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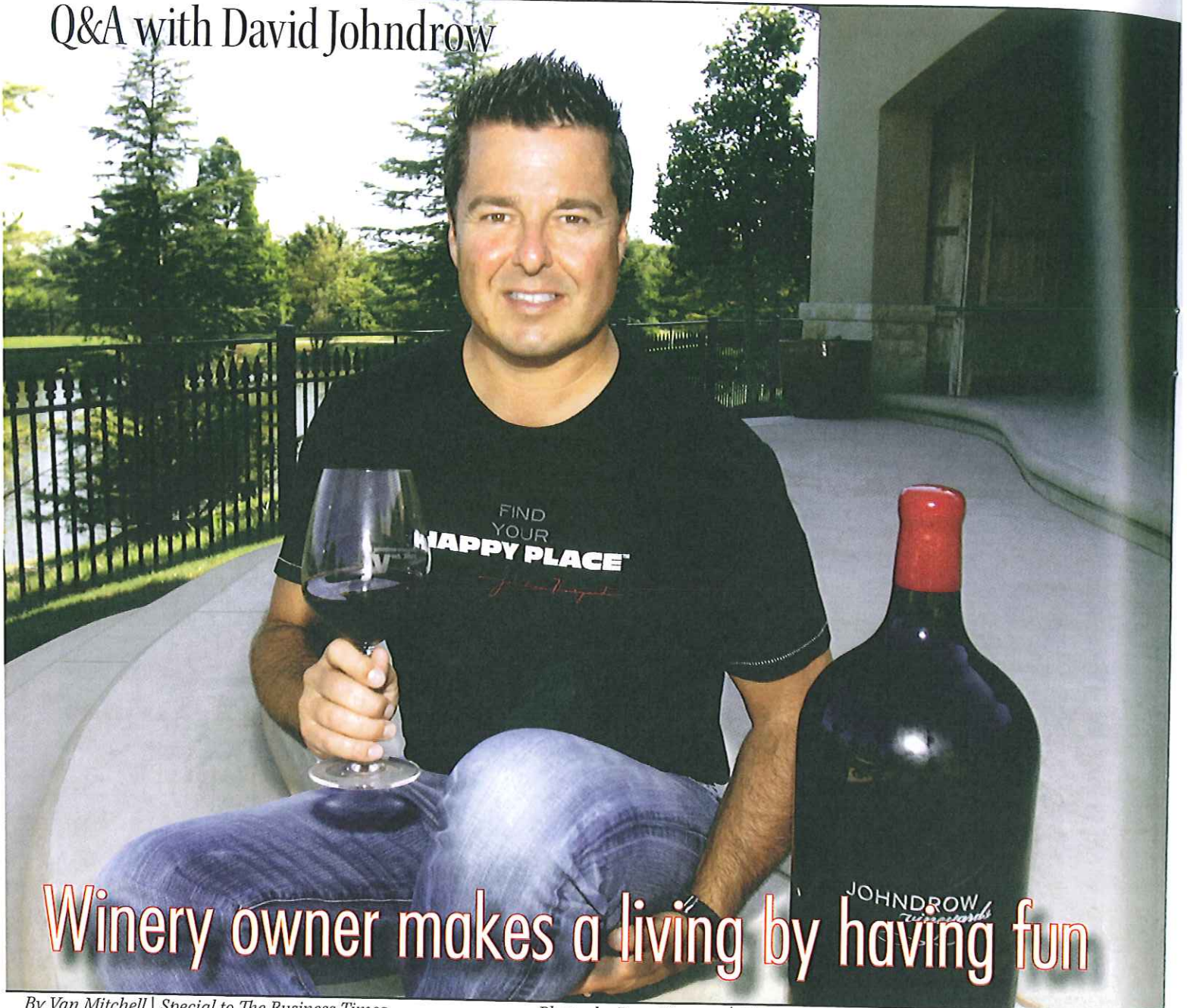
*Inspiration, Information
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David Johndrow CEO makes switch to wine entrepreneur

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Q&A with David Johndrow



Winery owner makes a living by having fun

By Van Mitchell | Special to *The Business Times*

Photos by Drew Harmon | *The Business Times*

David Johndrow, an Edmond native, has built several national companies including staffing, HR technology and now wine.

Johndrow and his wife Maryann, who now split their time between homes in Park City, Utah, and the Oklahoma City area, opened Johndrow

Vineyards seven years ago in the Napa Valley community of St. Helena, Calif. Johndrow's daughter Carson Johndrow, lives in Stillwater.

