

Project for the Cités des Vins de Bourgogne network

Presentation in 14 questions

What's the idea behind the project?

- To welcome and inform visitors. The Bourgogne wine region is known worldwide, and should benefit from a “place of reference” to act as a magnet for visitors who want to discover and understand the universe of Bourgogne wines.
- To promote the notion of *Climats*, the cornerstone of the winegrowing system in the Bourgogne region, and to draw benefit from the inclusion of the *Climats* of the Bourgogne wine region on the UNESCO World Heritage List.
- To promote Bourgogne wines with the general public, building on wine-tourism, a vector of publicity allowed under French law on alcoholic drink promotion.
- To raise awareness among tourists about issues of sustainable development and responsible wine-tourism, which merits explanation. The vine is a living plant and is fragile. It needs to be protected and cared for, a task which winegrowers approach with the methods of today.
- To improve the visibility of the region's wine-tourism offer.
- To encourage tourists to venture further than the Dijon-Beaune axis, **and to explore the wider wine region, to stay for longer, and to return.**
- To develop visitors' knowledge of Bourgogne wines, so they become enlightened fans and ambassadors of Bourgogne wines when they return home.

What are the objectives of the network of Cités des Vins de Bourgogne?

- To present and promote wines from across the Bourgogne wine region
- To explain the notion of *Climats* and promote their UNESCO listing
- To encourage tourists to explore the whole of our wine region
- To raise awareness about issues around sustainable and responsible wine tourism

What is meant by “network”?

The project's strength is its regional and collective dimension.

The concept involves a network of various regional stakeholders in the wine-tourism sector.

- **Three Cités; one in Beaune, one in Mâcon; and one in Chablis**
- **A wine-tourism platform in each Cité to promote:**
 - **Key local sites:** The Cité Internationale de la Gastronomie et du Vin in Dijon, the Maison des Vins de la Côte Chalonnaise the Chalon, the future cultural and wine-tourism site at the Port Fluvial in Auxerre, the Roche de Solutré near Mâcon, and so on.
 - **The wine-tourism activities and establishments** in the Bourgogne region (e.g.: establishments bearing the Vignobles & Découvertes label, members of De Vignes en Caves, the Routes des Vins, packaged offers, essential wine-tourist sites, etc.).

- **A virtual Cité (internet)** linking each Cité. This will allow contact with visitors before and after their visit.

Who is behind the Cités project?

The projects for the Cités in Chablis and Mâcon are steered by the wine sector in each of those areas. The project in Beaune, which is part of a wider project of remodeling the town, is piloted by Beaune town hall.

Where will they be located?

- In Beaune, at the heart of a project to redevelop a 10-hectare zone owned by the town. The site is located between the town center and the southern autoroute exit (the one most used on the Paris-Lyon route). This is a transit zone with high visibility.
- In Chablis, in the cellars of the Petit Pontigny, a 12th century building (an extension is planned)
- In Mâcon, within the current premises of the BIVB's Maison des Vins and the Maison Mâconnaise des Vins. The site will be remodeled and an extension is planned.

What messages will be conveyed in these Cités?

History, a great wine region shaped by mankind, a patchwork of *terroirs*, the *Climats*, the varietals, winemaking practices, the vine, the subtlety and elegance of the wines, conviviality...

These themes will be conveyed to visitors in a modern and lively way.

They will be structured around a visitor, **and will be adapted to the specifics of each region.**

The *Climats* will be the guiding thread:

- The *Climats*, the winegrowing model throughout the Bourgogne wine region
- Inclusion on the UNESCO World Heritage List

Each site will offer a visitor experience (requiring an admission ticket) and other paid services. The services proposed to visitors will be adapted to each Cité, depending on space and the specifics of each region:

1. **The visitor experience** (admission ticket), which will comprise various visitor spaces, activities (permanent or by appointment), tastings as part of workshops, temporary exhibitions, etc.
2. **Other paid services** open to all:
 - **Training workshops on Bourgogne wines**
 - **A food-and-wine space and a Discovery Bar** to showcase food and wine combinations.
 - **A specialist book shop**, part of a pedagogical approach. A space for advice on and sales of wines, designed to allow a better understanding of Bourgogne wines; articles about the wine world, reference books, educational kits, themed wine packs, etc.
 - Hosting corporate **seminars**
 - An **information platform for a new generation of tourists** (personal advice and new technologies to guide the visitor around the region)

What is the initial investment* for each Cité? What will be the BIVB's financial contribution?

