

Ep.17 - Jenelle Jagmin_mixdown

Mon, 6/21 10:44AM 24:05

SUMMARY KEYWORDS

craft beverage, michigan, state, cider, council, people, breweries, wineries, wine, industry, tours, beer, representing, distillers, support, trail, great lakes, number, helping, community

SPEAKERS

Announcer, Ed Clemente, Jenelle Jagmin

A Announcer 00:01
Welcome to The Michigan Opportunity, an economic development podcast featuring candid conversations with business leaders across Michigan. You'll hear firsthand accounts from Michigan business leaders and innovators about how the state is driving job growth and business investment, supporting a thriving entrepreneurial ecosystem, building vibrant communities and helping to attract and retain one of the most diverse and significant workforces in the nation.

E Ed Clemente 00:28
Welcome to The Michigan Opportunity brought to you by the Michigan Economic Development Corporation. Hello, my name is Ed Clemente, and I'm your host today. And we're fortunate to have Jenelle Jagmin. She's the Director of the Michigan Craft Beverage Council. Welcome Jenelle.

J Jenelle Jagmin 00:43
Hey, thank you Ed.

E Ed Clemente 00:44
Thanks for taking time to do this. I know that you have a I don't know as much about the

title of your organization, but I know it had a previous name. Can you give us first of all sort of what the organization is and sort of a little history of it to if you could,



Jenelle Jagmin 01:01

Yeah, happy to thanks. So I'm the Director of the Michigan Craft Beverage Council. And we are a program within the Michigan Department of Agriculture and Rural Development. Our our council is comprised of Governor appointed council persons and they are advisory to the department. So we are a relatively new council, we actually came into existence in the fall of 2018. And prior to this, our program was operating as the Michigan Grape and Wine Industry Council. And it had been that for decades, I mean, I think since the mid-80s. And so at that time, the council really focused its promotional and research efforts around Michigan wineries and, you know, grape growing Michigan grape growing in the state. And so when the transition happened, of course, we expanded our scope. So now we're also supporting the breweries, the craft distillers, we've always been doing hard cider, as you know, they're licensed as wineries in the state. But it's been really awesome, just expanding the scope of the council, learning more about these different beverage segments. And of course, being in the Department of Agriculture and Rural Development, understanding those agricultural supply chains that feed the development of our industry.



Ed Clemente 02:20

Probably back when it started, the only craft beer was Stroh's beer, which was not a craft beer is pretty huge back then. I don't think I think there's only one up in Frankenmuth at one time, there was a small brewery up there too, but there wasn't many in the state. So that's why probably it was primarily wine. The wine industry was just growing back when they created it too. I think



02:40

When they created the Grape and Wine Industry Council, I believe there were only 14 wineries.



Ed Clemente 02:46

Let's get the segue into that. What are many are there now?



02:49

Well, we have we have more than 400 licensees in this state. But we know that operating wineries with tasting rooms are about 175 or so with some of those wineries having additional tasting rooms. But one of the coolest things about that is we know that I think almost 150 of those businesses are operating with mostly Michigan fruit, you know, as available. So it's it's and that's one of the things that sets Michigan wineries apart from some of our other northern climate wineries and states surrounding us is that we are able to produce such high quality fruit and use that in our winemaking. So yeah, that's definitely you know, the Grape and Wine Industry Council did a great job contributing to the growth of that industry. And I hope hopefully you continue to do so.



Ed Clemente 03:36

We're going to hit the other crafts in a minute. I just want to finish a little bit about wine. So is Michigan a big wine producing state? I mean, we think it is but you know, we're California has got like 4000 vineyards, I think, but is it? Are we unique as far as an ecosystem for because of our great lakes that were more attractive? Maybe? I don't know.



03:56

Yeah, definitely, and it's hard to compare yourself to California, you're right, they're just a monster of wine production. But Michigan right now we rank ninth nationally for wine production. And you absolutely hit the nail on the head as far as the Great Lakes ecosystem. And so it's really that the Great Lakes that allow us to grow these grapes. In a climate like ours, you wouldn't necessarily expect to see chardonnay, and merlot or cabernet franc. And of course, riesling, riesling, we hang our hat on riesling. They normally wouldn't grow as well in a northern climate but because we have the Great Lakes, it has this like awesome umbrella effect over the state and it helps to prolong the growing season. It can help to shield the grapes from hard freezes, you know, it captures that warm water air into the fall, and then also helps to protect the vines in the spring. So it really is the great lakes that make the difference for us.



