

# Brattleboro Development Credit Corporation Newsletter

Number Twelve

Autumn 2002

## Vermont Gold Maple Syrup Producer Prospers

**P**eter Vogel probably never intended to become a maple products producer when he graduated as a graphic artist from Windham College in the 1970s, but today he owns the Brattleboro-based Vermont Gold.

The company is known for its attractive glass bottles and variety of maple products including candy, butter and maple flavored salad dressings and ketchup.

Vogel said he got into the syrup business through the back door. As a historical renovationist in the 1970s he restored an old sugarhouse in Halifax. "I learned to make syrup from Burton Hill," he remembered. "My eyes were opened. I grew up on Aunt Jemima. I had never tasted Vermont Fancy," he said.

With the interest in sugarmaking kindled, Vogel became a recreational producer through the 1980s. Finally, in 1991 he bottled his first brand label syrup as Chateau Nicholas.

Vogel eventually went to food trade shows. The product did well. "It was bigger than I was prepared for," he said of those early shows and his sales.

During the 1990s, Vermont Gold purchased a candy business in Jacksonville and he found a "huge potential market" in maple candies. The company eventually grew to three locations in Jacksonville, Halifax and Brattleboro.

In 1998, the company moved to the



*Peter Vogel and Vermont Gold products.*

Cotton Mill. Today it occupies 10,000 square feet of production space and has 18 employees. Annual sales are \$1.5 million. Vermont Gold sells its products to natural food stores and food cooperatives in 30 states. It also exports maple products to Japan, Germany and the United Kingdom.

The Cotton Mill has been a good situation for the company, said Vogel. "It has reasonable rent and works as an incubator. You can't be a small business without this support."

Vermont Gold uses 35,000 gallons of

syrup from Vermont and Maine suppliers. Vermont syrup, said Vogel, is more expensive than that of Maine or Quebec.

*continued on page 3*

### INSIDE THIS EDITION...

- **News From BDCC.**  
**Page 2**
- **Bill Palumbo Discusses The Deerfield Valley Economy.**  
**Page 3**

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#### Company News

Do you have news of interest to the Brattleboro area business community? Has your company expanded, introduced a new product, won an award?

Send your information to:

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## FROM THE EXECUTIVE DIRECTOR

### News From BDCC

By *Bill McGrath*

I recently returned from the Assembly Technology Expo in Rosemont, Ill., a Chicago suburb. BDCC exhibited there in partnership with CVPS. We attend trade shows of this type to attract industry to our area.

At this Expo there were 600 exhibitors while 31,000 people attended. It was a very busy show and I came back with 21 leads.

Now BDCC will send these leads informational packages about available local facilities and also present them with incentive packages. Our experience is that it will take two years to land an actual company to the area. Success is often based on the amount of follow up we pursue.

When I attend events like this I often hear comments about Vermont. On the negative side we always hear about “the communist in Washington,” referring to Independent Representative Bernie Sanders. Also, our congressional delegation brings many negative reactions from people outside Vermont. Representative Sanders and Senator Jim Jeffords are not highly respected outside Vermont.

We also get comments that Vermont is anti-business. I think we have to agree that the perception is there, but it isn't a reality.

On the positive side we hear “it's a beautiful state. We've vacationed there many times.” It appears we are selling lifestyle.

I can report that the local economy is still very good with unemployment at just 2.3 percent. I attribute this to the fact that orders have been strung out over longer time periods so there are fewer layoffs. Also, local businesses are, in general, small enough to diversify very



quickly and pick up new customers in a hurry.

The summer tourist season was very good. It would seem that others are banking on tourism in our region too. We've done more loans to tourist oriented businesses than in the previous seven years. BDCC has helped arrange seven loans totaling \$4.2 million. These loans are for bed & breakfasts, inns, and motels for expansion of existing facilities. These properties are being purchased by people from outside Vermont who say they want a lifestyle change.

These new businesses will give a boost to the construction industry and provide some jobs as there will be some building addition construction. Also there will be an increase in jobs for chefs, waitstaff and administration at these properties.

These new business people said they are picking this area for both the summer and winter trade possibilities. They like our proximity to Massachusetts, New York and New Jersey and the fact that we have five ski areas in the region.

Other local economic notes; the expansion of Mary Meyer Toys in Townsend, which is building a new warehouse, means more construction work. When the project is completed there will be 15 new jobs at the company. C&S Grocers' expanded sales, expected to be \$1.8 billion, will produce an increase in warehousing personnel and office staff.

Fulflex on the Putney Road, a compa-

*continued on page 4*

## Vermont Gold

continued from page 1

Quality control of the syrup is also important. “We test every drum and treat it like its special,” said Vogel. “It’s an art and tradition to make maple candy,” he added.

