



10 QUESTIONS WITH MICHAEL EVANS, CEO & CO-FOUNDER OF THE VINES OF MENDOZA

Michael Evans was a political consultant working with John Kerry and Rock the Vote, then went on vacation to Mendoza, Argentina in 2004. A year later, with co-founder Pablo Gimenez, he began The Vines of Mendoza, a wine entrepreneurship program in the Uco Valley where owners, with help from Argentina's most acclaimed viticulturalist Santiago Achaval, learn winemaking and create their own superior quality wine...

Michael Evans was a political consultant working with John Kerry and Rock the Vote, then went on vacation to Mendoza, Argentina in 2004. A year later, with co-founder Pablo Gimenez, he began The Vines of Mendoza, a wine entrepreneurship program in the Uco Valley where owners, with help from Argentina's most acclaimed viticulturalist Santiago Achaval, learn winemaking and create their own superior quality wine. In a few short years the project has grown to encompass a wine club, online wine store, tasting room in Mendoza, and soon a resort and spa.

In advance of his keynote address at the GiraMondo Wine Ventures inaugural Wine Entrepreneur Conference in Washington D.C. on January 21 and 22, 2010, Evans kindly agreed to answer a few questions about Vines of Mendoza and owning a vineyard for New World Review readers.

New World Review: You came to Mendoza on a tasting vacation and never left. How did the idea for The Vines of Mendoza come about?

Michael Evans: I have always been passionate about wine and spent a lot of time in the Napa Valley and other vineyards throughout the world. I was inspired by the quality of the wines, the wonderful people and intrigued by Mendoza's wine culture. But also frustrated—Mendoza wasn't very user friendly at the time. So along with my Argentine friend and business partner Pablo Gimenez Riili, we set out to develop a different kind of experience in Mendoza, a world-class, high-quality, tourist-friendly wine destination and enterprise. Raising money from friends and family to create The Vines of Mendoza, we purchased over 900 acres of land in the Uco Valley and opened a tasting room in the center of town to showcase the region's best wines.

We're very excited about the growth of our Private Vineyard Estates, which gives the opportunity for wine lovers to own a vineyard and make wine alongside Santiago Achaval, one of the regions most noteworthy winemakers. It's an incredibly unique and inspiring experience for the more than 66 owners we now have from around the globe, including many prominent folks in the food and wine industry.

NWR: How did you decide on the Uco Valley for the location of the vineyard?

MEvans: As soon as I arrived, I immediately fell in love with the atmosphere, beautiful scenery and the people in the Uco Valley. Also, the climate is ideal for producing great wine. High elevation, rich soil, and pure water from the Andes Mountains create a long growing season with many sunny days each year. The extreme temperature fluctuations between day and night are all conducive to producing quality grapes for wine. All of these factors contribute to the development of



highest-value wines. The decision was not easy. We looked at 76 properties before finally deciding on this location. We have followed some very high profile neighbors to the area including Michel Rolland, Lurton, Salentein, etc.

NWR: Are there any varietals that do particularly well in the Uco Valley?

MEvans: Malbec is the standout across Argentina and it really shines in the Uco Valley – it represents about 60% of the vines planted for our private vineyard estate owners. Torrontes, Argentina's signature white thrives in the Uco Valley as well. Cabernet Franc, Merlot, Cabernet Sauvignon, Syrah, and Chardonnay all do very well here also. In total, The Vines of Mendoza has planted more than 15 varietals for our owners.



NWR: How is The Vines of Mendoza different from other private vineyard estates around the world?

MEvans: This is the first and only operation of its kind worldwide. We offer turnkey management, custom winemaking and a comprehensive personal experience. Also, with the Vines private vineyard estates, the dream of vineyard ownership is now a reality for many who previously thought it impossible. The affordability of land in Argentina and our unique program combine the best elements for growing high quality grapes for wine and makes it easy for novices to get directly or indirectly involved.

A planted acre of land in the Uco Valley costs between \$50,000–\$60,000 per acre as compared to upwards of \$250,000 for an acre in the Napa Valley. Further, the uniqueness in this type of operation lies in that people can involve themselves in the winemaking process as much or as little as they like. People can make the experience what they want.

NWR: Roughly how much wine will an investor get from 3 acres of vines?

MEvans: Each acre produces 2,000–4,000 bottles per year. Three acres will likely produce 6,000–12,000 bottles in one year. The lower end of production will produce higher quality wines, while the higher end enables an increase in production to increase revenue from volume or grape sales.

NWR: Why is now a good time to invest in a vineyard in Mendoza?

MEvans: Argentine wines are growing like crazy – while the rest of the world is flat. We are seeing over 30% annual growth year after year with no end in sight. Its simple economics – you can make better wine for less money in Argentina than anywhere else in the world – at every price point. As mentioned earlier, an acre of land in the Uco Valley presently costs one-fifth of the amount of land in the Napa Valley. This provides a good opportunity for those seeking investment in a quality wine production.

NWR: Where are most of your investors coming from?

MEvans: We have investors from all over the world, with the majority coming from North America and Europe. We are also seeing significant growth from Brazil and other South American neighbors. Many are investing with the desire to create a personally branded wine to share with friends and colleagues. In fact, 80% of our private vineyard estates are owned by



hobbyists pursuing their dream (while investing in the future), while the other 20% are producing wine for commercial purposes and sale through traditional distribution channels or restaurants. We have three Napa valley wineries and several high-end restaurant chains that are owners



NWR: If you had to do the entire project over, would there be anything that you would do differently?

MEvans: Not a thing. But, perhaps I should have visited Mendoza sooner!

NWR: With your tasting room in Mendoza and wine club that sends Argentine wines to the U.S., you are also a strong promoter of Argentina's wines in general. What are people surprised to learn?

MEvans: Argentina is a huge producer of wine, but for decades the vast majority was consumed within the country. The Argentines long kept their secret, being the world's fifth largest wine producer behind just France, Italy, Spain and the US. The landscape has vastly changed in the last decade as people have begun to recognize the quality of the wines, and investment from around the world has fueled innovation and broadened distribution. Slowly, over the years more and more winemakers discovered the region and its amazing wines. What our wine club, online store, and Vines of Mendoza Tasting Room all accomplish is bringing wines that were previously very rarely available in the United States and Europe.

NWR: From what I can tell, 2010 is going to be your most important year yet with the opening of a new micro-vinification bodega and your first major harvest. Any other future plans?

MEvans: We are eagerly anticipating our first harvest in March 2010, and we can't wait to make our first vintage of wine with our owners' grapes. We will also finalize plans for bringing this wine to market in the coming year. In addition, we are continuing our resort development plans in 2010, working with noted architectural firm Bormida Yanzon and with a scheduled opening of 15 premiere rooms in 2012. The end result will include a state-of-the-art spa, winemaking, winetasting, horseback riding and more. We have many other new partnerships and ventures that we will be announcing in the near future. It is an exciting time.

NWR: Thanks, Michael!