



FINE VINTAGE LTD
BY JAMES CLUER MW

The Fine Vintage Canadian Wine Scholar Study Guide

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Introduction

Thirty years is a short period in the development of a wine region. But in the last 30 years the Canadian wine industry has undergone a dramatic revolution. The land under vine has grown to cover more than 31,000 acres. The number of wineries has ballooned to more than 700 and counting. Quality has improved with recognition and landmark awards being won at the most prestigious international competitions.

Sales have also grown dramatically, to the extent that Canadian wine (including offshore blends) has by far the largest market share in many provinces, including British Columbia and Ontario. Investment and expertise have poured into the industry fueling even more growth. Once maligned, Canadian wine has become increasingly respected both at home and internationally, with growing media coverage.

The economic impact of these developments is of critical importance and provides concrete proof to the growth of the industry. The domestic wine industry alone generates more than \$9 billion in economic impact. Seven provinces have wineries. Ontario and British Columbia are by far the most important, but there are also producers in Québec, Nova Scotia, Prince Edward Island, New Brunswick, and Newfoundland.

Consumers are flocking to visit Canadian wineries. The industry generates \$1.5 billion in tourism-related activities by welcoming more than three million visitors to the many wine routes found in each of the provinces. Some producers in the Okanagan Valley and Niagara receive over 100,000 visitors per year.

Canadians are increasingly a nation of wine lovers. Wine is the fastest growing alcohol category across the country and is responsible for about 1/3 of all alcoholic beverage sales. Wine sales have increased in all thirteen provinces and territories, and the trend is forecasted to continue. Indeed, Canada's wine market is on pace to be among the fastest growing in the world.

It's an exciting time. New areas are being discovered and planted, sub-regions are being defined, new varieties are showing promise, and the media is sitting up and taking note.

With so much change in such a short period the industry has quickly developed layers of complexity and points of interest. As such, a certification course focused exclusively on Canadian wine is not only justified, it is required by the industry. In the mid-1990s it would have been premature to have a professional certification course dedicated to Canadian wines and titled "Fine Vintage Canadian Wine Scholar".

This course is designed to provide industry professionals, and all wine lovers, with an in-depth understanding of the Canadian wine industry. It focuses on the most important provinces of Ontario and British Columbia but also covers wine production in all the other active regions. The history of wine in Canada is detailed, and there are sections on regulatory organizations, and the unique trade structure in each province, namely the liquor monopolies.

I hope that you enjoy this course, that you find it useful, and that it is of benefit to the continued development of the Canadian wine industry.



James Cluer, MW

Overview: History, Today, and Future

Historical Overview

- **17th & 18th Centuries:** The first Europeans settle in Canada and find wild grapes from such American vine species as *Vitis labrusca* and *Vitis riparia*. Very little wine is produced from these American species. Samuel de Champlain fails in attempts to grow European grapes in Québec in 1608. Wine production is largely intended for sacramental purposes;
- **1811:** Johann Schiller establishes Canada's first commercial vineyard in Cooksville, Ontario (now part of Mississauga). He makes wines from American species for personal consumption and sells surplus wine to the local community. Some historians debate the accuracy of this account;
- **1859:** Father Charles Pandosy establishes a missionary in Kelowna, BC and is the first to plant vineyards in the province. The wine is made from native grapes and is used for sacramental purposes;
- **1871:** Vin Villa is established as Canada's first estate winery on **Pelee Island** in Lake Erie. Wines are made from Catawba and Delaware grapes;
- **1905:** Horticultural research centres are established by provincial governments in Vineland (Ontario) and Kentville (Nova Scotia). Among other agricultural products, experimental vines are planted to determine which could survive local growing conditions. Early attempts at *Vitis vinifera* all fail, resulting in an Ontario focus on hybrid grapes and Nova Scotia on table grapes;
- **1916:** The Temperance movement results in Prohibition. Each province has its own set of regulations and all but one repeal Prohibition by 1930. Such examples of local Prohibition regulations include:
 - Prince Edward Island: First to enact Prohibition in 1901 and remains dry until 1948;
 - Québec: Prohibition enacted from 1919 to 1921 but sale of wine and beer is never banned;
 - Ontario: From 1916 to 1927, the manufacture of wine was permitted for sale but only in five-gallon amounts or as a medically prescribed tonic;
- **1928:** The federal government establishes a horticultural research centre in Summerland, British Columbia. Experiments with *Vitis vinifera* fail and the focus shifts to American and hybrid varieties such as Niagara, Campbell Early, and Concord;
- **1932:** Calona Wines opens in Kelowna and becomes British Columbia's first commercial grape winery producing wines from *Vitis labrusca* and hybrid grapes;
- **1933:** The Ontario government issues a moratorium on new winery licenses that remains in effect until 1975. Of the forty-three wineries in operation by the end of Prohibition, only eight remain open by the 1970s;
- **1946:** The T.G. Bright winery in Niagara receives a shipment of thirty-five French hybrids and four *Vitis vinifera*: Chardonnay, Riesling, Pinot Noir, and Gamay. Planted as experimental vines at first, the Chardonnay becomes Canada's first successful *Vitis vinifera* planting;
- **1953:** The Horticultural Research Institute of Ontario (HRIO) creates a hybrid vine named V.53261. This crossing becomes the most significant hybrid in Nova Scotia;
- **1955:** T.G Bright releases a 100% Chardonnay from its experimental vineyard. It is the first pure *Vitis vinifera* wine to be released in North America east of the Mississippi;

- **1966:** Vincent Geloso opens Québec's first winery for direct sales to the public. Wineries prior to this produced wine on behalf of Ontario-based companies;
- **1972:** Roger Dial plants the first commercial vineyard V.53261 in Nova Scotia and renames "L'Acadie Blanc." Five years later, in **1977**, Grand Pré becomes the province's first winery;
- **1975:** Ontario lifts its moratorium on new winery licenses with Inniskillin becoming the first new winery in the province in more than 50 years;
- **1979:** British Columbia issues its first estate winery licenses with the aim to encourage wineries to produce wine from locally grown grapes;
- **1983:** The British Columbia government sponsors a vine research project in the Cowichan Valley on Vancouver Island. The "Duncan Project" assesses 100 different varieties over a seven-year period. Results help lay foundations for a modern wine industry on Vancouver Island and the nearby Gulf Islands;
- **1988:** Canada and the United States enact a Free Trade Agreement. Provincial liquor boards can no longer provide preferential treatment to Canadian wines, forcing mediocre producers to compete with much higher quality wines from the United States. Ontario and British Columbia fund projects to replant vineyards with *Vitis vinifera* and to upgrade wineries to help producers bring their wines to a higher standard;
- **1989:** Ontario producers create Canada's first appellation system, the Vintner's Quality Alliance (VQA). The regulations help improve standards by permitting wines only made from 100% Ontario-grown *Vitis vinifera* grapes (except Vidal in some cases) and ensuring wines are fault-free. British Columbia follows suit with its own VQA system in 1990;
- **1991:** Inniskillin becomes the first Canadian winery to win a major international competition when its 1989 Vidal Icewine is awarded the *Grand Prix d'Honneur* at Vinexpo in Bordeaux. The award brings international recognition to a signature Canadian style of wine and helps open doors for Canadian exports, especially to Asia and to the USA;
- **1993:** Alberta becomes the first – and so far, only – province to fully privatize its alcohol retailing industry;
- **1994:** At the International Wine & Spirits Competition in London, the 1992 Mission Hill Grand Reserve Barrel Select Chardonnay wins the prestigious Avery Trophy. The result shows that Canada can produce world-class wines beyond just Icewine;
- **1999:** VQA regulations become law when Ontario passes the VQA Act. BC follows suit in 2005;
- **2001:** Wine Access magazine launches the Canadian Wine Awards, an annual competition for wines 100% grown and made in Canada (now the National Wine Awards of Canada). Mission Hill wins first Winery of the Year title;
- **2005:** Ontario VQA establishes ten Niagara sub-appellations to reflect specific conditions that might influence wine style. An eleventh sub-appellation in Lake Erie North Shore is added in 2015;
- **2015:** BC VQA establishes its first sub-appellation - the Golden Mile Bench - in the Okanagan Valley. In the same year, BC supermarkets are permitted to sell wine for the first time. The Ontario government also announces its intention to sell wine in supermarkets;
- **2016:** BC wineries vote for mandatory membership in BC VQA and the addition of new regional and sub-appellations. Ontario begins to sell wine in supermarkets;

- **2018:** Four VQA appellations and several sub-appellations approved in British Columbia. Québec introduces its own appellation framework “Indication Géographique Protégée (IGP) Vin du Québec.”

The Canadian Wine Industry by the Numbers

The Economic Impact of the Wine and Grape Industry in Canada (published 2017)

Number of Wineries	734
Number of Grape Growers	1,770
Grape-Bearing Acres	31,100
Total Economic Impact	\$9.04 billion
9L Equivalent Case Sales	20.6 million
Full-time Equivalent Jobs	37,300
Number of Wine-Related Tourists	3.7 million
Taxes Paid: Federal, Provincial, and Local	\$1.1 billion
Total Value of Wine in Canada (domestic & imported)	\$11.2 billion
National Consumption	496 million litres

The Future of the Canadian Wine Industry

The wine industry in Canada is forecasted to grow at an average rate of 3% per year. By 2021, Canadians are expected to consume 658 million litres of wine and with a market valued at \$13.3 billion. Contributing factors to continued growth include:

- A shift from beer (growth is slowing) to wine consumption (growth is accelerating);
- A relatively low national per capita consumption at 24.5 bottles per person of legal drinking age (about half of leading wine consuming countries);
- A connection between moderate wine consumption, food and wine, and health benefits;
- An older demographic that seeks to enjoy the perception of a sophisticated wine experience;
- A younger population driven by new styles and brands;
- Increasingly knowledgeable consumers prepared to spend more per bottle;
- Increasing availability through grocery stores and on-line sales.

Vintners Quality Alliance (VQA): Canada's Appellation System



The Vintners Quality Alliance programme is Canada's appellation system managing geographical indication, production standards, and label integrity. However, the VQA programme is only applicable in Ontario and British Columbia. Importantly, for a wine to be granted VQA status it must pass a chemical analysis as well as a sensory evaluation to ensure it is fault-free and a correct representation of the varietal(s) stated.

The VQA system was first developed in **Ontario**, spurred on by the enactment of US-Canada Free Trade Agreement in 1988. Industry leaders collectively decided on the framework under which a modern Ontario wine appellation system would operate. The goal was to assure consumers of the quality and authenticity of their wines and to compete against imported wines. What began as industry standards in 1989 became legislated into Ontario law as the VQA Act in 1999 and is administered by **VQA Ontario**. The system is voluntary, but most wineries participate.

British Columbia launched its VQA programme in 1990. British Columbia producers co-ordinated with their Ontario counterparts to create a similar set of rules pertaining to geographical indication, production standards, and label integrity. As with Ontario, the British Columbia system legislated industry standards into law in 2005.



WINES OF
BRITISH COLUMBIA

The regulatory administration is delegated to the **British Columbia Wine Authority (BCWA)**. The acronyms BC must appear before VQA so as not to confuse with Ontario's VQA. Currently, participation is voluntary but in 2016 the wine industry moved to make BCWA membership mandatory for all wineries selling BC wines.

For wineries in Ontario or British Columbia, it remains up to each winery whether to seek VQA approval for individual wines. Those who do not participate often cite economic reasons as fees are applied for VQA membership and testing of individual wines that are submitted for VQA approval.

Although the VQA is modeled after France's AOC system, the regulations are not as strict. Minimum brix levels (the measure of sucrose in a grape) are controlled. More than 100 *Vitis vinifera* and hybrid varieties are permitted, but American varieties are not approved. Outside of these regulations, grape growers are generally free to plant, grow, and harvest their grapes as they see fit. Growers can irrigate as they wish, vines can be trellised and trained using any method, and there is no regulation on yields or harvest methods.

However, more stringent controls regulate some wine styles. For example, **icewine** requires that grapes must be harvested and pressed at temperatures colder than minus **-8°C** and the resulting wine must be at least **100 g/L** of residual sugar. **Traditional method sparkling wines** must age **9 months on the lees**, 12 months if it a vintage is stated on the bottle.

One important factor that the VQA bodies manage is quality control in wines. Each wine that is submitted for VQA approval must pass **both a chemical and a sensory analysis**. For the chemical analysis, elements such as residual sugar, titratable acidity, volatile acidity, alcohol by volume, and total/free sulphur are assessed by certified labs to ensure the chemical integrity of the wine. The sensory analysis involves a tasting panel that ensures the wines are fault-free and to verify that the wine shows basic typicity of the varietal(s) and/or style. In Ontario the chemical and sensory analysis is carried out by the Liquor Control Board of Ontario (LCBO); in British Columbia it is administered by the BCWA.

A submitted wine would be rejected from using the VQA labeling terms if it fails to pass either the chemical or sensory analysis. That said, most wines submitted pass the VQA analysis. For example, of 2,093 wines submitted to the Ontario VQA in 2016, 97% met the minimum standards.

Following models in Europe and other key New World wine producing countries, VQA also regulates standards for stated geographical indication (GI), varietal(s), and vintage. No matter the individual system, 100% of the grapes must be sourced from within the province.

The following chart summarises other key minimum standards governed by VQA law:

Label Indication	Ontario	British Columbia
Vintage	85% minimum from stated year	85% minimum from stated year
Varietal (Single)	85% minimum of stated varietal	85% minimum of stated varietal
DVA	85% minimum from stated DVA	95% minimum from stated DVA
Sub-Appellation	100% from stated sub-appellation	95% minimum from stated sub-appellation
Single Vineyard	100% from stated vineyard	100% from stated vineyard

To ensure that producers adhere to the VQA standards, inspectors perform annual audits as well as random site inspections on wineries. These audits ensure that standards for wine content, winemaking processes, record-keeping, and labelling are being met. For example, a winery must keep records of the source of all grapes used in the winemaking process (estate-owned fruit, purchased from grower). This is to ensure that every grape used in production is indeed from an Ontario- or British Columbia-sourced grower.

Non-VQA Wines

Québec and **Nova Scotia** do not have a VQA system in place. This is in part due to non-permitted *labrusca* or hybrid grapes in the vineyards of these provinces, which is a point of some contention and discussion. Regional integrity (i.e. the use of 100% provincially-grown grapes), however, is widely practised by producers who use geographical indicators for each province on their labels. The **Indication Géographique Protégée (IGP) Vin du Québec** and **Nova Scotia Wine Standards** respectively govern standards in these two provinces.

Wine production in Canada also includes a large volume of wines that are made from imported grapes, must, or wine. These wines are not permitted for either VQA or other provincial certifications. Instead, wines made in Canada with an international component are labeled as one of the following:

- **“International blend from imported and domestic wines”** if 51% or more has an imported content (grapes, must, finished wine);
- **“International blend from domestic and imported wines”** if 51% or more has a domestic content (grapes, must, finished wine).

As of March 2018, previously used terms such as **International-Canadian Blended (ICB)** or **Cellared in Canada (CIC)** are no longer permitted on labels in accordance with Canadian Food Inspection Agency regulations. This change stems from controversy surrounding the use of “Canada” on these wine labels, which could mislead consumers as to the source of the wine and create a poor brand image for Canadian wines.

Icewine: Canada's Signature Wine

While few Canadians consume icewine on a regular basis, on the international scene Canada's signature wine style is undoubtedly icewine. By international agreement, Germany, Austria, and the United States share Canada's strict regulations on the production of icewine but nowhere is icewine produced in such large and reliable volumes as in Canada.



Icewine was not an important wine style until relatively recently. German-speaking immigrants to Canada experimented with icewine from the early 1970s but these first attempts were for personal consumption. **Walter Hainle** in **1973** is credited with being the first person to successfully make icewine in Peachland, BC. In **1984**, **Inniskillin** became the first winery in Canada to sell icewine commercially. Within just a few years, icewine became synonymous with Canadian wine. Inniskillin's 1989 Vidal Icewine won the *Grand Prix d'Honneur* at the 1991 Vinexpo in Bordeaux, marking the arrival of the modern Canadian wine industry.



To produce Icewine, grapes must be naturally **frozen on the vine to -8°C** for a sustained period of **at least 8 hours**. Many producers will wait until temperatures reach as cold as -10°C or even -12° to ensure the berries are completely frozen. Quite often, grapes are harvested in the early morning hours when it is still dark and cold.

