



Milestones in California Wine

1934-2009

(Part Two)

Presented by Evan Goldstein

President & Chief Education Officer

Full Circle Wine Solutions, Inc.

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Note: This is the text of Evan Goldstein's remarks delivered at a meeting of Wine Institute members, media and other guests accompanied by an audio visual presentation and tasting of wines. Jon Fredrikson, of Gomberg, Fredrikson & Associates, delivered Part One of the "Milestones..." presentation. See news release, "Wine Institute Celebrates 75 Years" at www.wineinstitute.org, for more information.

Wow...75 years. That's tremendous. We should all be justifiably proud of the myriad accomplishments of the Institute and note, as Jon has just pointed out, the amazing and awesome impact that it has had not only on California and her wines, of course, but on the global industry as a whole. After all, we are the fourth largest producer of wine in the world, as an individual American state, and represent a significant amount of the world's wine grape plantings. Today, we export close to a billion dollars of value of our wines outside the borders of the USA and represent six plus bottles of each ten sold in this country. So... to the next 75 years, to the Wine Institute and to all of those who are involved...congratulations, or as we say in my tribe, Mazel tov.

I have been asked to take you through the 75 years on a slightly different kaleidoscopic voyage than my friend Jon has just completed and done well by sharing with you the facts, figures, numbers and indeed associated extrapolations in his always impactful and articulate style. Better him than me!

My prism will be more culturally based and will take its cues from the evolving world of epicurea and gastronomy. As we know, many countries have had their wines shaped or helped to be shaped by their inherent culinary culture. Spanish food and her wines, French cuisine et ses vins and Italian cocina and her associated vino are inextricably adjoined at the hip having evolved together. And, by and large, from day one I would add.

While wine has had an intriguing and captivating ride over the past three quarters of a century in the USA, so too has food.

Now let's be honest, we are relatively young and the first four or so of those food decades didn't necessarily give wine a lot to work with in mutually shaping our now-dynamic culture of dining in the USA. But they were nevertheless seminal in our development as a dining nation which, in turn, shapes what we now all eat and drink at table, at home and outside.

I will take you though my version of Peabody and Sherma's 'Wayback Machine' and do so accompanied by a few wines

selected to punctuate specific moments. Since it's not possible to have obtained a full case of wines from the 50's or prior or to guarantee soundness from a table wine from the 60's in the volumes and style needed to illustrate points, we've taken a little editorial license which you'll note along the way. Since 75 years is a lot to compress in less than 15 minutes, let's not waste anymore time...and into the wayback machine...

SLIDE-1930s collage and music

The period of time between the mid 30's thru to the late 1960's was one that was quite fascinating. Post the great depression, the late 30's and 40's brought notably a return of deluxe/fine dining. Though everything food was again available (and, indeed one 1934 NY guidebook noted, per John Mariani's great chronicle 'America Eats Out' that there were 18,763 total dining establishments), this fine dining generally meant French to most all and destinations like the dining room of the then-new NY's Waldorf Astoria hotel, Le Pavillon overseen by the great Henri Soulé, and the celebrated Voisin may bring back powerful

memories to you or your parents or your grandparents. At the same time, the foundations of other Euro-centric cuisines began to emerge under the moniker of the time- continental cuisine. While sadly the continent most represented was Antarctica (as so much of the food was cooked from frozen since modern technology made that doable and desired), such monolithic establishments as the NY's Rainbow Room, Boston's Locke Ober, and Chicago's Pump Room were successful and germane. As if prohibition and the subsequent depression didn't make things difficult enough for vintners, much of what America was consuming didn't help stimulate sales. It was a culture that still drank ample amounts of beer and indeed cocktails with their food. Beer took root in this country long before wine as the establishment of taverns as meeting places and dining halls precedes restaurants from the times of the thirteen colonies, and cocktails were newly fashionable- perhaps a romantic holdover from the roaring 20's times and a celebration of breaking the shackles of prohibition's grasp.

