

# Vino Venture

Young alumnus  
launches successful  
business from  
two-minute  
elevator ride

By Annie Rhoades



Traveling abroad is a diversion for many, a job component for some and strictly educational for others. For alumnus Matt Hedges (MBA 04), president and co-founder of *Vino del Sol*, a wine importer and distributor, a trip abroad not only changed his life but the entire landscape of the Argentine wine industry.

A native of Corinth, Hedges excelled in school. The valedictorian of his class and a National Merit Scholarship finalist, he graduated from Corinth High School in 1998 and set his sights on Vanderbilt University.

During his time at Vanderbilt in 2001, Hedges decided to study abroad for a semester in Argentina. After briefly visiting the country the year prior, he knew this was the place he wanted to be to broaden his horizons and truly learn the language and culture.

“I was trying to learn Spanish, so I wanted to go somewhere that spoke the language,” Hedges says. “One of my best friends from college was over there studying as well, so it seemed like the perfect fit.”

As it turns out, Hedges made the right choice.

While residing in Buenos Aires, he quickly learned how far the peso could stretch to accommodate his budget.

“At that time in Argentina, the peso was pegged to the U.S. dollar,” Hedges says. “I was on a student budget, and things were very expensive, but the one thing that was relatively inexpensive was wine. I could get a bottle of wine for the price of a can of beer. And I really began to enjoy the taste.”

While Hedges was developing an affinity for Argentine wine, the industry itself was revolutionizing as the economy was



Photo by Derek Myers

Matt Hedges

changing. The Argentine wine industry was the world's fifth largest wine producer, and given the high per capita consumption of wine in Argentina, there had never been any real reason to export the wine, until Hedges arrived on the scene.

"The economy had been somewhat closed for imports/exports, so it was never really feasible," Hedges says. "But around this time, a couple of things happened. The domestic consumption of wine dropped dramatically, so the vineyards needed to start exporting, and they were bringing in world-class technology and wine consultants to start making world-class wine."

Adding to the list of favorable conditions, Argentine wine was in scarce supply in the United States.

"It just seemed like a great opportunity to start a business," Hedges says. "I felt that Argentine wine would become a huge hit in the U.S., and it has."

Thane Prichard, vice president of sales, says VINO del Sol was in an enviable position to succeed from the beginning.

"We were one of the first groups to approach Argentine wineries about exporting to the U.S. market," Prichard says. "We chose from over 300 different wineries to bring wine into the U.S."

Not only did the Argentine economy and wine industry create a favorable environment for exporting to the United States, but also the main grape used to make Argentine wine, the malbec grape, was well-suited for the American palate.

"It's very concentrated and fruity, but it's also very smooth," Hedges says. "It's got the power of a cabernet but the smoothness of a merlot, which makes it perfect for the U.S. market."

While Hedges was busy putting all of the pieces together for his new venture, his life took yet another unexpected turn — he met the love of his life, his wife, Claudia.





*Vino del Sol staff*

The couple first met briefly during his initial visit to the country in 2000. When he returned in 2001 for his study abroad semester stay, the two reunited and were married in 2003.

“I, of course, fell in love with my now wife, Claudia, and at the same time fell in love with Argentine wine,” Hedges says. “I had a then girlfriend in Argentina, and I really wanted to do something where I could tie both countries together.”

After receiving a Bachelor of Science degree in philosophy and economics in 2002, Hedges promptly enrolled in the University of Mississippi’s School of Business Administration to pursue a master’s degree.

The decision to attend Ole Miss to further his education was an obvious choice.

“I had an affinity for Ole Miss growing up,” Hedges says. “I always loved the school, my parents and younger sister are Ole Miss grads, and I knew it was a great business school.”

Unlike many students entering their undergraduate and graduate studies, Hedges

knew exactly what he wanted to do once he completed the program.

Armed with this knowledge, he was able to use the business school as a powerful resource and ally.

“Ole Miss could not have been more supportive of me,” Hedges says. “I was able to shape my MBA classes around this idea of importing Argentine wine.”

The next step in making his dream a reality was developing a solid business plan that would garner potential investors. Little did he know his plan would quickly be placed on a prestigious international stage, courtesy of the Wake Forest Elevator Competition held annually in Winston-Salem, N.C.

“Ole Miss sponsored [me] and a team to complete a business plan and compete in the competition, which is judged by venture capitalists,” Hedges says. “With it being an international business competition, there were business schools representing all parts of the world.”

