

## ***Best-of-Appellation*<sup>™</sup> Evaluation: Seeing the Need, Part I**

### Building Diversity



There's no "typical" North American wine consumer

**A**PPELLATION AMERICA's *Best-of-Appellation*<sup>™</sup> Evaluation Program is designed to repair the chronic disconnect between the structure of the wine industry in the US and Canada, as it has developed through diversification over the last four decades, and our under-developed appreciation of how to effectively market that diversity.

**W**e start by asking the most basic question.

### Consumers: Who drinks wine...and why?

**F**orty years ago the North American wine consumer could pretty well have been categorized according to two utilities to be found in the beverage. In the intervening decades a couple more broad and important utilities have emerged as drivers of consumer interest in wine.

#### **1.) Wine-as-Food**

The *Wine-as-Food* consumer, like his traditional European counterpart, is not knowledgeable or particularly interested in wine, anymore than he gives much thought to bread, vegetables or whatever else hits his plate for sustenance. Wine is just food; a regular part of his diet – in short, a reliable beverage of habit, often derived from ethnic heritage.



The *Wine-as-Food* Consumer

Chances are the *Wine-as-Food* consumer is brand loyal, often purchasing in jugs or boxes for the sheer volume, as well as to achieve better value. Producers targeting the *Wine-as-Food* consumer know that the quality bar need only be set at "satisfactory", and this is an important factor because this consumer is also the most price sensitive and competing for his trade requires a sharp pencil on the supply side.

He may be brand loyal, but he is wholly without prejudice about where his wine comes from.

The *Wine-as-Food* niche was a relatively important segment

of the table wine market back in the 1960s, 70s and 80s. America's biggest wine empire was built on understanding and fulfilling the needs of this profile. Still, the *Wine-as-Food* consumer has never represented a large percentage of the North American population; hence the oft repeated truism that "Americans are not wine drinkers".

#### **2.) Wine-as-Status**

The *Wine-as-Status* buyer finds utility in wine, notably expensive wine, as a symbol of personal rank and superiority. He may or may not know much about wine, any more than he is necessarily an authority on the expensive cars he drives or the fashionable artwork he hangs on his walls. For that matter he may not even be a daily consumer of wine...*having* it, not *consuming* it, is the core utility.

We used to call the *Wine-as-Status* individuals *Wine Snobs*. That term has faded in recent years, perhaps in recognition and respect of the important role the *Wine-as-Status* buyer has played in saving and transforming the North American wine industry in the critical period of the 1980s and 90s. Compared with consumers finding other utilities in wine, the *Wine-as-Status* niche is not large in demographic terms.

However, with cult wines opening up the \$100+ product niche, the *Wine-as-Status* buyers have pulled the price elasticity bar for North American wine up dramatically, creating broad acceptability for the \$20-\$60 mid-range of wines, which, ironically, are probably too "cheap" to serve the particular needs of the *Wine-as-Status* buyer, himself. Nonetheless, to the extent that "mid-range" pricing underwrites the



The *Wine-as-Status* Consumer

solvency of the vast majority of the 5,000+ North American wineries, we owe much to the influence of they who have legitimized North American wine as a luxury commodity, on a par with the Great Growths of France.

That begs the question: who *DOES* buy those \$20-\$60 wines that underwrite the health of so much of the North American wine industry? What utility do they find in wine?

### 3.) Wine-as-Interest

The *Wine-as-Interest* consumer (aka: *Wine Geek* or *Wine Enthusiast*) finds intellectual and recreational utility in wine. Part of the intellectual satiation comes from continuously building personal knowledge about the more or less technical side of wine, and, not surprisingly, many Wine-as-Interest folks get into the wine business or dream of having their own vineyard. They think about wine, read about wine, talk about it, and socialize with wine as the focal point.



**The Wine-as-Interest Consumer**

Interest buyer will want 12 different taste experiences in the case. Even for a wine he truly likes, he has very little brand loyalty; one simply can't discover new wines by refilling one's glass with those previously tasted...unless, of course it's a different vintage. To be sure, the ubiquity of vintage dating wines in the mid-price range, and even most cheap plonk, is a measure of our industry's subtle respect for this consumer profile.

The Wine-as-Interest consumer tastes wine everyday, and is not adverse to good value if the wine has identifiable character to go with the savings. Depending on his financial means, the Wine-as-Interest individual will take that same character/value equation up through the mid-price range, but he is more likely to experience the \$100 bottle on a Wine-as-Status friend's tab, rather than buy it himself.

Since the 1970s, the Wine-as-Interest "enthusiasts" have set the exciting tone of the North American wine culture and underwritten the solvency of a dynamically expanding industry, operating under a glass ceiling of prohibition which has constrained the development of the Wine-as-Food sector.

The good news is that there are signs of stress and cracks in that prohibitionist glass ceiling; signs that America may still have a chance of becoming a *nation of wine drinkers*, with wine earning a regular place at the table of a significant per-

cent of the population. In the last decade or so, wine has found a new utility value in the North American discovery of food as a cultural metaphor...that is, food as a core lifestyle engagement for the middle class.