Wine and the impact of WWII could be felt on the east coast. Do recall that Frank Schoonmaker, as mentioned by Jon, and Fredrick Wildman began importing wines as a means to sate the interest and demand of European wines that had become relevant with soldiers and others coming home from Europe while in California, we were still putting the pieces back together with new vineyards, resurrecting and creating new wineries and labels and witnessing an industry at the edges of a renaissance. Though several of those key brands are still *per se* with us- such as Italian Swiss Colony, which in its day, by the way, was the 2nd most visited tourism destination in the Golden State (serving over 4000 gallons of wine per year out of its tasting room) and the venerable Christian Brothers, many are under different ownership or are no longer playing the same role.

Less cutting-edge relevant today are the Inglenooks and Almadens of the world. But too from this time we saw the birth of E&J Gallo (which is I believe also celebrating 75 years in 2009), a very relevant Louis Martini, a revitalized Beaulieu

Vineyard, an evolving Beringer, several family-driven operations including Wente, Mirassou and Concannon and, indeed, the new arrival California's first *boutiques*- from Ridge to Charles Krug to Chalone.

And the food at the time? Today we take the phrase 'California Cuisine' for granted and we define it as locavore-driven, ingredient based and prepared simply to allow the ingredients to shine. A quick glance at germane cookbooks of the pre-1970's era illustrates a different picture. Yes, you could dine at L'Etolie or Ernie's in San Francisco and many did, for special occasions, but then people cooked at home far more and back then cookbooks were germane. (Shown - 1963's "Favorite Recipes of California Winemakers" proudly showed off wines of the era including Sherry (by the way, please enjoy the era-apropos Christian Brothers Cream Sherry in front of you as we continue), Angelica, Tokay, Claret, Burgundy and Sauterne (without an s) among the fashionable bottlings of the day to enjoy with your Supreme Devilled Chicken (p.61), Herbed Fish Sauterne (no s!.. p. 70) and Wine-derful Meatloaf (p. 40).

Generics and fortified ruled the roost until we hit the 1970's where we'll go next. And most 1960's and earlier wine lists conformed adequately featuring color-coded Burgundy (red), Chablis (white) and Rosé (well, rosé) and if you were lucky, some California Champagne or Sparkling Burgundy. My Mother, Joyce Goldstein, opened up San Francisco's California Street Cooking School back in 1965, Northern California's first cooking school along with Jack Lirio's in LA, and trust me there were no couscous, homemade burrata, or artisanal-produced flat breads utilized. Emblematic of the era was basic Chinese (can you say Chop Suey?), oddball, checkered table clothed Italian (with Veal Marsala and yes, the odd Turkey Tetrazzini) and continental classics such as Duck a l'orange, Chicken Kiev, Veal Oscar and...yes, the fabled meal ending classics of Baked Alaska and Crepes Suzette. These marvels were usually served with a modest wine list which, if of note, was dominated by the holy trinity of classified Bordeaux, Pouilly Fuissé and a recently discovered Vouvray.

Or, if you were lucky...maybe you could get a glass of Bob red and Bob white...and then go home and watch Julia Child or Graham Kerr on TV. So, fast forward to the 1970's ... SLIDE-1970s collage and music

I remember the 1970's better (yes, I hit puberty and started drinking the aforementioned Bob red and white at home with my folks at dinner) as it was...well...food and wine wise, more memorable (to me). Locally, several key happenings in culinaria included the 1971 birth of Berkeley's Chez Panisse (where I worked on and off for six years at the end of the 70's and beginning of the 80's), San Francisco's Zuni Café (1979) and soon after, Napa Valley's opening of Mustards, the original Miramonte on Railroad Avenue in St. Helena and, just after the end of the decade, the establishment of the Auberge du Soleil, fine dining's new it girl in the Napa Valley.

In LA, Michael McCarty birthed Michael's (1979), Wolf planned Spago while still manning the stoves at Ma Maison (in 1979), which he later opened in 1982. 1973's Chicago gave us Le

Français and Jean Banchet while 1979 was the year that Bradley Ogden took charge at the American Restaurant in Kansas City overseeing a dining room that would soon include a would-be sommelier named Doug Frost.

Meanwhile back home, the wine industry was kicking into gear. New wineries were sprouting up everywhere from Napa (Trefethen, Joseph Phelps, Saint Clement) to Sonoma (Jordan, Dry Creek Vineyard, Iron Horse) to Mendocino (Navarro, Lazy Creek, Greenwood Ridge) to the Central Coast (Edna Valley Vineyards, Calera, and Estrella River). But perhaps nothing epitomized the times more than the shift of palate in the way wine was ordered. While the industry grew and evolved, the dining population grew and evolved, too.

