



European Ityle Wine

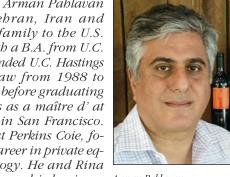
An Interview with Arman Pahlavan, Proprietor/Executive Manager, Starlite Vineyards



Starlite Vineyards (above); Starlite Viognier and Zinfandel (left)

EDITORS' NOTE Arman Pahlavan was born in Tebran, Iran and moved with his family to the U.S. He graduated with a B.A. from U.C. Berkeley and attended U.C. Hastings College of the Law from 1988 to 1991. His last job before graduating from college was as a maître d' at Stars Restaurant in San Francisco. He is a Partner at Perkins Coie, focusing his legal career in private equity and technology. He and Rina Pedroza-Pahlavan, his business Arman Pahlavan partner, purchased the vineyards

at their estate in Geyserville, California in 2001



and founded Starlite Vineyards in 2003.

WINERY BRIEF Starlite Vineyards (starlitevineyards.com) is an ultra-premium boutique winery and estate located in Sonoma County's famed Alexander Valley that produce European style wines. They commenced their winemaking journey with the Zinfandel that was already planted in the estate's vineyards. They defined their elegant and soft yet well-balanced style of Zinfandel with an inaugural vintage in 2003, and have maintained a consistent quality and character with subsequent vintages. In 2007, they expanded the winery's offering to include Viognier and Cabernet Sauvignon. The Viognier has received acclaim as one of the most beautiful expressions of this varietal from California. Starlite Vineyards Cabernet Sauvignon was released in 2011, and has been hailed as an elegant, European-style

Will you talk about how the Starlite brand has evolved and where the business is

The brand was a start-up, something with no cache or following, and we used the restaurants in New York to initially launch the wines, and to expand the brand to other markets by marketing the wines to high-end restaurants.

In 2010, we established our tasting room in the Alexander Valley on our estate. Starting with the inauguration of our tasting room, we started to rely less on distributor sales and more on sales to direct consumers out of our tasting rooms. This summer marked the sixth year anniversary of our tasting room. We now have a solid footing with clientele who visit our tasting room. The lucky part of this also has been the growth of the Healdsburg area in the Sonoma County wine

We are now one of a few exclusive wineries with one of the highest reputations in the Alexander Valley. The brand has broad recognition in our appellation and we have a real following. People seek us out in the Healdsburg area when they come to visit the region.

Would you describe the actual wines and have the varietals changed?

In terms of the evolution of the wines, it's really about the varietals. We started with one varietal initially, which was the Zinfandel that was planted on our property. We then expanded to the Viognier, which is a northern Rhone varietal. Now we have our European style Cabernet Sauvignon, which has a blend of Tempranillo to give the wine Spanish flare.

We have been consistent with our winemaking and the label's recognition has grown, but the three varietals have remained as the only wines that we produce. Doing more than three wines for a boutique brand makes the entire experience confusing for the consumer, not to mention for us as winemakers. Winemaking is about focus. The varietals are consistent in terms of being more elegant with a softer palette, softer tannin structure, and beautiful aromatics. In essence, our winemaking style emulates European style wines

Has distribution evolved as well?

Initially, we focused on New York and San Francisco. In 2008, with the downturn of the financial markets, it became clear that luxury goods were going to be hit hard, especially in the restaurant business. We had distribution in 17 states at the time and it became clear that our distributors were having challenges in selling wines and were demanding discounts in the marketplace. We weren't going to be able to play the discount game in 17 states because once we discount wines, we won't be able to bring the price back up. So in 2009 we focused on building the tasting room and going directly to the consumers for the sale of our wines. We have now narrowed distribution to a handful of restaurants in New York City, San Francisco, and Los Angeles.

I'm trying to keep the relationship with a handful of people so that the great restaurants in each of those markets will get the wine, but almost on an exclusive basis because we're not expanding the sales to additional markets or jurisdictions.

You started this winery to fulfill a passion. Has it become more than that?

I don't see this as a hobby - it's been about the business from day one, but building a business for a consumer luxury brand is not easy. When I started this process, somebody told me that it takes a generation to build a consumer brand - that's 32 years, which is why I started doing this in my 30s. I thought that by the time I retire from my legal practice, this will have been a brand that would have been out there long enough to have built a following. It seems like this hypothesis is coming true.

In order to build a brand, we have to think about how expensive the goods have to be to build that recognition and how many places we need to be in if we are to build a consumer brand.

The issue for boutique wineries in terms of expansion is access to capital. I have invested my own money in the winery and haven't raised outside capital to support its operations or expansion. Although one can argue that growth of the business may be impaired, what we gain is that our wines are artisan crafts of the highest quality. In addition, I love doing what I do in creating these beautiful wines and we feel we are in a good position with the winery.

Our vineyards are located on our Alexander Valley estate. We don't buy fruit. The project is within the confines of our eight-acre property. The varietals and the styles are also defined.

We have been working with some magnificent female winemakers since the beginning of the project. Each of them is experienced in her craft. Our tasting manager has also been with us for years. Because of my loyalty to the people around me, I have made the process of producing the wines consistent. I haven't veered off track to produce an amalgam of varietals that many winemakers are tempted to do. We know what we are doing, and we have simplified the production process so the only variable in the winemaking is the actual yearly change in weather and, even with that variation, I remain true to producing the highest quality European style wines year over year.