

Case Study #6

September 2018

Berry Brothers & Rudd: Family, Reputation, and the Cultivation of the European Wine Trade

A Tale of Six Families

There is no better testament to the longevity of Berry Bros. & Rudd than its rich history of, and great capacity for, reinvention. The family firm began life as a grocery store in 1698, founded by a woman now known only as the Widow Bourne. It is now Britain's oldest wine and spirits merchant, and one of the nation's ten oldest family-run businesses, boasting six Masters of Wine – the most of any company in the world – as well as two Royal Warrants, a mark of recognition for tradespeople that provide goods or services to the British royal family.¹

Simon Berry, Berry Bros. & Rudd's chairman from 2005 to 2017, is fond of claiming that the main ingredient of the firm's success has been luck.² Luck, he insists, is responsible for many of Berry Bros. & Rudd's most important successes. He has a point: shortly after the Widow Bourne began trading at No. 3, the Royal Family took up their official residence across the street, at St. James's Palace, so close that (at some undefined date) a secret tunnel was constructed that ran directly from the Palace into No. 3's wine cellar. This proximity no doubt bolstered the businesses' burgeoning reputation as a harbinger of taste and excellence, providing a certain cultural cache by virtue of association. That said, fortuitous location alone is not sufficient explanation for the fact that No. 3 has been the chief provider of wine to the Royal Family since the reign of King George III.³ Mere luck fails to account for firm's ability to negotiate wars, monarchical rivalries, and revolutions – whether French, Industrial, or Digital. These are challenges that overwhelmed many of Berry Bros. & Rudd's contemporaries, helping to establish the company's reputation not only for quality, but for survival.



There is a long – and rather convoluted – history behind Berry Bros. & Rudd: one must not make the mistake of thinking that the business emerged fully-formed. Wine is a relatively recent focus for a firm that has made its living through groceries, coffee, heraldry, and weighing; Berry Brothers and Rudd is, in fact, a rather recent iteration of that firm itself. This is not simply the account of a wine merchant, but rather that of a family business constantly tested by London's fads and history's whims; it is not a tale of two families, but of six. There are Berrys and Rudds, of course – the former in great numbers – but before them there were Bournes, Pickerings, Clarkes, and Brownes.

BERRY BROS & RUDD
3, ST. JAMES'S STREET, LONDON

WINE & SPIRIT MERCHANTS

Case study prepared by Douglas Ajram. Case study editors: Charlie Harris and Professor Christopher McKenna, University of Oxford.

The first Berry to join the business was Clarke's grandson, George Berry, who arrived in 1803 – 93 years before the business began to specialise in wine and spirits. George's sons were the original Berry Brothers, but it wasn't until 1914 that a Rudd joined the business – and it wasn't until 1943 that the business officially bore his name.

Number 3 and Fashionable Consumption

No. 3 has always catered to the tastes of the modern and the fashionable. England's first coffee house opened in Oxford, in 1651; By the 18th Century, coffee houses were everywhere – particularly along the ever-fashionable St. James's Street. Though a grocers by trade, the Widow Bourne followed the fashion: No. 3 began to focus on coffees and teas alongside its tobaccos and spices, supplying local coffee shops and affluent private individuals with the fashionable drink. The choice of their product was closer to that of wine than a modern observer might realise since tea and coffee were the highest-value beverages of the day.

The Widow Bourne's daughter married William Pickering – another figure about whom little is known. We do know that his trade was heraldry – the devising of family crests – another business that would have brought the firm into close contact with some of London's most established families. Historians infer from his business decisions that Pickering was determined and ambitious.⁴ In 1731, he began remodelling the shop; the process took six years, and William himself did not live to see it concluded. Finally completed in 1737, the shop now looks very much like it did when the shopfitters left.

The firm passed to his son, John Pickering and one can assume that he inherited his father's tenacity, since by 1750 contemporaries heralded it as 'the best and most comprehensive' of all of London's grocers.⁵ Again, it is worth bearing in mind how the firm's location aided its success: it was a neighbourhood in which it was fashionable to be seen out and about, as well as being likely the most convenient grocer available for London's carriage trade (i.e. the wealthy or upper-class customers who arrive in carriages) – especially the Royal Family, still in residence just across St. James's Street.

