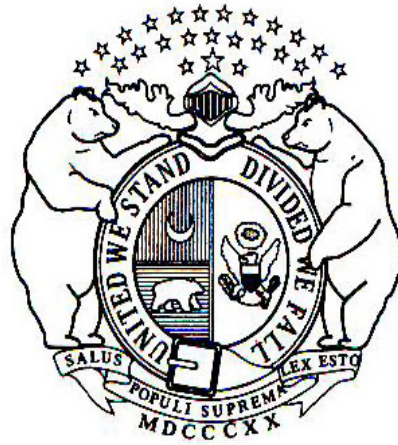


FISCAL YEAR 2010

ANNUAL REPORT



MISSOURI WINE AND GRAPE BOARD



**MISSOURI
WINES™**

Annual Report of the Missouri Wine and Grape Board

Executive Summary

The Missouri Wine and Grape Board was created by the Missouri General Assembly in 2006 as an independent political and corporate body of the state of Missouri (Missouri statute 262.820). Prior to this date, the Board existed in advisory form, with members appointed by the Director of Agriculture in the early 1980's. The purpose of the Board is to further the growth and economic development of the grape growing industry in the state of Missouri.

The Wine and Grape Board is responsible for researching, developing and promoting Missouri grapes, juices and wine. The Board is funded by the collection of a statewide tax imposed on all wine sold in Missouri at the rate of 12 cents per gallon. These funds support the program's three sections: enology and viticulture advisory services, research, and promotion and marketing. Program expenditures provide:

- Professional advice to Missouri grape growers and wine makers
- Applied research for developing grape varieties and cold hardy studies
- Consumer education to increase awareness of Missouri grapes and wine industry

The Board is governed by a bipartisan commission whose eleven members are appointed by the governor with the consent of the Senate. The director of the Department of Agriculture also serves as an ex-officio member. Members serve a four-year term, but can serve no more than two consecutive four-year terms. A member may, however, after serving two consecutive four-year terms and retiring for a minimum of one full year, be eligible for reappointment to the Board. Business is conducted through quarterly Board meetings or conference calls. Special meetings are held as needed.

The Board elects their own officers and has the authority to appoint staff. Peter Hofherr was elected to serve as chairman, Cory Bomgaars as vice-chairman, Barbara Gibbs Ostmann as marketing chairwoman, Tony Kooyumjian as research chairman and Jim Anderson is currently serving as executive director.

PROGRAM SUMMARY

The purpose of the Missouri Wine and Grape Board is to have the Missouri wine and grape industry recognized as a pre-eminent producer of profitable premium wines in the Midwest. Missouri wineries continue to refine their grape growing and winemaking skills to offer distinctive, quality wines. The Wine and Grape Board sponsors research at the Institute for Continental Climate Viticulture & Enology (ICCVE) at the University of Missouri-Columbia center, where the quest for better, hardier grapevines is ongoing. The number of wineries in the state has grown from 52 in 2004 to 99 in 2010.

Historically Missouri was the first wine country in the nation. Although the “coasts” dominate the U.S. wine industry, through innovative Marketing and painstaking grape research, Missouri is poised to be the heart and anchor of the mid-west wine industry.

Missouri Wine and Grape Board

Vision: *To be the Regional Leader Recognized for Quality Grapes and Wine.*

Board Members

Dr. Jon Hagler, Director of Agriculture
Jefferson City, Missouri

Peter Hofherr, Chairman
St. James, Missouri
Term Ending: 10/2012

Cory Bomgaars, Vice-Chairman
President of the MO Vintner’s Association
Rocheport, Missouri
Term: Automatic Appointment

Barbara Gibbs Ostmann, Marketing
Chairwoman
Gerald, Missouri
Term Ending: 10/2011

Chuck Dressel
Augusta, Missouri
Term Ending: 10/2012

Katie Nott Gill
Steelville, Missouri
President, Wine Marketing & Research
Council
Term: Automatic Appointment

