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Need a Good Wine? Pennsylvania May Be The Place to Get It.

Two Photos

LFAC wine renaissance 1 - 2 J. 6

- 1. Wine sits in barrels at West Hanover Winery as it goes through a fermentation process.*
- 2. 4,000 gallons of wine each year is made from the 2,500 plants from The West Hanover Vineyard.*

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BREINIGSVILLE, Pa.

California, Italy, France, Pennsylvania.

Pennsylvania?

Sounds like a joke, right?

To many it is.

For wine connoisseurs around the world and even people who are not experts, Pennsylvania has never been considered "the place" to find that perfect red or white wine to go with a juicy steak dinner or seafood.

But in the past few years, wine in the Keystone State has made a remarkable comeback. With a liquor control board that has been more aggressive than ever about purchasing wines from nationally known producers to an increase in wineries in the state, Pennsylvania is enjoying an unprecedented wine renaissance that shows no signs of slowing down.

Pinnacle Ridge Winery in Kutztown, Pa. is like many other wineries in the state. It is a small, family owned business that has thrived on word-of-mouth of its customers to get its business going. Started in 1993, the business produces 3,000 cases of wine each year from 13 acres of vineyards.

It pales in comparison to large wineries in the world. Consider Robert Mondavi winery in California produces millions of cases of wine each year. Still, with little press and not a large operation, the winery has thrived. That became clear at last year's Pennsylvania Farm Show when the winery received the "Governor's Cup" for best wine with its 2004 Vidal Blanc Ice wine. The winery itself has racked up 23 awards in the last three years for the home grown wine it has produced.

But with its limited ability to produce its wines, the company cannot sell its product directly to the Pennsylvania Liquor Control Board (PLCB) to be sold in the state run Wine and Spirits Shops. So, someone in Erie or Pittsburgh would have to travel to Berks County to buy Pinnacle's award winning wine or have it shipped to them.

Most small wineries in the state are in the same predicament.

According to Steve Menke, enology educator with the Adams County Cooperative Extension, the PLCB buys its wine at wholesale prices, requiring wineries to sell their product at deep discounts, sometimes 50 percent, to the state.

It leaves small wineries like Pinnacle Ridge shut out from getting into the wine and spirits shops. "It's too expensive to sell to PLCB," Menke said. "Most of them (wineries) are small and they can sell it (wine) at 100 percent at the front door."

Menke adds small wineries just would not have the capacity to keep up with state demands for inventory. It seems the current system in the state would make it difficult for the wine industry to grow at a level that would make it a legitimate state for wine. But winemakers have adjusted and the industry has experienced double-digit growth within the last five years.

According to Jennifer Eckinger, spokesperson for the Pennsylvania Wine Association, the number of wineries has nearly doubled from only 60 in 1999 to a whopping 111 in 2006 with only 15 wineries currently selling to the PLCB.

Eckinger said the increase in wineries is fueled by a national trend that has seen people accept wine as not just another liquor, but as an acceptable and tasty addition to the dinner table, just like countries in Europe and South America have been doing for years. "The wine industry in this state within the last five years has doubled," Eckinger said. "There is an increased interest in wine and people recognize it as an accompanying quality to food. It's been very positive."

Small wineries have turned a potentially tough situation with the PLCB into gold, turning their wineries into destination spots. All over the state, small wineries have teamed together to create "wine trails", coordinating special events with each other such as wine tastings.

Even some of the larger wineries, such as the Mount Hope Estate and Winery in Manheim, Pa., choose not to sell their wine to PLCB and instead promote their yearly events such as the Pennsylvania Renaissance Faire as ways to attract people to their winery.

Eric Miller, co-owner of the largest winery in Pennsylvania, the Chadds Ford Winery in Delaware County and a proponent of Pennsylvania wine, said the economic impact of wineries in the state has increased substantially since he started his business in 1982. Miller, a former grower in New York, said he came to Pennsylvania because of the state's more conducive climate to grape growing and more fertile soils.

Miller said a recent study by Penn State stated wineries across the state have generated \$250 million in sales. The fact most wineries don't sell to PLCB is not a big deal Miller said, even though his winery, which produces 80,000 gallons of wine every year, does sell to PLCB. These sales are responsible for 12 to 15 percent of the company's income.

Having the power to ship wine in-state, though, is a big deal.

Pennsylvania is in a unique situation, being one of the few states that allows in-state direct wine shipments to consumers but bans out-of-state shipments. But in 2005, the U.S. Supreme Court ruled it unconstitutional and uncompetitive to treat one differently from the other. As a result, Pennsylvania's laws regarding wine shipments will have to be re-written to either allow wine shipments or ban them completely.

Miller said banning in-state wine shipments would cripple his business, with as much as 60 percent of wine sales being knocked out.

George Kline, owner of the West Hanover Winery near Harrisburg, Pa., said small wineries like his, which produces 4,000 gallons of wine each year, might as well close if they are not allowed to ship in-state. Kline said many of his customers come from the western part of the state and don't always have time to make a long trip to his winery.

So getting the wine shipped is critical. "We might as well close the doors," Kline said. "They (state) should understand the wines bring a lot of business to the state. It's going to hurt the economics of Pa."

The issue is expected to go in front of the Pennsylvania legislature this winter. Miller said Pennsylvania is on the cusp of becoming a major wine producer in the U.S. So much so, he and other wine makers have proposed the formation of a state-funded "Pennsylvania Wine Foundation," which would promote in-state wines and work on improving quality.

Will Pennsylvania become the "California" of the East Coast in terms of wine? Miller thinks so. "Right now, we are right on the edge of something really special happening," Miller said. "In 50 years, we're going to be king."