

Bordeaux Wines

by

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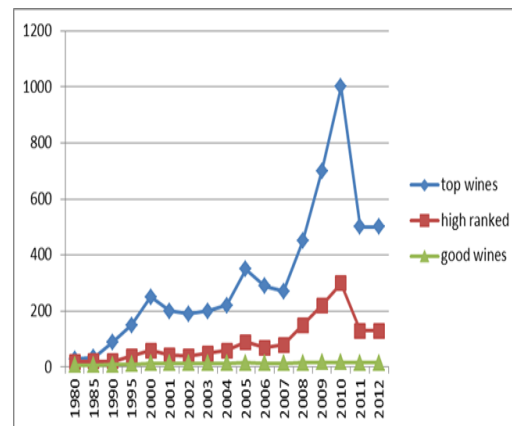
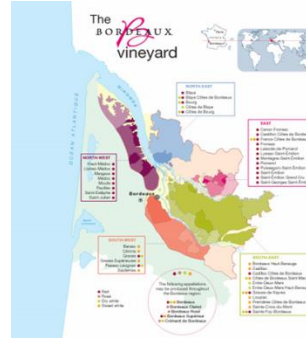
World Wines and Viticulture

BoKu Vienna

2015, June 19

Bordeaux Wines

- Appellations
- Classifications
- Baron Philippe de Rothschild
- Les Seconds Wines
- Price Evolution
- Sales „en primeur“
- Tasting !

