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**ADVANCING TOURISM AND TOURISM EDUCATION THROUGH
PUBLIC AND PRIVATE PARTNERSHIPS:
THE CASE OF THE NEW YORK WINE & CULINARY CENTER**

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ABSTRACT

With wine and food being one of the fastest growing tourist sectors, many destinations have established visitor and educational centers to promote and highlight their unique tourist offerings. One such example of this is the New York Wine & Culinary Center. This Center is being developed to serve as a gateway for agri-tourism in the State of New York. The Center is located in the Finger Lakes, which is the State's major wine producing and agricultural area. It was developed through a partnership among the following organizations: The School of Hospitality and Service Management at Rochester Institute of Technology (RIT); Wegmans Food Markets; Constellation Brands, Inc., and the New York Wine & Grape Foundation. This paper examines the tourism issues related to building public and private partnerships in order to promote specific tourist sectors while providing unique hands-on tourism education. The discussion is framed around an example of a newly-formed tourism resource developed to meet both public and private goals.

Keywords: *Wine Tourism, Agri-tourism, Partnerships, Destinations, Visitors Centers.*

INTRODUCTION

A common development in recent years is the growing collaboration between universities and the private sector (Cyert and Goodman 1997, Slotte Tynjälä 2003). Research shows that these relationships take many different forms and consist of varying levels of resource and human commitment (Santoro 2000). Santoro (2000) states that Industry – university technology relationships consist of four related components: research support, knowledge transfer, cooperative research, and technology transfer. Origins, motivations, and components are all key concepts when discussing university – industry partnerships; however the

new demands of a global society are making this type of collaboration the new paradigm for universities to compete (Hagen 2002).

With the growing competition placed on local companies through global competition more and more universities and colleges are looked upon to play a greater role in economic development (Schaeffer and Loveridge 2001, Noftsinger 2002). In order to do this effectively, it is paramount that the university embraces a vision that balances basic and applied research, interdisciplinary program deployment, and engagement through strategic alliances (Noftsinger 2002:20). States and local communities are showing great interest in using the resources of the university to help in community development initiatives (Williams 2002). Along with sector development, workforce development is seen as a unique opportunity for college to aid in the development of community competitiveness (Horgan 2002). This economic development strategy is further advanced through public and private partnerships and alliances.

Tourism is a challenging sector to develop, since the components that make up a destination's resources rarely fall under one organizations control (Bramwell and Lane 2000). The growing interest in forming partnerships in the tourism sector is the belief that the tourist destination and the organizations serving them will be able to gain competitive advantage through pooling their knowledge, expertise, and monetary resources (Koteler, Haider and Rein 1993).

An example of the current trend concerning university-industry partnerships to aid in community, industry and workforce development is the New York Wine and Culinary Center (NYWCC). It's specifically been developed around the advancement of service-sector labor training, tourism development in the Finger Lakes Region of New York, and the growth of the wine and food sectors.

With wine and food being one of the fastest growing tourist sectors, many destinations have established visitor and educational centers to promote and highlight their unique tourist offerings. The New York Wine & Culinary Center also illustrates this type of effort. New York State encompasses 35,600 farms and uses "7.55 million acres of land to produce an array of fruits, vegetables, dairy products and meats. In 2004, agriculture contributed \$3.6 billion to New York's economy. New York is a top three national producer of many food products including milk, apples, grapes, cabbage, cauliflower and pumpkins" (www.nywcc.com/about/history1/php).

"New York has a long history as a wine producing state. Since the 1600s, vintners have maximized New York's unique climate and soil characteristics to

produce an assortment of wines. New York State is home of U.S. bonded winery number one, Pleasant Valley Wine Company, located in Hammondsport, New York. It also lays claim to America's oldest continuously operating winery - Brotherhood Winery in the Hudson Valley.

The number of wineries in New York surged following the 1976 passage of the Farm Winery Act, which made it easier for small wineries to enter the business" (www.nywcc.com/about/history1/php).

