# The Bancroft Library University of California/Berkeley Regional Oral History Office

California Wine Industry Oral History Project

## Leon Adams

REVITALIZING THE CALIFORNIA WINE INDUSTRY

With an Introduction by Maynard A. Amerine

An Interview Conducted by Ruth Teiser

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# **Leon Adams**

Leon D. Adams, who helped create a demand for wine across all levels of American society, died yesterday of heart failure in San Francisco. He was 90.

He was born in Boston but came to California as a child. He graduated from the old Polytechnic High School in San Francisco and, in 1923, went to work for the old San Francisco News, covering the University of California at Berkeley, where he was enrolled as a student.

He went to Europe for a year, and there rekindled an interest in wine that began during a brief childhood stay in the Valley of the Moon where his mother made wine. When he returned to the Bay Area, he was assigned by the News to cover the "Prohibition beat," since the Eighteenth Amendment, barring consumption of alcohol throughout the United States, was still in effect.

In 1928, Mr. Adams left the News to join the McClatchy papers in the Central Valley. Four years later, with Prohibition clearly about to be repealed, he founded the California Grape Growers League with the goal of introducing table wine to Americans. In 1934, a year after repeal, the group became the Wine Institute.

He also established the Wine Advisory Board and developed a training course that educating thousands of restaurateurs, retailers and consumers.

In 1954, Mr. Adams left the institute and published his first book, "The Commonsense Book of Wine."

His other books included "The Wines of America," and "Striped Bass Fishing on the Pacific Coast."

Mr. Adams is survived by his former wife, Eleanor, of Mill Valley; four children, Brian Adams of Novato, Gerald Adams of San Francisco, Timothy Rittman Adams of Los Angeles, and Susan Campbell Adams of New York City.

Memorial services are pending.

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#### PREFACE

The California Wine Industry Oral History Series, a project of the Regional Oral History Office, was initiated in 1969, the year noted as the bicentenary of continuous wine making in this state. It was undertaken through the action and with the financing of the Wine Advisory Board, and under the direction of University of California faculty and staff advisors at Berkeley and Davis.

The purpose of the series is to record and preserve information on California grape growing and wine making that has existed only in the memories of wine men. In some cases their recollections go back to the early years of this century, before Prohibition. These recollections are of particular value because the Prohibition period saw the disruption of not only the industry itself but also the orderly recording and preservation of records of its activities. Little has been written about the industry from late in the last century until Repeal. There is a real paucity of information on the Prohibition years (1920-1933), although some wine making did continue under supervision of the Prohibition Department. The material in this series on that period, as well as the discussion of the remarkable development of the wine industry in subsequent years (as yet treated analytically in few writings) will be of aid to Of particular value is the fact that frequently historians. several individuals have discussed the same subjects and events or expressed opinions on the same ideas, each from his own point of view.

Research underlying the interviews has been conducted principally in the University libraries at Berkeley and Davis, the California State Library, and in the library of the Wine Institute, which has made its collection of in many cases unique materials readily available for the purpose.

Three master indices for the entire series are being prepared, one of general subjects, one of wines, one of grapes by variety. These will be available to researchers at the conclusion of the series in the Regional Oral History Office and at the library of the Wine Institute.

The Regional Oral History Office was established to tape record autobiographical interviews with persons who have contributed significantly to recent California history. The office is headed by Willa K. Baum and is under the administrative supervision of James D. Hart, the Director of The Bancroft Library.

Ruth Teiser Project Director California Wine Industry Oral History Series

1 March 1971 Regional Oral History Office 486 The Bancroft Library University of California, Berkeley

#### INTRODUCTION

Historians of the post-Repeal California wine industry will find Mr. Adams' interview a gold mine--not only for its solid information but also for the implications (stated and unstated) of many of his assertions. At the start the interviewer characterized Adams as one who "saw the possibilities of the wine industry in California when very few people did, and that you [Adams] more than anyone else went right about working on the development of that industry." The tone of the interview having been thus set, the interviewer and Mr. Adams proceed to prove the point (with which, I hasten to add, I do not necessarily disagree). It does, however, give a special flavor and direction to the whole interview.

Sbarboro's pamphlet on temperance is given credit as the source of Adams' fascination with the wine industry. He himself says his career goal was "to civilize American drinking, teach Americans to use wine." Mr. Adams thus becomes a missionary for wine. Historians may find that he was more than just a missionary, and that his impact on the American wine industry extended to much more than just civilizing American drinking.

Mr. Adams has an acute memory for particular people and incidents. He often gives us very personal views of events from his intimate knowledge of what occurred behind the scenes. No one else has the special knowledge of Adams about many of these incidents. I am grateful to him, for instance, for revealing how Fresno State College got into teaching enology.

But no one is perfect. Mr. Adams would not object if I noted that other points of view than "great" could be used for Henrietta Rancho, Las Palmas, etc. And there is no mention of the Mattei Estate or Al Paul's operation in his list of Fresno area wineries. Also I never found Nebbiolo to be a fine table wine. Some inadvertent misconceptions have crept in. What the interviewee and interviewer meant by "wine bricks" could be two different products—or if the same, different from industry practice. What Adams disliked about the J. Walter Thompson advertising agency was not observed by other clients, particularly by the wine industry in South Africa. But perhaps they learned from their errors in California.

The historical facts are, however, paramount. Adams' antipathy for his boss Caddow is clearly delineated. Some aspects of their relationship are not clear from the text. The story of why Adams left the Wine Institute is well documented—even with industry letters. Some things more one would like to know. For instance, how did Adams and Smith select Don McColly as Caddow's successor before Caddow was dead? The statement that "I'd never had a boss since my second city editor, and I never wanted a boss again. So I decided to get out [of the Wine Institute]" explains a good deal but probably not all.

We owe Mr. Adams a debt of gratitude for explaining away so many gaps in our knowledge of the origins of the organization of the modern California wine industry. He also brings up many new problems of the early post-Prohibition period that will occupy historians of the California wine industry for years and years.

On one important aspect Adams is most perceptive. The attitude towards wine of many wine producers in the immediate post-Repeal period was, to say the least, deplorable, and undoubtedly retarded the acquisition of the proper public relation image of the industry. Adams could do almost anything for the California wine industry, but he couldn't get industry members to drink or like wine in public (or private)—and that is a fact. As Adams says, "they drink whiskey," or [Setrakian] said, "wine is the beverage for skid row," or "Mr. Di Giorgio ... never was really interested in wine, only in grapes...."

On some other subjects the record is far too complicated, even for Mr. Adams. Nevertheless, it is a fine record of active and glorious years, and Mr. Adams was in the midst of it. At times he was the central figure. One gets the feeling that he knew he shouldn't be the front man, but he was and probably suffered for it. There was no one like him.

Maynard A. Amerine Professor, Viticulture and Enology

17 January 1974 101 Wickson Hall University of California at Davis

#### INTERVIEW HISTORY

Leon D. Adams was born in Massachusetts in 1905. was still a boy his family moved to California and lived for a few years on a farm in the Valley of the Moon, where Adams apparently had his first experience seeing grapes grown and made into wine. During most of his school days he lived in San Francisco, then worked on newspapers there and for a time attended the University of California at Berkelev. trip to Europe he first encountered wine's use as a regular mealtime beverage, as he explains in the interview. He returned to newspaper work in San Francisco, covering among other things the grape and wine industry during Prohibition. He recounts here the development of his interest in wine and, after Repeal, his decision to be a crusader for wine. He was involved in doing publicity for associations that preceded the Wine Institute, and in the organization of the Wine Institute itself and the Wine Advisory Board. He frequently took controversial stances.

In 1954 he left the Wine Institute under circumstances he describes in the interview. He has since devoted himself to lecturing, teaching, consulting and writing, mainly about wine.

A preliminary discussion of the interview was held in January, 1969. The interview sessions themselves were held on four successive afternoons, December 26 through 29, 1972, just after Mr. Adams had finished most of the work on his book The Wines of America, which was issued the following spring. The sessions were held at his office near the Sausalito waterfront, a room full of books, files, pictures and tobacco smoke. A verbal and self-assured man, Mr. Adams sat at his desk and reminisced with enthusiasm.

The transcript, which required little editing by the interviewer, went to Mr. Adams on April 10, 1973. He apparently checked it carefully, and he returned it on April 23 with some rephrasing, a number of additions, and some deletions and substitutions.

Ruth Teiser Interviewer

28 January 1974 486 The Bancroft Library University of California at Berkeley (Interview #1 - December 26, 1972)

## CHILDHOOD AND FAMILY

Teiser: I'll begin this by putting a statement on the tape:
Someone told me that you saw the possibilities of
the wine industry in California when very few people
did, and that you more than anyone else went right
about working on the development of that industry.
So that's why we're interviewing you. Now let's go
back to the beginning. You were born where and when?

Adams: I was born February 1, 1905, in a horse-drawn cab on the bridge between Cambridge and Boston, Massachusetts. My father was a manufacturer of picture frames and art goods in Cambridge, Massachusetts.

Teiser: What was his name?

Adams: Nathan Adams. He was born Nathan Abramson on a farm near Moscow in Russia. He learned the bookbinding trade in that city, and perhaps because of his trade, became a bookworm. It was his indoctrination about great books (he even named me for Tolstoi) and his respect for writers that caused me later to join the journalistic profession, the writing profession.

I attended the primary schools in Cambridge and in Somerville, Massachusetts. When I was five or six years old my father's factory in Cambridge burned and he decided to indulge his dream of becoming a farmer in California. He packed the entire family, my mother and my two brothers and myself, on the train headed for San Francisco where one of my mother's brothers, David Lager, lived. Then, leaving us in San Francisco with my mother and uncle, he went searching California for a

Adams: farm. He fell in love with the Valley of the Moon, Sonoma Valley. And by misfortune he chose a combination of vineyard, orchard, and chicken ranch-principally a chicken ranch--in El Verano, California.

We moved there, and we lived there for three years during which time I helped to pick up and sort eggs and to pick Zinfandel grapes. And my mother made homemade Zinfandel wine.

Teiser: How did she know how?

Adams: Wine making is one of the oldest of home arts, and everyone knew how.

Teiser: Did she come from Russia too?

Adams: Yes. Wine was made at home. After three years my father had learned the lesson of the chicken business (which was our principal support): the price of eggs goes down more frequently than it seems to go up. He sold the farm and moved to San Francisco and established his business again as a picture frame and art goods manufacturer, moving in ensuing years from 1278 Post Street to 743 Larkin Street to 2526 Lombard Street.

Teiser: Did he have a business name?

Adams: His own name, N. Adams.

Teiser: You had gone to school then for a time at El Verano?

Adams: I attended the El Verano District School.

Teiser: And then the San Francisco schools?

Adams: In San Francisco I attended the Emerson School very briefly, then the Redding School. Then, because I was intrigued with the name, I attended the Adams Cosmopolitan Grammar School for my last year.

Teiser: Where was it?

Adams: On Eddy Street. My father at that point had moved his factory from Post Street to 715 Van Ness Avenue and then to 743 Larkin Street. I was not only closer to the Adams School, but was attracted by its name.

[Laughs] Silly. And I attended Polytechnic High School in San Francisco because my father had taught

me and my brothers—he was something of a mechanical genius—the use of woodworking tools, and I thought I might have a career as a mechanical engineer.

In my second year in high school I discovered that the one thing I wanted more than anything else was to join the staff of the school newspaper, which I did. I enrolled in the journalism class and became the editor of the school paper, and in my final year the editor of the school annual.

#### BEGINNING A CAREER IN JOURNALISM

Adams:

I left high school after graduating in three and a half years. I had already decided that I was going to be a journalist. This was at age sixteen. Having read a book called Spencer's News Writing, I immediately started calling at six o'clock in the morning on the city editors of the afternoon papers, and at six o'clock in the evening on the city editors of the morning papers, asking for a job as a reporter. No one took me seriously except one city editor. Eugene Block of the Call and Post. To him I mentioned one day that, since I had left high school, my school had bought a printing press and was printing the school newspaper. And I suggested, why don't I write a story about it? He offered me twenty-five cents an inch and assigned a photographer. My first newspaper story appeared in the San Francisco Call and Post.

Am I going into too much detail?

Teiser: No, it's fine.

Adams:

That gave me the idea that I could sell more stories, so I worked on various features of my own ideas, none of which sold. The city editors would put them in baskets and forget about them.

Then, I found that the city editor of the San Francisco <u>Daily News</u> enjoyed my visits. He thought I was a cute kid. He used to send me out to buy cigars in the morning. One morning he said, "Say, kid, we can use a college correspondent. We pay fifteen cents an inch." My answer was, "You have a college correspondent

beginning immediately." I took the ferry boat and the train for Berkeley and enrolled in the University of California. This was in 1922, I think it was, the fall of '22.

At fifteen cents an inch I made sufficient money because they printed not only little feature stories and bits of college news and college scandal, but also photographs.

Telser: You were doing the photographs?

Adams:

No, I wasn't taking the photographs. I borrowed the photographs. You know, campus queens and that sort of thing. I was living in San Francisco with my father and brothers, and I'd go to the newspaper office at six a.m. to deliver stories and then I'd take the streetcar and the ferry boat and the train for an eight o'clock [class] at Cal. Then I'd spend most of my time on campus digging up stories. I often returned in the evening to the News office at Ninth and Folsom streets to type my stories.

One night in 1923, early 1923, the city editor, Elmer Roessner, and the managing editor whose first name I forget but his last name was McKechnie, were talking and they turned to me and said, "Say, kid, how'd you like to go to reform school?" I said, "Certainly." What they wanted was to investigate reports that the school was a hell-hole where all kinds of brutalities were reportedly being practiced, and that it was also a school for crime. They claimed that I would need my father's permission.

With my father's reluctant permission I took the assumed name of Adam Leopold, and by prearrangement with Police Judge Sylvain Lazarus and Superior Judge Louis H. Ward, and with the police department detective bureau, I pleaded guilty to a charge by my assistant city editor, Vidorf Larsen, to attempted burglary and was committed until I should become twenty-one years of age. I first spent three nights in the county jail, the Hall of Justice county jail at Washington and Kearney Streets, with a murderer for a cellmate, and then was taken in handcuffs to the reform school, the Preston School of Industry at Ione, California. I served seven weeks there thoroughly investigating the

establishment, even purposely getting into a fight in order to disobey the officer or the guard, who automatically breaks up a fight that takes place in front of him, in order to be sentenced to solitary confinement—which is a rather depressing ordeal, without clothes, and in darkness, with nothing to read.

I spent eleven days in "solitary" listening to the howls of my fellow inmates of that particular cellblock. I was released in time to be assigned, since my time in the school had reached that point, to one of the school shops. I was given a choice and I took the print shop. For several days I learned to set type by hand, although the instructor was drunk most of the time.

By prearranged code I meanwhile let my editors know, through my brothers, that it was time to get me released. That took a couple of extra weeks. Then I wrote a series, which appeared in the News for several days at least, beginning on page one.\*

Teiser: When was that, about?

Adams:

That would have been about 1923. I have clippings somewhere at home. This decided me that in my chosen writing career I had finally found a cause, and this was penology. I was going to reform the reform schools and prisons, and for some months I wrote interviews and wrote articles in this field and began visiting San Quentin prison.

It didn't take me more than several months to learn that a campaign to reform our penological institutions would be one of the most frustrating and impossible ways to spend my life, and I abandoned this. Although from time to time in subsequent years I covered all the different aspects of police, crime, prisons, prison riots, escapes --

Teiser: How long did you continue in San Francisco on the news-paper?

<sup>\*</sup>San Francisco <u>Daily News</u>, July 10, 1923, et seq., "Boys Taught Crime at Reform School."

Adams: I'd better answer that by changing to another subject because I continued in the newspaper field in San Francisco actually until 1937, but with an overlapping career in between.

While all this was going on I also was covering the Prohibition beat. Wait a minute--when I left the reform school it was in mid-semester and there was no use going back to college and I dropped out that semester.

Teiser: Was that because you didn't finish your courses?

Adams: Well, I didn't finish. I went back in the succeeding semester (and later for two more semesters), but by then I had a full time job. The News had given me a full time job at \$25 a week when I got out of reform school.

THE PROHIBITION BEAT

Adams: That's when I began covering the Prohibition beat. On the News we covered not only the Prohibition beat but the waterfront and the federal courts and the state courts. It was a very interesting experience for a cub reporter.

What intrigued me most, I found, was the entire subject of alcoholic beverages, and principally their misuse. I was especially interested because my father was something of a connoisseur of alcoholic beverages. I guess it was cognac more than anything else, although he also used wines and beers. My father had indoctrinated us children on the subject of alcoholic misbehavior. He had shown us when we were still living in Cambridge the drunks lying on the sidewalks and expressed disgust at anyone who overindulged in alcoholic beverages or anything else, but especially alcohol. This carried over to when I covered the Prohibition beat.

Among the most interesting parts of the Prohibition beat was the Prohibitionists' offices in the Methodist Book Concern building, I remember, the offices of the Anti-Saloon League, the state superintendent of which was one Reverend Arthur H. Briggs. And in the same building the WCTU, and there was an individual named Geis who was in charge of this.

The Prohibitionists interested me much more than the bootleggers did. I was then accompanying Prohibition agents on raids. I especially enjoyed going to Prohibitionist meetings, attending churches and listening to the hell and damnation and the denunciation. This was early in Prohibition, which began in 1920--all very, very interesting.

I had a memory, of course, of the latter years before Prohibition in San Francisco, having lived in San Francisco and remembering particularly the saloons in the Post and Franklin Street neighborhood. The saloons with the family entrances. This interested me. The wines that were sold in grocery stores. These things are all very interesting to me.

At this point I had two major interests: one, I fell in love with the waterfront, the romance of the sea, and enjoyed writing waterfront feature stories and covering the incoming ships--ship news; covering the waterfront was an important beat in those days. And the other was the Prohibition beat.

Teiser: Did they ever overlap?

Adams: Well, the rum-runners were of some interest. I remember particularly, the seizure of the rum-runner Quadra by the Federals.\* That was the biggest of the rum-runner ships out of Vancouver, B.C.

Teiser: Did they run in any wines? Or was that too low-paying a commodity?

Adams: There were products labelled champagne, among other things, but mostly, of course, it was so-called Scotch whisky and Canadian whisky. I remember visiting moonshine whisky stills out in the hills of what is now Pacifica, south of San Francisco. I went out with the Prohibition agents.

Then of course wine was bootlegged throughout San Francisco. The wine was served with meals in Italian restaurants. It was usually served in coffee cups.

<sup>\*</sup>September 1924.

Teiser: Where did the wine that was bootlegged come from?

Adams: Some of it came from vineyards in the coast counties, from old-time wineries who were legally and supposedly out of business, but they were still growing grapes and presumably shipping the grapes, selling the grapes. But wine came to the restaurants. I later had friends who made no particular bones about the fact that they still were making wine during Prohibition. I mean they had small wineries, and they were noted for their particularly good wines. But some of the Italian restaurateurs were making wine themselves in their own home basements in North Beach.

I daily toured the San Francisco waterfront, where near the foot of Broadway during vintage season there were trainloads and truckloads of wine grapes for sale. As the years got into the mid-twenties this business became mechanized. The mechanization consisted of having a truck with a grape crusher on it and a pipe. One would select his grapes from trucks or from freight cars and then have the truck with the crusher go alongside, pour the grapes into the crusher and the crusher truck would then go to the individual's home address and through the pipe send the must down into the cellar or wherever the wine was going to be fermented. This was quite a San Francisco institution. Of course, comparable things were going on in other parts of the country but I wasn't witnessing it elsewhere.

Teiser: Were you aware of the wineries that had permits during Prohibition, of any of their wine getting into illegal channels?

Adams: In the latter years of Prohibition more than one winery man would tell me about another winery man, and after Repeal more than one would imply incidentally in conversation that he had, of course, made and sold wine during Prohibition.

Teiser: Sold wine outside of the legal channels?

Adams: Yes, of course.

Teiser: This is something that keeps coming up. It's often said that there were only half a dozen wineries in California which had Prohibition Bureau permits. I

Teiser: know there were more than that because I've seen records of them. In your experience was it a big industry?

Adams: It was a fairly sizeable industry, yes.

I will come to some of that, but I'm afraid we'll have to splice back--we've interrupted the narrative here. Because in 1924 I decided that I had learned enough about newspapering to make it necessary to do some travelling, to learn more about the world. What encouraged me, however, was the fact that when I returned to college for my second semester, having missed one semester, I had become so involved in newspaper work, covering ship arrivals before dawn and interviewing, and writing pseudo-scientific stories all over the place, sometimes with the help of Dr. Henry F. Lutz, the Egyptologist and Assyriologist -- (I wrote my first story on the history of Prohibition at that time, and it was a feature story that carried around the world. It came back years later in the Sunday supplements, about Prohibition in the ancient Orient.)

Anyway, I worked so hard in the newspaper business that I had to neglect my classes and I flunked out a second time (but I went back to college later). I there and then decided to go to Europe.

Teiser: Was your family putting any pressure on you to go to college?

Adams: No. My mother had died when I was ten. My father was a very busy character. As a matter of fact, my father didn't really believe in a journalistic career. He thought that writers were great people but he'd never met one. No, it was my idea.

Teiser: You were pretty well on your own?

Adams: Oh yes.

#### TRAVELS AND RETURN TO JOURNALISM

Adams:

Anyway, in order to go to Europe, the only way I could afford to go was to get a job on a ship. So, I traipsed along the waterfront and I found that I had better get some experience as a sailor first. So I went to what was then called "the slave market" and signed up. The first job I had was as an engine wiper on the old Matson liner Matsonia, and I took a trip to the Hawaiian Islands. When I returned I felt equipped to find a job on another ship, but that didn't work. I was told that there were too many people on the beach.

I heard that some jobs might be had in Los Angeles, so I went to San Pedro, in the Los Angeles Harbor that is, and managed to get a job there as a workaway--that is, a sailor, a deckhand without pay, on the Ward Line freighter Agwistar, which was then a tramp ship. But unfortunately, while it was going to the Atlantic coast, it was going to the Atlantic coast, it was going to the Atlantic coast by way of Puget Sound.

My companion at this time was another young reporter named John T. Moutoux, who didn't know anything about ships, but he thought it would be a great idea to go with me. He had come from Tennessee. The water was strange to him. Anyway, when the Agwistar reached Tacoma, Washington, the first mate ordered Moutoux and me to scale the ship's boilers. Now, I had learned while on the Matsonia that boiler scaling was a good way to ruin one's lungs, so we refused to do this, and we were beached.

We then found our way to Vancouver, British Columbia, because we had heard a rumor that European sailors were jumping ship there. And sure enough we managed to get jobs as <u>leicht matrosen</u> on the Hamburg-America Line freighter <u>Hessen</u>, bound for Hamburg.

Teiser: Oh, you went to Germany?

Adams:

No, I didn't yet. When the <u>Hessen</u> reached San Francisco I went ashore and telephoned, trying to reach my father, and I learned that he was extremely ill, whereupon I had to leave the ship, much to the objection of the first mate. He threatened first to put me in irons, but upon

learning that I knew newspaper people who would let this fact and situation be known, he freed me and let me go. My pay was \$12 a month, incidentally, American.

Well, having said goodbye to all my friends on my way to Europe I wasn't going back to the News to get back on the staff, [laughs] and I learned through the grapevine that the Marysville Democrat, Marysville, California, needed a reporter. I hurried to Marysville and got the job and worked there for a few months, visiting my father at various sanatoria in the Bay Area whenever I could. My father died later in about midyear.

So I enlisted my brother Emil--we'd saved a little money from our respective salaries--and we decided to pay our way to Europe, in steerage of course. So we went on the old Panama Pacific liner Kroonland in steerage to New York, and from there to Europe on the Royal Mail liner Orbita, landing in Southhampton.

I was less interested in the British Isles than the Continent. But what impressed me when we arrived in France was that while in the British Isles and in 1'Havre and Rouen we had seen people drunk, we didn't find anyone drunk in Paris or in the Champagne district or in southern France, except visiting Americans and British and Scandinavians. This was extremely interesting to me. And having been interested in wines already, I did a thorough job of sampling the wines and beers of the area and actually visited a few vineyards, but then continued on to Germany and Austria, Hungary, Yugoslavia and then Italy.

I was running out of money and found it necessary to find our way back.

Teiser: You didn't try to go to Russia to see your ancestral -- ?

Adams:

No, we were running out of money. While in Rome shopping for ways to get home with what little money I had left, I learned that a bargain trip home--not only a bargain, but also a bargain in travel--could be had by joining at Palermo, Sicily, one of the Italian liners. (I'm trying to remember the name of the Italian line, that particular Italian line.) It would have cost much more to buy a passage from France to New York on this ship

than to board it at Palermo at the bargain price offered to Italians. So we found our way to Palermo and boarded there, and then the ship took us back to Naples and back to Marseilles. Of course, this was an Italian ship and I learned quite a bit about wine because for nineteen days the beverage was wine, and people like to talk about wine.

From Italy I wrote my editor in San Francisco that I was coming home. And at my address--I think it was American Express, Marseilles--I found a letter saying, "You have a job as soon as you return." I went back to the News and became more or less the star young reporter on the paper. And a year or so later I was highly flattered to receive an offer from the San Francisco Bulletin. Of course, this I couldn't resist and I thought it would be a good idea to get more experience on more newspapers.

I forgot to mention that while in Europe I of course had a camera and was taking pictures and selling stories to the NEA Service. That's the Newspaper Enterprise Association. My best story was about dueling in Hungary. I tried to see Admiral Horthy who was then regent, but without success—which is natural.

Anyway on the <u>Bulletin</u> I became a general assignment and rewrite man and also marine editor—that was my title. I had the title of marine editor. And I pursued my waterfront hobby, writing three entire series of articles based on old sailing ships' logs. These articles were published in other newspapers as far off as St. John, New Brunswick. This is when I also became well acquainted with the wine grape situation down on the waterfront.

Teiser: Did you become acquainted with some of the people who were operating the --?

Adams: With several. I wrote some feature stories about wine made from frozen grapes. That was one of the articles that I wrote, one I particularly remember.

Teiser: Why did they have them frozen?

Adams: Well, there was a former Greek vintner who was great friends with an Italian old-time winemaker in San Francisco, who thought he had really invented something:

Adams: the idea that instead of using fresh grapes you could buy frozen grapes by the barrel and make wine in your home at any time of year. That was when I got better acquainted with that part of town.

Teiser: What happened about the frozen grapes?

Adams: I don't remember.

Teiser: It didn't work, I gather.

Adams: Well, I'm sure it worked. I mean there's no question that you can make wine out of frozen grapes. But I don't remember tasting the wine.

Teiser: But it didn't become a commercial success?

Adams: No. it didn't.

I particularly remember having become acquainted at that time with Greek brandy, that anise-flavored brandy called ouzo.

At about this time I had a friend covering the waterfront with me, named Robert Layton Smith. was assigned to the waterfront beat by the Call, the San Francisco Call and Post. (This has to do with the Wine Institute history, by the way.) He used to travel with me covering the waterfront. I was, unfortunately, Smith had come from the State of Washington. the leader. He was not enthusiastic about the newspaper business. and I was. We became very good friends, and Smith said that the next step from the newspaper business is the advertising and publicity business, that the newspaper business wasn't sufficiently important for a man to spend his entire career. I thought this over. About this time I encountered the book by Edward L. Bernays, who was the brother-in-law or son-in-law, I've forgotten which, of Freud. Edward Bernays of New York. A book called Propaganda.

Teiser: So, you read Propaganda?

Adams: I read <u>Propaganda</u>, and I fear that it changed my life because it decided me that newspapering was just a high-grade kind of gossiping and that I wanted to do something important with my life, and I would become a propagandist if I could find a cause.

Well, this was enough to encourage Mr. Robert Layton Smith, who promptly went down to 111 Sutter Street, then known as the Hunter-Dulin Building, and rented an office. [Laughs] He rented an office and said, "We are now partners in the Pacific Advertising Staff." I was to find the clients and Smith was to do the advertising and the publicity. And I in my spare time was to help. And we were partners.

