

## The Distinctive Terroirs Of Washington And Oregon

An Interview with David K. Bowman, Chief Executive Officer, Washington Business, Ste. Michelle Wine Estates

**EDITORS' NOTE** David Bowman serves as Chief Executive Officer, Washington Business for Ste. Michelle Wine Estates, leading its global sales, brand management, and direct-to-consumer teams. Bowman joined Ste. Michelle as Chief Executive Officer of its California wineries in 2021. Prior to Ste. Michelle, he held executive positions with Jackson Family Wines, The Wonderful Company, The Wine Group, and E & J Gallo Winery spanning sales, marketing, strategy, and M&A functions. He has previously served on the board of directors of the Wine Institute, the Sonoma State University Wine Business Institute, and the Boys & Girls Clubs of Sonoma-Marin. Bowman holds a bachelor's degree from the University of Arizona and an MBA from the University of California, Berkeley Haas School of Business.



David K. Bowman

**COMPANY BRIEF** Ste. Michelle Wine Estates ([smwe.com](http://smwe.com)) is a collection of distinctive Pacific Northwest wine estates, each allowed to explore to the fullest extent the unique growing conditions and individual winemaking practices that give the wines from these estates their extraordinary character.

### Will you discuss your career journey?

My career was indelibly shaped by my teenage years working in restaurants and ski shops starting at the age of 15. These early experiences starting conversations with strangers, consultatively selling through active listening, and learning quality service and hospitality were foundational for me. This continued through college, where I ultimately worked part-time for a beer distributor in my senior year. Upon graduation, I accepted a role with Anheuser-Busch in their sales management training program. I later worked in marketing and business development for Catalina Marketing Inc., one of the earliest companies utilizing "big data" to deliver behaviorally targeted communications and incentives on behalf of Fortune 50 retailers and CPG companies. It was a great immersion in data-driven consumer marketing, which was linear to the digital commerce revolution of the 1990s and 2000s, and I learned the multi-lane retail and top tier CPG landscape in depth.

I then decided to pursue an MBA at the University of California, Berkeley Haas School of Business. I was at Berkeley on a fellowship in entrepreneurial studies when the venture capital and internet bubbles burst. Though I thought I would end up at a start-up, I was recruited by

the E & J Gallo Winery, so I decided to "hide out" at a big private company, learn wine, and start to pay down some student debt. What I found was a dynamic, fast-moving consumer goods industry and an opportunity to be an "intrapreneur" at a company going through a lot of change.

Later, I worked for FIJI Water, a division of Wonderful Brands, and helped them enter the wine space with the acquisition and national launch of JUSTIN Vineyards & Winery. I also gained international experience managing Europe, Middle East, and Africa for FIJI Water. I then joined Jackson Family Wines, leading marketing and strategy for new acquisitions and their largest brand franchises. In 2021, I was recruited to be the CEO of Ste. Michelle's California wine portfolio. After leading the carve-out of these businesses, I became the Chief Commercial Officer for Ste. Michelle Wine Estates in 2023.

### Will you highlight the history of Ste. Michelle Wine Estates?

Our history dates back over 90 years to the day Prohibition ended: December 5, 1933. Ste. Michelle Wine Estates was founded that day

and was the first premium wine company in Washington State. Our company operated under different names into the 1950s when we merged various entities into the largest wine company in the region. Famed wine consultant André Tchelistcheff was brought in, and our flagship winery Ste. Michelle Vineyards launched in 1967. With the increased importance of the winery, Ste. Michelle built a French-style winery in 1976 as Chateau Ste. Michelle. Throughout the 1970s and 1980s, estate vineyards were planted, wineries were established in the Pacific Northwest, and other wineries were added and later deleted from a portfolio that included wines from Washington, Oregon, California, Spain, New Zealand, France, and Italy. In the past three years as we reorganized, we returned to our focused roots in Washington and Oregon. Today, we are 100 percent focused on elevating our leading portfolio of high-quality, Pacific Northwest wine estates, and we're proud to be one of the most acclaimed premium wine companies in the U.S.

### Will you provide an overview of Ste. Michelle Wine Estates' collection of distinctive wine estates?

Our Northwest portfolio of wineries showcases the best of Oregon and Washington. We



Chateau Ste. Michelle, flagship winery of Ste. Michelle Wine Estates (above and opposite page)





feature 20 brands and are committed to producing the highest quality wines from this region at every price point. In Washington, our portfolio includes the state's top three wineries: our flagship Chateau Ste. Michelle, 14 Hands and Columbia Crest, and the luxury brands Northstar Winery and Spring Valley Vineyard. Washington's Columbia Valley appellation does amazingly well with Cabernet Sauvignon, Merlot, and other Bordeaux varieties, as well as aromatic white varieties like Sauvignon Blanc and Riesling. In fact, we recently launched two new brands that highlight the best of Washington: ESTIVAL, focused on aromatic white wines, with the first offering a 2024 Sauvignon Blanc from the Horse Heaven Hills sub-AVA; and the 2022 ETHOS, an exceptional example of Columbia Valley Cabernet Sauvignon.

