

Global Wine Trends

Weekly Update

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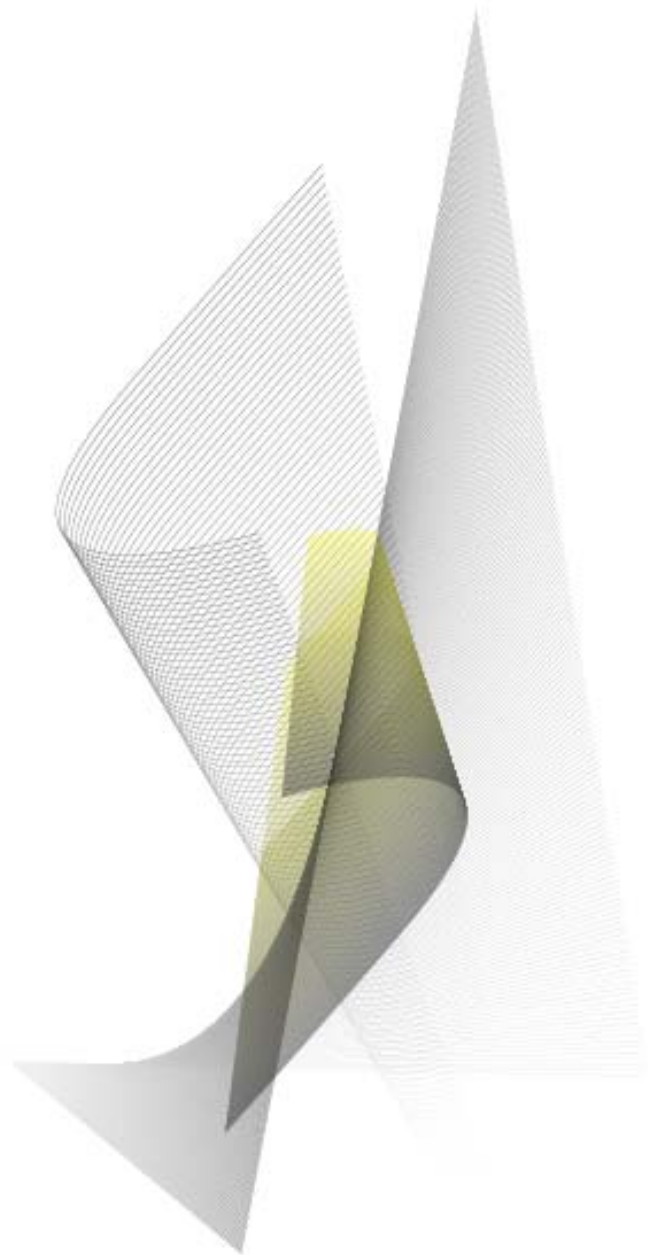


Table of Contents

Table of Contents	2
Global Market Watch	4
Rolling Stones wine brand not made for X-Pensive Winos	4
Beaujolais Nouveau: A time-traveller's journey in search of the wine the Eighties adored	4
De Bortoli's new red leaves a sour taste	6
TV video "Macedonian Wine - Timeless" promoted.....	6
Wineries promote Traminette as signature Ind. wine.....	7
NSW wines target Hong Kong and China markets	7
Deal boosts Wine Rack stores.....	7
Diageo abandoning Bordeaux.....	8
Dragons Den star launches online wine retail site	8
US wine market up 2.1% – Mintel.....	9
Wine Spectator Names Columbia Crest Reserve Cabernet Sauvignon No. 1 Wine in the World for 2009	9
Global Industry Watch	10
Wine Sales Lush Despite Recession.....	10
Wine Association calls for 20% cut in excise	10
Morocco wine-makers sniff success	11
US demand for cheap wine buoys global market	11
Wine: Government wary of temptations of Bacchus	12
France regains top world wine producer spot	12
US wineries must adjust to new \$50 ceiling: report	13
U.S. Wineries See Hope in Hong Kong	13
South Australian winegrape crush report released	14
Court: grape growers can't fight generic ads	14
Geodis sets up dedicated UK wine division	15
Threshers administrators cut further 1,908 jobs	15
Wine Domain Catalysts Watch.....	15
Reasons to be thankful	15
Scientific Developments & Technological Breakthroughs Watch.....	16
Drinking red wine may prevent cavities	16
Alcohol May Prevent Thyroid Cancer	17
Study: Moderate Drinking Doesn't Sharpen Thinking Skills.....	17
Wines from Greece Publicity Monitor	18
Dining Out: The Greece we know and love.....	18



Blogosphere Monitor.....	19
WineDJ Helps Set the Mood by Pairing Wine with Music	19
After luxury bags comes counterfeit luxury wines.....	19
World-class Riesling from Luxembourg.....	20
Donald St. Pierre: wine's gateway to China?.....	20
Poetry slam: wine education for kids [giveaway]	20
Peripheral Domains Intelligence	21
Napa Valley Vintners Gives \$5.2 Million to Napa County Charities	21
Antonio Banderas plans hotel at Spanish vineyard	21
Sacramento, heart of wine country?	22
Vinopolis celebrates 10 years	23
Trade must engage on responsible drinking	23
Introducing terroir: a vital concept in wine	23
How family wineries can succeed at succession	24
Consumers Go Green on Own Terms	26
Groups examine winery event rules	27
Global Sustaining & Emerging Trends Digest	27
Beaujolais Nouveau producers attack plastic tactic.....	27



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.

Rolling Stones wine brand not made for X-Pensive Winos

EXAMINER, USA

19.11.09: Although Rolling Stones guitarist Keith Richards had a band in the early nineties called The X-Pensive Winos, and he once told a music journalist, "If you're gonna get wasted, get wasted elegantly," the Rolling Stones new brand of Merlot comes cheap. **The Rolling Stones Forty Licks Merlot was introduced backstage to VIPs last week at the 25th Anniversary Rock and Roll Hall of Fame Concerts in New York at Madison Square Garden. Mark Beauman, a winemaker at Mendocino Wine Company, noted about the branding, "For Forty Licks Merlot, I wanted to work with a wine that captured what the album was about.** Forty Licks, it's forty tracks covering the Rolling Stones from the 1960's to just a few years ago is really a statement about timeless, classic rock." In Rolling Stones song "Sweet Virginia" from the band's 1972 masterpiece album, Exile On Main Street, Mick Jagger sang, "Thank you for your wine, California." **At \$16.99 a bottle, the label includes the artwork to the band's 2002 Forty Licks album. The minimum order is \$50.99 for a three pack. The Rolling Stones previously had limited edition promotional bottles of wine, in green bottles, emblazoned with their painted-on tongue logo. ...**

Whether the band's brand of Merlot will be successful remains to yet be seen, but the band's music still makes a beautiful buzz.

<http://www.examiner.com/x-30199-Rock-Music-Examiner~y2009m11d18-Rolling-Stones-wine-brand-not-made-for-XPensive-Winos>

Beaujolais Nouveau: A time-traveller's journey in search of the wine the Eighties adored

THE DAILY MAIL, UK

25.11.09: Time travel, as far as we know, is a physical impossibility -- a concept that only flirts with reality in the pages of comic books and the plotlines of the Back To The Future films (or on TV courtesy of Keeley Hawes and Ashes To Ashes, to use a more up-to-date example).

But last week, I felt as if I had travelled back in time. Back to the mid-Eighties and an era when, every November, European eyes (including plenty in Britain) turned to a small town in the Rhone département of France. A small town where wine is a way of life, and the arrival of its freshest variety of fermented grape is a cause for widespread merriment. As, of course, it was in the ` of Thatcher, leg-warmers and Spandau Ballet (first time around), when it was rare for an autumn dinner party to pass without glasses being filled with, and clinked to, this feted



tipple. The town? Beaujeu. The wine? Beaujolais Nouveau.

Its popularity was (and is) understandable. Made from the Gamay Noir grape, Beaujolais Nouveau is a young, fruity wine, produced in lightning-quick time -- almost as soon as the vines have been picked clean. Given little time to cogitate or mature, it is a soft, defiantly non-potent drink, designed for immediate consumption. And unlikely to cause hangovers.