The Pickering name begins to fade from the business in 1754, when the heirless William Pickering (John Pickering's son, and grandson of the original William Pickering) took John Clarke on as his business partner. Clarke himself was a regular in high society: his charm was apparently a thing of renown, and in 1788, Clarke was installed as a Master within London's Worshipful Company of Grocers – a powerful merchants' guild.⁶



Weighing Books in BB&R

It is easy enough to understand the appeal of a high-class grocers, especially one that remained ever-conscious of the status and preferences of their clientele. More anachronistic is the service that Clarke offered that confirmed its relationship with London's most upscale clientele. In 1765, on the same scales used to weigh their coffee, John Clarke established the practice of weighing his customers. Their weights were recorded in leather-bound red books still on display in No. 3 and the notable names include Royal princes, Lord Byron, Rothschilds, and the Aga Khan.⁷ There is too little space to offer a complete roll-call of the scales' most prestigious visitors – stood upon by Viscounts and Dukes, bohemians and religious leaders – but it is worth noting that George Bryan "Beau" Brummell, a trendsetter known to his contemporaries as the 'King of the Dandies', had his own weight recorded in the coffee shop no fewer than 39 times between 1798 and 1822.⁸

The value of these associations cannot be easily understated. Yet another name recorded in Clarke's weighing book is William Pitt the Younger, then-Prime Minister, last weighed in 1786 – while still running the country. It cannot have hurt to have held the patronage of the Prime Minister – particularly considering that Pitt was responsible for lowering the duty on tea from fifty to twelve percent -- as a frequent visitor.⁹ One might be tempted to speculate that No. 3 received prior warning of this decision; regardless, it is not hard to suspect that the business' proximity to power helped to inform its decisions, and keep its finger on London's often-arrhythmic pulse. The bipartisan store maintained its status beyond Pitt's tenure: his successor, Prime Minister Spencer Perceval (of the opposing Whig party), was also often found on the scales during his time in power. No. 10 Downing Street is, after all, only a fifteen-minute

stroll from No. 3 and coffee was as important to London's business in the 18th century as it is San Francisco now.

In 1788, two months after his induction into the Worshipful Company of Grocers, John Clarke passed away. His daughter had married into the Berry family, a successful clan of Exeter wine merchants, and her one-year-old son George had already been marked as Clarke's successor. Unable to assume control as an infant, Clarke had arranged that the Brownes of Westerham – a prominent legal family, distantly related to Clarke himself – would serve as the business's caretakers until George was of age. John Clarke's name was replaced on the shop-front by that of Joseph Browne. Presumably Clarke had made a sensible choice when selecting his caretaker; the shop remained in vogue, even without Clarke's defining influence.

Browne held the firm in trust until 1803, when 16-year-old George Berry arrived in London. It seems that he served as an apprentice for seven years and in 1810, his name was added to the shop's fascia. Though few concrete details survive, one might reasonably assume that his connections within Exeter's wine trade helped to consolidate the store's reputation as a purveyor of wine and spirits. Regardless of his own connections, it was the beginning of the Berry dynasty that would exercise sole control over No. 3 for over a century.

Historians record a decline in demand for the highest-value teas offered by Berry in the 1830s, as the prestige around loose-leaf blends began to dissipate. Industry developments did away with specialist varieties, and a few affordable and readily-available brands began to dominate the market. The firm's hand thus forced, in the 1830s George Berry became an accredited agent of Bass and Co.'s East India Pale Ale – notable not just as an early flirtation with specialist alcohol provision, but also as Berry's first foray into overseas trade, a branch of commerce that would eventually become of key importance.¹⁰ Like the branding of tea, it is no coincidence that Bass and Co. would eventually receive the first trademark issued in Britain in 1876 for the Bass Red Triangle that marked its Pale Ale. The influence of the retailer was steadily falling to the power of the brand.

In the late 1830s, with the rise of Chartism, working-class riots spread across provincial England and prompted alarm in London. In response, George Berry went to be sworn in as a Special Constable, continuing evidence of the upstanding merchant's firm belief in the preservation of the establishment. More importantly, his 1838 swearing-in offers a glimpse into the company he kept: he went to give his oath alongside Prince Louis Napoleon, nephew of the French Emperor.¹¹ Their truncheons remain alongside one another, on display in the shop to this day, and their friendship would prove invaluable decades later when close relationships with French elites helped to guarantee Berry's success in the Bordeaux wine trade. Napoleon would go on to hold meetings in No. 3's cellars – allegedly with the editor of the *Standard* newspaper – during his years in political exile.¹²

His two sons, George and Henry, took the reins after George senior's death in 1854, at which point the shop became known as George and Henry Berry. They eventually shortened it to simply Berry Brothers and Co. and that name stood until the Second World War. Of course, Britain's naming conventions somewhat muddy the waters: George Berry II had seven children, of whom Henry Berry was chosen to represent the older branch of the family. Meanwhile, the younger of the two brothers was succeeded by his son, Henry Percival Berry. In turn, the cousins were succeeded by Francis Lawrence Berry (of the senior branch) and yet another Henry Berry (of the junior).¹³ One family historian has written of how 'the story of their achievements raised the prosperity and renown of No. 3 to a height that the business had not previously attained.'¹⁴ Perhaps more importantly the Berrys had overcome the infamous "Buddenbrooks effect" (named for Thomas Mann's acclaimed novel from 1901) that describes how family businesses go from 'clogs to clogs' in three generations.¹⁵ Innovation, as much as luck, made all the difference for the Berrys.

