

WHERE LUXURY REIGNS

A thriving tech economy drives high-end, artisanal beverage sales in Silicon Valley

BY JEAN DEITZ SEXTON

As the Teslas rolled into the valet parking lane at the Four Seasons Hotel Silicon Valley in East Palo Alto, California, restaurant manager David Farah was checking on the 2004 Dom Pérignon. At \$59 a glass, the wine was doing a brisk business. It was a typical day at this luxury hotel that serves high-tech players and the venture capitalists who fund them. Silicon Valley—a loosely defined collection of towns with San Jose as its population center—is riding an economic boom, which has created a flourishing environment for hotels, restaurants, bars and retailers catering to clientele who want their drinks to be unique, edgy and carefully curated.

“Business in Silicon Valley reflects what’s happening in the stock market—when the market drops 300 points, it’s very quiet in the store,” says Bert George of longtime San Jose specialty wine retailer Joseph George Wines. The store exclusively sells California wines, with its 600-plus SKUs catering to customers who seek highly allocated and cult labels, as well as everyday red blend offerings. “It’s old-fashioned, hand-sell service,” George says. An average sale is \$400, with high-end Cabernet Sauvignon leading, and ranges up to \$10,000 for a magnum of Screaming Eagle. In Pinot Noir, the top seller is Goldeneye from Anderson Valley (\$58 a 750-ml. bottle).

Buoyed by another venture capital wave, the captains of industry are closing more tech deals over better wine. “In Silicon Valley, the Barolo flows along with the deal-making,” notes Farah of Four Seasons. The hotel’s Quattro restaurant and hotel bar lists the 2007 Prunotto Barolo Bussia (\$198 a 750-ml. bottle). The hotel catered to CEOs arriving for this

year’s Super Bowl game, routinely selling such wines as the 2011 Domaine de la Romanée-Conti La Tâche Grand Cru (\$3,200 a 750-ml. bottle) and the 2005 Domaine Leroy Clos de Vougeot Grand Cru (\$5,500). In an average week, the hotel also sells upmarket wines through its Enomatic by-the-glass program, which features wines like the 2009 Margaux du Château Margaux at \$51 a 6-ounce pour. Overall, the 300-selection bottle list ranges from \$70 to \$5,000-plus for red wines and \$40 to \$735 for whites.

Technology also plays a role in Four Seasons’ wine list. Restaurant guests get an iPad to pull up background information on featured wines. They can order on the tablet or engage with the server before making their selection. “Business travelers are extremely self-sufficient,” says hotel general manager Tracy Mercer. “They focus on efficiency and don’t want anything to go wrong.” Mercer notes that millennial customers in particular use the hotel’s mobile application constantly.

Just minutes away is the **Rosewood Sand Hill** resort, nestled among venture capital firms on Sand Hill Road. Director of food and beverage Alexander du Mée opened the hotel seven years ago along with its flagship restaurant, Madera. “For the wine connoisseur, it’s like a candy shop here,” says du Mée of the restaurant’s 2,300-selection wine list (\$65 to \$4,700 a

OPPOSITE: Silicon Valley residents seek unique and edgy offerings. Venues like Rosewood Sand Hill resort (top left), Four Seasons (top right) and Ladera Grill (center) cater to the tech set’s dining desires. The Bywater (Gibson cocktail pictured bottom right) and Strike Brewing Co. (bottom left) quench a thirst for innovation.

PHOTOS BY (CENTER) PAUL SAKUMA; (BOTTOM RIGHT) JOYCE OUDKERK POOL



750-ml. bottle). Madera offers more than 800 Old World and New World Pinot Noir selections to complement its contemporary American cuisine, centered around the restaurant's wood-fired grill. The 2012 Camp Meeting Ridge Flowers Pinot Noir (\$195) is a perennial top seller. The venue also offers about 35 wines by the glass, 16 of which are poured using the Coravin system. A popular seller is the 2008 Santa Cruz Mountains Kathryn Kennedy Cabernet Sauvignon (\$45 a six-ounce pour).

From Gigabytes To Grapes

Responding to tech professionals' inventive and individualistic culture, up-and-coming restaurants like Bird Dog in downtown Palo Alto are creating wine lists with labels not commonly found in local big-box stores. Bird Dog co-owner and chef Robbie Wilson, a veteran of Nobu and The French Laundry, offers 350 selections (\$30 to \$1,200 a 750-ml. bottle) that aim to be both interesting and affordable. The sweet spot for Bird Dog's bottle sales is \$70, and the wines match Wilson's eclectic, Asian-influenced cuisine. "We offer a lot of highly allocated brands, plus offerings under \$100, and we look for accessible wines from Europe," Wilson says. A favorite is the 2011 Château Fosse-Sèche Cabernet Franc from the Loire Valley (\$54). "It drinks like a \$250 Burgundy," he adds.