Such was the standing of Beaujolais Nouveau in the Eighties that it spawned an annual jaunt in its honour -- the Beaujolais Run, a rapid dash across France and back, conducted in the hope of being the first person to bring the wine to British shores. Technically, this grand adventure dates back to 1972, spawned (legend has it) as a jolly wheeze by Fleet Street journalists. But just the idea of it -- sports cars roaring through the French darkness -- is an image indelibly linked to the folly and extravagance of the decade that followed.

Beaujolais Nouveau has not enjoyed such happy fortunes of late. Indeed, from being the pre-Christmas boisson of choice for the chattering classes, it has rather fallen -- in the UK at least -- into the realm of the passé. Nor has it been immune from slight in its native France. The arrival of the 2001 batch proved to be a damaging affair, with over a million cases being destroyed amid poor sales and bleak mutterings among the French press that the quality of the wine was not all it had been in previous years. One magazine went as far as to describe 2001's offering as vin de merde (I'm sure we all have sufficient grasp of French to understand that reference without me translating it) -- a slur that provoked legal action from Beaujolais producers, and a court case that dragged on for three years. ...

First came the swearing-in of the compagnons -- those who have done sterling service for the region and its wine, whatever their nationality, and are deemed to be worthy of recognition by the Beaujolais elders (this being the quasi-Masonic bit). Cue the reciting of the 'Compagnon's Oath' -- which includes the words (translated into English here): 'My duty is to love the Beaujolais country, to strive for the upkeep of her traditions of hospitality, wisdom and good humour, to spread the knowledge of the beauty of her heritage sites,...to enjoy and promulgate the product of our vines and finally to honour the hardy winemakers who, through their toil, are at the root of Beaujolais' prosperity and fame.' Before the oath-taker sealed the pact by downing a silver salver of said product....

As I sipped from my plastic beaker and watched rockets screeching into the heavens, I realised that two things had become clear: That -- whatever its detractors say -- with such pomp and ceremony attached to its yearly rebirth, **Beaujolais Nouveau probably won't disappear into obscurity in the near or distant future. And that Beaujolais itself is a lovely region to visit, especially now that the high-speed Eurostar link to Paris and the swiftness of the SNCF network.** ...

Furthermore, if you roll into Beaujeu before Christmas, you should catch the tail-end of Beaujolais Nouveau season. The town tends to switch its focus to rather sturdier drops in the middle of December, but a visit over the next three weeks should still yield a few bottles of new-born (personally, having sampled the best of his barrels, I can recommend the Beaujolais Nouveau sold by small independent producer Vincent Lacondemine -- more details here).

<http://www.dailymail.co.uk/travel/article-1230649/Beaujolais-Nouveau-A-time-travellers-journey-search-wine-Eighties-adored.html>



De Bortoli's new red leaves a sour taste

BUSINESS DAY, AUSTRALIA

24.11.09: **DE BORTOLI WINES**, one of Australia's largest private wine groups, has crashed into the red, posting a net loss of \$1.6 million after saturated markets drained its margins and a slowing global economy triggered investment and foreign currency losses. ...

The domestic industry is operating a surplus of 100 million cases a year - a figure that is expected to double within two years - while the strengthening Australian dollar is crimping export sales to key markets such as North America and Europe. ...

Australian Vintage, the group formerly known as McGuigan Simeon, sustained a loss of \$123.64 million last financial year following restructuring charges and millions of dollars in write-downs. De Bortoli Wines, the producer of such brands as Noble One, Gulf Station and Windy Peak, has reported a net loss of \$1.6 million for the 12 months to June 30 - a massive turnaround from the profit of \$20.7 million it recorded in 2007-08. **According to documents lodged with ASIC**, revenue for the period was slightly down, falling to \$197.5 million from \$203.4 million. ...

A Deloitte Wine Industry group leader, Stephen Harvey, said the industry needed to make some hard decisions following a near-record grape crush at the 2008 vintage, a fluctuating Australian dollar and thinning margins. ...

<http://www.smh.com.au/business/de-bortolis-new-red-leaves-a-sour-taste-20091123-iyey.html>

TV video "Macedonian Wine - Timeless" promoted

MACEDONIAN INTERNATIONAL NEWS, FYROM



20.11.09: **T-Rex production in cooperation with the Government promoted Friday a new video in the Macedonia Timeless series**, whose aim is to promote Macedonian wine. ...

This video is what our wine needs, because it presents the entire process of production - from vineyards to bottling to branding. **The goal is to inform the world about the unique taste and centuries-long tradition**, Minister of Agriculture, Forstry and Water Management **Ljupco Dimovski** stated after seeing the video. Screenwriter **Kalenikov** said the video illustrated in the best possible manner that wine had been produced in Macedonia for centuries. - **The idea was to illustrate the tradition of making and drinking wine in Macedonia through the three main ways of wine tasting - color, scent and taste**. Color brings us back in ancient time, scent in 19th century and taste reflects modern times, said **Kalenikov**. - I'm glad we've made a commercial which first and foremost has a story and concrete objective. Only the quality of our wine needs to be promoted. This is the goal of Government's propaganda, director **Trajkov** stated. Due to favourable geographical location and weather conditions, Macedonia has myriad opportunities to produce quality wine, which thus far was not promoted enough or branded.

<http://macedoniaonline.eu/content/view/9767/2/>



Wineries promote Traminette as signature Ind. wine

THE ASSOCIATED PRESS, USA

26.11.09: **Indiana's wine industry on Tuesday uncorked the turkey friendly Traminette as the state's first signature wine, just in time for Thanksgiving.** A fragrant, floral white wine that pairs well with poultry, pork loin, seafood and Asian fare, Traminette comes from a Gewurztraminer hybrid grape that flourishes in Indiana. **More than 20 of Indiana's wineries bottled the varietal last year and five won medals for it at the Indy International Wine Competition in June, one of the largest wine competitions in the world. ...**

http://www.google.com/hostednews/ap/article/ALeqM5g9paJMuKhTuKG5QZ_M69nNdyA8IAD9C651NGO

NSW wines target Hong Kong and China markets

WINES—INFO, CHINA

26.11.09: AS China emerges as one of the Hunter's largest wine export markets, wine industry representatives caution wineries to be careful which end of the market they target. **The New South Wales Government has announced that it is going to support the State's wine industry to expand the market of southern China. A recent NSW Government wine promotion trade mission produced immediate results showing just how impressed wine suppliers are with the quality of wines that NSW is producing.** Vice president of the Hunter Valley Wine Industry Association Andrew Margan said there has been a lot of interest from China in the Hunter's quality wines.

"China has the potential to be a huge market for the industry and they want the quality wines," he explained. Australia needs to be careful that we are not marketed as the cheap option.

"We need to position ourselves at the high end of the market." ...

<http://www.wines-info.com/Newshtml/200911/1892009112609243951.html>

Deal boosts Wine Rack stores

THE PRESS ASSOCIATION, USA

27.11.09: **A deal that will see Wine Rack off-licences remain a high street presence has been unveiled. A rival business said it has bought the trading name from the administrators of collapsed off-licence retail group First Quench. Venus Wine & Spirit Merchants (VWSM) said it had also acquired 14 of the best-performing Wine Rack stores, and these would continue trading under the same name.** The firm is looking to keep on 90 staff working at the shops, which are across London and the South East including Henley-on-Thames in Oxford, Farnham in Surrey and Ascot, Berkshire. First Quench - which also operated Threshers, The Local, Haddows, Bottoms Up and Victoria Wine - fell into administration in October after struggling amid the recession. **More than 750 of the group's 1,200 stores have since been closed with the loss of 3,700 jobs.** VWSM chairman Laki Christoforou said he was confident Wine Rack - which had 370 stores across the UK - could



become a growing and thriving business again. ...

<http://www.google.com/hostednews/ukpress/article/ALeqM5hQ8KBAbg8YYPooJzCZoVeogQ6Fg>

Diageo abandoning Bordeaux

NAPA VALEY REGISTER, USA

27.11.09: The image of great red wine aging carefully in a cellar is more a story of Bordeaux and its wine trade than any other wine in the world. And a story out of Europe last week is a possible precursor to the collapse of the entire system under which Bordeaux (and all wine) have lived for decades. **The wire service Agence France-Presse carried a story that said Diageo Chateau & Estates would abandon the sale of Bordeaux wine immediately. I confirmed that story on Monday, and already I'm hearing repercussions from the wine trade of possible price declines in many sectors.** "C&E is dumping a lot of its inventory," said one former executive with the company, who was there when it was still owned by Joseph Seagram and Sons. "They have millions of dollars worth of Bordeaux of various vintages and they are liquidating everything."

