



HIP-HOP GIVETH AND HIP-HOP TAKETH AWAY.

Earlier this year, Frédéric Rouzaud, managing director of Louis Roederer Champagne, was asked by The Economist whether the hip-hop world's love of its flagship, Cristal, "could hurt the brand." "What can we do?" Rouzaud responded. "We can't forbid people from buying it. I'm sure Dom Pérignon or Krug would be delighted to have their business."

French diplomacy does it again. An indignant Jay-Z, the multiplatinum rapper and Def Jam Records president and CEO, promptly slammed the statement as racist and called for a boycott, triggering a rush of nasty PR for the gold-tone bottle he helped put on the map. No more endorsements in hit songs, no more gauzy close-ups in videos or on red carpets. The embrace that made Cristal the eighth most-mentioned brand in Billboard's Top 20 chart in 2005, according to American Brandstand, was summarily withdrawn.

Cristal will survive, of course. Demand still far outweighs supply, even if some of the slack has to be picked up in the less-than-glamorous Chinese and Russian markets. But within hip-hop—and the coveted young demo that follows its cues—what will take its place?

This is the question for Branson B., a Harlem talent manager and entrepreneur with local roots that are about as deep as they get. Branson doesn't rap, but he was once described as "hip-hop's version of the Dalai Lama." Now, with Cristal's implosion, he stands to become hip-hop's version of Frédéric Rouzaud. A self-taught oenophile, Branson has spent years developing his own high-quality champagne and has just begun rolling it out in select venues nationwide. It seems like the perfect entrepreneurial storm: He has name recognition in a champagne-fueled subculture and a brand new bubbly to bring to market—at precisely the moment when the dominant bottle has gone flat. But Branson's story is an object lesson in how hard it can be to build a brand even when you seem to be the right guy, in the right place, at the right time. By his own calculations, Branson has been paid tribute in more than 50 songs

over the years. Now he's hoping some of those old friends in the "hip-hop community" will show up to back one of their own. Hoping . . . and still waiting.

ALMOST FAMOUS

LONG, NEAT DREADLOCKS fall across Branson's broad shoulders as he sits beside a winding line of empty champagne bottles in his as-yet-nameless wine bar in Harlem, which is still under construction. Scattered among the empties are various promotional materials for rap artists and events. One glossy card plugs a DVD documentary on the notorious street thug 50 Cent, whose violent exploits inspired the chart-topping rapper who took his name. Branson narrates the project.