Teiser: What year was this? Do you remember?

Adams:

It would have been probably 1927. I promptly found Mr. Smith some steamship clients, and he got a building and loan association client at San Jose, and there were some hotel clients, including one in the Sonoma wine country, and in my spare time I would do some of this kind of writing. But religiously keeping it separate from my work on the <u>Bulletin</u>.

Then Smith took on an additional partner and finally a fourth partner, and this was becoming much too much. At that point I had learned that the McClatchy chain of newspapers, the "Bees" (there was the Sacramento Bee, the Fresno Bee, and the Modesto News-Herald) were looking for someone to manage their San Francisco news bureau. A man named Ashton-I forget his first name--was quitting or retiring, I don't remember which, and this was a job that would be a full-time responsibility but one could still have his own work outside--the McClatchys would have no objections.

I was interviewed by H.R. McLaughlin, the managing editor of the Fresno Bee, and then by the late Carlos K. McClatchy, who was then running the Fresno Bee. There was no question that they had found the ideal person [laughs]. I'd found a way to become a propagandist supported by part-time newspapering.

I had two employees, a teletype puncher and a cub reporter assistant. When I joined, the office was just moving from the United Press office on Ninth Street to the Associated Press office at 812 Mission Street. In other words, two floors above the <u>Bulletin</u> office. That is how I learned about the McClatchy thing, being neighbors.

This was a great deal of fun. I covered everything of any interest in the San Francisco Bay Area involving what subsequently became called and still is called "McClatchyland." Now McClatchyland extends from northernmost and easternmost California to the Tehachapi, and it even covers some coast counties, Napa and some of Sonoma. One of the big stories, especially for the Fresno Bee, was anything to do with grapes.

# THE CALIFORNIA VINEYARDISTS ASSOCIATION

Adams:

The Associated Press office and my McClatchy bureau meanwhile moved to the Chronicle Building at Fifth and Mission Streets, I've forgotten just when. I found that one of the places I especially had to cover was the California Vineyardists Association at 85 Second Street. In the late twenties various attempts were being made to save the much-depressed grape industry of California.

Now when Hoover was elected in 1928, part of his campaign was his Federal Farm Relief plan, and 85 Second Street became the center of everything to be done to save the grape industry.

So in the late '20s and early '30s, covering the California Vineyardists Association office, I became well acquainted with Harry Arthur Caddow. I had written feature stories about grape by-products. He was in charge of the by-products division--or department, I forget which--of the CVA. And I later became acquainted with the managing director of the CVA, Donald D. Conn. This began about the time of Hoover's election.

The CVA was formed in 1926. I'll tell you its story in a moment. Well, I may as well start at this point. I learned much of its story subsequently, you see, as I became acquainted with the various factors. What started it was the deep depression of the grape industry after the market bust of 1925. To go back a little earlier, when Prohibition became the law, many of the growers of wine grapes thought this was the end, and they pulled the vines of their finer grape

varieties, and they soon learned about shipping-grapes, the coarse varieties with thick skins, that shipped well. People wanted to buy grapes to make wine.

The most valuable of all the shipping-grapes was the Alicante Bouschet, because it has thick skin and has dark juice which enables the home winemaker or bootlegger to add water and sugar and stretch it to hundreds of gallons per ton. Now the people who had Alicantes, and for that matter any other grape variety, began to prosper when the juice-grape business boomed. I am told that began as early as 1920, about 1921, '22, '23, '24. The growers became rich. Prohibition was a bonanza for these growers. And of course, with the heavy tonnage of grapes in the San Joaquin Valley and especially around Fresno, Fresno became the capitol of the juice-grape business. It also, of course, had good railroad service.

Now, Harry Caddow had come from the railroad business. From Caddow and many others in the fresh-grape-shipping business (which also by the way was headquartered at 85 Second Street and I think it was the Pacific Fruit Exchange that was headquartered there) I used to hear these stories, and I covered many of these stories about the grape industry and about regulating the shipments. There was a shortage of refrigerator freight cars. In fact, the right to use an empty refrigerator car, which someone else had reserved, brought as much money sometimes as you'd figure the grapes were worth. The car shortage was acute.

Now Herbert Hoover, when he was Secretary of Commerce, was among those who received complaints about the shortage of refrigerator cars. I'm not certain of the details here. I long had the impression that it was partly Herbert Hoover who assigned to the study of this problem a railroad executive named Donald D. Conn. I heard this story from grape industry leaders. I particularly remember Burton A. Towne of Lodi, and the head of the California Grape Clearing House at 85 Second Street, Wilmer Sieg, and people whose faces I remember but whose names escape me now.

I haven't told you the really good story here. The American Railway Association--if my memory is clear

who it was--answered the bitter complaints of the grape growers and shippers by going to work to solve the refrigerator car shortage, and for this purpose Donald Conn was assigned to California to survey the problem. One of his assistants was Harry Caddow. Another was Leo C. Monohan, who had some connection -- I forget what his experience was, but some connection as a young Washington bureaucrat, and he might have been assigned from the Department of Commerce. I don't know where the records of that would be. This great study was made, and Conn and his assistants formulated the -- and this is a proper name, with capital letters--the California Grape Car Plan. The California Grape Car Plan was a method of allotting refrigerator cars to various shipping points and to the various people who used them. Up to that time the Armenian colony in Fresno were getting rich from the high prices at which their grapes sold in eastern markets. Because of the car shortage, grapes were scarce in the East and grape prices there continued to rise. The gathering of Armenian grape shippers in the lobby of the Californian Hotel in Fresno was referred to as "the rug peddlers getting rich." They were buying Cadillacs for their children and so on, from the profits of refrigerator cars loaded with Muscats and other grapes for the bootlegging and home wine making trade going east.

The California Grape Car Plan was to straighten out this mess, where people were bribing others to let them have a car here and a car there. In 1925 the Plan went into effect and suddenly there were plenty of refrigerator cars. That is when the grape market went bust. Too many grapes were shipped east, and I've heard this from many individuals. (I wasn't writing about it in 1925; I wrote about it in later years.)

There were more grapes than the buyers wanted to buy, and they started to rot waiting in the auction markets. That's when the bottom dropped out of the market. The expression on the part of the shipper was that his car "returned red ink;" he got back "red ink" for his grapes.

Teiser: So Conn did too good a job.

Adams: Presumably. The place to look for stories about the grape industry is in the files of the Fresno Bee, more

of it there than any place else. You'll find it because all this was big, big news in Fresno. The McClatchy News Service had a forty-word-a-minute teletype and the news was so heavy we later had to increase it to a sixty-word machine. Some of the news was about various efforts to regulate the shipments of fresh grapes to keep from flooding the markets. A grape-shipment clearinghouse was headquartered at 85 Second Street, and the CVA had a great deal to do with this. But in the meantime Donald Conn went --

Now, wait a minute, I'm losing track of this. I have to switch back chronologically. The grape industry needed a czar. That's what the grape industry felt it needed. There were editorials in the San Francisco papers. I particularly remember in the San Francisco Chronicle, a cartoon of a cat, the "Mus-cat," which was making the trouble for the poor grape growers.

It was necessary to do something about the grape industry, and that was why the California Vineyardists Association was formed. The idea of the Vineyardists Association was to find other outlets for the grape surplus. At the University of California Professor William V. Cruess was a principal source of encouragement on this subject. And I wrote some articles about him. He worked in the Division of Fruit Products of the University at Berkeley, which was really a left-over from Professor Hilgard's\* original vinicultural and enological project started in 1880. Professor Cruess originated such products as "raisin-ade" and--oh, I'd have to look in my files for some of the things he originated, but that's one that sticks in my mind.

There also were efforts, of course, to develop a California fresh grape juice industry, but it was soon evident that <u>vinifera</u> grapes do not have the high flavor that makes the fresh grape juice of native Concords such a popular breakfast drink. I remember now, they were also going to make paper out of grape stems. All sorts of by-products. And I used to write these stories. Well, the grape industry, they felt, needed a czar. And it was Herbert Hoover who recommended the boss of the Grape Car Plan, Donald Conn, to be that czar.

<sup>\*</sup>Eugene W. Hilgard

The California State Chamber of Commerce was involved in encouraging the organization of the CVA to raise funds with various assessments, so much per lug box--I've forgotten what the structure was. You might find that in the Conn Report,\* how they collected the money. Burton Towne and other grape industry leaders, including it seems to me at one point perhaps K. Arakelian, and Joseph Di Giorgio, joined at various times in promoting the CVA membership and were involved in payments for memberships at various rates based on shipments on grapes.

Teiser: Oh, I see. But there were lots of little members apparently.

Adams: Oh yes.

Teiser: What evidence do you have that Herbert Hoover directly backed Conn? It's been said to me that Conn mis-represented himself as a spokesman for Herbert Hoover.

Adams: Leo Monohan, who may still be around, would know, but goodness knows where he is. (One way to find out is to talk to Mrs. Eleanor Caddow.\*\* I could ask her on the telephone where Leo is.) But I seem to remember Leo Monohan telling me this, and Harry Caddow mentioned it many times. It seems to me that Burton Towne said so-but Conn also told me. Conn was a great promoter, as you will soon see. And he operated like a promoter at 85 Second Street, in various departments, including the women's department. Among other things, the various ways to use grapes in cooking, and this sort of thing. The flood of material out of 85 Second was considerable.

Meanwhile, there were grape industry mass meetings all over the state, none of which I ever attended, but I heard the stories many times. You will find in Alice Hobart's The Cup and the Sword some reference to the battles among the various factors in the grape industry in the San Joaquin Valley. They involved the use of what people called the "night-riders." Now I don't remember on which side the "night-riders" were, whether

<sup>\*</sup>See pp. 27-30.

<sup>\*\*</sup>Mrs. Henry A. Caddow

they were pro or con the CVA. But there were battles in the valley.

When Alice was writing The Cup and the Sword she would ask me for various bits of research data, and I hired a reporter down in the San Joaquin Valley to do this research. She liked the "night-riders" story and I don't know where the files are on this, but he dug up the police and newspaper on the "night-riders." I wasn't involved in this otherwise.

Anyway there were pros and cons in reference to the CVA. I do not know what the issues were. Besides paying money there was the matter of regulating shipments. One of the CVA purposes, of course, was to have a sound regulation of fresh grape shipments. That was a pretty hot subject.

# FEDERAL FARM BOARD AID TO THE GRAPE INDUSTRY

Adams:

With Hoover's election, one of the first things that occupied us in California was Federal Farm Board relief for the grape industry. (interruption) All stops were pulled and everyone went to work, and it was all between Washington, Fresno, and 85 Second Street, San Francisco. A leader at this particular point was a very fine gentleman named Frederick J. Koster. Koster was president of the California Barrel Company. He was headquartered in the Shell Building. He was president or past president of the California State Chamber of Commerce, which had helped to form the CVA and which assigned its president, Koster, to help save the grape industry.\* That is, the Federal Farm Board meant money, federal money.

Meetings began at 85 Second Street on various Federal Farm Board grape programs. This was when I became additionally acquainted with grape industry leaders because I was covering these meetings. I

<sup>\*</sup>For additional recollections of Frederick J. Koster, see p. 27, and brief references as indexed.

Adams: represented the newspapers most directly concerned. I had to get acquainted with these people. Such individuals as [A.] Setrakian, Di Giorgio, Burton Towne--let me think of some of these characters--Arthur Tarpey, Secondo Guasti, Jr., Walter Sink of Cloverdale, various people out of Lodi. I'd have to look at a list of names.

Teiser: It wasn't just the valley people?

Adams: No, they tried to involve everyone. The CVA had good membership in the coastal wine districts. I don't remember whether the Wentes came to these meetings or not. The big growers were at these various meetings. This is when I first met Setrakian. He represented a segment down in that area.

Teiser: What did he look like?

Adams: Well, you met him.

Teiser: Yes, but what did he look like then?

Adams: He hasn't changed very much. I saw him after he was ill; I saw him within the past year down at Jack's Restaurant. He hasn't changed very much. He's just shrivelled a bit.

Teiser: Can you describe him?

Adams: Well, he's a little man, that's all. A little olivecomplexioned man. He always seemed to be very sure of himself. I remember in the late '20s he used to make speeches at these meetings. That's all I recall.

Teiser: He used to make speeches at meetings down in Fresno?

Adams: And in these meetings at 85 Second Street. I remember on a number of occasions stopping him, among other people, asking what's happened at such and such a meeting, because I wasn't admitted inside the stabilization meetings. And Setrakian would seldom tell me anything. Conn's secretary, Jack Bellenger, was my best source of information that I recall.

Teiser: Was Conn a man who had very loyal people around him?

....

Bellenger was. Bellenger later--I forget whether he murdered someone or what. There was some grave involvement with the police, but I don't remember what it was. That was subsequently. My memory is that the men around Conn had little respect for him, other than Bellenger. Neither did I have any respect for him. He was a promoter.

By the way, that's when I first met Paul Garrett. He was one of the most important single factors in the grape industry, even though he was a New Yorker. Actually he was really a North Carolinian. The story of Paul Garrett is in my book,\* by the way, and it's nowhere else. Paul Garrett was the person behind the idea offered in the stabilization meetings that one of the ways to save the grape industry with Federal Farm Board money was to make grape concentrate and sell it in cans for home wine making.

Garrett was travelling back and forth between his place in Brooklyn and his winery and vineyard at Cucamonga, the Mission Vineyard Winery (where he was making concentrates and Virginia Dare wine tonic). It was Garrett who thought of making concentrate.\*\* The CVA was having trouble collecting from its membership, enrolling members and collecting from them. Its dues or assessment structure apparently I was subsequently told by a number of wasn't sound. people it was "too voluntary." And Conn was not too popular in the growers' mass meetings that he attended. He was often heckled at these various meetings. was a city slicker making speeches at farmers' meetings, telling them about their salvation. Well, they knew how much his salary was, which I recall started at \$25,000 or some such figure. It went up in five thousand dollars a year stages.

Teiser: It was a five-year contract?

<sup>\*</sup>The Wines of America, Boston: Houghton-Mifflin Company, 1973.

<sup>\*\*</sup>For additional recollections of Paul Garrett, see pp. 39-40 and other mentions as indexed.

That's it. It was a five-year contract and the salary went up in five-thousand dollar stages. Anyway, the fact of his salary and that he was a city slicker didn't help much.\*

FRUIT INDUSTRIES AND THE ROSSIS

Adams:

Fruit Industries was formed as an offshoot of CVA, with Conn as managing director. And the upshot of the Federal Farm Board money was that it was loaned not to Fruit Industries, in particular, which wanted most of the money. But, I repeat, it was Garrett's idea for Fruit Industries to make the concentrate. The upshot was that the Federal Farm Board money was mostly loaned to the Sunmaid Raisin Growers.

Millions of dollars were loaned by California banks and by the Federal Farm Board to Sunmaid Raisin Growers and to Fruit Industries. Now, to find out in which years which items, I would have to review the files of the Fresno Bee for each fall season, or each late summer season. I wrote the stories, but I don't remember them year by year by year. But I remember Carlos McClatchy being on the telephone, and he wouldn't even use the teletype sometimes with a big grape story, and they were holding the edition, you see, for this big story of what did they do in this particular meeting.

Well, Fruit Industries was -- that was 1929, I believe.

Teiser: It was formed, yes, in January, 1929.

Adams:

Its name was first Fruit Industries, Ltd. And the entity, Fruit Industries, changed two or three times subsequently. In which years is a question I wish I could answer-- I might find it if I really dug in some notes. And

<sup>\*</sup>For additional recollections of Donald D. Conn and the California Vineyardists Association, see pp. 27-30 and 32-34.

at the by-products division of the CVA or Fruit Industries, I don't know which, Dr. John Eoff was recruited and put to work in a laboratory across the street from 85 Second Street. And I remember visiting that laboratory. He was working on various grape by-products. I particularly remember this because Dr. Eoff subsequently went to Canada, to the Bright's Winery near Niagara Falls, Ontario, to improve the quality of their wines. I remember this particularly.

Fruit Industries was a merger of large California wineries which had continued operating during Prohibition under government permit, and the Garrett company wineries in the Finger Lakes district of New York, including at least one at Penn Yan, New York, and the Garrett and Company plant at Brooklyn, New York, which was [Paul] Garrett's headquarters. Although he spent a great deal of time up in the Finger Lakes district, presumably I suppose at Penn Yan.

Teiser: So, Fruit Industries, you were saying, was a merger of companies that were operating during that period.

Adams:

I'll list them as well as I can from memory: Yes. the California Wine Association; the Italian Vineyard Company at Guasti; the California Grape Products Company, which had vineyards and wineries up in Napa County; Colonial Grape Products Company, which had a winery at Cordova Vineyards (that's not far from Mills, California). I don't think Italian Swiss Colony was then a member, but it was involved in this because it had not yet gotten itself free from the California Wine Association at that particular time. The California Wine Association was for many years in process of liquidation. Its executive was Almond R. Morrow, whose office was at 85 Second Street, and its properties included the great wine depot at Winehaven at Point Richmond, California, and the Schilling cellar on Minnesota Street, San Francisco.\*

It was during this time that I became well acquainted with the Rossi brothers. But the Rossi brothers, that's Edmund and Robert, his twin brother,

<sup>\*</sup>For addition recollections of Fruit Industries, see p. 30-31.

<sup>\*\*</sup>See also Edmund A. Rossi, <u>Italian Swiss Colony and</u> the Wine Industry, an interview in this series completed in 1971.

at that time were operating as the Asti Colony. I believe the address was 57 Broadway, San Francisco. They were in the grape juice and grape concentrate business. A tiny sketch of the Rossi operation was that, in the manner of Fruit Industries, they employed service men. And among their service men were the Pioli brothers. One was named Victor; I don't remember the name of the other. The Rossis would sell a household their grape juice or grape concentrate, and the Piolis would then go to the buyer's home and presumably in the basement would make wine, and very good wine.

The Pioli brothers, subsequently, after Repeal, formed the Original Old King Cole Winery in San Francisco. They were just bottlers at that time, but they sold some of the best bottler wines in the San Francisco area. That's further evidence that they were good winemakers.

Teiser: Tell me, what was Robert Rossi like? Was he different from Edmund Rossi?

Adams: They were very much alike. It took two of them to be one entire person. [Laughs] They had connecting telephones and a conversation with one was a conversation with both. Even on the telephone as well as in person.

The Rossis, who were most generous with time and enjoyed talking to anyone who had an appreciation of wine, and I became friends. And it was Edmund Rossi who loaned me, in the late '20s, some of the literature of the pre-Prohibition [period] and Italian Swiss Colony, and told me the history of the Colony. And the particular piece that changed my life was a propaganda booklet by Andrea Sbarboro, the founder of Italian Swiss Colony.\*

In this booklet Sbarboro wrote of wine as the temperate beverage, and I don't remember if it was all his own language, but he described it in effect as the preventive of alcoholism. At this point there I was with my partner Smith taking up some of my time --

<sup>\*</sup>The Fight for True Temperance, see also p. 66

I forgot to mention this: the McClatchys always said to me, "You can do anything you want with your time, take care of your own business as long as your first responsibility is to us. We don't care what you do with the rest of your time, you can have your assistant do your work, but we rely on you." If they wanted something important they called me and not my assistant. So there I was, I had been handling many different kinds of accounts with Smith, none of which interested me very much except a few political campaigns. I joined in managing some political campaigns, some statewide, and never lost a campaign. I was briefly intrigued with politics, but then realized that someday I'd lose a campaign and then I wouldn't like it. So I decided that I didn't want to be in politics any more.

I do remember this, however, that in 1932 the Democrats assigned me the California publicity campaign for Roosevelt for President. They assigned it to me one day and the following day Jerry Scanlon unearthed the fact that I had been a registered Republican. [Laughs] So Jerry Scanlon was assigned to it. That was a very narrow escape. I'm afraid my career might have been politics. That group of Democrats, incidentally, lost to the Garner group backed by Hearst, and Jerry Scanlon had a tough time collecting his fee. This was all for the Pacific Advertising Staff, I might mention. Jerome Politzer was the Democrat who proposed me, in terms of myself rather than my firm, but it would have been my firm.

## FINDING A CAUSE

Adams:

Anyway, the Sbarboro booklet answered my quest. I was looking for a cause. There I found the cause. I would teach Americans to drink light wine with meals, and this went back to my childhood and my experience in Europe and so on. And I became gradually fascinated with wine.

Another thing entered besides this; I went library-hunting for books about wine. And the book which brought this together with Sbarboro's booklet and influenced me was Hedges-Butler. Wine and the Wine Adams: Lands of the World, his respect for wine--wine as the great civilized beverage, the cultured beverage and so on. But anyway that was it.

This was about 1931 or thereabouts and the Rossis and other old-time wine people--oh, and I should add Frederick J. Koster, who was the chairman of the California Grape Stabilization Board. His background was wine also. His father, Koster told me, had a vineyard with what Frederick always said were some of the finest white wines in California, on the western slope of Mt. Hamilton. Anyway, Koster and I became good friends. He influenced me too. He and the Rossis, in particular, were convinced that Prohibition would not last. So I thought this is going to be my campaign. With Roosevelt's election this then, of course, became obvious.

## THE CONN REPORT

Adams: I'll just stop now and tell you the story about Mr. Conn. One day, I think it was probably by telephone, Donald Conn wanted to see me. He knew that I was part owner of a firm in the publicity and advertising business. I went down to see him at 85 Second Street and he told me he had a writing assignment for me, and that was to help to write his final report of the CVA.

Teiser: He called it his final report?

Adams: Yes. And this didn't make very much sense to me. It took some further questioning until Mr. Conn finally became frank about it. He said, "I want this to make news, and that's where you come in. I want the news to carry across the United States because I'm leaving the CVA and I want people to know in my next position, I want my next position to result from the publicity that this report will receive." This intrigued me. He was asking me with my typewriter to get him a new job. [Laughs]

Teiser: Is that really right?

Exactly. He didn't use precisely those words, but there was no question about it. And I spoke to him frankly in those terms and I spent a great deal of time with Conn. I got acquainted with his family, went down to his home and so on, and listened to more of his background. And it seemed to me that the only way for his report to make the kind of news that would carry across the United States would be to inject something newsy.

I said to Mr. Conn, "How would you like to accuse the Hoover administration--I'll give you the key word--of betraying the grape industry?" Conn said, "Well, I don't know about that." I said, "Well, that'll get you the headlines. After all, the story is--and I was there when it happened--that you had Vine-Glo." (And I haven't told you this story yet. Dear me, dear me. It was the Hoover administration that put a stop to Vine-Glo, the grape concentrate that was going to be the salvation of the grape industry. The Hoover administration, under pressure from the Drys, put a stop to it. So they did betray the grape industry.)

So Conn said, "I'll have to talk to Mabel." Well, I had become acquainted with Mabel Walker Willebrandt, who at the suggestion of the very wise and clever Paul Garrett had been hired at the beginning of the Vine-Glo matter (which I'm coming back to) to be legal counsel to Fruit Industries. But Mabel had always been shy of newspaper people and she naturally didn't trust me, particularly when Conn told her one day what I was saying--that the only thing that would make nationwide news was the word betrayal.

I still remember the day, also at 85 Second Street, when Conn was not having much success. He called me into the office where Mabel was sitting and we had it out. I had to tell Mrs. Willebrandt that there was no sense whatever in my helping with this report unless the word betrayal got into it. I said, "It has to get into the report. That's the only thing that will accomplish Conn's purpose of publicity. Moreover, as a newspaper man I can tell you the word betrayal is entirely justified by the fact that it occurred." And Mabel finally said, "O.K." She changed a few words in that paragraph of the report, but the word betrayal stayed in there.

I then went back to my office in the Chronicle Building. I used to work day and night; that's how I was able to carry on all my different activities. I wrote the story, and I not only wrote the story but I placed it, knowing how the wire services operated. At that time there were four main wire services, AP, UP, INS, and Universal, and I knew their relay points and so on. So I wrote the story for advance release and supplied it to the relay points in the newswire networks at places like Kansas City and Chicago. I had the whole story placed with advance release times at these relay points so it would go all the way east, not just stop in California, the origination point, or at Kansas City.

Teiser: The story you're speaking of is the summary of the report?

Adams: The story of Conn's final report.

Teiser: That was presumably based upon the report.

Adams: Here it is. Let's look at the date. April 26, 1932.\*

I wrote it. "Charging it had been double-crossed -- "

Well, I used the word betrayal. Where is it here?

Teiser: It's in the headline: "Grape Growers Declare U.S. Betrayed Them."

Adams: Yes, that's right.

Teiser: And this was based on the report that you had helped to write?

Adams: Based on my paragraph of the report. What it basically came down to was that I wrote the main--I realized that all I really had to do was write one paragraph. Conn paid me, as I recall, eight hundred dollars.

Teiser: Did you write, actually, just one part of it or did you write the whole report?

<sup>\*</sup>News article in the San Francisco Examiner. See also Examiner articles of April 27, 1932 ("Hoover's Approval of Wine Grape Plan Charged by Conn") and April 28, 1932 ("Grape Men in Fight...").

I made other changes, but the key paragraph that made the news was this. Oh, I'm beginning to remember. I remember just changing a number of paragraphs throughout the report, only to lead up to this particular paragraph. The key word was <u>betray</u>, or <u>betrayal</u>, and that was it.

But I fortunately chose a good day of the week, and it reached eight column headlines in many newspapers. It was mostly page one news across the United States. Of course, I was busy with other things. I finished with it and I forgot about it. But I was very much amused when not many months later, Donald Conn was hired as the managing director of the--was it the American Railway Association? It was the American Something-or-other Association in Chicago.\*

Teiser: After that report he was given a one year continuation of his job with CVA.

Adams: You know what that meant: he didn't have a new job yet. That was phony.

Well, I have to tell you the Fruit Industries story because it just belongs here. The key to Fruit Industries was, as earlier mentioned, the grape concentrate in cans\*\* with service--the key word is service -- in the purchaser's home. The McCann-Erickson Agency was employed to develop the advertising. While doing research for my present book I re-read one of the ads that used language such as "Port, Sherry, Claret, Burgundy, Virginia Dare, Sauterne--it's legal!" That sort of thing. And the service was the key. You didn't have to just buy the concentrate; they'd send a service man to your home and supply the bottles and the corks and the yeast and everything else, produce the wine in your basement and bottle it up for you and even label it for you. And you'd have a stock of wine in spite of Prohibition.

One day in 1931 the telephone rang in the Fruit Industries office--I know this because Walter Taylor,

<sup>\*</sup>The Transportation Association of America. See pp. 33-34.

<sup>\*\*</sup>Vine-Glo. See pp. 28.

Adams: who will not be interviewed,\* told me he took the telephone call. And Walter would never tell me who was on the Washington end of the phone call, but the words were "Stop. Now. As of this minute. Stop the advertising." When the full-page ads by McCann-Erickson appeared, the Drys of course went sky high, and they put the pressure on the Hoover administration to put a stop to this. And that's what the telephone call said, "Stop. Now. As of this minute."

Teiser: And that was the basis for this article that Fulton Lewis wrote in the November 6, 1931, Examiner?\*\*

Adams: That's right. Actually, the sales went on but the advertising didn't.

Teiser: Well, then, wasn't it to the interest of CVA and Fruit Industries to have Prohibition continue?

Adams: Well, to Fruit Industries as a corporation, perhaps. But the members of Fruit Industries were wine people, after all, and all of them wanted Repeal, naturally.

It was in 1932 with Roosevelt's election that I realized that I could now move into my new career, which was to civilize American drinking, teach Americans to use wine. In '32 is when I went to the various wineries, and my best people were the Rossis.

<sup>\*</sup>The Regional Oral History Office's request for an interview was declined by Walter E. Taylor.

<sup>\*\*&</sup>quot;Grape Juice Firm to Stop Home Sales."

(Interview #2 - December 27, 1972)

Adams: I have no idea where we were.