### 4.) Wine-as-Lifestyle

The *Wine-as-Lifestyler* is typically a "newbie" to wine. The utilities he (and, more importantly, SHE!) finds in wine are really not well defined, and may touch in varying degrees on the value that can be found in wine as food, status symbol and interest/hobby.

The Wine-as-Lifestyle niche has largely been created by the belated arrival of wine in supermarkets, notably supermarkets catering to the dynamic new "foodie" culture. Despite four decades of unsuccessful industry effort to get Government to detach wine from guns and cigarettes and define wine as an agricultural product, the grocery industry has slip-streamed the issue by putting wine and food together in the same shopping bag.



**The Wine-as-Lifestyle Consumer**

Unlike the traditional Wine-as-Food consumer, the Wine-as-Lifestyler is somewhat intellectually engaged with wine, at least as a diverse and stylish beverage to "pair" with the diverse and exploratory cuisine, which is the hallmark of the Lifestyler. This suggests that brand loyalty is likely to be transitory, even if the Wine-as-Lifestyler doesn't develop into a full-fledged corkscrew tourist in the Wine-as-Interest model.

The evolution of the Lifestyler into a Wine-as-Interest consumer is also evident in the increasing willingness to move up the price ladder, not something the traditional Wine-as-Food consumer is inclined to do.

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This typology of wine utilities and consumer profiles is, of course, not exclusive or exhaustive. It could be fairly said that there's probably a bit of two or three of these characters in each of us, driving us to more complex patterns of wine buying. However, the important thing to remember is that the consumer side of the equation has expanded over the four decades according to an increasingly diverse range of utilities to be found in wine. Despite the endless roll out of over-generalizations and trend revelations in the media, there is no "typical" North American wine consumer. As an industry we disrespect their diversity at our own peril.

***Despite the endless roll out of over-generalizations and trend revelations in the media, there is no "typical" North American wine consumer. As an industry we disrespect their diversity at our own peril.***

It goes without saying that, at the corporate level, any marketing strategy needs to begin with a precise appreciation of the consumer profile(s) being targeted. What does need to be said, however, is that the industry, as a whole, needs to

work to build a marketing paradigm that connects the full range of diverse consumer interests with the full range of diverse industry assets. That paradigm is missing, and the “diversity connection” has yet to be made systematically.

To see the marketing gap more clearly, let us quickly profile the industry side of the equation.

## Winegrowing: Where’s it Happening?

Since the 1960s we’ve gone from a moribund prohibition-wounded industry with vestigial footholds in California, New York, Ohio and Missouri to an energized and expansive coast-to-coast viticultural industry, geographically structured and regulated in the AVA framework of the US and the DVA framework of Canada.

Indeed, in terms of geographical scope and ecological diversity, the North American viticultural map has emerged in just a generation to become as complex and rich as the whole of Europe, all the way to the Caucuses...and you can throw in North Africa.

### Comparing Geographical Scope & Ecological Diversity of Winegrowing

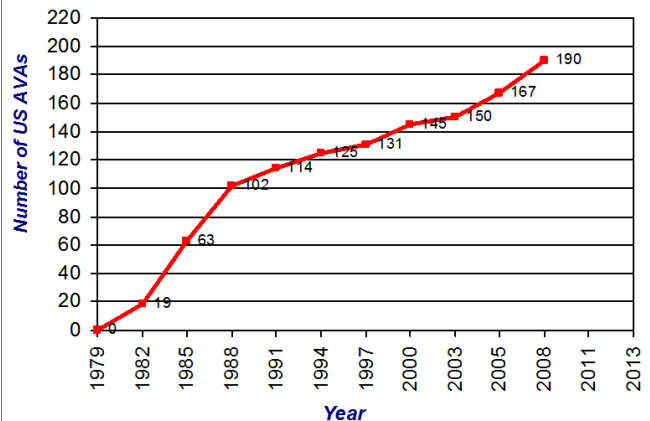


In terms of geographical and ecological diversity, the North American viticultural map has become every bit as rich as all of the Old World wine regions combined.

What is more, having gone wide with earlier AVA delineations, the newly certified winegrowing designations are more likely to come out of larger, ecologically imprecise, appellations than from wholly new winegrowing territory. The drive for more terroir specific identity is evident in both the US (e.g. the “sub-appellationization” of the Lodi AVA into seven different regions) and Canada (e.g. division of the Niagara Peninsula DVA into twelve sub-appellations).

While there is no shortage of opponents to this, arguing that marketable identity of the parent entity will be diluted by sub-appellations, they’re failing to appreciate the fact that the Wine-as-Interest and Wine-as-Status buyers are thoroughly socialized to the French layered appellation system, and the value scaling that goes with it. Melting pot (mega-appellation) wine definitely has its place (generally in the Wine-as-Food niche), and we need to see sub-appellationization as shoring up “grosslagen” prices, not diluting the customer base for generic blends. Indeed the real problem is not too many regions for the public imagination, but rather too little marketing sense about how to build any sort of marketable appellation identity.