Ed Clemente 04:59

Well, I'm going to ask you a question later on about agritourism too, which I think will tie into that a little bit. And the variety of different fruits and everything we have in the state. Let's talk a little bit about the other two, three sectors. Right. So let's go with beer. That's probably the biggest, most famous one, I think our



05:17

Michigan breweries are certainly famous. And they you know, we've had a number of pioneer breweries in the state that have helped us really get on the map, as far as beer production. I believe the Michigan Brewers Guild has been operating since the mid-1990s. And you have those companies like Bell's, of course, and Founders that really made a name for themselves. But the thing about the Michigan breweries and one of the reasons that our state has such a strong brewing community, is the community. The brewers work collaboratively and have for decades and really do a great job of supporting each other and giving each other you know, tips of the trade and, and just support whenever they can.



Ed Clemente 06:01

And you might have said this, but how many did you say there were, again?



Jenelle Jagmin 06:04

We have more than 300 breweries craft breweries in the state.



Ed Clemente 06:07

Wow. Now, and I should have mentioned upfront that you and I knew each other when I was a Liquor Control Commissioner. We did a few projects together. But speaking of beer too, you did mention that the big brands, obviously, are probably the most famous in Michigan. You mentioned a couple of them. There's a few though that really sort of are nationally known, are any of our beers like, known, like, what are some of the bigger beers are made in Michigan that are even, like popularly known in other states or countries?



06:39

Yeah, well, I believe that Founders, they're in all 50 states, right now, with distribution, as far as I know. And of course, Bell's is you can find Bell's all over the country, but you've got Short's, expanding their distribution, and a number of others that are very well known around the country. Michigan beer is known around the country. But I also kind of want to flip side on that. And there are a lot of smaller craft breweries around our state, that may not have that national distribution, but mean a whole lot to their communities, and act as placemaking anchors for different communities around the state. They, they host fundraisers, they support the little league teams, you see art events, they're, they're really just a part of the fabric and the footprint of, of Michigan's smaller and larger communities.



Ed Clemente 07:31

So it's sort of community economic development, that they're so integrated in the community that people just because I know, it's like the few brew pubs I know like in my area everybody knows the owners, they might sponsor the baseball team. So it's pretty similar around the state, I guess, then, right?



07:49

Yeah, I heard a really wonderful quote recently from Ore Dock Brewing up in the UP. And they said that there is no better way to know that people have an area than to sit down in a local brewery. And and that was part of their origin story was that they loved touring craft breweries. And they would go to these different regions when they planned out their tours, and they would just sit down. And that's how they got to know the locals and how they really got to know the area.



Ed Clemente 08:19

So let's break next to distilleries. Local. I don't know how many we have in the state. I don't think it's as large numbers as the other ones. But there's quite a few. I know that but I don't know how many.



08:30

Yeah, there's definitely a number of craft distilleries in our state. The Michigan Craft Distillers Association has at least 35 in their membership alone. And this is definitely a growing segment. And similarly to the breweries You know, a lot of these distilleries are in, you know more urban environments or in towns where they, they also definitely make a difference to their community. But there are also a few that are found out in the rural areas that have quite an impact as well and become destinations. One that comes to mind is Iron Fish in Thompsonville. And I don't know if you've been there before, but they've done



Ed Clemente 09:09

Its on the westside right, of the state?



Jenelle Jagmin 09:11

Thompsonville, Yep, on the northwest side of the Lower Peninsula, and they bring in more

than 100,000 unique visitors every year. And if you've been there, you have to travel quite a ways down a dirt road to get there. So it is not unintentional that people are going but they they do a fantastic job.



Announcer 09:30

You're listening to The Michigan Opportunity, featuring candid conversations with Michigan business leaders on what makes Michigan a leading state to live, work in play. Listen to more episodes at michiganbusiness.org/podcast



Ed Clemente 09:47

Let's talk a little bit about cider, because that's the one people don't I mean, I prefer cider myself. But I know it's been growing. You know, it wasn't that big like five years ago. I think it's bigger now. Maybe than it was. So what do you know about that you can tell us?



10:03

Cider production is definitely on the rise. And we have a number of producers that do exclusively cider. And I'm thinking, you know, you've got your Farmhouse over on the west side and Allendale, or Uncle John's Cider here north of Lansing, which is awesome. But there are also a number of wineries that moved to cider. And I don't know if you remember, a few years ago, there were there were a couple years where we experienced some polar vortexes, which those long periods of really, really cold temperatures hindered some of the grape vine growth. And so in order to have a product that they could have ready for consumers, a lot of the wineries did switch over to cider production. And so now we know that we have about 90 producers of hard cider in the state.



Ed Clemente 10:58

Oh, wow. I didn't know there's so many Yeah,



11:00

Yeah, so the in that, so that would include the wineries that are doing hard cider and also there are breweries, you know, that maybe making hard cider. There's a lot of kind of cross pollination between some of the craft beverage companies. But then you have just those exclusive hard cider producers too and hard cider in Michigan is known worldwide. And I don't know if I this came as a surprise to me. But there has been a competition held in

Michigan for more than a decade, an international cider and pairing competition that takes place here in Grand Rapids, and Michigan producers go up against producers all over the world, and always do extremely well. People all over the world know about Michigan cider. And they know about it, you know, because Michigan apples, we make excellent cider here.

