



Agriculture Development Division

2015 Annual Report



Peter Anastor, Director
P.O. Box 30017
Lansing, MI 48909
www.michigan.gov/mdard

Michigan Department of Agriculture & Rural Development
Agriculture Development Division
2015 ANNUAL REPORT



Division Director: Peter Anastor
Anastorp@michigan.gov

Division Information: Fax: 517-335-0628
Internet: www.michigan.gov/mdard

Mailing Address: Michigan Department of Agriculture and Rural Development
Agriculture Development Division
P.O. Box 30017
Lansing, MI 48909

Division Mission Statement: Agriculture Development Division delivers expertise and leadership to support economic prosperity in Michigan's food and agriculture sector through industry focused economic development, export assistance and grant management. The division also provides executive support for the Grape and Wine Industry Council and serves as the liaison with Michigan's many agriculture commodity groups.

Michigan Department of Agriculture & Rural Development

Agriculture Development Division

COMMODITY COORDINATION



Manager: Nancy Nyquist, 517-284-5735, NyquistN@michigan.gov

Legal Authority:

- PA 232 of 1965, the Michigan Agricultural Commodities Marketing Act
- PA 29 Michigan Potato Industry Commission;
- PA 114 Michigan Bean Commission; and
- PA 291 Michigan Beef Industry Commission, and covers both beef and veal programs.

Description of the Program:

The Michigan Department of Agriculture and Rural Development has legal, fiscal and program oversight responsibility for the entire group of 13 legislatively established commodity boards which have producer check-offs or producer assessments. The MDARD Director delegates this authority to various department divisions and offices.

Why it matters:

- Agriculture Development Division (AgD) has been delegated the authority to represent the MDARD Director at all regular and Executive Board meetings. AgD is also responsible to ensure the Michigan Open Meetings Act and Freedom of Information Act regulations are being followed and observed by the check-off boards.
- MDARD also has fiscal responsibility to ensure funds are being used according to industry adopted programs and in compliance with State of Michigan statutory financial and generally-accepted accounting standards.
- Office of Internal Audit Services (OIAS) reviews all Commodity Audits and provides a written review of the audits provided to ensure financial soundness and compliance with generally accepted accounting practices, specifically GASB 34. This is done at no direct cost to the AgD division. AgD staff then communicates with the commodity boards/executives the recommendations from the OIAS review and provides assistance in their financial management implementation.

Although not directly part of commodity oversight, the MDARD Executive Office also organizes and leads quarterly "Commodity Executives" meetings in which staff from more than 60 agricultural and food organizations are invited to participate in the half-day meetings on a variety of important topics and current issues for Michigan's food and agriculture industry.

Accomplishments:

- Commodity Board Training (Brad Deacon, Deb Merrill coordinated, March 2015)
- The following commodity meetings had MDARD staff participation:
 - Wheat met six times during 2015
 - Soybean met six times during 2015
 - Onion, Carrot and Asparagus committees each met three times in 2015
 - Michigan Apple met four times during 2015
 - Michigan Tree Fruit Commission met four times during 2015
 - Bean Commission met four times during 2015
 - Cherry met four times during 2015
 - Corn Marketing met three times during 2015
 - MI Beef met three times
 - Michigan Potato met twice
 - Dairy Marketing met twice

Staff provided an MDARD update to each group as appropriate and reported back to departmental leadership and others as necessary.

Key Stakeholders

- Michigan Wheat Committee
- Michigan Soybean Promotion Committee
- Michigan Onion Committee
- Michigan Carrot Committee
- Michigan Asparagus Committee
- Michigan Apple Committee
- Michigan Tree Fruit Commission
- Michigan Dry Bean Commission
- Michigan Cherry Committee
- Michigan Corn Marketing Program
- Michigan Beef Industry Commission
- Michigan Dairy Marketing Program
- Michigan Potato Industry Commission



Michigan Department of Agriculture & Rural Development

Agriculture Development Division

GRANT PROGRAMS



Manager: Nancy Nyquist, 517-284-5735, NyquistN@michigan.gov

Legal Authority: None

Description of the Program:

