



BCWI Wine Export Strategy

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1 Executive Summary

In September 2014 the Canadian Vintners Association (CVA), through its International Trade and Export Committee, developed the *Red & White Export Strategy: Canadian Wine Industry Long-Term International Trade Strategy*. This long-term international market development strategy (LTIS) identified the most promising metropolitan centres: New York City, San Francisco, Hong Kong, Tokyo, London, and for market-related issues, Brussels. The B.C. Wine Institute's (BCWI) export strategy was written in collaboration with the Institute's BCWI Task Group to identify the best strategy and opportunities for B.C.'s wineries to effectively enter international markets.

The CVA's LTIS identified four national strategic priorities:

- Increase global awareness of Canada as a serious “cool climate” wine producing region to build and retain international export markets;
- Introduce Canadian businesses to high opportunity/exposure distribution channels and commercial opportunities;
- Support wine country tourism across Canada as a mechanism to build knowledge, create demand, support pricing, and sustainability for international sales growth; and,
- Protect and enhance fair access to global markets and regulatory harmonization through advocacy and information exchange with industry and international wine organizations.

The BCWI identified the need to ensure that any export strategy that it developed was aligned with previous input provided to the CVA's *Red & White* strategy. This would facilitate BCWI's ability to continue to work collaboratively with the CVA in the future and would result in a “B.C. Brand” that reflected and aligned with the existing “Canada Brand”. By operating within the identified national priorities of the CVA, the BCWI Wine Export Strategy will benefit from the work that has been done in the past and guarantee the B.C. industry will benefit from the work being done nationally to retain and advance its market intelligence and have access to an advantageous trade environment.

The BCWI wishes to thank the B.C. wineries who have agreed to form the BCWI Export Task Group and both the federal and provincial ministries for their invaluable contributions:

Miles Prodan – B.C. Wine Institute

John Skinner – Painted Rock

Peter Willie – Quail's Gate

Ben Stewart - Stewart Family Estates

Jan Nelsen – Tinhorn Creek
Vineyards

Dave Wilson – Mission Hill

Ann Sperling – Sperling Vineyards

Tony Holler - Poplar Grove Winery

Richard Da Silva – Misconduct Wine
Company



2 Overview

B.C. is recognized as one of Canada's premier locations producing a wide variety of wines due to the province's unique microclimates. Located strategically along the west coast of Canada the BCWI hopes to take advantage of the province's location to support the wine industry's global exports and international wine market development. As a producer of high-quality and high-cost wines, this price point differentiation will support B.C.'s wineries to set themselves apart from other wine producing regions from around the globe.

From an international perspective, B.C. will always be a small wine-producing region. In 2015, B.C. wine exports were valued at \$9.3 million. It is important to note, however, that \$7.9 million, or 84.7 percent of all wine exports, were to China. Nationally, it is important to note that Canadian exports totalled 72.9 million litres in 2015. Of this, only 1.8 million litres was premium wine (non-bulk), representing \$32.8 million of the total \$73.9 million of all Canadian wine exports. It is impressive that premium wine accounted for only 2.5 percent of wine exports, but represented 44 percent of the total value of all wine exports. According to the CVA, Canada was ranked 27th in the world terms of export value.¹ This provides B.C. wineries an opportunity to effectively leverage its reputation as a premium, high-quality, wine growing region to enter new and existing international markets.

The BCWI's Export Strategy is also reflective of a changing and dynamic trade environment. Canada has concluded a number of international free trade agreements, including the Comprehensive Economic and Trade Agreement with the European Union, and is currently in negotiations regarding the Trans-Pacific Partnership with Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam. The CVA believes that reduced barriers to international trade will create new opportunities for Canadian wineries to take advantage of expanding market opportunities.

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¹ Canadian Vintners Association, *Statistics*, < <http://www.canadianvintners.com/info-centre/wine-statistics/>>. Accessed February 13, 2017.

3 SWOT Analysis

Strategic planning is often informed by a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. The analysis outlines competitive conditions that affect the economic and broader development potential of a region or industry. In this case, the SWOT is used to summarize the market development potential in B.C.'s wine sector that will directly impact the strategies and actions to grow and expand the sector now and in the future.