Teiser: Well, there were a couple of things I wanted to ask you about some details that we discussed yesterday. On Donald Conn--I think I told you that he got a continuation of contract for only one year after that report.

Adams: That was only because he hadn't got that job in Chicago yet. There was nothing left for him to do; he was still job-hunting.

Teiser: Why was it that things had fallen apart so badly with him?

Adams: The grape growers and the handlers and processors were not behind Mr. Conn. They were disillusioned with his programs, his by-products, with the "betrayal by the government," and with him and his staff.

Teiser: One other thing--let me go back a little further. In 1930 there were newspaper articles reporting that Capone was mad at Conn because sales of the concentrate in Chicago threatened to cut into the rum-running market or whatever it was. And then there was a later story saying that Conn was being guarded in his Hillsborough home because Capone was out after him.\*

Adams: It's not impossible, but I'm not certain I'd believe it. [Laughs] However, it's perfectly true that one of the most active groups of service men for Vine-Glo

<sup>\*</sup>San Francisco Examiner, November 14 and November 21, 1930.

Adams: were the ones operating out of their Chicago headquarters. Philo Biane could tell you this.\*

Teiser: They had a very strong sales manager in Chicago?

Adams: Weller?

Teiser: There were two brothers...

Adams: Well, I imagine it was Hugh Adams and Hall Adams.
(Leroy A. Weller was in charge of Garrett's Mission Winery at Cucamonga for many years, even after Repeal.)
Hall Adams was at New York for Fruit Industries when I knew him, and Hugh Adams was in charge of Fruit Industries operations in Chicago. Incidentally, Fruit Industries had bottling plants at Chicago and at New York during the early Repeal years. That's when I knew them.

Teiser: Let me go back to Conn. About the time the April, 1932, story broke, they gave him the one year contract.\*\*
Then, according to the Examiner of November 14 of that same year, he resigned from the California Vineyardists Association to devote his full time to Fruit Industries, he said. Then, in 1933 he left Fruit Industries and they started to sue him, apparently.\*\*\*

Adams: I only vaguely recall these things.

Teiser: Then, October of '33 he was named president of a new California company called Pacific Distillers Corporation.\*\*\*\*

<sup>\*</sup>See Philo Biane, <u>Wine Making in Southern California and Recollections of Fruit Industries, Ltd.</u>, an interview in this series completed in 1972.

<sup>\*\*</sup>San Francisco Chronicle, April 26, 1932.

<sup>\*\*\*</sup>According to the minutes of the May 15, 1933, meeting of the board of Fruit Industries, Conn's contract as "manager of operations" was terminated at his request.

<sup>\*\*\*\*</sup>San Francisco Examiner, October 18, 1933.

Adams: That one I do not remember.

Teiser: Then, the next thing I have on him is in 1936 when he's named as vice-president of the Transportation Association of America.

Adams: That's it. That's the job that his publicity got him, but I think he got it much earlier.

Teiser: That's the one he wanted, was it?

Adams: That's the job he later told me he'd wanted, yes.

Teiser: I don't know when he got it.

Adams: Well, he was jumping back and forth across the continent because he knew he was through in California, and my memory is that he was organizing something like a transportation association. Yesterday I couldn't remember the name. I used to see Conn from time to time in subsequent years when he'd come to San Francisco. He died a number of years ago.

Teiser: There is a copy of the 1932 report in the Wine Institute library.

Adams: It was written by Conn, and only a few parts were changed by me for his publicity. That was a problem in propaganda that long intrigued me. It's publicity engineering of a kind, and it also satisfied my perverse sense of humor.

In the Hoover administration one of the leaders was Lloyd Tenny, who was sent from Washington. He had been in one of the Farm Board's agencies in Washington. He was sent out to administer one of the control plans. I remember him very well. I believe the last year of these various plans brought Frederick J. Koster in as chairman of the California Grape Control Board.

Among the San Francisco lawyers who were prominent in the Grape Control Plan were T.T.C. Gregory and William A. Boekel.

Teiser: I've talked to Boekel.

Adams: Oh, he would remember any of these details better than

I would. He was one of my better sources of news, straightening out complexities of these almost daily stories that I was writing for the McClatchy newspapers. There was very little coverage by any other press.

RAISINS AND WINE

Adams:

One of the leaders of the grape industry in the San Joaquin Valley that I met at that time was Ralph P. Merritt.\*

Teiser:

Did you know him well?

Adams:

He was a most cordial individual, easy to get acquainted with. Over a period of years I guess I spent two or three hours with him. It seems to me that he was one of the people in the history of the Sunmaid Raisin Growers Co-op, but I no longer recall what his various parts in that were. It seems to me that at some point he was superseded, so to speak, and that a raisin industry leader at that time was Setrakian, who had a considerable emotional following, and the man who was the most respected in the raisin industry and who therefore was not popular with Setrakian, who wanted to be the king of the raisin industry — that was Wylie Giffen. Those were among the people I used to meet at these beginnings and ends of these various control meetings in San Francisco.

Teiser:

Was Merritt an effective representative of his industry?

Adams:

I wasn't in the position to judge. He was an effective speaker as I remember. He was a solid individual. But the politics of the raisin industry throughout its history in Fresno were notorious. I did some research quite recently in the Fresno Library to straighten out

<sup>\*</sup>See also Ralph P. Merritt, <u>After Me Cometh a Builder</u>, A Regional Oral History Office interview completed in 1962.

the history of the wineries around Fresno. The attitude of the Fresno area community toward wine has intrigued me for many, many years.

In the early days, we who had started the Grape Growers League\* and the Wine Institute, had difficulty operating in San Francisco with the people around Fresno, who organized a rival association called the Sweet Wine Producers Association headquartered at Their secretary was a rather ineffective old man named Benjamin F. Lewis. The people who had wineries in the Fresno area felt that since the bulk of the wine produced in California at that time was coming from Fresno and since most of it was what they called sweet wine, they didn't want us at San Francisco to represent them. They felt that we mainly represented what they called dry wine--table wine. (Remind me to tell you about how I later changed the names of wine classes from "dry wine" and "sweet wine" to table wine and dessert wine--this is one of the stories I like to tell. It's a little adventure in practical and political semantics, and I might add in tax semantics.) Where was I?

Teiser: Sweet Wine Producers Association.

Adams:

Oh yes. When we started the Wine Institute and we wanted to hold meetings with the Fresno part of the industry, they invited us northerners down to the Raisin Day celebration. This intrigued me. Why was Fresno celebrating Raisin Day when the wine industry had just been revived? And the wine industry was more important, in my opinion, by far than the raisin industry. Well, it was nevertheless Raisin Day, and Fresno regarded itself as the Raisin Capital.

Subsequently we at the Wine Institute could never get the Fresno community much interested in Fresno wines. The Fresno community just wanted to brag about raisins. That is why I did my research recently. I found that what started the grape industry in the Fresno area was not raisins but wine. Francis Eisen (this is all on record, of course) started the first important vineyard in the area to make wine. And I

<sup>\*</sup>A predecessor of the Wine Institute. See also pp. 49-52.

learned in my research—this makes more sense to me than it does when you read it in the records of the history of Fresno County—it was when a spell of hot weather sunburned his grapes on the vine, and turned them into raisins, that he sold them as raisins, and the Sunmaid people still tell visitors to their plant today that that's how the raisin industry started. Eisen sent these raisined grapes to San Francisco, and a ship had arrived from Peru the previous day. The grocery firm that had bought these raisined grapes from Eisen put the grapes on sale as Peruvian delicacies. They sold very well and Eisen received orders for more.

Anyway, the raisin industry leader in subsequent years—and I would have to calculate how many decades had elapsed—was M. Theo Kearney, who had gone down from San Francisco and started a winery. He subsequently became involved in the raisin industry, and he tried to lead the raisin industry out of its various battles. Certain raisin growers never got along with him, especially the packers. He tried to form co-ops and so on and was frustrated in all of this.

But in the meantime--and this no one in Fresno seems to remember--he had started the Kearney Winery, which was located on the edge of what is now called Kearney Park, outside of Fresno. And I recently chased around trying to find the site of it and identify and verify that it was the same place and the same winery that later Joseph Allegretti operated post-Repeal as the Kearney Co-operative Winery. It's no longer in existence. Kearney called his establishment and his home and vineyard--which, of course, had started to produce wine--Chateau Fresno. I enjoyed this story.

The Fresno Winery was another important one, and the Barton Estate, and the Margerita Vineyard, and the Eggers Estate, and the Henrietta Rancho, and the Las Palmas Vineyard of Benjamin Woodworth. They were great.

Teiser: These were before Prohibition?

Adams: Oh yes. These were great wineri

Oh yes. These were great wineries. Post-Prohibition I got to know Mrs. Frona Eunice Wait Colburn. In her book published in 1889; she described these marvelous

<sup>\*</sup>Wines & Vines of California, The Bancroft Company, San Francisco.

estates and the wines they produced. Oh, and another was the St. George Winery of George H. Malter, who had made a fortune as a mining engineer, as I recall the story told to me by his son Hugo, post-Prohibition.

Anyway, the St. George Winery was still standing, or part of it was still standing through Prohibition and was reopened at the time of Repeal by Malter's son and by Beverly Goldthwaite, who later was one of the powers in the Alta Vineyards and in the Cameo Vineyards, and Goldthwaite later led these companies into a merger with the Wine Growers Guild. It is now the Guild Wineries and Distilleries. Goldthwaite is dead now.

Teiser: Let me go back to the Sweet Wine Producers Association, which sprang up right after Repeal, did it not?

Adams: Oh, excuse me. I never made my point, did I? My point is that the Fresno community apparently decided--this was pre-Prohibition--that being the raisin capital was more important than being the wine capital for prestige purposes during the temperance crusade, more respectable. [Laughs] So it was always known as the Raisin City and post-Repeal the same thing was true.

This cost me and cost the Wine Institute and cost the wine industry, oh, gravely, in effectiveness post-Repeal. Had the Fresno community recognized that it was the wine capital, my guess is that the wine revolution in America would have occurred at least ten years before it did. How I coped with this problem is a rather interesting story. How we later sold wine to Fresno. How we sold wine to Setrakian, I might add. Great story. The person involved was Mr. Bert J. Gilbert.\*

<sup>\*</sup>See also pp. 60-61 and 79-83.

For additional recollections of the Fresno area and the Sweet Wine Producers Association, see Lucius Powers, The Fresno Area and the California Wine Industry, an interview in this series to be completed in 1974.

## FRUIT INDUSTRIES, CONTINUED

Teiser: I wanted to go back further to Fruit Industries itself. I think I sent you the memorandum of the organization of it. You were speaking of Paul Garrett, and you said that he was the one who was mostly responsible for Fruit Industries.

Adams: It was Garrett's idea. I wasn't conscious of that fact in those years. But among the few things that Walter Taylor has been willing to say since he was ousted from Fruit Industries was this one thing--and I went down to interview him and try to straighten out some of these things for my own purposes of my book. I said, "Walter, who was the genius behind Fruit Industries and Vine-Glo?" And he said, "It was Paul Garrett and nobody else."

Garrett was a man with many ideas. His biography and the strange story of his career originating in North Carolina, I obtained this by hunting up his deathbed manuscript, or rather it was dictated from his deathbed. I had to read this in order to straighten out the many conflicting articles I found in the files of the various pre-Prohibition wine publications such as the American Wine Press and Mineral Water News that mentioned Garrett and Company. But there were obviously two Garrett Companies, rivals. I had a good friend for many years who was one of Garrett's men. That was J. Campbell Moore. And Moore used to come and see me regularly whenever he came to California. His headquarters were in Brooklyn. Garrett & Company at that point joined the Wine Institute.

But what I learned from Moore and Dr. Littleton, who I think was a relative, and other relatives and old friends of Garrett with whom I have a thick file of correspondence, never quite made sense. And the strange history of this man --

Teiser: Have you written it in your book?

Adams: I have condensed it.\* It's the only place that this story has ever been told. Well, Garrett was the most important single person and leader in the American wine industry during a number of decades.

<sup>\*</sup>In The Wines of America, pp. 44-46.

Teiser: When you start the Wine Institute story I'll bring up the wires between A.P. Giannini and Paul Garrett.

Adams: Between Giannini and Garrett? I have no knowledge of this. I'm not certain however whether it was A.P. or whether it was L.M. Giannini who made the key remark to Mr. Critchfield about which Mr. Critchfield told me, and I would assume he did not tell you in his interview, \* which expressed the attitude of the Bank of America toward the wine industry. And this is worth mentioning. When Critchfield was assigned to be the vice-president in charge of agricultural matters for the Bank of America post-Repeal, he reported directly to the Gianninis. Which of the Gianninis this was I can't quite remember -- but whoever it was said to "Oh, those wine men. They're just a Critchfield. bunch of ex-bootleggers!"

This expressed the attitude of the Bank of America, and this is why the wine industry took as many years as it did to get back on its feet. There's more to that. And I doubt if you got any of this.

You never got to interview John Daniel, [Jr.], did you?

Teiser: No.

Adams: Well, I can tell you some of this about wine grape varieties and the financing of wine. Did you ever hear the story of the Lawrence Warehouse Company?\*\* Field warehousing? The faltering steps made by the wine industry. Marvelous stories.

Teiser: Back to Fruit Industries here. Paul Garrett was not on the board, incidentally at first. He was put on later. Do you have any special comments on any of those people?

<sup>\*</sup>Burke H. Critchfield, The California Wine Industry During the Depression, an interview in this series completed in 1972.

<sup>\*\*</sup>See p. 96.

Adams: This is a list of its 1929 organizing directors.

[reads] Hugh Adams, Perelli-Minetti, Barlotti and
H.R. Weller. (Oh, there were two Wellers; H.R. Weller
and the other one was L.A. Weller, L. for Leroy.)

Morrow, Conn, Fontana\* (Oh yes, I met Fontana. He
was in the Pacific Fruit Exchange, if I recall
correctly.) Secondo Guasti, Jr. (He died.) Walter
Taylor. L.H. Godt (Yes, I remember him.) and Harry

Caddow. Caddow was a director? I'm surprised.

Teiser: Yes.

Adams: I see he was dropped in June [1929]. He was probably just filling a spot. Caddow was an employee. Let's see, Louisa Guasti, Joseph T. Grace. (He had the Grace Brothers Brewery in Santa Rosa and he also had the old De Turk Winery at Santa Rosa.) H. Allen Thompson and Wallace Sheehan. (I don't recall Wallace Sheehan; I knew Edgar M. Sheehan.) Now I see Garrett became a director in June. Lee Jones (whose story is, of course, well known--Shewan-Jones). Gregory (whom I mentioned to you a short time ago, the attorney). And Mario Tribuno, he had this vermouth production at New York. Signatures to the March 22 agreement: Italian Vineyards: James Barlotti was secretary then. Secondo, Jr. probably was president, and then Barlotti eventually became president. I knew Barlotti very well.

Teiser: What was he like?

Adams: Barlotti? Oh, he was a marvelous character. He was one of the few old time wine men who had the very highest respect for the greatness of the product, the greatness of wine. He was about five feet tall. He was very well educated but still spoke with an Italian accent. He was one of my favorites.

In fact, had I met him earlier, before I'd met the Rossis and these wine men in the north, I might have tried to persuade Barlotti to become the first president of the Grape Growers League. Instead it turned out to be Sophus Federspiel. I remember in 1935 at the San Diego so-called World's Fair I persuaded Barlotti to come down from Los Angeles and be the chief speaker on Wine Day. We brought the grapes from the wineries then operating in Escondido and had a parade of decorated donkeys loaded with grapes. The wine came from Fruit Industries' cellar on Palmetto

<sup>\*</sup>Mark J. Fontana

Adams: Street in Los Angeles. And with paper cups we had wine for the crowds there on the fairgrounds.

Barlotti made his speech and was most impressive.

[continuing to read] Community Grape Corporation, I see--that's where I think Walter Taylor started. Walter Taylor was a Lodi sort of a bookkeeper type. He never liked Donald Conn very well. He finally I think was the one who edged Conn out, and Walter Taylor became the manager of Fruit Industries. But Taylor's brain trust consisted of Hall Adams and his brother Hugh and Hugh's son, Sam, and H.R. Weller. No, Hugh Adams, Hall Adams, H.R. Weller.

Teiser: Were the brain trust of what?

Adams: Behind Walter Taylor. [reading] Antonio Perelli-Minetti was then vice-president of California Grape Products Company? That surprises me. He was in Cal Grape at the time?

Teiser: Yes. He sold it then to the Lanza interests. It was in Ukiah.

Adams: Yes, but Lanza\*also owned property in vineyards. At one time he owned the La Perla Vineyard. I remember that, in the hills of Napa County, now owned by the Drapers.\*\* [reading] C.W.A., Morrow, and Joe Di Giorgio and Lee Jones.

(Interruption)

Teiser: Lanza had Colonial Grape Products before --

Adams: I think that's how he happened to be in Fruit Industries.

Teiser: Do you remember any repercussions? Lanza got in and got out, I remember, got out of Fruit Industries and got his stock back.

Adams: Conn was always promoting it, and conservative people like Federspiel and Lanza took just enough of this and then quit. They found their way out of Fruit Industries.

I wasn't interested in the corporate affairs of Fruit Industries. I had gotten to know Conn well enough to have no faith in an organization headed by him.

<sup>\*</sup>Horace O. Lanza. See also the interview with him in this series, <u>California Grape Products and Other Wine</u>
Enterprises, completed in 1971.

<sup>\*\*</sup>The Jerome Draper, Sr., family.

But, Fruit Industries had the old Schilling cellar on Minnesota Street, and that was a very busy place. I can tell you about that because I used to visit there. That and the Colonial Grape Products Company cellar on either Sansome or Battery were the two best wine storage establishments in San Francisco at the time. The Italian Swiss Colony had just moved into 781 Beach Street, but that wasn't very winey, just office and storage.

In the Schilling cellar they were champagnizing and carbonating wine and storing and blending and aging wine. That's where the Fruit Industries office moved from 85 Second Street--Walter Taylor and his secretary, Marion O'Brien. The cellar man was Rudy Sierk, but I'm not certain of that spelling any longer. The chemist was Emil Cherski, and he was a very great chemist.

Al Morrow kept his office at 85 Second Street because there still were many left-over bits of business from the old California Wine Association, including the management of the Winehaven cellars. My memory says that they still had pre-Prohibition wine stored at Winehaven until, oh, the mid-'20s. They had sold many of the tanks from Winehaven. People used them for water tanks. They sold some of them to South America. And as I recall, a shipment of wine went to Europe from Winehaven in the '30s. I recall a shipwreck or some of the wine being lost or something of the sort.

Teiser: I remember hearing or reading of wine being shipped from California.

Adams: Oh, you're speaking of the <u>pre-Prohibition</u> shipments to Europe? I can tell you about those because I've investigated those.

It has often been said that pre-Prohibition California wines went to France and came back to America re-labeled as French wines. I have searched for records to substantiate this, but have never found any. There are plenty of records, however, of California wines shipped in bulk to other European countries long before Prohibition. Of course, some may have reached France, but I imagine the French would have made certain it was not recorded. They

Adams: knew a century ago that California was their future competitor in wine quality.

Cherski and another Fruit Industries man were my fellow fishermen. They used to come fishing on my boat.

Another man in occasional attendance at the Fruit Industries Schilling cellar was the late Albert Lachman, who was the brother of Henry Lachman. The Lachmans were a great pre-Prohibition wine family. Henry Lachman, who died before I was on the scene, was the one (Al Morrow told me) who taught Morrow how to taste wine.

## A.R. MORROW AND THE CWA

Adams: Morrow told me how the California Wine Association operated before Prohibition, the method of buying wines, how he regularly went tasting wines around the state. Right after Repeal Morrow took me on two of his tasting tours and taught me how to taste.

Teiser: Let me turn this tape over-- You went tasting with Morrow?

Adams: Just before Repeal, when I was still handling publicity for the industry under the Grape Growers League of California, I got fairly well acquainted with Al Morrow. I spent time with him to increase my education about wine. Morrow sat in his office at 85 Second Street and answered my questions. I wrote quite a story about him as a result. But, what never got into the story was this sort of information. Morrow, like Henry Lachman his tutor, had the job of travelling throughout California, and this means virtually from one end of the state to the other, at least once a year tasting the bulk wines and classifying them and evaluating them. Most of the wine in California was produced as bulk. The wineries controlled by the California Wine Association -- did I read this, or, was it Morrow who told me?--at one time numbered as many as sixty-four different wineries. There were many more than that from whom they used to buy wine.

Morrow would taste the wine from the cask. told me his methods of tasting, that he preferred to taste at an hour when he was hungry; he knew that his taste was keenest at that particular point. He would never eat highly seasoned foods. He did not smoke and he would never swallow any wine. He told me, however, that when Prohibition became the law, he swallowed his first glass of wine, thinking there was no more to his career, and he was amazed to discover that this did not affect his ability to taste. can testify to that fact. Nor does smoking affect taste except in one degree: the mouth tissues, if they're irritated by smoke, become more sensitive to acidity and astringency in the wine than if they are not irritated by smoke. Aside from that I know of no Julio Gallo, who is one of the best tasters I effect. know, smokes cigars regularly.

I said to Morrow, "I would like very much to go out there and go tasting with you." He said, "Well, as soon as Repeal is legal I'll be glad to take you along." The first trip is the one I best remember. I furnished the transportation in my 1934 Ford. It must have been in 1934; I remember the car was new. Repeal became effective December 5, 1933.

Harry Caddow came along. We drove up first to the Eschool Vineyard of J. Clark Fawver, which is just north--well, very close to Oakville in Napa County, on the east side of the road. It is now the property of Eugene Trefethen, executive vice-president of Kaiser Industries. At one point subsequently it was under lease to Beringer Brothers. Anyway, Mr. Fawver met us and it was evident that he had been meeting Morrow for many, many years. And it was just routine that Fawver took a "thief," that is the glass gadget used to remove wine for sampling from a tank. We were each handed a glass and we tasted the 1933 Zinfandel. I particularly remember this because it spilled on my new light grey suit. [Laughs] And Morrow said, "Don't worry. New Zinfandel, as lightcolored as that is, you can wash off with water no matter how light your suit is." He turned out to be right.

From there we went to two other wineries, or was it three? But the one I particularly remember was the Napa Valley Co-operative Winery's original cellar at

Calistoga, where we were met by Charles Forni who is still in the wine industry. He is now the chief character, but very senior, at the Sunny St. Helena Winery at St. Helena, which produces bulk wine for C. Mondavi & Sons.

I remember the same sampling with a "thief" from the cask, and Morrow spitting out the wine and making notes in his book and so on, telling the winemaker what he thought of the wine--and instructing him in what to do with it. That is, when to rack it; Morrow could tell these things. Someone told me this about Morrow: that Morrow could tell by tasting a wine the amount of the mortgage on the vineyard. This, of course, sounded ridiculous when I heard it. But, then when I questioned it, the explanation was quite satisfactory; that the man who had overcropped his vines caused the wines to be flat in taste, or if he used too much press wine, the wine was especially astringent. This was how Morrow could tell that the man had a high mortgage on the vineyard.

Albert Lachman told me many stories of preProhibition times. And it was at that time, noting
how aged a person Albert Lachman was, and having
searched assorted books for California wine historical
data, and having read various books about French and
German wines, I saw that what California wines lacked
was romance, and the best kind of romance would be
history. The recollections of Albert Lachman inspired
me to begin making historical notes and putting them
in files. I kept this up for many years afterwards
and whenever I could gather interesting history about
individual wineries or wines I would write memoranda
to myself, or rather to the industry files. You'll
find the Wine Institute files are full of these, the
stories of many old wineries.

I improved on this later. I'll tell you the McKee story.

# CALIFORNIA WINE HISTORY

Adams:

With the material I used to gather as I travelled the state and interviewed wine people, I still was never satisfied. I felt jealous in behalf of American wines that, unlike Europe, they did not have thousands of years of wine lore behind them. After all, what accounted for much of the taste of European wines was their romantic history. I was never quite satisfied with this. One day a young man named Leggett, Herbert B. Leggett, left at the Wine Institute a master's thesis in history. He brought a typewritten thesis about early winegrowing in California, beautifully annotated and so on. When I saw it I decided to have it mimeographed.\* I still have a copy. But it wasn't enough.

Later--and I don't recall how this came about--I remember meeting an English Ph.D named Irving McKee. Because we needed a great deal more colorful, romantic material, I asked McKee if he would be willing to do the kind of work that Leggett had done, but to do it for each winegrowing county. My memory vaguely says I agreed to pay him two hundred dollars per piece, but I'm not absolutely sure of the amount; it might have been as little as a hundred and fifty or as much as two hundred and fifty. McKee had time on his hands.

To get these manuscripts was one thing, and I hesitated until I arrived at an idea on how to make these things permanent parts of the literature. That was what I assigned to Frank Whiteley in my publicity department—I'll tell you later the story of Frank Whiteley and others of the Wine Institute staff, my key people. I assigned Whiteley to place these McKee manuscripts free in any publication that would land in somebody's bibliography. The condition was, of course, that in every case they must print all of the annotations as well. This made each McKee manuscript a part of the literature of wine in America and, of course, we also bought reprints of all of them. That was a very nice deal, I thought. The mistakes that McKee made have not all yet been corrected. [Laughs]

<sup>\*</sup>Early History of Wine Production in California, dated April 2, 1941.

Teiser: Were there many?

Adams: Oh, I've found a number of them.

Teiser: Where did he go?

Adams: I don't know where McKee is. I'm still happy about the McKee manuscripts because they helped to establish the historical background of wine in California. The McKee manuscripts are what are called "shelf items," at the Wine Institute. I had a bunch of shelves built for such "shelf items."

Teiser: Oh, is that what "shelf item" means?

Adams: Yes. It means it's kept in stock. And when the stock is reduced, the item is again duplicated if necessary. This all came from experience.

Shall we jump now from these subjects to what's fresh in my mind, since I just mentioned the Wine Institute staff?

Teiser: Well, unless you want to go back to the chronological approach, to the Grape Growers League.

Adams: All right. During the latter years of Prohibition; I'd better start there.

WINE BRICKS

Adams: Have you anything in your files about wine bricks?

Teiser: People have mentioned them.

Adams: Well, I never saw a wine brick. But wine bricks were described to me and I later met Karl Offer, who had been in the German Army at some point in World War I, who was the maker of wine bricks. The wine brick was described to me as pressed pomace. In other words, the juice has been drawn off and after the first pressing, there still is a great deal of fermentable sugar left in the stems and seeds and pulp of the grape. And Offer knew that this could be fermented.

It is fermented today to make high-proof brandy except that in France it also makes <u>pinard</u> (pomace wine), and it also makes grappa, pomace brandy. In France grappa is called eau-de-vie-de-marc. Grappa is the Italian name. Grappa has been made in California too. In fact, the Petri brand of grappa is still on sale, although they haven't made any lately. They used to distill it at Escalon.

Anyway, Offer would dry and press pomace into bricks and sell it with such instructions as "do not add any water and yeast." [Laughs] It made pinard, that's all it could have made.\*

## THE GRAPE GROWERS LEAGUE

Adams:

This now is the story of the Grape Growers League. I had read the--I had been indoctrinated by reading such material as I mentioned to you yesterday, Sbarboro and so on, and I'd become friendly with the Rossis who were similarly indoctrinated, and who had a very high respect for wine. I hadn't yet met Al Morrow. But I felt that in wine I had found something that would be the idealist goal, the great cause, the idealist cause to which I could apply what I had been inspired with, the idea of propaganda, inspired by Edward Bernays' book and so on--and the heck with the newspaper business. I expressed this to my partner, Bob Smith, who was much more interested in politics, and I told him that I would like to educate Americans to drink light wines.

Well, Smith had plenty of other ideas. Smith and I and my old friend Ted Huggins, who originated the idea of the San Francisco Golden Gate International Exposition, which was during the '30s --

Teiser: Standard Oil wasn't he?

