

## Spirit Tree Estate Cidery: tourism, destination and local favourite

Part of Caledon's beautiful rural landscape, Spirit Tree Estate Cidery is one of those businesses that lives up to its exceptional reputation. Offering high quality local food, baked goods and artisan cider, it's a tourism destination, and a local favourite. On this, its 10th year in business, we sat down with owner Tom Wilson to talk about their evolution, challenges, and future.

### **Orchard, cidery, farm store, bakery, restaurant ? did I miss anything?**

No that covers it.

### **Give us the back-story, where did it all begin?**

Spirit Tree is the evolution of the business and family farm that we had on Dixie Road which was Wilson's Orchard. It was an orchard planted by my grandfather and father. Back in those days you grew, picked, sold your produce and made your money. People were buying for sustenance.

Then the pick-your-own trend started. We did that, along with expanding to grow other fruit and corn, and we ended up with a country market.

By the time I finished school and took it over, pick-your-own had evolved into more of an agri-tainment experience. People were visiting to show their kids a farm but buying much smaller quantities of fruit. People wanted finished product like jams and pies from us instead of making their own. We evolved to that format, but we had to put through tenfold more customers to do the same sales and competition was growing. I was less interested in the entertainment side and really wanted to focus on the food side. In Europe small farms take the ingredients they grow and raise and make them into amazing food products that make the farm financially stable. That was a farm plan I wanted to follow.

I still liked growing apples but wanted something more sustainable and not weather dependent. If the weather was bad, customers stayed home and you're not making money ? it was very volatile.

Nicole and I had bought the farm from my parents. We were living and working on the farm. Me fulltime and Nicole part-time. We were trying to see how we could make our farm business more stable and profitable. After careful review we realized we would have to sell the farm to recapitalize and start again with a new farm business plan. We sold the farm in 2004. It was a tough decision but purely a business one. We continued to run the business there during 2005 when we purchased the new property here and started planting a new orchard.

### **How long does it take to grow an apple tree to the point where it's producing?**

It takes five to six years for a tree to produce a crop but really eight to 10 years to get full production out of it. It's a huge commitment. That's why we wanted to get the orchard planted right away.

### **Why this location on the west side of Caledon?**

We realized there weren't many businesses on the west side of Caledon, yet a lot of people were visiting the Badlands and Belfountain. We found this property. It needed work but was big enough and could support growing and processing on site.

We wanted to create a more upscale boutique type of experience and I always had an interest and experimented with making cider. That became the kernel of the business plan.

### **Tell me about the building. What was the impetus for building in an environmentally-friendly way?**

Because we had a clean slate we played around a lot with what we wanted to do. Initially we were focused on moving and renovating a bank barn for our business and building a straw bale home. When we found this property, it had a fairly new home but no other farm buildings. We then landed on building an environmental straw bale building for our business.

We believe in being environmentally responsible, but we also wanted something that wasn't going to cost a lot to operate ? you're going to pay one way or the other. You can put up a cheap building and heat the neighbourhood or build well and have low maintenance costs. At the same time, we wanted something that looked rural and fit in with the landscape. That's why we liked straw bale because of the energy efficiency but also because of the look.

It did take us down a path of challenges, breaking new ground and dealing with government officials unfamiliar with the construction so it took longer than it should have. We got there in the end, along with multiple awards and recognition in the new Ontario Farm Planning Policy Guidelines.

### **Do you find it challenging to get and keep staff?**

We have just over 20 staff in the low season (winter) and over 40 in the facility plus four or five in the field during the high season.

Hiring, training, and retaining staff has been one of the hardest things for us to deal with since we opened. There have been a number of changes to Employment standards, minimum wage, health and safety, etc. Since we opened our operating costs, including labour, have more than doubled. Maintaining profitability as a small rural business right now is very hard.

