
Concord Grape Belt Heritage Association Newsletter



THE OLDEST AND LARGEST CONCORD GRAPE REGION

SPECIAL INSERT

The Concord Grape Heritage Association is pleased to present this special insert to the Association newsletter. The following article, by Duncan Hilchey, is of widespread interest to those who are trying to add value to their Concord grape crop.

Duncan welcomes your questions and comments. He can be reached via e-mail at dlh3@cornell.edu.

Making More Money in the Concord Grape Belt by Adding Value and Diversifying (Part 1 of a Series)

By Duncan Hilchey, Community, Food, and Agriculture Program (Department of Development Sociology), Cornell University

These are challenging times in the Grape Belt. Weather, prices, competition, and changing consumer taste are all having an effect on grower sales and profitability. Of course, we all know these are issues that farmers around the world must deal with every year, but things just seem particularly hard these days for Concord Grape Growers in New York and Pennsylvania, and there's a growing sense that these difficulties may be a continuing trend.

The current situation in the Concord Grape Belt forces growers to focus on some tough issues about how to respond and where to go from here. You could be asking yourself a lot of questions: "Should I stay the course and tough things out for a while? Can I reduce costs? Is there a management strategy or technology I can afford that will help me be more efficient, productive, and profitable? What about getting bigger and spreading my fixed costs over a larger production base? Should I get into a

completely different farm enterprise? Perhaps I should get smaller or get out of farming altogether?" These are all legitimate questions, and the answers to which will depend on your financial position and the level of risk you can afford, your personal and family goals, your entrepreneurial skills, and other factors.

Change is *not* necessary for everyone, but in a series of brief articles I'd like to share with you a few ideas for coping in these difficult times by **diversifying** and **adding value** to your product. For the sake of simplicity I have broken these opportunities into two general categories: those opportunities that involve grapes directly (such as on-farm processed grape products) and those which don't (such as agritourism). These general categories are further subdivided into those enterprises which are sidelines (part-time) and those which are mainline enterprise (closer to full-time) (see Figure 1). In this first article I will briefly outline some sideline enterprises that involve concord grapes.

Figure 1.	Sideline	Mainline
Use Grapes	Juicery	Organic Grapes
Doesn't Use Grapes	Agritourism	Alternative Fruits

Sideline Opportunities for Value-Adding and Diversification

One of the most tempting strategies to generate extra income is to add value to your grapes on the farm or through a licensed processing facility. As an outsider to the Concord Grape Belt who has looked high and low, I can tell you that there are remarkable few specialty grape products in retail stores in the Concord Grape Belt. There are a few gourmet jams and jellies for sale in wineries, but I believe there's a lot more room for a variety of processed specialty

products. Here are some things I'd love to buy that could be produced as a sideline enterprise:

- Concord grape raisins
- Chocolate-covered raisins
- Grape vinegars
- Vinaigrettes
- Varietal grape jams
- Ready-made grape pie fillings
- Dressings
- Chutneys
- Stuffed Grape Leaves (although I understand Concord grapes are not well suited for this)
- Grape seed oil (herb infused oil, too)
- Grape soda, waters, beers, and teas

Imagine tourists being able to stop at any store — convenience or gourmet food shop — for grape-related food items to take home and share as gifts! It builds on the heritage and strength of this area and becomes an ever-widening market.

To make many of the products listed above growers are likely required to have a food processing establishment license (called 20-C) from the N.Y.S. Department of Agriculture and Markets, Division of Food Safety Inspection (the Buffalo Regional Office can be reached at (716) 847-3185). As a general rule, any product that requires acidification (e.g., the addition of vinegar) or that is classified as potentially hazardous needs to have a "process approval" and be produced in a licensed and inspected kitchen. Jams and jellies made from fruit are a possible exception, as they are permitted to be processed in a home kitchen if no commercial equipment is used and adequate hygienic conditions are maintained.

One of the keys to success with these types of products is not to lose sight of the goal: to generate extra profit. Sales are not difficult to generate, but profit can be. This may sound strange, but you can put too much "love" into your product. All too often small-scale processors put more effort into production than the market is willing to pay for. The result is that you subsidize the product with your labor. Consider having another, more experienced business process your grapes so that you can spend time on sales and marketing. There are co-packers and private labelers in Western N.Y. who can process and package your raw product (see sources of assistance). If demand for the product outgrows your capacity to produce it,

you could collaborate with a bigger processing business in the form of a partnership or joint venture. If you want to process on your own and are not permitted to do this in your home kitchen, consider renting a licensed kitchen somewhere else in the community, such as a restaurant, VFW, Grange Hall, or church kitchen.

Farmers' markets and festivals are the best place to start selling these products since you can get feedback directly from customers, and develop an immediate cash flow at reasonably low cost and low risk.