Adams:

Yes, he was with Standard Oil. I remember one of the campaigns I ran was to get the State of California to give the City of San Francisco the mud flats east and north of Yerba Buena Island for a bay airport. They were subsequently filled in, and that became Treasure Island where the 1939 World's Fair was. The Fair was

<sup>\*</sup>According to a suit filed in the United States District Court, San Francisco, against Karl Offer and Frank Dolezel, this product was known as the Vin Sano Grape Brick. On April 18, 1928, the defendants were declared not guilty of violating the National Prohibition Act.

Adams: the brainchild of Ted Huggins more than anyone else.

Anyhow, Smith had had some excellent political experience, more than I had. Between Smith and myself we thought that it might be entirely feasible for the old grape growers, the wine people, to join the brewers, who then were talking about the constitutional possibility, with Roosevelt now in office, of getting 3.2 beer legalized on the ground that it was not intoxicating. Our idea was to ask Congress also to legalize light wine. Well, my interest was in the long range but here was an approach, a way to get it started. And the wine people were doing nothing about this, or rather the grape people.

So, I asked the Rossis if it wouldn't be possible to organize such a campaign. I said that we'd be glad to do all the work in my office. I had two offices, one was the Pacific Advertising Staff at 500 Sansome Street. Smith had moved there from 111 Sutter. And my other office was the McClatchy office in the Chronicle Building. Smith subsequently moved from 500 Sansome to another office in the Chronicle Building. 238 Chronicle Building, I think it was.

Anyway, I asked the Rossis how to get such a thing organized. Well, the Rossis said, "I guess you'll have to organize it." So I said, "Fine. I know a few of these people, but none of them very well." I questioned the Rossis about the ones I knew and which ones were very important. Walter Taylor was almost unapproachable. The Rossis said, "The man you should see is Horace Lanza." Now, Lanza was then over at Minnesota Street. I guess it was the California Grape Products Company.

Anyway, I shan't forget the day I first went over and talked to Lanza, partly because during the past year Lanza reminded me of it. He remembered it better than I did. I went "cold" to see Horace and told him this was at the suggestion of the Rossis, and I explained to him what my interest was, and that it was time now to begin the long-range job of bringing wine back into American life and teaching Americans how to drink temperately. And Lanza responded enthusiastically. But then we came down to cases. I said, "Well, of course, you'll have to organize an association and I

would suggest that it be known as the Grape Growers League. And we'll need a lobbyist to work in Washington."

Lanza then proceeded to express this better than I did. And he spoke so well that I said, just musingly, "I think I've also found the president of the organization." To which Lanza responded, "No, I must never be a president of anything. I'm too emotional." [Laughs] Well, anyway, Lanza sent me to see Sophus Federspiel, his former associate, by the way. Federspiel was running the Colonial Grape Products Company and I think they were bottling wine there, on, as I say, either Sansome or Battery Street. And that building, by the way, was one of the pre-Prohibition headquarters of the Italian Swiss Colony. I recall that you could still read the name of Italian Swiss Colony on the side of the building.

Federspiel was a very quiet individual. Quietspoken, but he knew his wines. He was an excellent
wine man. His brand was Cordova, named for the
Cordova vineyards in the vicinity of Mills. They're
now a housing subdivision. He had two sons and he,
Sophus, was a former sales executive at some point of
the Italian Swiss Colony, the pre-Prohibition Italian
Swiss Colony. Federspiel only nodded his agreement
with what I said. That was what it about added up to.
And they sent me to Al Morrow.

I didn't want to have anything to do other than bring them together. I explained that my office, my little Pacific Advertising Staff would do all of the publicity, but did they know how to get connected with California congressmen? And I don't remember who it was that pointed out that Congressman Clarence Lea, who was of Sonoma County, the First District congressman, was very wine-minded.

They sent me to see Lee Jones of Shewan-Jones, 85 Second Street. Shewan-Jones Incorporated. Lee Jones was an ex-gauger. A very tough little man, tough spoken. He spoke from the side of his mouth, partially crippled. He turned out to be a very good-hearted individual as well. He had started with a Mrs. Shewan as the angel. I think the Shewan-Jones concentrate and

other grape products concern in Lodi, at some point was a member of Fruit Industries. And he was a very good wine man, by the way. I must interject here that he had perhaps the best wine chemist in California, Elbert McSherry Brown, E.M. Brown. It turned out that they made very good wine.

This made sense to Jones and he went along. Then some of the other characters I don't particularly recall. The names may fall into place. Once this thing started moving they must have talked by telephone and so on. And they called a meeting, an organization meeting for which I wrote the program but I then was too busy with something in the McClatchy department to attend. And out of that meeting came the fact that a former Lodi congressman named Marion De Vries (and incidentally De Vries Road in Lodi in the eastern outskirts of Lodi was recently given his name) was a lobbyist in Washington, and that he had already been in some correspondence with his grape grower friends in Lodi and had already said that the wine people ought to go for light wine along with beer. So, I wasn't the only one who thought of that. As a matter of fact, I'm sure I wasn't the first one to ever think of it. I'm sure it appeared in the press as well. But the idea of doing something about it right then, that was mine, and organizing the Grape Growers League, which I named.\*

Well, it wasn't very long before these things came about. And I did not do them all. I merely set up the organization of the Grape Growers League and said, "Let's find a secretary because I'm not available to run any organization. My bills will be on the billhead of the Pacific Advertising Staff." Anyway, we put on a great campaign. We had all kinds of support. One of our key men was Congressman Frank H. Buck, the late Frank H. Buck of San Joaquin County. Was he the successor to De Vries in Congress? I don't recall. He was a great friend of grapes.

They (Lea, Buck, De Vries) were carrying the ball, and Smith pointed out that we needed congressmen from the other grape states. Smith was a bit of a politician. He taught me a great deal.

<sup>\*</sup>The Grape Growers League was organized in 1931, according to Leon Adams' later recollection. (Letter of September 18, 1973, to the interviewer.)

Around mid-summer or late summer, we had been making very good progress. I was still running the McClatchy newspapers' bureau in the Chronicle Building. I think by that time my other office had been moved over to the Chronicle Building from 500 Sansome Street. And I remember the day when someone brought me a Universal Service teletype page torn from the machine, with a Los Angeles dateline. (The McClatchys had bought two Hearst wire services, the Universal Service and the International News Service.) The teletype page quoted Nicola Giulii (he was the vice-president of Fruit Industries and the brother-in-law of Secondo Guasti Sr. of the Italian Vineyard Company) on what was happening to our campaign for 11% wine. I'll explain:

In aiming for the legalization of beer, the brewers were asking for 3.2% beer, that is, 3.2% by weight which is another way of saying 4% by volume, on the ground that it was not intoxicating. And our congressmen, Buck and Lea, and Judge De Vries had asked us, "What alcoholic content should we ask for for wine?" And I remember talking it over with the Rossis and with Federspiel and arriving at the conclusion that we should ask not for 12% wine, which is more or less standard, but that we should reduce that to 11% (it didn't sound as big as 12%) on the ground that light wine is used primarily with food and therefore is not intoxicating. So our campaign was for 11% and that's what our bill (I think it was Congressman Lea's bill) said. I don't remember if it ever passed the House.

What the Universal Service sheet off the teletype told me was that William Gibbs McAdoo, the son-in-law of President Wilson, a California senator, had agreed to a compromise without asking us. He agreed to compromise our bill to legalize 3.2% wine with 3.2% beer. Never mind any 11% wine. I'll never forget the shock I experienced. The Universal Service quoted Nicola Giulii--I guess he was speaking for Fruit Industries--as welcoming Senator McAdoo's compromise and predicting a great future for legalized 3.2% wine. What a shock!

Well, my question then to everyone concerned was, "Can you make a thing like 3.2 wine?" And I remember the Rossis telling me, "Of course." You can dilute wine

<sup>\*</sup>See also Maynard A. Joslyn, <u>A Technologist Views the California Wine Industry</u>, an interview in this series to be completed in 1974.

Adams: if you want to with water." But they added that it would spoil. Well, two or three companies, at least, made 3.2 wine and put it on the market at the time beer was legalized. I've forgotten what the date was. But it was no good. We called it "McAdoo wine." [Laughs]

Teiser: There was a hearing in Washington, and the Rossis and Lanza and others went to Washington to testify, in December 1932.\*

Adams: I don't remember it very well because I was running the news bureau. My assistant at that time was the former office boy from the <u>Bulletin</u>, Robert W. Robb, and I was still training Robb. And then a long list of stories broke and the McClatchys kept me very, very busy. I don't remember the details. This is out of my memory.

I had urged them to find a secretary, somebody to run the organization, and they got young Harry Caddow. He had lost the job at Fruit Industries and had been working for the prune and apricot growers; I don't remember the name of that organization. But anyway, they got Harry back because he knew the grape people.

Teiser: Had you known him?

Adams: Yes, I had known him in the CVA days. I'd got better acquainted with him later. The Grape Growers League became headquartered at 85 Second Street, where Lanza, Lee Jones and Al Morrow had offices. I didn't think much of McAdoo wine or the whole situation. I was really quite discouraged. The wine people began meeting among themselves because they could see that the repeal of the Eighteenth Amendment was not that far off and so on. I was discouraged by what had happened to our campaign.

But I hadn't given up the idea. I kept talking to the Rossis and finally said, "I'd like to keep on with this wine educational program, but the Grape Growers League is out of money and they're talking about changing the name to the Wine Producers Association." And they were talking to the people down at Fresno and to Barlotti and Giulii down in Los Angeles

<sup>\*</sup>Reported in U.S. Congress, House Ways and Means Committee, "Prohibition, Modification of Volstead Act. Hearings." 1932. Y4, W36: V88.

and I couldn't keep in touch with all of them. At any rate they did change the name to the Wine Producers Association. Harry Caddow was secretary of that.

I used to check with Caddow, and he wouldn't tell me what was going on except that they didn't have any money. I remember that. There wasn't anything for publicity. I think my last bill to the Grape Growers League had been paid, and that was it.

## POST-REPEAL CAMPAIGNS

Adams:

Smith said, "Why don't you get the Italian Swiss Colony as an advertising client?" I spoke to the Rossis about that and they said, "Well, we have a very old friend named Leon Livingston who has an advertising agency." He was a relative of one of the Rossis. He had the advertising account without a doubt. "But," the Rossis said, "a great deal of writing could be done, and how about doing the publicity?" I said, "Fine. That's great. It'll keep my hand in."

The Rossis in the meantime had moved into 781 Beach Street from 57 Broadway. So I went to work, and I began writing more and more about the wine industry in those days. I wrote all the publicity for the Wine Producers Association whenever there was anything to write, although they were not my client-the Rossis were. I made my first visit to the Italian Swiss Colony at Asti with Ed Rossi. There I met a gentleman I nicknamed the "Duke of Asti." Enrico Prati. It seems that when the various properties around Asti, around the Colony, had changed owners before and during Prohibition, the Seghesio family had bought the biggest chunk of the Colony's vineyards. Enrico Prati was the husband of one of the Seghesio girls. Prati was running the Italian Swiss Colony winery, which started operation in--I don't remember. You'd have to look in Ed Rossi's interview. I remember at least that in 1932 they were again making wine.

With the approach of Repeal I got a great idea for wine publicity. I had learned a great deal from Mrs. [Frona Eunice Wait] Colburn, in particular, about the old-time vintage festivals. I thought, "This is

the thing to do! We'll have the first vintage festival in California since before Prohibition!"
The Rossis thought that it would be too expensive. I remember telling them how to do this for a total budget of ninety dollars. "When you're getting your wine ready to ship east, the first batches of Italian Swiss Colony," I said, "what you do is tell the Northwestern Pacific Railroad that you want it to leave in a trainload all at one time. The ninety dollars we'll spend for the costumes. Swiss peasant costumes." So, they borrowed the girls from the high school at Cloverdale. And I went to Goldstein's costumers, and we carried this whole carload of costumes up there. We met the girls, and in the meantime I had lined up the newsreels [photographers].

Teiser: So, there you were with the girls in costumes.

Adams:

The girls were in costumes and all the newsreels represented in the west were present, and newspaper photographers galore. We had to borrow some accordionists, although there were no such things as sound tracks on the newsreels at the time, and we had a vintage festival for ninety dollars that was publicized, I suppose, in all the English speaking countries. That's how post-Prohibition America received its first trainload of wine.

I remember that the Italian Swiss Colony used to pay me some trivial monthly retainer. The Rossis couldn't afford very much. At one point the Rossis, it turned out, were expanding. The Italian Swiss Colony marketing set-up was expanding. I remember the day I was called down to an office on California Street to write a news release. The news release was that Joseph Di Giorgio had joined Italian Swiss Colony. He had bought, I don't remember whether it was the controlling interest or a 49% interest.\* You see, Di Giorgio had decided that the Italian Swiss Colony was the organization to provide a home for his left-over table grapes. [Laughs]

So, I remember writing the release and getting it approved up in the Di Giorgio office as well as by the Rossis. Well, things were really popping, and I felt that it was time to get going now with my chosen great cause--despite the lack of cooperation from Harry Caddow at the Wine Producers Association office, who wouldn't tell me what was going on.

<sup>\*</sup>See Edmond A. Rossi interview in this series, op. cit., p. 41.

What we had to do was form a Winegrowers
Association. I didn't like the term "Wine Producers."
It didn't suggest vineyards, farming. Then, one day
from the California State Chamber of Commerce,
Frederick J. Koster called me and he said, "I want
you to talk to Charles Knight who's in charge of our
Industrial Development Department. The State Chamber
of Commerce wants to hold a meeting of wine and related
industries." (This wasn't my idea, I can tell you.)
"We want to hold it at Del Monte, and I want you to
help Charlie Knight prepare this program."

Well, I got together with Knight. Knight's purpose, of course, was to get these sprouting wine companies conditioned to make annual financial contributions to the State Chamber of Commerce. Well, Frederick Koster was an idealist. His purposes were entirely constructive. Apparently this was cooked up by Norman Sloane, the general manager of the State Chamber, and Charlie Knight. And they, of course, called Koster and then Koster called me.

I helped to organize the Del Monte meeting and I thought it'd be great, because we had to do something about moving this thing out of the hands of Harry Caddow. Nothing was happening there. I'd begun to learn that Harry Caddow was not an executive of any kind. He was a very loveable little contact man. A friend of everybody, and everybody loved him. But no executive.

Smith and I had decided that what was needed was a strong wine organization, and maybe we could move through the State Chamber of Commerce to get an organization formed. At the same time I had gotten acquainted with Burke Critchfield. I don't remember how Critchfield happened to call me. I think it was through Frederick Koster. Critchfield also said, speaking for the bank [Bank of America], that they had no confidence in Harry Caddow, and that he knew I had been doing all the writing and that though paid by the Italian Swiss Colony, I was doing all the writing about anything that counted in the wine picture. Caddow couldn't even write. The hundreds of things you'll find in the files and magazines signed, "Harry A. Caddow" were all written by me. Every single one.

And my decision early was that I wanted nothing to do with running any organization. I had formed other organizations, but I had never wanted to run them. That was a Chamber of Commerce-like business, a profession that I despised, and I didn't want to be anything like that. I wanted to be the anonymous propagandist, the teacher of the masses, by the arts of propaganda.

Now, Critchfield was concerned, for the Bank of America, with the fact that most of the states were legislating taxes on wine. And the taxes were absolutely ridiculously high, and something needed to be done about taxes and licenses. Something had to be done about the lobbying, a lobbying job across the United States.

Walter Taylor was one of the few people who were awake to this. I'm sure that Walter was getting complaints from the Adams's and the Wellers about this, and Garrett was calling from time to time and pointing out that the wine people had better do something and you couldn't expect him to do everything. Garrett was crusading on his own for decent tax rates. But he wasn't as big then as he had been pre-Prohibition.

I don't remember how all of this next thing came about but one day Frederick Koster was asked if he would go to a key meeting of state administrators, the National Association of Tax Administrators, I believe was the name of it, that was going to be held at French Lick, Indiana. This was in 1934, and Critchfield would go along. Would I go along, with the Italian Swiss Colony paying my way, as the writing member of this trio, this three man team? I agreed to go. And I remember first writing key portions of a pamphlet addressed to the Tax Administrators, which I think you can still find in the Wine Institute files. It's a yellow pamphlet about six by eight signed by Frederick J. Koster, something about wine as food and the need to tax wine reasonably.

I took the train with Critchfield. That's when I became better acquainted with Critchfield. I was already hunting for somebody to succeed Caddow as an executive to form a real wine association through which money could be raised for my educational campaign. That's when I realized that Critchfield would sort of like to be the person, but that Critchfield was not the right person, that he would never be able to operate and especially get the wine people behind him.

I recall that I wrote the news stories about French Lick in advance, before I left California. At French Lick I rented a car, and early one morning, after the tax administrators had heard Frederick Koster's speech, I ran to Indianapolis and placed the stories with the wire services, and the wire story ran across the country again. That was quite an adventure. It was the best piece of wine educational material to run on the wires up to that time. I enjoyed, of course, the fact that I had written all the material, past tense, before going to the French Lick meeting.

Now, did that precede or did that follow the first Del Monte meeting of the wine industry and related interests? My guess is that the Del Monte meeting may have preceded it. I'm not certain. But I remember saying to Frederick Koster, on the way home from French Lick, that what we need is an executive to form a good wine association. Koster replied almost indignantly that there's nothing wrong with Harry Caddow. I found I couldn't get him or any of the wine people to understand the need. I remember trying to explain to the Rossis that we needed a person of real ability, but they didn't understand either. I was stuck with Harry Caddow.

I remember somebody came up with a name for an association, that they borrowed from the Distilled Spirits Institute; they would call this the Wine Institute. I didn't like the Wine Institute name either. Anyway, with Koster heading this, I wrote the program for the organization meeting. (This was after the first Del Monte conference.) I remember arranging the meeting held in the Clift Hotel in November, 1934, to organize the Wine Institute. I had to accept that name.

Teiser: Was Louis Martini in on that, do you remember?

My memory is that Louis Martini refused to go along. I think Martini went along on the Grape Growers League, but he didn't want to join the Wine Institute. I'll tell you more about this in a minute. I'm almost sure that Louis did not come to that meeting. Anyway, since I couldn't get an executive I at least got the Wine Institute an attorney. In fact, you'll have to credit this to Bob Smith, my associate.

Smith had done the election campaign of Jefferson E. Peyser, a former San Francisco supervisor. Smith was more in the campaign business in later years. Peyser had been elected to the state legislature, and Smith pointed out to me--I didn't know Peyser very well at the time--that the best possible attorney that the wine people could possibly have would be a member of the state legislature. So, I brought him in. I realized when I met Peyser that he was a brilliant young man. We have never fully agreed, but he's brilliant, I'll grant that. He's quick on the uptake, as they say. So it was not a great deal of difficulty to get Peyser, since there was no other attorney trying for the job. Had some other attorney been campaigning for it I couldn't have gotten a better attorney, either.\*

These wine people were naive about anything. They were very sophisticated about wine, but naive about politics. Anyway, we got Peyser, and Peyser wrote the original by-laws of the Wine Institute. Peyser didn't know anything about the wine industry. And when the wine people talked about how to finance the organization they, of course, used the same method that the CVA used, which was so many cents or fractions of a cent per unit of volume. I was paying no attention to any of this because I wasn't interested in running the association. I just wanted to get going and raise some money so I could do my great educational job.

So anyway, we succeeded and got the thing incorporated, and then the question was: who were going to be members? Well, many good people became members, because they realized it was very necessary and so on. I didn't have anything to do with this. But the vast numbers didn't want to be members. The people down around Fresno mostly didn't want to be members and they formed their own association, the

<sup>\*</sup>For additional material on Jefferson E. Peyser see further references in this interview as indexed and also Jefferson E. Peyser, The Law and the California Wine Industry, an interview in this series completed in 1974.

Adams: Sweet Wine Producers Association.\* They didn't see any reason for any Wine Institute.

LEGISLATION

Adams:

But problems were mounting in all directions. was a very busy time. For example, lobbying, legislation. Critchfield seemed to be doing a good job in behalf of the bank. He recognized that the bank, after all, had a lot of money invested in vineyards, not too much in wineries because the wineries weren't worth investing and lending money on. But for the investment in grapes they had better do something about wine legislation. So, Critchfield was responsible for getting the little Wine Institute to be the agency to receive contributions of money, whether in dues or not didn't particularly matter, to pay for a lobbying job, and Mr. Critchfield would do the lobbying job. Mr. Critchfield, paid from the Wine Institute funds, hopped on the train and went to this legislature and that legislature and soon was telephoning back about the marvelous attorneys that he'd found, and law firms that could do anything and everything if we'd just pay so much.

I remember my telephone ringing at night with Mr. Critchfield calling me to try to get the wine people off the dime to say yes on this deal and that deal. And I would investigate, try to estimate, and talk to Smith who knew more about it than I did. And finally I discussed it with old Judge De Vries who knew more than both of us put together. De Vries said. "Mr. Critchfield is dealing with the wrong kind of people. He's trying to buy legislation. You can't do this."
Anyway there were great battles, and Critchfield was told that this deal won't go--and Walter Taylor had a lot to do with this, by the way. Walter was getting advice from Garrett, who was no longer in Fruit Industries at this point, and from other men of the world in Chicago, what kind of deal should be made here and there. And Critchfield was told no, that he must deal through legitimate channels. "You go and see

<sup>\*</sup>See also pp. 36-38.

legislators. You stay away from these attorneys who are going to sell you great lobbying jobs."

Then Critchfield said. "In that case I have to Who's available?" Well, this became have help. [Laughs] There was a neurotic individual very funny. named Gerald Pearce who had been hired by Dr. Sherwood Shear of the Giannini Foundation of Agricultural Economics at the University of California in Berkeley to help him do some statistical studies of wine. Pearce had no inhibitions about asking people for a When he was applying he said he could do anything, a job of any kind. Who was foolish enough to have made this mistake I don't know, but anyway someone gave Mr. Pearce the job of assisting Mr. Critchfield. [Laughs] No one I've ever met could have possibly been a worse choice than Gerald G. Pearce. I got to know Pearce quite well later. I remember Pearce going to this state and that state.

Then there was a cousin of one of the wine men, a very fine sterling character named Eugene B. Morosoli, who needed a job but who was also a completely wrong choice for any legislative representation. Somebody hired him for some state legislative problem or other -- [Laughs] The mess became so bad that we finally needed someone to clean up some confusion in Texas, and Mr. Peyser was persuaded to go to Texas. And Peyser did approach the legislators in Texas, and as I recall, this was the one successful bit of legislation that we had in that particular campaign. But those were confusing elements, all going on at the same time. For confusion you couldn't find anything to match this.

Then there were Mr. Roosevelt and the NRA, and Adlai Stevenson. Harris Willingham and the FACA and oh, how all these things happened all at the same time.\*

<sup>\*</sup>See pp. 108-112.

(Interview #3 - December 28, 1972)

Adams: This is the story of an association and an industry and what really was involved in the development of wine in California. One of the most interesting aspects is the doctrine that is involved here, the matter of what is wine?—the concept of wine that the people in the industry did not have. Only a few people like the Rossis had a concept of wine. Too many others thought of wine as a skid-row beverage.

Teiser: You mean the people in the industry had?

Adams: Most of the big people in the industry thought of wine as the skid-row beverage. The bankers regarded wine as one by-product of the grape industry. It's this particular element that is the most important in the post-Repeal story of wine in America, this misconception of the role of wine. That was the great struggle in which I played a part.

Teiser: You mean that it had low prestige, it was a cheap source of alcohol?

Adams: That was a fact, but that was the less important fact. The important fact was the concept. During all of the years in which wine grew in North America, only a few people realized that wine is a food beverage, that wine is an article of food. The people who were important and who held the power thought only of the grape industry. Table grapes and raisins were regarded as far more important, and wine was completely neglected, and wine's future was never understood.

## POST-REPEAL DISSENSIONS

Adams: The few of us who realized from the beginning that wine was the most important reason for growing grapes and that wine had a great future, we had a fight on our hands. This fight sometimes came out into the open. When it came out into the open was when the fight became difficult for us. That's the true story of the Wine Institute and the Wine Advisory Board.

Teiser: Well, specifically how did it work out then?

Adams: In spite of the bankers and in spite of the raisin and table grape people --

Teiser: Now, when you speak of "the bankers" you speak almost entirely of the Bank of America, don't you?

Adams: Well yes. But the other banks had the same views; they all had the same view. And the United States Department of Agriculture had the same view, and the California Department of Agriculture had the same view. They all thought of the grape industry as a single industry, and wine merely as the salvage outlet because its use of grapes came last on the calendar.

Here I was with the concept of wine as the important subject, and the only one that really interested me. I wasn't primarily interested in the prosperity of the raisin and table grape growers. Nor were the true old-time wine people. They didn't care about raisins and table grapes. They regarded the left-over raisins and table grapes as the garbage.

Teiser: So the Wine Institute to begin with had two groups in it?

Adams: Yes.

Teiser: How did you get the people in it who thought that other than wine uses for grapes were more important?

Adams: It was obviously to their advantage to do what we planned, to increase wine consumption. But many times they attempted to rebel against how I was spending their money. For many years I spent millions of their dollars, collected through the marketing assessment, to promote

Adams: table wine, and they would in open meeting protest, "That's not what we're selling. We're selling sweet wine to skid row." This emphasis on table wines is the most important thing in this story. And as you see it has turned out, and everyone now knows, that we were right.

Teiser: It's turned out that table wines have made up a larger part of the market finally, is that what you mean?

Adams: Of course! Yes. Dessert wines have a great future too. They have a place in civilized living. They are going to be tremendously important, particularly when they improve their quality.

Teiser: Is it harder to make good table wines than good dessert wines?

Adams: In the making, yes. In the grape growing it is more difficult. The choice of grape varieties is important.

Teiser: Is it true that growing grapes for dessert wines is easier because there is more land in which it can be done reasonably well?

Adams: There's more cheap land available and the number of tons per acre from dessert wine grapes is greater than from table wine grapes. But even this is somewhat foggy because of grape difference in variety versus district.

Teiser: Can you tell the whole story of the split in the industry?

Adams: Yes. I'm most interested in getting on record what I'm sure no one else has ever told you, this real underlying split, if you wish to call it that, the doctrinal differences in the industry that were of the greatest importance. You see, the principal people in the wine industry didn't understand wine. They never drank it; they drank whiskey.

When I appeared on the wine scene, there were some vocal advocates of wine as an article of food. One of them was that admirable pair of twins, the Rossis. The Rossis, indoctrinated by their father and

by Andrea Sbarboro, had a vision of wine as the table beverage, the healthful temperate beverage, the antitoxin against alcoholism. This is what Sbarboro believed, and this is what Captain [Paul] Garrett preached.

Now, Captain Garrett, on the other side of the continent, may or may not have felt as deeply about the welfare of the American people, but he found it good policy to preach about the temperate use of wine with food, in order to get low taxes. But the Rossis truly believed, and it was the Rossis more than anyone else who contributed to today's wine revolution, for the wine revolution of today that has still only begun. Winning the place for wine in the American diet.

When I appeared on the scene, I did not understand that this split was ahead, that this subject was going to plague my efforts and force me into a position of an association executive, which I never wanted to be. My interest was in the educational objective, the doctrinal objective, the sociological aspect, and it still is. That's my interest today. I don't care primarily about the prosperity of the industry or its economic soundness, except that they are necessary to the achievement of the sociologic and cultural objective that is involved. And I have never owned any stock in any winery or any vineyard or anything of the sort because my interest is entirely this doctrine that I adopted so many, many years ago, that appealed to me.

When the Wine Institute was at last in operation, it had a majority of the wine industry among its members, but there were big, big hold-outs. For example, Arakelian, Gallo, Sebastiani--and from time to time we would get resignation from Fruit Industries itself. A number of the co-operative wineries which were members of Fruit Industries never became members of the Wine Institute; they held out. Their reason for holding out was, of course, financial. They saw no reason to pay any money if someone else would carry the freight. Arakelian, for example, realized that he had a cost and price advantage over people who were foolish enough to pay dues to the Wine Institute.

