



## The Wine Industry Boosts the California Economy by \$71.2 billion in 2017

The production, distribution, sales, and consumption of wine in California benefits many sectors of the state's economy and generates close to \$71.2 billion in total economic activity. This ultimate value-added product preserves agricultural land, provides American jobs, attracts tourists, generates taxes, and enhances the quality of life.

### Economic Impact of the Wine Industry in California

	Direct	Supplier	Induced	Total
Output	\$27,878,880,500	\$19,090,949,300	\$24,246,883,200	\$71,216,713,000
Jobs	259,602	90,102	135,352	485,056
Wages	\$10,831,160,400	\$6,409,406,300	\$7,793,182,200	\$25,033,748,900
Business Taxes				\$10,804,187,400
Consumption Taxes				\$724,079,700

**Total Output:** The wine industry generates close to \$71.2 billion in total economic activity in the State of California, dramatically illustrating that wine is the ultimate value-added beverage. The broader economic impact flows throughout the state, generating business for firms seemingly unrelated to the wine industry. Real people, with real jobs, working in industries as varied as farming, banking, accounting, manufacturing, packaging, transportation, printing, and advertising depend on the wine industry for their livelihoods.

**State Reach:** The California wine industry includes a total of 4,581 wine producers<sup>1</sup> as well as 560,000 acres of vineyards.

**Job Creation:** The California wine industry directly employs as many as 259,602 people, and generates an additional 90,102 jobs in supplier and ancillary industries which supply goods and services to the industry, and whose sales depend on the wine industry's economic activity. Ultimately, 485,056 jobs are created and supported by the wine industry.

**Wage Generation:** The California wine industry provides good jobs, paying an average of \$51,600 in annual wages and benefits. The total wages generated by direct, indirect, and induced economic activity driven by the wine industry are \$25.0 billion.

**Tourist Activity:** The California wine industry is a major magnet for tourists and tourism-driven expenses. California's "wine country" regions generates 23.6 million tourist visits and \$9.7 billion in annual tourism expenditures, benefiting local economies and tax bases.

**Tax Revenues:** The California wine industry generates sizeable tax revenues on the local, state, and national levels. In 2017, the industry will pay nearly \$4.4 billion in state and local taxes, and \$6.4 billion in federal taxes for a total of \$10.8 billion. In addition, the industry generates approximately \$145.8 million federal consumption taxes and \$578.2 million in state consumption taxes which include excise and sales taxes.

<sup>1</sup> Throughout this study, the winery count refers to the number of winery facilities. A single winery may have multiple facilities throughout the state or country. Each of these facilities is included in the winery count.