While Vermonters pride themselves on their maple syrup, and the state pushes the quality control of the product, Vogel said the Vermont price differential can hurt Vermont companies trying to sell outside the state. “Outside Vermont,” he noted, “people don’t care where the syrup comes from. It’s a price issue.”

While price is an issue, demand is not. World demand is so high, said Vogel, that it is nearly exceeding supply and growing yearly. This means companies like Vermont Gold will continue to have customers.

“Our problem is getting supply,” said Vogel.

While Vermont Gold is expanding its markets and seeking new distributors, Vogel said the biggest problem is price competition from Canadian producers.

Now that Vermont Gold is firmly established, Vogel says he wishes he had more time to indulge in the syrup making. “In March I have trade shows to attend. It’s hard to make syrup.”

Vermont Gold’s web site is [www.vermontgoldusa.com](http://www.vermontgoldusa.com).



Packaging maple candy.

## BDCC SPOTLIGHT

### Bill Palumbo Discusses the Deerfield Valley Economy

Realtor Bill Palumbo says the local Deerfield Valley economy has seen better times. “We’re pretty stagnant due to the general economic slump and Mt. Snow’s parent company ASC. They’re not stable.”

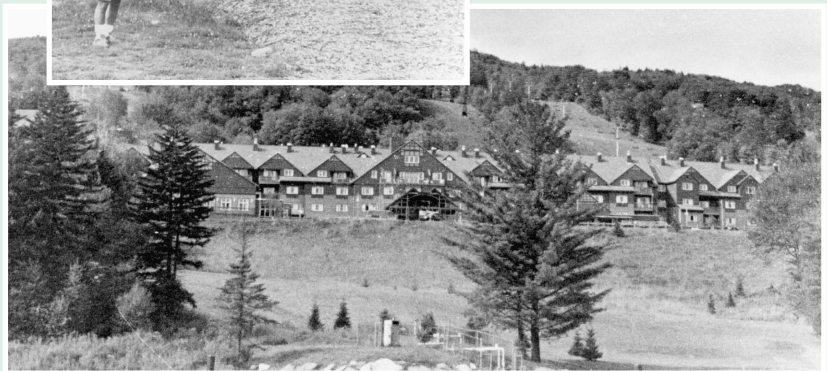
Palumbo, whose Kenyon Realty company is located on Route 100 just a mile from the Mt. Snow Ski area in Dover, said his area — the towns of Wilmington, Dover, Whitingham, Halifax and Wardsboro — are all affected by American Ski Company’s financial problems. ASC, who also owns Haystack Mountain a few miles south of Mt. Snow, according to Palumbo, is not putting the financial resources into its properties necessary to maintain a competitive edge, and this is hurting the local ski-related businesses. As Palumbo sees it, “there is not enough money for capital improvements and the mountain is losing market share to Stratton and Okemo.”

Palumbo has been in the area, first as a ski instructor and later in real estate, since the early 1960s. He said the lack of snowmaking at Mt. Snow, caused by an insufficient water supply, hurts that ski area. “They can’t deliver a product without water,” he lamented.

While skier visits are down, a factor impacting motels and eateries, Palumbo said there is strength in the real estate market. “People are spending more

*“There is not enough money for capital improvements and the mountain is losing market share to Stratton and Okemo.”*

— Bill Palumbo



Above: condominiums at Mt. Snow. Inset: Bill Palumbo by a Mt. Snow lift.

continued on page 4

# BDCC SPOTLIGHT

## Deerfield Valley Economy

*continued from page 3*

time in their second homes and there is increased demand for second homes and condos.” There is also increased demand to purchase inns, all of this the result of the events of September 11, 2001, he said.

Employment opportunities in the area are not strong, he said. “You have to work harder to stay employed full time.”

The local service and construction economy does not provide the amount of income required for most wage earners to live near the ski towns, he said.

It’s also difficult living 25 miles or more from many retail services. Typically, residents must drive to either Brattleboro or Bennington to find a supermarket or other major retail store.

“Business is off in general and tourists are not spending,” he said of the weak tourist economy, noting “Young professionals are not recreating as much.”

He believes this area will remain economically stagnant because there is no new development in the pipeline for either housing or recreation. “Nobody is putting new money into the area,” he complained. With no new inven-

tory, prices on existing properties are rising. “It’s an inventory issue,” he said.

Palumbo categorized the Deerfield Valley as “a great place to live.” But, he said, it is hard for young people to find work here. Another factor facing younger families is the quality of the local schools, which he said are deteriorating. “These are rural schools that can’t compete. It’s a money issue.”

“I see more of the same for the next year,” predicted Palumbo. “Even good snow won’t solve the problems.”

## From the Executive Director

*continued from page 2*

ny manufacturing rubber products such as rubber waistbands, has expanded and added 20 people to its payroll.

Finally, later this fall we should have some big news about the expansion of a company.

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