E

Ed Clemente 11:52

The first time ever had cider. I was in England, and everyone drank it there probably as much as beer actually. So I just think for Americans, maybe we used to do it maybe in the colonial days, and we got away from it. Now we're coming back. Hopefully. The other thing too, do you have sort of any numbers or like number of employees or tax base, because you were mentioned a little bit about economic development? But do you have any numbers you could share with us a little bit and how that how they impact the state economic wise?



12:23

I think that economic development figures are really important, and it's something that the Craft Beverage Council could definitely put in their view for the future to do a little bit better job of capturing those kind of numbers, but we do know, we did an economic impact study in 2017 on the grape and wine industry. And we determined that the Michigan wine and cider industries provide \$5.4 billion to Michigan's economy in that includes \$253 million in tourism spending. And it's funny to think that the 2017 now seems so long ago and especially with what the world has gone through in the last year and a half, it would be really interesting to see how our economic development numbers for all the beverage categories have changed and and grown it's we continue to grow.

E

Ed Clemente 13:14

Well, I would imagine, to with the coupling of more people traveling domestically, I mean, everything I'm reading about is the UP is very popular around the country all of a sudden. I have friends up in Munising. And they're seeing a lot of New York license plates, New Jersey plates up there that they never used to see before. So I imagine they're all sampling a lot of these craft beverages too, as they because that is part of the tours. In fact, let's talk about that right now. Agritourism. I know you got a cool map, interactive map, of where you can do tours for the different segments. Is that correct? My you might call it something better than what I'm saying it but I didn't know.



13:54

We had when we were the Grape and Wine Industry Council, we did have much more of an interactive map and more based on tourism. We do have an excellent licensee map on our website michigancraftbeverage.com. And we also feature a number of different maps created for the trail systems, the you know the craft beverage trails around the state. But I would even go to throw that back to michigan.org. I mean, michigan.org does an excellent job mapping out the different craft beverage tours around the state. But then you also have these like the Lake Michigan Shore Wine Trail in southwest Michigan or Leelanau Peninsula Wine Trail. If you Google those different trail systems, they're also wonderful about putting together recommendations and showing you right where all the businesses are.



Ed Clemente 14:42

Yeah, you've actually just through your explanations, you've kind of covered most of the state. Is there any other segments maybe you might that we wouldn't traditionally think about either UP or other parts of the state like even the Detroit area, urban areas.



14:58

I gotta tell you, one of my favorites is the Sunrise Side over in the Alpena region in northeast Lower Peninsula. And it's the Sunrise Side Wine and Hops Trail, and it's just when you go to these trail systems and you visit these breweries, you go to Austin Brothers Brewery or Stony Acres Winery up there, you pair it with the everything that Michigan has to offer, the nature trails, the beach time, you know, this is just what is so magnificent about these craft beverage trails is, is not only going to visit these businesses, but spreading out and see everything else that's around you. It's a part of the whole package.



Ed Clemente 15:39

And and I imagine to when you are given your explanation a little bit to enlightening Michigan, as unique sort of microclimate because of the lakes, that we produce so many other kinds of fruits and other products but I imagine there's a lot of infusing going on to some of the ciders or with some of the wines or because I mean, you know, I know we grow apricots, I think we grow peaches. You work in agriculture, probably more than I do on this. But is that helpful that we have such a diversity of crops in the state too?



15:41

Yeah, absolutely. The diversity of our crops is, I believe, second to California, right now in Michigan. And yes, all of the those stone fruits that you're talking about the grapes, we also, with hops. I mean, this is still a growing industry in our state, but we're fourth in the country just outside of the Pacific Northwest. And I'm gonna do a little plug for the Craft Beverage Council, we invest heavily in research, and helping to make sure that these agricultural beverage segments are able to continue to rely on Michigan agriculture and put that into their product. And when you talk about infusing, I have to throw also another plug over to Long Road Distillers in Grand Rapids. One of my favorite stories is they bring their staff up to Beaver Island to harvest botanicals, including Beaver Island Juniper to make their Michigan gin. It's so cool the way that our craft beverage community just reaches out around Michigan to take in that that local agriculture.



Ed Clemente 17:17

You don't have to give names. But can you plug all all four the industries are they all on your board? Or is it I don't know exactly who's on your board right now, but it's pretty well represented right across the four.



