

Firm builds wine storage unit



DIANNA WATTERS THE BUSINESS JOURNAL

Co-owner Jack Hinnenthal and Warren Eck said wine storage equipment represents a small but fast-growing part of their firm.

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EDITORIAL INTERN

For four decades, Harkraft Inc. has installed cus-tom storage closets for people to squeeze more groceries into their pantries or stash other items. Now the company is expanding in a new direction: custom-made wine storage.

The Golden Valley-based company acquired its wine storage division from another business last year, and said it has seen rising demand for wine racks and cellars.

A wine storage system can range from a simple \$3,000 wall rack, to a \$15,000 climate-controlled room for keeping expensive and vulnerable vin-tages.

"We hit the ground running as soon as we started," said Warren Eck, co-owner of Harkraft Inc. with Jack Hinnenthal. "We put a few [storage systems] in the [dream-house showcase] Parade of Homes because we do a lot of work with those builders and it just took off. We've been doing a couple a month since then."

Founded in 1961, Harkraft reports it generates \$5 million in annual sales. The firm employs 25, but today only one person is assigned to wine cellar construction.

Harkraft still makes most of its money from custom storage closets, as well as shower doors and

Harkraft expects demand to grow for racks and cellars

mirrors. But the firm said its new venture shows great promise. According to Eck, wine storage accounts for \$250,000 to \$500,000 in sales to date, and he estimated about 70 percent of the wine storage systems his company installed were in new homes.

"We have every intention of doing a million in wine cellars over the next three years," Eck said. "We're going to need to add installers and dedicate some real time to it."

Rob Hahn, publisher of St. Paul-based Midwest Wine Connection, said buying wine in bulk is becoming more popular and, in turn, so are custom wine racks and cellars.

"Most of these people who buy a case or two at a time, they're savvy enough wine drinkers that they know they don't want to just stick all the bottles in some hot, sunlit place on the shelf or on a small rack above the refrigerator," Hahn said. "They want to put it in a place that makes sense, and it's nicer to have a well-organized rack than just a couple cases stacked on one another."

Harkraft usually meets with the wine collectors in their home or the company's showroom and advises them on the right storage system.

Eck said demand for wine rack and cellar installation may be fueled in part by the recession, as people "nest" in their homes and put money into them.

"The housing market is the only thing that's remained strong through all this," Eck said. "It's the place where people are sheltering their money. Anything having to do with adding money to their homes, they feel like it's well spent."

"It's very rare anymore that a house over \$500,000 doesn't have an upgraded closet system and a wine system," he added.

In addition to the Parade of Homes, Harkraft participates in the Minnesota Food and Wine Experience and the Home and Garden Show. Eck said the wine cellar line's early success can be partly attributed to Harkraft's relationships with home builders.

Hahn said he thinks the number of people looking to store their wine in cellars and racks will continue to grow, particularly the demographic spanning from late 20s to early 40s: "They're coming into some disposable income and finding out that they enjoy wine and like to buy it. It becomes fun to buy a lot of it, especially when wine shops have sales. If you buy a case or two, you need a place to put it, presumably for at least a couple of days."