



## **The History of Leelanau Wine Cellars**

By Sharon Kegerreis and Lorri Hathaway

In the fall of 1969, Grand Rapids Attorney Mike Jacobson and his family purchased a summer home in Northport. A cherry orchard on the 300-acre property turned Jacobson into an instant fruit farmer. Forty years later, this dream built the state's largest winery in 2009.

Jacobson, inexperienced in farming, hired Charles (Chuck) Kalchik, Jr., a local fruit farmer, to oversee the operations of the farm. This relationship turned into a partnership when the two acquired additional farm properties together, including orchards of more cherries and apples, peaches and other fruits. They also built a cherry processing plant just south of Northport and created a local cooperative, which later merged into Cherry Growers, a grower-owned cooperative consisting of roughly 100 growers.

### **Cherries to Grapes**

In 1974, Kalchik suggested that they expand into grape growing, following the lead of a few other farmers in the region and throughout the state. In May of that year, they converted ten acres of cherry trees on a Suttons Bay farm into French-American hybrid vines including De Chaunac, Vignoles and Baco Noir. This vineyard became known as Pleasant Hill. Ten more acres of French-American hybrids were planted in 1976 including Aurora and Chelois.<sup>1</sup>

Additional acres and varieties were added in the following years and included. Years later, the vineyard was replanted and today (2009) consists of only Baco Noir.

On April 18, 1975, Leelanau Wine Cellars, Ltd. was legally established with the State of Michigan.

### **Production Begins**

In 1976, Jacobson and Kalchik purchased a vacant cherry processing plant in Omena and converted it to a production facility to start the winery. That same year, the partners hired Nathan Stackhouse, who previously made wines for St. Julian Wine Company in Paw Paw. Stackhouse, who earned an enology degree from the University of California Davis, was instrumental in setting up the initial facility and commencing production. He continued as a subcontracted consultant and winemaker until 1985, working fulltime for Leelanau Wine Cellars while consulting other clients around the state from the winery's facility.

### **The First Release**

The winery's first vintage was in 1977. The first tasting room opened 1978 in Traverse City in a former barn along M-37. The tasting room remained in that location until 1987 when it was relocated to Omena into an 850 square-foot house that existed on the property where the winery was located. Through the early 1980s, annual production increased at a steady pace, and the partners decided to expand the vineyard.

In 1984, Jacobson worked with Michigan State University and planted a one-and-a-half-acre test vineyard of 30 different vinifera grape varieties. Some of these varieties included Chardonnay, Sauvignon Blanc, Pinot Noir, Cabernet Franc, Merlot, Cabernet Sauvignon, Lemburger, Pinot Gris and Muscat.<sup>2</sup>

A year later in 1985, the partners planted a portion of a 36-acre site behind the wine production facility,



The planting of 36 acres of grapevines is on top of a hill in view of Omena Bay.

deciding to invest in several European vinifera varieties and a couple of French-American hybrid varieties. The vinifera plantings included Chardonnay, Riesling, Pinot Noir, Merlot and Cabernet Franc. The hybrid varieties included Vignoles and Baco Noir.

### **A Sudden Drop in Production**

In 1985, wine sales, which had experienced steady growth reaching 15,000 cases per year, took a dramatic drop. Jacobson, who was not involved in daily activities of the wine production, re-evaluated business operations. A determination that the production quality was not meeting his overall objectives for the winery led him to the decision that the winery needed a fresh perspective.

At the same time, Kalchik preferred to focus on farming and did not want to invest additional funds needed to make the necessary corrections. In 1986, Jacobson bought Kalchik's interest in the business, becoming sole owner of the winery.<sup>3</sup>

### **New Strategies**

Ed Van Dine, who had been assisting Stackhouse, became the winemaker while efforts were made to enhance both the business and winemaking capacities of the winery. About this time, Bill Skolnik, who had previously worked for Chateau Grand Traverse, moved back to the region after working for Pindar Vineyards in his native Long Island region. He began contacting regional wineries to inquire if they were hiring. Ed O'Keefe,



Mike Jacobson became sole proprietor of Leelanau Wine Cellars in 1986.

suggested he contact Leelanau Cellars, as Jacobson was hiring at the time. Jacobson hired Skolnik as general manager.