Under the watchful eyes of Francis and Henry, the transition to becoming exclusive merchants of wines and spirits was slow. The firm's archives record that the sale of their remaining stocks of groceries did not take place until 1896.¹⁶ It was a rather hesitant step, therefore, taken largely due to a combination of pragmatism and talent. In testament to their pragmatism, the family painstakingly developed relationships with the elites of the period, providing wine to Napoleon, King George III, and the Duke of Sussex, and (at least with the benefit of hindsight) it seems only natural that this would become their principal means of income. As for the question of talent, Henry Berry consolidated his own reputation as a master of fine spirits when, in 1903, he created a specialty brandy and ginger cordial for King Edward VII. Berry meant it to ward off the chills suffered by the monarch on long winter car rides and it is still sold in No. 3 as 'The

King's Ginger Liqueur'. It remains a popular choice in Britain's cold winter months, though marketed more towards those fond of winter sports than those suffering from a lack of heating in their vehicles.¹⁷

Henry was eventually succeeded by Charles Walter Berry, a true wine aficionado. It was under his reign that the shop was granted its first Royal Warrant in 1903 (though it had been providing wine to the crown for some time). His expertise in wine's purchase and sale would consolidate No. 3's reputation – though he would have struggled to make such a mark earlier than this, in the days of Port's dominance.

The Patriot Port

Reliant on a business model based on their ability to establish themselves as the mark of quality, the Berrys may have struggled to find a foothold in the spirits market before 1860. The market then belonged to Port and to its British shippers. For political reasons, Port was protected by tariffs, and thus became the drink of the day. Due to French enmity and Portuguese alliance, it was lauded as 'the Englishman's wine', its presence at the dinner table a symbolic shot across the French bow. Jonathan Swift wrote that any true British patriot would "bravely despise champagne at court, and choose to dine at home with port."¹⁸ Light wine's treasonous reputation was so pervasive that the only way the 1707 French vintage could be sold in England was if merchants advertised them as the spoils of war, looted from defeated French ships. This was rarely the truth, though it does show that a demand for lighter wines still existed.¹⁹

Port presented certain challenges, not least due to the poor standing of merchants. Wine merchants were described as the "most rotten set in London" by a member of the port trade: "no branch of trade is prone to the practice of more chicanery and fraud than that of wine dealing", they insisted.²⁰ Port held a deserved reputation for fraudulence and toxicity, and all but the most established blends might contain dangerous ingredients. Furthermore – due in large part to the importance of letting Port mature – its quality was extremely hard to discern for all but the most informed of experts, merchants included.

Sellers of port had little choice but to emphasise its shippers' names (for example, the then-famous Sandeman blend) as the mark of quality. This presented a problem for upscale merchants: those that preferred Sandeman's blend might purchase it wherever it could be found, leaving the Port consumer far less reliant on the reputation of merchants than purchasers of fine wines. In a supply chain that subordinated the merchant and prioritised the shipper, it would have been difficult for No. 3's particular brand – always asserting their own authenticity and prestige – to flourish.

The Rise of Fine Wine

In 1860, the situation changed. Britain's new peace with France – and the Cobden-Chevalier Treaty – led Chancellor of the Exchequer (and MP for Oxford University) William Gladstone to cut the duties on light wines (predominately French in origin) from a maximum of five shillings and ten pence to one shilling per gallon. Port's heyday – and the heyday of its shippers – was at an end: by 1870, English consumption of light wines had tripled, though this was its peak. *Ridley's Wine and Spirit Trade Circular*, the leading wine trade journal, wrote that Gladstone converted 'all grades of the middle class' to wine.²¹ Fortified Port became the commoner's drink, and fine wines (particularly those from Bordeaux) dominated the middle- and upper-class dining table. As the wine journalist Cyrus Redding put it: "Claret for a bishop, port for a rector".²²

Broadly, the working- and middle-class wine trade was dominated by the firm of W. & A. Gilbey. However, Gilbey's focused on general provision not for the elite. In contrast, No. 3 was able to capture the upper- and aspirational middle-class market around central London. The Berrys drift into the wine trade was slow and measured, driven largely by their expertise and the changing fashions.

