

# The Start-Up Winery, Part V: *a lot more than just winemaking*

Jane Firstenfeld

After months of trauma, the two start-up wineries we've been following were sailing serenely through summer when we caught up with Dr. Marc Cohen at Napa's Howell at the Moon and Patrick Smith at Woodinville's Highbridge Estate late in July.

Cohen was on a visit to New York, but planned to be back on Howell Mountain by Aug. 1 to bottle his 2004 Cabernet Sauvignon. The office/guest house he was completing during our July installment was finished, painted barn red with green trim, and the lab was almost ready to operate.

"We plan to purchase only the fundamental laboratory equipment for the winery," winemaker Timothy Milos



Winemaker Tim Milos and owner Marc Cohen inspect Howell at the Moon's newly bottled 2004 vintage before securing it in its case.

## HIGHLIGHTS

- After decidedly bumpy starts, both Howell at the Moon in Napa and Highbridge Estate in Woodinville are enjoying real progress.
- Marc Cohen obtained new financing for Howell at the Moon, and his young vineyards are thriving despite California's bizarre weather conditions this year.
- Patrick Smith and partners in Washington are bulldozing ahead now that they've secured a property to house Highbridge Estate.
- The first years of a start-up winery are as much about bureaucracy, building and finance as they are grapegrowing and winemaking.

said. "A few simple tools will allow us to do the most-often required tests. These analyses—Brix, pH, titratable acidity and free and total sulfur, require only a pH meter, an aeration-oxidation setup, a stir plate, hydrometers, a decent balance and a few burets and other basic glassware.

"During harvest, Brix, pH and TA need to be read in a real-time manner, and waiting for one of the contract labs is often inconvenient," Milos explained. "During elevage, free sulfur needs to be evaluated rapidly and repeatedly, and it is again more con-

venient and cost effective to do it at the winery. More complex analyses (malic acid, enzymatic sugar analysis, yeast available nitrogen, etc.) are available at a number of local contract labs, and given the cost of the equipment and infrequency of the analysis, it makes more sense to send these out." Of course, Howell at the Moon's Napa Valley location puts several independent labs within easy reach.

"After a very slow start, because of the late rains and cold weather, the crops have really taken off, and the vineyard should be as productive as



Cohen used a mobile bottler at Fantesca Winery to bottle his 240 cases of 2004 Cabernet Sauvignon.

last year,” Cohen reported. “The knoll only planted in 2004 will produce grapes this year also.”

The deadly California heat wave made some irrigation necessary, “especially in the two-year vines,” Cohen said, but he reported no sunburn damage. “We seem to have less burn in the mountains,” he observed.

Although the high temperatures did not injure his vineyards, they did impact the two public tastings where Cohen poured his wines in late June. These charity events were, he said, “A bit of a disappointment, as the temperature was well over 100°, and it was difficult for everyone to drink robust red wines.”

He was pleased, however, that “Many people were interested in my project,” and noted that some of the wine professionals in attendance had been following it in this series. His website, [howellatthemoon.us](http://howellatthemoon.us) is up and running, and all previous installments of “The Start-Up Winery” can be read in their entirety there.

The California ABC did grant Cohen his wholesaler license, and, at least for now, he is not facing any more governmental hurdles. “At this time, the bureaucrats have lots of other people to bother,” he commented gratefully.

The financing he was anticipating came through, and with this construction loan, “I will be able to move more

quickly in finishing the septic system and road construction,” Cohen said.

The doctor’s self-diagnosis is optimistically healthy, but after all the drama we’ve witnessed, we sought a second opinion from Cohen’s new backer, Mark Garwood, president of Tamalpais Bank in Marin County.

“I first met Marc Cohen at a private wine function in Napa Valley, as a result of Marc and our chairman being high bidders at a charity auction. From

the start, he was passionate about the wine,” Garwood recalled via e-mail.

The bank had previously financed Napa and Sonoma vineyard properties as well as “a few wineries,” Garwood said. “We decided to assist Marc with his winery because he was passionate about his project, and had made a substantial investment in the winery on his own, prior to us stepping in.”