The grapes are immediately **pressed while still frozen** and yield approximately 15% of the total juice that would be extracted for regular wines. No sugars may be added and the highly concentrated must is fermented at cool temperatures to retain purity of aroma. A **minimum 100g/L** of residual sugar is required so icewines always deliver a lusciously sweet sensation, intensely aromatic with honey and tropical fruits. They are **usually between 9% to 11% abv**.

A high volume of grapes is needed to produce a small amount of wine, and there is always a risk of losing some or an entire crop, be it to birds, to mild winter temperatures, or another viticultural issues. Icewine is always a **premium-priced wine** and is generally sold in 375 ml or 200ml bottles. It should be noted that the words Icewine (icewine, ice wine, Ice wine) and Eiswein are protected terms. They may not be applied to wines made from manually-frozen grapes.

Most Canadian icewine comes from **Ontario** because of a reliable winter freeze. Here, the hybrid **Vidal** grape is widely used for icewine production. Vidal can withstand extremely cold winters while retaining the powerful stone and tropical fruit characters and refreshing acidity needed to balance the intense sweetness of the wine. But icewines are also made from other grapes, particularly Riesling and Cabernet Franc. Ontario also pioneered the production of sparkling icewine, which is created by injecting carbon dioxide (not via a second fermentation). Icewine is also occasionally used as a dosage to sweeten sparkling wines after they have been disgorged.



In British Columbia, **Riesling** tends to be the varietal of choice over Vidal. Many wineries produce icewines from a host of other grapes such as Chardonnay, Pinot Blanc, Kerner, and Ehrenfelser for whites and Pinot Noir, Cabernet Franc, Merlot, and Zweigelt for reds. Nova Scotia and Québec (where it is known as **vin de glace**) also produce icewine, mostly from Vidal.

Wine Regions of Canada

Although commercial vineyards are planted in seven of the ten provinces, only **four provinces** have a significant contribution to the Canadian wine industry: **Ontario, British Columbia, Québec, and Nova Scotia**. The following discusses the wine regions in each of these four provinces.

Ontario



Overview

The Ontario wine industry is the largest contributor to the Canadian wine economy. Approximately **two-thirds of Canadian viticulture** is based in Ontario, most of which is concentrated in the Niagara Peninsula. With around 170 wineries in operation, the Ontario Grape & Wine industry has a more than \$3.3 billion impact on the Ontario economy. As a tourism destination, the wine industry welcomes more than 1.8 million visitors each year.

Ontario's wine industry is small in the global scheme of things because it is not an easy place to make wine. The wine regions lay between **41° and 44°N** as do some famous French wine regions such as Burgundy and Bordeaux. However, Ontario has bitterly **cold winters** that can easily kill a vine, and there is always a risk of late spring frosts. Furthermore, because Niagara sits next to Lake Ontario **summer humidity** can cause rot to spread quickly through the vineyard.

The economic, political, and cultural climates are also daunting. With the LCBO firmly in control of most facets of the industry, a range of different taxes make Ontario wines relatively expensive for consumers. The high cost of land and labour pose further challenges to small boutique wineries. Some of the larger wineries have focused their business model on importing inexpensive wine in bulk and then bottling it in Canada, sometimes with a small amount of Canadian wine blended in. They tend to be inexpensive but satisfy a large market.

But it is the 100% VQA wines of higher quality, often terroir driven and/or varietally focused, that are fueling the growth and excitement surrounding Ontario wines. A host of organizations and individuals have applied great energy, expense, and passion to develop the Ontario wine industry.

The Vintners Quality Alliance appellation system helps ensure certain production standards. Post-secondary schools like Brock University and Niagara College are global leaders in cool climate viticulture and winemaking. Ontario wineries have hired winemakers from Australia, New Zealand, and elsewhere to bring expertise and experience to their businesses. But perhaps most of all, the media, awards, and sommeliers have generally championed Ontario wines and convinced a once skeptical consumer that locally made wines are in fact very good. In the last fifteen years there has been a remarkable shift in consumer behavior and a marked increase in respect for local vintners.

Ontario's Historical Highlights

- **1871:** Canada's first estate winery (Vin Villa) is established on **Pelee Island** in southwestern Ontario. By 1890, forty-one wineries are in operation, most in Southwestern Ontario. Wines are made from table grape varieties such as Concord, Niagara, and Catawba;
- **1873:** George Barnes builds the first winery in **Niagara** in Saint Catharines. Barnes Wines had been Canada's longest operating winery until closing in the late 1980s;
- **1916 – 1927: Prohibition** is enacted in Ontario, but wineries are permitted to sell at cellar door. This crates rapid winery growth without any quality standards;
- **1933:** The Ontario government issues a **moratorium** on new winery licenses. By the 1970s, only eight wineries remain open.
- **1950s & 1960s:** Ontario is planted to 60% Concord; an American species used for both wine and table grapes. As consumer tastes evolve to dryer, lower alcohol table wines, vineyards shift toward French hybrids over native species. *Vitis vinifera* plantings are in experimental plots (Brights declares **Chardonnay** a success in 1955);
- **1975: Inniskillin** is granted the first new winery license in more than forty years. Sixteen years later, Inniskillin earns international acclaim by winning the *Grand Prix d'Honneur* at the 1991 Vinexpo in Bordeaux for its 1989 Vidal Icewine;
- **1975-1980:** Several pioneering small wineries open including Newark (later Hillebrand/Trius), sparkling producer Podamer Cellars, and the first all-*vinifera* winery, Chateau des Charmes in Niagara. Charal Winery, Pelee Island and Colio wineries open in southwestern Ontario (the latter two becoming Ontario's 3rd and 4th largest);
- **1988: Free Trade** is enacted, and the Grape and Wine Assistance Scheme provides the industry with \$100 million to help growers and producers compete on an international level. Half the amount goes toward replanting 3,500 acres (about 40% of the entire crop) with *Vitis vinifera* vines. A further \$45 million in forgivable loans provides producers the ability to upgrade their facilities. The industry also launches Cuvee Wine Awards and Experts tasting;
- **1989:** The **Ontario VQA** is enacted to establish an appellation framework and to protect branding terms;
- **1993:** Emerging from Labatt brewing via Cartier Wines, Allan Jackson, and Don Triggs form **Jackson-Triggs**. This company becomes Canada's largest wine producer and is later sold to Constellation brands;
- **1995 - 2000:** Brock University in St. Catharines in 1996 opens the **Cool Climate Oenology and Viticulture Institute** to train winemakers and conduct research. Writer Geoff Heinricks plants experimental Pinot Noir and other varieties in Hillier proposing that **Prince Edward County** could become a major wine region in Ontario;
- **1999:** VQA Act becomes Canada's first legislated wine regulations. The province allows direct sales of Ontario wine to restaurants, and direct shipping to Ontario consumers;
- **2001:** Based on hybrid wines, Waupoos Estate becomes the first winery to open in **Prince Edward County**. After a long history of winemaking in BC, **Andrew Peller** Ltd, owner of Hillebrand/Trius, opens a grand Niagara-on-the-Lake winery and fine dining restaurant;

- **2005:** The VQA establishes **10 sub-appellations** in Niagara. The winery boom continues, and Niagara becomes increasingly upscale with joint ventures and a focus on quality, estate-grown wines. Elsewhere, five family wineries open in Lake Erie North Shore;
- **2007:** Prince Edward County becomes a VQA Designated Viticultural Area. A second wave of winery openings focuses on premium Pinot Noir and Chardonnay;
- **2010: Tawse Winery**, a biodynamic, high-tech gravity-flow winery becomes the first Ontario-based Winery of the Year at the Canadian Wine Awards. Tawse goes on to win this award again in 2011, 2012, and 2016;
- **2015: South Islands** in Lake Erie North Shore becomes the 11th – and first outside of Niagara – recognised sub-appellation;
- **2016:** Ontario government announces phase-in of **supermarket wine sales**, and LCBO launches on-line sales for all Ontario wines, with direct home delivery.

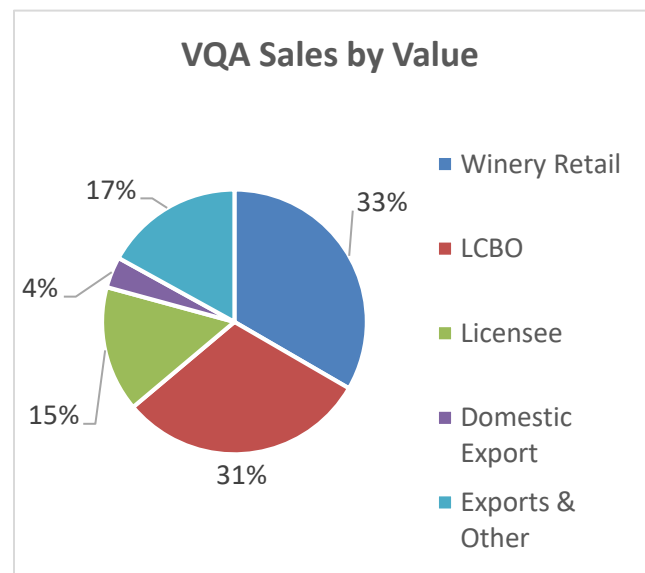
The Ontario Wine Market

The Ontario wine market is broadly divided into three main categories. **Imported wines** play the dominant role in the Ontario wine market with **just under a 60%** share. Although **VQA wines** represent **just over 11%**, increased access and distribution options have enabled growth of the VQA market share over the past several years. The remainder is sold as “Domestic Other” and account for wines that are made of domestically-grown grapes blended with an international component.

Most of Ontario-made wine is sold at Winery Retail Stores or at the LCBO stores, and a small amount is sold through wine clubs. But this is in the midst of changing.

Until 2016, the Ontario wine industry did not have a fully-private retail channel for 100% Ontario wines. That year, the first 70 of hundreds of supermarkets began selling wines sourced directly from Ontario wineries. Large wine companies such as Vincor (now Arterra), Peller Estates, and Colio - which had long sold only their own portfolio wines – are now permitted to sell other VQA wines as well. Furthermore, all Ontario wines are available for purchase via the LCBO’s e-commerce programme for direct delivery. The result has been greater access for consumers to 100% Ontario wines.

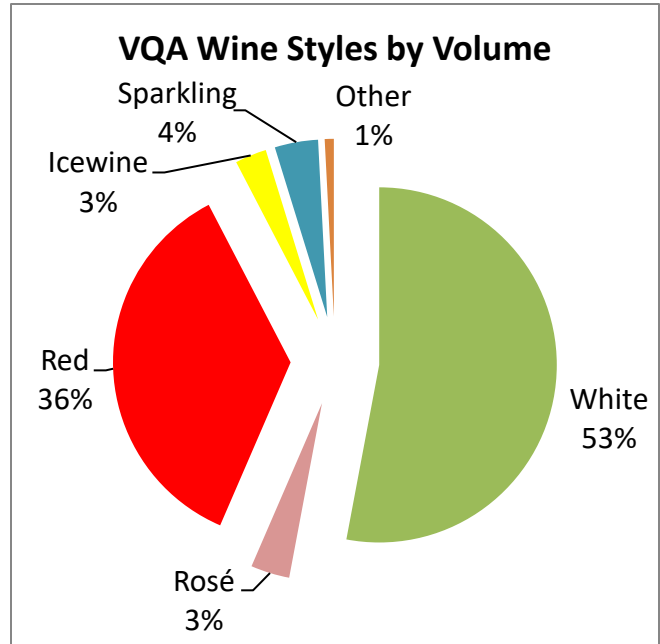
The breakdown of Ontario wine sales by distribution channel is shown in the adjacent chart.



Wine Styles

Ontario wineries produce a complete range of styles from sparkling through light whites, oaked whites, rosés, reds, late harvest, and icewines. In general, the style is “cool climate”, with wines generally showing marked acidity, moderate alcohol, and well-defined fruit aromas. Their ambiance can be described as more French than Californian.

Ask many consumers about their preferred styles of Ontario wines and they will name sparkling and whites ahead of reds, the latter only showing real ripeness and body in the best vintages, which happen three to four times per decade. But the lighter style of Ontario reds is gaining adherents, with some excitement over Pinot Noir, Gamay, and lighter versions of Cabernet Franc. As for Icewine, Ontario is the world’s capital of production and quality can be outstanding. At around 3% of total sales by volume, Ontario icewine production is about three-times the volume of BC.



Key Grape Varieties

From Aligoté to Zweigelt, there are **more than 100 grape varieties** permitted by the VQA. All varieties are either *Vitis vinifera* or are hybrids. *Vitis labrusca* and other American species are not permitted for VQA wines. In terms of overall production, Riesling, Chardonnay, Cabernet Franc and Vidal account for more than half of VQA wine production and are evolving to become the core varieties. Vidal is a recent addition to the top four because of recent severe winters that have damaged more sensitive varieties such as Pinot Noir and Merlot. As a result, white wines have come to represent more than half of Ontario VQA wine production.

At about 20% of total acreage, **Riesling** is the **most planted white grape** and **most widely planted** of all grape varieties in Ontario. Chardonnay, Vidal, and Pinot Gris are also important white grapes. Among the red grapes, **Cabernet Franc** is the most important variety, followed by Merlot, Pinot Noir, Cabernet Sauvignon, and Baco Noir.

Ontario Wine Regions

There are more than **17,000 acres** of vines planted in Ontario. There is one province-wide **VQA Ontario** appellation and three Designated Viticultural Areas (DVA):

The **VQA Ontario** designation is used for:

- Wines that are from an emerging region that is not yet recognized as a DVA;
- Wines that are blend of grapes from less than 85% of a DVA;
- Wines made from hybrid grapes *except* for icewines made from Vidal;
- Collectively, wines labeled as VQA Ontario account for around 30% of all VQA wines.

The 3 DVAs are:

- **Niagara Peninsula** is the **largest** DVA and encompasses two regional and ten sub-appellations. Collectively, wines labeled with a Niagara Peninsula or sub-regional appellation account for around 2/3 of all VQA-labeled wines;
- **Lake Erie North Shore (LENS)** is the **southernmost** DVA and includes one sub-appellation. The LENS DVA and sub-appellation account for less than 1% of total VQA-labeled wines;
- **Prince Edward County (PEC)** is the **northernmost** DVA and accounts for less than 1% of total VQA-labeled wines.



Emerging Regions

A further 150 acres of vines are planted outside of the three Designated Viticultural Areas. These are considered as Emerging Regions and may someday receive their own DVA designation. The closest to achieving this would be **Eastern Lake Erie** or **South Coast** (near Long Point) which has several vineyards and a handful of wineries. **Northumberland** and **Hastings Counties** (neighbouring Prince Edward County), the **Oak Ridges Moraine** (north of Toronto), and **Georgian Bay** are other emerging regions. There are also new wineries on the eastern shore of Lake Huron, and several in eastern Ontario, including the Ottawa region. Wines from these emerging regions are labeled as **VQA Ontario**.

Niagara Peninsula

The Niagara Peninsula DVA is Ontario's most important viticultural area. Around **14,800 acres** account for more than 90% of the province's grape crop. About half is used for blending with internationally-sourced grapes. The remainder is used for wines labeled as VQA Ontario, VQA Niagara Peninsula or as one of the **2 regions** or **10 sub-appellations**.



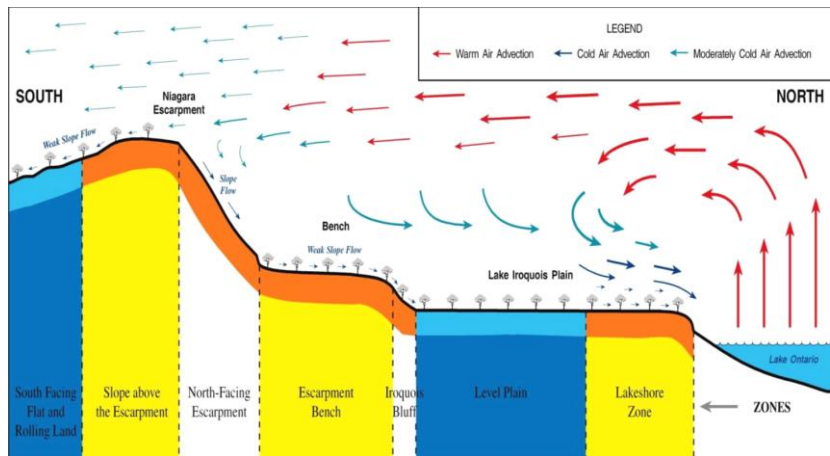
Unusual for grape-growing regions in the northern hemisphere, the vineyards in Niagara are predominantly **north-facing**. The moderating effects of Lake Ontario to the north and the slopes of the Niagara Escarpment to the south allow for this rare aspect. The prevailing onshore winds from Lake Ontario hit the escarpment face and circulate back over the bench lands and lake plain. In winter the unfrozen lake warms the region and in summer it cools the vineyards.

