

Iowa Is Leading the Way: Did-You-Know Series

This Did-You-Know Series contains five one-pagers on niche findings from the Fourth Economy Economic Impact Analyses of the Craft Beer, Wine and Distillery Industries in Iowa.

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Alcohol Businesses Drive Rural Economic Development

Did You Know? Craft breweries, wineries, and distilleries are key assets in Iowa's efforts to catalyze economic development in the state's rural towns and counties.

Rural economies, by definition, struggle to achieve population and productivity growth compared to their urban and metropolitan counterparts. Rural economies often rely on individual assets and anchor institutions, such as hospitals, agricultural operations, and community centers, to drive not only jobs and wages but community gathering and improvement. These assets help form the attractive quality of life and place that many seek in rural living.

In Iowa, craft breweries, wineries, and distilleries have emerged as key components of the rural economic development equation. In rural areas throughout the state, these businesses have opened and expanded into more than just spaces for having a meal and a beverage. Alcohol businesses serve as a gathering space for local residents during sporting events and celebrations, a cause for tourism for both in- and out-of-state residents, and a means for expanding the brand of a rural town or county.

The [Des Moines Area Metropolitan Planning Organization](#) has taken on specific efforts to make sure area residents can access these businesses in rural parts of the region. The six-hundred-mile-long [Central Iowa Trails system](#) has built out specific trails and signage to guide visitors toward craft breweries, wineries, and distilleries. This allows for area residents and tourists to visit multiple towns and establishments within a single day or a long weekend, providing non vehicle transit options that allow for alcohol businesses to connect the state's plethora of runners and bikers.

Next time you're buying an Iowa-produced drink, remember that your purchase has a greater impact than just a sale to a business or bar. It can mean increased notoriety, opportunity, and prosperity for small towns throughout the state.

Iowa-Grown Grapes Are Innovating the Wine Industry

Did You Know? Iowa's robust agricultural sector includes the cultivation of unique locally grown grapes and wines.

Iowa is home to over forty unique types of grapes that are specifically engineered to survive the state's climate. These grapes, which include a multitude of red and white varieties, leverage Iowa's strengths as an agricultural powerhouse to drive a burgeoning wine industry. Wineries such as [Covered Bridges Winery](#) and [Soldier Creek Winery](#) are running 100 percent Iowan operations, growing, producing, and selling their product in state. These operations keep the economic impacts of agriculture—such as jobs, wages, and tax revenue—local, benefiting residents throughout the state.

Iowa's wine ecosystem is led by the [Iowa Wine Growers Association](#), the state's trade association representing the 138 wineries and around 250 vineyards found throughout the state. The association's Wine Trail program, paired with the state's Wine, Beer, and Distillery Passports program, drives regional visitation and wine sales. The association's Registered Apprenticeship Program ensures local students and workers can gain the experience necessary to create a strong statewide workforce for the wine industry.

Innovative grape production and use is driven by Iowa State University's (ISU's) [Midwest Grape and Wine Industry Institute](#). On top of providing a nationally renowned education for those seeking to work in wineries, the institute focuses on R&D of winemaking techniques, grape creation, chemical compositions, and more. Its staff also work in the field, directly assisting and advising wineries with best practices and different methods of production and optimization. The institute's in-person service lab allows scientists and wine producers to co-create, too, breeding new agricultural products in the state. The work of [WatreLOT Lab](#), led by ISU's Dr. Aude WatreLOT, further amplifies Iowa's innovative environment for grape and wine production. ISU is doubling down on its R&D in the alcohol-production space by leading high-level research on fermentation processes relevant to beer, and sharing its findings with key industry partners.

Next time you're seeking a glass of wine with dinner or gifting a bottle to friends or family, remember that your choice can directly support Iowa's economy and the farmers, vineyards, and scientists that make Iowa a unique place to grow and make wine.

Alcohol's By-Products Stay in the Community

Did You Know? Iowa's alcohol producers are using their waste for various community benefits, creating a sustainable circular economy in the state.

The waste and by-products of alcohol production—such as spent grains and hops, yeast, grape pomace, and more—often end up in a landfill, rotting away as waste. However, recent research suggests these by-products may have more purpose than initially thought. These items often contain particular chemical structures that allow for use in feeding livestock; fertilizing crops; producing ethanol and other oils; studying innovative forms of biotechnology; treating cognitive disorders, obesity, and cardiovascular disease; and even making batteries.

Iowa's brewers, winemakers, and distillers have already adapted practices that put their by-products to use in the local community. Many brewers use their spent grain as a resource for neighboring farmers, giving away the grain to feed livestock like chickens and cattle. Some wineries have used grape pomace, which includes the seeds and skins of the grape, as a product to sell to distillers and soda makers. Others compost their waste and use it as soil for future crops. And those with larger operations are making pellets out of their by-products, using them as a fuel source for their operations or selling them to various customers throughout the state.

