

The Queen of Hearts

In real estate, it is claimed that there are three keys: location, location and location. In the world of wine, there are many key factors, none more important than the terroir. The concept of terroir is based on the assumption that the lands, from which the grapes are grown, express a unique quality and characteristic to the growing site. My essay is based on the place – Champagne.

Unlike wine labels in the United States, the French label their wines based on where the grapes were grown, not the grape varietal. We have all likely enjoyed a glass of wine from Champagne at one time or another. In fact, I understand it is a Saturday afternoon ritual for Warren Tyler. But he is always quick to remind me that every day is now Saturday to him.

I'm going to tell you the untold story of Barbe-Nicole Ponsardin to provide you with perhaps a better appreciation. The story begins back in the late 1700s at the beginning of the French Revolution. People all through the streets of Reims, France were calling for equality and liberty. Barbe-Nicole Ponsardin was eleven years old at the start of the French Revolution. She was the oldest daughter of Nicolas and Jeanne-Clementine Ponsardin. Nicolas, being a wealthy aristocrat in the town of Reims, was concerned for the safety of his daughters. Stories traveled from Paris of nuns and daughters of elite being raped. To remove Barb Nicole from the catholic convent school, Nicolas had the family dressmaker take garments of the poor to Barbe-Nicole to disguise her identity in the streets. Barb Nicole had her first taste of walking in the wooden shoes of the poor. Certainly not as comfortable as the leather slippers she was accustomed to wearing. Barb Nicole would begin to witness a changing world.

The French Revolution had such a huge impact on Champagne, transforming the region socially and economically. In 1789, drought conditions crippled the harvest. Taxes imposed on hard-working citizens were devastating. In some cases a winery owner may have paid taxes in excess of forty percent just to produce his wine. This background is what makes Barb Nicole Ponsardin's story so fascinating to me.

In the late 1700s, the economy of Champagne wasn't built around the wine industry, but on the manufacturing of clothes and goods made from wool. Nicolas owned and ran a business in the textile trade. As a result of his wealth, Nicolas had aspirations of a political career. Being associated with aristocrats could have brought danger to his entire family, but Nicolas found ways to embrace change in the political shift and prospered from it. Could it have been the stories of bare-breasted women in Paris, or loosely dressed women in parades on the streets of Reims with "Liberty" written on their heads that inspired Barbe-Nicole?

Historians tell us that the French Revolution invented the "modern society"—with freedom of individual thinking and commerce. People began to believe that radical change could occur for all classes. We can look to Napoleon Bonaparte's rise from an impoverished boarding school in Champagne to ruler of the Roman Empire as an example. People began to see their dreams come to fruition. They started to be defined by their purchases of luxury items.

In 1798, Barbe-Nicole, at twenty-one years of age, was ready to be married to the flashy François Clicquot. François was the son of another wealthy family. Although his family fortune came from the textile industry too, François ran the family's local wine trade business.

There would be no grandiose Roman Catholic Church wedding. Those were illegal and risky. In 1794 practice of religion ended and the rites of the Catholics were criminal. Operating in secrecy was still a necessity for the Ponsardin family. Barbe-Nicole, dressed in the attire of a young revolutionary, married François in a wine cellar before a small group of family on June 10, 1798. Only fitting that the woman, who would later place such an imprint on the world of wine, be married in a wine cellar.

Barbe-Nicole Clicquot had no knowledge of the wine industry prior to meeting François, but François had big ideas for their wine business. The experience he gained from his studies abroad provided him with the mindset of an entrepreneur. Although this education was valuable for their only son, François' parents thought it might help François dodge the draft. Philippe Clicquot, François' father, was able to arrange keeping his son from actual combat. François served his country in an administrative capacity for a short period before being discharged.

Now back at home with Barb Nicole, he would quickly learn that his wife possessed keen business instincts. So, François and Barbe-Nicole set off to build the wine business that François's dad started over twenty years earlier. Barbe-Nicole was committed to François's dream. To date, François was only a wine broker. François distributed wine made by small local growers, typically earning a commission of approximately 10 percent. To achieve their dreams, François and Barb Nicole had a lot to learn, including how to develop a marketing strategy to meet the desires of the new trendsetters and how identify the best sources of wine in Champagne.