The wine supply chain operated very differently to that of Port. Where Port emphasised the shipper, conscientious wine consumers relied on the reputation of English merchants. Indeed, during the 19th century, the vineyard's own reputation was less important than that of the seller: in 1884, the fine standing of the Lafite vineyard was ruined when their 1884 vintage went mouldy after only two years in a bottle.²³

Berry Brothers & Co. (Rudd's involvement still lay far in the future) excelled: their status and standing provided security for a commodity that was, in many ways, prone to extraordinary uncertainty. Not only is wine expensive and easily forged, its quality is often very difficult to discern for any but the most informed consumer. Forgery was not only a financial issue: those merchants more endowed with creativity than moral scruples were known to mix their wines not in Bordeaux but in London's East End, and the ingredients included were often dangerous – a savvy consumer might detect hints of sulphuric acid

alongside the more expected earthy tones. To purchase from a disreputable merchant might not only endanger one's social standing, but also one's eyesight. Still, official measures of quality were being established: in 1855, Napoleon III introduced a classification system defining the First Growth Wines of Bordeaux, a profitable product for those merchants that could align themselves with the Bordeaux vineyards.²⁴

Though largely resistant to technological developments, wine experienced a certain degree of modernisation in the Nineteenth Century. In 1860, it began to be sold by the bottle. In the 1870s, twin disasters struck: an attack of mildew tainted Bordeaux's wine stock, and the Phylloxera bug decimated French grapes. Solutions were at hand: winemakers blended slaked lime and copper sulphate to eliminate mildew, used sulphur as a disinfectant, and introduced egg whites to their wines as a natural fining agent. These threats heightened consumer awareness of the potential dangers of making cheap purchases: the market advantage belonged to those agents with a history of responsible business practices.

It was a market dynamic that allowed No. 3 to flourish. A study of the firm's price list reveals that the partners had established a policy of stocking mainly traditional wines of the Englishman's table – Sherries, Madeiras, Ports, brandies and liqueurs, and wines from the classic regions of France and Germany – all products in which they had a high degree of confidence. In 1914, Hugh Rudd joined the firm: Rudd was a wine expert from Norwich, a then-prominent wine region, as well as being a true connoisseur of German wines.²⁵ He first proved himself advising the firm on the purchase of the (apparently outstanding) 1921 vintage – a venture that proved particularly profitable.

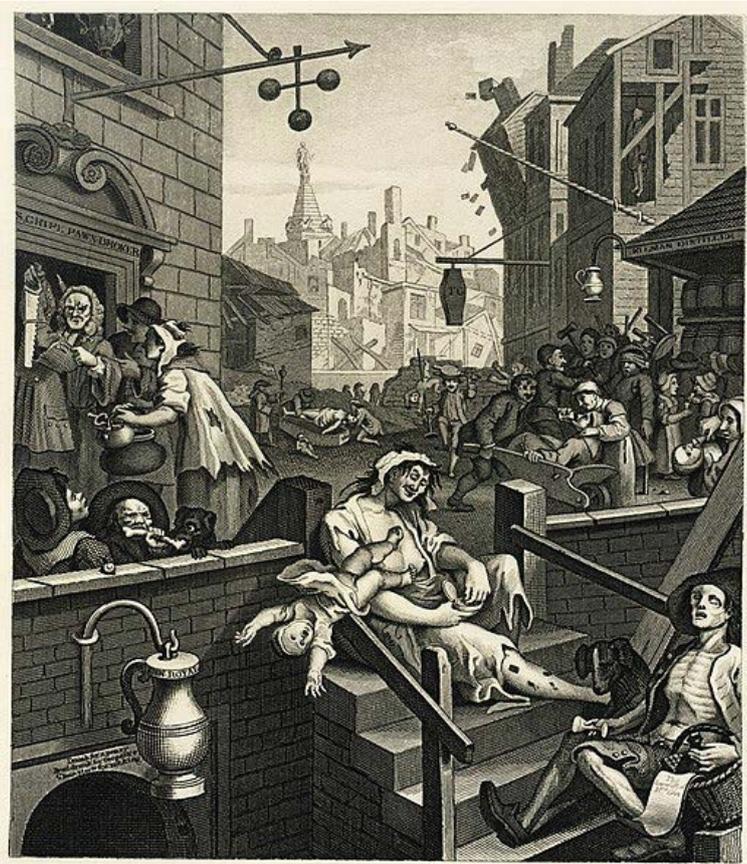
Charles Walter Berry made some particularly impressive purchases that helped to cement the family's reputation as masters of wine: suspecting it a particularly excellent vintage, he purchased an enormous amount of 1928 claret. It was a sound investment. So was his acquisition of the entire 1933 crop of Chateaux Beychevelle (84,000 bottles, at one shilling and ninepence a bottle). Hugh Rudd began to earn his keep in earnest when he helped locate a mortgaged consignment of over 100 hogsheads of Grande Champagne cognac – all of the 1848, 1865 and 1875 vintages, they became legendary brandies. One spectator claimed that they were “a revelation to all who had the luck to taste them”.²⁶

Walter Berry's purchasing excursion to France became famous: he wrote and published an account of the trip in 1935, called *In Search of Wine*. As one historian wrote, ‘his flair for buying wine, and the travels of Francis in overseas markets, did more than even the firm's fine reputation to build up the business.’²⁷ Promoting the story behind the bottle was a shrewd branding move. Consumers were privy to the story behind the wine's purchase and could rest assured that they were buying more than just a wine: they were purchasing a whole narrative, one expertly-packaged for delivery over the dinner table – and perhaps just a little of Berry's own expertise. After all, the family were enthusiasts as much as they were businessmen: in all the discussion of brand, reputation and association it is important not to lose sight of the genuine affinity with wine and spirits that kept No. 3 competitive.

