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## Historic winery Far Niente just bought a major 133-acre vineyard in Napa Valley

The new Carneros parcel brings Far Niente's total land holdings to 523 acres

Esther Mobley | July 21, 2021



— Far Niente Winery was founded in 1885, abandoned during Prohibition and then revived in 1979. Michael Short/Special to The Chronicle 2018

Far Niente, one of Napa Valley's oldest wineries, has purchased a 133-acre vineyard in southern Napa from Clos du Val Winery — a significant land grab for the region. The new property, which was known as the Gran Val Vineyard under its previous ownership, brings Far Niente's total land holdings to 523 acres. A purchase price was not disclosed.

The acquisition shows how invested Far Niente is in owning its own vineyards, which is notable in an era when many larger wine companies are moving away from that so-called estate model. Many of the highest-profile winery purchases in recent years have been of brands only: Constellation paid \$315 million for Meiomi in 2015 and \$285 for the Prisoner; neither deal came with any land.

CEO Steve Spadarotto said he hopes to double Far Niente's land holdings in the next several years, aiming to increase production of Cabernet Sauvignon and to expand the number of brands it sells. Currently, Far Niente encompasses six wine brands, ranging from single-vineyard Napa Valley Cabernet to Russian River Valley Pinot Noir and a Sauternes-style dessert wine.



— Far Niente's Oakville winery was originally founded by John Benson, the uncle of famous painter Winslow Homer. Michael Short/Special to The Chronicle 2018

"We've always been very supply restricted. We always run out of wine," Spadarotto said. "We realized as part of our longer-term strategy we really need to buy more vineyards." Across its various brands, the company makes about 160,000 cases of wine per year. Between 50% and 60% of those wines are produced from vineyards that Far Niente owns, which isn't an atypical proportion for a wine company of its size.

In Napa Valley, vineyard land can sell for \$300,000 to \$350,000 an acre, according to some estimates, making this purchase a major one. For Far Niente, whose Chardonnay is one of its best-selling wines, the purchase represented an opportunity to ensure a steady supply of Chardonnay grapes in the coming years, said vice president of winemaking Andrew Delos. Those grapes have become

difficult to find, he added, as more Napa farmers are replacing their Chardonnay plantings with Cabernet Sauvignon, which can command higher prices.

The Far Niente Chardonnay sells for \$70 a bottle, while its flagship Cabernet Sauvignon is \$250.

The vineyard is located in Carneros, whose proximity to the San Pablo Bay makes it one of Napa's cooler growing regions. That made it appealing from a climate-change perspective, Delos said, potentially giving the company more flexibility if other regions become too warm for certain wine grapes in the coming decades. The parcel currently has 60 acres of Chardonnay and Merlot grapes. Far Niente will plant an addition 73 acres of grapevines in the spring.



— Far Niente's historic stone winery in Oakville. The wine company has expanded to include several other labels in recent years. Michael Short/Special to The Chronicle 2018

Far Niente Winery was founded in 1885 by John Benson, a gold-rusher and uncle to the famous painter Winslow Homer. It was abandoned during Prohibition, and its grandiose stone winery sat unused for decades. In 1979, Gil and Beth Nickel bought the winery and restored it, producing their first wine in 1982. The business' newest vineyard has a similar timeline: Originally a cattle ranch, it was planted as a vineyard in 1980.

Far Niente has expanded a lot during recent years. In addition to its longtime labels Far Niente, Nickel & Nickel and Dolce (a dessert wine brand), it sells EnRoute (Sonoma County Pinot Noir, launched in 2009) and Bella Union (Napa Valley Cabernet Sauvignon, launched in 2015), each of which has its own winery and estate vineyard. Last year, the company introduced Post & Beam, a lower-priced line of wines coming from vineyards throughout Napa Valley.

Customers can expect to see more brands launched in the future, Spadarotto said, as well as more vineyard purchases. While most of Far Niente's Napa Valley land holdings are located on the valley floor, primarily in Oakville, Spadarotto said his team is very interested in finding a parcel in one of Napa's mountainous areas. "We're specifically interested in increasing our Cab footprint in Napa," he said, referring to Cabernet Sauvignon grapes, though he expects to purchase land outside of Napa Valley too.

"We've looked at purchasing a lot of things, just never pulled the trigger," Spadarotto continued. "We're slow to innovate, but when we do, I think it's meaningful."



— Customers at a wine tasting at Far Niente Winery in 2018. Michael Short/Special to The Chronicle 2018