

Global Wine Trends

Weekly Update

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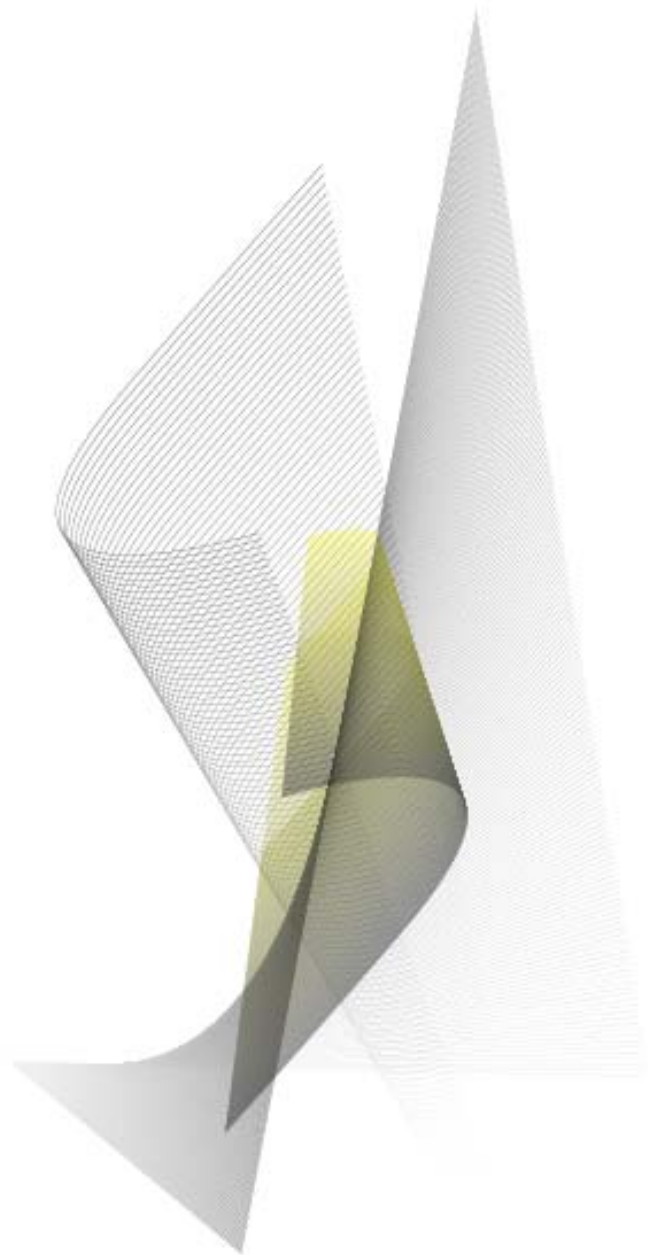


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Global Market Watch

The global market watch outlines developments, spotted and emerging trends that define the current situation in the global wine landscape. It includes all major developments in the market including consumer trends relating to wine and marketing campaigns or approaches, as well as concerns on health and sustainability.

Dan Berger: On wine-buying trends

PRESS DEMOCRAT, USA

12.10.09: I attended a trade wine-tasting last week for 15 producers of wines from the Rioja district, one of Spain's most prestigious and mature wine regions. ...

Moreover, **prices for many of the best wines were in the \$20 to \$30 range, and although that means they are well priced, it may still be too much for the current state of the wine market.**

Wine Opinions, a research group, released a study of wine consumers and members of the U.S. wine trade last week that examined shifts in the wine market during the weak economy of the last year.

"The study confirms the trade-down trend and measures how it occurs as prices transition from \$10 to over \$20 a bottle," said the report.

"Over one-third of consumers reported boosting purchases of wines costing from \$6 to \$15, while over 40% had cut back buying wines over \$30 and were not buying wines costing over \$50 at all."

Christian Miller, Director of Research for Wine Opinions, said, "The financial effect is a key part, but not the whole story."

Among imported wines selling for less than \$20, the report showed that the greatest gains were for wines from Argentina, Chile and Spain. The implication was that sales of wines over \$20 were slower. ...

<http://www.pressdemocrat.com/article/20091012/LIFESTYLE/910129943?Title=Dan-Berger-On-wine-buying-trends->

Love affair with rosé puts wine sales in the pink

THE DAILY MAIL, USA

13.10.09: **Demand for rosé among women has pushed wine sales through the £5billion barrier for the first time.**

The market for non-sparkling wine grew by 6.5 per cent to £5.04billion in the year to August.

Britons are on course to buy a record 100million cases this year, say experts.

The wine market has significantly outperformed the overall drinks sector, which is up 5.6 per cent, said market analysts Nielsen.



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Experts say much of the growth in wine sales has been driven by rosé, sales of which were up 15 per cent, giving it a record 11 per cent share of all wine bought in supermarkets and off-licences.

Drinks analyst Stewart Blunt said: **'Four years ago rosé popped up, as if it was a fad from the U.S., but successive strong growth says it's here to stay.'**

Blossom Hill, producer of four U.S. rosés, is leading the way with sales up 11.5 per cent.

In the past year, the brand has been involved in a £750,000 sponsorship of Wimbledon and spent £2million on television adverts.

Mr Blunt said the average spent on a bottle of wine had reached a record £4.28.

The boom in demand for still wines contrasts sharply with that of sparkling and fortified vintages which have seen sales drop in the past 12 months.

<http://www.dailymail.co.uk/news/article-1219904/Love-affair-ros-puts-wine-sales-pink.html>

Your guide to the world of new wines

THE INDEPENDENT, UK



15.10.09: Once upon a time, an Englishman's tipple would be French or Italian. But these days we can sip Syrah from China. Terry Kirby peers into the global cellar

1. France

Once the dominant force in the world wine trade and still the biggest producer in volume terms, changing attitudes have knocked France into third place for British consumers, behind Australia and the United States. Those who favour the laying down of the great names from Bordeaux and Burgundy are diminishing for cultural, economic and generational reasons, and a lot of indifferent wine has been produced under what were once reliable labels. Meanwhile, **the new wave of British wine drinkers, led by women, have shunned the arcane labels and difficult blends of the French for the easy-to-drink varietals of Australia, New Zealand and South America.** But ... champagne is possibly more popular than ever and it will surely be a long time before the allure of the great clarets and Rhone wines vanishes.

What to drink: Once the producer of the huge quantities of undistinguished table wines, the large Languedoc-Roussillon area in the south has got its act together and now produces some terrific value blended reds, redolent of sun-drenched and herb-scented Mediterranean hillsides. And don't forget the wonderful Loire white wines.

2. Italy

Italy, the second-biggest producer in the world, with a wide variety of wine regions, remains the fourth-biggest source of wine for British drinkers, but has suffered a fall in sales, alongside France, because of the uncomplicated appeal of the New World wines. Unlike France, its great red labels – those of Tuscany and Piedmont in particular – remain wines for the connoisseur and are untainted by overproduction or diminished quality. However, there



are still a lot of cheaper dull red wines around under seemingly familiar labels, so remember to make sure your Chianti bears the trademark black cockerel on the bottle. **After decades of rather bland and overfamiliar Soaves and Pinot Grigios, Italy's white wines have improved hugely in recent years.**

What to drink: A great Barolo or super Tuscan may test a budget, but there are some good value reds emerging from Sicily and Puglia, currently Italy's two most exciting regions. Also worth seeking out are whites, such as the vibrant, light-as-air Verdicchio, the lesser-known but more full-bodied Pecorino (not the cheese) and bargain proseccos for celebrations.

3. Spain/Portugal

The sleeping giant of European wine, with diverse wine regions scattered around the country and the biggest amount of hectares under cultivation than anywhere else in the world, giving it huge potential. **Spanish winemakers have only recently begun to stop making over-oaked, tannic, red wines – those bearing the Reserva and Gran Reserva labels – in favour of more modern, fruitier New World-influenced styles.** But there is still much average Rioja around (as in average claret or Chianti) and care must be taken. However the most exciting wines are now coming from the thriving Ribera de Duero region in the central north – mainly Tempranillo, the Jumilla and Yecla areas to the south-east, where the spicy Monastrell (Mourvèdre in France) produces full bodied, juicy reds and the expensive, elite wines from the Priorat, near Tarragona, made mainly from the Cariñena and Garnacha grapes. **In Portugal, the mostly English-owned port producers from the Douro valley are now switching to producing excellent, full-bodied reds from the same grapes, such as Touriga Nacional.** The formerly dull, tannic reds from the Dao region have also been transformed.

