

# GUTS, LUCK, AND VISION

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*An Interview With Andy Beckstoffer*

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**GUTS, LUCK, AND VISION**  
AN INTERVIEW WITH ANDY BECKSTOFFER

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In December 2022, Silverado Farming sat down with legendary grape grower and businessman Andy Beckstoffer. During the course of our two-hour conversation, we dwelled mostly on his early days in Napa Valley, as well as his hopes for its future.

Today, the Beckstoffer name is perhaps best known as the prefix appending some of Napa's most famous vineyards. But Andy also played a formative role in shaping Napa's modern history. From technological innovations to empowering growers to consumer advocacy, Andy Beckstoffer has been one of Napa Valley's most influential and effective leaders.

One important chapter in his viticultural life — the early years of the Napa Valley Grapegrowers — is covered in this journal under a separate article, *Napa Valley Grapegrowers: Origin Story*. Interested parties are highly encouraged to read all about Andy's role in that particularly fertile time in Napa Valley history.

This interview has been edited for length and clarity.

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**Silverado Farming Company: Let's start at the very beginning. You were born in 1939 in Richmond, Virginia. What was Richmond like as a place to grow up?**

**Andy Beckstoffer:** Well, it was a great place to grow up. I was one of eight children (number two), so I had lots of brothers and sisters to play with. And one of the things I remember is that, starting in grammar school, we worked summers. My dad was fantastic, and I always say he taught us the dignity of work. He taught us: Don't just work by the hour; finish the job. And that's an honorable profession.

**SFC: What kind of work was this? Was this farm work, or...?**

**AB:** No, Dad had a lumber and millwork business, and he made cabinets and trim and molding and everything. I remember doing all the pews and things at St John's Church (where Patrick Henry delivered his now-famous "Give me liberty or give me death"

speech). He was a quality craftsman. I started out doing millwork, and (like everybody) I cut my thumb on the saw. The other guys could play baseball all summer, but I couldn't do that; I had to go to work. My father was German, and my mother was French. They were a wonderful pair.

**SFC: And you married your high school sweetheart, Betty?**

**AB:** Yeah, when we started dating, I was in the eighth grade, and she was in seventh grade.

**SFC: Oh my gosh.**

**AB:** Maybe I dated one other girl or something like that. (chuckles) I can remember once this guy came over to her house and left his sweater, you know, so he could come back and get it? Well, I got the sweater and took it to him. (laughs) And then we got married my junior year in college.







**SFC: That college was Dartmouth?**

**AB:** No, no. Virginia Tech.

**SFC: Oh, Virginia Tech. And then you went to the Tuck School at Dartmouth for an MBA?**

**AB:** Yes. Later.

**SFC: So what was that like?**

**AB:** Dartmouth MBA? It was transformative. I was basically an engineer; I'd been in the army. When I graduated from high school, very few of my classmates went to college. Nobody went to graduate school. And then I came out here in the army. I was a second lieutenant, and all the good guys were going back for a law degree or an MBA. So that motivated me.

But Dartmouth changed my life for sure. I had been pretty insecure before that. But then I found out I can really compete with the best and the brightest. From a career point of view, it was the most important two years I ever spent in my life.

**SFC: When you were starting business school, what did you dream you would do with that degree?**

**AB:** I had been working for the telephone company, and I thought I would go back and work with the telephone company. That's what I planned to do at first. But then I decided that I would go work for the most free-enterprising company I could find. And the Heublein company, who took alcohol and ran it through a charcoal filter and sold it to Smirnoff for a lot of money... I thought, Jesus, that's free enterprise! So I went to work for Heublein, which was a little bitty company in Hartford, Connecticut. They had Smirnoff Vodka and A-1 sauce.

**SFC: Other than the free-enterprise aspect, was there something about the food and beverage space that was appealing? Or was it purely just an interest in the business structure?**

**AB:** It was the business structure. And the fact that this was a great opportunity. They had never seen an MBA, especially not an aggressive one.

**SFC: And were you raised with wine, having parents of European origin?**

**AB:** No, no, we drank sweet wine. I remember in the refrigerator was a big jar of apricot wine. We drank bourbon.

**SFC: What was your first memory of wine?**

**AB:** I was in the army from '61 through '63, stationed at the Presidio in San Francisco. And we used to come up and drink wine.

**SFC: To Napa Valley?**

**AB:** To Napa Valley. I had one child, and we would come up here and bring a big picnic and go to the tasting rooms. And I can remember that Betty particularly liked the Louis Martini Moscato Amabile.

**SFC: Amazing.**

**AB:** This Muscat had a fantastic flavor. And it was sparkling! And we would buy a lot of Charles Krug. That's how we got introduced to wine.

**SFC: Oh, that's fantastic.**

**AB:** We enjoyed being here, and buying wine at the PX was very inexpensive. So we drank a lot of wine.

**SFC: PX?**

**AB:** The Post Exchange. When you're in the army, it's a big grocery store on base. So there's a big PX at the Presidio, and we would go buy wine. But then when I went back to Washington, D.C., to work for a telephone company, we couldn't afford it. We bought jug wine, and I didn't like that. So I got off of wine for a while.

**SFC: But then you made your way up to Connecticut, you're working for Heublein... what were you drinking then?**

**AB:** Well, I went back to the telephone company, then went to Dartmouth for two years, and then came to Heublein in Connecticut. And at that point, uh... Smirnoff!

