



## Under The Bench Cellars

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### 1. Business Summary

Located in the scenic wine region of Niagara, Under The Bench Cellars is a new hybrid (virtual & physical) winery in NOTL, Ontario. For the past 12 years, the wine industry has grown very rapidly and we see a great opportunity here to gain a share of this growing market. We will take advantage of the unique climate in Niagara which is excellent for growing grapes.

### 2. Customer Problem

Sue-Anne Staff a prominent winemaker in the Niagara region believes that Niagara wines will only grow in sales if we make more premium quality bottles of wine and less \$6 bottles. Along with this problem, we also noticed a lack of customer education programs from the current competitors in the market. We are also looking to add some new varietals not grown in the region to our winery and seek to find new ways to lower the high operating costs that have plagued the industry.

### 3. Solution

We will make premium quality VQA wines in the Niagara region. We plan to use our new interactive education program to engage and teach our customers about Niagara wine and how it is made. We will also bring new varietals to Niagara that have previously not been grown here. We will begin our operations virtually which will lower our overhead costs greatly and allow us to start with much lower operating capital.

### 4. Revenue Model

Our revenue model is to make wine virtually in the Niagara region at a winery which is overcapacity, so we can slash overhead costs in the beginning. We buy grapes with strict contracts from small local growers that meet our high standards for quality. We will work to plant our investor property for the first few years until the vines are ready to produce. We have many distribution channels we are examining to sell our product through, including the LCBO, winesplash.ca and many local restaurants our chef has contacts with.

### 5. Target Market

Our target market is people of age 19-34 and 55+. We are targeting these age groups because from our research of the demographics in Niagara and southern Ontario, we can achieve our goals of educating these customers. We are also targeting people with a developing knowledge of wines that we can educate and develop a relationship with.

### 6. Competitive Advantage

The first advantage is our comprehensive wine education program and our team of advisors; we have built an excellent team that includes people working in all areas of the wine industry. We have trade secret winemaking recipes; we currently have two and are working on more. The third advantage is that we will be bringing Moscato Canelli grape to Niagara, currently no one in the region is growing these grapes and it will serve as our signature grape. The last advantage is that we have located many areas where we can cut costs and lower our overhead.

### 7. Milestones for the next year

Our goals for the next year are to secure contracts with our current investor, grape growers and a winery in the region. We aim to prepare the land for planting on the investor property in NOTL. We are also looking to find more start up capital and gain access to some government grants. This September, we will also test our recipes again and hopefully we will have a successful second vintage. Lastly, we will begin to establish and cultivate our distribution channels using our contacts in the industry.