Climate

The Niagara Peninsula has an overall **cool continental climate**. With an average July temperature of 22.3°C and **1,590 Growing Degree Days**, Niagara sees warmer temperatures during the summer season than such classic French regions as Bordeaux and Burgundy. It is the cooler springs and autumns that pose a challenge to growing grapes in the Niagara region.

With average winter temperatures ranging between 0°C and -12°C, these freezing conditions are ideal to produce Niagara's signature icewines. However, sustained temperatures of -20°C or colder can kill a vine. Healthy vines that are properly protected before the onset of winter, however, can withstand brief periods of extreme cold.

The most important contributing factor to Niagara's moderate climate is the circulation of **off-shore breezes** between Lake Ontario and the Niagara Escarpment. In the spring when the Lake is cool, the breezes help to slow bud burst which, in turn, reduces the risk of frost damage to budding vines. The result is Niagara has relatively more frost-free days (208) than other agricultural regions in Ontario.



Airflow patterns of off-shore breezes

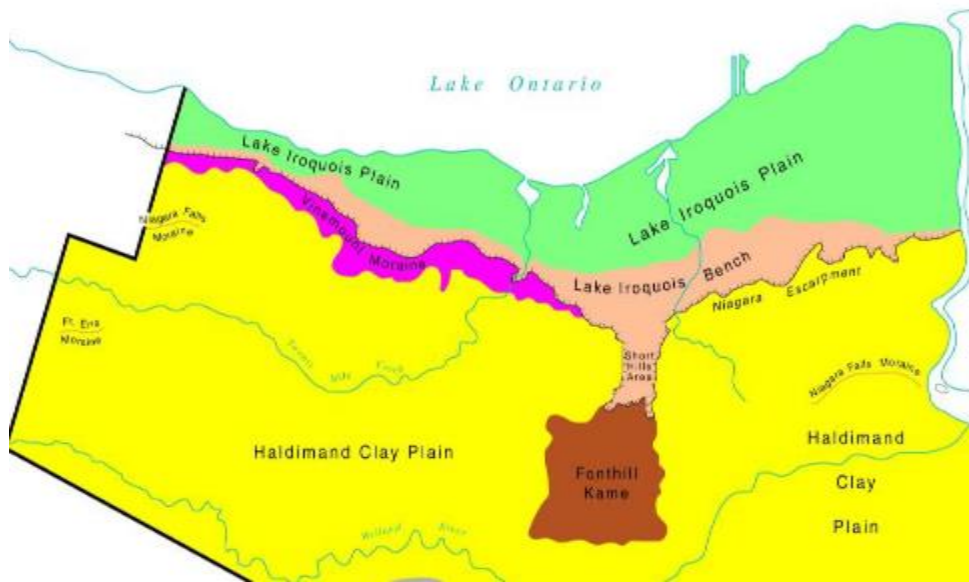
In the fall when Lake Ontario has been warmed by summer sunshine, the breezes extend the growing season by warming land temperatures and preventing cooler air from settling in low-lying areas. The closer a vineyard is to the Lake the more pronounced the lake effect, thus resulting in different flavour profiles between grapes of the Lakeshore sub-appellations and those closer to the Escarpment.

Topography & Soil

The topography and soils of the Niagara Peninsula are dominated by the Niagara Escarpment. Formed over 200,000 years by glacial activity, the southeast-northwest aligned Escarpment is essentially a limestone ridge with complex layers of sedimentary deposits. Rising to 90 meters, the Niagara Escarpment helps to shield the Niagara Peninsula from the cold prevailing westerly winds.

In terms of soil types, the Niagara Peninsula can loosely be divided into three areas:

- **Lake Iroquois Plain (green-coloured region):** the closest of the areas to Lake Ontario, vineyards in the Lake Iroquois Plain are relatively flat and receive the most direct impact of Lake Ontario's moderating effects. Soils in the east of the Plain are typically **sandy over clay subsoils**;
- **Niagara Escarpment (purple-coloured region):** the slopes of the Escarpment benefit from increased exposure to sunlight and to varying levels of elevation. The base of the Escarpment is **Dolomite Limestone** mixed with a wide range of soils such as silt, sand, clay, and maritime reef deposits;
- **Haldimand Clay Plain (yellow-coloured region):** sitting atop the Escarpment, the Haldimand Clay Plain receives the least amount of lake effect and is therefore the least planted of the three areas. **Clay soils** are well-drained through a series of ravines that run into Lake Ontario, and pockets of sand are found in the Dunnville area.



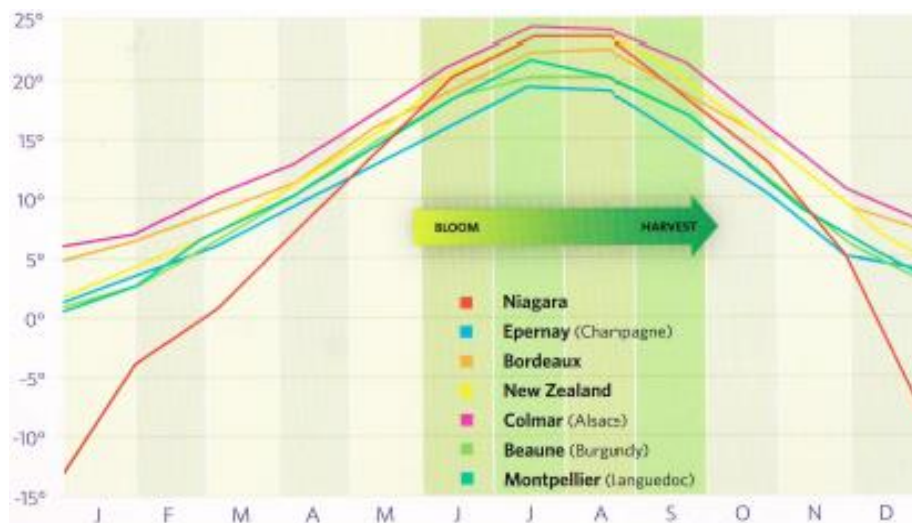
Niagara Topography Top View

Viticulture

The diversity of micro-climates, topography, and soils means a wide range of varieties can grow in the Niagara Peninsula and yield a range of different styles. The most common are:

- **White:** Riesling, Chardonnay, Vidal
- **Red:** Cabernet Franc, Merlot, Cabernet Sauvignon

One of the biggest challenges for growing grapes in Niagara is the extremity of temperature over the course of a year. Despite sub-zero winter temperatures, the June to September band of warm weather enables viable viticulture for **late-budding/early-ripening varietals**. As the below chart shows, Niagara starts the year significantly colder than other major quality wine regions. By June, the temperatures are at the ideal level for fruit set. Likewise, autumn temperatures are warm enough to extend the harvest into early-October before plummeting to below zero.



Regional Appellations and Sub-Regional Appellations

The Niagara Peninsula is unique in Canada in that it is the only viticultural area to be divided into both *regional appellations* and *sub-regional appellations*.

- **Regional Appellations**

A regional appellation is smaller than a designated viticultural area (e.g. Niagara Peninsula) and can contain one or more sub-appellations. There are two regional appellations: **Niagara Escarpment** and **Niagara-on-the-Lake**. Each has its own geographical features and recognizes an historical name association. VQA rules mandate that a minimum 85% of the grapes used must come from the stated Regional Appellation;

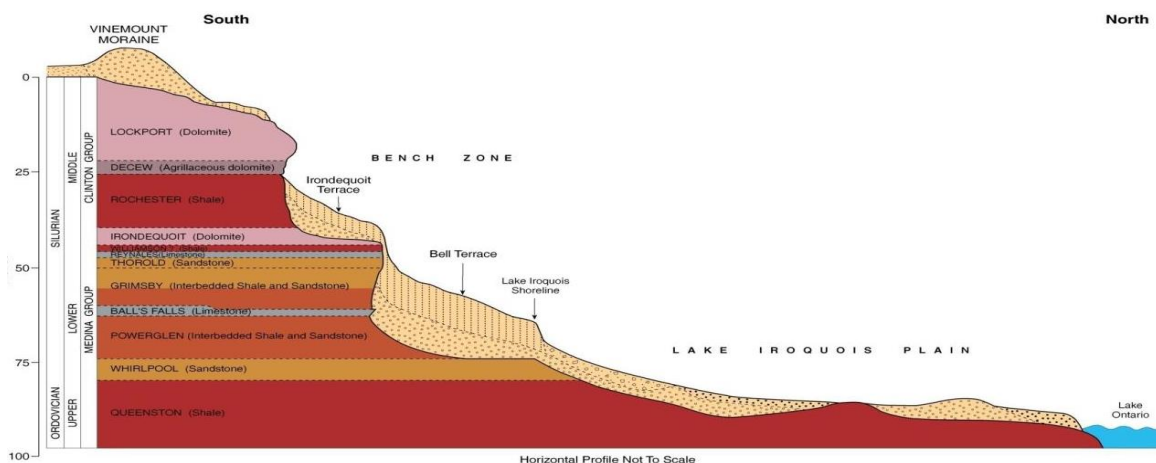
- **Sub-Appellations**

There are **10 sub-appellations** within the Niagara Peninsula. Work on identifying sub-appellations began in 2003 to define boundaries that were being loosely used on labels. Led by the Brock University Cool Climate Oenology and Viticulture Institute, boundaries of the sub-appellations were drawn based on such criteria as **elevation, topography, soil, climate, and distance from Lake Ontario**. These criteria were then matched to natural boundaries such as creeks, ravines, ridges, and roads. The sub-appellations of Niagara were announced in 2005, with VQA rules mandating that 100% of the grapes used for production must come from the stated sub-appellation.

Niagara Escarpment Regional Appellation

The Niagara Escarpment Regional Appellation is defined by the **slopes and benchlands** of the Niagara Escarpment running between St. Catharines and Stoney Creek. The combined effects of lake breezes and bench lands provide a regular pattern of air circulation. The result is a generally cooler climate with 1,583 Growing Degree Days.

The long, narrow, gently sloping benchlands at the foot of the escarpment ridge offer a myriad of soil types left behind by millennia of sedimentary deposits and erosion. The region features an underlying bed of **Dolomite limestone** that contributes a distinct minerality to the wines of the region. Numerous streams, ravines, and tributaries have carved the benchlands into an array of slopes and aspects, and naturally irrigate the vineyards from the headwaters high in the Escarpment.



The Niagara Escarpment Sub-Regional Appellations

There are **3 sub-appellations** found within the Niagara Escarpment: Beamsville Bench, Twenty Mile Bench, and Short Hills Bench.



Beamsville Bench

Key Facts

- **Key Varieties:** Riesling, Chardonnay, Pinot Noir
- **Growing Degree Days:** 1,588

Notes

The Beamsville Bench is the **largest sub-region in the Niagara Escarpment**. Located at the western end of the Escarpment, its general proximity to the lake provides maximum air circulation that fights off both frost and humidity. The soils have a high content of gravel, boulders, and shale combined with clay, limestone, and sandstone. This mix contributes to a distinct minerality in Beamsville Bench wines.



Twenty Mile Bench

Key Facts

- **Key Varieties:** Riesling, Chardonnay, Pinot Noir
- **Growing Degree Days:** 1,523

Notes

Combined with its higher elevation and varied aspects, vineyards in the Twenty Mile Bench benefit from greater sun exposure and air circulation. The climate and soils are generally cooler here with a higher proportion of clay and limestone.



Short Hills Bench

Key Facts

- **Key Varieties:** Chardonnay, Riesling, Merlot
- **Growing Degree Days:** 1,561

Notes

Farther inland from Lake Ontario, Short Hills Bench sees less impact of lake breezes, so frost-free days are lower than other Niagara Escarpment sub-appellations. July temperatures are higher, allowing for production of reds other than Pinot Noir. Short Hills Bench is the smallest Niagara Escarpment sub-appellation.



The Niagara-on-the-Lake Regional Appellation

Proximity to Niagara Falls and the charming, historic town on Niagara-on-the-Lake ensures a steady flow of visitors that have helped make this region the centre of Ontario wine culture.

The deep waters of Lake Ontario and the fast currents of the Niagara River **moderate temperatures** and reduce frost risk. This gives Niagara-on-the-Lake a **warmer climate** with 1,597 Growing Degree Days. Although Niagara-on-the-Lake appears flat to the eye, it is actually a series of very gentle slopes leading to Lake Ontario. This provides vines with consistent exposure to sunlight for an even ripening of grapes during the growing season. Soils in Niagara-on-the-Lake are moderate- to well-draining and are largely made of red shale, silt, and clay. Underground tile drainage among the vine rows is however widely used.

Niagara-on-the Lake Sub-Appellations

There are **4 sub-appellations** found within the Niagara-on-the-Lake region: Four Mile Creek, Niagara Lakeshore, Niagara River, and St. David's Bench.



Four Mile Creek

Key Facts

- **Key Varieties:** Pinot Noir, Riesling, Cabernet Franc
- **Growing Degree Days:** 1,582

Notes

Four Mile Creek is the **largest sub-appellation** in area and accounts for a large portion of premium grape production. Its size means that grapes will ripen differently in the northern to southern boundaries. The region has a generally flat topography with predominantly rich clay loam called Halton Till. Some of the province's largest and oldest wineries are located in Four Mile Creek.



Niagara Lakeshore

Key Facts

- **Key Varieties:** Chardonnay, Riesling, Merlot
- **Growing Degree Days:** 1,563

Notes

The Niagara Lakeshore has a **pronounced lake effect**. Temperatures are cooler in the spring as Lake Ontario slowly warms but remains moderately warm through to October for a longer ripening season.



Niagara River

Key Facts

- **Key Varieties:** Cabernet Sauvignon, Cabernet Franc, Riesling
- **Growing Degree Days:** 1,606

Notes

The most unique feature of the Niagara River sub-appellation is the vineyards are largely **east-facing**, providing gentle morning sunlight exposure. The proximity to the fast-flowing Niagara River helps maintain warm temperatures as cold air is drawn away from the vineyards and into the gorge and air currents help provide circulation to combat frost and humidity.



St. David's Bench

Key Facts

- **Key Varieties:** Pinot Noir, Chardonnay, Gamay
- **Growing Degree Days:** 1,637

Notes

St. David's Bench is the highest and furthest inland of the Niagara-on-the-Lake sub-appellations, and benefits from a similar air circulation pattern as the Niagara Escarpment sub-appellations. It is also farthest from Lake Ontario, so the temperatures here are generally warmer in the spring and but cooler in the fall. It's growing degree days make St. David's Bench is the **warmest grape-growing region** in Canada. The soils are deep clays with silt and loam. It is emerging as a leading region for full-bodied reds.



Other Niagara Sub-Appellations

Within the Niagara Peninsula DVA, there are **3 sub-appellations** that are not part of one of the two regions. These sub-appellations are: Creek Shores, Lincoln Lakeshore, and Vinemount Ridge.



Creek Shores

Key Facts

- **Key Varieties:** Pinot Noir, Riesling, Sauvignon Blanc
- **Growing Degree Days:** 1,550

Notes

Due to its proximity to Lake Ontario temperatures slowly rise in the spring with warm temperatures lasting through to harvests as late as mid-October. A relatively flat landscape, there are pockets of loam and clay closer to the lakeshore where most of the vineyards are planted. Several **creeks and ponds** also contribute to moderating temperatures.



Lincoln Lakeshore

Key Facts

- **Key Varieties:** Cabernet Franc, Chardonnay, Pinot Gris
- **Growing Degree Days:** 1,527

Notes

Lincoln Lakeshore is Niagara's **westernmost** sub-appellation. Proximity to Lake Ontario provides a cooler spring but a long, warm autumn. The topography is generally flat but very gentle slopes provide good drainage. Light, sandy soils cover more than half the sub-appellation with pockets of red clay loam.



