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IMPACT OF CALIFORNIA'S DROUGHT ON WINE INDUSTRY

[Agriculture \(/full-blog?category=Agriculture\)](#)

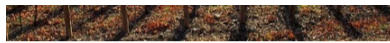
By: Seth J. Singleton

With the continuing drought in California, the agricultural industry may be fearful of losing its top spot on the ERA's list for the top agricultural producing state— worth roughly \$46 billion and employing 1.7 million people.^[i] However, one particular crop may not be as threatened as the rest —California's celebrated grapevine.

As one KJEANRL staff member, Laura Edelman, recently pointed out, when it comes to water, California has seen better days.^[ii] In the midst of yet another drought in California, the first year being in 2011,^[iii] citizens are facing the reality of a 25% cutback on domestic water usage. Although such a cutback may seemingly ease water shortage in California, the numbers show that 80% of California's water is used for agricultural purposes.^[iv] Therefore, cutting 25% of usage from the already low 20% domestic group may not extinguish the water shortage entirely.^[v] However, if cutbacks are enforced on the agricultural industry, this may not adversely affect the wine industry in particular.

Although California is in the midst of a continuing drought, the California wine industry may be bottling some of its best vintages.^[vi] Since the grapevine is relatively hardy, although not entirely drought resistant, the wine industry may not be as hard pressed for water as other crops.^[vii] Many of the notable, fine wines from California were dry farmed, meaning the crop relies exclusively on the natural rainfall for growth.^[viii] Dry farming produces a small grape, resulting in a concentrated flavor and can coincidentally lead to higher retail values for a bottle of wine.^[ix] Dry farming also results in grapes ripening earlier, allowing crops to be harvested before autumn storms arrive.^[x] However, grapes are not as abundant, which results in lower yields and potentially, less revenue.^[xi]





(<http://www.telegraph.co.uk/news/worldnews/northamerica/usa/10969968/Why-wine-drinkers-should-worry-about-the-California-drought.html>)

While this information seems promising to the wine industry, vineyards should still fear the continuing drought. Although grapevines are hardy and require substantially less water than alfalfa or rice, the wine making process requires a sizable amount of water.^[xii] From processing, to cleaning, to frost protection, roughly four gallons of water are required to produce each bottle of wine. ^[xiii] However, vineyards are focused on saving water across the board.^[xiv] Not only have companies employed high-tech strategies to conserve water, such as innovations in recycled water processing and improving irrigation technology, but they have also implemented low-tech strategies, such as using pressure washers to clean floors over a conventional hose, installing drain covers to prevent grapes from unnecessarily congesting pipes, and using fans to protect grapes from frost rather than the typical protective spraying.^[xv]

The California wine industry, as well as the agricultural industry, may seek guidance from other cities and countries that have been successful in substantially reducing their water usage. One such country is Singapore.^[xvi] Singapore attached water treaties to its declaration of independence with Malaysia. Additionally, the country has recently developed, among other technology, water treatment plants to convert sewage water into clean drinking water, which is then used for industrial manufacturing or in reservoirs.^[xvii]

[i] Thomas M. Kostigen, *Could California's Drought Last 200 Years?*, National Geographic (Feb. 13, 2014), <http://news.nationalgeographic.com/news/2014/02/140213-california-drought-record-agriculture-pdo-climate/>; *Drought—Frequently Asked Questions*, U.S. Forest Service, http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprd3819689.pdf (last visited June 17, 2015); *FAQs*, United States Department of Agriculture Economic Research Service, <http://www.ers.usda.gov/faqs.aspx#10> (last visited June 17, 2015); *2014 California Wine Sales Grow 4.4% by Volume and 6.7% by Value in the U.S.*, Wine Institute (May 19, 2015), <http://www.wineinstitute.org/resources/pressroom/05192015>; Chris Rauber, *California wine sales surge in 2014*, San Francisco Business Times (May 19, 2015, 11:22AM), <http://www.bizjournals.com/sanfrancisco/blog/2015/05/california-wine-sales-surge-2014-wine-napa-sonoma.html>.

[ii] Laura Edelman, *The Grass isn't Always Greener on the Other Side*, The Kentucky Journal of Equine, Agriculture, & Natural Resources Law (May 13, 2015), <http://www.kjeanrl.com/full-blog/2015/4/23/the-grass-isnt-always-greener-on-the-other-side>.

[iii] Nicholas Weller, *Satellites Show True Extent of California Drought*, EOS (Dec. 18, 2014), <https://eos.org/articles/satellites-show-true-extent-california-drought>.

[iv] Chris Losh, *Comment – Wine – California Drought: An Opportunity, not a Problem?*, Just-Drinks (May 14, 2015), http://www.just-drinks.com/comment/an-opportunity-not-a-problem_id116957.aspx.

[v] *Id.*

[vi] Jim Carlton, *California Drought Produces Tastier Wine Grapes*, The Wall Street Journal (Oct. 7, 2014, 7:36PM), <http://www.wsj.com/articles/california-drought-produces-tastier-wine-grapes-1412724992>; Ben Bergman, *California drought could make wines more flavorful, but also more expensive*, 89.3 KPCC SOUTHERN CALIFORNIA PUBLIC RADIO (June 8, 2015), <http://www.scpr.org/news/2015/06/08/52243/california-drought-could-make-wines-more-flavorful/>; Clinton Stark, *California Drought: Will the 2014 wine vintage be "extraordinary"?*, Stark Insider (Oct. 9, 2014), <http://www.starkinsider.com/2014/10/california-drought-will-2014-wine-vintage-extraordinary.html>.

[vii] Losh, *supra* note 4; Anita Balakrishnan, *California Wine: Grapes Are Drought-Tolerant, Not Invincible*, NBC News (Apr. 2, 2015, 1:59PM), <http://www.nbcnews.com/storyline/california-drought/california-wine-grapes-are-drought-tolerant-not-invincible-n334721>.

[viii] Katie Kelly Bell, *Are The Best Tasting Wines Dry Farmed?*, Forbes (Mar. 12, 2015, 1:44PM), <http://www.forbes.com/sites/katiebell/2015/03/12/are-the-best-tasting-wines-dry-farmed/>; *Ask Dr. Vinny*, Wine Spectator, <http://www.winespectator.com/drvinny/show/id/40451> (last visited June 17, 2015).

[ix] Carlton, *supra* note 6; Wine Spectator, *supra* note 8.

[x] Matt Cantor, *California drought perk: Better wine*, USA Today (Oct. 12, 2015), <http://www.usatoday.com/story/news/nation/2014/10/12/wine-drought-perk-newser/17149845/>; Wine Spectator, *supra* note 8.

[xi] Bergman, *supra* note 6.

[xii] Losh, *supra* note 4.

[xiii] Chris Rauber, *How California's largest winemaker has cut water use by 25 percent*, San Francisco Business Times (Apr. 27, 2015, 12:42PM), <http://www.bizjournals.com/sanfrancisco/blog/2015/04/e-j-gallo-wine-drought-jackson-family.html>.

[xiv] *Id.*

[xv] Losh, *supra* note 4; Rauber, *supra* note 13.

[xvi] Mark L. Clifford, *California's drought is Asia's nightmare*, CNN (May 11, 2015, 8:29AM), <http://www.cnn.com/2015/05/11/opinions/clifford-california-asia-water-solutions/>.


[xvii] *Id.*

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