Wine interests and tech money are combining on some notable endeavors in Silicon Valley. Rob Jensen, a self-described "recovering engineer," produces Testarossa wines at the historic Novitiate Winery site in Los Gatos Hills. Cypress Semiconductor founder T.J. Rodgers built the Burgundy-inspired Clos de la Tech Winery in the Santa Cruz Mountains,

and ON Semiconductor board chairman and former Cypress Semiconductor executive Dan McCranie owns Ladera Grill in downtown Morgan Hill.

McCranie converted a spot in the historic Skeels Building into an upscale restaurant with a 143-selection wine list developed by certified sommelier Susan Marsh. "I was always interested in doing something local, and the timing was right—I had left a few boards and sold a bunch of companies," McCranie says. The 88-seat Ladera Grill draws from outside Morgan Hill as well. "Our wine sales are as varied as our guests, from the \$20 bottle on our 'Last Call' list to the \$240 Dominus and everything in between," Marsh says. Ladera Grill offers keg wine and sells 30 wines by the glass (\$10 to \$19), which lead in volume. A local favorite is the 2010 Martin Ranch Santa Clara Valley Syrah (\$12 a glass; \$46 a 750-ml. bottle). The 2012 Gunderloch Rheinhessen Dry Riesling (\$46 a 750-ml. bottle) and the 2014 Henri Bourgeois Les Baronnes Sancerre (\$15; \$58) are also popular.

For Testarossa Winery, Rob Jensen leased five acres of the 250-acre Novitiate Winery property in 1997, sourcing Pinot Noir and Chardonnay fruit mostly from established growers in the Santa Lucia Highlands, Santa Rita Hills and Santa Maria Valley. Now producing 35,000 cases a year, the winery offers appellation-specific and single vineyard wines, including the 2013 Tondre Grapefield Santa Lucia Highlands Pinot Noir (\$64 a 750-ml. bottle). "We're pulling from the best vineyards," Jensen says. "We struck contracts with growers before the wine explosion took place down there."

At Clos de la Tech, T. J. Rodgers built a multi-million-dollar winery minutes away from Silicon Valley's high-tech campuses. Rodgers and his wife Valeta focus on Burgundy-style Pinot Noir



At New Orleans-inflected restaurant and bar The Bywater, twists on classic cocktails feature esoteric ingredients paired with familiar flavors.

PHOTO BY JOYCE OUDKERK POOL



Tech entrepreneurs have branched out into beverage. Former engineer Rob Jensen makes wine at Testarossa Winery (tasting area pictured).

SILICON VALLEY: KEY FACTS

- Silicon Valley got its start in 1956 when William Shockley founded the Shockley Semiconductor Laboratory in Mountain View to develop silicon transistors. Journalist Don Hoefler is credited with first using the phrase Silicon Valley in 1971.
- The term Silicon Valley often includes towns along the peninsula leading to San Francisco and even in the East Bay area. But San Jose claims to be the de facto capital of Silicon Valley and remains its population center.
- Santa Clara County comprises 1,304 square miles and an estimated 1,894,605 residents. San Jose—California's third-largest city by population after Los Angeles and San Diego—has a population of 1,015,785.
- The Silicon Valley area is home to several winegrowing regions, including the Santa Clara Valley AVA and part of the Santa Cruz Mountains AVA. Napa, Sonoma and Monterey are all located within driving distance.
- Silicon Valley's newest showpiece is the \$1.2 billion Levi's Stadium, which hosted Super Bowl 50 on February 7th. The stadium seats approximately 68,500 and features 165 luxury suites and 8,500 club seats. Michael Mina's Bourbon Steak and Bourbon Pub are flagship hospitality venues on-site.
- Silicon Valley hosts a number of annual events, including the Meet the Brewers Beer Festival, the Mountain View Art & Wine Festival, Beerwalk Japantown, the Silicon Valley BBQ Championship, the Santa Clara Art & Wine Festival and the Bacon Festival of America.

produced from their estate vineyards. Since the main vineyard is on a steep mountain slope, Rodgers designed a special tractor that moves on cables. The showpiece gravity-flow winery has caves tunneling deep into the mountain ridge. Clos de la Tech produces 2,500 cases (\$42 to \$102 a 750-ml. bottle) and has placement in local gourmet shops and area eateries like the Village Pub, a Silicon Valley favorite, and the Market restaurant in Monterey. "Our winemaking method is a faithful replication of that of Julien Ouvrard, the winemaker who brought prominence to Domaine de la Romanée-Conti in the 1830s," Rodgers says. "It's truly 'méthode ancienne,' with hand-picking, foot-crushing, native yeast fermentation and no filtration. The theory is to bring our fruit to the bottle without manipulation."

