NY Wine Trails Are Pathways To Dollars

Ren Collins

Tourists are hot on the trail of New York’s wine regions. The areas reported more than 4 million visitors in 2003, with New York wineries averaging a 54% increase in visitors between 2000 and 2003 (the latest year for which figures were available). New York’s wine trails help attract tourists, and are an integral part of the New York wine tasting experience.

Trailblazers
Established in 1981, The Cayuga Wine Trail was the first of its kind in New York. Located in the Finger Lakes region, this small collective partnered with other businesses along and near Route 89 to entice tourists to the area. The Cayuga trail was legally incorporated in 1984, and today includes more than a dozen participating wineries.

Using the Cayuga trail as a model of cooperation, the New York Wine and Grape Foundation (NYWGF) invested seed money in a statewide wine trail program. Today, nearly a dozen separate trails wind throughout New York’s five major wine regions. They include the Cayuga Wine Trail, the Long Island Wine Council (LIWC), Dutchess Wine Trail, Shawangunk Wine Trail, Seneca Lake Wine Trail, Keuka Lake Wine Route, Canandaigua Lake Wine Trail, Lake Ontario Wine Trail, Niagara Wine Trail and Chautauqua Wine Trail.

Paying Dues
Funding structures vary by trail, but the NYWGF provides annual matching funds to all of them for marketing initiatives. Some trails require annual dues from participating wineries and affiliate members such as B&Cs and restaurants. Others raise money solely through event ticket sales.

The Long Island Wine Council offers a progressive fee structure to its members. The council offers a variety of membership levels, with dues based on the number of cases bottled the previous year, regardless of vintage or size. Full members who bottled fewer than 750 cases pay $750 per year, while the biggest wineries with full membership pay $5,500. Members have access to LIWC services, such as regional wine trail website mainte-
nance, brochure production and regional event coordination.

The Dutchess Wine Trail, located on the eastern side of the Hudson Valley, is a small trail, composed of three wineries. Although the Dutchess Wine Trail does not collect dues, it currently requires new members to pay one-time membership fees of $5,000. The trail’s president, Phyllis Feder, said her budget ranges from $10,000 to $14,000, a portion of which is funded by the NYWGF. Trail members can also submit proposals for one-time fund allocations for special projects, such as website improvement, offered periodically from organizations such as the N.Y. Department of Agriculture and Markets. The department allocates $2,500 per winery or $2,500 per wine trail.

Winter Wine Months
Trail events draw tourists, and smaller trail wineries especially rely on events for increased traffic. “It’s the wine trail and the wine trail marketing, through its events, that have created and maintained a situation where (our wineries) can actually be known,” says Susan Wine, treasurer of the Shawangunk Wine Trail. “A single winery can’t run the kind of event that would put it on the map and bring it customers. It’s all about the tourism that comes through the wineries through the wine trail events.” Located on the western side of the Hudson Valley, the Shawangunk trail currently has nine members, and plans to expand.

Events are held year-round, and winter events help bolster off-season tourist numbers. Judy Wiltberger, co-owner of Keuka Spring Vineyards, depends on the Keuka Lake Wine Route for off-season traffic. “They bring people to the winery in the shoulder season... It makes a big difference. People really do come through the door,” Wiltberger says. “We close up for a couple of months in the winter, but we open up especially for those events. We rely on them; they bring a lot of people here.”

Shawangunk Trail’s Christmas event takes place over three weekends in December. “We’ve built our Christmas event into 3,000 people... We consistently sell these events out now,” Susan Wine says. The event was initially promoted through members’ small mailing lists and limited advertising. “We’ve now developed more advertising, and much bigger mailing and e-mail lists,” she adds. “Tickets are bought primarily online... The bigger the event gets, the more people want to do it the year after.”

The LIWC recently expanded its Valentine’s Day event into a Winter Wine Festival. “We decided to hold a festival all month,” says executive director Steve Bate. “We got in touch with a lot of the B&Bs and restaurants, and got them involved in it. It has enabled us not only to promote the wineries, but also the tourism infrastructure here. People know things are open and that there are a lot of fun things to do out here in the winter. We’ve built on that.”