What to drink: Some excellent, character-filled reds from the aforementioned areas are now easily available in the UK. Unfortunately, the delicious and unique Basque white, Txakoli, is more difficult to find, but look for it when on holiday in northern Spain.

4. Australia

For several successive years, Australia has overtaken France as the biggest exporter of wine to the United Kingdom. Although their vines were planted by German immigrants in the 19th century, their industry has achieved its aims of global prominence in less than 20 years, mainly through accessible oaky, tropical fruit-flavoured chardonnay and big, silky, chocolatey shiraz, made from vines grown on irrigated former bush. **While some bemoan unsubtle, sugary and over-fruitful Aussie wines, their value for money and reliability, which has led to the dominance of our supermarket shelves by their brands, cannot be denied.** Single varietal Aussie wines usually do what they say on the tin, in contrast to the often obscure European labels. At the same time, their super-efficient methods of production have set a global benchmark.

What to drink: The familiar brands need no introduction, but also look for the more distinctive bone-dry Riesling from Clare Valley south of Adelaide or really big Cabernet Sauvignon reds from the Margaret River area of western Australia.

5. Chile/Argentina

The two most exciting wine-producing areas in the Southern Hemisphere have begun to make big inroads on the British market in the last decade as a source of great value, big red wines. In Chile, now sixth in the league table of wine drunk here, production is mainly centered around the central valley, between the Andes and the coastal mountains, in unpolluted air and from



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phylloxera louse-free vines. Most reds are made from Mediterranean-style blends of Carménère, Cabernet Sauvignon and Merlot, created in a climate similar to which they thrive north of the equator. Their biggest and most commercially-minded company, Concha Y Toro, is now familiar on British supermarket shelves. **Argentina, which has become the world's fifth-biggest wine producer, is becoming renowned for its ripe red wines made from the fashionable and food-friendly Malbec grape – once the dominant variety in Bordeaux – although many wines are insufficiently aged for many British palates before being released.**

What to drink: Avoid the younger reds from both countries and buy those that have developed in the bottle for at least a year or so. Argentina's native Torrontés grape also produces amazing, smoky, aromatic whites of real distinction...

<http://www.independent.co.uk/life-style/food-and-drink/features/your-guide-to-the-world-of-new-wines-1803040.html>

Wine in China: Future bounty for US labels?

4HOTELIERS, USA



15.10.09: Lettie Teague of Food & Wine posed an interesting query recently: What if everyone in China drank just one bottle of wine a year? With a population of well over 1 billion, China would move ahead of all of Europe combined.

Of course, this is the sort of stuff wine producers dream about (together with producing 100-point wines), but the reality may not be so very far behind.

In the past decade alone, China (as well as all of Asia) has seen a dramatic increase in the consumption of wine. And it is expected that sales of wine in China alone will grow by more than 80% by 2011. Without a doubt, China is the world's fastest-growing wine market.

But the wine business in China is not for the faint-of-heart...or liver. There are great opportunities, but also lots of challenges.

Chinese consumers are greatly influenced by globalization, generally. And wine is regarded as an icon of western culture, thus hugely popular among young people in China. And, as the economic growth continues, a sizeable middle class continues to emerge. Both segments are potential customers for this product market - and the numbers are formidable.

Chinese consumers are not yet, in general, versant with wine. Most aren't familiar with the various world viticulture regions, the prominent varietal choices, what distinguishes great wine from good wine, how to pair wine with food, how to store wine, etc. **While wine awareness and education is absolutely on the rise in China, sales growth will, of course, accelerate even more as wine education and product exposure accompanies it.**

There is also the element of China's food culture. Presently, wine is enjoyed primarily in family occasions and only secondarily in business. While the use of wine in business is increasing, habits are sometimes hard to change.

Other Chinese market realities will need to 'evolve' in order for wine to become as integrated into consumer culture as it is here in the West.



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Examples are:

- * **Chinese diners still prefer beer and spirits with their meals;**
- * **Some Chinese still believe that wine is "not healthy;"**
- * **Lack of knowledge about 'wine culture' inhibits growth;**
- * **Distribution obstacles throughout China** - i.e., the major cities are one market and the "rest of China" is another.

Further, marked ethnic differences across China may inhibit market growth because of accompanying preferences.

http://4hoteliers.com/4hots_nshw.php?mwi=6445

A vintage year: France anticipates finest Bordeaux wines in 60 years

THE INDEPENDENT, UK



09.10.09: Perfect weather conditions – a fine summer followed by dry, cool nights in September – could make the 2009 bordeaux vintage one of the best on record, according to local wine experts.

Although the grape harvest is only just finishing and the juvenile wines will not be tasted for months, some professionals are already predicting that 2009

clarets will surpass the outstanding vintage of 2005.

"Nature has been exceptionally kind to us," said Denis Dubourdieu, director of the Bordeaux l'Institut des Sciences de la Vigne. "The conditions have been so sumptuous that it is difficult to find a parallel. You have perhaps to go back to the 1940s to find a comparable year."

Jean-Christophe Estève, a wine taster and trader, said that the weather in the final days before grape picking in September – mostly fine days but cool, dry nights – had been the finest in the Bordeaux area for 60 years.

Cool nights in September prevent the grapes from becoming too ripe and lush and help to produce a more sophisticated wine. July and August had already been close to perfect in south-west France, with high temperatures and plenty of sun.

Alfred Tesseron, proprietor and manager of the Château Pontet-Canet in Pauillac, one of the most prized of Médoc clarets, will be harvesting his last grapes this weekend. "Of course it's too early to be sure," he told The Independent last night. "But already in 2005 I thought that I was a lucky man to see such exceptional grapes in my lifetime. Now it seems that I may be lucky twice. The weather patterns of the two years were very similar but, if anything, the cool nights in September could make 2009 even better."...

<http://www.independent.co.uk/news/world/europe/a-vintage-year-france-anticipates-finest-bordeaux-wines-in-60-years-1799975.html>



Champagne could fall to £10 a bottle as price plummets in recession

THE DAILY MAIL, UK



09.10.09: Shopping lists this Christmas are likely to include a good few bottles of cut-price champagne this year alongside the crackers and mince pies.

Sales of bubbly have fallen flat in the recession but that has prompted shops to start slashing prices.

Majestic Wines is offering 40 per cent off a bottle of Taittinger Brut Reserve at £23.99 and the same discount for Veuve Clicquot Vintage 2002 at £33.99.

Oddbins has reduced a bottle of Moët & Chandon Brut Vintage by 22 per cent to £19.99.

Experts predict the cost of some vintage champagnes could fall as low as £10 in time for Christmas.

But champagne lovers should cash in while they can. **French authorities have ruled that next year's harvest will be almost halved, leading to fewer bottles produced to push up prices.**

Robert Joseph, editor of Meininger's Wine Business International magazine, said: 'It's not impossible that champagne prices will drop to £10 and £15 a bottle.'...

<http://www.dailymail.co.uk/news/article-1219016/Champagne-fall-10-bottle-price-plummets-recession.html>

Wine is now fine for investment too

THE INDIA TIMES, INDIA

11.10.09: With investors across the world scrambling to find safer opportunities in the wake of the financial meltdown, wine has started to figure more prominently in investment portfolios, particularly of HNIs. **More and more people who have grown to love wine as part of their lifestyle have begun to think of their favourite tippie as a safe haven for their savings and investments.**

And why not? **With the world's top100 wines showing remarkably consistent returns over the last 25 years and also remaining exempt of capital gains tax in many developed countries, wine is slowly but surely being regarded as one of the leading alternative asset classes and, therefore, ideal for diversification.** Also, because for most of the current year, the wine investment market not only remained largely immune from the credit crunch, but in an unexpected development also continued to outperform stock indices in both the UK and the US.

"Although it is often said that the market for wines is the last to feel the impact of any economic upheaval and the first to show recovery, there is no substitute for seeing this principal put to the test as indeed we have over the last 10 months," says Wilson Douglas, UK's leading alternative investment company.