**SFC: Mixed with anything?**

**AB:** Water. (laughs)





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Well, you know, when we were out here working on the United Vintners acquisition, we would go down to the Buena Vista Cafe. Young guys. And we'd be drinking Smirnoff and water — and anybody who drank Smirnoff, we would buy their drinks and sit at the table. It was girls and guys and just raising hell, but not so much wine.

**SFC: Tell me about your time at Heublein, your entrance into wine, and Napa Valley.**

**AB:** Well, what happened is that Heublein had Heublein Cocktails, and they bought vermouth from California from a guy named Harry Bacigalupi out of the San Joaquin Valley.

**SFC: Any relation to Bacigalupi in Sonoma?**

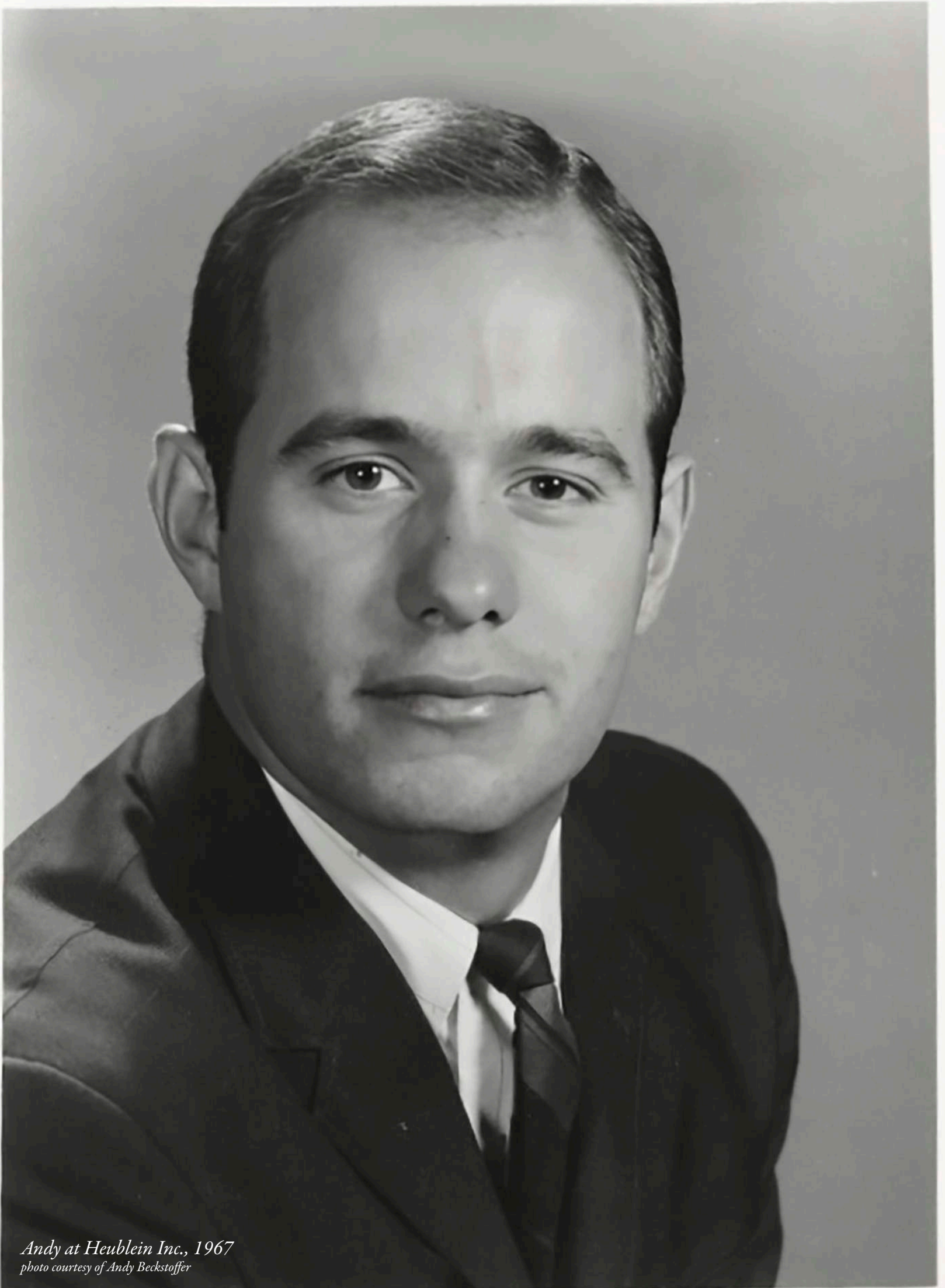
**AB:** I don't know. The historic guy who Ernest Gallo

would look up to was a guy named Horace Lanza, and Bacigalupi worked for Lanza. They were operating out of Bakersfield. But somehow or another, these guys got to a guy named Lou Gomberg. And I think it was Lou Gomberg who called Heublein and said, I think United Vintners, which owned Italian Swiss Colony and Inglenook and lots of other little things, could be bought. It's owned by the growers, and they're fighting with Louis Petri and a guy named Larry Solari, and he thought it could be bought.

Now, Heublein doesn't know what the hell to do with me, so I got the job of analyzing that opportunity. And I'll never forget: Stuart Watson, Heublein President, said to me, "Look, don't tell me it's a bad acquisition. I know that. Tell me what we need to do to make it a good acquisition." So I went out to California.