The BIVB's financial participation involves fitting out the interior and the exhibition design of the three Cités. It amounts to **€3 million excluding tax**, or 17.5% of the total budget of the three projects, set at €17.1 million excl. tax.

Contributions from partners and public authorities will mainly finance construction, renovation and building extension work.

Beaune Cité Project

- **Provisional investment of €11 million excl. tax** (for an estimated space of 3,600m²)
- Financing:
 - Town of Beaune and its agglomeration, authorities, EU, sponsors/*Climats*: €9.5 million
 - **BIVB: €1.5 million**

Mâcon Cité Project

- **Investment of €3.9 million excl. tax** (for a 1,900m² space)
- Financing:
 - Authorities, EU, Maison Mâconnaise, private sources: €2.9 million
 - **BIVB: €1 million**

Chablis Cité Project

- **Investment of €2.2 million excl. tax** (for a 900m² space)
- Financing:
 - Authorities, EU, Chablis, private sources: €1.7 million
 - **BIVB: €500,000**

**For each site, the investment comprises construction work, architects' fees, fitting, exhibition design, and set-up costs ahead of opening (publicity and hiring staff).*

Who is going to run each Cité?

There are several possibilities regarding the management of the sites:

1. Subsidiary of the BIVB
2. Creation and management of a specific associated structure, of which the BIVB would be one of the main components: A commercial company or non-profit
3. Management delegated to a private operator specializing in management of tourist and cultural destinations

The legal structure and alternatives involving the management of each Cité are being studied by an external consultancy. The economic model will define the legal framework, and must allow for financial optimization.

What are the economic forecasts for the operation of each Cité?

Each site must establish an economic model that will allow it to cover its own costs.

The mix of cultural and commercial activities must ensure operating break-even by year three.

The Cités should benefit from favorable conditions allowing them to attain this objective; no loan to pay back, no financial costs, no rent, and low amortization.

The projections of operating parameters, produced by the Scarabée agency, forecast annual revenue and operating costs of €2.1 million in Beaune, €960,000 in Mâcon, and €860,000 in Chablis:

- Receipts from admissions, training workshops, the food-and-wine restaurant, Discovery Bar, and the boutique
- Staffing costs, product purchases (for activities and tastings), boutique stock, overheads

A more detailed business plan and optimization of operating costs is currently being carried out by ABSO Conseil, notably concerning:

- Optimizing payroll cost: Polyvalent staff on each site, shared backroom operations between Cités (administrative and financial management, etc.), delegation of services to the local Tourist Office for the wine-tourism platform, etc.
- Optimizing purchasing for activities. Partnerships and product allocations (including wines) can be studied with a view to reducing costs

The Cités are collective promotional structures for both Bourgogne wines and the wider region. They have a cultural and educational mission; they contribute to the prestige of the region and its wines, enhancing the image of both.

Will wine be on sale at each Cité?

Tasting selection boxes will be sold (E.g.: a box of three bottles + tasting booklet). The wines will be chosen according to the tasting themes explored during the visit, such as the white and red varietals, the facets of Chardonnay from Chablis to Pouilly, the three colors, and so on.

The boutique could also offer bottle sales as part of its offer, along with wine-related products and reference books.

How will the project in Beaune take shape?

The Cité des Vins et des Climats de Bourgogne will be at the heart of a new neighborhood including a 5-star hotel, a large reception hall, a shopping mall and two restaurants.

The town of Beaune is the project manager for construction of the Cité des Vins et des Climats de Bourgogne. This means it can recover sales tax on the work. The town will also take charge of site preparation.

The building will be financed by the various public authorities. It will be made available to the BIVB free of charge by the town, and will be supplied empty.

