Ontario Wine Industry: Moving Forward

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1. Introduction

This report presents the findings of an ongoing research project, spanning three years of data collection so far, that sheds light on how Ontario wineries can improve their ability to create *symbolic value*. We use this term to mean how wineries cultivate stories and images – above and beyond just what they put in a bottle – to give their premium and ultra-premium wine a sense of specialness and distinctiveness.

Widespread agreement in the Ontario wine industry suggests that the best (and perhaps only) way for the industry to grow and prosper is to focus on premium and ultra-premium wines. This perception results from a variety of factors, including:

- An unstable, and occasionally hostile, climate that increases operating costs;
- Relatively little space available for growing grapes, which makes it difficult to create economies of scale;
- Superior ability of "low-cost" wine producing regions, such as Chile and Australia, to offer consistent and crowd-pleasing wines at prices unattainable for Ontario wineries (e.g., the Fuzion phenomenon);
- Increased demand by the LCBO for more premium and ultra-premium wines from Ontario.

Yet if wine is to command a price premium, achieving good grape growing and winemaking excellence is not sufficient. Not only should wineries pursue technical excellence, but they should also become more adept at projecting the distinctive imagery that wineries in more established wine regions consistently project and that sophisticated wine connoisseurs have come to expect from premium and ultra-premium wines. This research project attempts to help wineries accomplish this goal.

2. Methodology

Because Ontario wineries and grape growers face unique climactic, geographical and regulatory conditions, we have adopted a methodology that allows us to capture these unique conditions. Rather than merely applying results of previous research in other regions to Ontario, where the context is likely to be too different to make those findings useful, we seek out a rich, detailed understanding of the wine business in Ontario, with a focus on pursuing "depth" rather than "breadth". In other words, our recommendations are based on in-depth investigations of several wineries of various sizes, as well as ongoing dialogues with a select number of other industry stakeholders (e.g., consumers, wine writers, restaurateurs, LCBO executives).

We have partnered with several Ontario wineries of varying sizes and histories. We have attempted to grasp multiple facets of each of the wineries' business by interviewing a variety of employees, observing multiple meetings, and noting other aspects of the daily work at these organizations.

We also have had ongoing discussions with a number of wine writers, restaurateurs, LCBO executives, and other industry insiders. In addition, we closely follow press coverage of the industry as whole, as well as of specific wineries.

In presenting our findings we wish to avoid singling out individual wineries either for praise or criticism. Therefore, while we do use occasional quotes to illustrate important points, we do not identify individuals or organizations by name.

3. Findings

3.1. Artistic and economic rationalities are closely linked

Previous research in the wine industry and other "cultural" industries indicates that an inherent conflict may exist between artistic and economic rationalities. When we refer to *rationality*, we mean the underlying motivation, rules, and norms that govern behaviour (see Table 1 for a detailed explanation of the differences). Thus, *artistic rationality* indicates attempts to produce wines that are worthy of critical acclaim and national and international awards and that are sophisticated and complex. In contrast, *commercial rationality* refers to the motivation to run a profitable business. Our research indicates that the two rationalities actually are very closely linked and should not be seen as irreconcilable or even contradictory.

TABLE 1: Artistic and commercial rationalities in the wine industry

	Artistic	**Commercial**
Dominant value	Aesthetics	Wealth creation
Supporting values	Handcrafted, small-scale, personal	Efficient, economies of scale, professional
Sources of identity	Winemaking as an art	Winemaking as a business
Sources of legitimacy	Artistic acclaim	Business expertise as expressed in sales volume, revenues and profits
Arbiters of legitimacy	Critics, high-end restaurateurs, connoisseur customers, peer wineries	Liquor Control Board of Ontario, peer wineries
Production focus	Express sense of place (terroir), slower is better	Speed to market, cost reduction
Marketing focus	Explain terroir; cultivate exclusivity, specialness, romanticism, sophistication, scarcity	Make wines easy to obtain, simple to appreciate, and affordable
Basis of mission	Build prestige of winery, express terroir	Be economically successful
Basis of attention	Develop and maintain artistic reputation	Develop and maintain market share
Basis of strategy	Win awards, obtain good reviews	Secure broader distribution, establish superior market position