One source said he thought the retail value of that wine was in the \$200 million range. Chateau & Estate has all but controlled the red Bordeaux wine business since 1974, when the company assisted the district with its distribution at a time when Bordeaux houses were suffering from terrible sales and low prices. C&E exiting the business may well have terrible repercussions for retailers and wholesalers, and may harm the financial infrastructure of Bordeaux itself. ...

http://www.napaalleyregister.com/articles/2009/11/27/wine/dan_berger/doc4b0e1a1963379191209937.txt

Dragons Den star launches online wine retail site

HARPERS WINE & SPIRIT, UK

20.11.09: **Dragons Den entrepreneur, Peter Jones, is looking to attract one million people to his new online wine club and retail site, www.gondola.co.uk in its first year.** The site, which was launched this week, is being backed by an initial £200,000 marketing spend and promises to offer next day delivery for mainstream branded wines. It has been set up by Jones and his business partner, Phil Lucas, along with consultancy help from former Somerfield head wine buyer, Angela Mount, who is helping to devise the right range. It is being run by director, Rowan McGregor, formerly of Direct Wines and is being targeted at the average supermarket wine buyer looking to "explore the world of wine, but who seek the reassurance and reliability of established brand names". ...

It is promising next day delivery, single pick and hand picked wine case offers and will again look to use Jones' knowledge of the mobile phone distribution network to guarantee an efficient web to door service. ...

The Gondola offer and its site is still being developed, but it hopes to offer branded wine companies a new way to communicate directly to customers. You can search on the site for wines under £7, £7-10, £10-15 and £15 and above. Brands that are already signed



27/11/2009

up include Lindemans, Wolf Blass, Rosemount, Penfolds, Beringer, Veuve Cliquot, Moet Chandon, Cloudy Bay and Montes. Beringer is offering special six bottle case deals for £34.99, £54.99 and £189.99 on the site. ...

<http://www.harpers.co.uk/news/news-headlines/8549-dragons-den-star-launches-online-wine-retail-site.html>

US wine market up 2.1% – Mintel

HARPERS WINE & SPIRIT, UK

24.11.09: Market research organisation Mintel has predicted the US wine market will increase by 2.1% by the end of 2009. The growth represents a stabilisation of a market which saw a 3.2% decline in 2008 at the height of the financial crisis. Senior food and drink analyst Sarah Theodore said: "Despite the recent decline, the future of the wine market looks bright, at least for moderately-priced segments." Value wines have helped consumers rethink their perceptions about wine. "Domestic wines have proven to be somewhat recession-proof as unpretentious, economy-priced wines are fuelling recent sales." She added that the recession had given new impetus to boxed wine. Mintel says the wine market grew by 20% in the US between 2004 and 2009.

<http://www.harpers.co.uk/news/news-headlines/8555-us-wine-market-up-29-mintel.html>

Wine Spectator Names Columbia Crest Reserve Cabernet Sauvignon No. 1 Wine in the World for 2009

YAHOO NEWS, USA

20.11.09: Wine Spectator magazine, one of the most influential wine publications in the world, has named the Columbia Crest 2005 Reserve Cabernet Sauvignon as the editors' pick for the No. 1 Wine in the World for 2009. Business Wire - Wine Spectator Names Columbia Crest Reserve Cabernet Sauvignon No. 1 Wine in the World for 2009. Equally noteworthy is that Columbia Crest is the first wine produced in Washington state to fill the top spot in Wine Spectator's annual Top 100 wines of the world ranking. "For the first time in the Wine Spectator's 21-year history of creating an annual ranking of the world's Top 100 wines, editors have named a wine from Washington state as No. 1. This is an historic moment for Columbia Crest and for all wineries in Washington," said Ted Baseler, President and CEO of Columbia Crest's parent company, Ste. Michelle Wine Estates. ...

<http://finance.yahoo.com/news/Wine-Spectator-Names-Columbia-bw-3630863108.html?x=0&.v=1>



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 Sales Lush Despite Recession

YAHOO NEWS, USA

23.11.09: Cheers! Salud! Clink, clink! However you toast, American's will be tipping their glasses this holiday season. **According to new research from Mintel, two-thirds of survey respondents (67%) say they partake in wine on holidays and special occasions while at home. Another 58% drink wine at home with dinner on an ordinary night. The wine market has grown 20% from 2004-09 despite the recession; however, shattered consumer confidence caused a 3.2% decline during the height of the financial crisis in 2008.** As consumers begin to see signs that the worst of the recession is behind them, Mintel forecasts the wine market will stabilize and increase by 2.1% in 2009. "...

So far in 2009, nearly half of survey respondents say they drink beer compared to just more than one-third who drink imported and domestic wines (47% vs. 35%). Only 17% claim to enjoy champagne and sparkling wines and even less drink port, sherry and dessert wines (7%). Sarah Theodore notes: "As wine finds its way out of the recession, it might be taking on a new form. The down economy has given impetus to boxed wine. **Marketers have an opportunity right now to really play up the benefits of this type of packaging and finally eliminate its 'cheap' image.**" **Nearly one in five respondents appears to be status-conscious when it comes to drinking boxed wine.** Consequently, 35% of those aged 21-24 say they would drink boxed wine at home, but not serve it to guests, compared to 19% of all ages. In addition, 35% of 21-24 year old wine drinkers believe the wine brand they choose reflects their status to friends, compared to only 14% of all ages.

<http://finance.yahoo.com/news/Wine-Sales-Lush-Despite-bw-203753463.html?x=0&.v=1>

Wine Association calls for 20% cut in excise

IRELAND ONLINE, IRELAND

23.11.09: **The Irish Wine Association has called on the Government to reduce excise by 20% in the upcoming Budget given the impact last year's 50 cent excise rise on every bottle of wine has had on sales.** The chairperson of the Irish Wine Association, Philip Robinson was speaking as latest Revenue Commissioners figures showed that sales of wine have fallen 10.9% in the year to date. Mr Robinson said that the wine industry in Ireland had "suffered immensely" over the last 13 months with 25% job losses and falling sales. He said the excise cut was required not only to save further jobs and revenue but also to restore competitiveness with the North and stem the tide of cross-border wine shopping. ...

<http://breakingnews.iol.ie/news/business/wine-association-calls-for-20-cut-in-excise-435455.html>



Morocco wine-makers sniff success

BBC NEWS, UK

23.11.09: Scarcely taller than the vine from which she is picking grapes, Fatima, a Moroccan woman in her 50s, squints as she peers into the sun shining on the open plateau near Meknes. With only a few more rows of vines left, the grape harvest is almost over and she will be moving on to picking olives. Unfortunately we no longer have any indigenous Moroccan varieties

Jean Pierre Dehut

Les Celliers de Meknes

Fatima and a handful of the other agricultural casuals bridge the gap between the end of the nectarine and the start of the olive seasons in the acres of vineyards just outside Meknes. But Fatima has never tasted wine - she says it is too expensive. Nor does she realise that her job is at the cutting edge of commercial moves to sell Moroccan wine to distant markets. Chateau Roslane, a sprawling property of more than 2,000 hectares (5,000 acres) belongs to the country's oldest winemaker and boasts Morocco's only Appellation d'Origine Controlee (AOC) - a French system which guarantees that wine has come from a specific geographical location. It also produces a Moroccan "champagne", a sparkling wine made according to the Champagne method and which is sold locally. But like the other handful of growers in Morocco, the owner wants to concentrate on exporting the red, white and rose, despite a healthy domestic market.

Ancient art

According to Les Celliers de Meknes' Belgian export manager, last year the company saw real growth, especially from new markets. "Our production grew by over 12% and our biggest emerging markets are India and China," says Jean Pierre Dehut. "This is likely to deprive European producers of some of their anticipated growth in these areas." ...

Chinese bottling factory

Some French took up the offer at the time and others are now purchasing vineyards taking advantage of low land prices, manpower and transport costs. But in return buyers have to comply with a "Cahier de Charges", a list of responsibilities that include employing a certain number of local people. Wine-growing, categorised along with other agricultural products, is tax-free until 2012, providing the farming is not on an industrial scale. Members of ASPRAM, the Moroccan wine-growers association, buy a percentage of their grapes from local growers so as to remain within the scope of the law. Mehdi Bouchaara, a member of ASPRAM and director of Les Celliers de Meknes, says that Morocco is currently producing 300,000 hectolitres of wine each year, making it one of the most significant in the Arab world. ...