It, however, shouldn't be assumed that all wines are ideal for investment. On the contrary, only the world's very best wines, ie fine wines (which enjoy a constant



global demand) are advised by market experts to be purchased. According to experts, the main reason why some fine wines rise in value can be explained via the economics of supply and demand...

<http://economictimes.indiatimes.com/articleshow/5111199.cms>

Wineries risked losing brands over bulk wine fiasco: expert

THE VANCOUVER SUN, CANADA

02.10.09: **Canada's largest wine companies risked losing brands they have spent years building up by selling bulk imported wines as B.C. products,** a Simon Fraser University marketing expert said Friday.

The prompt response by two of the big three companies to revelations that wines being sold as B.C. wines were, in fact, bulk imports was the best way to put the controversy to rest, said Lindsay Meredith, marketing professor at Simon Fraser University's faculty of business administration. They have probably saved their brands.

Vincor Canada and Andrew Peller Ltd. announced Thursday they were changing labels on their so-called Cellared in Canada wines to make them more descriptive of their foreign origin. The company CEOs pledged to be more open about their labelling practices.

The new labels are expected to be in place before the 2010 Olympics. Meredith said the Vancouver Games likely provided the stimulus for the sudden policy change. Vincor is the official supplier of wine to the Games.

"If you had a whiff of any competitive difficulty associated with your brand name, you would be having a chat with the Olympic boys very, very quickly," Meredith said.

Meredith said his "hat is off" to the wineries for responding quickly to news stories about their wines. ...

<http://www.vancouversun.com/life/Wineries+risked+losing+brands+over+bulk+wine+fiasco+expert/2062564/story.html>

BIWF is to establish Bangkok as the leading wine hub for mainland Southeast Asia

WINES INFO, CHINA

15.10.09: Bangkok International Wine Fair (BIWF) is pleased to announce that Thailand's first ever international wine show will be staged at the Royal Paragon Hall Exhibition & Convention Center from 25 to 27 November 2010.

The three day show is expected to attract up to 200 wine producers from 15 countries around the world, as well as dozens of importers and distributors from both Thailand and neighbouring countries. One of the aims of BIWF is to establish Bangkok as the leading wine hub for mainland Southeast Asia.

While arrangements have not yet been finalised, BIWF is confident that the show will be supported by internationally famous wine labels and major regional producer bodies from both



France and Australia...

<http://www.wines-info.com/Newshtml/200910/1892009101508423904.html>

Douro: Harbor in an Economic Tempest

THE NEW YORK TIMES, USA



14.10.09: **In the year or so since the economy plummeted without a parachute, Americans have not stopped buying wine. They've simply bought cheaper wine.** Whether this will ultimately be seen as a time of sacrifice or an eye-opening education remains to be determined, but I have a hunch that many people will find it

easy, when the economy recovers, not to resume their free-spending ways.

Why? Because this is a prime opportunity to learn that **more expensive wine is not necessarily better wine.**

Oh, this is not a novel idea. In fact, it's a much abused idea, brandished often by the reverse snobs who like to sneer at the suckers spending \$50 for a bottle of Burgundy when they could have a couple of cases of Two-Buck Chuck for the same price.

Of course you can. And for the price of the one-volume complete works of Shakespeare, you can buy a truckload of comic books. Some people would be happier with the comics.

Just because a silly argument can be constructed on the foundation of a truth doesn't make it less of a truth. So yes, more expensive wine is not necessarily better wine.

This is true everywhere, but it's an idea that I think has special resonance in areas with a rapidly developing wine industry. Case in point: the Douro region of Portugal.

With its twisting rows of terraced vines, which seem to undulate down steep, rocky hillsides in the shimmering heat, the Douro (pronounced DOH-roo) is one of the most beautiful and forbidding wine territories in the world. It is indeed rapidly developing, but it's by no means new.

For centuries most of the Douro grapes went into fortified wine, Port, whether the cheap aperitif, the great tawnies or the prized vintage monsters that required decades to tame. But over the last 20 years, as the world's tastes have evolved and as the Portuguese wine industry has modernized, still wines have become more and more important to the Douro economy...

http://www.nytimes.com/2009/10/14/dining/reviews/14wine.html?_r=1

California's Fetzer Vineyards was sustainable before it was cool

MOTHER NATURE NETWORK, USA

12.10.09: **California winemakers are serious about sustainability. From installing solar panels to growing organic grapes, incorporating environmental practices into commercial wine making is virtually a given across the Golden State.** Still, the industry's commitment to going green is a relatively recent development. A decade ago, the pool of eco-vineyards was significantly smaller than it is today. Two decades ago, "green wine"





was exclusively the stuff of pioneers – Like Fetzer Vineyards.

Fetzer, which today stands as one of the country's most environmentally responsible winemakers, began its life – appropriately – as a trailblazer. In the late 1950s, Barney and Kathleen Fetzer bought and began to fix up a dilapidated ranch in Redwood Valley, with the hopes of eventually

planting vines that would help put Mendocino County on the international wine map...

<http://www.mnn.com/food/wine/stories/californias-fetzer-vineyards-was-sustainable-before-it-was-cool>

Wine-Auction Market Rises 12 Percent in Third Quarter

WINE SPECTATOR, USA

14.10.09: There has been a growing buzz among enthusiastic collectors and certain auctioneers that the auction market is back on track. And data from the third quarter of 2009 would appear to bear that out: the Wine Spectator Auction Index rose 12 percent above its previous average, to its highest level since the third quarter of 2008. Prices for 65 percent of the wines tracked in the auction database surpassed their second-quarter 2009 results, with many listings rising by 50 percent or more.

The wine-auction market is clearly on a rebound, yet it is worth remembering that compared to last year, winning bids are still somewhat lower and the overall size of the U.S. market is smaller. Among third-quarter 2008 auctions, 11,452 lots offered at nine auctions brought in a total of \$28,608,235, but one year later, seven auctions comprising 8,705 lots realized \$17,386,238, a drop of 20 percent when comparing the price per lot paid for each quarter.

Much of the growth this quarter came from top Bordeaux that outperformed the pack, as well as the best examples of Domaine de la Romanée-Conti. At Sotheby's, a case of Château Pétrus 1982 commanded \$54,450 (up 69 percent from the second quarter) and a case of Château Lafite 2005 sold for \$14,520 (up 45 percent). At Zachys, DRC Romanée-Conti snared the top two slots at their September sale, with six bottles of the 2005 selling for \$52,800, and a methuselah (6L) of the 1996 attaining \$43,200. A case of Château La Mission-Haut-Brion 1945 sold for a hefty \$72,000 (up 285 percent) at NYWinesChristies, and a dozen bottles of Château Mouton-Rothschild 2003 fetched \$5,975 (up 96 percent) at Hart Davis Hart.

Other top gainers included a case of Screaming Eagle Cabernet Sauvignon Napa Valley 2001, which brought \$24,200 (up 34 percent) at Acker Merrall & Condit. At Zachys, a case of Henri Boillot Montrachet 2003 sold for \$3,600 (up 113 percent)...

<http://www.winespectator.com/webfeature/show/id/40980>

Special delivery – why Laithwaites is on the up

THE GUARDIAN, UK

13.10.09: Laithwaites, the UK's biggest home-delivery wine business, has always reminded me of Dan Brown: loved by the general public, but dismissed as a bit of a joke by us critics. The parallel doesn't stop there: in the week that the best-selling author published The Lost Symbol,



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his equally preposterous follow-up to The Da Vinci Code, Laithwaites held its first press tasting for more than a decade....

To be fair to Laithwaites, it has always sold some good wines, especially from France and Spain. The problem was the prices, which tended to be £1-2 higher than everyone else's. Not that you knew it. Laithwaites cleverly used its own labels so that punters couldn't make direct comparisons with the same wines on other people's websites. That, too, is changing, with Snook favouring a more transparent approach....

<http://www.guardian.co.uk/lifeandstyle/2009/oct/11/tim-atkin-laithwaites-direct-wines>

Wine: Finding the perfect riesling that's not too sweet

LSJ.COM, USA

12.10.09: Rieslings can vary widely in their sweetness levels from bone dry to really sweet, so you need to know your wines or look carefully at the label for help.

No matter what sugar level you pick, well-made rieslings will use acidity to balance the sugars so you won't get a cloying taste. When this marriage of acid and sugar works well, you get a wine with elegance and finesse.

