

Subject: Wine at Orangewood Consulting 35, April 29th, 2003

Sent: Tuesday, April 29, 2003 6:09 AM

To Our Wine Aficionados,

Introduction

We hired a delivery guy at the beginning of the month. Not a moment too soon, because we shortly thereafter totaled the vehicle that had been used for deliveries. Wow - we're sorry to see it go, but relieved to be able to tell the tale.

Summary (Box Score)

Event Notifications

Jazzy showing at halter at West World - May 2

New Winery Introduction - Westberg Cellars - May 6

Wine Dinner at Nello's in Tempe - May 13

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New Winery - Westberg Cellars

Tom Westberg was the winemaker at Peachy Canyon, a well-known Paso Robles winery, for a long time. He was recruited to be the wine maker at Echelon Winery a couple of years ago. All the while Tom and his wife, Peggy, have been cultivating a small vineyard on such terrible terrain that they were initially surprised the vines managed to take root at all. Fortunately they did. They have been making small quantities of Zinfandel, Merlot and Sangiovese based on these vines and from those on adjacent properties. At a total of 150 cases per year, theirs is a labor of love. Their stated goal is to produce "Fine wine made by and for the common man." Up to this point they have sold their wine to the membership of their wine club and in their occasionally open tasting room.

Dick, this month's sales guy of the month, has been visiting Paso Robles for several years with the goal of cornering (or should I say drinking) the market on fine wines. He was aware of Tom's moves and of Westberg Cellars. Since becoming a sales associate he has been prodding Tom and me to bring the wines into Arizona. After many phone calls over several months, Dick visited Paso Robles for their Zinfest. Talking to Tom and Peggy, he figured out the problem - we should have been talking to Peggy. With the code broken, we quickly got samples, tried them, ordered some, got the licensing in place, shipped wine to Arizona and delivered them to the Nello's and Bianco restaurants. We will be featuring them at our next tasting event on May 6.

Event Notification - Showtime for Jazzy - Friday May 2nd

Although officially all horses get a year older on January 1st (did you know that? I didn't), April 14 was Jazzy's actual first birthday. Now, less than a month later she is being shown at West World in the Arabian Regional competition. She has had a few months of boot camp with Greg Hazlewood and we're going to see how she matches up to her peers. Greg thinks she'll be competitive. You are welcome to come watch. We expect hers to be the second afternoon class in the Equidome. Afternoon events should start at 12:30p.m. (We will not be providing wine for this event.)

Event Notification - Westberg Cellars Introduction

Where: Nello's - Tempe
NE corner of Southern and McClintock in Tempe

When: Tuesday, May 6th, 4:00pm - 7:00pm

What: Samples of Westberg Cellars wines. Additional wine may be purchased to drink there or to take home. (Yes, they have a license that allows you to purchase.)

What else: Appetizers will be provided (these will be professional appetizers, not what you may be used to from the "take three hunks of cheese" guy. You can buy additional appetizers, stay for dinner or take dinner home - along with the bottle of wine that you just bought.

That's not all: Dick, Sherry, Laurie and I will be there to add to your enjoyment.

Better still: Music will be provided by guitarist Steve Krum, who plays at the Rusty Spur in Old Town Scottsdale on Sunday nights.

How much: Free

Event Notification - Wine Dinner

Where: Nello's - Tempe
NE corner of Southern and McClintock in Tempe

When: Tuesday, May 13th, 6:00pm - 8:30pm

What: Dinner - Prepared by Nello's chef and matched with wines from the Orangewood portfolio. The menu is:

Assorted Appetizers	with your choice of Noceto Sangiovese or Marinda Park Chardonnay
Ahi Tartare	with Marinda Park Sauvignon Blanc
Salmon Salad	with Marinda Park Pinot Noir
Pepper crusted tenderloin	with RustRidge Cabernet Sauvignon
Surprise Chocolate dessert	with RustRidge Zinfandel

(A vegetarian meal can be provided at your request - mention this when you call for reservations.)

What else: Nello's owners Geno & Robyn, as well as Dick, Sherry, Laurie and I will be there to enhance your dining experience!

How much: \$50.00 not including tax and tip. Call soon - this is limited to 40 people. Have a credit card handy when you call. 480-897-2060.

Event Feedback - Red Kangaroo - Scottsdale

The event at this location attracted about 16 people. It was somewhat structured. We led the attendees through the Marinda Park wines and then two other wines provided by Diane and Gary. We had some support from you Newsletter readers (thank you, Karen, for coming along with a couple of neighbors, and Dyane).

Event Feedback - Red Kangaroo - Chandler

This two-day event was more casual. Instead of everyone tasting in parallel, people showed up whenever they wanted and it became a serial tasting. This allowed a more personal interaction with each group. On Friday I was there; on Saturday Dick and Bill were there. Bill worked as apprentice sales dude. Dick enjoyed it so much he signed up to do it again on June 6 and 7.

Staff Expansion - Sales and Delivery

Bill Kolkhorst is someone that I worked with way, way back at Honeywell. Now retired, he has been looking for things to do for fun and profit. Well, perhaps the fun part will apply. He has signed on to sell wine in the North West of Phoenix. Roughly, that means North of Cactus and West of 7th Street. One of the accounts he inherits is the Moon Valley AJ's. I have been there many times without success. Someone (thank you Kevin) even bought a case of wine there in the early days. Perhaps Bill has the savvy to crack this nut. If you have a favorite restaurant in his area, let us know. In the meantime I am still looking for sales people for Scottsdale...

Greg Herreros has known my father-in-law since before dirt was invented. He remembers all kinds of things that they got up to - which are fun to hear about when you are driving around town delivering wine, but probably not appropriate for me to repeat here. Greg decided soap operas didn't meet his entertainment needs, so he bought himself a truck and started looking for work. Now he delivers wine on the days when he doesn't play golf. At the same time he checks out the restaurants to see if they meet his standards for dinner with his grandson. Nello's qualifies. I'll keep you posted on Greg's restaurant ratings.

Wine Glut - Part 3

All of my previous glut reaction to the over-supply of grapes has led me to further thought. Playing with my spreadsheets one day, I was looking for some correlation between price and sales volume. What I found, in general terms, was that the wine we sell that retails at under \$20 and sells for less than \$30 in restaurants represents over 95% of our business. The issue is not that we can't place the more expensive wines, but that the restaurants buying those wines sell a case or two a year rather than a case or two a month. What has been working well has been the two-tier approach from Noceto - with a regular (Normale) Sangiovese at the volume price point and a premium (Riserva) version at a higher price point.

Cin-cin, alla salute!

Richard and Laurie

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