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The Wine Spectator California Winemen Oral History Series

John B. Cella II

THE CELLA FAMILY IN THE CALIFORNIA WINE INDUSTRY

With an Introduction by
Maynard A. Amerine

An Interview Conducted by
Ruth Teiser
in 1984

Vol no. 1 - TBL

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Copy No. _____

John B. Cella II

John B. Cella II, a longtime leader in the California wine industry, died of heart failure at Queen of the Valley Hospital in Napa on Saturday at age 79.

Mr. Cella was born in New York City and started his work in California's wine business when he was only 16. He later moved West for good, eventually dividing his time between homes in San Francisco and Napa.

His first winery jobs brought him to Fresno, where he spent summers working at the family-owned Roma Wine Co. Roma was the state's leading winery during the post-Prohibition era, and by 1937 was the world's largest, according to the Cella family.

In 1939, Mr. Cella graduated from the University of Notre Dame with a bachelor's degree in commerce. He enlisted in the U.S. Army during World War II, serving first as a private, and was later commissioned a second lieutenant in the Finance Department and in the South Pacific. At the end of the war, he had reached the rank of major and was honorably discharged from the service.

Just before America's entry into World War II, his family had sold Roma. At the end of the war, the family opened new wine businesses. Mr. Cella returned from the war in 1945 to serve as vice president of the new ventures, Cella Vineyards in Reedley and Napa Wine Co. in Oakville. He was named president in 1960.

The next year, he sold the wineries to United Vintners and was named the company's vice president for operations. In 1964, Mr. Cella moved to San Francisco with his family.

In 1969, Mr. Cella was appointed vice chairman and vice president of United Vintners, and stayed with the company until taking a vice president's job with Guild Wineries in 1981. He retired in 1991.

During his career, Mr. Cella was active in the California Wine Institute, and also served on a number of civic boards, including the boards of the San Francisco Opera and the San Francisco Boys and Girls Club. He also served on the boards of several Fresno organizations.

Mr. Cella was a member of the San Francisco Rotary Club and Chamber of Commerce, as well as the Bohemian Club, the Pacific-Union Club, the Silverado Country Club and Villa Taverna.

He also held memberships in The Family, a fraternal club; the Olympic Club; the St. Francis Yacht Club; and the World Trade Club, where he served as a board member and vice president. He was honored as a Knight of St. Gregory and a Knight in the Sovereign Military Order of Malta.

He is survived by his wife of 52 years, Tina Parachini Cella; his daughter, Barbara Cella Wilsey, and son-in-law, Michael Wilsey, of Atherton; his son, John L. Cella, and daughter-in-law, Sally Barry Cella, of Hillsborough; and his son, Peter Cella, and daughter-in-law, Laura Regan Cella, of Woodside. He also leaves 10 grandchildren, three step-grandchildren and two great-grandchildren.

Services will be private. Donations may be made to the San Francisco Boys and Girls Club, the American Heart Association or the San Francisco Opera.



JOHN B. CELLA II

*Photograph by Vano Photography
San Francisco*

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PREFACE

The California wine industry oral history series, a project of the Regional Oral History Office, was initiated in 1969 through the action and with the financing of the Wine Advisory Board, a state marketing order organization which ceased operation in 1975. In 1983 it was reinstated as The Wine Spectator California Winemen Oral History Series with donations from The Wine Spectator Scholarship Foundation. The selection of those to be interviewed is made by a committee consisting of James D. Hart, director of The Bancroft Library, University of California, Berkeley; John A. De Luca, president of the Wine Institute, the statewide winery organization; Maynard A. Amerine, Emeritus Professor of Viticulture and Enology, University of California, Davis; Jack L. Davies, the 1985 chairman of the board of directors of the Wine Institute; Ruth Teiser, series project director; and Marvin R. Shanken, trustee of The Wine Spectator Scholarship Foundation.

The purpose of the series is to record and preserve information on California grape growing and wine making that has existed only in the memories of wine men. In some cases their recollections go back to the early years of this century, before Prohibition. These recollections are of particular value because the Prohibition period saw the disruption of not only the industry itself but also the orderly recording and preservation of records of its activities. Little has been written about the industry from late in the last century until Repeal. There is a real paucity of information on the Prohibition years (1920-1933), although some commercial wine making did continue under supervision of the Prohibition Department. The material in this series on that period, as well as the discussion of the remarkable development of the wine industry in subsequent years (as yet treated analytically in few writings) will be of aid to historians. Of particular value is the fact that frequently several individuals have discussed the same subjects and events or expressed opinions on the same ideas, each from his own point of view.

Research underlying the interviews has been conducted principally in the University libraries at Berkeley and Davis, the California State Library, and in the library of the Wine Institute, which has made its collection of in many cases unique materials readily available for the purpose.

Three master indices for the entire series are being prepared, one of general subjects, one of wines, one of grapes by variety. These will be available to researchers at the conclusion of the series in the Regional Oral History Office and at the library of the Wine Institute.

The Regional Oral History Office was established to tape record autobiographical interviews with persons who have contributed significantly to recent California history. The office is headed by Willa K. Baum and is under the administrative supervision of James D. Hart, the director of The Bancroft Library.

Ruth Teiser
Project Director
The Wine Spectator California
Winemen Oral History Series

10 September 1984
Regional Oral History Office
486 The Bancroft Library
University of California, Berkeley

CALIFORNIA WINE INDUSTRY INTERVIEWS

Interviews Completed by 1986

- Leon D. Adams, REVITALIZING THE CALIFORNIA WINE INDUSTRY 1974
- Maynard A. Amerine, THE UNIVERSITY OF CALIFORNIA AND THE STATE'S WINE INDUSTRY 1971
- Philo Biane, WINE MAKING IN SOUTHERN CALIFORNIA AND RECOLLECTIONS OF FRUIT INDUSTRIES, INC. 1972
- John B. Cella, THE CELLA FAMILY IN THE CALIFORNIA WINE INDUSTRY 1986
- Burke H. Critchfield, Carl F. Wentz, and Andrew G. Frericks, THE CALIFORNIA WINE INDUSTRY DURING THE DEPRESSION 1972
- William V. Cruess, A HALF CENTURY OF FOOD AND WINE TECHNOLOGY 1967
- William A. Dieppe, ALMADÉN IS MY LIFE 1985
- Alfred Fromm, MARKETING CALIFORNIA WINE AND BRANDY 1984
- Joseph E. Heitz, CREATING A WINERY IN THE NAPA VALLEY 1986
- Maynard A. Joslyn, A TECHNOLOGIST VIEWS THE CALIFORNIA WINE INDUSTRY 1974
- Horace O. Lanza and Harry Baccigaluppi, CALIFORNIA GRAPE PRODUCTS AND OTHER WINE ENTERPRISES 1971
- Louis M. Martini and Louis P. Martini, WINEMAKERS OF THE NAPA VALLEY 1973
- Louis P. Martini, A FAMILY WINERY AND THE CALIFORNIA WINE INDUSTRY 1984
- Otto E. Meyer, CALIFORNIA PREMIUM WINES AND BRANDY 1973
- Norbert C. and Edmund A. Mirassou, THE EVOLUTION OF A SANTA CLARA VALLEY WINERY 1986
- Robert Mondavi, CREATIVITY IN THE WINE INDUSTRY 1985
- Harold P. Olmo, PLANT GENETICS AND NEW GRAPE VARIETIES 1976
- Antonio Perelli-Minetti, A LIFE IN WINE MAKING 1975
- Louis A. Petri, THE PETRI FAMILY IN THE WINE INDUSTRY 1971
- Jefferson E. Peyser, THE LAW AND THE CALIFORNIA WINE INDUSTRY 1974
- Lucius Powers, THE FRESNO AREA AND THE CALIFORNIA WINE INDUSTRY 1974
- Victor Repetto and Sydney J. Block, PERSPECTIVES ON CALIFORNIA WINES 1976
- Edmund A. Rossi, ITALIAN SWISS COLONY AND THE WINE INDUSTRY 1971

- A. Setrakian, A LEADER OF THE SAN JOAQUIN VALLEY GRAPE INDUSTRY 1977
André Tchelistcheff, GRAPES, WINE, AND ECOLOGY 1983
Brother Timothy, THE CHRISTIAN BROTHERS AS WINEMAKERS 1974
Ernest A. Wente, WINE MAKING IN THE LIVERMORE VALLEY 1971
Albert J. Winkler, VITICULTURAL RESEARCH AT UC DAVIS (1921-1971) 1973

INTRODUCTION

John B. Cella's father and uncle were involved in the California grape and wine industry from before Prohibition until their deaths in 1960 and 1959 respectively. John Cella started working in their Lodi winery in 1939 and joined them after World War II. Since he is still active, one has a very personal picture of the Cella family's involvement in the California industry since World War II and, by memory and some research on his part, back to his uncle's and father's start. During much of this time they were friends, associates and related by marriage to the Petri family. Their close and often complicated business relationships are covered in this interview, which adds to its interest considerably.

Historians will delight in the account of the many corporate changes of the family interests over the years. Dozens of small and large business transactions are noted, in many cases, together with reasons why they were made. Occasionally, as in the sale of Roma, there is a touch of regret. What would have happened if the Cellas had not sold Roma?

John Cella's personal role in the California wine industry is examined in some detail, particularly from Cella Vineyards to United Vintners, Allied Growers to Guild Wineries where he is currently employed.

This is a valuable historical document on the California grape and wine industry. It relates huge financial transactions in California vineyards and wineries. In the text there are comments on varieties of grapes and wines, concrete tanks, Reitz disintegrators (possibly overly generous), screw cap bottles, new grapeareas (Snelling), individuals (from the Gallos to Ted Kite, Bert Turner and dozens of others, some comments cautious), early radio advertising, grape juice, Heublein, Allied Grape Growers and Guild Wineries.

The strong family influence of their wine operations is emphasized, especially their work ethic. His uncle was, from this account, obviously a man of great business ability. He credits his father as being a master wine salesman.

John Cella emerges as a faithful and tactful recorder of his family's and his part in the California grape and wine industry since Prohibition's repeal. It is a history worth having.

Maynard A. Amerine

8 September 1986

INTERVIEW HISTORY -- John B. Cella II

This interview with John B. Cella II fulfills an aim long held by the Regional Oral History Office to record the history of the Roma Wine Company and the Cella family that propelled it to the position of California's leading winery of the post-Prohibition period.

John B. Cella II is the son of Lorenzo Cella, one of the two brothers who led the enterprise, and the nephew of the other, John Battista Cella. His entire career except for World War II service has been spent in the California wine industry, first as a conscientious member and then leader in his family's Roma Winery and Cella Vineyards, then successively in United Vintners and Heublein, Inc., and Guild Wineries and Distilleries. A man of equable mind, he has given here a remarkably fair and balanced account that covers a wide range of aspects of California's large wineries.

The interviews were held in Mr. Cella's apartment in San Francisco on the crest of Russian Hill. He spoke thoughtfully. When he reviewed the transcript he made few corrections.

Ruth Teiser
Interviewer/Editor

17 September 1986
Regional Oral History Office
486 The Bancroft Library
University of California at Berkeley

BIOGRAPHICAL INFORMATION

(Please print or write clearly)

Your full name John B. Cella II

Date of birth May 29, 1918 Place of birth New York City

Father's full name Lorenzo Cella

Birthplace Bardi Italy

Occupation Winery Owner

Mother's full name Giustina Belloni

Birthplace Santa Giustina, Italy

Occupation housewife

Where did you grow up? New York City

Present community San Francisco Ca

Education B.S. in Commerce - University of Notre-Dame

Occupation(s) Vice-Pres. Guild Wineries & Distilleries

Special interests or activities Wine, Opera and Golf

JOHN B. CELLA II

945 Green Street
San Francisco, CA 94133

BORN: May 29, 1918 - New York City, NY

EDUCATION: University of Notre Dame - B.S. in Commerce, 1939

MILITARY: U.S. Army 1941-1945; Service South Pacific, Honorable Discharge, Rank Major

1939-1941 Roma Wine Company - Owned by family, Purchasing & Sales

1945-1971 Cella Vineyards - Family owned winery and vineyards
V.P. 1945-1960
Pres 1960-1971

1961-1981 United Vintners, Inc.
V. P. Operations, 1961-1969
Vice-Chairman & V.P. 1969-1981
During period - Commodity Sales
Control State Sales
Grower & Industry Relations

1981-
Present Guild Wineries & Distilleries
V.P. Commodity Sales

ACTIVITIES: Past V.P. Wine Institute
Board Member - San Francisco Opera
Board Member - San Francisco Boys Club
Past V.P. & Board Member - World Trade Club
Past President - Villa Taverna

HOBBIES: Golf

CLUBS: Bohemian Club, Pacific Union, St. Francis Yacht Club,
Rotary, World Trade Club

MARRIED: Wife - Tina
Children: Barbara Wilsey
John L. Cella
Peter M. Cella
Grandchildren: 7

August 15, 1984

I ROMA WINE COMPANY

[Interview 1: November 18, 1985]##

J.B. and Lorenzo Cella

Teiser: Let me begin by asking where and when you were born.

Cella: I was born in New York City, May 29, 1918.

Teiser: And your parents's names?

Cella: My father was Lorenzo, and my mother's name was Giustina Belloni, both of whom were born in Italy, migrated here as young people to New York City. They did not know each other in Italy. They met in New York. They were married in New York City. I am one of two children. I have a sister who still lives in New York.

Teiser: What is her name?

Cella: Her name is Bianca Marchini.

Teiser: When did your father come to this country?

Cella: I'm not sure of the exact year. He came shortly after my uncle, J.B. Cella,* came. My uncle came in 1898 when Admiral Dewey returned from the Phillipines. My father came a couple of years later. So it would be about 1900 or 1901.

##This symbol indicates that a tape or a segment of a tape has begun or ended. For a guide to the tapes see page 70.

*John Battista Cella, always known as J.B. Lorenzo Cella, was usually called "Lori."

Teiser: How did your uncle happen to come?

Cella: Like many Europeans looking for a better life, he left home in Italy and went first to London. He worked in London as a cook and a chef, and then came to the United States because his older sister had already come here. The rest of the family came in different stages. My father came after my uncle. And then there were several sisters and brothers that came later. And their mother and the father eventually came. The whole family left a little village up in the mountains called Bardi, which is near Parma, in northern Italy.

Teiser: It's a pattern, isn't it, for children to come one-by-one and then the parents to come?

Cella: Particularly where they had the elder children, and they couldn't all come at one time, or they couldn't afford to come at one time. They had a little grape growing and wine business over there, nothing of any consequence. But they were making a living out of it. That's why eventually they did get back into the wine business here.

Teiser: When your uncle and father, then, first came to this country, they came to New York?

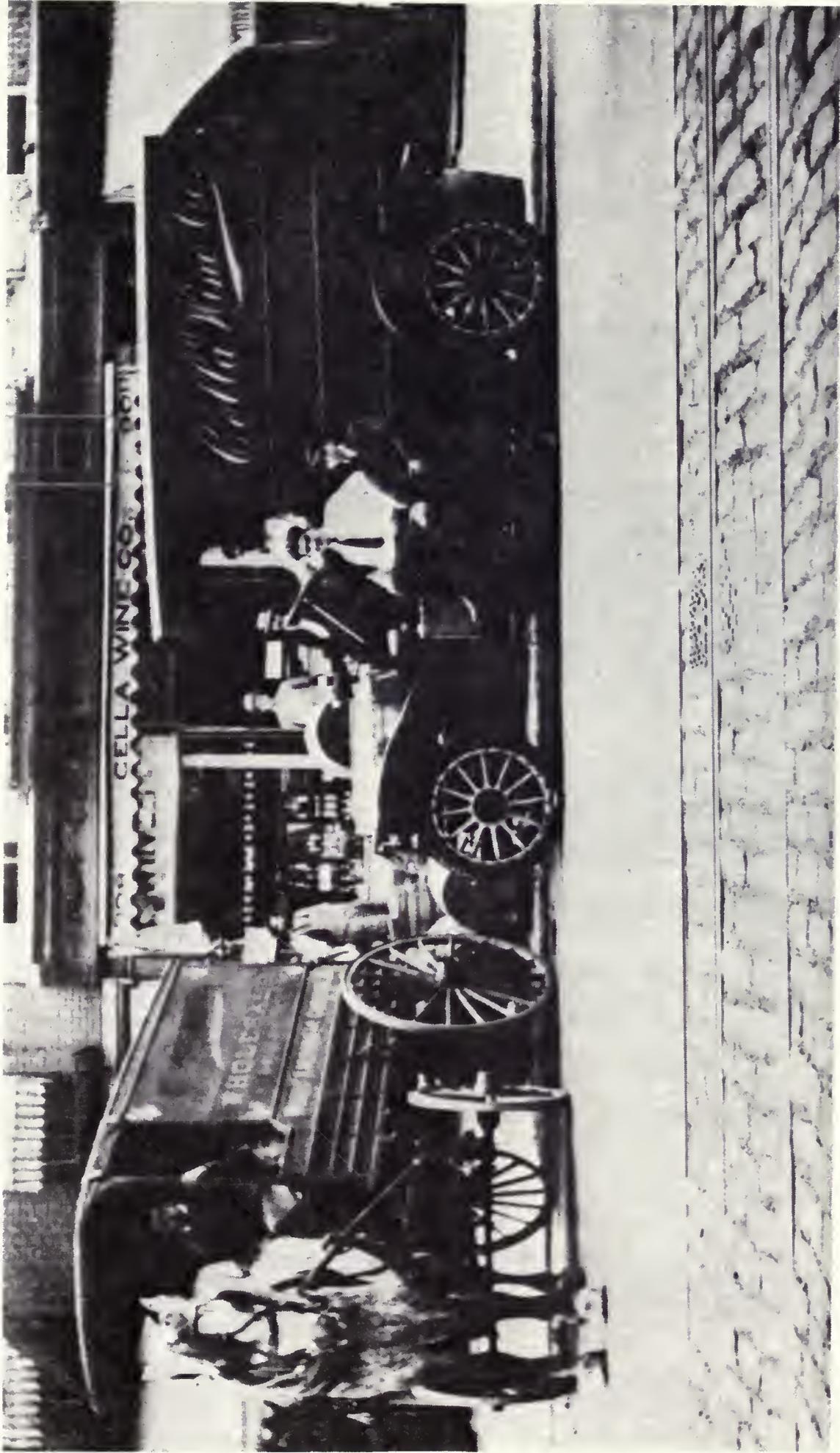
Cella: Yes.