German rieslings come with different sweet ratings, and the lightest of these is kabinet, which has low alcohol content, ranging from about 8 percent to 11.5 percent. Unless the label has "trocken" on it, kabinet will be off-dry, usually with intense flowery aromas with hints of minerals. They match well with a variety of foods, from Asian to chicken.

My wine tasting group compared five Kabinett wines from the Mosel region in Germany, several of which were a delight....

<http://www.lansingstatejournal.com/article/20091012/LIFE05/910120301/1075/LIFE05>

Global Industry Watch

This section records developments and trends on both industry and individual corporation levels that form a matrix of the major issues and moves in the industry as a whole or by its critical actors and groupings, such as trade associations and regulatory bodies.

Wine Industry In The...Red

CNBC, USA

13.10.09: **If you love wine, it's a very good year. Not only is the vintage coming out of California expected to be excellent, but prices have collapsed. You can get good wine for cheap.**

"This, I think, is a major correction that's happened," says Richard Sanford of Alma Rosa Winery & Vineyards. His grapevines are tucked in the Santa Rita Hills of Santa Ynez, the central coast region made famous in the film "Sideways". Sanford planted his first vineyard 40 years ago. He'd come back from Vietnam and decided to do something a little more uplifting. Sanford





studied the topography up and down California and decided that the Santa Rita hills, a range that moves west to east instead of north to south, might provide the best equivalent to Burgundy, France. It took a while to get people to believe him, especially investors. But these days, Pinot Noir from the area commands a high price. Or it did.

Now the world is swimming in wine as people are trading down, or just not buying at all, and higher priced wines are gathering dust unless they go on sale.

"I think we're going to see a lot more Two Buck Chucks hitting the market," says John Krska of Krska Vineyard and Winery Management. "We have some winemakers who've skipped a whole vintage, and that's to get their warehouses caught up to sell wine." For example, Krska says high-quality Chardonnay grapes usually sell for \$2,700 to \$3,500 a ton. But this year, low-to-mid quality Chardonnay grapes in other parts of the state can be had for only \$200 a ton. "If the wineries up north can't sell that, they're paying for tank space and the refrigeration, it's gone for a buck a gallon," to Trader Joe's...

<http://www.cnbc.com/id/33290274/>

Why China's wine will not soon rival Chile's

GLOBAL POST, USA

13.10.09: A group of Chinese businessmen dining recently at one of Shanghai's most celebrated restaurants, spent more than \$7,300 on food and drinks, including \$1,500 on a bottle of fine Bordeaux. Then they diluted their glasses of wine with sparkling water...

..According to the San Francisco-based Wine Institute, China now produces more wine than countries such as South Africa and Germany, with their celebrated wine regions. But the vast majority of Chinese wine — 95 to 99 percent — is consumed domestically by largely inexperienced and indiscriminate wine drinkers. The result is mass production of poor quality wine.

But a few small vineyards, with the help of foreign wine companies, are attempting to lead a quality revolution, most notably the 12-year-old Grace Vineyard, based in central China's Shanxi province. Judy Leissner, the Hong Kong-born CEO of Grace Vineyard, said that her winery has a distinct advantage over the competition — it doesn't need to make a profit...

...But some experts are skeptical that, even with devoted wineries like Grace Vineyards, the Chinese wine industry will experience quality revolution in the near future. Despite having a huge mass of land and diverse geography, **China has an extremely inhospitable environment for growing wine.**

"There aren't many places in China where it is possible to have a long enough growing season to produce the types of grapes needed to make really high quality wine," said Edward Ragg, head of China's only independent wine consultancy, the Beijing-based Dragon Phoenix Wine Consultants, the only independent wine consultancy in China, who is certified by the Wine and Spirit Education Trust.

Every region of China has distinct challenges. On the eastern coast, where most wine is produced, heavy summer rains force producers to choose between water-



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filled grapes that make poor quality diluted wine, or early picked unripe grapes, which result in an unpleasant bitter taste.

In China's drier western regions, winemakers face different problems. Early frosts, sometimes before the fall harvest, can ruin grapes and even kill the vines themselves. In addition, **the cold winters mean farmers have to bury vine roots by hand, which adds about 25 percent to the cost of wines.** ...

<http://www.globalpost.com/dispatch/china/091012/chinese-wine-production>

Australia wine industry gets pounded

EXAMINER, USA

14.10.09: The Australian wine industry is taking a beating. Lousy weather along with the vagaries of the global wine market have sent the Aussie wine industry into a {yellow tailspin}.

All wineries have been hit, even the so-called factory wineries owned by conglomerations. These top-selling 25 wineries produce 90% of all Australian wine. (The remaining 10% number close to 2,000 wineries and are largely responsible for making the better quality Aussie wines.) **Industry analysts blame a lack of long vision on the part of big business and not diversifying their product lines. Additionally, the Australian brand image has been tarnished by cheap "critter wines" like {yellow tail} that sold 5.8 million cases in the US in 2008, and other little ticket wines like Little Penguin, Rosemont and Jacob's Creek.**

Signs of the times:

Australia's largest ag-investor Great Southern has gone into receivership or what might best be described in the US as debt reorganization. The firm, that specializes in investment management for the agribusiness sector owns several wineries. Due to lack of funds it has ceased to actively farm 1,850 acres/750 hectares of land in South Australia.

Mega wine conglomerate Constellation Wines has closed Stonehaven Winery in Padthaway and the Leasingham Winery in Clare.

Upwards of 19,780 acres/8,000 hectares of Australian vineyards will go untended this year or will be ripped out completely.

Choice vineyards in McLaren Vale are being torn out and the land is being sold for housing development.

Making matters worse **the Australian export market has dropped from \$2.98 billion peak in 2006-07 to \$2.35 billion in the past 12 months. The rising value of the Australian dollar is also making it difficult to sell wine to major overseas markets...**

<http://www.examiner.com/x-8216-International-Wine-Examiner~y2009m10d14-Australia-wine-industry-gets-pounded>

As Mexican Wine Industry Grows Dark Clouds are Looming

MEXIDATA, MEXICO

12.10.09: I've been promoting and writing about Mexico's wine industry for over five years now,



and I would like to share some thoughts about that experience with my readers. When I started writing in 2004, about the Baja California wine country via my self-guided wine tour publication *The Guadalupe Grapevine*, there were seven official wineries in the region of Valle de Guadalupe, Ensenada and Santo Tomas. **Today there are nearly 40 official wineries, hundreds of artisan winemakers, and several new wineries in various stages of construction and/or planning. And, the quality of Mexican wines has evolved from drinkable to good, with a handful qualifying as world class.**

Despite the fact that our wine industry is fighting regulation, quality control, and formulated standards of excellence, the overall quality of Mexican wine is improving vastly. **Some local winemakers feel that Mexico is not ready to focus on guidelines that would regulate the overall quality, but would rather have free rein to experiment in more of an artisan fashion.**

Historically, this artisan option retards growth in quality and hinders positioning on the global market, but it may buy the industry some time to be creative and explore options. For example, a lack of laws regulating wine quality and standards has enabled visionary producers to experiment with traditional and international grape varieties in a variety of regions. **In some ways Mexicans are still trying to define their wine industry, find the correct varieties suitable for the region, and develop that certain character that captures the "essence of the terrior."** In other words, when you drink our wine you'd think, "oh yes, this is good and it's distinctly Mexican in expression."

As Mexico transitions away from a beer and tequila drinking country towards more wine consumption, the industry has been blessed with a higher demand for wine than wineries can supply. This has led to a boom for many established winemakers who sell entire vintages before they are made, and has eliminated any desire to export their wines to global markets. Still, with the current economic downturn many wineries are now stuck with last year's inventory and, for the first time, experiencing reduced sales.

Moreover, up until this point in time **many Mexican wines have been overpriced (considering the quality) in comparison to wines of similar quality from Chile, Argentina and Spain.** Here in Mexico, the law of supply and demand had dictated the pricing.

