

URL: <https://stvp.stanford.edu/clips/chaos-is-the-friend>

Linda Rottenberg, co-founder and CEO of Endeavor Global, discusses how instability in society benefits entrepreneurs more than the status quo. She retells the story of how the French widow behind the brand "Veuve Clicquot" made sure her champagne was poured at key moments during the Napoleonic Wars.



Transcript

And this is the one that I think working in emerging markets, I've had the most insight into and that is the turbulence is the official climate of entrepreneurship.. Stability is the friend of the status quo, chaos is the friend of the entrepreneur.. We started Endeavor in Greece in 2012.. We spent 15 years working in the emerging markets and afterwards business leaders from Greece called and said they were interested, we then went to recently Spain and Miami, so I've been joking that we now also work in the submerging markets.. But anyway Greece was in the middle of its financial crisis and people said, "Why on earth would you go to Greece?" And I said, "When economies look down, entrepreneurs look up".. And we - well we've had many incredible entrepreneurs come out of Greece during that recession, and come out of Egypt in the midst of revolution, I could give countless examples.. My favorite two stories, and I tell today, took place at a different time.. One took place during the Napoleonic wars.. The Russians were invading France and looting and pillaging everything they came across including the vineyard of Barbe-Nicole Ponsardin.. So Barbe-Nicole was the 40-year-old widow of Francois Clicquot and had inherited a small winery..

But she was very adept and she actually did something revolutionary, which is she took the bottles, stored them in a rack upside down, turned the bottles to freeze off the excess yeast and it resulted in a sharper taste.. Champagne to this point had been very sweet, and her 1811 vintage is considered the first modern champagne.. She was - widow, in French it's veuve, so she is known as Veuve Clicquot.. Now the Russians come pillaging everybody else is shuttering their doors and Veuve Clicquot spots a marketing opportunity.. She resolves to get the Russian army wasted.. "Now they drink, tomorrow they will pay", she said.. So she drowned the Russians in free wine and when Napoleon's army beat back the Russians a few months later, she did it in inverse.. So she gave the Napoleonic army the champagne flutes and the bottles, but they were running on horses and they couldn't actually use the flutes.. So instead they took their swords and loft off the necks of the bottles and that is how sabrage was created.. What happened next was her bigger gambit..

In the spring of 1814, right before the cease-fire was announced, Barbe-Nicole who had held back that 1811 vintage, decided to take all the bottles and run the blockade and get them to St.. Petersburg in Moscow.. This was very dangerous; if she had been caught she would have been ruined.. But instead she timed it perfectly.. The moment the treaty was signed and the cease-fire was announced, her bottles were already appearing in Moscow.. The Russians were drinking like fish and Tsar Alexander announced he would only drink the widow.. To me this is a moment of someone ceasing opportunity in chaos...