Our Oregon portfolio includes the two leading brands in the state: A to Z Wineworks and Erath, along with the luxury estate REX HILL sourced from sites in the Willamette Valley. Oregon is ideal for growing world-class Pinot Noir, Chardonnay, and Pinot Gris. In this way, the terroirs of Washington and Oregon are a perfect complement to one another.

We also offer visitors world-class wine experiences at our estates and tasting rooms in Washington and Oregon. We are continuing to elevate and enhance the consumer experience at our iconic 118-acre Chateau Ste. Michelle property that is located in Woodinville, just 30 minutes east of Seattle, where we also offer immersive wine and food experiences and host a summer concert series featuring globally recognized artists during a season of 35-40 shows. Our Northstar Winery and Spring Valley Vineyard, both in Walla Walla, Washington, and REX HILL in Newberg, Oregon, offer singular luxury food and wine experiences to our guests.

#### **What have been the keys to the strength of Ste. Michelle Wine Estates in the industry?**

One of the most important strengths of Ste. Michelle Wine Estates is that we are a wine first and wine only company. Unlike most wine companies that sell wines below \$30 a bottle, we're the real

deal – with real people, real vineyards, and real places consumers can visit. We pride ourselves on making boutique wines at scale, utilizing luxury viticulture and winemaking techniques to deliver unrivaled wine quality at \$10, \$25, and \$75 or more a bottle. We are all committed to growing and crafting wines with true substance and character at every single price point. We believe that this is our sustainable competitive advantage. Consumers, especially younger consumers, are not seeing the price-to-quality ratio that U.S. wines under \$30 used to deliver in the 1990s and early 2000s. They are opting for other alcoholic beverages as a result. In the distinctive terroirs of Washington and Oregon, the cost of land, quality of labor, cost of living, and access to water are simply impossible to match in California. It's why we can make boutique quality Cabernet Sauvignon or Sauvignon Blanc at half to even 30 percent of their prices.

But at our core, Ste. Michelle Wine Estates has a culture of wine that goes back 90 years, and we have a great deal of pride in the greater wine community of the Northwest that we helped to pioneer. What is particularly important to me is that we have purpose-driven objectives that complement our business goals. With over 60,000 families in Washington dependent on the wine and hospitality industries, we are driven to make sure our company continues to thrive. We owe it to all these passionate Northwest wine advocates.

#### **Will you discuss Ste. Michelle Wine Estates' commitment to sustainability?**

We see sustainability from a holistic point of view – the full triple bottom line accounting that considers care of the environment, as well as taking care of our people and our communities. We take our responsibility seriously as leaders in the industry and have a long-term approach to the health of the land, our team, our businesses, and our community. With this long-term vision in mind, we aim to be true stewards of the land. All of our over 2,000 acres of estate vineyards are farmed and certified 100 percent sustainable, through Sustainable WA in Washington and LIVE in Oregon.

We have an incentive program in place with our partner growers for them to also achieve sustainability accreditation. Both A to Z Wineworks and REX HILL are B Corp Certified, weaving together a commitment to environmental and social responsibility. Ste. Michelle Wine Estates also became a Silver Member of International Wineries for Climate Action (IWCA) in 2023.

We've put a lot of effort into sustainability research over the past 40 years, focusing on a range of topics. Conservation in our wineries and vineyards is very important to us and to our community, and we engage in activities including composting, water conservation and wastewater management, the use of drip irrigation, soil, plant and pest management, protecting biodiversity, and environmentally sound recycling and packaging initiatives. Being in a business that originates in nature, sustainability in our vineyards is key.

We value our employees, and believe that a strong, successful company starts with its people. Furthermore, thriving local communities are integral to Ste. Michelle Wine Estates. To this end, we support our local communities and economies through various charitable contribution programs. One of the main initiatives is our support of the Auction of Washington Wines (AWW), which benefits the Seattle Children's Hospital Foundation and the Washington State University Viticulture and Enology Program.

#### **What has made the wine industry so special for you?**

Put quite simply, wine is the only beverage that is almost universally expected to be on the table when enjoying food. It is a special building block to culture and a looking glass into the histories of different peoples and their customs. Though I got into this industry by accident, the incredibly diverse conversations and experiences I have enjoyed around the world with a glass of local wine in hand are priceless. Those of us in this industry revel in the idea that our product brings people together all over the world.

The regionality of wine is in lockstep with the regionality of food. I've been lucky enough to work in several different wine regions on four different continents. Each time led to a new discovery, and Washington and Oregon have been no different for me. We have fanatically dedicated people at Ste. Michelle who are passionate about making great wine, and even more excited about sharing these wines with everyone they meet. As I noted, the quality of our wines at every price point is mind blowing, making it a joy to introduce people to them. I couldn't be prouder to show people the outcome of the work that our vineyard and winemaking teams are doing.

We are all passionate about our little corner of the wine world, the incredible people we get to work with, and the extraordinary wines we're making. This is why I spend about 90 percent of my time talking to people about where we are going, not just where we have been. I do this specifically on behalf of Ste Michelle's wines, but also on behalf of the fantastic wine communities we are a part of in Washington and Oregon. It's rewarding to create a discovery moment for people and partners around the world and provide another good reason for them to gather with friends and family. ●