The movement in creating high quality or premium wine began here in the late 1980's, and it is still in various stages of emergence and evolution. Mexican vineyards in the Baja California valleys of Guadalupe, San Vicente, Santo Tomas, Redondo, Ojos Negro, Tecate and other regions have the capability to produce superior grapes (when properly managed), comparable to the best grape growing regions in the world. **The limitations in the past for producing premium wine have been a shortage of trained enologists (winemakers), in addition to a lack of modern technology and equipment. Of course, a prohibitive tax of about 48 percent on each bottle of wine is a major obstacle for economic growth within the industry.**

An important asset for the modern winemaker here is that Mexico is blessed with some mature, well established vineyards of high quality grapes. Some of these plantings of European vine stocks go back to 1888, 1910, 1939 and the 1940's. This supply of high quality, mature grapes gives winemakers a jump start in the quest for creating premium wine. Thus, a lack of superior grapes for making quality wine is not a limitation for Mexico. The hindrances to substantial progress have been high taxation, as well as a lack of quality control standards and trained winemakers. ...



<http://www.mexidata.info/id2434.html>

Wine industry needs more workers

COUNTRY LIFE, UK



09.10.09: **England's wine industry needs more workers. After a record year, three million bottles of English wine could be produced using 2009's grapes, but the number of skilled workers in the industry is falling behind the increased production.**

To combat this, **the Government and the European Commission have provided £1.6 million for winemaking classes at Plumpton College, East Sussex, the only UK undergraduate college with its own vineyard and winery.** Frazer Thompson, managing director of the English Wines group, says: 'This is essential for the industry. As it grows, we must have an educational structure to nurture homegrown talent.'

We need people working on the land, growing grapes and making wine brilliantly, not merely sipping it when wearing a tux and a bowtie. At the moment, in this country, we're stronger on the creative side-selling and writing about wine-but this is ultimately a profession that's close to the earth.' Mr Thompson's company, which owns the award-winning Chapel Down label, is committed to planting at least another 200 acres over the next three years, as long as it can find a workforce with the necessary skills.

He adds: '**This is one of the most exciting times in English wine history. What sets people apart in this industry is passion if you don't like the product that you're going to consume, it won't work.** However, wine is also a serious long-term investment-it's probably one of the safest areas in the current climate. We've been drinking wine for 3,000 years so far, and I'm sure we'll be drinking it for another 3,000 years.'

<http://www.countrylife.co.uk/news/article/400405/Wine-industry-needs-more-workers.html>

Puget Sound area emerging as wine region, thanks to warmer climate

THE SEATTLE TIMES, USA



11.10.09: Tom Miller rolls his metal stool down the row inch by inch, his long, leathery fingers pushing through the vines to clip grapes off by the bunch.

It's an early autumn morning at the top of the Olympic Peninsula, and Miller is doing something climate scientists believe would have been difficult, if not impossible, 50 years ago: harvesting grapes to make wine that people actually want to buy.

No matter whether they realize it, researchers say, Miller and a small explosion of new Western Washington wine-grape growers appear to be capitalizing on small climate shifts that are reshaping the global wine-growing map.

As climate changes threaten to wreak havoc on some of the world's most-famous



wine regions — France's Burgundy, Australia, parts of California — experts say the cool-climate Puget Sound region might shape up to be one of the few beneficiaries.

"In the 1970s, the Willamette Valley (in Oregon) was at the cool-climate fringe for wine; it was one of the coolest places you could go and reliably ripen the fruit," said Gregory V. Jones, a climate scientist and wine expert at Southern Oregon University. But as temperatures warm in northern latitudes, "today Puget Sound is becoming that place."

Certainly technology and a growing thirst for boutique wines have helped drive where and how grapes are grown. But experts say it's increasingly possible to track the subtle ways climate change is altering landscapes by looking to vineyards around the globe.

Hotter ripening periods over the past 30 years have increased the alcohol content of rieslings in Germany's Rhine River Valley. In Napa and Sonoma, Calif., earlier springs and fewer frosts have helped boost wine quality. Australian vineyards have extended droughts, and other European growers are facing never-before-seen bug infestations. Vineyards are even cropping up in places — such as southern England — where they haven't been seen since before the Little Ice Age and the reign of Henry the VIII five centuries ago. ...

http://seattletimes.nwsources.com/html/localnews/2010045723_wine12m.html?syndication=rss

Grape glut 'shouldn't limit production'**ABC NEWS, AUSTRALIA**

08.10.09: The Wine Industry Association says there is no need to restrict grape production in Western Australia because of the grape glut.

New Zealand's wine industry plans to limit wine grape production to reduce the total harvest by 20,000 tonnes. Australia's wine industry leaders say a plan on how Australia will deal with the glut is expected soon.

The association's John Griffiths says it is unlikely a limit on production will be introduced in Australia. "I don't see that our industry body or the Department of Agriculture or any other group has any jurisdiction in that," he said.

"I don't think it's going to happen but there's no doubt there is pressure on growers to ensure they're growing the best possible fruit and yield is a factor of that, absolutely."

<http://www.abc.net.au/news/stories/2009/10/08/2708480.htm>

Constellation Brands Announces Distribution Agreement With Young's Market Company**YAHOO FINANCE, USA**

12.10.09: Constellation Brands, the world's leading wine company, announced today the signing of a multi-year distribution agreement with Young's Market Company and its affiliated companies ("Young's") as Constellation's exclusive distributor in Alaska, Washington, and Oregon. Young's, a recognized market leader in the Pacific Northwest, has a longstanding business relationship with Constellation. Constellation is currently Young's largest supplier in volume in the Pacific Northwest representing more than an estimated one million cases



annually.

This agreement is part of Constellation's ongoing realignment of its distributor network which was announced on July 23. The Young's distribution agreement brings the total number of states benefiting from this new go-to-market strategy to 22, with 8 potential markets remaining. The decision to consolidate the majority of Constellation's U.S. wine and spirits business to one distributor per market was made with the goal of improving organic growth, creating distributor teams focused exclusively on Constellation's portfolio, and improving the coordination of marketing and promotional programs to support the brands. ...

<http://finance.yahoo.com/news/Constellation-Brands-prnews-1535831059.html?x=0&.v=1>

Santa Barbara County's Happy Canyon approved as a new wine appellation

EXAMINER, USA



11.10.09: On Thursday, October 8, the TTB (the Alcohol and Tobacco Tax and Trade Bureau of the Federal Government) made a final ruling in approving the establishment of the Happy Canyon appellation in the Santa Barbara County viticultural area.

The decision, a long time coming, was based on a petition written by vintner Wes Hagen, whose Clos Pepe Vineyards is located in Sta. Rita Hills. Hagen had previously written the petition that established Sta. Rita Hills as an American Viticultural Area (AVA) in 2001.

Approving a viticultural area by a branch of the Federal government is not a recommendation or endorsement of the wines of that area. But the establishment of a viticultural area allows vintners to more accurately describe the origin of their wines to consumers and helps consumers identify those wines. It also indicates that the wines from the area have a particularly quality, reputation or other characteristics that are defined by its geographical origin.

Happy Canyon consists of 23,941 acres, 492 of which are planted to grapes in 6 separate vineyards. Happy Canyon lies entirely with the Santa Ynez Valley viticultural area, but the petition lays out how different and distinguishable it is from other areas of the Santa Ynez Valley.

Happy Canyon is in the eastern edge of Santa Ynez Valley, while Sta. Rita Hills is on the western edge, which is closer to the ocean. Anecdotally, vintners often make the claim that, in the summer, for every mile you go east from Sta. Rita Hills, you can expect the temperature to increase one degree. For example, when it's 76 degrees on the western edge of the Santa Ynez Valley, it might be 90 degrees on the far eastern edge. In fact, the daytime highs and nighttime lows in Happy Canyon vary more in a 24 hour period than anywhere in valley. ...

<http://www.examiner.com/x-11305-Kansas-City-Wine-Examiner~y2009m10d11-Santa-Barbara-Countys-Happy-Canyon-approved-as-a-new-wine-appellation>

Audelssa Inks Marketing Partnership with Foley for National Sales

WINE BUSINESS, USA



16/10/2009

13.10.09: Audelssa Estate Winery has announced a strategic partnership with Foley Family Wines. Foley Family Wines will be the exclusive worldwide distributor of Audelssa wines beginning October 1, 2009. The partnership immediately opens up dozens of new markets for Audelssa in the United States and several potential international markets. Audelssa has also brought in Greg Ralston, former Managing Director of Chateau Montelena Winery, as an advisor to help with the transition.