Special Spirits

Silicon Valley consumers seek spirits and cocktails that offer something more unique than the average mixology menu. Healthy cocktails are a major trend, says the Four Seasons' Farah. The hotel's Coconut Cure (\$15) is made with Tito's Handmade vodka, Cointreau orange liqueur, grapefruit and pineapple juices, cubed white sugar, and coconut water. The drink is shaken with an egg white over ice, strained into a Martini glass and garnished with a toasted coconut rim. Customers love spirits, but prefer a lighter feel in the other ingredients, Farah says. A popular drink is the Whistlepig New Fashioned (\$30), which houses all the traditional Old Fashioned ingredients within a large ice cube. The 12-year-old rye whiskey is first enjoyed neat, and then turns into a cocktail as the ice cube melts.



On-premise venues like Rosewood (top left) and the cave at Testarossa winery (bottom left) offer local high-rollers an exclusive experience. Strike Brewing Co. (founder Jenny Lewis above) attracts the locals.

Creativity is a driving force at the new Los Gatos restaurant and bar The Bywater. The venue pays homage to chef David Kinch's New Orleans roots and features classic fare such as gumbo, beignets and a raw bar. Tin Roof Drink Community designed the cocktail menu, incorporating a fresh approach to the traditional Sazerac, Hurricane and Daiquiri. "We like to pair more esoteric ingredients with really approachable flavors, such as Blandy's Rainwater Madeira and watermelon in the Huck-A-Buck," says Tin Roof partner Claire Sprouse. The cocktail (\$12) can be made with vodka or Tequila. A variation on the Sazerac features Tariquet V.S. Armagnac. "It gives the cocktail a nice luscious mouthfeel that's balanced by the spice of the whiskey," Sprouse adds.

In San Jose's ultra-hip Santana Row mixed-use community, residents can walk to the new restaurant and bar Roots & Rye. The venue showcases more than 100 whiskeys, offering rare pours such as 1998 Russell's Reserve Bourbon (\$150 a 1.5-ounce pour) and Michter's 20-year-old Bourbon (\$175). "Consumers are driven to whiskey because of the aging, softness and smoothness of the alcohol, and they really like a curated list," says chef-owner Julian Yeo. For cocktail lovers, Roots & Rye offers such items as The Last Word (\$13), a Prohibition-era drink made with Edinburgh gin and Green Chartreuse liqueur.

Next-Generation Brewing

While a typical Silicon Valley MBA would join a tech startup, Jenny Lewis decided to apply the principles of her degree to a brewery. Strike Brewing Co. was founded in 2011 and is housed in an industrial section of south San Jose. Lewis and partner and brewmaster Drew Ehrlich are making headway with the on-site public taproom, which now draws a steadily growing number of regulars.

Strike Brewing produces a range of brews, from blonde ales to IPAs to stouts. The brewery also produces a line of Santa Cruz beers in partnership with Santa Cruz Skateboards. Strike has a capacity of more than 5,000 barrels a year, with its 22-ounce bottles retailing for \$4.99 to \$7.99. On-premise placement is a challenge. "A lot of bars rotate their drafts, so getting a permanent handle is hard," Lewis says. Strike promotes itself intensively through social media and its Mug Club membership program.

Local beer lovers embrace the gastropub trend. In Campbell, entrepreneur Jordan Trigg operates Liquid Bread Gastropub. The venue has 21 beers on tap (\$6 to \$12) and rotates two daily. "The more kegs we change, the more people are drinking and we're happy," Trigg says. Liquid Bread features craft spirits as well, offering a range of whiskies including High West Son of Bourye (\$10 a 1.5 ounce pour), Anchor Old Potrero 18th Century Style whiskey (\$18) and six offerings from Corsair Distillery (\$10 to \$12). In addition to Liquid Bread, Trigg operates Jack's Bar & Lounge and 7 Bamboo Lounge in San Jose, as well as a deli and catering company.

Liquid Bread is an example of the local's desire to enjoy rare spirits and artisanal brews in a casual but dynamic atmosphere. Silicon Valley works hard and when it plays, the emphasis is on inventive, high quality food and beverage offerings that go beyond the norm. That creativity and high energy mirrors the essence of the valley.

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