Set on an attractive site, with good visibility and that is open to the outside, the stone and wood building will include energy-saving design with architectural flare.

The BIVB's input of €1.5 million is earmarked to finance the interior exhibition design of the Cité des Vins et Climats de Bourgogne.

An attractive educational offer covering 3.600m² (including a visitor experience over 1,500m²).
The Cité is destined to house the Ecole des Vins de Bourgogne and will draw on its expertise.

The target is 100,000 visitors a year, with an average spend of €25 incl. tax per visitor.

<p>Forecast revenue is €2.1m excl. tax*:</p> <ul style="list-style-type: none"> • Tickets: 40% of revenue • Workshops/training: 23% • Restaurant/bar: 20% • Boutique: 13 % • Seminars: 4% 	<p>Forecast operating costs*:</p> <ul style="list-style-type: none"> • Payroll: €950K (45%) • Boutique and product purchasing: €230K (11%) • Costs relating to tastings and workshops: €280K (13%) • Cultural programming: €120K (6%) • Publicity, promotion, reinvestment costs: €250K (12%) • Overheads: €270K (13%)
€2.1m excl. tax	

** Economic model calculated on the basis of the initial project, which must be adapted to the new Quartier Cité configuration.*

How will the project in Mâcon look?

Each Cité will act as the showcase for the local offer, including wines and wine-tourism possibilities in the area. The content and the promotional tools will be shared. The Cité in Mâcon will highlight the identity of the southern Bourgogne wine region.

The Cité des Vins in Mâcon will be located in the current premises of the BIVB's Maison des Vins and the Maison Mâconnaise des Vins. The future project will require a 420m² extension at the front and a major reorganization of the interior, with the industry offices remaining on the upper floor.

An attractive educational offer covering 1,900m² (including 580m² of visitor experience).

Synergy with the Maison Maconnaise will result in a new wine store-boutique offering new activities, advice, tastings, food and wine combinations, and so on.

The target is 65,000 visitors a year, with an average spend of €15.50 incl. tax per visitor.

<p>Forecast revenue is €960K excl. tax:</p> <ul style="list-style-type: none"> • Tickets: 50% • Workshops/training: 23% • Discovery bar: 7% • Wine store-boutique: 17% • Seminars: 3% 	<p>Forecast operating costs:</p> <ul style="list-style-type: none"> • Payroll: €446K (46%) • Costs of purchases for tastings, activities, workshops, boutique: €278K (29%) • Publicity, promotion, events: €113K (12%) • Overheads: €123K (13%)
960K excl. tax	

Open to the public: June 2020

What is the plan for Chablis?

This version of the Cité des Vins concept will put the spotlight on the particularities of the Chablis and Grand Auxerrois regions.

The cellars of the Petit Pontigny, a former abbey in Chablis, will host the future Cité des Vins de Chablis et de l'Auxerrois. A 220m² extension to the building is planned.

An offer covering 900m² (including 235m² of visitor experience).

The target is 63,000 visitors a year, with an average spend of per visitor of €17 incl. tax.

Forecast revenue is €860K excl. tax:

- Tickets: 40%
- Workshops/training: 34%
- Restaurant: 9%
- Boutique: 16%
- Seminars: 1%

Forecast operating costs:

- Payroll: €378K (44%)
- Costs of purchases for tastings, activities, workshops, boutique: 278K€ (32%)
- Publicity, promotion, events: €88K (10.5%)
- Overheads: €116K (13.5%)

€860K excl. tax

Open to the public: Summer 2019 (if tender for architect is launched early 2017).

What is the involvement of the wine sector in the Cité de la Gastronomie et du Vin à Dijon?

- Project to house the Ecole des Vins de Bourgogne in the main hall of the Cité in Dijon.
- Contribution from the BIVB to design content, the messages conveyed and the future offer of the **Chapelle des Vins et Climats de Bourgogne**.

Question put to the vote by board members at the BIVB General Assembly:

Should the BIVB approve the project for the Cités des Vins de Bourgogne network, as presented (document and PowerPoint)?

Answered Yes by 72%