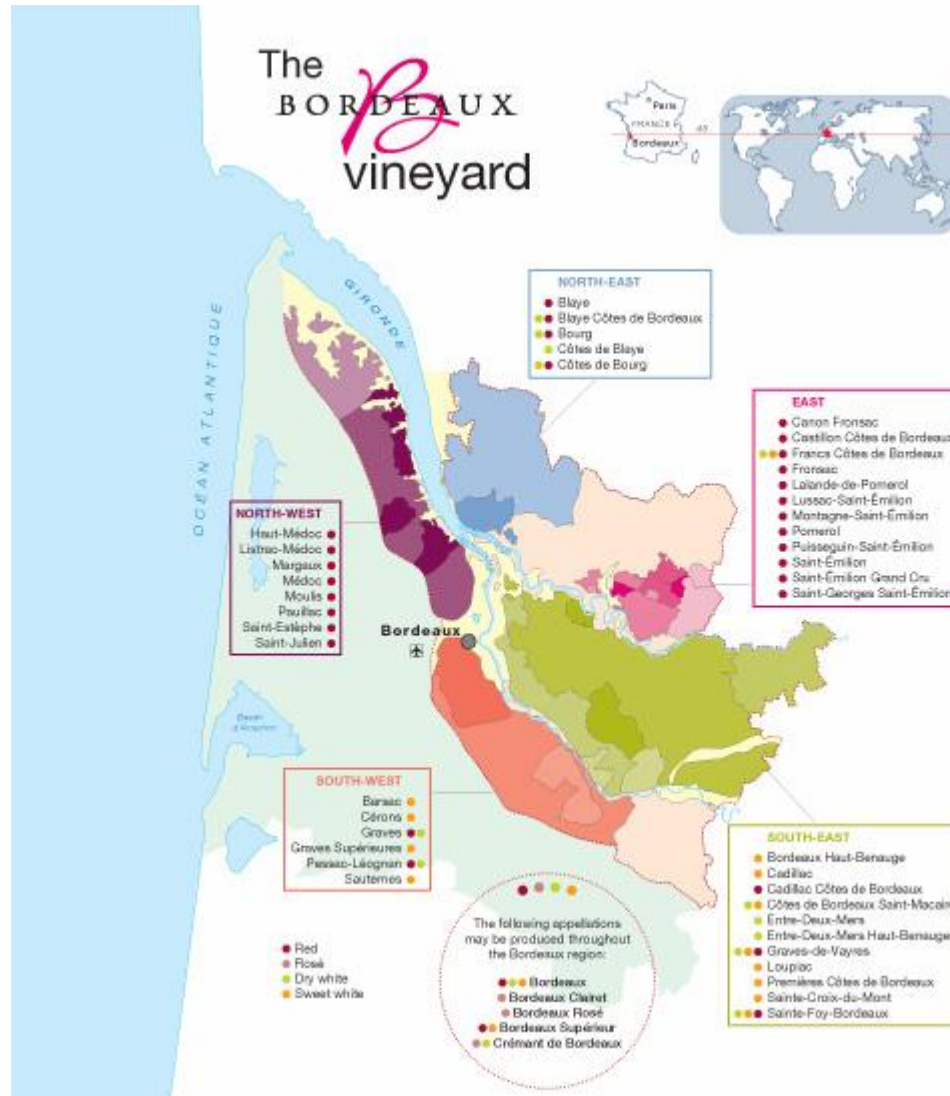


Dune de Pyla sur Mer

- Highest sand dune in Europe



Bordeaux



Bordeaux - Appellations

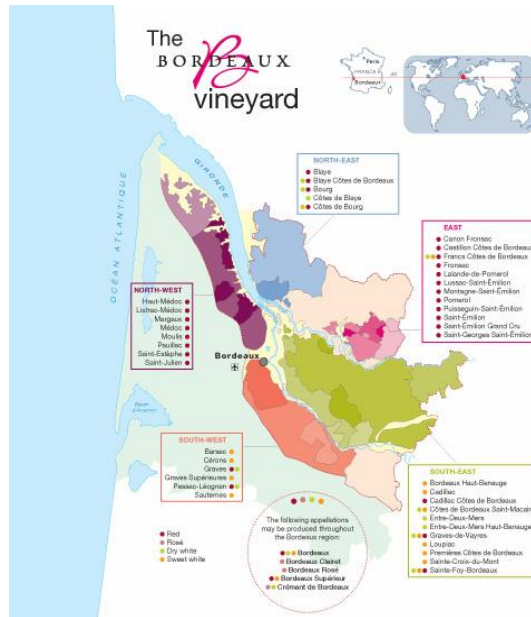
Cabernet Sauvignon, Cabernet Franc, Merlot, Petit Verdot, Malbec

Left bank

- **Medoc:**

2/3 CS, 1/3 Me

- Margaux
- St Julien
- Pauillac
- St. Estephe
- Moulis
- Listrac



Right bank

- St. Emilion: ½ Me, ½ CF
- Pomerol: 90 %, Me 10% CF
- Fronsac
- others

- Graves: CS, Me
 - Sauternes: sweet white wines
 - Entre deux Mers: dry white wines
- White grapes: SB, Semillion, Muscadelle

Classifications Medoc

- Appellations in Medoc: since 1855
 - 1^{er} to 5^{eme} Cru (= Growth)
(61 Chateaux)



- „Super seconds“

Leoville Las Cases, Pichon Lalande, Cos d'Estournel,...

- Medoc:
 - Crus Grand Bourgeois Except.
 - Crus Grands Bourgeois
 - Crus Bourgeois

Classifications St.Emilion

- St. Emilion:
 - every 10 years
 - since 1954
 - 81 chateaux in total
 - Sauternes
 - since 1855
 - sweet, white wines
 - Pomerol:
- 1^{er} Grand Cru Classé A
(Ausonne, Cheval Blanc, Pavie, Angelus)
 - 1^{er} Grand Cru Classé B (14)
 - Grand Cru Classé (63)
 - Chateau D'Yquem
 - 1er Cru
 - 2eme Cru
 - No classification!