A SWOT Defined

For the purposes of this report, the SWOT is characterized in the following terms:

- **Strengths** (Positive, Internal): The capabilities, resources, or attributes of B.C.'s wine sector that provide a competitive advantage to the industry and that can serve as an important foundation for growth (i.e. production capacity, industry experience, financial resources, unique ingredients/packaging).
- **Weaknesses** (Negative, Internal): The capabilities, resources, or attributes of B.C.'s wine sector that need improvement and that may limit the current or future growth potential of the sector (i.e. lack of internal resources, limited experience, no food safety programs, limited marketing training).
- **Opportunities** (Positive, External): The circumstances that, if capitalized on, could contribute positively to growth in B.C.'s wine sector (i.e. favourable market trends, regulatory changes, new technology, government policy changes, and potential partnerships).
- **Threats** (Negative, External): The circumstances that could have a negative impact on the growth prospects of B.C.'s wine sector (i.e., new trends, access to ingredients, exchange rate fluctuations).

Strengths

- B.C. wines are part of the strong "Wines of Canada" brand, which is based on Canada's reputation for high-quality products and is recognized in the international marketplace.
- The B.C. wine industry is capable of producing high-quality wines. Due to the competitive nature of the global wine market, it is important for B.C.'s wine industry to differentiate itself from the competition by leveraging this strength when selling into luxury markets outside of Canada.
- B.C. wineries entering and developing foreign markets have the production capacity to meet demands outside of Canada. This requires a business plan that positions foreign market development as a priority and reserves a percentage of annual production for sales outside of Canada.
- B.C.'s proximity to Asian markets provides producers with a competitive advantage over other provinces. This is also true for entering western U.S. markets such as the Pacific Northwest U.S., Seattle, and San Francisco.

- B.C.'s wine industry presents international visitors with a wide array of agritourism opportunities across the province, which can be cross-promoted with other B.C. tourism initiatives to broaden the exposure of B.C. wine in the international marketplace. This includes demonstrating pairing of B.C. wine with a wide variety of foods and festivals. Selling agritourism abroad as an export product provides wineries the opportunity to create "destinations" for international visitors that are centered around great restaurants, high-quality wine and other related tourism activities, which results in bringing more foreign dollars into the B.C. economy.
- B.C. and Canadian wineries are using new and innovative techniques to create a truly high-quality product.
- The value of the Canadian dollar provides wineries the opportunity to enter foreign markets and have a greater return on the investment compared to more expensive regions.

Weaknesses

- The B.C. wine industry lacks a market leader or leaders that are willing to "bring everyone with them" into international markets. B.C. needs a leading high-quality producer to "set" the strategy that will enable the rest of the industry to benefit from their entry into foreign markets. There are large wineries that could take on the role, but they need to be willing to do so collaboratively with other wineries. Other potential leaders are focusing on other markets such as Icewine and duty-free stores, which require completely different strategies.
- In the past, many wineries have entered international markets with a "one-time" or short-term approach. This approach results in a wide variety of wines of different quality levels entering foreign markets, which makes it difficult to sustain a strong "Wines of Canada" brand that is based on promoting the high-quality nature of B.C. wines. The successful development of international markets needs an on-going and consistent effort by wineries that are invested in supporting the high-quality nature of this brand. There are approximately 270 wineries operating in B.C. and not all of them have the capacity to do this. In reality, there are about 20-30 wineries that are truly positioned to consider entering and sustaining sales in foreign markets at this time.
- Current pricing, programming, and marketing materials are consumer focused. B.C. wineries cannot compete effectively in the export consumer market until Canada has sufficient product and exposure in the market. It is important to align foreign market development with the capacity of the industry, which at this point is limited in comparison to other global wine producing regions.
- Globally, B.C. is a relatively small producer and therefore needs to consider how to sell wine abroad carefully. Too often producers are undervaluing their wines and selling too low, which then damages the overall Canadian and B.C. brand. For example, selling low-priced wine and the messaging doesn't align with the price point that the industry needs to get behind.

- Unlike other global wine producers, B.C. wines are not associated with a specific varietal. In comparison, Washington has positioned itself as having “Elegance of France and the fruit forwardness of California”.
- The use of “cool climate” can be confusing for international buyers as it is strongly associated with Icewine that is produced predominantly in Ontario. In comparison, B.C. has a number of different unique microclimates that allow wineries to produce a wide variety of table wines, not just Icewine.
- In the context of international market development, the B.C. wine industry is somewhat disparate with a general lack of coordination among wineries. Several individual wineries are pursuing their own business strategies and target markets. The collaboration needed to effectively establish and support long-term international market development for B.C.’s wine industry is missing.