- Specialty Crop Block Grant dollars are made available through USDA and the Farm Bill. The grants are used to enhance the competitiveness of Michigan specialty crops through processors, agri-businesses, producers, local units of government, and legislatively authorized commodity boards in Michigan; including, but not limited to: research, promotion, marketing, nutrition, trade enhancement, food safety, food security, plant health programs, education, increased knowledge and consumption, increased innovation, improved efficiency and reduced costs of distribution systems, environmental concerns and conservation, product development, good agricultural practices, good handling practices, and good manufacturing practices. Grants approved by USDA include, but are not limited to, marketing of fruits, research on weed control for Michigan nurseries, increasing access of specialty crops for better nutrition at schools, and GAP food safety for processed pickles and peppers.
- Value Added/Regional Food System Grant intended to establish, retain, expand, attract and/or develop value added agricultural processing and/or develop regional food systems by enhancing or facilitating aggregation and distribution of Michigan grown agricultural products.
- Strategic Growth Initiative Grant program shall support research, education, and technical assistance efforts focused on removing barriers and leveraging opportunities identified by those in the food and agriculture industry as critical to business development and growth within the state.

Why it matters:

- Enhances the competitiveness of specialty crops
- Provides education on food safety and handling techniques
- Provides research on green/renewable technology
- Provides research on implementing and developing waste management relating to agriculture or agricultural products
- Provides research on pest management
- Working to increase agriculture exports
- Improving access to healthy foods
- Working to increase food and agricultural jobs

Accomplishments:

- **2015 Specialty Crop Block Grant Program**

The department received 48 proposals requesting \$3,405,992.00; and after review, 42 were determined eligible. Six of the proposals were disqualified for lack of eligibility or not following the application requirements. MDARD recommended to USDA funding 26 proposals. Grant applications were evaluated, scored, and ranked by a Joint Evaluation Committee composed of MDARD and industry representatives not directly involved in any grant proposals.

- **Value Added/Regional Food System Grant Program 2015**

Grantee	Amount	Grantee	Amount
Boss Mouse Cheese LLC	\$75,000	Keweenaw Economic Dev. Alliance (KEDA)	\$47,287
Byrne Family Farm LLC	\$38,223	King Orchards	\$75,000
C3 Seeds	\$74,250	Potawatomi Resource Conservation and Development Council	\$14,524
Corey Lake Orchards Operations LLC	\$48,352	Purity Foods	\$75,000
Corpologno Smith Farm LLC	\$37,792	Michigan State University-Horticulture Department	\$90,000
FarmLink LLC	\$73,197	Indian Brook Trout Farm Inc.	\$75,000
Fenn Valley Vineyards	\$75,000	Eastern Michigan Food Bank	\$200,000

- **Strategic Growth Initiative Grant Program 2015**

Grantee	Amount	Grantee	Amount
Hopeful Harvest Foods	\$200,000	Northern United Brewing Company, LLC	\$200,000
Michigan State University - Product Center	\$98,107	Michigan State University Upper Peninsula Research & Ext. Ctr.	\$84,512
Michigan Bean Commission	\$200,000	Montcalm Community College	\$90,350
Michigan Wheat Program	\$76,672	The Right Place, Inc.	\$30,000
Monroe County Business Development Corporation	\$61,960	Connected Nation through Connect Michigan	\$193,724
MSU -Integrated Plant Systems	\$177,982	Prima Civitas	\$40,231
MSU-Plant Soil & Microbial Sciences	\$99,984	County of Marquette	\$127,300
MBG Marketing	\$152,927	Village of Edmore	\$13,000
Fishbeck Thompson Carr & Huber Inc.	\$33,500	Implan Group Holdings LLC	\$39,642
Verso Quinnesec LLC	\$250,000		

Key Stakeholders

- Food processors
- Agri-businesses
- Universities
- Research organizations
- Agricultural cooperatives
- Local governments
- Nonprofit corporations
- Economic development organizations



Michigan Department of Agriculture & Rural Development
Agriculture Development Division
MICHIGAN GRAPE AND WINE INDUSTRY COUNCIL



Manager: Karel Bush, 517-284-5742, BushK9@michigan.gov

Legal Authority: Public Act 58 of 1998

Description of the Program:

The Michigan Grape and Wine Industry Council provides a forum for statewide collaboration in research, promotion and professional development to meet the changing needs of this exciting growth industry.

