

O'Neill Vintners acquires Ram's Gate Winery in Sonoma County as part of shift to luxury



Jeff O'Neill, founder of Larkspur-based O'Neill Vintners & Distillers, in the courtyard of the Ram's Gate Winery in Sonoma County's Los Carneros appellation (O'Neill Vintners)

JEFF QUACKENBUSH

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O'Neill Vintners & Distillers, whose CEO Jeff O'Neill has owned part of Ram's Gate Winery in Sonoma County since its early days, has acquired all of it as part of the Marin County wine company's shift toward higher-end wines.

The deal, announced Tuesday, includes the pinot noir, chardonnay and cool-climate syrah brand as well as the 125-acre Los Carneros appellation estate on Highway 121 just north of Sonoma Raceway. The purchase price wasn't disclosed.

Case production is about 8,000 a year, led by winemaker Joe Nielsen. The wines retail for \$40–\$160 a bottle.

To lead the company's new upscale division led by Ram's Gate, O'Neill Vintners hired Maeve Pesquera as executive vice president for luxury. Pesquera most recently was senior vice president at Daou Family Estates, a luxury-tier producer in Paso Robles that Treasury Wine Estates acquired last fall for \$1 billion.

Jeff O'Neill has been among the growing number of producers over the past decade and a half who has said profitability would come more from higher-priced wines, a trend often called "premiumization."

In addition to Treasury's big play for Dauo, recent examples include the 2021 deals that saw Constellation Brands sell Clos Du Bois and around 30 other wine brands to E. & J. Gallo for \$810 million, and Francis Ford Coppola Winery's sale to Napa's Delicato Family Wines. Gallo itself has been adding higher-end brands, including the 2019 purchase of Napa Valley's Pahlmeyer Vineyards.

Having a luxury brand in his portfolio is why Jeff O'Neill teamed with Michael John, Paul Violich and Peter Mullin to start Ram's Gate in 2011. At the time, O'Neill was transforming his company from making wine and spirits in bulk for retailers and other beverage-alcohol companies into a producer of premium national brands.

In 2016, the company purchased the 80,000-case-a-year Robert Hall Winery of Paso Robles, propelling O'Neill into the fast-growing California Central Coast premium-wine category.

Two years before that was a deal with North Coast vintner Roy Cecchetti to acquire his Line 39, RedTree, Austerity, Backhouse and Exitus brands. And just prior to Cecchetti, O'Neill acquired the Camelot and Pepi brands from Jackson Family Wines. Also picked up was the Martin & Weyrich Allegro moscato brand, now called Allegro Cellars.

Today the company ranks as the country's 20th largest wine producer, according to Wine Business Monthly. The portfolio includes 16 national brands, including a partnership with a

former NFL star for the wine label Charles Woodson's Intercept. The company also makes 20 exclusive brands for retailers and other customers.

Annual wine production is 1.2 million cases for national brands and 1.8 million cases including the exclusive brands.

O'Neill got into the wine business in 1980 and five years later teamed with private-equity firms to found Golden State Vintners, a Marin-based producer that eventually went public. O'Neill was CEO until The Wine Group acquired it in 2004.

That's when he started O'Neill Vintners & Distillers.

Jeff Quackenbush covers wine, construction and real estate. Reach him at jquackenbush@busjrn.com or 707-521-4256.

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This story updated with details on Ram's Gate case production, price range and the winemaker.

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