Remember, this was 1968, and 1967 was the first year





*Andy at Heublein Inc., 1967*  
*photo courtesy of Andy Beckstoffer*

in the United States that dry table wine sold more than sweet wine. And so I was assigned with a guy from McKinsey to go do the study. We spent all sorts of time out here doing that. And finally we came up with the recommendation that you have to do three things. One was cut down on the fluctuation of grape prices because they were unpredictable, and that made it impossible to long-term plan for the business. Second was to create a premium dry wine business. Third was to ensure supply of the “right” grapes.

**SFC: This was a recommendation you crafted with McKinsey, who was hired as a consulting firm.**

**AB:** Right. So basically, the premium dry wine business back then was Paul Masson and Almaden. It was nothing like what you see today. And we projected all sorts of things. So Stuart said, “Let’s see what we can find.” And we started the negotiations.

I have to say that I think the fascination for those Heublein guys was Inglenook. Gallo was a private company and sold more volume, but we figured that because Italian Swiss Colony sold more expensive products than Gallo, they were about the same level as a business. So, this was Heublein’s opportunity to really get into domestic wine. They had imported Harvey’s Bristol Cream and Harvey’s Classics for a long time, but they’d not been in the domestic wine business. So then I got the job of negotiating for them. And then all of a sudden somebody called and said, “Beaulieu will sell, but they don’t want anybody to know.” But I’m getting too far ahead.

United Vintners was owned by Allied Grape Growers, which was a co-op of co-ops. They had a co-op in Escalon, a co-op in Lodi, a co-op in Napa...every place. I would go and talk to those individual co-ops and tell them, “Here comes Heublein — we’ve got money, we’re going to convert your sweet wine plants to dry wine plants, and we’re going to market your grapes and wines. We have been so successful with Smirnoff...” etc.

Just another little story about these things. Back in those days, Cesar Chavez was raising hell with the growers, right? Table grapes and everything. So I was up on the stage once and a grower asked me, “Why is Chavez picking on us? We never did anything to him.” And I said, “Because you weren’t willing to share the profits [with the farmworkers]!” Mr. Watson got me off the stage so quick...

Also during that period, I went and visited the Allied Growers board of directors there, to discuss their housing facilities for farmworkers. And what happened is that the growers had a labor camp in the back of the property that nobody could ever see. The Rutherford farmworkers camped out on the banks of Conn Creek, behind Caymus. That’s where they lived.

I visited the farmworkers’ camps at Asti. This belonged to United Vintners. And it was unbelievable! The bunkhouses with like World War I- or World War II-era beds with springs hanging out and thin little mattresses. They had raw sewage running in an open trench. I thought, this is awful, really awful! So I went to Heublein and I asked them to spend \$200,000 to clean it up. And they did. And that was my introduction to farmworkers.

But also in that process, I began to like growers. Taking risks every day, living outside, farming the land. When I went to Heublein, I used to travel with Smirnoff salesmen who would tell the same story five times. I was so sick of it. But I really liked the farmers.

And then when Beaulieu came up, the financial officer for Heublein was an obnoxious guy. So they wouldn’t talk to him. I got to be the financial guy in that acquisition. Two of us came out and Madame de Pins didn’t want anybody to know about it, so we did it in a lawyer’s office in San Francisco.

**SFC: I want to circle back on this Chavez thing for a minute, but just to finish the story. Do you think that Madame de Pins reached out to Heublein because she trusted you?**

**AB:** No. There was a relationship between Louis Petri and this lawyer, Ted Kolb, and a friend called Clemens or something like that. Louis knew everybody. He said, “I can sell you Beaulieu or Louis Martini.” So he decided to sell Heublein B.V., and he was going to sell Louis Martini to Clemens, who was in the restaurant and hotel business. That’s what started the contact. Ted Kolb was Louis’ lawyer and Madame de Pins’ lawyer. And Ted Kolb and the chief legal officer for Heublein, Paul Dohl, were good friends. So that’s how it started.

Madame de Pins wouldn’t spend a nickel on anything, so the whole facility was falling down. The vineyards weren’t being replanted. Tchelistcheff had 500 acres

of vineyards, he had a couple of farmworkers, and a bunch of tractors. That was it. That was farming! That was viticulture in 1969. So somebody, maybe Ted Kolb or maybe Walter Sullivan, who was married to Madame de Pins' daughter, knew they needed to sell. I think Anheuser Busch wanted to buy it and Madame said, "We won't talk to them," And then, because of the relationships, they said, "We'll talk to Heublein."

**SFC: And then Martini never ended up selling. At least not for a while.**

**AB:** Yeah no, he didn't. I'm sure glad that Petri decided to sell us B.V.

**SFC: Let's go back and talk briefly about Cesar Chavez. Because you met him, didn't you?**

**AB:** Oh, gosh, I spent a lot of time with Cesar. What happened is that Chavez started to boycott Heublein and Smirnoff after we bought Allied Grape Growers. So Chavez says, "We're going to boycott Smirnoff until you make all of those Allied Growers join the union." Now, we had a Supply Contract as part of the purchase of Allied Grape Growers that said we had to buy all the grapes of their grower members. We couldn't say, "If you don't join the union, we won't buy your grapes." We had to buy the grapes!