"It's exceeded our expectations," said Johndrow, a 1986 Edmond Memorial High School and University of Central Oklahoma graduate.

"We are competing with people who have been in the wine business a lot longer. It's been a lot of fun."

Johndrow and his wife previously created and later sold HRLogix LLC, which develops human resource solutions to automate hiring practices and provide paperless

on-boarding.

Johndrow also was division president of Staffmark, a nationwide staffing company and was instrumental in growing it to more than \$720 million.

Johndrow Vineyards sits on 22 acres and employs three people. The company

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specializes in Cabernet Sauvignon and a Sauvignon Blanc blend. Its wine has become a cult wine in Oklahoma and has a significant sport and celebrity following. The company distributes wine in Oklahoma, California, Utah, Tennessee and Las Vegas.

Johndrow Vineyards wine has been selected for the Sundance Film Festival, ESPY Awards and Academy Award parties.

Johndrow recently has been developing the company around a niche — great wines that can be paired with menus from top chefs. He has worked with national chefs Philippe Chow, Katsuya Uechi, Larry Greenwood and Steven Fretz. His wines can be found at many local restaurants and fine wine stores.

Q: Why did you decide to create Johndrow Vineyards?

A: I have been enthralled with the wine business for a long time. About 20 years ago I really started having a passion for it. I went to Napa and really studied wine. It's an ever-learning process. It has been a fulfilled passion and a neat opportunity.

Q: You have committed to donating a portion of proceeds from each bottle of wine you sell in Oklahoma to local charities that impact children. Why did you decide to do that?

A: Children are innocent. They often don't understand what is happening to them. They may be sick or they may have a disability. We try to focus on charities that can make an impact on people's lives. If you are successful you have to give back.

Q: Your business tag line is Find your Happy Place. What is behind that?

A: Wine should be fun. I look at this company as a vehicle to go and enjoy life with. Life is too short to go and get beaten up at work every day. We have fun.

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A display of Johndrow Wineries products, leading in popular demand is the sauvignon blanc, Clarity.



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David Johndrow

example if a plumber shows at 8 o’clock when he said 8 o’clock you think he is the greatest plumber on the planet. It’s the same in my (prior businesses). I tell people you are self-employed every day. You should go into work each day trying to make yourself better. When people see that you are trying to get ahead they will lift you up. If you think good things are going to happen then good things likely will happen. If I can’t be successful and good at something then I don’t want to play it. Whatever I get into I want to be the best at it. Nobody likes to hook their wagon to a loser.

Q: How has it been working with your wife Maryann in your business venture?

A: In working with my wife successfully for now the third company it really starts with defined roles and mutual respect. We are a great team and really have a lot of fun seeing the fruits of our hard labor.

Q: What advice would you give someone who is looking to start their own business?

A: Outline a business plan of where you are going. You also should hire really good people. Give them the resources to be successful. Then give them the reigns and then get the hell out of the way. Make sure they are having fun.

Q: How do you spend your time away from the vineyard?

A: I moved to Utah because I always wanted to be in the mountains. I enjoy the outdoor living. I love to golf and snow ski. Last year I skied 72 days. I like to be with my wife and friends.

Q: You have a strong entrepreneurial spirit. How has your prior business experiences prepared you for the winery business?

A: I’ve always had the attitude that if you want to get ahead in life then do what you say you are going to do when you say you are going to do it. For example if a plumber shows at 8 o’clock when he said 8 o’clock you think he is the greatest plumber on the planet. It’s the same in my (prior businesses).



Wine industry still seeks change in state laws

By Van Mitchell | Special to *The Business Times*

Oklahoma voters may have an opportunity in the near future to decide whether they want to have the option of legalizing direct to the consumer shipping of wine in this state.

Sen. John Sparks, D-Norman, plans an interim study this fall to discuss the feasibility of how such a law would help Oklahoma winemakers. Legislation is expected to be filed next year to give voters the chance to approve the measure.

All laws in Oklahoma dealing with alcohol are a constitutional matter and must be approved by voters.

James McSpadden, lobbyist for the Oklahoma Grape Growers and Winemakers Association, said Oklahoma is one of 11 states that don't have a direct to consumer shipping of wine law.

McSpadden said such a measure passed a few years ago in Kansas and he is optimistic that such a measure will pass here if the Legislature will let voters decide the matter.