François had to turn his attention to the local sparkling wine. The champagne that was produced as late as the 1700s was different from what we know as

champagne today. Not only would we not be able to recognize it, most people consumed it as a dessert wine. It was extremely sweet, much like an ice wine today. The color was brownish pink. This was a result of the winemakers adding sugar syrup and brandy. How many of us would have a palate for that? Despite the drastic change stylistically, champagne today follows the same regulations of being made from only three grape varieties: pinot meunier, pinot noir, and chardonnay. At the time, winemakers didn't see the same joy in bubbles that we see today. If they saw bubbles in wine, something went wrong. In the seventeenth century, bubbles in wine became more frequent. Dom Pérignon was charged with finding a way to get rid of the bubbles in the wine. Thankfully, he wasn't successful. Interestingly though, Dom Pérignon's legendary wine contained no bubbles.

When King Louis XIV assumed the throne of France, he demanded that all of the wine contain bubbles. So much so, he gave an exclusive right to sell champagne in bottles. But only the wealthiest could afford the pleasure of drinking champagne. As the economic boom ended, growers began to make more champagne by planting additional vines. Cheap champagne began to tarnish the brand and the reputation. François and Barbe-Nicole experienced their first challenge in developing a marketing strategy to address this issue.

For nearly the first decade that Barbe-Nicole and François were married, France had been at war. But with youth and wealth on their side, Barbe-Nicole and François were united on expanding their wine business. They added a new family member with the birth of their daughter, Clementine. Despite the birth of her daughter, Barbe-Nicole was on her way to change the normal course for an affluent woman—time spent in the

nursery and drawing room. Barbe-Nicole and her sister learned in convent school that only queens and prostitutes had public reputations.

To address their desire to sell their wine internationally, Barbe-Nicole and François hired Louis Bohne as their sales representative. He spoke five different languages and shared the same enthusiasm for the wine business as the Clicquot family. But Louis's efforts didn't bear any good results. Great Britain's passion for champagne had cooled off. Then the heat destroyed many of the vineyards in Champagne. The Clicquot's couldn't get a break.

Barbe-Nicole and François turned their attention toward evaluating the entire process of the wine business. François had good ideas, but purchasing fruit from growers deserved more attention. Additionally, he needed to get a better understanding of the complete winemaking technique that could produce a high level of quality. François got exactly what he needed when Napoleon commissioned to have Jean-Antoine Chaptal's book "The Art of Making, Controlling and Perfecting Wine" distributed throughout Champagne. This book explained the chemical relationship between sugar, fermentation and alcohol. Napoleon had a true passion for champagne. He was responsible for modernizing the French highways to transform the French wine commerce. We can get a better understanding of his appreciation for champagne by his quote, "Champagne! In victory one deserves it, in defeat one needs it."

To enhance the quality of their wine, Barbe-Nicole and François hired Monsieur Prost as their cellar master. He would handle all of the blending and bottling duties, while François tended to all of the financial matters. Barbe-Nicole indulged in the vineyards. She was an early riser, often seen examining the vines early in the morning.

She even watched and learned the harvesting and crushing process. Barbe-Nicole was quickly gaining an understanding of the entire winemaking process. They recognized that the wine bottle was a key component to storing the wine properly. Wine bottles prior to 1811 were blown by hand. This made it difficult to seal bottles consistently, which could have a negative impact on company profits. Now when it came to tasting and evaluating wine, François had a head start on Barbe-Nicole, but it was Barbe-Nicole that possessed the superior talent of blending wine. At this stage, all of their efforts didn't meet the appeal of the Moët cellars, the most favored champagne in France.

With sales declining in France, François and Barb-Nicole turned their attention toward Russia based on the intelligence they previously received from Louis Bohne. However, this turned out to be another devastating blow with minimal sales results. Unfortunately, the same theme continued in all of their international endeavors and brought on a severe case of depression to Francois. The word on the street was that François had contracted an infectious disease. On October 23, 1804, François passed away. Barb-Nicole, only age 27, would lead the dreams she shared with François alone. It is somewhat ironic that some physicians in Reims believed champagne contained some antiseptic properties that were thought to cure the illness that took François's life.

