

BIZ WHIZ

WE HEARD IT THROUGH THE GRAPEVINE

Vintage Advice from a Woman Who Has Found Wonderful Ways to Help Women by Selling Wine to Them

By Sharon Sorokin James

Throughout the ages, “wine, women and song” have always been linked. But rarely have women become winemakers. Kathy Charlton, a former Texas Instruments executive, is crushing more than a few stereotypes (along with all those grapes), growing and marketing wines that please the female palate—and she just might end up singing all the way to the bank. Olympic Cellars Winery, located in Port Angeles, Washington, on the Olympic Peninsula, is a winery that is not only owned by a woman, but also operated by women. The consulting winemaker, Sara Gagnon, is a woman, and the tasting-room manager, Molly Rivard, is a woman.

In early January, **MAKING BREAD** caught up with Charlton to ask her what she’s learned about wine—and running her own business—since she bought the winery six years ago. “I had no experience in making wine or running a winery,” she admits. “But we saw a unique opportunity in being a women-owned and -operated winery.” To find out more about Olympic Cellars Winery, visit www.olympiccellars.com.

MAKING BREAD: How did you get into the wine business?

KATHY CHARLTON: The property was leased in the 1990s to Neuharth Winery, a small, award-winning winery. When its founder, Gene Neuharth, died in 1993, the winery was sold to its assistant winemaker. In 1999, my husband and I and another couple bought the winery, thinking it would be a passive investment. We were living in Dallas, Texas, at the time and I was working for Texas Instruments, where I had worked for more than 20 years. Then I was offered an early-retirement package and I took it, and in 2001 my husband and I moved from Dallas, Texas to the Olympic Peninsula in 2001. That’s when I took over the winery. But I had no experience in making wine or running a winery.

MB: So what made you think you could do this?

KC: My business background was in startups. When I took over in 2001, I gave the winery six months, go or no go, and we turned a small profit in 2001. Being from the high-tech world, I knew how to put my arms around it. I had goals, cash-flow statements—I really ran it like a business. We saw a unique opportunity in being a women-owned and -operated winery. Although we want to be taken seriously about our wines, we’ve noticed that often people coming into a winery are intimidated. They say, “I’m not a connoisseur of wine.” And we realized how intimidating the wine industry and wine-tasting can be. We’ve done a lot to change that. Our tasting room has a Starbucks feel—there’s a comfortable lounge area. And the gift shop attracts women.

MB: You have a wonderful series of wine called Working Girl. How did that develop?

KC: After a lot of brainstorming sessions and wine blending and tasting, we came up with the Working Girl wine series, and we launched it in September 2003. That was when we really started taking off. We produce and market Working Girl White and Go Girl Red, and they are at a good price point, blended for women's palates—soft, easy drinking. We've added a third wine, Rosé the Riveter, which we kicked off with a nontraditional contest. Eight local businesses sponsored and fielded teams of three women to change tires on racecars in a timed trial. With the money from the sponsorships, we sent nine 13-year-old girls to a four-day camp at Peninsula College for nontraditional career training—a place where they could find out that they can do and be anything they want to be.

In February, for Valentine's Day we're having "The Most Romantic Woman Contest," and we'll release our fourth and last wine in the Working Girl series. This one is dedicated to men in our lives, and it's called Handyman Red.

The best thing about our Working Girl Wines series is that from the release date forward, the wines have supported women's health care on the peninsula. A portion of the proceeds of the sale of these wines is donated to the Gynocare Fund. Clinics can draw from the fund to pay for diagnostic care for women who otherwise would be unable to have such care. This year we crossed the \$3,000 mark for the fund. It's a good connection and a good business decision. We get very involved in events and open the tasting room for fundraisers, etc., so our winery is not only a tourist destination, boosting the economy of this small community, but it's also a meeting place for women for such things as International Women's Day, for example.

MB: How many cases of wine a year do you produce?

KC: We're a small winery. We produce about 3,200 cases per year, of reds, whites and rosés. And we have a special relationship with Alan Pangborn of Moonlight Sparkling Cellars, who has bottled a very small amount of sparkling wine for us, about 60 cases a year, blended to our taste. Although we are a small winery, word is getting out about our wines. In addition to the Working Girls Wines, we have La Dolce Vida—our premium wines. This wine was inspired by a painting about women and wine, which I found on the Web. When I saw it, I said, "That's us," and I plunked down my credit card. We hung it in the winery, toasted it was a glass of champagne and sent Sara to our first competition and won our first gold medal. The artist talks about women having a secret desire to live *La Dolce Vida*. We all have careers, but we still need to take time out to create special moments with friends and family. And that's what Olympic Cellars is all about. Maybe we can't take two weeks off, maybe we can't take the summer off, but we can find time to sit down and enjoy a glass of wine and talk.

