



SVB Annual State of the Wine Industry Survey Guide to Survey Questions

Silicon Valley Bank conducts an annual online survey to provide industry metrics, status updates and trends in the wine industry. All respondents who fully complete and submit the survey online will receive gratis survey results to include anonymized detailed responses, summary analysis and more than 50 charts which can be used by wineries to benchmark their own performance. Please use this printable guide to the survey questions to help you track and manage your responses, which **must be submitted online**. Note, we scrub incomplete surveys and those that don't meet minimum levels of accuracy. For those participating in the online survey, we anticipate information to be compiled and returned to respondents just prior to the release of our State of The Industry Wine Report in January.

We hope this guide helps you review the questions and prepare your responses prior to the official online survey launch on September 27th. Thank you for your participation with our annual survey!

<p>1 What is your annual case production?</p>	<p>2 As best you can, estimate the average RETAIL price per 750ml bottle on the shelf for your wines in 2021.</p>	<p>3 How many years has your winery been selling wine commercially?</p>
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\$

4 From which region do you primarily produce your wine?

<p>Napa County, CA (including Napa Carneros)</p> <p>Northern Oregon (including Willamette Valley)</p> <p>Washington</p> <p>Canada</p> <p>Santa Cruz, Monterey, Santa Clara and San Benito Counties, CA</p> <p>Paso Robles AVA</p> <p>Livermore, CA</p> <p>Solano, Yolo and Contra Costa County, CA</p>	<p>Lake County, CA</p> <p>Lodi/Clarksburg, CA</p> <p>Northern Central Valley, CA (Sacramento, Merced and Stanislaus Counties)</p> <p>New York</p> <p>Sonoma County, CA (including Sonoma Carneros)</p> <p>Southern Oregon</p> <p>Santa Barbara, CA</p> <p>Virginia</p> <p>Mendocino County, CA including Anderson Valley</p>	<p>San Luis Obispo County, CA</p> <p>Sierra Foothills, CA (Amador, Calaveras, El Dorado, Nevada and Placer Counties)</p> <p>Southern California (San Diego, Temecula and Los Angeles Counties)</p> <p>Southern Central Valley, CA (Fresno, Kings, Kern, Tulare and Madera Counties)</p> <p>Texas</p> <p>Other Countries, States, Counties and Regions Not Listed</p>
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5 If family run, which generation is currently running your winery?

- Not family run
- 1st Generation
- 2nd Generation
- 3rd Generation
- 4th Generation
- 5th Generation
- Past the 5th Generation

7 When the present 2021 fiscal year is complete, our winery will probably say that it was:

- The best year in our history
- One of our better years
- A good year
- Neither a good year or a bad year
- A disappointing year
- One of our most challenging years ever
- The most difficult year in our history

6 What **percentage** of total wine sales come from the following broad sales channels?

Totals should add to 100%. (Express percentages as whole numbers only.)

Export	<input type="text"/>	%
Mailings	<input type="text"/>	%
Online	<input type="text"/>	%
Phone	<input type="text"/>	%
Subscriptions	<input type="text"/>	%
Tasting Room	<input type="text"/>	%
Wholesale		
– Off-Premise	<input type="text"/>	%
– On-Premise	<input type="text"/>	%
Wine Club	<input type="text"/>	%
Other	<input type="text"/>	%
	100%	

8 As best you can, estimate your current direct-to-consumer sales by age group.

Totals should add to 100%. (Express percentages as whole numbers only.)

Please leave blank if you do not track this information at all.

Gen Z (21-24 year olds)	<input type="text"/>	%
Millennial (25-40 year olds)	<input type="text"/>	%
Gen X (41-56 year olds)	<input type="text"/>	%
Boomers (57-75 year olds)	<input type="text"/>	%
Matures (76+)	<input type="text"/>	%
	100%	

9 Continue to next page.

9 Select the statement that most closely matches your belief about the expected net retail price changes for your wines in 2022.

