Fine wine, stored in anaerobic steel, piped through vapor-locked tubes, and released from a spigot. For purists, wine from a keg sounds as frightening as screwtops once did. But for the restaurant industry, this technology is also potentially as revolutionary.

Typically referred to as “wine on tap” (rather than “keg wine” or “draft”) by purveyors, this simple, economical, efficient method of dispensing wine quickly and assuredly is ready to take its optimal stage: restaurants.

And with more and better wines becoming available in kegs, more new restaurant openings including draft lines for wine, and little apparent consumer resistance, the potential for this style of service seems fairly unlimited.

“Wine on tap is such a great product,” says Lauren Lathrop, GM of the Kimpton group’s Shaker + Spear restaurant and Pennyroyal bar in Seattle, where six wines are sold on tap. “It’s very sustainable as well as idiot-proof, and the wine is perfectly preserved, so every glass is fresh and we’re not troubled with off or out-dated bottles, or ones that are slightly oxidized or stored improperly by the time they get to us. And with all the glass and cork and labels taken out of the system, it’s great for the environment, which is important to us, too.”

Lathrop touches on two of the main advantages touted by draft wine proponents: more reliable quality and less waste of wine and resources. And then there’s profitability; restaurants generally can make more per ounce pouring by the glass, as well as save money thanks to less spoilage.

Draft wine’s advantages are limited, however. Wines needing bottle-aging are unlikely to ever be suitable for kegging, and there are still many prestigious producers who don’t want their wares...
served without the heavy bottle and bright labels cherished by the fine wine business. But with so much of on-premise wine being poured and meant to be served as soon as packaged, draft wine is becoming more attractive to any operation with a steady wine by-the-glass business.

HURDLES CLEARED?
While draft wine systems have been around in one form or another since the 1980s, until recently the concept was handicapped by poor dispensing technology, improper maintenance and questionable product quality in the supply chain. Today, wine processing, packaging and dispensing improvements have joined with evolving wine attitudes to earn wine on tap a second look. Millennials especially seem attracted to the ease, the environmental savings and the way by-the-glass sampling suits to their “try before buy” mentality.

“The biggest thing holding the wine industry back from being innovative is the wine industry,” says Jordan Kivelstadt, co-founder and CEO of Free Flow Wines, the Napa-based packager of keg wines. “The truth of the matter is the average wine consumer out there is ready for more innovation.”

Founded in 2009, Free Flow now has more than 220 wine brands as clients including Napa Valley’s Frog’s Leap and Banfi’s Aviatto from Italy’s Alto Adige. They recently bought a draft system company to help them make inroads into solving one of the main stumbling blocks: proper equipment. Draft wine differs from beer not only in the gas mix used to push the wine through the line (so-called Guinness mix for whites and reds); higher grades of stainless steel (grade 304) and vapor-lock tubing are required to retain fresh aromas and flavors.

Bruce Schneider, co-owner of kegged wine supplier Gotham Project, selling more than 40 wines, says the evolution of draft wine acceptance over the last five years has been impressive, though equipment installation and maintenance are not optimal yet: “To the eye, a proper wine-certified draft system looks almost identical to beer draft, and that’s why people make mistakes,” says Schneider. Gotham, like Free Flow, offers to consult with potential customers and recommend local installers. But Schneider notes what he calls a typical tale: an opening operation where the draft system installation gets handed off from the knowledgeable wine director to a contractor unaware of the differences between beer and wine systems.

Properly outfitted wine draft systems are fairly simple to install in new operations. Just as in draft beer systems, there are two main types of draft wine: direct draw and remote draw. Direct draw systems are usually all-inclusive refrigerated units of varying sizes installed beneath a front or back bar, with kegs or bags hooked up inside. Remote draw systems pull kegged wine from walk-in coolers or wine rooms at a distance and run it through long lines to tap handles at the bar.
FRESHNESS FACTOR
The Beat Hotel Brasserie in Boston serves 36 wines on tap. To get the wines he wants, co-owner Bertil Jean-Chronberg works with winemakers, convincing them to sell him wine in kegs that he serves through a custom-built system.

“My desire is to use an incredible system to keep wine fresh as possible. The problem with wines by the glass is keeping them at a perfect state. Three years ago when we started to build the Beat Hotel program, it was hard. But we’re at a level now where it’s not as hard to get the wines I want.”

Like other operators, Jean-Chronberg cites the distribution tier as the bottleneck—some aren’t eager to handle wine in kegs, worry that they might be stuck with excess inventory, and haven’t adopted the best practice details of the keg wine supply chain. For him, that means guaranteeing that he buy a certain amount of each wine annually, not hard considering 97% of his wine sales come from draft.

As Director of Brand Management for Opici Family Distributing in Florida, Steve Sink is in position to connect suppliers and restarants in the early stages of draft wine in the state. (Ironically, July 2013 new law allowing kegs in Florida still caps other wine containers at 1 gallon, meaning 5L boxes are still illegal.) Sink’s general impression of the Florida market so far is that supply and demand are both strong, but implementation has been cramped by technical issues; aside from start-up operations, there are just not that many outlets able to install draft wine simply and efficiently.

California wines have been especially strong among the brands Opici carries. His most surprising wine? Jamieson Ranch Napa Valley Cabernet Sauvignon. Interestingly, he notes, popularity is not driven by margin: “In cost per ounce, there is no real advantage,” says Sink. “The key is consistency.” As a note of caution, Sink points out that beer distributors—used to dealing with high volume—typically offer to clean keg lines for accounts. “Eventually that will be an issue for wine,” he says.

Below: Free Flow kegs are now in nearly 4,000 on-premise locations. On top of a strong core of California wines, the firm recently partnered with Banfi Vintners to launch Euforia sparkling wine in kegs, and with Vine Connections for Bushido “Way of the Warrior” Sake. Each keg holds 20 liters, or about 26 bottles of wine. Long Island’s Lieb Cellars now offers five types of wine under their eco-conscious Bridge Lane label in kegs (rose pictured here). The kegs are distributed in NY, NJ, CT, MA, RI and PA—as well as directly to consumers (SRP $240).

At the 16-unit LYFE chain (LYFE stands for “Love Your Food Everyday”), wine on tap fits the bill of a lower carbon footprint. A recent rotation included King Estate Pinot Gris (Oregon) and five California wines: Simi Sauvignon Blanc, Sanford Chardonnay, Beckmen “Le Bec” Red Rhone Blend, Sanford Pinot Noir and Simi Cabernet Sauvignon.

BACKYARD SOLUTION
Pennsylvania was in a similar predicament as Florida. Terry Berch McNally, co-owner of Philadelphia’s London Grill and Paris Wine Bar, found a loophole a little over three years ago—state wineries could self-distribute in any size container.

“We had been working to get the law changed but in the meantime I bypassed that by going with local wineries,” she says. McNally bought her own kegs and convinced the wineries she wanted to let her fill the kegs; she launched the program with four state-produced wines. Now that the state law has been altered—a change she pushed for and considers one of the proudest moments of her career—she still keeps two or three Pennsylvania wines on draft.

As McNally points out, operators must be able to deplete the equivalent of a minimum of 26 bottles of a wine for draft to make economic sense, but she pushed the state wines to her customers hard at first, using regional appeal to overcome any resistance. “We’ve been “farm to table” for 25 years, and if you’re going to jump on this locavore thing, then maybe you ought to think about drinking something local as well.”