Foley Family Wines was established by in 1996 and has grown to be among the Top 30 U.S. Wineries. In addition to the new partnership with Audelssa, Foley Family Wines represents Firestone Vineyard, Sebastiani Vineyard and Winery, Merus, Kuleto Estate, Foley Estate and several other premium wineries. The deal with Audelssa is not a sale, but is a national distribution deal which opens up new markets for critically acclaimed Audelssa. ...

<http://www.winebusiness.com/news/?go=getArticle&dataid=68235>

Arizona Wineries Rise Above Desert Climate

ABC NEWS, USA



13.10.09: Grapes aren't supposed to grow in the desert. But here in this southern Arizona town, surrounded by endless, rolling green and amber hills, the Callaghan family is de-stemming gigantic bins of grapes that will eventually produce a nice Petit Verdot.

As Kent Callaghan, the patriarch and proprietor, tinkers with his forklift in the 80-something degree fall weather, one of his workers, Megan Haller, sifts through bunches of grapes.

"You can actually have some excellent wines out of Arizona. It can be done," said Haller, who works at Callaghan Vineyards while taking winemaking classes.

The 25-acre vineyard was one of three in Sonoita-Elgin, a rural area an hour's drive from Tucson, when Callaghan's parents started it in 1990. In the last decade, six other vineyards have moved in. Similar growth has also occurred in northern Arizona as more aspiring winemakers saw that the time was right and land was ripe for the taking. The ensuing clusters of vineyards have created a wine drinker's treasure map that has gone unnoticed by many — even Arizonans. ...

<http://abcnews.go.com/Travel/wireStory?id=8809406>

Napa Valley vintners toast 'phenomenal' harvest

THE INDEPENDENT, UK



13.10.09: Napa Valley wine makers on Monday toasted a 2009 grape harvest brimming with "outstanding fruit that looks and tastes to be a spectacular vintage."

The Napa Valley Vintners non-profit trade association, which represents 370 wineries in the renowned Northern California appellation, issued the season's grape report to kick-off a week of harvest celebration in San Francisco.



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"This has been a phenomenal year in the vineyard and in the cellar," said Doug Shafer of Shafer Vineyards.

"We are rocking and rolling, having a great time making wine in the Napa Valley."

The pace of the harvest has been slow and steady, with no intense hot spells or early rains requiring a rush to pick fruit, according to Shafer.

"This harvest was drama-free," agreed Honig Vineyards winemaker Kristin Belair.

"There has been nothing forcing the picking decision, so it just means lots of sampling and mulling things over, checking out the moon phase or my horoscope."

Initial reports indicate vintners and grape growers throughout Napa Valley are "delighted with 2009 from Albarino to Zinfandel and everything in between."

"We got to make wine this year with a lot less stress and a lot more love in the air," said Judd Finkelstein of Judd's Hill winery.

<http://www.independent.co.uk/life-style/food-and-drink/napa-valley-vintners-toast-phenomenal-harvest-1801988.html>

Wine Domain Catalysts Watch

This section records the most important articles written by those widely considered to be thought experts in the wine domain. These opinions are not only a valuable source of information but also provide important indications for current and evolving trends in the wine domain.

All sweetness and light

FINANCIAL TIMES, UK

11.10.09: The British wine trade is getting seriously interested in a group of wines which don't yet have a satisfactory name. The working title is "lower", or perhaps "reduced" alcohol wines. These are not legal terms, nor are they likely likely to appeal to the many British wine drinkers, men as well as women, who tell researchers and retailers that they are looking for wines that are more refreshing, simpler and fruitier. Research conducted by the wine importer PLB suggests that this group prefers the positive qualities of the expression "lighter" to the prissy "lower alcohol", and some think that the current popularity of rosé and Pinot Grigio is evidence of a trend away from high alcohol and, possibly, oakiness. ...

Some wine producers have invested in their own reverse osmosis equipment, which separates the combined alcohol and water components of a wine by filtering through a fine membrane. They can then choose how to reassemble them (possibly, in very rainy years, using the technology to make a wine stronger). This equipment is not prohibitively expensive, but a bit of flavour tends to be left behind too. The Harry Potter-esque spinning cone method, dependent on cumbersome and expensive vacuum distillation technology, is where companies such as ConeTech of the US have been literally spinning money out of over-potent wines, and they have plants in virtually every continent.

But, as Dan Jago, Tesco's wine supremo, pointed out, there is natural resistance among consumers to what are perceived as "Frankenstein wines" yielded by this sort of manipulation. What people really want, for those occasions when they seek a



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less alcoholic alternative (particularly midweek evenings and weekend lunchtimes, according to the consumer research presented to us last week) is something that is naturally lower in alcohol. Having tasted my way through a few dozen current offerings of wines whose alcohol levels have been physically reduced, I must say I cannot blame them. It may be the fault of the raw material rather than the technique, but I have yet to find a wine with a deliberately reduced alcohol level that tastes as good as one that is naturally low in alcohol.

Perhaps what is needed instead of all this tinkering is a bit more attention paid to the sort of wines that are naturally lower in alcohol than to the big, beefy blockbusters that seem rather less popular now than they once were in markets such as the UK, Australia and New Zealand. Stevens reported that a trend towards lower alcohol is not discernible in his home country, flattering us by adding that this is because the American wine market is "less mature" than the British one.

By chance, the evening after the forum, I found myself tasting a range of wines from the Georgian Wine Society, a new importer of wines from the Caucasus, and found that several of them are labelled with the same strength, around 11 per cent, to which several New World wines had been painstakingly reduced by David Stevens' company.

One obvious source of wines that have always been low in alcohol is Germany, many of whose wines are naturally between 7.5 and 11 per cent yet chock-full of flavour. There tends to be a trade-off, however. The grape sugar that is not fermented out to alcohol is left in the wine, so the wines with the lowest alcohol are the sweetest. And, it has to be said, global warming and an increasing taste for dry wines have resulted in a recent increase in the average strength of German wines. ...

Subscription based

French wine sales plummet

JANCIS ROBINSON, UK



14.10.09: It looks as though the total French 2009 wine crop will be only 48 million hectolitres, 12% more than the very small 2008 crop, but 5% smaller than the average crop for the past five years. This may be just as well in view of shrinking sales of vin français.

Export demand for still French wine is at its lowest since 2000, according to official figures for the 12 months to June 2009. The volume of exports to the EU is particularly low, at 2.8 million hl, and sales to the UK have fallen by a massive 27% to 0.8 million hl. The two other main EU destinations have also recorded a decrease in exports, of 15% for Belgium-Luxembourg (0.76 million hl) and 21% for Germany (0.54 million hl).

The under-performance of French wines in 2008/2009 is exacerbated by the large volume of AOC wine exported during the years 2006/2007 and 2007/2008, which is believed to be stockpiled in the distribution system.

France is faring badly in other key markets: the United States (-9%), Japan (-16%) and Canada (-4%) although some exports destined for the US now pass through Belgium and Luxembourg, which has distorted these official figures.

The combined effect of reduced demand and low availability means that prices are stable on the



whole. Changes in volume and prices are very similar to those of 2007/2008 for still vin de pays and champagne. Compared with the average of the past five years, prices have not decreased at the same rate as export volume, and the value of exports is generally on the increase: prices continue to rise in countries where exports have fallen, for example Canada (+1%). However, prices have dropped elsewhere, notably in the United States (-11%) and Japan (-10%).

Nor is there much cheer for French vigneron on the domestic market. According to customs figures from May 2009 for the first 10 months of the year 2008/2009, taxed consumption of French wine was the lowest ever recorded - just 23.8 million hl. It is expected that total taxed consumption of wine in France for the year will be no more than 30 million hl - 9% lower than the average for the past five years and 5% lower than in 2007/2008.

<http://www.jancisrobinson.com/articles/a200910141.html>

Scientific Developments & Technological Breakthroughs Watch

This section captures the developments in the scientific research landscape in terms of technological breakthroughs and emerging research covering both R&D from companies but also research from academia and institutional bodies. These are essential elements of future trends or cumulatively combined indicators of future market trends and consumer awareness as well as industry practice development.

Red Wine Chemical May Treat Diabetes

CBS NEWS, USA



14.10.09: The much touted compound resveratrol shows some promise as a future treatment for type 2 diabetes, but drinking wine or taking resveratrol supplements isn't likely to do diabetic people much good, researchers say.