<http://news.bbc.co.uk/2/hi/africa/8352885.stm>

US demand for cheap wine buoys global market

THE ASSOCIATED PRESS -USA



27/11/2009

26.11.09: **An industry group said Thursday that more wine could be consumed globally this year thanks to crisis-fueled demand for cheaper or discounted tipples. While that might benefit some low-end producers, the organization's director cautioned wine growers to resist what he called the "massive pressure on prices," which erodes profits. ...**

The International Organization of Vine and Wine predicts that world wine consumption should rise by 4 percent to 246.3 million hectoliters (6.5 billion gallons) in 2009 from an estimated 244.9 hectoliters last year. ...

<http://www.google.com/hostednews/ap/article/ALeqM5jUZACikWZQevlibCRUv5v9Fpt53wD9C78S900>

Wine: Government wary of temptations of Bacchus

THE FINANCIAL TIMES, UK

25.11.09: **Although home to one of the world's earliest wine-producing regions – dating back 4,000 years – Turkey's wine offerings were low on variety and uninspiring until just a few years ago. A state-run alcohol monopoly and two companies – Kavaklidere and Doluca, founded at the same time as the republic in the 1920s – dominated a lacklustre market. Then there were a handful of lesser brands, known colloquially as "dog-killers". Vintage year or grape variety were little-known details and hardly mattered. Those days are receding. A combination of industry liberalisation, a slew of wealthy executives investing in boutique vineyards and innovation by the US-educated scions of established wine-makers is helping to revitalise an ancient tradition.**

Turks can now count a number of homegrown grape varieties, such as the dark, tannic Bogazkere, fruity red Kalecik Karasi or delicate Narince, technology has improved and international buyers are taking note. "What I saw in vineyards and cellars suggests it will not be long before Turkey produces something truly exceptional," said well-known wine critic Jancis Robinson, who writes for the FT, after a recent visit. After all, the Turkish wine industry would appear to have huge potential: the country is the world's fourth-largest grape grower, it has favourable climate and soil conditions, nearly 1,000 indigenous grape varieties and a large, youthful population – more than half of 70m are under the age of 35 – with rapidly urbanising palates. ...

More recently, an advertising ban took effect in July making it illegal to promote alcohol in association with food, Turkish cultural or historic values, or – in vague wording – in a way that might appeal to youth. "The government has adopted an attitude of passive resistance," says Resit Soley, a prominent architect-turned-vintner who owns the up-market Corvus label. ...

<http://www.ft.com/cms/s/0/2969abd8-d88f-11de-b63a-00144feabdc0.html>

France regains top world wine producer spot

AGENCE FRANCE PRESSE, FRANCE

27.11.09: **France this year returned to its position as the world's top wine producer**



with an estimated output of 45.7 million hectolitres, the International Organisation of Vine and Wine (OIV) said Thursday. France thus took over the top spot from Italy, which had been the biggest producer since 2007. Italy's production for this year is an estimated 45.5 million hectolitres, according to OIV figures. " ...

<http://www.google.com/hostednews/afp/article/ALeqM5jKAa3cZjBSVszD4jGw-AtVEEcfzw>

US wineries must adjust to new \$50 ceiling: report

DECANTER, UK

24.11.09: The era of the US\$100-plus bottle may be over as the US recession takes its toll on Baby Boomers' wealth, according to a new report. In the preliminary findings for its 2010-11 Annual State of the Wine Industry Report, Silicon Valley Bank warned that wineries need to adjust to a 'new normal' of reduced spending power among the very consumers who have driven recent growth in the market. **'For that segment of Baby Boomers who have seen their net worth drastically reduced and who have been the prime target of wine marketing for nearly 20 years, a US\$50 bottle of wine is now permanently out of the question for a normal purchase,' said Rob McMillan, report author and founder of the bank's Wine Division.** Our current research is showing that the wine businesses continue to be pushed in this economic environment, and there is no expectation that what was normal for the past decade will return in short order. 'Defining a new normal and acting on that is more prudent than waiting for the old normal to return.' **According to the report, sales of fine wine defined as US\$20-plus per bottle were down by as much as 11% in the first half of 2009, although the market has recovered slightly since then. Only modest sales growth is expected in 2010, leading the bank to forecast a 'price reset' with more sub-\$50 wines on the market.** It also advised wineries to focus more of their marketing on the under-40s, pointing out that those aged 45-54 have seen their net worth fall by 45% over the past five years.

<http://www.decanter.com/news/news.php?id=292128>

U.S. Wineries See Hope in Hong Kong

WINES & VINES, USA



23.11.09: Wine & Spirits Fair presents opportunities, but Asia still presents tough challenges. **Hong Kong is fast becoming a major wine trading and distribution hub, and many North American wineries seek to expand into the Asian wine market. ...**

Hong Kong's position as a major wine center has increasingly solidified during the past few years. The Chinese government has taken an active role in making Hong Kong a wine-friendly region -- first by eliminating wine duties in early 2008, and also permitting wine to be transferred to storage prior to clearing customs (rather than sitting on the tarmac). Hong Kong cooperates with major wine-producing nations, already is the main distribution center for Asia and is set to become a wine auction center second only to London.



Understanding the Asian palate

As the wine industry in Hong Kong grows, so does the sophistication of the Hong Kong palate. Ross Chan of California Grapes International Inc., a Hong Kong-based distributorship specializing in California wines, described Hong Kong as having a taste for “premium red wines.” Conversely, he said, “less educated areas like the mainland want lower prices and sweeter wines.” Korbin Ming, the marketing and sales director for Glen Ellen, Calif.-based Korbin Kameron Wines, noted that the Chinese “like to drink more” at a single sitting but “prefer less robust wines....”

Distributors are key

Finding the right distributor was the goal of most exhibitors -- a goal that requires patience and hard work. At the show, “There are a lot of start-up distributors,” explained Nicolas Quillé, general manager of Pacific Rim Winemakers, but, “very few with a track record. Nobody’s been selling for more than five years.” **American wineries have a reputation among Hong Kong distributors for pulling out of the international market when domestic demand is up.** Selling into Asia is “very labor intensive” explained J.B. Moresco, managing director of Alexander Benjamin Wine Group, who was at the show in an advisory capacity to Pacific Rim Winemakers. Pacific Rim made a sale in September 2008, and was only just getting the wine onto the market 14 months later. ...

<http://www.winesandvines.com/template.cfm?section=news&content=69330&htitle=U.S.%20Wineries%20See%20Hope%20in%20Hong%20Kong>

South Australian winegrape crush report released

WINE BIZ, AUSTRALIA

20.11.09: **The total crush of South Australian winegrapes in 2009 was 730,904 tonnes, down 11% from the prior year, according to the 2009 South Australian Winegrape Crush Survey Report. The total estimated purchase value of the crush was \$487 million, with the average purchase value across the state down from \$936 per tonne in 2008 to \$667 per tonne in 2009. ...**

<http://www.winebiz.com.au/dwn/details.asp?ID=2825>

Court: grape growers can't fight generic ads

MERCURY NEWS, USA

20.11.09: **A federal appeals court in San Francisco has rejected three grape growers' challenge to a mandatory advertising campaign for California table grapes.** Susan Neill Fresh Fruit and Lucas Brothers companies, both based in Visalia, and Delano Farms Co. claimed the California Table Grape **Commission violated their free speech rights by requiring payment for generic ads that marketed grapes as a healthy snack.** The growers claimed the annual fees of 11.5 cents per box took away money they could use to market their fruit under specialized brand names. **A three-judge panel of the 9th U.S. Circuit Court of Appeals ruled Friday that the commission's ads were government speech, and could not be challenged under the First Amendment.**



http://www.mercurynews.com/california/ci_13834377?nlick_check=1

Geodis sets up dedicated UK wine division

HARPERS WINE & SPIRIT, UK

25.11.09: Geodis Calberson is looking to extend its distribution service to the UK drinks industry with a dedicated Geodis Wine Logistics division. Geodis already supplies some drinks business in the UK, including Oddbins and Direct Wines, but will now be able to offer its global supply network covering 120 countries to the whole trade. ...