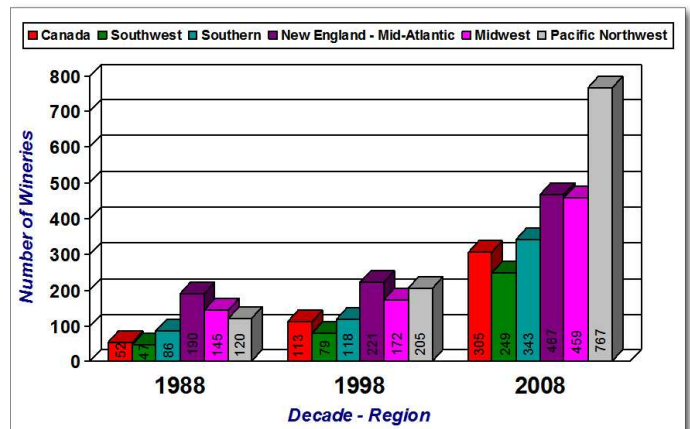
### Growth in Officially Recognized American Appellations (AVAs)



## Wineries: Who are the producers?

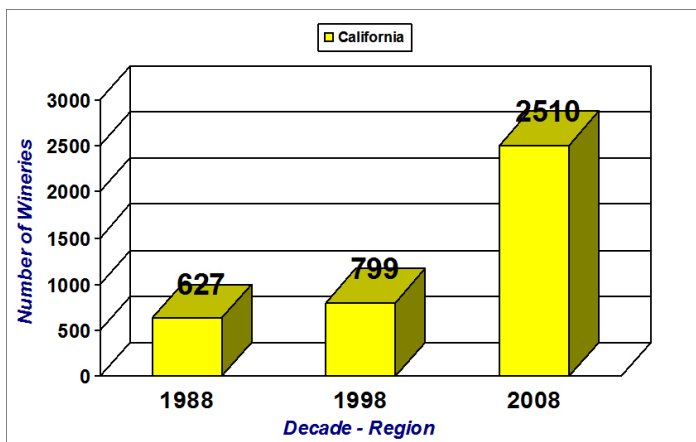
Though the North American wine industry emerged from Prohibition with an industrial structure (consistent with the distillate adjunct of the market of the time) there have always been family wineries and a smattering of artisanal startups. However, in the last four decades the growth of the family and artisanal sector has been phenomenal in all regions:

### A Continental Trend of Winery Proliferation



- from zero to 43 wineries on Long Island over the period;
- in the Southwest, just in the last twenty years: from 4 wineries to 33 in Arizona, and a jump from 19 to 89 in Texas;
- in the “corn states” ...who would have imagined 56 wineries in Iowa, 67 in Illinois, 28 in Nebraska?
- and, the growth rate for Canadian artisanal wineries (AFTER the 1987 Free Trade Accord, which opened the country to competition from US wine producers) is the most astounding of all, with British Columbia expanding from 13 wineries to 134, and Ontario growing 400%.





- even California, starting with over 600 wineries in 1987 has grown a phenomenal 400% to over 2500 wineries today.

What is more, there is no indication of a slow down. Quite the contrary...

**WINES & VINES**  
(January 22, 2007)

### **New Winery Boom Spans North America**

Overall, North America added nearly 1,000 new wineries during the last year, an increase of 28%. Though the number of new wineries continues to skyrocket, the wineries themselves are often small, boutique operations; approximately half of all North American wineries have an annual production of 15,000 cases or less, according to Wines & Vines Directory/Buyer's Guide data.

### **Grape Varieties: What is being Produced?**

The varietal catalog available to North America's winegrowers has grown in waves over these decades to over 300 varieties currently in commercial production in the US and Canada, with 267 of them officially certified by TTB for use in American wines. The pattern of growth reflects – indeed is driven by – the ecological diversification of winegrowing all across North America.

This rapid expansion of the *Vitis* catalog has also been driven by the artisan ambitions of thousands of producers trying to distinguish themselves and their new winegrowing regions by finding the right match-ups of variety to terroir.

### **Distribution: How has the transaction bridge to consumers developed?**

We began the last four decades with a highly centralized, thinly spread, and punitively regulated 3-Tier distribution system of "liquor stores". Often retail was in the hands of state monopolies, with a profit line perceived in terms of taxation, rather than product value or selection. There was certainly no need for imaginative marketing of diversity in that distribution formula...it boiled down to take what they have, at the price they set!

3-Tier has certainly liberalized and become more competitive over the years, but the fundamental problem of consumer access hasn't changed. 98% of North American wine products were – and still are – NOT available to 98% of the public through this channel.