Jon Held
Hermann, Missouri
Term Ending: 10/2011

Matt Kirby
Higbee, Missouri
Term Ending: 10/2010

Ken Meyer
Springfield, Missouri
Term Ending: 10/2012

Sarah Schmidt
Waverly, Missouri
President, MO Grape Growers Association
Term: Automatic Appointment

Marty Strussion
Ste. Genevieve, Missouri
Term Ending: 10/2011

Staff

Jim Anderson, Executive Director
Danene Beedle, Marketing Director

Teah Berti, Marketing Specialist
Sue Berendzen, Executive Assistant

The Wine and Grape Board stimulates growth of the grape and wine industry for the economic and social benefit of the citizens of Missouri. With the increasing number of wineries in Missouri, production in the crowded and fragmented wine market will require a relentless focus on quality wine and tourism value. In tough economic times, wine consumption continues to rise and the growth of the industry flourishes.

State and regional organization support is critical to the success of the renewed industry. Based on the recent legislative victories, there appears to be strong momentum in favor of the wine and grape industry in Missouri driven by the efforts of the Missouri Wine and Grape Board.

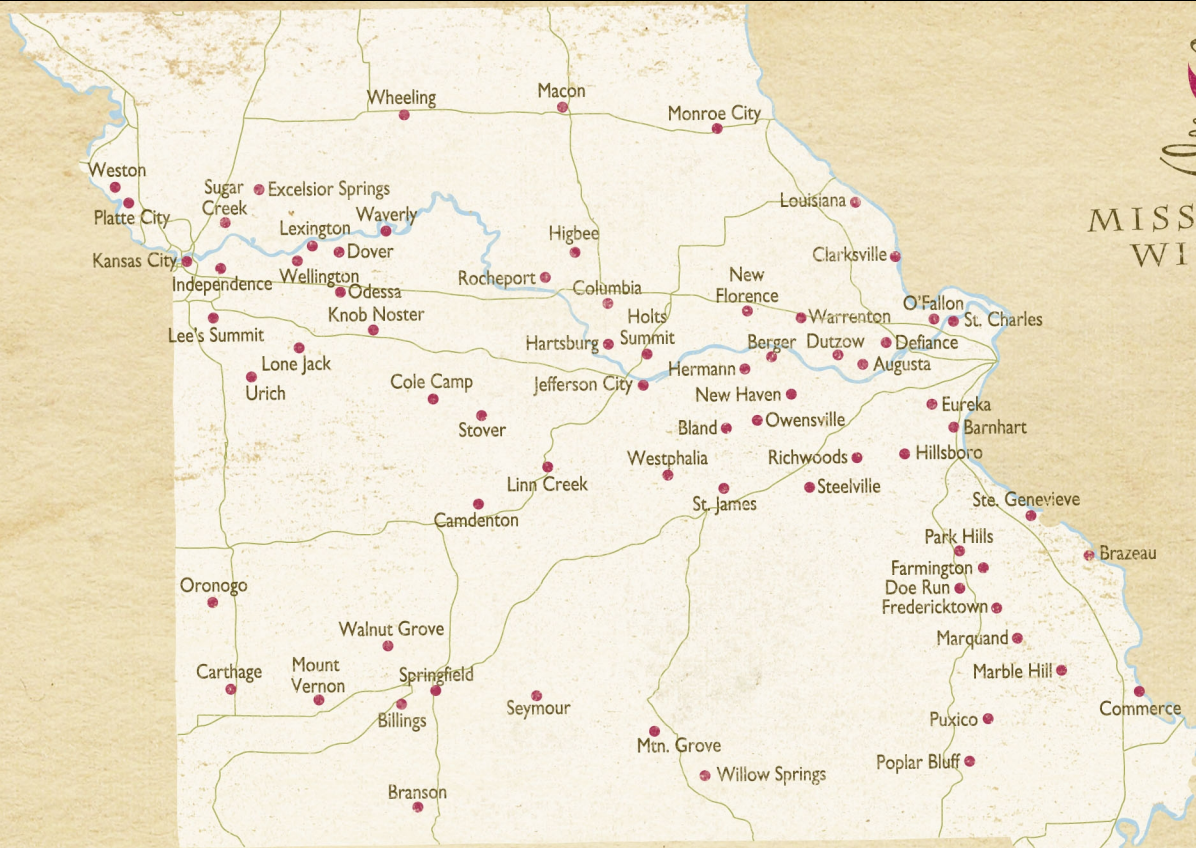
Missouri's wine and grape industries will benefit from America's steadily rising demand for wine – and for better wine. Wine is the most sought-after consumer good of this era: an affordable luxury.

