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Banks tighten credit for U.S. wineries after lenders shift their focus to cash flow

Wholesale-heavy producers now wait about 25% longer for payment than in 2022, squeezing working capital across the industry

Tuesday, November 3, 2026



U.S. vineyards and wineries are facing tighter credit in 2026 as weaker sales and lower asset values change how banks judge risk in the wine business, according to WineBusiness Monthly.

The shift is putting cash flow at the center of lending decisions. In a market where some producers built their balance sheets around rising property values, steady wholesale demand and strong tasting room traffic, lenders are now placing more weight on a company’s ability to generate cash and repay debt from operations.

That change comes as wine producers deal with slower sales and a softer market for assets tied to the industry. When asset values fall, lenders have less confidence in collateral. At the same time, slower sales can leave wineries with more wine in storage, more capital tied up in inventory and less room to absorb delays in payment from customers.

WineBusiness Monthly reported that, among wineries that get more than 50% of their revenue from wholesale business, average collection periods have risen about 25% since 2022. In practical terms, that means many wineries are waiting longer to be paid after shipping wine to distributors or other trade buyers. The delay can strain working capital even at companies that remain profitable on paper.

That matters because the wine business often requires large up-front spending well before revenue arrives. Vineyard work, harvest costs, barrel purchases, bottling, packaging and storage all demand cash months, and sometimes years, before wine is sold and paid for. A longer wait for receivables can force producers to rely more heavily on credit lines at the same time banks are becoming more cautious.

The pressure is especially significant for wineries with a large wholesale mix. Direct-to-consumer sales usually bring in cash faster, while wholesale channels can involve longer payment cycles and tighter margins. If receivables stretch further, operators may need to slow production, postpone capital projects or renegotiate supplier terms to preserve liquidity.

Tighter lending standards can also affect growers. If wineries are under pressure to protect cash, they may become more conservative in grape purchasing, reduce contracted volumes or push harder on pricing and payment schedules. That could leave growers with more uncertainty heading into contracting decisions and harvest planning.

The financing squeeze may also shape deal activity in the industry. Lower asset values and stricter underwriting can make it harder for buyers to finance acquisitions of vineyards or wineries, even when sellers are willing to lower expectations. Companies looking to refinance existing debt may face similar scrutiny if lenders focus more on current earnings, inventory turnover and receivables quality than on the appraised value of land or facilities.

For banks, the issue is not simply whether a winery owns valuable real estate or a recognized brand. The immediate question is whether the business can convert inventory into cash quickly enough to service debt in a slower market. That can make lenders more selective about which borrowers they support, how much leverage they allow and what covenants they require.

The effects could extend beyond wine producers themselves. In the broader drinks industry, tighter financing conditions in one of the world’s largest wine markets can influence inventory strategies, supplier contracts and transaction activity across the chain, from growers and packaging vendors to distributors and potential buyers of beverage assets. If wineries pull back on stock building or delay expansion plans, the strain can spread to other parts of the beverage trade that depend on steady production and purchasing cycles.

WineBusiness Monthly’s reporting suggests that, in 2026, access to capital in the U.S. wine sector depends less on what a business owns and more on how quickly it turns sales into cash. For operators with heavy wholesale exposure, longer payment times are making that test harder to pass.