

Drinks

www.drinksint.com

INTERNATIONAL

The No.1 choice for global drinks buyers



L'empereur de la nuit

May 2010

INSIDE THIS MONTH



COCKTAIL CHALLENGE

FINALISTS AND
THEIR RECIPES



FIZZING UP

CHAMPAGNE RIDING
OUT THE STORM

NAPA RENEWAL

RETURNING TO
ITS ROOTS



Drinks INTERNATIONAL

Agile Media Ltd, Gateway Place, 42a East Park, Crawley, West Sussex RH10 6AS

Direct Line: +44(0)1293 590049

Fax: +44(0) 1293 474010



Interesting times

It has certainly been an interesting month. A volcano erupts in Iceland and thousands of aircraft around the world – but especially in northern Europe – are grounded. Along with the colossal global economic downturn last year, this event is unprecedented in recent times. At the time of going to press the Eyjafjalla volcano appears to be calming down, but history tells us it could easily erupt again and go on for months. In fact, one snippet suggests that a prolonged eruption in Iceland in 1781 led to the French Revolution after a crop failed. Food for thought.

Anyway, now for some good news. Diageo tells us (page 6) that premiumisation is back – US consumers are back buying premium, super-premium and ultra-premium products while the urbanisation of Asia, Africa and Latin America will bring their inhabitants into the premium fold.

The Scotch Whisky Association reports record exports in 2009 despite everything. Exports have risen 45% in 10 years. Amazing. To maintain that sort of growth the scotch industry is going to have to work out how to get Martians to drink the Scottish elixir of life.

On a slightly more muted note, the Dutch agribusiness bank Rabobank reports that the Chilean wine industry is holding up after the devastating earthquake back in February. It does make you wonder what else nature might throw at us.

Well on the basis we can get back to something approaching normal, we have the London International Wine Fair/Distil and TFWA Asia in Singapore to look forward to – then it is going to be all about the World Cup. Hopefully no volcanoes or faultlines are planning any activity in the vicinity of the Rainbow Nation.

So, subject to no disasters, natural or otherwise, there is a superb opportunity to put something against the bottom line.



Christian Davis *Editor*



News

- 05 Business News
- 08 People and Events
- 10 Travel Retail
- 12 What's On

Analysis

- 16 **Profile: Valérie Pajotin**
Christian Davis meets Valérie Pajotin, head of Anivin, the body set up to promote the new Vin de France wine category

Features

- 18 **World Cup in South Africa**
There is no better way of getting people to enjoy a drink than a major sporting event. Christian Davis reports
- 21 **Rum**
Rene van Hoven looks at how the category is developing

Supplement

- Cocktail Challenge**
The knockout round of this year's Drinks International Cocktail Challenge

- 23 **TFWA Asia**
The Tax Free World Association exhibition in Singapore. Lucy Britner previews
- 26 **Champagne**
The famous French sparkling wine region has had a better year than it dared hope, finds Giles Fallowfield
- 32 **LIWF/Distil**
The London International Wine Fair and Distil show. Christian Davis previews
- 36 **Californian wine**
The global economic downturn has hit producers in the state's most famous region, Napa Valley. Jamie Goode reflects
- 40 **Bar Zone**
The on-trade/on-premise sector, as seen by Lucy Britner
- 42 **Departure Zone**
Last call
An easy read for frequent travellers

Scotch exports at record high

Global exports of scotch whisky reached record levels in 2009 despite the economic downturn in some major markets, according to annual figures published by the Scotch Whisky Association (SWA).

Scotch whisky exports rose by 3% in value to £3.13bn, contributing £99 every second to the UK trade balance. Export volumes increased by 4% worldwide, with the equivalent of 1.1bn 70cl bottles of scotch whisky shipped.

Scotch whisky enjoyed continuing success in France (+13% in value) and the US (+13%), with Brazil (+44%) and South Africa (+7%) both significant emerging markets in 2009.

After a slow start to the year, caused by trade de-stocking and weaker consumer confidence, the SWA reported an impressive export performance in the second half of 2009. By comparison with 2008, an extra £71m of blended scotch whisky was exported during the year (+3%), with malt scotch whisky shipments rising by £4m (+1%).

Scotch whisky exports have risen by £977m in shipment value over the past 10 years, a 45% increase. Shipment volume has also increased by 13%, the equivalent of 131.8m 70cl bottles, since 2000.

Paul Walsh, chairman of the SWA, said: "Scotch whisky distillers have delivered record exports in the face of a global economic downturn. It is an impressive performance, underscoring the importance of scotch whisky to the UK economy. The industry is continuing to invest and sustain its efforts to secure fair access to export markets. We look to the next UK government to work with us to build on scotch whisky's success in the future."

Gavin Hewitt, chief executive of the SWA, said: "As one of the UK's leading manufactured exports, all political parties should recognise and support the scotch whisky industry, both at home and abroad, during the next parliament. A review of the UK excise duty system is long overdue; we want to see a domestic operating and fiscal environment that better supports our global competitiveness."



Shutterstock

Chivas Brothers has launched a private tour and gin-making experience for its Plymouth gin brand.