Vinemount Ridge

Key Facts

- **Key Varieties:** Riesling, Pinot Noir, Chardonnay
- **Growing Degree Days:** 1,469

Notes

Vinemount Ridge is the only sub-appellation in Niagara to sit atop the Escarpment. As such, it is the **highest sub-appellation** in Niagara with the **shortest growing season**. The soils are dominated by the Vinemount Moraine; a mix of gravel, silt, shale, sand, and Haldimand clay.



Lake Erie North Shore (LENS)

The Lake Erie North Shore DVA is in southwestern Ontario. It is a 200 km long, narrow appellation with most of the vineyards hugging the north shoreline of Lake Erie. Within the DVA, about 1,100 acres are planted to vine.

Located at 42°N, Lake Erie North Shore is at the same latitude as the Oregon/California border and Canada's **most southerly wine region**. This region has a reputation for making **Bordeaux-style reds**, and increasingly for Syrah. It is the only Viticultural Area outside of Niagara to have a sub-appellation: South Islands, created in 2015.

Vineyard plantings in the 19th century make this Canada's **oldest wine region**. However, it has not grown at the same pace as Niagara - or even Prince Edward County in the modern day - in part due its location farther away from Ontario's population centres. The wines of its two largest companies – **Pelee Island** (1979) and **Colio** (1980) - are found throughout Ontario and in many Canadian markets, but many of these wines are blended with internationally-sourced grapes/must. VQA wines from smaller family wineries that have opened in the past ten years are rarely seen beyond nearby Windsor and London. The EPIC Wine route (Essex Pelee Island Coast) represents these smaller wineries to promote the wines of the region.



Climate

Although a little cooler than Niagara with 1,515 growing degree days, Lake Erie North Shore obtains warmer average daytime temperatures in the summer months. The prevailing southwesterly breezes off the shallow waters of Lake Erie help moderate temperatures throughout the year. On the flipside, these shallow waters freeze much more quickly than the much deeper Lake Ontario, thus hampering the positive effects of fighting frost or winter freeze during the colder months. With an average of 172 frost-free days during the year, **frost and winter freeze are a greater threat** to the Lake Erie North shore region than to the Niagara region, resulting in a generally shorter growing season.

Topography & Soil

The topography and soils of Lake Erie North Shore were shaped by glacial lakes which left gentle slopes of more than 15 different soil types. The typical soil profile of Lake Erie North Shore would be **sandy-loam** soils closer to the lakeshore and deposits of heavy clay farther inland.



Viticulture

Most vineyards in Lake Erie North Shore are planted within a few kilometres of Lake Erie to benefit from the moderating effects and the ideal soils conditions. Growers need to take into consideration the two dominant soils when choosing varieties for planting: heavy clay and sandy loam. In heavy clays, yields will be lower but are difficult to manage. In sandy loams, such as near the lakeshore, the soils are better drained but are much more fertile.

The main varieties planted in Lake Erie North Shore are **Riesling**, **Cabernet Franc**, and **Merlot** with **Cabernet Sauvignon** and **Syrah** gaining ground in recent years.

South Islands Sub-Appellation

The South Islands were granted sub-appellation status in July 2015. It is Ontario's newest sub-appellation and is the only one found outside of Niagara.

The South Islands incorporates **nine islands** located approximately 20 to 30km from the mainland, of which **Pelee Island** is the largest. The Pelee Island viticultural designation was removed in 2014 to clarify the difference between Pelee Island (the region) and Pelee Island (the winery). In its place, the South Islands sub-appellation was declared to incorporate all the islands in Lake Erie.



The climate of the South Islands is more heavily influenced by Lake Erie than are the vineyards on the mainland. It is much warmer here with 1,592 Growing Degree Days and the average July temperature (23.2°C) is among the highest in Canada. The lake also extends the harvest by up to **thirty days longer** than on the mainland. This enables experimentation of varieties that need a longer ripening season not commonly found in Ontario, such as Tempranillo. Pelee Island and the other eight islands share similar soil profile to the mainland: sandy-loam and clay.

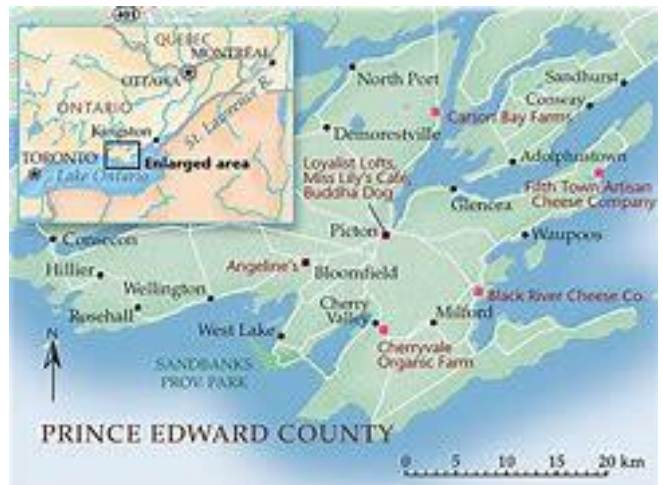


Prince Edward County (PEC)

Located south of the city of Belleville 200 km east of Toronto, Prince Edward County DVA is the **most northerly and coolest** of Ontario's DVAs.

Sitting at 44°N, Prince Edward County shares roughly the same latitude as Oregon, Burgundy, and Central Otago. It is no wonder, therefore, that Burgundy varieties excel in this region of Ontario.

Covering a 1,000 km² peninsula jutting into Lake Ontario, Prince Edward County is currently planted to about 800 acres of vineyard.



The “County,” as locals call it, has been something of an overnight sensation, growing from 0 to more than 30 wineries in just 18 years. Located three hours from either Toronto, Ottawa, or Montreal, the County has become a weekenders’ paradise with excellent restaurants, inns, B & Bs, craft breweries, and distilleries. Wine is at the centre of this culinary attraction with its cool climate and limestone-based ambiance adding to the region’s overall distinctiveness.

Climate

Prince Edward County has an average July temperature of only 19°C and just **1,366 Growing Degree Days**. Although significantly cooler than Niagara or Lake Erie North Shore, proximity to Lake Ontario provides the County with 194 frost-free days; on par with such Niagara sub-appellations as Lincoln Lakeshore, Niagara River, and Four Mile Creek.

Topography & Soils

Prince Edward County is virtually an island with an undulating landscape defined by many inlets and hundreds of kilometres of Lake Ontario coastline.

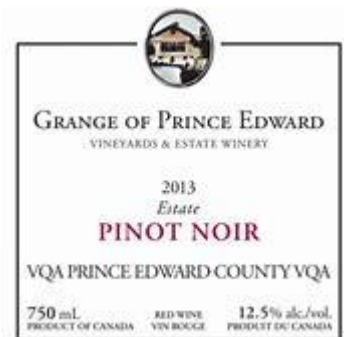


Prince Edward County sits on a solid **limestone** base that is well-suited to Chardonnay and Pinot Noir, giving rise to comparison with Burgundy and Champagne. The soils around the village of Hillier have their own unique conditions of shallow sandy top soils over shale-limestone and have their own specific name: **Hillier Loam**.

Viticulture

Given the cooler climate of Eastern Ontario, cultivars for Prince Edward County must be able to withstand the short growing season and low heat summation. Varieties such as Syrah and Cabernet Sauvignon are unlikely to be found here because they need long, warm growing season to fully ripen.

Instead, **Chardonnay**, **Pinot Noir**, **Pinot Gris**, and **Cabernet Franc** are the most common vines in the County, with several growers planting new **Minnesota hybrids** such as Marquette and Frontenac. With temperatures regularly dipping to -25°C in the winter, however, vines need to be buried in the fall to prevent winter kill.



British Columbia



Overview

British Columbia is the **second largest wine producer** in the country yet is home to **more wineries than anywhere else in Canada**. In the last 30 years the number of wineries has skyrocketed from ten to **more than 280**, the area under vine has increased tenfold, quality has improved, and the thirst for BC wines has exploded. There is a certain pride amongst British Columbians in their locally-produced wines, something that couldn't be said in 1990 when *vinifera* plantings were in their infancy.

Although there are wine regions on the coast close to Vancouver and on Vancouver Island, production is centred in the **Okanagan Valley**. This region is the **second most important** wine region in Canada after Niagara in both volume and value. It is inland over the Coastal Mountain range and borders the United States in the south.

Here you find a stunningly beautiful wine region that is long and narrow, with vineyards bordering shimmering lakes. What comes as a surprise to most visitors is the southern reaches of the Okanagan are classified as a desert with blisteringly hot summers; conditions more than capable of ripening Bordeaux red varieties. But, as you would expect from a Canadian wine region, the winters are so cold that icewine is made almost every year. The climate is decidedly continental.

In recent years, investment has poured into the Okanagan Valley. Landmark architectural wineries have been erected, the degree of expertise in viticulture and winemaking has been revolutionized, and prestigious awards have been won at major international competitions. This momentum makes the Okanagan one of the most exciting undiscovered gems of the international wine world. A handful of producers are turning their attention to exports, primarily of icewine in the Asian markets, but Alberta is the most promising market outside of BC.

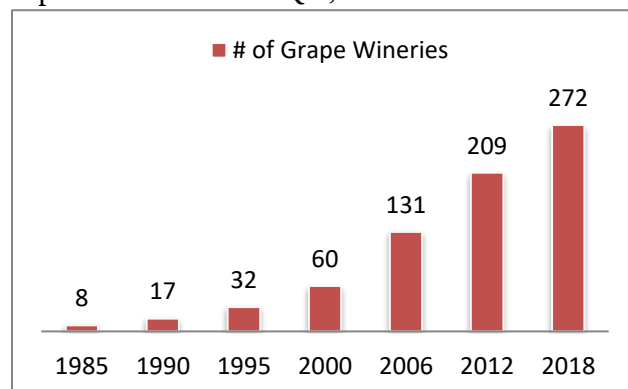
But wine production in British Columbia is not without its challenges. The perpetual risk of spring and fall frosts have growers on high alert. While there is a plethora of different varieties planted, there is a lack of clear direction as to what the Okanagan produces best, resulting in a lack of a clear brand identity.

Furthermore, many of the new wineries are small and lack capital resources. Many of them produce less than 5,000 cases and sell their wines for under \$20 per bottle.

BC Historical Highlights

- **1859:** Father Charles Pandosy plants a vineyard using native grapes in the **Kelowna area**. Wine is made for sacramental purposes;
- **1917 – 1921: Prohibition** is enacted in British Columbia. In 1919 the province introduces a liquor control authority that would later become the British Columbia Liquor Distribution Branch (BCLDB);
- **1927:** Pioneer Vineyards plants a vineyard of table grapes in Kelowna. This site is currently planted to Riesling, Chardonnay, and Pinot Noir and is the province's **oldest continuing producing vineyard**;
- **1928:** The federal agricultural research centre in Summerland to determine which are best suited to British Columbia. It concludes that *vinifera* vines lack the winter hardiness to survive resulting in the promulgation of hybrid and *labrusca* vines. Favoured hybrids included Bath, De Chaunac, and Okanagan Riesling (a *labrusca* x Hungarian varietal unrelated to Riesling);
- **1932:** British Columbia's first commercial winery, **Calona Wines**, is established in Kelowna. The company exists today as Calona Vineyards and became a part of the Andrew Peller portfolio of brands in 2005;
- **1960s:** Small increases to the number of wineries operating in the province with the opening of Pacific Western Wines, Andrés Wines, Mission Hill and Casabello. Tasting rooms were not permitted until the mid-1970s, with Casabello opening the first cellar door in 1977;
- **1970s:** The first significant plantings of *Vitis vinifera* vines occur in the Okanagan Valley. Among these include Pinot Noir, Pinot Blanc, and Riesling;
- **1979:** The **Estate Winery** licence is created to encourage producers to use grapes grown on their own vineyards. New wineries were to own a minimum of eight hectares (approx. twenty acres). The number of wineries increased to eight by the mid-1980s, including Sumac Ridge, Gray Monk and CedarCreek;
- **1983:** The British Columbia government sponsors a vine research project in the Cowichan Valley on Vancouver Island. The "**Duncan Project**" assesses over 100 different varietals over a seven-year period. The results helped lay the foundations for the modern wine industry on Vancouver Island and the nearby Gulf Islands;
- **1988:** With the enactment of the **Free Trade** Agreement, British Columbia growers are provided with financial aid to pull out low-quality hybrids and replace with *vinifera* vines. The area under vine in BC plummets as 2/3 of acreage is pulled. The government encourages new wineries to open by reducing the minimum requirements to 5½ acres under vine, calling it the "Farm Gate Winery" license;

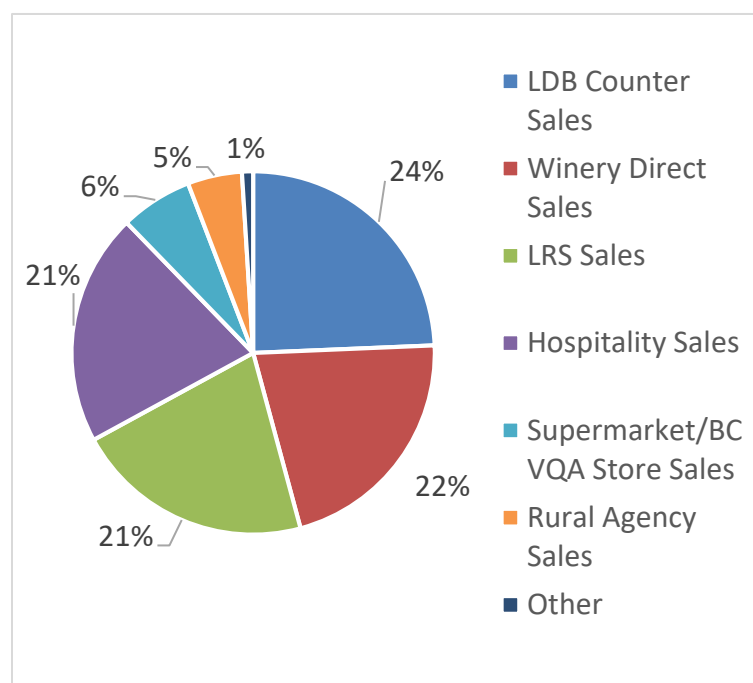
- **1990:** Based on the Ontario model, British Columbia enacts its own **VQA programme** for industry regulation and quality control. In the same year, the British Columbia Wine Institute (BCWI) is established to oversee the development of the BC VQA;
- **1990 – 1995:** The effects of Free Trade and the BC VQA result in a surge of new wineries and improved quality in wines. Wineries also begin to open in regions outside of the Okanagan/Similkameen such as:
 - **Fraser Valley** (1991)
 - **Vancouver Island** (1992)
 - **Gulf Islands** (1995).
- **1994:** Mission Hill wins the prestigious Avery Trophy at London's International Wine & Spirit Competition for "Best Chardonnay Worldwide". This provides the British Columbia wine industry with global recognition as a region capable of producing high-quality wine;
- **2005:** The BC VQA regulations are **enacted into law**, protecting the use of some labeling terms. Regulation duties are given to the British Columbia Wine Authority (**BCWA**) while marketing and research initiatives are given to the British Columbia Wine Institute (**BCWI**);
- **2006:** At the International Wine & Spirits Competition, the 2004 Jackson-Triggs Grand Reserve Shiraz is named "Best Shiraz in the world", beating out many of Australia's most famous Shiraz brands;
- **2013:** The Decanter World Wine Awards recognises Mission Hill's 2011 Martin's Lane Pinot Noir as the world's top Pinot Noir under £15;
- **2015:** The BC VQA establishes its **first sub-appellation**, the **Golden Mile Bench**, in the Okanagan Valley. In the same year **supermarkets** are permitted to sell wine for the first time but are limited to BC VQA wines only;
- **2016:** Via plebiscite, the wine industry votes in favour of several measures, including mandatory membership in BC VQA and the addition of new regional and sub-regional appellations;
- **2018:** Okanagan Falls, Skaha Lake, and Naramata Bench are approved as sub-appellations. Four new DVAs created: Lillooet, Thompson Valley, Shuswap, and Kootenays.



Market Overview for BC Wines

Wine sales form a significant part of the alcohol industry in British Columbia. After Québec, British Columbia has the **second highest percentage of wine sales** in Canada, with around one-third of alcoholic beverages sold being wine.