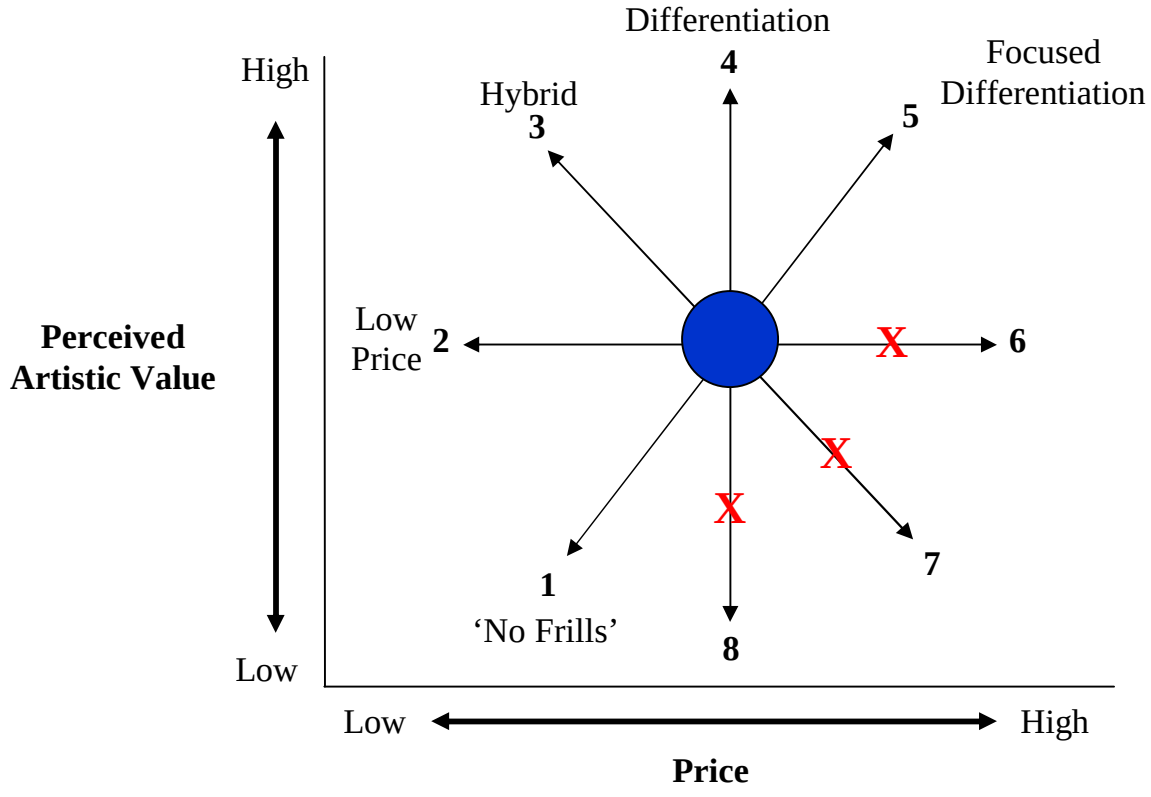
First, commercial rationality is an inevitable reality of any business, and wineries must focus on running profitable businesses. Yet because of the Ontario wine industry's focus

on producing premium and ultra-premium wines, Ontario wineries also must meet the demands of artistic rationality. Any winery that aims to command a high price for its offerings must practice and cultivate images of artisanal, personal winemaking and distance itself from the perception that its methods or products are "industrial" or for mass consumption.

Second, the two rationalities, artistic and commercial, are only meaningful in relation or opposition to each other. That is, artistic rationality is only meaningful to consumers and industry insiders because it is defined in opposition to commercial rationality, and vice versa. Thus, a winery seeking to cultivate an artisanal image can do so only by shielding itself from customers' perceptions that it engages in overtly commercial activities.

The implication of the above is that wineries that seek to compete as producers of premium or ultra-premium wine must have both a commercial and an artistic strategy, with the former being partly dependent on their ability to successfully carry out its artistic strategy. Figure 1 summarizes the relationship between consumers' perceptions of artistic value and price. The more expensive the wine (or the more expensive a particular winery's products, on average), the greater the perceived artistic value should be. Most wineries in the Niagara region aim to develop a *differentiation* or *focused differentiation* approach, with some wineries having different brands or product lines aimed at multiple segments.

