

The *Decanter* interview

# Barbara Banke

It's three years since she took over as head of Jackson Family Wines, following her husband's death. Barbara Banke has since embarked on a spending spree, with a mix of spirit and strategy. Adam Lechmere meets a woman firmly in control

THERE'S A PUBLICITY photograph of the Jackson Family Wines team in which Barbara Banke, diminutive, stands smiling comfortably in the back row. If you didn't know she was the chair and proprietor of this vast company, and one of the most powerful women in the American wine industry, you might assume she was a valued but by no means the most important member of the team.

This modest demeanour is a contrast to that of her late husband, Jess Jackson, who was a private man but always liked to be photographed in front of a mountain, they used to say – preferably one he owned. When Jackson died of cancer in 2011 it might have been difficult to predict the trajectory the company would follow over the next few years. Jackson Family Wines had been less active in the acquisitions market for at least a couple of years, as its figurehead – a 'titan', as many obituaries described him – realised the extent of his illness and set about getting his books in order.

'During the last few years, when the market went down, Jess was aware that he was in poor health,' Banke tells me. 'He wanted to clean up things so that it would be very easy for me, so he made no acquisitions, tried to control costs, and stripped the whole operation down to essentials. So when he died, fiscally we were in good condition.'

Jackson's death and Banke's taking over of the company (she points out that as vice-chair she had been intimately involved since 1988) coincided with world markets picking up, a shortage of grapes such as Pinot Noir, and some very attractive acquisition prospects. So Banke embarked on what might be described as a spending spree. First there was the 182-hectare Hickinbotham vineyard in South Australia's McLaren Vale, then 405ha in Carneros, nearly the same amount in Mendocino, land on Spring Mountain for the company's flagship Napa wine, Lokoya, the Zena Crown estate and very

recently the Solena estate in Oregon. Between early 2012 and 2014 she added some 17 new properties to the portfolio, spending 'a little bit more' than US\$200m in the process.

## Global empire

Banke now runs a US\$604m-turnover wine company which spans the globe, from Willamette Valley in Oregon, through 11 major AVAs in California, to St-Emilion, Tuscany, McLaren Vale, Casablanca in Chile, and joint ventures in New Zealand and South Africa. Kendall-Jackson, one of Jackson Family's 40-odd brands, accounts for the lion's share of revenue. Then there are the various charitable foundations, the Jess S Jackson Sustainable Winery Building at UC Davis (she's passionate about the issue). And the Stonestreet Farm racehorse breeding centre in Kentucky, which has produced two Horses of the Year, multiple winners, and earned its clients US\$31.3m in prize money so far. She wasn't into racing at first, she says, but quickly caught the bug. 'Oh my gosh, was I hooked.'

On the wine front, there hasn't been an announcement of a winery or vineyard purchase for a couple of months now. Has the acquisition drive slowed down? 'It's slowed down but it hasn't stopped. I would love to buy in Burgundy, but it's a difficult proposition – you really have to be on the inside to get what there is available. Eventually we'll get something. We have friends there.'

But, she adds, 'I'm trying to be more strategic in terms of what we need. It's not that we had no strategy before – we had a definite list of things we needed in terms of grapes and facilities. But it was also a perfect time to buy, and some great assets came on the market.'

So there were also times when it was just too tempting. They were looking for land in Australia,

## Banke at a glance

**Born** 29 August 1953

**Education** UC Hastings College of Law in 1978.

**Career** Lawyer until 1981, practising as a land use and constitutional attorney, arguing cases before the US Supreme Court and Courts of Appeal; proprietor of Jackson Family Wines since 1984, becoming chairman in 2011 following Jess Jackson's death

**Family** Married Jess Jackson in 1984 and had three children: Katie, Julia and Christopher; two step-children: Jennifer Jackson Hartford (married to Don Hartford of Jackson Family Wines) and Laura Jackson Giron; two grandchildren

**Interests** Yellow labradors, thoroughbred horses and horse racing, WholeVine sustainable products, philanthropy/ community support

for example, to supplement the Yangarra estate in McLaren Vale, and Banke asked the winemaker Peter Fraser to see if there was anything they could landbank. 'He came back and said he couldn't find anything to landbank but that one of the best vineyards in Australia was available...' She pauses. 'Does this make me sound like a shopaholic? Uh-oh.' This last is delivered with a throaty chuckle.

While all this shopping has been going on, there is also a concerted effort to bring Jackson Family into the premier league. The company has never been shy of staking out territory among the great – and most expensive – wines of the world, and the first vintage of its homage to Pétrus, the 1998 Verité, made headlines when it was released at US\$150. But Banke has reached a new level of confidence – and Verité underpins it.