Teiser: And what did they do there?

Cella: Well, they were looking for some kind of work to do. They did what little they knew at that time. In the case of my uncle, he had been working in the hotels in London, so that he had a little background to go into some hotels and work as a cook and then worked up to a chef. My father, on the other hand, didn't have that background. He was a busboy in the hotels. They both worked at the Astor Hotel in New York at that time, then eventually got into the Waldorf-Astoria Hotel. That wasn't for a long period of time, because eventually they started getting back into the wine business. By back into the wine business I mean that they would be buying wine, and then they would go around to the neighborhood and sell wine in jugs. That was really the start of getting back into the wine business.

The Cella Wine Company and the Petri Family

Teiser: They bought their wine from Europe?



Cella Wine Co., 908 Second Avenue, New York City, 1910.
John B. Cella II was born in an upper story of this building.

Cella: No, they bought California wine. And they bought wine from people like the Petris.*

Teiser: From the beginning?

Cella: Right from the beginning. They had met and known each other almost from the time he had come to the United States. They would buy wine from the Petris. They would ship it in barrels. And then they would fill gallon jugs and peddle them along the streets of New York.

Teiser: About when did they start this?

Cella: This would have been about 1915. They had what they called then the Cella Wine Company. I've got a picture down the hall here I'll show you later, of a little wagon with a horse and the family standing around the wagon. For a brief period of time before that, my uncle and my uncle by marriage, who married one of my uncle's sisters, had a company called Cella and Broglio. That was something that they did for a couple of years together, doing the same thing as they were doing afterwards, buying wine and then reselling it. But eventually this uncle (Broglio), he and his family left and went to Cleveland and established a restaurant. After that, the Cella Wine Company started.

When Prohibition came, my uncle went to California and really started to buy the wine. My father stayed in New York to sell the wine, rather than both of them come out here to California. They continued that until eventually they bought a little company called the Weston Wine Company, which was a winery in Manteca.

Teiser: I thought there was a story about your uncle coming here to see the 1915 exposition.

Cella: He could have. I don't recall. I don't remember hearing that. But I don't think he came here at that time to permanently establish himself. I think that was right after Prohibition began.

Teiser: The Petris were associated with the Weston Wine Company?

Cella: Yes, [Angelo] Petri and a man by the name of Dante Foresti had the Weston Wine Company. You've heard of that name?

*For an account of the Petri family in winemaking, see Louis A. Petri, The Petri Family in the Wine Industry, an oral history interview conducted in 1969, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1971.

Teiser: Yes, I interviewed him.*

Cella: The Petris were very, very close personal friends. But then my uncle bought the winery outright, and had that winery, which was really the start. It was later in 1924 that they bought the Roma Wine Company. They started to establish it at Lodi.

Teiser: Isn't the winery at Manteca still there?

Cella: There are a few buildings left there. And there's a tower. But it's no longer a winery. I think there's a construction company. That water tower became quite a landmark during the thirties, particularly for the airlines. At that time there were DC-2's flying in California. That was one of the beacons they had to identify to know where they were.

Teiser: Did your uncle and your father buy the winery, or did they buy a share of it?

Cella: Initially they bought a share of it. Then they bought the winery. Even during that period of time, if you look into the oral history on Louis Petri, you'll see where the Cellas also bought an interest in the Petri Cigar Company, which became the Petri Wine Company. We were very close with the Petris at that time. As you may recall, my uncle's youngest daughter, Flori, married Louis Petri. And so the family had even a closer association.

Teiser: Did your family continue to operate the Weston winery in conjunction with the Roma Winery at Lodi?

Cella: Yes. When we had the Roma Wine Company, we also had the Weston Wine Company, which became part of the Roma Wine Company, another one of the wineries. And then eventually in '35, to my recollection, they bought the Santa Lucia Winery in Fresno. That was the largest winery of all. Then our headquarters was changed from Lodi to Fresno.

Teiser: Let me go back a little bit here and ask you some further details about the New York aspect of the business, the Cella company there. I assume that it progressed from peddling jugs to larger merchandising?

Cella: Not really. It never became a major recognized brand as we recognize a brand today. It certainly didn't reach the recognition or the prominence, whatever you want to call it, that the Roma brand did before Repeal, and certainly after Repeal. It was basically a family-oriented type of sale to the neighborhood areas that got larger and larger. But it never was a large operation. It didn't compare to some of the brands that were established at that time.

*A summary is included in the interview with Louis A. Petri, op. cit.



John Battista and Lorenzo Cella, New York, 1910.

Teiser: It didn't supply retailers then?

Cella: Just local retailers. It was under the Cella brand at that time.

Teiser: There was a label?

Cella: There was a label, oh yes. I'm trying to say that it wasn't a brand that was distributed in that same sense as a brand, for instance at that time, like Italian Swiss Colony, or Virginia Dare. Those were recognized established brands at that time.

The Roma Wine Company 1924-1933

Teiser: The family interest went fairly directly then, from a rather small operation in New York to a larger one in California, is that right?

Cella: The break came after they purchased the Weston, and particularly after they purchased the Roma Wine Company. Not that Roma was an established brand of any consequence at that time. But that was the impetus that gave them the growth that you have heard about. But this was during Prohibition. Most of the business was in shipment of fresh grapes and the sale of grape concentrates at that time. We went through, like many of the people did, grape concentrate; they used to produce "grape bricks." And then there was the medicinal and sacramental wines. Italian Swiss and Virginia Dare were the established brands for bottled wines out here, in contrast to what was shipped in bulk to New York where my father would be selling it in bulk or rebottling into gallon jugs.

That went on about two or three years before Prohibition was repealed. When Repeal came, we already had some established brands, both the Cella and the Roma brands.

Teiser: I came across in the Chancery Archives here a letter from your uncle to the archbishop in San Francisco asking for--

Cella: --approbation--

Teiser: Yes, for supplying wines to the church. It sounded as if the firm hadn't been distributing wines in this diocese.

Cella: That's probably true, because, particularly at that time, you had to have approval of each diocese, not just approval here that allowed you to go to any other diocese with it. That's very likely that that was the case.



ROMA WINE COMPANY, INC.

NEW YORK

LODI

LOS ANGELES

HOME OFFICE
PHONE Lodi 1100
LODI, CALIFORNIA

December 21, 1935

Reverend Thomas Connolly
Chancery Office
1100 Franklin Street
San Francisco, Calif

Most Reverend Sir:

We are hereby making application for your approval to sell altar wines.

Our wines are very sound, made from pure grapes and contain no foreign substances. Our dry wines run between 12 to 14% alcohol and our sweet wines are around 18 % alcohol. Mr. John Lunardi, a very devout catholic has been head winemaker for our firm for the past thirty five years.

We have quite a demand for altar wines and being a Catholic firm we would appreciate it very much if you could make it possible for us to supply this trade.

For references we refer you to Bishop Armstrong of Sacramento, Father O'Connor of Niles and Father Hardeman of Lodi.

We would be very pleased to submit samples if you so desire. Thanking you we remain

Respectfully yours,

ROMA WINE COMPANY

President

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OR SOLD OR GIVEN AWAY, NOR MAY OTHER COPIES
BE MADE WITHOUT SPECIAL PERMISSION.

Chancery Archives, Archdiocese of San Francisco

Teiser: Did they have any kind of monitoring system for wines for liturgical use.

Cella: I don't think they did, no. It was a matter of honor. I couldn't visualize any company putting out a sacramental wine for church use without having the approval of that particular religious group, whether it was Catholic or Jewish or Episcopalian.

Teiser: Louis P. Martini said they had a rabbi living at the Kingsburg winery who kept an eye on their kosher wines.

Cella: That was very likely. In fact, we used to produce wines, which we haven't done now--I say "we" whether it's the Cella family or the company I've been with--we've produced many gallons of kosher products, wines as well as grape concentrate. During that time that we were doing it, we always had a rabbi present during the production, because you had to adhere to certain rabbinical procedures in making it.

Teiser: Louis said they weren't supposed to use sulfur, but he thought they did.

Cella: I think they all did at that time. It was the only means really of preserving the wines; otherwise they would end up with vinegar. I wish we could have had the equipment and so forth. And then, of course--I'm not too sure what the words are--when you have the Orthodox Jew, which adheres very precisely to the doctrine, and then you have the more liberal--

Teiser: Reform.

Cella: Reform Jews, who look at it differently than the Orthodox. So there is some liberal thinking in the procedures, yes.

Teiser: Maybe they think differently about sulfur?

Cella: Even to the extent of clarifications and sterilization.

Teiser: When your family shipped grapes, did they ship to auctions, or did they ship to specific customers?

Cella: Most of it we shipped to auction. I remember as a young boy, my father taking me down to the yards in New York and New Jersey where the trains would arrive. There would be loads of cars, loaded with these various boxes of grapes in there. You would have people come there and buy directly. For instance, when I lived not right in the city, but out on Long Island, which is part of New York City (as you know, New York has various boroughs) we would go in these neighborhoods, particularly the European neighborhoods. And the little

Cella: grocery stores would have piles of these boxes. They would go to the track and buy boxes of grapes and then bring them to their own little grocery store. Or they would go to the auction. That would go through a house like DiGiorgio, which was very, very big in handling most of the auctioning in the East, particularly in New York. Chicago was another big place, Cleveland was another big place. There you had the ethnic groups, the Europeans, Germans, Italians, and whatever they were.

A lot of the grapes that they shipped at that time, of course, were the Alicante [Bouschet]. That was one of the famous varieties that they would ship; also Muscats and whites.

Teiser: Do you know how they got them? Did your uncle have vineyards here?

Cella: We had very little vineyards at that time. We would buy the grapes from different growers. We would buy them on the vine. Then you would have them packed by one of the packers and shipped.

Teiser: You were mentioning the varieties that they shipped during Prohibition, Alicante and Muscats. Do you recall any others?

Cella: Zinfandel. Carignane was another one. And there was Petite Sirah. There was very little of what we now consider to be the top varietal grapes. I'm not sure that this is the case, but I don't remember any Cabernet Sauvignon, or Chardonnay, or Chenin blanc, any of those types of grapes. Zinfandel was a very popular grape that was shipped.

Teiser: I suppose it was grown a good deal in the Lodi area then.

Cella: Oh, yes it was. It was in the Lodi area and all the way down into the central San Joaquin Valley. All the way down into the southern San Joaquin Valley. Di Giogio himself was a very big shipper. He had grapes of all those varieties at that time.*

Teiser: The concentrate, was there anything special about the technique? Was that developed during Prohibition?

Cella: I really can't technically answer that. I don't think it was developed during Prohibition. I think it was certainly improved during that period of time because of the equipment. That's basically

*See Robert and J.A. Di Giogio, The Di Giogios: From Fruit Merchants to Corporate Innovators, an oral history interview conducted in 1983, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1986.

Cella: a very simple process of applying heat to fresh juice, and through evaporation within a closed container have the steam go over and remove the water content that there was in juice. All juice has-- whether it's orange juice, grape juice, or grapefruit juice--has water as probably the largest content. It becomes concentrated. Instead of a liquid juice with twenty or twenty-two degrees of sugar, which is the original sugar of a grape (that isn't to say that they're all that--they go from sixteen, seventeen, all the way up to twenty-four sugar or more), the water is removed to a point where the concentration is someplace between sixty-five and seventy degrees. Today practically all concentrate produced in California is at about sixty-eight degrees. Going over sixty-eight degrees, you get a little sugaring, where the crystals appear rather than have it a syrupy type of concentrate like a maple syrup that you're familiar with, or that most people are familiar with. It is a very syrupy, thick fluid.

The thing that has improved greatly since those days is that the method of concentration keeps and retains the flavor and color of the grape. In those days it was very difficult because the equipment wasn't that refined and the product that was produced had a kind of a burned taste to it. It was a brownish color instead of a nice deep purple. On the other hand, people who were buying concentrate during Prohibition were buying it for the sugar content more than they were for anything else, because sugar is what converts into alcohol. And they were producing wines from this concentrate that they would buy. And of course, they were doing it legally, because even during Prohibition you could produce wine for your own consumption at home. There was a limit as to the gallons that you could produce, but you could produce it.

Teiser: Was it shipped in small quantities?

Cella: My recollection was that most of it was shipped in large quantities. When I say large, in a fifty-gallon barrel as compared to a quarter of a gallon.

Teiser: It was sold to consumers mostly in gallons?

Cella: Yes, when it got to the other end, then it would be refilled into a smaller container.

Teiser: I assume that your uncle and your father together were banking on the repeal of Prohibition.

Cella: Oh, yes. Of course, they went into the business before Prohibition came. But they stayed in the business during Prohibition. I know that they both thought that eventually it was going to be repealed.

Cella: But they had no crystal ball to know that it was going to happen in 1933, or 1931, or '36, or what year it was going to happen. But the mood of the country was such that you could see it coming on. Prior to Repeal, the Roma Wine Company in Lodi, particularly, was expanded in anticipation of this thing happening. It was to the credit of them, particularly my uncle, who was very aggressive in his thinking all the time.

Concrete Tanks and Bank Financing

Cella: He was really one of the pioneers in developing what at that time was something new, new for the United States, the concrete tanks. He was probably one of the first people to build concrete tanks. Today, of course, nobody wants concrete tanks anymore. Everybody wants stainless steel. That's the cycle that they went through.

When Prohibition was repealed, we were probably in as good if not better position than almost anybody in California to meet the demand that came suddenly. We had wines that were not just produced that year. They had been produced in anticipation of it for at least a couple of years before that time. That was quite an advantage that they had.

Teiser: How did they get enough capital to do all that during Prohibition?

Cella: That little organization called the Bank of America. Mr. A.P. Giannini, he had a way of operating and faith in certain people. Why he loaned them the money--[laughs]--you never questioned why he did. He did it because our past history and dealings with him had always been that he had never been concerned about getting repaid. He was always repaid. I can recall going later, as I got involved with the business more, and meeting him and going with my uncle, not only to A.P., but also to Mario. He would say, "Hey, Battista, what do you need now?" He would tell him what he was going to do; that he wanted to build these tanks, he needed the money, and that Prohibition was going out. They would start chatting about almost anything, and then he said, "Okay, you got it." And that was it. It was as simple as that. It was a different world of banking at that time. The same thing happened after his son Mario took over.

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Teiser: You were saying this was not unique.

Cella: It wasn't unique with my family. I know for sure that the Petris did the same. And other people like the Rossis of Italian Swiss Colony, and Louis Martini.* All those people were dealing with the bank. I don't know if they refused anybody. I'm sure they must have. But they also had an informal dealing as we did.

*Louis M. Martini.

- Teiser: You hear about all the successes. I wonder about the failures, the times that he guessed wrong.
- Cella: There were failures. You know in the thirties, there were a considerable amount of failures. I won't try to analyze what caused the failures, whether it was the management of the wineries themselves, or the people who were running those wineries, or they were trying to expand too fast before they really had the business that they were hoping for.
- Teiser: I remember reading about a celebration in honor of a new addition to the Roma winery in Lodi. It must have been in 1932, before Prohibition actually ended, to dedicate this new facility. I believe that one of Mr. J.B. Cella's daughter's, who is now Mrs. Yoder, sang.
- Cella: Yes, Alma. His daughter Alma-- I wouldn't say she was a professional opera singer, but she was very much involved with the opera and used to do a great deal of singing and had a beautiful voice. She never pursued the career as such, although she did do certain performing not only locally, but also here in San Francisco. My aunt was Alma's mother. The two of them, and even Ebe,* her sister, always had a background of music. A lot of their friends were people in the opera, particularly. I can remember in New York, when I was just a young boy, and my aunt and uncle had Gigli come by the house and stop in to see us, which was a big event for us, particularly being of Italian extraction. It was quite a thrill.
- Teiser: The description of the Lodi celebration made it sound as if they were really ready for Repeal.
- Cella: They were sure it was coming. They put their money where their mouth was, as the saying goes.
- Teiser: You were speaking of concrete tanks. Were they lined?
- Cella: No. They were not really lined. What they did is that the initial use of the tanks was for juice that was going to be fermented. That gave it a lining. Under today's scheme of things you wouldn't even think of doing it that way. You would put an epoxy lining in there and have it like glass lined. After several fermentations, those tanks had really a smooth coating; what it really amounted to was a tartar that kept the wine from first being absorbed into the concrete, or the concrete taste coming into the wine.

All of that wine, of course, had to be treated. When I say treated, it had to go through the usual wine procedure of finishing and cleaning and filtering which made it more of a stable type of product, bearing in mind also that at that time we were talking about

*Ebe Cella, later Turner.

- Cella: the wine industry that was at least seventy percent dessert wines, in contrast to what we know today as the table wine business, which is now just the reverse: at least seventy percent [table wines], and maybe ten percent dessert wines, and the rest are sparkling wines and other types of wine. The wines that were produced, mainly dessert wines, were good wines and adequate wines. But the table wines, except on a very small scale, were different then than they are today.
- Teiser: The basis of this is that wines with higher alcohol content are less fussy?
- Cella: That's right. They will survive rougher treatment than a fine, delicate white wine, particularly, or even a standard red wine that has lower alcohol.
- Teiser: The concrete tanks had some insulating quality, did they not?
- Cella: Oh, yes. That was, of course, one of the benefits of the tanks, that they did have that. In the valley it gets reasonably cold in the winter. I don't mean it gets down to twenty-eight degrees or something like that. But you get down into frost conditions of cold. The cellar will remain cool for the whole winter and into a good part of the spring.
- Teiser: I remember Ed Rossi said that when he as a young man went traveling with his father, they were in North Africa and saw concrete tanks there.*
- Cella: I was going to say that the original, as far as I'm aware of, concrete tanks of any great extent in size came from Algeria. They were one of the first to get into that. That's where we got our idea from, from the Africans and the Europeans who had already also gone into the concrete tanks. We were slow in getting into them. We were slow because we had Prohibition here. The wine business was not growing and booming enough to put in those kind of facilities. We did, only when we came to the belief that Prohibition was going to be out pretty soon.

