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Historic New York wine retailer Sherry-Lehmann under scrutiny by FBI

FBI agents search premises as Sherry-Lehmann Wine & Spirits faces criminal probe and mounting legal challenges

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The venerable Park Avenue wine retailer, Sherry-Lehmann Wine & Spirits, found itself under the spotlight on Tuesday as Federal Bureau of Investigation agents searched its premises. This comes amid ongoing reports surrounding an investigation into the 89-

year-old vintner's business practices.

The New York Times previously reported that Sherry-Lehmann is the subject of a criminal investigation by the Justice Department. The storied institution, a mainstay in New York's wine industry, is currently grappling with a host of legal and financial challenges. It has been sued by customers alleging non-delivery of prepaid wine orders, reportedly faces potential eviction from its longstanding midtown location, and is behind on tax payments to the tune of $2.8 million. Further clouding its reputation, the New York Post highlighted the company's recent shutdown following a cease-and-desist order, issued on grounds of unlicensed liquor sales.

Onlookers on Tuesday morning witnessed the surprising scene of casual-clad officers and an agent in an FBI windbreaker outside Sherry-Lehmann's iconic location. Given its illustrious history and clientele—figures ranging from Hollywood legend Greta Garbo to rock icon Mick Jagger—it was undoubtedly an unexpected sight.



Sherry-Lehmann, for decades, was regarded as the curator for New York's elite wine aficionados, influencing the brands that adorned the cellars of the city's high society. Notables such as Harrison Ford have been known to peruse its extensive collection.

The FBI has confirmed its enforcement action at Sherry-Lehmann is in connection with the investigation reported by the New York Times. Moreover, sources have mentioned that witnesses, primarily former employees, were called to testify before a federal grand jury in Manhattan late in June. However, official representatives from the Southern District of New York—conducting this investigation in collaboration with the US Postal Service and the New York Police Department—have opted for discretion, refraining from commenting on ongoing proceedings.

Delving into Sherry-Lehmann's storied past reveals its impact on the US wine market. Founding brothers Jack and Sam Aaron were instrumental in reshaping the tastes of New Yorkers. They introduced the city to renowned labels like Dom Perignon and Bordeaux's Chateau Petrus. Following World War II, the retailer solidified its position as the primary wine destination for New York's upper echelon. The holiday seasons, in particular, saw top wine brands competing fiercely for a coveted spot in Sherry-Lehmann's window displays and catalogs.

In a notable episode from 1978, artist Andy Warhol graced the store to autograph bottles of 1975 Chateau Mouton Rothschild, a vintage featuring his artwork. The retailer, recognizing the unique value of these signed bottles, safeguarded the signatures and adjusted their pricing accordingly.

Additionally, Sherry-Lehmann had ventured into providing storage services for its clientele, offering spaces to safeguard their high-end wine purchases. However, allegations have surfaced, as noted by the Times, that the retailer may have misappropriated bottles stored on behalf of clients, selling them to other buyers. While the owners of Sherry-Lehmann have refuted these claims, they also rejected assertions of fixed timelines for future wine deliveries, attributing certain delivery delays to external factors like tariffs.

With legal proceedings still unfolding and investigations underway, the fate of this historic institution remains uncertain. As of a January court submission, Sherry-Lehmann remains optimistic, expecting delayed wine orders to be fulfilled by 2023.