Baron Philippe de Rothschild/1

(Chateau Mouton Rothschild/Pauillac)

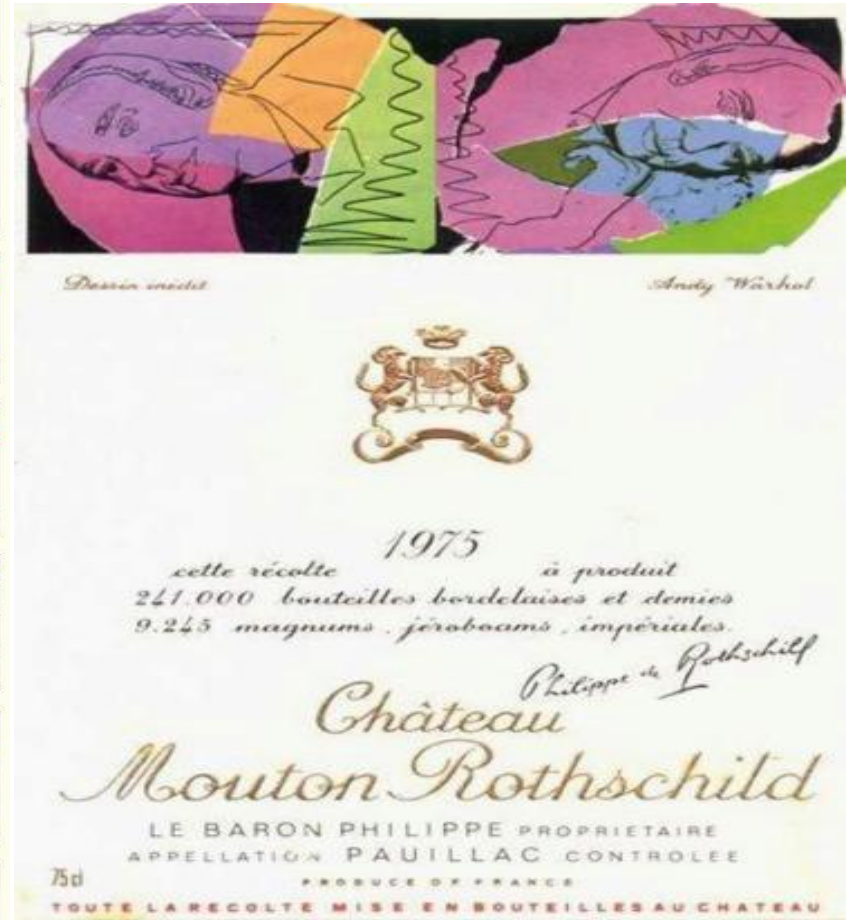
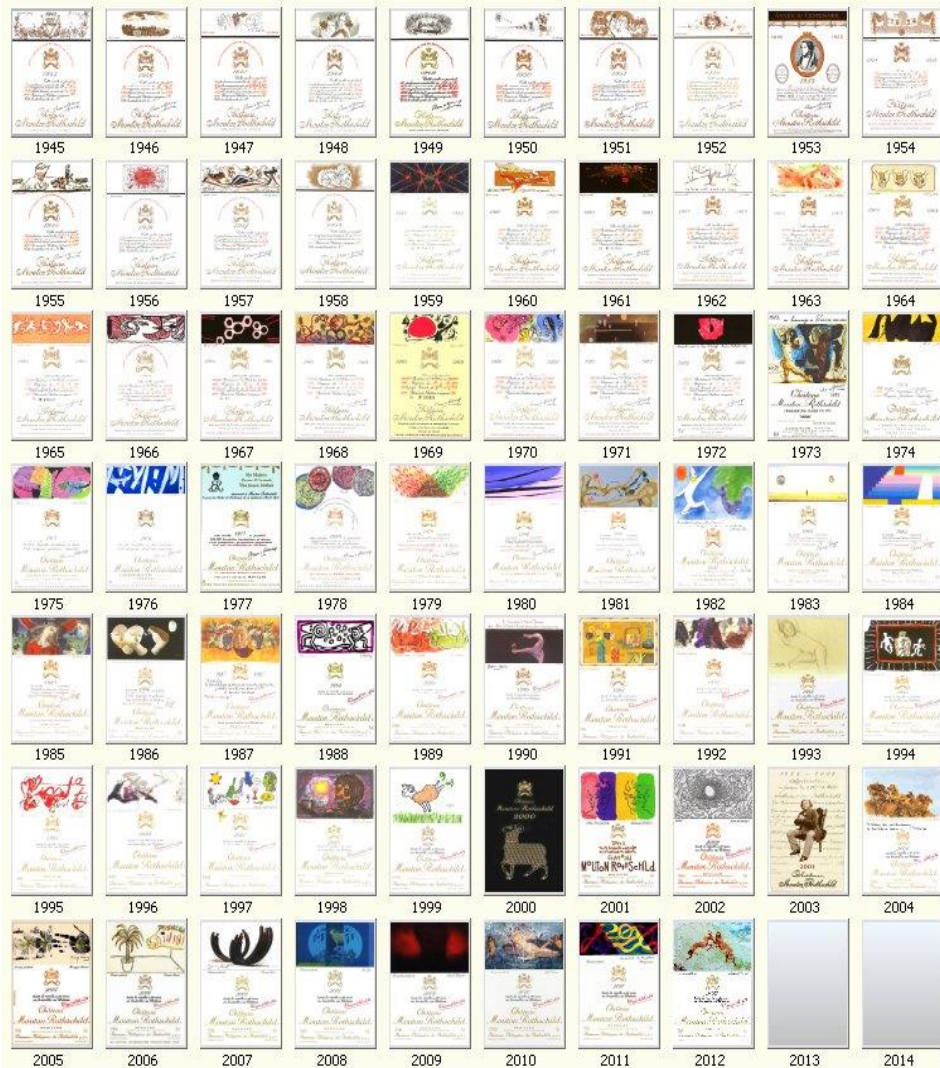
- Situation in the 1920s: Wine drinking is „out“, it was the time of twist dancing and Gin drinking
- 1923: Baron Philippe, 21 years old, visited Chateau Mouton Rothschild (owned by his grand mother/ GB)
- Required from his father: + all necessary resources
+ being fully free in taking decisions