Geodis Wine Logistics is able to offer a range of services including vendor management, full and part load transportation, Customs House brokerage, wet bond shared user warehousing, UK pallet distribution and can service both the on and off trades. It runs its own UK pallet network including a London distribution centre specialising in the high-end, white table table-cloth restaurant trade. It has also recently signed an alliance with APC Overnight to offer both pallet and parcel deliveries. Geodis claims to be the number one wine and spirit logistics provider in France.

<http://www.harpers.co.uk/news/news-headlines/8559-geodis-sets-up-dedicated-uk-wine-division.html>

Threshers administrators cut further 1,908 jobs

BBC NEWS, UK



20.11.09: A further 381 stores are to close at off licence group First Quench, with the loss of 1,908 jobs, the firm's administrators KPMG have announced. The stores, which operate under the Threshers, Wine Rack, The Local, Haddows, Bottoms Up and Victoria Wine brands, will shut by 16 December. An additional 34 redundancies are being made at First Quench's head office in Welwyn Garden City.

<http://news.bbc.co.uk/2/hi/business/8370675.stm>

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.

Reasons to be thankful

JANCIS ROBINSON, UK





26.11.09: Thanksgiving Day, and it seems that the 2009 harvest has been particularly kind to us wine lovers, especially those of us in northern Europe. I took a bit of a risk writing a story for the front page of the FT about how well the vintage was shaping up, but no thunderbolt from on high came to strike down my optimistic predictions, even if many winemakers I have talked to have been somewhat bemused by the structure of this vintage, so very different from so many. In many regions the vines shut down and physiological ripening stopped as the vines were so stressed by the prolonged dry season. **Growers in some particularly dry soils on Bordeaux's right bank had to wait so long for phenolic ripening that they picked musts with a potential alcohol as high as 16%.** One of the Boissenots' clients reports that this classical consultant oenologist father-and-son team were making comparisons with 1945, 1959 and 1949 but maintained that very old-fashioned winemaking techniques were called for in order to control the tannins. Christophe Coupez, director of the official Pauillac oenology lab, reports that he has never seen tannins and aromas of such quality, and told me that for him the vintage was like a superior combination of the best of 2003 (the fruit but more freshness) and 2005 (the power but less austerity). In Burgundy, growers were also hugely enthusiastic about 2009. 'We didn't really need a sorting table', said Aubert de Villaine of DRC, the grapes were in such perfect condition, adding '2009 reminds me of 1959: very lovable and seductive, and with high quantity, 31 hl/ha on average for us'. In the Rhône, too, they can't wait to show off their 2009s, and again, quantities were pretty good too. **In California, late rains put pressure on vines and wine producers but it seems likely that there will be some fascinating wines for our delectation, and at much more reasonable prices than in the past now that the \$100 bottles are proving so difficult to sell. ...**

<http://www.jancisrobinson.com/articles/a200911252.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.

Drinking red wine may prevent cavities

ABC, AUSTRALIA



27.11.09: **New research suggests moderate consumption of red wine helps to rinse teeth clean of bacteria during and after meals.** The findings, accepted for publication in the journal Food Chemistry, add to the growing list of health benefits associated with drinking wine. **Prior research has linked moderate red wine intake with everything from improved longevity to diminished risk of cardiovascular and neurological diseases. Teetotalers can also enjoy dental benefits, since the new study was conducted with non-alcoholic red wine.** Co-author Professor Gabriella Gazzani of Pavia University in Italy,



says that alcohol's cavity-preventing benefits are already well known. She and her colleagues therefore investigated "de-alcoholised red wine to verify if substances different from ethanol with anti-strep properties occur in this beverage." ...

Gum disease

In separate research, scientists from Laval University in Quebec, Canada found that polyphenols in red wine also help to control immune cell response in gums to bacterial infection. The Canadian study, presented at the 35th Annual Meeting of the American Association for Dental Research, found that red wine polyphenols may both prevent and treat inflammatory gum diseases, including periodontitis, which affects 15% of adults between the ages of 21 and 50 and 65% of adults over the age of 50. In the future, Gazzani and her colleagues hope to conduct their studies in vivo on consumers of red wine.

<http://www.abc.net.au/science/articles/2009/11/27/2755520.htm>

Alcohol May Prevent Thyroid Cancer

WINE SPECTATOR, USA

24.11.09: **Study finds a beneficial relationship, though the exact mechanism remains unclear. When it comes to the moderate consumption of alcohol, be it wine, beer or spirits, any type will do in reducing the risk of thyroid cancer, a new set of research finds.** In searching for a possible link between alcohol consumption and the risk of thyroid cancer, a team of scientists at the National Cancer Institute in Rockville, Maryland, reported that alcoholic beverages actually confer a protective effect for the neck gland. The thyroid uses iodine to produce hormones vital to the regulation of cell metabolism. **In the study, published in the October issue of the British Journal of Cancer, the authors noted that rates of thyroid cancer, though relatively low, are on the rise in the United States.** And while the increase in cancer incidence is likely due to "certain environmental exposures" and the fact that technological advances are making diagnosis of cancer more accurate, it "remains unclear whether an association between alcohol and thyroid cancers exists independently of smoking..."

The scientists don't have evidence on why alcohol decreases risk of thyroid cancer, but they speculate that alcohol may protect the thyroid by helping it regulate the rate at which it releases hormones into the body, thus preventing any buildup in the gland. Meinhold cautions that thyroid cancer is relatively rare compared to other diseases, and therefore self-prescribing daily alcohol consumption is not recommended. "There is convincing evidence linking alcohol consumption with a greater risk of other diseases," she said. "We did not evaluate the overall balance of the risks and benefits of alcohol consumption."

<http://www.winespectator.com/webfeature/show/id/41303>

Study: Moderate Drinking Doesn't Sharpen Thinking Skills

JOIN TOGETHER, USA

24.11.09: Having a drink or two a day may not help maintain a sharp mind as people age, according to a new report. Reuters reported Nov. 16 that researchers from University College London studied the alcohol use; social, economic and physical conditions; and thinking skills of



1,985 men and women ages 60 to 74. Data on the 87 percent of participants who said they drank moderately or didn't drink at all were analyzed in further detail. Among other tests, participants were asked to say words that are pronounced differently than how they are spelled to test how well they remembered reading skills they had learned as children. The supposed link between moderate drinking and greater thinking skills disappeared once researchers controlled for the subjects' learned (experiential) intelligence and the fact that participants who were in better physical health drank more. **Researchers said that moderate drinkers likely have better mental skills as they get older because their superior social, economic, and educational status helped them improve their thinking skills throughout their lifetime, not because of drinking. ...**

<http://www.jointogether.org/news/research/summaries/2009/study-moderate-drinking.html>

Wines from Greece Publicity Monitor

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

Dining Out: The Greece we know and love

THE MONTREAL GAZETTE, CANADA



23.11.09: I recently visited a restaurant I had reviewed favourably that had been sold and remodelled. When I entered, the room was empty save for a burly chef and waiter making a ruckus at the bar. I snooped around, scanned the plasticized generic bistro menu and exited in fear that this cheesy new incarnation would ruin my cherished memories of the elegant old. Sometimes, though, the feeling is quite the opposite - I avoid restaurant

locales where the memories are not so grand. One such place is Zante, a small Greek restaurant on the Main that formerly housed Mezze. ...

The one thing I won't praise so easily is Zante's wine list. Though I am seeing a slight improvement in Montreal's Greek restaurants when it comes to featuring Greek wines, the few offered at Zante are cheap and dull. I asked for their best white wine and was served a \$45 Agioritikos Tsantali - a wine that is drinkable when icy cold, which unfortunately this one was not. With so many excellent Greek wines on the market, isn't it time for Greek restaurateurs to make a move away from the French and Italian bottles and proudly showcase the excellent, food-friendly wines of their homeland? After munching a few wedges of watermelon for dessert, I requested the bill and called it a night. To my relief, the damage was minimal: about \$70 per person with tax and tip. Not cheap, mind you, but we're a ways from brochette territory here. Lose the sesame tuna, ditch the Chilean sea bass, beef up the Greek wine selection and Zante could really shine - especially with that audacious waiter working the floor.

