

WINE STRATEGIES FOR A GLOBAL MARKETPLACE

FINE WINE; A COSTLY LUXURY

People love wine; it's a relaxing, flavorful beverage ideally balanced for accompanying food. Like all low-alcohol fermented beverages, it can play a healthful role in a moderate lifestyle. Yet, wine shopping can be a frustrating experience. Between all the grapes, regions, styles, brands and vintages to keep track of, it's no surprise that one in four wine drinkers describes themselves as 'overwhelmed' when they shop for wine.

When dining out, novices and aficionados alike feel uncertainty creep in when handed a wine list. The natural instinct is to seek refuge in familiarity; trusted brands, famous grape varieties and, especially, pedigreed regions of origin. But, this is not a good way of getting value for the dollar. Our wine insecurity leads us to 'follow the herd'.



SUPPLY AND DEMAND



Fine wines are laborious to make. Production costs are high, and since the whole world is shopping based on name recognition, wines from famous places, grapes and wineries are often high ticket items. To make matters worse, the laws of supply and demand push prices up on the items that inspire confidence, simply because they inspire confidence. Like it or not, we will always pay a premium for drinking wines we recognize.

Unlike beer or spirits producers, wineries cannot simply whip up another batch of wine if it proves popular. The finest wines can only be made where the right grape is planted in the right place, and where we humans take great care to grow perfect fruit and not to screw it up once it's picked. Vineyards yield only one harvest per year. More importantly for fine wine, wine's potential quality increases only when we reduce the quantity of grapes on each vine.

Familiarity thus has a price, both in increased costs and upward pressure on sale prices. The more popular a grape, the higher price it can command. If everyone trusts wine from Napa Valley, eventually that 'premium' shows up in real estate values and labor costs. From winemaking equipment to winemaking talent, the law of supply and demand makes no exception for the wine industry.

There is hope, however. Modern science has changed the wine landscape dramatically in recent decades. Modestly priced wines are getting better every year. Even better, a wealth of emerging grapes and wine regions ensure that adventurous shoppers can find terrific bargains.

CHAIRMAN'S SELECTIONS

DEEP DISCOUNTS ON WORLD CLASS WINES

HOW TO FIND VALUE

Under these circumstances, it becomes clear why it could pay to take a different approach to wine shopping than everyone else; to deliberately seek out items others may overlook or shy away from. Not only does this approach make it easier to find a healthy price to quality ratio, but it helps to reinforce one of the elusive but important truths about all taste sensations; that it is the diversity of one's wine experiences, not the repetition of one or two, that brings the greatest joy.

The odds of getting tasty wine at fair prices improve if they're up and coming or under-appreciated. As with so many things in life, the key to getting great value for your wine dollar is to open your mind; both to let new ideas in and to let old ideas out. Factors that improve your odds of finding better value include:



- **UP AND COMING REGIONS**
like South Africa, Austria, Canada & Greece
- **UP AND COMING GRAPES**
like Malbec, Petite Sirah, Chenin Blanc & Verdejo
- **UNFASHIONABLE OR MISUNDERSTOOD STYLES**
like Beaujolais, Riesling, Moscato d'Asti & dry Rosé
- **ECONOMIES OF SCALE**
like volume buys 'stacked out' at retail stores

FOLLOW THE LEADERS

Sommeliers are often ahead of the curve, when it comes to wine trends, loading their lists with gems that deliver flavor and value for the dollar. Restaurant wine buyers are industry-savvy professional shoppers, discovering terrific new styles before they hit the mainstream and revisiting delicious classics that have fallen out of fashion.

There is no better strategy for finding values in wine than by noticing trends as they appear in the value tiers of fine dining wine lists, especially among wines by the glass. Styles like Argentine Malbec and New Zealand Sauvignon Blanc were popular in restaurants long before they appeared on retail shelves. Keeping an eye on what top restaurateurs are serving to keep abreast with wine industry trends is easier than it sounds. You needn't dine out to find out what's on the wine list, in many cases, this information is now posted online