Now widowed, Barbe-Nicole was able to independently make decisions for her company. Immediately, she made Philippe her partner. In today's dollars, Barbe-Nicole invested over \$1.5 million and Philippe invested another \$500,000 to form a company that they named, Veuve Clicquot Fournieux and Company. This investment from her father-in-law gave her the confidence she needed. For a man of this generation to invest and believe in a woman to run a company was unprecedented. There was only

one stipulation: Philippe mandated that she would have to go through a self-development type course over the next four years with partner/coach that Philippe would choose. This partner was Alexandre Fourneaux. At the end of the four years, if Barb-Nicole still had the drive to be a widow entrepreneur, Philippe pledged his support.

In the following years, the business climate was still uncertain. Trade restrictions imposed by Napoleon choked commerce with Great Britain, Germany, Prussia and Russia. These restrictions put a damper on the \$3 million sales order they received from Europe. With ports closing, the wine that made it to Amsterdam sat in a hot storage facility. The heat eventually caused the champagne to explode. Despite this setback, Barbe-Nicole insisted on identifying ways to get wines overseas.

Losses were mounting. Delayed signing of peace treaties, coupled with the addition of another economic downturn, intensified the losses of the newly-formed company through 1809. Everything was taking its toll on Barbe-Nicole. She had lost her patience with Napoleon's wars.

At the end of July 1810, Barbe-Nicole asked her father-in-law, Philippe, for another cash infusion to open a new accounting ledger for the business she called Veuve Clicquot Ponsardin and Company. To settle the books, she sent prompt payment notices to the outstanding accounts. The elegantly looped signature that she used is reprinted on the yellow label non-vintage champagne today. Barbe-Nicole worked from sunrise to sunset. Participating in every phase of the business, she sent her daughter, Clementine, to convent boarding school in Paris at age six. Although this was the norm back then, Barbe-Nicole knew she needed to totally focus on the company.

Despite closed ports around the end of 1810, the British were enjoying champagne during the holiday season. Barbe-Nicole recorded sales of nearly 2,000 bottles in Great Britain. Still, sales were far behind her main competitor, Jean-Rémy Moët.

In the summer of 1811 things were different, but results were the same. The French blockades collapsed, but the allied counter-blockades were in full force. To the east, Russian troops sealed the French borders. The British controlled the English Channel to the west. People in Europe were broke and heavy war taxes were assessed on wine exports.

But Barbe-Nicole had a reason to smile. The 1811 vintage was deemed the vintage of the century. People in the rural countryside whispered it was forewarning of change and a fall of an empire. Winemakers branded their corks with stars as an insignia to a perfect harvest. Due to the abundant crop, prices fell on champagne, but sales didn't increase. Barbe-Nicole took another gamble. After racking the wine in the spring, she bottled the wine and turned it into champagne. Tucked away in the cellar did nothing to improve her cash flow, but she planned to wait for the market to turn.

Conditions did not improve in 1812. In fact, things got worse. Napoleon was planning on invading Russia. The czar of Russia issued a decree banning French bottled wine from being imported. The war would prove devastating to Napoleon by the end of 1813. His soldiers retreated near the town of Reims. Cannons firing in the distance could be heard. Napoleon once said "Champagne's countryside would be well suited for war." Barbe-Nicole feared the worst. In anticipation of soldiers looting her store and wine, she had her workers seal the entrance to her cellar.

Barbe-Nicole could hear the sounds of metal striking the cobblestone streets of Reims. To her surprise, when the Russians arrived, they were gentlemen. The Russian prince, Serge Wolkonsky, informed the soldiers there would be no looting. The Russian soldiers actually bought the wine. Barbe-Nicole sold them her still wines that she had difficulty selling in the down economy and war years. Keeping the 1811 vintage champagne hidden, she watched the faces of the soldiers indulge in her product. Barbe-Nicole had already made a name for herself, but this turned out to be an exercise in brand recognition. Surely the Russian soldiers would remember her wines when they returned home.