The first step after Skolnik arrived was to review the production, marketing and overall business strategies of the winery. Skolnik proposed that he take on the position of winemaker in addition to his other responsibilities. He produced his first vintage in 1987. In addition to producing wines, he was active in the marketing of the winery, taking the initiative to complete several promotional objectives along with Jacobson to improve the overall marketing for the wines.

They redesigned the wine labels for a fresh, new look and brand and created a new line of blended wines with propriety names. They felt that some wines, even though of good quality, were too challenging to sell if consumers could not connect with the unfamiliar varietal names. The new wines, which Skolnik produced utilizing the less common French-American hybrid grape varieties, featured a seasonal line including Spring Splendor, Summer Sunset, Autumn Harvest and Winter White. Notably, one of the seasonal wines, Winter White, although not produced with Michigan grapes, is the state's top-selling wine in 2009.<sup>4</sup> On a side note, the seasonal wines were originally produced with all Michigan fruit, but later became subsidized as the demand outgrew the winery's ability to source locally.

Skolnik oversaw the planting of additional Chardonnay grapevines to aid in the production of higher-quality wines. He developed the concept of Tall Ship Chardonnay, named for the nearby Tall Ship Manitou.<sup>5</sup> The ship, which is a replica of the 1800s cargo schooner, the Manitou, was beginning to offer cruises on Grand Traverse Bay and, to this day, serves Tall Ship Chardonnay on its dinner cruises. Incidentally, the Chardonnay has won several awards throughout the years.

By 1991, production was on the rise again, and the winery was selling about 10,000 cases per year and steadily climbing.<sup>6</sup>

Skolnik remained at Leelanau Wine Cellars until 1996 when he returned to his hometown in New York and pursued a position at a winery opening on Long Island. He worked at Osprey's Dominion Vineyards for three years until his return to Leelanau Wine Cellars in 1999. He stayed at the winery for a couple more years until he left the winemaking business altogether.

### **The Next Generation: Bob Jacobson**

In 1994, Jacobson's son, Bob Jacobson, joined the winery fulltime when he graduated from the University of Michigan. The younger Jacobson, who had worked in the vineyard during summers in high school and college, began rigorous training to learn all aspects of operating the vineyard, winery and tasting room with a primary focus on sales.

Jacobson immediately recognized the importance of marketing the winery throughout the entire state, rather than primarily in the northwest Michigan. He became involved with the winery's distributors to learn all aspects of the distribution and sales process. He initiated new marketing and distribution strategies that set the winery's growth into motion, and by 2000, the winery was selling more than 26,000 cases per year <sup>7</sup> and quickly picking up momentum.

In the early 2000s, he was instrumental in the formation and remains an active leader of WineMichigan, which acts as a political voice in Lansing to represent the best interests of the state's vintners. In 2007, he was appointed by Governor Granholm to serve on the Michigan Grape and Wine Industry Council.

### **The Momentum Continues**

In 2001, a longtime employee, Shawn Walters, took over the winemaking operations. Though he had worked at the winery since 1993, he left for a couple of years, 1996 to 1998, when he assisted with the opening of Black Star Farms of Suttons Bay under Winemaker Lee Lutes.

Walters became winemaker at Leelanau Wine Cellars after expressing to Jacobson he wanted the position and was capable of doing the job. He had worked closely under Skolnik learning many aspects of the winemaking operations.

Walters picked up on the production and sales momentum that had been steadily increasing throughout the 1990s. To keep up with demand, the Jacobsons began updating production equipment to handle further growth.

Walters was focused on diversifying and experimenting with grape varieties. In 1999, Cabernet Sauvignon and Pinot Gris were added to the vineyard behind the production facility in Omena, and the 1984-test vineyard was replaced with Merlot. Notably, the 2005 Merlot produced from this planting made the list of the 30 Best American Merlots with an 88 rating in the October issue of *Wine & Spirits Magazine*.<sup>8</sup>



The 2005 Merlot is one of many wines that have garnered national recognition for the winery.

