

Oxford takes on the big boys

With two new stores opening this summer, the Oxford Wine Company is taking its unique offer to new audiences, as **Richard Siddle** discovers on our latest Tour of Britain

The first thing that strikes you when you visit the Oxford Wine Company is that it's not actually in Oxford at all. In fact, you are more likely to bump into the local MP for Witney, David Cameron, than you are an Oxford don.

Instead, it is situated off a rural main road in what was a former RAF artillery storage base, and looks more like a place you would go to buy bathroom tiles than a bottle of wine or obscure bottle of rum.

However, once you learn a little more about the business, its location has been key to its success. For not only does it have an award-winning shop at the front, but the real powerhouse lies behind in the stock room areas where it has built up an impressive on-trade and wholesale business. It may be known as an independent retailer, but 70% of its turnover actually comes from wholesaling.

Its non-Oxford roots, however, are all set to change. For it is on the verge of opening a new wine store on one of the main commuter roads into Oxford.

"It's a fantastic site on the Botley Road heading in – or out – of Oxford, on the front of a large retail park," says Ted Sandbach, the larger-than-life founder and managing director of the Oxford Wine Company. "We have been looking in Oxford for years, so when we heard this site was up for rent, I actually came straight home from holiday to secure it. We are very excited about it," he adds.



Harpers Wine & Spirit
TOUR OF BRITAIN

The store opens this week and will be run by Sam Hellyer, previously manager of Oddbins in Oxford city centre. It will carry many of the lines of its main store and have a standalone fine wine and tasting section. It will be followed in August by a third store, in Tetbury, Gloucestershire, again with bespoke tasting areas and a modern, clean, fresh design.

The new Oxford business is ironically a good stone's throw away from fellow merchants, Stevens Garnier – where Sandbach started his life in wine.

Sandbach is such a natural raconteur it's hard to take notes as you are so carried away with the story he's telling. Like the one about how he gave up his job as head of sport at Magdalen College School in Oxford to eventually go into the wine business. Apparently, while on a cricket tour to the Caribbean, Sandbach was discussing life with former pupil, now friend and film director, Sam Mendes over "a couple of rums on the beach". Sandbach decided teaching offered no long-term future, so decided to retire with no idea of where to go from there.

A few weeks later he happened to be in a newly opened wine store talking to staff about how to get a job in a place like that. He ended up being asked for an interview and got a job on the very same day. That wine store happened to be Stevens Garnier.

After five years of learning the ins and outs of the wine trade he had an urge to go into business for himself. He started up the Oxford Hamper Company which eventually evolved into the Oxford Wine Company. "I literally started out in a garage on my own," recalls Sandbach.

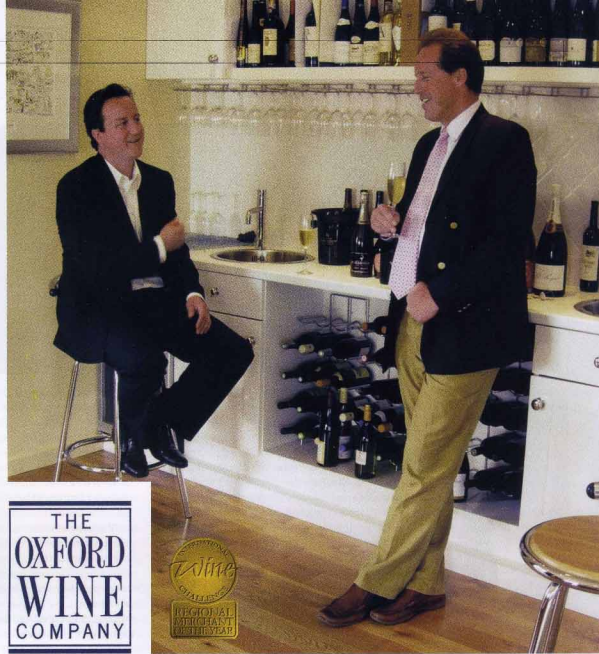
It has been a slow, but steady rise to where he finds himself today via a wine store/café business in Lechlade, Gloucestershire in the mid-1990s, a wine store/delicatessen in Woodstock, Oxfordshire, before taking the "hell of a gamble" to up sticks and open up in Witney.

"But," he confides, "I am a natural risk taker. I started with nothing but £10,000 borrowed from my father and have long since paid that back."

Sandbach, however, is quick to attribute much of



Above right: Ted Sandbach enjoys the company of Witney MP – and now Prime Minister David Cameron. Above: the shop floor is attractively laid out



the company's success to his general manager, John Chapman. "His sharp brain and business awareness have driven the company forward," he says. "Without his energy, drive and innovation we would not have developed as fast. He has this extraordinary ability to keep about five balls in the air and still think clearly."

He is certainly responsible for having built up one of the most impressive spirit ranges anywhere in the country – over 620 lines and counting. It is truly an Aladdin's cave of spirit names and varieties you either didn't know existed or thought had gone out of business.

Chapman, for his part, says the one thing that unites the Oxford Wine team is not only a passion for wine, but an ability to talk to any customer and find the right wine for them whatever they want to spend. "I think that is why we have customers coming from as far afield as Birmingham to visit us," says Chapman.

