

## *Executive Summary*

# **Pennsylvania's Emerging Cider Industry and Its Contribution to Artisan Beverages and Sustainable Agritourism**

*By: Alison E. Feeney, Ph.D., Shippensburg University of Pennsylvania*

*February 2020*

Alcoholic beverages have historically played a significant role in cultures around the world. Hard cider, made from fermented apples, is no exception. Cider was an essential commodity to New World settlers, and the most prominent alcoholic beverage in Pennsylvania's early years.

Cider's popularity began to wane in the mid-1800s with the influx of German immigrants who brewed lager beer. New technology and business consolidations led to an era of mass-produced beer, followed by Prohibition and the Great Depression, which forced farmers to grow more market-oriented crops, such as sweeter apples for eating. At a commercial scale, cider became non-existent from the United States' alcoholic beverage market.

Recently, a shift has occurred in the food and drink industry, with consumers searching for alternative beverage options with new flavors and locally sourced ingredients. Craft breweries are at the forefront of this movement, and Pennsylvania leads

the nation in annual production, contributing significantly to the state's economy. Although cider represents a much smaller portion of the overall alcohol industry, it is also experiencing tremendous growth.

Craft beverages contribute to positive place-based tourism where people are eager to experience, sample, and learn about how their food and drink are being produced. These experiences create enjoyment for the traveler and have the potential to offer sustainable economic development to rural areas. Successful tourism arises from a collaborative effort between producers and promotional agencies to properly market the region.

This research used a variety of methods to assess the definition of cider, who produces cider, how it is marketed to the public, and what experiences are available to consumers to learn about, sample, and purchase cider. It also developed policy considerations that may help to build this industry and strengthen its potential for sustainable

agritourism in Pennsylvania.

One area of confusion with cider relates to the legal definition, licensing, and regulation of the product. At the federal level, cider is categorized as a still wine, but each state is allowed to regulate who can produce it, its ingredients and alcohol content. In Pennsylvania, cider is considered a brewed beverage. However, most breweries do not engage in cider production. Those with a limited winery license carry out the majority of the cider production in the state. Legislation has changed at both the state and federal levels regarding taxes, ingredients, and alcohol and carbon dioxide levels to make taxes paid on cider similar to those for craft beer. These changes resulted in an increase in cider production at both the state and national levels.

Despite these changes and Pennsylvania's ranking as the 4th largest apple producing state in the nation, Pennsylvania is only ranked 16th for cider production. If Pennsylvania created a farm license similar to neigh-

*The Center for*

**Rural Pennsylvania**  
*A Legislative Agency of the Pennsylvania General Assembly*



This project was sponsored by a grant from the Center for Rural Pennsylvania, a legislative agency of the Pennsylvania General Assembly.

The Center for Rural Pennsylvania is a bipartisan, bicameral legislative agency that serves as a resource for rural policy within the Pennsylvania General Assembly. It was created in 1987 under Act

16, the Rural Revitalization Act, to promote and sustain the vitality of Pennsylvania's rural and small communities.

Information contained in this report does not necessarily reflect the views of individual board members or the Center for Rural Pennsylvania. For more information, contact the Center for Rural Pennsylvania, 625 Forster St., Room 902, Harrisburg, PA 17120, (717) 787-9555, [info@rural.palegislature.us](mailto:info@rural.palegislature.us), [www.rural.palegislature.us](http://www.rural.palegislature.us).

boring states, such as New York, Maryland, and Virginia, small apple orchards would be able to use the remainder of their crops that might not otherwise sell in grocery stores or farmers' markets, possibly improving the state ranking for cider production.

This research conducted a quantitative content analysis of the 53 official Pennsylvania tourism promotion agency websites. Artisan beverages were prominently featured as tourist activities. Although cider was promoted through many of these agencies, without a consistent framework of where and how to include the beverage, it was inconsistently placed with beer, wine, and/or spirits. In contrast, Virginia and Oregon provide clear descriptions on their states' webpages of what cider is, the importance of the beverage to each state's heritage, agriculture, and economy, places to sample it, and suggestions of what other activities can be enjoyed nearby. If Pennsylvania defined cider at the state level, it would provide a framework for city, county, and regional tourism agencies to promote their local businesses. Consistency on how cider is promoted between agencies would allow tourists to find similar venues in different locations.

Since cider can be produced in Pennsylvania by those with a brewery or winery license, it was difficult to ascertain the exact number of producers in the state. This research focused on companies that actively promoted themselves as cider producers, rather than beer, wine, or spirits. Exploratory and grounded theory research on webpages of these companies, along with on-site visits, exam-

ined the ability for the public to visit a cider producer and categorized experiences at that location, along with portrayal of environs and social opportunities. The results show that only half of cider producers in the state had a tasting room open to the public; on average, they were open fewer hours and days a week than breweries, wineries or meaderies. Many cider producers are limited to selling their product at farmers' markets, brew-pubs, and restaurants, incurring additional transportation costs and resulting in limited learning experiences for the consumer. Additionally, Pennsylvania lacks a large cider venue, as seen in neighboring states like New York with Angry Orchard, or Virginia with Bold Rock, to draw visitors and encourage additional visits to surrounding cider makers. Other efforts to promote the industry in neighboring states include official state road signs in Maryland and Virginia to encourage travel and help tourists identify small artisan beverages made on farm properties.

Many areas in the Mid-Atlantic are taking advantage of the growth in artisan beverages, and Pennsylvania has the potential to become a cider tourism hub. With some adjustments to legislation, regulations and marketing, and better coordination among tourism promotion agencies and cider producers, Pennsylvania's cider industry could flourish, and, in turn, have potentially significant impacts on the state's agritourism industry.

## **The Center for Rural Pennsylvania Board of Directors**

### **Chairman**

Senator Gene Yaw

### **Vice Chairman**

Representative Garth D. Everett

### **Secretary**

Dr. Nancy Falvo  
Clarion University of Pennsylvania

### **Treasurer**

Stephen M. Brame  
Governor's Representative

Senator Katie J. Muth

Representative Eddie Day Pashinski

Dr. Michael A. Driscoll  
Indiana University of Pennsylvania

Dr. Lawrence Feick  
University of Pittsburgh

Dr. Stephan J. Goetz  
Northeast Regional Center for Rural Development

Dr. Timothy Kelsey  
Pennsylvania State University

Shannon M. Munro  
Pennsylvania College of Technology

Dr. Joseph T. Nairn  
Northern Pennsylvania Regional College

Darrin Youker  
Governor's Representative



The Center for Rural Pennsylvania  
625 Forster St., Room 902  
Harrisburg, PA 17120  
(717) 787-9555  
www.rural.palegislature.us  
1P0220 - 300

The full report, *Pennsylvania's Emerging Cider Industry and Its Contribution to Artisan Beverages and Sustainable Tourism*, is available on the Center's website at [www.rural.palegislature.us](http://www.rural.palegislature.us).