No longer was the wine available to diners mostly French, but California wines were making significant inroads nationwide. And no longer were we satisfied with drinking generics but we began to recognize and order wines by varietal. And winemaking improved. Gotta-have wines, if you will, were born

in offerings from Diamond Creek, Joseph Swan, Stony Hill and Hanzell.

And while many folks were getting enlightened to wine, thanks to a few newbie publications like the then-Southern California-based Wine Spectator (1976), the Wine Advocate (1978) and the then-popular Robert Finnegan newsletter as well as those from Robert Lawrence Balzer and Nate Chroman, many others were being tuned in and turned on by first-hand experiencing the arrival of what would be known as the ‘fighting varietal’. Led by innovation, the late 1970’s birthed the early citings of what would be the arrival of the tidal wave success of the emblematic Glen Ellen Proprietor’s Reserve wines soon after. Four million cases later, varietal wine drinking was here to stay. There were many who would capitalize on this including Fetzer’s more upscale Sundial Chardonnay and their secondary Bel Arbor, both of which are also poster children of an emerging late 70’s/early 80’s trend and whose wine you can enjoy in the second glass as we continue in the Fetzer ‘Valley

Oaks' Chardonnay. Jon brought up Round Hill and there were of course more still...

Seemingly and simultaneously, the French discovered us as Domaine Chandon opened her doors, eager to capitalize on the success of Schramsberg while several California now-mainstays, from Ridge to Grgich Hills, galvanized their positions. And while the epicenter of much excitement centered on new energy in the Napa Valley, older established families elsewhere continued to stay the course- from the Seghesios and the Pedroncellis in Dry Creek Valley to the Sebastianis in Sonoma and D'Agostini's in Amador. And lest we not take a moment to pause and pay homage to the Paris tasting and our coming out party. No wonder the French were scurrying over here!

Then there was Ronald Reagan's deregulation of the airlines after the air traffic control strike in 1978, an action that would affect us all in more ways than we would ever imagine. The man who would classify ketchup as a vegetable also brought us increased competition and cheaper airfares which in turn got

people onto planes and moving- All over the United States and all over the world. This travel brought the first real nationally-recognized unveiling of American regional cuisine- such that - awareness of national treasures like K-Pauls in New Orleans, Arthur Bryant's BBQ in Kansas City, and Edna Lewis' magic in Virginia can be traced in part to this phenomenon. And foreign travel being cheaper and more accessible expanded our Italian horizons beyond red sauce and white and the premise of classic French food equaling *all* French food.

As the 1980's arrived people would travel and travel with zeal and all of us, vintner and consumer alike would benefit- both from an enlightened culinary vantage point as well as from the subsequent results stemming from winemakers and grape growers alike traveling to learn from experienced and well-regarded producers in France, Italy and other European heavies.

As the 70's came to a close, the real excitement would soon follow. SLIDE-1990's collage and music

The 1980's were dynamic. From a food standpoint, many would argue that true modern American food was birthed in this era- from San Francisco's Stars and Square One, to LA's Campanile, Boston's Jasper's, Santa Fe's Coyote Cafe and Providence's Al Forno. Regional food, beyond the traditional aforementioned hubs, came into vogue brought to us by such chefs as Miami's Norman Van Aken and Mark Militello in Florida, Sam Choy and Roy Yamaguchi in Hawaii and Dean Fearing and Stephen Pyles in Dallas. Food sections began to take hold in newspapers nationwide and more and more Americans subscribed to Food & Wine, Bon Appetit and, of course, Gourmet, whose in-house wine scholar, Gerald Asher, evoked passion for and interest in wine in so many of us.

Alice Water's Chez Panisse was the icon for all and scores of American restaurants followed the mantra of fresh (and increasingly local) and simply prepared while being true to their vision. The list of advocates was formidable- NYC's Union Square Café led by Danny Meyer and Arcadia helmed by Anne Rosenzweig, Houston's' Café Annie (Robert Del Grande),

Boston's Biba (Lydia Shire), and Chicago's Café Provençale (Leslee Reis), just to name a few, were representative of this magic time. Robert and Margrit Mondavi supported the Great Chefs program bringing in amazing talent from France, Italy and over time, from around the states. And lest you think it was limited to fine dining...