However, the Wine Institute budget was not so large that they could have been warranted in that position.

But they were the kind of people who could figure even a few thousand dollars over a period of years as being terribly important. Setrakian during most of the years and up to my retirement in 1954 was not a member of the Wine Institute, but his motive was different. He wanted to be the "king," but he was frustrated in this because too many people hated him, and he wouldn't have been a very good "king" anyhow. [Laughs] Setrakian, by the way, never believed in the place of wine in the American diet. He approved of my medical research program, but he didn't believe wine was a healthful drink. There were occasions where I've heard him state in open meetings of the wine industry that wine is the beverage for skid row. These are fair examples of what we were up against.

Teiser: Let me interrupt you, if I may. Were the people who didn't join mainly in the Central Valley?

Adams: There were many in the north as well, throughout the coast counties. There was a great deal of suspicion, especially by people who were old-timers, by small wineries, a suspicion of the large organizations. They had no confidence in the big companies with whom they were acquainted. They felt that if they let themselves become members of this organization they would somehow be victimized. This was especially true of such people as Sebastiani. Old Samuele Sabastiani—I had heard this story—had at some point cooperated with the old California Wine Association in some matter, and had felt that he was cheated, and he would never even talk to us. I would go to see him and he wouldn't see me.

Teiser: I used to know the people that owned the Simi winery.

They were out: were they ever in?

Adams:

They themselves were never really in. During the World War II wine shortage, Parrott & Co. paid their dues. The Fred Haigh family were very suspicious people. There was some ground for suspicion, I suppose, also. We employed two or three field men at various times. At least one of them--I didn't pick him, Caddow did--was inclined to be drunk on occasion and that may have had something to do with it. But the people who had been ruined by Prohibition were suspicious.

Teiser: I believe that Louis Martini was interested in the idea of an association and then --

Adams: I never could really be certain about Louis Martini's motives for staying out of the Institute.\* Perhaps part of the blame was on the people who financed him while he was operating at Kingsburg in San Joaquin Valley, but I'm not certain of that. I've always gotten along very well with Louis Martini.

(Interruption)

Teiser: I was about to say that you can't then categorize the people who were for or against the Wine Institute?

Adams: No. To fill in, now, events which will lead up again to this matter of doctrine or split in the industry, however you prefer to refer to it: in the beginning of the Repeal years there was no recognition by the banks or the large factors in the industry of the differences in quality of grapes. And the quality of the grape, as everyone has now learned, [laughs]—at long, long, last, with all the unsuccessful efforts by the University of California to teach the industry—people are at long last learning that you cannot make good wine out of bad grapes, and that you cannot make fine wine out of ordinary grapes.

For example I remember the Napa Valley Co-operative Winery (by the way, Napa Valley co-op was one of the first members of the post-Repeal Fruit Industries) holding an annual meeting in the mid-30s, and hearing a complaint by some grower members who grew such grapes as the Johannisberg Riesling and the Chardonnay and Pinot noir, that they were getting no more in the way of revenue from wine made from their grapes than were the growers of Carignane, Burger and Zinfandel, which were regarded as ordinary grapes.

And I remember their pointing out in this open meeting held there near St. Helena, in the Grange Hall, that their vineyards were producing perhaps two tons to the acre while the other vineyards were producing six and seven tons to the acre. I don't recall when this

<sup>\*</sup>Until 1941, when he became a member.

Adams: was remedied in that particular co-operative winery, but this was typical.

Teiser: How was this remedied?

Adams: Oh, in order to keep them as co-op members, the co-op eventually had to compensate them at least in relation to the lower number of tons-per-acre that their vineyards produced. I used to listen to this but never paid much attention to the way in which each co-op operated.

John Daniel\* of Inglenook, managing Inglenook, had among his bitterest of all resentments against the bankers of California the purported fact (I'm quoting him now) that the banks would never advance any more money, in the way of loans, on wine from premium table wine grape varieties than they would for the cheapest varieties in the state. That grapes were grapes as far as the bank was concerned. Daniel wasn't an old-timer. His statement was only one example of this failure of the financing interests and the real heads of the wine industry to recognize the great opportunity for good table wine in America, the true place of wine in America. I could supply you with many other examples.

Teiser: I remember that John Daniel and Herman Wente worked closely together in trying to build up the Wine Institute, didn't they?

Adams: Yes, they did.

Teiser: Couldn't anybody get Carl Wente interested in this problem?

Adams: The Wente brothers were not always in agreement about the place and future of wine in America. Harry Caddow, who was very close to them both, Herman and Ernest, used to tell me that Ernest was not enthusiastic about the winery. Ernest enjoyed the farming, including the livestock, more than he did the growing of wine. Carl was, of course, a banker, important in the Bank of America. So far as I know, Carl never entered the battle that subsequently became so acute. The bank was always on

<sup>\*</sup>He used "John Daniel, Jr." throughout his life.

Adams: the side of "stabilization." "Stabilization" meant

treating wine as the salvage outlet for grapes.

Teiser: That's a new definition.

Adams: Well, that's exactly what it meant. You couldn't stabilize the grape industry without first worrying about the number one on the calendar, the table grapes and the number two on the calendar, the raisins. Number three on the calendar comes last; you pick the grapes to make wine in October, November, and even December, even as far as into January to salvage the table grape culls.

Why did Mr. Di Giorgio have wineries? He wasn't interested in wine. He never was really interested in wine, only in grapes--nor were his nephews.

I was not an impartial executive when I became a Wine Institute executive. I was never impartial on this issue. I did not enter the discussions because I couldn't as a staff person, and I felt that I could be most effective when I was never a speaker at any time. I planned the meetings, however, and I would always plan the meetings so that the people who believed in the future of wine had plenty of opportunity to express their views. At various times the people who believed in wine and those who had discovered that their future lay in wine and/or discovered that various proposed stabilization plans would treat wine as the garbage outlet--they proposed measures to improve wine quality and I was enthusiastic for such measures, and I helped them at various times to put together their proposals. I helped from the technical and writing standpoint. got help from the university people who were also favorable to this. One of the best proposals was a proposal to establish mandatory quality standards for grapes for crushing. At a point in the early '50s such a proposal seemed to have a chance of at least reaching public hearings, although it didn't have much chance of adoption because the bank was against it. Robert Di Giorgio at that point, following the death of his uncle. Joe, was the head of the Di Giorgio Fruit Corporation and its wineries. One day Bob Di Giorgio stalked from the [Wine Institute] conference room at 717 Market Street into my office, which was adjoining, and pounded on the table and said, in effect, "There's no reason

Adams: why we should be a member of an organization that is planning against our interests. You know why we have wineries!" It was as clear a statement as any that the only reason they had a winery was to salvage their left-over table grapes.

Teiser: I have here a Wine Institute press release dated Modesto, June 25--no year--beginning, "Growers and vintners from all parts of California met in Modesto today and gave tentative approval to a draft of a proposed marketing order for quality grading of grapes used by California wineries."

Adams: Yes. I wrote it myself. [Laughs] There was a point finally when I had to get some of my staff to write a few things, but I'm afraid I wrote this. It seems to me that this was earlier, considerably earlier, than this incident I just mentioned with Mr. Robert Di Giorgio.

Teiser: Was it an earlier attempt to put over the quality proposal that failed?

Adams: The Modesto meeting was an early attempt for quality grapes, and it got nowhere.

The grape prorate in 1938 was the first post-Repeal stabilization measure. It was cooked up by Critchfield and Walter Taylor in particular. Those two more than any others put the prorate together. It completely ignored the fact that the surplus it was supposed to control did not exist in wine grapes. The surplus consisted entirely of raisin and table grapes, and yet it purported to turn into brandy, as I recall, forty-five per cent of the product of every vineyard in the state. This is one example of this concept of the grape industry as a single industry with three segments. This is what was wrong with Mr. Critchfield.

Teiser: He was an agricultural economist, not a wine man.

Adams: Yes, he had no respect for wine. He had no belief in the future of wine. There were only a few of us who had this belief.

Teiser: Do you remember Frericks?

Adams: Oh yes. Andy Frericks was one who did believe in the future of wine.

# LOUIS M. MARTINI

Adams:

And I might add that so did Louis Martini. But Louis Martini rather defies classification emotionally. [Laughs] The ego of Louis Michael Martini was expressed in two ways; one was in arguing, and the other was in producing a very fine product.

I'll tell you this little yarn about Louis Martini, which I think represents him about as well as anything in his whole history. Though not a member of the Wine Institute, he happened to attend (in his own behalf) a hearing in Sacramento in reference to the tax rates the county assessors worked out each year on personal property taxes on wine. I went to that meeting [in February 1935]. There Louis Martini saw me and found out who I was. We were both staying at the Hotel Senator and that evening he said he wanted to talk to me.

We talked in a room. I don't remember whether it was Louis' or my room, but we talked for hours. I tried to express my views, but Louis Martini didn't want to talk about any such thing. What he wanted to tell me was that, although he was then just a bulk wine producer at Kingsburg--"One day," he said, "I will be producing the finest wine in California." Of course, I didn't pay much attention to his prediction. But unbeknown to the rest of the industry, he was already building an inventory of very fine aged table wines. He knew that table wines were the future.

He had bought a Napa vineyard and a winery at St. Helena.\* And there his wine was not yet for sale. Nobody understood what was happening. All they knew was that there was a concrete block building on the highway there at St. Helena, and that the sign said, "L.M. Martini Grape Products," but as far as we all knew Martini was at Kingsburg.

Then, all at once--and I'd have to look up the year--Louis Martini introduced Louis Martini table wines, as fine an assortment of wines as the Beaulieus and the Inglenooks. In other words, they ranked overnight right

<sup>\*</sup>In 1934.

with the very finest premium wines of California. He introduced them all at once. From that year on, every time that Louis Martini ever saw me he would poke his finger against my chest and say, "You remember what I told you that night at the Hotel Senator in Sacramento!"

Then the years passed and then at least once or twice a year Louis Martini would barge into my office [at the Wine Institute] without even talking to the receptionist, and sit down and argue with me. And he always would say, "You remember what I told you that night..." And to this day, even though there is something wrong with his teeth and he can no longer speak intelligibly, I can still hear those words come out of his mouth. When he used to come into my office he used to say-here's one of his pets--"I don't agree with you." (This would be out of the air.) "And if you agree with me, I'll change my mind!" That's Louis Martini. Oh, I could tell you more stories about Louis.

The story of Louis Martini had been written by Angelo Pellegrini,\* and I knew parts of it were incorrect, and I knew some other things that other people had told me about Louis's early days, when he peddled wine from door-to-door in North Beach. Not long ago I finally pinned down Louis Martini up at St. Helena, and with the help of his son, Louis Peter, I managed to get his story from birth, step by step, and I've condensed it in my book. But everyone else had gotten it wrong; I just like to get things right.

Teiser: The Wine Institute started off representing what percentage of the industry?

Adams: We may have had up to 60% of the industry by volume, but far fewer by number, although that's difficult to figure because the number of wineries was shrinking at an amazing rate--from more than seven hundred that were bonded at Repeal, including former bootleggers to whom the government granted amnesty if they would pay taxes.

Teiser: If they paid taxes on the wine?

<sup>\*</sup>Americans by Choice, New York: The Macmillan Company, 1956. See also Martini, Louis M. and Martini, Louis P., Wine Making in the Napa Valley, an interview in this series completed in 1973.

Adams: That's right. But, that's a story by itself.

# "GARBAGE PROPOSALS"

Adams:

After the 1938 prorate came the various years in which there were short crops and there were long crops and so on. People were basically grape growers and as grape growers they would only think of one year at a time. One year's crop. They would lose all their interest in long-range planning as soon as one crop was on the vines or in the tanks. They'd worry about the weather, and pray for frost to cut the crop—to hit the other fellow's vines, of course; not their own. Except for World War II, there was a chronic surplus of at least a quarter of a million tons per year in California from the grape market bust in 1925 until 1971.

So you see why the banks worried about the surplus? And, of course, the controlling factors in the wine industry -- the Fruit Industries and the Di Giorgios, and for that matter the distillers and the Setrakians working with the banks on stabilization plans--all they could see was what a handy garbage pail the wineries offered to get rid of that surplus. And then, of course, the surplus could be diverted into industrial alcohol, which it was on two occasions. But, if anything, they had to keep the raisin industry and the table grape industry in good condition. When Jesse Tapp became the key person in the Bank of America watching the welfare of the grape industry, Jesse Tapp somehow got the impression, which was true, [laughs] that I represented the opposition to these garbage proposals. But it was unfortunate for my position, because I became therefor less effective, which was really too bad.

Anyway, the Institute was, on the one hand, trying to do an educational job and a quality job for principally table wines, and incidentally for dessert wines (for which the major factors in the industry had no respect and no hopes), while at the same time frustrating if at all possible these garbage proposals. And I helped to frustrate them.

I recall one case in which I helped to defeat one of the proposals--I'd have to do some research to dig this particular one out. Herman Wente, Andy Frericks, and John Daniel talked to me about their opposition to that particular garbage proposal. They wanted their position put into writing, and I volunteered. I said, "I'll be glad to put it into writing for you. This needs doing." It was a job that I had mimeographed, but in clear conscience because I would not let it be done in the Wine Institute office. It was written on my own time, not time paid for by my salary; it was an anonymous statement that they distributed. But I can tell you it was an effective one and it had a great deal to do with defeating that particular proposal.

This piece--which is why I remember it--expressed the importance of the wine industry and the fact that the wineries were crushing far more grapes than the two other segments of the industry, namely raisins and table grapes, were using. It was a fact for many years that the wineries were absorbing more grapes than the other two segments combined. I was the ghost writer on my own time for the opposition to making wine a salvage product.

These are the things that went on in the wine industry.

Teiser:

Let me ask you where two other firms that you haven't mentioned stood in relation to all this in the early days. One was Roma which was such a large factor for a time, and Petri.

Adams:

Louis Petri, I think, had some hopes for wine, although he was much more interested in money. He had some hopes for wine. Cella, John Battista Cella, had some hopes for wine. But at the same time he was more interested in money.

One of the reasons Louis Petri was often against these garbage proposals was that his constituency was largely in the Escalon-Manteca district where the principal grapes grown historically have been wine varieties. So his constituency influenced him. Louis used to give us lots of trouble, however, because he was unpredictable on long-range matters.

<sup>\*</sup>of Roma Wine Company.

Teiser: How about Cella? Did he stick with the --?

Adams: Cella stayed with the Wine Institute, although at one point he also gave me considerable trouble. I think that [J.] Battista Cella had a long-range view. He understood something about the place of wine.

## FINANCING THE WINE INSTITUTE

Adams:

I remember his rebellion was against the dues structure of the Wine Institute, in which dues were based partially on the number of tons crushed. He said he didn't mind paying dues on his sales of wine, but that when he crushed grapes he just refused to pay any dues on that; he was going to put the wine away to be aged. And of course, he was right. [Laughs] But, it still didn't fit the financial structure of the Wine Institute.

You see, I was forced by the incompetence of the so-called staff that Harry Caddow had employed, to take over the actual operation of the Institute with the title of assistant manager. First, I found that the Institute couldn't collect enough money to pay my Pacific Advertising Staff invoices, and my program was not going anywhere. I would go into the Institute office at night and look at the heaps of correspondence and the messes, and I started straightening them out. One of the things I finally looked into was the book-keeping. I had never been interested in this before, but I found that the bookkeeper Caddow had hired didn't understand the dues structure. He didn't know what he was doing.

So I went back and talked to my father-in-law who was an accountant by profession. I described this to him and he said, "From how you've just described the Institute finances, you'd better not have anything to do with such an organization." I said, "That's impossible. I'm very much involved with them." Then he said, "Well then, they had better get a CPA audit right away."

So the next day I talked to Caddow and I frightened him into getting a firm of CPAs to do an audit. And the

Adams: CPAs couldn't figure this out either. It was a complete mess.

Well, that was just about the time that Cella was refusing to pay his dues, as were any number of others. We used to have to borrow money from such people as the Italian Swiss Colony and Lee Jones to pay bills. We didn't know how much people owed the Institute. And Walter Taylor of Fruit Industries was giving us trouble. He saw that we didn't need as much money as we were supposed to collect after a season of an especially heavy grape crush. But nevertheless Walter always came up with a check and was paying his dues in advance. He was honest with the Wine Institute. He wanted to keep it going. It was the only structure that the people had, to do anything of any kind, legislatively or otherwise.

So we were about to hold a directors' meeting in This was in 1936. I shan't ever forget it. Lodi. Early 1936. The meeting was to be held in the Hotel Lodi. This was the night before, and I couldn't figure out any way to collect dues from Mr. J.B. Cella. He wouldn't pay dues on the number of tons of grapes he had crushed. I went to the Wine Institute office and I got a copy of the by-laws and took them to my own office--I still had my McClatchy office in the Chronicle Building. I studied the by-laws for the first time: I'd never studied them before. The dues structure was so much per ton crushed, so much per gallon sold of "sweet wine," so much per gallon of "dry wine," so much per gallon of concentrate or proof gallon of brandy sold. That's all there was to it.

And I thought, we're not going to get anywhere with Cella at tomorrow's meeting. So I rewrote that part of the by-laws that night. With a brainstorm I developed an entirely new concept of the association's dues. I'd never known of any association anywhere in the United States that had previously had this concept, but I've subsequently found it used elsewhere. It's a perfectly sound one.

Volume in an industry goes up and down, and an association would be collecting too much money in some years and not enough money in others. I dreamed this up, and I had no training in accounting I wish you to know--

I realized that a trade association should have a budget. The word "budget" had been mentioned in a conversation with Walter Taylor protesting that we were collecting more money than we needed. The word stuck in my mind.

I figured out a budget. How much does the Wine Institute need to operate per year? I wrote a budget then and there. And then I rewrote the dues section of the by-laws. One half of the budget burden would be divided among the members in proportion to their part of the 100% of grapes crushed by the total membership. The other half of the budget burden would be divided among the members in proportion to what percentage each member sold of the total sold. I applied the old ratio between gallons sold of table wine and dessert wine and brandy and concentrate. Finally I provided that each member's percentage of the total budget burden would be the average of his percentage of the crush and his proportion of the sales.

And then I phoned the office girls at their homes to come down early the next morning to get this mimeographed in time for me to drive to Lodi for the meeting. There this amendment to the by-laws was adopted. It's still in the Wine Institute by-laws to this day.

But Cella still couldn't understand it. He said, "I still won't pay on crush." I had to explain to him, "J.B., I figured out your volume. You are going to pay exactly the same as if you paid only on sales." I finally convinced him of that, and it was true. His proportion of the industry in sales was the same as it was in volume. Well, Cella was a good boy from then on. It was wonderful. But, you see, I am a journalist and what am I doing writing by-laws?

What I later had to do was write an accounting manual for the Institute and the Wine Advisory Board. I couldn't get it out of the CPAs we hired. So, I went to Marin Junior College night bookkeeping classes for a few weeks to learn what accounting terms meant and what double entry bookkeeping meant. Then I went back and wrote an accounting manual that is still in use. This is for the very complex administration of the Wine Advisory Board contract money that is spent

Adams: by the Wine Institute. My manual set standards that would pass any CPA or government auditor.\*

SELLING THE WINE IDEA IN FRESNO

Adams: Anyway, here I was trying to do an education job, and I also had to run an association.

The solution was to work double time. For this purpose I employed two secretaries, one who worked by day, the other who worked nights, weekends and holidays. This went on for three or four years. My educational program aimed at the public finally got going when we established the Wine Advisory Board, but we hadn't yet got the industry behind us. Finally, having made no progress whatever with the San Joaquin Valley major segment of the industry in the matter of the future of table wine, or for that matter any future of quality in wine, I arrived at a peculiar conclusion. This was back probably about 1947-48, about that time. I realized that what was necessary first was to sell wine to those wine people. Sell them the idea of wine.

The San Joaquin Valley segment were still running their own association, the Sweet Wine Producers Association. They didn't care to have any northern wine people come to their meetings. I figured out that one way to get to them was to hold directors' meetings of the whole industry in Fresno. So we had to be there. But even that was difficult.

Setrakian was one of my examples of wine people who did not believe in wine. I figured, how could I sell these people on wine? Well, one way was to make wine respectable, especially table wine. So, I planted the idea that when the Wine Institute next meets in Fresno would be a fine opportunity to hold a champagne ball. And to bring the ladies, because ladies have a great influence on men. And give the ladies a chance to wear their evening dresses, so we'll have a black tie champagne ball, and the wine men and their wives

<sup>\*</sup>See also pp. 89-90.

Adams: and friends will learn to drink the product.

This was readily arranged by one fortunate incident. J.B. Cella's daughter was a singer and this gave her an opportunity to sing. We succeeded in getting a champagne ball arranged at Fresno, which meant the first time wine was respectable in Fresno. Up to that time it had been Raisin Day.

So, I went on from there. I realized the only way I'd ever been successful in indoctrinating anyone, personally, was by ghost writing. I did tremendous amounts of ghost writing. What I wrote would always be published under the name of some wine industry person. This had happened in other industries in which I'd operated as well. I would write my ideas into an article, and then people would praise the author whose name was signed, for what he had written. Then he would begin to believe it himself. This gave me an idea about how to sell the wine idea in Fresno.

I had organized a field staff of 28 of what we called dealer service men across the United States, to teach the trade how to display wine and merchandise it properly, and so on. I looked for a man on the staff who would be clever enough to be able to operate in Fresno. The man I picked was Bert J. Gilbert. He originated at Trenton, New Jersey, and he had operated in the dealer service staff at various places, last at Chicago in charge of the staff working in the Mid-West.

I brought Gilbert to San Francisco and told him what my idea was and it was very complicated. I said, "Bert, your job in Fresno would be ostensibly to teach the trade, the retailers and the wholesalers in the San Joaquin Valley, how to merchandise wine. That's your ostensible job. Your real job will be to sell respect for wine to wine people and grape people.

"You will take these characters"--and I used Setrakian as my number one example--"you will book them on the luncheon circuit, to make speeches about what a wonderful industry the wine industry is. They will talk to every Rotary Club and every Lion's Club and every Kiwanis Club and Optimist Club. You will distribute literature about the wine industry and about the uses of wine,

especially table wine, about cooking with wine and so on. They will talk about all these things. I will give you a model speech for them to use, but don't ask them to use it. I want them to develop their own speeches from your material. You book dates. They'll make these speeches and people will applaud. When they're applauded they will begin to believe what they said." This was done. My memoranda of instructions to Gilbert may still be in the Wine Institute files somewhere buried.

But let me tell you about Gilbert's more difficult assignment. I was looking for still more things to make wine respectable in Fresno, and I realized that colleges were respectable. Anything to do with colleges was still respectable. Fresno State College then had a course in viticulture, grape growing, which included raisin processing. I said to Gilbert, "I want a Department of Enology to be established there, to teach wine making."

Gilbert asked how this was to be done, so I wrote him a memorandum. This memorandum still exists. The way I know it is this. About 1969 or 1970 I received a telephone call from Professor Vincent Petrucci, the head of viticulture and enology at Fresno State College. He asked if I would come down and address his graduating class in enology on a certain date. I figured out that that date was about the time I owed myself a research visit to Fresno, and I accepted.

The way Petrucci introduced me to his class was this: he pulled out of his pocket a Wine Institute office memorandum from L.D.A. to B.J.G. and he read it to the class. It was my memorandum, from beginning to end, instructing Gilbert how to establish a Department of Enology at Fresno State College. The how included how he should handle the various wine men, and how to overcome the political resistance of the Drys. That's what the memorandum was.

Teiser: You said that Petrucci didn't give you a copy?

Adams:

He has still failed to give me a copy, but I would like that memorandum in my files. [Laughs] The enology lab building was built, and wine making has been taught ever since at Fresno State College, very much for the Adams: good of the industry. But my purpose wasn't just to establish the teaching. My purpose was to sell wine to wine men.

Teiser: <u>Did</u> you sell it to Setrakian? <u>Did</u> he decide that wine was respectable?

Adams: I have never seen any evidence of it.

Teiser: How about Lucius Powers? He was down there, and he worked in the Wine Institute, didn't he?

Adams: Yes, but I've never taken Lucius seriously. In 1965
I was invited to address the Fresno Rotary Club. This
was shortly after I made my key prediction of the wine
revolution, seven years before it happened. I'm the
only one who ever predicted, with dates and gallonage
figures, that it would happen.

I had just returned from the Ohio Wholesale Wine Dealers Convention, which they hold in Ohio once a year, where I'd made this speech which I predicted that table wine would soon exceed dessert wine. It didn't happen until much later. That table wine, the stepchild of the wine industry, would soon exceed dessert wine. And I said that by 1975 three-fifths of all the wine consumed in America would be wine under fourteen per cent, and that by 1975 consumption of wine in the United States would be three hundred and twenty-five million gallons. And, as you know, that three-fifths proportion was reached in 1970 and the three hundred and twenty-five million is being passed this year, 1972.

Anyway, at the Fresno Rotary Club I told them about the fine table wines produced by little tiny Ficklin vineyards. And one of the fine table wines produced by Horace Lanza's California Grape Products winery at Delano, this wine called Nebbiolo. And I told them that Al Morrow had instructed me many, many years before that fine table wine could be made in the San Joaquin Valley. (I have the speech on file over here.) And with the urbanization trend in the coast counties, that before many years the San Joaquin Valley would change from dessert wine (and I used the term "revolutionize") from the production of dessert wine to table wine. Your mention of Lucius Powers reminded me of that. After I spoke, Lucius, who by then had retired,

came over and told me that he'd always agreed with this. [Laughs] You see, they had never believed that they could make decent "dry wine" in the San Joaquin Valley. Today it's their principal product.

THE WINE INSTITUTE AND THE WINE ADVISORY BOARD

Adams:

Well, let's go back. I mentioned in 1936 amending the by-laws of the Institute. And, about that time I also rewrote the by-laws about elections, voting power, and so on. They're still in use, by the way. The finances of the Wine Institute began to straighten out with the new by-laws, but I soon realized that we couldn't ever raise enough money in dues to do a real wine-education job in America. I had brought over the San Francisco Bulletin's former office boy, Robert W. Robb, to work on publicity in the Wine Institute. had too much to do, running the organization, with a hundred problems all at the same time, ranging from stillage disposal, to the rivalry between Berkeley and Davis over who was to do wine research for the university. Everything happened at one time, the wine people coming in with their problems, new labelling regulations that I had to translate--I had to handle the labels going under the new regulations. All these things at one time, a day and night operation. I realized I never could get a national educational job accomplished under those circumstances.

There were some advertising people (who need not be named) who thought they could make a haul because they knew some wine men. They said, "We'll conduct an advertising program for wine. We'll raise the money from the allied industries." Well, that was obviously impractical—they might raise a few dollars for a short time, and then it would die. Besides, the people were incompetent, so I had to frustrate that.

About that time I learned from Mr. Peyser and Caddow that they had been approached by William J. Kuhrt, who was promoting marketing orders in the Bureau of Markets in Sacramento under the amended California Marketing Act. He was trying to build an empire for himself, running marketing orders in various industries

under the California Marketing Act of 1937, as amended. A good law. That's the first time I realized that there was such a law.

Well, Caddow and Peyser said, "Kuhrt said that we can tax all the wine sold and the Institute can spend the money." I said, "That's impossible." [Laughs] "Who ever heard of a thing like that?" They explained 1t. They said, "You have to meet this fellow, Kuhrt." So, I met Kuhrt one day and he explained how this worked, and it finally began to make sense. He explained that if two thirds of an agricultural industry, by number and by volume, would sign assents to a marketing order, the state would collect marketing assessments from one hundred per cent of the product under the marketing order. And Kuhrt assured me that that money could be spent to supplement the work of the Wine Institute. That was a revelation! The only question was, can you ever get a sign-up? Can you ever get the wine people to sign?

