

A Business Plan for a Norton Vineyard To be Established in Virginia

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ABSTRACT

The winery sector in the Commonwealth of Virginia is growing at a rapid pace. So much so, that vineyard production has not been able to keep up with demand. This forces wineries to search outside of the state for sourcing, oftentimes buying from commercial vineyards as far away as California. To date, nearly all of these imports have been of French varieties. The shortfall however also applies to grapes that have their origins in Virginia, specifically the Norton grape. Norton grapes are not ordinarily available for purchase on the national commodity market.

This report specifically addresses the work and moneys required to set up from ground zero a vineyard totally devoted to raising Norton grapes to meet this market need. It provides the thought process to determining a financially feasible vineyard, exhibits a year-to-year cash flow and income analysis as the vineyard reaches maximum revenue potential, and offers the information in a Business Plan format so that outside viewers can make their own objective conclusion regarding the profit potential of such a venture.

The author compiled information from published sources, conducting numerous interviews with Virginia viticulturists, and applying some personal experience from his own vineyard. Major assumptions were made at the beginning of the study; one of which was the idea that absolutely no previous effort or funding had been applied to jumpstart the establishment of a vineyard. Anyone reading these assumptions should adjust them to meet their particular circumstances. Any changes in technique or financing would apt to alter the most conservative case laid out, which requires upwards of a half million dollars and 6 years before obtaining a positive cash flow from farming a 30 acre vineyard.