In wine, we were experiencing a boom, fanned by Morley Safer, 60 minutes and the French Paradox, and the industry grew.

As a buyer, I recall having access to an unexpected range of many a new winery - from Spottswoode to Acacia, whose vineyard designated wines ushered in an era in Pinot Noir for many, to Santa Barbara's Sanford Winery and the now-Bennett Valley's Matanzas Creek. Merlot appeared out of nowhere, led by the likes of Frank Woods at Clos du Bois and, of course, the Duckhorn's at...well, Duckhorn whose wine by the way you can enjoy in glass three via the 1998 'Three Palms Vineyard Merlot' as we continue. Sip slowly as that wine will carry us for two upcoming decades!

The 80's were also the era of 'incoming'- incoming from France, led by an increasingly relevant Kermit Lynch and others like Robert Chatterdon (also from France), Steve Metzler (Spain), Alfredo Barthlomeus (Chile) and Terry Thiese (Germany). If that weren't enough we had other states beginning to flex their muscles with our northern neighbors in Oregon beginning their Robert Parker endorsed climb (remember the 1983 vintage and the then-Parkerization?) and even Washington State both preliminarily beginning their baby steps. Yet despite these challenges, California performed admirably as the 'high end' was buttressed by a growing and increasingly important fighting varietal push with Gallo entering the mix, among others, and who can forget the entrance of Chardonnay as an American beverage of choice. Chardonnay by the glass was now *derigeur* everywhere.

The late 80's had us a bit worried. Nationally, 1987's Wall Street crash, while perhaps not completely unanticipated, didn't help. People began to hunker down. Locally, the 1989 earthquake ushered in some significant challenges in the Bay

Area restaurant business, which was exacerbated by an entrenching neo-prohibitionist movement and difficult times for all of us. And the relative lack of enthusiasm over California's 1988 and 1989 vintages, much maligned by the media, didn't help things any.

As the 1990's arrived, it was good times again. By the mid decade, a roughly 5% growth pattern per year (per the National Restaurant Association) had brought the restaurant industry back by the mid-90's to a steady pattern and people were, indeed, eating out again. Scores of new restaurants were opening all over the country and next-generation chefs (those who worked for the 1988's rock stars of the time) began to go out on their own. From Commander's Palace's Emeril Lagasse to Michaela Larsen's #3 in command, some guy named Todd English, this new generation was coming into the fold. The Food Network (soon to become the Emeril network for a time), though in its infancy, codified enough pop culture interest in culinaria to support a dedicated TV cable network devoted to it. Too bad they couldn't (to this day I would add) figure out how

to get wine right. Ethnic, Mediterranean, fusion and east-west became buzzwords and even chains began to kick it up a notch. In 1992, salsa surpassed ketchup as being America's #1 condiment of choice. And from Olive Garden's establishing their now-paradigm changing commitment to the wine category to Disney's Epcot Food & Wine Festival, the light had surely shown and wine and food had come of age in mainstream America. Goat cheese and beet salads and garlic mashed potatoes became omnipresent foods at the end of the decade.

In wine, well, there was good and bad. The bonafide arrival of Americans as wine drinkers was becoming a reality...and everyone knew it. On the positive side, the mid to late 1990's gave us steady growth in volume consumption, the arrival of profitable cult wines, a 'folks are drinking better' pattern and a healthy culinary environment in which to nourish them all. On the downside, everyone else in the world had figured this out, too. From the once bastion of the Italians, French and other Europeans came a score of new world players eager to claim their piece- the Australians, the Kiwis, the South Americans and

the South Africans all rolled up their sleeves, often with the help of their governments, to claim their share of mouth and, up until recently, have done well. Long before Yellowtail, brands like Lindemans, Rosemount, Concha y Toro and Antinori had been striving and succeeding. Meanwhile, who could have anticipated the emergence of a Screaming Eagle (1992), a Williams Selyem (becoming a gotta have when their 1985 Rochioli Vineyard anointed them a cult status in the early 1990's). Then there was the increasingly relevant Randall Grahm, and all that he brings with him and the ever more important role of a generation of über amazing women in winemaking- Pam Starr, Helen Turley, Heidi Barrett, Mia Klein. And the list goes on.