Why it matters:

- Growth area of the Michigan food and beverage sector
- Creating new jobs
- Maintaining land in agricultural production
- Contributing to Michigan’s tourism and agricultural economies
- Generates tax revenue for the State of Michigan and local and federal governments



Measuring Success:

Metric	2011	2012	2013	2014	2015
Winery participation in Council activities		70%	75%	75%	66%
Increases in wine volume production (TTB)	7.0%	18.5%	13.2%	13.6%	
Acreage of wine grapes (USDA)	2,650	NA	NA	2,900	NA
Number of wineries recognized by the Council	86	93	101	112	119

Key Stakeholders

- Grape and Wine Council
- Wineries
- Wine grape growers
- Wine retailers and wholesalers
- Restaurants
- MSU
- Community Colleges

Deliverables

- Sales of Michigan wine
- Acres of wine grapes
- Reputation of Michigan as a quality wine producing region of the U.S.

Accomplishments:

- Increased total wineries recognized by Council to 119.
- Production of Michigan wine in the state rose 13.6 percent in calendar 2014.
- The Council approved a new Strategic Plan for 2016 – 2018.
- CNN identified Michigan as one of the top “up and coming” wine regions in the world.
- 66 percent of the wineries recognized by the Council participated in one or more partnership activities with the Council.
- The Council participated with Travel Michigan for a “Wines of Pure Michigan” spring/ summer radio campaign effective in driving web traffic to www.michiganwines.com
- Michigan Wine Showcase events were held in Detroit (April) and Chicago (June).
- Social media activity on the “Vintage Michigan” Facebook page and Twitter increased and social media links are integrated into the website.
- The Council sponsored a two-day Michigan Grape and Wine Industry Conference in East Lansing in March 2015, with attendance of 300 participants.
- The Michigan Wine and Spirits Competition received 373 entries from 50 wineries.
- Membership in Vintage Michigan, the Council’s loyalty program, increased 12 percent, to over 4,500 members. Participating locations offering discounts to members increased to over 130.
- The Council funded \$100,123 in research projects at Michigan State University to advance knowledge of wine grape growing and winemaking to serve the industry into the future.
- A Wine Grape Sustainability Feasibility Study was conducted with assistance from consulting firm 5 Lakes Energy to explore the feasibility of developing and implementing a winery and vineyard sustainability program for Michigan’s wine industry. The project was funded by a USDA Specialty Crop Block Grant.
- The Council supported an industry-led investigation into new potential wine grapes varieties for Michigan that would be cold-tolerant, disease-resistant and produce high quality wines.
- Council staff serves on the Collaboration sub-committee for the implementation of the Tourism Strategic Plan and also on the Governors’ Tourism Conference planning committee.
- Staff serves on the Executive Committee of the West Michigan Tourist Association.
- Operational efficiencies were achieved by reducing printing and mailing costs of Michigan Wine Country magazine and Vintage Michigan annual membership materials – estimated savings total \$17,200. These funds were redirected to other promotional activities.

Dashboards and Scorecards:

- Participation in Council-sponsored activities by 66 percent of businesses recognized by the Council as “producers of Michigan wine”
- Increased annual sales of wine of 12 percent - 2015 over 2014.
- Acreage increase to 2,900 acres (2014)

Program Goals:

- Participation by 65 percent of businesses recognized by the Council as “producers of Michigan wine” in Council-sponsored activities
- Increased annual sales of wine of 10 percent per year
- The Council has established a goal to increase the size of the industry to 10,000 wine grape acres by the year 2024.

Michigan Department of Agriculture & Rural Development

Agriculture Development Division

INTERNATIONAL MARKETING PROGRAM



Manager: Jamie Zmitko-Somers, 517-284-5738, ZmitkoJ@michigan.gov

Program Overview:

The International Marketing Program at the Michigan Department of Agriculture and Rural Development works to implement its mission by assisting Michigan producers and processors in developing trade opportunities through entering new markets or expanding existing markets to increase export sales. To showcase Michigan companies in the global arena, the International Marketing Program organizes and implements activities such as export seminars, buyers' missions, trade missions, and Michigan Pavilions at selected domestic and international trade shows.

International Marketing Program's Mission:

To assist Michigan food and agriculture businesses in developing trade opportunities to effectively export their products and achieve economic growth.