The middle stage of development in the American and Canadian wine distribution system could be characterized by the old expression: *If the mountain won't come to Mohammed, then Mohammed will have to go to the mountain*. Let the "mountain" in this expression stand for thousands upon thousands of regionally distinct North American wines.

The winery tasting room retail channel, piggy-backing on tourism, has certainly taken the industry forward in terms of effective place-branding of products, but only for the relatively few wine tourists who get to actually see wine in its geographic context. Yes, winery bottom lines have been enhanced, but the egregious imbalance in the larger access equation, that has stifled the industry since Prohibition, was not corrected by this channel.

However, the long awaited fundamental correction in the distribution system for wine is now well underway, since *Granholm vs. Heald* in 2005. It is consumer driven, technology facilitated, and legally enabled (battle-by-battle).

The mountain can now get to Mohammed through the online channel. Only about seven-tenths of 1% of the \$30+ billion in American wine sales passed from wineries directly to consumers through the online channel last year. Still that adds up to about \$200,000,000 in winery revenues and doesn't include online purchases channeled to 3rd party retailers.

To be sure, the online shopping culture is not fully developed in the wine sector, and consumer borne shipping charges have been a barrier to many consumers, even in the Wine-as-Interest and Wine-as-Status buyers. However, not to put too fine a point on it, rapid socialization of the public to online wine shopping, as well as elimination of the shipping cost hurdle, are on the immediate horizon as new distribution players, such as powerhouse internet retailer Amazon.com, enter the game.

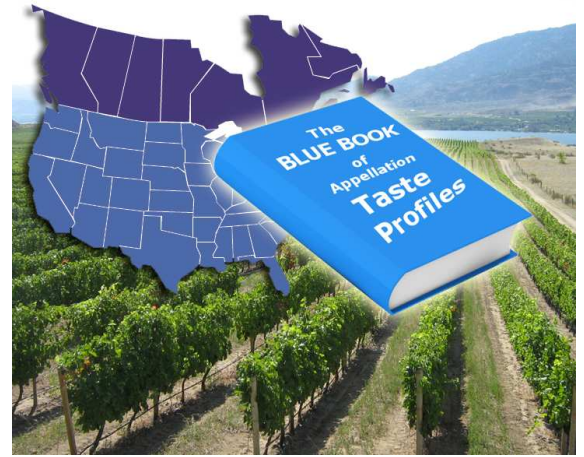
***...the long awaited fundamental correction in the distribution system for wine is now well underway, since Granholm vs. Heald in 2005. It is consumer driven, technology facilitated, and legally enabled...***



In the Online channel of distribution, there is no reason why 98% of the public can't have access to 98% of the diverse spectrum of product...if they so desire. This so-called "Long Tail" marketplace is a *win-win* for producers and consumers, alike. As we've seen in both the book and music sectors, the online distribution model is designed to deliver diversity. And diversity, of products and consumer desires, is what we've got in the wine culture that has been built over the past four decades.

## ***Best-of-Appellation™* Evaluation: Seeing the Need, Part II**

### **Branding Diversity**



It's all about finding and cataloging diversity

**I**N Part I, we traced the development of a rich and diverse wine culture in North America over the past four decades. That has been an amazing achievement, considering the fact that for consumers and producers alike it all happened under the glass ceiling of vestigial prohibitionism.

### ***M*eanwhile, Back at the Disconnect...**

Let's begin with the sixty-four dollar question about the future prospects of our industry. Do we have the marketing paradigm and branding vehicles to effectively represent what has been built over the past four decades?

The rich diversity, evident in every one of the parameters we've highlighted in Part I, should be the basis of optimism about the future of the North American wine industry. The "shape," speaking both figuratively and literally, of the current wine culture, on both the producer and consumer sides, promises a quantum leap forward in finally legitimizing and expanding the place of wine in North America.

However, what has not developed along with this growth by diversification is an understanding and a means to market this cornucopia of diversity. The richness of our viticultural diversity is grossly under utilized, and in many ways mis-marketed, as if diversity of product and consumer tastes were the problem, not the opportunity to grow the market.

Let's look at what has happened on the marketing front...or not happened...in parallel to the diversification on the producer and consumer fronts of our burgeoning wine culture?

### **Branding**

**E**very commodity, and every product within a commodity group, needs to be strategically marketed; and, as we all know, the key to successful marketing of any product is branding.

Branding, itself, is composed of three key functions:

**1.) Differentiation:** this has been called "niche-creation"; a process of building a foundation of identity for the product or commodity group by distinguishing it from other products, while at the same time enhancing its identity by associating it with similar products.

**2.) Characterization:** this is the business of putting meat on the bone of product identity; identifying and conceptually packaging the virtues and utilities (hopefully real ones, not just spin) of a given product or commodity group in such form as to create and sustain consumer recognition, expectation and satiation.

**3.) Validation:** that is, quality validation rendered with authority, fairness, and credible detachment.

So, how have we gone about the branding of North American wine over the past four decades?