FIGURE 1: The recommended relationship between artistic acclaim and the price being sought for the wines



Because the two rationalities (artistic versus commercial) place conflicting demands on wineries, it is impossible for any winery to meet their demands consistently. Therefore, wineries must choose the optimal balance between complying with the demands of each rationality. For example, a winery that wants to focus on high-end wines should safeguard its artistic identity at all costs, even if that means compromising its short-term profitability. But a winery that hopes to position itself more broadly, offering wines across a variety of price ranges, may be less preoccupied with projecting artistic images, even though it undoubtedly has to take care to avoid appearing too commercial.

In addition, the wine business is unlike most "conventional" businesses. Wineries compete not only for market share but also for artistic recognition, because artistic recognition contributes to their greater commercial success. Of course, wineries must pay attention to the volume of sales or the shelf space at the LCBO, but equally importantly, they have to attend to their artistic reputation in the industry, as measured by the number of awards, reviews by noted wine writers, inclusion on prestigious restaurants' wine lists, and word of mouth. To accomplish this strategy, wineries have to position themselves, or certain of their brands, in contrast with the rationality that contradicts that winery's (or brand's) positioning. For example, if the winery wants a reputation as an artisan, it should actively educate consumers about what it is doing to meet this goal and how those actions distinguish the winery from other, more commercial products, such as those from Chile or low-end European producers. In other words, because those artistic and commercial rationalities are only meaningful in opposition to each other, a winery cannot simply position itself as artisan; it also has to differentiate itself from more commercially oriented activities by others, whether domestically, abroad, or both.

3.2. Guardians of Artistic Rationality

If wineries are serious about demonstrating that their wines are sufficiently artistic to justify a price premium, they must understand the important roles of the guardians of artistic rationality – wine writers, bloggers, prestigious restaurants, and other opinion leaders.

Wine writers and bloggers. Wine writers are most interested in the artistic aspects of the wine, such as where the grapes are grown, what winemaking techniques are used, and most important, the extent to which the wine reflects the local terroir. Thus, wine writers and award ceremonies play important roles in verifying that a winery complies with artistic rationality, and arguably, they have more power than anyone else to do so. Given the plethora of wine choices (and the relative lack of confidence among many consumers in choosing the "right" wine), consumers are quite reliant on wine writers to help them make their choices. As one writer observed, "I think the role of the writer is really to explain and to interpret the wines for people." A number of wineries report that positive reviews – especially from high profile wine writers – can result in substantial increases in sales. As one sales manager observed, "you only have to influence one wine writer with your story and if he writes about it, that'll affect […] The Globe & Mail will affect, you know, a hundred thousand readers a day, maybe or two hundred thousand." However, wine writers also can generate negative publicity. One winemaker, for instance, observed

that a particular high-profile critic generated a great deal of visibility for the industry and its offering but added, "but then on the other hand, when we produced […] an oxidized or a ladybug contaminated chardonnay […] he was just brutal on the ladybug by claiming that those wines should never have hit the shelf."

It should also be noted that famous wine writers are not necessarily more important than the various bloggers who write about wine. Whereas the writers for major newspapers do have a great deal of visibility and a devoted following, the readership is increasingly quite fragmented. In the same way that people increasingly obtain their news from a variety of sources, people obtain information about wine from disparate sources, too. Thus, sommeliers, educators and grassroots enthusiasts with blogs can be very influential in acclaiming a winery as a producer of high artistic value. Furthermore, whereas most famous wine writers attempt to cover both foreign and domestic wine, an increasing number of bloggers write purely about VQA wines or about local wine and food. Thus, in some cases, they may be especially connected to the readership that is more receptive to VQA wines.

