



Intercollegiate Wine Business Invitational

Presentation by Tia Elder



The Competition

The Linfield team of seven students competed against 17 teams from Washington State University, Michigan State University, Penn State University, Florida International University, Cal Poly-San Luis Obispo, and the University of Houston.

The competition was based upon crafting a wine brand that was supported through:

- ❑ A comprehensive business plan, including all
- ❑ Licensing standards,
- ❑ A financial cost of goods,
- ❑ A marketing and sales strategy, and
- ❑ A wine label meeting all federal and state regulations.

Company Name and Logo

*Cultivar[®]
Cellars*

Wine Snapshot

Wine name: Odd One Out

Variety: Gamay Noir

Case Production Goal: 10,000

Grapes: Purchased by the Ton, 167 tons needed

MSRP Retail Price: \$38.25



Company Personnel

Tia Elder, CEO

Patrick McKee,
Winemaker

Erin Burns,
Production

Ryan Clark,
Business Director

Cami Reuter, Marketing
and Sales

Max Bonda, Brand
Development

Lily Hanridge,
Marketing and Sale

Hanna Bingham,
Consultant

Business Plan

Mission Statement:

As third generation vignerons, we strive to create a high-quality wine product that is made from responsible farming and production practices, providing wine consumers a unique and lasting experience. We bring a new world perspective to honor Gamay Noir, a once forgotten cultivar from the old world. With Portland Oregon's mantra, "keep Portland weird" at the heart of our mission, our wine and company culture empowers wine consumers everywhere to celebrate their individuality, quirks, and characteristics that shape their identities—by being and experiencing the Odd One Out. And where else but Portland would there be a strong cult following of Gamay Noir!

Business Plan

Vision:

Cultivar Cellars' vision is to create wines that allow wine aficionados everywhere to celebrate their own unique sense of place.

Business Plan

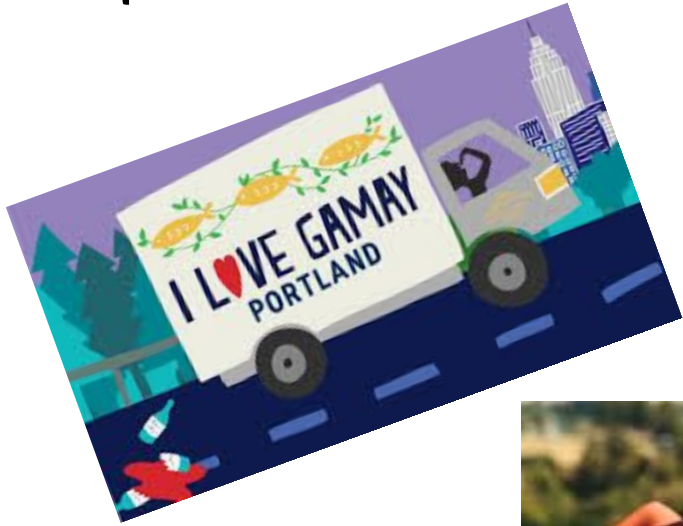
Goals:

- ❑ Cultivar Cellar's goal is to infuse the world of wine with our quirky culture and bring our diverse perspective to the wine consumer. The Oregon market is a hotbed for Gamay Noir and we plan to leverage our experience and learning here to scale the company.
- ❑ Focus is primarily on direct-to-consumer sales through the tasting room and expanding our consumer base to encompass an increasingly more diverse audience experiencing our wine.
- ❑ Above all, we want to develop a sustainable enterprise so the next generation of Cultivar Cellars winemakers will have the resources they need to be successful.

Inspiration

- ❑ A variety once banned from Burgundy
- ❑ Suited to the climate and soils of the Willamette Valley
- ❑ Opportunity to be a niche producer of Gamay in a region known for Pinot Noir, Chardonnay, and Pinot Gris
- ❑ We felt that Portland's mantra of "Keep Portland Weird" was a perfect place to bring our unique and quirky philosophies to life, and to wine
- ❑ We resonated with the history behind Gamay Noir in relation to our own lives, which inspired us to create a product that celebrates the imperfections and quirks of individuals, and thus our Odd One Out Gamay Noir was born

Inspiration



Winery and Tasting Room

- ❑ Cultivar Cellars produces wine in our urban winery and sells it primarily in our experiential tasting room located in Portland, Oregon.
- ❑ Being located in Portland, sustainable practices will be more affordable, recognized, and rewarded with a more abundant and passionate clientele.
- ❑ Cultivar Cellars will produce wine in a low impact and ethical manner and make use of used and revitalized equipment in an effort to limit waste.
- ❑ Wine treatments will also be minimized with native yeast fermentations, minimal sulfur additions and no fining or filtration before bottling to allow the natural of expression of Gamay Noir to shine.
- ❑ Cultivar Cellars will pursue LEED certification to be transparent and forward thinking when it comes to doing our part as environmental stewards.
- ❑ Our urban winery has a maximum case production of 18,000 cases per year and onsite case storage, allowing us to grow to meet our future goals.