The Master Distiller's Private Tour is the brainchild of master distiller Sean Harrison (pictured) and takes places at Plymouth's Black Friars Distillery.

Visitors will be given a private tour of the distillery, hosted by Harrison himself, and will be mentored through the entire distilling process using their own personal micro gin still.

The distilling masterclass includes a comparative tasting and culminates in the chance for visitors to make their own batch of gin, tailored to their own personal taste.

The experience lasts for approximately 2.5 hours and costs £40 per person.



Constellation/AVL talks draw to a close

Constellation Brands has confirmed that it and Australian Vintage (AVL) have ended discussions for the potential combination of a portion of Constellation's Australian and UK wine operations with AVL.

Constellation president and chief executive Rob Sands said: "There were a number of goals both parties were attempting to accomplish through the combination. Over time it became evident that, despite both parties' best efforts we were not going to be successful in accomplishing all these goals. Therefore, we mutually decided it was in the best interest of Constellation and AVL to discontinue our discussions and focus on our respective businesses."

Constellation said it plans to continue to operate its Australian and UK businesses with a focus on achieving stronger results by increasing efficiencies, reducing costs and improving cash generation.

Tomatin release of whisky trio

The Tomatin distillery, Invernesshire, has released three new whiskies.

The first of the single casks was distilled in 1997, matured in a first fill bourbon barrel for 12 years and bottled at cask strength, 57.1% abv.

The second was distilled in 1999 and initially matured in a refill American oak cask before being transferred into a European oak cask used to mature tempranillo wine. Both will be sold in western European markets and Japan.

The limited edition 21 Year Od was created using seven casks – six refill American oak and an ex-sherry butt.

News In Brief

Industry stories from around the globe

As part of its Open the Facts campaign, **SABMILLER** is encouraging women to make informed choices about drinking. Its website, TalkingAlcohol.com, provides information on such serious topics as alcohol and cancer, as well as some handy advice for a safe night out.

TUBORG is to launch a £2 million Urban Blitz across the UK on-trade as a prelude to the upcoming festival season. The Urban Blitz takes place in nine major towns and cities for four weeks between April 26 and May 23.

Havana Club rum sales fell by 3.5% in 2009 compared with 2008. **HAVANA CLUB INTERNATIONAL**, the joint venture between Cuba Ron and Pernod Ricard, said it sold 3.3 million 9-litre cases in 2009, compared with 3.4 million cases in 2008.

HEINEKEN has announced a new 10-year sustainability agenda. Its commitments include lowering carbon emissions and water usage as well as empowering people and communities through programmes such as the Heineken Africa Foundation.

Diageo: Premium drinks' comeback



Consumers are returning to premium purchases, according to global drinks giant Diageo.

During the past 12 weeks, US consumers have purchased more premium, super-premium and ultra-premium products than in the same period last year.

But chief marketing officer Andy Fennell warned that consumers will look to make more considered purchases than before the recession.

He said pre-downturn was about indulgence and enjoyment without necessarily having an occasion and post-recession is about consequences.

He added there is evidence that people will now visit two supermarkets and spend less on essentials in order to have more for indulgence items.

A survey of consumer spending by

Booz & Company in 2009 showed that consumers were more likely to switch to less expensive brands of household products, food at home, clothing and health and beauty products than to switch to cheaper brands of alcohol.

In markets around the world, 'urbanisation' is in play and people aspire to demonstrate their success through aspirational brand purchases.

Here premiumisation is 'on track already', according to Diageo.

Fennell said international brands in developing markets are still small and there is headroom for penetration.

Fennell's post-recession feeling is premium brands will survive if they appeal to consumers on both an emotional and rational level.

WSTA updates guide to EU wine and spirit regulations

The Wine & Spirit Trade Association has published a new edition of its guide to wine and spirit regulations in the European Union.

The updated version of checklists has been substantially revised to incorporate the changes introduced as part of the reform of the EU wine regime, completed last year.

The guide is available on CD Rom and provides businesses in the wine and spirits sector with every aspect of technical information required to meet EU trading and labelling regulations.

Checklists are available free to WSTA members and at £425 to non-members.

For more information please contact David Tromans on +44 20 7089 3880 or david@wsta.co.uk.

Chilean wine industry holding up

A report from Dutch bank Rabobank, which specialises in food and agribusiness, said that, while the Chilean wine industry has been badly affected by February's earthquake, it is optimistic that it can recover and exports should not be affected.

The Rabobank Industry Note 237-2010, is titled: *Chilean Wine Industry After the Earthquake - Shaken but Still in the Race.*

Initially, Vinos de Chile estimated losses at 125 million litres, valued at US\$250m.

A further assessment increased losses to \$430m as the Maule valley, which accounts for nearly half of Chilean wine production, was the worst affected, due to its proximity to the epicentre.

With the 2010 harvest currently underway, a 15% decrease on the large 2009 crop (986m

litres, up 14% on 2008) is predicted, according to Rabobank.

The decline is due to spring freezes and a cool summer rather than the earthquake.