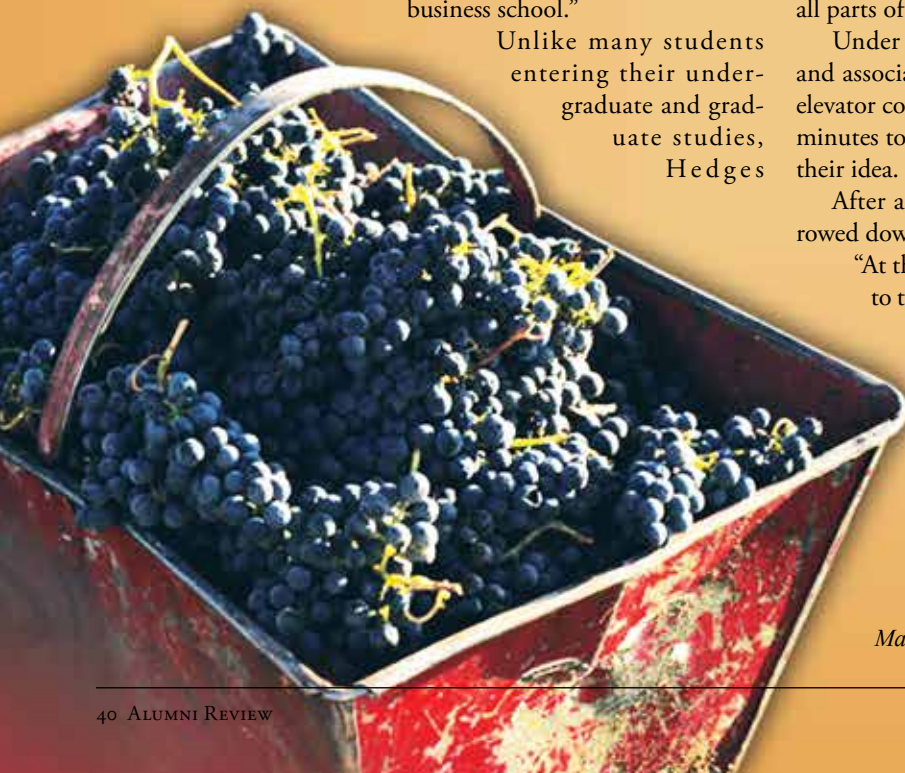
Under the guidance of Del Hawley, senior associate dean and associate professor of finance at Ole Miss, Hedges and his elevator competition partner, Andrew Jones (MBA 03), had two minutes to ride up an elevator with venture capitalists and pitch their idea.

After advancing past the first round, the competition narrowed down to six teams.

“At that point we gave a full 20- or 30-minute presentation to the full group of venture capitalists to really go through our idea of importing Argentine wine,” Hedges says.

The duo ultimately took home top honors at the competition and quickly began attracting potential investors.

“Once we won the competition, we felt we would be able to get venture capital, but a great friend and adviser, Lawrence Farrington (BBA 58), (an independent oil and gas businessman), said,



*Manos Negras Winery: Argentina & Chile, © Manos Negras*



*Wild South Winery in Marlborough, South Island, New Zealand*

‘Why would you give up so much of your company to some venture capitalists you don’t know? Why don’t you raise the money with friends within the Ole Miss system?’”

And that’s precisely how Hedges garnered the funds to start Vino del Sol. He loved the idea of keeping everything in the Ole Miss family and was able to attain around 20 angel investors, most of whom had Ole Miss connections.

“Lawrence and I were so intrigued with the idea,” says Jan Farrington (BAEd 65), executive director of Medical Support and Development Organization Inc. “Not only did we like the idea, but we liked him. We could tell that he had the drive, intelligence and know-how to make this business go. It’s been such a pleasure to watch him grow and succeed. He really is one of the business school’s true success stories and a great example of what we are producing at Ole Miss.”

Hedges’ next step was assembling a team of experts to complete the venture, which included Alejandro Darago, co-founder and agente de representación, Mendoza; and Thane Prichard, vice president of sales.

“In 2003, between my first and second year of the MBA program, my wife and I got married in Argentina and lived in Buenos Aires that summer,” says Hedges. “While there, I was trying to meet people in the wine industry, but I soon realized that a lot of the people and wineries I was meeting with weren’t perhaps the most trustworthy. I knew I needed an industry insider.”

Hedges found the right man for the job in sommelier Darago while having dinner at the tony Alvear Palace Hotel.

“Alejandro and I really hit it off and became great friends,” Hedges says. “He liked the idea of the company from the beginning. At the time he was the top sommelier in the country. He not only had the palate to know good wines but also knew people we could work with and trust because, for years, all of the Argentine wineries had been trying to get their wines into his restaurant and hotel.”

With a sommelier and local connections in place, the other major component missing was sales experience.

“I had no idea how to sell wine,” Hedges says. “We found Thane,

who had 20 years’ experience selling wine at the national level. He really knew how to start the company from the sales side of it.”

Vino del Sol has grown immensely since its formation in 2004, boasting sales of about three million bottles each year and 14 employees located throughout the U.S. and Argentina. The company’s imported wines are now available in 48 states, and distribution has increased so much that Vino del Sol bought out its distributor and took over national import distribution directly.

The company’s success has been the result of hard work and collaboration.

“Matt is a very sharp guy who has really good intuition about wine and about the wine business,” Prichard says. “We get along really well together as partners.”

Hedges resides in Fort Worth, Texas, with his wife and two children but still manages to spend a lot of time in Argentina.

“We kept a small apartment in Buenos Aires,” says Hedges. “I probably spend two to three months out of the year there due to winery visits, client trips and family vacations.”

Through it all, Hedges says he could not have accomplished any of this without the love and support of family, friends, colleagues and the Ole Miss family.

“My parents have always been a huge support,” Hedges says. “But I can’t stress enough how much the support of the business school, professors and people like the Farringtons have meant to me. I couldn’t have done it without Ole Miss’ support.”

A member of the Business Administration Order and recipient of the Farrington Distinguished Entrepreneur Award, Hedges has shown his appreciation to his alma mater by donating Vino del Sol stock to the university that has given him so much.

While Hedges’ immediate plans are to remain in Texas due to its central location, the possibilities for the company are limitless.

“We just want to keep growing, bring in great wines and become the trusted source for the top wine buyers across the country,” Hedges says. “I had no idea I would end up doing this. Marrying an Argentine and liking Argentine wine were never part of the plan.” *R*