Wine Making

- ❑ Our Gamay Noir is produced using whole cluster carbonic maceration practices in 3-ton old French Foudre barrels.
- ❑ Natural yeast is used with no inoculation from non-local yeasts.
- ❑ Fermentation takes around 21 days to be completed and then the grapes are pressed gently in a manual controlled basket press.
- ❑ The free run is then barreled in old oak separately from the pressed juice.
- ❑ Once in barrel the wine settles for 6 months until it is bottled using a mobile bottling truck.
- ❑ This method of production creates a wine that is youthful, yet age worthy, layered, and unique.
- ❑ This style is a blend of the old world with a new world twist and highlights Cultivar Cellar's commitment to be the "Odd One Out."

Wine Label

Front
Label



Back
Label



Wine Label

Bottle
Mock-Up



Wine Sales Channels

Targeted Percentages

Web Site

5.0%

Mailing List

5.0%

Wine Club

20.0%

3 Tier System

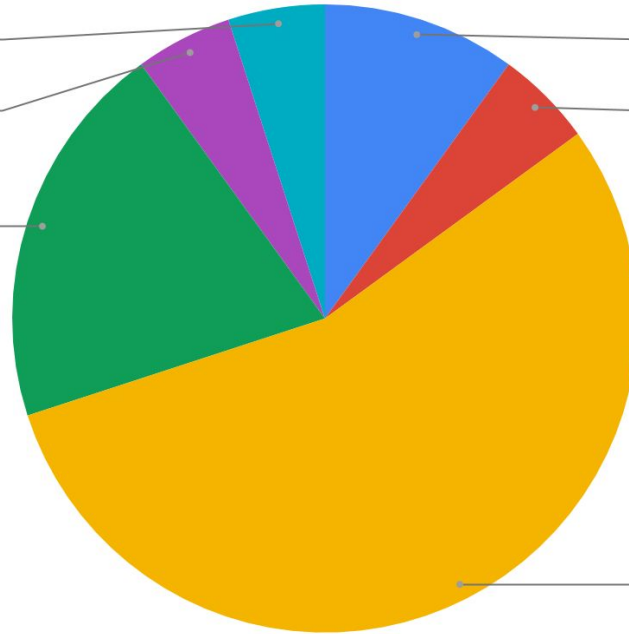
10.0%

In-State Direct to Account

5.0%

Tasting Room

55.0%



Financials - Cost of Finished Goods Breakdown

Category	% of total	\$ per Case	Total Costs/Margin (\$)
Grapes	35.41	32.71	327,066.67
Production	28.15	26.00	259,999.33
Barrel Aging	3.43	3.17	31,713.50
Cellar and Storage	4.49	4.15	41,514.00
Packaging	28.51	26.33	263,350.00
Cost of Finished Goods	100.00	92.36	923,643.50
Gross Margin (FOB)	56.02	117.64	1,176,356.50

Financials - Retail Pricing Forecast

- ❑ Winery FOB/ex-cellars price **\$210.00**
- ❑ Total Winery Revenue for this Wine (FOB times 10,000 case production) **\$2,100,000.00**
- ❑ Distributor Selling Price (freight, landed cost x 1.5 markup to licenced resellers: on-premise and off-premise) **\$31.84**
- ❑ Estimated Retail Shelf Selling Price after 33% Retail Markup (based on a 25% margin) **\$38.11**

Competition Results and Conclusions

Results:

The Linfield team took the top prize for best business plan and overall honorable mention in the 2019 Intercollegiate Wine Business Invitational.

Conclusions:

- ❑ Overall process as a team
- ❑ Reflections on the process
- ❑ Professional preparedness



Cultivar Cellars



ODD ONE OUT

Gamay Noir

2017

WILLAMETTE VALLEY

13.9% ALC