Goal:

The goal of the International Marketing Program is to increase agriculture exports.

Why it matters:

The International Marketing Program works closely with Michigan companies and producers to assist them in expanding their exports or to export for the first time.

Accomplishments:

- Awarded Star of the West Milling Co. the 2015 Michigan Ag Exporter of the Year Award
- Organized Michigan Pavilions at the following 2015 trade shows: National Restaurant Association Show, Food Marketing Institute Connect Show, American Food and Beverage Show, Fruit Logistica, and Anuga.
- Conducted three export seminars to educate Michigan companies and producers on the techniques of how to export or expand their exports.

Measuring Success:

Metric	2014	2015
Michigan companies participating in Food Export activities	81	83
Number of companies or industry partners attending seminars	53	58
Number of companies applying for MI Ag Exporter of the Year Award	5	4

		Participation	New Contacts/ Trade Leads	Anticipated Sales Growth (Domestic)	Anticipated Sales Growth (Export)	# of Co. that will enter New Export Markets
2014	National Restaurant Association (NRA) Show	7	380	\$640,000	\$90,000	2
	Food Marketing Institute (FMI) Connect Show	10	240	\$2,000,000	\$100,000	4
	SIAL Paris	3	46	NA	\$1,000,000	1
	American Food & Bev. Show	5	85	\$0	\$250,000	3
2015	Fruit Logistica	3	21	NA	\$357,500	2
	National Restaurant Association (NRA) Show	8	270	\$905,000	\$20,000	1
	Food Marketing Institute (FMI) Connect Show	8	145	\$100,000	\$50,000	2
	ANUGA	3	80	NA	\$265,000	2
	American Food & Beverage Show	3	38	\$40,000	\$250,000	3

Key Stakeholders

- Michigan food processors
- Michigan producers and growers
- Michigan forest products companies
- Food Export Association of the Midwest



Michigan Department of Agriculture & Rural Development

Agriculture Development Division

ECONOMIC DEVELOPMENT



Manager: Peter Anastor, 517-284-5777, Anastorp@michigan.gov

Legal Authority: None

Description of the Program:

- The Economic Development Team provides assistance to growers, producers, processors and the food and agriculture industry in order to promote growth and investment in Michigan agriculture.
- Assistance is provided to both new and existing businesses and includes supply chain connections, regulatory assistance, funding, collaboration, and trade for the agriculture, food and forest products sectors.
- A three person team is aligned with Michigan's Prosperity Regions to provide services to all 10 regions in the state.
- The team works collaboratively with other federal, state and local economic development partners to provide seamless services to agriculture and food customers.
- Primary goals are to connect businesses with technical and business development resources in order to provide clear paths to growth and expansion in Michigan.
- The team is also engaged in the broad agriculture, food and forest products sectors to provide a stable, constant connection and up-to-date understanding of opportunity areas.



Why it matters:

- The state's food and agriculture sector generates over \$100 billion of total economic activity for the State of Michigan.
- Michigan is one of the most diverse states when it comes to the diversity of agriculture products grown; and there are significant value-add opportunities in agriculture, food and forest products.
- Michigan is located within 500 miles of almost 50 percent of the North American population and has an established infrastructure network in place to service the needs of those populations.

Accomplishments:

- Clemens Food Group selected Michigan for a pork processing facility in Coldwater. This project will lead to the creation of 810 direct jobs and an approximate investment of \$255.7 million.
- Aruaco selected Michigan for a particle board manufacturing mill in Grayling. This project will lead to the creation of 250 direct jobs and an approximate investment of \$325 million.
- Pure Michigan Agriculture Summit in Grand Rapids hosted 285 companies in an effort to efficiently connect supply chain opportunities in Michigan. To date, sales directly attributable to this event are nearly \$1 million.
- National Hardwood Lumber Association lumber grader training held three sessions in Michigan's Northern Lower and Upper Peninsulas, leading to 51 people completing training.
- Expansion of Fresh Cut vegetable farm in Southwest Michigan, leading to a \$3.6 million investment.
- Expansion of Ebels Little Town Jerky, leading to a \$965,000 investment and 35 new jobs.