Juiceries

Another of the sideline enterprises I'd love to see in the Concord Grape Belt are "juiceries." A juicery may sound like a processing factory or a fancy winery—but it is both and neither at the same time. A juicery can be a standalone unit or part of an existing operation like a winery. In its simplest form it is a small roadside juice stand. To my knowledge we have no juiceries in the Concord Grape Belt, but they are common in other fruit-growing regions, like the Indian River citrus district in Florida or various apple-growing areas around the county (think of cider mills). I also found a juice stand in the shape of a giant red cherry in the Tart Cherry region of the Mission Peninsula of Michigan. Some possible "fresh grape juice" products include super-premium fresh crush (not from concentrate; NFC), varietal juices blends (Concord, Niagara, Catawba, etc.) or a Labrusca blend. How about organic juice? For customers who visit the stand and want to cut back the sweetness or foxiness, you can offer a shot of soda water. Juiceries are a seasonal business, but touting these nutrient-dense juices as part of a healthy lifestyle will resonate with local consumers as well as tourists.

There are a number of options for processing: you can process "on the fly" (like juice bars at the mall) or you can process the juice before opening up the stand in the morning and keep the product ice-cold until served. The equipment for crushing grapes ranges from simple hand crank presses (at a cost of a few hundred dollars) to automated hydraulic presses (that can reach \$20,000 or more). There are a number of critical control points that food inspectors will be concerned about, especially cleanliness of the juice press and the

temperature at which stored juice is kept. Unlike processed products like the ones I described earlier, juiceries will likely come under the jurisdiction of the local health department. Because the juice is being consumed on the spot and is not processed in a take-home container, a juicery is inspected like a restaurant or caterer. If the juicery offers both on-premises and take-away consumption, then who provides the licensing and inspection (state or county/city) becomes a little less clear. If your intent is to sell packaged refrigerated juice to other distributors in addition to direct to consumers, the processor will need to comply with FDA juice HACCP regulations. In any case, you can start with a call to your local health department to find out who will be responsible for inspecting your stand and what their requirements are. Do expect a lukewarm response, at least initially, to setting up your juice business. Food safety or environmental health inspectors are often hesitant to authorize a licensing food enterprise they are not familiar with or where there is no precedent. This resistance can usually be overcome by patiently providing information to the inspector, sharing examples from similar businesses, and carefully following inspectors' suggestions in terms of the processing and layout of facilities. I recommend visiting cider mills, sugar houses, and wineries to get ideas and inspiration. Beware of the classic small-scale food processor mistake: family and friends are *not* good judges of the quality or potential success of your product. They want you to succeed and thus tend to tell you what you want to hear.

Certified Concord Grape Belt Heritage Products

One of the strategies we are working on in the Concord Grape Belt Heritage Association is the development of a "Certified Heritage Products Label." The way this could work is that the Heritage Association licenses a special trademark logo to qualifying products that are certified to have ingredients mostly grown and processed in the Concord Grape Belt. Certifying the "provenance" of these products assures consumers that this product is special and comes uniquely from the Lake Erie Concord Grape Belt Heritage Area. This is especially important to visitors to the region looking for specialty foods to sample or take home. We'll have more information on certified heritage labeling, our "Culinary Bounty" program, and the

concept of "gout de terroir" (a taste of place) in the future.

Tools and Sources of Help

It should be noted that all these enterprises come with risk. The best time to start a new enterprise is when your operation and your family finances are already in pretty good shape. Taking risk when your business and personal finances are shaky can make them go from bad to worse. Consult your insurance agent, banker, Extension educators, or other business advisors before taking on additional debt. Tools and materials listed at the end of this article are available through your county's Cooperative Extension office.

Final Word on Value-Adding

With the weather warming and the skies clearing this spring, I find myself daydreaming about lazily sitting back in a patio chair overlooking a vineyard on a hot, hazy afternoon while sipping a sparkling grape juice on ice (with a sprig of mint) and enjoying the flavor of a chicken sandwich on artisan bread. Ah, but agritourism is the subject for the next article in this series on value-adding and diversification.

In the meantime...think big and be practical, and e-mail me or give me a call if you have any business ideas you'd like to chat about, at dlh3@cornell.edu or (607) 255-4413.

Resources

“Value-Adding for Sustainability” and
“Farming Alternatives: A Guide to Evaluating the Feasibility of New Farm-Based Enterprises” are
available through the Community, Food, and Agriculture Program (CFAP): Gretchen Gilbert, 607/255-
9832; gcg4@cornell.edu

Technical Assistance

N.Y.S. Department of Agriculture and Markets, Division of Food Safety Inspection (the Buffalo Regional
Office can be reached at (716) 847-3185).

Northeast Center for Food Entrepreneurship

Phone: (315) 787.2273

E-mail: necfe@nysaes.cornell.edu

Web: www.nysaes.cornell.edu/necfe

FDA Juice HACCP website

www.cfsan.fda.gov/~comm/haccpju.html

NYS Small-Scale Food Processing Association

<http://www.nyssfpa.com/>

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