

Wine

# Costco Heir Aims to Create New Napa Cult Wines in 1,403 Steps

David Sinegal's strategy is to sell an entire luxury experience—at a lower price point—in which the wine is just one part of the puzzle

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By [Elin McCoy](#)

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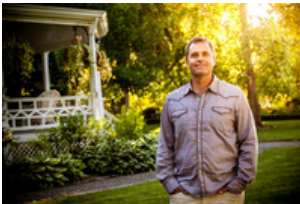
## In this article

Jumping on new entries in the Napa Valley cult cabernet sweepstakes is an insider sport. If you want to grab bottles of the latest wine, you have to nail a spot on the winery's mailing list as early as possible. That way you'll be notified about releases and have the chance to place an order for those pricy bottlings—which you may be able to flip later for big profits.

COST  
**COSTCO WHOLESALE**  
224.48 USD  
▲ +1.76 +0.79%

SBUX  
**STARBUCKS CORP**  
52.05 USD  
▼ -0.03 -0.05%

PEP  
**PEPSICO INC**  
113.62 USD  
▼ -3.76 -3.20%



David Sinegal, son of the co-founder of international retail chain Costco and owner of Sinegal Estate. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

Normally these cabernets start at \$150 and climb to \$850. But on Sept. 30, one estate is releasing a first wave of cabernet bottles for less than \$100. That's well below a typical high-profile cab IPO. So what's the story?

"My big vision," says Sinegal Estate

<https://sinegalestate.com/> owner David Sinegal, "is to create a luxury experience where the product is just one part. That's where everything is going."

By entering onto the Sinegal mailing list, you not only get access to those lower-priced bottles. You also gain access to the 30-acre historic wine estate in St. Helena. He purchased it two years ago for \$17 million and spent another \$8 million in refurbishing and expanding hillside caves for aging the wine. If you're a member of this select group, which is more like a club, you'll be able to make appointments to taste, eat, and while away time at the pool. (Or the lake. Or gazebo.)

The property is, I admit, knockout gorgeous. It started life in 1879 as the Inglewood estate, and it's the kind of spot you imagine when dreaming of slipping into the Napa Valley lifestyle. The yellow Victorian house with its big front porch, built in 1881, came with an old stone winery, nine and a half acres of organic vines, a tennis court, a private lake with rowboats, gardens, olive trees, and smooth green lawns dotted with giant palms and ginkgo trees.



The yellow Victorian house at Sinegal Estate with its big front porch, built in 1881. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

It seduced Sinegal, who's 50 and on his second family. (You may recognize the last name—his father, James Sinegal, was a co-founder of Costco.) David had no experience growing grapes or making wine, but during his own 20 years at Costco he'd overseen all buying, including of wine. Stints consulting to Starbucks and Pepsi and running his own company followed, and finally he wanted out of Seattle and into the wine business. "I love the art and act of making things that are unique and special," he says.

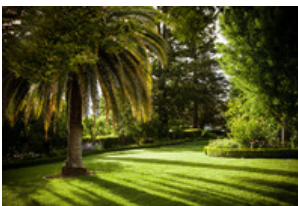
Like so many others, he headed to Napa for a better lifestyle, less rain, and great terroir.



An aerial view of the Sinegal Estate. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

Sinegal had a style of wine in mind. Not the usual high-alcohol Napa cabernet with gum-sucking tannins and swagger, but one rich and balanced and ready to drink in less than 12 years. His point of reference? The highly regarded, notably elegant St. Helena Spottswoode cabernet.

OK, he's not there yet. But he tells me he's figured out it takes precisely 1,403 steps to get to a great wine. Seriously. How did he come up with that figure?