Opportunities

- B.C.’s wine industry currently has enough critical mass, which it did not in the past, to begin focusing on a coherent export orientated strategy.
- B.C. wineries entering international markets can take advantage of the established image and reputation of Canada to capture the attention of international wine influencers and buyers, and then educate them on the specifics of the B.C. brand. For example, wineries can first focus on Canadian imagery and assets that Canada is renowned for such as clean air and fresh water to align their products with the Canadian brand, and then speak to the aspects of B.C.’s production climate and methods to help showcase the quality and uniqueness of their products. This same approach can also be taken in respect to wine tourism.
- The (B.C.) VQA standard has an important role in supporting the B.C. wine brand and can be part of consumer education in target markets. As an appellation system the (B.C.) VQA designation can be used to promote and sell B.C. wines.
- By focusing on high-end and well-known varietals when promoting wine internationally, B.C.’s wine industry can ensure purchasers better understand their products. The B.C. wine industry could also consider how to more effectively brand and market the B.C. region, similar to how Oregon has effectively positioned itself in the international market.
- Due to the limited production capacity of the B.C. wine industry relative to other wine producing regions, the best opportunity for B.C. wineries is to focus on educating wine buyers, influencers, sommeliers and chefs at four or five-star restaurants and hotels about B.C. wines, rather than starting at the consumer end of the spectrum.
- Pairing B.C. wines with other agrifood and seafood products could be a winning combination, and this can be done by working directly with other sub-sectors of B.C.’s agrifood and seafood industry to leverage consistent messaging, joint promotional activities and existing trade channels (i.e. distributors, importers, etc). There is an opportunity for wineries to take a team-based approach and create a strategy that will facilitate accessing a number of different funding opportunities to

enter foreign markets. This industry-led initiative could create support within the larger wine industry and leverage government funding programs that support export growth. When promoting the wine industry abroad it is critical that it is done as a team.

- Creating better lines of communication about when wineries are going abroad as an opportunity to sell B.C., just not their wine. This could involve a social media campaign targeted at promoting B.C. and B.C. wine abroad.
- B.C. tourism is an excellent opportunity to also bring visitors to wineries. There should be a concerted effort to get tourism materials to wineries when they are abroad to sell B.C. It will involve a “Team B.C.” approach. The best margins for wineries are sales that occur at the winery.

Threats

- One of the largest threats to B.C. wine exports is the level of counterfeiting in China. Counterfeiting products is so commonplace that it is often seen as a common business practice. This has the potential to dirty wine brands if inferior products are being sold as high-end B.C. luxury wines.
- The US regulatory environment is difficult to navigate and the three-tier system also makes it very costly to enter the U.S. market.
- Any time that a Canadian producer “cleans out their cellar” and sells low-end wine in export markets that have been identified as luxury markets is going to harm the Canadian and B.C. brand. This has been done in the past, and will no doubt happen again, but needs to be discussed at an industry level.
- The wine industry has been inconsistent in support of efforts to develop foreign markets. It has often focused on the domestic market to the exclusion of foreign markets. In the past wineries have not committed to the development of a foreign market with year-over-year resources. The implication of a winery that pulls out of a market, even for one year, is that the winery is not committed to developing and entering that market.
- The focus of B.C. wineries should not be on marketing to specific trends, such as selling to baby boomers or millennials, since this will require changing advertising and marketing tactics. The industry as a whole cannot shift that fast and should try to be consistent in its messaging to ensure that B.C. wine can be positioned as a high quality, luxury item, that appeals to a cross section of buyers in foreign markets.

4 Vision & Strategic Objectives

The CVA's mission is “*To provide focused national leadership and strategic coherence to enable domestic and international success for the Canadian wine industry*” as a member of the CVA the BCWI's Export Task Group is tasked with promoting and exporting B.C. wines within the existing national framework. The BCWI, B.C. wineries, and provincial and federal representatives have defined the strategic export vision, priorities, and action plan with the intent of building unity across the industry to work collaboratively in a unified international export strategy.

The development of this export strategy does not prevent all B.C. wine producers from pursuing their individual export opportunities. The BCWI, however, does recognize that the B.C. wine industry will be best served by a coherent export strategy that will provide all participants with the prospect of accessing foreign markets through a collaborative effort that will leverage the existing strengths of the Canadian, and B.C., the wine industry.

4.1 Strategic Objectives

Strategic objectives are comprised of both international market development and trade policy/market access.