### **Differentiation (by Variety)**

**B**ack in the late 60s and early 70s the industry opted to pursue a course of differentiating product by grape variety (rather than pursuing the traditional regionalized differentiation approach of Europe). It seemed like a good idea at the time, a way of distancing ourselves from the totally bogus use of European regional names to distinguish generic styles of North American wine. And, on the surface of it, one might think that either the regional or varietal branding typologies would have accommodated and exploited the rich diversity that was to be forthcoming in the explosion of winegrowing right across the continent.

However, inherent in the decision to choose varietalism (rather than regionality) as the baseline of differentiation was the future reductionism that could be expressed as *a cab is a cab is a cab*.

We know this isn't right...that a Cabernet Sauvignon from one region probably doesn't taste just like a Cabernet Sauvignon from an ecologically different region. But, so far, there is no vehicle for systematically differentiating the distinctive effect that region has on variety; and as a consequence the most basic niche sorting, consistent with the real structure of the industry, remains to be done.

Also, early on we adopted a "noble variety" stratification system of differentiation, focused on the varieties associated with the "best" regions of Europe (notably Bordeaux and Bur-

gundy). Ironically, this top-level component of branding was done out of the regional context within which European varietal stratification was developed over many years of trial and error. Simply put, in differentiating/stratifying grape varieties we assumed that:

Chardonnay was *prima facie* a “noble” variety

as distinct from:

Chardonnay was noble *IN* and/or *BECAUSE* of the  
Chablis and Meursault terroir  
and those particular regional winemaking traditions

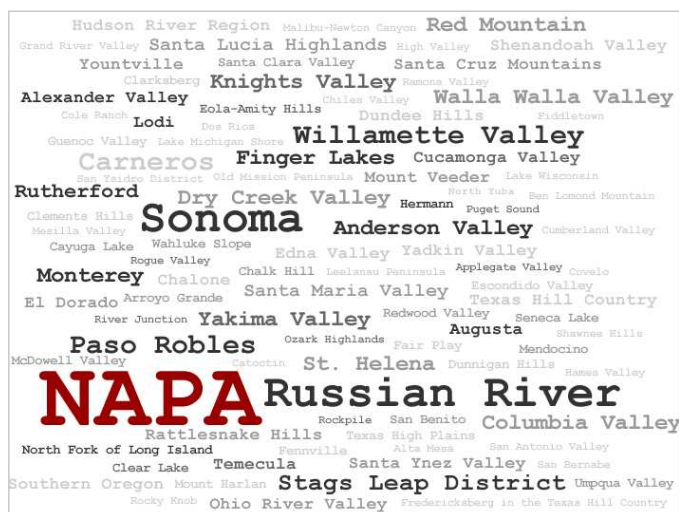
The effect of this reductionist stratification has been, all too often, to mismatch so-called “noble” varieties to diverse terroir in pushing out the frontiers of North American viticulture, as was even evidenced in the rapid plantation of Monterey County, the largest ever viticultural development in North America.

Furthermore, premature varietal stratification has hamstrung and stigmatized the differentiated brand development of dozens upon dozens of interesting and terroir-suited grape assets in a catalog now exceeding 300 varieties. The bizarre logic here seems to boil down to a notion that “this variety is no good for growing here because it wouldn’t make a good wine there (notably Medoc or Burgundy)”.

## Differentiation (by Region)

The reductionist dynamics in brand differentiating grape varieties applies, as well, to differentiating winegrowing regions. Of the 211 officially designated AVA & DVA winegrowing regions of the US and Canada, only a handful have received the most rudimentary place-brand identity.

One thinks immediately of the Napa Valley AVA as having a distinct appellation identity...that is, of having successfully achieved the first level of branding – *differentiation*. Whether a person knows anything substantively (*characterization*) about these wines, who hasn’t heard of the Napa Valley?



The “Napa” brand is the model of place-identity differentiation. The same could be had for many of the other 189 formally differentiated AVAs in the US...with the right marketing agenda.

Patriotic Napa producers, understandably, may prefer the mysterious “creationist” explanation of their distinctive identity...“Napa enjoys and profits from a distinct place-identity because God made Napa the best place to grow wine grapes.” But let’s not confuse the works of man and God. Put simply, some very wise men got started early differentiating, then characterizing and validating the Napa Valley region and its products.

The Napa Valley AVA is not a miracle, it’s a model. This kind of place-identity building (i.e. *differentiation*) can and should happen with every winegrowing appellation that has a serious marketing agenda. The point is that it hasn’t happened, despite the fact that we are now nearly three decades into the formal/legal AVA differentiation process. Differentiation on the ground and in law has already happened; now it needs to happen in the mind and in the marketplace.

## Characterization: (Regions x Varieties)

If reductionism, flying in the face of both producer and consumer diversification, has marked the differentiation function of branding in the wine culture over the past forty years, the same must be said for product characterization.

