

Multigenerational Sustainable Businesses



An Interview with Michael Mondavi, Founder, and Rob Mondavi Jr., Founder and President-Winemaking, Folio Fine Wine Partners



EDITORS' NOTE Michael Mondavi's career began when he co-founded the Robert Mondavi Winery in Napa Valley with his father, Robert, in 1966. Until 1974, he served as Vice President of Production and Winemaker, and from 1969 to 1978, he served as Vice President of Sales. He was named Managing Director and CEO of Robert Mondavi in 1990, and following the company's public offering in 1993, he was appointed President and CEO, and later served as Chairman from 2001 to 2004. Michael Mondavi established Folio Fine Wine Partners in 2004 with his wife, Isabel, and their children, Rob and Dina. Mondavi is a member of the California Chamber of Commerce Board, past Chairman and CEO of the Wine Market Council, past President of the Napa Valley Vintners Association, and past Chairman of Wine Institute and of Winegrowers of California.

Rob Mondavi Jr. was raised in Napa Valley and has worked in a variety of roles at the family winery. He started his own business hosting mountain bike tours through Napa Valley wine country. Following graduation, he worked in sales for Southern Wine & Spirits. In 1996, he established the Napa Cigar Company. He left the cigar business in 2000 to join the Robert Mondavi Corporation. After one year as a luxury brands sales manager, he was promoted to Sales Director. Three years later, he took the role of Director of Marketing at Robert Mondavi. He holds a B.A. in English Literature from Santa Clara University.

COMPANY BRIEF Napa, California-based Folio Fine Wine Partners (www.foliowine.com) is an importer, fine wine agency, and producer of quality wines from the world's premier and emerging wine regions. Founded in 2004 by the Michael Mondavi family, Folio provides sales, marketing, and public relations services to wine brands from California, Argentina, Italy, Austria, and Spain.

In terms of the range of brands Folio is associated with, what do you look for in those relationships and how have they evolved over time?

Michael: The first thing I look at is the personal relationship with the owners, the family. And if we share the same values and have a respect for each other, then there is a wonderful business opportunity.

Rob: I have always embraced the idea that doing business with multigenerational families is key to the sustainability of our success as an importer and their success as wineries, because we have a knowledge of what the family values are

and that doesn't change with the implementation of a new CFO or CEO; the deep-seated philosophies transcend generations.

Are you looking to grow the number of wineries that you are working with?

Michael: Growth for the sake of growth is evil, but proper growth to achieve a strategic objective is important. We want to work with the key families who are multigenerational, passionate, and dedicated to producing the best possible quality and best-styled wines honoring their heritage.

Each of these families have different growth objectives, so we take that into consideration as well because of the relationship. The scale that they desire 10 to 20 years from now is also very important; we want to make sure we embrace similar philosophies on growth.

With such a proliferation of wines, is it tough to get the message out on your brand?

Rob: It is difficult, but that is why having multigenerational sustainable businesses is profoundly important because we have time to develop that message. We're not looking for the latest smash and grab brand; we're looking for sustainable authentic wines and sustainable business and business partners.

How has the economy affected the industry and has it come back?

Michael: The consumers today know there are a lot of products out there that are mass-produced. But they are looking for the integrity of the brand and the heritage, family passion, and dedication to excellence.

I'm convinced that the best wines in the world are going to be produced almost exclusively by family-owned and family-controlled wine companies. The multi-generations allow them to understand the land and soil, and the heritage of those areas, and refine that.

The passion of the young generations that have that spark to go beyond what the grandfather or grandmother did is wonderful fuel for creativity and dedication to quality.

The Mondavi name is linked to California, but for Folio, there has been a major emphasis on international markets. What is the value of reaching into those markets?

Rob: I'm not shy about working with any of the emerging regions, be it Australia, Argentina, or Spain, as the consumers are demanding these wines. The distributors, trade, and consumers have come to recognize Folio for producing and representing iconic family-owned wines, so when we bring a

new brand into our collection, that alone says that the new winery is of a phenomenal quality and character, which they can embrace and trust.

When I share our portfolio of wines with buyers, I enjoy that they are genuinely interested and impressed with the wines we have, not only because of the wines but because there isn't competition among brands.

A key part of our success is identifying emerging markets like Spain but not cluttering our collection – you need to find the best in class and we've done that.

Argentina is our big area for opportunity, and in the future we'd like to get into France. But we've slowed down to make sure we're doing the right things for those families to whom we've made commitments.

Has technology changed wine-making and have you had to implement new technologies?

Rob: In the wine-making process, the classic methodologies are still important and relevant. But I like to look at what is out there, be it different yeast strains, tannins or enzymes, or shaped fermenters, and weave those in to help craft the wine.

We're now utilizing some French Oak in the fermentations. We're also going back to smaller fermentations to craft flavors of my dad's M by Michael Mondavi or my mom's Pinot Noir. So technology is best used as a sculpting method and stylistic enhancement.

M by Michael Mondavi is a culmination of your passion around the art of fine wine-making. Why has it enjoyed such success?

Michael: I used to think that as a wine-maker, I was adding character and personality to wine, but I've learned it's more like being a babysitter than being a winemaker. Mother Nature is the winemaker. By finding the right soil and climate and then manicuring the vines so they can produce full flavors with delicate tannins, the wine-making takes place in the vineyard with wine-growers, not winemakers. We walk around the vineyards, taste the grapes, and literally make that wine in the vineyard by selecting the majority in the harvest states.

My grandfather told me that my most important job for the future was to ensure that the quality of the soil was healthier when it was ready to be given to my children than when I received it from my parents. He knew that if you respected the soil, Mother Nature would take care of you. That is still our belief today. ●

Rob and Michael Mondavi (left); M by Michael Mondavi (right)