

TAKING HIS CHANCES

City Winery co-founder and managing director Adam Penberthy believes in accumulating experiences.

By Denise Cullen | Photography David Kelly

Adam Penberthy is a serial entrepreneur. His latest venture, Brisbane’s first urban winery since 1860, had its roots in a chance meeting with winemaker Dave Cush at the 2017 Game of Rhones event. “I was there tasting with friends and these guys had a sign that said: ‘We make wine in a shipping container outside of Brisbane,’” says Penberthy. “So I pushed my way to the front and said, ‘Tell me everything about what you’re doing.’”

Penberthy and his wife loved wine, and had considered purchasing a vineyard. Meeting Cush changed that. “Gone are the days where you need to be where the produce is,” says Penberthy. “Economically, it makes much more sense to make wine where the people are.”

Only 18 months after that fortuitous encounter, City Winery Brisbane opened its doors in a converted warehouse in Fortitude Valley. As barrels emitting scents of oak and fermenting fruit attest, the venue sources grapes from selected Australian growers and transforms them into wine onsite and at secondary locations. Until the pandemic impact hit, guests could join tours, tastings or workshops, or sign up for “vintage membership” to get their hands (and feet) dirty by picking fruit, stomping grapes and blending, labelling and bottling wine.

Like most in the tourism industry, City Winery has been severely impacted by the COVID-19 pandemic, but they’re coping. As soon as he noticed restaurant sales declining, Penberthy introduced an all-day grazing menu for online ordering and pick-up/delivery. Alternatively, customers can have a four-course degustation food and wine box dropped off. He says there’s been a 400 per cent increase in demand for in-home wine blending, cheese and wine pairing, and wine tasting experiences conducted via Skype or Zoom. “Trade’s hard, but we’re making the most of it.”

The experiential focus is the reason Penberthy doesn’t consider himself in the hospitality business, despite the restaurant and function spaces. “We see ourselves first and foremost as a tourism and experiences business,” he says. “It just happens that the people who come in here have a wine and food experience. Customers have a yearning to learn more about how stuff is made. The market is so ready for these types of executions.”

It’s an approach that nails the millennial-led trend of accumulating experiences rather than goods. Yet Penberthy finds it difficult to articulate exactly how he spots gaps in the market, suggesting it might come from looking at problems through the consumer’s eyes and “a bit of gut feel”.

He has been honing his business instincts since launching a startup at the age of 13. Penbertec Computer World grew to the extent that by the time Penberthy was 15, he had a full-time employee. “My website had a stock image photo of a woman with a headset,” he says. “The reality was that it was me and my dog, with a thermal fax machine beside my bed.”

bio.

Based Brisbane
Roles Managing director City Winery Brisbane, director Brisbane Marketing.
Studied University of Southern Queensland (mass communication).
Worked Director Thumb Factory, Fresh Digital, Hello Sunday Morning; regional area manager Optus.

This business petered out as commoditisation of computers slashed margins, but it taught Penberthy the value of good advice. “I’ve always felt comfortable with people who are taking on calculated risks and doing different things,” he says.

Penberthy started Fresh Advertising in 2006. It saw him named one of *B&T*’s 30 Under 30 winners in 2009. “I deliberately threw myself in the deep end and took out a lease on a property,” he says. “I pushed myself because I knew I had to sink or swim, or swim harder. Those were my only options.”

He recalls a “really grungy cool space”, the office skateboard ramp and cutting-edge campaigns featuring flash mobs or Kombi vans turned into recording studios. But there were also challenges. “Ad agencies are hard beasts to run,” he says. “You require substantial numbers of staff, which works really well when there’s lots of work on. If you have a slowdown, it becomes pretty awful, pretty quickly.”

Fresh Advertising morphed into Fresh Digital, shifting its focus to software development and mobile applications, and expanding abroad. This gave Penberthy a window into how big data can be used in business – even in those founded on artisanal processes, such as winemaking.

“Get enough consumers to taste and rate different wine samples, for example, and you can capture shifting preferences that can be useful from a decision-making perspective,” he says.

Fresh Digital still exists under management, but “I’ve lost my spark so I’m exiting,” he explains. Penberthy has had an exit strategy for City Winery from the get-go. “I went into it with the view that City Winery must be saleable from day one. The plan is to grow this business and put in multiple sites around the country, but with a view that it will have the ability to be sold at some time in the future.”

City Winery is structured as a private company, its four shareholders, including Penberthy and Cush, meeting monthly to discuss operational priorities. “It’s not a formal board, but that’s something we will look towards doing, whether it be an advisory board or something similar,” says Penberthy.

Having completed the *Company Directors Course* five years ago, he’s conscious of tempering entrepreneurial gumption. “It gave me a tremendous starting point to get my head around corporate structure and understand what good governance looks like.”

Penberthy is adamant that everyone who yearns to start a business, should do so. “Have a crack. The lessons you get from having a go will put you in good stead for the rest of your life.” ■

