

Walk the Walk

An Interview with Chris Adams,
Co-Owner and Chief Executive Officer, Sherry-Lehmann

EDITORS' NOTE In 1997, Chris Adams began his career at Sherry-Lehmann as a part-time sales associate during the holiday season. This experience prompted him to seek out full-time employment with the company. He soon became a general manager, Managing Director, and Executive Vice President, before assuming his current post.



Chris Adams

COMPANY BRIEF Founded in 1934, Sherry-Lehmann is currently in its 77th year of business.

The Sherry-Lehmann store combines old-world charm with modern sophistication and caters to wine pundits and amateurs alike. Sherry-Lehmann (www.sherry-lehmann.com) is consistently rated the number-one wine shop in New York by the Zagat Survey and referred to as the most 'justly celebrated wine store in the nation' by Vanity Fair. Their store is located at 505 Park Avenue in New York.

How much of an impact did the global economic difficulties have on your business and how are you currently positioned for future growth?

Certainly in the throes of the downturn we felt it in our revenues, but we were well positioned with our existing inventory to accommodate the rather significant trade down that occurred. We were more shy about jumping into bigger deals for high-end products and, like many businesses, adopted a very measured – even conservative – approach to inventory acquisition. We were pleased to come out of the really difficult period starting in the fall of 2010 to see a year of more growth. We are not back to 2007 levels yet, but the direction we are going in is the right one. We are currently entertaining a few prospects for growth in the next 12 to 18 months.

You are headquartered in New York City with a store on Park Avenue. Would you provide an overview of the store and the experience that you provide your customers?

Sherry-Lehmann at 505 Park Avenue is the jewel box. We have a temperature controlled cellar on-site where all the inventory is maintained, but to get the full sense of the store you have to consider

our 65,000 square foot warehouse in Greenpoint, Brooklyn – just over the 59th street bridge. That is where the vast majority of our \$13 million inventory is kept and where our delivery/shipping infrastructure is housed. It is also temperature controlled. We buy, store, sell, and deliver properly. We promise excellence in our customers' experience and that translates from orders for single, affordable bottles being sent as gifts to large and sometimes complex corporate

orders to a clean and easily navigable Web site that assists consumers and collectors to buy wisely, all while making certain that each customer is being treated in the best manner imaginable. Our goal is to walk the walk.

Many report seeing a flight to quality and an increased appreciation today for brands with history and tradition that provide consistent quality and value. Sherry-Lehmann is known as one of these brands. How are you able to maintain such consistent quality and value for your customers as well as a high service standard?

My mantra for keeping Sherry-Lehmann as the standard for all wine stores is deceptively simple: Remember the basics while embracing innovation. The range of services we offer customers can never be contracted, only broadened, and every new innovation should be examined for its value in bringing more to the customer, while always reinforcing what has made us great. That goes for the Web and also new phone technology, apps, social media, etc.

Emerging markets (BRIC) and other international locations offer Sherry-Lehmann strong growth opportunities. How focused are you on international markets and would you highlight the strength of the brand around the world?

It happens often in my travels where someone will mention that they've been in my stores in other parts of the country or the world – and we, of course, only have the one location. This recognition is great, but needs to be fueled. We are having substantive conversations about our growth and hope to move forward in the near term with various forms of expansion.

With a proliferation of wine brands over the past few years, how critical is it for your salespeople to educate consumers and help them navigate through this crowded market?

Our industry has a unique responsibility to educate our clients. Even the best known "brands" – Château Lafite Rothschild, for example – produce a new product every vintage. We need to be out there telling each of these new stories for existing brands and for the ever-growing gulf of new wines from new regions. It's an exciting time in our industry and we love hosting tastings and seminars with our great partner, Kevin Zraly, who I consider to be America's greatest wine educator.

How much of a focus is your spirits business and how broad is this offering?

We carry a comprehensive array of all spirits brands and love selling them. The trend I am excited about now is the slew of artisanal spirits coming into the market. There are some fascinating bourbons, vodkas, and gins being produced all over the world by distillers who have approached the production with a real craftsman's or a woman's attitude. The results are thrilling.

The wine industry has such a long history. Is innovation occurring within the industry and how much of an impact is technology having on the business?

There is innovation from social media to Web technology to access to more information. But these innovations are only useful if they are able to reinforce what makes this industry special. It is about agriculture, winemaker's skills, and good retailing, but mostly it's about the wine. And that wine is best enjoyed shared with friends – not under a microscope or on any point scale. All the information and innovation must lead wine lovers to that moment and heighten it.

What key priorities have you established for Sherry-Lehmann as you look to the future?

We've come out of the downturn stronger than ever. We look forward to growing the store and reaching more customers. Sherry-Lehmann is, and always has been, about variety and service, and expanding that message and proving ourselves in more markets is our top priority. ●