*Edmund A. Rossi, Italian Swiss Colony and the Wine Industry, an oral history interview conducted in 1969, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1971.

Teiser: Are there concrete tanks still in use now?

Cella: Yes. They are in the central valley particularly. I don't know that there are any left anymore in the north coast, Napa, Sonoma and Mendocino, unless you get into one of the old, old wineries, who may still have some. That's because the north coast was practically all table wines. They were all making lots of small volume. Even the fermenting tanks were made of wood.

[phone interrupts]

Teiser: What was the Alba Wine Company?

Cella: I can tell you very little about that. I knew nothing about it. It was part of that Weston Winery in Manteca, in which the Petris, Forestis, and the Cellas had an interest. It never operated as an ongoing company like the other ones did. I really can't tell you other than the fact that the interest was with those three people. It seemed to me that it was a means of marketing their products together. It was primarily the operation out of the Escalon winery and one of the brands of grapes and wine.

John B. Cella II: Early Years and Career Beginning

Teiser: At the time of Repeal were you out here?

Cella: What I used to do is when I was still going to school, I was living in New York with my mother and father. And then in the summers I would come out here, starting particularly about 1935. I came out and worked in the winery during the summer. Then after I got out of college, which was in 1939, I came out here and stayed, and lived with my aunt and uncle.

Teiser: You grew up on Long Island, did you say?

Cella: I was born in New York City, in Manhattan. Then we moved to a part of New York City called East Elmhurst, which is in the borough of Queens. As you know, New York has five boroughs that are all part of the city. That's where I grew up as a young boy. It's right where La Guardia Airport is now.

I went into the service. I came back from the service. By that time my parents had moved out of there.

Teiser: Where did you go to school?

Cella: I went to school at Notre Dame in South Bend, Indiana.

Teiser: What did you study?

Cella: Business administration. I came out in '39 and came to California.

Looking back now, so many things that I wish I had done. But like most young people at that time, we were anxious to get out of school and go to work. Looking back, if I had known what I know now, I certainly would have liked to have gone for something at Davis and gotten some real background rather than the hard knocks of going through the winery and learning it that way. I don't know whether that's good or bad. I always thought that instead of rushing out, I should have gone to graduate school or gone to law school. Not that I have any regrets.

Teiser: When was your first trip to California?

Cella: My first trip to California was 1934.

Teiser: What did you think of it?

Cella: I was fascinated with it. I had visions of what it was going to be like, partly because every time my uncle and aunt would come to New York they would always be bringing something like a box of dates and so forth like that. I always figured it was palm trees all over the place and things like that. I was totally impressed with California. I loved Lodi. I thought it was a great city, and just a joy living there as a young person. We had a lot of fun and a lot of hard work. It's total dedication. We lived right there at the winery. The house was located right on the winery property. We would always eat together, go out together, do things together. There were a lot of younger people there, and cousins. And they had cousins on their side and on my side of the family. We did a lot of things together. It was a very enjoyable period of our life.

Teiser: Your cousins were three girls?

Cella: Three girls, yes. The youngest was Flori.*

*See also page 4.

Teiser: What was your first job?

Cella: When I first came out in the summers I would just work in the winery, cleaning tanks, doing regular manual work and so forth like that. The first year I came out after college, I was in the winery during the crushing season, working in the fermenting room. That was an all-day and all-night job. At that time we used to go and take the readings on the tanks for sugars and temperature. We used to shovel out the pomace and do regular labor work.

Teiser: Was that your first real knowledge of winemaking?

Cella: Yes, yes. I would go there in the evenings, and the winemakers would be there working at night. I would try to learn from them whatever I could, and learn from the manager of the winery, just about anything and everything.

Teiser: Who was the winery manager at that time?

Cella: It was my uncle's brother-in-law, a man by the name of Lawrence Moroni. The winemaker at that time was a man by the name of [W.E.] Ted Kite. You probably have heard of Ted Kite. He's got a long history in the wine business. Ted was our winemaker and chemist in Lodi at that time. At that time we didn't have titles of winemaker. He was our chemist. The winemaker was my uncle. He was the winemaker.

Teiser: Your uncle was very innovative in many ways, wasn't he?

Cella: He was really something. He was always two steps ahead of everybody.* He had ideas of doing things, not only in the production, but also in marketing, sales. In the production end of it, he really had some good ideas. For instance, he had a tamper-proof cap on the old Roma bottle. It had a plastic cap. It had a rim around it, and you couldn't open it without breaking that rim.

Teiser: That was the first one?

Cella: That was really the first tamper-proof. I think about these kind of things when you read about these crazy people with the Tylenol, and how they're doing things to those packagings. Here was a very simple device. You couldn't open it without breaking that ring.

*See also pages 29-30.

Cella: For our sherry he had these glass-lined pipes on the roof of the building. He would have the wine go through there. We marketed a wine called "solarized." [laughs] It was a marketing device. It really didn't add any vitamins I'm sure, but it certainly gave him a selling point.

The Growth of Roma, 1933-1941

Cella: I'm trying to think of some of the things that he did. Of course, we were very, very big in radio at that time, particularly in New York. My father had quite a big radio advertising program. He had people who came and worked with and for us. We had Jack Earle. I don't know if you remember that name. He was the world's tallest man. We had him going all over the country. We bought him an automobile, a white Pontiac, if I recall rightly. We had to have it built specially for him, because he couldn't sit in the front of a regular automobile.

Teiser: How tall was he?

Cella: He was eight feet, six and a half inches. He had a calling card that was six inches by ten inches, you know. And, of course, he would walk into a retail store and the man didn't need anything. He's so impressed with this man walking in there, he'd always come out with an order.

Teiser: I think I once got into an elevator in the Palace Hotel with him.

Cella: He used to stay there. He was a very kind and gentle man, too. A very nice person.

Teiser: What sort of promotions did he do then?

Cella: Mostly calling on our wholesalers. And then he would go out with the wholesalers' salesmen, and they would call on the retail trade.

[phone interrupts]

Teiser: I have notes on some other innovations here. I remember reading that your uncle installed commercial laundry equipment to wash the filter cloths. Were there other things like that?

VINTAGE
OF
★ 1936 ★
★

BOTTLED AT OUR WINERY IN
★
CALIFORNIA

ROMA

CELLA
B
EST 1890
L

CALIFORNIA

Muscatel
WINE

ALCOHOL 20%
BY VOLUME

PRODUCED AND BOTTLED BY ROMA WINE CO. B.W. 3612-FRESNO, CALIF.
SOLARIZED

Roma label design, 1937, for 1936 vintage "solarized" muscatel

Cella: Well, I never took too much time to think about that. I can't think of anything specific at this time. I might be able to rack my memory and see if I can come up with things. We had automatic lines, bottle washers and so forth. Those lines were available to anybody and everybody. But it was a matter of your size and whether you needed anything to that extent. And because of our size we were one of the first to install automatic lines.

[phone interrupts]

Teiser: Conveyers?

Cella: Yes. He didn't originate these things. They were available and just because we were large we probably were one of the first to use those kinds of things. The same with case sealers and other equipment.

Teiser: You also had a yeast laboratory.

Cella: The yeast laboratory, particularly on the champagne making, was probably one of the original and unique in California. We were producing then, also, wines naturally fermented "in this bottle."

Teiser: Méthode champenoise?

Cella: Yes. We were doing Charmat process, but we also had the other process, which was kind of unique. We had a man by the name of Joseph Grasso. He was one of the pioneers in "naturally fermented" in a particular bottle.

Teiser: Did you develop your own yeast, did you propagate your own yeast?

Cella: My recollection was that they originally had gotten it from the University of California and then from there, we developed and propagated our own.

Teiser: That would have been from Maynard Joslyn.

Cella: Yes.

Teiser: And Julius Fessler of the Berkeley Yeast Laboratory?

Cella: Yes. That's right. In fact, Fessler is a name that I associate with that more than the others.

I think we probably were prouder of our sherries than we were any of the dessert wines that we did produce. And we did have the old slow sherry-baking tanks. You'd go into these rooms and it would

Cella: be just permeating with the smell of this wine cooking away like almonds. That was really one of the better things that we produced at that time. And of course then we also got into doing some of these specialty things. Originally we called one "Sherry and Egg," and then it became Creme di Roma.

Teiser: What was it?

Cella: Sherry and egg. And it had the most beautiful sweet taste to it. It was very, very smooth. It had the taste of the sherry, obviously, but also with an egg smoothness to it.

Teiser: Like Marsala?

Cella: Yes, but different taste than Marsala. But eventually because of the government regulations, unless we had half as much eggs--you had to have half eggs and half sherry to call it Sherry and Egg. We couldn't do that, so we changed it to Creme di Roma. It was bottled in a Benedictine type of bottle, a liqueur type of bottle. I don't have any around anymore. Guild*still makes a product similar in taste to it.

Teiser: I should think those products would be on the way back now.

Cella: Yes, strangely enough a lot of the young people are drinking those types of products.

One of the things that we used to make quite a bit of, also, was what we call heavy-bodied blending sherry. This was a very, very sweet, dark, syrupy type of product that was used by the distillers. Under the tax laws they could add this to their bourbons, and not have to pay the tax for that portion of it. So it was a savings to them, and they used to use quite a bit of that type of product. All the big distillers like Schenley, Seagrams and National Distillers used it. They all had wineries who produced mostly for them. We produced for two of these three, Seagrams and Schenley.

Teiser: Did you make other things to go into other products?

Cella: Not at Roma. Later on in the Cella Vineyards, one of the innovations that my uncle tried to do for the wine industry and the grape industry--as you'll recall we had all these surplus grapes then as we do now--he was trying to find outlets to utilize these grapes. So we came out with a California grape juice, bottled grape juice--Betsy Ross. And we were doing reasonably well. It was a different type of product than the usual Concord grape juice that we're all familiar with. And the sales got up to, oh, over 350,000 cases a year, which is not too bad, starting at that time.

*Guild Wineries and Distilleries.

Teiser: I'm going to ask you about that later.* I'm sorry you stopped making it, because I liked it.

Cella: [laughs] So did all my children.

Teiser: Roma grew then quite fast, just after Prohibition was repealed, didn't it? Almost immediately, it seems to me, its marketing position took the lead over Fruit Industries.

Cella: Oh yes, I'd say a year later, within a year.

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Teiser: You said that Roma pulled ahead of Fruit Industries about a year after.

Cella: Let's see. By 1935 Roma was the number one brand. Roma, Fruit Industries, Italian Swiss Colony.

Teiser: In that order?

Cella: Yes, so maybe Italian Swiss or Fruit Industries--one of the two-- was number two. Roma became number one.

Teiser: Roma, then, had the wineries at Lodi and--.

Cella: It had the Lodi, it had the Manteca and it had the Fresno wineries.

Teiser: What was the Prima Vista in Healdsburg?

Cella: Oh, Prima Vista was a table producing winery that they had up there. Very, very small.

All the bottling was done at Fresno. Well, first it was done at Lodi. And then when we moved the headquarters to Fresno, the bottling moved down there also.

Teiser: Do you know anything about the purchase of Prima Vista?

Cella: No, I don't. I can't recall anything on that, and I've asked my cousin [Ebe Cella Turner] whether she didn't remember anything and she couldn't remember anything either. Other than the fact that it was just a small, little, dry wine producing winery up there, just to have some north coast wines that they used to blend in with some of their wines at that time.

*See pages 30 and 42-44.

Teiser: Did you not own it very long?

Cella: I think they bought it in the mid-thirties.

Teiser: Did you keep it until you sold Roma to Schenley?

Cella: No, it had been sold before that time. So it was sold before '41.

Teiser: And what was the United States Winery?

Cella: The United States Winery?

Teiser: Some place along the line Roma was said to have bought the United States Winery and the Monarch Wine Company.

Cella: The Monarch Wine Company--we had a little building in Lodi, next to our Lodi winery. And the Monarch Wine Company was the Monarch Wine Company in Brooklyn. In order to be able to put "produced by Monarch Wine Company," they had to have a winery in California. So this was an accommodation for them. No, we never owned the Monarch Wine Company, and I don't even remember anything about the United States Wine Company. I have a feeling that that might have been a similar arrangement.

Teiser: Can you account for Roma's early, very fast growth?

Cella: [laughs] I like to think that it was a result of two people--my uncle and my father. I think they did the right things at the right time and they anticipated certain things and did them. They were innovative for the times, oh, particularly on spots on the radio, jingles. I think their pricing philosophy was such that--they had a very, very aggressive sales force. You know, we used to bottle in New York; we shipped tank cars back there. They would bottle the wine there. Most of it, as I said before, was dessert wines. My father had one of the largest sales forces in the whole metropolitan area back there.

Teiser: Did you own your bottling plant?

Cella: We leased space in the Starrett-Lehigh building. In fact there were three wineries in that building. We were there, K. Arakelian was there, which was Mission Bell, and Cribari was there. The three of us were in the same building. It was a multi-storied, large, west-side warehouse, with a railroad track coming right into the building and that type of thing.

The three of us used to have the wine come in in tank cars. We would empty the wines into tanks. Then we had filtrations and automatic bottling lines, and it was a regular warehouse.



John Battista and Lorenzo Cella at the Lodi wine cellar, ca. 1937.

Teiser: I wonder if the fact that your father was in New York and could exert personal surveillance and control--

Cella: I think that had a great deal to do with it. His aggressiveness there as well as my uncle's innovativeness out here in California. They were just an ideal combination. One was in the east and one was in the west, and they each did their own thing. There wasn't any conflict in the family about anything. Each did what he thought was right to do.

You see firms in later years who aggressively went ahead, while others either stumbled or went into bankruptcy. And why? Well, we could all come up with reasons why one is successful and the other one isn't. But basically it's the leadership and the management of the people doing it.

Louis Petri's company grew because of Louie's innovation and aggressiveness. His buying of wineries at the right time and brands at the right time. Gallo, gosh, that's a history in itself, what he's done. It's tremendous.

Teiser: I see parallels between Roma and Gallo.

Cella: I like to think that there are parallels. One was at a different time and a different era and I wouldn't know what to say if somebody were to ask, "What if you had stayed in the business?" Those kinds of things you can speculate on. We know that when we sold, it was the largest winery in the country or the world, whatever you want to call it. And yet we were small in comparison to the large ones of today. But for the period, for the time, in total consumption, we dominated it. So, it's an interesting parallel.

And also the parallel of two brothers, one in production and one in sales. Basically, that was the situation with my father and uncle, and it certainly is with the Gallos.

Teiser: What if you had stayed in?

Cella: Who knows? I'd like to think that we would be real great competitors of Ernest and Julio. It's hard to know because, you know, we did come back into the business*after we had sold, and then we sold out again. The winery was a pretty sizable winery at that time.

Teiser: I know there's a lot of discussion of estate taxes in connection with the Gallos these days; I don't know how much of a factor that was in your sale to Schenley. But I imagine family companies have to think about the future.

*With Cella Vineyards.

Cella: They do indeed. They have to think about the family, they have to think about the remaining part of the family after any or all of the original group pass on. Those are part of the considerations.

And the other factor, of course, that entered into it at that time, was that we were coming into war time. In fact we were at war. So that became a very serious consideration in view of the fact that we knew that there were restrictions on grapes and use of grapes. We were producing a product in facilities that could be turned into alcohol production for the government. All of those kinds of things. And here you have a family totally involved with one operation. So I'm sure that weighed very heavily on both of them in their decision to sell.*

Teiser: Your main label was Roma. What were the others?

Cella: Oh, La Boheme was one of the big, big labels, particularly in the east coast. That's spelled just the same as the opera--La Boheme. That was a big, big brand. Then they had another one called Romanette, which was a small take-off of the word Roma.

We also had Cella, but Cella never was as large as Roma. And a decision was made to pursue Roma rather than Cella because at that time the major method of advertising was on radio. At least it was for us. We did have, of course, the printed word in newspapers and billboards. But people would look at it, and they would see "Sella" and not "Chella." And even today, I always have to spell my name, most of the times anyway. So Cella was not our number one brand, but we did also have that.

The J.B. Cella was the big brandy brand that we had. That and A.R. Morrow were the two leading brandies at that time. Christian Brothers was just beginning to come up.

Teiser: Was your brandy made at Lodi?

Cella: The brandy was made at Lodi and later on in Fresno. And then also at Manteca.

Teiser: It seems to me that part of the success of Gallo was said to have come from the fact that it promoted only one label for many years.

*See also pages 24-26.

Cella: Well, the man who could tell you the reason for success is Mr. [Ernest] Gallo himself. I'd just have to be speculating as to my own thoughts on why they were successful. Certainly, I think they were successful for a number of reasons. First of all, both Gallos are extremely hard-working people. If there's twenty-five hours in a day, they'll work twenty-five hours a day. And when Ernest Gallo goes out on the road and visits markets, even today he stops and sees his product in stores no matter where they are. And if it's not there he wants to know why it's not there. So what I'm saying is, first you have to have the dedication of the people, and they both are that way.

Secondly, they had one operation at that time, concentrated in one place, which is always easier to operate than when you have two or three or four. And then, the fact that they were selling one brand, I think, certainly gave them the impetus to succeed, more so than if they were trying to sell several brands, as we were. I think the prime example was Coca-Cola at one time. Although Coca-Cola, like Gallo now, consists of many brands.

They also took advantage of certain situations and certain markets. They were not national at one time. They went into the New York market, if I remember correctly, right toward the end of World War II. And they went into the New York market at a time when everybody else was saying, "Now the war is over, we're going to raise our prices, no more price control," and everything else like that. They went in there and said, "We're not going to raise our price until the end of the year," and this was sometime like in April or May. And, by golly they didn't. Everybody else starts to raise their prices, and they went in there and they captured a good part of that market. They did about the same thing again when they went into Chicago.

And then they did a little acquisition, but not too much acquisition. The major acquisition that they did was in Pennsylvania, which is a control state, and you have to get listings of brands. They bought out a company called Pio. Pio was a big brand in Pennsylvania. From that, they became Pio-Gallo, Gallo-Pio, Gallo-Gallo. But I'm not the one to tell you about Gallo. Of course, that's been written already; that's been done already.

Teiser: But it's interesting from the point of view of somebody who has seen another company grow. I asked you about it because I know that there was a good deal of controversy about Fruit Industries' decline. Some people thought it was because they scattered among too many labels instead of concentrating upon one or two. I guess Eleven Cellars was the last attempt to establish one.

