







Allowing wine sales in food stores is good for Kentucky.

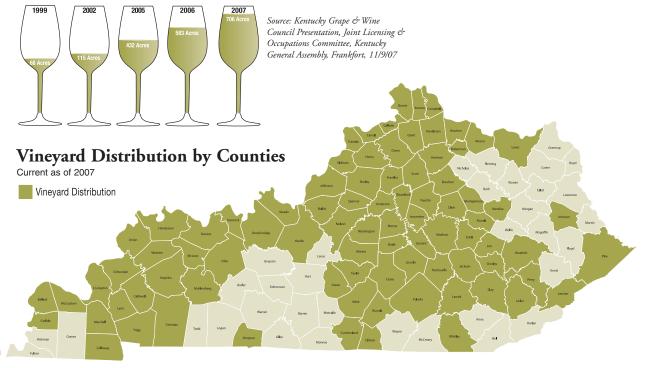


Kentucky Farmers benefit.

As farmers transition from tobacco to new cash crops, growing grapes to sell to Kentucky wineries is one of the best alternatives. In fact, at one time Kentucky was the third largest grape-producing state in the US. Today, grapes are making a comeback in Kentucky. Planted acreage has increased by 928% since 1999. Vineyards are located across the Commonwealth in 84 counties. And grape growing can be profitable—but the start-up costs are enormous, sometimes taking 7–12 years just to break even. Farmers need help. Expanded sales opportunities for Kentucky wine in food stores will provide benefit to our farmers.



Planted Acreage Growth in Kentucky



Source: Kentucky Grape & Wine Council Presentation, Joint Licensing & Occupations Committee, Kentucky General Assembly, Frankfort, 11/9/07



Kentucky wineries benefit.

According to University of Kentucky College of Agriculture staff, Kentucky wineries are projected to produce over 630,000 gallons of wine by 2010. Expanding sales and distribution opportunities through as many as 300 food stores in communities that already have alcoholic beverage sales is the single best way to help these businesses grow, improving local economies and adding jobs. Yet changing the law will not change anything in Kentucky's dry counties where the tradition of local option is respected. By growing our state's wine industry, we'll generate additional tourism dollars and further solidify Kentucky as a top agri-tourism destination featuring beautiful wineries, horse farms, bourbon distilleries, and natural scenic wonders.





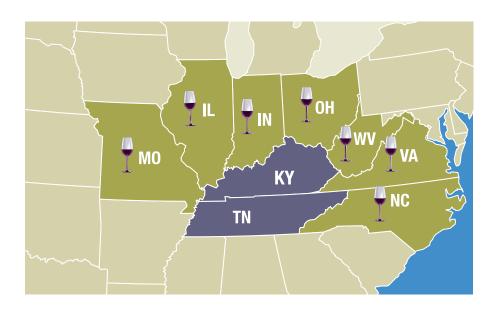
Source: Kentucky Grape & Wine Council Presentation, Joint Licensing & Occupations Committee, Kentucky General Assembly, Frankfort, 11/9/07 0760-21744Winebroc 12/10/07 12:20 PM Page 9



Kentucky consumers benefit.

Changing existing law will give consumers many new choices when it comes to buying wine to consume with dinner. Kentucky consumers do not have as many choices as consumers in neighboring states. Yet changing the law will not require any change to the existing trade channel distribution system. As one of only 16 states prohibiting wine sales in food stores, the Commonwealth is forfeiting much needed tax revenue. It's estimated that in the first five years alone, added tax revenue would be between 38.5 and 66 million dollars.* It's time to give Kentucky farmers a boost and Kentucky consumers a choice—please join us and support the sale of wine in food stores.

*Based on similar experience in Louisiana and South Carolina food stores.





0760-21744Winebroc 12/10/07 12:20 PM Page 11



Conclusion.

There are now 43 wineries in Kentucky's blossoming wine industry. In fact, grapes are now grown in 84 counties. And yet, we're one of only 16 states that do not allow consumers to pick up a bottle of wine at the grocery store.

As the wine industry continues to flourish we need to assist farmers and give them additional markets in which to sell their crops. Food-store wine sales is the obvious answer.

Please join us and support the Food with Wine Coalition as we work to revise existing Kentucky law, support Kentucky's farm community, provide consumers with choice, and generate more tax revenue for the Commonwealth.