"Today, New York is the third largest wine producing state in the country. The number of wineries in the state jumped from 63 in 1985 to more than 212 today" (www.nywcc.com/about/history1/php). In 2002, four "organizations came together with a common goal - to create a gateway for the people of New York and from around the world to experience New York's wine and food industries. The four organizations are: Constellation Brands - the largest wine company in the world. Headquartered in Fairport, NY, Constellation is also the largest beer importer in the United States and third largest distilled spirit company in the United States.

Wegmans Food Market Inc. - a leading regional supermarket chain recognized throughout the world for service and innovation. Wegmans has been ranked in FORTUNE magazine's 100 Best Companies to Work for every year since the list began in 1998, including being #9 in 2004, #1 in 2005 and #2 in 2006" (www.nywcc.com/about/history1/php).

The third organization is Rochester Institute of Technology's (RIT) School of Hospitality and Service Management, and the fourth member of this partnership is the New York Wine and Grape Foundation. This is a nonprofit organization "created in 1985 by the New York State legislature dedicated to developing and executing promotion and research programs that support the New York wine and grape industry" (www.nywcc.com/about/history1/php).

"After three years of research and planning, this vibrant partnership of corporate, academic and government organizations formed the non-profit New York Wine and Culinary Center to showcase and provide a gateway to New York's wine and food industries. The partnership hired Lord Cultural Resources Inc., a firm that consults with museums and cultural centers around the world, to help in the development of the Center" (www.nywcc.com/about/history1/php).

"Canandaigua, New York was chosen as the location for the Center. A small city located on the north shore of Canandaigua Lake, it is a major tourist destination during the summer months. Canandaigua is known for its historical

architecture, traditional main street and proximity to many farms and wineries” (www.nywcc.com/about/history1/php).

“New York Governor George E. Pataki led the groundbreaking for the New York Wine and Culinary Center building on August 10, 2005. He returned on June 16, 2006 to toast the Center's grand opening” (www.nywcc.com/about/history1/php).

ALLIANCES, COLLABORATIONS AND PARTNERSHIPS

Concerning the theoretical basis regarding research into partnerships, alliances and collaborations, many different areas of focus have been explored. From a broad view, much has been written regarding the differences among the concepts of a ‘partnership’, an ‘alliance’, and ‘collaboration’. Since the term ‘collaboration’ is often used in academic research (Bramwell and Lane 2000), ‘partnership’ or ‘alliance’ which is often associated with industry practices will be used to reference this activity. Partnerships are often written from the point-of-view of choosing and selecting the right partners. Since this partnership has already created an entity, this line of literature is ignored. Therefore, the main focus of this brief literature overview is based on the benefits and challenges of partnerships and how to make them work.

The potential and documented benefits to the university resulting from collaborating with industry are numerous and many. An obvious benefit is the access to capital and financial gains stimulated through private sector partnerships (Santoro and Betts 2002). This may take the form of new start-ups, innovations, licensing, patents and grants. This working alliance also provides the university a source for placing their graduates and for current students to engage in research and cooperative education (Santoro 2000). An alliance with the private sector also provides faculty with case studies and current business practices that can be used in the classroom (Slotts and Tynjälä 2003). Collaboration with the private sector firms also supports faculty research.

Benefits to the industry partner are just as numerous. This can take the form of knowledge transfer through access to expert knowledge, new technologies and resources (Santoro and Betts 2003, Brennan 2003). This can also lead to lower research and development costs and higher levels of innovation for the firm (George, Zahra and Wood 2002). For both the university and the firm, credibility and prestige generated from the association with each other can generate additional press that transfers into increased recruitment and public support.

Partnerships between universities and the private firms are not without their risks. Cyert and Goodman (1997) point out that the two often have conflicting cultures: one producing products and services while the other creates and disseminates knowledge. Furthermore, when it comes to sponsored research, the firm may be looking for certain results as the partnering university seeks objectivity. To overcome challenges associated with university - private-sector partnerships and alliances, trust is often acknowledged as a necessary component (Doz and Hamel 1998). To help foster a shared understanding between the two types of organizations, it is said that the greater number of linkages created between the two helps develop a shared understanding (Cyert and Goodman 1997). Austin (2000) points out that alliances are successful when key individuals connect personally and emotionally with the alliance's social purpose and with each other.