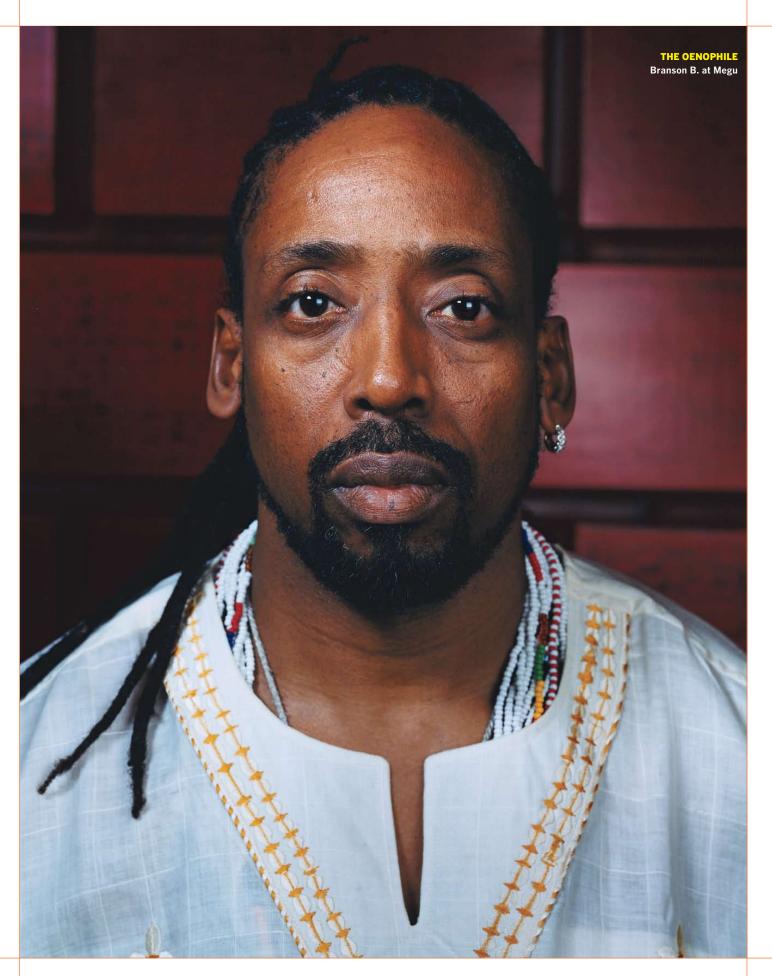
Branson's name, like Cristal's, is a hiphop staple: It has popped up in hit lyrics from stars such as the Notorious B.I.G., Sean "Puffy/Puff Daddy/P-Diddy/Diddy" Combs, Mase, Redman, and LL Cool J. It's "like he's a celebrity," says Jimmy Rosemond, CEO of Czar Entertainment and manager of rapper the Game, adding that out-of-town artists who come to New York covet an audience with Branson as a way of putting themselves on the map. Fab 5 Freddy, co-executive producer of VH1's Hip Hop Honors agrees: "When you go to the top of the food chain, he's a well-known guy."

In fact, Fab 5 Freddy and other industry insiders credit Branson with having triggered rap's champagne craze in the first place in the early to mid-nineties, when he'd show up at recording sessions or other events with a few bottles of his latest favorite in hand. But Branson's not your typical upturned-pinkie connoisseur. The lyrics about him tend to be of

the "smoke a little Branson inside the mansion" variety (he's quick to point out that "I don't control the lyrical content, I don't control the artist"). And his reputation in the neighborhood goes back decades, to its most storied hip-hop incubator, the Rooftop Roller Rink. He has since managed artists including major R&B star Christopher Williams and influential producer and Jodeci member, DeVante Swing. He had his own record label for a while and later worked on another with Andy Hilfiger (brother of Tommy). For more than 20 years, his candy store, the Sugar Bowl, was an uptown landmark.

Branson's love of champagne led him downtown, however, to Manhattan's finer wine shops; with their guidance, his fascination evolved into an obsession. "He was always exploring different champagnes," says J.R. Battipaglia, manager of Garnet Wines & Liquors in Manhattan, who has known Branson as a customer for more than 15 years. "He wasn't a label buyer." Branson says it took a good decade before it occurred to him to go into the business. He gravitated toward the rare but unsung "grower-producer" champagnes-those grown and bottled on one estate—and when he first expressed interest in importing some by the acclaimed Guy Charlemagne, Battipaglia was surprised but jumped to help. He put Branson in touch with Jeanne-Marie de Champs, who represents some of the top estates in Burgundy, as well as Guy Charlemagne. "He has a personality that we are maybe not used to in France," de Champschuckles, "butit's great." She agreed to broker an introduction overseas.

So, more than two years before the Cristal controversy even broke, Branson journeyed to the village of Le Mesnil-sur-



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Oger, in the Champagne region, for the nearly three-month-long process of selecting grapes for three cuvées. He sweated through the rules and regulations imposed on new businesses by the French government and the region's hyperzealous governing body. (The laws, de Champs notes, "are very strict. You cannot do what you want, how you want, or what kind of label you want.") He fought off a challenge to his trademark from another company who claimed Branson's name was too similar. He created his own sleek, understated logo for the label and secured a New York State broker's license to buy and sell alcohol.

