

# Legitimizing Ontario Fine Wine: Encountering Globalization, Managing History

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# Six-year Study of Ontario Wine Industry

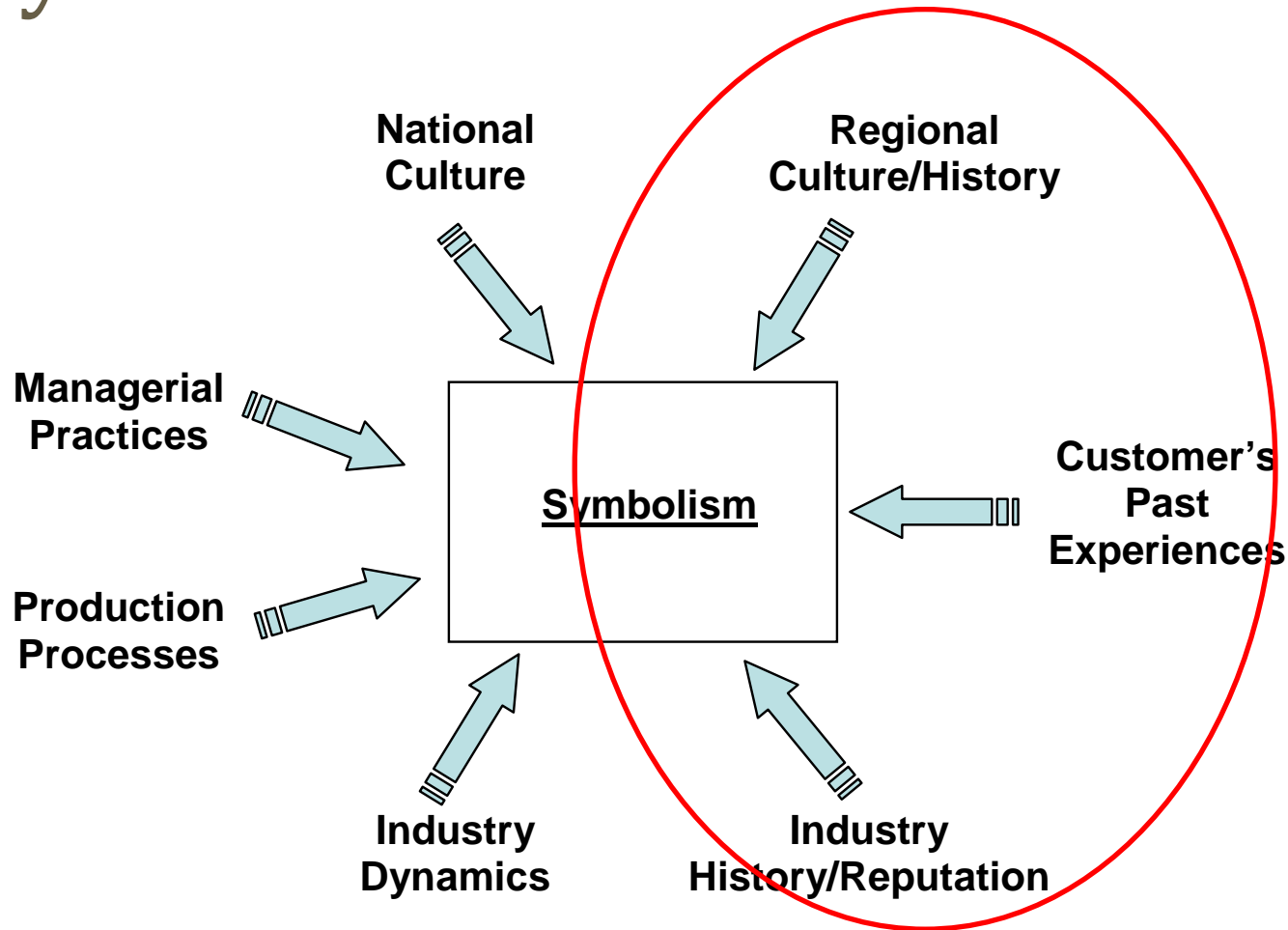
- Presentation based on the following forthcoming articles:
  - Hills, S., Voronov, M., & Hinings, C.R. (2013). “Not as Easy as it Looks!” Utilizing Rhetorical History to Comply with the Dominant Institutional Logic. *Research in Sociology of Organizations*, Vol. 38, In Press.
  - Voronov, M., De Clercq, D., & Hinings, C.R. (2013). Conformity and Distinctiveness in a Global Institutional Framework: The Legitimation of Ontario Fine Wine. *Journal of Management Studies*, Vol. 50, In Press.
  - Voronov, M., De Clercq, D., & Hinings, C.R. (2013). Institutional Complexity and Logic Engagement: An Investigation of Ontario Fine Wine. *Human Relations*, Vol. 66, In Press.