MB: Is it hard to achieve the blend of flavors that you want in a wine?

KC: Believe me, getting three women to decide on a single blend for the champagne was fun. What I highly recommend is flannel pajamas, a good book, champagne and

potato chips. We also have a Cabernet that goes well with chocolate—chocolate and wine being the basic two food groups.

MB: *Is it difficult to be a woman in the wine industry?*

KC: I approached it as a newbie. I knew nothing, and it was probably a good thing. I worked it as I would work any new business. Setting financial goals, operational goals, production goals. I found that I have marketing and promotional skills that I really didn't know I had. We've been very nontraditional. That has helped us to start getting exposure in a very big industry. There is a glut of wine—there's a winery opening every two weeks. There's good wine everywhere. The only way to survive as a small winery is either to be top, top premium with major financial backing—which is not us—or to find our niche and stay true to it. We know who we are and what we are about.

I need to be recognized in industry, but I'm not going to operate within the traditional confines. Since we are three women, and, at least for Molly and me, this is a second career, we have the opportunity to not always worry about the bottom line, because we own it and love it. It's just a totally different thing for me to come out of one industry into another and wear all the hats, knowing that I'm the ultimate decision-maker. Sometimes I know it's not economically the best decision to make, but it's the right decision.

MB: *Is there a lot of snobbery in the wine industry?*

KC: No. Our winemaker, Sara, was in a plane crash in August (fortunately, she is recovering). So when I needed help, I called some different wineries, all run by men, and they were right there. So, no, there's not snobbery, but there are traditions, although novelty wine labels, like Working Girl, are becoming more and more prevalent. The average consumer doesn't care about how many awards you've won (we've won nine in 2004). They are value-conscious, and label-conscious, and just want a good wine for a good price.

MB: *Do you think women's palates are different than men's palates?*

KC: Yes. Men like big, bold, oak and tannins. We blend our wines to feature the fruit, to be soft. We do oak, but just enough to enhance the wine. Our Working Girl wines are very easy to drink, food-friendly. You don't pucker up on that first taste.

MB: *Do you have a lot of employees?*

KC: No. Small wineries like ours survive with the help of friends, volunteers and customers who want to get involved. We couldn't do it, if we had to bring in the kind of work force we'd need during harvest time. You need dedicated volunteers. The bottling line is long and hard, so I'm always challenged. I'm working them to death for lunch and free wine.

MB: *So how do you make it work?*

KC: Through a program I formed, called 2X Success, which provides me with volunteers and nonprofit organizations with wine at cost, which they can sell for a profit. We have the approval of the Washington State Liquor Control Board. It all started with an organization on the Olympic Peninsula called Operation Uplift. It supports women during and after cancer treatments. They get a grant every year from the Komen Foundation. This year the grant said that Operation Uplift must show x percent of in-kind funding. They called me and said let's brainstorm. I said if they could provide me with dedicated volunteers, I would allocate wine to them at my cost (not wholesale cost). So for every hour they work, they get a bottle of wine they can buy at cost. They make money at their fundraisers when selling it by the glass or by the bottle under license from the Liquor Control Board. We had one lady volunteer who was in treatment. Bottling was in November—a cold, rainy day. We date stamp each box as it comes off the line. All she could do, barely, was date stamp, but she would not leave her post, because she was helping her organization. We kept bringing her hot tea and keeping her wrapped up. She stamped over 800 cases during a four-hour shift.

MB: *Do you keep statistics on your customer base?*

KC: This year we are installing a retail management customer contact system. But in the meantime, my gut says more of our customers are women than men. It goes along with the demographics of who makes retail decisions—a high percent of women do. I'm the only winery that stays open year-round. The others are mostly open during the summer tourist season.

MB: *So I guess it's fair to say that catering to women is good business!*

*Sharon Sorokin James is a lawyer, author, wine aficionado and contributing editor to **MAKING BREAD**.*

PULL QUOTES

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