Restaurateurs. Prestigious restaurateurs, especially those in Toronto, also play important roles in verifying that a winery complies with artistic rationality. Not only do restaurants represent an important sales channel (especially for smaller wineries with limited access to the LCBO), but when prestigious restaurants select a winery's products for inclusion on their wine list, it signals that the wine is of superior quality. As one sales representative in Toronto, notes, for many sommeliers, the "wine list really is their artistic expression." It is widely recognized that Toronto is a challenging market, marked by a combination of a vast selection of wine from all over the world and a residual reluctance to embrace the local wine. As one sales representative observes, "There is kind of cosmopolitan snobbism that says, 'Well, I can have wines from anywhere in the world. Why would I choose wines from my own backyard? […] I buy European clothes and European shoes. I buy European wine.'" Thus, attaining a listing on the wine lists of prestigious restaurants, alongside famous Burgundy, Bordeaux, and California offerings, is a daunting challenge. As one wine writer summarized, "basically they [wineries] have to convince the Toronto businessman that Ontario wines are worth drinking instead of wines from France and Italy."

In summary, because the ability to demonstrate compliance with artistic rationality plays such an important role in wineries' ability to successfully compete in the premium and ultra-premium segments, it is important to better understand the roles of guardians of artistic rationality – wine writers and bloggers and high-profile restaurateurs – in this process. Wineries need to develop strategies to effectively reach out to these individuals. Some examples of effective strategies include:

- *Sending wine to select wine writers or bloggers.* Note that the most famous writers are not necessarily the most important ones. They get wines from a great many wineries and may not be able to write about all the wine they taste. Some bloggers might be more appreciative to receive samples. In addition, wine writers outside of the GTA area (e.g., in Ottawa end elsewhere) are often less connected

to the industry, due to the distance. They may be particularly appreciative to receive samples and be more inclined to write about those wines. Also, it is important to note that different writers and bloggers have different tastes and preferences. Therefore, it is most beneficial to send samples to those writers or bloggers whose tastes appear to match the styles of the wines being presented (e.g., send bone-dry Rieslings to those writers who tend to like and write about such wines, rather than to those who do not write about such wines often).

- *Inviting writers and bloggers to the winery.* Again, it is especially important to offer this opportunity for the less prestigious writers and bloggers, for as noted above, they may be as beneficial as the more prestigious ones. The more writers and bloggers know about a winery's approach to winemaking, the better they are able to explain it to their readers. As mentioned above, it is also beneficial to seek out the writers and bloggers who favour the winery's winemaking approach (e.g., if producing biodynamic wines, seek out writers/bloggers that seem to care a great deal about such winemaking practices or about environmental sustainability).

- *Educating restaurateurs about wineries' approaches.* Host restaurateurs at the winery: showcase the wines; explain the winemaking philosophy and how wines would match with a particular chef's food. Crucial to have sales representatives in Toronto. A number of restaurateurs report that although they do get approached by representatives of larger wineries, they do not get much contact from smaller wineries.

- *"Putting one's best face forward."* Premium and ultra-premium wines often evoke romantic images in consumers (e.g., small-scale production, hands-in-the-dirt winemaking, etc.), that are perpetuated by wine writers, bloggers, and restaurateurs. Thus, in managing relationships with wine writers, bloggers and restaurateurs, it is important to avoid conveying images that are inconsistent with such perceptions. For example, unless a particular writer or restaurateur is very knowledgeable about the winemaking process, a winery may try to avoid giving them too many technical details about the winemaking techniques used to make a certain wine, because those details might unintentionally convey the image of "tampering" with grapes. Instead, it is more valuable to show them the vineyards and emphasize the terroir of the wine, as well as the link between the specific locale and the wine in the bottle. Thus, wineries should showcase as much of their artistic side as possible while keeping commercial and technical activities out of sight. Further, although more and more Ontario wineries are diversifying and launching multiple brands, they should aim to keep the identities of those brands as distinct from one another as possible. Multiple brands obviously linked to the same winery can convey the sense that the winery or a certain brand is "too large" or "too commercial". Thus, a winery that owns multiple brands must carefully cultivate and safeguard each brand's distinct identity.

3.3. An Old World wine region located in the New World

Fine winemaking is codified within two competing traditions, each of them emphasizing and prescribing different features of winemaking and defining high quality winemaking differently. Although much of modern winemaking philosophy, conventions, and know-how can be linked to France, the country has not always enjoyed the international acclaim as superior fine wine producer.[1] In addition, the so-called "Old World" wine regions, such as Burgundy and Bordeaux, are increasingly challenged by the "New World" wine regions, such as California, both with respect to export growth and market share in a variety of markets[2] and as standard setters and perceived epicentres of superior quality and innovation.[3] But "Old World" and "New World" are not simply regions. They are traditions of winemaking. The adoption of one of these two traditions, or a combination of them, is important for a region seeking to establish itself as a legitimate winemaking region. As a part of this research, we have examined how the two traditions of Old World and New World are used by wineries, wine critics, and restaurants in Ontario in attempts to establish a legitimate local winemaking tradition and promote the region's offerings.