Resveratrol, found in red wine, was found to lower blood sugar levels and improve insulin levels when injected directly into the brains of mice fed very high-calorie diets in a study conducted by researchers at the University of Texas Southwestern Medical Center (UTSW).

The finding suggests that the brain plays a key role in resveratrol's beneficial effect on diabetes and that the benefits may occur independently of diet and body weight.

If this is true, new type 2 diabetes treatments targeting the brain may be possible, lead researcher Roberto Coppari, PhD, tells WebMD.

But drinking red wine is not likely to improve blood sugar and insulin levels because resveratrol does not cross the blood-brain barrier very efficiently.

"We don't want to send the message that you can treat diabetes by drinking red wine," Coppari tells WebMD. "Two or three glasses a day wouldn't be nearly enough for the brain to accumulate the amount of resveratrol delivered in our study. It would take many, many bottles, and clearly that wouldn't be good for you."...

<http://www.cbsnews.com/stories/2009/10/12/health/webmd/main5379609.shtml>



Lasers to overtake manual sorting in hi-tech Bordeaux

DECANTER, UK

14.10.09: Manual sorting tables will soon be a thing of the past as the top chateaux embrace €100,000 laser sorting technology.

New sorting machines, using laser optics, have been introduced at Chateau Pavie and Chateau Grand Corbin Despagne, and Chateau Margaux has an entirely new gravity-led reception system for the grapes, taking them first in small trays and then by a pulley system into the vats.

Manual destemming, which first made an appearance in Bernard Magrez's Pape Clement a few years ago, has been seen this year in Château Angélus.

Other new developments include the construction of new drainage systems at Chateau Bélair-Monange in St Emilion and at Chateau Pichon Comtesse de Lalande in Pauillac.

At Chateau Angelus, where 50 gloved workers de-stemmed the bunches grape by grape, owner Hubert de Bouard said the almost entirely unscathed grapes made sorting tables almost redundant.

According to Jean Bernard Grenié, co-owner of Angélus, this technique will add around €2 per bottle. ...

<http://www.decanter.com/news/290573.html>

Wines from Greece Publicity Monitor

This section presents all international publicity relating to wines from Greece.

Jane MacQuitty: Greek wines

THE TIMES, UK

10.10.09: Not so long ago Greek wines were ... well, all Greek to me. Ice-cold retsina and flabby old cologne-scented whites and the odd earthy Greek red were just about downable on holiday, but back home, forget it. A decade or so ago Oddbins and others peddled Greece as the next big thing, but few swallowed the hot, quirky, aggressive flavours of the country's wines. Since then Greece and its new generation of oenology-trained winemakers have moved mountains. As new technology beds in and more Greek wines are sold in bottle, not barrel, standards have risen and British merchants now stock them.

Greece will always be a hot, arid, mountainous wine-producing country with insufficient water, but more and more producers are planting vineyards at higher, cooler altitudes, with impressive results. In an increasingly commercial and bland wine-dominated age, Greek gold comes in the form of more than 300 ancient, indigenous grape varieties that ampelographers still have to get to grips with. International grapes such as chardonnay, sauvignon, merlot and syrah do lift standard blends, but it would be a Greek tragedy if imported upstarts such as these pushed out traditional but now cleanly vinified Greek grapes.

Judge for yourself with the delicious, smoky, minerally volcanic 2008 Santorini White, made by



the Greek maestro Hatzidakis from the assyrtiko grape and others, £9.99 at Waitrose. Spend £16.75 at Les Caves de Pyrène (01483 554750) and the very special organic 2007 Cuvée 15 Santorini Assyrtiko, with lots more smoky, stony, yet lively nutty fruit, is yours. The agiorgitiko grape, grown in the region of Nemea, is a good introduction to Greek reds and Berry Bros' 2004 Dorkas Spiropoulos (0800-2802440, £7.15) delivers lively, spicy, curranty fruit. Don't forget a truly great Samos Muscat, the 2008 Grand Cru (Selfridges, £8.50), which oozes suprisingly elegant, floral fruit. ...

http://www.timesonline.co.uk/tol/life_and_style/food_and_drink/wine/article6866778.ece

Sexy wine, or sexist wine?

WINE PICTURES FROM BKWINE, SWEDEN



15.10.09: Well, neither is quite correct. The wines of Mount Athos is made by the Tsantali group. The vineyard is located on Mount Athos, a peninsula in Halkidiki that is almost like an autonomous province. Only men are allowed in. Women are not allowed to set foot on the grounds of Mount Athos.

Vineyard with Mount Athos top in the background. Mount Athos. Tsantali Vineyards & Winery, Halkidiki, Macedonia, Greece. Metoxi Chromitsa of St Panteleimon monastery.

<http://wine-pictures.blogspot.com/2009/10/sexy-wine-or-sexist-wine.html>

Blogosphere Monitor

In this section the most important blog entries for wine and Greek wine are recorded.

Danger: Millions of Kids Exposed to Wine!!

FERMENTATION, USA

EXCLUSIVE...

**EXCESSIVE WATER
INTAKE CAUSES
DROWNING IN
HUMAN BEINGS**

08.10.09: The impact of surveys is most often not driven by their content, but rather by the headlines that result.

I was reminded of this today when I saw the following reported in newspapers and across the Internet:

"Over 60% of Kids Exposed To Violence"

"Justice Survey: Majority of Kids Exposed To Violence"

"60% of Kids Exposed to Violence in the Past Year: Justice Department"

This is just the tip of the iceberg of the numerous stories that ran today on this shocking finding about kids' exposure to violence in the United States. But then, when you dig deeper into the survey you find this:

"The Survey's authors defined exposure to violence as being a victim, or having witnessed



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violence, or learning about violence against a relative or friend, or hearing about a threat to their school or home."

Now, I don't want to minimize violence. Nor do I want to minimize the likely ugly impact exposure to violence has on children. But, "learning about violence against a relative or friend...?"

It got me thinking, if someone decided they wanted to really start a movement against alcohol in America, all they'd have to do is take a survey of kids and ask:

"Have you ever had an alcoholic drink?"

"Have you ever seen a friend have an alcoholic drink?"

"Have you ever heard about a friend or family member having an alcoholic drink"?

"Have you ever seen an alcoholic drink?"

"Did you know there are such things as alcoholic drinks?"

Then you'd get this:

"90% of American Kids Effectuated by Alcohol"

"Most Children Impacted by Alcohol"

"Alcohol Effects Lives of 90% of American Children"

Then the really nasty stuff starts. Probably in the well of a Bible Belt state legislature where Senator Iberight stands up and declares:

"There is a crisis in American and in our own state. That crisis begins and ends with alcohol. We now know that this insidious social ill impacts the lives of more than 90% of our children. We are the children's' caretakers. They are our responsibility. We must put a stop to the devastating impact alcohol is having on our children's lives!"

You may think this is a farce, but reading the headlines of the kids and violence survey I was reminded of this headline that was attached to a press release sent out by the Wine & Spirit Wholesalers Association in 2006:

Millions of Kids Buy Internet Alcohol, Landmark Survey Reveals...

<http://fermentation.typepad.com/fermentation/2009/10/danger-millions-of-kids-exposed-to-wine.html>

Does Anybody Drink Port Anymore?

THE POUR, THE NEW YORK TIMES, USA

13.10.09: Just a quick word to let you know my column this week is on red wines of the Douro region of Portugal.

These wines are interesting on several levels, including price, quality, the unbelievably gorgeous vineyards and the grapes. All of the wines we tasted were made from the grapes that go into Port, grapes like touriga nacional, touriga franca, tinta roriz (otherwise known as tempranillo), tinto cão and tinta baroca. These are grapes that you find almost nowhere else (except for tempranillo, of course).

Rather than prattle on about what you can easily read for yourselves in the column, tasting all



these wines made me wonder: Does anybody drink Port anymore?

Personally, I love Port. I'm especially partial to good 20-year tawny Ports, which I discovered some years ago as I had neither the money nor the patience to invest in vintage Ports. But I can't remember the last time I drank Port...

<http://thepour.blogs.nytimes.com/2009/10/13/does-anybody-drink-port-anymore/>

Orange Wine Edges Toward the Mainstream, Slightly

THE POUR, THE NEW YORK TIMES, USA



08.10.09: Not long ago I wrote about a wonderful tasting of orange wines. Well, not strictly orange.

