

A HISTORY OF ONTARIO'S GRAPE AND WINE INDUSTRY FIRST HAND PERSPECTIVES

THE BOARD CHAIRS

MATTHIAS OPPENLAENDER

Chair Grape Growers of Ontario 2016 – present



Matthias was born in Germany where he studied agriculture and viticulture before immigrating to Canada in 1984. Matthias, his wife Monica and their five children live in Niagara-on-the-Lake and own and operate Country Tyme Vineyards and Huebel Grape Estates, farming 800 acres of certified sustainable vineyards. In 2006 Matthias was elected Grape King by his fellow grape growers, and the following year was elected to the Grape Growers of Ontario's (GGO) Growers' Committee and to the Board of Directors. In 2009 Matthias was elected Vice Chair of the Board and he held this position until he was elected Chair in 2016. In addition to the GGO Board of Directors, Matthias serves as the Chair of Ontario Grape and Wine Research Inc. (OGWRI), and Treasurer of the Canadian Grapevine Certification Network.

"We focused on planting vinifera, and it certainly put the spotlight on quality and moved our product forward in the view of the consumer, that we can actually do the quality that compares to the European and South Americans, and that really helped us to capture some of the market."

"Without the farmers being united, it would be just race to the bottom in terms of pricing."

"I came from Germany, and I go back there now, most of my colleagues, my friends that I went to school with, none of them are growing grapes anymore, because the down pressure on prices, they just can't make it. They just couldn't survive. They gave up. Matter of fact, a side story, my mom who just passed away this March, she had a little, one acre vineyard. We can't even give it away. Nobody wants to go into the business over there."

"Really, they say the Germans or other people came from Europe with the grape knowledge. Yeah, we brought certain knowledge with us, but it was how we were accepted by the people here. I was very young when I came here. My German family had started a vineyard, but I met people like Seeger's, and I met, Ray Duc, and Mr. Forrer among others. I walked around their farms – they accepted us."

"Here I was, just came with a suitcase, but how they respected you and mentored you. We had to learn just as much from the Canadians here, and from people that came before us, to adapt to it."

"When you see what's happening now, obviously – this year's a bit of difference with some of the winter injury we have – when you drive around in June and July and the vineyards come out again and alive, and then see how everybody just tends to them, and no one better than the

other. Thirty years ago, you might have had the best vineyard. Now, you got to really work to keep up with everybody else, because everybody is quality-oriented, everybody does a great job.”

“Thirty years ago, the consumer didn’t go after our product. Now, they’re coming out, and they want to taste our product. They want to sit in our vineyards. I catch people picnicking in our vineyard. Before, they called it Chateau Welland Canal or something, and now, they actually want to taste our product and are proud of it.”

“A couple years ago, I was in Toronto, in a lawyer’s office, we had a contract negotiation, and one of our processors was going after our contract and said, “We don’t really need you guys.” This lawyer sitting in a high-rise building in Toronto pointed across the lake and said, “We’re taking notice of what’s happening there. We’re proud of it.”

“Then, the family aspect, I’m the first generation. My next generation wants to come into the business already. Grandchildren are too young to be interested in it, but I want to keep this going. That keeps us from selling it. We could all sell and get out and probably live off the interest. Then what? What’s the next generation going to do? What’s going to happen to this region if we do this?”

“I always joke around when I first came here, I didn’t think Canadians owned a bicycle, because there was nobody on a bike. In Europe, it’s a major way of transportation. Now, on a Saturday and Sunday in the summer here, there’s almost too many on the road now. You got to be very careful. We should be proud of that. They’re coming to see the vineyards and the orchards. Yes, they come to taste, go to the wineries and taste the wines, but they love being out here and looking at the vineyards and walking in them. That makes me really proud.”

“We realized there’s different price points at the LCBO. Consumer is very sensitive to that. We used some of the tools that the government had some relief, tax relief when it was 100% grown Canadian grapes, and established a different pricing mechanism that was very, very successful.”

“Being a farmer, you always have to be an optimist all the time.”

“We’ve seen what we can do well. We need to focus on the varieties we can grow well, and then we need to make sure that our regulated marketing system, our system, our liquor board, they are there for the domestic industry, because that’s the answer and the key.”

“I know what my colleagues in Europe, they’re on their own. They don’t have half the support from government that we have. That speaks to the strength of our organizations, whether it’s the Grape Growers of Ontario or the other organizations that represent the horticulture sector and agriculture, in Ontario and in Canada.”