Imported wines account for **just over a 50%** market share with the USA, Italy, and the southern hemisphere being the most popular. **BC non-VQA**, which includes wines international-domestic blended wines, represent about a one-third market share. **BC VQA** wines have **about a 17%** market share. These wines are the **largest single regional category** in BC, outselling California, France, and all others.



LDB government liquor stores (BCLS) have the largest volume of wine sales in the province. Here you find both import and domestic wines being sold, although the lion's share of the domestic sales volumes come from large volume international-blended wines and lower priced VQA products.

LRS (Licensee Retail Stores) are private retailers. Some of these are large stores with vast ranges, often stocking different wines from those found in government stores. But many LRS are smaller with a more limited selection that serves a local neighbourhood.

There is also a strong demand amongst **Hospitality** locations (restaurants, hotels) for BC wines. Wine lists commonly highlight locally produced wines, particularly at some of the top restaurants in Vancouver and the mountain resort of Whistler.

With marginally higher market share at 22%, there is a booming sales channel for **Winery Direct Sales** which include all wines sold at the cellar door tasting rooms and through wine clubs. Producers favour this channel because of the higher margins.

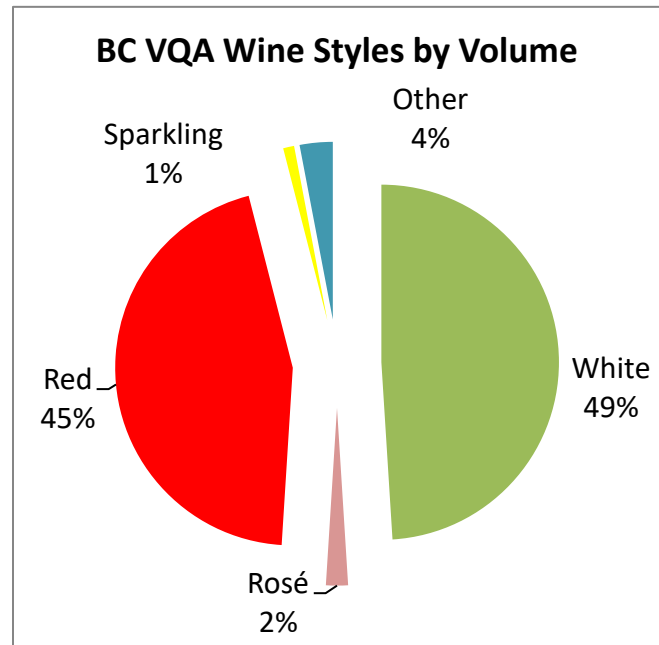
The major change in the retail landscape since 2015 has been the introduction of wine sold in **supermarkets**. Many of the supermarket licences were purchased from independent VQA stores retailers, so initially only BC VQA wines were permitted to be sold. The move drew a challenge from the United States, and under the new North American trade agreement American wines will join BC VQA wines on supermarket shelves. A small number of independent BC VQA wine stores remain in existence.

Alberta remains as the top export market for BC wines and residents in some other provinces can buy BC wines direct online. International exports are minor with just a handful of wineries exporting to markets in the USA, Europe, and Asia.

Wine Styles

BC is not famous for any one particular style of wine, in either red or white. In cooler regions, Pinot Noir, Riesling, and Pinot Gris show exciting potential whereas in hotter regions Syrah and the Bordeaux reds are more highly prized. But there is no rule. Vintners continue to experiment with a plethora of varieties from Pinotage to Tempranillo, Viognier to Gruner Veltliner. Most wines are dry in style, but sweet icewines and Late Harvest wines are also made.

Sparkling wines are increasing in popularity and becoming important on Vancouver Island. Some producers focus on traditional method while others favour the faster and less costly tank method.



Rosé wines have experienced a recent period of growth and although producers are marketing the wines to be consumed year-round this style remains most popular during the summer months.

Key Varieties

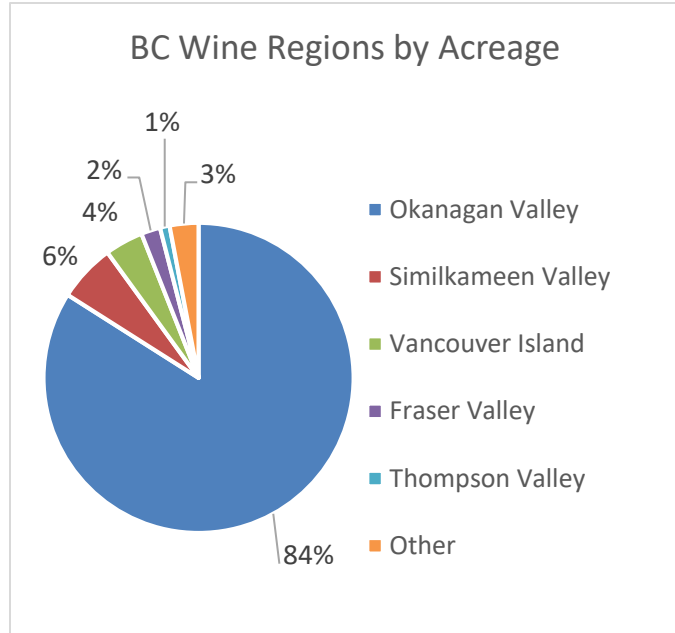
The BC VQA permits more than 200 different varieties, half of which are *Vitis vinifera*. Of these permitted varieties, the top ten account for 80% of total plantings. The top four varieties alone (Merlot, Pinot Gris, Pinot Noir, and Chardonnay) account for nearly half of the total vines planted in the province. The balance of white to red varietals historically favoured white grapes but since 2006 red grapes have become more widely planted.

Merlot is the **most widely planted red grape** and **most planted of all grape varieties** in British Columbia at 15% of total plantings. Pinot Noir has become increasingly popular with Cabernet Sauvignon, Cabernet Franc, and Syrah playing an important role among other red grapes.

Pinot Gris is the **most planted white grape** and accounts for about 11% of total plantings. Chardonnay, Gewurztraminer, Riesling, and Sauvignon Blanc are also important.

British Columbia Wine Regions

There are currently more than 10,260 acres of vineyards planted in British Columbia, which makes the province the second largest under vine in Canada after Ontario. The BC VQA officially recognises **nine Designated Viticultural Areas (DVAs)**, **four sub-regions**, and **one province-wide appellation**.



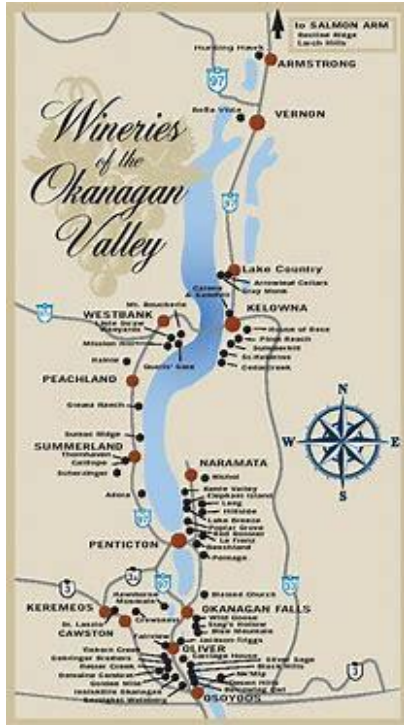
- **Okanagan Valley:** more than 8,600 acres in a 160 km long valley of south-central British Columbia between the town of Vernon to the north and the US border in the south. This DVA **includes four sub-regions** (Golden Mile Bench, Okanagan Falls, Naramata Bench, Skaha Bench);
- **Similkameen Valley:** more than 650 acres in a valley to the west of the southern reaches of the Okanagan Valley, running almost perpendicular to the American border;
- **Vancouver Island:** nearly 400 acres of vineyard concentrated in the Cowichan Valley between Victoria and Nanaimo, and on the Saanich Peninsula outside Victoria;
- **Fraser Valley:** 200 acres in the Lower Mainland (the Greater Vancouver area);
- **Gulf Islands:** less than 100 acres of vineyards scattered across several islands in the Strait of Georgia between the mainland and Vancouver Island;

The New DVAs Created in 2018:

- **Thompson Valley:** just over 100 acres along the banks of the North and South Thompson Rivers which meet in the city of Kamloops;
- **Lilloet:** just over 50 acres in the Fraser Canyon;
- **Shuswap:** less than 100 acres around Shuswap Lake north of the Okanagan Valley;
- **Kootenays:** less than 100 acres in southeast British Columbia on the U.S. border.

Wines from any other regions or those that are a blend from different regions/DVAs of the province are labeled as **BC VQA British Columbia**.

Okanagan Valley



The Okanagan Valley DVA is **British Columbia's largest** and most important viticultural area, coming only **second to Niagara** in terms of national viticulture. Wineries in other DVAs (e.g. Fraser Valley or Vancouver Island) will often source grapes from Okanagan growers to produce wine in their own region.

Most vineyards and wineries in the Okanagan Valley are located between 49°N to 50°N, but some are appearing even further north. The northerly latitude provides for long summer days that allow for extended photosynthesis.

Another key feature of the Okanagan Valley are three lakes of significant importance: from north to south they are Lakes **Okanagan, Skaha, and Osoyoos**. These lakes provide a valuable supply of water for irrigation and moderate the harsh effects of the freezing winters and the hot summers.

Climate

At the northernmost tip of the Sonora Desert, the southern Okanagan Valley sees much hotter temperatures than would be expected of its latitude. Summer temperatures will often be above 30°C and can typically reach 40°C. Further north around the city of Kelowna where Lake Okanagan has a more pronounced influence, temperatures are up to 4°C cooler on these very hot days. This subtle difference in temperature is reflected in the summative Growing Degree Days (GDD). Kelowna sees an average of 1,200 GDD per year whereas Osoyoos in the south will see up to 1,500 GDD.

The Growing Degree Days indicate that despite the hot summers, the Okanagan Valley would still be classified as a **cool climate region** on par with such international regions as Carneros in California or Mosel in Germany. What sets the Okanagan apart from other cool climate regions is the long, intense sunshine hours in the hot but brief summer. Daylight can last **16 hours** during the summer months, providing ample time for grapes that require a warm season to ripen.

The **altitude** of the Okanagan Valley also provides a moderating effect on the climate. Ranging from **275m to 350m above sea level**, temperatures in the Okanagan have a great diurnal range – sometimes up to 25°C from daytime highs to nighttime lows. This shift helps the grapes to develop their phenolic ripeness while retaining a naturally high acidity from the cool night temperatures.

Although sub-zero temperatures are common, winter temperatures are typically not as extremely cold as in Ontario or Quebec. Winter kill from temperatures of below -25°C are a risk but generally

not a significant threat. **Spring frost** is a yearly threat so late-budding varieties are better suited for the climate. As such, site selection is of paramount importance and vineyards on slopes and within proximity to the lakes are generally more prized as these mitigate the risk of frost.

Located 300km inland in the rain shadow of the Coastal Mountains, the Okanagan Valley also has a very **dry climate**. Annual precipitation ranges from 320mm to 420mm and is fairly spread evenly through the year. **Irrigation is necessary**.

Topography & Soil

The soils and topography of the Okanagan Valley can be divided into two general themes. The northern Okanagan is marked by a landscape that was carved by glaciers thousands of years ago. The south, on the other hand, is the result of glacial melt. Within these two broad themes, the Okanagan Valley can be further divided into four geographical sub-regions.

In the north around **Kelowna** and **Lake Country**, the landscape is marked by mountains edging on the shores of Lake Okanagan. Here, steep slopes descend into Lake Okanagan leaving limited space for viticulture. Soils in the north are glacial moraine deposits of **gravel and clay**.



The **Naramata Bench** and similar benchlands are located further south, running 15 km from the outskirts of Penticton on the banks of Lake Okanagan and Lake Skaha. The slopes are gentle here and benefit from the warm exposure to the afternoon sun. The white cliffs of **sandy-gravel soils** rise to 50m above the lake water table, creating excellent drainage and forcing vine roots deep in search of nutrients.

The **Okanagan Falls** area at the south end of Skaha Lake marks a **crossroads** in the topography and soil makeup of the Okanagan Valley. This vicinity marks the southernmost extension of ancient glaciers, resulting in a glacially-carved topography to the north and a water eroded landscape from melting glaciers to the south. The terroir of the Okanagan Falls is defined by **boulder-gravel soils** that are difficult to cultivate but provide good drainage. The undulating landscape, however, has several depressions that are prone to collect frost.





The **Southern Okanagan** opens into the (relatively) flatter lands of the Golden Mile and Black Sage Benches. The well-drained soils of both Benches are **sedimentary** in nature but differ slightly in their composition. The **Black Sage Bench** on the eastern flank is very **sandy with some gravel**. On the western side, the **Golden Mile Bench** is defined as “Gravel Fans;” a mixture of alluvial deposits of **sand, gravel, and clay** of various sizes.

Viticulture

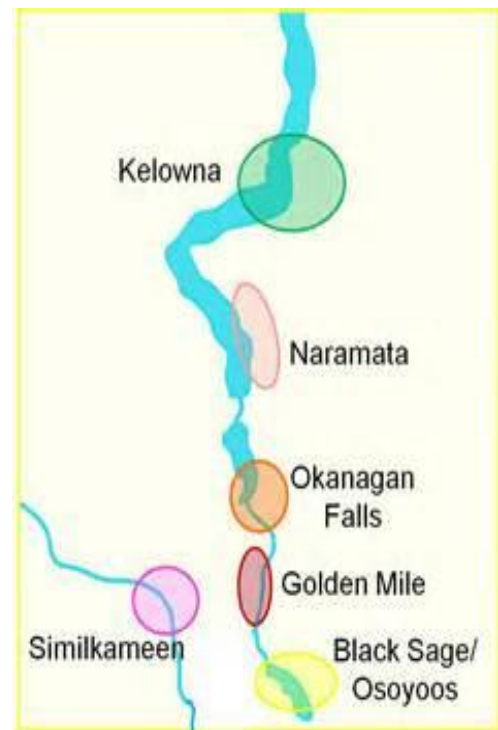
The climatic and geographic differences between the north and the south allow for grape varieties that may struggle in one set of conditions to thrive in another. For example, where Cabernet Sauvignon would not ripen in Lake Country in the north it does well on the Black Sage Bench in the south. Alternatively, the south can be too hot for high quality dry Riesling, but the cooler conditions of Kelowna yield better results. In general:

- Varieties that need a **warmer growing season**, such as Cabernet Sauvignon, Cabernet Franc, and Syrah, are more commonly found in the **south** around Oliver and Osoyoos;
- Varieties that do well in a **moderate climate**, such as Chardonnay, Pinot Noir, and Merlot, do well in the **mid-Okanagan** around Penticton and Okanagan Falls;
- Varieties that do well in a **cool climate**, such as Riesling and Gewurztraminer, do well in the **north Okanagan** around Kelowna.

Sub-Regions

The Pacific Agricultural Research Centre (PARC) identifies five different sub-regions based on climate and soils. The Okanagan Valley is in the process of having several official DVA sub-appellations approved within these regions, which are noted below. The five sub-regions are:

- Black Sage Bench/Osoyoos
- Golden Mile Bench/Oliver
- Okanagan Falls
- Naramata Bench/Skaha Bench/Penticton/Summerland
- Kelowna/Lake Country



Black Sage Bench/Osoyoos

Key Facts

- **Key Varieties:** Merlot, Cabernet Sauvignon, Syrah, Cabernet Franc
- **Growing Degree Days:** 1,566

Notes

The vineyards of the Black Sage Bench and around the town of Osoyoos are the **southernmost** in the Okanagan Valley. With **deep sandy-gravel soils** and a westward facing aspect, this is also one of BC's **warmest** and **driest** grape-growing regions. It is the **second largest region** under vine in BC and accounts for about 20% of grape production.



Golden Mile Bench/Oliver

Key Facts

- **Key Varieties:** Merlot, Chardonnay, Pinot Gris, Cabernet Sauvignon
- **Growing Degree Days:** 1,484

Notes

The Golden Mile Bench was BC's **first designated sub-appellation**. The delineation was the result of a six-year process to identify the specific climatic and geographic conditions of the area as well as a common organoleptic profile in wines produced from grapes in this region. The region benefits from an **east-facing aspect**, which brings relatively cooler sunshine exposure than the westward-facing Black Sage Bench/Osoyoos region.



