

Case Study: Oregon Certified Sustainable Wines



Background

In 2008, Oregon lawmakers implemented the Oregon Certified Sustainable Wines in response to consumers seeking out sustainably produced wines within the state and country. The goal of the scheme was simplicity and the main requirements to entry were

1. Practice environmentally responsible agriculture
2. Practice responsible winemaking
3. Third party or independently verified practices

A key aspect of the scheme was Bill 100, passed into law in 1973 with the aim of placing restrictions on urban sprawl into farmland and ensuring cities and counties to adopt comprehensive land-use plans. Winemakers in the Willamette Valley saw a need to also protect the hillsides which were not deemed appropriate for traditional agriculture but were perfect for future viticulture development. As a result, many of the appellation's most regarded vineyards are located near urban centres, but do not face the threat of urban development.

Like Kent, the agricultural landscape in Oregon is multifaceted, growing a wide variety of fruits and vegetables, arable farming and forestry with the majority of enterprises being independent (84%) and no larger than 20 hectares (62%) (Oregon Wine Board, 2020).

Principles

1. 97% of fruit in the bottle comes from vineyards certified by LIVE, USDA Organic, Demeter Biodynamic®, and/or Food Alliance;
2. The wine is produced in a facility certified by LIVE, USDA Organic, Demeter Biodynamic®, or Food Alliance



Sustainable Practices

The winery has an active sustainability program or has taken steps to green their business.



Renewable Energy

The winery has on-site renewable energy generation or purchases renewable energy credits.



EV Charging Station

The winery offers an Electric Vehicle (EV) charging station for visitors.



Salmon Safe

The winery makes wine from Salmon-Safe certified vineyards.



Certified LIVE

The winery is certified with Low Input Vineyard and Enology (LIVE).



Carbon Neutral

The winery is certified with the OEC's Carbon Neutral Challenge.

Figure 1 Sustainable Oregon Wineries must and provide the above certification and facilities (Oregon Wines, 2020)

INDUSTRY

Vines planted: 14,555 hectares

Number of wineries: 793

Number of Vineyards: 1,165

Varieties: 56% Pinot Noir, 14% Pinot Gris, 7% Chardonnay – 72 varieties total

Tourism Revenue: \$787million

Employment: 30,00 jobs

State economic impact: \$5.61 billion

(Oregon Wine Board, 2020)

Allowances and Limitations

Wines can be produced cross state if it is in a certified winery within an American Viticultural Area (AVA). This is good for both grower-only operations and wineries that buy fruit as it allows a higher price to be garnered for the fruit and wines produced.

There is a charge of \$0.01 by Oregon Wine Board for each bottle certified which could be perceived as a barrier to entry (Oregon State Bar, 2020).

Adoption

Sustainable practices have been widely adopted across the Oregon viticultural areas.

- 35% of all wineries certified as B Corp are in Oregon
- 52% of all Demeter Biodynamic certified vineyards in the US even though Oregon accounts for 1% of wine production
- 47% of Oregon's vineyards are certified sustainable

(Oregon Wine Board, 2020)

Learnings and Takeaways

Oregon has developed a reputation for its commitment to sustainability, artisanal practices, and highly regarded wines. As a result, prices per bottle are higher at an average of \$16.41 compared to neighbouring Washington (\$10.02) and California (\$7.24) (Oregon Wine Board, 2020).

The key to a high rate of adoption to sustainable practice is simplicity and flexibility. The ability transfer grapes across AVA's to be made in certified wineries is a huge advantage to grower-only operations as well as winery-only businesses.

Cooperation with reputable third and independent parties has knowledgeable experts. Ability to be certified by multiple agencies also allows vineyards and wineries to choose a framework that is most viable for their business.

References

Oregon Wines, 2020 Oregon Sustainable Wineries [online] available at <https://www.oregonwines.com/wineries/sustainable-wineries/>

Oregon Wine Board, 2018 Annual Report [online] available at https://industry.oregonwine.org/wp-content/uploads/2018-Winery-Vineyard-Report-FINAL-REV-10_14_19.pdf

Oregon State Bar, 2020 Sustainable Future [online] available at <https://sustainablefuture.osbar.org/>