At the end of the decade, I attended an event called 'Vintage 2000' hosted by Manfred Esser, then head of Cuvaision at the time, and held at Buena Vista. We all stared into our crystal balls and tried to get our arms around what would come next. SLIDE – 2000s collage and music.

In the new millennium, some things really didn't change that much. Ongoing increased acceptance of wine as a day to day beverage, though tempered of late by the economy, is a fact of life as we enter our 15th year of consecutive increase, while we are still low on the per capita scale of things. There are more and more wines of place and more and more wines of price that have made it onto restaurant wine lists and retail shelves. Again, a continued trend.

Restaurants, up until last fall, continued to open, open, open while the rock star chef world and American's infatuation with celebrity has meant that the Mario Batalis, Bobby Flays, Guy Fieris and Ming Tsais of the world have little to worry about- as long as their Food Network ratings hold. And today, each and every city has its own mini-celebrity chefs now as TV shows like "Top Chef", "Iron Chef America", "Chopped" and "Hell's Kitchen" have added a reality touch that trickles down beyond Manhattan. What else... well, the burger has become gourmet (move over pizza and thank you Sutter Home) and America's embracing of the ethnic is firmly entrenched. Did you know that

there are now more Chinese restaurants in the USA than there are McDonalds, Wendy's and Burger King's combined (thank you Gourmet magazine, March 2007, for informing us).

And what about McDonalds. Are you lovin' it? Well, apparently many these days are and are lovin' it for more than a Big Mac or Egg McMuffin as you can get a Portobello eggplant panini or steak quesadillas at their new concept Bistro Deli which they are aiming to seriously expand as people 'trade down' from their more upscale habits.

And this all has been an evolutionary steady state...everyone, by and large happy, 'til about September/October of 2008.

Then, well...you know...it all changed a bit. The wheels, as it were, came off the truck. And now we are all a bit nervous. We suspect that it'll all come out OK on the other end, but the businesses- wine, hospitality and restaurants- are due for a Darwinian shakeup the likes of which we still don't really know nor can we confidently predict. What we do know is: According

to our friends at Nielsen who took a recent survey of several thousand of us...:

More than half (56%) of consumers eat dinner at home more often than before the downturn and nearly the same percentage are eating dinner less often at restaurants. It's clear that when they do eat out, they demand value...in wine...in food...in 'shopping' and what's more curious is whether this will be temporary or it will be a paradigm shift. Subscriptions to cooking magazines are up and people are increasingly cocooning over pot lucks and new recipes...and drinking wine...but doing so at home. And when they do eat out- less 'left side of the menu' options (appetizers, salads and soups) are being ordered.

According to the same Nielsen folks, size (of bottle) does matter. Compared to pre-recession shopping behavior, consumers are more likely to buy larger package sizes (42%) in order to get the most for their money. Hello Costco. They're also more likely to buy domestic products (28%), locally-made

products (25%) and "tried and true" brands (23%). About half of consumers surveyed claimed that they "are actively seeking out the best deals," while the other half are not.

When Americans do go out to restaurants, bars or nightclubs, 24% of wine consumers are choosing the less expensive - shifting from wine by the bottle to wine by the glass and proportionately less- \$40 bottle drinkers are now drinking \$20, etc.

And as we have learned, \$35-\$50 is, indeed, the sweet spot in fine dining and above \$ 75 is, for the moment, DOA.

When things come back, spending on wine is expected to be more reserved. More than 75% of consumers say either when out or at home, they are not planning to change their spending habits when the recession lifts. When economic conditions do improve, approximately 24% of consumers say they would increase spending on wine. And that's a good thing...and one we can only hope will increase as time and distance soothe wounds.

Clearly it has been an intriguing and extraordinary past 75 years...we've come a long way since the days of automats and we have seen California Chablis and Burgundy give way to micro-production lots of estate grown, indigenously-fermented, sustainably-produced Chardonnay and Pinot Noir. We've seen screwcaps give way to corks and then again give way back again to screw caps.

We've witnessed America's expansion of her palate from pot roast to panko and from Taco Bell takeout to Korean taco trucks serving kimchee and kalbi stuffed tortillas. Amazing.

So 75 years from now...well, we'll see...but we do know that California wines and American dining will be equally exciting, enriching, innovative and, of course, delicious...

Thank you...