The greater Oliver area is home to the **largest number of vineyards** and grows 40% of BC grapes. Approximately ¼ of these vineyards are found in the Golden Mile Bench sub-appellation.

Okanagan Falls

Key Facts

- **Key Varieties:** Chardonnay, Pinot Noir, Gewurztraminer, Pinot Gris
- **Growing Degree Days:** 1,407

Notes

Okanagan Falls became an approved **DVA sub-appellation** in 2018. Located in the mid-Okanagan, Okanagan Falls marks the point where the glaciers stopped their southward movement. The result is among the most diverse range of soils, altitude, slope, and aspect. The climate here



starts to become cooler, so there is a shift from reds that require a warm growing season to whites and reds that prefer a cooler climate.

Naramata Bench/Skaha Bench/Penticton/Summerland

Key Facts

- **Key Varieties:** Merlot, Pinot Gris, Pinot Noir, Chardonnay
- **Growing Degree Days:** 1,290

Notes

This region encompasses more than 1,400 acres of vineyards.

The terroir is marked by high, sloped bluffs above the southern end of Lake Okanagan. The difference between the Naramata Bench and Summerland has to do with aspect. On the west shore to the north of Penticton, **Summerland** is relatively cooler and planted mostly to aromatic varieties, among which Gewurztraminer is the most popular. On the east, the warmer **Naramata Bench** to the north of Penticton and the **Skaha Bench** to the south of Penticton benefit from the warmth of the afternoon sun. Merlot and Syrah, for example, can thrive here in select sites. With more than 40 wineries, the Naramata Bench is the **most densely planted region** in BC. The **Naramata Bench** and the **Skaha Bench** were included as **DVA sub-appellations** in 2018.



Kelowna/Lake Country

Key Facts

- **Key Varieties:** Pinot Noir, Gewurztraminer, Pinot Gris, Riesling
- **Growing Degree Days:** 1,200

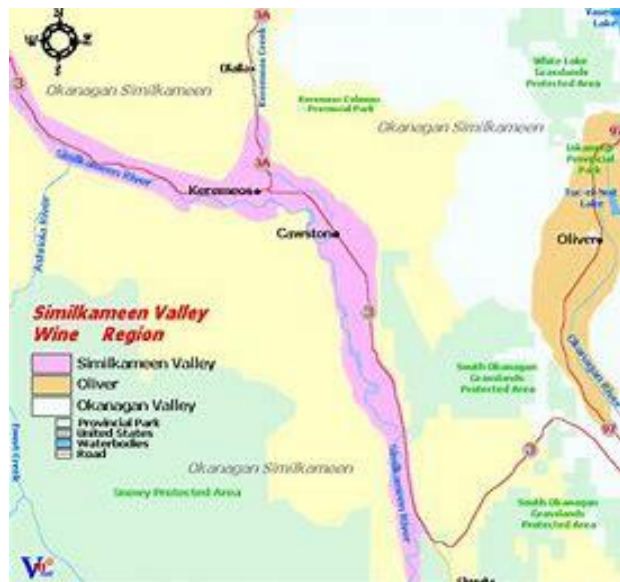
Notes

Kelowna and Lake Country are the **northernmost** sub-regions in the Okanagan Valley. It is the **coolest** and is also the **wettest** with up to 450mm precipitation per year. Kelowna incorporates vineyards on both banks within the cities of Kelowna and West Kelowna as well as nearby Peachland. About 20km to the north, Lake Country vineyards are near the town of Winfield and straddle the 50th parallel. Vineyards comprise mostly of aromatic whites (e.g. Riesling, Gewurztraminer) and cool climate reds (e.g. Pinot Noir). Kelowna is also the historic centre for the BC wine industry. It was here that vineyards were first planted in 1859 and BC's oldest vineyard, winery, and first cellar door sales were all in the Kelowna area.



Similkameen Valley

The Similkameen Valley DVA is British Columbia's **second largest wine region** but is significantly smaller than the Okanagan Valley. It covers just 6.5% of total plantings in the province, about the same as Okanagan Falls.



The Similkameen Valley is a long, narrow river valley centred on a 25km stretch from the towns of Keremeos and Cawston to the US border. Due to its relative isolation, the Similkameen Valley had remained a centre for orchards long before viticulture took hold in the area. Keremeos Vineyards (today's St. Laszlo Estate Winery) was the first winery to open in the valley in **1984**. Most of the growth in the region has been relatively recent as producers recognize the potential of warm climate varieties here.

Climate

As with the South Okanagan, the Similkameen Valley has a **dry desert climate**. However, temperatures are **more extreme** in the Similkameen Valley due to the absence of the moderating effects of the lakes. Summer temperatures can easily reach 40°C with winter temperatures reaching -20°C. On average, however, the 1,360 Growing Degree Days is relatively high for British Columbia. Along with the threat of extreme temperatures the Similkameen Valley is also prone to a constant, sometimes blustery, breeze from westerly winds that swoop down from the mountains. Generally, these breezes help to negate the risk of frost, mildew, and rot but vines can shut down if the winds are too strong.

Topography & Soil

The topography of the Similkameen Valley is defined by the Similkameen River and its tributaries that flow down from the surrounding mountains. Vineyards are mostly found on the **southeast slopes** on the left bank of the river to maximise sun exposure. The soils are a mix of **alluvial river deposits** of gravel, stones, and silty loams. At a range of 400m to 450m above sea level, the Similkameen Valley is also the province's **highest designated viticultural area**.



Viticulture

The narrow valley acts as a heat trap that provides warmth to ripening grapes into the evening hours. Like the Black Sage Bench, this makes the Similkameen Valley an ideal location for varieties that require a warmer growing season, such as Cabernet Sauvignon or Syrah. These varieties are typically planted on slopes and terraces with greater sun exposure. Cool climate varieties are planted in the flatter lands closer to the river where the mountains cast an earlier shadow in the hot summers. **Merlot** is the most planted variety here, followed by Cabernet Sauvignon, Chardonnay, and Cabernet Franc.

Vancouver Island



The Vancouver Island DVA incorporates vineyards planted largely near the eastern and southern shores of the island. There are three unofficial sub-regions for viticulture on Vancouver Island: **Central Island** (between Nanaimo and Courtenay); **Cowichan Valley** (south of Duncan); and **South Island** (Victoria and Saanich). Of these, the **Cowichan Valley** is the main centre of the Vancouver Island wine industry. At just under 400 acres planted, Vancouver Island, is BC's **third largest wine region**.

The first wineries on the Island appeared in the 1920s. Setting up in the fertile Saanich Peninsula north of Victoria, companies such as Growers' Wine Company and Victoria Wineries made sweet, fortified wines from loganberries. It was not until after consumers' tastes shifted to grape wines and disease wiped out most of the loganberry bushes that the first commercial vineyard was planted in the Cowichan Valley in 1970. From 1983 to 1990 the government-funded "**Duncan Project**" trial of about 100 varieties was implemented to investigate the potential of viticulture in the Cowichan Valley. From these 100 varietals, **Pinot Gris**, **Auxerrois**, and **Ortega** were identified as the most promising grapes for the Vancouver Island terroir. In **1992**, Vigneti Zanatta became the first commercial grape winery to open on Vancouver Island.



Climate

Despite its location on Canada's rainy west coast Vancouver Island's wine regions have a relatively dry climate. The mountains surrounding the Cowichan Valley cast a rain shadow effect that shields the area from the rain-laden prevailing winds. With precipitation concentrated from November to April, the summer months are dry enough that irrigation is necessary. With 1,025 Growing Degree Days, temperatures are much more moderate here than in the Okanagan or Similkameen Valleys. Frost and winter freeze are rarely a problem because of the mild maritime climate.

Topography & Soil

As it covers different sub-regions, the Vancouver Island DVA features varied topography and soils. Opening to the southeast, the **Cowichan Valley**, however, has ample sunshine exposure with mountains that trap warmth into the evening hours. Lake Cowichan and various bays help to moderate temperatures and reduce frost risk. The soils here are generally gravelly on the slopes with heavy clay on the valley floor.



Viticulture

Following the advice of the Duncan Project of the 1980s Vancouver Island is mostly planted with cool climate French or German varieties as well as hybrids. **Pinot Noir** is the most common vine on Vancouver Island, followed by Pinot Gris, Maréchal Foch, and Ortega. Sparkling wines have become prevalent with wineries creating the "Charme De L'Île" label indication for 100% Island-grown bubbly.



Gulf Islands

The Gulf Islands are a series of islands in the Strait of Georgia between Vancouver Island and the British Columbia mainland. It has a similar but slightly wetter climate than the Cowichan Valley and each island has its own soil and topographical structure. The Gulf Islands average 1,050 Growing Degree Days. Viticulture first began in 1995 on **Saturna Island** and soon expanded to nearby Salt Spring and Pender Islands, then further afield to Quadra and Bowen Islands. The Gulf Islands is planted to similar varieties as Vancouver Island: Pinot Noir, Pinot Gris, and Ortega.



Fraser Valley



The Fraser Valley DVA incorporates vineyards and wineries in the **Lower Mainland** of British Columbia, all of which are within 100km from downtown Vancouver. Most of the 200 acres of vineyards are in the rural suburb of Langley and is the **fourth largest DVA** in BC.

The first commercial vineyard was planted in Langley in **1981**. A decade later this vineyard became the region's first and currently largest producer, Domaine de Chaberton Estate Winery. These first plantings were of aromatic white varieties Ortega, Bacchus, and Madeleine Angevine.



Climate

The Fraser Valley is a large region with varied temperatures and precipitation. In the Langley area there are just 978 Growing Degree Days, making it **Canada's coolest DVA**. This means only **cool climate grapes** will ripen here. Although precipitation is relatively low in the summer months, **mildew and rot** are a constant threat due to the generally damp environment. Frost and winter freeze, however, are **rarely a concern**.

Topography & Soil

Encircled by the Coastal Mountains, the Fraser Valley itself is relatively flat with occasional low hills. The soils are silty in nature with moderate drainage. A high concentration of organic matter results in **highly vigorous** vines that can pose a challenge to most growers.

Viticulture

With a moderate climate of the Lower Mainland, winters may be relatively mild but summer temperatures are not hot enough for a long enough period for grapes to ripen successfully. As a result, cool climate grapes are the varieties that best succeed in the Fraser Valley. **Pinot Noir** is the most planted variety here, followed by Bacchus, Pinot Gris, and Siegerrebe.

New DVAs as of 2018

Scattered across the BC interior, four new DVAs were created at the same moment in 2018. Three are well north of the Okanagan Valley between 50° and 51° latitude, making them among the **most northerly in Canada**. Each of the new DVAs is viticulturally very small with 100 acres or less under vine. None had more than ten wineries at the time the DVAs were created.



Climate & Soil

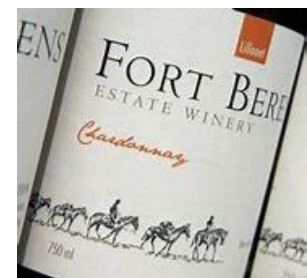
The new DVAs all share a climate similar to the Okanagan and Similkameen Valleys as they sit in the dry lee of the Coastal Ranges. Summers are hot and dry with cold winters but although each is located on or near the banks of rivers and lakes, they do not experience the same moderating effects provided by the massive, deep Lake Okanagan. As a result, winter vine damage is a serious threat as are late spring and early fall frosts. The soils vary but alluvial sand and gravel is common.

Viticulture

Vinifera vines dominate although there are hybrids planted as well, especially in the cooler Shuswap DVA. **Early-ripening** *vinifera* vines tend to be the most popular: Riesling, Pinot Gris, Chardonnay, and Germanic varieties among whites; Gamay, Pinot Noir, and Cabernet Franc among reds. Drip irrigation is used and some sites in more northerly DVAs may bury vines in the winter.

Lillooet

Only one vineyard and winery (Fort Berens from 2011) was in operation at the time the DVA was created. Although it is the westernmost of the new DVAs, the steep Cariboo peaks rising to the west provide a rain shadow effect. The region is very dry with less than 330mm annual precipitation – about on par with the South Okanagan. Averaging 1,624 GDDs, Lillooet is also one of the warmest in Canada. Although summers are very hot and ideal for ripening *vinifera* grapes, cool nights help preserve acidity.



Thompson Valley

The largest of the new DVAs, the Thompson Valley has around 100 acres planted and is expected to grow rapidly. With 1,402 GDDs, ripening is not an issue and *vinifera* vines are successful. Most of the wineries are situated on the banks of the South Thompson River east of the city of Kamloops. The Thompson Valley is also a relatively young wine region with its first winery, Harpers Trail, opening in 2012.



Shuswap

The Shuswap region encompasses land around the Shuswap Lake and its many arms. Located east of the Thompson Valley and north of the Okanagan Valley, the climate here is cooler and less arid, averaging only 1,121 GDDs – about the same as Vancouver Island. Germanic *vinifera* varieties such as Siegerrebe and Ortega as well as hybrid varieties like Maréchal Foch take centre stage. Larch Hills was the first winery to set up here in 1997.



Kootenays

The Kootenays DVA is in southeastern BC on the US border at 49°, covering land around Kootenay Lake and the outflowing Kootenay near Creston. With its 1,250 GDDs *vinifera* varieties stand a chance to ripen here. Pinot Noir, Pinot Gris, and Chardonnay show the best potential. With less than 100 acres at the time of DVA approval, expansion is likely because it is the closest BC region to the urban centre of Calgary. Of the half dozen wineries currently in operation, Columbia Gardens was the first in 2001.



Québec

Quick Facts

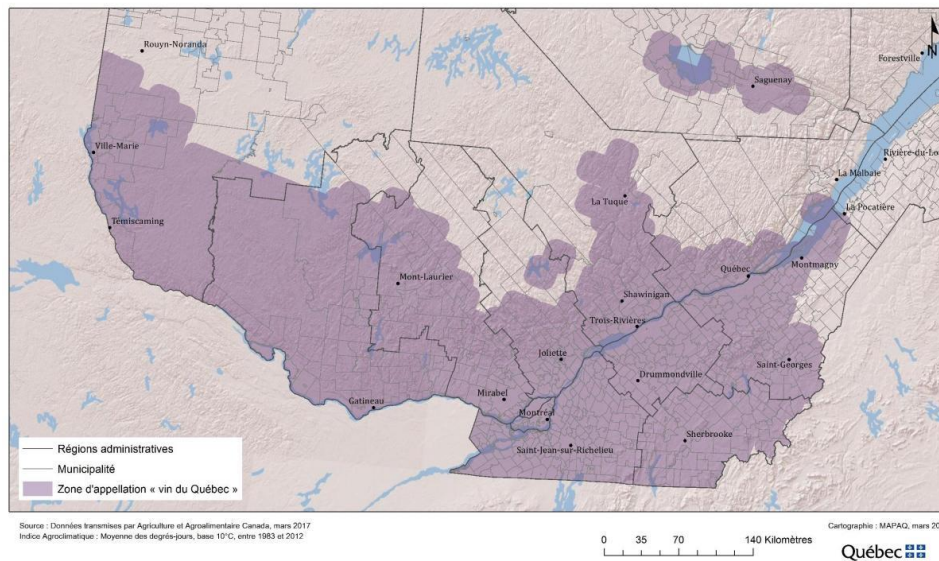
- **Average GDDs:** 1,250
- **Vineyard Acreage:** 1,650
- **Key Varieties:**
 - Hybrids:
 - White: Seyval-Blanc, Vandal-Cliche, Frontenac, Vidal
 - Red: Maréchal Foch, Marquette
 - *Vitis vinifera*: Chardonnay, Gewurztraminer Gamay, Cabernet Franc, Pinot Noir
- **Wine Regions (unofficial):** Central Québec, Eastern Townships, Lanaudière, Lower Laurentians, Montérégie, and Québec City
- **Key Dates:**
 - **1535:** Canadian native vines (*Vitis riparia*) discovered on Orléans Island by Jacques Cartier. He names the island “Bacchus Island.”
 - **1608:** Samuel de Champlain imports *vinifera* and plants them in Québec City, but they do not survive the winter;
 - **1860 – 1870:** First viticulture experiments with hybrids;
 - **1919 – 1921:** Prohibition enacted but does not restrict wine sales. Only one winery in operation by the end of the 1920s;
 - **1966:** First commercial winery for direct to consumer sales, producing wines from imported grapes/must primarily for the growing Italian community;
 - **1972:** First estate winery licenses issued and allow up to 20% imported grapes. Eleven wineries in operation by the end of the decade, including Domaine des Côtes d’Ardoise and Domaine de l’Orpailleur (both in Dunham, Eastern Townships);
 - **1978:** Small grocery stores permitted to sell wine;
 - **1987:** Association des Vignerons du Québec created (now the Conseil des Vins du Québec);
 - **1988:** Joseph Vandal and Mario Cliche, agronomists from Laval University, develop the “Vandal-Cliche” grape variety. It is first planted at Vignoble Ste.-Pétronille on Orléans Island, and is still in production today;
 - **2018:** The appellation “IGP Vin du Québec” is enacted by the Québec government.