Baron Philippe de Rothschild/2

(Chateau Mouton Rothschild/ Pauillac)

- **Baron Philippe had a vision:** convinced Bordeaux's 1er Grand Cru Chateaux to switch to „Mis en bouteille au Chateau“ = estate bottled.
- **Vintage 1924:** First vintage mainly: „mis en bouteille au chateau“ – caused challenges like:
 - to cut running customer relations
 - bridge financing before bringing on the market
- **1973:** Chateaux Mouton Rothschild becomes **1^{er} Grand Cru Classé**

Chateau Mouton Rothschild



Chateau Mouton Rothschild



Les Seconds Wines

Mainly invented in the 70s: due to more and more rigorous grape selection came up the question what to do with sorted out grapes

- Les Forts de Latour
- Pavillon de Margaux
- Carruades de Lafite
- Petit Mouton
- Réserve de la Comtesse, etc...



Les Seconds Wines

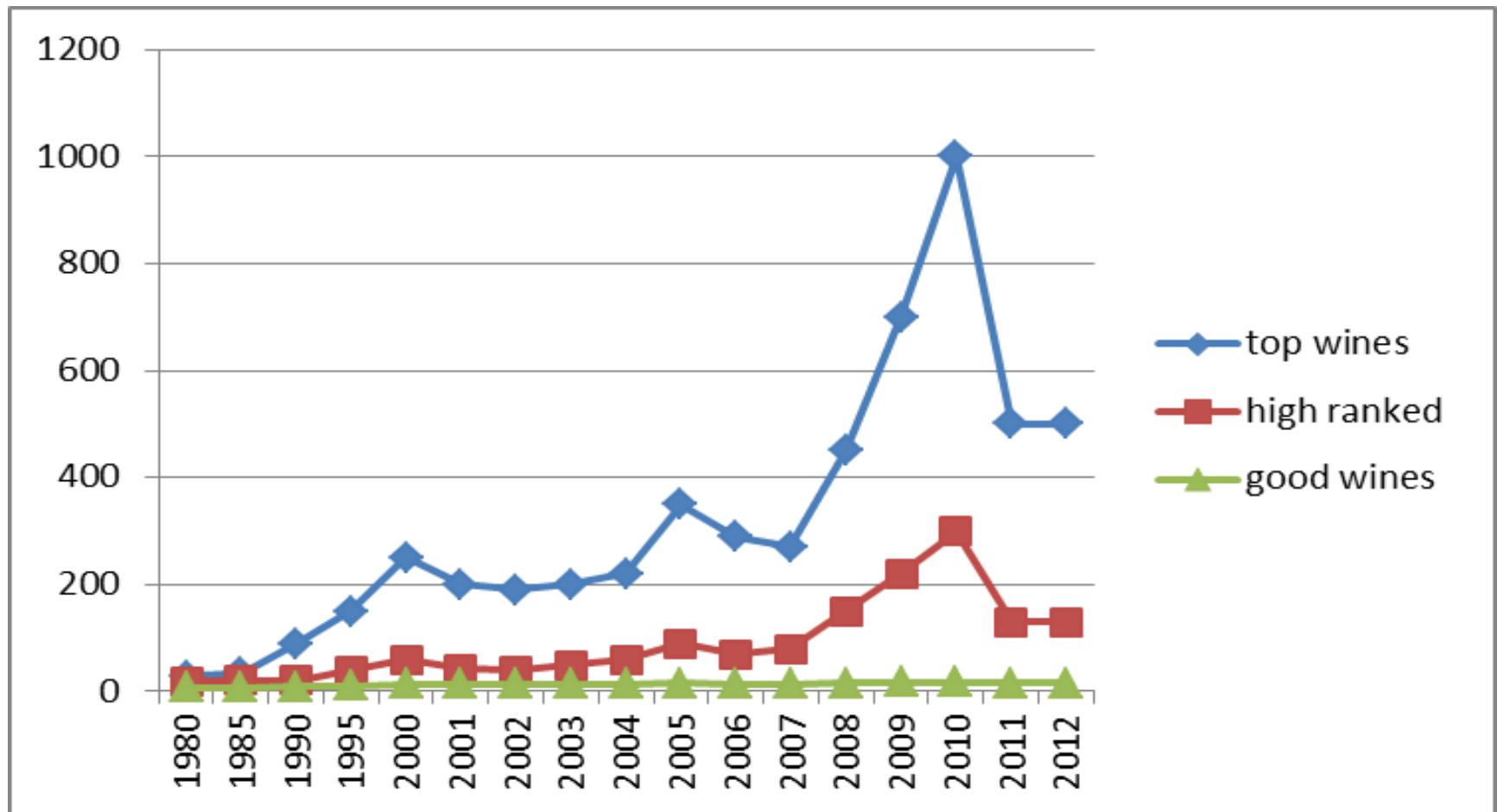
A second wine gives the possibility to:

- Reach entry consumers: „I drink a Chateau Latour“, even if it is a Fort de Latour
- Adopt the usage of grapes between 1th and 2th wine (young plants)