Niches and Competitors

It was wise of No. 3 to focus on the carriage trade. At the time, the wine industry was utterly dominated by a company named W. & A. Gilbey, popularly known as Gilbey's. As mentioned, a grape rush of hopeful wine merchants flooded the market after Gladstone's 1860 wine reforms: few survived. Gilbey's was founded in 1857, and by 1865 was known as the ‘Leviathan’. As one member of the wine trade put it, “competition is useless.”²⁸ Their business model was entirely unlike that practiced in No. 3: where the Berry family relied on their reputation in high society, Gilbey's embraced advertising, placing 74 advertisements in papers in March 1857 alone.²⁹ They also moved to establish total control over their supply chain, purchasing shippers, vineyards and wine shops alike, while No. 3 preferred to purchase only the finest products from links in the chain in which they operated. Where the Berry family preferred to cultivate relationships with the upper- and middle-classes (the former preferred), Gilbey's sought the working- and middle-class trade almost exclusively. Specific advertising materials were sent to working-class consumers who bought by the bottle, as opposed to middle-classes who – Gilbey's hoped – would purchase by the case. Gilbey's was particularly unlike No. 3 in its happiness setting up shops in London's less-affluent East End.

Gilbey's market domination was well-established thirty years before No. 3 became exclusive merchants of wine and spirits, and it is very likely that the family was keenly aware of their activities. Positioning themselves in contrast to Gilbey's, the Berry brothers focused on prestigious customers and the sale of low volume, high margin wines, leaving the leviathan of Gilbey's to dominate the wider market.



William Hogarth, Gin Alley (1751)

modernisation in the wine trade, particularly the focus on brands that began to dominate the wine industry towards the end of the Nineteenth Century. In a letter to *Ridley's* (the wine trade magazine) Corney & Barrow lamented that the rise of brands risked reducing the wine merchant to 'almost the level of the Penny-in-the-Slot Machine which performs its functions without intelligence or volition.'

Justerini & Brooks, Berry Bros. & Rudd, and Gilbey's all diversified into spirits in the late-Nineteenth and early-Twentieth Century. Yet it is worth noting their different strategies: Justerini & Brooks produced J&B, a middle- to upper-class whiskey – similar in brand cache to Cutty Sark, the Scotch blend created by the Berrys. Gilbey's, however, developed Gilbey's London Dry Gin in 1872. Gin had a far worse reputation than whiskey: it was considered the drink of the lowest of the lower classes, and had long been the source of public hysteria in England. William Hogarth's 1751 painting 'Gin Lane', depicting the carnage wrought by the spirit, perfectly captures the public hostility towards gin. But Gilbey's was happy to follow its customer base into less-respectable spirits, selling cheap gin and fortified wines in London's poverty-stricken East End. Conversely, Berry Bros. & Rudd chose to sell only products that would not diminish their social standing by association.

