

A Successful Executive Enjoys Being a Woman in the Wine Industry



*The Editor interviews **Michele Anderson**, an Australian who has worked in the US for the past 15 years. She is the President of **The Wine Angel**, a wine import company that she launched in 2003. She also is the leader of **McGuigan Simeon Wines'** operations in North America, which acquired **The Wine Angel** in 2007. She brings great Australian wines to US consumers.*

Editor: The wine business must be exciting.

Anderson: I highly recommend the wine industry to any woman who, like me, has a great passion for wine. Success requires a sense of adventure, an excellent education, enthusiasm for the rigors of the business and Ambien for jetlag.

When I launched my own wine import company in 2003, I wanted to be in a business that has solid growth potential and would keep me in close touch with my family and friends in Australia. Importing Australian wines to America ideally suits my objectives.

Editor: What are some of the attractions of being an executive in the wine industry?

Anderson: Most executives in the wine business are involved because of their love of wine. Their energy, creativity and enthusiasm make the industry very dynamic.

Another attraction is that wine is grown in beautiful places all over the world. Other industries, such as mining, require travels to remote, isolated locations. My business travels are to temperate, exciting destinations. And, it's fun to grow a business. Before my business was acquired by McGuigan Simeon Wines, I sold 10,000 cases of wine a year. Now I am selling 1.5 million cases a year.

Editor: How has your creativity helped you in expanding your market?

Anderson: One example has been recognizing the potential of the internet to reach a broad customer base. In 2006 I launched the first internet-based business specializing in Australian wine. Today it serves consumers in 26 US states.

Editor: What are your biggest challenges in today's global marketplace?

Anderson: The weak US dollar can make it very hard to do business. Climate change is also a big challenge. Last year was the driest year that we've had in Australia since we've started measuring rainfall. Without rain, growers had small crops. The little wine that we were able to make had fantastic quality because of the climate change, but our costs went up because our wineries were underutilized. I had to pass along a price increase to my customers, which is always challenging.

In pricing products, I work with my customers in developing broad portfolios of different wine brands from a range of top Australian wine regions. The strategy enables price points to reflect the needs of the customer base while balancing profit margins across the product line. At the end of the day, it works for everyone.

Editor: You mentioned that you were attracted by the wine industry's potential for growth.

Anderson: Americans drink only one third of the amount of wine per capita as the British and Australians. With the British, Australians and Americans having similar lifestyles, market trends indicate that the per capita consumption of wine in America will grow. Wine is being served more and more often in America rather than just on special occasions.

Australia is fast approaching being the largest source of imported wines in the US. Serving Americans' growing interest in Australian wines presents huge opportunities.

Editor: How have you blended your general business education with industry-specific credentials?

Anderson: I earned an undergraduate degree in economics and a law degree in Australia. I later earned an MBA from Wharton and a Diploma in Wine and Spirits from the Wine and Spirits Education Trust in the UK.

Currently, I am a Master of Wine Candidate. The credential was originated in the London wine trade in the 1950's. Aimed at elevating the professionalism of importers and retailers, it's a very industry specific credential.

The credential is awarded by the Institute of Masters of Wine. Candidates submit essays, attend seminars, plot courses of self-study, participate in study groups that sample the world's greatest wines and learn from the Masters of Wine who serve as Mentors. The final exam takes place over four consecutive days each June. The theoretical portion of the exam requires Candidates to write four papers to demonstrate their firm grasp of such subjects as regulation, production methods, packaging, distribution, marketing, sales and contemporary issues. The practical portion of the exam includes three blind tastings that allow the Candidates to demonstrate their ability to identify the wines of the world and to make educated guesses when they are unsure. If successful at the examination stage, Candidates then submit a dissertation to the Institute's Education and Examination Board.

At first only available to UK residents, the program was opened to Candidates worldwide two decades ago. In that time, only about 20 residents in the US have been certified as Masters of Wine.

Editor: Please tell us about your early business experience.

Anderson: I worked for ten years with Booz Allen Hamilton, a management consulting firm. A couple of those years were in Australia, where I did general operations and restructuring work. After I completed my MBA at Wharton, I worked for seven years with Booz Allen in NYC doing sales and marketing with media and entertainment companies.

I then joined iVillage, the world's largest internet business focused on women. Running its \$70 million international operations, corporate strategy and development gave me a strong foundation for launching my own international business.

Editor: What ignited your interest in the wine business?

Anderson: While a university student in Australia in the mid 1980's, I was fortunate to work as a hostess and sommelier at the flagship restaurant of Sydney's Four Seasons Hotel. With the largest wine cellar in the Southern Hemisphere, the restaurant introduced me to tasting, buying and serving an incredible array of wines from all over the world. The experience ignited a passion that turned me into a wine enthusiast.

This introduction to wines by the world's experts gave me the confidence to launch a business in a field where I did not have much experience. I sold my home in Australia to fund the business.

Editor: How did you start and grow your business?

Anderson: The awareness of Australian wines has grown among US consumers. They are looking for the very best of what Australia has to offer. Starting with one winery that was looking for a representative at the time, I expanded The Wine Angel portfolio to include some of Australia's most highly acclaimed wines and top boutique wineries. I enabled US consumers to "trade up" in Australian wines and experiment across the country's diverse wine varieties.

Editor: What led you to create your own Australian wine brand?

Anderson: One of my wholesalers (actually, my New Jersey wholesaler Neal Snyderman) gave me a bit of advice. He identified the need for wines in the modestly priced range. In response, I launched a wine brand called Mirrabooka, which is the Australian Aborigines' word for the Southern Cross. My market strategy was to develop wines that could be enjoyed every day and crafted so that they could be savored without cellaring.

To provide more elegance and finesse than in the more typical Australian wines, I looked to the cooler climate regions at most southern most tip of Australia. The Mirrabooka wines are created from the fruit of the finest vineyards in this geographic area.

Editor: Importing and distributing wine must require substantial working capital.

Anderson: Yes, the wine industry is very working capital intensive. You have to pay for the wine before you can get paid for selling it. Growing a business with intense capital requirements is a very big challenge.

Editor: Why did you initially resist working with a venture capital firm?

Anderson: I've worked with venture capital firms before. They tend to follow the popular trends. One month the focus may be bio tech and the next it's corn and the next it's natural resources. A sector can fall out of favor at a time when it most needs a capital infusion.

I also resisted working with a venture capital firm because I didn't want to be a small fish in a big pond. I was satisfied with growing modestly.

Editor: What attracted you to the opportunity for your business to be acquired by McGuigan Simeon Wines?

Anderson: McGuigan Simeon Wines approached me to build an experienced team "on-the-ground" and to provide the leadership needed to expand its North American business. When I could see that I could control the destiny of my business after it was acquired, I knew I could have everything line up.

Editor: How has your role changed as your company moved from being a small, privately held operation to being a division of a large, publicly traded company?

Anderson: Obviously, everyone in a publicly traded company has to be more conscious of their public personae and the ramifications of their decisions than when working for a small company that they own.

I now have shareholders, more customers and more staff whose interests I need to take into consideration. That's a natural consequence of moving from operating a small company to running a division of a large company.

Editor: What are your current goals?

Anderson: I inherited an unstable business, which I'm turning around by stabilizing existing customer relationships and building new ones. That's exciting.

My personal goal is to grow this business by 25 percent this year. That's pretty aggressive, but it's possible.

Editor: Why is leadership in the wine industry a good place for a woman?

Anderson: There is no glass ceiling in the wine industry. Women are on an equal footing with men. Anyone with a good palette and great understanding of wine can enjoy success. Some very accomplished women have made names for themselves in the wine industry.

