

NEWS

Diamond Estates trailer replaced by new tasting, retail centre

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David Buetel, chairman of the board of Diamond Estates Wines and Spirits, Murray Souter, president and CEO, Niagara-on-the-Lake Lord Mayor Pat Darte, Brae Laufman, retail manager of Lakeview Wine Co. and Meagan Bates, manager of retail operations and marketing, prepare to cut the ribbon for Wednesday's official opening of Lakeview Wine Co., Diamond's new tasting and retail centre on Niagara Stone Road in NOTL. Penny Coles/Niagara Advance

The double-wide trailer selling VQA wines on Niagara Stone Road is no longer, replaced by a modern and elegant cedar and glass tasting centre and retail store with a new name.

Lakeview Wine Co. opened Wednesday in Niagara-on-the-Lake as the "showcase" for all Diamond Estates brands, named after Lakeview Cellars, Diamond's long-standing signature brand, as a nod to the company's roots, said Murray Souter, president and CEO.

While the 30,000-square-foot building seemed to spring up quickly once construction began, with just seven months from ground-breaking to opening, it's been almost a decade in the making.

"It's been a long journey getting here," said Souter as he prepared for the ribbon-cutting.

"We started this process in 2008, and earlier this week, we saw the demise of that temporary trailer that lasted nine years."

But the vision goes back even further, when 19 Niagara grape growers and a winemaker established Niagara Vintners' 20 Bees label in 2006, the first name to grace the trailer. Their goal was to create the first co-operative winery in Canada and produce large quantities of affordable and unpretentious VQA wines with their own grapes.

Their production facility of 43,000 square feet was built on 30 acres of land on Niagara Stone Road, and was only intended to be the first phase, with a retail store to come.

But the co-operative with the grand vision was bankrupt by 2008, almost \$40 million in debt, leaving a wine inventory of about 3.6 million litres in bulk and 21,000 cases of bottled wine, along with several devastated local growers among 162 unsecured creditors.

Diamond Estates Wines and Spirits, already one of the largest sellers of VQA wines in Ontario with several Niagara brands, purchased the defunct winery less than two years after it opened, saying it was committed to carrying on the 20 Bees label and to building a permanent retail and boutique outlet on the property.

The co-op was a “business model that didn’t work out,” Souter said, but some of the original group are still growing grapes for Diamond.

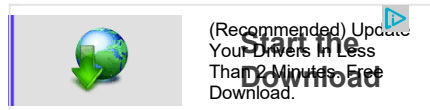
“We buy almost 4,000 tonnes of grapes locally, virtually all from growers in Niagara-on-the-Lake.”

20 Bees, with a good brand, a good product and a good price, continues to be popular with consumers - it’s top in sales for the 90 grocery stores selling wine in Ontario, said Souter. Most of the other brands sold at Lakeview are also made at the Niagara Stone Road facility, and those made off-site are bottled there.

A second expansion is already in the works, he said, which will add another building similar in style to the tasting and retail centre to be used for catered events such as business conferences or weddings, with an outdoor “piazza” attached to a barrel room in front of the production facility.

Once completed it will provide a staging area for bus tours, which will be accommodated under a tent until then, he said.

Diamond Estates is now Ontario’s third largest producer of VQA wines. In addition to 20 Bees, EastDell, Fresh and Lakeview Cellars wines are sold at the retail boutique.



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