The phrase is useful as it pulls together wines with colors actually ranging from pink to vivid orange. They are linked by a technique of leaving freshly crushed juice in contact with grape skins for several days or more. While producers of conventional white wines quickly remove the pigment-laden skins to keep the wine pale, this method of prolonged maceration darkens the juice, while contributing a pleasing tannic structure and a richer texture.

Almost all of the wines in that tasting, and indeed in the category, are made by committed iconoclasts, winemakers who follow their own muses without concern with fashion or popular tastes. For this reason, I was shocked recently when I saw such a wine from Plözner, a winemaker in the Grave region of Friuli-Venezia Giulia in northeastern Italy, which generally produces popular, inexpensive pinot grigios, chardonnays, sauvignon blancs and the like.

Plözner calls this wine Malpelo, and it's quite a ways from the usual mass-market pinot grigios. It, too, is made from the pinot grigio grape, but the resemblance ends there. Clearly, this wine was macerated with the skins, which gives the wine a pale copper color and a characteristically rich texture that for me is wonderfully appealing...

<http://thepour.blogs.nytimes.com/2009/10/08/orange-wine-edges-toward-the-mainstream-slightly/>

Peripheral Domains Intelligence

This section covers developments from associated domains such as Greek food, taste and culinary trends, as well as any other significant information that has an impact on or derives from the global wine domain.

Glasses, the Background Music of Wine

THE WALL STREET JOURNAL. USA

14.10.09: While there are many different kinds of glasses for many different kinds of wine—flutes for sparklers, small glasses for dessert wine and some boast that they deliver specific wines best to specific taste buds and so on—everyone needs a good, solid, everyday glass to use for both reds and whites without thinking about it. You know: the kind of stemware you just reflexively pick up when you come home after a long day. That's what we were looking for in this tasting. Here were our parameters as we searched:





- Twenty ounces or more. We like large bowls in which our small pour of wine, whether red or white, has plenty of room to breathe and we can swish and swirl to our hearts' content. We eliminated any glass that was less than 20 ounces or, online, didn't reveal the size.

- Clear glass. We want to see our wine. In addition, thin glass is better than thick glass because we like to taste wine instead of glass and thick stemware can get heavy.

- Long stem so we can hold it comfortably. Those stemless tumblers we see at restaurants sometimes are fun as a change of pace, but we wouldn't use them as everyday glasses. ...

<http://online.wsj.com/public/page/news-food-cooking-drink.html>

Giant Wine Shipping Hub to Open

WINES & VINES, USA



13.10.09: Although a mammoth new 650,000-square-foot distribution center and warehouse being completed in Napa County will consolidate all such activities for Jackson Family Wines, it will also benefit other wineries.

Jackson, the parent of Kendall-Jackson and many boutique brands, will occupy 475,000 square feet of the massive center, but Biagi Brothers, the industry's largest wine transporter, will occupy 175,000 square feet, which it will use for other wine brands. This will allow the trucker to consolidate loads for efficient shipping by both truck and rail.

The facility represents a sizeable wager on the growing revival of rail for wine shipping. A new 1,600-foot spur and 14 railcar dock doors were installed to simplify loading the cars. Union Pacific serves the facility; it already carries wine from Trinchero's major facility nearby and other wine companies.

Rail is attracting increased attention from wine shippers because it's so much more efficient than trucks. One railcar alone can hold as much as three large tractor-trailers, and of course, one railroad engine can pull numerous cars, with significant savings in fuel costs and carbon emissions.

Having a distribution center like this allows smaller wineries to combine shipments with others, including Kendall-Jackson, to take advantage of lower rates for rail.

The facility isn't ignoring trucks, however. It contains 24 truck docks and has provision for 20 more. It also features a truck refueling station with a 12,000-gallon tank to save drivers time. (Jackson Family Wines and Biagi Brothers have also co-operated on an eco-friendly wine delivery service, VinLux.)

The building, which equals almost 15 acres, occupies a 22-acre site at the end of Green Island Road in American Canyon. It's the largest building in the city, which contains many other large warehouse and distribution centers, and could hold 10 Boeing 747s or 11 football fields. It can hold 5 million cases of wine...



<http://www.winesandvines.com/template.cfm?section=news&content=68258&htitle=Giant%20Wine%20Shipping%20Hub%20to%20Open>

Global Sustaining & Emerging Trends Digest

This section presents those global, macro and micro trends that affect or potentially affect the wine domain. Comprehensive fusion and distillation of the above publicity parathesis concludes to the most important aspects as those appear in the current setting.

Bright Spots for Domestic Wine Sales

WINES & VINES, USA

Change in Wine Sales by Channel – 2009 vs. 2008



Percentage by channel and change

Channel	Way up	Somewhat up	Same	Somewhat down	Way down
Tasting room/direct	16%	22%	34%	24%	3%
Winery website	4%	23%	44%	28%	2%
Online retailer	2%	23%	43%	23%	9%
Catalog/mail order	3%	10%	41%	38%	8%
Supermarket/grocery	1%	33%	27%	36%	3%
Warehouse/club/discount	3%	41%	38%	16%	2%
Wine/liquor shop	5%	19%	32%	41%	4%
Chain restaurant	3%	9%	30%	45%	13%
Fine dining	2%	13%	18%	35%	31%

10.09.09: A new report by the firm Wine Opinions fills in the outline of the consumer and trade wine buyer after a prolonged period of recession. It's not a pretty picture for many vintners, but it does contain bright spots for North American wineries, including rising sales at winery tasting rooms and an improved image of California wine regions such as Lodi, Paso Robles and Sonoma County.

More than half of regular wine drinkers surveyed say their financial situation has gotten worse or much worse in the past 12 months, and many of them have traded down in wine purchases. This verifies the assumptions of many in the wine industry.

But even the minority of consumers who say their financial situations have improved are cutting back on high-end purchases and on-premise buying, while not necessarily trading down when they do buy. **"The recession is psychographic as well as income or wealth-driven,"** the report states.

The 75-page report, titled "Market Track Volume 1", is based on surveys of high-frequency wine drinkers and members of all three tiers of the wine business. One finding that bucks conventional wisdom is that **no evidence surfaced to show that consumers are retreating to the "tried and true" or traditional brands or types of wine.** John Gillespie, one of the principals of Napa Valley-based Wine Opinions, indicated that open-ended questions revealed almost no citations of such a trend either by the trade or consumers. **Seven of the top 10 wine types cited as gaining share by the trade were new or rediscovered wines.**

Looking at survey respondents attitudes toward California wine, Paso Robles and Sonoma County have gained the most consumer support over the past twelve months, while Napa and Monterey were weakest, the report states. Among the trade, Napa sales were reported as negative, Paso Robles and Lodi were strongest, and most other regions were positive.

One of the most noteworthy findings, Gillespie said, was an uptick in the amount of wine California residents are purchasing from the Lodi region. In-state sales to California residents grew "more so than you might expect, with more weakness on the Napa Valley side, because of



price points" traditionally associated with the area's wine products.

Gillespie said that from the trade's perspective, **Argentina, Chile, and Spain are the import countries that have benefited most from the consumer trade-down trend. Past-twelve-month net sales increases of wines priced under \$20 were significantly higher for these countries than for others.**

The most positive changes by sales channel were seen in tasting room and direct sales, though the survey sample was small in this category. **More trade respondents reported an increase in tasting room/direct sales (38%) than experienced a decrease (27%) over the past year (a net shift of +11 points).**

The Wine Opinions' consumer panel sample used for the firm's most recent study was comprised predominantly of consumers who drink wine several times per week and gravitate toward high-end wines and wine retailers.

In findings that Gillespie and Wine Opinions colleague Christian Miller previewed at the recent Wine Industry Financial Symposium, few members of the trade regard Napa Valley Cabernet Sauvignons priced over \$50 as irreplaceable. About 1 in 4 said that Napa Valley Cabernet Sauvignon wines under \$50 are the best alternative (22%), but a near equal proportion favor Cabernet Sauvignon wines from Washington State (24%). There were also significant numbers who believe that comparable wines from Sonoma County (16%) or Bordeaux (14%) are the best alternatives.

<http://www.winesandvines.com/template.cfm?section=news&content=68169&htitle=Bright%20Spots%20for%20Domestic%20Wine%20Sales>

