

Ste. Michelle Wine Estates Acquires Renowned Sonoma Winery Patz & Hall



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Ste. Michelle Wine Estates_

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WOODINVILLE, Wash. and SONOMA, Calif., April 19, 2016 /PRNewswire/ -- Patz & Hall, one of California's most highly regarded producers of single-vineyard Chardonnay and Pinot Noir, has been acquired by Ste. Michelle Wine Estates.

The sale includes the inventory of acclaimed wines and interests in the winemaking facility and in the Sonoma House, Patz & Hall's beautiful visitors' center in Sonoma. Patz & Hall's grapes will continue to be sourced from some of the most renowned Chardonnay and Pinot Noir vineyards in the Russian River Valley, Carneros and the Sonoma Coast, including legendary winegrowing sites like the Hyde Vineyard, Hudson Vineyard, Dutton Ranch, Chenoweth Ranch, Gap's Crown Vineyard and Alder Springs Vineyard.

The seeds for Patz & Hall were planted in the 1980s when assistant winemaker James Hall and national sales manager Donald Patz struck up a close friendship founded upon an enthusiasm for a rich and compelling style of wine made by applying traditional winemaking techniques to fruit from elite, small vineyards.



Patz & Hall produces a collection of appellation and single-vineyard designated wines each vintage, including several vineyard-designate wines that are released exclusively to members of its Salon Society wine club.

For more than 25 years, the partners have remained committed to handcrafting small-lot and single-vineyard wines, with an exclusive focus on Chardonnay and Pinot Noir. Produced using grapes from storied vineyards in the Napa Valley, Russian River Valley, Mendocino County, Sonoma Coast and Santa Lucia Highlands, these benchmark wines embody a passionate approach to winemaking, and the diversity of world-class California winegrowing.

All four of the founding partners – Donald Patz (national sales director), James Hall (winemaker), Anne Moses (California sales director) and Heather Patz (VIP brand ambassador) – will remain with the winery to provide expertise and ensure continuity with the winery's operations.



"Patz & Hall is the ideal addition to our 'string of pearls' collection of domestic and international wineries," said Ted Baseler, Ste. Michelle's president and CEO. "The families who founded Patz & Hall have created extraordinary Chardonnays and Pinot Noirs, which complement the iconic wines in our luxury portfolio," Baseler said.

Patz & Hall's Chardonnays and Pinot Noirs consistently earn 90+ ratings from leading wine publications, particularly *Wine Spectator*, *Wine Enthusiast* and *Wine Advocate*, which endorsed Sonoma as a "viticultural Shangri-La for Pinot Noir (and) Chardonnay."

Patz & Hall was not entertaining acquisition offers at the time Ste. Michelle expressed an interest in adding the winery to its string of pearls, but its four partners were intrigued by Ste. Michelle's strong reputation.

"We founded Patz & Hall in 1988," said Donald Patz. "While we had no intention of selling, we were actively planning for the future. The more we got to know the people of Ste. Michelle, the more impressed we were. Its wineries are pioneers and leaders in their respective regions throughout the world. They understand a winery like ours, and they know how to preserve what makes it special."

"From our earliest conversations, it was clear that Ste. Michelle understood and shared our vision," said winemaker James Hall. "Our approach has always been to work with the very best vineyards to make wines that are benchmark expressions of their sites. This will continue with Ste. Michelle. In fact, as part of finalizing the sale, we renewed our contracts with our best grower partners."

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Patz & Hall's partners have established longstanding relationships with the families who own some of the greatest Chardonnay and Pinot Noir vineyards in California. Using grapes from these renowned sites, Patz & Hall is recognized for making some of the New World's finest Chardonnay and Pinot Noir.

Quality is championed at every stage of the winemaking process from the winegrower partnerships to Patz & Hall's custom-made French oak cooperage and its state-of-the-art winery, which was designed exclusively for producing Chardonnay and Pinot Noir.

In addition to 90+ rated wines, including for the popular Sonoma Coast Chardonnay and Pinot Noir and the Dutton Ranch Chardonnay, Robert Parker observed that Patz & Hall "has a long and enviable track record...They rarely miss a beat and the wines are sure bets regardless of vintage conditions...(and) merit significant attention from all serious wine consumers."

Editors of *Food & Wine* magazine's Annual Buying Guide 2016 ranked Patz & Hall among "The only producers you'll need to know this year" due to "...an all-star collection of vineyard sources...Patz & Hall has become one of the country's most reliable sources for Chardonnay and Pinot Noir."

Distributed throughout the U.S. to all channels, Patz & Hall enjoys a particular following among the on-premise trade. The WINEMETRICS Luxury Wine On-Premise Report (2014) ranked Patz & Hall among the Top 50 Luxury Producers with the Sonoma Coast Chardonnay 2013 ranked #2 for by-the-glass and #8 for by-the-bottle. The Sonoma Coast Pinot Noir 2013 ranked #5 for by-the-bottle.



"We have been impressed by the families' commitments to creating wines that authentically reflect the quality of the vineyards from which they are produced. I can't think of a better fit for Ste. Michelle right now," Baseler said.

Zepponi & Company served as the exclusive financial advisor to Patz & Hall Wine Company and brokered the sale. The terms of the sale were not disclosed.

About Patz & Hall

The seeds for Patz & Hall were planted in the 1980s when assistant winemaker James Hall and national sales manager Donald Patz struck up a close friendship while working together at Flora Springs Winery and Vineyards. The two discovered a mutual enthusiasm for a rich and compelling style of wine made by applying traditional winemaking techniques to fruit from elite, small vineyards. Inspired to combine their winemaking and sales talents, James and Donald joined with partners Anne Moses and Heather Patz, to establish Patz & Hall in 1988.

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About Ste. Michelle Wine Estates

Ste. Michelle Wine Estates is the third largest premium wine company in the U.S. The company, located outside of Seattle, Washington, has a distinguished history that dates back 80 years to 1934. Wines under the Ste. Michelle label were first introduced in 1967, and since that time the company has expanded its vineyard holdings to more than 3,700 acres in Washington and California. Today its 'String of Pearls' wine portfolio represents owned or imported brands that demonstrate the producers' unwavering commitment to creating distinctive, high quality wines from authentic estate vineyards.

Ste. Michelle's Washington portfolio includes Chateau Ste. Michelle, Columbia Crest, 14 Hands, Northstar, Spring Valley Vineyard, Col Solare, Michelle sparkling wines, Red Diamond, and Snoqualmie. The company also owns Stag's Leap Wine Cellars (with Italy's Antinori family), Conn Creek and Villa Mt. Eden in the Napa Valley, and Erath, in Dundee, Oregon. In 2006, Ste. Michelle Wine Estates became the exclusive U.S. importer for the acclaimed Marchesi Antinori wine portfolio of Italy and Chile's Haras wines, for Champagne Nicolas Feuillatte of France in 2009, for New Zealand'sVilla Maria Estate in 2010, for Spain's Torres in 2014.