

# The Wine Consultant

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By Mort Hochstein

Having trouble selling wine? Think your list is outmoded and your waiters ineffectual? Can't move the stuff off the shelves and think your advertising is a waste? Call a consultant.

The quick fix is an all-American solution, and the wine consulting field is rife with experts only too happy to handle your problems for a fee—usually between \$3,000 and \$5,000 for a complete job. But who should you call and what can you expect for your money?

In the restaurant business, you will pay \$75 or \$95 an hour and up for the better operators... to as high as \$3,000 a day for the top gun in the field, short, smiling, whizbang sales-trainer Ed Osterland, who has no hesitation in declaring: "I've never had a client whose sales didn't go up 25% to 50%."

On the other hand, says consultant Josh Wesson - who also guarantees results - the field is crowded with dilettantes who give the business a bad name. "The potential for helping restaurants has never been realized by more than a handful of individuals who understand buying and selling," he says.

## **Booming Business**

The business of wine consulting exploded early in the '80s as America's wine interest boomed. Restaurant operators who had paid little attention to wine, often allowing distributors to write their list, realized they needed a more professional approach. Waitstaffs who weren't really comfortable with wine needed training in elements as basic as how to open a bottle.

It was happening at the same time in retail stores, though not to such a great extent and often for different reasons. "When New Jersey deregulated retail liquor prices in 1982, it was a shot in the arm for wine, which became the only place where retailers could make a decent margin," says consultant Bill Adams. He had been working in a liquor store, but decided he could make a better living as a consultant. "I went out and showed people the weaknesses in their operations and how I could make money for them."

In restaurants and retail stores, consultants agree that wine knowledge is important, but that the emphasis must be on training. That's what makes the connection at the point of sale. "A lot of people talk about wine and food affinities," says Osterland. "I talk about wine's affinity with money."

He believes that depletions occur in direct proportion to waitstaff training. "An owner, operator or distributor can put together a great wine list with all the desirable elements, but they are sold where the waiter meets the customer. If that waiter is weak on wine selling knowledge, he's going to push margaritas."

His program focuses on making wholesalers better trainers, with the profit incentive as the prime mover for everyone. "Waitstaffs don't care about wine," he says. "They want to know what's going to put money in their pocket."

Osterland takes on few individual operators, preferring to deliver his message to huge groups of hotel and restaurant serving staff, owners, wholesalers and distributors. At the same time, his video image is teaching wine sales several times a week in any number of cities on tapes he's produced for Joseph E. Seagram and Heublein. With 50,000 miles alone on United this year, he is traveling almost every day from his base in San Diego, where he moved recently from Manhattan.

His compatriots in this suddenly burgeoning wine consulting business are also on the go. Kevin Zraly, the Windows On The World wunderkind, has been spreading his gospel recently before wholesaler groups in New York and North Carolina and at sea aboard the QE-2, Holland American and Royal Viking Lines, in addition to appearances to The Wine Spectator, the National Restaurant Association and the Culinary Institute of America.

Wesson, who cashed in quickly on in public attention he won a few years ago as winner of the first French Sommelier contest, is another frequent traveler. He works both coasts in places as diverse as Disneyworld in Florida and supersophisticated Regine's in Manhattan.

Osterland, Zraly and Wesson are tops in their field, and all three are so busy that they take on only the most "interesting" assignments (spell that lucrative) and frequently farm out projects to other consultants.

## **Planned Obsolescence**

The ideal consultant says Manhattan restaurant specialist Clark Wolf, "works to make himself obsolete." But that doesn't happen frequently in an industry with high turnover, despite the best intentions.

Wesson, who is cutting back on wine consulting to pursue other food and wine related ventures, says it doesn't happen unless the consultant charges enough up-front to do a thorough job. "Wine consultants have created a methadone maintenance program for their clients, who end up going into withdrawal when they leave. The relationship often peters out into a vague and ill-defined series of costs and few benefits that can be ascribed to those costs."

The best way to ensure that the consultant has produced ongoing benefits is staff training, both the waitstaff and management. In Dallas, Diane Teitelbaum a 15-year veteran of both restaurant and retail operations, calls training that leads to continuity integral to a successful program. "If I'm doing an opening, writing a list doing systems. I must do the training. Its part of the package and its vital."

Osterland carries the idea even further "I won't take a restaurant unless they'll give me someone I can teach to wear a trainer's cap. Most clients will call me in quarterly to recharge the crew, but when I'm not around, my man Friday should be doing the job."

John Dayton, partner with chef Steve Pyles in Dallas' Routh Street Cafe feels the best time to use a consultant is at start-up. "We relied on Becky Murphy quite heavily early on when we opened, in terms of developing the list and contracting with purveyors," says Dayton. "Although Steve and I and our key people are now more knowledgeable, she was and continues to be of great help."

At Alioto's in San Francisco, Nunzio Alioto credits consultant Ronn Weigand with developing a wine server program that has multiplied sales three or four times. "It was a zoo before that with our wine list changing frequently, trying to train waiters who might not be there the next week. Now we train two or three key people."