The innovative use of these by-products allows alcohol production to become a lower-waste industry and keeps the economic impact of these practices in state. Whether producers choose to donate or sell their by-products, they are doing a service to their community and Iowa as a whole when they forgo simply putting these items into the waste bin. This circular economy, a sustainable model of production and consumption that recycles and refurbishes products for as long as possible, is a model for other agricultural industries and states to mimic.

Next time you sit down for a drink of alcohol grown and produced in Iowa, remember that the impact of the liquid in your glass, can, or bottle is more than what you bought. Your drink may be supporting other plants, animals, and farmers across Iowa too.

Alcohol Industries Continue to Drive an Economic Impact

Did You Know? Iowa's craft breweries, wineries, and distilleries create a huge economic impact annually, uplifting the state's economy and providing crucial jobs and wages to employees in agriculture, manufacturing, hospitality, and more. Craft breweries, wineries, and distilleries in Iowa have grown at varying paces in recent decades, combining to create a notable economic impact in the state.

These impacts, in part, are led by the strong leadership of groups like the [Iowa Wine, Beer and Spirits Promotion Board](#) of the [Iowa Economic Development Authority](#), trade associations, and industry leaders. These groups have helped provide direct support to businesses and workers, along with ensuring policy is favorable to the success of businesses both small and large. New policies include one that allows for brewers to operate multiple taprooms and facilities in Iowa, a controversial proposal to allow direct-to-consumer shipping for wineries, direct-to-consumer sales for distilleries, and the recent passage of HF2648, which allows for by-the-glass sales at festivals and markets. Other potential policies that may increase these successes include implementing changes to tax filing systems and optimizing relationships between producers and their distribution partners.

The alcohol industry is one that's incredibly representative of the state's economy as a whole. Iowa's farmers grow crops such as wheat, grapes, barley, and corn that ultimately end up in alcoholic beverages. Iowa's manufacturers produce these beverages and the kegs, bottles, and cans they are served in. Iowa's scientists study production processes and crops themselves, creating innovative beverages found nowhere else. And Iowa's service workers and managers run individual taprooms, brewpubs, wineries, and distilleries, ensuring both residents and visitors alike can enjoy a drink that has touched so many corners of the state's economy.

Next time you're drinking an Iowa beer, wine, or spirit, remember that your beverage means something to the state's economy. The beverage supports people's businesses, communities, and industries as a whole, driving a widespread impact in Iowa that few other sectors can achieve.

Breweries, Wineries, and Distilleries Catalyze Community Cohesion and Involvement

Craft breweries, wineries, and distilleries are more than just alcohol producers; in Iowa, they are often an economic and social asset of a community. These establishments bring people together, provide needed jobs, and support other institutions and endeavors in the community.

Playing a role in community fundraising is a primary way these entities support the community. A frequent mechanism for support is gifting beer and other merchandise to community events such as farmers' markets, concerts, and fundraisers. Others give cash sponsorships to local events such as bike rides, 5K runs, and other charitable gatherings. Some establishments also host fundraisers or allow their spaces to be used in the name of community fundraising, supporting causes from cancer research to new equipment for a local school. Craft breweries, wineries, and distilleries often have large social media presences, too, and can amplify the reach of fundraisers and other community events to their broader audiences as a favor.

Another form of community cohesion that some institutions catalyze is volunteerism. Many of Iowa's small to midsize alcohol producers, such as Covered Bridges Winery and Deal's Orchard, utilize volunteers during their harvesting process. These harvesting events bring together individuals from throughout the area to support the success of a local business, and provide education to residents eager to learn more about these processes.

In many rural areas, craft breweries, wineries, and distilleries are acting as a primary draw for tourism and economic development in general. These alcohol producers offer attractive spaces to gather, try new drinks, and spend time with friends and strangers alike. In rural areas eager to generate tax revenue via tourism and population growth, craft breweries, wineries, and distilleries are a key asset. Individuals from the Midwest and beyond visit Iowa to experience the state's beer, wine, and spirit trails, simultaneously supporting hotels, restaurants, shops, and other enterprises in rural areas. This economic impact uplifts rural areas and gives them more notoriety in the public eye.

Finally, the sharing of by-products between alcohol producers and other farmers allows for more sustainable production on all fronts. Much of the waste produced from alcohol production is not waste at all. These materials can be used for feeding livestock, flavoring beverages, conducting scientific research, and more. Many of Iowa's alcohol producers are gifting their by-products to neighboring farms and enterprises in need of these materials. This practice limits waste, optimizes production, and creates strong relationships between local farmers.