And so I would meet with Cesar and all of the United Farm Workers guys, and we weren't getting anywhere, just nowhere at all. But Allied says, "You may not show them that Supply Contract." I was crazy! The executives were going crazy. There were farmworkers lying outside the Smirnoff office, the Heublein office; you couldn't get in, they were boycotting every time you turned around. I can remember Watson saying, "We're becoming the Napalm company (killing villagers in Vietnam)." Here we were selling a consumer product, and we were fighting the farmworkers. That's really bad in terms of our corporate brand image. So we had to do something.

So finally — and I don't know if I told anybody — I decide to meet with Jerry Cohen, the young lawyer for the farmworkers, to show him the Supply Contract. I didn't care what Allied Grape Growers said! I lived on the peninsula, and I said to Jerry, "Come over to my house and I'll show you the Supply Contract." He said

okay. Then when he got there, he told me someone else was coming. I said, "Jerry, the deal was it's just me and you!" But he said, "She's got to come." So Dolores Huerta came to my house. Betty took our kids and hid upstairs in our house!

Cesar was a saint. He was really saintly. He was creating a social movement. But he had some lieutenants who were really rough. And Dolores Huerta was really, really tough. She led all the boycotts, she was fighting for the union, and she got the Medal of Freedom later. But she came to my house to see the contract. Now if the growers had known about that, I could have been firebombed. But she came and she saw the Supply Contract, so she knew we couldn't make the growers join the union.

About a week or so later, we have a meeting in a motel room down on the peninsula in Palo Alto. It was me and there was a Heublein HR director — an "iron pants" type because he would sit there doing nothing forever; that's what union negotiators do. So we went and there was Jerry and Dolores, Marshall Ganz, and Richard Chavez. And Cesar comes in — he had a bad back so was laying in the back of a ton-and-a-half truck. So they bring in him and his two dogs, I will never forget: Huelga and Boycott, two German shepherds. I got to tell you, they were the biggest damn dogs ever. We were in a tiny little hotel room, and it was six union guys and two dogs and me and this old man. But we got it settled. I wrote it out, and we all signed it. And then we drank a bottle of 1969 Inglenook Pinot Chardonnay. And we stopped the strike.

In those days, many growers acted like farmworkers were the enemy: union workers. I felt that they were our workers and part of the team with the growers and vintners. A lot of folks didn't approve of that idea!

**SFC: Wow.**

**AB:** Part of the solution was that the farming company that we had set up here in the Napa Valley would sign with the union. And then we set up a farm services agency down in Modesto, which is where the United Vintners had the big plant. And we would farm with union labor for anybody who would sign. Any landowner who would sign up for our farm services would take the union workers.



ESTATE BOTTLED

*8/17/71*  
*Sam E. Chavez*  
*Ray Baker*  
*Fernando*  
*Richard*  
*Muriel*  
Inglenook



*14/1/18*  
Napa Valley

PINOT CHARDONNAY

*William P. ...*  
1969

PRODUCED AND BOTTLED BY INGLENOOK VINEYARDS, RUTHERFORD, CALIF.

ALCOHOL 12% BY VOLUME

QUART 475 QUART



One of the things they thought was a big deal is that we agreed not to use mechanical harvesting. Now, we weren't about to use mechanical harvesting in 1971 here, so I was happy to sign it. But they thought that was the biggest deal in the world. But we got it settled and we got it settled peacefully.

**SFC: Thank you for taking that detour with me! Let's go back to talk about the late '60s. You've moved to California, Americans had just started drinking dry wine over sweet, and the Ag Preserve has just passed. So what were those early days in Napa Valley like?**

**AB:** Well, the thing is, I didn't come out here to be in farming. I came out to be in the wine marketing business. Then all of a sudden we had B.V. and Inglenook and didn't have the grapes to support them. I would go around and I'd try to get local farmers to sell us grapes or to convert to Cabernet grapes, and they wouldn't do it. Remember, Cabernet didn't sell for as much as some of these other varieties who had bigger yields.

**SFC: Like Riesling.**

**AB:** Like Riesling. And like Pinot Noir and maybe even Napa Gamay. I mean, it was just crazy. And so I said these guys were good farmers, but poor businessmen. They weren't interested in any new technology. They weren't interested in planting Cabernet, looking to the future, or any of those things. And it wasn't like it is today when you have, you know, Pete Richmond and you have all the vineyard management guys. You didn't have any of that. Maybe you could get one guy with a tractor. There were only two trained viticulturalists in Napa: one was Dewey Anderson at Christian Brothers, the other was Charlie Williams, who ended up going over to Mondavi. We brought a business manager in and three viticulturalists. We had a farming company set up, and I thought they were going to run it. But when Chavez hit and we signed the contract, Heublein said, "No, you got to go run it. We've got to control that business." So I got taken out to United Vintners and went and ran what was called Vinifera Development Corporation, a farming management company.

The thing is, in those days, you couldn't make any money in the vineyard business. The only people who could make any money were the people who inherited the land, or wineries who could lose money

on the grapes and make it up selling wine. Otherwise, you couldn't make any money! But my background was technical engineering and business strategy. So we started to consider engineering principles and business strategy because we had to make grape growing pay.

It's just so different today in terms of the way farmworkers and growers are treated. Back then, the growers were second-class citizens and the farmworkers were third-class citizens.