We relied on a variety of writings about the various aspects of the wine industry in general and Ontario wine industry in particular to identify the key components of Old World and New World traditions (see Table 2). In essence, the difference between the two traditions can be summarized as follows: "In the Old World, with its centuries of winemaking tradition, Nature is generally regarded as the determining guiding force. In much of the New World, however, it may be regarded with suspicion, as an enemy to be subdued, controlled, and mastered in all its detail, thanks to the insights provided by science."[4]

Thus, the Old World tradition defines wine as a deeply tradition-bound object, connected to the particular geographical and climatic conditions of the particular wine producing region. As such, it is not easily accessible either in terms of production or in terms of consumption. The winemaker's role is somewhat mythical and passive, with the soil, climate and the particular locality – the terroir – being seen as the key determinant. Such wines are to be cherished. They are not easily accessible, due to high acidity lower fruitiness and greater complexity. As such they reward aging and being paired with the right food. With respect to image of the wine, it is romantic, quaint and somewhat sacred.

In contrast, the New World tradition defines wine as a fun and easy-going product that places a great deal more emphasis on the winemaker's skills and scientific advances and less on the nature or terroir. It is unbound by tradition. Such wines are meant to be more

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[1] Ulin, R.C. (1995). Invention and representation as cultural capital: Southwest French winegrowing history. *American Anthropologist*, 97: 519–27.

[2] Euromonitor (2008). *Global alcoholic drinks: Wine: Maturity constrains growth.* October, Euromonitor International; Food and Drink Europe (2004). Old world still facing struggle in UK wine trade. Available at http://www.foodanddrinkeurope.com/Products-Marketing/Old-World-still-facing-struggle-in-UK-wine-trade.

[3] Robinson, J. (2006). *The Oxford Companion to Wine,* 3rd Edition. Oxford; Oxford University Press.

[4] Ibid, p. 476.

easily accessible and do not imply a personal sacred bond between the consumer and the wine. These wines are more easily accessible, even without food. They are more fruit-forward, comfortable, bold and powerful, and romance is replaced with glamour and luxury.

TABLE 2: Old World vs. New World traditions of fine winemaking

Dimensions		**Old World tradition**	**New World tradition**
Geography and Climate	• Countries typically associated with the template	France, Germany, Italy	US (California), Australia, Chile
	• Climate associated with the template	Cool	Warm or hot
	• Importance of (variation in) climate	Higher	Lower
Viticulture and Winemaking	• The relative role of tradition versus fashion	Tradition	Fashion
	• Number of grape varietals	Limited	Varied
	• Importance of terroir	Very important	Important (?)
	• Relative focus on appellation versus varietal	Appellation	Varietal
	• Relative importance of nature versus science	Nature and oneness with nature more important	Latest scientific advancements more important
	• Greater importance of winemaker or vineyard	Vineyard more important	Winemaker more important
	• The use of machinery	Lower	Higher
	• Planting density	Higher	Lower
Wine Characteristics	• Taste and aroma	More acid-driven Less sweet, less fruity More built on complexity Lower alcohol	Less acid-driven Fruit-driven More built on concentration Higher alcohol
	• Demanding particular food pairings	Higher	Lower
	• Approachability versus age-worthiness	Age-worthiness	Approachability