17:30

Very well represented. So our our council is made up as I mentioned of Governor appointed members and they they have to fill certain segments. And so we do have Richard Anderson with Iron Fish Distillery and he's representing the small distillers, Mike Beck with Uncle John's Cider Mill. He represents the cider makers in the state. We have a couple different winemakers in the state. Larry Bell with Bell's Brewery sits on representing the large brewers. We have a representative of small brewers with Scott Graham, we think you're familiar with Scott. And we also have a representative, large distiller and then also a representative for Class-C licensees that serve Michigan wine, beer and spirits. So it is very, the thing about our council is we have all of these different people. No, I'm sorry, I forgot one. Erin, she's a Meier and she represents the retail segment.



Ed Clemente 18:29

I was going to bring up if you didn't, don't worry.



Jenelle Jagmin 18:32

This is this is a fantastic council. And so what they do is, you know, they they're

representing all of these different interests, these bent beverage segments or, or parts of the industry. And when the council was created, you know, we weren't sure exactly how all of these different diverse interests were going to come together. But it has been so overwhelmingly positive how these councilpersons help and support each other. They are all interested in lifting each other up and making Michigan's entire craft beverage industry a success. And so it is it has been a great experience.

E

Ed Clemente 19:15

Well, just a couple more questions. You mentioned quite a few individual future trends but do you see anything else maybe on the horizon that we can expect? You know, beyond, you're saying like the supply chain of Michigan, you know, Michigan made products being put into the components, any other trends you see for your industry they're a little bit that's going to change or affect us?

J

Jenelle Jagmin 19:39

Well, I think that going back to some of your previous experience with the commission, we know that through the pandemic, the commission did a great job of responding to the needs of of this industry. And there are some changes that were implemented that we hope or you know, may be long term and that might be the social districts. We see different distribution opportunities for some of the craft beverage producers.

E

Ed Clemente 20:08

I was going to ask, what about I've also noticed that when when I was on liquor control the expansion in some of the vineyards for people to sample like it's walking tours almost, I don't know what you want to call it.

J

Jenelle Jagmin 20:23

Yes. Yep, permitting that space to allow for sampling. And that Ed is also been very important because through this last year, we have realized just how much people love being outside at these craft beverage businesses, and there are a number of them that are never going to go back to where they were, they love having reservations for tables, you know, for table service, they love being able to set up outdoor spaces. Another you know, going back to the Iron Fish, I hate to keep going back to Richard, but they they set up base camp ironwood, these beautiful tents all around. And they found so much success, even through the middle of winter that they're there like this is what's happening now. This is this is the future of Michigan craft beverage. So that's definitely a trend we're

going to see is that we're going to continue to cater to outdoor seating and sampling.

E

Ed Clemente 21:14

Did you also, does your board ever mention to you anecdotally through your members out of state people are obviously hopefully Canadian at some point. But you know, because I know there's a lot of people come from out of state to Michigan, like I said for tourism, but I would imagine are you guys somehow tracking that there might be people from out of state that you can find at your places?

J

Jenelle Jagmin 21:37

Yeah, there's definitely out of state guests, and we love that again with michigan.org they do a great job of helping to drive that traffic but certainly the wineries in Southwest Michigan and the all the craft beverage cruisers in Southwest Michigan see Chicago traffic all the time, you know, and some from the southern states, but the those visitors you right are going up to the UP as well. So we love seeing the tourism and we love introducing Michigan craft beverage to people all over the world.

E

Ed Clemente 22:06

Well, your last question is going to be you might have a problem. But what do you like best about living in Michigan? Like any specific places or events or just general because have you lived here your whole life? I forgot.

J

Jenelle Jagmin 22:21

Yeah, well, I've lived here most of my life. I grew up in the Grand Rapids region and I came to Michigan State University and ended up for the most part staying in Lansing. I've done a little bit. I've lived in Virginia. I've lived in Oregon briefly but Michigan is definitely home for me. And you know, I think that my favorite thing about Michigan is just the bountiful opportunity everywhere and I'm talking about not only because I do I do love craft beverages, and I love the that they're you know, abundant here, but I love the natural resources. The fact that we're close to so much fresh water is just incredible. But the thing that's my my favorite favorite thing about Michigan are the people. And in my travels all over, there's just nothing like Michiganders and there's a grittiness and authenticity and a warm welcome in Michigan. So I that's my favorite part is just the people that live here.



Ed Clemente 23:20

Well, once again, we had Jenelle Jagmin, Director of the Michigan Craft Beverage Council. I want to thank you Jenelle for taking time you did an excellent job today. And this hopefully, people will be contacting you. I'm sure you can be found on the internet pretty easily. But anyway, we appreciate you taking time to do this with us today.



Jenelle Jagmin 23:39

Well, thanks Ed, I really appreciate the opportunity as well. It's nice to be able to talk craft beverage with you today.



Announcer 23:47

The Michigan Opportunity is brought to you by the Michigan Economic Development Corporation. Join us and make your mark where it matters. Visit michiganbusiness.org/radio to put your plans in motion.