at 515.262.8323 or 800.383.1682.

## **New IWGA Website Coming Soon!**

The Iowa Wine Growers Association is currently in the process of developing a new website. The new website will have an updated look and will be easier to navigate.

Look for the new website to be live in early April!

The updated website will continue to feature the Iowa Wine Growers Association's online Grape Exchange. The Grape Exchange is the forum to announce what grapes you have to sell or what you are looking to purchase.

The online Grape Exchange provides wineries the opportunity to post the varieties of grapes they are looking for, thus giving vineyards two valuable benefits. Vineyards will now have inside knowledge as to what type of grapes their

consumer is looking to purchase and the ability to post the varieties they have for sale.

There is no charge to post to the Grape Exchange ([www.iowawinegrowers.org](http://www.iowawinegrowers.org)).

Please note, IWGA members can continue to submit Grape Exchange advertisements throughout the construction of the new IWGA website. However, ads cannot be posted until the updated website is complete.

If you have any questions about the Grape Exchange or IWGA's new website, please call the office at 515.262.8323.

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## Iowa Welcome Center Survey

Iowa Welcome Centers serve the travelers visiting our state by providing travel information and encouraging travelers to extend their stay in Iowa.

During 2010, 19 Iowa Welcome Centers served nearly 200,000 travel parties and over 500,000 travelers.

Travelers visiting the 19 Iowa Welcome Center spent an estimated \$183\* million during their trips in Iowa, up from \$180 million in 2009. Per day spending increased 3.5% from \$219.60 per day in 2009 to \$227.38 per day in 2010.

"Travelers to our state enjoy visiting the wineries," says Nancy Landess, Manager of the Iowa Tourism Office. "According to our welcome center staff, some of the most frequently asked

questions are about Iowa's wineries. And that is reflected in the Iowa Welcome Center Survey report; welcome center travelers with an interest in wineries spend more money and are more likely to extend their stay in Iowa."

Iowa Welcome Center travel counselors influenced 30% of the travelers to extend their stay. Travelers who extended their stay spent an additional \$18 million.\*

The survey results for travelers indicating they had an interest in wineries are attached.

*\*Based on visitation of all 19 Iowa Welcome Centers (15 centers submitted surveys), along with average length of stay and average spending as reported in 2010 Iowa Welcome Center Survey Report.*

## The Midwest Grape & Wine Industry Institute Presents:

# Best Practices Workshops

- ◆ SO2 Management, analysis, and calculations
- ◆ Winery cleaning & sanitation
- ◆ Identifying wine faults
- ◆ Individual Q&A (open topics)

Four potential options to attend:  
Tuesdays, 1-4:30 PM

**April 5, S Central Iowa**

Schade Creek Vineyard & Winery, 1230 Warrior Ln, Waukee, IA 50263

**April 12, N Central Iowa**

Fireside Winery, 1755 P Ave (V77), Marengo, IA 52301

**April 19, Western Iowa**

Santa Maria Vineyard & Winery, 218 W 6th St., Carroll, IA 51401

**April 26, Eastern Iowa**

Heartland Harvest Winery, 2116 290th Ave., Fort Madison, IA 52627



**\*The workshop is FREE, but advance registration is required!**

**To register** contact Tammi Martin at least 1 week in advance with your Name, Address, Email, Phone and Date of choice: [tkmartin@iastate.edu](mailto:tkmartin@iastate.edu), 515-294-3308

**\*Donations are always appreciated. Visit [www.extension.iastate.edu/Wine/](http://www.extension.iastate.edu/Wine/) and click on Support the Midwest Grape and Wine Industry Institute**

## IWGA Board Elections

The Iowa Wine Growers Association's held Board elections during the 11<sup>th</sup> Annual Conference, held March 18 and 19, 2011 at The Hotel at Kirkwood Center in Cedar Rapids.

Cassie Bott with Fireside Winery, Jeff Quint with Cedar Ridge Vineyards, and Kevin Smith with Middle River Vineyard ran for two open seats on the IWGA Board of Directors. In a close vote, Jeff Quint and Kevin Smith were re-elected to serve another three-year term.