In understanding geography/climate, winemaking tradition and the resulting wine profiles of Ontario wine, wineries selectively rely on the two traditions to develop their particular styles, and they (as well as the aforementioned guardians of artistic rationality) rely on these traditions to most effectively explain the suitability of the local conditions for fine winemaking and endorse the resulting wines. The geography/climate of Ontario, the style of winemaking, and the resulting wine profiles tend to be characterized as Old World, even though by virtue of its location in the New World, Ontario is a New World wine

region. This characterization is somewhat surprising. New world wine regions, such as California and Australia, have been very successful, and there is great demand for big fruit-forward (red) wines that are most closely associated with those regions. In fact, like in many other markets, Ontario consumers have been increasingly preferring New World wines over European wines.[5] However, there is a great deal of recognition that the region is not positioned to produce the fashionable New World wines. Thus, the offerings are often characterized as "not New World". Geographically, Ontario is located in a cooler climate with variable vintages that is more akin to European wine regions, such as Burgundy, Germany and parts of Bordeaux, yet is generally not perceived as a "traditional" winemaking region. This cooler climate is explained as dictating a more terroir-driven rather than science-driven approach to winemaking. It requires abandoning attempts to make wines that have a consistent profile from year to year or to produce styles that are more fashionable, but instead, allowing the soil and the climate (the terroir) to dictate what kind of a wine will emerge, with a relatively passive role played by the winemaker.

The resulting style of Ontario wines tends to be described as more European, more refined and complex (as opposed to powerful, as per New World tradition), and acidic or mineral (as opposed to fruity, as per New World tradition). As such, the wines are claimed to be more food-friendly. This food-friendliness is often claimed to set these wines apart from and to make them superior to the New World wines that are often characterized as being too high in alcohol and too sweet to be effectively matched with food. One wine writer summarized this as follows:

> "A lot of the New World wines from Australia, Chile and so on, are very high in alcohol, they're huge in flavour and they kill anything that you try to eat with them. The wine just dominates everything. And you don't get a very nice pairing of food and wine. Whereas in Ontario wines, like a lot of French wine and Italian wine, a lot of, you know, Spanish wines and so on, with Ontario wines you're much more likely to get this nice match in which, you know, you can enjoy the food and the wine and one of them isn't killing the other."

New World tradition is present in Ontario, most significantly in the form of the relative lack of restriction with respect to the grape varietals that can be planted. In contrast to France and Germany and more consistent with Australia and California, a variety of grapes can be planted, with the exception of labrusca grapes that are deemed as unsuitable for high quality winemaking. Furthermore, there is recognition that Ontario can produce some wines that may appeal to customers who favour New World wines. This may be done by a select few wineries or, on a larger scale during certain vintages (e.g., 2007). This appears to further underscore that the prevalence of the Old World tradition is by default, rather than by choice. As one wine writer put it, "you know, most of the wines in Ontario are not the big fruity style that you get from warm places like Chile, Australia, South Africa and California. And people happen to like big fruity, fairly high alcohol wine. And it's just not what Ontario makes."

[5] Sayare, S. (2009). French diss: Wine sales sour at home and abroad. Associated Press, May 28.

Our key observation is that the tradition (i.e., New World) that does not fit the local conditions, most of the time, is not helpful in establishing the region as a legitimate producer of fine wines, no matter how popular that tradition may be with a certain segment of consumers or restaurants. Wineries should take care to follow the tradition that better fits the climatic and geographical conditions. This appears to be the Old World tradition. As one restaurant owner pointed out, "it's a hell of a lot harder to sell an Ontario wine to clientele that's expecting California."

4. Moving forward – In Search of Identity

The key findings of this research are two-fold: (1) compliance with artistic rationality – which requires effective relationship management with wine writers, bloggers and restaurateurs – makes an important contribution to the commercial success of Ontario wineries (especially of the smaller ones); (2) a closer compliance with the Old World tradition of winemaking is more beneficial than attempts to imitate New World wine regions, for the former tradition better fits the Ontario geographic and climatic conditions. These two points are closely related to each other, in that we argue that following the Old World tradition (point 2) is more likely to lead to acclaim by writers, bloggers and restaurateurs (point 1). We offer several recommendations to help wineries attain these dual objectives:[6]

- At the industry level, a conversation should take place to determine what the distinctive identity of Ontario wine should be. Established wine regions appear to have distinctive identities (e.g., France and "sophistication", Australia and "playfulness" and "easy-goingness", etc.). At present Ontario wineries aim to demonstrate that the quality of Ontario wine complies with established standards of excellence. But in order to stand out in the crowded wine marketplace, Ontario wineries must demonstrate to consumers, critics and restaurateurs what makes Ontario wine different from that from more familiar and established wine regions. In other words, the most fundamental question is: *What is the distinctive character of Ontario wine?*