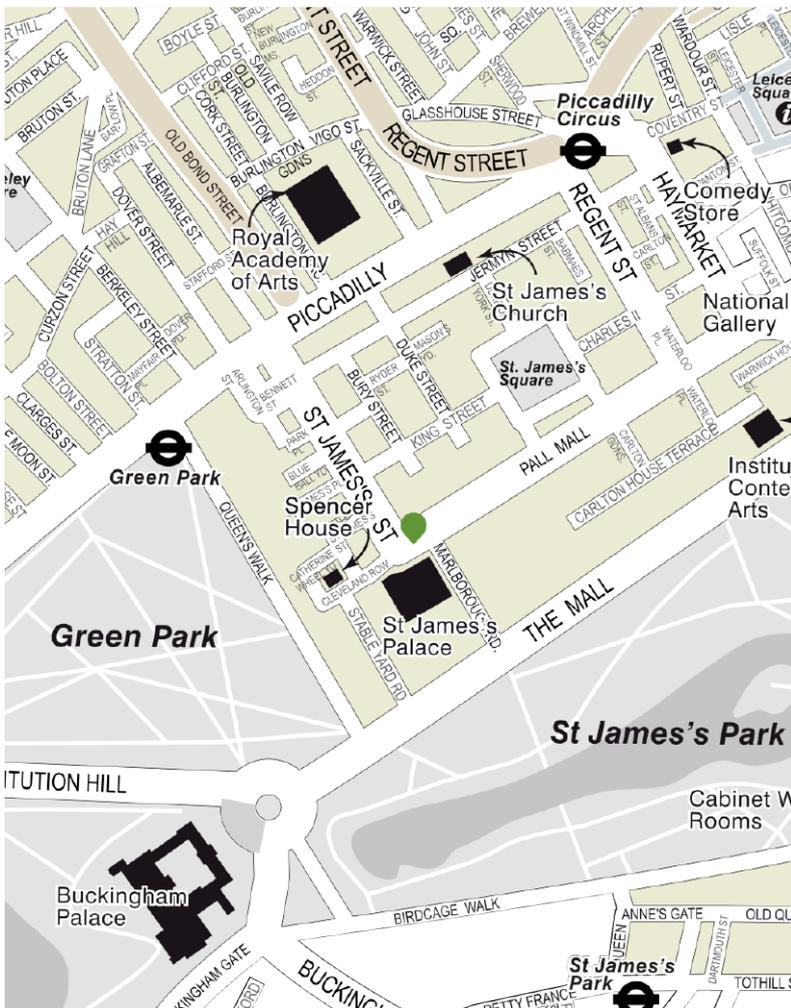
Location, Location, Location

It was not only royalty and aristocracy that liked to shop along St. James's Street. By virtue of its association with high society, the neighbourhood became fashionable amongst the aspirational middle-class – a demographic undergoing unprecedented expansion in the Eighteenth and Nineteenth centuries as a result of the Industrial Revolution. Maxine Berg, in her study of the development of the English middle class argues that across the second half of the Eighteenth Century, the bourgeoisie grew from 15 percent to 25 percent of the population. Then, as now, the middle class was particularly well-represented in London.³⁰

It was these new consumers – and their freshly-filled pockets – that provided Berry Bros. with the bulk of their sales. The Berrys were experts at aspirational marketing, a technique similar to that used by the legendary potter and businessman Josiah Wedgwood, who built his own empire by providing fine china at low prices to the nobility (including Catherine the Great, Empress of Russia). Once this relationship was established, he was able to sell the same pieces at far-higher prices to the growing middle class intent on emulating the lifestyle of the nobility. Wedgwood chronicled his own success, writing with satisfaction that "the Great People have had their vases in their palaces long enough for them to be seen and admired

Mass-marketers aside, there have been two major historical competitors to No. 3 in the carriage trade: Justerini & Brooks, and Corney & Barrow, founded in 1749 and 1780 respectively. Justerini & Brooks are housed (likely not by coincidence) just down St. James's Street. Tasked with the provision of wine to the coronation of King George III, Justerini & Brooks enjoy a similar prestige in terms of location and clientele, but have raised their firm's reputation in a slightly different way to Berry Bros. & Rudd. Justerini & Brooks focused on forming alliances with – and securing exclusive distribution rights for – the First Growth Chateaux and vineyards in the Champagne region of France, where the Berrys have always preferred to roam as a free agent.

In particular, Corney & Barrow have focused – with substantial success – on being a general wine merchant. Purchased by the Stevens family in 1920, they remain a family business – though run by a different family entirely. They have also long emphasised quality: they resisted



No. 3 marked in green

by the Middling Class of people, which [are] infinitely superior in number.”³¹ Wedgwood’s marketing technique is comparable to Henry Berry’s decision to mass-market the ‘King’s Ginger Liqueur’, after initially manufacturing it especially for Edward VII.

The aspirational marketing practiced at Berry Bros. has long been reinforced by its aspirational location. The advantages of operating opposite the Royal residence were enormous: George III’s sons were frequent visitors to the shop, and the sight of the young Dukes sauntering in and out to be weighed was likely quite a spectacle for the up-and-comers that liked to frequent the neighbourhood. One, the Duke of Sussex, is gently implied in the historical record to have had an ‘amorous interest’ at No. 3: on one occasion the Duke bent the rules to keep the famous (but technically illegal) weighing scales from being confiscated, demanding to know “who dares say that my old friend Berry is guilty of fraud?”³² To shop alongside Royalty was an obvious badge of honour for the ambitious and upwardly-mobile whether in the nineteenth century or the twentieth.

It would take less than fifteen minutes to walk from No. 3 to Downing Street, to the Royal residence, to embassies and to clubs – including the Oxford and Cambridge Club, just around the corner. Upscale clients likely attended the shop due to convenience, as much as reputation – though Berg notes that, for the provincial middle classes, travelling to shop in central London was a British rite of passage.

It is no coincidence that other businesses of similar age and stature survive along Pall Mall and St. James’s Street. Just down the street one can still find Lock & Co. Hatters, founded in 1676 and just across the park lies the private bank Hoare & Co., founded in 1672. Both remain family businesses to this day. Josiah Wedgwood’s aspirational showroom was also just a short walk away in Soho. These businesses had no shortage of mutual customers with No. 3; they would likely walk from one to the next on a regular day of shopping or hop in and out of their carriages along the way.