# Organizations as social beings

- Not just economic environment or economic exchanges
- Regulatory frameworks
- Social norms: conforming, defying, changing
- Social construction of meaning (e.g., taste, quality, etc.)
- *Especially true in the wine industry (and with other aesthetic goods, e.g., film, art, etc.)*

- “At its most basic, wine is simply fermented grape juice. But if you love wine like we do it's really so much more. That's why it matters how your bottle was made and aged. That's why it's important to know the story of the precise little corner the grapes were grown in that vintage. That's why the personalities crafting the wine are the secret ingredient determining how it smells, tastes and feels. The common thread to all those things is passion.”  
Mike Di Caro (<http://www.spottlighttoronto.com/30-days-of-ontario-wine-day-30-final-drops/> )
- “Taste varies not only according to individuals but also according to nationality. Italians are generally more tolerant of bitterness, Americans of sweetness, Germans of sulfur dioxide, the French of tannins, and the British of decrepitude (see maturity) in their wines, while Australians tend to be particularly sensitive to mercaptans and most Americans view herbaceousness as a fault rather than a characteristic.” Robinson, 2006
- “The importance of Bordeaux wine is not based on climate but on their better organization of marketing to Northern Europe.” --Enjallbert, H. (1953, cited in Ulin, R.C., 1995)
- **Bottom line: Market exchanges and economics do not explain success; need to create symbolic value!**

# Factors contributing to the symbolic value of wine



# Some current challenges for Ontario

- Domestic consumer reticence
- Memories of wines from times gone-by
- Lack of agreed upon identity
- Relative balance of pursuing core strengths versus experimenting
- Etc., etc.....

# Study objectives

- Completion is global
- Norms, standards and knowledge are global
- So....
  - How is Ontario wine legitimated in a global normative framework?
  - How do the legitimation efforts contribute to symbolic value creation?

# Methods

- 80+ interviews (wineries, growers, critics, restaurateurs, retailers, etc.)
- Observations (200+ hours)
- Media coverage (3000+ pages)
- Newsletters and websites (1500+ pages)
- Other documents



# The use of rhetorical history to legitimize Ontario wine

- Rhetorical history refers to “the strategic use of the past as a persuasive strategy” (Suddaby et al., 2010, p. 157)
  - History is not static or fixed
  - It is a strategic resource
- Connected to identity, image, reputation, etc.
- Why do so many companies try to manage their histories?
- Industries do that too (e.g., Grand Crus of Bordeaux, see Ulin, 1995)

# Results

- Old World Traditions
  - Role of Earthbound and laboursome methods
  - Hand harvesting
  - Role of nature/passivity of the part of humans
  - Knowledge of when and how to drink wine
- Local History
  - Local terroir and geological history
  - Local cultural history (events, buildings, local winemaking history)