Cella: Yes.

Teiser: I'm sure there were other factors too.

Cella: Oh, I'm sure that there are.

Innovative Promotion

Teiser: Your radio and other advertising was done through agencies, I assume?

Cella: Yes. Here in California we had a one-man company called Renzo Cezano, I think that's the way you spell it. He was a very unusual person, very exuberant, and you couldn't talk to him without feeling a sense of effervescence bubbling all over the place. He would always have something--he was the one who really set up our advertising. One of the big things that we did do was during the World's Fair here on Treasure Island. We hired Art Linkletter for the first time. He had this World's Fair party. And that was one of the big, big shows that really, I think, was a major move to put Roma well ahead. I see Art every once in a while and he has some recollections of all that.

Teiser: Would you describe what that was?

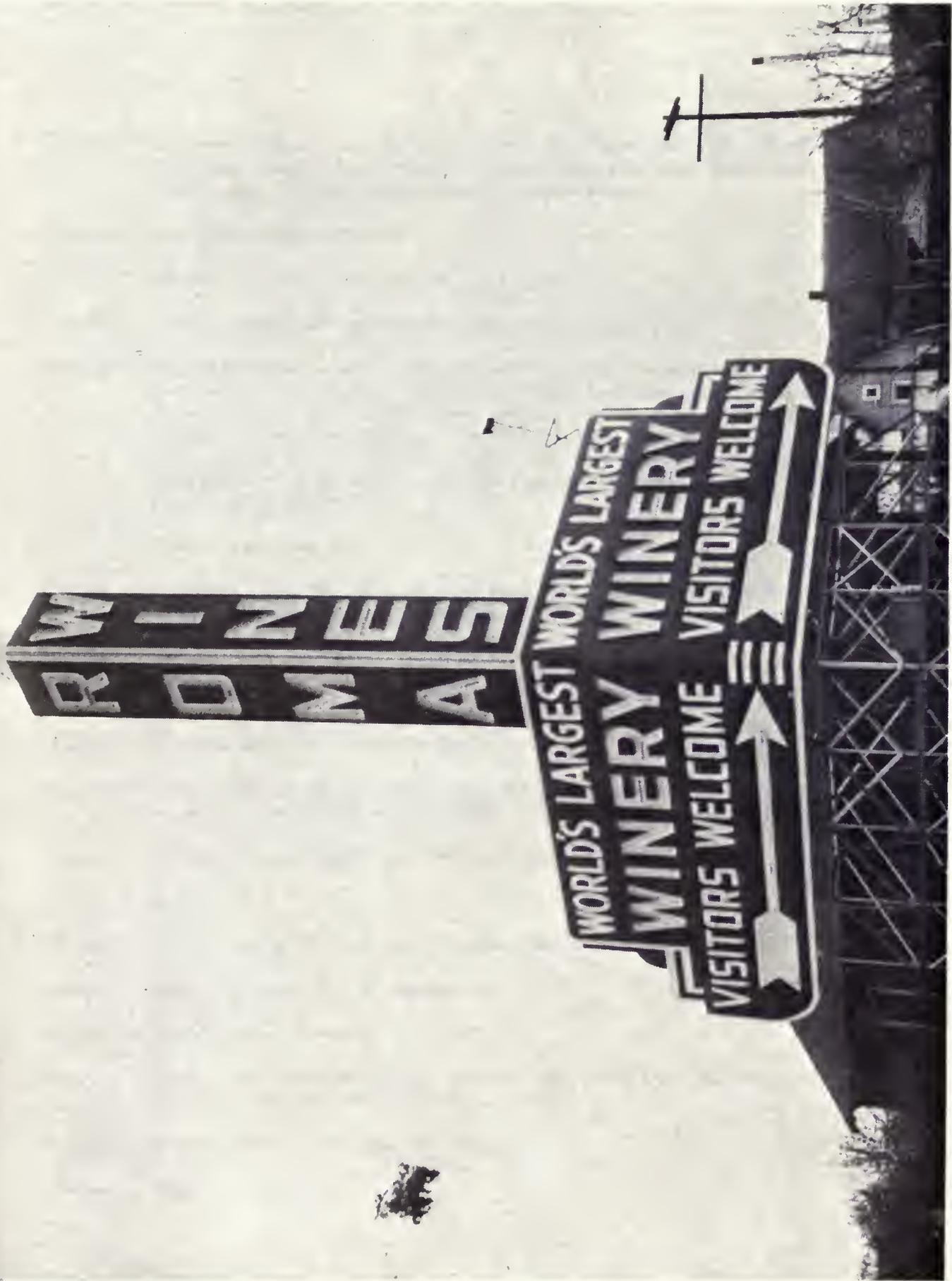
Cella: It was typical of what he did later on in years. He was interviewing people there at the World's Fair. What do you call it? A talk show.

Teiser: It went on the air?

Cella: It went on the air, and it was held on Treasure Island. They had all these people in this big, big room there. He would be talking to Mrs. So-and-so from Kansas City, and So-and-so from New Orleans, and it was a talk show.

Teiser: Was it daily?

Cella: Yes, except on the weekends. Then in the east--nothing unusual like that, but we did a lot of sports things, a lot of news things. One of the big brands that we had was Aroma di California. Aroma di California was an Italian-style wine, if you want to call it that. It was red and white. And that was very heavily advertised in the Italian newspapers, Italian radio in New York. And we went national on that one. In fact we had two beautiful young ladies, one blond



Sign pointing the way to the Roma winery in Fresno, ca. 1937.

Cella: and one redhead, to represent the white wine and the red wine.
[laughs] Then of course, there was also the Vino Rosso, which was a big, big item at that time, in table wines.

Teiser: You had a lot of fun.

Cella: Oh yes, it was a lot of fun. [laughs]

Teiser: I don't see that spirit in advertising these days.

Cella: No, everything's so subtle. They're more concerned about the production effect than they are giving the message. I always had a very simple philosophy about what you should be saying when you're trying to sell something. You should tell people what it is, why they should buy it or use it, and how much does it cost. That may be simplifying it a little more than actuality, but it's still a pretty good philosophy.

[phone interrupts]

Teiser: I assume that by the time you sold the company to Schenley the sales had been increasing every year.

Cella: Oh yes. It was still growing very rapidly. It had not just plateaued out. The industry was growing, and we were growing with it.

Teiser: And you were still the leader?

Cella: Yes. Italian Swiss, when they sold, which was a month later, they were the number two winery then. The second largest.

Teiser: By then Fruit Industries was way down.

Cella: Yes.

Teiser: Was it the winery at Manteca that you sold first?

Cella: Yes. We sold that to Schenley.

Teiser: How did you happen to do that?

Cella: Well, they made an offer. We had the facilities at both Lodi and Fresno. Manteca wasn't really needed.

Teiser: I have 1938 as the date of that sale.

Cella: Yes.

The Sale of Roma to Schenley, 1941

Teiser: Would you tell about the sale of Roma to Schenley as you remember it?

Cella: My recollection was that they had approached my uncle at least six months before the final papers, if you want to call it that, were signed in December, 1941. I was in the Army stationed in Indianapolis. I was supposed to fly out that night, but a snow storm prevented the plane from even landing; it just flew over. So I never did make it here. But it was a series of meetings between Mr. [Lewis R.] Rosenstiel and Milton Nauheim, who were the two people representing Schenley, with others of course--many attorneys and many other people--involved. But those were the two.

Mr. Rosenstiel was the head of Schenley. He was a one-man operation and ran it just like the Bronfmans ran Seagrams. But Nauheim was one of his close, close advisors and associates. They started to hammer out the deal, talked about price, talked about brands, you know, what it all would include. And then my father started to get involved with it, also, as it progressed. It was just like any other business deal.

We had to first convince ourselves that we wanted to sell.

Teiser: How did you do that?

Cella: Well, being of Italian stock, if your father says you want to do something, the rest of the family more or less falls in place. Not that everybody in the family wanted to sell. But, when the time came, everybody was in agreement that we should be selling. The reasons were, as we mentioned before, we had come to a point where most of what we owned was wrapped up in this one business and here we were in the war, and the government maybe tomorrow would put us in such a position that we couldn't survive.

The other thing was, here were two men that came over with a penny in their pocket, reached perhaps a point of success in their lives and the life of the wine industry equal to anybody and surpassed by nobody. In this Italian family--this isn't only Italian, I'm not saying Italian because I'm Italian--there's a great concern about family and the caring for the family. And here they probably saw this as an opportunity to assure that the family forever more, unless they threw everything away, would be well off in the future.

Probably the biggest reason, though, that they came to sell was that the war was such that they didn't know where they would end up or how they would end up. I think probably there was some concern

Cella: over the fact that, you know, Italy was on the other side in the war. That made it even more difficult.*

Teiser: You read the Fortune article describing the sale.** Did it ring true to you?

Cella: Yes, I think that basically it is. I wasn't there, so I can't say whether my uncle said, [reads] "I played poker once and I picked up the pot before the last hand was done. I'm not taking up that check until the deal is closed." I don't know if he said that or not. [laughs] If he didn't it makes good reading. If he did, it wouldn't surprise me.

You know, we were one of the first also at that time to produce for a Safeway private label. Safeway had two brands. One was Fidelis and the other one was Monte Cristo. Fidelis was bottled by Petri and Monte Cristo was bottled by us. Monte Cristo was a higher priced wine. But the Petris had one part of it and we had the other part.

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Teiser: Were you the first to go into supermarkets do you think? You and Petri?

Cella: No, I wouldn't say that. You know there were a lot of brands at that time which don't even exist anymore. For instance, there was a brand called Padre. You might remember that. It's in this [Fortune] article; they made an agreement with McKesson to give them national distribution for five years, and through McKesson they got into a lot of markets.

Plus, supermarkets--they existed at that time, but not to the extent that they do now. And in the supermarkets at that time, you have to remember that the wine section was a very small part of the business compared to what it is today. Then again, we get down to that dessert wines were the big items at that time, and most people would go into the regular liquor store to buy rather than go into a grocery store.

*See also pages 30-31.

**"The Big Wine Deal," Fortune, October 1943, pp. 125-128, 248-256.

Teiser: This reminds me of an article I came across somewhere about a "wineteria" opening in Lodi. [laughs]

Cella: This was recently?

Teiser: No, in the 1930s.

Cella: Oh yes, well you know, at that time a lot of the outlets--we used to put up barrels of wine, and deliver barrels to the retail stores. We would have a cardboard, what amounted to a label, that would cover the whole head of the barrel. You know you would have "Roma," "Sherry," "California's finest," and an opening where the spigot would come through. Then people would go there with a jug and that was a wineteria.

Teiser: No, this was self-service, but I'm glad you mentioned that.

I'd like to go back to ask you something I forgot. The Santa Lucia winery, which your family bought in 1935--

Cella: That was the name of the winery in Fresno that we bought. The Santa Lucia winery at that time was what the name was, and it was owned by a man by the name of [N.D.] Naman and a man by the name of Krum.*

Teiser: How did they happen to build it?

Cella: How did they happen to build it? Oh, that winery was there for a long, long time during Prohibition. It was an older, established winery there.

Teiser: Oh, I thought it had just been recently built, in 1933.

Cella: Oh, no. No, no, no, no. Well, you could hardly find the old part of it after we got through building down there, but no, there was an old brick building there, and there was a semblance of a winery there. It wasn't--we didn't go in there and start from scratch and just build a new winery at that time, no. It existed. Small, but it did. Looking back, industry people wanted to know, "Why did you buy it? Why didn't you just go and build a new one?"

*According to an article in the Fresno Bee of November 14, 1942, the group that sold the Santa Lucia winery to Roma included John A. Arakelian, president, N.D. Naman, A.C. Adams, K. Arakelian, Charles Smith, and Earl Smith.

Teiser: So it wasn't then what it became later, the world's largest--?

Cella: No, at that time it was a very small winery. Fresno had many wineries, you know. There were literally dozens of wineries in that area that eventually just went out of business, either pushed out because of housing development or they had gone into bankruptcy and closed up.

Teiser: When I visited it a few years ago, I was shown its stills--

Cella: Now we call it the Cribari winery. And it's got one of the finest distilling facilities in the state. Those were built after Schenley bought it. We had stills when we were there, but they went in and built a whole new complex with distilleries, and of course they knew distilleries.

Teiser: Yes.

Cella: That's our main production of brandy now.

Teiser: For Guild?

Cella: For Guild.

The Cella Family##

[Interview 2: January 15, 1986]

Teiser: I'd like to ask about your cousin, Ebe, and also about Burton B. Turner, and their functions in Roma. And then their later functions in Cella Vineyards.

Cella: Ebe was J.B.'s daughter, one of three daughters. The oldest was Alma who pursued an operatic career. She never got too involved in it but she did pursue it. And the other, youngest sister--Ebe was the second of the three girls--the youngest sister was Flori Petri. And she married Louis Petri. Ebe married a man from the Lodi area, by the name of Burton Turner. Burton's affiliation with us was as Ebe's husband. He was given a position in the company, and had the title of general manager for Roma Wine Company.

Teiser: How did he happen to achieve that position?

Cella: He had a very outgoing personality; he was a very presentable person. The fact that he married the boss's daughter, if I might use that expression, certainly didn't hurt him in his advancement. But basically he married Ebe and he fitted in very well at that time.

Teiser: She must have been and must still be, I'm sure, a woman of considerable ability.

Cella: She always was the one who was involved with the business even during those early days there. We often joked about that fact that she should have been a man, she should have been a boy, because of her interest in business. This was before women were very active in business. She was always very active in helping her father, particularly. As the years went by, she took a less active role, and particularly after the birth of her children. Burt Turner became more involved with the company. At the time, as you know, of the selling of the Roma Wine Company, she was not as active as she was at the beginning.

Then later on, when we acquired Cella Vineyards, she was not active in that operation until after her father and my father died, and then there were the two of us. She was more active than she had been before. By that time she had divorced Mr. Turner and he was no longer active with the Cella Vineyards.

Teiser: Was she important in Roma?

Cella: She wasn't on an ongoing, daily, everyday basis. She didn't have a position that spelled out what she was doing, no. Her importance was of her interest in the company and helping and assisting her father wherever the need was. But it wasn't formalized, daily work that she was doing.

Teiser: What was her father like?

Cella: He was, in my opinion, one of the really outstanding men that I have ever met, and my privilege to have, really, lived with him, because I lived with him at the house, and worked with him during my formative years. I always visualized that if he were not in the wine business, if he had been in the army, he would have been a general. He was that type of a person. Not that he was overbearing or anything like that, or very aggressive outwardly. But he was a very intelligent man. He was always thinking about things to do, ways to not only improve our company and to go ahead with the company and build up the company but also trying to find ways to alleviate the problems that the wine and the grape industry were going through.

Teiser: As a whole?

Cella: As a whole. As you know, those were days when--we have the same situation now, in a sense, where we had surplus grapes--looks like this is something that we've lived with ever since we've been in this business. He was always attempting to do something to take care of this grape situation and also develop the wine business.

- Cella: In later years when we had Cella Vineyards, it was his thought and idea that got us into doing this Betsy Ross grape juice as another outlet for grapes, and also as an opportunity for ourselves to do something to try to build up the company.
- Teiser: Was he a cordial man?
- Cella: Yes, yes, he was cordial. He was not as cordial as my father. My father was more of a relaxed man, an easier man to sit down and talk to. He would enjoy people more than my uncle would, and would be more jovial, if that's the word.
- Teiser: Yes. I'd like you to characterize your father.
- Cella: My father was more of a salesman. I could say my uncle was the administrator, the planner. My father was the salesman type of person, even though he didn't have any education of any kind, or very little. He spoke with an accent. But he was perhaps one of the best salesmen that I have ever come across. He could sell anything. He had that kind of personality. He would meet people very well. He would be able to discuss things with them, businesswise. He was a salesman; my uncle was more--not an introvert by any means--but was not the hale and hardy, meet-you type of person like my father was.
- Teiser: Did your uncle have an accent or did he manage to get rid of it?
- Cella: No, he had a slight accent also. Not to the extent that my father did. And neither one of them had what you might characterize as the old Italian accent. They had a natural, cultured accent. As I have retained part of my New York accent. [laughs]
- Teiser: When the company was sold, then, did that free up a lot of cash?
- Cella: Well, it freed up a lot of cash, number one. Number two, people say, "Why did you sell?" If I have to give a very short answer (and I don't know if there is a short or a long answer) I say, here are two men who came over as immigrants with nothing, and slowly through hard work, really built up what at that time was the largest winery in the country. And here they saw war, the country's in war, here they were Italians--*
- Teiser: Were they naturalized?
- Cella: Oh yes. There was no fear of that you know. The company was owned by people who came from Italy, but they were naturalized, as were my mother and my aunt. But their concern was what was going to happen

*See also pages 25-26.

Cella: to the company. And the company had the name of Roma! Which was the capitol of Italy! [laughs] There were things, like the emblem on the label and on the stationary--the Roman symbol with the ax on the top and the round, like a pillow--you know that the old soldiers would carry. Well, that typified the old Roman empire. They took that off the stationary and off the labels, and things like that.

So I'm saying that there was a concern as to what would happen to the company if the war goes on and on and on, and particularly if grapes were to be allocated to a point where they couldn't get sufficient grapes, or any grapes. Thompsons [Thompson Seedless] were taken out of the market; you couldn't buy any Thompsons. They went to raisins and for food and for making alcohol.

And the wine grapes--our business at that time was, and the industry was over 70% dessert wines. They weren't table wines. You weren't buying Zinfandels and Carignane and so forth to make port and sherry and muscatel. Those grapes like the Muscats and the Thompsons were used for alcohol production for the government and for raisins and for fresh shipping. So that was a concern to them. These are my recollections of the main reason for their even thinking about selling out at that time. And so they did. The old expression, you know, "Make 'em an offer that they can't refuse." And at that time what they were offered was a very outstanding thing. Nobody had ever heard of anything like that.

So, the decision was made. All the family owned stock; that is, my uncle and my aunt, his three children, my father and my mother and my father's two children--myself and my sister. Of course I don't know what would have happened if one of us had said, "No, we're not going to sell," [laughs] but I surmised, coming from an Italian family, that they would have convinced us to sell. [laughs]

Teiser: The Fresno Bee said the selling price was \$6,400,000. Is that correct according to your recollection?