Part of the problem was inherent in the over-emphasis on grape variety as the descriptor to profile the actual taste of the wine. What could be more reductionist than the notion that *a zin is a zin is a zin*? For the thousands of producers trying to differentiate THEIR Zinfandel or Chardonnay or Merlot from all the rest, this one-dimensional characterization has not proven to be very serviceable, to say the least.

True, for the Wine-as-Food consumer it really doesn’t matter, but for the critically important Wine-as-Interest consumer, desirous of exploring the breadth of wine, the expectation that *a zin is a zin is a zin* is a downright turn-off.

What’s missing, of course, is a product profiling paradigm that systematically characterizes the real world differences between Chardonnays from, say, the Napa Valley, Long Island, the Okanagan Valley and a host of other appellations producing Chardonnay. This kind of diversity-focused characterization paradigm will validate the expensive choices of the Wine-as-Status buyer, stimulate the Wine-as-Interest niche, and attract the transitional Wine-as-Lifestylers to a longer term engagement with wine.

## Characterization: (Sweet Spot Engineering)

The failure to regionalize varietal characterization to match the real diversity on the ground was inadvertent, an oversight. But more recently there has been a very purposeful drive to reduce the character profile of North American wine. Let’s call it *Sweet Spot Engineering*.

The fact is, wine can be manipulated to taste pretty much all the same. It is a relatively simple matter to have technology (in the vineyard and in the winery) trump terroir, including the fascinating diversity of human terroir. And, depending on which consumer one is aiming to satisfy, sweet spot engineering can be a good thing.



In this case the scientists have discovered what we, as a species, more or less inherently like and don't like in a beverage. Put simply, we like sweet and don't like bitter. Wine grapes render both characteristics; just find the right balance (a.k.a. "the sweet spot") and you smooth out the wine and smooth the branding path to expanded markets...notably populated by the Wine-as-Lifestylers.

There is no place for regionality in this fruit-forward formula; even varietal distinction is trumped. Hit the universal sweet spot and *a zin is a cab is a merlot is a syrah*. One dimensional goodness. One character serves all.

Ooops! Maybe not. The question is, which consumers are served? Obviously sweet spot engineering aimed at the



Homogeneity in Taste Characterization:  
A "Sweet Spot" Bullseye  
...a zin is a cab is a merlot is a syrah.

you've got to think the "don't care" and novice wine consumers are being served very well indeed.

But the sweet spot character profile, in both the actual wine chemistry and in the brand characterization of wine more generally, alienates the diversity seeking Wine-as-Interest consumers, and devalues the wine sought by Wine-as-Status buyers to the extent that the same organoleptic formula has come to underwrite the production of wines in the higher price ranges.

In wine, as in so many other commodities, value, diversity and scarcity co-vary. There is certainly money to be made for some in the industrial production of sweet spot engineered wine, but downward pricing is the only competition tool available for non-unique and non-scarce products. Ultimately, North America's winegrowers and the vast majority of its wine producers are not likely to be winners in that market. Alas, in this global economy, the seemingly large benefits of the emerging Wine-as-Lifestyle market may not accrue to the North American wine industry (except the bulk importers and bottlers of foreign wine), at least until some of those consumers graduate to the Wine-as-Interest niche.

This is not the place to debate how far sweet spot engineering has encroached on the actual diversity of wine character across the inventory of North American wines. The point is that on the branding side of things, the dominance of sweet spot characterization – "fruit forward" (read: sweet) and "soft" (read: not bitter or tart) – doesn't serve the interests of our most important consumer sector or the interests of an industry rooted in the diversities of North American viticulture.

## Quality Validation

The third component of successful branding is quality validation. It can fairly be said that the wine culture, especially in North America, is obsessed with the quality validation of individual products. The atmosphere is verily frenetic as wines are thrown at competitions, critical reviewers, and, most important, the score-rendering *Uber-Validators*.

A great deal has been written about the 100 point scoring system. Of late much of the commentary has been critical and, regrettably, *ad homonym*. The antagonists argue that the whole process of scoring a wine is just a trick...putting a seemingly objective cloak on something that is fundamentally subjective. If the reviewer likes a wine it's an "86"; if he loves the wine it's a "96"; and, if he doesn't care for it that much, but doesn't want to offend either the producer or consumers who he suspects might like it, then it's an "89". The same dynamics are said to be at work in the dispensation of competition medals, with the bronze medal more or less performing the waffling function of an "89" score.



With a validation system based on scores alone, a wine's identity becomes its score. This kind of reductionism in marketing undermines the real diversity to be found in American wine. When the score becomes the wine, then region and even variety are submerged.

The more serious problem with score validation, as it has been practiced in North America in recent decades, is that it has become a virtual substitute for the other two essential functions of branding: differentiation and characterization. Note that, as expressed in the paragraph above, it is the wine, itself, that is portrayed to be an "80" or a "90", not the validator's opinion or judgment of the wine. It's subtle but simple transference...the wine's identity becomes its score. It has been differentiated by score...*that wine is in the "90s" group*. Its taste character has been superceded by the score...*that wine tastes like a "90s" wine*.

