

Filtration, bulk wine firms expand

Winetech, Fior di Sole in negotiations for new Valley Gateway facilities

BY JEFF QUACKENBUSH, STAFF REPORTER

NAPA – The owners of mobile wine filtration business Winetech LLC and bulk wine producer Fior di Sole are planning to expand the size of their facilities by more than 5.5 times.

They're facing increased demand for bulk wine to meet the needs of brand programs for certain varieties or appellations and greater acceptance of certain types of filtration methods to deal with wine clarity, alcohol and microbial activity.

The owners have been looking for about 40,000 square feet of light-industrial and office space to relocate the business by early next year, according to co-owner and President Valentina Guolo-Migotto. Fior di Sole would occupy 20,000 to 25,000 square feet, the office would be expanded to 6,000 square feet and the rest would be for Winetech.

The need for more space has been created largely by growth in the bulk wine business, which has grown from 80,000 gallons produced initially in 2006 to 250,000 gallons last year.

"More than half our production now is stored in outside tank storage," she said, referring to rented tank and warehouse space elsewhere.

At the same time, Winetech revenues have been increasing at up to 20 percent a year since the wine industry started recovering in 2001. The company now operates four to six trailer-mounted filtration and treatment units per day.

Currently, Winetech and Fior di Sole are based in 7,000 square feet of warehouse and office space in The Vines, a commercial development at 2511 Napa Valley Corporate Drive in south Napa.

The owners are in discussions to occupy an \$8.4 million project set to get under construction this spring in Napa Valley Gateway Business Park farther south. Lake Street Ventures is obtaining building permits for two warehouse-office buildings totaling 41,000 square feet on 3.1 acres at the northwest corner of Technology Way and Gateway Road West.

Cushman & Wakefield is brokering the negotiations.

A new location that large would allow

Fior di Sole to expand production to 325,000 to 350,000 gallons a year. The wines start as grapes that are crushed on site or arrive as juice or already as wine. The two winemakers then create custom white or red lots in various European and American styles for sale for further blending or for bottling.

The wine is then shipped by tanker truck within California by Cherokee Freight Lines or filled into 330-gallon pallet-ready bladders by SpaceKraft for interstate or international shipment.

Bulk wine market activity has experienced an uptick with fewer vineyard plantings and a small 2007 harvest for key varieties such as pinot noir and chardonnay, according to Steve Fredricks, a partner with Turrentine Brokerage in Novato.

"The inventory of wine in bulk has decreased," he said. "Wine producers are paying higher prices for wine in bulk like they have been paying higher prices for grapes."

Currently, much of Winetech's staff of 15, which also includes manager and winemaker Dario De Conti, moves between the filtration and winemaking businesses as the workload ebbs and flows, but the expansion likely will require two additional cellar workers.

Fior di Sole started as an outgrowth of the network of some 600 North Coast and Central Coast winery customers Winetech has created in its 10 years in business.

Co-owner and winemaker Stefano Migotto came to Napa Valley 11 years ago after a stint in the family winery in Italy. Ms. Guolo-Migotto and he started Winetech while he was an assistant winemaker at Gundlach Bundschu and operated the company for two years by themselves.

Winetech started with just a mobile mobile version of traditional diatomaceous earth and pad filtration for yeast and other solids.

The company soon added novel filtration of lees, which allows wine to be extracted from yeast after fermentation instead of being disposed. However, the glut of wine in



Winetech and Fior di Sole executives (from left) Dario De Conti, manager and winemaker; Valentina Guolo-Migotto, president; and Stefano Migotto, winemaker

the marketplace a few years later made lees filtration less economically attractive.

In 2003, Winetech worked with its Italian fabrication shop to adapt mobile loose reverse osmosis for adjusting volatile acidity often resulting from newer styles of higher-alcohol wines and treatment of unpleasant-tasting by-products of brettanomyces yeast.

The same year, Winetech gambled on offering cross-flow filtration, something that had garnered a bad reputation in wine circles in the 1980s for stripping color and flavor, according to Ms. Guolo-Migotto. The key was finding ceramic and hollow-fiber membranes that don't react chemically with wine, as the polymer membranes did, and don't plug easily when processing red wines.

More vintners are using cross-flow filtration because it is thought to be gentler on wines with delicate characteristics. Such filtration doesn't require as much pumping, avoids multiple passes through filters as traditional systems and thus creates less friction in the wine.

"It's been a fast change, because in 2003 no one wanted to hear about it," Ms. Guolo-Migotto said.

In December, Winetech added a mobile unit for alcohol adjustment for wineries with a distilled spirits plant license from the U.S. Tax & Trade Bureau and a type 04 distilled spirits manufacturer license from the state.

The company also offers processing of wine to extract chemical compounds often associated with "wine taint": 2,4,6-trichloroanisole, or TCA, and 2,4,6-tribromoanisole, or TBA.

For more information, call 707-257-2080 or visit www.winetech.us.