

REGION OF THE MONTH



WINERY from cover

the 24/7 gotta-be-on-your-toes and what's-the-next-problem, what's the next issue, ... the traveling, building teams, and getting systems running," he says. The systems that he talks about are online subscription programs, instead of boxed software that is downloaded onto a personal computer. "It's like picking up the phone. It's always on, and you expect that you can log on any time and do what you've got to do. We were up to 300,000 users online 24/7 all around the world. At any given time whether it was in China or Hong Cong, anywhere on the planet, somebody was out there doing something online on our system. If they had issues or problems with the software, my team had to respond, from networking, to security, to servers, to data."

Jim describes the tech industry as process oriented, planned at every step, and he expected to run Blue Cellars the same way. But he soon learned that wouldn't be possible. He'd expect barrels to arrive at the winery and would make a phone call when they didn't.

"Where are my barrels?"

"Oh yeah, I don't know. I'll get back to you."

Days later, Jim would call again. "You said you were going to get back to me."

"Who are you? Oh, Blue Cellars. What do you want?"

"What do you mean, 'What do I want?' Where are my barrels?"

"I don't know. I haven't talked to the guy."

Jim laughs and says that it took him almost a year to acclimate himself. "The wine business is so loosey, goosey. I had to remind myself. This is the tangibility you want. This is the different thing that you want. You've got to go

with it." His tasks are various, and he enjoys all of them, getting out into the vineyards, making the wine, even doing maintenance. He remembers the first time that he invited his Autodesk team to visit the winery, and they were shocked when he hopped on the forklift. "You know how to drive a forklift, how to pick up barrels and move them on a forklift? That's so cool." Jim had been driving a forklift for years, he says, and never even thought about it. He also likes the customer support aspect of the business. "No matter how much I make the wine for myself, I've still got to think about customers and think about what they like, what I can do for them, how I can make the best wine possible for them at the best price so that all of us are happy. I'm not interested in making a gazillion dollars to buy a 16 million dollar vineyard in Napa and move up there. Maybe I would do that, but I would do that with the money I make from high tech, not from wine. So that allows me to shed all that extraneous interest and focus on the wine."

Initially, Jim and partner Jeff Brock expected to buy land and develop a vineyard, making a bid on a 40-acre property in Paso Robles. But when they were unable to finalize the deal, they rethought their business model and decided to continue buying grapes from growers, instead of growing their own fruit. They didn't want to be locked into making a limited number of wines from the fruit that could be suitably grown on a particular property. "From a creative standpoint, we would have been fenced in." Instead, they chose to buy fruit, make a variety of different hand-crafted, high-end wines, and focus on the quality of those wines rather than on the viticulture. In some cases they have long-term contracts and full control over

how the grapes are grown and managed. In other cases, the quality of the fruit is sufficiently high that such control is unnecessary.

"We stay right around 1,400 cases per year, and we'll never go beyond 500 cases per varietal. We do 100 percent varietal wines, no blending whatsoever, and single vineyard designated wines only. We don't mix vineyards." In other words, Blue Cellars goes for the gold and gets it. The partners submit their wines to the best competitions in the country, especially the San Francisco International Wine Competition and the Dallas Wine Competition, the top shows in the United States, Jim says, along with the Indianapolis International Competition, which has lately climbed to the top, too. Medals in addition to scores in the 90s sell wine, he feels. "Our first year with Blue, we won a gold medal at San Francisco International for our 2003 Napa Truchard Vineyard Syrah, 93 points from Wine & Spirits Magazine, 91 from Wine Spectator. The minute distributors found out, they took almost all of it. With a gold medal and high points, you don't need to be a big company to get what you want."

Next, Jim is planning a winemaker series for Blue Cellars, doing different wines with different consulting winemakers each year. "I have so many winemaker friends now. I'll keep the Syrah and one or two flagship wines, so that customers can keep a meter on these things. But I might not do the Marsanne next year and use a different winemaker for a Rousanne and make just 80 cases. But Blue Cellars is about getting high points and medals that show consistency and quality. I'm building the reputation that if you really like a wine, you better get it because it's not going to be there later. I want the freedom to make different wines every year."



YOUR ACCESS TO OUTSTANDING WINES FROM CALIFORNIA AND ITALY

California *Winery of the Month*



Treasure Island in the San Francisco Bay

Where the Tangible & Intangible Meet *Blue Cellars*

What do high tech and wine making have in common? Absolutely nothing. For that exact reason, Jim Fenstermaker has worked at both careers full time for almost two decades, and what draws him to the two activities is that they are diametrically opposed. On the tech side, "that's what I've done all of my life, manage hard core geeks," a career that has transported him to the major centers of Europe and Asia. On the wine making side, he was one of six partners in Tarius. "We were all Sagitarians," Jim says, explaining the name. After seven years, they sold the 8,000-case winery, and soon after in 2002, he joined with Jeff Brock to start Blue Cellars. The winery and tasting room is located on Treasure Island in the San Francisco Bay. "I didn't want to stop. I needed the tangible stuff," he explains. If you don't have something tangible, and you do the tech stuff all the time, you go mental."

Jim's last technology job was Director of Operations for the software company, Autodesk,

and he informed the company at the onset of his employment that he owned a winery and would be gone for three weeks in the fall during crush. "It was a great relationship," he says, although he left the company two months ago to devote more time to Blue Cellars. Jim also plans to start a wine import business in Macau, one of China's two special administrative regions along with Hong Kong and one of the richest cities in the world with a growing thirst for wine. The city has a thriving industrial economy and is a gambling center, where Bellagio has just built a casino four times the size of the one in Las Vegas. Jim first traveled to the area with Autodesk, which supplied construction-based software for giant projects.

In spirit, speech, and movement, Jim Fenstermaker's energy is immediately apparent. In addition to his two careers, he says that he plays soccer wherever he can, a sport he's enjoyed since college. "I love doing Information Technology because it's so volatile. I love

See **WINERY** back page

Cut .75 inches exactly off this side of the sheet.

RECOMMEND US

to family members, friends, business associates, and clients whom you think would appreciate Celebrations Wine Club.

RECEIVE a complementary third bottle of outstanding wine with your regular shipment of two bottles, when they join Celebrations Wine Club.

Send this form to: Celebrations Wine Club
75 Pelican Way G1
San Rafael, CA 94901

Or call: 1-800-700-6227

Anna Maria, please send information and a complementary issue of our newsletter to the following people. Please mention my name.

1. Name _____

Address _____

City _____ State _____ Zip _____

2. Name _____

Address _____

City _____ State _____ Zip _____

Your name _____