**SFC: And the first-class citizens were the wineries?**

**AB:** The first class was the wineries. Which is the way it is in agriculture throughout the world. But I think what began to happen to me was...the Ag Preserve was done in '68, and it took a little while to get everything straightened out. Then in '76, I went on the Napa County Planning Commission, and that's when I began to see what was really going on in the Napa Valley. It was very instructive to me to see all the people who would come and testify. I went from seeing Napa Valley as a sort of business resource to thinking it's a national treasure. I mean, I saw the developers and I saw the guys trying to keep Napa Valley green and all of that stuff.

I can remember people asking me, "Why are you fighting this? The Ag Preserve is going to be gone in 10 years anyway. We can just relax. It's a beautiful valley, but it's not going to stay!" And we said, no, no, we think we can make it last. But you begin to turn; you begin to see the value of this place. And you run into people when they come here now that say, "I'm just going to run this business and have this winery and a big tasting room. That's what I will do. I'll make money." But then they're here five, six, seven, 10 years and they say, "Jesus, this place is wonderful!" We've seen so many people change. And I changed too.

**SFC: Let's go back to the early '70s, because it seems like you brought two really important schools of thought to farming in Napa Valley: the business and marketing side of things, but also the engineering and technological side of things. I remember talking to you a long time ago about drip irrigation, and it seems like you spearheaded a lot of really essential technological advancements at that time. Can you talk a bit about that?**





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**AB:** So I have this engineering background, and I began to see things that were just inefficient and poorly done. I had this conversation with a professor from Davis who had recommended vines planted eight feet between vines and 12 feet between rows. That seemed to me a total waste of land. So I went to see him and he said all these things: “You can’t get the vines; you can get the tractors.” Then I asked him, I said, “When you did your study, did you have water?” He said no. I said, “I’ve got water; you think I can close the vines up?” He said he thought I ought to try.

Remember in those days irrigating vineyards was bad. We fought with Madame de Pins like crazy. She was not going to irrigate vineyards because they didn’t irrigate vineyards in Europe. But the big deal was Tchelistcheff’s 1968 B.V. Pinot Noir. It was a shock to everyone; it was so wonderful. But it was Carneros, and Carneros has no water. So how are we going to grow Pinot Noir?

I’ll never forget those guys...it was a Spot Heater company. We met at the second floor of the Bank of America building. They had developed this system in Israel called drip irrigation, and they wanted to sell. So we said, “Sure.” It was 1971.

So we put drip irrigation in Carneros, and Carneros was developed. But we also started putting in drip irrigation everywhere, because we thought you needed to irrigate. At some places, we dry farm because it doesn’t need it. But you can’t dry farm on sandy soils.

**SFC: Like in Carneros.**

**AB:** Carneros or anywhere! I mean, if your soils are very permeable, the water goes through really fast, and you’ve got to put more water on. Now, if you’ve got some clay there, you can hold the water, so you can do deficit irrigation and some guys go all the way to dry

farming. I don't object to it; I object to people saying everybody's bad if they irrigate, but you got to give the water the vine needs to grow. If you don't, the leaves are going to fall off in July.

**SFC: How did you irrigate before drip irrigation?**

**AB:** Overhead sprinklers.

**SFC: And you'd, what, tap into a well or bring up a tank of water?**

**AB:** A well or a reservoir. If you can get a well in certain places in the valley. Otherwise, it's runoff from big reservoirs.

**SFC: What about other technological advancements?**

**AB:** I can remember promoting and financing a nursery to produce bench grafts. And then we started closing up the space between vines in the vineyards; we researched the whole trellis system. We went too far, then we came back. Pruning techniques were tested. We researched clones and rootstocks after phylloxera. We pioneered the use of computerized systems to measure moisture and heat to the vines. In 1997, we were the first non-governmental or for-profit organization to be honored by the State of California with the IPM (Integrated Pest Management) Innovator award for our commitment to new viticultural techniques and IPM practices.

**SFC: Pruning techniques?**

**AB:** Leaving more wood or spacing the wood. We started using quadrilateral systems. And we put too much on for a while.

**SFC: In terms of crop?**

**AB:** In terms of crop. And remember, when you had the California sprawl, nobody had any idea what was under there until you picked it. Nobody. And that was something that we needed to change. We needed to open it up so we could see it.

**SFC: So when you got here in the late '60s, was most of the training California sprawl?**

**AB:** 90%. Really. Nobody ever heard of VSP until after phylloxera. Not here.

**SFC: And that was lifted from Bordeaux?**

**AB:** Yeah, it was. We did that wrong, too.

**SFC: Sounds like a big learning exercise.**

**AB:** I mean, that's what it is! (laughs) Sunburn was a really big problem. And now we're going back to California sprawl. But that's what happens. The thing is, whatever system you put in, you got it for 20 years. And it's very expensive to change that system once you plant it. So you plant, and then it is not quite optimal, then you see three years later somebody else is doing something a little better — but you're not going to pull out a three-year-old vineyard. But when you plant your next new vineyard, you'll do it right. And now row direction is a big deal.

**SFC: You probably didn't think about row direction back then.**

**AB:** Not that much. No, you did it based on the dimensions of the vineyard.

**SFC: Tell me a little bit about your struggle to get growers to plant Cabernet back then. Was it you and the marketing guys at Heublein saying the Cabernet was the future? Were wine writers saying Cabernet was the future? Why were you advocating for Cabernet back then?**

**AB:** Well, we bought two Cabernet vineyards: Beaulieu and Inglenook. And I think everybody back there was very European-oriented.