- Launch a multi-year foreign wine market development program to establish B.C. premium wines as products of choice in select foreign markets.
- Increase the number of B.C. wine distributors in select foreign markets.
- Increase the number of wineries exporting to select markets.
- Establish allocations of premium B.C. wine for export to high price point select foreign markets.
- Increase the awareness and engagement of Canadian Posts in select foreign markets.
- Increase the knowledge and collaboration of key influencers, buyers, and sommeliers in select foreign markets.
- Increase international wine tourism in B.C. and capitalize on potential export benefits.
- Develop strategic alliances with other B.C.-based agri-food and seafood producers.
- Increase select foreign market knowledge with the BCWI and B.C. wineries.

4.1.1 International Market Development

The BCWI is currently focussed on the Hong Kong and U.S. Pacific Northwest markets. Within this context, London, U.K. and Japan are perceived as secondary markets. Hong Kong is the gateway to accessing the Chinese market, and many other Asian markets, where buyers will pay full price. In comparison the Japanese market

moves far more slowly, it is not influenced by market developments in Hong Kong or China, but there is great opportunity based on the growing number of BC Wine distributors and the current currency advantage.

One of the challenges facing the B.C. wine industry is the fact that, traditionally, exports are skewed by the high value of Canadian Icewines. As a result, this does not necessarily explain where the volume of B.C. wine is being sold. It is critical that B.C. wineries identify a “beachhead” location for international market development and focus the industry’s efforts in long-term and sustained support in that market. This will require B.C. wineries that are participating in the BCWI export strategy be realistic about what markets they want to enter and how to best develop those markets.

- B.C. wineries need to agree that there are markets in which only premier wine products should be sold. It is acknowledged that if one B.C. wine seller “clears out the cellar” by selling bulk wine in the same market it will disadvantage everyone. This means overall that B.C. wines should be marketed towards the luxury market.
- B.C. wineries looking to enter international markets should consider devoting a consistent percentage of their production and support for international markets, even if they could sell it domestically, to create a long-term market development strategy.

4.1.2 Trade Policy – Market Access

The BCWI needs to continue to demonstrate that as an organization it is taking on a leadership role into what key markets the wine industry should focus on. This includes understanding the logistics and the distribution systems of target markets and ensuring that trade policy will facilitate and potentially support entry into those markets. This will require B.C. wineries to have a more fulsome understanding of how recent trade agreements between Canada, the EU, and Asian markets will benefit the exportation of B.C. wines.

4.2 Target Markets

The BCWI Export Strategy is focused on key markets that the B.C. wine industry is optimally positioned to leverage the industry’s limited resources to enter and most effectively develop. The key markets have been identified in part because they align with the CVA’s *Red & White Export Strategy* and represent the most logical export destinations for B.C. wineries. The result of entering these markets should include the ability for wineries to show clear outcomes.

Although China is the largest export destination of wine for B.C. wine producers it is not the market in which B.C. wineries will build their brand as a premium, luxury, brand. This is why China should not be a primary market for future foreign export development. Instead, the focus should be on smaller Asian markets such as Hong Kong.



Hong Kong

Hong Kong is perceived as an excellent export market due to its role as a gateway in to other Asian countries such as Taiwan, South Korea, Singapore, and China. If you cannot sell your wine in the Hong Kong market then it will be extremely difficult to enter other Asian markets. It is important to note, however, that marketing strategies that are applicable to Hong Kong and other Asian markets are not necessarily true for Japan.

The BCWI and wineries should continue to focus on key tactics and events that offer the greatest chance for supporting existing distributors with exposure to new and potential customers and clients. For example, the Rugby Sevens is a large event in Hong Kong that offers an excellent opportunity to promote and market B.C. wineries. In addition, the Restaurant & Bar Hong Kong (on-trade targeted) and Restaurant & Bar Hong Kong (consumer targeted) could also be perfect opportunity to align trade show attendance with B.C.'s wine export strategy. However, attendance to trade shows in this market should be limited to wineries and distributors that have already made considerable efforts to enter the Honk Kong market, have wine that is available to be sold in Hong Kong, and are attending the trade show in order develop additional contacts to facilitate market growth.

Pacific Northwest, U.S.

The geographic proximity of B.C. wineries to the Pacific Northwest markets of the United States poses an excellent opportunity for export and in-region tourism market development. The Pacific Northwest also provides cost savings on shipping over other foreign markets. The consensus amongst B.C. wineries was that very few had taken advantage of the opportunity to develop this market. The Pacific Northwest and the rest of the U.S. are generally receptive to imported wines and have a well-developed wine and food culture. The strength of developing this market is the close geographic proximity and the ability to promote B.C. wine tourism.

