

Best Make Money

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Big names may help Kenzo Estate winery thrive

Kenzo Tsujimoto, leading executive officer and chairman of Kenzo Estate, poses for a photo at his vineyard in Napa, California, U.S., steady Wednesday, April 7, 2010. Tsujimoto established a presence in Napa Valley in the nineties, by the acquisition of several thousand acres on the slopes of St. George.

Kenzo Tsujimoto overlooked no detail in creating his \$100 million Napa winery: He replanted 70 acres of vines through the finest grapes and turned to world-renowned chef Thomas Keller to call into existence the tasting-room menu.

What he couldn't control was demand for high-end California wines. The industry is mired in its master slump in at least 17 years, hitting wines above \$20 especially unyielding.

Still, Tsujimoto, chief executive officer of Japanese video-game publisher Capcom Co., is joining the scores of California vintners that take opened new wineries since last year, undeterred by the slump.

After tapping Napa's biggest names to subtly the wine and build a state-of-the-art facility by reason of visitors, Tsujimoto doesn't expect the industry's woes to take care of customers away. The winery, called Kenzo Estate, opens Saturday.

"If I wanted to go 80 percent of the market share of wine, that would be a huge problem," said Tsujimoto, speaking through an interpreter, as he sat ~ means of the fireplace in the estate's pool house. "Of course, grant that you're going to go somewhere, clear weather would be nicer than pouring rain, except I'm going to go anyway."

Tsujimoto, whose company created the Street Fighter and Resident Evil games, is relying up~ some of the best-known people in the Napa wine occupation. In addition to Keller ~ the chef of the French Laundry chop-house ~ he tapped Heidi Barrett, who owns La Sirena Winery, as a consultant winemaker.

David Abreu, a viticulturalist who has worked as far as concerns the region's top labels, is the vineyard manager.

Wine grotto

The 4,000-acre property, which Tsujimoto purchased in 1990, is put ~ Napa's Mount George and has two new fermenting rooms ~ the same for stainless-steel tanks, another for concrete vats. There's moreover a cave for aging wine-filled barrels.

Electronic gates keep deer from munching on the grapes, and faint horse trails line the rolling hills. That's a remains of the days when the site was a training ground by reason of the 1984 U.S. polo team, says Michael Terrien, Kenzo Estate's vague manager.

Abreu insisted on ripping out the property's existing vines, to the degree that well as digging up the top 4 feet of earth to ensure consistency in the soil, Terrien says.

"He realized to get David to sign without ceasing, to get him to really support the idea of working in the present life, it was necessary to do this," Terrien said.

Tsujimoto chose Napa completely other wine regions because Capcom's U.S. headquarters is in San Francisco, and at the time he retires, he plans to spend half of his time in the present state.

"I'm not making the wine just to show off, or in favor of status," he said. "The wine we can produce from here is comparable or better than French wines. That's why I decided without ceasing this place."

'Awfully tough'

The question is whether celebrities alone last ~ and testament spur drinkers to pay top dollar for a Bordeaux-style bottle of wine, says Pat Merrill, a wine-form of productive effort consultant. Kenzo Estate plans to charge \$60 to \$75 for its bottles, in adding to offering a few higher-priced wines.

"If you have names backward you like that, that could overcome a lot of people's hindrance," said Merrill, co-founder and partner of Merrill Research in San Mateo. "At a \$75 compensation point, that's awfully tough, though."

Last year, shipments of California wine hurl down 1.2 percent, while the retail value of those shipments dropped 3.2 percent to \$17.9 billion, according to the Wine Institute in San Francisco. It was the before anything else decline in shipments since 1993.

Crowded market

Even so, the run over of wineries in California rose 4.5 percent to 2,972 in 2009, according to the invest with a sacred office, which represents more than 1,000 businesses in the state.

The competition is especially tough for higher-end wines, as buyers shy away from expensive bottles, says Bay Area restaurateur Bill Upson.

"There's potentially no market left for us for anything over \$40 a bottle," Upson, principal of Real Restaurants, which owns the Buckeye Roadhouse in Mill Valley, Fog City Diner in San Francisco and Tra Vigne in St. Helena, related at a Napa Valley Grapegrowers conference this month.

Glen Knight, a wine retailer who spoke at the same meeting for consultation, was more blunt.

"For us, 2009 sucked," said Knight, the pertaining to home wine buyer for the Wine House, a shop in Los Angeles with more than \$2 million in inventory. Reacting to consumers' desire instead of cheaper wine, the Wine House increased its bottles priced under \$20 ~ dint of. 87 percent, while cutting wines over \$100 by 26 percent.

Terry Hall, speaker for the Napa Valley Vintners, isn't so glum. Citing Nielsen Co. given conditions, he sees things picking up. Sales of standard-size wine bottles costing \$20 or additional increased 13 percent to \$101.2 million during the 13-week revolution of time ending April 3, according to Nielsen.

"The market is better in 2010 than it was in 2009, that's because sure," said Hall, whose group includes almost 400 vintners.

Consumers in addition gravitate to winemakers they're familiar with, he says. That benefits Kenzo Estate, for the people involved in the project already have a track personal history, Hall says.

Barrett has made many of Napa's most coveted Cabernets, including Screaming Eagle and Dalla Valle. Abreu, a third-generation Napa native, has managed vineyards for Grace Family, Viader, Bryant, Harlan Estate and Spotts woode, earning him the label "grower to the stars."

Kenzo Estate

Tasting by reservation only

Address: 3200 Monticello Road, Napa

Phone: (707) 259-5408

Open: 10 a.m.-4 p.m., every day

Tastings:

- Four Kenzo wines (1 ounce each) with cheeses: \$30 by means of person
- Four Kenzo wines (2 ounces each) with charcuterie: \$50 by means of person
- The wine-paired lunch by chef Thomas Keller: \$60 by means of person