Well, there was considerable doubt of this. And of course I inherited the job of getting the sign-up. It looked very doubtful. Kuhrt told me that they would even reimburse the Wine Institute for the cost of the sign-up. Left to myself, with no one to interfere, I hired three field men in different parts of the state who knew wine people, and gave them the assent forms. Kuhrt instructed me that in the case of a corporation you need a certified copy of the resolution of the corporation behind the assent, and so on.

Over a period of months in 1939 I talked on the long distance phone with my men and had them come and bring in the assents. My men were not necessarily the best chosen. I don't have to give you their names. A couple of assents turned out to be forged. They'd come back and report that so-and-so winery out in the country chased them off with a shotgun. It was wonderful. We needed the assents both by number and by volume. They brought them in one by one, and the time was extended by Sacramento.

I didn't tell you about the public hearing in Sacramento about the marketing order, and the speech that young Ed Mirassou made there. He was, I guess, just out of his teens, but he made more sense than the grown-ups did. I finally had to get a number of them

Adams: myself. I also chased the missing corporations resolutions, and so on.

Well, Kuhrt said the Wine Institute could run the program. He had promised us from the very beginning that the Institute could spend the money. It was Kuhrt's way of selling a marketing order. I had to handle all the administrative details of setting up the program. Peyser handled the legal aspects. It was decided that Caddow should be the manager of the Wine Advisory Board set up under the marketing order, that I should be the assistant manager and I was also labelled assistant secretary. It was another way of saying that I was to spend all the advertising money.

There first were meetings of the Wine Advisory
Board to listen to advertising agencies. Agencies
came in with all kinds of proposals, but I soon got a
whisper from Caddow that it was going to be J. Walter
Thompson because that's "Sox" Setrakian's choice.
There was some kind of a deal made. Arthur Farlow of
J. Walter Thompson's San Francisco office had made some
kind of understanding with Setrakian. The other agencies
were wasting their time making expensive presentations
to the Advisory Board because it was going to be J.
Walter Thompson.

Teiser: Had it not been the agency for the Wine Institute?

Adams: The Institute had no agency.

Teiser: Well, I think I remember that Giannini also threw his weight.\*

Adams: That's quite possible, quite possible. Anyway, it was the J. Walter Thompson Company, and this was most unfortunate because the Thompson agency let Arthur Farlow and a young man named Anderson Hewitt treat the Wine Advisory Board account as their money. They treated the staff as having no judgment at all. They were, of course, ignorant of wine. They wrote copy and they expected it to be approved, period. They wrote point-of-sale material for wine and expected it to be approved and it was terrible. There was a split right off the bat, and a very bad split.

<sup>\*</sup>See also references in: Burke H. Critchfield, The California Wine Industry During the Depression, an interview in this series completed in 1972.

At one point it led to an accusation that I was asking them for a bribe or something because I refused to sign the cost estimates approving some of their proposed advertising. In fact, there was a hearing held with the Director of Agriculture present on this bribery accusation. And I have the transcript in a safe deposit box to this day. That didn't really hurt the program. It was just a minor incident. But the Thompson people did not do a good job.

And later, during World War II, they signed a temperamental politician-type named John Alden to the account, and he made all kinds of political trouble in the industry. It was a very unsatisfactory relationship. But at least most of the things got done. I had to write or edit or rewrite practically everything that was key in the way of literature.

THE WINE STUDY COURSE

Adams:

The most important single thing that was done in all those years I did, and it had nothing to do with the advertising program. It had absolutely nothing to do with it. I did it myself. This was the Wine Study Course.

When the distillers began buying wineries, it became obvious that they were going to market the wine as something that retailers and wholesalers had to buy in order to get whiskey, the so-called "tie-in business." And I thought, "What a horrible thing to have to happen to wine." Dealers would buy table wine and it would spoil before it was ever sold, because people didn't want to buy it. They would sell bad wine. They would market wine the way they do whiskey.

My dealer service staff, which I'd set up at the end of 1939 under the marketing order, had been educating the trade. Two men from my McClatchy office were doing the publicity—Robb and Frank Whitely—educating the public about wine. All of a sudden wine was going to be mishandled by whiskey salesmen. So, what could I do? You couldn't tell the distillers anything. (Although remind me later to tell you about Mr. Lewis Rosenstiel.)

At any rate, I thought, "What method could be possibly used to sell whiskey people on wine?" I'd long been thinking of starting a wine correspondence course, but I'd never had time to write it. So, I hired an extra man to study correspondence courses and to write a wine correspondence course. He brought in a mess that I helped him rewrite and it still was no good. So I threw it all away and I started from the beginning.

I worked nights and weekends on it for a period of months. The reason it was a correspondence course was to force readership. Give them a diploma at the end, and even a little card replica, saying in effect that they were a wine expert. You can give out all the literature in the world but you can't force people to read it. But if you put in test papers and a diploma at the end then that might make them read it.

The reason for taking all those nights and weekends to write that thing was to educate the whiskey people and their marketing people about wine. I realized at the same time, that this was a wonderful way to sell wine to wine people. Have their families, their wives and children take the course, too, and have them begin to respect the old man who is running the winery. You couldn't get him to take it, but you could get his children to take it. Get Chamber of Commerce people out in the country to take it, and they'll honor the wine people. The record will show that this had nothing to do with the J. Walter Thompson Company.

One of the problems in writing the Wine Study Course was that wines had no definitions. One man's claret was another man's burgundy. [Laughs] So I wrote arbitrary definitions and sent them to the printer. I knew that the wine people would never agree; the job would never get done. I showed the wine study course manuscript to Ed Rossi, the only person I trusted, and Ed approved. I told him the course would be educating hundreds of thousands of people, and that the wine people wouldn't agree now to what it says would find out what it says and would agree with it. That is what occurred. Bob Smith had a part in this; I neglected to mention it.

We had Judge De Vries's office still in Washington, but as soon as we got enough money, we needed somebody to take charge of legislation outside of California. Peyser handled California wine legislation. The best man I knew and could trust was my own man, Bob Smith. I gave him a contract in charge of the trade barrier program. That's a nice euphemism for lobbying, trade barriers.

Smith influenced the Wine Study Course in that it doesn't feature only California wines but includes New York, Ohio and other wines. This was because the educational and legislative jobs to be done were national, not just in California. That's why the Wine Study Course still has the map drawn by the girl downstairs at the Wine Advisory Board office, a wine map of the United States. 1943 is the date of the first publication of the Study Course, I remember.

Let me switch back to this. I continued with my full responsibility to the McClatchy Newspapers until 1937. In 1937 I realized that I needed my assistant, former Associated Press copy boy Frank Whitely, in the Wine Institute. By that time Whitely was putting stories on the wire under my name for the McClatchy papers and I never even saw them. I realized that this could not go on. I could no longer carry the responsibility. So I told the McClatchys that they'd better find somebody else. They protested, I'm glad to be able to say. They said, "We don't care as long as you carry the responsibility." I said, "It is dishonest to accept a salary for another man's work."

Teiser:

Let me ask you, for the record: the Sacramento <u>Bee</u>, September 1, 1934, had a special supplement on the California wine industry. It was largely devoted to the valley wineries, much on Fresno. Were you responsible for that?

Adams:

I undoubtedly contributed to it and vaguely remember it, but I was not responsible for the special edition. The only special edition I was responsible for was one about wine in the <u>California Journal of Development</u>, a State Chamber of Commerce publication, an edition I think I still have, the first color supplement on California wine. The State Chamber of Commerce demanded these articles

Adams: and the

and there wasn't anybody but myself around to write them at the time. At one point we hired Frank J. Taylor to do them, but I had to rewrite the whole thing.

THE WINE ADVISORY BOARD AS AN ENTITY

Teiser: Does bringing Frank Whitely to the Wine Institute have a time relationship with the Wine Advisory Board

job?

Adams: I don't think so, no. The marketing order hadn't come

up yet. I was just having trouble trying to do all this other work. There had been no one trained. I had no help. As a matter of fact, Caddow had hired, back in 1934, a man by the name of Felix Butte, who was just in the way. And at one point Caddow gave me wild Gerald Pearce, and he was in the way. He just took up space. The only ones who were any good were

the ones I hired and trained.

Teiser: You said that you and Caddow continued for only a few

years at the Wine Advisory Board. What happened there?

Adams:

Well, Caddow had the title of manager and I had the title of assistant manager and assistant secretary of the Wine Advisory Board. I operated both organizations, always in the same building, first at 85 Second Street, then at 717 Market Street. Caddow, being a contact man and occasionally making me trouble because he wouldn't say "no" to people, and he wouldn't ask the members to pay their dues.

Unfortunately, the bookkeeper of the Wine Institute reported to Caddow, not to me. We hadn't a decent accounting system, and the CPA who first audited the Wine Institute was often drunk. The man who would come down from Sacramento, from Kuhrt's office, the Bureau of Markets, to audit the Institute's contract expenditures for the Advisory Board was too easily satisfied.

I had once hired a competent bookkeeper for the Wine Institute. I told her the accounting had to be done strictly. Not being under my supervision, she

Adams: became careless. She would say, "Mr. Caddow said this would be all right..." and so on.

Then, a battle broke out in Sacramento, and maybe it's fortunate that it happened, a political battle between the previous and the succeeding Director of Agriculture. Kuhrt was in the middle. The new Director of Agriculture--or was it the previous one? I don't remember which--attacked Kuhrt politically. A handy subject to criticize was how come the State of California is collecting money that is being spent by a trade association, the Wine Institute? They sent Bureau of Finance auditors down to look at the Wine Institute books. They found that that bookkeeper had been passing some things that Harry Caddow approved, that I didn't, that should never have been charged to the marketing order contracts. The most spectacular one was the cost of somebody's funeral. It was charged as a contract expense. [Laughs]

Our attorney, Jeff Peyser, didn't know anything about this. This was Caddow's incompetence and the loose administration of Kuhrt's man; I wasn't handling any of it. Anyway, one day the Assistant Director of Agriculture named Jacobsen\*came into my office and said there's got to be a new accounting system governing the contract funds.

Who was going to write the accounting system? I had to write it, naturally. That's when I went to night classes, learned what elementary bookkeeping terms meant, and wrote the accounting manual, which is still in use.\*\*

The then Director of Agriculture, Anson Brock, next decided that since the Wine Advisory Board is an instrumentality of the State Department of Agriculture and since the Wine Institute was only a contractor, that the contractor's staff should not manage the Advisory Board because the Advisory Board was legally the boss. He said that the administration of the two must be separated, but they could still have a contract. And the Dealer Service corporation had to be removed from the Wine Institute; too much was being done by the Wine Institute. Caddow and Adams could no longer be officers

<sup>\*</sup>William C. Jacobsen

<sup>\*\*</sup>See also pp. 78-79.

of the Wine Advisory Board. This meant that we needed to have one more employee to take my place on the Wine Advisory Board. I gave them one of my men, Eugene Jackson, to be manager, who unfortunately wasn't my best personnel choice. He had been operating pretty well up to that time, but when he became responsible to Mr. Kuhrt, who used to tell him not to take orders from me, he went sour.

To succeed Jackson, we needed another man. The Italian Swiss Colony by then had been sold, and Ed Rossi wasn't doing anything. General John R. Deane, who was president of Italian Swiss Colony, suggested, "What's the matter with Ed Rossi as a manager for the Board?" And so since people knew that I was closest to Ed, they gave me the assignment of recruiting Ed Rossi to become the manager of the Advisory Board. I had a long talk with Ed and pointed out that this would fill his life, and that, after all, he was more than anyone else the father of the Wine Institute and Wine Advisory Board program.

Ed accepted the appointment as Wine Advisory Board manager. Kuhrt warned him that he must not let me run that operation. Ed was very strict. He would talk to me daily, but would only use my technical knowledge. Ed Rossi did a really good job. So that disposes of the separation of the two organizations.

LEWIS R. ROSENSTIEL

Teiser: Would you tell the Rosenstiel story?

Adams:

Oh yes; I enjoyed this particular incident. Rosenstiel, the whiskey king of Schenley, had bought the Cresta Blanca Wine Company at the suggestion of his lobbyist, the notorious Arthur Samish. Samish had suggested it to Rosenstiel. Cresta Blanca wasn't hard to buy. It wasn't going anywhere under Lucien Johnson, who was getting along in years.

As the liquor shortage continued during World War II, Rosenstiel and his bright young men, including Harry G. Serlis, were faced with the tie-in business,

the liquor-wine tie-in business. Rosenstiel then bought a bigger winery, the Roma Wine Company, from the Cellas. Then Mr. Rosenstiel got on the telephone to the Wine Institute office. He probably placed the call for Harry Caddow, but I remember he talked to me because he said, "Now that I own wineries, I want you to come down to my summer place in Tueson as my guest and educate me about wine."

I accepted, and Caddow accepted. We got on the train, I think it was, or was it a plane?—one way at least was a train—to Tucson. There, for three days—Caddow left after the first day—I educated Mr. Rosenstiel about wine. At the same time he was being educated in chemistry by some college professor recruited for that purpose. What a fantastic person!

Rosenstiel was a very big man, and his absorption rate for all things, including information, was phenomenal. This included his absorption rate of food. I remember we went out to dinner one night and he consumed two entire meals!

Rosenstiel began to express his own ideas, to which I replied as best I could. He said, "I understand the cognac people have a gold seal on their contract covering their stocks of cognac of a certain age. That idea appeals to me for wine. Do you think the wine people would go for that?" I remember telling him that persuading the wine people to go for anything to change their operations was not easy, but that with some wines, at least--I pointed out the difference between aging table wines and dessert wines because there is considerable confusion on this point even today--that certain wines, especially dessert wines, do improve greatly with age. I pointed out that if certain wine inventories could be set aside under some kind of bond, they would improve with age and in value and that to this degree he might have a good idea.

In later years he called this his gold seal idea. Then he wanted me to go to work for him, which a number of people often did. They could never understand why I would never consider their fancy financial offers, my saying I much preferred what I was doing, that I was doing it for fun anyhow. No doubt they concluded there must be something wrong with me. Rosenstiel would say,

"You're a merchandiser!"--the highest compliment he ever paid anyone.

When the war was over, Rosenstiel found that his Roma and Cresta Blanca operations were not especially profitable, not profitable in the post-war sense. The Cresta Blanca name had been ruined for some years thereafter by the use of Cresta Blanca wines in those tie-ins. Rosenstiel wanted, especially in the disastrous wine market bust year of 1947, to straighten out the wine industry. He'd always come back with his gold seal plan. He'd call meetings at the Schenley office in the Hobart Building for wine people to hear his idea. When they wouldn't listen, he would shout, "You call this an industry? This isn't an industry!" He was disgusted with the wine people.

In a subsequent year Setrakian, the principal promoter of the various stabilization proposals, sought out Rosenstiel. He agreed with Rosenstiel about everything, and sold Rosenstiel on the idea that Setrakian's ideas were right and the rest of the wine people were wrong. Rosenstiel thereupon instructed his San Francisco lawyer--James Woolsey, the head of the compliance department of Schenley's wine operations-to work with Setrakian for Setrakian's proposals, which were being resisted by those wine people who wanted quality standards for grapes for crushing. So that was war, and Rosenstiel was on the wrong side.

Others on the wrong side included some old wine families. I knew some of them well enough to talk to them personally. I reminded them of their family histories, that some day they could be proud, and their children and grandchildren would be proud, if they would build a proud wine industry. I'm afraid I didn't persuade very many of them.

Today, since the wine revolution, since table wine has begun to fulfill my prophecies, wine <u>has</u> become a proud industry. Some of the people I couldn't persuade then have come to me lately to say, "You were right. We were wrong at the time."

# THE WINE INSTITUTE. CONTINUED

Teiser: What about Fruit Industries? They pulled out of the

Wine Institute, didn't they?

Adams: At various times.

Teiser: Why?

Adams:

Walter Taylor and Mario Perelli-Minetti, his successor, usually favored the stabilization programs. I suppose they recognized that the Institute was not in favor of their position. And this was being complicated by Kuhrt, who became allied with Setrakian. Kuhrt wanted to become the head of the wine program. He realized that there were two people in the way, Peyser and myself; Caddow wasn't to be reckoned with. Kuhrt began to work against me.

When we finally had to lose Caddow, who had become very ill, I was left without a front man. A committee was appointed to choose Caddow's successor. I recommended that the new manager be given an additional title as president, to increase his effectiveness as the industry spokesman. (That recommendation was adopted, but I later came to realize it was a mistake.)

Woolsey was a member of the committee, and he made the strangest proposal of all. He proposed that I be named president of the Wine Institute. This was ridiculous, and I told him so. Bob Smith and I had selected a man even before we lost Caddow; we knew we were soon going to lose him. The man we selected was Don McColly. McColly probably would deny that he knew this.

About this time wine people were growing up. I had been making virtually all of the decisions about the education program. Not necessarily giving every order, but let's say by advice where the Advisory Board was concerned. And the people both on the Institute and Advisory Board staffs were my people. I had hired and trained them. And I suppose to some extent I had done some training of Mr. Rossi. I had been enjoying this entire great adventure until about that time, but now the wine people were beginning to tell me what

to do. So with my second son getting out of college, I decided that was it. I'd go back to being an independent. I'd never had a boss since my second city editor, and I never wanted to have a boss again. So I decided to get out.

I enjoyed the great climax that was developing. When Setrakian and his group told enough people that they would rejoin the Wine Institute and everything would be harmonious if they would get rid of Adams, I could have patched things up, but decided not to. I prepared to go out dramatically and finally take some credit for what I had been accomplishing. So I resigned in a grand climatic meeting at the Palace Hotel. That was in 1954.\*

Teiser: What happened with Setrakian? Did he rejoin?

Adams:

Oh yes. He was still hoping to dominate the wine industry. He was already the czar of the raisin industry. He had tried to become the leader of the fresh grape industry, of the California Grape and Tree Fruit League. Every time someone looked like a leader, Setrakian set out to destroy that leader so there would be no one left but himself. But they finally caught up with him, and in a huff he quit that organization. He'd long tried to rule the Wine Institute.

Actually, at one time I used to ghost write for Setrakian. [Laughs] He would barge into our office and everything else--all the work--was supposed to stop. He would summon me to join him in another office to work with him on another speech.

I will admit my ghost writing was effective. I shan't forget the time at one of the Del Monte conferences where I wrote the program for the State Chamber of Commerce and lined up the speakers. I wrote all of their speeches but one. There were a total of seven. I mimeographed them ahead of time for release. At the conclusion of this very successful meeting, Judge DeVries took me aside (I was driving him back to San Francisco) and he said, "Young man, you're a good ghost writer, but you made one mistake. When someone stands up to read a mimeographed speech in which there is a quotation from the mimeographed

<sup>\*</sup>See Appendix.

Adams: speech of the person who spoke two speakers earlier, you have committed what would be an unpardonable error in Washington, D.C." So, I didn't mimeograph advance copies of speeches again.

Teiser: You mentioned the Lawrence Warehouse Company.

Adams: Oh yes. This goes back to the generally depressed condition of the wine industry. The banks wouldn't lend the wineries money on wine without warehouse receipts. So the wineries had to assign portions of their cellars to the Lawrence Warehouse Company, which would put its sign on that part of the winery. The warehouse company didn't have to own anything. It was just a paper business.

## WINE TERMINOLOGY

Adams: Maybe I should tell you now the story of changing the names of the wines.

Teiser: Yes, go ahead.

Adams: Well, I recognized quite early--and it wasn't difficult to recognize--that wine was in bad repute. It was being attacked primarily because of the term "fortified."

First I should explain how the word "fortified" got into the wine regulations. There has always been confusion in wine terminology. The American wine people referred to wine under fourteen per cent as "dry wine," and wine over fourteen per cent as "sweet wine." This had been their language for generations. It was the only language they knew. In Britain, however, light wines were called natural wines, and wines that contained added brandy were called "fortified wines."

When the Federal regulations were written—they became effective in 1936—they followed the British terminology. The terms adopted were light wines or natural wines on the one hand, and fortified wines on the other hand. A separate set of Internal Revenue regulations governed the operations of wineries and fruit distilleries—specified the kind of walls and

partitions and doors, and what kinds of signs, with letters so many inches high, must appear on bonded premises. Signs were required to designate the "fortifying room" of the winery and the "fortifying tank."

Use of the word "fortified" spread across the nation. In the police courts of many states, the drunks from skid row now would appear for sentence after a night in the drunk tank. And the word spread among them that they should say to the police judge, "Judge, it wasn't my fault. I was drinking some of that fortified wine." This conveyed the idea that they were poisoned, and the judges would let them off with light sentences. The word "fortified" became a most ugly word.

And one of the cheapest outfits in the wine industry, whose name I need not mention, back in New York, began advertising its wine on car cards in the subways, "Drink So-and-So Wine. It's Fortified!" The word "fortified" was getting the wine industry into trouble. It almost killed the wine industry.

Anyway, the word "fortified" became so dangerous that I realized that I had to somehow get rid of it. But here it was in virtually all laws and regulations. I pointed out to the wine people that we would have to do something about it. I got a resolution through the Wine Institute board of directors requesting the government to amend the regulations, not only to remove the word "fortified" but to add a prohibition against its use in any advertising or labelling. I got no great disagreement. Then the question was, and they asked this from across the United States including Washington, "What are you going to call it?"

I said, "Let's change the names entirely. 'Dry wine' and 'sweet wine' make no sense anyhow because many so-called dry wines are sweet and many so-called sweet wines are dry. We have our choice from other languages, and our choice includes such words as 'table,' 'natural,' on the one hand (vinos de mesa in Spanish for example), and on the other hand we have only two words in other languages for the higher-alcohol wines. They are 'generosos,' generous wines, which is another way of saying higher alcohol or stronger, and 'dessert.'"

I explained that the word "dessert wine" is, of course, not descriptive of dry sherry. But I solved this problem by saying that we would define "dessert wine" as "including appetizer wine." And we'd get the regulation amended at the same time to add the word "table" as synonymous with "light" or "natural." Wine not over 14% would be table wine; over 14% it would be dessert wine.

Meanwhile the Michigan people interjected their special language. They have a peculiar law in Michigan, written by one William Geagley, who was a disciple of the late Dr. Harvey Wiley of the Food and Drug Administration. Michigan wanted wine not over 16% to be called "light port" and "light sherry." That got into the new Federal regulation, despite our opposition.

Teiser: Did Peyser work on that?

Adams:

No, that was Judge DeVries and his successor, Edward Wootton. Peyser had nothing to do with things outside of California for many years. The late Ed Wootton was one of the original writers of Federal Wine Regulations Number 4, back in the days of Adlai Stevenson and Harris Willingham. It took me a long time to convince Mr. Wootton that we could get rid of the word "fortified."

But "fortified" was still in far too many legislators' minds. It was in the distilled spirits industry people's minds too. They kept on calling wine "fortified."

I went so far as to try to get the British to eliminate the word "fortified" from their wine books. I failed to convince the British, but I did succeed in the case of Australia. The Federal Viticultural Council of Australia actually voted to eliminate the word. This was at my specific request. I'm afraid however, that Australia has slipped back, influenced by the British.

Anyway, "fortified" stuck in the minds of the distilled spirits people. One particular major distilled spirits manufacturer who need not be named, always resented the fact that alcoholics on skid row bought dessert wines in preference to spirits because

they were the cheapest drunk. He was partly responsible for what subsequently happened. And that was that a Treasury Department official—the gentleman's name is Stewart Berkshire—secretly and unbeknown to the wine people appeared before the House Ways and Means Committee and recommended that the taxes on wine be tripled. This happened in 1951. We were not awake to this.

Overnight this was voted. I can show it to you in the Wine Institute bulletins, although no one ever talks about this. When a tax rate passes the House Ways and Means Committee, that's it. The wine industry was executed when that happened, and we were not there. Mr. Berkshire never told us he was going to recommend this. The House Ways and Means Committee bought it, and that was 1951.

When the word came to us, Bob Smith and I put our heads together. It was a hopeless situation, but we decided that the only thing we could do was fight. So we just cancelled everything else we had to do, and we put on a nationwide rebellion by long-distance telephone and in person and so on. We put the grape people of the United States to work. We had to sell fresh grape people on the fact that this would kill them too because it would destroy their garbage outlets. I mean, you appeal to the people's self-interest.

We had Washington flooded with telephone calls and personal visits and protests of all kinds. And we beat the thing in the Senate Finance Committee. The Senate Finance Committee voted only slight increases over the then-effective wine tax rates. I forget what the rates were before, but ever since it has been seventeen cents and sixty-seven cents a gallon. You'll find it in the Wine Institute Bulletin. And it was all because of the word "fortified," a word that just conditions people to think this wine has been spiked, that it is packed with some mysterious power.

I neglected to mention this. Even before 1951, individual state legislatures had bills before them to prohibit "fortified wine." They had no objection to port and sherry and muscatel. They just objected to "fortified wine."

The key incident was in the State of Oregon, where the Burke Bill put "fortified wine" into state stores. It took it away from food stores and put it into state stores. To dramatize it even more, the foolish wine people, instead of letting it ride, tried to upset the Burke Bill. There was a statewide election and of course they lost. I mean, the Burke Bill staved in.

I never finally got rid of the word "fortified" until the Wine Law of 1954 finally took it out of the Internal Revenue code. I had to educate the Internal Revenue people that the word was deadly. "But," they'd say, "what are we going to call the fortifying room and the fortifying tank?" I said, "I don't want them to have a name, I don't want wines classified by process. I want them classified by use." I would explain that "dessert" is a fortunate word because from the tax standpoint no one is going to tax a wine very high if it's part of a meal. I will admit that it's carrying things a bit far.

They said, "We have to put up some kind of sign on that tank and on that room." So, I said, "Fine. Call it the 'brandy addition tank' and the 'brandy addition room.'" And today in wineries across the United States there are signs reading "brandy addition room" and "brandy addition tank." [Laughs] They said, "That's a lousy word and a lousy expression." I said, "Fine. That will take the emphasis away from process."

(Interview #4 - December 29, 1972)

Teiser: You said just as we finished yesterday that there was something you would like to mention about the fact that wine men themselves didn't drink wines in the earlier days.

Adams: Yes, it's true. Wine men, except for the Italians and the French and very few of the Germans, in most of the United States did not drink wine themselves. They lacked respect for it and lacked understanding of wine for that reason. I would say that had the wine men been users of table wine, the wine revolution of today would have occurred ten or fifteen years earlier. Had the bankers in California used wine daily and realized the potential of wine, the wine revolution would have occurred ten or fifteen years earlier. Had the grape growers in the San Joaquin Valley understood the real purpose of growing grapes, the same thing would have been true.

#### SUGAR IN WINE

Teiser: I think you were saying that Burke Critchfield was not much interested in wine quality. I think he told me that he had led a campaign to see that the law required that wine had no added sugar because in the East they like to add sugar, but in California --

Adams: Without going into the key details, which I suppose can be picked out of my book, the struggle between California and "The East" over the addition of sugar to wine, which is technically called chaptalization, began as early as the 1880s. And it lasted until the 1950s.

The climates of California make it unnecessary to add sugar in making wine. Grapes in California ripen sufficiently to produce a sound wine every year. The climates of the leading European districts in roughly ten years out of eleven are too cold, or cloudy or rainy to produce sufficient sugar in the grapes. So in roughly ten years out of eleven they have to add sugar to produce a sound wine. The climates of the Eastern United States are similar in this respect. They also have what is still more of a problem, which is high acidity. Their wines need to be watered to reduce the acidity. This is technically called in our regulation in America the amelioration of wine. It is not necessary in California.

The California people are blessed by sunny, long, rainless summers, and they do not need to chaptalize. This translates to another fact, that California wines are purer. They are pure products of the grape. Now in the early times the California people, having business minds, wanted to put their competitors elsewhere in America out of business. But that has not been a general thing.

The remark you made about Critchfield may have represented a temporary feeling on his part at that particular time. This is of course an important subject. The adulteration of wine during the nineteenth century was a grave problem, the adulteration and mislabelling. You will find this in the Carosso book,\* he did considerable research on this subject. There was need obviously for "a pure wine law."