Once again, we have reductionism in marketing, playing against the promising reality of rich diversity. The scoring system, as currently practiced, is dangerously close to being one-dimensional. When the score becomes the wine, then region and even variety are submerged. This may well serve the Wine-as-Status buyer who is looking for validation of the wine in terms of some mythical-cum-mystical and universal greatness scale that will secure him respect among his peers. But the score is a hollow identity for any wine consumer who wants to know, substantively, about the character and quality of the particular wine, among *its* peers. Indeed, we may well ask, what are the wine's peers? In the score dominated paradigm of quality validation the answer is..."other wines with the same score."

Herein, of course, resides the central problem of nearly all the quality validating vehicles operating in today's North American wine marketing environment. In the absence of a well-constructed foundation of differentiation and characterization, there is little in the way of an objective standard by which we can assess wines. In the absence of an objective standard, personal opinion, based on personal taste preferences, prevails by default. To be sure, it is reasonable to accord the opinions of some critics more credibility than other, perhaps less experienced, critics...but their preferential judgments, especially when rendered in numbers, really just tell us about the critic, not the wine.

To be fair, it should be pointed out that most serious wine critic-validators, including those who summarily issue their judgments numerically, make an effort to rationalize their judgment descriptively. Often these are revealing dissections of the wine, as well as revealing insights into the particular characteristics that win favor with a particular critic. However, the genre of validation is still, ***Wines I like and why***, as distinct from, ***Wines from X*** (differentiation) ***have the following character, and by that standard this one is good or bad***. At best, the former genre is just endorsement, while the later is education. Education is the concomitant to the kind of branding that we need in the process of growing-out the wine market to mirror our rich viticultural diversity.

One senses that we have come to a critical juncture on the quality validation front of North American wine marketing. To be effective, validation has to be credible. This requirement has been addressed by protocols such as blind tasting, as if not knowing anything about the wine is, in itself, a virtue, as distinct from an invitation to fall back on personal taste preferences more than ever.

When we see the same preferred characteristics held as the standard of quality over a wide range of diverse wines, it reminds us that there is always a fundamental problem in judging apples and oranges against the same standard. Or, as I once overheard a competition-sour winemaker grumble sarcastically, "Apparently the trouble with my Amador Barbera is that it doesn't taste like Napa Cabernet." I can recall the same kind of frustration coming from Napa Cabernet producers in reference to the Paulliac-biased palates of wine judges in the 1970s. The so-called "Judgment of Paris" (the ultimate test of the *a cab is a cab* theory, even when they're not all cab, nor even vaguely terroir comparable) didn't solve the problem, but merely glossed over the importance of finally getting serious about systematically differentiating and characterizing...and only then validating the quality of North American wines.

## Best-of-Appellation™ Evaluation: Meeting the Need

The *Best-of-Appellation™* Evaluation Program, developed by APPELLATION AMERICA, is designed to generate the information resources for individual wineries, regional industry organizations, and the wine industry at large, to go about effectively marketing the rich diversity of North American produced wines to an ever-expanding consumer base, itself reflecting a diverse range of utilities to be found in wine.

The BOA evaluation process is unique and somewhat complicated, but the basics are:

- (1) Wines are submitted into the BOA evaluation stream pursuant to an appellation-wide "Spotlight" call by the Program Director (typically in partnership with the relevant growers or vintners association), or on the initiative of individual wineries wishing to have their products "on deck" for "Incremental Evaluation Sessions".
- (2) The submitters are requested to fill out a detailed Product Information Form (PIF) for each product, outlining the terroir and technology (both viticultural and oenological) background of the wine. The BOA evaluators not only want to know what the wines of the focal appellation taste like, but also as much as possible about the source of that taste profile, to the extent that such an understanding may be of value in building the brand differentiation and characterization of the region on solid empirical grounds.
- (3) The evaluation panels are composed of industry professionals with sensory evaluation training and experience in *connecting the dots* between terroir, technology and taste. Spotlight sessions will typically include a Regional Advocate Evaluator, and any number of regional experts, participating as advisory (non-

voting) members of the panel. APPELLATION AMERICA editorial staff are also present in a reportorial capacity.



### The Best-of-Appellation™ Mantra

**FIRST:**  
*find the Regional Character  
in the Taste Typicity of the Wines*

**SECOND:**  
*Seek the Source of Character  
in the Terroir, Applied Technologies,  
and Local Culture Information*

**LAST:**  
*Assess the Quality of each wine  
against that Specific Profile*

(4) The tasting is *blind* only with respect to the identity of the product, producer and price. The wines are organized in flights, which are carefully designed to isolate and describe the regional character profiles within the composition.

(5) The tasting methodology follows the BOA Mantra (see left).

(6) Wines that best express the character profiles as evidenced and evolved in the tasting(s) are advanced to the *Best-of-Appellation™* List for the relevant region. BOA gold and silver medals are also awarded.