When Napoleon stepped down, there was celebration throughout Europe. Champagne was on its way to symbolizing cultural celebration. The Napoleonic war ending in Champagne did more than just represent a place of war, it brought cultural identity. Sales of champagne would increase more than tenfold to several million bottles within a few decades.

Barbe-Nicole knowing how much the Russians liked her wine, devised a strategy to get her wine to Russia. International trade had not been restored. Barbe-Nicole decided to break the law and run the blockades to get her wine to Russia in advance of her competitors. She began writing letters to hire a chartered ship for a secret shipment.

The wines arrived safely but the temperature was extremely hot. When Louise Bohne opened samples from three different cases, all the champagne was in perfect condition. This was Barb-Nicole's most significant success to date. Her champagne created marketplace frenzy. As the supply dwindled, Louis deliberately raised the price to the equivalent of \$100 for one bottle. That was the weekly wage Barbe-Nicole paid

her vineyard workers. Finally, she was on the verge of something big. Within weeks, widow Clicquot's champagne brought in over \$1 million in sales.

In Königsberg, Prussia, the widow's Clicquot 1811 created a buzz on the streets. Her champagne was used to toast the King of Prussia's birthday. Louis wrote to her saying, "Two-thirds of high societies of Königsberg are at your feet as a result of your nectar. Of all the fine wines that have turned northern heads, none compare to Madame Clicquot's 1811 champagne. Delicious to taste, it is an assassin, and anyone who wants to make its acquaintance will become well attached to his chair, because after paying his respects to a bottle, he will go looking for crumbs under the table." Back then, the richness and excessive sugar produced a powerful wine with high alcohol.

When the ban on French wine was lifted, Barbe-Nicole had already secured transportation of another 12,780 bottles of the legendary 1811 vintage champagne. She was taking every step to control the champagne market in Russia. Soon Czar Alexander declared that he would drink nothing other than the Widow Clicquot's 1811 vintage champagne. The execution of her plan garnered her wine as one of the most sought after wines in the nineteenth century.

Champagne was now big business. Gone were the days of it being the craft of rural artisans. Barbe-Nicole had learned so much from spending time in the vineyards and cellar. Now she was faced with a new challenge: purchasing more vineyards, improving bottling production and purchasing corks to meet the demands of her success. Capitalism was a relatively new concept, but Barbe-Nicole showed signs of being at the forefront of that idea. In watching her father and partnering with Philippe,

her father-in-law, Barbe-Nicole had gained from her association of their entrepreneurial experience.

In the summer of 1815, Barb-Nicole was now in her late thirties. Against all odds, she was the head of an internationally renowned empire. From leading the board room to crafting the sparkling wine that carried her name, Barb-Nicole did it all. Her accomplishments of the champagne market and developing brand recognition were great achievements. Her greatest achievement may have been her discovery of the process called riddling. Riddling is a process designed to remove the yeasty debris that is trapped in the bottle after secondary fermentation. Secretly, Barb-Nicole moved her kitchen table to the cellar and had holes cut into the table that would allow bottles to be stored on its neck. For weeks, she would secretly go to the cellar to slowly turn and tap the bottles each day. This method would force the sediment onto the cork. To her complete satisfaction, when she flicked off the cork, all residue shot out. The process significantly improved the production rate over her competitors. To keep this process a secret, she implemented a profit sharing program for her key cellar workers. Additionally, this process produced champagne with great clarity. Jean-Remy Moet didn't discover her secret until 1832. Barb-Nicole had advanced champagne from being a wine of the royal courts of Europe, to the most recognizable wine in the world. Champagne was now the adopted symbol of celebration.