After three and a half years and an investment he puts in the mid six figures, Branson had three bottles of his own: a blanc de blanc/brut reserve, a brut rosé, and a special 2000 vintage, now available as "Guy Charlemagne selected by Branson B." Retail cost: \$40, \$43, and \$65, respectively, or roughly a quarter the retail cost of a bottle of Cristal, which can run to \$800 or far more in some nightclubs).

BRAND FLASH

"THERE ARE TWO REALITIES in champagne," explains Roberto Rogness, general manager of Santa Monica's Wine Expo and a commentator on the industry for NPR and MSNBC. "It's almost exactly like the music industry. Over here is pop music and over here is the music you want to listen to." Powerhouses like LVMH Moët Hennessy Louis Vuitton, the world's largest producer of luxury goods, dominate the game with millions in marketing muscle, while the best small vineyards in Champagne remain all but invisible despite arguably superior—and definitely cheaper—prod-

ucts. "You have always been able to buy four bottles of better champagne than Cristal for the same money," Rogness says flatly.

In other words, the champagne hierarchy is no meritocracy, and the rest of the \$23 billion U.S. wine market is no different. Fab 5 Freddy and others point out that rappers are expanding into wine and liquor just as they moved into apparel following Russell Simmons's striking success with Phat Farm. Meanwhile, the rise of bottle service in large clubs has made them far more influential as distribution and promotion channels—making brand flash a critical component of sales.

Both trends—rappers' entry into the wine-and-spirits business and the use of clubs to promote brands—are being built into the entire product-development strategy. For example, David McCallen, CEO of Straight Up Brands Inc., a publicly traded company, is launching a sparkling wine called Wave with rapper Foxy Brown, as well as other beverages with Ja Rule and DJ Clue. According to McCallen, because Foxy is signed to Def Jam, Jay-Z has agreed to host Wave's launch this winter, "appear around the product with her," carry it in his 40/40 clubs, and include a promotional insert in her new CD. Now that's support.

The quality of the wine isn't the main point—it's all about placement and crossbranding. McCallen stresses that deals like Foxy's aren't endorsement deals. In that model, the artist "owns a piece of the brand" and shares in revenue as a creative partner (he puts the margins on wine products at around 35% to 40%, and up to 100% on spirits). "We give them signing bonuses, just like a record deal," he explains. "I want the artist to literally work [the name] into their songs, rap about it, have it in their

videos. It's all product placement." After Busta Rhymes released his hit, "Pass the Courvoisier," in 2001, that syrupy tipple saw a 30% sales increase.

"This is a fit for [rap artists] from a product point of view," McCallen adds. "I mean, they're shameless promoters. . . . So it's not a disconnect for them to rap about a liquor deal, a liquor product that they own. It's spot on."

THE SHEPHERD

AND THEN THERE'S BRANSON, with his studiously chosen grapes, his understated bottle, his legit French label and trademark. For Branson, the quality of the wine is the point. And as wine merchant Battipaglia knows all too well from the retail side, grower-producer champagnes like Branson's, outstanding as they may be, have struggled here. "Americans, I would say, are very label conscious," he says, adding that Branson is "really working hard to get exposure. I think he initially thought it would have been a little easier."

Up at his bar in Harlem, Branson gives voice to a classic business quandary: "I don't want to pigeonhole myself to the rap community and be like, 'Hey, this is a rap champagne,' "he says. "I'd like the support of the hip-hop audience, but I'd like the hip-hop audience to be educated and aware and conscious of what they're drinking." In other words, he's serious about this stuff. And that has always been his way. "When Puff and other people in hip-hop were young and just about to do it, they were very inspired by Branson and his tastes," says Fab 5 Freddy. "Branson is a very intelligent, very aware tastemaker. He's one of those shepherds."

Wouldn't you think, then, that a guy

with so much legend behind him would have the hip-hop community rallying, eager to put forward one of its own?

