



Wine Sales at FARMERS MARKETS

In 2013, Public Act 100 was approved by the legislature and signed into law, allowing farmers markets across the State of Michigan to accept any qualified small wine maker for the purpose of sampling and selling their products at the market. The current definition of a qualified small winemaker is an entity that produces 50,000 gallons or less in one calendar year. Under the law, these wineries can serve three 2 ounce samples of wine per customer and sell their product on site in a specific designated area within the market.

According to the Michigan Craft Beverage Council (formerly the Michigan Grape & Wine Industry Council), Michigan consistently ranks in the top fifth in the nation for wine production. Michigan Excise Tax records show 379 small wine makers bottled more than 1.3 million gallons of wine, mead and cider in 2017.

By 2017, of the 379 small winemakers in Michigan, 44 have received one or more permits to sell at farmers markets. The role of farmers markets across the state of Michigan is to give citizens direct access to fresh produce and locally produced foods, and to support local businesses. As Michigan farmers markets continue to thrive, qualified small wineries have begun utilizing this opportunity to connect with local customers. This has helped qualified small wine makers (which include the sale of grape wine, hard cider and mead) increase overall sales, build relationships with other local vendors and spread the word about their vineyards and tasting rooms. It also has allowed the consumer to discover new businesses, support local food systems, and help stimulate a growing Michigan economy.

Today's Challenge

Farmers market permits have been a valuable tool and have aided in the growth of many small wineries across Michigan. However, because of the industry's growing popularity and success, a large portion of small wine makers are approaching the 5,000 gallon limit or already exceed it, making them unable to take advantage of this great opportunity.

"I have met many people at the market who have been instrumental in our business growth either in marketing, other retail sales opportunities and/or capital investor opportunities. I am able to tell customers about both our downtown Muskegon tasting room and our tasting room at the vineyard in New Era. No one sells your product as good as you can. We are currently producing between 1,000-1,200 cases a year (2,300-2,800 gallons) and increasing our limit would allow us to continue selling at markets a little longer as we are still growing.

—Renae Goralski, Oceana Winery and Vineyard



"Selling at the Midland Farmers Market has had a positive impact on our business. Being that we're a seasonal business, it's nice to have another outlet for our product and the market has helped us grow recognition of our name and brand."

— Nicole Ward,
Forgotten Ciders





“Modern Craft winery is in full support of increasing the amount of wine production in order to be eligible to participate in farmers markets. Modern Craft resides its tasting rooms in small rural communities for the most part where farmers markets are as routine as cars on the highway. Farmers markets in these rural areas, while common, struggle with finding vendors. We have been invited to participate in many community based farmers markets, but have had to decline because we are not eligible based on our scale of production. We should absolutely be able to support these communities as our reach is not nearly strong enough to penetrate larger markets. The economic impact from raising this limit would be felt across the whole industry for others just like us.”

—Tom Nixon, Modern Craft Wine

Solution

In recognition of the growing wine industry within the State of Michigan and the desire to see small businesses thrive, **the limit set by law to sell at farmers markets should increase to at least 15,000 gallons produced per year.** This could expand eligibility to an estimated 364 (96%) businesses holding a small wine makers license which would increase the ability of farmers markets statewide to recruit small winemakers as vendors, allow more opportunities for wine makers to promote a growing industry within the state, and will expand consumer exposure to more local businesses.

Benefits of Raising the Production Limit:

- Updating the gallon production limit would increase the number of small businesses in the State of Michigan that can benefit from building relationships with local consumers at farmers market.
- Allow small qualified small wineries to maintain market access as they produce more wine.
- A modernized threshold would give farmers market managers a greater ability to recruit wineries to be vendors at markets.
- More locally owned businesses could reach interested customers.
- A slightly higher eligibility limit of 15,000 gallons produced, better reflects the current and projected growth of the wine industry in Michigan.



#FarmersMarketsMI

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