**SFC: Back there at Heublein?**

**AB:** At Heublein, yeah. And then we did the Heublein Wine Auction where we put B.V. and Inglenook with the best of the Bordeaux wines. And they did pretty well.

But Cabernet was the grape. It was just clearly the grape for us. And it was the grape of the wineries that we bought, for sure.

**SFC: So at this point, were you falling in love with wine, or were you still just mostly interested in the business?**

**AB:** I liked wine and I liked what happened when you



had wine. But I fell in love with farming. Because of my dad, I always thought I would build things. But then I began to like to grow things. And I really like farmers; I like being outside, I like growing things, I like doing stuff that nobody else was doing. Just changing the way things were done. I mean, we drank lots of wines. But I wasn't one of these guys that just totally fell in love with the process of making wine. The chemical process never really appealed to me. We had a little wine brand back in the late '80s but it was just another way to sell grapes. So I went out to sell wine, and I hated it.

**SFC: What was the brand called?**

**AB:** Fremont Creek. It was mostly Mendocino. We had a Chardonnay, a Cabernet, and a Sauvignon Blanc. One of them was from Napa, but the big ones were from Mendocino. It was a way to sell grapes for me. We never organized. We had a winemaker; I think we made the wine at four or five places. It's one of those really stupid things. If you're going to do something, you've got to really get involved. We didn't. And it lasted three years or something like that.

**SFC: That is interesting. I'd be curious to find those wines out there in the world and see what they're drinking like now.**

**AB:** I think they're probably terrible. (laughs)

**SFC: Ah, well, let's talk about 1973. Heublein decides they want out of farming...**

**AB:** Well, what happened was that Heublein decided they had enough Cabernet. And they didn't want to be associated with farming or the farmworker union. The farming company was never supposed to be a forever business. It was this separate little thorn that they had.

**SFC: It was a temporary solution.**

**AB:** Because that's what Heublein needed to do to get grapes. My first job when I came out here was to develop the economics of prime varietal vineyards. Then I went all over the country trying to sell that investment to money people. I'd visit you on the 38th floor of the Chase Manhattan building, and I'd say, "Napa Valley is going to be great, the wine business is going to be great." And you'd say, "Okay, who's going to farm? We're not going to farm." So that's why we set

up the farming company. And we set it up as a not-for-profit business in that we would farm for you at cost if you would sell us grapes at market.

**SFC: Okay.**

**AB:** So now Heublein wants to get out of the business for all of those corporate reasons. You've still got Chavez. They don't want to be in farming — you have management concerns, you move on.

**SFC: They didn't want to deal with the messiness of farming.**

**AB:** They didn't want to deal with the messiness of any of that stuff. And so they said, let's sell the company. Well, the only people who were logical buyers were those people who put in the vineyards: Connecticut Mutual Life Insurance Company, other people like that. We had no buyers for the company, and I wanted to get back in the corporation. I had run a successful farming company, but that didn't get you far in a big Eastern marketing company. So they couldn't find me a job in the corporation, and they couldn't sell the farming company.

I'll never forget...one night at the bar at the Clift Hotel, I was with Stuart Watson and other executives, and I said, "Let's kill two birds with one stone. You sell me the company. That means you don't have to find me a place to work, and you've got the company in good hands that'll give you quality fruit." And so they did. They agreed to do that. We got that done in '73. They lent me most of the money, and the Connecticut Mutual Life Insurance Company lent me the rest of it.

**SFC: So now you're a farmer. What did Betty think of all this?**

**AB:** People sometimes ask me, what was your toughest day? Well, on October the third of 1973, I bought the company. On October the fourth of 1973, Betty had our fifth child.

**SFC: Oh my gosh.**

**AB:** The main thing that caused me to decide to do it was that I wanted to be an entrepreneur. That was a big deal. Do my own thing. I liked dealing with farmers, and I liked the real estate business. I liked owning vineyards.



*Andy and Betty, 1970*  
*photo courtesy of Andy Beckstoffer*



**SFC:** It seems like pretty early on you made a decision to draw attention to the legacy of the vineyards. When it could have been easy to just give them new names, right?

**AB:** It could have been, yeah I guess. But the deal was, in the mid-'80s, the wine writers began to say things like, "Cabernet is like vanilla and chocolate, and it all tastes the same." In those days, the best Napa Valley wines were Reserves, which were vineyard blends. And all the winemakers were basically blending to the same consumer taste.

So I'm thinking about that, and I said, "How do we get the wines to be more interesting and complex?" Well, there's another French model, the Burgundy model, which is terroir-based wines. So that's the way to do it. Let's do terroir-based wines rather than vineyard blends. Great vineyards make great wine. And if they don't make great wine, they're not great vineyards. But if you go back as far as you can to find vineyards that have made great wine over a long period of time with multiple winemakers, multiple popular styles, multiple everything. And that gives you the greatest assurance that you've got a great vineyard. So that's when I began to look at vineyards that had been under vine for 150 years.

To show that off, you've got to do vineyard designation. And you have to talk about the historical fact that Hamilton Crabb had it or George Belden Crane. But then again, terroir is the sum of all the physical features of a piece of land as manipulated by the farmer. So you also got to talk about the farmer. So we've got to talk about not just To Kalon but Beckstoffer To Kalon.