Cella: Yes. I was in the service when that happened. Stationed in Indianapolis. I was supposed to catch a plane to come to California for the signing and so forth, and there was a big snow storm in Indianapolis at that time and the plane never even stopped so I never made it.

After the company was sold, my uncle went with Schenley and became a member of the board of Schenley. My father went with Schenley also, but remained for maybe only two years. He was not really adaptable to work for somebody and under somebody, as was my uncle. My uncle was more politically astute than my father in that regard. So he stayed there.

II CELLA VINEYARDS

- Cella: In 1944 we bought the winery and the vineyard out at Reedley, which was called at that time Wahtoke. (It's an old Indian name. I'm sorry to say I can't remember what the translation of the word is.)* When we bought that, from [Louis] Rusconi, we also bought what at that time was considered a pretty large vineyard, over 1,400 acres. Rusconi was a big shipper, and we bought a shipping shed at that time also. We would pack and ship ourselves.
- Teiser: That was as Cella Vineyards?
- Cella: That was as Cella Vineyards.
- Teiser: Let me go back a minute and ask you, if I may, a question about the sale to Schenley. Often when companies are bought, they put restrictions on the people: they can't go back into the same business, or they can't use the name.
- Cella: There was nothing like that.
- Teiser: There was nothing at all?
- Cella: No.
- Teiser: Do you think they intended at the time of the sale--
- Cella: To go back into business?
- Teiser: --to go back into business?
- Cella: No, I don't think that that was a consideration, or they had thought about doing it. If they did, I was never aware of it.

*Apparently based upon the Yokut Indian word for "pine nut."
(Erwin G. Gudde, California Place Names, University of California Press, 1962.)

Teiser: But they just went ahead and did.

Cella: Well, in 1944 they decided to go buy this vineyard, and with the vineyard there was a winery. They wanted to stay in the grape business, and Rusconi had some good shipping grapes there. We used to ship grapes during Prohibition, as you recall my telling you. And my father was the one who in the east would do the selling of the grapes. So this was an opportunity to get what was considered one of the good wine grape vineyards. When I say wine grape--the prime grape there was Alicante [Bouschet], and of course today we don't look at an Alicante as a good wine grape, but it was the popular shipping wine grape at that time with most of the ethnic people in the east and particularly the Italians for home winemaking that they did.

Now, this winery was just a small winery then. In that first year we didn't even operate it. That was in 1944. I came back in '45 and then my father and I started to operate that winery. In '45. My uncle was still with Schenley at that time. We continued for about three years, after which my uncle then decided to leave also. So then he came and the three of us were operating Cella Vineyards.

My uncle had bought for himself a vineyard east of Merced, in the foothills, called Snelling. He started to develop that vineyard. That was about 1943-44.

Teiser: I see.

Cella: It was very difficult to develop that vineyard, particularly at that time. Drip irrigation was not even known. Here we were planting vineyards on hills and trying to irrigate by a check system, with some success. We did a lot of experimenting there, including use of geese to keep the weeds down. We'd fence in the whole ranch and add all these thousands of geese going all over the place. [laughs] And they did a pretty good job. But the production was small. The grapes were fine. They were practically all wine varieties. The Grenache-- we used to make the wine for Almadén at that time, and they would insist that it had to come from that vineyard.

Teiser: What did they label it?

Cella: Grenache Rosé. When they started to plant their own vineyards over at Paicines and that area there, all those original cuttings came from the Snelling ranch.

Teiser: Oh they did?

Cella: They did. And my uncle and I used to go over there and there was a man by the name of Goulet.

NET WT.



MAIN OFFICE
FRESNO, CALIF.

CELLA



BRAND

PRIDE OF THE VINEYARDS ALICANTE

Box end label for shipping Cella Fruit Co. Alicante Bouschet grapes during Prohibition and after.

Teiser: Ollie Goulet?

Cella: Ollie Goulet.* And we'd go out there to the vineyards and they had a little old shack there and they had this ranch foreman, I've forgotten his name, but we'd have a great luncheon there, you know, with all kinds of breads and cheeses and salamis and so forth. They used to call it the Palace Hotel. [laughs]

Teiser: This was south of Hollister?

Cella: Yes. And then they planted other varietal grapes there. We never had any Cabernet Sauvignon to my recollection but we had the Chardonnay, we had the Semillon, we had Barbera, Zinfandel.

Teiser: Did you make that into wine yourself?

Cella: All of it. We never sold them the grapes. We always sold Almadén the wine. And other people also.

Teiser: Where did you make that wine, then?

Cella: We brought it down to the main winery at Reedley. Cella Vineyards, Reedley. Then during a period of time there we bought the Napa Wine Company.

Teiser: I have August 1947 for that.

Cella: That is correct.

Teiser: How did you happen to do that?

Cella: Well, my uncle wanted to get into some of the table wine business and we were buying table wines that we were using ourselves in our own production down there. So he decided he should start getting into that. So we bought that from Louis Stralla.

Teiser: I read that it was the largest producer in the Napa Valley at that time.

Cella: Yes, it was the largest winery; it really was. Larger than Christian Brothers was at that time. And it was, to my recollection, one of the few, if not the only, at that time, winery that had a distillery, which was rather unique for that area.

*Oliver Goulet.

Teiser: Did it have a label?

Cella: Napa Wine Company. That was the brand and that was the name. We really didn't handle that as well as we could have, because there was always concern about "What's the brand? Napa Wine Company is the company, but what's the brand?" We would always say, "Napa Wine Company is the brand." And then we started to discuss, well maybe we ought to call it the N-W-C, or something like that. Well, we didn't see far enough ahead; we could have done that like BV did. [laughs]

But I think the mistake we made was that we didn't bottle up there. We took all those wines that we produced up there, brought them down to Reedley and then bottled in Reedley. And here we were talking about the Napa Wine Company Charbono--and we and Inglenook I think were the only Charbono producers--"produced and bottled by the Napa Wine Company, Reedley, California." It should have been Oakville, Napa County, California.

Teiser: Is that winery still in use?

Cella: Oh yes, that's the production winery now for Inglenook. At the Oakville Crossing road. At the corner was Bartolucci. When I was at United Vintners, I negotiated the purchase of the Bartolucci winery* for Heublein. They had already owned the Napa Wine Company, which was right adjacent to it, and needed that for expansion of space. We only had so many acres there, and the people surrounding us didn't want to sell. So, eventually, we did get the Bartolucci winery in the 1970s, And that is the wine production winery for Inglenook.

Inglenook doesn't produce any wines at Rutherford. They bottle there. They bottle their estate wines there, and their cask wines. But the production is there, at Oakville; that's the old Napa Wine Company.

Teiser: How long did you keep that then?

Cella: Oh, we kept that as part of Cella Vineyards. That was a separate corporation of Cella Vineyards. And then when we sold Cella Vineyards in 1961 to Louis Petri and United Vintners, they bought all our wine, all our inventory and all our wineries. They acquired both the Napa Wine Company and the Reedley winery.

Teiser: I wanted to ask you about the Arvin Winery. You bought it in 1946.

Cella: We really had nothing to do with that. It was bought by Turner and a man by the name of [Carroll H.] Craig. Craig was in charge of our cellar in Lodi when we had Roma--way back there. And Burt and he were relatively good friends. So they decided that they were going to buy this wine business. So they bought it. But it didn't turn out to be

*The Andres Bartolucci winery, d.b.a. Madonna Winery.

- Cella: what they had hoped for. And as a gesture, if you want to call it that, my uncle and my cousin arranged for us to buy the winery, and we bought the winery.
- Teiser: There was a problem about some illegal distilling?
- Cella: There were some problems with the Bureau of Alcohol. That had nothing to do with us.
- Teiser: Yes, that was before you bought it.
- Cella: That's before we bought. And when we bought it, oh I think we kept it and operated maybe for a year or so, strictly making alcohol, high-proof down there. And then we sold it. We sold it to Johnny Kovacovich. It's an old family down in that area. They used to be big grape shippers.
- Teiser: The purchase of the Turner-Craig vineyards, was that involved in that same transaction?
- Cella: Yes.
- Teiser: I wanted to ask you about the 1946-1947 grape supply situation. I believe Schenley, under Rosensteel, tried to buy up all the grapes in California in 1946--

The 1946 Market Boom and Bust

- Cella: And all the wine. Yes. This was one of the few times I can remember my uncle and father disagreeing. My uncle wanted to hold on, and "don't sell, don't sell." My father insisted that if they think that they want to buy all the wine in California at the price that they're offering, let's sell it; you know, he was the salesman. Fortunately we did go ahead and sell it, because, as you know, the big bust came. It was Schenley with the wine that they paid over a dollar a gallon for--\$1.25, \$1.50, any price. Which at that time was a tremendous price. We're talking a drop down to thirty cents a gallon after that. Only Schenley could have survived anything like that. But we didn't sell them any grapes, because we were making the wine. We sold them the wine, as did a lot of other people.
- Teiser: I believe they lost several million dollars.
- Cella: Oh, God knows how much they lost. They had to have lost more than a million. I don't know how many gallons of wine they bought, but they must have bought in excess of five million gallons, maybe up to ten million gallons. You take a dollar a gallon, which was what the loss was the following year, and that's what they lost.

Teiser: My word.

Cella: Oh, it was tremendous.

Teiser: I remember some people whom I've talked to have thought it served Rosensteil right. [laughs]

Cella: Well, he was an individual in his own right. And I'm certainly not the one to talk about him. But talk about a leader and a forceful individual. He was unique in himself.

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Teiser: I came across an ad from the Fresno Bee of June 25, 1947. [reads] "Wine wanted by Cella Vineyards." Had you sold everything and needed to refill your tanks?

Cella: Well, this is really something. Sales were a lot more than we had inventory, and we had the know-how and the means of selling bulk wine.

Teiser: But that was 1947, when there was that big surplus!

Cella: Yes, this was just before the break.

Teiser: Oh, just before!

Cella: Just before the break. And fortunately, we didn't get too much from that ad. [laughs]

Cella Labels and Wines

Cella: But it was also about that time that we started to try to develop-- [reads] I see you have here [on the interview outline] "Bravo label introduced in 1947."

Teiser: Yes.

Cella: We were looking to get back into a brand. We had the Parma Wine Company, and this advertising agency, whose name I don't recall now, came up with this brand name. It was a very unusual label. I don't know if you've ever seen one, and I don't know that I've got a copy. I don't have one right handy. If I went through the files I'd probably find it. It was a rectangular label but with a design that was like a rounded-top window, and the background of the label was black, so it blended into a dark green bottle and it gave an impression of being not a rectangular label but a label like the old Christian Brothers label that was shaped like a monastery window, if you want to call it that. It was something like that except that it was very plain.

Cella: We came out with advertising on radio and billboards and newspapers with what was perhaps one of the major advertising campaigns that's ever been done within a short period of time. You couldn't pick up a newspaper in California without seeing this ad. Unfortunately, it happened just before the big bust in the wine business. Here we were out there as if the business was growing and we just got caught in this terrible trap. Of course everything was committed. You don't buy newspaper advertising or anything like that the day before. There were billboards also. And we just took an absolute licking on that. The brand became known, but we just couldn't sell any wine. Business was a disaster. But the advertising was unique.

Teiser: There were pairs of billboards. What was that?

Cella: This was never done before. It was two billboards in a row: the first would have, oh, as an example, two people, a young lady and a young gentleman, each holding a full glass of wine. Just kind of looking, no expression. The next billboard, which was right down from it, the two were sitting next to each other, their glasses empty, and the two people smiling. This was Bravo Wine. It was telling a story, a message, without any words. Oh, it had a number of things like that: a bullfighter being chased by a bull, and the next billboard, he's chasing the bull.

The same in the newspapers. We took a whole page, and rather than print on the whole page, there would be either just a small bottle of Bravo right in the middle or, "The nicest thing that ever happened to a grape--Bravo Wine." Period. And that was it.

And then we had a series of columns talking about wine when there was no such thing as a food editor writing about wine at that time. And we were doing that. They were doing a lot of innovative things. [laughs] Unfortunately it was just at the wrong time and we spent a considerable amount of money trying to promote that. That was the Bravo label.

Teiser: Did you then just drop the whole label?

Cella: No, no. We stayed with the business and we continued right until the end when we sold the company to Allied--United Vintners. You know we had the Parma brand, we had the Bravo brand, we had the Napa Wine Company brand. Those were the three major brands that we had. We did a lot of private label business for different major supermarket chains and stores like Long's, Thrifty's and those people.

Teiser: Where did the wine stand in the general price structure?

Cella: Well, we're talking 80% of sales being dessert wines, and most dessert wines were in the middle area. There were some premium dessert wines; maybe Inglenook had a little sherry or something like that. Christian Brothers had dessert wines that were higher priced. But our pricing

Cella: was the same price as Roma was, as Petri was, as Mission Bell was. We were priced the same as the popular priced advertised dessert wines. We were above the cheap--I say cheap, it wasn't much cheaper but it was at that time--pint business that was sold in the lower income areas. We didn't get into that. We were never in that price category. Those were usually by bottlers who used second-hand glass and things like that. So, we were in dessert wine pricing of the branded goods at that time.

Teiser: But you made some table wines?

Cella: Oh yes. Particularly what we made was what we called Vino Rosso. What used to be the Italian style, like Guild had Vino da Tavola. Cribari had a Vino, Petri had a Vino, California Wine Association had a Vino, all of us had a Vino. We were mostly in that category.

Teiser: What grapes went into those?

Cella: In our case, most of them were made from Cariganes and from Alicantes. We did make Zinfandel, and that was made from Zinfandel obviously.

Teiser: I've been wondering if at the Reedley plant your closed system was a Rietz disintegrator.

Cella: Yes.

Teiser: How did you happen to install it?

Cella: Well, here again, my uncle was always looking for advanced things to do, whether it was in production or whether it was in label designs, things of that type. He had heard about it, he had talked to some people who were aware of it.

[Interruption]

Cella: Stainless steel conveyors to the crushers was one of the early things that we had put in. Also temperature controls in fermenting tanks. Coils. From copper tubing to stainless steel tubing. We constructed steel-coated tanks in a refrigerated room for juice storage.

Really, the interest my uncle had in grape juice also prompted him to get into a lot of these things too. Because the grape juice people had advanced equipment. They were primarily in the east, in New York state. They were more advanced in one aspect than we were, particularly in sanitation--building, floors, tanks. They were going through things that we weren't to the same extent. First, we weren't required to, and secondly, our concern was not like theirs. They ran the risk of contamination. We were far ahead of them as far as crushing. They never did crush; they always pressed their grapes in batches, which is a much slower process than we were doing.

Cella: But the equipment that they had, particularly disintegrators and their vacuum pans for concentrating--those were something that we got into at an early stage, before most of the wineries did. One of our major parts of our business was the production and selling of grape concentrate. We were one of the first California producers, where heretofore most of the concentrate or the grape juice was all Concord produced in the East and Northwest.

Then they started to blend in California concentrate, still retaining Concord flavors, but finding a more economically priced product than the Concord. Because the Concord was a lot more expensive.

Teiser: You're speaking of California concentrate supplied by Cella Vineyards now?

Cella: Yes. This is all Cella vineyards.

Teiser: Did you continue using the Rietz disintegrator?

Cella: Oh sure.

Teiser: Would you use one today?

Cella: For certain operations, yes.

Teiser: What were the disadvantages?

Cella: They weren't big enough to handle the tonnage that we were handling.

Teiser: Was the flavor better? I remember Rietz thought that the flavor was preserved.

Cella: I don't know that it was. I wouldn't say that the flavor was better, no.

Teiser: What was the advantage?

Cella: Well, what you did do was thorough and quick and gave an opportunity for the grape to get into fermentation really quickly.

Teiser: In 1949 the officers of the company were moved to the Hotel Californian in Fresno.

Cella: [laughs] I don't know whose idea it was. I guess we were just sitting around at one time and thinking that instead of driving out to Reedley every day--all of us lived in Fresno--why don't we set up an office in Fresno? So here was the Hotel Californian, which was at that time the meeting place of wine people. Every morning I was there for breakfast. And all the wine people--I shouldn't say all the wine

Cella: people--at least a half a dozen wine people would be there. And anybody coming to Fresno from the east, they would all stay at the Californian Hotel. So, this was a gathering place. You'd see Schenley over there talking with one customer, Cribari over there talking with another customer, and I'd be over here talking to somebody else. Maybe the three, four, or five of us of Cella Vineyards would have breakfast together too.

And so we thought if we're going to have our office in Fresno, let's have it right in the Californian Hotel. So that's what we did. [laughs] It really didn't make any sense to have it there. We stayed there a couple of years, and then finally gave it up.

Teiser: I remember Setrakian* kept a room there, didn't he?

Cella: Oh absolutely. He had a room there. He was there the whole time. And he'd be there for breakfast too.

Teiser: It was a place where deals were made, I gather.

Cella: Oh yes, many a deal was made in that place.

Teiser: I've often thought you could set a play in that lobby.

Cella: You certainly could. It would be an interesting thing if you could have had one of those tape machines under the table or behind a couch some place.

Teiser: Did you use your Thompson Seedless for high-proof?

Cella: Oh, we used it for high-proof, but we also used it for making white wines too. Because at that time we didn't really recognize and realize the difference. We weren't making varietal wines, and the market didn't require the grapes that we do now. You're not going to make chablis out of Thompson now. At least we [Guild] don't, and I don't think many major wineries do. I'm sure a lot of them use them in blending with other wines, because all of the Thompson grapes that are crushed by the wineries certainly don't go into brandy and high-proof.

Teiser: Just after Repeal, as I remember, the ordinary white wine was called sauterne. Was it any different from what we call chablis?

*See Arpaxat Setrakian, A Leader of the San Joaquin Valley Grape Industry, an oral history interview conducted 1971-1976, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1977.