Dashboards and Scorecards:

- Company visits and activities
- Jobs and investment

Program Goals:

- Develop an Agriculture Economic Development plan in partnership with MEDC.
- Increase company visits and activities to identify opportunities for growth.
- Identify opportunities for growth in all agriculture sectors including Food Processing, Forest Products, Hops, Barely, Aquaculture, and Dairy.
- Identify development ready sites than can accommodate food processing growth.

Key Stakeholders

- Businesses and Food Processors
- Agriculture Growers and Producers
- Regional and Local Economic Development Agencies
- Local Communities
- Site Selectors

Deliverables

- Over 500 visits and activities to support economic development in Michigan
- Completion of Michigan Forest Products Market Analysis

Specialty Crop Block Grant 2015	End Date: March 31, 2017		
Grantee	Purpose/Outcomes	Grant Amount	Additional Funds
National Grape Cooperative Association Inc.	Education, Production	\$26,800	applied for Project GREEN
Michigan Integrated Food & Farming Systems (MIFFS)	Education	\$99,624	no additional funds
Lakeshore Environmental Inc.	Environmental (2 projects)	\$60,517 AND \$41,820	no additional funds
Michigan Potato Industry Commission	Research, Education	\$92,130	no additional funds
Cherry Marketing Institute (CMI on behalf of the Michigan Tree Fruit Commission)	Research	\$72,709	no additional funds
Michigan Bean Commission	Research, Education	\$99,995	no additional funds
Michigan Christmas Tree Association	Marketing	\$59,050	no additional funds
Cherry Marketing Institute (CMI)	Marketing	\$100,000	no additional funds
Pickle Packers International, Inc. (PPI)	Education	\$100,000	no additional funds
Michigan Agritourism Association	Education	\$58,375	no additional funds
Michigan Onion Committee	Marketing	\$8,000	no additional funds
Marquette Food Co-op	Education	\$21,806	no additional funds
Michigan Nursery and Landscape Association	Pest/Plant Health	\$75,000	no additional funds
Michigan Vegetable Council	Research, Pest/Plant Health	\$99,042	applied for Project GREEN
Michigan Vegetable Council	Pest/Plant Health	\$62,510	no additional funds
Michigan State University Extension	Research, Education	\$66,498	no additional funds
Prima Civitas	Marketing	\$99,262	no additional funds
Michigan Carrot Committee	Research, Education	\$29,495 AND \$81,677	Project GREEN

Michigan Apple Committee	Marketing	\$100,000	no additional funds
FarmLogix, LLC	Research, Education	\$50,000	no additional funds
Michigan Asparagus Advisory Board	Marketing	\$36,269	no additional funds
Institute for Sustainable Living	Education	\$38,903	USDA RMA
Michigan Grape & Wine Industry Council	Education	\$59,725	no additional funds for 2015 year
Michigan Carrot Committee	Pest/Plant Health	\$81,677	MI Vegetable Council, MI Carrot Committee and MSU Project GREEN

Value Added/Regional Food Systems 2015	End Date: July 2016		
Grantee	Purpose/Outcomes	Grant Amount	Additional Funds
Boss Mouse Cheese LLC	Production	\$75,000	no additional funds
Byrne Family Farm LLC	Production	\$38,223	\$4,697
C3 Seeds	Production	\$74,250	\$48,250
Corey Lake Orchards Operations LLC	Production	\$48,352	\$46,791
Corpolongo Smith Farm LLC	Production	\$37,792	\$12,624
FarmLink LLC	Production	\$73,197	\$8,133
Fenn Valley Vineyards	Production	\$75,000	\$22,101
Indian Brook Trout Farm Inc.	Production	\$75,000	\$8,919
Keweenaw Economic Development Alliance (KEDA)	Production	\$47,287	\$5,254
King Orchards	Marketing	\$75,000	\$25,915
Potawatomi Resource Conservation and Development Council	Education, Production	\$14,524	\$8,637
Purity Foods	Production	\$75,000	\$412,054
MSU-Hort. Dept.	Pest/Plant Health	\$90,000	\$9,000
Eastern Michigan Food Bank	Production, Food Safety	\$200,000	\$172,650