And you've got to make it individual in terms of the pricing. It can't be a commodity anymore. It has to be a special product. So, I tried to figure out a pricing system. And that's when we did the bottle price formula.

All of the vineyards we bought were without buyer competition. Wineries that weren't interested. None of the local rich families would take a risk because they thought the secret was Tchelistcheff or Arrowood or some winemaker like that. Rather than the ground! So we were able to buy these vineyards. We paid what they asked, but we went way the hell up and paid \$40,000 an acre for them! We had no competition. But our basic idea was that you got to have terroir-based wines, and you got to be able to prove that the terroir makes great wine over a long period.

**SFC:** Just walk me through the details, because I'm a little bit fuzzy. So in 1973, you bought the farming company? So you're now no longer an employee of Heublein, but you're working exclusively with them. You're selling them the fruit?

**AB:** Yeah. Part of the deal was I had to sell them anything that I farmed.

**SFC:** And how long did that arrangement last?

**AB:** That lasted while I owed them all the money.

They forced me to buy the land in Mendocino County that Louis Petri had forced them to buy when they bought United Vintners. And I had a couple of leaseholds. I borrowed money at 6% plus 1% interest. By 1975 or '76, that was like 12%. In 1973, the price of Cabernet in Mendocino and here was \$800. '74 it was \$400. By 1976, I was underwater. Totally underwater. I couldn't make it; I was done. We had to restructure the company. So we did.

But Heublein had owned 15% of the company before, and Connecticut Mutual had owned 10%. So we did a deal: They took back most of the land in Napa; I got to keep Mendocino, my house, and two little leaseholds; and I got 100% of the company. I had to sign a contract that would do whatever they wanted. But I got the company and restructured. I think we went from owing \$7 million to owing \$2 million.

**SFC:** Oof. That's a lot of money, especially back then.

**AB:** I mean, it was really hard. I had five kids and had invested five years in this place. It was tough. I can show you some really rough letters from Heublein, because when I had bought it, this younger Heublein guy said, "Andy's getting too good a deal." And then in 1977 or '78, Heublein wouldn't lend me any money — nothing. But we were the first to plant varietal grapes in Mendocino County.

Charlie Mannon, whose family owned the Mendocino Savings Bank, lent me more money than he should have. And he had a problem with the bank regulators because he did that. So that's how I got out of it in 1978. I didn't have any land, and we didn't start getting back into land until the '80s. But that's how I went from a Heublein company to my own company.

**SFC: And then when you decided to go back into land, you bought it from Heublein, right?**

**AB:** No, I didn't. People misunderstand this. When we bought the Vinifera Development Company in '73, we got no Beaulieu Vineyards land. In '81, we start buying land. We bought a little piece, what is now the One Hope Winery, and some little things like that. What is now our Georges III vineyard — originally B.V. III — had been purchased by the Connecticut Mutual Life Insurance Company.

So in 1989, the Connecticut Mutual Life Insurance Company decided they had had enough of owning this. And life insurance companies often keep properties for only eight or nine years; it's sort of the normal thing. They wanted to sell, and Heublein had first refusal on it but they didn't want to exercise it. So in 1989, I bought B.V. III from the Connecticut Mutual Life Insurance — not from Heublein. And then we bought land in Mendocino County, and it wasn't until '96 that we started Lake County.

In 1993, Heublein again says, we've got too much Cabernet. We need to get rid of some Cabernet. What are we getting rid of? B.V. number IV (To Kalon). It was phylloxerated, Diageo who owned it then didn't want to replant it; it was just Cabernet to them. Robert Mondavi would not pay the asking price. Now, this is 20 years after I first bought the company. So now we own B.V. vineyards numbers III and IV.

And then in 2017, Diageo — or now it's Treasury — are trying their best to get rid of B.V. vineyard number V down in Carneros. And that's the place where Tchelistcheff had first grown that Pinot Noir. They couldn't sell it...they had it on the market for three years, on and off. I didn't want any land in Carneros. But we decided to buy it because of this history.

So, I end up with B.V. numbers III, IV, and V. And people say, "He got all the Heublein land!" Well, I got a bunch of Heublein land 15, 20, 45 years later from an international corporation that had bought Heublein and B.V. because nobody else would buy it!

**SFC: And now today, are you still farming any vineyards that you don't own?**

**AB:** I think we stopped doing that around 1989.

Everybody keeps saying, Heublein made me, he screwed Heublein and got a special deal. Well, we were struggling and in the early 1980s, B.V. took all the land management work from us.

**SFC: What do you mean?**

**AB:** We were farming all the B.V. lands, which is what we needed to do as a vineyard management company. We were farming with union labor. They said, "We don't want any part of that." They gave it to a different vineyard management company.

**SFC: Oh, I see. They moved your contract unceremoniously.**

**AB:** Yeah.

**SFC: And you were using union labor to farm. Are you still doing that?**

**AB:** No, that was all over in 1989.

**SFC: Now that you're just selling fruit from the vineyards that you own, will you sell fruit to people that are putting your fruit in blends, or do you require a vineyard designate?**

**AB:** For the Heritage vineyards, we require vineyard designate. Everything else can go in blends. We own 4,000 acres of grapes! But for our heritage vineyards, you can only buy them if you vineyard-designate, and you must do bottle price formula grape pricing and you do a long-term contract.