"This has been a long time coming," McSpadden said. "Oklahoma's liquor laws are

a little bit dated. We're trying to get caught up with the rest of the country. I think this is something that Oklahomans want to see."

McSpadden said similar measures have been proposed in the past, but never made it out of a legislative committee. He said Oklahoma's wholesale liquor distributors are vehemently against the measure citing economic reasons and the potential for an increase in underage drinking.

"They have fought tooth and nail against this," McSpadden said. "They are very protective of their turf."

McSpadden said national statistics show that there hasn't been an increase in underage drinking due to the availability of direct to consumer shipping of wine. He adds the argument that such a law change will hurt liquor stores also doesn't have merit.

"Those arguments hold no validity when you look at the data," he said.

J.P. Richard is president of the Retail Liquor Association of Oklahoma. The RLAO is a nonprofit industry specific

group formed to give a voice to the many individually owned retail package stores in Oklahoma.

Richard said the retailer's argument against direct shipping of wine to the consumer isn't economic. It's a matter of fairness.

"Most retailers aren't concerned with the direct shipment of wine to consumers here," Richard said. "It costs so much to ship a package of wine. The amount of sales loss to retailers is minuscule at best."

Richard said retailers have pushed legislation for seven or eight years to allow liquor stores to have a wine tasting events on their premises. State law allows wineries to hold wine tasting at wine festivals across the state.

"The rub is that legislators have been showing favoritism to winemakers," he said. "Winemakers can go to a festival set up a booth, have a tasting and sell their product. If I tried doing that I would be cited and I could lose my license. (Winemakers) have an advantage that we don't have. The Legislature overlooks the 630 or so retailers out there

who have been abiding by the rules since 1959."

Richard added that Oklahoma's liquor distributors are against direct to consumer wine shipment.

"They (winemakers and distributors) are always butting heads," Richard said. "The distributors probably view direct shipment as a threat to their business."

Richard Kennedy is owner of Tres Sueños Vineyards and Winery in Logan County. He said he has tried to work with legislators in the past to get a direct to consumer shipping law passed, but to no avail largely in part due to the powerful lobbying influence of Oklahoma's liquor wholesalers and distributors.

"The distributors don't want anything to change," Kennedy said. "They have a monopoly on it. They don't have to compromise."

Kennedy said some legislators like Sen. Harry Coates, R-Seminole, and Rep. Danny Morgan, D-Prague, and now Sen. Sparks have been aggressive in pushing new legislation.

"It's good to have new blood on this," Kennedy said.



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Kennedy said the Oklahoma Grape Growers and Winemakers Association have considered an initiative petition in the past to get the matter before voters, but such a measure is cost prohibitive.

"The Legislature hates initiative petitions," Kennedy said. "That is one option. It's very expensive to do that. You are talking about \$100,000 and the grape growers don't have that kind of money." According to the Wine Institute Web site, since 1980 the number of U.S. wineries has quadrupled from 919 to 3,726 in 2004.

Kennedy said Oklahoma's wineries also have blossomed from 15 to now about 50.

Kennedy said he doesn't have a lot of faith that new legislation will pass next year. He thinks winemakers need to take a new path and begin a strong grassroots campaign to put pressure on legislators to really hear their measure.

McSpadden said there is a strong push in Oklahoma to get the law changed. He said the benefits of its passage outweigh any negatives.

"It could bring a lot of tax dollars and jobs to the state," he said. "It wouldn't just be in the metro areas. A lot of rural communities would benefit as well."

Interesting Wine Facts:

Dom Perignon (1638-1715), the Benedictine Abbey (at Hautvillers) cellar master who is generally credited with "inventing" the Champagne making process, was blind.

Thomas Jefferson helped stock the wine cellars of the first five U.S. presidents and was very partial to fine Bordeaux and Madeira.

To prevent a sparkling wine from foaming out of the glass, pour an ounce, which will settle quickly. Pouring the remainder of the serving into this starter will not foam as much.

Old wine almost never turns to vinegar. It spoils by oxidation.

In King Tut's Egypt (around 1300 BC), the commoners drank beer and the upper class drank wine.

According to local legend, the great French white Burgundy, Corton-Charlemagne, owes its existence, not to the emperor Charlemagne, but to his wife. The red wines of Corton stained his white beard so messily that she persuaded him to plant vines that would produce white wines. Charlemagne ordered white grapes to be planted. Thus: Corton-Charlemagne!

