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SMALL BUSINESS.



Going for the smooth finish

Laughing Stock Vineyards: The high stakes of high-end wine BY COOPER LANGFORD

THE FIRST CLUE that David and Cynthia Enns were serious when they traded in careers as institutional investment research consultants to go into the wine business comes when David steps forward to shake hands. His are stained purple — proof that when this husband-and-wife team ditched their suits five years ago to start Penticton, B.C.-based Laughing Stock Vineyards, they planned to be hands-on at every level of what others would consider a “lifestyle business.”

Today, after a five-year slog, Laughing Stock is hitting its stride, producing 5,000 cases of wine yearly from its 20-plus-acre vineyard, with sales channels through stores and top restaurants in B.C., Alberta and, as of this year, Ontar-

io. The Enns, meanwhile, are emerging as figures on Canada's boutique winery scene, backed by good reviews, industry awards and strong sales. “There's light at the end of the tunnel,” David says.

If comments like that make the Laughing Stock story sound like a reality check for anyone who has ever wanted to burn their tie and turn their passion into their livelihood, it is. The lesson? Expect a lot of work before the fun kicks in.

The Enns knew they were taking a risk when they decided to launch Laughing Stock in 2003. As wine enthusiasts who travelled to the world's great wine regions, they had definite ideas about how a small, successful vineyard could be run. But they were otherwise neophytes

in an industry where barriers to entry included high land costs and an average seven-to-nine-year time frame to reach profitability. Undaunted, the Enns waded in, keeping their consultancy running to earn much-needed income through their start-up years. “It was a killer,” Cynthia says. “I used to chase David out of the vineyard with a tractor for conference calls.” Complicating matters was the steep learning curve they faced. Both had taken wine-making courses. But agriculture was a new field. To expedite matters, Cynthia immersed herself in the grape-growing operations, hiring consultants to help her build expertise. David, meanwhile, focused on wine making, doing his first crush at another high-end winery, basically working as an apprentice.

Although wine making was new to the Enns, marketing was one area where their business backgrounds proved invaluable. From the outset, they wanted Laughing Stock to focus on a tight niche. The investment industry was a natural fit, and the Enns decided to promote their products directly to high-ranking executives and through top-tier restaurants. For their flagship wine — Portfolio — they even named dozens of prospective clients right on the bottle: The label is a stylized stock tape with ticker symbols of public companies and closing prices on the vintage date.

Laughing Stock hit its production target of 5,000 cases a year in 2006 and has kept it there since. With each year's release selling out within weeks, the focus is now on refining the quality of the wines. “I call it the last 2%,” David says. “It's what differentiates us in our market — the super high-end niche.” What's more, small, high-quality production serves another goal: The Enns started Laughing Stock to escape the grind and, with the sale of their consultancy 18 months ago, they're finally getting past the heavy lifting of the start-up years. “Life is sane now,” Cynthia says. Adds David: “In another five years, we might even have the lifestyle people think we enjoy now.” **FP**