Strong decrease: I need to take strong price reductions on most of my wines

Moderate decrease: I need to take modest price reductions on most of my wines

Small decrease: I need to take some small price reductions on select SKUs

Hold prices: I can pretty much hold my shelf price on average

Small increase: I can take some small price increases on select SKUs

Moderate increase: I can take modest price increases on most of my wines

Strong increase: I will be able to take strong price increases on most of my wines

10 Expressed as a percentage, estimate your total wine sales growth/decline in dollars for the end of December 2021 compared to calendar year end 2020.

(Express percentages without any decimal points. Declining sales should be expressed with a minus sign, e.g. -3.)

%

11 Expressed as a percentage, estimate what you expect for growth/decline in 9L cases sold for the year ending December 2021 compared to calendar year end 2020.

(This is growth/decline in number of cases, not dollars. Express percentages without any decimal points. Declining sales should be expressed with a minus sign, e.g. -3.)

%

12 Overall, how would you rate your 2021 harvest in terms of **quality**?

Excellent

Good

Average

Below average

Poor

13 Compared to historical averages, where would you place your 2021 harvest in terms of **yield** based on the following choices?

At or slightly below record high yields

Better than historical average yields

Close to average historical yields

Weaker than historical average yields

At or near record low yields

14 Continue to next page.

14 If you use a wholesaler, in general how satisfied are you with your representation?

- N/A: I do not use a wholesaler
- Euphoric
- Very satisfied
- Satisfied
- Neither satisfied or unsatisfied
- Less than satisfied
- Disappointed
- Seething disgust

15 If you sell direct to consumer, do you have an employee assigned to regularly analyze your winery's consumer data?

- We don't sell direct to consumer
- Yes – Full-time
- Yes – Part-time
- No
- Other (please describe):

16 Winery Confidence Rating:

Rate each component. Don't over think. Ask yourself – will this component impact my winery directly in 2022? Rate each component's impact as positive, neutral or negative.

(For example, decide if the economy is good or bad. Then based on your view, answer if the economy will have a positive, neutral, or negative impact.)

positive
neutral
negative

The effect of the economy on your winery

Changing U.S. consumer demand for your wine

Changes to the channels in which you sell your wine. (DtC, Wholesale, Export, etc.)

The availability of grape/juice supply for your winery

Sufficient and skilled labor market

Evolving alcohol laws nationally and/or changes in regional ordinances on your ability to conduct business

Changes in the availability, rates or terms of capital and/or debt for your winery

Foreign competition on your wine sales

Availability of substitutes on your wine sales, such as craft beer, legalized marijuana and spirits

Availability of sufficient water

17 Continue to next page.

We've asked the following three questions for many years with excellent response rates. Some may think the questions are sensitive in nature. We assure you the information has never, and will not be used for marketing purposes or anything other than helping us all develop a better understanding of industry health. Your answers are completely confidential.

17 Describe the financial health of your winery by selecting one of the following statements which most closely resembles your winery's financial situation:

Rock solid (Very strong sales growth, strong margins and profits combined with low levels of debt.)

Very strong (Strong sales growth combined with good margins and profits and only modest levels of debt.)

Strong (Positive sales growth combined with average margins and profits, and modest levels of debt.)

Good (Flat sales growth combined with average margins and profits, and average levels of debt.)

Slightly weak (Flat sales growth combined with below average margins and minimal losses. You may be stretching vendors on occasion to make debt payments.)

Very weak (Negative sales combined with weak margins and modest losses. You may be stretching vendors consistently or selling assets to make debt payments.)

On life support (Large declines in sales and/or large losses. You may be past due on your bank loans and have already pushed your vendors as about as far as you can and need a miracle. Survival is still possible.)

Dead (You are winding down operations, closing, being forced to sell due to economic issues or may be in bankruptcy with no real expectation of surviving.)

18 Are you currently considering, or would you consider the acquisition of a brand, vineyard and/or facility within the next 5 years?

Yes

No (If No, skip to Question 20.)

19 The acquisition would include:
(Select all that apply.)

Brand vineyard

Winery/Production facility

Hospitality facility

20 In the next 5 years, presuming you receive a fair price, the sale of your winery would be:

Likely

Something you'd seriously consider

A possibility

Unlikely

Not going to happen

21 Continue to next page.

21 Which of the following has provided the **greatest** new incremental sales since the beginning of COVID shutdowns/restrictions?

(Select one.)