“I think we can get through this. It’ll be some tough sledding for a while, but we’ll get through this. Ray Duc said it, and some other grower said that to me the other day, when he was on the board, 30 years ago, he would come home after board meeting and get out the next morning, and his dad was all excited to be on the tractor and do things. He was wondering why he’s even bothering and spending the money and working out there, because the industry was going to be done next year, or the year after or whatever. We’ve always pulled through it.”

“Just building on this, obviously, I’m proud to pick up on the legacy from John and Ray and Bill, we have grown the industry. We are still growing it and I’m really proud of that. Despite all the challenges and the issues in the industry, the growers are still trusting this organization, are still knowing this is the way we need to keep on going to promote and protect the grape growers of Ontario.

“Despite all the challenges, we’re moving our industry forward, despite all the issues going on, the growers still trust the Grape Growers of Ontario, and they know that we’re there for them, and doing the best for them. I’m building on that legacy, like the past three chairs here. It’s an honor. It’s an honor to do this, and we’ll do our best and we’ll put up a good fight. I’m proud of that.”



BILL GEORGE
Chair Grape Growers of Ontario 2007-2016

Bill George resides in the Town of Lincoln where his family has been growing grapes for well over 100 years, and continues to manage his family farm of over 150 acres of wine grapes in Beamsville with his wife and two children. Bill served on the Grape Growers of Ontario Board of Directors for 20 years, and was Chair from 2007 - 2016. In 2001 Bill served as ambassador for the grape growing community in his role as Grape King.



I'm probably, how would I say, guardedly optimistic. I have more concerns now than I have in the past about where the industry's going, and it's not just necessarily the taxation system and the excise issues that we're dealing with, putting pressures on the business. It's the overall business itself. If you look at input costs into our business, and not just this year, there's been continuous cost increases to our sector, whether they be through minimum wage increases for the past four or five years, or inflation in fuel and spray costs – it's just putting much, much more pressure on the thin margins that we do have. If you didn't have equity in your business, and you were leveraged heavy, you would be really, really concerned right now.

I talk to a lot of farmers that've been in the business a long while, and I believe we can ride it out. It certainly has put way more pressure on the bottom line. Years ago, you could lose a block or two of grapes and still have a decent year, but now, you can't lose one block of grapes and have money left over at the end of the year. It's just a much more stressful business than I remember it being 30 years ago when I started.

I think overall the growth in the industry over the nine years that I was Chair means we're doing something right, more wineries coming on-stream, more growers, more tonnage, more acreage. To me, that's just doing your job and making sure things are going in the right direction. I'm proud of that.

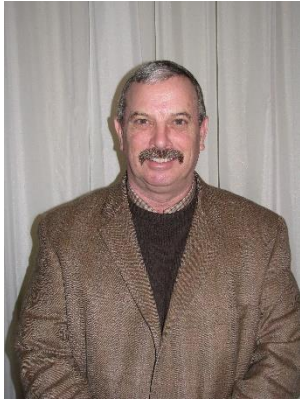
We did have one year where we had some surplus grapes. We negotiated the deal with the provincial government to pick up some of the slack. That wasn't the most successful, but certainly, the growers did get paid for some surplus grapes. Overall, just keeping the industry

together, keeping dialogue moving amongst Wine Council. At that point, it was just Wine Council, one entity. Then, it split and added WGO, I believe under my term, the two different entities.

That was challenging. I felt I had a good rapport with all the winery personnel, where I could have offline discussions and keep the dialogue moving and moving it forward, if you will.



RAY DUC **Chair, Grape Growers of Ontario 2003-2007**



Ray Duc's family farm has been growing grapes and tender fruit in Niagara-on-the-Lake since 1960. Forrer Farms was founded by Ray's wife Linda's parents; today, they farm with their Jeffrey, and his two children are the fifth generation to live on the home farm. Ray was elected Chair of the Grape Growers of Ontario in 2003.

When I came in as Chair of the GGO in 2003 – I can remember it clearly – I walked into the office and our CEO at the time said to me, "This document is ready to sign." The wineries didn't like the yearly negotiations with the GGO anymore. They saw it as too combative and not productive – too much butting heads. They wanted to deal with the growers individually for pricing, which is where that document was leading us.

That would've left the Grape Growers of Ontario as a board to deal with things like research. We would become a service-oriented organization, and we would've given up our right to be the sole negotiator for the price of grapes. There were a few other things that we were going to give up in there. I forget the guy's name, but he was from BC, running this whole thing on behalf of the wineries – advocating for them. When that year, the board changed, I think Bill was the only one to survive it. Oh, and Wiley survived. It was Bill [George] and Dave Wiley who survived the election. Dave actually turned at the annual meeting and went and asked the board questions on behalf of the growers, trying to get the chairman to say what was going on, but he would not. Anyway, I credit Dave with waking up the growers to that issue.