Price Evolution of Bordeaux Wines

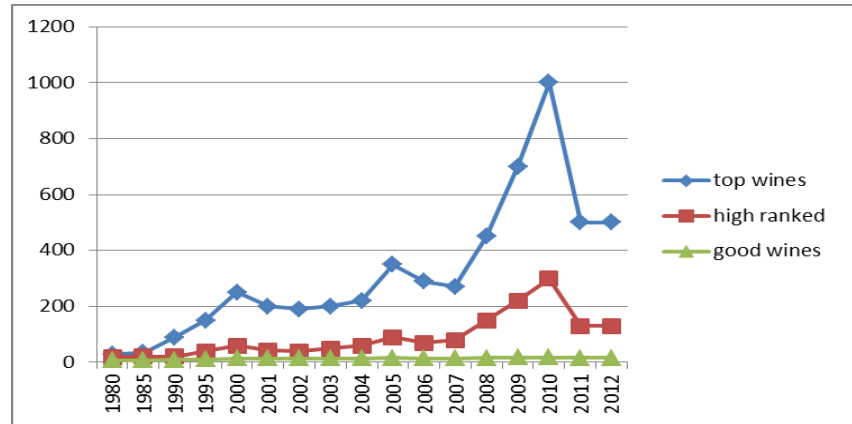
estimated by experience in €/ bottle – inflation taken into account

Chateau Petrus is excluded



Commentary on price evolution/1

- All over very stable prices till 1995



- From the late 90ties on sustainable price increase
 - Russian market asking Bordeaux wines
 - vintage/year 2000 event
- Good wines have very stable prices till today
 - selected Bordeaux wines offer a very good cost/performance ratio

Commentary on price evolution2

- Enormous increase between 2007 and 2010
 - 2010 vintage was offered „en primeur“ for the first time in Asia
 - small yield in 2010 (minus 30%)
 - 3 consecutive great vintages: 2008 - 2010
- 2011/12 price level decreased:
because of lower quality level

What is specific in Bordeaux market ?

- **Only one** or a few number of **wines per estate**
- Great and **famous dry white wines**: Chateau Pape Clement, de Chevalier, de Fieuzal... (>100,- €/ bottle)
- Great and famous white sweet wines: Chateau d'Yquem
- Sales „en Primeur“

Sales „en primeur“

(scedule example for vintage 2012)

- **2013:** - **March:** barrel tasting for professionals
 - **during May:** consecutive offer release to Bordeaux traders (so called negociants)
 - **the same day:** wines are offered by Bordeaux traders to international merchants
 - **end of the year:** payment
- **2014:** - **wine delivery** to merchants and subsequently consumers

Sales „en primeur“ – why ?

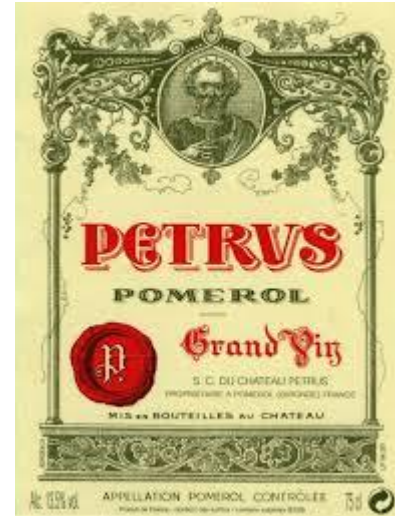
- Each vintage is present 3 times in the wine market: tastings - price release - delivery
- Prepayment = financing during wine production period: wines are payed by consumers 1-2 years before delivery
- Lower prices for buyers

What is specific in Bordeaux market ?

- Bordeaux did not follow the trend to produce wines with high alcohol level
- A lot of fraudulent bottles are on the market
- In the 90s: first „Garage Wines“ came on the market (like Chateau Valandraud)
- Mass products still under price pressure: wines < 2.- Euro/ bottle ex cellar

Situation, trends and outlook/ 1

- Only limited quantities are available from famous Chateaux



- Still increasing demand in Asia, but no more hype
- China's consumers are becoming price sensitive

Situation, trends and outlook/ 2

- Chateau Latour stopped offering en primeur



- The famous Chateaus try to control the world wide distribution of there wines
- Beside some overpriced wines/ price extremes: Bordeaux still offers a lot of good cost/ performance ratio wines

I thank you for your attention

Now: Tasting !



If you have any question or remark, please get in touch with me:

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