N/A

Internet sales

Phone sales

Zoom or new digital outreach

Curbside pickup

Other

22 Continue to next page.

22 What is the impact of fires on your business?

(Check all that apply.)

N/A. My region was out of a fire-impacted area

Though I was in a fire-impacted area, fires and smoke had no material impact on my operations

The fires contained a small silver-lining for us. We had too much inventory before the fires, but the fires allowed us to crush less fruit and better balance our supply

My estate fruit experienced significant smoke damage

We couldn't crush the volume needed and are running short on supply

The fires on top of the problems we were already dealing with has convinced us we need to move on from the wine business

Other impact not mentioned

23 How has your property insurance been impacted?

(Check all that apply.)

We couldn't get sufficient insurance coverage

We couldn't get any insurance coverage

My premium increased

My premium remained the same

My premium decreased

My coverage increased

My coverage remained the same

My coverage decreased

Other, please specify

24 Continue to next page.

24 Which of the following best describes your crop insurance situation in 2020 and 2021?
(Select one.)

No coverage in 2020, no coverage in 2021

No coverage in 2020, but got coverage in 2021

Had coverage in 2020 and that remained about the same in 2021

Had coverage in 2020 and increased it for 2021

Had coverage in 2020 and decreased it for 2021

Had coverage in 2020 and no coverage in 2021

N/A – Do not own our own vineyard

25 Are you impacted by the drought in the west?

Yes

No (**skip to question 29**)

26 How has drought impacted your business with respect to fruit?
(Check all that apply.)

No effect on our ability to source or obtain sufficient fruit

Minimal decrease in fruit, but no need to find additional sources

Large decrease in fruit sources, and we need to find new sources

Some of our fruit sources were eliminated

Other, please specify

27 How concerned are you about your water supply if the drought continues into 2022?

Very concerned, potential for serious water shortage issues

Concerned, but should have enough water supply

Neither concerned nor unconcerned

Confident, we have abundant water sources

Very confident, seemingly endless supply of water

28 Continue to next page.

28 Looking toward 2022 if the current drought continues, do you plan on implementing any of the following mitigants?

(Check all that apply.)

Contract for more water

Add or expand on a reservoir

Implement or increase the ability to store rainwater

Truck in water to supplement current water sources

Drilling a new well, or increase the depth of an existing well

Farming techniques to decrease crop yield

Employ new technology to reduce water demand in the vineyard

Increase crop insurance in anticipation of decreased crop yield

Find additional fruit sources in anticipation of low crop yield

Experiment or replant vineyard(s) with vines better suited to changing climate in my area

Change canopy to help reduce water needs

No mitigating techniques planned in 2022

Other

29 Given the current global supply chain challenges, has your business experienced availability issues with any of the following?

(Check all that apply.)

Glass

Labels

Corks, Capsules, and Closures

Cartons / Corrugate

Barrels

Equipment

Other

30 Continue to next page.

30 In communicating with suppliers for production components (bottles, closures, machinery, parts, etc.), do you expect supply chain issues to carry into next year or beyond?

We don't have any issues with getting supplies

We believe the supply chain issues will correct themselves in 2021

We believe the supply chain problem will carry into 2022, but be resolved by the first half of the year

We believe the supply chain problem will carry into 2022 but be resolved by the second half of the year

We believe the supply chain problems are an issue that will likely carry into 2023 or beyond

31 Based on the 2020 and 2021 harvest seasons, do you expect an inventory shortage within the next 3 years?

Yes

No

Don't know

32 Which of the following statements describes your company's stand regarding COVID vaccinations for your staff?

We will not require our employees to be vaccinated

We do not and will not check for employee vaccination status

Unvaccinated employees have different requirements from vaccinated employees, such as masking and periodic testing

We encourage vaccinations, but do not require them

We require vaccination, but will find ways to accommodate employees who cannot be vaccinated for medical or religious reasons

We will require vaccinations only when it's mandated by government officials

We do or will require proof of vaccination in order remain employed

Prefer not to answer

Contact us

Once you've finished populating this guide with your answers to the survey, please visit <https://bit.svb.com/3tI6Z48> to enter and submit your responses online by October 15th.