Strategic Growth Initiative 2015	End Date: December 2016		
Grantee	Purpose/Outcomes	Grant Amount	Additional Funds
Hopeful Harvest Foods	Education	\$200,000	\$43,120
MBG Marketing	Research, Education	\$152,927	no additional funds
Michigan Bean Commission	Research	\$200,000	no additional funds
Michigan Wheat Program	Research, Education	\$76,672	no additional funds
Monroe County Business Development Corporation	Research	\$61,960	\$22,500
MSU -Integrated Plant Systems	Research/Education	\$177,982	no additional funds
MSU-Plant Soil & Microbial Sciences	Research	\$99,984	\$41,761
Product Center- Michigan State University	Research	\$98,107	no additional funds
Northern United Brewing Company, LLC	Environment	\$200,000	\$591,000
Michigan State University Upper Peninsula Research & Extension Center	Research	\$84,512	\$58,943
Montcalm Community College	Education	\$90,350	no additional funds
Connected Nation through Connect Michigan	Marketing	\$193,724	no additional funds
The Right Place, Inc.	Education	\$30,000	\$20,000
Prima Civitas	Research	\$40,231	\$5,600
County of Marquette	Research	\$127,300	no additional funds
Village of Edmore	Research	\$13,000	\$865
Verso Quinnesec, LLC	Research	\$250,000	\$219,794
Fishbeck Thompson Carr & Huber Inc.	Research	\$33,500	no additional funds
Implan Group, LLC	Research	\$39,642	no additional funds

MICHIGAN GRAPE AND WINE INDUSTRY COUNCIL FY 2015 ANNUAL REPORT

The Michigan Grape and Wine Industry Council continues to provide an important forum for statewide collaboration in research, promotion and professional development to meet the changing needs of this exciting growth industry. The Council has established a goal to increase the size of the industry to 10,000 wine grape acres and 3 million cases of wine by the year 2024.

INDUSTRY HIGHLIGHTS

- Twelve wineries were recognized or re-approved with new owners by the Council as “producers of Michigan wine”. Two wineries closed operations, bringing the total of recognized wineries to 119.
- Production of Michigan wine in the state rose 13.6 percent in calendar 2014.
- For a second year in a row, severe cold winter weather reduced productivity of many wine grape varieties. In northwest Lower Michigan a late frost in May and a severe wind and hail storm in August further reduced production yields for 2015.
- Millions of dollars in investment was made by the industry in new construction and capital improvements to existing facilities.
- Riesling wines produced in Michigan continue to attract attention with significant awards, special events in Michigan and media interest.
- CNN listed Michigan among the Top Ten “up and coming” wine regions in the world.

COUNCIL HIGHLIGHTS

- The Council met twice to review and revise its Strategic Plan for 2016–2018.
- 66% of the wineries recognized by the Council participated in one or more promotional partnerships with the Council during the year.
- The Council participated for the fourth consecutive year in a marketing partnership with Travel Michigan for a “Wines of Pure Michigan” spring/summer radio campaign focused on Cincinnati, OH, that was effective in driving web traffic to www.michiganwines.com.
- Michigan Wine Month in April continued to grow in consumer and trade education impact.
- Michigan Wines Showcase events were held in Detroit (April) and in Chicago (June)
- Social media activity on the “Vintage Michigan” Facebook page and “Michigan Wines” Twitter increased, and social media links are integrated into the website.
- The Council sponsored a two-day Michigan Grape and Wine Industry Conference in East Lansing in March 2015, with attendance of 300 participants.
- The Michigan Wine Competition received 373 entries from 50 wineries. Of particular note, the quality of the red wines in the competition was extremely high.
- Membership in Vintage Michigan, the Council’s loyalty program, increased 12%, to over 4,500 members. The lifetime membership fee was increased from \$15 to \$25. Participating locations offering discounts to members increased to over 130.
- The Council funded \$100,123 in research projects at Michigan State University to advance knowledge of wine grape growing and winemaking to serve the industry into the future.
- A Wine Grape Sustainability Feasibility Study was conducted with assistance from consulting firm 5 Lakes Energy to explore the feasibility of developing and implementing a winery and vineyard sustainability program for Michigan’s wine industry. The project was funded by a USDA Specialty

Crop Block Grant.