Branson mentions having sent some samples with a personal note in early 2006 to Jay-Z's 40/40 Club in Manhattan. He and Jay-Z aren't close but they know each other socially through a mutual friendship with the late Christopher Wallace, aka the Notorious B.I.G. Branson worked for Biggie as a consultant during portions of his multiplatinum career, which was cut short in 1997 in a still-unsolved homicide.

Though he's built like a linebacker, Branson comes across like a self-possessed yet world-weary professor. "I mean, I'm not going to lie. I'd love nothing more than for Jay-Z to stand up and take a position and say, 'Hey, I'm drinking Branson B. now.' That would be wonderful, and that would help sell the product." After Jay-Z cited Krug—hardly a brand known for its uptown cred—as an alternative to Cristal, it saw "a nice sales increase," acknowledges Emily Cohen, Krug's New York-based senior brand manager (she says she can't link the two events, but Rogness says he also noticed a spike—and does attribute it to Jay-Z's plug). Jay-Z declined repeated requests for comment about whether he would support Branson's new venture.

Combs, too, is nowhere in sight. Branson is tight with people who said they ran with Combs's late father, and Czar Entertainment's Rosemond says Branson's role in advising and building up Biggie was "definitely one of the components" of Combs's own ascent. ("So Branson, pass me a jar cuz these cats done went too far," he raps on one track.) For months, however, Branson has been hearing that Combs was considering launching his own champagne. "You know it's funny," Branson says, without laughing or smiling, "here I am trying to do something, and now he's trying to do it." He adds, "Puffy and I had a good relationship for a lot of years, and I used to share champagne with him, but I wouldn't. . . ." His voice trails off. "I know that I had some kind of impact in his life, but I don't know if he would admit it.

"You know what I've learned?" he adds. "Everybody remembers different things."

Fab 5 Freddy is sure Combs and Jay-Z will support Branson (Combs owns a number of popular restaurants as well). "Oh, absolutely. It's just a matter of time, if it hasn't happened already." He relays that Combs tried some of

Branson's label earlier this year and enjoyed it. Combs also repeatedly declined to say whether he intended to support Branson's Champagne—or compete with it.

Then, in early October, the rapper Nas was quoted in an interview with AllHipHop .com as saying, "I support a [Cristal] boycott if we put up something, our own champagne. There's tons of vineyards we could get into and buy. . . . There's tons of ways to get inside of that, so that we can have 'Diddy/Nas champagne' and put them out, and drink our own thing."

Maybe it's not about community, after

BUBBLE UP

DINING IN A SLICK Murray Hill lounge one mild fall evening, Branson seems more upbeat than he did at his wine-bar-in-progress. Honey lounge in New York has signed onto carry Branson B.. and the exclusive Cain clubs are thinking about it. Megu has added it to the wine lists at its tony Japanese restaurants in Trump Towers and Tribeca (Tribeca's list is a Wine Spectator award winner). Platinum-selling rapper the Game recently wrote Branson B. Champagne into the performance rider for his upcoming world tour. Momentum is coming Branson's way.

"I'm happy being creative," Branson remarks. "I'm happy doing things, making things happen, having ideas, and seeing them manifest." Asked about the days of dropping by while Biggie was in the studio, he recalls being present the night "Rap Phenomenon" was put down on wax. "We're sitting in there, we're listening to the track, and then he just spits my name as part of the lyrical flow. You know, everybody turns and looks at you, but at the same time, it's not about you. It's about how it fits, it works, and it all feels good.

"I didn't know he was going to do that," Branson adds, sounding humbled.

Only recently did Branson decide to track down all the songs that have included his name and document them. The sheer volume took him by surprise. "I don't think there's another person who isn't an entertainer or star who has been mentioned more than myself in the lyrical content of this music," he muses.

"That, I guess, is building a brand."

Jamie Bryan's last piece for FAST COMPANY was "The Mintz Dynasty," in April 2006.