

A cooperative venture for winemaking startups



Drew Baker's family owns Old Westminster Winery, which provides space for smaller operations to make their own wine. (Barbara Haddock Taylor/Baltimore Sun photos)



By Sarah Meehan The Baltimore Sun

Joan Cartier and Robert Thompson spent several years selling the grapes grown on their Frederick County farm to Old Westminster Winery. But when they saw the award-winning wines Old Westminster was producing with their grapes, the husband-and-wife team decided to give winemaking a shot.

Saturday, April 16, 2016

The couple, owners of Links Bridge Vineyard, had their first wines bottled — about 150 cases — last week. Although the wine will be branded as Links Bridge, the grapes were crushed, fermented and bottled at Old Westminster Winery through its new side business, Maryland Wine Cellars.

Maryland Wine Cellars provides space for other winemakers to produce their own wines at the Westminster facility. It helps small-scale vintners make and market their wines without investing in production equipment.

“It's a great arrangement because we get to make the winemaking decisions to the best that we can, but we get to use their expensive equipment,” Thompson said. “It's just an ideal setup for someone who wants to dip a toe into the water.”

Links Bridge Vineyard is one of six vineyards Old Westminster is working with, and it's making room for more. Old Westminster Winery is investing \$650,000 to quintuple the production capacity of its winery, according to Drew Baker, a partner in the business. The facility can now produce 5,000 cases annually; the expansion, set to be complete by August, will allow it to manufacture 25,000 cases of wine per year, increasing its own production capacity and making room for its clients to grow.

“We're sort of bursting at the seams right now,” Baker said.

Old Westminster has provided contract winemaking services in the past, but the Baker family, which owns the winery, established Maryland Wine Cellars as a separate business to differentiate between wines Old Westminster is producing for itself — about 2,000 cases per year — and the 2,500 cases it's making for its clients.

Old Westminster isn't the only winery in the state that offers other winemakers the chance to contract with them. Others, including Big Cork Vineyards and the Vineyards at Dodon, offer similar opportunities.

The Vineyards at Dodon, for example, is renting excess space to another winery while its vines mature and it ramps up production. The Davidsonville winery has the capacity to produce about 3,500 cases per year, co-owner Tom Croghan said, but it's only producing about 1,200 annually. At Rohrersville's Big Cork, the winery accounts for less than 10 percent of production, Amy Benton, a spokeswoman for the vineyard, said.

The contract production model is one that's worked for similar industries in Maryland, including craft beer. A number of local brewers have gotten their start by contracting through other breweries.

Maryland Wine Cellars provides a way for new entrants to Maryland's wine market to break into the industry at a low cost — a flat fee of \$3,100 per ton, or \$4 per bottle — and to tap into the expertise accumulated by more experienced winemakers, promising quality wine from the first barrel.

“One of [the] biggest challenges in the wine industry is that there is a learning curve,” said Kevin Atticks, executive director of the Maryland Wineries Association. “It's not easy to grow grapes, it's not easy to make wine and it's certainly not a given that your wine, once you release it, will be great wine.”

Baker said his family was lucky that their wine experienced early success, and he wanted to share their expertise with others in hopes of elevating the entire industry. Barriers to entry are high, mistakes costly.

“Once somebody has a bad wine, your reputation is almost doomed,” Baker said.

Kevin Campbell is one local vintner who reaped the benefit of working with the Bakers early on. The owner of Harmony Vineyards in Parkton, Campbell started working with them in 2012, and his first vintage won a gold medal at the Maryland Wine Festival.

“They create economies of scale and the ability for a very small operation to produce wine commercially,” Campbell said. “Smaller wineries with small production can become more economically viable, so I'm very enthusiastic about that model to help the industry grow in Maryland.”

Robin Sagoskin, owner of Hidden Hills Farm & Vineyard in Frederick, is among the Bakers' newest clients. She'll produce about 500 cases of wine this year and is aiming for 600 cases next year.

She said she's enjoyed relying on the creativity and skill of Lisa Hinton, Old Westminster's winemaker.

“She comes up with great ideas, like we're making an orange wine — very experimental,” Sagoskin said. “She's teaching us a lot. We're kind of learning what our taste is, and she's willing to work with me.”

The state is still struggling to build a reputation for high-quality wine, but this type of knowledge-sharing could help.

“The wines that they are able to produce with and for new wineries is top-quality, and that's always a challenge with perception,” Atticks said. “The [East Coast] wine industry for many years has a reputation that it is now having to outgrow or prove otherwise.”

Giving young winemakers an edge from the start through services like Maryland Wine Cellars could help improve the wine industry as a whole, while encouraging new players to enter the market and existing winemakers to grow. Atticks said he's heard from plenty of land owners who are interested in growing grapes but not in shelling out the cash it takes to establish a winery, which can cost \$500,000 or more.

The co-op style of production Maryland Wine Cellars offers, called an alternating proprietorship, allows winemakers to share costs of production and packaging. It also allows growers to devote their attention and investments to their vineyards — the genesis of great wines.

“The biggest thing that's holding Maryland back is that historically it's been a band of inexperienced producers and everyone's just trying to figure it out for themselves,” Baker said. “And we all get lucky once in a while, but the consistency isn't there. It's really important for our industry to get better as a whole.”

At its core, Maryland needs more vineyards to build a critical mass and a more solid standing, Thompson said. He sees more growers coming into the industry each year. And the Bakers are ready to work with them — developing different flavor profiles, building young brands and sorting through each harvest.