- The Council provided support for an industry-led investigation into new potential wine grape varieties for Michigan that would be cold-tolerant, disease-resistant and produce high-quality wines. This work complements the work that the Council has supported on the Northern Grapes Project, which has resulted in plantings of new promising varieties – Marquette, Frontenac, La Crescent and Petit Pearl.
- Council staff served on the Collaboration Subcommittee for the implementation of the Tourism Strategic Plan and also on the Governors' Tourism Conference planning committee.
- Staff served on the Executive Committee of the West Michigan Tourist Association.
- Operational efficiencies were achieved without loss in customer service by reducing printing and mailing costs of Michigan Wine Country magazine and Vintage Michigan annual membership materials – estimated savings total \$17,200. These funds were redirected to other promotional activities.

Table 1
MICHIGAN GRAPE AND WINE INDUSTRY COUNCIL FY 2015
BUDGET SUMMARY

Category	Total Expenditures
Administration	\$437,030
Research and Grower Education	\$107,823
Promotion and Consumer Education	\$110,000
Industry Support	\$43,125
Council Expenses	\$7,270
Total MDARD Administrative Costs	\$705,248

Table 2
MICHIGAN GRAPE AND WINE INDUSTRY COUNCIL
FY 2015 RESEARCH PROPOSALS FUNDED

Principal Investigator	Title of Proposal	Award
Andresen, Jeff	Strategic Modernization of Enviro-Weather Stations Serving the Michigan Grape and Wine Industry	\$3,912
Isaacs, Rufus	Michigan Vineyard IPM Extension Program	\$15,599
Isaacs, Rufus	Biology and Management of Invasive Insect Pests in Michigan Vineyards	\$22,624
Sabbatini, Paolo	Leaf Removal: A Tool to Improve Crop Control and Fruit Quality in Vinifera Grapes	\$22,120
Schilder, Annemiek	Impacts of Grapevine Leafroll Virus on Chardonnay Vines and the Role of Potential Vectors.	\$14,068
Zabada, Tom	Developing Methods for the Use of Own-rooted Vitis Vinifera Vines in Michigan Vineyards	\$21,800
	Total	\$100,123

Table 3
Michigan Grape and Wine Industry Council
FY 2014 Research Results

Principal Investigator	Title and Summary of Results	Award
Andresen, Jeff	<p>Enviro-weather Decision-Making Tools for the Grape and Wine Industry MSU's Enviro-weather provides Michigan's agriculture with online access to weather-based pest, crop and production management information for decision-making. MGWIC provided funding to support the cost of maintenance, repair, and operation of four Enviro-weather stations in wine grape growing regions (Northport, Old Mission, Scottsdale and Berrien Spring, MI) during 2014. Each station was visited for maintenance, equipment calibration and repair; additional visits were made for emergency repair. Users accessed these stations frequently through the Enviro-weather website. Use of stations, grape- grape-specific Enviro-weather tools and non-crop specific tools important to the Grape and Wine Industry has increased steadily and substantially over time.</p>	\$4,357
Isaacs, Rufus	<p>Biology and Management of Invasive Insect Pests in Michigan Vineyards At twenty vineyards across Michigan, pheromone traps were used to monitor for European grapevine moth, light brown apple moth and the summer fruit tortrix, and none of these moths were detected. SWD and African fig fruit fly were monitored with baited traps. Spotted wing drosophila was found in traps at all vineyards and detections were earlier in the southern portion of the state. The highest levels of SWD populations in all regions occurred during grape harvest. No fig fruit flies were detected in our traps in 2014 and no brown marmorated stink bugs were found at any of the twenty focal vineyards. Our data suggest that early ripening red varieties may be the most susceptible to SWD infestation, but infestation by other vinegar flies (<i>Drosophila</i> species) did not show any trends among grape varieties. There was a significant positive relationship between the number of fruit flies that emerged and the severity of sour rot.</p>	\$20,103
Isaacs, Rufus	<p>Michigan Vineyard IPM Extension Program The results of this project have demonstrated that reduced-risk pesticides can be successfully integrated into commercial grape production in Michigan while maintaining effective insect and disease management. In some cases better pest control was achieved compared to broad-spectrum pesticides. In addition, the use of regular insect and disease scouting allows for better timing of pesticide sprays, reducing the number of unnecessary sprays. Biweekly scouting summaries using the data collected in this study were published on MSU Extension Grapes News and are now archived at www.grapes.msu.edu. These summaries highlighted current scouting information from southwest and northwest Michigan and were delivered with timely articles on insect and disease management topics. Results from this and related studies were presented at grape workshops in southwest and northwest Michigan during the growing season. Workshops provided information on current insect and disease topics as well as cultural controls such as tillage for ground floor management in vineyards. Presentations at winter grower meetings including the Great Lakes EXPO and MSU Horticulture Days reinforced the information delivered during the summer.</p>	\$17,619