The California people with their European backgrounds realized that when you don't need sugar you have a vintage year. That was their idea of fine wine--which is not entirely sound, by the way. They should read some of what Hilgard used to say on this subject. But the California people wanted any such law to prohibit the addition of sugar.

<sup>\*</sup>Vincent P. Carosso, <u>The California Wine Industry</u>, <u>1830-1895</u>. Berkeley: University of California Press, 1951.

They had one more motive however, and a perfectly sound one. And that is that there always has been adulteration or stretching of wine. Not just synthetic wine, which is the kind you read about being produced in Italy. But the practice of taking a ton of grapes and making several hundred gallons of wine out of it by adding sugar and water is something else. Well, people were making several hundred gallons of wine per ton of grapes, and the California people naturally wanted that stopped.

Before Prohibition a compromise was reached. It was about 1894, I think it was, that Congress legalized the use of sugar.

Teiser: Have you spelled this out in your book?

Adams:

Yes. I don't go into great detail, but it's in my book. And there were no very grave abuses after that particular point. At the time of Repeal, however, the abuses again were considerable. The abuses were in the East, and I could name certain eastern wineries, particularly one in Long Island City and another one in New Jersey, that did a great deal of stretching.

So the California people, who by the way didn't understand the legitimate need for sugar, used to attempt now and then to have this limited or even stopped. And I remember one incident that I haven't been able to find in print. It's really a pre-Prohibition incident repeated at the time of Repeal. And that was the statement that was quoted to me, and I vaguely recall it was shown to me by the late Edgar M. Sheehan, whose name you will find in various issues of <u>Wines and Vines</u> and predecessor publications during the twenties and thirties.

Sheehan quoted to me, or showed me, or both, the classic message expressed by a California wine grower to his eastern opponents on the subject of sugar. He invited them to "move their wineries to California's sunny clime" where the use of sugar was unnecessary. I feel sad about my inability to find this. It's in print in my present book, but if I were footnoting everything I put in there I'd have to explain where I got it.

Teiser: Well, then the upshot was that there is no such law that requires eastern wineries to conform to California's practice?

Adams: There are provisions in the Internal Revenue regulations that limit the use of sugar, and have limited the use of sugar, really since Repeal. But, a compromise was reached, and it seems to me that it was in the Federal Wine Law of 1954. Most of the work on that was done for California by L.M. Bianchini, who is now retired from the Petri organization. He's known as Bob Bianchini.

A compromise was reached and-I could look it up in my files if you wish-it establishes the maximum number of gallons that now can legally be obtained from a ton of grapes. I should really point out another thing, however. California is not innocent of the use of sugar. This alone is quite a subject. The legal use of sugar in California has increased enormously during the past ten years. There are certain interpretations of the regulations and perhaps you should let me tell you about the California wine standards.

California first prohibited the use of sugar by law, I believe, but I would have to look in my present book for the date in the late '80s.

Teiser: Anything that you have summarized in your book we can just refer to and assume that anybody who wants to know can look there.

Adams: All right. Then, I'm sure that the index will make it easy to find and that it will be referred to under the word chaptalization or under the word sugar.

California legally prohibited the use of sugar in the last part of the 1880s. And so far as I am aware this prohibition continued until national Prohibition. In 1934 one of their objectives the California wineries had in cooperating with us in forming the Wine Institute was again to prohibit the use of sugar. A set of regulations was drafted, not by me. I must point this out because of how badly they were drafted. But they prohibited the use of sugar. The use of sugar, other than grape sugar in the form of grape juice, must, or concentrated juice, was prohibited. The exceptions

were for the formulas for vermouth and the <u>dosage</u> for champagne.

There was a question of which state agency should enforce this. A sound distinction was made, not to give it to the Alcoholic Beverage Control set-up, but instead give it to the California Department of Public Health. The regulation would be enforced by the Bureau of Food and Drug Inspections of the California Department of Public Health. Its legitimacy as a health measure has not been challenged.

One of the problems that developed in subsequent years was that FACA Regulation Number 4 (the story I haven't told you yet) did not require Federal enforcement of California standards on California wines. This was a serious marketing problem, because people in other states could use California grapes or buy California wine and adulterate and sell it as California wine.

I remember giving this problem to our Washington, D.C. office, and they took it up with the Treasury Department. The answer in the Treasury Department was that there was nothing in the Federal regulations to require that California wines must meet California standards when they leave California. There in Washington (I don't remember whether he was still with the government or whether he had joined us by then) Ed Wootton commented on how badly written the California standards were.

I took on, then, the job of rewriting the California standards and developing an amendment to the Federal regulation, which required a public hearing by the way. The Federal regulation was amended to require that wines must meet the regulative standards of the place where wines are produced. That was number one. And in the California regulations in my re-draft--I rewrote the entire regulation in such a way as to follow the format and the language of the Federal regulation with sub paragraphs inserted including the higher requirements for California wine.

Another purpose of this draft, by the way, was to attempt to persuade other states to adopt the Federal regulations. If they would adopt the Federal regulations

they were by indirection adopting the requirements of California wines too. Also, it had never been straightened out that Eastern wines could be sold in California even though they contained sugar.

Bob Smith and I were the ones who reasoned that as long as we were trying to get other states to lower trade barriers, California should positively not interfere with the sales of say, New York or Ohio wines in California. So we made it very clear that the prohibition in this draft against wines containing sugar did not apply to wines not produced in California.

One thing I didn't know very well back in those days was the extent to which French wines and German wines, also, could well have been barred under the old first draft of the California regulations. I think that ought to wrap up that subject.

We had a great deal of trouble with the enforcement of the California regulations, particularly on the subject of blue fining, which I don't suppose is of much interest nowadays. It is an interesting story. I don't think it has ever been written. But that's a bit of technical wine history I hadn't better go into now.

### THE WINE TEMPLE

Teiser: I was just looking over some notes. In 1935, September, there was a call put out to all California winemakers who had fine wines to send them to the American Wine and Food Society in New York for tasting. Was that a

particularly significant landmark?

Adams: It was not important. But I didn't tell you the story of the Golden Gate International Exposition. The story of what went on in the building and the development of the Wine Temple was the first real bit of cooperation by wineries. I remember the problem of putting all the competing wineries' exhibits together in the Wine Temple in the Food Building at the Golden Gate International Exposition.

I remember having earlier arranged the service of California wines for a great luncheon when President Roosevelt visited Treasure Island. And I remember I was sort of the wine butler, the sommelier, handing the bottles to the Secret Service man who insisted that he was the one to pour for President Roosevelt.

We had lots of fun in connection with the Wine Temple project. Battles among the wineries.

Teiser: But it was good publicity, altogether, for California wines?

Adams: Yes, it was good. It was inevitable. To me it was just one more in a far-too-thick heap of problems to be handled with an inadequate staff of trained men. In fact, Frank Whitely's first assignment when I took him from the McClatchy Service office to the Wine Institute was to put together this cooperative exhibit of the wineries.

The first Wine Temple employee was Jessica McLachlin. She came and applied for the job, at the suggestion of Burke Critchfield, who had known her in North Dakota.

Jessica was the hostess of the Wine Temple. We held tastings upstairs from the exhibits. It was sort of a mezzanine wine temple. After the exposition Jessica wanted to stay with us. We didn't have a home economist of our own, and Jessica said that she could handle this. She had some home economics background which I hadn't known about until then. Jessica became probably the most effective home economist for wine in America in subsequent years. And she taught me a great deal about how to operate successfully in that field.

Teiser: You mentioned Roosevelt in this connection. About 1935 there was a delegation of California wine men, including Mr. Caddow, who went to call on Mr. Roosevelt personally. And they reported that they found him a sympathetic audience with kind thoughts about California wines, or something of the sort. Do you remember anything of that?

Adams: I don't remember much of it. I had nothing to do with it. There were a number of trips to Washington by

California delegations, including some to FAA hearings and so on. The things were very well managed in Washington as long as Judge DeVries was there. And Harry Caddow was extremely effective in such situations—he had a fine feel for gracious approaches of any kind. He couldn't write, but he did a fine job on all such occasions.

### ROOSEVELT ADMINISTRATION REGULATIONS

Teiser: You were saying you wanted to discuss Roosevelt and the NRA?

Adams: Yes, that story, I think, needs to be somewhere in this material. I didn't actually handle most of it, but I was unavoidably involved.

The National Recovery Administration did not include the alcoholic beverage industries. Instead, Roosevelt's administration proposed for them a recovery program involving at the same time the Treasury Department. It was because wine was under the Treasury Department. All alcoholic beverages were under the Treasury Department because of the taxing power. In fact, it is fortunate for the industry that it has been under the Treasury instead of under the Food and Drug Administration. The Food and Drug Administration changes its mind much too frequently, and the Treasury Department is a little more predictable.

The parallel to the NRA in the wine picture was a requirement that there be a wine industry code, and that it be administered by an organization. This was set up as the Association of Western Wine Producers. That covered the entire West, incidentally; the Washington State people were involved and so on. The Association of Western Producers was in the Wine Institute office, and it was mishandled from beginning to end. Of this, I can testify because I was there, although I was not handling it. I just watched the mishandling.

The wine people paid very little attention to it. They obeyed the various orders from Washington and that was about it. I remember that field meetings were

Adams: required. I attended at least two field meetings.

The one I best remember was at Gilroy. California. in the second floor of the old City Hall of that town. The City Hall is still standing. This was one of a series of field meetings to explain the wine industry code to the producers. There was unusually good attendance by the Santa Clara Valley producers. including the little former bootleggers who would have bonded their premises in the Gilroy-Morgan Hill And the incident that I remember best was that after Felix Butte, whom I mentioned earlier, had orated explaining the requirements of the code at quite some length, one of the little old wine men of the Prohibition period stood up and said, "I don't know what all this nonsense is about. We came here expecting someone to tell us how to make wine!" This observation on his part was well warranted, because at that time the wine they were making was very, very low in quality.

(By the way, the field job of instructing incompetent winemakers was done by the University of California at Berkeley, by the way, not by Davis. The Division of Food Products at Berkeley--remind me to tell you the story of the difference between Berkeley and Davis. That's a separate subject. I don't think that's on record.)

So, under the Federal Alcohol Control Administration [FACA], set up as part of the Roosevelt program, a set of regulations was written. One of the principal writers was Ed Wootton, who later would be with the Wine Institute Washington office after the death of De Vries. There was an interim, with an incompetent person in that office, between the death of De Vries and the hiring of Wootton.

The FACA's first administrator was Harris Willingham, who set up Regulations #4, the labelling and advertising of wine, and Regulations #5, the labelling and advertising of distilled spirits. Regulations #6 dealt with tied-house relationships between basic permittees and retailers. The only one that mattered as far as wine was concerned, of course, was Regulations #4. Those regulations and those dealing with tax still govern wine in America. They were rather well written.

Their principal flaw, of course, was the classification that mentioned the light or natural wine and "fortified" wine. That we had to get rid of.

The California public hearing on the FACA Regulations #4 was held at the Hotel St. Francis, and I particularly remember it. There were two FACA attorneys present with Willingham. I don't remember the name of the other attorney, but the one I particularly remember was none other than Adlai Stevenson.

At that hearing our good old-time wine men such as Sophus Federspiel and Al Morrow and Ed Rossi testified to various things. And one of the things that was of interest was the minimum alcoholic content subject which, by the way, brings me to a point I should have mentioned about the first California standards. I don't remember whether it was at the St. Francis hearing, or at another meeting, or both. I heard various discussions about what should be the minimum alcoholic content of what we subsequently called dessert wine.

The minimum figure that was agreed upon was 19-1/2% alcohol by volume. The labels, subsequently, turned out to read 20% because 19-1/2 is too clumsy. That was for California dessert wines.

But the discussion was interesting. I remember Al Morrow among other oldtimers recalling in those discussions that when they shipped port, muscatel, sweet sherry across the country in tank cars or barrels before Prohibition, they had incidents of spoilage, That's why they agreed on 19-1/2 as the alcoholic content that could prevent the wines from spoiling.

In the St. Francis hearing these things also came out, but the federal authorities were not particularly impressed because there were bottled Spanish sherries as low as 17%, and in the case of montilla, as low as 15%. The result of the federal hearings was the federal minimum standard of 17% for sherry and 18% for port and other dessert wines and so on.

It is interesting that California has only inwhat is it?--1971--amended its standards to meet the Federal. But the reason for this recent change is

obvious. The California people have become better winemakers; the sanitation in the wineries has greatly improved, for example. Bottled wines can be very sweet and can keep very well at as low as eight or nine per cent. The strange picture in Michigan with its 16% dividing line had also taught the Californians that 16% or 17% sherry or port is more palatable than a 19% or 20% wine.

When I rewrote the California standards I worked out the language, with the help of our attorneys of course, to provide that although the minimum alcoholic content was 19-1/2%, that when necessary--in order to meet the lower standards or trade barriers or whatever--when a showing is made that in order to overcome the trade barriers in other states the port, sherry and so on, can be shipped at lower alcoholic contents. But in that case they could not be called California. That was the purpose.

But I think that those regulations subsequently were rewritten, still following my skeleton. Let me see if there's anything more on those standards—Those first Federal regulations that were dated, as I recall, 1934, did not become effective until 1936. When they were about to become effective the wine people couldn't read them because their structure and language about labelling was much too difficult. So, partly for the good of the wine men and the good of the industry, but partly because I thought it might help bring in some more members for the Wine Institute, I decided to make the Wine Institute the headquarters for the labels to be made to conform to the Federal regulations. And this is still an important service function of the Wine Institute.

One thing I did was to work out specimen labels. And that's in the Wine Institute files. I published a Wine Institute bulletin with several pages of specimen labels because the regulations were not clear in that regard. My specimen labels are followed to this day.

Teiser: Well, then does that mean that people who were not members of the Wine Institute had to bring their labels to the Wine Institute?

Unfortunately, no. That would have made them join the Wine Institute. In fact, some of them did join the Wine Institute in order to get the label service. It worked that way to some extent.

But there were only two people who understood the labelling regulations and interpretations of them. They were Ed Wootton in Washington and myself in California. I still know more about those regulations, I guess, than anybody alive because Wootton is dead.

Teiser:

Adlai Stevenson continued and was somewhat active in wine legislation wasn't he?

Adams:

The Wine Institute hired many law firms across the United States to handle legislation matters. My recollection is that among the good law firms that Critchfield had contact with, Adlai's was one in Illinois. Bob Smith later took over the legislation around the country and I don't remember whether he dealt with Adlai's firm or not.

## SMALL WINERIES

Adams:

I must remember to tell you the story--back to the Wine Institute--about the small winery versus the big winery. This is of rather doctrinal interest.

When I rewrote the by-laws the immediate result was, of course, a recognition that since people paid dues according to their volume, some little tiny wineries would hardly pay anything. So I proposed a minimum dues figure of eighteen dollars a year. I didn't just propose it, I had it mimeographed and it went through and nobody paid any attention.

But in subsequent years some of those little wineries would, especially with those labelling matters and so on, take up a great deal of time of the Wine Institute staff in San Francisco and in Washington and they still paid only eighteen dollars a year. And the big wineries would object to this, and so did members of the staff. They would say, "Well, So-and-So winery is getting a thousand dollars worth of service and they're only paying eighteen dollars for it."

So that's when we had our argument. The point was mine, and I think it has stuck to this day, that the little wineries should be encouraged to exist. The larger the number of small wineries that operate in the United States, the safer the big wineries are from attack, legislative attack in particular. If the wine industry ever fell into the hands of only a few major factors, the wine industry and the whole cause of wine would be in trouble. It would be endangered.

This is one of the reasons that I have written my present book. The big wineries have never agreed with me about the need to foster the small wineries. One of the purposes of my present book is to encourage the establishment of small wine industries in as many states across the nation as possible.

Philip Wagner and I are in agreement on this, and an increasing number of California wine people are beginning to agree that it's a good idea. My other motive, of course, is that the best way to civilize the people in state X, we'll say Arkansas, and to introduce them to the use of table wine, is to have local winegrowers and a local wine industry, and have their university helping their local wine industry and so on. And make their legislators conscious that this is an agricultural industry producing an article of food. Then they will be less likely to put high taxes on wine, and so on.

My purpose is to encourage the use of wine, to introduce the use of table wine, which local wineries can do. Moreover, it's especially to the advantage of California to thus expand the wine market, because with the ideal grape-growing climate of this state, California wines will always be the best buys.

THE ANTI-TRUST THREAT

Teiser: This leads into a question I wanted to ask you about.

Do you remember the fact of the threat of indictment of wine industry leaders on anti-trust charges?

Adams: Oh yes.

Teiser: Do you have any recollection of that?

Adams: That story--I don't know how much you have from others on that. I could tell you the story as I know it.

Teiser: Tell it anyway.

Adams: A tremendous wine surplus existed in California in 1947 after the Second World War. There was a shortage during the war, and, of course, as the war ended the raisins and grapes that had been diverted for food were again available. And as wine people will after a period of shortage, they made much too much wine in 1946. And in 1947 the market busted completely.

The situation in '47 was so bad that with still another big crop following, the wineries in the Central Valley just couldn't meet their obligations. The Federal Farm Credit Administration was involved, of course, with financing the cooperative wineries and that was a fortunate element—and, of course, the other banks. There were various meetings and the conclusion of the meetings was that there was going to have to be a merger of some of these underfinanced wineries unless they were just allowed to go broke individually. And had they been allowed to go broke, they would have dumped wine on the market and the market would have fallen even lower, and so on.

The result was the organization of Central California Wineries, Inc. [CCW]. That was a merger of a long list of wineries. And that's all on record.

There seems no doubt that CCW did lessen the misery of the engulfed wine market at that period. The bottlers (Oh, I haven't even told you about the barrel houses, have I? Oh, dear, dear.).

Teiser: The what?

Adams: Barrel houses. I've got to make a note of that.\*

Anyway, the principal movement of California wine was in bulk in the early years. And the principal bulk buyers were, of course, local and regional bottlers. Some of the wineries, such as Fruit Industries, operated their own regional bottling houses in different parts

<sup>\*</sup>See pp. 119-120.

of the country. But there were lots of independent bottlers. And the independent bottlers mostly bought the cheapest possible wine.

The bottlers were very angry at CCW because, after all, they could have bought bulk wine more cheaply if it hadn't been for CCW. CCW did hold up the price of bulk wine.

Now there were a number of meetings throughout those years. Wine was too plentiful. Wine people would often talk about let's get together and raise the price. Our attorney always warned us never to let anything like that be discussed at a Wine Institute meeting because of the federal anti-trust laws. He said, don't get involved in price fixing, whatever you do.

The wineries many times ordered the Wine Institute attorney to work out some legal system of holding up prices. And Mr. Peyser once went so far as to get a bill through the legislature, which I'm pretty sure was signed by the governor, making it illegal to sell wine below cost. There was a whole cost accounting system that we helped a firm of accountants set up. That was not illegal, I mean, under the anti-trust laws. An agreed-on method of cost accounting was needed that this law could be enforced. It worked to some extent but I don't remember any prosecutions under it. I got involved in all these crazy things in order to keep the organization going so we could have an education program.

I remember we even had to set up a credit service, a credit reporting service covering the bulk buyers. [Laughs] The wineries wanted it, and that was another reason, another motive for them to be members of the Wine Institute, to get the credit service. Bottlers would often go broke.

Back to CCW. Now, there was a meeting. And the exact details of the meeting I do not know, but the meeting was held at the Bank of America. And Mr. Louis Petri left said meeting and wrote a letter to someone saying that the meeting had been held and they had decided to raise the price of wine. That letter-did Mr. Petri tell you this?

Teiser: Not precisely this way. [Laughs]

Adams: That letter\*--someone in the bottling trade turned it over to the anti-trust department in Washington, and the result was an investigation.

There was an extremely ambitious young attorney in the anti-trust division named Joseph Alioto. I never met Alioto until quite recently, after he became Mayor of San Francisco. But I shan't forget him for this. We learned that Alioto was in San Francisco and had a complaint that proposed to indict-I've got a copy of the complaint here someplace--I think the Wine Institute was one of the defendants and the various wineries.

Teiser: The Wine Institute itself was not.

Adams: Lots of our people were defendants.

Teiser: Somebody told me that you weren't <u>anybody</u> in the wine industry if you weren't named in that indictment!

Adams: That's one way to put it, yes. Anyway, Alioto was fighting hard to get this indictment voted, to get these wine people indicted.

Our attorneys told me that this would have the Wine Institute in trouble too, regardless of whether we were a defendant, because among the allegations thrown into the Grand Jury room was that the Wine Institute was involved—that things took place at Wine Institute meetings and so on, although we'd always been careful never to let anything like that happen. We were just as innocent as babes.

Fortunately we had a couple of good friends who were members of the Federal Grand Jury. So we would get reports about the happenings day by day. Well, I was the only one who worked as late as the Grand Jury stayed in session. The other people would leave the office. So it was arranged that Mr. X, our most reliable man on the Grand Jury, would phone as soon as the session ended to give me the report of what happened that particular day, on how was Mr. Alioto doing.

<sup>\*</sup>See p. 117.

Now, the stories that were told to me (and these are only stories told; I have no idea of whether they were true) were that Alioto's real motive was to get the Bank of America, to get the Gianninis. And that this represented a split and rivalry of families in the Italian colony in San Francisco. The Aliotos versus the Gianninis. I repeat I have no knowledge of anything except that that was what I was told by a number of people.

Certainly Mr. Alioto was intelligent enough to see that there was complete innocence, that Mr. Petri was just propagandizing and trying to convince a bottler with his letter. Because I think it was L.M. Giannini whom he quoted, that it was in his office the meeting was held. Giannini would never have been stupid enough to take part in any such matter. And Petri has admitted repeatedly that he was lying. He said that it was a lie, anyway. The meeting was held and that was all.

Well, there was no indictment voted. But, concurrently, the anti-trust division was developing a consent decree that they wanted the Wine Institute to be a party to --

I was much too busy running at least a hundred different operations across the country to be directly involved in this, but what alarmed me most was what the government wanted us to consent to was to abolish most of the functions of the Wine Institute, especially our collection of industry statistics.

Well, the very compass by which members of an industry steer is statistical reporting. And grape and wine statistics are far too complex for, or at least were at that time, any other existing organization. It was one of the main jobs that we performed.

It would have abolished any number of our functions, but especially statistics. Well, a delegation was sent to Washington, and one of my staff, Louis R. Gomberg, who is now an industry consultant, accompanied those people. I remember he took ill while he was in Washington.

#### WINE AS AN AGRICULTURAL PRODUCT

Adams:

The fact that the Federal Farm Credit Administration had something to do with the formation of CCW finally convinced the then attorney general that Mr. Alioto was wrong. The industry was let off the hook. That, I particularly recall. Our innocence was established by the record showing that the Federal Farm Credit Administration was definitely a party to all this, and that it was to save agriculture, to save the grape industry; it was necessary.

I learned this very early, and Paul Garrett did this long before I ever did: talk in terms of agriculture and farmers, not in terms of people making something. I saw the semantical difference between wine manufacturers and farmers. I had seen in some European literature references to winemakers as "winegrowers." I persuaded our attorney, Mr. Peyser, (and he said of course that it was ridiculous) to get the California law amended to change the name of the license from wine manufacturer to winegrower.

And any number of people have protested this, saying, "Oh, we don't grow wine!" I said, "The precedent exists!" Anyway, this has now become established. There are still some laws around other parts of the country that need to be changed from "manufacturer" to "winegrower." And it's the truth that you get far better legislative treatment. Also, the product of a winegrower just tastes better to people.

It is true, you know, that wine is not manufactured as the other alcoholic beverages are. Beer is manufactured; it has to be cooked. And there's a great deal of manufacturing in the matter of spirits. One reason that sake is not properly classified as a wine is because it has to be cooked. Our people grow wine in their vineyards; they're winegrowers.

### FROM BARRELS TO BOTTLES

Teiser: You mentioned barrel houses.

Adams:

Ahh! That's a very interesting item. The best California wine people, of course, were the old-timers who had produced fine wine before Prohibition. And before Prohibition in the United States the principal buyers of table wine were immigrants who used wine as an article of food, part of a meal. They were accustomed to buying it as it was bought then in Europe, out of a barrel, or even by the barrel, or half barrel, or keg, and so on.

To this day I'm certain, although I haven't been in Europe for five years, that many stores still have tanks of wine from which they fill the customer's container, such as a demijohn. It was perfectly natural that after Repeal wine would again be sold in bulk.

At Repeal, in order to sell wine the European way, the pre-Prohibition way, the wineries would supply retail stores with barrels of wine. The retail stores, and this included many food stores as well as liquor stores, would have racks of say anywhere from half dozen to two dozen barrels, horizontally. The barrels had spigots. And for a couple of quarters you could take your jug and get it filled any time you wanted. On the front of each barrel, in most cases, was a circular placard done by silkscreen process, stating the type of wine and the price per gallon or half-gallon. That was stuck onto the barrel with a little slot to allow room for the spigot.

Well, the principal sale of wine in California and in some other states, and I particularly remember seeing it in Wisconsin (When was I in Wisconsin? I can't recall, but it was there.), was in these barrel houses. The barrel houses were not necessarily foul, but when you consider the amount of spillage and the amount of vinegar flies around and so on, it wasn't a very palatable situation.

Then, of course, you still had the leftovers of Prohibition. The society sections still would not photograph socialites holding glasses in their hands.

And women's magazines wouldn't accept any alcoholic beverage advertising, and so on. Many newspapers still wouldn't. Wine was not in very good repute.

The supermarket chains that were growing up at that time were afraid to handle wine. Many of the supermarket chains, in particular, said that they would not handle wine unless the barrel houses were put out of business. They wouldn't want to handle a produce as disreputable as that sold in bulk.

I remember that one of the problems I had to deal with in reference to the barrel houses was the fact that wine in a partly empty barrel, because of the air in it, would spoil. I remember writing, with the help of the Rossis (who were my best advisors), a card to be posted in retail stores, these barrel houses, entitled, "Handling and Care of Wine." I don't have a copy of one of the originals, but I have an illustrated copy subsequently worked out many years later by my staff at the Wine Advisory Board. This was for restaurants, which can still sell wine from bulk containers.

Teiser: Was the legislation finally passed to eliminate barrel houses?

Adams:

Well, here I must give some credit to Mr. J.B. Cella. J.B. Cella used to come into Wine Institute meetings, and this was in the mid-thirties, and talk against the sale of wine in bulk. He used to say, "Wine should only be sold in packages." A number of old-time wine people couldn't see this at all. But Cella was quite effective in expressing his opinion. I don't think that Cella prevailed, finally. I think what finally prevailed was that certain supermarket chains had made it clear that they would begin to handle wine if it were only sold in packages. I think that had something to do with the decision by our Board of Directors to instruct Mr. Peyser to get the law amended, and there was relatively very little resistance.

However, again the small winery thing came in. I remember arguing that to keep the small wineries in existence, they should be allowed to sell wine in bulk. They still are, and that was one of my little victories.

The retailers' organizations were opposed to letting the wineries sell any wine at retail. They wanted all wine sold only in their stores. They wanted the monopoly on that business. Mr. Peyser had considerable trouble with them in putting over the exemption not only for the wineries to be able to sell wine in bulk, but for the wineries to be allowed to have tastings. Peyser did an excellent job in saving that. It kept the little wineries in existence.

THE UNIVERSITY OF CALIFORNIA

Teiser: What about the Berkeley-Davis split?

Adams:

It was a relatively simple matter. The University of California research and teaching interest started not for table grapes or raisins—it was started for wine, back in 1880. It was also made possible in 1880 by the fact that someone had to do something about the phylloxera pest that was ruining the California vine—yards. You see, it was a combination of purposes.

In 1880 the Viticultural Commission was established, and the University was ordered to do a job of teaching about grapes and wine and to conduct research as well. That was in the heyday of Hilgard. And, by the way, Hilgard had a wine background. He came from Belleville, Illinois, where his father grew grapes and made wine. Hilgard was interested in wine. He had experimented in as strange a place as Mississippi.