The Québécois have the **highest per capita wine consumption** rate in Canada at 43% of total alcohol sales. Imported wines – particularly those from France – are the most popular among consumers. With around seventy grape-based wineries the local wine industry is growing. However, the cold climate still makes grape growing a challenge in Québec, but not an impossibility.

Unlike in Ontario and in British Columbia, Québec does not subscribe to VQA because there is a lack of agreement with the VQA provinces on permitted grape varieties and icewine production standards. A new appellation system was thus created in 2018: **Indication Géographique Protégée (IGP) Vin du Québec**. This system stipulates that grapes must be 100% Québec-grown within regions of the province that achieve minimum growing degree days. Studies are underway that will likely create seven wine appellations within the province.

Zone de l'appellation IGP « Vin du Québec »



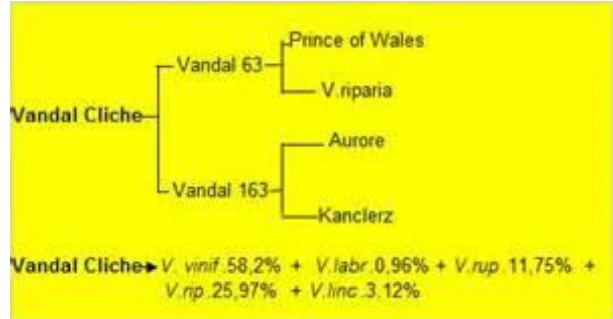
IGP Vin du Québec is overseen by a provincial government agency called CARTV (*Conseil des Appellations Réservées et des Termes Valorisants*) which monitors all appellations in Québec (e.g. ice cider and Charlevoix lamb). Also, with the creation of the IGP Vin du Québec a new organisation has been launched to promote the interests of the Québec wine industry. It is called the **Conseil des Vins du Québec**, or CVQ. This new body replaces the former winemaker's association.

Climate & Topography

Québec is considered to have a **cold continental** climate. Summers are warm but short. Winters are long with temperatures often dipping below -20°C for sustained periods of time. Québec's viticultural regions do not have the same moderating lake or ocean effects found elsewhere in Canada, although proximity to the St. Lawrence River does provide **air flow** that helps combat frost and mildew to nearby sites.

Viticulture & Winemaking

Even in the best conditions, *vinifera* vines struggle to ripen in the short growing season. Late-budding and early-ripening vines Gamay, Cabernet Franc, Pinot Gris, Pinot Noir, and Gewurztraminer have met with some success, but most wines are based on winter-hardy hybrids such as Seyval Blanc, Maréchal Foch, Frontenac, and Vandal-Cliche. **Vandal-Cliche** is a white variety developed in Québec for early-ripening and to withstand temperatures as cold as -35°C. There are also an increasing number of hybrids like Marquette, Frontenac, and Sabrevois created at the University of Minnesota to withstand the extreme climate.



To survive winter, vines are typically **buried** in October/November in up to two feet of earth. This acts as a protective blanket for the vine over the long winter months before being displaced in May to enable the vines to grow. As this is both a timely and costly procedure, growers that opt out of vine burying must plant with the hardiest hybrid species of which Vandal-Cliche is among the most common. Québec vigneronns have recently been involved with creating thermal textiles/blankets that are tented over the rows to protect against cold temperatures.

There is an interesting situation in Québec regarding icewine production. Snow depth in the vineyards often forces growers to remove the grapes and place them in hammocks or netting above the rows, where they ultimately freeze. This practice means that since the grapes are not frozen while still attached to the vine, they do not meet VQA regulations for icewine production. Québec is not governed by the VQA but producers of icewine in other parts of Canada are protesting use of the protected term Icewine on Québec labels.

Atlantic Canada

Quick Facts

- **Vineyard Acreage:** 1,000 acres total
 - 800 acres in Nova Scotia
- **Key Varietals:**
 - Hybrids:
 - White: L'Acadie Blanc, Seyval-Blanc, New York Muscat, Geisenheim, Frontenac;
 - Red: Maréchal Foch, Baco Noir, Lucie Kuhlmann, Marquette, Sabrevois;
 - *Vitis vinifera*: Chardonnay, Ortega, Riesling, Pinot Noir;
- **Wine Regions (unofficial):**
 - **Nova Scotia:** Bay of Fundy/Annapolis Valley, Northumberland Shore, South Shore, Cape Breton;
 - **New Brunswick:** Moncton, Richibucto River, Saint John River Valley.



With vineyards planted in each of the Atlantic Provinces, so far only **Nova Scotia** has a nationally recognized wine industry. The success of some wineries in Nova Scotia has encouraged pioneers in neighbouring provinces, who previously had no wine grape industry.

Although early Norse sagas refer to the region as *Vinland*, the first traces of winemaking date to the early **17th century** with the arrival of French settlers to Acadia. These early attempts at viticulture were not long-lived due to the harsh growing conditions. From 1913 onward, the Kentville research centre long promoted viticulture for table grapes in the Annapolis Valley and not wine grapes. Prohibition in the early 20th century further prevented the growth of a wine industry; **Nova Scotia** was dry from **1916 to 1930** and **Prince Edward Island** from **1901 to 1948**.

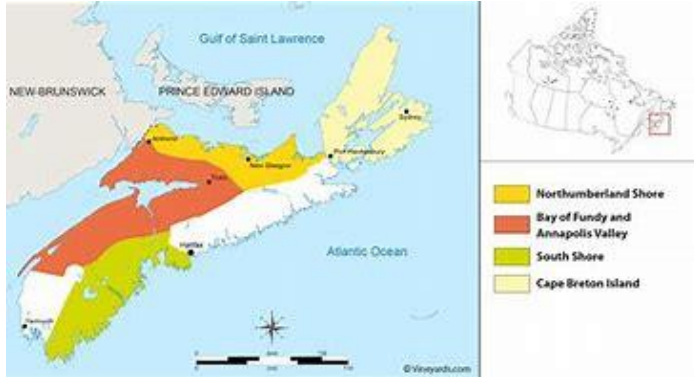
Today's Atlantic wine industry can be traced to the **1972** arrival of hybrid cutting **V.53261**. Developed in 1953 in Ontario, V.53261 was christened with a name based on its new home: **L'Acadie Blanc** (sometimes referred to as L'Acadie). In **1977**, Grand Pré (now Domaine de Grand Pré) became the Maritimes' first grape winery.



The **Nova Scotia Wine Standards Regulations** govern the basic standards of grape growing and winemaking in the province. The Winery Association of Nova Scotia, created in 2002, and the Grape Growers Association of Nova Scotia together represent the interests of the industry.

Elsewhere in Atlantic Canada, Prince Edward Island established its first winery – Rossignol Estate Winery – in **1994** and today has a small cottage industry. New Brunswick has been developing an industry since 2000. There are now almost a dozen grape-based wineries, with Minnesota hybrids like Marquette, Sabrevois, and Frontenac playing a leading role. Newfoundland is in an experimental stage with very limited production.

Climate & Topography



Nova Scotia has been able to succeed with a small wine industry due to the micro-climates created by its unique topography. Viticulture is centred in the fertile **Bay of Fundy** area, particularly in the **Annapolis Valley** and neighbouring Gaspereau and Bear River Valleys where the average Growing Degree Days is 1,000. These valleys rest in a **modest rain shadow** of the North Mountain Ridge that helps to protect them from prevailing

winds. On the other side, the fast, high tides of the **Bay of Fundy generate airflow** that reduces the late- and early-onset of frost. Further to the north, the shallow **Northumberland Strait** generates sufficient heat to lengthen the growing season on both the Nova Scotia and Prince Edward Island shores. New Brunswick is less moderated by open seas and experiences a shorter grower season with colder winters.

Viticulture & Winemaking

The short growing season of the Atlantic Provinces means that early ripening *vinifera* varieties Pinot Noir, Chardonnay, and Riesling are achieving some success in Nova Scotia. Hybrid vines are more prevalent, such as Maréchal Foch and Seyval Blanc, and in New Brunswick in particular, Marquette and Frontenac. However, it is **L'Acadie Blanc** that is the region's signature variety. A hybrid of many species, L'Acadie traces its *vinifera* lineage to Spain's Pedro Ximénez. The resulting wine has the sweet aromas of PX combined with a refreshing acidity akin to a Sauvignon Blanc.



Nova Scotia winemakers are permitted to blend up to 15% grapes from other provinces. However, to be labeled as a "Wine of Nova Scotia" grapes must be 100% provincially grown. Minimum brix (grape sugar) levels are 15°, resulting in wines that are typically light in body with refreshing acidity; well suited for a growing **sparkling wine** industry for which the region has come to become well known.

Nova Scotia's first appellation is not for a region but for a wine style. Launched in 2012, **Tidal Bay** is a white wine that can be a blend of permitted varietals (e.g. L'Acadie, Seyval Blanc, and Vidal) that are 100% Nova Scotian-grown. The wines should be light bodied with crisp acidity and green fruit character with a maximum 11% alcohol – and are designed to match with Nova Scotian seafood!



Canadian Wine Industry & Trade Structure

Consumption of Canadian Wine

As shown in the chart below, only 7.3% of the wine Canadians drink is VQA. Our main wine producing provinces are doing better, led by BC at 17%, then Ontario at 11%. But in the important Quebec, with the highest wine consumption in Canada, VQA is less than 1% of the market. Even in wine savvy Alberta, with its private retailing environment, VQA wine is only 3.5% of the market.

So, although VQA sales are increasing nicely every year, it is safe to say that Canada still has a long way to go before VQA wine becomes the number one wine sold in its home country. At that, it is doubtful that Canada will ever make enough VQA for it to attain that goal. Expanding VQA regulation into Québec and Atlantic Canada will help, as will the addition of more VQA wine in BC and Ontario. But how much more land is available for new planting?

The best chance to grow VQA would seem to be divert some of the Canadian content going into International-Domestic Blends. But could that wine find as large a market if prices can't be kept at that magic \$10 level?

Region	VQA Sales by Volume (L)	VQA Market Share	Non-VQA Sales by Volume (L)	Non-VQA Market Share
Canada	33.9 million litres	7.3%	117.7 million litres	24.7%
BC	12.6 million litres	17.8%	24.6 million litres	34.6%
Alberta	1.6 million litres	3.5%	10.6 million litres	23.8%
Saskatchewan	310,000 litres	4.5%	3.1 million litres	45.1%
Manitoba	304,000 litres	2.8%	3.4 million litres	31.3%
Ontario	18.5 million litres	11.3%	51.7 million litres	31.6%
Quebec	311,000 litres	0.2%	17.6 million litres	11.2%
New Brunswick	59,000 litres	0.9%	1.8 million litres	30.1%

- Statistics for other provinces and territories pending at the time of publication

Production

While viticulture in Canada is confined to seven provinces, on the production side there are many different sources that contribute to the Canadian wine economy:

- **Grape Growers:** More than 1,700 vineyards are planted across the country. The majority own small- to mid-sized properties but do not have the capacity or capital to produce their own wine. As such, they sell their crop to either one or several wineries. Provincial associations help to act on the behalf of grower members to promote such elements as fair pricing and varietal selection;

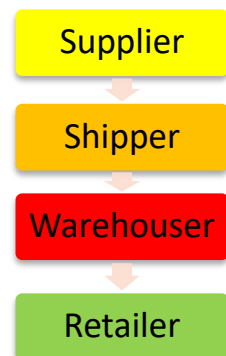
- **Land-Based Wineries:** These are typically small wineries that source most or all their grapes from vineyards they own. This provides the producer with control over the winemaking process;
- **Commercial Wineries:** These are typically larger producers that own some vineyards but will also buy in grapes from growers with whom they have a contract. Producers who submit a wine for VQA approval must provide proof of purchase that the grapes used were sourced from a grower within the specified geographical indication. Wineries that produce wines made from domestic and/or imported grapes require a separate license;
- **Contract Wineries:** Often referred to as a **custom crush facility**, a contract winery is a winery that has equipment and space which is offered to another company. Contract wineries enable companies to produce wine without the heavy capital investment involved in building a winery or provide a short-term winemaking facility for start-up wineries. A contract winery may offer their services to supplement their own winery business or be largely dedicated to other producers;
- **Home Winemakers:** Small-scale producers that provide a winemaking service for personal consumption. These producers are found in each province and territory and use imported grapes, must, or finished wine according to the customer's taste. These types of producers are sometimes colloquially referred to as U-Brews.

Distribution

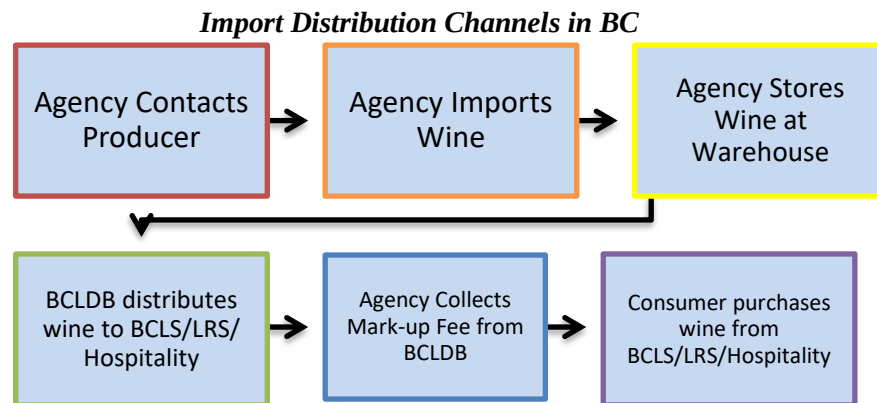
Whether a wine is made in Canada or is imported, each province and territory manage their own distribution system. As a result, distribution of a wine brand in Canada can pose many challenges. For example, each wine brand must be approved by each provincial liquor board (**except Alberta**), which can result in a wine being listed in one province but not in another. Also, some provinces do not permit the private importation of wines from other provinces, including those made by a Canadian winery. These regulations also mean that an agency cannot fulfill an order in one province (e.g. British Columbia) with stock from another province (e.g. Alberta) without first passing through the liquor board. As of 2018, only BC, Manitoba, and Nova Scotia permit inter-provincial shipping of Canadian-made wine.

An example of three provincial distribution systems is detailed below:

- **Alberta** - The agency is responsible for importing and marketing a wine in the province but is not responsible for the distribution of wine. All wines and other alcoholic beverages coming in to Alberta are distributed through **one warehouse**: Connect Logistics. An agency fulfills orders from retailers and licensees, but deliveries are made through Connect Logistics. The diagram to the right portrays how wines arrive from out of province and reach consumers in Alberta, with the agency acting as a liaison at each level. Outside of collecting taxes and duties, the Alberta provincial government is **not involved** in the wine importation and distribution process;

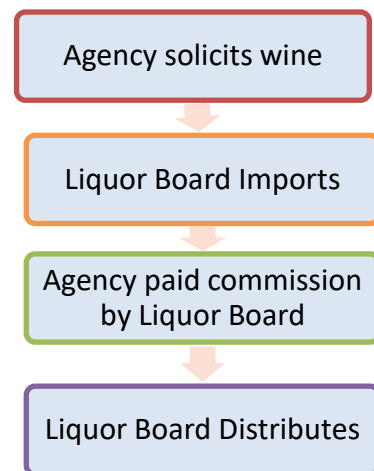


- British Columbia** - For imported wines an agency will typically solicit orders from the liquor board, BCLDB. If the government buyer does not place an order, the agency can import the wine and sell it to private retailers and restaurants. Either way, the agency orders the wines from the supplier and pays the supplier directly. A private retailer or licensee orders the imported wines through the liquor board. The wines are then distributed from one of two distribution centres in the province (Vancouver or Kamloops). In summary, the BCLDB **does not import wine**, but **manages distribution** of all imported wine.