<http://www.montrealgazette.com/life/food-wine/Dining+Greece+know+love/2250069/story.html>



Blogosphere Monitor

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

WineDJ Helps Set the Mood by Pairing Wine with Music

APPSCOUT, USA



23.11.09: There are dozens resources to help you pair a fine wine with a good meal, but what about pairing a fine wine with good music? Maybe you want to invite a romantic interest over to your pad for a glass of wine, dim the lights, and see what happens. Of course, you'll need the right songs to suit the mood. **WineDJ, a new free iPhone app, can help you find the perfect playlist to match**

the fine wine you'll be drinking. Tell the app which wine you've picked up and what kind of mood you're looking to set, and the app does the rest, by streaming tunes straight from one of our favorite streaming music services, Grooveshark. WineDJ, available now in the iTunes App Store, is sponsored by Liberty School wines, which itself is one of the Hope Family series of wines. The company has partnered with Grooveshark to generate and stream entire playlists of music straight through your iPod Touch or iPhone.

Since the app is sponsored by Liberty School, the only wines you'll find in the app's database are ones sold by that winery, but admittedly it's a great way to get people interested in the wine if they haven't tried it before. You could use the app and try to pair the playlists with other wines of the same varietal, but that seems like cheating, especially since once you pick the wine, you can read all about how it's made and what reviewers think of it. Once you've selected a wine, WineDJ asks you what kind of mood you want to set. You can tell the app if you'll be drinking alone, with another person, or with a full entourage tonight, and you can specify using a slider whether the plan for the evening is something of a chill, candlelight evening or a high-energy party. You even get a slider that asks whether you'll be drinking from crystal wine glasses, plastic cups, or somewhere in between. After WineDJ has your mood and wine selections, the app takes care of the rest. The app then generates a Grooveshark playlist and starts streaming the music directly to your iPhone or iPod Touch. ...

http://www.appscout.com/2009/11/winedj_helps_set_the_mood_by_p.php

After luxury bags comes counterfeit luxury wines

KELOWNA.COM, USA

23.11.09: Is that a Petrus in your Prada bag, or are you trying to impress me with a knock-off? Fine wines such as Petrus and Chateau d'Yquem are the latest fashion brands to be targeted by counterfeiters looking to make a buck from those who want to be seen to have the best — but don't always want to pay for it. Trafficking in fake vintage wine has "always existed a little, but it's definitely amplified with the rising prices of fine wines", said Sylvain Boivert, director of the Conseil des Grands Crus Classes en 1855. Jeroboams (the equivalent of four bottles) of the 1945 vintage from the Romanee-Conti estate in Burgundy, one of the world's scarcest and most



27/11/2009

expensive wines, have recently been sold in auctions, according to Laurent Ponsot, a renowned Burgundy producer. Alas, Romanee-Conti did not bottle their 1945 in Jeroboams. Counterfeiters use methods such as photocopied labels, or different chateau names on the capsule and the label. Sometimes the bottle is authentic but doesn't contain the wine or the vintage indicated, or only partially, the level of the wine having been topped off with another wine by using a syringe.

<http://www.kelowna.com/2009/11/23/after-luxury-bags-comes-counterfeit-luxury-wines/>

World-class Riesling from Luxembourg

WINE ANORAK, USA

23.11.09: **Really enjoying this world-class dry Riesling from Luxembourg. It's just perfectly balanced. Mathis Bastian Riesling Fut 40 2004 Moselle, Luxembourg 12.5% alcohol. Incredible stuff, just beautifully poised and showing real balance.** It's dry with a minerally, spicy complexity to the generous lemon and lime fruit. Pure and precise, with good acidity and nice concentration. This is sort of Alsace in style with a hint of the Mosel to it, too. Lovely and fine. 93/100 (Les Caves de Pyrene)

<http://www.wineanorak.com/blog/>

Donald St. Pierre: wine's gateway to China?

DR. VINO, USA

21.11.09: **Donald St. Pierre, an American and a prominent importer of wine to China, receives an extensive profile in the current issue of the New Yorker (the food issue). He arrived in the country in 1985 thanks to a position with American Jeep and in 1996 he started importing wines after forays into other things such as scrap metal, lingerie, and Chinese and Russian ammunition.** Here's a taste of the early days: When the St. Pierres began importing wine, after buying a Hong Kong shelf company called Asia Solutions Corporation, they also created a product of their own. The family was Canadian by birth, but St. Pierre figured, "God damn, let's use our French name." Chateau St. Pierre was California bulk red wine, bottled at a factory in Beijing. It bore a label with the stencilled image of a chateau, which the importers had copied from a coffee-table book. No bottle cost more than forty-five yuan—less than six dollars at the time. At the beginning they also had a fantastically successful promotion selling two bottles of wine and tie gift boxes. Now they also import Gaja, Penfold's Grange, and Guigal among many others. The story provides a small window into wine consumption in China too. ...

<http://www.drvin.com/2009/11/21/donald-st-pierre-asc-wines-china/>

Poetry slam: wine education for kids [giveaway]

DR. VINO, USA

24.11.09: In our recent discussion of wine education for kids, two readers thoughtfully provided translations of an Italian rhyming verse ("Filastrocca del vino") that is used in some Italian elementary schools. But we can't let the Italians have all the fun! You are hereby challenged to



come up with some sort of poem—be it a limerick, haiku, rhyming couplets or full-on iambic pentameter—about wine for kids in America. **It can be descriptive of the current state of wine education to kids or focused on grapes, wine or consumption. It may be adopted in classrooms across America! Whatever you choose to do, post your rhyme/poem in the comments below by next Monday.** To whet your whistle, there will be a prize: Foodie Babies Wear Bibs, the sixth in a series of children's board books by none other than Mrs. Vino. Have fun with it! (The winning entry will be the one that makes her laugh the most; prize can only be sent to a US address.)

<http://www.drvin.com/2009/11/24/reader-poetry-slam-wine-education-for-kids-giveaway/>

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.

Napa Valley Vintners Gives \$5.2 Million to Napa County Charities

NAPA VALEY VINTERS, USA

20.11.09: **St Helena, CA-The Napa Valley Vintners (NVV) non-profit trade association of more than 370 wineries in the legendary Napa Valley awarded \$5.2 million raised from Auction Napa Valley (ANV) at a celebration at the Oxbow Public Market in downtown Napa last night. Proceeds come from ANV held in June, and provide grants to area healthcare, affordable housing and youth service non-profits.** This year's gifts bring the overall giving from ANV to \$90 million. "Auction Napa Valley is always a fantastic way for our community to raise money for the many, many non-profits that provide needed services. Our family was proud to chair this prestigious event. We all feel, especially during this recession, that any dollar raised at the auction was a dollar more than we had the day before--and to have raised \$5.6 million over the weekend, in this economy, was just terrific," said Janet Trefethen, 2009 ANV chair of Trefethen Family Vineyards. "This evening's festivities were also to honor the more than 500 volunteers, without whose support we could never produce such a world-class fundraiser benefiting Napa County," said Linda Reiff, NVV's executive director. "The success of ANV is based not only on our very generous bidders from around the world, but also on the generosity and hard work our vintners, and these dedicated, amazing community volunteers." Now more than ever, funds are critical to the overall health of the community

The ANV Board of Directors, comprised of vintners and community members, looked at its funding guidelines for 2009 with respect to the current economic crisis and strategically funded those grants that provided as much service to those in need directly, rather than grant applications that sought capital improvements. ...

https://www.napavintners.com/trade/tm_3_release_detail.asp?ID_News=2221071

Antonio Banderas plans hotel at Spanish vineyard

AGENCE FRANCE PRESSE, FRANCE





23.11.09: **Antonio Banderas wants to ramp up production at his vineyard in the north of Spain and build a hotel there, the Hollywood film star said in an interview published on Sunday.** "I have plans to revitalize this project with conferences, for example, on wine and literature, and **I want to promote wine tourism,**" Banderas told the weekly magazine supplement of the *El Mundo* newspaper.