Hilgard did enough research to write the specifications for what's finally happening now. The early wine people, having learned the European ways, believed that they applied to California. They believed that every extra day of sunshine that you let the grapes stay on the vines would make that much better wine. Hilgard pointed out that that wasn't so in California. Today finally we have earlier harvesting.

Hilgard hired an assistant, Frederic Bioletti, and Bioletti, in turn, had a protege named William Cruess, and there were other professors before

Prohibition. The University was doing a very fine job, and all that was being done at Berkeley. There wasn't any Davis at first. And under the old set-up in the Division of Fruit Products, as soon as Prohibition was repealed, Bioletti and Cruess started teaching the students wine making.

They trained (and I can give you the list of their students) at Berkeley the technologists who took charge of California wineries and brought back the quality of California wine. The Prohibition-era winemakers and the ex-bootleggers kept on making bad wine, but the Cruess-trained technologists made good wine. Bioletti was a very old man in the early thirties. Another young man named Maynard Joslyn, born in Russia, a very great chemist and engineer and authority on wine, took the cause of wine very much to heart. Cruess and Joslyn, in particular, taught the men who re-established the quality of California wine.

It seems to me that E.M. Brown, whom I mentioned earlier, was a student there. Anyway, they did a marvelous job, and some of them are still doing a fine job today. All this was coming out of Berkeley. And the original university vineyard had been at Berkeley.

Well, in the meantime, the University Farm at Davis had been set up, and [A.J.] Winkler had gone to work there and had a fine vineyard. And Bioletti had chosen a young man named [Harold P.] Olmo to breed better varieties of grapes for California. Then Winkler hired Amerine. They were headquartered at Davis.

Well, everyone wants to protect his kingdom, so the people at Davis and Berkeley were rivals and jealous of one another. The people at Davis felt that the wine work should be moved from Berkeley to Davis, but Cruess and Joslyn weren't going to leave Berkeley.

Some wine people were slow to accept young Amerine, who let them understand that he didn't think much of the way they were operating. And the wine men were hard to convince that they were growing the wrong kind of grapes. Amerine and Winkler were right about this, about the right kinds of grapes. But the wine

Adams: people felt that the chemists could give them quick answers, and the chemists were at Berkeley.

The rivalry reached such a point that the more Davis tried to take things away from Berkeley, the more some individual wine people began to resist. So the issue reached the Wine Institute office. And a compromise was worked out with the Dean of Agriculture, that whatever was going to be published about wine was going to be co-authored by someone at Berkeley and someone at Davis. And that's why so many things are co-authored by the two Maynards, Amerine and Joslyn, to this day.

I read in the newspaper within the past several days a reference to Amerine, that in Amerine's early years he had to go to the wine people, and that nowadays he can stay in Davis and they now come to him. It is true.

Teiser: I met a man in Italy who thought those books were written by a man named Maynard Joslyn-Amerine.

Adams: Well, they're both very capable men. And rivalry is a perfectly normal thing. Great jobs have been done by both Berkeley and Davis.

The problems of wineries, when they affected more than one winery, came to the Wine Institute office. Many times they also came to our office when they only affected one winery. We had to handle them; we needed members.

## WINE MERCHANDISING

Adams: We did things that didn't belong in an association office. I remember doing advertising writing for individual wineries. I wrote the first folder ever written for Wente Brothers wines. It was part of my education work. To educate Americans to use wine, we first had to educate wine people in how to package it, how to sell it. Then, of course, we had to educate the retailer and wholesaler, and especially to store wine properly so it wouldn't spoil. I

remember telling the Pennsylvania Liquor Control Board how to store wine so that they would have the proper temperature in the Board's warehouses and so on.

Until the 1940s, many retail stores in the United Stated would hide wine under the counter. They only wanted to sell liquor. They were ashamed to sell wine. Only the cheaper stores had wine on display. Wine moved so slowly that labels became flyspecked and so on.

The marketing order allowed us to set up a dealer-service program. At one time I hired as many as twenty-eight such men across the United States. Their first job was to explain wine to retailers and give retailers a sales motive, pointing out that they get a higher profit mark-up on wine than on anything else they sold. That was number one. And then to bring wine out from under the counter and put it on display. We taught them how to display it.

After we taught them to display it, the bottles would get dusty. So my men were instructed that they must buy (and it was put on their expense accounts) feather dusters and wiping cloths. They thought this was undignified until I explained that it was not their job to clean wine bottles across the country, but that they were to do so while the retailer watched, and while the wholesaler salesman watched—that they were merely priming the pump and teaching others to do this.

That was one of the reasons that the dealerservice program was later abolished. [Laughs] The
wineries (and I don't have to name names) discovered
that this was making wine sell so well with decent
displays and so on, that they said, "We don't want
our competitors to have that display space! We want
our brandy displayed!" One of the things I taught
my men was to group wines, and this was in the Wine
Study Course too, by type, so people could choose from
an assortment, say, if they wanted to buy burgundy
or sauterne, for example. The big merchandising
wineries rebelled. They said, "We want our wines
grouped by brand! We want that display space!"
They were discovering for the first time that that's
what makes wine move, good displays. They finally got

the dealer-service program abolished, so their own men could take over the displays. We had succeeded in teaching them how to sell.

The twentieth annual report is the best single description of the vast assortment of different jobs the Wine Institute did.

Teiser: It was put out in 1954 by the Wine Institute.

THE TECHNICAL ADVISORY COMMITTEE

Teiser: How did the Technical Advisory Committee happen to be set up?

Adams:

I don't remember the year, but what occurred was this. The technologists, or you could say the Cruess and Joslyn graduates and the younger men, realized quite early after Repeal that they were not properly compensated or recognized. They felt something had to be done about this. They were working against a tradition. In the old days the winemaker (Louis Martini could tell you about this) was a person who was paid on volume, paid separately for each season, as he made wine. He was almost an itinerant in some cases. He was paid on how many gallons he made. The professional winemaker post-Repeal wasn't recognized.

The post-Repeal winemakers had to establish their position. They wanted to be recognized as professionals. Of course, the folks at the University were very much with them on this.

Well, as soon as some of the old-timer wine men heard about this they were opposed. Some of the technologists came to see me. They talked about how they were going to get recognition as professionals. Of course I sympathized with them. But I knew better than to do anything that might make trouble with our principals who paid dues.

I remember Lee Jones, in particular, saying "Oh, those fellows want to start a union!" Well, I talked it over with Harry Caddow, and we realized that the Wine Institute needs the technical men. Why hadn't we

Adams:

long before set up a Technical Advisory Committee? We'd dignify them as professionals. We'd give them an organization. They wanted to start an organization of their own. I thought it would be best to have it under our wing; we'd give them service.

So we gave them an organization, the Technical Advisory Committee of the Wine Institute. However. some of them had heard that some of the proprietors didn't want them to form a union, so they didn't feel quite comfortable. They felt they might be controlled by us. They wanted their own organization. They formed the American Society of Enologists, formed independently of the Wine Institute, although we helped. The number one organizer was a gentleman named Holden\* who was operating the Peralta Winery for the Safeway people down in Fresno. He was the number one founder, helped by the University staff. The Society has done an excellent job, and so too has the Technical Advisory Committee.

## POLLUTION CONTROL

Teiser: You mentioned about pollution in the 1954 annual report.

Yes. One of the early problems was that as cities grew up around the wineries that had brandy distilleries, the waste after it left the still, the water containing organic compounds, had to be disposed of. If they were not right in the cities and didn't have sewers, they would dispose of their stillage by pumping it out

into ponds. Those ponds gave off an unfortunate aroma, and the people from miles around would complain. Some-

thing had to be done about this.

We first gave the problem to the University of California at Berkeley. It was too difficult for the UC personnel alone. The Twining Laboratories in Fresno was employed to prepare a publication to help the wineries cope with Boards of Supervisors and other agencies. The problem still exists to this day. have been many research reports. You'll find stillage problems often referred to in the minutes of the Technical Advisory Committee.

<sup>\*</sup>Charles Holden

Wineries in the Lodi district used to pour stillage into the Mokelumne River. That raised the b.o.d. and killed fish; they had to stop doing that.

They had the same problems as the canneries. I remember when the ecology movement reached a point in the year so-and-so that I had to become involved. Here I was trying to do an educational job, and I had The other industries wanted to work on pollution. to form an organization to work out control legislation. I finally let the Wine Institute join an organization, the name of which I've forgotten. policy questions used to come back to me. I am an ecologist from 'way back and I have always felt guilty, personally, about some of the pollution-control legislation that we helped to get enacted in California. I realized that I could not express my personal views. I was a fisherman, after all; I still am. But my conscience made me take the position of the wine industry, which was paying my salary. That legislation gave the polluters control of the pollution control. I always resolved issues in favor of doing what my principals ordered, even though I personally disagreed. And I say always, except once. I'll tell you about that because it's part of the history of the wine industry.

#### MARKETING ORDERS

Adams:

I can't remember the year. It was some time in the late forties or early fifties, one of the triennial renewal periods, when the wine marketing order came up for renewal. After I got the first sign-up in late 1938, the order came up again in '41, '44, '47, and so on; it had to be renewed.

(I never did tell you the story of the fight we had with certain wineries in the courts to enforce the marketing order.\*)

<sup>\*</sup>See pp. 130-131.

But let's get back to this matter of disobedience. At this particular renewal, and I'll have to look up the date, we needed to increase the marketing assessments. The big wineries, however, wanted to reduce the rates. They said that we didn't need that much money. The smaller wineries wanted the assessments raised. The Wine Advisory Board and the Wine Institute either would continue operating at their current level, or else would have to cut out some activies if the assessment rates were reduced.

The big wineries, who wanted the rates reduced, were in the minority on the Advisory Board. They lost the issue,\* but they decided to make their will prevail anyhow. They just told everybody, "We're just not going to sign the assent. We'll let the marketing order die."

I was faced with this situation. I knew the big wineries were making a terrible mistake, and I told them so. They said, "Well, it'll die, and then we'll start it up again at a lower rate of assessment. You can't get this thing renewed without us." That's what some of them said in almost those words. They were really determined.

Everything I'd built in the way of an operating organization was about to be ruined. Most of the Wine Institute funds came from the contract with the Advisory Board. With contract money cut off I'd lose my staff. I had only two alternatives. One was to accept defeat and let everything go to hell after all those years. Or else rebel.

The marketing order law had been changed. Formerly it said that you had to get assents from sixty-five per cent of an industry by number and also sixty-five per cent by volume. The law had been changed to make it possible to put over a marketing order by either sixty-five per cent volume or sixty-five per cent by number.

<sup>\*</sup>March 30, 1951, a majority of the Wine Advisory Board voted for an increase in the assessments from 3/4 cent and 1-1/2 cents to 1 cent and 2 cents, respectively, on table and dessert wines.

So I called together the key people of my staff. There were six or seven of them, and I shan't name them because some are still part of the organization.

I said, "Come and see me on your own time after five o'clock." I described the situation to them and said, "I am perfectly willing to write my resignation now, and probably you are too. In fact, you might as well, unless this marketing order is renewed. I think that on my own time and at my own expense I could get on the telephone to quite a few small wineries, where people who know me, and I can get assents from them. But I can't get sixty-five per cent of the industry by number. If some of us could on our own time and at our own expense go out in the country and pick up more assents I think we could get the number of assents that we need to renew the marketing order, by number. But, remember that if we do anything like this we would be rebelling against the people who run the wine industry. Would you fellows like to go along?" There was one girl involved in this. one of my secretaries.

They all said they were willing. So, in the next seven nights (or was it only six nights?), and a week-end when I kept on the telephone, they would go out into the country and pick up assents from small wineries one by one.

I told a few sympathetic wine men, such as Lawrence [K.] Marshall, what we were doing. They each donated enough money to pay for my people's mileage and telephone calls, because none of the phone calls went on the Wine Institute bill. We weren't going to use Mr. Petri's money for those phone calls. We signed up that marketing order renewal with percentage to spare. Then as soon as we'd signed it up I put in single telephone calls to each of the big rebels.

I take back my reference to them as rebels because they were our bosses. I called each of those bosses, and that included Mr. Walter Taylor and Mr. Louis Petri, Schenley attorney Woolsey, and Mr. Ernest Gallo, and said, "I want to tell you what we have done. You can have our resignations if you wish. I want you to know why we have done it, to save you from what would have been the worst mistake you have ever made in behalf of

Adams: the wine industry. We have saved you from this mistake."

Teiser: What replies did you get on that?

Adams: Mostly a huff-huff. [Laughs] They never did reply. How could they? What could they say?

Teiser: In 1947-'48, the marketing order was continued for only a year.

Adams: That happened before the rebellion I have just described. The one year renewal had also resulted from a disagreement about the assessment rates.

Teiser: You've mentioned the court fight to enforce the marketing order. I believe some winemakers withheld payment of their assessment, is that it?

Adams: Yes. There were two phases of this. Among the people who did not sign the original marketing order in 1938 were Louis Martini and the Gallos. There were others as well, but these were the most important ones.

We hoped that they would pay the assessments after others began to pay, but they didn't. You couldn't even talk to Martini, and the Gallos stayed incommunicado. We later learned through certain parties that a Modesto lawyer had persuaded the Gallos that he could upset the marketing order, and that Gallo wouldn't have to pay.

It was early in 1939 when we were faced with this situation; most of the wineries had paid. I'd hired two field men to audit the wineries' records to make sure that they were paying the assessments they owed. But Gallo and Martini were not paying. The months passed; they received certain various kinds of enforcement letters and so on. Finally it was necessary to start legal actions.

Then came the second phase. One day the hottempered Louis Petri happened to learn that Gallo wasn't yet paying, and that Arakelian, who was a major competitor, was also very slow in paying. So, Mr. Petri said, "We won't pay either!" He then called some other members of the wine industry, and they all agreed to stop their payments.

This was a real emergency. So I went to see Lou Petri down at Petri's cigar company doing-business-as-Petri-Wine-Company on Battery Street in San Francisco. I had a heart-to-heart talk with Lou, and convinced him to pay and to call the others so they'd pay. That ended the second phase.

In the meantime, however, the Gallo matter--I don't remember. Maybe Martini paid before Gallo did. I don't remember how far the Gallo case went in the courts; you'd have to ask Jeff Peyser. Anyway, we won. I think it was by agreement out of court. Gallo paid.

Teiser:

It's surprising how united a front the industry presents considering the various disagreements within it--and perfectly valid, I'm sure, disagreements, as in any industry.

Adams:

I think the wine people were just inexperienced, naive, and confused. They lacked experienced, far-seeing effective leadership. It took them a long time to grow up, a very long time. After all, wine is a farm product. And farmers in those days didn't understand marketing.

Their labels, for example, resembled those on tomato cans. I remember organizing a meeting with an industrial designer whom I invited to teach the wine people about labels. I wrote an article, which wasn't a bad one by the way, signed Caddow (I still have a copy of it) entitled "Wine Labels Can Be Attractive."

One of the label matters I had to cope with was the peculiar language in the FA\* regulation #4 that specifies the minimum size of mandatory label statements as eight-point gothic caps.

Well, the unintelligent printing industry proceeded to print all mandatory statements, such as alcoholic content, in eight-point gothic caps. And there are very few uglier, less-glamorous type faces than gothic caps. Well, I had to battle to explain to these people that they didn't have to use gothic and they didn't have to use gothic and they didn't have to use caps, and that lower case looks better anyhow. In fact many of them haven't learned yet. You can look at wine and liquor labels today and you'll still see a widespread use of gothic caps because that message had never penetrated.

<sup>\*</sup>FACA

### STAFF MEMBERS AND DEALER SERVICE

Adams:

Let me see. There were some other things. I wanted to call your attention to the preponderance of newspaper-trained individuals on my staff. When I had to teach in a hurry a strange subject that our constituents themselves couldn't explain, where could I find individuals who are quick to understand? Well, they are trained in the newspaper business to understand a subject in a hurry. That's why Robert W. Robb and Frank Whiteley and Robert L. Smith and Dan Turrentine and Lou Gomberg were chosen from the newspaper business. Every one of them.

Teiser: I didn't know Turrentine was from the newspaper business.

Adams:

Oh sure. Turrentine used to work for the San Francisco News. Actually these were the very best key staff choices that I made, except, really one more. That was Russell B. Douglas, whom I introduced to wine from the beginning. He came out of the orange juice business and became responsible for the greatest wine-marketing success in eastern America, the Taylor Wine Company. We're very proud of him.

Others who began on my dealer service staff include Fred Schroeder, who is the top man at Great Western, and Legh Knowles, who is now the top man in Beaulieu Vineyard. I could look around and find you some more, people who learned as our dealer service men.

Our dealer-service manual, by which my men operated, introduced the methods by which wine is most successfully merchandised today. You'll find those methods still described in the Wine Study Course booklets on the sale of wine in stores and on its sale in hotels, restaurants and clubs--which I wrote more than thirty years ago.

The amount of dealer service some of the wineries finally performed became so rough that their competitors had to go to the California legislature and the ABC authorities and get restrictions put on how much dealer service the wine distributors and brand marketers can legally provide.

# MEDICAL RESEARCH AND PUBLICITY

Adams: All of the basic educational material on wine in America came out of the Wine Institute and the Advisory Board.

It was there I established the program of research into the nutritional and medicinal uses of wine. As soon as the marketing order made funds available, I employed our first medical research director, Dr. Clarence Nelson. He and I jointly wrote the industry's first pamphlet, addressed to the medical profession, on the therapeutic uses of wine. Dr. Nelson negotiated the first medical research contracts with research institutions in various parts of the country. Nelson's successors were Dr. Milton Silverman, Dr. Chauncey D. Leake, and Dr. Salvatore P. Lucia.

Since leaving the Wine Institute, I have continued this work through the Society of Medical Friends of Wine, which I had helped Dr. Charles Pierre Mathe to found in 1939, and of which I am the executive secretary (and editor of its Bulletin). From 1960 to 1962 I conducted for Dr. Lucia and the University an independent historical research project, which for the first time established the physiological effects of wine as they differ from those of its medicated forms and from alcohol. This project was solely my idea, something the medical research program thus far had failed to establish. I wrote most of the book and I arranged for its publication by Lippincott in 1963. It is A History of Wine as Therapy, signed by Dr. Lucia.

# CONSULTANT, WRITER AND TEACHER

Teiser: Since leaving the Wine Institute have you done both writing and advisory work?

Adams: Besides my independent writing and lecturing, I have been a consultant, on a confidential basis, for leading factors in beverages and other industries. Some major successes in the wines of America today are in part my creations.

Adams: My books, those to which I sign my name, are completely independent, written for the readers, not for any client or industry.

Teiser: You've also done some teaching and some lecturing, haven't you?

Adams: Because I began many years ago to teach the proper merchandising of wine in hotels and restaurants, I have continued teaching this course in the City College of San Francisco Hotel and Restaurant Department, which is the leading hotel school in the West. The course was established many years ago by one of my trainees, the late Jordan D. Stanton. When he was killed in an auto accident about ten years ago, I took on the teaching assignment temporarily, and I still teach during half of spring and fall semesters, which is all the time I can spare. I have a substitute, Peter Liepman, a club manager, during the first half of each semester.

I've also taught a number of wine appreciation courses, three for the College of San Mateo, one for Anza and Foothill Colleges, and one for the University of California. But these I do mainly to keep in close touch with wine consumers and members of the trade, many of whom enroll in my courses.

Teiser: What are you going to do now that you've just finished your book on American wines? What's next?

Adams: Well, I have several consulting assignments competing for my time with my books. I still have to update and re-publish my Commonsense Book of Wine, my Commonsense Book of Drinking, and also the book on my fishing hobby, which is the best book I've written thus far.\* Each of these books that I've signed is the only book on its subject that has ever appeared on even a regional best-seller list. And I promised a magazine editor twelve years ago an article on the semantics of thirst, but I haven't sufficiently cleared my mind on that tangled subject to deliver the article yet. I'm determined that I will.

Teiser: This has been an interesting interview.

Adams: Well, it certainly is an odd story. It seems to me,

<sup>\*</sup>Striped Bass Fishing in California and Oregon. Palo Alto, Cal.: Pacific Books, 1953 and 1958.

Adams:

in retrospect, to tell of an adventurous young journalist, stubbornly inspired with an idea, organizing a leaderless industry and spending millions of its dollars to steer it toward what he considered to be its destiny. I think it also tends to confirm some of the criticisms of me, voiced many years ago by those who opposed the policies I advanced for the wine industry. When I resigned from the Wine Institute in 1954, the California Wineletter published an article denouncing me for "having wielded far greater influence" than a mere employee of an industry association should have been permitted to The Wineletter article also said this of me: wield. "He was dedicated to the industry in the form in which he envisioned it. "\*

It may of course be only a coincidence that my idea of wine's future place in America, envisioned so many years ago, seems now at last to be coming true.

Transcriber: Marilyn Fernandez Final Typist: Keiko Sugimoto

<sup>\*</sup>California Wineletter, September 10, 1954.

### APPENDIX

Articles on Leon Adams' resignation from the Wine Institute and related letters from his files.

Lodi

News-Sentinel.

# Adams Resigns Institute Post

SAN FRANCISCO, Sept. 1 (UP)
—Former newspaperman Leon D.
Adams today resigned as secretary
and general manager of the Wine
Institute to enter private business.

Adams was generally credited with creating the institute which represents the nation's leading vintners and wine grape growers. His resignation follows severe

His resignation follows severefactional dissention within the organization, reportedly stemming from differences between the bigscale growers of table grapes, raissins and wine grapes on one handand the producers of premiumgrapes and wines on the other.

Some of the state's leading vintners, including Herman L. Wente and John Daniel, have made strong efforts to compromise the feuding interests.

One result of the internal disagreement was the resignation some months ago of Harry I. Candow as secretary and general manager of the Wine Institute. Don W. McColly took over July 20 as president of the organization.

September 2, 1954



### ADAMS RESIGNS WINE INSTITUTE POST

Leon D. Adams, who for the past 22 years guided the educational programs of the wine industry, announced to the Board of Directors August 31 his resignation as secretary and assistant general manager of the Wine Institute. He said he will enter private business.

Adams was one of the organizers of the Wine Institute, Wine Advisory Board, and other wine industry organizations, beginning with the Grape

Growers League of California in 1932.

He originated the industry's publicity program, the Wine Institute Bulletin, the dealer service (field promotion) program, National Wine Week, the medical research program, the Wine Study Course, wine cookery promotion, film training programs, wine advertising code, and many other projects, and introduced the current United States wine terminology of table and dessert wines and wine growing.

In submitting his resignation, Adams urged the industry to support the new Wine Institute president, Don W. McColly, who took office July 20, and expressed confidence that McColly will guide the industry successfully in many years of progress.

SEPTEMBER, 1954

## What dostinities Whitefile of Meanisties

WHOSE SHEETER SETEMS BESTERED

No. 724

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September 1, 1954

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LEON D. ADAMS RESIGNS ... Leon D. Adams, who for the past 22 years guided the educational programs of the wine industry, announced to the Board of Directors August 31 his resignation as secretary and assistant general manager of the Wine Institute. He said he will enter private business.

Mr. Adams was one of the organizers of the Wine Institute, Wine Advisory Board, and other wine industry organizations, beginning with the Grape Growers League of California in 1932. He originated the industry's publicity program, the Wine Institute Bulletin, the dealer service (field promotion) program, National Wine Week, the medical research program, the Wine Study Course, wine cookery promotion, film training programs, wine advertising code, and many other projects and introduced the current United States wine terminology of table and dessert wines and wine growing.

In submitting his resignation, Mr. Adams urged the industry to support the new Wine Institute President, Don W. McColly, who took office July 20, and expressed confidence that Mr. McColly will guide the industry successfully in many years of progress.

WINE INDUSTRY DAY ... Reservations for the Wine Industry Day Luncheon at the California State Fair, Sacramento, on September 7 must be received by Wine Institute by noon Friday, September 3, in order that catering arrangements may be completed that day. Industry members planning to attend the Luncheon, which will begin at 12:30 p.m. in Governor's Hall on the State Fair Grounds, are urged to advise Wine Institute immediately of the reservations required. The Luncheon will be preceded by the annual tasting of 1954 award winning wines beginning at 9:45 a.m. The afternoon tasting will be from 2:30 p.m. to 4:30 p.m.

Dear Leon.

Wed Evening

Often two of the most sugged and bicious days of my life - I am home alon and the quiet of the tree & vines Ishauld he at reace, - but no I'm not, even with Impelf of for within me there is that sail and Terrible feeling that Dag done corong. No that not true, the continuous series of problems and circumstances cost upon me the last many mouth have finally taken its tall. Last evening I cores a netwous week - and tonight do loen worse. Tomorrow In flying off Co Eureka, to get away from it all for a few Losp. But before I go I want you to Know (and Im some you already do) of my deep regret over the rapid turn of events in your life these last two days. Now one has ever had more admiration and great

you have given the wine industry trail.

doubt that arrigane, over the years, has

watched the Unie Instatute grow and unfold mite a mature trade assertion, that it is, under your careful and wise guidance. No our has appreciated your help and advice any more that I know you know that, I fire, Could not tell you that when I shook your hand on heesday, Towight I can tell you again by this mens. When the die was cost on hier and I saw that we could not wise by big odds, - there was nothing left for me & do but support Don, - after all he was my choice - I had to beek bring and Ill support him with what little strongth Loe keft. after that who cares! What the future? Who knows? Jet, like you, I can think back, as it were, and say Sor the industry I know your wife allways have that great degree of patification with you. My Best & Jan & Jany

## GARRETT HOLDING CORPORATION PENN YAN, NEW YORK

PAUL GARRETT, PRES.
L. J. BARDEN. VICE-PRES.
J. CAMPBELL MOORE, SEC'Y-TREAS.

September 7th, 1954.

Mr. Leon D. Adams, c/o Wine Institute, 717 Market Street, San Francisco, 3, Calif.

Dear Leon:

The news in the latest Bulletin that you had resigned was quite a shock, for I had felt that you would be around at the old stand any time I might get out to San Francisco. First Harry, and now you. I don't like the looks of it. Just seems to me it might be that start of the end of the Institute. I have heard rumors of factions in the organization membership, and they alarmed me, for I don't want to see the organization fall apart. It is necessary to the good of the wine industry, but it won't be the first time dissension had torn down a worth while set up. Believe me when I say that I dod regret your leaving. However I do wish you the best of luck in whatever you go into.

With kindest regards, I am,

Sincerety yours,

fte - Lot was for wit.

9-5-5

20, Hyde Park Gate, Kensington, S.W. 7. Western 5706.

Dear Len: Received an angry and independ letter from
Herry Brangaloppi today telling he of your freeze
lesignation from lowe distinct and of the freeze
that were aligned against you - I know that
you must feel bookly to luck such devotes Seiven
you must feel bookly to luck such devotes Seiven Weeder impleasant circumstances. Of the Same time I am seem that your counters freede in the industry have been sincerely let for Know their appreciation and gratitude - Stevele like to have my some cueluled in the latter group and say the my Engineeth is for the who lederstry reacher than for you - I is they who will reget to action over the long full and I feel June that you will benefit.

from the Jeparation - the is my success work. - It was of Course apparent that The James. group the Jongto Harry's season would from be after yours. - Bob Juntof made the prediction & me. General Acoust ago When Le was in London! the anglosest Lear my best wroken are with you in whatever you andarboke Dæn levy Finden on Deenhil! arriving in New Josh Dec 16 The land after Some biseting in the East well be in Johnson about February ! I I lope be com get lighten for a gove the chi at that twee By the Twan Neuron for I The dan Capits braylaid you - they Leachert Congratulation & your from Affectionale regardon Mess Heare

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### Ruth Teiser

Born in Portland, Oregon; came to the Bay Area in 1932 and has lived here ever since. Stanford University, B.A., M.A. in English; further graduate work in Western history. Newspaper and magazine writer in San Francisco since 1943, writing on local history and business and social life of the Bay Area. Book reviewer for the San Francisco Chronicle, 1943-1974.