Cohen’s character and background

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**The significant improvements Cohen has made to his property, including this thriving block of Cabernet Sauvignon vines, impressed banker Mark Garwood, who decided to back the**

played a large part in forging this financial relationship, Garwood said. "My first impression of Marc was that he was intelligent—a retired M.D. who also held a business degree, which is an unusual combination. I felt that he was looking for the next challenge in his life, but that he also wanted to have fun with the conquest. He took his enterprise seriously, and he was certain to get the best advice possible to enable him to realize his dream. He is a determined individual," he observed.

Anyone who makes it through both medical and business school obviously knows how to do his homework, and this fortitude is still paying off for Cohen. "He did his research and surrounded himself with industry experts (who) were impressive. We felt that his potential for success was high," Garwood said.

"In viewing his property, it is clear... that he is taking the quality approach to the winery. He is very proud of the property and what he has made of it," Garwood added. "He crafted the vineyards into the hillside, and one would never recognize the current state of the property from its rustic past."

Although at one point Cohen had contemplated taking on partners to finance his dream winery, the construction

line of credit, which will term out over time once the improvements are completed, allows him to continue as sole proprietor.

As *W&V* contributor Christine Carroll noted in her article "Getting Real: starting a boutique winery on the East Coast" (*June 2006*), "Your financial institution is a valued business partner, not the enemy. Cultivate a relationship with your banker." This lesson has paid off for Marc Cohen. As for Garwood and Tamalpais Bank, "We are interested in financing other wine industry ventures. We have experience in making our business clients' growth strategies a reality," he said. "We look forward to continuing to play a roll in this dynamic market."



**Highbridge winemaker Chris Upchurch will continue to toil in the temporary warehouse until the new winery is completed next year.**

### Halcyon Days In Woodinville

"Things have been ridiculously busy," said Patrick Smith from Woodinville, Wash. Now that he and his partners in Highbridge Estate have secured a property for their winery, they are engaged in the plans and permitting processes necessary to get it built.

"We are currently set to have the final submittal meeting in August," he said. "This meeting is where we submit the final layout for the winery and the grounds, including all drainage and utilities. Immediately following the meeting, we will begin final winery design with the architect."

With the recent boom in Woodinville's winery population, "The county is getting to be a lot more winery-friendly these days," according to Smith, who, with his partners, is a veteran of the construction industry.

"Our preliminary design consists of about 12,000 square feet of underground space. It will be a combination of production area, vaults and caves. We really want to design a facility that is unique for this area," Smith said.

Although the partners don't plan to open the winery to the public on a regular basis, "We are designing in the spirit of creating a destination location," Smith said. The partners hope to begin construction by mid-2007, and hold their grand opening simultaneously with the release of their first, 2005 vintage. "We are also planning to keep a retail presence in closer to the heart of Woodinville," he said.

Neighbor, Delille Cellars partner and Highbridge marketing consultant Jay Soloff reported that the group is getting closer to picking a label designer. "We have put it out to bid and had a preliminary discussion with a graphic designer," he said. The partners hoped to make a final decision by August.

Finances, permits, construction, design—it seems a start-up immerses its principals in much more than wine. Smith was happy to report, though, that prospects are bright for the 2006 vintage.

"We have currently secured more fruit for the upcoming vintage, and have negotiated and signed longer-term acreage contracts," he said. Although the partners' original plan was limited to producing high-end red wines, "We have an acreage contract for Sauvignon Blanc. We expect to be able to release a 2007 Sauvignon Blanc along with, or shortly after, our inaugural 2005 vintage reds." The partners are also in negotiations to purchase vineyard property, and Smith predicts these will come to fruition before our next installment.

Speaking of that, our original plan was for this series to wrap up in our November issue. Publishing deadlines being what they are, however, Cohen and Smith have both amiably agreed to postpone the last chapter by one month, allowing us to report on the 2006 crush at their wineries. So look for "The Start-Up Winery VI" in the December issue. ■