"In fact, we are studying the possibility of building a small hotel to welcome wine enthusiasts because it is a marvelous place." Banderas, 49, who appeared in the Oscar-winning "Philadelphia" and supplies the voice of Puss In Boots in several "Shrek" movies, bought 50 percent of a state-of-the-art winery on the banks of the Duero River in March. **The 250 hectare (620 acre) property, called Anta Banderas, makes red and rose wines from Cabernet Sauvignon, Merlot and local grape Tempranillo. It produces around 600,000 bottles of wine per year, but Banderas said it has the capacity to make two million bottles without losing quality.** "But after this number we would have to think of expanding the winery. We want to stabilize ourselves first in the Spanish and European market and then focus on the American market," he said.

http://www.google.com/hostednews/afp/article/ALeqM5jB8pN59Nx_beikrmiFggTqYZxrgA

Sacramento, heart of wine country?

CENTRAL VALLEY BUSINESS TIMES, USA

25.11.09: The six wine regions surrounding Sacramento are leaving tourism dollars on the table, according to Grady O'Bryant, owner of Sacramento Wine and Nightlife Tours. **Last year, more than 20 million people visited the wine country, mainly Napa and Sonoma, adding \$51.8 billion to the state's economy, according to a recent study commissioned by the Wine Institute. With increased marketing efforts,** Mr. O'Bryant believes that **Sacramento could garner a larger share of that revenue.** ...

Unlike some of the prestigious, large-scale wineries of Napa, those within a short drive of Sacramento are smaller, often family owned and with the owner on site, directly overseeing the operations – all selling points, Mr. O'Bryant says. He points to Sacramento's proximity to Napa and Sonoma coupled with the increased popularity of the city's surrounding wine regions: Amador, Sacramento, San Joaquin, Nevada, Placer, El Dorado and Calaveras counties. (Grady O'Bryant talks about his ideas in today's CVBT Audio Interview. Please left-click on the link below to listen now or right-click to download the MP3 audio file for later listening.) But while Mr. O'Bryant thinks he has the potential for a successful promotion, not all Sacramento area wineries are on board. ...

"Wine is international. People know wine throughout the world. Why not market something that everybody loves instead of gold, which is more like a niche, a dying niche," he says.

<http://www.wineindustryinsight.com/RSS//index.php/hop/latest/bull-039we-call-napa-the-brains-of-wine-country-but-we039re-heart-country039-central-valley-business-times/14297>



Vinopolis celebrates 10 years

DECANTER, UK

23.11.09: **London's Vinopolis has proved itself one of the longest-lived of the world's wine centres as it reaches its 10th birthday this month. The labyrinthine complex on the south bank of the Thames, just downriver from the Tate Modern and Shakespeare's Globe, celebrated its first decade with a party at its Cantina restaurant last week.** And it's in much ruder health than the ill-fated but esteemed Copia the American Center for Wine, Food and the Arts in Napa town, which opened in 2001 and lurched from crisis to crisis until closing, bankrupt, last year. Or the National Wine Centre in Adelaide, which was also dogged by problems including the resistance of much of the wine industry when it opened in 2001. After failing to meet visitor numbers and various bail-outs, it was finally sold to the University of Adelaide for AUS\$1m in 2003. Vinopolis, City of Wine, to give it its full title, has had its own tribulations. It too found it difficult to attract visitors in sufficient numbers, and had to branch out into corporate sponsorship and franchises, and now aims to attract as many stag and hen parties as earnest wine lovers. It hosts the Whisky Exchange, in 2004 was selling more absinthe than anywhere else in London, and its wine tour now includes the Bombay Sapphire Blue Room, an 'Authentic Caribbean Rum Experience' and a microbrewery. ...

<http://www.decanter.com/news/news.php?id=292094>

Trade must engage on responsible drinking

HARPERS WINE & SPIRIT, UK

25.11.09: **The drinks trade must carry on engaging with responsible drinking issues despite the recession or face the threat of more costly and ineffective legislation, a major conference of industry leaders heard this week.** Paul Walsh, chief executive of Diageo, Brett Bivans, vice-president of the International Centre for Alcohol Policies (ICAP) and Graham Mackay, chief executive of SABMiller, were among those speaking at the launch of the ICAP book Working Together to Reduce Harmful Drinking yesterday. The book - featuring research carried out across the trade on issues ranging from marketing to pricing - is being launched in advance of the World Health Organisation's new global strategy on harmful drinking. ...

<http://www.harpers.co.uk/news/news-headlines/8558-trade-must-engage-on-responsible-drinking.html>

Introducing terroir: a vital concept in wine

LEARN ABOUT WINE, UK

20.11.09: It's time to take a look at one of the most important concepts in wine. Rather unfortunately, it has a French name that doesn't translate well into English. That tends to make what is a controversial subject even more contentious. The name in question is 'terroir', We could spend a week defining it, and still end up upsetting some people, so here's my own definition. Terroir is the possession, by the wine, of a sense of place. **It is also used to describe the environmental factors that shape the growth of the grape vine and its**



fruit. These include the meso and micro climate, the soil, water availability and aspect. Bringing these together: terroir is the sense of place in a wine contributed by the vineyard environment. Or defined more practically: grapes grown in different places produce wines that taste different. Do we also include the human element: the way the vines are tended? This is contentious. It's probably easiest if we leave people out of it and just focus on the vine and its surroundings. Grape vines are exquisitely sensitive to the environment. There are thousands of different varieties, and they're fussy about where they are grown to the point of absurdity. This is why terroir is such an important concept. ...

So what's the problem with terroir? It is twofold. First, winemakers from new world countries are a bit upset that the old world countries claim exclusive possession of terroir. The labelling of wines doesn't help. In Europe, wines are commonly labelled by the region, whereas in the new world, grape varieties are more likely to appear on the label. Old world guys are accused of totally overplaying the terroir hand, claiming that wine is produced by the soil and that winemakers merely have a minor custodial role in letting this site expression show. Secondly, it's the issue of mechanism, and the lack of a correlation between soil type and flavour. It's not hard to describe the geology of a particular vineyard. It's much harder to actually correlate this with flavours in the wine. Many scientists question the notion that characters from the soil can find their way into, and shape, the wine. Perhaps a more useful term would be 'typicity'. This brings into the equation the human factor. We shouldn't ignore this: if it wasn't for human intervention, there would be no wine, and if the nature of the human intervention were not critical, then all the wines made from a particular vineyard would be the same. But look at Burgundy's famous vineyards: most are worked by dozens of growers. Some of the wines will be excellent, some poor, and most of middling quality – even from famous sites. Clearly, the ability of the winemaker is really important here, even if its in knowing when to leave things alone. 'Typicity' recognizes this. It's a really useful term, but unfortunately it's not as sexy as terroir, so it will probably never catch on. A few closing thoughts. First, some varieties tend to express a sense of place better than others. Pinot Noir, Riesling and Syrah are good in this respect, Cabernet Sauvignon, Sauvignon Blanc and Chardonnay are not. Second, heavy handed winemaking, for example by picking very late and using lots of new oak, blasts away the subtle influence of terroir. And third, I think it is totally cool that grapevines are so sensitive to their environment because this is what has brought us the vast diversity of wine styles that we are lucky enough to have today.

<http://www.wineanorak.com/winecourse/learnaboutwine.htm>

How family wineries can succeed at succession

NORTH BAY BUSINESS JOURNAL, USA



23.11.09: Dry Creek's A. Rafanelli finding its path to next generation; will you? Editor's note: This story is drawn from a Nov. 5 Business Journal conference on the critical issues surrounding business succession planning. Shelly Rafanelli-Fehlman, winemaker at A. Rafanelli in the Dry Creek Valley, has just finished her 13th harvest at the winery. **And at 37, the fourth-generation winemaker is also helping lead the winery through the challenges of estate and succession planning, all aimed at preserving a treasured family business and way of life. At a recent**



Business Journal Family Business Succession Planning event titled "Time Waits for No One" and sponsored by Burr Pilger Mayer, Wells Fargo, Carle Mackie Power & Ross and The Zeponi Group, Ms. Rafanelli-Fehlman, spoke about her family's experience of going through this change. The audience of about 150 included many long-time winery and vineyard owners from Dry Creek, some of whom are facing the challenge of family succession. Winegrowers of Dry Creek Valley, an association that supports family owned wineries in the Dry Creek Valley, also participated in the event with four wineries pouring at the event, A. Rafanelli included. ...

