



# Vineyard Protect

## The 2024 Harvest: Navigating the Impact of a Low Yield and Why Vineyard Insurance Matters

The 2024 UK wine growing harvest has proven challenging for many vineyard owners. A cooler, wetter summer with fewer sunlight hours has resulted in lower-than-expected yields across several regions and one of the toughest growing seasons in recent years, the last comparable one being in 2012.

Since January, the country has seen over 1,200mm of rainfall, with around 235mm falling in September alone - usually a crucial month for ripening. There has also been 200 fewer sunlight hours than in an average growing season, making it even more difficult to achieve optimal ripeness. Some vineyards have produced yields less than half that of last year's, which has been frustrating.

So, for vineyard owners navigating the difficulties of this year's harvest, and preparing for the next, ensuring their business is adequately insured becomes more critical than ever.

### The 2024 harvest: a year of lower yields

After several years of strong production, the 2024 harvest has been a reminder of the risks associated with winemaking in the UK. Poor weather conditions, marked by a lack of sufficient sunshine and cooler-than-average temperatures, is always a risk in this country, leading to delayed grape ripening and smaller yields. This not only impacts revenue for vineyard owners but also increases the pressure to make the most of the grapes harvested, with hopes pinned on quality rather than quantity.

For vineyard owners, safeguarding their investment against such unpredictable factors is essential, and comprehensive insurance can play a key role in mitigating the financial impact of adverse conditions..

### How this year's harvest highlights key vineyard risks

Vineyards are complex businesses, exposed to a range of risks that go beyond just the weather. The low 2024 harvest underscores the need for a comprehensive approach to managing these risks, including:

- Weather-related crop losses

As evidenced this year, cooler summers with less sunlight can significantly affect grape yields. In addition to cooler

weather, unexpected frosts, hail, or excessive rainfall can further damage crops. This highlights the importance of having insurance in place to cover weather-related risks, particularly for a climate as variable as the UK's.

- Business interruption

A poor harvest not only affects immediate sales but can also disrupt long-term business plans. Vineyard owners may face financial challenges as they navigate reduced output, and business interruption insurance can help cover lost revenue and support the business during difficult periods.

- Pest and disease outbreaks

Lower sunlight and cooler conditions can increase the likelihood of pests and fungal diseases, which thrive in damp conditions. Managing and mitigating these risks often requires swift action, adding further costs and complications.

- Machinery breakdown and equipment failure

During a low-yield year, every aspect of production is under pressure to maximise efficiency. If key machinery fails, such as grape harvesters or bottling equipment, it can lead to further delays and increased costs. Agricultural fleet insurance ensures that specialised equipment is protected.

- Product recall and quality control

While vineyards may focus on quality during a low-yield year, ensuring that no issues arise with the final product is essential. Product recall insurance can help protect against the financial costs associated with recalling and replacing defective products, which can be especially harmful in a year where every bottle matters.

- Directors & Officers (D&O) liability

As vineyards grow and expand, there are increased risks for directors and officers in making business-critical decisions. This year's harvest may force tough financial choices, and D&O insurance can provide vital protection against legal claims tied to management decisions.



## The role of insurance in protecting vineyards

The challenges of the 2024 harvest highlight the need for vineyards to assess their insurance needs carefully. A tailored insurance policy can help cover losses and ensure that vineyard owners are able to recover from low-yield years with their business intact. Here are some key areas where insurance can provide critical support:

- Climate-related crop insurance

Covering losses due to adverse weather conditions, this type of insurance is essential for vineyards in the UK. It can provide financial compensation when yields are reduced due to poor weather, as seen in the 2024 harvest.

- Business Interruption coverage

With lower yields impacting income, this insurance protects against financial loss caused by interruptions in normal business operations. It helps ensure that cash flow remains steady even when production is low.

- Comprehensive fleet and equipment insurance

Protecting agricultural machinery and vineyard equipment from damage or breakdown ensures that production can continue efficiently, even during challenging harvests.

- Product recall and liability insurance

In years where production is reduced, every bottle counts. Product recall insurance ensures that if issues arise with quality control or contamination, the financial impact is minimised.

- D&O and cyber insurance

For growing vineyards, these areas of coverage are increasingly important. D&O insurance protects decision-makers from legal challenges, while cyber insurance safeguards digital assets in an increasingly connected world.

## Why choose Vineyard Protect for vineyard insurance?

At Vineyard Protect, we understand the unique challenges faced by vineyards, especially in years like 2024 where adverse weather can have a significant impact on the business. Our bespoke insurance solutions are designed to protect your vineyard from the specific risks you face, ensuring you are prepared for any eventuality. Whether you're looking for business interruption coverage, climate-related crop insurance or extended protection for your agricultural fleet and equipment, we tailor our bespoke services to meet the needs of your vineyard.

Our advisory approach ensures you receive personalised service, with site visits and face-to-face meetings to fully assess your needs. We also provide innovative technology to assist with policy management, ensuring your insurance solutions are as flexible and responsive as your business.

The 2024 harvest may have been a difficult one for UK vineyards, but with the right insurance coverage in place, vineyard owners can weather the storm. By addressing key risks such as climate variability, business interruption and equipment failure, vineyards can safeguard their future and continue producing the wines that have put the UK on the global map. With Vineyard Protect's tailored insurance solutions, you can focus on growing your business, even in challenging years, knowing that your investment is protected.

Any questions? Please don't hesitate to contact one of our team.



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