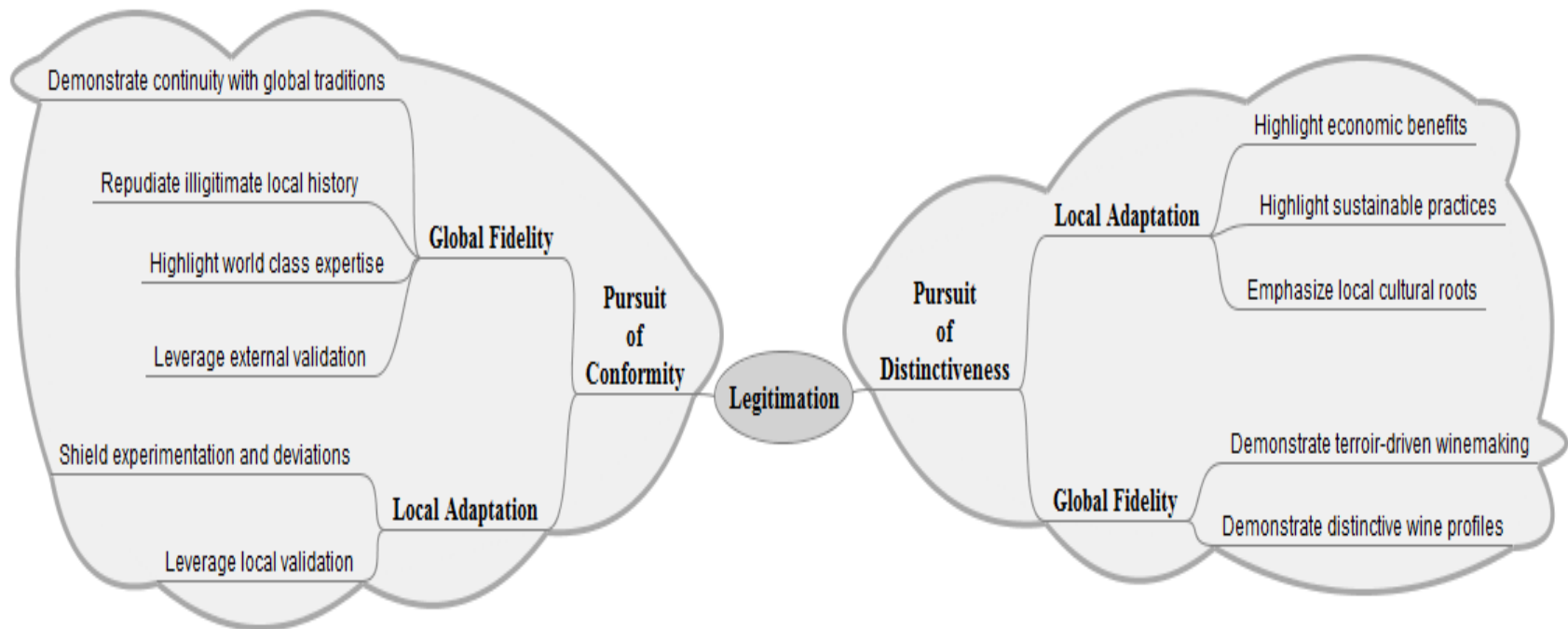
# Results (Contd.)

- Family History
  - Old World heritage
  - Heritage of winemaking
  - Local heritage
- Innovation
  - Balancing tradition and technology
  - Pioneering

# Rhetorical history (summary)

- No glorious domestic history to use
- “Borrow” Old World history AND
- Connect to local cultural, geographical and family history
- History important strategic resource: can be used flexibly and cleverly (highlight and obscure)

# Legitimizing Ontario wine in a global normative framework



# Conformity through Fidelity

<u>Theme</u>	<u>Illustrative Quotes</u>	<u>Other Evidence</u>
<b>Demonstrate continuity with global traditions</b>	‘Sparkling wine made in the traditional manner is truly a labour of love and winemaker Joseph sheds light on what it takes to turn grapes into ambrosia of the gods.’ (Countryside Winery Newsletter, Fall/Winter 2006)	‘Jack continues to work his magic having his hand in blending a little of the “old world” with the “new” producing wines wonderfully Burgundian in style, with finesse and length.’ (wine blog about Pinnacle Vineyard, April 2010)
<b>Repudiate illegitimate local history</b>	‘And you can pretty much directly trace the roots of the, sort of quality wine industry in Canada to 1988 with the free-trade agreement. So we’re very young. Most people, if they know anything about Canadian wine know that it’s very, very young.’ (Interview with Marketing Manager, Niagara Estate, April 2007)	‘This [Free Trade] was at the end of the zoological period of Canadian wine. You remember -- the baby bears, the baby deers and that staple of college dorms, baby duck. Sweet and insipid, the Canadian products were going to have a hard time dealing with a burgeoning California industry that had recently won blind taste tastings over formidable French counterparts.’ (from a newspaper Editorial, September 2008)
<b>Highlight world class expertise</b>	‘While still a student, he was able to rack up three harvests in Hawkes Bay [New Zealand]. [...] He graduated (top of class) and promptly moved south again to work at the world renowned Pinot Noir Producer, Felton Road, in Central Otago.’ (website of One-with-Nature Winery)	‘[Winemaker], who has worked in Australia, France and Germany and has an intuitive sense of when to step in and when to let the wine follow its own course of evolution.’ (News article, August 2008)
<b>Leveraging external validation</b>	‘[we are ] excited to announce that our 2007 Chardonnay Icewine has won one of the wine world’s top honours in this year’s Citadelles du Vin competition!’ Falls Vineyards newsletter, July 2011	‘17.5 [out of 20] Drink 2011-2015 Quite deep. Quite rich on the nose with real vibrancy on red clay. [...] Dry and austere on the end with real character. Really very burgundian. Real density and this tastes as though it should really develop complexity.’ (Jancis Robinson’s review of John Smith Winery’s Chardonnay, May 2010)