Wine Tax Comparison

Month	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
July	87,361.58	98,926.55	104,435.04	97,938.41	104,695.07	106,630.71
August	88,397.13	79,014.56	88,163.77	99,536.10	119,546.53	115,279.41
September	101,354.23	111,437.91	127,850.17	113,869.55	105,473.25	129,717.22
October	87,369.93	102,825.89	94,065.70	108,101.00	104,097.09	120,869.52
November	117,865.21	122,395.70	121,513.39	137,018.72	146,438.23	133,236.46
December	125,823.34	133,896.09	131,093.40	141,776.27	128,376.82	124,317.47
January	95,228.61	91,250.65	91,266.90	107,284.56	114,943.15	123,727.17
February	73,279.23	84,003.50	89,347.99	103,148.89	82,851.97	102,548.61
March	84,683.86	101,697.69	112,332.52	102,628.72	89,344.17	106,561.11
April	91,614.52	101,709.06	104,011.69	104,550.34	106,805.61	124,675.38
May	83,628.99	85,235.96	97,141.47	104,700.26	104,800.31	119,280.48
June	97,511.98	116,375.03	116,829.88	110,990.65	120,109.98	130,052.79
	1,134,118.61	1,228,768.59	1,278,051.92	1,331,543.47	1,327,482.18	1,436,896.33



MISSOURI
WINES™



WINE LOVERS, CONSIDER THIS YOUR TREASURE MAP.

THERE ARE MORE THAN 90 UNIQUE WINERIES IN MISSOURI. DISCOVER ONE TODAY.

AUGUSTA

- Augusta Winery
- Balducci Vineyards
- Montelle Winery
- Mount Pleasant Winery

BARNHART

- Persimmon Ridge Vineyards

BERGER

- Bias Winery & Gruhlke's Microbrewery

BILLINGS

- LeCave Vineyards

BLAND

- Wenwood Farm Winery

BRANSON

- Branson Ridge Winery & Marketplace
- Mount Pleasant-Branson
- Stone Hill Winery-Branson

BRAZEAU

- Hemman Winery

CAMDENTON

- Casa de Loco Winery

CARTHAGE

- White Rose Winery

CLARKSVILLE

- Crown Valley Port House

COLE CAMP

- Eichenberg Winery

COLUMBIA

- Institute for Continental Climate Viticulture & Enology

COMMERCE

- River Ridge Winery

DEFIANCE

- Chandler Hill Vineyards
- Sugar Creek Winery & Vineyards
- Yellow Farmhouse Winery

DOE RUN

- Buck Mountain Winery & Vineyard

DOVER

- Terre Beau Vineyards

DUTZOW

- Blumenhof Vineyards

EUREKA

- Claverach Farm & Vineyards

EXCELSIOR

- Fence Stile Vineyards & Winery

FARMINGTON

- Crown Valley Champagne House
- Twin Oaks Vineyard & Winery
- Sand Creek Vineyard

FREDRICKTOWN

- Vance Vineyard & Winery

HARTSBURG

- Summit Lake Winery

HERMANN

- Adam Puchta Winery
- Hermannhof Winery
- OakGlenn Vineyards & Winery
- Stone Hill Winery-Hermann