- Cella: No, no, basically that's what it was. Of course we all became more knowledgeable, the public particularly. [French] Sauternes, as you know, is not like Chablis. It's a sweet, very distinctive wine of itself.
- Teiser: Was the generic sauterne that they made here then a sweeter wine than the chablis we make now?
- Cella: No, if anything it was drier. It was a dry white wine. And burgundy was a dry red wine.
- Teiser: Was the name "claret" used?
- Cella: We used to use "claret" quite often. And I still feel and I'm trying to convince our people that we should come out with claret. Outside of burgundy, claret was the other red wine.
- Teiser: Was there any difference between burgundy and claret?
- Cella: In our case, we always made the claret lighter than the burgundy.
- Teiser: I remember the joke about Italian Swiss Colony that had people bottling claret on one line and burgundy on the other and the story was that they would both come out of the same pipe--
- Cella: --I don't know. [laughs] Well, I'm sure that in many cases, that was the case.

Italian Swiss Colony, they had a product that was absolutely unique; that was Tipo. It's a shame that that wasn't continued by all the owners of that company, because they had something that nobody else had. We had the same wine, but nobody else could call it Tipo. And Tipo was a classic name--that's another story.

Betsy Ross Grape Juice

- Teiser: I want to ask you about Betsy Ross grape juice.
- Cella: Well, here again, as I mentioned earlier*, this was my uncle's doing, really to try to find an outlet for surplus grapes in California, and at the same time perhaps build up something for our company that

*See also pages 17-18 and 30.

Cella: was not competitive with the other wineries. So Betsy Ross was born. We originally started out with strictly--what should I say?--standard California grapes. And the product was fairly good, relatively good, but it didn't have any distinction or substance to it. So what we did eventually was to add a natural Concord flavor to it, not to have it taste like a Concord grape juice but to give it some little semblance of a flavor. Because California grapes with the exception of Muscats are not a very distinctive flavorful grape compared to a Concord or a Catawba or a number of the eastern grapes. True, those of us in the business would recognize a varietal grape today, but by and large the public would not know if they were drinking a Chenin Blanc or a Pinot Chardonnay juice, if you had a juice of one or the other. Maybe they would, but I don't think that most people would.

So this then really gave a boost to this grape juice. Plus one of the things that we did which was unique in itself--we built a cold storage refrigeration room with ten 100,000 gallon tanks where this juice was stored, and it was stored at freezing temperature. So we had the juice available for bottling when we needed it.

We put in a new bottling line. And of course we had to have bottle washers, sterilized bottles and we had to have coolers to cool the bottles after pasteurization. We built this up to about 350,000 cases.

Teiser: Did you use ultra-violet?

Cella: Well, we had the ultra-violet along the line there, as an added plus to help in inhibiting bacterial growth.

Teiser: In the bottling line?

Cella: Yes.

Teiser: Did you have trouble--?

Cella: Fortunately we didn't have any trouble because if you have trouble then you've lost that juice and you have to make wine out of it. [laughs] But we had sufficient controls that we didn't have that problem.

Teiser: I thought it was good. I regret that--

Cella: My family keeps telling me why don't you make it again. And the thing about it was that it was a product that you could drink a whole glass and you felt refreshed, compared to Concord grape juice, which has a gnawing, sweet taste to it. But Heublein was not interested in continuing it. We continued it with United Vintners, but we didn't continue it after United Vintners sold the company to Heublein.

Cella: I got very much involved with that. In all the years that I traveled, I never traveled so much as I did for the grape juice, because we had brokers all over the country, and I'd go to see the brokers. I'd go to Chicago to the National Cannery Convention. That's the biggest convention held in the United States. It's always in Chicago.

Teiser: You did can--

Cella: And then we got into canning, a little six-ounce can.

Teiser: How did that--?

Cella: That didn't do as well as the glass, but we really didn't put too much effort behind it. I think if we had stayed with it, we could have all built up something--because today, cans are a very popular item, and it could have been at that time too. In fact we even canned some wine at that time. Not in the small can, in the ten-ounce can.

I see you have Ohanesian here [on the interview outline]. That's Aram Ohanesian. He was our chemist. My father hired him. He was a food technologist out of the University of California. Very good man. He's retired now.

The Sale of Wineries and Wines to United Vintners

Cella: J.B. [Cella] died in 1959, and a year later my father died. My uncle died on April 19th and my father on April 9th.

Teiser: Were their deaths entirely unexpected?

Cella: No, both had been ill. My father's was unexpected to the extent that he wasn't bedridden and he wasn't going down slowly. He had an operation and was relatively well. I got a call from my mother. My father had just died.

Teiser: Were you somewhat prepared for their deaths in a business sense?

Cella: Oh, yes. My uncle had died the year before so my father and I had gone through a lot of preparation and anticipation, and how the business was going, what we were going to do. In fact we were already into discussions with Louis Petri about merging with them. We were nowhere near close to culminating it when my father died, but I knew how my father had felt about it and I was involved with the discussions, as was my cousin, Ebe.

Cella: So after he died, I became president and Ebe became executive vice-president. She was not going to the office every day or anything like that, but she was very active in it and was a great help to me. I was running the company; all aspects of it. The vineyards, everything. Then finally, she and I and Louis Petri got together and we did sell them the winery and the wines and our labels, in 1961. We kept Cella Vineyards. The corporation stayed intact. We just sold those assets: the winery, bricks and mortar, the inventory. And we kept the vineyard. We kept that as a separate operation, and we signed our grapes into Allied Grape Growers, a cooperative. We sold the wineries and the inventory to United Vintners. United Vintners was a separate corporation.

Teiser: You already had part ownership in United Vintners before you sold to them?

Cella: [indicates yes]

Teiser: When did that start?

Cella: That was an offshoot of the Petri Wine Company and the Petri Cigar Company. When Louis Petri formed Allied Grape Growers as a separate cooperative, he then created this United Vintners that owned Italian Swiss Colony, Mission Bell, and Petri. And we as part owners of the Petri deal became part owners of the United Vintners deal. And that's how we were part of that.

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Teiser: So then--

Cella: Well, we sold the assets except the vineyards. I wanted to keep Napa Wine Company out. I was thinking of using that as the base for the family again. But Louis was insistent that one of the things is that "we buy everything and that you come with the company." So that is how that happened. I stayed in Fresno maybe a year, and then I finally got to San Francisco and worked for United Vintners.

Teiser: And when you finished what did you own?

Cella: The vineyards. The grapes. We didn't sell the land. We didn't sell our vineyards. We kept that.

Teiser: You just became members of Allied Grape Growers?

Cella: Just like Joe Blow who owns twenty acres of grapes and was a member of Allied. We had a couple of thousand acres and we were a member of Allied, as a grower. It was a family corporation, the Cella Vineyards. We kept that corporation intact and sold those other assets.

Teiser: You remained as president of Cella Vineyards?

Cella: Yes, remained until we eventually sold all the land and so forth and then we dissolved the company.*

Teiser: And then did Mrs. Turner continue as an executive?

Cella: Yes, she and I continued, the same we had before.

*See pages 50 and 65-66.

III CORPORATE CHANGES SINCE 1961

John B. Cella II, Vice President, United Vintners, 1962-1969

Teiser: Mr. Petri announced in 1962 that you were to be appointed vice-president in charge of operations at United Vintners. What were your duties then?

Cella: I was in charge of overseeing the operations of all the wineries. I used to go to all the wineries that United Vintners had which included the big Fresno winery that they had by the airport, the Escalon winery which was the old Petri winery, the two wineries in Lodi, the Asti [Italian Swiss Colony] winery. And eventually when we bought Inglenook that included Inglenook.

Teiser: You didn't continue in sales at that time?

Cella: I did that also. I did the bulk operations, and the sales in the bulk. In fact, one of the things that Louis and I did when we sold the company to United was that he wanted to take a trip with me to meet our key eastern buyers to assure them that I was still going to handle it, and we were still going to provide the wines that they had been buying before. So, we did do that.

I did not continue the overseeing of any of the case goods, branded goods, any of the Parma, Bravo or the Betsy Ross grape juice. Our sales people in brands, they did that. Our brand managers did that. But I continued with the bulk.

Teiser: I see why he wanted you in the organization.

[Interview 3: February 11, 1986]

Teiser: Let me put on the tape the fact that you have just read over an article that appeared in the August 1983 Wines and Vines about United Vintners and Allied.

Cella: This is written after Louis Petri died.

Louis Petri conceived Allied Grape Growers and United Vintners

RUTH TEISER

ALLIED Grape Growers was the brain child of the late Louis A. Petri, perhaps the most innovative businessman ever to appear in the California wine industry. He conceived the idea for this growers' co-operative in 1951. His family-owned Petri Wine Company had just grown from medium-size to big through the acquisition of several wineries including Mission Bell in Madera. It found itself crushing more than 100,000 tons of grapes each autumn.

As Louis Petri recalled in a 1969 interview with the Regional Oral History Office, U.C. Berkeley, "this was when we began to run out of money. It wasn't so much what we paid for the plants, but every ton of grapes that we bought had to be paid for, and then we had to age the wine. The turn-over of our money was slow. It was because of this that we got the bright idea of forming Allied Grape Growers. But that had a very peculiar start. It started very bad [for us], but ended up the greatest deal that we ever made."

In 1949, Petri recalled, "I got a group of large Thompson Seedless growers in the Madera area together. There had always been a problem of getting enough Thompson Seedless grapes at the beginning of the season, and getting them in fast enough so that you could make a stockpile of high-proof alcohol to have available to fortify wine grapes that came in later in the season.

So to get people to give us the Thompson Seedless grapes, I made a three-year contract on about 20,000 tons of grapes. We agreed to pay the grower on a 4-to-1 formula. That is, on a fresh basis one fourth of the price that they got for their raisins. Well, as it turned out, the raisin market got extremely hot during that period . . . The growers were really getting rich on us. So at the end of the second year of the deal, I proposed to the 4-to-1 growers that they form Allied Grape Growers, a co-operative, and through a very complex formula we converted their contracts to Allied Grape Growers." Other growers signed up, and the initial sign-up was "for about 30,000-35,000 tons." How it worked was that "the grower gave title to his grapes to Allied, who in turn gave us the grapes to make into wine . . . We paid Allied on a deferred basis over 18 months."

It was a profit-sharing plan. Part of the deal, however, was the purchase by Allied of Petri's two major wineries, in Escalon and Madera, which Petri continued to operate, making the wine and selling it under its labels. Money was withheld from the growers to pay for the plants over a nearly seven-year period, and, as Louis Petri recalled, "It turned out great. They received enough money over market to buy the plants for free."

In 1953 Petri bought Italian Swiss Col-

ony, about doubling the size of his wine-making operations, "and then I worked like hell to enlarge the co-op because we needed more grapes." Allied then leased the two biggest Italian Swiss wineries, at Fresno and Lodi, from Petri, who made wine for Allied in them.

Meanwhile Petri had created another organization, United Vintners, Inc., as a subsidiary of the family wine business. United Vintners then, however, proceeded to swallow its parent and, under Louis Petri's leadership, it took over as operator of all the Allied wineries, which in 1953 crushed about 300,000 tons of grapes.

By 1959 the growth of the business and a number of other factors (including such a predictable one as unpredictable weather) had, however, made the original profit-sharing plan increasingly difficult to figure out. Petri and Allied's representatives met at the Sun Dial Motel in Modesto that year to try to find a satisfactory formula. They struggled and struggled. Finally Petri said, according to his recollections, "You know, gentlemen, there's only one answer to all of this. Either we've got to buy out all of your vineyards, or you've got to buy out our company" (United Vintners). He was astonished at their response.

"In unison, that executive committee said, 'How much?'"

So Petri sold United to Allied for \$24 million, to be paid over a ten-year period. It was all paid before the eighth year, just shortly after Louis Petri's contract with Allied to manage United Vintners ran out. The sale included all of the Italian Swiss properties (among them the original winery and vineyards at Asti), the Inglenook winery which Petri had bought in 1964, and the famous wine tanker the *S.S. Angelo Petri*.

United Vintners itself became a co-operative—a co-operative with one member, Allied Grape Growers, which in turn controlled all its assets so that it was in effect a subsidiary of Allied.

Heublein, Inc., entered the picture 10 years later. In 1969 it bought controlling interest, 82%, in United Vintners from Allied for about \$33 million, and nine years after, the remaining 18% for \$10 million more. The acquisition was a rare (possibly unique) instance of a private corporation buying a co-operative. The purchase included the properties Heublein has now announced it is selling back to Allied Grape Growers.

In October 1980 the Federal Trade Commission, which had challenged Heublein's purchase of United Vintners as a violation of the Clayton Anti-trust Act, dropped its charges and upheld Heublein's opinion that the acquisition had actually increased rather than decreased competition in the wine industry. That was just six months after the death of Louis A. Petri, who had not only conceived the original organizations but also helped put together the deal with Heublein.



Louis Petri (seated center) and members of Allied Grape Growers signing the papers for the sale of United Vintners to Allied in 1959. Standing are Tilden Genzoli, Walter Vincent, and Buddy Iwata. Seated next to Petri is Robert McInturf, then and now president of Allied. The sale apparently continued to please Petri as much as it did initially, for he kept this picture hanging on his office wall.

*Louis A. Petri, *The Petri Family in the Wine Industry*. Quotations courtesy of The Bancroft Library.

- Teiser: Yes, he had died, and it was written at the time of the sale of Italian Swiss Colony back to Allied. Is it accurate so far as you know?
- Cella: Yes.
- Teiser: Then let me ask you about some of the things that connect with that. You became vice-president of United Vintners, as you explained last time, in 1961. In your autobiographical data sheet here, you have [reads] "commodity sales, control state sales, grower and industry relations." And those, I gather, were in addition to your being in charge of the actual manufacturing?
- Cella: Well, the manufacturing part of it--while I was vice-president in charge of operations, there were other people more directly involved with each of the wineries. Of course each of them had a manager. And then we had our production vice-president, who oversaw the total wine production more directly than I did. He was mostly responsible and mostly reported to me on the operations, and then we jointly would be involved with the operations. But these other things were in addition to that, so you can see that I was rather busy, and I was away quite a bit of the time.
- Teiser: Commodity sales. What is the definition of that?
- Cella: Well, it's a nice way of just saying bulk products. In other words, anything that was not sold under a brand or in case goods, anything that was sold in barrels, tank cars, tank trucks, whether it was wine, whether it was brandy, whether it was grape concentrate or even grape juice.
- Teiser: What about grower and industry relations?
- Cella: I was quite active in the Wine Institute. In fact, when Heublein resigned from the Wine Institute, I was first vice-president and would have, next year, become chairman of the board of the Wine Institute. Which I never did because Heublein resigned and took United Vintners out of the Wine Institute. So my industry relations were through the Wine Institute, through the committee which dealt with trade barriers. It also dealt with visits to Sacramento, seeing various legislators re various bills that pertained to the wine industry.

In the control states, that related to sales to the control states. That was the only branded goods that I was involved with. Then I was called in as our representative to get the listings and to do what was necessary to sell, whether advertising, marketing, so forth.

Cella: When anything came up in these control states politically, that meant going into those states to try to express our view and working through the NABCA--which was the National Alcoholic Beverage Control Association. All the control states belonged to that association.

Teiser: When you sell to a control state you have to sell to a state board or something of the sort?

Cella: [indicates yes] You have a state board who serves as the buyer within that state. And of course you can only sell if they approve and give you a listing for whatever items you're attempting to sell to them.

Teiser: Is it harder to sell to a control state than to anyplace else?

Cella: It's an entirely different type of sale. While they're the buyer--and you can look at them as really being the wholesaler for their state--they're not concerned really whether your product sells or doesn't sell. You have first to overcome whatever objections that they may have for even giving you a listing and buying anything. They judge that on various things. If an item is going very well in the open states, then they want it in their state. Or, one of their objections mostly is that they've got so many items they don't need another item. Why should they buy XYZ brand of burgundy or port when they've got five other ones in the state already? A great deal of it is dependent on what you think you can do and convince them that you can do so much business in that state, whether through advertising or marketing. Of course, you didn't have the marketing, even at that time, that you do in the open states. Your types of advertising can be limited.

Teiser: Limited by the state?

Cella: Yes.

Your relations in calling on the state stores is entirely different. The operators of the state stores, the store managers, have nothing to say about what they have and what they sell. They're just there with all the items on the wall, and you as the consumer walk in there and say you want such-and-such, and he takes it off the shelf and gives it to you. Unlike in an open state where you can have displays and have stacks and point-of-sale pieces.

Today, of course, even the control states are getting more and more into doing that, and they do do that now.

Teiser: Is there an advantage selling to a control state in that you just have to make one big sale?

Cella: Well, that advantage--once you've got the listing and once you've got the sale, then it's up to you how much you can put into that state, and it depends really upon the way it's advertised more than anything else as to how that item will move. It's like having a captive business in a sense, unlike in the open states.

Of course this is a big issue that's been going on since Repeal--control states versus open states. There are arguments on both sides. We know this, that when control states have gone open, or partly open--like there are states now, for instance, Washington is an example, which was totally closed--now you have Washington with open portions and still going through state stores for the same item. We have seen, in a state like that and other states who have done that, where wine sales have increased dramatically. The industry, I would say, generally believes that they can do more to increase sales of wine in the open states.

The argument that is often put up on the other side is that through the control state, they're able to more control, if I can use that word, the sale of the wine to the betterment of alcohol flowing within that state. Yet it's readily available in the controlled states, so I don't know how that really does affect, let's say, temperance in the controlled states. I don't know that there's more temperance in the controlled state than there is in an open state.

Teiser: Is Oregon still controlled?

Cella: Oregon is controlled for spirits but it's not for wine.

Teiser: Well, thank you for discussing that.

Allied Grape Growers and United Vintners

Teiser: I have here a January 1961 press release from Allied Grape Growers.

Cella: That's when we sold our company to Allied. We sold Cella Vineyards to Allied in 1961.

Teiser: Yes, that would have been just when you joined it. And I wondered if--there are a lot of people listed here that we don't really have much data on. I wondered if I could ask you if you could comment upon some of them. Robert C. McInturf--do you remember him from then?

Cella: Oh sure. He was the chairman of the board of Allied and still is chairman of the board of Allied.

Teiser: He was president and director, it says, in January 1961. He certainly has had a long career.

Cella: My recollection is that he came from Indiana, was stationed out here during World War II in the Air Force. I'm not too sure where it was, whether it was Castle Field or some other airfield near Fresno. There was an Air Force base near Fresno. My recollection of what I can remember is that he had met a young lady, Rosalie, from the west side of Fresno whose father was a farmer, and my recollection was that his name was Hanson. He was quite a prominent farmer, I think he was very active in Sun-Maid. I say farmer; he was a grape grower. And I don't know what else he grew. And Bob, he married this young lady and remained here and became active in the activities of the family and was one of the people that Louis Petri had contacted in the formation of Allied.