This may be what Simon Berry means when he speaks about luck as the driver of the firm – had the neighbourhood not flourished, the business might have withered. Still, other fashionable firms along the same street perished far younger: at No. 62 St. James’s Street there was Betty’s Fruit Shop, where – according to a contemporary ditty – “the royal eye shall meet / Each varied beauty of St. James’s Street.”³³ But No. 62 is now home to Edmiston, brokers of luxury yachts. Perhaps Betty would also have been better off modernising, even expanding into the wine business since No. 61 still houses Berry Bros. & Rudd’s long-standing competitor, Justerini & Brooks.

British Business and American Spirit(s)

Early success demanded subsequent expansion since, after all, No. 3 would not have the global reputation that it does had it continued to serve only Central London. In the Twentieth Century, to be a dominant in the wine business required breaking into the American market – not least because Gladstone’s light wine revolution had come full-circle. By 1914, wine consumption in England had dropped back to pre-1860 levels.³⁴ Wine merchants were experiencing the bust that follows so many booms – especially within the

tragic context of the First World War. Though No. 3 was insulated by the deep pockets of its Old World clientele, the Berrys recognised the strategic need to diversify.

Ever-ready to take advantage of history's whims, the Berry family capitalised on the Prohibition of alcohol in the United States. In 1921, one year into American Prohibition, Francis Berry visited Nassau, in the Bahamas. Nassau was an important stop along any self-respecting smuggler's route, and one where Berry Bros. products had become particularly (perhaps even suspiciously) popular. The firm erred on the side of caution – leery of getting too personally involved with whiskey-running, they elected to sell their products (no questions asked) to various agents in Nassau. That said, the Berrys saw the opportunity to begin selling whiskey to the American market: Berry and McBey (a Scottish artist) took both the name and the image of the Cutty Sark (a famous clipper ship that had recently returned, with great fanfare, to British shores), and – without owning distilleries – blended a whiskey intended for sale in the Americas.

In order to underpin their reputation in a new market, where their name was not yet made, they sent the blend across the Atlantic with a shipper renowned for dealing with high-quality spirits – a seafaring, bootlegging legend named Captain William McCoy. The American public was so impressed with the Cutty Sark whiskey that it became known as the 'Real McCoy', confirming McCoy's reputation – and by association, that of the Berry brothers. In 1936, after Prohibition's repeal, 80,000 cases of Cutty Sark were exported; by the 1960s, it was America's most popular whiskey.³⁵ The great success of the Cutty Sark venture was the proof of No. 3's ability to refashion their reputation in a different national market oblivious to their royal associations.

The reliable profit margin afforded by whiskey exports allowed the Berrys to take bold risks within their wine business – many of which have since paid off handsomely. For all their expertise in Bordeaux's vineyards, their home blend was Berry Bros. & Rudd's most profitable bottle and in 2010, Berry Bros. & Rudd sold the Cutty Sark brand to the Edrington Group (the owners of Famous Grouse) for £37 million.³⁶ Berry Bros. & Rudd will still sell discerning customers whisky, cognac, and even gin ('No. 3 London Dry Gin') but the firm's focus remains at the high end of retailing, broking, and storage for elite customers.

The Family as Trademark

In 1943, for legal and financial reasons, Berry Brothers & Co. became a limited liability company. The Berry brothers took this opportunity to bring Hugh Rudd into the fold proper and Berry Bros. & Rudd was officially born. At the same time, the partners began the practice of bringing in directors from outside the families on the facade – starting with Leonard Rowell, a man who 'remembered everyone and everything.'³⁷ Berry Bros. & Rudd may present itself as a wine business conducted by two families, but the truth is far more complex since it has left in its wake a history of six families, countless outside experts and a litany of abandoned business ventures.

The firm has been clever in its use of its own past: it retains the old weighing scales, the original sign of the Coffee Mill, the cellars in which Prince Louis Napoleon held his clandestine meetings, and a storefront that would be recognisable even to John Clarke (though the names adorning the window have changed more than once). Their family relationships have also survived since unlike many tradespeople with Royal Warrants – many of whom wear it as an emblem, despite not having done business with the Royal Family for decades – No. 3 still hosts royalty. In 2015, Queen Elizabeth II held her 89th birthday celebration, complete with her grandchildren, in the same cellar that once hid Napoleon.³⁸ This preservation and continuation of history, from the premodern up to the present day, is at the core of the firm's brand: they are Berry Bros. & Rudd, wine merchants of old. Of course, the truth is more complex, and rather more impressive: not simply wine merchants, the partners boast a history of innovation, evolution and adaptation that has kept them in business (in one form or another) for 320 years.