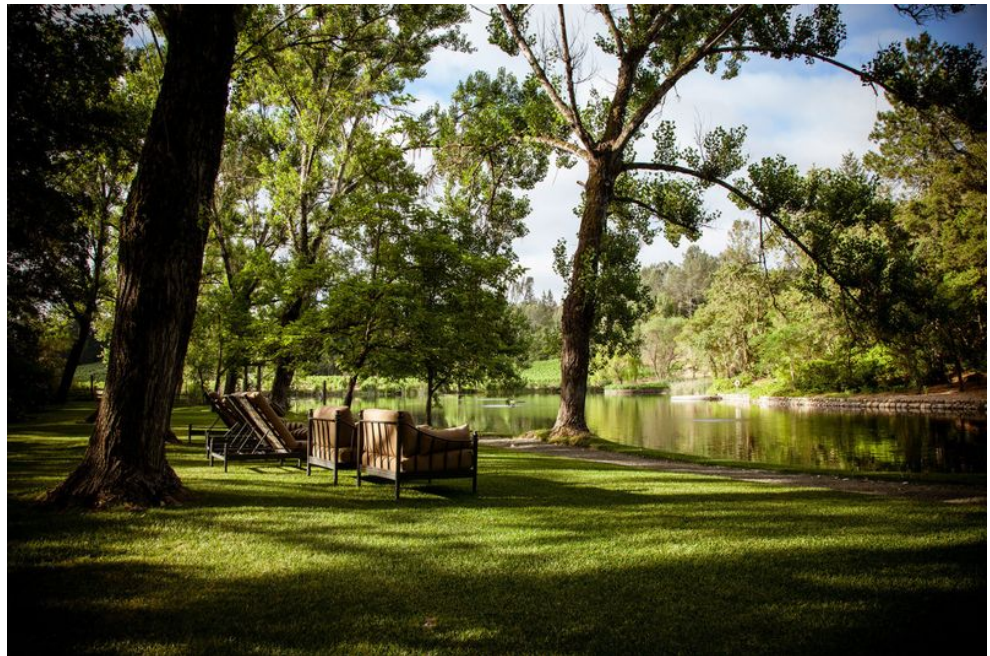
A view of the property, with its smooth green lawns dotted with giant palms and ginkgo trees. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

He zeroed in on the major aspects of grape growing and winemaking, and his top talent team—winemaker Tony Biagi (formerly at Plumpjack, now at Hourglass), veteran viticulturalist Jim Barbour, and consultant Craig Williams (former maker of Phelps Insignia)—brainstormed to develop a list of micro-actions for each part of the process. For example, they give different amounts of water to each individual vine. They divide even small vineyard blocks into two-ton lots so they can harvest grapes in perfect condition. They even get goats to do the weeding between the vines. All this deep analysis takes the latest wine buzz term,



“precision viticulture,” to a whole new level.

The first two wines being released, from the 2013 vintage, are surprisingly good. The cabernet comes in the super heavy bottle now de rigueur for very expensive New World red vino. The simple label logo is a copy of the original antique key to that Victorian house where Sinegal and his family now live.



The property's private lake with rowboats. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

At \$90, the estate cabernet is as good as some Napa cabs that cost nearly double that. Big and rich, it's smooth and concentrated, with notes of tobacco and cassis, a silky texture, and dark, spicy fruit. It's more balanced than many of the valley's expensive cabs, too, though it lacks a bit of brightness and lift. Only 700 cases were produced. The sauvignon blanc (\$45) is chalky and layered, rich and complex.

(Next up? The 2013 reserve cabernet, offered as futures last spring, which will be released next February, costs \$195; ditto a 2013 cabernet franc at \$140.)

If you sign on to the mailing list now, you can purchase as few or as many bottles as you want of the estate cabernet and sauvignon blanc—and you'll automatically get a notification of future releases, when you'll get a chance to sign up for one of three tiers of membership. The lowest level includes six bottles of estate cabernet and three bottles each of reserve cabernet and cabernet franc per year for \$1,545. The second tier gets you double those numbers of bottles for \$3,090, and the top level, Tier 1881, throws in more reserve cabernet and magnums of all three reds for \$5,200.



Bottles are filled at the Sinegal winery. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

And being on the mailing list entitles you to those winery visits—limited to 21 people a day.

Sinegal is part of a new trend of how Napa's luxury cab startups, which formerly relied on collector buzz, are using the lure of exclusive experiences to build a fan base.

I guess they're on to something. Last year, a report by Boston Consulting Group said that experiential luxury accounts for 55 percent of global luxury spending.

My bet is that Sinegal's project has staying power because it's more than a luxury cab invented out of branding and marketing concepts. It's rooted in a special vineyard and terroir with a fine-wine history behind it. You can't gin that up in a marketing room.



At \$90, the estate cabernet is as good as some Napa cabs that cost nearly double that. *Photographer: Leanna Creel/Creel Studio/Courtesy of Sinegal Estate*

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