**SFC: I feel like your contemporary history is very well known — Beckstoffer To Kalon and your historic vineyards. I'm inclined to gloss over that and just ask you about the future now that we've delved into the past.**

**AB:** The thing is, what the big deal is, is the fact that this place in 2022 is still in agriculture. That's a miracle — an unbelievable miracle.

Sit and think about it. Sixty miles from San Francisco. Beautiful place. How can it be still in agriculture? Now, if it had been just the government-controlled Ag Preserve, that would have lasted a while. But if you can't make any money owning these properties, sooner or later the local people's political force rises up and that



*Andy, 1994*  
*photo courtesy of Andy Beckstoffer*









goes away. What we did was this business strategy of vineyard designation, which says the important thing is not the skill of the winemaker, it's the quality of the land. Now all of a sudden, that land has a consumer franchise, a brand. And we have a pricing system that ties the price of grapes to the price of wine.

When you go back, what happened was that wine prices soared. Soared! And if grapes had been a commodity... But we had tied the price of grapes to the price of wine. So the price of grapes soared and then the revenue to the vineyard and the vineyard value soared. And all of a sudden, the vineyard becomes the highest and best use of the land and it can be preserved.

I've said this all over the world: 99.8% of the time, urban or commercial use is the highest, best use of land. Not here. Not here. And it's combined with the 40-acre minimum, which is still very valuable but alone wouldn't have held it. The big deal is the economics. And I feel like that will hold us in the future.

**SFC: So speaking of the future, what are your biggest concerns for the future in Napa Valley?**

**AB:** My concerns are for the Napa Valley brand. I think the Vintners have done a great job marketing to the outside world. But I don't think they've done enough to protect the brand here.

**SFC: Internally?**

**AB:** In the Napa Valley, yeah. I mean, when you start having these ever-enlarging tasting rooms and festivals and auctions and things like that. You've got to have balance, because if Napa Valley becomes a tourist destination rather than an agricultural paradise, the brand will suffer greatly.

That's one side of it. And the other concern is this whole climate change thing. You know, if you go back and you look at how we got to where we are today in terms of wine quality both in the vineyard and in the winery, it's on the back of technology. And we'll do it again! We learned so much this past season, from the frost and rain at bloom to the heat....

**SFC: You're talking about 2022?**

**AB:** Yes. But if we can get through that, we can get through climate change. I mean, we learned a lot. You're going to find out that canopies are going to get a lot bigger to protect from the heat. You're going to see more shade cloth. You're going to see more attention to vineyard materials. We're going to address the climate change problem. But it's a problem. It is a problem.

**SFC: And technology is the solution?**

**AB:** It has been. It's an American story, isn't it? We have beat people all over the world with our technology. So I think we can do that, too.

**SFC: And what about the solution to protecting the Napa brand?**

**AB:** I don't know. The Napa brand has to be related to the vineyards and not to the wineries. You can move a winery. And this whole thing of going to the Burgundy way, it's very important. All the things we get to do in the Napa Valley from a political point of view, have to do with the Ag Preserve Ordinance and ag preservation. We got no hook for protecting the brand. There's no legal hook that I can take down to the Board of Supervisors and say, "This statute says you've got to protect the Napa Valley brand."

**SFC: Well, you did some of that, though, with the fruit composition minimums and things like that.**

**AB:** That has to do with wine labeling, not land use! But it's still not protecting the Napa brand enough. What you're hearing right now is that everything in Napa Valley is too expensive — the stores, the tastings, the rooms, the meals. So we get this reputation of being not expensive but unfair. But somebody needs to say it's not unfair. They talk about the price of wine. We are an expensive area. But we don't want to be the bad guys. Nobody can hold property up here, it's too expensive. That all has to do with the Napa Valley brand. I mean, if the Napa Valley brand today says greed., that's bad. That's bad. People need to understand that without high consumer prices converted to vineyard value, our agriculture cannot be saved.

And if the Napa Valley brand says we don't protect agriculture anymore, that's really bad! Like Measure J down in American Canyon where these guys say they



## GUTS, LUCK, AND VISION

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couldn't grow grapes so they want to take the land out of agricultural use and put it in the City of America Canyon. Well, you can grow wheat or soybeans or a whole lot of stuff like that. And it's agriculture. But I've been around here where people want to take every one of these knolls in the valley out of the Ag Preserve because you couldn't grow grapes on them. And you will get that again.

**SFC: So, what's next for Beckstoffer Vineyards?**

**AB:** Well, we're hiring a guy to be COO. We separated the companies two years ago — the farming company from the company that owns all the vineyards. And the farming company is owned by my children, but they can sell it if they all could agree. But the vineyard company, they can't sell any of that. They will be here forever.





## AN INTERVIEW WITH ANDY BECKSTOFFER

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**SFC:** How are you preventing your vineyards from being sold?

**AB:** Most of our good vineyards are in conservation easements, which says they can never be developed. Then they are in a family trust that says they can never be developed and they can never be sold. And those trusts are basically owned by a bank, which means they never die and go through probate. (laughs)

Some great-great-grandchild of mine will hate me because maybe the grapes won't be growing very well, they've got this pesticide problem, or climate change or something. But they still can't develop it. Sorry! It'll be a park, it'll be a field, it'll be something. But they will forever be in the Beckstoffer family. And they will forever be, if not vineyards, open space.