(7) The Character Profiles, appellation-by-appellation, variety-by-variety, are logged into the ***Blue Book of Appellation Taste Profiles***, thereby becoming the beginning reference point for subsequent tastings of that appellation and variety, in either the Spotlight or Incremental session format. On the consumer side, Appellation America's Blue Book profiles will, in time, become the road map for exploring diversity in North American wines.



## Differentiation under BOA

The BOA Program rests on the appellation-focused media framework that viewers have been seeing on AppellationAmerica.com from its inception in 2003. The website, now the largest online resource on North American wines, was conceived as a portal to mini-magazines chronicling the development of each and every one of the 300+ winegrowing appellations in North America. Our motto, "Building Appellation Consciousness," reflects our commitment to making winegrowing place the baseline of differentiation in the North American wine culture.

Is differentiation by appellation the best baseline for branding North American wines? After all, many of the AVA and DVA delineations are ecologically meaningless or compromised by local industry politics and corporate interests. The answer largely depends on whether one thinks geography holds a unique and powerful place in the conceptual order of the human brain and perspective. Elsewhere we have argued that, from infancy forward, much of the human sense of security evolves through place identification. Knowing things by their place is primal and somehow easier for us to absorb and use than almost any other conceptual typology one can think of.

The fact that from earliest times wine has been "known" by its place of origin is compelling evidence for the timeless prowess of place identity in understanding and marketing wine. And, while the North American wine industry was a bit late getting started mapping itself, the fact is we do have an official, regionalized winegrowing map now. As the saying goes, it ain't perfect, but it's the map we got. What is more, there is plenty of movement to correct and refine the AVA and DVA mapping, once we start to look at appellations in depth. The BOA Program provides the focus and the inquisitional energy to identify the virtues and flaws of current delineations, and provide the feedback to local industry to exploit and evolve their most important asset – distinct regionality.

## Characterization under BOA

Over the past four decades there has been a certain vogue among our winemakers that their wine is markedly different (read: unique) relative to their neighbors', and promoting this idea has been central to most corporate marketing strategies. There's more behind this than the pressure to compete. To a significant extent it is the North American penchant for individualism, most clearly evidenced in the number of eponymous wineries, the plethora of celebrity winemakers, and the widespread notion that every new winery proprietor has a "personal story."

You wouldn't expect a "personal story" from a guy who decides to become an apple grower, open a theme park, or be a real estate developer, though, practically speaking, these may be the professions closest to opening a winery. In contrast to the attitude of European wine professionals, on this side of the Atlantic pride-of-place has run a poor second to pride-of-self. And, it must be said, this genre of brand characterization certainly has had considerable traction with Wine-as-Status buyers and, to a more modest extent with Wine-as-Interest consumers. Still, *dentist or college professor does a 180° mid-life turn and opens a winery* is getting a bit stale as a brand anchor.

To be sure, there are winemakers producing wholly unique wines, experimentalists, going where no vigneron has gone before, risking innovations that

court fame or infamy. However, more to the point, there is also a broad range of winegrowing/winemaking proficiency at work in this relatively young industry, which accounts for a great deal of the variation in the taste character of wines within the same regional pool.

However, the reality is that most wines of same variety and appellation, when skillfully grown and crafted, have more in common, taste-wise, than the notion of artisan individualism would suggest. What is more, wines should express the character of the place they come from...if they didn't there would be no rationale for 5000+ wineries spread over 300+ winegrowing delineations. Finding, cataloging and promoting



On the consumer side, Appellation America's Blue Book profiles will, in time, become the road map for exploring diversity in North American wines.

those distinct place characteristics, whether sourced in terroir or the “human terroir” of regional technology practices, is what the BOA Program is all about.

### Quality Validation under BOA

The BOA evaluation methodology is focused on finding themes of typicity running through wines of a given place of origin. By no means is this a formula for isolating the common denominators of mediocrity. The BOA process rigorously follows the familiar proposition:

*The best wines are defined by place,  
and the character of each appellation  
is defined by its best wines.*

“Best”, then, begins in a search for regional typicity characteristics in the wine, and ends in identifying the best crafted expressions of those characteristics. These are the wines that

define and validate the quality parameters of *somewhere-ness*, which is the resource that can be mobilized to positively brand the region as a whole, ultimately benefiting all the producers using that particular appellation designation. This kind of quality validation is the tide that floats all boats.

### Connecting the Disconnect

We began this essay with a challenging question: Do we have the industry-wide marketing paradigm and branding vehicles to effectively represent the rich diversity in the North American wine culture that has evolved over the past four decades? Can marketing catch up with reality? We think this disconnect will be remedied by putting industry resources into identifying and branding all the exciting dimensions of regionality in the 300+ winegrowing regions of the continent, and maximizing the new channels of communication and distribution to energize consumers, new and old, right up to the point when we can confidently generalize: *North Americans are wine drinkers.*

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