Sabbatini, Paolo	<p>Leaf Removal: a Tool to Improve Crop Control and Fruit Quality in Vinifera Grapes</p> <p>Cool and humid climate in Michigan limits technological fruit maturity at harvest as evidenced by cluster-rot and poor ripening. Economically important wine grape varieties in Michigan have high susceptibility to harvest season cluster rot. Important cultivars that are particularly susceptible are Riesling, Chardonnay, Pinot blanc, Pinot gris, Pinot noir (<i>Vitis vinifera</i> L.). A detrimental characteristic common to all of these varieties is the compactness of the berries held on the cluster rachis. The aim of this work is to determine whether a quantified amount of leaf removal at bloom would reduce fruit set and consequently produce a controlled reduction in cluster compactness. Research reports have shown in a three-year survey that both pre- and post- bloom hand and mechanical defoliation are effective in limiting yield by means of reducing the number of berries per cluster on a high-cropping cultivar. Cluster size was also reduced while improving must soluble solids and total anthocyanins on a fresh-weight basis. Our study was conducted to 1) verify whether early leaf removal can be consistently used as a tool for controlling cluster bunch rot through reducing cluster compactness on Riesling and determine the effects of leaf removal on grape quality (skin/flesh ratio, color and basic fruit chemistry parameters).</p>	\$20,815
Schilder, Annemiek	<p>Impacts of Grapevine Leafroll Virus on Chardonnay Vines and the Role of Potential Vectors</p> <p>Grapevine leafroll disease was widespread in the 'Chardonnay' study vineyard, with 85% of live vines showing symptoms ranging from mild to very severe. In ELISA tests, 99% of vine samples tested positive for the virus (GLRaV-3) regardless of symptom severity. Thus estimating infection based on symptoms may underestimate the actual infection incidence. In addition, 19% of the vines had Tobacco ringspot virus (TRSV) symptoms, but fewer tested positive for the virus. Both viruses were well distributed throughout the vineyard, but there appeared to be fewer vines with grapevine leafroll symptoms where there was high TRSV incidence, although about 10% of the vines showed symptoms of both viruses. Statistical analysis of spatial patterns of virus symptoms and winter injury is ongoing. Fruit yields were very low and variable throughout the field due to winter injury. Yields declined with increasing symptom severity, with moderate, severe, very severe, and very severe + TRSV categories having 2, 70%, 85%, and 91% lower yields than apparently healthy vines, respectively. Mealybugs were found throughout this and surrounding vineyards and were identified as the grape mealybug, <i>Pseudococcus maritimus</i>. In another leafroll virus-infected vineyard in Jackson Co., numerous boxelder bugs were found but it is unknown if they can vector plant virus vectors. Samples of both types of insects are currently being tested for the presence of leafroll viruses by PCR in Prosser, WA. This study shows that leafroll viruses can be damaging to grapevines, especially in combination with TRSV, and that mealybugs are the likely vectors of leafroll viruses in Michigan vineyards. The results also highlight the importance of clean plant material for vineyard establishment. Guidelines for prevention and management of grapevine virus diseases and their vectors will be formulated upon conclusion of the project.</p>	\$19,068
Schilder, Annemiek	<p>Optimizing Fungicide Use and Timing Based on Weather Conditions</p> <p>A study on environmental effects on fungicides applied to grape leaves showed that moderate temperatures were optimal for fungicide uptake and retention and that Abound (azoxystrobin) became undetectable when applied at 40 degrees F. Efficacy of Abound, Manzate (mancozeb) and Phostrol (phosphorous acid) against Phomopsis cane and leaf spot was optimal when applied as preventative sprays a week or less before infection. Fungicides sprayed on grape clusters in full bloom reduced cluster weight and number of berries at harvest, suggesting that they interfere with fertilization. Further research is needed but it seems advisable to avoid fungicide sprays at full bloom.</p>	\$10,745
	Total	\$92,707