Austin (2000) describes three stages through which the relationships of nonprofits and corporations may pass through: philanthropic, transactional, and integrative (p. 22). In the philanthropic stage, the relationship between the corporation and nonprofit is largely that of charitable donor and recipient. In a transactional stage, organizations carry out resource exchanges through specific activities often related to marketing, event sponsorships, and paid service arrangements. In either form, engagement of the partners is more active at this stage and value flow more significantly two-way (Austin, 2000:22). The third stage, or the integrative stage, is when the partners' mission, people, and activities begin to experience more collective action and organizational integration. Austin (2000) states that the relationship begins to look like a highly-integrated joint venture central to both organizations' strategies. In order to view this corporation - nonprofit relationship as a framework, Austin (2000) proposes the collaboration continuum in Figure 1.

<u>Relationship stage</u>	<u>One Philanthropic→</u>	<u>Two Transactional→</u>	<u>Three Integrative</u>
Level of engagement	Low→→→→→→→→→→→→→→→→		High
Importance to mission	Peripheral→→→→→→→→→→→→→→→→		Strategic
Magnitude of resources	Small →→→→→→→→→→→→→→→→		Big
Scope of activities	Narrow→→→→→→→→→→→→→→→→		Broad
Interaction level	Infrequent→→→→→→→→→→→→→→→→		Intensive
Managerial complexity	Simple→→→→→→→→→→→→→→→→		Complex
Strategic value	Modest→→→→→→→→→→→→→→→→		Major

Figure 1. Collaboration Continuum

Source: Austin, 2000, p.35

The case described in this paper is explored as an integrative collaboration.

NEW YORK WINE & CULINARY CENTER

The idea for the development of the New York Wine & Culinary Center (NYWCC) evolved over a three year period culminating with its opening in June 2006. It originated from the leadership at Constellation Brands. The vision was to create a center to showcase the region's wine, agriculture and culinary arts in one location (Deckert 2006). The idea's goal was to make the central wine making region of New York (the Finger Lakes region) a destination spot. As the idea evolved at Constellation Brands, Inc., they reached out to other organizations in the local community to develop and implement the idea. These other organizations are Wegmans Food Markets, Rochester Institute of Technology, and the New York State Wine and Grape Foundation. Through this effort the Center's mission was established. The stated mission of the New York Wine & Culinary Center (NYWCC) is to "engage, excite and inspire the people of New York State and the world in a celebration of New York wine and food. The Center will be an educational and experiential gateway to New York State's incredible wine, food and culinary industries" (www.nywcc.com/about/mission.php).

Austin (2000) summarizes the characteristics of partnerships in each of the three stages (identified in Figure 1) in terms of four key strategic dimensions: collaboration mindset, strategic alignment, collaboration value, and relationship management. These four key strategic dimensions are used to analyze the current partnerships that form the New York Wine & Culinary Center.

In the first key strategic dimension, the collaboration mind set, the questions revolves around the fundamental approach to the relationship. It is an "us" versus "them" or "we" mentality? In the case of the New York Wine Culinary Center (NYWCC) previous relationships from the very informal to the formal existed prior to the formation of the Wine and Culinary Center initiative. Strong support for the concept existed at high levels within the founding organizations early on. Each organization clearly viewed the idea as having both organizational and social value that legitimized the initial concept. The NYWCC clearly met the first characterization of an integrative partnership.

The second issue addresses strategic alignment among the partners. This alignment was achieved by matching the operational needs and capabilities that each organization was able to contribute to the Center's establishment. Besides the value created through this partnership, each of the organizations contributed resources and used capabilities the others could not. For example, the two private-sector firms contributed financial resources the others could not. Constellation Brands contributed about \$1 million. Wegmans committed

roughly \$50,000 a year to the Center for employee training, as well as donating \$35,000 toward the central kitchen. This resulted in the attraction of additional funding from the government. New York State Department of Agriculture and Markets provided \$1.65 million and the Governor's Office of Small Cities awarded \$400,000. RIT's main role was to be the leader in the Center's educational component. Therefore, it developed curricula for the Center and helped design the Center to meet the academic goals. Just as important, the service of the University's vice president of finance played a role in fiscal supervision of the project. Along with the assistance of the New York Wine and Grape Foundation, all partners used their network of organizations to gain support for the project. This resulted in over 30 additional sponsors of the project, including such corporation as Cambro Manufacturing Company, CUTCO Cutlery, Viking Range Corporation, and Wine Spectator magazine (www.nywcc.com/about/sponsors.php).

