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Grapes and Power: A Mondavi Melodrama

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CALL it Greek tragedy or Shakespearean drama, Biblical strife, Freudian acting out or even soap opera. You wouldn't be exaggerating, and you wouldn't be wrong.

The rise and fall of the Mondavi family's wine business, fueled by overreaching ambition and struggles for power, pitted parent against child and brother against brother.

Years of battle would settle into seeming resolution, only to burst forth again as stubborn pride and hubris could not be contained. The cycle would be repeated with a new generation. Sisyphus, maybe? You be the judge.

The sweeping story of the Mondavis' ascent has been told many times, but never in as clear and detailed a fashion as in a compelling new book, "The House of Mondavi: The Rise and Fall of an American Wine Dynasty" (Gotham Books, \$28), by **Julia Flynn Siler**, who writes for The Wall Street Journal from northern California.

Ms. Flynn Siler builds to the almost startling denouement in which the Mondavi family loses control of the Robert Mondavi Corporation, arguably the most influential wine company in recent American history and an American attempt to build a wine empire on the order of the Rothschilds and the Frescobaldis.

She tells how a company that seemed to be takeover-proof was pried, finger by finger, from the grasp of the Mondavi family and sold from under them.

While the temptation for flashy imagined melodrama must have been great, Ms. Flynn Siler wisely resists.

Ms. Flynn Siler pored through tens of thousands of legal documents and talked at length and on the record with more than 250 people, including all the living major characters. She did speak with the man who is the center of the story, Robert Mondavi, three years ago. But Mr. Mondavi, who is now 94, could no longer recall events clearly, and she did not use material from that interview. The Mondavi saga is a purely American story of ambition unleashed by democracy, layered with sanctimony and hypocrisy.

Robert Mondavi's parents, Cesare and Rosa, arrived penniless at Ellis Island from Italy in the first decade of the 20th century. Settling first in Minnesota and then in California, the family achieved an almost unthinkable prosperity within 20 years as Cesare established a wholesale business for grapes and other fruit, and, after Prohibition, entered the wine business.

He was able to provide Stanford educations for Robert and his younger brother, Peter, and bring them into his business.

Robert's character was established early on. He was a charismatic, hard-driving perfectionist who could not contain his criticism, particularly of his family, if they did not measure up to his standards. "My father never had an excess of sensitivity," was his son Michael's understated assessment.

He did have ambition and worked incessantly. Even on his honeymoon he spent time visiting business accounts. In 1943, he and Peter together persuaded their father to buy the Charles Krug Ranch, a vineyard and winery that had been established in Napa Valley in the 19th century but that had largely been abandoned. Their father's condition: the two brothers must work together.

Well, we all know how that worked out. Cesare died in 1959 and by the early 1960's, after years of bickering and disagreements, the two brothers famously came to blows. Out of that battle their mother, Rosa, lined up behind the steadier, less ambitious Peter, and Robert, then in his early 50s, and his family were exiled from the business.

On his own, Robert, aided by his children, Michael, Marcia and Timothy, created the Robert Mondavi Winery, arguably the single most important event in the recent history of the California wine industry. From its first vintage in 1966, the Mondavi winery stood for everything Napa Valley hoped to become.

Until then, fine wine had been largely an afterthought in California. Since Prohibition the industry had been dominated by cheap jug wines and sweet fortified wines that packed a punch.

But Robert, with his vision and determined salesmanship, insisted that Napa Valley wines could stand with Europe's best. If he did nothing else, Robert inspired a generation of winemakers to think in terms of greatness, but he also took Bordeaux for his model and adapted its methods. He hired talented winemakers like Warren Winiarski and Mike Grgich, who would eventually achieve their own great Napa Valley successes.

But some of the more ambitious people he hired did not stay for long. They could see that the best jobs had been reserved for Robert's children, particularly Michael and Timothy. Marcia, too, would eventually join the company, but Michael and Timothy were the heirs, and Robert, like his own father, wanted the brothers to work together.

Meanwhile, Robert's dispute with his mother and brother had risen into a full-blown court battle. Ms. Flynn Siler's recounting of this story is absorbing, filled with details like Robert pacing his house the night before he was to testify, repeating to himself: "Only the strong survive. Only the strong survive."

With a court victory, Robert began a program of prolonged expansion, buying vineyard land and wineries throughout California. He forged alliances with Mouton-Rothschild, and together they started Opus One.

Then, the son of an Italian sharecropper went into business with the aristocratic Frescobaldi family. Only in America.

Meanwhile, the Peter Mondavi family and Charles Krug struggled for years to escape the debt burden brought on by the court case.

But prosperity could not reconcile the competing voices of the next Mondavi generation. Michael and Timothy Mondavi were placed in competing roles to see who would take charge of the company.

Michael wanted to emphasize mass-market and lower-priced brands, while Timothy thought the focus should ever be on the Mondavis' finest wines. Meanwhile, Robert would cruelly and publicly put down his sons.

While fisticuffs might have been customary for an older generation, the younger Mondavis did what came naturally to their generation: they hired psychotherapists to advise them on how to get along better as a family and as a business.

In the early 1990s the free-spending Mondavis took the company public, with a two-tier stock plan ensuring control by the family, if it voted together. This echo of Cesare's admonition to Robert and Peter seemed unnecessary at the time; the Mondavis were riding high. But overexpansion proved fatal. Aside from the confusion caused by so many wines at so many levels that bore the Mondavi name, the company made a series of bad investments.

Their wines, too, seemed to be suffering. While most of the company's money was made selling mass-market wines, its best cabernets were considered to be among Napa's elite and were an important source of pride to the family.

I've recently had Mondavi cabernets from the 1970s and 1980s and they are still wonderful.

But as the new century began, critics like Robert M. Parker Jr. and James Laube lambasted the elite Mondavi wines. Styles had changed, and the critics preferred the riper cabernets of cult producers like Screaming Eagle, while Mondavi clung to a leaner, Bordeaux-like cabernet style.

The criticism seemed to leave the Mondavis befuddled. They defended the wines, but also hired the consultant Michel Rolland, whose style was closer to Mr. Parker's preferences.

Robert, by now in his 80's, had withdrawn from day-to-day management and with, with his second wife, Margrit Biever, devoted himself to philanthropy. Sizeable pledges to Copia, the American Center for Wine, Food and the Arts, were followed by a \$35 million gift to the University of California at Davis.

The problem was that the gifts were supported by Mondavi stock, which was by then plunging. With Robert facing insolvency and the humiliating prospect of being unable to make good on his promises, he lashed out at his sons, and they at each other. Using Robert's troubles as a wedge, and playing the siblings against each other, the Mondavi board forced the family to hand over power to them.

It was not so long afterward that the company was sold, to Constellation Brands, a family company that, unlike Mondavi, had achieved sibling and intergenerational accord. The visions of an aristocratic dynasty were misplaced. What the free market giveth, it taketh away.

If nothing else, the Mondavis walked away from the sale with millions of dollars in their pockets. Whether they have learned any lessons will be apparent soon enough.

Timothy Mondavi has gone into business with his sister, Marcia, and Robert and Margrit to produce a high-end cabernet, Continuum, to be released in 2008.

Michael has established Folio Fine Wine Partners, an importer, consultant and producer, with his wife, Isabel, and their children, Rob and Dina.

Will Sisyphus finally roll that boulder over the hill? Stay tuned.

Photos: (Photograph by Gotham Books)(pg. F1);HE CHANGED IT ALL Robert Mondavi, the wine visionary, in a 1988 photo.(Photograph by Ed Kasshi/Corbis)

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