So he was one of the original people to join. Bob was not the first chairman of Allied.* There was another gentleman whose name escapes me for the moment.

[phone rings]

Teiser: You said that he wasn't the first chairman.

Cella: No, he wasn't. I think he was the second and he's been the only one since then.

Teiser: Must be a good businessman.

Cella: Well, he's a good businessman and he's also, and I use this in the best sense, a good politician. You know when you're a head of an organization with literally 1,500 bosses--because that's what a cooperative is, every grower is your boss, it's the same as the manager of a trade association--you've got to have some talent to deal with people.

Teiser: Tilden E. Genzoli--

Cella: He was a vice-president at that time and remained a vice-president for many, many years. He's in that picture there in that Wines and Vines, as is McInturf.

Teiser: How do you pronounce his name?

Cella: Tilden "Jen-zoli."

*He was first elected chairman in 1956.

Teiser: He was a grower?

Cella: He's a grower. Everybody in Allied were growers except for the two or three members of the board who were representatives of United Vintners.

Teiser: Clarence Holland.

Cella: Clarence Holland was another grower. Also one of the original large growers involved from the Madera area.

Teiser: And Buddy Iwata.

Cella: Buddy Iwata. He's in this picture. He was a secretary or the treasurer of Allied, I've forgotten which one. I think it was secretary of Allied.

Teiser: Secretary and director, it says here.

Cella: He represented a cooperative in the Livingston area. And he was a member for many, many years, even up until four or five years ago. He's not a director now, as far as I know; he's still a member though. Or the organization is still a member.

Teiser: Among the then directors-at-large were Louis Petri and L.N. Bianchini.

Cella: Those were the two directors from United Vintners.

Teiser: Can you comment upon Mr. Bianchini?

Cella: Bianchini is Louis Petri's first cousin. Louis' father and Bianchini's mother were brother and sister. And Bianchini's still living. He was really the operational man for Louis Petri, particularly during this time of getting growers to sign. He was the man who was out in the field all the time, signing up grapes every year when they used to buy the grapes and then sign them up into Allied. And he was in charge of their operation of the old Petri winery in Escalon. Alba owned the place at one time.

Teiser: The general manager was Paul H. Huber.

Cella: Huber, that was right. He was a hired employee to run the organization, as you would have, for instance, in a trade association. In other words, Bob McInturf did not do the day-to-day work of Allied. He had his own vineyards and so forth, he was the chief officer, but the day-to-day running of the organization was Huber at that time.

Teiser: These are the officers of United Vintners: McInturf, Petri, Mortara, and F.W. Schumacher. I remember meeting Benny Mortara.

Cella: He's still around and he's still relatively well, and I see him from time to time.

Teiser: What was his position?

Cella: Well, he goes back to the old Petri Cigar Company. He was one of their first clerks in their office with Louis' father, Angelo. He was an accountant. He was with the company all the time and grew with the company and remained Louis' right-hand financial man.

Frank Schumacher was an employee hired as an accountant. He was more technically an accountant than Benny was. Benny did more of the corporate affairs, and corporate things, while Frank ran the office, the accounting department. And with Allied, of course, then he was very much involved with the accountability between the companies. Keeping records and all the necessary data.

Teiser: Then the directors of United and Allied were almost the same.

Cella: They were the same. They would have a meeting and when that meeting was over, the same people stayed right there for the next meeting for the other board.

I later became a member; when Cella Vineyards joined we were the largest grower.

Teiser: In January 1961 United Vintners had the same ones except B.C. Solari.

Cella: Okay, well, you see United Vintners, which was the operating company, had separate officers. In other words, we had the sales managers, we had the other regional vice-presidents and those types of people. And Solari would have been on that.

Teiser: We had hoped to interview Mr. Solari, but he was not well and then died. I'm sorry that we were not able to. Can you speak a little about him?

Cella: I knew Larry, or I knew of him, but I also knew him before I joined the company, because he was very active in the wine business in sales. He was not active in the early sixties as far as industry was concerned. Prior to coming to United Vintners he was with Guild Wineries, the company I'm with now. And he was also with California Wine Association. The old CWA.

Then I think he came with Italian Swiss Colony. When Louis bought Italian Swiss Colony, that's how Larry came there. He eventually became national sales manager in charge of all the sales of United Vintners, and remained in that position--

Teiser: He had joined Italian Swiss Colony under National Distillers?

Cella: National Distillers, right. And then came when Louis Petri bought it. I think he remained in that position until Louis retired, and then he became president. And then chief executive officer of United Vintners.

Teiser: Then he went to Heublein?

Cella: And then, it was under his direction--he was president and I was vice-president--that he and I and Frank Schumacher went back to Heublein and initiated talks with Heublein. And then continued those talks. That started in the summer of 1968. We had been approached by Lou [Louis R.] Gomberg.

Teiser: In behalf of Heublein?

Cella: [indicates yes]

Teiser: Heublein had gone to him to ask you?

Cella: To look for a winery, I guess, in California.

Teiser: And so he went to you?

Cella: [indicates yes] He went to Larry Solari.

Teiser: It only took one year of talks?

Cella: That's enough.

Teiser: So that's how it was initiated.*

Cella: I think maybe it was started in the spring or early summer. That's about all I know about Larry, other than the fact that he and Louis one time had vineyards up in Napa together, and Louis sold his interest to Larry. After that, Larry stayed on for a number of years, three or four years, and then Heublein started to bring in other people to replace Larry when he was going to retire. He had an employment contract and when that contract expired, he left.

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Cella: Larry Solari was a grape grower and he used to deliver his grapes to Allied and Allied into United Vintners. After his retirement, then he devoted himself to his own vineyards and continued to deliver his

*For further discussion of the sale to Heublein, see pages 58-61 and Appendix by Louis R. Gomberg.

Cella: grapes. And then he became ill after a number of years and, as you know, he has since passed away.*

Teiser: Were the vineyards extensive?

Cella: Well, for Napa they were. They were, I believe, 700 acres, which is a pretty big acreage in Napa. Total acreage, I really don't know what it was.

Teiser: He continued after Mr. Petri's death to operate the vineyards?

Cella: Oh yes, and his wife, as far as I know, still owns the vineyards, or the family still owns the vineyards, and his wife still lives in the house where they were living, on the ranch.

Teiser: James McManus was manager of the Marine Division.

Cella: Well, if you recall, Louis did something which was unheard of, and that is he had this ship put together to carry wine. He named it the S.S. Angelo Petri. And he had a winery in New Jersey, in Newark; and another bottling and unloading facility in Houston. That ship used to go from Stockton, where we built some tanks there for storing the wine--the ship would come in, load up, go down through the canal to Houston, unload part there, and then go on to Newark and finish the unloading over there.

From Houston the wine used to go up on barges up to Chicago, where we had a bottling winery. This had a tremendous effect in reducing freight rates by the railroads, because there was competition.** McManus was the man that Louis had hired to run that one ship in this Marine Division. But you know it was a very technical operation that nobody else knew anything about. Jim had that background. And I really can't tell you what his background was, but I know he had a marine background. Whether it was in parts, shipyards, or some shipping company, I really don't know. He has since passed away too.***

Teiser: Has he?

Cella: Oh, you're thinking of the one that was on the Brandy Advisory Board, Jim McManus.

*He died April 5, 1984.

**See also Petri, op cit.

***On November 22, 1972.

Teiser: That's another person?

Cella: That's another person. Two different people. No relation, either.

Teiser: In charge of production at this time was Robert D. Rossi, Jr.

Cella: Yes, Bob was the production man. He succeeded Bianchini. Bob was the one who worked with me, and Bob has a long background in the wine industry also, going back to when he was a young man, when he got out of the service. He was in Fresno for a while. He worked for Italian Swiss Colony, at the Tarpey Winery by the airport there. And from there came up to San Francisco.

He's a San Francisco-born person. His family has been in San Francisco for generations and is a very prominent wine family.

Teiser: Well, that exhausts my list here of people mentioned.

Let me take you back to the actual formation of Allied in 1951, which Mr. Petri did describe in his interview, dramatically. You knew him then, of course.

Cella: Oh yes. Louis's parents and my father and uncle were long-time friends going back to the days of prohibition. While my uncle was out here, my father--I think I told you--lived in New York City. And I can recall, as a young boy, when the Petris would be coming back or going on a trip to Italy, they would stop and we would see them for a while. And Louis eventually met my cousin Flori, who was my uncle's daughter, and they were married, if I can remember, in 1935. I was in the wedding party.

But our family, in the 1920s, had bought stock in the Petri Cigar Company and we were a shareholder of the Petri Cigar Company. Oh, I've forgotten what the percentage was, 27%, 24, 25. And, as these things developed, including the formation of United Vintners, we all, as individual stockholders, also received a part of the sale to Allied, and all received our payments, same as the Petris did and the other members of that corporation. People like Bianchini, they were stockholders, and there were some old friends that were still stockholders. But Louis and his family, of course, were the major ones.

Teiser: That was when United Vintners was sold to Allied in 1959?

Cella: [indicates yes] But we were all part of that corporation well before that. Going back into Prohibition days.

Teiser: Do you remember anything about the formation of Allied in 1951?

Cella: I really don't--you see, I was then not part of that operating group. I was with our own family wineries, with Cella Vineyards. So anything that I heard, or knew of, was the same thing in fact as anybody else would have heard, I mean the conversations that the family had together about what was going on. But it came about at a time when the wine industry was in such terrible condition that the surplus of grapes--you'd go out and buy grapes and no matter what you had paid for them you never knew whether you were going to still be able to sell the wine at a price that you could recover your costs.

And Louis one time said, "Well, look, if I'm going to have to do this every year, I'm going to try to find another way to do it." And the other way to do it was to say, "Okay, you growers, you want me to crush your grapes, you bring the grapes in and I'll sell them for you and then we'll share the profit." That was really what he had in the back of his mind. And it developed that way. And then finally, I think some place along the way--even in that [Wines and Vines] article he talks about, how he used to argue every year about what the percentage should be. That's when he said, "Okay, you buy me out then." And they said, "Okay," and they did. And it turned out to be a very good deal.

But other than that, I was not involved with signing up growers or doing anything. I signed my papers, in agreement to it [laughs] like the other stockholders did. But that's about the most I can tell you.

Teiser: In the 1959 sale of United, were you consulted about that?

Cella: Yes. My uncle died in 1959. But this was going on for some time before that. Yes, we were involved. We were consulted. We had talked about it, very much so. In fact, during that period of time we even had conversations with Louis as to whether Cella Vineyards would be included. If we could put Cella Vineyards into United Vintners then we could make that sale at one time. We thought it best not to inject another element into it, so we forgot about it. Then my uncle died. And then in 1960 my father died. So, my cousin Ebe and I followed up with Louis and eventually made it in 1961.

Teiser: I'm recalling that when I interviewed Louis Petri, his secretary-- and I can't think of her name--

Cella: Iola. And she was with Louis for many years.

Teiser: I even knew her last name. Guaraldi. She used to call him "Lewis," pronounced his name that way. You and everyone else called him "Louie."

Cella: [indicates yes] She always called him "Lewis."

Teiser: I wondered if other people in the family had.

Cella: His mother did.

Teiser: Lola was very nice.

Cella: Oh yes, she was absolutely just a wonderful person for him to have.

The Sale of United Vintners to Heublein, 1969 and 1978

Teiser: Then the sale to Heublein in 1969*: why did United Vintners want to sell? Why were they willing to?

Cella: Why? Well, here again, you may recall that at that period of time we were just about getting to the point in the industry where table wines were becoming more and more acceptable. They still were not in the majority of the volume sold. It still was dessert wines. But it was beginning to take a great deal of capital, a great deal of financing. And being a cooperative, it's a lot more difficult than it is being an independent corporation.

Teiser: Why was it taking more capital?

Cella: To convert these wineries over from the dessert wine producing wineries to the necessary equipment, tanks, etc.

Teiser: It takes more tanks?

Cella: Oh, more tanks, absolutely. It's twice as much if you're going to keep the same volume of grapes. You know, we improved the method of fermentation, too, refrigeration, storage, stainless steel. Of course, stainless steel probably would have come about even if we had stayed with dessert, but not as much. Fine wood tanks. Casks. You start going into various small oak casks. These wineries were beginning to get to a point of really having to be refinanced.

I don't think we would have sold to anybody else except Heublein at that time. Here was an organization who had a unique reputation; they were selling primarily spirits, but they were also selling quality, premium type of products, including Smirnoff Vodka. They were the sole importers, and they still are, of Lancers. And Lancers, at that time, was the number one imported wine.

*See page 54.

Cella: They had the means, they had the ways of marketing that we all felt, here's an opportunity to really latch onto a company that has the expertise and the money to give us a push in the marketing of wines that we weren't able to generate. And it was almost as simple a thing as that. But it had to be the right one with which we would have done it.

There were a couple of other companies that had looked at us, not associated with the wine business or the distillers of spirits business. You know, a separate kind of company, like an R.J. Reynolds today, let's say. It wasn't R.J. Reynolds, but I mean, we had been approached by others also.

But this was something unique and the growers could see that what they had and what they sold to us as management and to the growers was that they were people-oriented and their concern was with people. And to sell this we had to sell to the growers. The growers were not totally receptive. They had meetings up and down the state, different district meetings. People from Heublein as well as from United Vintners would go there and make a presentation to show what they were attempting to do. And it took the efforts of a lot of people to finally approve it.

Teiser: At Heublein was there any one person who was leading?

Cella: Well, there were a number of people. One was Mr. Stuart Watson, who eventually became chairman of the board of Heublein. There was a man by the name of Ed Kelly; he was executive v.p. at that time. There was a man by the name of Ed Hennessy. He was the treasurer at that time. There was a man by the name of Casper who was the attorney at that time. Of course there was Mr. [John G.] Martin himself, who was-- I shouldn't say the founder of Heublein because it goes back even before his generation--but his family was a Heublein. I don't recall if it was his mother, or who it was. He was still very active with the company at that time. He was chairman of the board. There again, while it was a public corporation, he ran the company, and if he said yes, it was yes; if he said no, it was no. He came out a number of times on behalf of Heublein and we were all very impressed with him.

Teiser: When the three of you went east to talk, whom did you talk to?

Cella: Oh, there's one other man. Ralph Hart. He was very, very important in this. He was the president at that time, if I recall rightly. Mr. Martin was the chairman, and then Stuart Watson and Kelly were vice-presidents.

Teiser: So they all concurred that it was a good idea?

Cella: Oh yes, they were sold on it more than we. We in management, we were sold pretty early in negotiations. Allied took a considerable amount of time, particularly because they weren't going to do it unless they had a hundred percent approval on the part of the board. And the first couple of times, two or three of them just voted no. It took some doing to convince them to go along with it.

Teiser: Did Louis Petri get in on--?

Cella: He was being consulted on it. I particularly worked with Louis to convince him to do this. Because at first he wasn't going to do it. One of the biggest deliverers of grapes was Grape Factors. Grape Factors was another company owned by the family. And what Grape Factors did was buy grapes and then deliver them to Allied as a non-voting member. They were not growers.

Teiser: The Petri family?

Cella: The Grape Factors was a corporation set up by Louis and our family. All the people who owned stock in the original United Vintners and the original Petri all became stockholders in this company. It was created to buy grapes to deliver to Allied. In certain years they were bigger than Cella Vineyards, much bigger in fact, delivering the amount of grapes that they did.

Teiser: They didn't grow grapes, they just bought and sold?

Cella: They just bought the grapes*--got the money and so forth--and they waited for their payment the same as the grower, and they participated in the profit. But they were not a voting member. And they always needed to have this; otherwise Louis would have pulled out. As far as the grapes are concerned, he probably would have done some other things also. So, yes, he was consulted, and he was eventually in favor of it and approved of it. In fact, came to the board and told us so.

Teiser: Had Louis Gomberg been active in anyone else's behalf, in any of the other offers that you had had?

Cella: Not that I'm aware of, but then, I don't know. He probably, if he did have anything else, would have gone to Larry [Solari]. [For Louis R. Gomberg's recollection of how the sale of United Vintners to Heublein came about, see Appendix.]

Teiser: So in 1969, Heublein bought 82% of the stock of United. How come they didn't buy all of it then?

Cella: Because Allied wouldn't go for selling everything. They wanted to have some input in the operation of the company and it was such a complicated thing, Ruth. I think that was really the demise of the sale eventually,

*But see page 65.

Cella: because it was always a business that--I shouldn't say always, the first year or so everything was fine--but eventually it became one of these things where when you're a minority stockholder you just don't have the voice that you think you do. And they felt it, I guess, right away.

After all, Heublein paid a fair price for it, a good price, and they were running the company. But it was such a complicated formula and everything else, and conditions that I couldn't even go into. But they would not have sold unless they were able to keep that [18 percent].

Teiser: Well, did Heublein go ahead and run the company well?

Cella: Well, I think so. Of course, it's easy to look back now and to say that certain things were done which perhaps were not what I would have done, but that's again an individual point of view. They left the company intact, let's say, when they bought it. At least initially they did. Later on they made changes regarding people--particularly in the sales and marketing end. They really weren't too concerned about the operations, the production end of it. But I'd rather not make a judgement as to whether they operated well or not. I guess maybe the answer is what happened to the company and how it did end up.

Teiser: What made everybody agree to sell the remaining 18 percent in 1978?

Cella: Oh, that was a result of the court decision. And it was also part of the agreement in the contract where when they sold they would have to sell at a certain formula. But that case, of course, is voluminous.

Teiser: That was the anti-trust case?

Cella: Yes. Well, there were two things: there was the anti-trust case which was against Heublein, and then there was Allied's case against Heublein and United Vintners. The court ruling was that, first, Allied had to sell--now I'm going by memory so if you want to really get the technical end of it, there's a volume of this available and I can get for you--but basically my recollection is first of all, they ruled that they had to sell their 18 percent and the other thing was that under the agreement that had been made, any and all grapes had to come from Allied. United Vintners could not go out and buy any grapes. And they could not go out and buy wine in place of grapes unless grapes were not available. So, under the ruling of the court, they said no, United Vintners is to go out and buy grapes from an outside source; Allied would not be the sole source of the grapes.

