



3 ways wine producers are overcoming headwinds

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Tim Hearden, Senior Editor, Western Farm Press | October 22, 2025



With nearly ideal conditions throughout the growing season, the 2025 wine vintage is expected to be the best in recent years.

When Freeman Vineyard & Winery earned 100% organic certification in late summer, the Sebastopol, Calif., business virtually shouted its achievement from the rooftops.

Owners Ken and Akiko Freeman celebrated the milestone with a media campaign, noting their long commitment to environmental stewardship and the fact that their winery also made significant changes to its packaging to reduce its carbon footprint.

For the Freemans, the nod from the California Certified Organic Farmers was a mere formality, as they have been practically growing their grapes organically for some 15 years. But as Ken Freeman says, it was an important formality.

“The wine business is going through a tough time, so we’re going to be all organic,” he told Farm Press, adding that the label will help the farm sell its \$50- to \$85-per-bottle Pinot Noir to younger consumers. “The industry’s gone like a hockey stick – for 50 years, it’s gone up, but all industries correct. We’ve had a lot of headwinds in the past, and we have a lot now.”

The Freemans are among many wine business owners that are trying to find a niche for their product as the industry has faced numerous challenges in recent years, including a trend among Americans of a decline in alcohol consumption.

According to a [recent Gallup survey](#), just 54% of U.S. respondents said they consume alcohol, the lowest percentage since the polling organization started asking the question in 1939. This coincides with a growing belief among Americans that moderate alcohol consumption is bad for one’s health, now the majority view for the first time, the organization observes.

Related: [‘Tens of thousands’ of wine grape acres abandoned in California](#)

Other industry headwinds, including trade barriers imposed in the U.S.’ biggest foreign market, Canada, and a global glut of wine and grapes that has led to crops being unharvested and unsold, have created what the Wall Street Journal [recently called](#) a “crisis” for the wine industry, which it says “hasn’t had it this bad since Prohibition.”

“It’s a number of things,” said Karissa Kruse, president of Sonoma County Winegrowers. “Younger folks are not drinking as much in general, or they’re drinking alternative beverages. They’re also moving toward low- and no-alcohol; we see that as a trend. For Sonoma County, one of the biggest problems we have is we’re not seeing the same level of tourism.

“For us, we feel like ... we have weathered all the marketplace dynamics fairly well” in Sonoma and Napa counties, Kruse told Farm Press. “We were fairly insulated. But it’s probably caught up to us more this year, whereas other regions were seeing it already two years ago.”

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How are growers and vintners responding to these market dynamics? They are:

- Targeting their marketing to specific consumer groups while emphasizing premium quality in their promotions, buoyed by a 2025 growing season they say has been the best in years.
- Adopting environmentally friendly cultivation practices, emphasizing soil health and, in more and more cases, organic production.
- Reducing their overall production of grapes to correct for the excess.

Targeted marketing

Virtually every summer barring catastrophes such as widespread smoke taint, the wine industry touts that year's vintage as one of the best. But there's added excitement among growers about the 2025 vintage after a cool spring and mild summer that allowed grapes to mature gradually, and they're putting the word out to consumers about the quality of the vintage.

"They've had a lot of hang time," Ken Freeman said. "We're a couple of weeks behind last year, and that's great."

Freeman noted his region got over 80 inches of rain last winter, which enhanced plant growth. "Our yields are up about 20% and the quality is very high," he said.

Overall, California vintners say they expect the 2025 vintage to be one of concentration and balance, with reds showing depth and structure, and whites bringing energy and precision, [according to the Wine Institute](#). On the Central Coast, following one of the coolest summers on record, winemakers reported excellent color and flavor intensity in red varieties as the grapes matured on the vines.

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Meanwhile, a mild summer in the Lodi region resulted in fresh acidity and vibrant flavors across the board, with Pinot Grigio and Sauvignon Blanc being early standouts, the institute reported.

"With good cooperation between winemakers and growers, we have been able to hit our targets and deliver exceptional quality thus far," said Aaron P. Lange, president of LangeTwins Family Vineyards and Winery in Acampo, Calif.

In Sonoma County, wineries hope the high-quality vintage will reverse a drop-off in tourism, Kruse said. While sales of wines \$10 and below have declined, there's growth in sales of bottles above \$50, which is encouraging for Sonoma growers, she said. Younger

consumers who may not be drinking as much are willing to spend for special occasions, she said.