The third strategic dimension is value creation. The question, according to Austin (2000) is: are the partners leveraging their distinctive competencies and combining them synergistically as to move to higher levels of value creation? Each brings an expertise that the others value and do not possess. Constellation Brands, Inc. brings enormous financial resources and understanding of the beverage industry on both a local and global scale. Wegmans brings commitment to selling and promoting high-quality, locally-grown agriculture and an understanding of the supermarket sector. Rochester Institute of Technology contributes curricula and academic credibility to the partnership. The New York Wine and Grape Foundation provides research expertise and advances knowledge of the wine sector. This joint creation of value has already provided results in the first five months of operation. Such activities are: training at the Center by RIT faculty of Wegmans employees; development of grants by and for the partners using the facilities; and special events designed to bring attention to NY wine products and benefit RIT students.

The final key issue is relationship management. Do communication, commitment, and institutionalization exist? Since the NYWCC is only recently opened, much of the press has revolved around each of the founding partners, so there is a sense that the success or failure of this reflects upon all of the players. The NYWCC's board is an indication that this relationship is being led at the highest level. The NYWCC's board is made up of seven members: two from RIT, two from Constellation Brands, Inc., one each from Wegmans, NY Wine and Grape Foundation, and the President and CEO of Canandaigua National Bank. The commitment to the NYWCC is demonstrated by the fact that the president of the board is the CEO of Constellation Brands, Inc.; the board's vice-president is the CEO of Wegmans; the secretary is the President of the NY

Wine and Grape Foundation; and the treasurer is the vice-president of finance for RIT (www.nywcc.com/about/board.php).

What does this partnership mean for tourism and destination development? The first tangible outcome of this integrative partnership was the New York Wine & Culinary Center (NYWCC), a brand new facility that can anchor the wine tourism in that region. It has been called the physical and electronic gateway to New York's food, wine and agriculture (Miltner 2006). This not-for-profit center consists of almost 20,000 square feet (1,850 square meters) and was built at total cost of approximately \$7.5 million (www.nywcc.com/inform/press.php). The Center contains a concierge desk, cooking demonstration theater, private dining room, wine tasting rooms, hands-on teaching kitchen, retail shop, exhibit hall, wine & food bar, and an outside garden containing native grapes and other agriculture (www.nywcc.com/inform/press.php).

The Center is expected to contribute \$11 million to the local economy annually (Deckert 2006). From June to September 2006, it has already attracted over 56,000 visitors. The goal is to continue to boost and highlight, on a national and global scale, New York State wines. In 2005, the total economic impact of the sector on New York State was \$6 billion (MKF Research 2005). Of this economic impact, there were 4.14 million wine-related tourists with expenditures of \$312 million.

LESSONS AND THE FUTURE

Through strategic alliances, such as the New York Wine & Culinary Center, colleges like Rochester Institute of Technology can take community and tourism development to new levels. This Center sits in a region made up of major wine trails, such as the Seneca Wine Trail (29 winery members), Cayuga Wine Trail (16 winery members), Keuka Lake Wine Trail (8 winery members), and Canandaigua Wine Trail (4 winery members). Therefore, this Center will continue to help promote wine in the off season when individual wineries along the trails may not have the facilities or human resources to host the public. One of the main issues facing this new tourism facility is managing daily operations. As a new operation, there has been a high turnover in management, due to many factors. One such factor is likely the changing dynamics related to the potential uses and opportunities the Center has, in order to achieve its mission: *The New York Wine & Culinary Center will engage, excite and inspire the people of New York State and the world in a celebration of New York wine and food. The Center will be an educational and experiential gateway to New York State's incredible wine, food and culinary industries.* So, as the Center has delivered training; guest lectures; demonstrations by celebrity chefs; special events; and daily-offered public wine tasting, different skills and leadership are needed. The

key to moving forward will be to balance these activities in their use of achieving the mission of the Center, and simultaneously continuing to maximize the resources and benefits returned back to the founding partners.

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