The challenge, however, is the three-tiered distribution system that exists. Since B.C. wineries can deal directly with retailers this often results in lower profit margins on wines being sold into the U.S. because of the number of third party distributors, resellers, and retailers that are involved. To overcome this barrier BCWI and B.C. wineries should focus on key events that offer the greatest chance for exposure to new and potential trade customers and clients. For example, the USA Trade Tasting and Business Conference in New York was created to promote sustainable growth in the independent beverage industry by helping boutique wineries, craft breweries, craft distilleries, importers, distributors, retailers and beverage companies learn, source and grow. It is one of the largest events in the United States and will provide an opportunity for B.C. wineries to connect with importers and distributors that are required to enter the Pacific Northwest market.

London, U.K.

The success of developing a market within the EU lies with the ability of B.C. wineries to establish a brand that domestic wine writers report on and promote. The success of B.C. wineries will, to a large degree, define their success in other European markets. An advantage that can potentially separate B.C. wineries from their international competitors is their experience selling to government owned liquor monopolies. Many markets in Europe have a similar structure to those in provinces across Canada.

BCWI and B.C. wineries should also continue to focus on key events that offer the greatest chance for exposure to new and potential customers and clients. For example, ProWein is the world's leading trade fair for wine and spirits and is the largest industry meeting for professionals from wine industry and trade. As one of the most important wine events in the industry key influencers, writers, and sommeliers from London are in attendance. This provides B.C. wineries with an opportunity to meet directly with the key individuals that will help promote their wines in the London and EU markets.

4.3 Strategic Priorities

Strategic Priority One: Increase global awareness of B.C. as a Canadian wine producing region to build and retain international export markets.

- For the next three to five years it will be critical to establish the Wines of British Columbia as a single message and brand that is endorsed, embraced, and communicated by all B.C. wineries interested in entering international markets.
 - This will require a unified brand that all B.C. wineries can use that is also consistent with the Canadian wine branding and messaging.
 - B.C. wineries developing foreign markets that one or two varietals should be the focus in these markets. Introducing too many wine types and styles will dilute both the impact and message of B.C. wines.
- An increased focus on creating a “Unified Tool Box” that all B.C. wineries, industry stakeholders, and other partners can use to increase collaboration and communication to support the B.C. wine industry.
- Create a “common map” that clearly outlines and communicates to the market who and what the B.C. wine industry is.
- The B.C. wine industry is only one of many food producers located in the province and across Canada. B.C. wineries should look to other B.C. products and identify pairing opportunities that will facilitate consumer adoption of B.C. wines.
- The development and implementation of a successful market development and export strategy will require a long-term commitment by wineries of upwards of 10 years.



- This could involve an in-market intermediary who can act as a promoter and educator. They will also be able to work collaboratively with all wineries and importers that want to be involved.
- The Wines of British Columbia brand under the CVA's Canadian brand should be focused on selling high-quality wines with an appropriate price point. The introduction of low-priced high volume wines will detract from the strategic marketing of Canadian wines as a high-priced luxury good.

Strategic Priority Two: Introduce B.C. businesses to high opportunity and exposure channels and commercial opportunities.

- The BCWI and its members need to develop a process that will identify who participates in export marketing activities. It is fundamental that all participants are committed to the process for the long-term and are recognized as wineries producing excellent wines.
 - This will require that participating wineries are committed financially (pay-to-play), and from a quality perspective, to the longer development of select markets. This should include a commitment to exporting inventory from every vintage (same varietal and style) as part of a cohesive strategy.
- Identify key locations within target markets that can be used to showcase B.C. wines that are available for import. This will create “beachheads” that other B.C. based wineries can leverage to enter foreign markets.
 - This will require international partnerships to facilitate and a large investment with either hotels and/or restaurants to support and communicate the Canadian and B.C. brand.
 - Select trade shows offer the potential for market development, but not all of them focus on quality wines. More importantly, if a winery is not in a position to sell wine in the target market it is not a good use of time and resources to attend trade shows.
- The Canadian Government, through its Canada Post Strategy, has enabled Canadian businesses to leverage Canadian Posts to showcase their product, hold master classes, and table top events to support export market development.
- Create opportunities for wineries to meet with key distributors and proprietors that will act as market leaders to introduce B.C. wines to their clients.



Strategic Priority Three: Support international winery tourism as a mechanism to create pull, pricing, and sustainability for international sales.

- Create inbound missions for buyers, influencers, and media representatives from target markets to come to B.C. and visit wineries in order to meet the vintners and see the region and support building a brand for B.C. wines.
- Collaborate with Destination British Columbia and other stakeholders within the B.C. tourism industry to proactively market the B.C. wine industry and B.C. wineries as tourism destinations.