Just what can happen to a program, given the normal attrition in a restaurant, is illustrated by a job Osterland and Steve Fox, a Manhattan consultant who specializes in wine buying, did for the Plaza Hotel in late 1982. Osterland worked with the staff on selling procedures in training sessions that lasted several months, Fox did the wine list and together they created a program that boosted Plaza wine sales by more than 35%. Last year they were back again, undoing the inevitable damage caused by a rapid turnover of waiters and food and beverage directors. Both jobs were in the mid-five figure bracket, but Plaza management obviously recognized the deterioration and the need for revitalization.

Fox, like many figures in the New York wine field today, is an alumnus of the Kevin Zraly wine steward program, having worked as staff trainer, sommelier, cellar master and buyer at Windows On The World At one time, his Wine Central firm controlled more than half a million dollars a year in buying power for the Warner Le Roy restaurants, Tavern On The Green, the now defunct Maxwell's Plum in New York and the Potomac in Washington.

A specialist in buying and sourcing, Fox's current client list includes a half dozen of Manhattan's most wine-conscious restaurants. He recently completed a job with Charlie Trotters, a referral from Osterland. He trained staff, videotaped eight hours of lessons in the restaurant, revised pricing, set up wine controls and

systems, including a profitability analysis program, and revised the list to include one short form and one full list for discriminating buyers.

Lisa Trotter believes it was well worth the expense. "We had no (pricing) system when we started the restaurant. Some of the equipment we bought was wrong, and if we'd had Steve Fox at the beginning, life would have been a lot easier. It's great to be able to call on someone who has 10 to 15 years in the business and draw on that knowledge."

Wesson sets fees related to clients' goals. "I tie cost to benefits. If someone sells \$10,000 in wine every month and wants to increase that figure by 20%, they stand to make an additional \$24,000 (annually). So I calculate what a reliable return on investment would be. If I'm going to make somebody \$24,000, are they willing to pay me \$5,000 to make \$19,000 for them?"

"It's a risk-free situation. I promise clients that whatever I charge will be recouped within the first six months of our relationship or I return the difference."

## Retail Consultants

Fees are much less on the retail store side. Adams, for instance, charges a minimum of \$200 to \$250 a day "I'm self-employed, I operate out of my home in New Brunswick, New Jersey, and I can afford to stay reasonable." Adams' primary affiliation is with The Wine Source, a 15-store New Jersey group, for whom he manages a portfolio of direct imports and exclusive items. He spends about two and a half days a week on the account, part of which is spent in counseling members.

His strong point, he says, is an ability work with key sources and spot markets to bring in wine at lower cost than through normal channels, and to "headhunt" rare wines for stores which lack the time and contacts. A writer as well as retailing specialist, he analyzes sales and operations, develops marketing plans and creates advertising and mailings.

There are few Adams types in the field, and most retail consultants function more as ad agencies. Paul Pacult, a New Yorker who turned BIG Y in rural western Massachusetts into a regional presence by convincing management to advertise in The New York Times and The Wine Spectator, is more typical of the breed. Pacult, who learned about direct mail and national advertising while working for Rod Strong at Windsor Sonoma Vineyard from 1971-1982, moved over to the retail side at Morrell's in New York for a year and then hung out his consultant's shingle.

"There was a niche to be filled in freeing retailers to buy and sell and letting a specialist handle advertising and direct mail. I'm not listed as an ad agency, but I

do all the arrangements, placement of ads and work with printers." Business is good and he recently took in a partner, Al Douglas.

Pacult, unwilling to discuss dollar amounts, bases his fees on store revenues, and the amount of advertising. He is with some stores on retainer, with others on per-job billings, but does not work on an hourly rate and does not like to handle short-term projects.

"It's no secret that repetition is important to any form of advertising. People have to be willing to build a program over the long run to get results. It takes time if we are going to give a new direction, a more exciting look to a client."

Cloning the good consultants would be the solution to the problems of a lack of professionalism which major practitioners deplore. Osterland, with his videotapes, books and appearances before large groups, has come closest to the target of spreading the work on a mass scale. Together with photographer Jonathan Selig, he has created a multi-media production to slam home his message on how to sell wine and make money.

For major roadshows of this sort, involving large groups and the full Hollywood production, the Osterland fee can go as high as \$40,000. He is currently working on a top-secret, half-year-long program for E&J Gallo Winery that he can describe only as the biggest project Gallo has ever aimed at restaurants and consumers.

There is no licensing or any form of control on consultants other than their performance and their client's pocketbooks.

Osterland and San Francisco consultant Ronn Weigand, his onetime partner in a Hawaiian wine school, are, however, privileged to wear the title Master Sommelier. That's a designation with clout in the English wine trade, meaning that they've been tested and know more wine and wine service than most mortals will ever need to know.

Until this country adopts some similar system, it is unlikely that there will be a true professionalism in the field, and the current confusion will continue. "It would be ideal," Says Wesson, "if good wine consultants could develop packaged programs, ways of teaching more than one client at a time or working with organizations so that they could spread their costs."

"Then there would be a wholesale change in their effect on the industry, people's enjoyment and the way the industry thinks of them. It's missionary work and if you're doing bad work, you give the whole business a bad name."