## Premier league

The evolution of Verité, in fact, neatly encapsulates the way Jackson Family has grown in the past 15 years. Jess Jackson first had the idea in the late 1990s of making a California Merlot that could be the equal of Pétrus, and he asked Pierre Seillan (who was consulting for him at the time and now

runs the company's Château Lassègue in St-Emilion) if it would work. 'Why not?' said Seillan.

There are now three Verités, based on Cabernet Franc, Merlot and Cabernet Sauvignon. For the last few years Banke has come to London to show them alongside her flagship Napa Cabernets: the Lokoya quartet, one wine each from Mount Veeder, Spring Mountain, Diamond Mountain and Howell Mountain – and Cardinale, from Oakwood.

Last year Banke decided the time had come to bring the fight to the competition, and put on a comparative tasting in London: different vintages of Verité, Lokoya and Cardinale along with Mouton 2004, Grange 2007, Pingus 2007, Lafite 2001 and a clutch of similar icons. The Lafite eclipsed Lokoya 2001 but the American wines more than held their own against the rest. The 2007 Cardinale, in particular, made Pingus look clumsily overoaked.

It must have been very satisfying to see a roomful of critics and merchants taking the wines so seriously. Did it take long to get to this point? 'It took years. The international market for us really started to perk up six ➤

*'I try to be chief nag, and strategist, and mom...I let people do their own thing'*

**Above: Barbara Banke has reached a new level of confidence as head of Jackson Family Wines, underpinned by the success of the premium Verité label (below)**



Photograph: Charlie Gessell





**Above: established Cabernet Sauvignon vineyards on the Jackson Family's Cardinale estate in the Napa Valley's mountainous Oakwood District**

or seven years ago. Before that it was depressing, as we were trying to do something we were not really suited to. Every year we've been ratcheting up the level of the wines and this is the first year we decided on a comparative tasting.'

In her conversation Banke gives the impression that none of this is her doing. She defers to her winemakers – notably Seillan for Verité and Chris Carpenter at Lokoya and Cardinale – and considers herself more of a laissez-faire boss than her husband. 'I try to be chief nag, and strategist, and mom, and deal with all these different characters. But I'm a bit looser than Jess in terms of management style. I let people do their own thing.'

She also gives the lie to the widely held belief that she was a restraining hand on her gung-ho husband. Rather the opposite. 'I was never, ever a restraint on Jess; he was a very rational person. I was normally the one saying "Let's do it".'

## Formidable team

Banke met Jackson in 1978, when she was working as a property lawyer in San Francisco and he (also a lawyer, but already 10 years in the wine business) was steadily expanding his new Kendall-Jackson brand. They married in 1984 and throughout the 1980s and '90s continued the expansion. Cambria came in 1987, Tenuta di Arceno in Tuscany, La Crema in California; they set up Verité and Lokoya, and bought in Chile and Argentina (the latter didn't work out for various reasons).

It's a diverse portfolio, and Banke admits there were some impulse purchases. 'We were just so in love with the property,' Banke says of Chianti. 'It was called Barbara's Folly because it never made any money at all.' No restraining hand there, then? 'No. Sometimes we'd trade roles – "I don't like it, I like it" – egging each other on.'

They both loved a scrap. Jackson was involved in many largely successful lawsuits, and there are oft-told stories of the young Banke's tenacity in the 1980s as they fought over land. Once she camped outside a Mondavi executive's office for three days to get him to sign off a deal; on another occasion, in a major legal dispute over the Verité vineyard on Chalk Hill Road, the different parties Jackson and



**Top: Barbara Banke with late husband Jess Jackson**

Banke were trying to buy from were at such a pitch of animosity that at one stage guns were pulled. It was Banke who came up with the solution. 'We went to court and said, "this is the amount of money we want to pay, we don't care who gets it, put it in court and fight about it later". They agreed.'

They were a formidable team, and Jackson's absence must be keenly felt. Does she ever, I wonder, feel he's there with her as she goes about her daily business?

'Sometimes I notice it. Sometimes I think, "Poor Jess, he wouldn't have liked that". I don't think he would have liked Oregon. He just had this feeling it was too wet and too cold, and he might have thought we hadn't bothered to check it out. Barbara's Folly part two,' she laughs.

Follies aside, Banke seems serenely in control of her empire. The inheritance is secure: her daughters Katie and Julia and son Christopher, in their 20s, are all deeply involved in the company, as are her step-daughters – Jackson's two children by his first wife – and their husbands. 'It is secure, yes, but you never know what's going to happen. Christopher's in law school [he interned one summer at the White House], and who knows what he's going to do. Maybe he'll run for Congress. But the girls like the industry, so there's always hope.' **D**



**Above: the 2012 vintage of Hickinbotham Clarendon Vineyard wines in South Australia's McLaren Vale was the first under the Jackson Family ownership**

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