That board was basically kicked out except for Bill and Dave, and I was left with Bill and a whole bunch of first-time directors. Everybody was looking at me to be Chair. I said, only with Bill beside me will I do it. Bill agreed, and we had the elections, and I was elected.

Then, we had to start all these talks again. I pulled the B.C. guy aside a couple times. I said, we can do this for months and months and months, and we are never going down that road. He finally believed me, and it went to a vote, and the growers turned it down and we moved on. I believe we're stronger now for that because it forced us to look at ourselves, reassess ourselves. I believe we came out stronger.

That still left the problem of the price points at the liquor store. You could buy a \$10 chardonnay out of California or South America. Our chardonnays were \$14, \$15 and up, partly because of grape pricing. My thought was not to grow terrible quality, but we didn't have to hit the high

sugar mark. We could grow more tons per acre, take less per ton. Let's get in that \$10 to \$12 market, which is one of the biggest segments in the wine market.

People that drink wine every day don't spend \$16. Maybe they do now, but back then, it was \$9, \$10, \$11, they could buy a nice chardonnay, but they couldn't find that product here. We saw it at the time as a segment of the market that we weren't servicing. It's a big part. I think you don't track things, numbers and stuff after you resign, but our industry really grew, I think partly because of that.

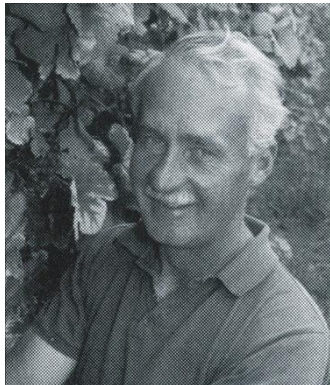
Also, something I wanted to do the day I got elected was start talking about multiple year pricing agreements. That was an uphill climb all the way, but we pulled it off a couple of times. We got a two year or three-year deal. And my thinking was, okay, if you don't like negotiations, let's not do it every year. I think it was a two-year pricing deal we got. That gave us two years to talk about things that would move us both forward, instead of bumping heads. It didn't work out that well, as far as becoming cozy with the processors, but it gave us time to talk about more positive things.

For 40 years now I've heard we're in trouble five or six times, but with the board behind us and good leadership and good Chairs, we can win those battles, and we seem to do. We carry on and we come out stronger. What we have here is very unique. It's beautiful. It's something that people talk about outside of our area and want to come see.

I think that the Grape Growers of Ontario are here to stay, and we're going to have our hills and dales and ups and downs, and we'll lick our wounds, but we always get back up. When we come out of a crisis, we're stronger than ever.



JOHN NEUFELD **Chair, Grape Growers of Ontario 1995-2002**



The Neufeld farm on Lakeshore Drive in Niagara-on-the-Lake has been in the family for generations. In 1998, finding themselves with a surplus of grapes, Palatine Hills Estate Winery was founded with the founding principle of 'winemaking begins in the vineyard'. During that time, John was the Chair of the Grape Growers.

I was the Grape Growers chair from 1995 till 2002. It was within seven years of the Free Trade Agreement, when labruscas were banned from table wines by the Tanner Report. There was a replant and rebuild happening during that period of time. It was probably the easiest time to be chairman of the organization of grape growers, because everybody was looking for certain varieties that were in short supply. It was much easier back then, even though the wineries did not necessarily want to pay for the grapes for what we thought they were worth, but it was an easier era, I guess.

Then, shortly after that, obviously, we had the frosts of 2003 and 2005, we're going through the same thing now, some 18 years later – winter injury because of cold and frost. Wind machines helped, but we've all found out that they're not the ultimate answer for the long-term.

It showed us that you have to be very site specific in growing some of these varieties. I think the growers have adjusted, but even in our case, we're close to the lake, it didn't seem to help this year. Wind direction and just absolute temperatures below minus 21 are not good for grape growers.

Then the other thing, because most of them had been used for table wines previously, it put a lot of pressure on the Concord and Niagaras that go into Welch's grape juice and we know where the grape juice industry stands today, which is non-existent. It was just a slow death basically, for that portion of the industry.

Listen to full Board Chair interview here: http://ggo75.am-live.ca/media/nrmisgxx/gmt20220603-162314_recording-board-chairs.3gp