Finding trained and experienced bakers and chefs has been very challenging. Everyone wants to go to Toronto thinking there is great opportunity. It's difficult to understand since there is so much more opportunity in places like ours? you get to do everything and learn so much because it's a small operation. There is freedom to be creative and you're using the best ingredients grown on our farm or locally. Most restaurants and bakeries have very set recipes. There is not much opportunity to be creative or learn new skills.

We've poured a lot of resources into our training and labour ? we have a training manual for employees and for managers, we have an HR administrator and HR consultation. We try to be very transparent and clear with expectations of staff, have good communications, take their input and suggestions and try to be a great employer. For a small business we are heavily invested in our team.

### **10 years in, how does it feel. Is business where you thought it would be?**

I still can't believe it has been almost 10 years. It has been a complete blur. Based on our business plan, unfortunately our business is not where it is supposed to be. The challenges and struggles of just figuring out how to run a multi-faceted business like this in this changing work environment, we have really had to grind it out. I think we are there though ? we have the best team we've ever had right now. Part of that is luck and part is all the work and investment we have put into our employee hiring and retention.

Healthy profitability has been the missing ingredient to date. We did not understand the provincial alcohol tax structure as well as we thought. Cider is a new industry so there were no rebates like in wine and craft beer. Paying nearly 60% in taxes to the province every month left us with nothing to save for bad days, mistakes and expansion. Things are changing, but only after I invested 6 years of my own time helping found, run and lead our lobbying efforts as the Ontario Craft Cider Association. We are now receiving a rebate from the government that has saved our company, and the industry. A new exciting industry in Ontario using Ontario apples was nearly taxed into oblivion. Unfortunately, during those 6 years I was being pulled in two directions, managing our business and leading an aggressive provincial government lobbying. Mistakes were made while I was off trying to save the craft cider industry.

So to answer the question, it has taken us 10 years to reach our 2 to 3 year business plan. Being on the leading edge of such a new

industry has meant overcoming some bureaucratic roadblocks. Taking time away from our business to lobby for those changes has set us back. Hopefully we can catch up in the next few years.

### **Courtesy of the Town of Caledon**

What has been the most surprising and gives you the most satisfaction?

I have been really surprised at the level of work and commitment we've had to put into this to make it work and keep it going. I don't shy away from hard work but the last 9 years have pushed us to new limits. But we were committed to doing it right ? building the right building, getting culinary and cider-making training, getting the expertise about staffing. We controlled our own destiny as much as we could. If we hadn't done that we would have failed.

The most satisfaction comes from experiencing the community support and the support at large. If you judged us purely on financial success you may not think much of it ? if I pitched this to Dragon's Den they'd laugh me out of the room [laughs]. But the fact that the community promotes and protects it [the business] ? that's what gets me and my staff out of bed every morning to come to work, no matter how exhausted we are.

Has your clientele changed?

It started with community and now its tourists from the GTA ? it's probably 50/50 ? which is important for the off season. If we didn't have great local support in the winter, we would be closed.

What would you do if you weren't doing this?

That's a good question. I don't know. Spirit Tree has become the definition of me. Because we started from scratch and built the business how we envisioned it, it has become an expression of Nicole and my passions. I went to university to become a teacher. After graduating I took over the family farm to keep it going because I am proud to be a farmer and wanted to see that heritage continue for my children. I guess that goal just took longer and went further than I thought it would. I am battered and bruised after 10 years but proud of the journey and what it has accomplished.

What do you see for the next 10 years?

That we're still in business [laughs].

I think we are getting to a new level, getting better support and keeping things simple ? we've realized we can't be everything to all people so we'll continue to do what we do best and make an effort to stay relevant. You have to be flexible.

How are you celebrating your 10th anniversary with your customers?

There's a number of events being planned, we'll do a summer bar-b-q, a dinner series, we're working on a 10th anniversary cider ? more champagne style, and other events. In September there will be a big one ? that's the actual anniversary, September 26th will be 10 years.

Spirit Tree Estate Cidery is located at 1137 Boston Mills Road, Caledon (directions).

[www.spirittreecider.com](http://www.spirittreecider.com) | 905-838-2530