For wines made in British Columbia, a producer may choose to sell to the government liquor stores, through private outlets (LRS, supermarkets/VQA stores, hospitality) or via its own wine club and cellar door. Alternatively, the winery may have an agency handle all sales except cellar door and wine club, leaving the winery to focus on production.

- Ontario/Québec** - For wines imported into Ontario or Québec, the role of the importing agency is a combination of broker and marketer. On the broker side, the agency introduces its supplier to the liquor board, but **it is the liquor board that imports and distributes the wine**. The agency is paid a commission by the supplier. On the marketing side, the agent acts to promote the wines to licensees (and supermarkets in Ontario), but these customers order all wines through the liquor board. This model is followed by all other provinces and territories except BC and Alberta.



In Ontario, domestic wineries with a manufacturer's license may directly ship VQA wines to private, licensee, or supermarket customers. VQA wines and those blended with an international component made by a contract winery must be sold through the liquor board. An exception to this is the shipment of wine by a winery that owns a Winery Retail Store.

Inter-provincial Shipping of Canadian Wine

Until June 2012 it was illegal for Canadians to carry or order to be shipped Canadian wine across provincial boundaries. In that year, a private members bill to remove that federal ban received unanimous assent by Parliament. However, the federal government left it up to the provinces to allow it in their jurisdictions. Manitoba, BC, and Nova Scotia were the first to agree to interprovincial shipping of Canadian wine for personal consumption. Ontario and Québec ratified an agreement in 2016.



In 2018 a bid to allow direct shipping among all provinces was turned down by the Supreme Court of Canada, leaving each province with its own set of regulations relating to inter-provincial shipping of wine for personal use. Provincial premiers have continued discussions on the issue, however there is strong lobbying by the Canadian Vintners Association and the grassroots consumer movement called Free My Grapes for open direct to consumer shipment of Canadian wine.

Agencies

An **agency** is a company that act as the local marketers for domestic and imported wines. Due to the fragmented nature of provincial legislation, relatively few agencies have nation-wide distribution. Many agencies instead focus on regional distribution, such as Western Canada, while smaller agencies will focus on just one province. This structure requires a producer to work with several agencies to have a market presence in each province. Agencies are not always the direct importer of a wine as some liquor boards act as the importer and pay the representing agency accordingly.

Key agency players in Canada include:

- **Arterra Wines Canada** – The merger of Ontario-based wineries Inniskillin and Jackson-Triggs in 1994 created **Vincor**: one of the most successful wine companies in Canadian history. From 2000, Vincor became the first Canadian-based wine company to expand its interests internationally by acquiring wineries in New Zealand, the United States, and South Africa. These Vincor properties were bought out by Constellation Brands in 2006. Ten years later, the Canadian portfolio of estates was divested and is currently known as Arterra Wines Canada. Today, Jackson-Triggs and Inniskillin operate wineries in both BC and Ontario, with Sumac Ridge and See Ya Later Ranch from BC also part of their portfolio;



- Andrew Peller Ltd.:** Andrew Peller Ltd. traces its origins back to 1961 when Andrés Peller opened his first winery in Port Moody, BC. The company's early success is largely attributed to a brand called **Baby Duck** that was launched in 1971 and became one of the best-selling wines in Canada. Through the course of the next twenty years, the company continued to grow its national portfolio by establishing commercial winemaking facilities in other provinces before eventually establishing Peller Estates Winery in Niagara-on-the-Lake in 2001. Today, the Andrew Peller Ltd. portfolio includes such brands as Peller Estates, Trius Winery (formerly Hillebrand), and Thirty Bench in Ontario and Sandhill, Calona, and Red Rooster in British Columbia. In 2017, it purchased Tinhorn Creek, Black Hills, and Gray Monk in BC. The company's import agency also manages international brands throughout Canada;
 
- Mark Anthony Brands:** Mark Anthony Brands began as a Vancouver-based wine importer in 1972 and today is still a family-run business under founder Anthony von Mandl. Mission Hill is the flagship domestic wine in its portfolio, along with stablemates Martin's Lane, Checkmate, and CedarCreek in British Columbia, and Mike Weir Wine and Stoney Ridge Estate in Ontario. Mark Anthony Brands also has an import division representing wineries from many classic regions.
 


Imports

Canada is one of the world's largest and most important import markets, ranking **fifth** in wine imports by value. The **USA, France, and Italy** are the top 3 sources of wine coming in to Canada, each with about a 20% share of the market. Australia, Spain, Chile, New Zealand, and Argentina are also important sources. Some countries will perform differently in provincial markets. For example, France represents about 30% of the market share in Quebec but has a much smaller share in Ontario and in western provinces.

Exports

Canada is a **small exporter** of wine, representing just 0.3% of global value and 0.1% of global volume. Much of the country's reputation is based on the success of icewine, but a growing number of countries are importing dry wines from Canada. **China** and the **USA** are Canada's largest export markets, and account for 2/3 of total wine exports. Other Asian (Taiwan, South Korea, Hong Kong) and European (UK, Germany) markets are also important.

While domestic consumption remains very small, icewines are a driving force for Canadian wine exports. Depending on the year, around 2/3 of the world's icewine comes from Canada. As quantities are very small but yield a commanding price, icewine accounts for **56% of total export value** – but just 18% of export volume.

Provincial Liquor Boards

Each of Canada's provinces and territories has its own liquor board that oversees the distribution and sale of alcohol. In some provinces, retail sales of alcohol are only permitted through government-owned liquor stores. In others, government and privately-owned liquor stores co-exist in the market. Alberta is the only province where the retail sale of alcohol is entirely private. The following section summarises how each province manages the distribution and sale of alcohol.

Alberta

Alberta became the first – and currently only – province to fully privatize alcohol retailing in 1993. The Alberta Gaming and Liquor Commission (AGLC) is responsible for regulating the industry and issuing licenses but is not involved in the distribution process. The key countries supplying Alberta are the United States, Canada, and Italy.



British Columbia

British Columbia has a complex wine distribution system that combines **both public and private channels** that have undergone recent changes. The publicly-operated British Columbia Liquor Distribution Branch (**BCLDB**) is responsible for the distribution of all wines imported into the province (including those from other provinces). The BC government also operates close to 200 retail British Columbia Liquor Stores (BCLS).



Private retailers such as Licensee Retail Stores (LRS), supermarkets, and a dozen independent wine stores also operate in the province. These outlets are permitted to sell wines that are not available at a BCLS. These wines are categorised as “Speculative Listings,” and provide private retailers with the opportunity to offer a unique product. While LRS and independent wine stores can sell both domestic and imported wines, supermarkets were first only permitted to carry BC VQA wines. As a result of the new North American trade agreement, however, this is expected to change.

Canadian Wine (BC VQA and domestic-international blends) is the leading wine category in British Columbia followed by wines from the United States and Australia.

Manitoba

Both government and private retail options exist in Manitoba. The Manitoba Liquor & Lotteries Commission (**MLLC**) is charged with the regulation, distribution, and sale of alcoholic beverages in the province. On the retail side of its responsibilities, the MLLC manages more than 225 retail outlets. Eight private retail locations are found in Winnipeg.



New Brunswick

Alcool New Brunswick Liquor (**ANBL**) manages the purchase, importation, distribution, and retail sale of alcoholic beverages through more than 100 retail outlets. As recently as 2017, New Brunswick has permitted **limited private** retail alcohol sales in some supermarkets.



Newfoundland & Labrador

The importation, sale, and distribution of alcoholic beverages in Newfoundland and Labrador is **entirely controlled** by the Newfoundland Labrador Liquor Corporation (NLLC).



Northwest Territories

The Northwest Territories Liquor Commission (**NWTLC**) imports, distributes and retails **all alcohol** in the territory through nine contracted retail and warehouse outlets.

Nova Scotia

Nova Scotia has **both government- and privately-managed** retail sales outlets for wines. The Nova Scotia Liquor Corporation (**NSLC**) itself operates more than 150 retail outlets. Four Private Wine and Specialty Stores (**PWSS**) operate retail stores. Nova Scotia wineries may sell through either the NSLC or PWSS channels as well as through their own cellar doors.



Nunavut

The Nunavut Liquor Commission (**NLC**) operates the distribution and sale of **all alcoholic** beverages through a warehouse in each Iqaluit and Rankin Inlet.

Ontario

The Liquor Control Board of Ontario (**LCBO**) is one of the **world's largest purchasers of wine** and is responsible for the importation, distribution, and sale of most alcoholic beverages in the province. The LCBO has more than 850 retail locations throughout the province. Select LCBO stores have a Vintages section devoted to premium wines which provide a retail outlet for smaller volume, specially selected product. An on-line ordering website was introduced in 2016 with 5,000 products listed and is set to increase to 16,000.



Further to the LCBO stores, **limited private retail** options exist in Ontario. Just under 500 Winery Retail Stores (WRS) are owned by large wineries through which they may sell direct to the consumer the various wine brands in their portfolio. As of 2016, some have begun to sell other

VQA wines. Arterra-owned **Wine Rack** is the largest private operator in Ontario. Other private wine retailers include **The Wine Shop** (Andrew Peller brands) and Lake Erie North Shore-based **Colio**. Winery Retail Stores operate as stand-alone stores whether as a street-front retailer or within a supermarket.

As of 2016, a limited number of supermarkets have been licensed to sell wines in their aisles. Unlike the BC model, however, Ontario supermarkets are permitted to carry both domestic and imported wines. The number will increase annually through 2022.

Ontarians have **the third highest per capita** consumption of wine in Canada at around 30% of total alcohol sales. Canada, Italy, and USA are the top supplying countries of wine to Ontario.

Prince Edward Island

The importation, distribution, and sale of wine and other alcoholic beverages are **controlled** by the Prince Edward Island Liquor Control Commission (**PEILCC**), with twenty outlets in the province.



Québec

Along with Ontario's LCBO, the Société des alcools du Québec (**SAQ**) is one of the world's largest purchasers of wine and operates more than 800 outlets and agencies. Québec became the first province to introduce **limited private retail** options for alcohol for grocery stores in 1978. However, even today grocery stores and licensees must purchase their products through the SAQ.



Québec is Canada's **largest per capita** consumer of wine, accounting for 43% of alcohol sales in the province. France and Italy represent by far the largest proportion of wine sales in the province with a combined 53% of total sales.

Saskatchewan

From 2009, Saskatchewan **permitted both government and private** retail sales channels. The Saskatchewan Liquor & Gaming Authority (**SGLA**) is responsible for the importation, distribution, and sale of alcohol in the province. Among the more than 250 SGLA retail outlets, more than 60 private wine store licenses that have been issued.



Yukon

The sale of wine in the Yukon is **entirely controlled** by the Yukon Liquor Corporation (**YLC**). It operates six retail stores through its central warehouse in Whitehorse.



Professional Associations

National

Canadian Vintners Association

The Canadian Vintners Association (CVA) was formed in 1967 as the Canadian Wine Institute to represent the national voice of the Canadian wine industry. Renamed in 2000, the seventy-five plus members of the CVA represent 90% of total annual Canadian wine output and includes wineries and associations in the main wine-producing provinces. The CVA, however, does not regulate national wine laws such as VQA or distribution.



National Wine Awards of Canada

Founded in 2001 as the Canadian Wine Awards by Wine Access magazine, this annual awards program for 100% Canadian wines was re-named the National Wine Awards of Canada in 2012. Judging is held each June, involving wine writers, educators, and sommeliers (not winemakers) from several provinces and guest judges from the UK and the USA. The NWAC name a Winery of the Year, Best Small Winery of the Year (under 10,000 cases) and publish a list of the Top 25 Performing Wineries at www.winealign.com.



British Columbia

British Columbia Wine Institute

The BCWI was created in 1990 to oversee the development of the VQA programme in British Columbia. In 2006, the BCWI branched off as a separate body to focus as a promotional trade association.



British Columbia Wine Grape Council

As part of the 2006 division of the BCWI, the British Columbia Wine Grape Council was created to take over the task of research and development within the wine grape industry.

British Columbia Grapegrowers' Association

The BCGA is a voluntary, non-profit organisation that represents the interests of grape growers in the province.

Ontario

Grape Growers of Ontario

The Grape Growers of Ontario is the official voice of more than 500 grape growers in the province.

The organisation grew from the 1947 Grape Growers Marketing Board and membership is mandatory for anyone growing grapes for commercial purposes.



Ontario Grape & Wine Research Incorporated (OGWRI)

The OGWRI is tasked with funding industry research to promote the growth of the wine industry in Ontario.

Winery & Grower Alliance of Ontario (WGAO)

The WGAO is an organisation that acts on behalf of members that incorporates both grape growers and wine producers to advance the interests of the Ontario wine industry.

Wine Council of Ontario (WCO)

Beginning in 1974 with just eight members, the WCO now represents more than 100 members from across the province and works in co-ordination with other industry bodies. Through the *Wine Country Ontario* brand, the WCO engages consumers and media in marketing initiatives.



Other Provinces

Conseil des Vins du Québec

In 2018 the Conseil des Vins du Québec replaced a previous body to promote the interests of Québec grape growers and winemakers.



Winery Association of Nova Scotia

The Winery Association of Nova Scotia (WANS) is a membership organisation created in 2002 to represent the interests of wine producers and grape growers in the province.



Social Responsibility

As a controlled substance, Canada has had a long history of managing the socially responsible means of consuming alcoholic beverages – including wine. Each province and territory has its own set of laws and guidelines governing various aspects of wine consumption but some common themes do appear such as:

- **Legal Drinking Age (LDA):** The minimum age at which a person may legally purchase alcohol. The minimum ages by province/territory are:
 - **18:** Alberta, Manitoba, and Québec
 - **19:** All other provinces and all three territories
- **Blood Alcohol Concentration (BAC):** It is a criminal offence in Canada to drive with a level of 80mg of alcohol per 100ml of blood. At BAC levels of 50mg (0.05), a driver is subject to fines imposed by provincial traffic laws but is not criminally intoxicated.
- **Social Reference Price (SRP):** A minimum price at which alcohol may be sold with each provincial and territorial government setting its own SRP.
- **Healthy Consumption:** A standard alcoholic drink in Canada contains 13.6mg of alcohol. As it applies to wine, a standard glass of wine is **142ml (5oz) at 12% alcohol**. This is lower than most standard pours at restaurants which typically range between 170ml (6oz) to 255ml (9oz) with most wine being between 12.5% and 15% alcohol. The recommended daily amount is:
 - **Men:** 15 drinks per week with no more than 3 drinks per day
 - **Women:** 10 drinks per week with no more than 2 drinks per day

Appendix i

Canadian Consumption Patterns

From the Canadian Centre for Substance Abuse, and an Ipsos Marketing Survey 2014-2016

Alcohol Consumption in Canada

76% over 26 years of age drink alcohol

82% from 19 to 24 years of age drink alcohol

60% underage drink alcohol

37% are “risky” drinkers

Wine Consumption Patterns

61% is consumed with meals

18% is consumed while grazing

84% stop after 2 glasses

16% continue after 2 glasses, staying with wine 64% of the time

Appendix ii

Average Growing Degree Days in Canadian Wine Regions

Wine Region	Growing Degree Days
St. David's Bench	1,637
Lillooet	1,624
Niagara River	1,606
Niagara-on-the-Lake	1,597
South Islands	1,592
Niagara Peninsula	1,590
Beamsville Bench	1,588
Niagara Escarpment	1,583
Four Mile Creek	1,582
Black Sage Bench/Osoyoos	1,566
Niagara Lakeshore	1,563
Short Hills Bench	1,561
Creek Shores	1,550
Lincoln Lakeshore	1,527
Twenty Mile Bench	1,523
Lake Erie North Shore	1,515
Oliver/Golden Mile Bench	1,484
Vinemount Ridge	1,469
Okanagan Falls	1,407
Thompson Valley	1,402
Okanagan Valley	1,380
Prince Edward County	1,366
Similkameen Valley	1,360
Naramata Bench/ Skaha Bench/Penticton/Summerland	1,290
Kootenays	1,222
Kelowna/Lake Country	1,200
Eastern Townships	1,200
Shuswap	1,121
Gulf Islands	1,050
Vancouver Island	1,025
Bay of Fundy/Annapolis Valley	1,000
Fraser Valley	978

Tasting Notes

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