Cella: That suit, which Allied brought against United Vintners, really divested them from anything in the company. And this happened just before the [crushing] season coming up. It would be around 1980, '79. And here we were, coming into season, no agreement, no contract with Allied. And here they were with a couple of hundred thousand tons of grapes and no place to deliver them. So we worked night and day to finally work out an agreement with them to deliver the grapes. Another agreement. So it was a terrible messed-up thing that really tore things asunder between people, between companies, something that unfortunately happened that shouldn't have happened. It could have been avoided.

Teiser: Was it to the detriment then of the whole operation?

Cella: I think so; yes.

Heublein's Sale of Major California Properties, 1983

Teiser: Do you think that that was a prelude to the sale of some of Heublein's properties in 1983?

Cella: Well, no, I don't think it was a prelude to it. I think it was a prelude to Heublein's wish and desire to get out of the wine business, or that part of the wine business. Knowing Allied wanted always to be back in the wine business and wanted to turn back the clock as if nothing had ever happened gave them an opportunity to sell to them. And--here we are! Welcome home. So through Heublein's financing, through Allied's financing, and through the growers' financing, all of which put up money, this sale is possible. And Heublein sold basically everything in the way of brands other than Inglenook, and other brands--I've forgotten which ones. Beaulieu was not involved because it never was involved with United Vintners. Heublein had always kept that separate, so that was never an involvement at all as far as BV is concerned.

But they sold the wineries with the exception of the wineries in Napa because that was part of Inglenook. They sold the Reedley winery, which had been a part of our family winery. But Heublein kept Madera. They sold the Escalon, the Fresno winery. Well, I think the Fresno winery Heublein may have already sold.

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Teiser: So they sold the Fresno winery--

Cella: That was the old Tarpey plant, one of the big Italian Swiss Colony wineries. They sold that, or donated it to some pension fund rather than try to operate it any more. They kept the Madera winery. They

Cella: sold the Escalon winery, the old Petri winery, they sold the Lodi winery, they sold the Asti winery. I say sold, they sold it to Allied. So Allied now owns those wineries.

Teiser: Had Heublein's focus meanwhile changed?

Cella: Oh, I don't think so, no, no. I just think that they saw it as a part of the business that was not profitable enough, and that they poured literally millions and millions of dollars into this business, with no results. So they just wanted out, and they got out. But their focus remained the same. They're a leading marketer of spirits and top brands. They had acquired Ortega Foods, they had acquired Kentucky Fried Chicken, they had acquired a Mexican chain of restaurants in the midwest, and they have A-I Sauce. And they had gotten into Brazil and they've had difficulties there, but primarily because of the inflation rate. The Brazilian economy is so inflated that you just can't keep up with it. But they have great imports; they still have Lancers, they have a good line of Italian wines, French wines and German. They have Harvey's Bristol Cream.

And then, of course, eventually Heublein sold out to R.J. Reynolds. And they are now owned by R.J. Reynolds.

Teiser: You continued with Heublein then, until 1981. How did you happen to decide to change?

Cella: I didn't decide to change. I was asked to take an early retirement. I had no choice as to whether I should or shouldn't. I had no thoughts or retiring. I had certainly thought--I was less than 65 at that time, about a year-and-a-half to go, if I recall--and I certainly thought that I would finish out my career with the company. And had looked forward to retirement at that time. Then this happened and they advised me that they wanted me to leave. I, of course, was concerned. More than a little upset.

Bob [Robert M.] Ivie was president of the Guild [Wineries and Distilleries], and had worked for me at one time at United Vintners. He was the specialist in distribution and transportation, and we had sent him to Newark to try to straighten out our operation there. Anyway, he had heard about it and we had lunch one day, and he told me he'd like me to come with him, and I went with them. I'm past 65 now, but the company did not request that I take a retirement and I'm happy doing what I'm doing, and enjoying my work. It's one of the nice things that I was fortunate to end up this way, rather than just end up the career with a little bitterness in the leaving.*

*See also pages 66-68.

Teiser: I gather that Heublein was winding down here, and that's why they decided that your services--

Cella: Oh yes. I was not the only individual let go at that time either. This was a general dismissal of quite a number of people.

Teiser: Why had they earlier quit the Wine Institute?

Cella: Ruth, there's certain things I'd rather not say. One of the reasons was that the company was really not profitable for a number of years and they were paying dues that amounted to over a half a million dollars in dues. When a company is not too profitable, you start to look around as to where you can make some savings and this was one of the things that they looked at. During that time, if I recall, there were maybe two or three other wineries that also resigned. Business was not that good. That was one of the reasons.

These larger companies, they had a big, big staff of people there in all phases of the operation. In the operation as far as production is concerned, in the operation as far as the office is concerned, in almost any field you could think of.

Teiser: If the whole thing had gone in a quite different direction, if Heublein hadn't bought United, would it have survived, do you think?

Cella: I think so. I think so. But, you know, those are "if" kinds of questions. If I hadn't done this and if I hadn't done that. If our family had not sold our company, would we have been able to survive, would we be as big as so-and-so? It's difficult to even imagine. I think that this company would have survived. I think that it would have survived because there were enough people and talent involved who really knew the wine business and I think could have adapted. Maybe not as quickly, but some way or another, I feel that yes, the company could have survived.

The Sale of Cella Vineyards, 1961

Teiser: I want to ask you about the operation of Cella Vineyards then, from 1961 to the time it was liquidated.

Cella: Well, the winery was sold in 1961. The corporation, Cella Vineyards, remained intact, operating the vineyards. And that--I can't even think of the year now when it was--

Teiser: I think 1971.

Cella: That's right.

Teiser: That was the last year you were president.

Cella: That was it. And during that time, we operated the company solely as the owner of these vineyards, still delivering to Allied. And as we had the opportunities we sold the vineyards too. And this was a family judgement; we thought that was a better thing to do than to stay in the grape business.

Teiser: Did you have vineyards all over, or--?

Cella: We had vineyards primarily in the Fresno area, by Reedley, right around the winery area, where the winery was. We had vineyards at Livingston; we had vineyards at Snelling, those in the Central Valley. Snelling is east of Merced and Livingston is just by Modesto. And we operated a vineyard that Grape Factors had up in Ukiah.

Grape Factors did have that vineyard up there, but it was a small part of the grapes that they delivered. So, all in all, at that time, there were maybe two thousand acres. In those days, it was a pretty good size operation. Today, of course, you hear five and ten thousand acre vineyards. It's all relative. The same thing when we sold Roma, the biggest in the country. It's insignificant today in size.

Teiser: When you sold the vineyards did you sell them all together?

Cella: No, no, no. We sold Livingston first, sold the Snelling secondly.

Teiser: Whom did the Livingston--?

Cella: The Livingston went to the Pirrone family. I don't know if you know them. I don't know that they still own it. The Snelling ranch we sold to a man by the name of Hollis Roberts who was a very big, big farmer in the Central Valley, all below Fresno, near McFarland and that area. He was in almonds, cotton, everything, and he bought this vineyard.

Then we sold part of the Reedley property--it was really separated from the main vineyard--to a family in Fresno by the name of Quinn. They were the people who had Budd and Quinn Tractors. You may have heard of them. And then we sold the main property to a shipper in Reedley.

We did sell some of the land right around the winery to United Vintners. I was concerned that, knowing that we were eventually going to sell the vineyards, that as long as I'm here and we own the vineyards, you won't have any problem. But if somebody else--if all of a sudden you're up against somebody else's property, and you've just got the winery on its own property without even any place to expand or anything like that--you're in trouble. So finally, we agreed that they would buy some--we sold 80 acres at a very reasonable price. [laughs] I think that's the history of the family.

Teiser: You got entirely out of the vineyard business?

Cella: Entirely out of the vineyard business. There is no family company or corporation anymore, and I individually don't own any kind of farm property at all. The only thing that I own in the way of property is this apartment. [laughs]

Teiser: You don't have to worry about the weather now--

Cella: There have been years when you'd think, "Gee, I wish I hadn't gotten out," and then other years, like last year, you thank the almighty God that you did get out. You know, it's an up and down business. If you enjoy it, it's wonderful, but it's very difficult and tough.

John B. Cella II, Vice President, Guild Wineries and Distilleries since 1981

Teiser: We got up to your affiliation with Guild. What is your--?

Cella: My title is Vice President, Commodity Sales, and as I explained before, that's what I was hired for and that is entirely what I do. I handle all our sales of commodity. Wine, grape juice concentrate, and brandy.

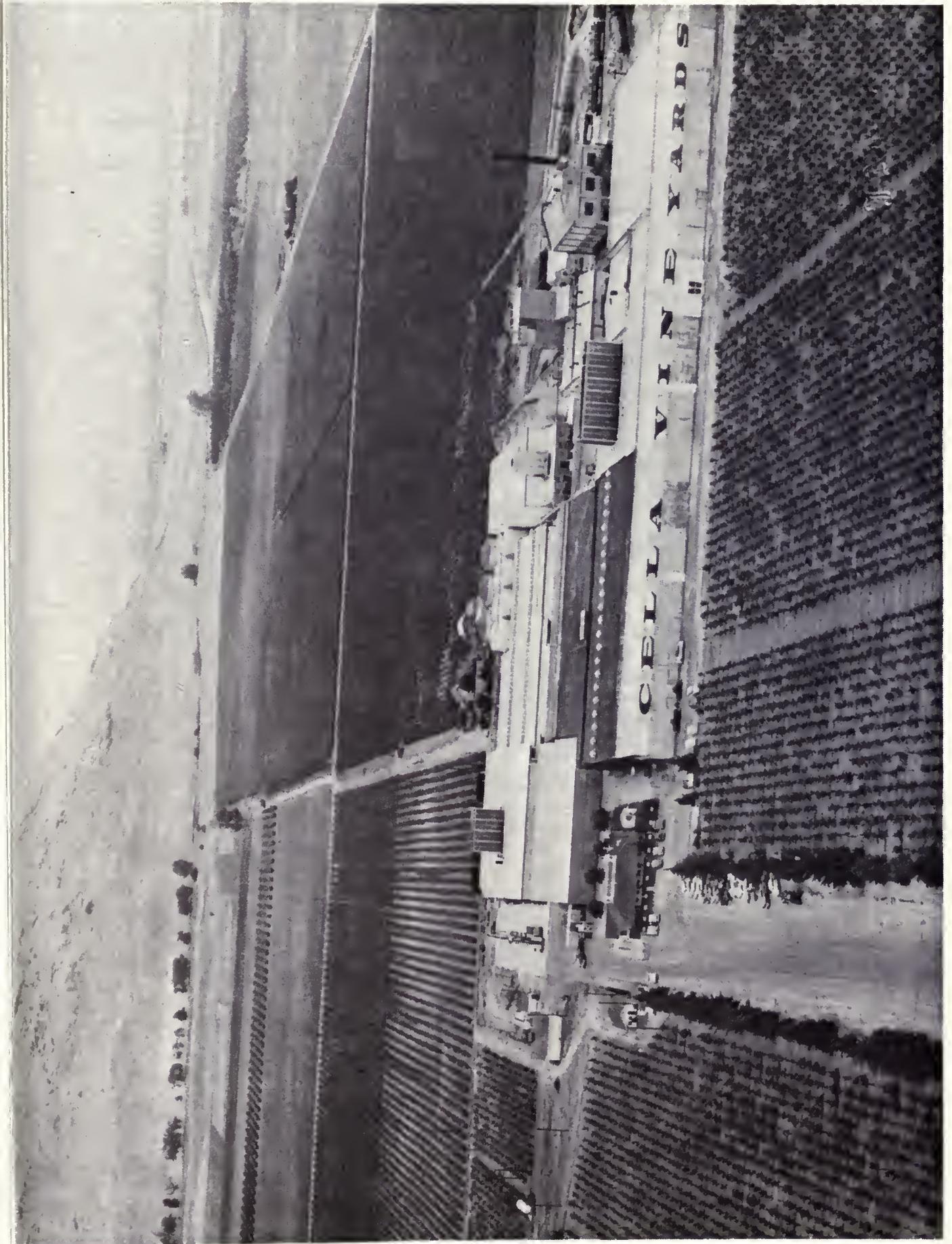
Teiser: Could you describe Guild, what it is today?

Cella: It is a cooperative, similar to what Allied was--well, I shouldn't say similar. This is a cooperative consisting of five-hundred-some growers--located from Ukiah down to below Fresno, almost the same area as Allied had--that has and owns various brands including Cresta Blanca, Roma, Cribari, Mendocino Vineyards, and Cook's Champagne. Those are the major ones. They also have Quinn's Cooler, as a cooler type of product. They produce champagne, brandy, vermouth, dessert wines, table wines. We have wineries at Ukiah, which is the Cresta Blanca Winery now.*

Teiser: That's for sale, is it not?

Cella: That's for sale. We have a winery, Del Rio, which is near Lodi--that's for sale. And we have two others in Lodi, Central Cellars and Bear Creek, which are not for sale. Bear Creek is a good-size winery, and so is Central Cellars. We have the largest winery in Fresno, called the Cribari Winery which is our original Roma Wine Company. Out by the airport we have a winery called the Fresno Winery. That was the old Alta Winery. Remember Bev [Beverley W.] Goldthwaite? You may remember this as Cameo. And that has been sold.

*The original Cresta Blanca winery was in the Livermore Valley; the premises are now occupied by Wente Bros.



Cella Vineyards winery, Reedley, 1951 or 1952

Teiser: Why are these big wineries for sale?

Cella: Well, because our operation is such that I think the company here again made a mistake and they over-expanded and have too many facilities. We don't need them. And, to operate all of these is a lot more inefficient than it is to operate one or two or three good central operating wineries. We have another one outside of Fresno on McCall between Fresno and Sanger, McCall Winery. This was owned by a man by the name of Gazzara. It was known as the Crestview Winery.

And then we have a winery down in Delano. This is a winery that they acquired when they bought the wines and vineyards from Schenley. And that's for sale.

What we want to hopefully wind up with is the Cribari Winery in Fresno, the two wineries in Lodi, and that's it. As long as we have Cresta Blanca, we have the brand, we'll keep the winery up there too.

Teiser: You spent a lot of money of the Cresta Blanca winery a few years ago.

Cella: Oh yes, we did indeed. And it is a fine, premium operating winery. We have to find the right person who's willing to go out and market that and put some money behind it.

Our president [Gerard M. Pasterick], he's not a grower. He has had extensive winery experience. And then we have a group of vice-presidents, like myself, one in charge of national sales, one in charge of commodity sales, one in charge of control states, and then private labels that we do for supermarkets. It operates very much like any other commercial company, but it's basically a cooperative.

Teiser: You have very good production people too, don't you?

Cella: Excellent production people, particularly the top man, Elie Skofis, who has been in the business almost as long as I have. A fine man, very highly thought of in the industry.

Teiser: A great brandy man, isn't he?

Cella: He's, I'd say, one of the, if not the top brandy man. And this is not to take anything away from Mike [M.S.] Nury who is certainly in a class by himself also. He and Elie are kind of unique, I'd say, in their background on brandies. But Elie's had a lot of other experience in the running of all these wineries. He's the man that everybody reports to in production.

Teiser: So you have landed in a really very active position.

Cella: Very active position. I'm working full time. I mean, it isn't just a part-time thing or a consulting thing by any means. It's a full-time position.

Teiser: Wonderful.

Cella: And I'm enjoying it, Ruth.

An Overview of the Wine Industry

Teiser: As an observer in the wine industry for quite a number of years, do you think that we're going to pull out of this current slowdown?

Cella: I do indeed. And I say that with no figures, or anything that startling, that's going to amaze you, or, "Gee, why didn't I think about that?" No, it's just that this is a product that is acceptable. It is not one that is going to be substituted by another type of product, in my opinion. And I think that like most businesses, and particularly the wine business, it has gone in spurts. And we kind of reach a plateau and all of a sudden an interest starts coming again, the appreciation of wine.

The major things right now, in my opinion, that are holding us back, are: first, the health aspect, that people just generally don't want anything that they think is not healthful, and particularly if they think it's harmful. And the other thing, of course, is drinking and driving. That is a concern of certainly every mature person, and I guess there's just no way to overcome that. You just don't do it. And so, with that in mind, consumption is going to have to come from a different base. Hopefully, in my opinion, more people will drink wine at home. Or when they do go out, they'll be going out in groups and they'll have--instead of a designated hitter like they have in baseball--a designated driver of the car to take you home.

The U.S. dollar has also affected imports.

But I'm very optimistic about the wine industry. And I don't see it as something that's going to happen ten years from now. I think we're going to start seeing some appreciable increases within the next two years. I just feel that way.

And I think also, what's going to be helpful is that I think our grape supply is getting more and more realistic as to our needs. The closer we come to that, the easier it becomes ultimately to market the products. No, I'm optimistic, and I look for a real increase in consumption, not necessarily on the part of individuals who are now



John B. Cella II at the time of his interview, 1986

Cella: drinking, but in spreading it around to more people. Even though Europe and Italy are showing signs of going down, it's such a big difference between our consumption and their consumption per capita! It's incredible. We're not going to double our consumption overnight, but just doubling on the low base that we have now, we would be out of business [laughs]--we don't have enough wine.

Transcriber: Jolene Babyak, Ernest Galvan
Final Typist: Elizabeth Eshleman

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APPENDIX

Response of Louis R. Gomberg to inquiry regarding his recollection of how the sale of United Vintners, Inc. to Heublein, Inc. came about:

After calling several California winery availabilities to the attention of Heublein's major part owner and chief executive officer, John Martin, and learning of his disinterest, I then brought to his attention the possibility that United Vintners might, just might, be available. His response: Now that's the kind and size of property that would interest us. In the following months, a number of meetings were held, both in Hartford, Connecticut, and in San Francisco, leading to Heublein's decision to buy. More than a year elapsed before the deal was finally concluded because one of the conditions of purchase was a ruling by IRS that the transaction involve the tax-free exchange of stock. Such a ruling was obtained many months after the parties had agreed upon all the terms and conditions, and all of them had been carried out to completion.

(Letter to Regional Oral History Office, 1986)

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Ruth Teiser

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