Your current Board of Directors are: **Dave Cushman Jr.**, Park Farm Winery, Inc.; **John Guinan**, Villa Santa Maria Winery; **Diane Larson**, SNUS Hill Vineyard & Winery; **Ron Mark**, Summerset Inn & Winery; **Mike Pence** (Vice Presi-

dent), Heartland Harvest Winery; **Jeff Quint**, Cedar Ridge Vineyards, **Kevin Smith** (President), Middle River Vineyard; **Dr. Murli R Dharmadhikari** (Ex-Officio), ISU - Food Science & Human Nutrition-Ag; **Mike White** (Ex-Officio), ISU Extension Field Crops/Viticulture Specialist; **Joan O'Brien**, Iowa Wine Growers Association; **Paul Gospodarczyk** (Ex-Officio), Des Moines Area Community College; and **Randall Vos** (Ex-Officio) Des Moines Area Community College.

If you have any questions about the Association, please contact an IWGA Board member of the office at 515.262.8323 // 800.383.1682.

## Groupon Faces Widespread Alcohol Sale Problems, Attorney Says

Written by: **Brendan Coffey, Forbes, March 21, 2011**

Groupon faces widespread problems related to its discount deals with restaurants and retailers who sell alcohol. According to an attorney who specializes in alcohol law, the Massachusetts crack-down of deals involving drinks is likely just the start. California, New York and at least 15 other states likely will find fault with the popular deals.

This attorney, who I am not naming at his request because he represents a Groupon competitor that is facing similar alcohol troubles, contacted me after this morning's post to point out that, in fact, Groupon does appear to be in violation of New York and California law, and likely many more states. In fact, this memo from the California Alcoholic Beverage Commission appears to suggest Groupon, as an Internet provider soliciting sales that include (or can include) alcohol, needs to hold a license in that state.

This attorney also believes that while Groupon appears to be meeting the New York State requirement that alcohol cannot be discounted more than 50%, he also believes the NY State Liquor Authority may very well also consider Groupon to be selling alcohol as a non-licensee in violation of the law.

"Also, taking a flat "marketing fee" for each alcohol and food package sold (I think this is what Groupon does) could be a problem. Many jurisdictions require that any entity that receives any amount of proceeds from the sale of alcohol must hold a license," this attorney wrote to me in an email. He is with a firm that specializes in alcohol industry legal work. Online discount purveyors are different from those who receive set fees in their interactions with licensed entities (such as a newspaper that runs liquor store ads or landlord of a bar) because deal site income is directly related to how many deals are sold.

My earlier rough estimate that some 14 other states probably will have issues with Groupon he characterizes as low. "[V]ery few states have taken a hard look at this. It will be interesting to see what happens with Facebook get[ting]

into the game and whether more jurisdictions weigh in."

The attorney may have a point that the lack of legal action outside Massachusetts doesn't mean Groupon is in the clear: each of the three state representatives I called Friday (New York, New Jersey and California) hadn't heard of Groupon. It's a good bet Groupon simply hasn't caught the attention of state authorities yet.

How big of a deal is this? Hard to gauge, but consider how less appealing meal and retailer deals are when alcoholic drinks are excluded. Right now, Groupon's boilerplate language points out that deals are valid on alcohol unless stated otherwise, and its marketing language has prominently played up the aspect of discounted drinks in many of their offers.

And it's a headache that comes at the wrong time with lead investor Eric Lefkowsky looking to take Groupon public and prove his rejection of Google's acquisition offer wasn't hubris. Consider Google's \$6 billion offer was nearly eight times 2010 sales. A basic (and admittedly rough) rule of thumb on what any company would fetch is three times sales, or \$2.3 billion for Groupon.

As I mentioned earlier, Facebook is currently testing its Groupon competitor in a handful of markets in the southwest, Google is said to be planning its own flavor and attorneys are jumping on gift card regulations to claim Groupon is violating consumer protection laws. Plus, there is the likelihood Groupon is going to face a sales tax collection headache, according to Forbes Washington Bureau Chief Janet Novak.

This article can be found at: <http://blogs.forbes.com/brendancoffey/2011/03/21/groupon-alcohol-spending-woes-piling-up/>.