Americo, her grandfather, bought the land where the winery is today. The winery business has remained much the same. **Only 11,000 cases are produced per year, and the wine is not available in retail outlets. All tastings are done by appointment only. So to begin talking about passing the business to the next generation represented a significant challenge. "It was a very big step for my father," she said of his even thinking about putting together an estate plan. She said it was done so that the family could work together in the best interest of the family, not just the best interest of the individuals.** "Part of it is the emotional part of it. Just thinking about all of those issues and figuring what part of the business you want to stay involved in," Ms. Rafanelli-Fehlman said. After she told the story of her family, a panel of experts, moderated by John Mackie, partner at Carle Mackie Power & Ross, chimed in with questions for Ms. Rafanelli-Fehlman about the process and answered questions from the audience about the legal, financial and emotional repercussions of family succession planning and how to avoid some of these problems. The panel discussing the issues included Jim Andersen, partner at Burr Pilger Mayer; Michael Sullivan, senior vice president of Wells Fargo; and Mario Zeponi, principal of the Zeponi Group. Mr. Sullivan talked about preserving the investment down the line. He stressed the idea that the younger generation go out and get experience with another company before stepping into the managerial role. "I have never heard a family say this is easy," he said. **"Every family enjoys some dysfunction, and this is where a lot of that will come out."** Mr. Zeponi talked a bit about what to do in the case of a sale. **For a winery, the important question is how to attract a buyer. Most sales occur confidentially. So he urged winery owners to carefully assess their strengths and weaknesses and match them to potential buyers.** Jim Andersen, who merged his Andersen & Company with BPM Jan. 1, said he has been involved in more than 700 business valuation and litigation assignments. He said planning starts with putting a value on the business. **For families, the depressed values today are not necessarily bad. "With values down," he said, "this is exactly the right time for a family sale."** When looking at the way the business will be run, Mr. Andersen said that life is not fair and it is important to ask the hard questions, such as who is going to run the business end of things, and who, in the case of a winery, is going to manage the vineyards. Sometimes, he said the best thing for a family member is not to be involved in the business at all. Ms. Rafanelli-Fehlman said it was a breakthrough when the family realized that they didn't have to talk about the business all the time. "Sometimes when we are all at dinner at the holidays we find ourselves talking about the business. Sometimes that is not the right thing," she said.

<http://www.northbaybusinessjournal.com/16878/how-family-wineries-can-succeed-at-succession/>



Consumers Go Green on Own Terms

WINES & VINES, USA

20.11.09: Sustainable Ag Expo speakers say environmentally friendly products have appeal, but 'greenwashing' and prices threaten sales. **Does green farming net greenbacks for farmers? In preparing its annual Sustainable Ag Expo held Monday and Tuesday, the Central Coast Vineyard Team saved that key question for the last session, Sustainability Initiatives in the Marketplace. According to Peter Mondavi Jr., proprietor of the family-owned Charles Krug Winery, the answer is "yes," but only if the message is spread the right way. ...**

"Chicago is about the border for that," one panelist said. Mondavi referenced a study about eco-labeling strategies published by the American Association of Wine Economists. According to the study, Mondavi said, certified organic wineries that relied on marketing to disseminate their message were able to charge about 13% more per bottle. Wines with an organic wine certification noted on their label, however, saw a 20% decrease in bottle price.

Greenwashing

What's behind the disparity? Dr. Gail Kirby, marketing professor at Santa Clara University, said that the onslaught of terms like green, sustainable and organic has left consumers skeptical about green marketing, especially when the product in question costs more and there's no explanation for why. **Adopting a common identity is where Daniel Sonke, a representative from the Stewardship Index for Specialty Crops, comes in. Sonke is working with the organization to form metrics that assess progress along the sustainability continuum -- part of a larger movement the group hopes to lead from a best-practices approach to a performance metrics approach. The shift is increasingly important, he said, as large corporations like Wal-Mart are demanding their vendors adopt sustainable practices or lose their selling platforms.** Currently, winegrape growers can be certified organic by more than a dozen organizations. The Stewardship Index hopes to form the industry standard: one set of metrics accepted by all sustainable wholesalers and retailers, so that growers can obtain one audit and use the same paperwork when selling to all their buyers. "Regulators are continually asking us to demonstrate how all these practices are cleaning up water, cleaning up air and measuring it in some way," Sonke said. **"We need way to communicate improvement to regulators so we can all stay in business."** The Stewardship Index for Specialty Crops' pilot program is scheduled to launch next year, and to date more than 300 growers and non-governmental organizations have signed up to participate, Sonke said. **Eventually, the group hopes to be able to track each product's water use throughout the supply chain, finding ways to be more efficient and save money.** Growers interested in providing input during this stage are encouraged to visit stewardshipindex.org and sign up for metrics-review committees. Metrics currently being considered include air quality, nutrients, pesticides, soil health, water use and waste. "I encourage more ag folks to get involved," ...

<http://www.winesandvines.com/template.cfm?section=news&content=69294&htitle=Consumers%20Go%20Green%20on%20Own%20Terms>



Groups examine winery event rules

NORTH BAY BUSINESS JOURNAL, USA

23.11.09: **Napa Valley Vintners, a trade group representing more than 350 local wine producers, is working with related organizations – Winegrowers of Napa County, Napa County Farm Bureau and Napa Valley Grapegrowers – to present the Napa County Board of Supervisors with a thorough analysis of the 1990 Winery Definition Ordinance by late January.** The process started early this fall when the supervisors were prepared to vote on a proposal from a group of caterers, events planners, florists and other hospitality businesses that target eno-tourism to test a relaxing of restrictions on certain events such as weddings. **The wine and agriculture trade groups plan to meet Dec. 11 to formulate a joint recommendation to the county supervisors.** David Aten has been the spokesman for the group of hospitality-related companies that put forward the proposed change to the ordinance. **The Napa-based events planner has exclusive relationships with eight wineries in the valley. “Everyone there is under your corporate umbrella, and you are pouring your wines when guests are there no matter the reason,” Mr. Aten said about for-profit and other events largely prohibited from wineries approved for operation after 1974. “Visitors will walk away and remember your wine.”** The 14-page WDO defines what is meant by “winery” – processing facility for wine – “marketing” – not for profit and mainly for the trade, previous customers and education – and “accessory use.” The document lays out minimum property size and what can be sold in any tasting room or retail venue. The ordinance has faced challenges in recent years from wineries looking to establish restaurants and a new state law that allows picnicking on winery land. **Chiles Valley winegrape grower Volker Eisele was part of the discussions and crafting of the careful wording of the original ordinance starting in 1988. He’s part of a Napa Valley Vintners task force giving it a fresh look. He said he is convinced the document continues to be sufficient.** “Everything has to be geared toward wine,” Mr. Eisele said. “If you have an event for profit – say, a wedding – the central focus is the wedding and not the wine. Wine becomes incidental.” The discussions that will take place in coming months about the causes of economic woes for the hospitality industry in Napa Valley have to consider the original goal of the ordinance to protect agricultural land for agricultural activities, according to Mr. Eisele. Disregarding that, he said, could lead to overcrowding of rural roadways and operations that are more about attraction than fermentation. ...

<http://www.wineindustryinsight.com/RSS//index.php/hop/latest/groups-examine-winery-event-rules-north-bay-business-journal/14168>

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.

Beaujolais Nouveau producers attack plastic tactic

INDEPENDENT, UK



27/11/2009

20.11.09: **Japan's wine importers have defended their use of plastic bottles for this year's Beaujolais Nouveau after the head of the French wine-makers association criticized the move.** Daniel Bulliat, head of the Beaujolais-Beaujolais Village association, told a press conference in Tokyo on Thursday that selling the wine in plastic bottles runs counter to the growers' traditions and image. This year's wines went on sale across Japan on Thursday, but Bulliat said his association would be drawing up new rules that would explicitly forbid any plastic bottles from carrying the prestigious Beaujolais name from next year. **But importers say their state-of-the-art plastic bottles are just as good as glass ones - plus they help increase sales by making the product cheaper because each bottle is lighter and therefore less expensive to transport from France...**

"In 2003, more than one million cases were sold in Japan but that was because of the boom that year," said Yokoyama. "Consumers purchased Beaujolais Nouveau in that year because of the media coverage. We believe that the current level of sales is stable and we hope that people who buy this wine will also try some other imported wines."

<http://www.independent.co.uk/life-style/food-and-drink/beaujolais-nouveau-producers-attack-plastic-tactic-1824921.html>