“I think what’s really happening right now is micro-targeting, finding specific consumers to develop an authentic relationship with,” Kruse said. “In Sonoma County, there’s been a movement toward happy hours with wineries, and one or two days a week with no tasting room fees ... Once someone’s here, there’s a lot of loyalty that comes with that, and support.

“But I think gone are the days of just double-digit growth with all the strong market push behind it,” she said. “For Sonoma, winegrowers spent a lot of years in which it didn’t matter where in the world their wine was sold. Now we’re really focusing on how we actually get people into the region and to our tasting rooms. That’s going to be the next level of marketing for us, how to do that effectively.”

Cultivation practices

Another popular marketing pitch centers around environmentally sound practices, with 65% of California wine grape acres [certified](#) by a third-party sustainability program, according to the California Sustainable Winegrowing Alliance. That percentage, up from 32% of acreage [in 2020](#), today represents 90% of California wine sold.

The CSWA recently developed a [Climate Action Toolkit](#) with the help of an advisory group made up of industry leaders from various-size vineyards and wineries, along with scientists and other professionals. The guide details various attributes of a “climate-smart” vineyard, including:

- Enhanced biodiversity with hedgerows and cover crops
- Increased use of renewable energy with such things as solar-charged irrigation pumps and electric forklifts
- Optimized nitrogen with cover crops, sheep and compost
- Efficient water use with drip irrigation

Like the Freemans, more and more wine producers are going fully organic, driven by a growing awareness among consumers about health and wellness. The global organic wine market, estimated at \$11.89 billion in value in 2024, is expected to grow to \$21.48 billion by 2030, with a projected compound annual growth rate of 10.4%, according to a [report](#) by Grand View Research, a San Francisco-based market research firm.

European wines accounted for more than three-quarters of the global market share, but North America – dominated by U.S. wines – is the fastest growing market, the researchers

found. California, which had about 33,000 acres of organic wine grapes last year, represents the lion's share of value of American wines.

"It costs more money to farm organically – we all know that," Ken Freeman said. "These pesticides are powerful, and if you use organic ones you have to apply them more often. We're already got inflation pressure and labor pressure. But we're fortunate we can invest in the business, and clearly the market is responding. Clearly the younger folks care about it."

Reduced production

The pitch toward niche marketing and premiumization is driven largely by an oversupply of grapes that have prompted wineries to limit the amount they purchase, leading to grapes being left on the vine. Allied Grape Growers' Jeff Bitter has urged California farms to remove 50,000 acres of vineyards in each of the last two years, and growers in 2024 removed about 37,000. But nearly 20,000 acres of new vineyards came online.

Bitter told Farm Press he believes another 40,000 acres of pullouts have occurred since the 2024 harvest, reducing the net bearing acres by at least 20,000. In addition, many other vineyard acres – perhaps in the "tens of thousands" have been abandoned, he said.

Still, the Sonoma County Winegrowers predict as many as 30% of grapes will be unsold this year.

"There'll be a lot of really nice grapes left behind this year," Bitter said.

Producers may begin to see a light at the end of the tunnel with this year's relatively small crush, as most industry leaders expect it to fall under 2.5 million tons. "Nobody's put a number on it yet, but at this point the possibility of it going past 2.5 is probably not very high," Bitter said. This could help move supply and demand closer to balance in 2026, he said.

"If we don't see huge price rebounds ... there might be enough demand to consume all the supply," he said. "It might be the first time in four years we've seen that happen."

Learn more about what's happening in wine markets during the [2026 Unified Wine and Grape Symposium](#) Jan. 27-29 in Sacramento, where Bitter and other industry leaders and marketing professionals will give their annual "state of the industry" presentation.

About the Author



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Tim Hearden is a more than 35-year veteran of agricultural, government and community journalism. He came to Farm Progress in 2018 after a nine-year stint as the California field reporter for Capital Press, an agribusiness newspaper. He spent 20 years as a reporter for daily newspapers, winning California News Publishing Association awards for reporting on flooding and drought for the Napa Valley Register and Redding Record Searchlight, respectively. He is active in North American Agricultural Journalists, a professional organization.

“I believe publications like Farm Press are the future of news and information media,” Hearden said. “People are hungry for thorough, accurate and even-handed reporting from sources that understand and respect their way of life. Ag media is one of the most vibrant and robust sectors in media, and I’m proud to be a part of it.”

A lifelong Californian, Hearden lives in Redding, Calif., with his wife, Sara, a preschool teacher and third-generation Shasta County resident.