In 2000, the Jacobsons acquired another site, now referred to as the M-204 vineyard, with a partner. They planted 45 acres of European vinifera vines on the 75-acre vineyard. In 2003, 14 acres of Riesling were added, later followed by Sauvignon Blanc, Syrah, Pinot Gris, Gewürztraminer and Merlot.<sup>9</sup>

By 2006, sales production had increased to 75,000 cases per year.<sup>10</sup> Both the tasting room and the winemaking facility were operating beyond capacity. The significant increase of production prompted the Jacobsons to expand both the tasting room and production facility.

After several years evaluating potential production and tasting room locations through Leelanau Peninsula, the Jacobsons relocated their tasting room a quarter-mile down the road in an empty building that had changed uses over the years. They completely renovated the much-



The tasting room is beautifully built with a style that reflects the Lake Michigan shoreline.

larger facility on the shores of Grand Traverse Bay, originally built as an ice packing facility. The new tasting room, restaurant and marina opened in the fall of 2006.

The second expansion included the purchase of the original cherry processing plant, built by Jacobson and Kalchik, two miles up the same road, which had fallen into disrepair over the years. The Jacobsons completely gutted the facility and rebuilt it into a modern 40,000 square-foot winery production facility, which they relocated to in the summer of 2009. Incidentally, both the new tasting room and

new winery were Brownfield redevelopments as the Jacobsons felt strongly about redeveloping what was already in their community.

As the expansions were taking place, Walters, who simultaneously consulted for the new Longview Winery of Cedar in 2005, left Leelanau Wine Cellars in 2006. He now has his own consulting company, providing vineyard management and winemaking expertise to several northern Michigan wineries.

When the Jacobsons lost Walters, they felt they needed to bring in another experienced winemaker to handle the large production level that the winery was accomplishing. They initiated a national search which resulted in a list of qualified candidates, from which they selected Nichole Birdsall as the new winemaker. A native of Healdsburg, California, located in the heart of Sonoma Wine Country, she earned an enology degree from California State

University Fresno before working for Korbel Champagne Cellars and as an organic winemaker at Bonterra Vineyards, a division of Fetzer Vineyards.

Birdsall arrived in Omena in August of 2007, just in time for harvest to complete the end of Walters' 2006 vintage. She has quickly adapted to Michigan grape growing and wine production and is implementing new soil nutrient practices to the vineyards. She is working closely with Dr. Marcel Lenz, who manages the vineyards. Together, they are focused on growing and producing quality wine. Several of Birdsall's products have won wide acclaim and medals, adding to the long list of awards achieved by the winery throughout its 35-year history.

Today (2009), Leelanau Wine Cellars has 85 acres of grapevines planted in three vineyards. To keep up with growing demand for more than 30 varieties of wine, Birdsall plans to plant additional vines, including Pinot Gris, Riesling and more French-American hybrids.<sup>11</sup>

Bob Jacobson, now president of Leelanau Wine Cellars, oversees all operations of the business. He has led the winery to a production of more than 120,000 cases of wine with distribution throughout the Great Lakes region,<sup>12</sup> making it the state's largest winery in sales (2009).

## Endnotes

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- <sup>1</sup> David Averill, "Winery opens doors with bubbly fanfare," Traverse City Record Eagle, 25 July 1977: 8.
  - <sup>2</sup> Michael Jacobson, Personal interview, 10 November 2009.
  - <sup>3</sup> Charles (Chuck) Kalchik, Telephone interview, 30 November 2009.
  - <sup>4</sup> Elena Amboyan, Information Resources, Inc.
  - <sup>5</sup> Bill Skolnik, Telephone interview, 11 November 2009.
  - <sup>6</sup> Bob Jacobson and Mike Jacobson, Telephone interview, 3 December 2009.
  - <sup>7</sup> Bob Jacobson and Mike Jacobson, Telephone interview, 3 December 2009.
  - <sup>8</sup> Wine & Spirits Magazine, October 2009.
  - <sup>9</sup> Shannon (Shawn) Walters, Telephone interview, 11 November 2009.
  - <sup>10</sup> Tony Lentych, Email interviews, October 2009.
  - <sup>11</sup> Nichole Birdsall, Personal interview, September 2006 and telephone interview, 25 November 2009.
  - <sup>12</sup> Tony Lentych, Email interviews, October 2009.