HIGBEE

- The Cooper's Oak Winery

HILLSBORO

- Villa Antonio Winery

HOLTS SUMMIT

- Summit Lake Winery

INDEPENDENCE

- Albonée Winery

JEFFERSON CITY

- **Wine and Grape Board**
- Native Stone Winery & Bull Rock Brewery

KANSAS CITY

- Inland Sea Wines

KNOB NOSTER

- Bristle Ridge Vineyards & Winery
- Montserrat Vineyard

LEE'S SUMMIT

- Stonehaus Farms Winery

LEXINGTON

- Three Trails Winery

LINN CREEK

- Seven Springs Winery

LONE JACK

- Bynum Winery

LOUISIANA

- The Eagle's Nest Winery

MACON

- West Winery

MARQUAND

- Durso Hills Vineyard & Winery

MONROE CITY

- Indian Creek Winery

MOUNT VERNON

- Williams Creek Winery

MOUNTAIN GROVE

- **VESTA Regional Center**
- Mountain Grove Cellars

NEW FLORENCE

- Stone Hill Winery-New Florence

NEW HAVEN

- Bommarito Estate Almond Tree Winery

ODESSA

- Röbller Vineyard Winery

ODONOG

- Odessa Country Winery

O'FALLON

- Vintner's Cellar Custom Winery

ORONOGO

- Keltai Vineyard & Winery

OWENSVILLE

- Phoenix Winery & Vineyards

PARK HILLS

- St. Francois Vineyards & Winery

PATTON

- Thousand Oaks Winery

PLATTE CITY

- Jowler Creek Vineyard & Winery

POPLAR BLUFF

- Bonanza Spring Winery

PUXICO

- Indian Hills Winery

RICHWOODS

- Bardenheier Wine Cellars

ROCHEPORT

- Les Bourgeois Winery & Vineyards

SEYMOUR

- Whispering Oaks Vineyard & Winery

SPRINGFIELD

- OOVVA Winery

ST. CHARLES

- Little Hills Winery & Restaurant

ST. JAMES

- Heinrichshaus Vineyard & Winery

STEELEVILLE

- Meramec Vineyards

ST. LOUIS

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STOVER

- Grey Bear Vineyards & Winery

SUGAR CREEK

- VinoGrad Winery

URICH

- Red Fox Winery & Vineyards

WALNUT GROVE

- 7C's Winery

WARRENTON

- Rolling Meadows Vineyards

WAVERLY

- Baltimore Bend Vineyard

WELLINGTON

- New Oak Vineyards & Winery

WESTON

- Pirtle Winery

WESTPHALIA

- Riverwood Winery

WHEELING

- Westphalia Vineyards

WILLOW SPRINGS

- Chateau Lisa Winery

WILLOW SPRINGS

- Traver Home Winery

CALL 800 392 9463 FOR MORE
INFORMATION ABOUT LOCATIONS
AND WINES.

Missouri Wine and Grape Board
Statement of Assets and Net Assets – Cash Basis
June 30, 2010

ASSETS

CURRENT ASSETS:

Pooled cash – State of Missouri, Missouri Department of Agriculture	
Marketing Fund 0787	\$ 234,779.00
Research Development 0787	\$ 673,711.00
Marketing & Research Development Fund	\$ 178,313.30
TOTAL ASSETS POOLED CASH	\$1,086,803.30

NET ASSETS

NET ASSETS:

Marketing Fund 0787	\$ 234,779.00
Research Fund 0787	\$ 673,711.00
Marketing & Research Development Fund	\$ 178,313.30
TOTAL NET ASSETS	\$1,086,803.30

Statement of Receipts and
Changes in Net Assets – Cash Basis
For The Year Ended June 30, 2010

RECEIPTS

Wine tax – Marketing	\$ 717,927.00
Wine tax – Research	\$ 717,927.00
Interest	\$ 18,474.00
Miscellaneous	\$ 28,216.00
Total support and revenues	\$1,482,544.00