Wine, Food And Culture
Many trails partner with tourism infrastructure businesses to offer a range of activities to visitors. “The kind of people who are coming out and touring wineries expect to have a broader experience,” Bate says. This year, the LIWC partnered with the East End Arts Council to incorporate resident artists, musicians and creative events into its Winter Wine Month program.

Debra Slater-Manter, PR director for La Tourelle Resort & Spa in Ithaca, is pleased with the resort’s affiliation with the Cayuga Wine Trail. “We have a more upscale interest than we’ve had in years. Those people travel, love to visit the wineries,” she says. “I think (the affiliation) has brought more money into the area, and has brought a more upscale client.”

This type of clientele is exactly the type of visitor that La Tourelle and its premier spa, August Moon Spa, attract. La Tourelle partners with Cayuga trail wineries to offer tourist packages that include overnight stays, dinners and plays. “There is something about one of the wineries in almost every package we do,” Slater-Manter says.

Follow The Signs
In addition to brochures and websites, highway wine trail signage is an important tool to increase awareness and generate tourist visits. In 1989, The NYWGF initiated a highway signage program to help support the trails. “The signs get people into and through the wine regions,” says Jim Trezise, NYWGF president. Each of the road signs costs about $250 and, according to Trezise, “pay for themselves the first day in terms of consumer traffic and sales.”

Phyllis Feder agrees. Because of its small size, the Dutchess Wine Trail does not host events, and uses the signage program to attract tourists. “I would say without question, the No. 1 thing that put us on the map was the road signs,” she says. “There’s no question in my mind that it made a monumental difference in the amount of traffic.” Trail members enlisted the support of state government and the Department of Transportation to increase wine trail signs throughout the area. Dutchess trail members pay a percentage of the signage maintenance cost. Individual road winery signs successfully direct tourists through the region, and increase trail awareness for area locals.

Legal Limits
Legal restrictions surrounding winery events have prompted the NYWGF to review the state’s liquor laws. “The foundation is now doing a review of New York state laws to make sure that first, the wineries know and obey them, but also that the laws are conducive to growth,” Trezise says. “There are some gray areas about special events, which are vital to the success of the wine trails and to the wineries.”

LIWC’s Winter Wine Festival fell into
one of those gray areas. “The state liquor authority had defined what wineries can do, not only in terms of production, but particularly about what wineries can sell in their tasting rooms,” Steve Bate says. “Something that has come up is whether wineries can sell art.” The program involved artists selling their work at the wineries, so the council wrote to the liquor board to confirm they could legally run the event. The liquor board, convinced the event supported wine and cultural tourism, approved the program.

A law that has been somewhat helpful to New York wineries, but not particularly useful for the wine trails, is the direct shipment law, signed by Governor Pataki in 2005. “The direct shipment law does not help trails directly, because in New York the direct shipment law says that the shipper must be the producer of the wine. So, for example, you couldn’t put together a wine sampler of the Cayuga Wine Trail,” Trezise explains.

**Economic Incentive**

Dr. Rich Harrill, director of the International Tourism Research Institute at the University of South Carolina, says the way to get laws changed is to demonstrate to politicians the industry’s current and future economic impact. The Kentucky Bourbon Trail successfully used this approach to build its program.

Prior to 1999, Kentucky distilleries could not pour samples or sell bourbon to their visitors. Trail members invested in tourist facilities, and brought economic impact studies to the attention of the state assembly. “We showed the general assembly the economic impact the industry has on the state, including number of jobs and tax benefits,” says Ed O’Daniel, president of the Kentucky Distillers’ Association. That information helped change the laws to allow sampling, and later the sale of distilled spirits. Formalized in 1999, the trail includes six members and annually hosts roughly 450,000 visitors.

New York wine trails are successful in attracting tourists, and New York’s wine industry has a positive economic impact on the state economy. Direct sales at tasting rooms have grown rapidly, and excise and sales taxes from direct sales generated more than $7 million in 2003. Statistics compiled from MKF Research’s 2005 Economic Impact Report and NASS’ 2004 New York Winery Survey are a start in demonstrating to politicians the industry’s economic potential for the state. In the meantime, the trails will keep doing what they do best: increasing tourist awareness for New York wineries and hosting unique New York wine trail events for visitors.

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