Barb-Nicole even had the foresight to have a succession plan. She announced that she was retiring over the next few years, around age 43. Clementine had married a handsome playboy that loved the high life and gambling. Barb-Nicole would not consider him to partake in the family business. Over the next few years, Barb-Nicole

lost her father and her father-in-law. Now she was clearly alone at the top without her two main confidants. Louis Bohne would have been a logical choice as the next in line. He helped build Veuve Cliquot's international presence. Unfortunately, he died falling off an icy bridge to his death. To provide herself with some assistance in the office, Barb-Nicole hired a handsome young office clerk by the name of Edouard Werle. Barb-Nicole decided to scrap the retirement idea and opened two new business ventures- a textile company and a bank. The textile company sounded logical with all that she could have learned from her father. The bank even seemed logical. Champagne houses needed a line of credit to keep operations moving until the aged products could be released. There were over fifty champagne houses and they needed funding to keep up with international demand. Both of these ventures put a sizable dent in the success that Barb-Nicole had enjoyed over the past decade. As you can see, companies over extending themselves is not a modern phenomenon. Barb-Nicole after severe losses, got out of the textile and banking businesses. New problems were arising in the champagne business. Impostors were using her name in Russia to sell cheap champagne. Mechanical bottling machines were starting to appear throughout France. Faced with all of these issues, Barb-Nicole was almost broke. The recession that hit France in 1827, turned into a full blow depression. Too much of her money had gone into the banking business. Edouard's short tenure had garnered him significant authority and access to the company books. Knowing that his boss, Barb-Nicole, was close to losing everything, Edouard secretly devised a plan to help save her company. Edouard had a friend that worked for a bank that specialized in loaning money to wine merchants. Edouard convinced his old friend to loan him the equivalent of \$2 million in

modern terms. \$1 million in cash and \$1 million in a line of credit. Edouard's thinking prevented a run on Barb-Nicole's bank and allowed her to update her winemaking facility. Barb-Nicole exited the banking business with final losses of \$5.5 million, but the champagne house was still alive. It would take her another decade to erase the debts of her misfortunes.

Barb-Nicole now in her fifties, made Edouard a full partner due to his loyalty and intervention. In essence he went from an office clerk to half owner of a lucrative champagne house. Once again, Barb-Nicole was totally focused on the champagne business. In the following years, the manufacturing models required a much different approach than the family business model.

The infrastructure in France was improving with the addition of railways and the canal system. The Widow Clicquot's champagne house was flourishing once again. Barb-Nicole had re-established her wealth. At age 64 she retired from running the day to day operations, but served as a one woman board of directors. By the mid 1800's, her champagne became cult like. People wouldn't ask for a bottle of Clicquot, they would ask for a "bottle of the Widow." The revitalized company, newly known as of 'Veuve Clicquot Ponsardin and Werle,' was now bringing in over \$30 million in annual sales.

It is a bit of an irony that in 1848, there was a revolution of women wanting to work in factories during the heat of the Industrial Revolution. One journalist wrote, "Woman was not made to manufacture our products or to occupy our factories." What would Barb-Nicole think if she read that newspaper?

At age 81 years of age in 1858, Barb-Nicole could look back through her rearview mirror and see all of her accomplishments and challenges. Barb-Nicole was one of the richest women in the world. She began to share her wealth-giving nearly \$2 million in modern dollars for developing housing for poor children. Barb-Nicole owned an important spring that she donated to replenish the public water supply when it almost ran out.

In 1860, Madame Pommery invented the brut champagne we know today. She removed the syrupy sweetness that the world knew so well. It was a style targeted toward the English who were clamoring for dry champagne. Edouard and Barb-Nicole made the decision to follow the trend. They decided to use a bright yellow label to designate the brut champagne. The label is still prominent today.

As Barb-Nicolle saw her end in sight, she wrote a letter to her last surviving great-grandchild stating:

My dear, I am going to tell you a secret... You more than anyone resemble me, you have such audacity. It is a precious quality that has been very useful to me in the course of my life.... to dare things before others.... I am called today the Grand Lady of Champagne. Look around you, this chateau, these unfaltering hills, I can be bolder than you realize. The world is in perpetual motion, and we must invent the things of tomorrow. One must go before others, be determined and exacting, and let your intelligence direct your life. Act with audacity. Perhaps you too will be famous...!!!

Barb-Nicole died in the last days of July in 1866 at 89 years old. Yes, Barb-Nicole was a keen business woman, an innovator, a trend setter and a philanthropist. She took such immense risks to pursue her passion. An independent woman that broke

free from a life those before her had chartered. But in times of celebrating life and happiness, for me she is symbolically- The Queen of Hearts.