# Distinctiveness through Local Adaptation

<u>Theme</u>	<u>Representative Quotations</u>	<u>Other Evidence</u>
<b>Highlight economic benefits</b>	‘Wine buyers can help reduce hunger this holiday season by purchasing Ontario VQA wines at LCBO stores throughout the province. The Ontario wine industry is launching a campaign during the holiday season to raise funds to benefit those facing hunger in our communities.’ (Press Release, Wine Council of Ontario, November 2007)	‘Despite hard economic times in Ontario, there is one sector that is booming...the wine industry. A new study says the industry pumped \$529 million into the provincial economy last year.’ (News Article, September 2008)
<b>Highlight sustainability</b>	‘We returned home impressed by many of the methods we saw in practice there such as high-density planting, pruning and biodynamic farming, and we resolved to try some of them here.’ (Newsletter, Future Vineyards, April 2007)	‘25 or so wineries who have signed up for the Wine Council of Ontario’s “sustainable Winemaking Ontario” program, a proactive environmental initiative to help wineries identify and adopt Best Practice environmental stewardship. Kudos to the industry for undertaking such an initiative.’ (Critic’s report on the state of the industry, August 2009)
<b>Emphasize local cultural roots</b>	‘Fire and loss could be the harsh result and yet become the public spectacle of tobacco curing process in traditional kilns. Today, we have carefully adapted our kilns and drying processes for our hand-selected grapes to produce wines that are divinely aromatic and rich in flavours.’ (from website of Western Winery)	From observations: during tours wineries often note long family history in the region/multiple generations of framers in the region.

# Conformity through Local Adaptation

<u>Theme</u>	<u>Illustrative Quotes</u>	<u>Other Evidence</u>
<b>Shield experimentation and deviations</b>	'We are constantly searching and developing new ways of improving our art form. However, we have not lost sight of some of the more traditional aspects and techniques of winemaking.' (Website of Countryside Winery)	'In this instance, the Canadian oak frames the wine's fruit nicely, adding refinement to the flavour as opposed to masking them with overt spice or toast notes.' (Review of Niagara Estate's Canadian Oak Pinot Noir, April, 2009)
<b>Leverage local validation</b>	'In his latest ratings, famed wine critic / educator David Lawrason assigned four above-90 marks to Future Vineyards.' (Future Vineyards newsletter, January 2011)	OWA, Cuvee, etc.



# Distinctiveness through Global Fidelity

<u>Theme</u>	<u>Representative Quotations</u>	<u>Other Evidence</u>
<p><b>Demonstrate terroir-driven winemaking</b></p>	<p>‘It’s a rough and tumble environment out there. An unrepeatable combination of Mother Nature, skilled human intervention, and a little luck go into every vintage here in Ontario, and it’s that indefinable quality that makes these bottlings some of most terroir-reflective and dynamic wines being produced today.’ (Website, Breakthrough Winery)</p>	<p>‘It was quite clear their philosophy and wine-making decisions are driven by dirt—they’re committed terroir-ists.’ (Critic’s column, September 2008)</p>
<p><b>Demonstrate distinctive wine profiles</b></p>	<p>‘We currently have three distinctive Niagara Pinots to sample... the fruity [...], the earthy [...] and the solidly structured [...]. For an enlightening tasting, ask to try them side-by-side.’ (Future Vineyard Newsletter, August 2010)</p>	<p>‘It’s a brilliant wine that tastes like Riesling all the way, yet doesn’t come across like a German or Alsatian copycat. Call it a new, fresh, Niagara style.’ (Wine review, November 2007)</p>

# Some takeaways

- Legitimacy is not just about conformity; *distinctiveness* is important too!
- Currently very focused on global conformity -> sometimes do things that don't work and hesitate to do things that could work
- *Search for local distinctiveness*: What are we all about? What is our identity/character? What are we offering that other regions do not?
- Coherent message is important!

Thank you!

Questions?