Of course, there is more to being a family business than simply having a particular brand. Simon Berry has long insisted that being a family business is a functional advantage that has helped to "keep us in tune with the wine trade", pointing out that a key element of the business is that "it's all about the long-term view".³⁹ Not having to file quarterly reviews or answer to shareholders' meetings has allowed the controlling families to make their own decisions and take their own risks with long-term benefits in mind. Berry Bros. & Rudd is not beholden to short-term demands. That said, family business is often risky business since, as the old adage goes, the first generation builds a business, the second runs it, and the third ruins it. Berry Bros. & Rudd has, thus far, avoided that fate. Simon Berry continues to insist that this is luck, though he does compromise: "there's also the luck", he admits, "of making sure the best people in

the two families join the firm, while the worst are kept as far away as possible!”⁴⁰ As seen through their history, it has also involved inviting new families to join the firm, while letting other family members drift away to form their own ventures.

Others have speculated that Berry’s rather specious narrative of luck is, in fact, just another example of shrewd branding. One interviewer, after recounting Berry’s well-trod tale of fortuitous serendipity at the heart of the 300-year-old brand, comes to the conclusion that even Berry cannot possibly believe it. Surely the purpose of this story cannot be to show that there is nothing special about Berry Bros. & Rudd at all, besides its luck? Instead, upon reflection, he decides that there is a reason behind the simplistic – if attractive – narrative: “Simon is a born storyteller.”⁴¹



Berry Bros. & Rudd Storefront

Endnotes

- ¹ ‘Our History: The History of Berry Bros. & Rudd’ – Berry Brothers & Rudd website, <https://www.bbr.com/about/history>
- ² The Dark Angel Collective, *Established: Lessons from the World’s Oldest Companies*, p. 103
- ³ The Dark Angel Collective, p. 103
- ⁴ Tom Johnson, *The Story of Berry Bros. & Rudd, Wine and Spirit Merchants*, p. 9
- ⁵ Johnson, p. 4.
- ⁶ Johnson, p. 9.
- ⁷ ‘Our History’, Berry Brothers & Rudd website.
- ⁸ H. Warner Allen, *Number Three St. James’s Street*, p. 137-38.
- ⁹ Allen, p. 127.
- ¹⁰ Allen, p. 176.
- ¹¹ Allen, p. 177.
- ¹² ‘Our History’, Berry Brothers & Rudd website.
- ¹³ Johnson, p. 12.
- ¹⁴ Allen, p. 128.
- ¹⁵ Tom Nicholas, ‘Clogs to Clogs in Three Generations? Explaining Entrepreneurial Performance in Britain since 1850’, *Journal of Economic History*, Vol. 59, No. 3 (September 1999).
- ¹⁶ Johnson, p. 13.
- ¹⁷ Johnson, p. 13.
- ¹⁸ Jonathan Swift, ‘On the Irish Club’ in *The Poems of Jonathan Swift*, Vol. 2, p. 486.
- ¹⁹ Graham Harding, ‘Competition is useless: how Gilbey’s retail and marketing innovation dominated the British wine and spirits market, 1857-1922’ in *History of Retailing and Consumption*, Vol. 2 (2016), p. 52.
- ²⁰ Letter from T.H. Hunt, Maisonette, to Hunt & Co, Oporto, 25 October 1815. Archive of Hunt, Newman, Roope, Vila Nova de Gaia, Portugal.

- ²¹ Harding, p. 48.
- ²² 'Hedonism and Claret', *The Economist*, (17 December 2009).
- ²³ 'Hedonism and Claret'.
- ²⁴ Levi Gadye, 'How the Great French Wine Blight Changed Grapes Forever' *Daily Explainer*, (17 March 2015).
- ²⁵ Johnson, p. 18
- ²⁶ Johnson, p. 17.
- ²⁷ Johnson, p. 17.
- ²⁸ Harding, p. 1.
- ²⁹ Harding, p. 50.
- ³⁰ Maxine Berg, *Luxury & Consumption in Eighteenth-Century Britain*, p. 208
- ³¹ Nancy F. Koehn, 'Josiah Wedgwood and the First Industrial Revolution', in Thomas K. McCraw, ed., *Creating Modern Capitalism* (Cambridge, 1997), p. 41.
- ³² Johnson, p. 11.
- ³³ Allen, p. 127.
- ³⁴ Harding, p. 47.
- ³⁵ Johnson, p. 18-20.
- ³⁶ 'Berry Bros. & Rudd Sell Cutty Sark', *Harper's Magazine* (5 February 2010)
- ³⁷ Johnson, p. 26
- ³⁸ Simon Wright, 'Kate Middleton and Prince William celebrated Queen's 89th Birthday with Monarch in Wine Bar', *The Mirror*, 14 June, 2015.
- ³⁹ Interview with Simon Berry, Berry Bros. & Rudd Chairman, published on Berry Bros. & Rudd YouTube Channel, available at <https://www.youtube.com/watch?v=tzmiYyp2lsw>
- ⁴⁰ The Dark Angel Collective, p. 115.
- ⁴¹ The Dark Angel Collective, p. 115.