All the staff are happy to be "out selling wine on the shop floor one minute and unpacking wine from a delivery truck the next", he adds.

The entertainer

For some the public face of the Oxford Wine Company is its head of fine wine and all-round PR and publicity machine, Theo Slood. He has been instrumental in establishing Oxford Wine's impressive line-up of trade

and consumer tasting events, as well as its links with the local paper, the Oxford Times and running its wine club. But it is the tastings where Slood comes into his own. With his wild mane of hair and theatrical moustache, it comes as no surprise to find he is a bit of an entertainer – or a wannabe rock star.

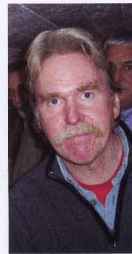
He was well into his 30s, simply "gigging" around the country as a drummer for a series of bands, he admits. He can even claim Tony Blair as a bandmate, as he was one of the members of the infamous Ugly Rumours during his time at Pettes, in Edinburgh. "I love doing tastings," says Slood. "I think there is a bit of a stand-up comedian in me and I love the whole interaction."

Tasting after tasting

The wine-buying side of the business is shared across the company, but mainly between Slood, Sandbach and Chapman. They hold regular blind tastings of new wines and competitor wines to keep the range up to date.

"We call in producers and suppliers as and when we are looking for something a little different or specific," says Sandbach. They might take up 30 samples to pick just one variety. "We try very hard to get it right. We taste and taste and taste. And yes, it is hard to get wines into us."

The two new stores are certainly going to put the Oxford Wine Company onto another footing. Not only ▶



Above: Theo Slood, whose high-profile tastings have cemented the Oxford Wine Company's reputation

Above right: the new shop at Botley Road, Oxford, will extend the company's buying power



in terms of its profile and reach, but in its buying power, range and the knock-on effects in terms of managing staffing, finances and stock control.

But it is a challenge it is keen to take on. "We have suffered by not being in Oxford," accepts Sandbach. "This will put us on the map." For although the Witney site has more than kept them busy – the retail business there alone turns over more than £1 million a year – it was limited in how far it could develop on its own.

"Also," chips in Slood, "you have to remember that out here is where Oxford people think dragons still roar and strange beasts lurk."

The real world

But it is not all about being unique and different. The Oxford Wine Company's wholesale side of the business is entrenched in the "real world" as Slood puts it. It needs to have wines for every price point to be competitive in the wholesale business. It spent, for example, a huge amount of time last year re-evaluating and restocking its entry-level wines. "It went on for months, as we needed to get our entry-level range right," Slood explains.

Chapman agrees: "Our jobs is to find wines that emulate a style but can deliver at half the price," he says. Sandbach adds: "By getting that right we can start competing with the likes of Matthew Clark. Not necessarily on price, but certainly on overall service levels."

If a last-minute order comes in that needs hand-picking, put in the back of someone's car and taken around to a restaurant there and then, then so be it. "If you can give someone that level of service they will be loyal to you next time," says Sandbach.

Anyone considering moving into, or expanding, their wholesale business should pay Oxford Wine a visit. Having long-term, reliable staff has been vital to its success, says Sandbach, who mentions Neil Gladding in particular. He has been with the company for 15 years and is personally responsible for a turnover rapidly approaching seven figures.

Other key employees include former Oxford graduate Heather Miller, who is looking to study for a MW; and Jackie Wheels, former owner of Bona Vines, which was run by the Oxford Wine Company last October, who will run the new Tetbury business, including building up new wholesale accounts in that area.

The past 18 months has brought extraordinary pressures on companies throughout Oxford Wine Company's supply base and bad debt has at times been a serious issue. But, says Slood, it has also brought many of those companies closer together. Sandbach recalls a customer who had a debt of around £20,000, which he agreed to freeze until times improved. "We are still trading with them today. They have turned it around and are one of our best customers now," he says.

"We have done that with other people and had amazing loyalty from them as a result," adds Slood.

Even in these difficult economic times, the wholesale side of the business is "booming," says Sandbach. It's 30% in the past year across both its private and restaurant business.

Sandbach is a strong defender of the independent sector and happy to back a minimum price of alcohol if it wrests some power away from the supermarkets. But woe betide anyone who crosses his path who also does business in a supermarket. "I had a water supplier who came to me recently who said it also worked with Tesco and I told them straight away I was not interested."

It makes the Oxford Wine Company a strong supporter of independent producers – with some 140 different suppliers on its books. "We need to as we want to have interesting wines," says Slood. A trip out to Oxford – and Witney – will confirm that. ■

THE OXFORD WINE COMPANY: THE FACTS

- **Staff:** 17 at head office, and three to four at each of the new stores in Oxford and Tetbury
- **Suppliers:** 140
- **Wholesale:** business up 30% in 2009/10
- **Range:** includes more than 1,500 products (473 red, 254 white and 30 rosé) 200 malt whiskies, 40 vodkas, 40 gins and 40 rums
- All staff trained to WSET Advanced level
- Private customer services include cellar management, online sales, wine tastings, corporate events and weddings
- IWC Regional Merchant of the Year 2007.

Left: original site will be retained as the company expands into new localities