- Although experimenting with a variety of grape varietals and winemaking styles is healthy and valuable, Ontario wine industry should start focusing on a select number of grape varietals and styles. In all, we discourage attempts to produce New World styles of wine – no matter how fashionable they may be – because that can only be done successfully during rare vintages. Even the 2007 vintage – often claimed to be "the best ever in Ontario" – did not allow most wineries to produce wines that rival those from California or Australia. In fact, critics and restaurateurs have been critical of many 2007s, especially the whites. Even the rare successful attempts may not

[6] Unfortunately, it is not possible to directly assess the financial performance of most Ontario wineries, with the exception of the few corporate entities that are required to disclose their financial performance. The recommendations are based on the pattern that emerges from studying the Ontario wineries that appear to be especially successful with respect to their ability (a) to generate positive reviews and garner awards, (b) consistently appear on prestigious wine lists, and (c) consistently garner positive feedback from restaurateurs.

necessarily be beneficial to the reputation of the region, as subsequent vintages may disappoint consumers who may be accustomed to the unusual (for Ontario) profile of the 2007s. Thus, rather than pursuing the short-sighted strategy of over-emphasizing a particular (atypical) vintage, Ontario wineries should educate consumers about the variable nature of Ontario vintages. Similarly, a greater appreciation for European wines among Ontario consumers would likely lead to an increased receptiveness to Ontario wines, due to the common "challenge" of vintage variability.

- In a similar vein, since wine writers and bloggers tend to respond more positively to Ontario wines that are made in the Old World tradition rather than New World tradition, the focus on the former approach will likely allow wineries to benefit more from the positive publicity that writers and bloggers can generate, increasing sales. This is especially important for smaller wineries with limited marketing budgets.

- Focusing on grape varietals that do well in Ontario should be an increased imperative for smaller and medium wineries. Because the cost of production in Ontario is quite high, the only possibility for small wineries to exercise economies of scale is to plant fewer varietals and to focus on those that are more likely to result in quality wines year-after-year. While we would not necessarily discourage wineries from planting the grapes that do not typically do well in Ontario (e.g., Cabernet Sauvignon), we would suggest that small wineries should plant such varietals only on small scale and focus instead on those that are more reliable.

- Introducing more proprietary blends should be increasingly valuable. First, such blends offer wineries more flexibility in responding to Ontario's variable vintages, allowing them to blend the varietals in a way that may showcase the strengths of a particular vintage without rendering the weaker varietals unusable. Second, it will reduce the direct competition against both domestic and foreign wineries, as there is a great deal of competition for each single varietal (or even Meritage) product, but it is more difficult to determine direct competitors for a proprietary blend.

- International critical attention is very important for the industry. However, it is more valuable to pursue European wine critics than American ones, as the European critics are more likely to favour the more Old World style of wines produced by Ontario wineries.

- Although Ontario produces small amounts of wine, it is important for the region to start developing a concerted exporting strategy. Because Canadian consumers tend to look more favourably upon products that succeed internationally, success in export markets is likely to result in more enthusiasm for Ontario wine among Canadian consumers.

5. Conclusion

This report presents the findings from our ongoing research that aims to help Ontario wineries create the symbolic value we referred to in the introduction, as well as how they might learn to do it more effectively.

As we move forward, we will focus a great deal more on the interaction between wine industry dynamics and the specific strategies pursued by individual wineries. Thus, we intend to uncover which elements of the current industry structure either facilitate or inhibit symbolic value creation. We also believe that, because most Ontario wine still is consumed domestically, it is important to understand how Ontario wineries might better appeal to Canadians' sense of patriotism, and how such emotional appeal, in turn, might help to market their products more effectively.

In addition, because restaurants represent such an important channel for Ontario wine, we are currently undertaking a survey of Ontario restaurants aimed at enhancing the industry's understanding of (a) the factors that make restaurants more or less likely to add Ontario wine to their lists, (b) which restaurants are more likely to support Ontario wine, and (c) how wineries can learn to better target restaurants.

As we continue with this research, we will keep the industry stakeholders informed about any new findings. We welcome your feedback on the information provided in this report and remain open to any suggestions for improving this research, as we move forward.