Strategic Priority Four: Protect and enhance fair access to global markets through advocacy and information exchange with industry and international wine organizations.

- The recent success of The Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA) will support the export of B.C. wine into new and existing markets within Europe. The Trans-Pacific Partnership (TPP) also has the potential to offer B.C. wineries new opportunities in Asian markets that would facilitate increased trade.
 - The BCWI and B.C. wineries with the capacity to enter and develop foreign markets need to have a clear understanding on how these trade agreements will impact their ability to access select foreign markets.
- There are a number of markets in which counterfeiting is affecting B.C. wineries' ability to enter and develop select foreign markets. The BCWI and B.C. wineries must work proactively with governments and industry to address these issues. This includes maintaining VQA trademarks, corporate trademarks, wine standards, labeling, and trade policies.
- Utilize federal, provincial, and diplomatic assets to support the ability of BCWI and B.C. wineries to access comprehensive market intelligence reports that will help identify opportunities and challenges.

5 Performance & Risks

5.1 Risks & Challenges

Foreign markets require time, consistency, focus, and commitment to develop and manage over time. The end result is the development of new and significant opportunities for new sales and a diversification of sales channels. Competition in the wine industry is increasingly intense, and the CVA has identified that Canadian exports remain small compared to the economies of scale enjoyed by many global producers. Although B.C. producers are increasing in number the majority remain small producers with limited to no capacity to export their wines into new and developing markets.

One of the identified gaps by the BCWI Export Task Group was the lack of key target market information. This includes distribution channels, the size of the market, customer preferences, and how best to assess the size of the wine market in select foreign markets. There needs to be more accessible information for the wine industry about festivals, events, and missions well in advance. This will enable wineries to plan appropriately and ensure that the right experts are available to attend in-person.

The CVA is a national organization that is prioritized with finding solutions that benefit the wine industry as a whole across Canada. However, there are issues that position different wine producing regions at odds with each other and runs counter to the CVA's mission. This lack of unity and adherence to the national strategy has hampered Canadian wine exports for years. B.C.'s success, and the success of wineries across Canada, will be through working in collaboration with CVA to promote and market a unified Canadian wine industry.

The CVA has identified that the wine trade has also resulted in a proliferation of unnecessary non-tariff barriers that have added costs to the wine trade, impacted demand, and reduced sales. However, continued efforts through the WWTG, APEC, FIVS, and the TPP and CETA trade agreements are aimed at simplifying and harmonizing wine regulations.

Winemakers are vulnerable to counterfeit activities, especially in China, that have impacted foreign wine sales. Counterfeit wine sales and sharing the information of counterfeit sales will require B.C. wineries to proactively protect and safeguard the integrity of the products.

As previously stated, Canada has concluded a number of free-trade agreements including CETA and the TPP. This will create increasing pressure in the domestic wine market, which should remain a concern for the majority of B.C. wine producers. Although domestic B.C. market share should be managed accordingly the diversification of profit streams through export sales will ultimately benefit the wine industry.

5.2 Performance

Strategic Outcome	Baseline	Target by 2020	Data Sources
Increase global awareness of B.C. as a Canadian wine producing region to build and retain international export markets.	There are currently 270 wineries in B.C. Determine the number of wineries that are currently exporting.	Increase current brand recognition in select foreign markets.	10% increase of in-market media exposure based on column inches X advertorial costs.
Introduce B.C. businesses to high opportunity and exposure channels and commercial opportunities.	In 2015 B.C. wineries exported \$9.3 million of wine into foreign markets. Determine the number of wineries currently selling into foreign markets.	Increase the number of wineries and the volume of premium wines sold into select foreign markets. 10% per year increase in export volumes on a dollar per litre basis. Annual attendance at key events. Partner with other B.C. agritourism and agriproducts	Export data (Statistics Canada) and aggregate export data from wineries. B.C. Government data sources.
Support international winery tourism as a mechanism to create pull, pricing, and sustainability for international sales.	800,000 visitors with \$476 million in tourism and tourism related economic impact (2015).	Increase visitors to over 1 million. Develop an international winery tourism strategy. Develop an in-bound strategy that brings key influencers and buyers to B.C. to familiarize them with wine industry.	Statistics Canada, BCWI and, B.C. Wineries.
Protect and enhance fair access to global markets through advocacy and information exchange with industry and international wine organizations.	VQA protected at a national level.	Trademark protection in select foreign markets.	CVA