Nevertheless, there are concerns over irrigation supplies, which have been disrupted by damaged infrastructure, such as the canal system. Also there are shortages of labour as people have been drawn into reconstruction.

Rabobank believes that, while Chile should be able to meet its forecasts, there will be additional costs which are likely to lead to a "deterioration of competitiveness".

"The industry as a whole seems optimistic and firm in its decision to continue on the road to strengthening its presence in the world markets," it concluded.



Belvedere's **SOBIESKI** vodka sales have smashed the brand's record - with sales of 580,000 cases in the US during 2009. Sobieski has also recently added two new vodka flavours - Cyttron and Vanilia - to its flagship brand.

MORE @ WWW.DRINKSINT.COM

SABMILLER has announced it is launching its Italian beer brand, Peroni Nastro Azzurro, in the Netherlands. The company said Peroni will be imported from Italy and will be distributed selectively.

The **SOUTH AFRICAN** wine industry has launched a sustainability seal. Wineries with Integrated Production of Wine (IPW) accreditation can use the seal to show commitment to protecting the environment and producing wine in harmony with nature.

CARLSBERG has launched the second half of its World Cup advertising campaign, unveiling the stars of its latest in-store packaging: England manager Fabio Capello, England captain Rio Ferdinand and players Steven Gerrard, David James and Jermaine Defoe.

TOP 5 STORIES ON DRINKS.COM

1. Record exports for scotch
2. Havana Club sales down
3. Make your own Plymouth gin
4. Sobieski sales soar
5. Dooley's marketing push



Appointments

Sarah Peters has been appointed sales account manager for wine bottles at bottle distributor Saxco Pacific Coast in Vancouver. She will be responsible for the day-to-day sales function and new account development with wineries throughout the state of Washington.



Adam Nooyen is the new marketing executive for Genesis Wines. He recently moved from New Zealand where he was working on his family's estate, Vilagrad Winery near Hamilton. He was responsible for marketing Vilagrad wines and launched his own label with his brothers called 3 Brothers Winery.

French wine company Skalli has announced the appointment of

Franck Autard as managing director, based at the head office in Châteauneuf-du-Pape. Autard replaces **Marc Badouin**, who has been managing director of Skalli Wines since 1993.



Off-trade wine supplier Off Piste has appointed a new chairman. **Jerry Lockspeiser**, who founded Bottle Green in 1990, is to help guide the business's

strategic development. Lockspeiser said: "Off Piste today reminds me in many ways of my previous business in the early years of its growth - with the added benefit of having two of the UK's best wine business operators at the helm. Anthony Fairbank and Paul Letheren just get it - and do it. I will add some bigger-picture and long-term thinking to the mix - so that we capture and channel the creativity to develop the business for many years to come."

Beam Global Spirits & Wine has made two new appointments. **Drew Munro** is now the general manager of the Bourbon US category business team (CBT) and **Jay Mathew** is to be general manager of the Classics US CBT. Beam Global's US commercial marketing function is organised into three category business teams focused on consumer buying: Bourbon, including Jim Beam, the Small Batch Collection and Maker's Mark; Classics, including Courvoisier cognac, Canadian Club whisky and Laphroaig scotch whisky; and Mixables, including Sauza tequila, Cruzan rum and DeKuyper cordials and liqueurs.

Kristoffer Pipusch has left the Torres Group to join United Wineries. He is to take on a new challenge within the travel retail business. United wineries owns brands from Rioja, Italy and Argentina. Pipusch begins his new role at TFWA Singapore



on May 10. Foster's Group has appointed a former police officer to its board of directors. **Christine Nixon** joined as a non-executive director at the beginning of April. After a career in the NSW and Victorian Police force, Nixon became Victoria's first female chief commissioner, leading a team of 14,000 staff and managing a \$1.7 billion budget for eight years before her retirement in February 2009.

Marian Kopp has been appointed managing director/president of Niederkirchener Weinmacher - a German wine co-operative in the Pfalz region. Previous positions were with Racke Germany, Racke International and Golden Kaan. South African wine brand Golden Kaan was developed by its holding company, Golden Kaan as a joint venture between Racke and South African winery KWV International.



Gonzalez Byass UK has appointed **Melissa Draycott** sales director. Martin Skelton, managing director, said: "Melissa has a wealth of experience and joins us at an exciting time for our business, as we expand both our Spanish wine portfolio and add agency business, such as Jackson Estate and Quinta do Noval". Draycott said: "This new role is a great challenge and one which I will relish."

DIARY

SIAL China

May 19-21
Shanghai
sialchina.com

Vinexpo Asia Pacific

May 25-27
Hong Kong
Vinexpo.com

VieVinum

May 29-31
Vienna Hofburg, Austria
mac-hoffmann.com

Interwine China

May 30-June 1
Guangzhou Poly Expo Centre
interwine.org

Alimentaria Mexico

June 1-3
Mexico City
alimentaria-mexico.com

Topwine China

June 1-3
Beijing World Trade Centre
topwinechina.com

San Diego Spirits Festival

June 2-5
San Diego Bayfront Hilton
sandiegospiritsfestival.com

Mondial de la Bière

June 2-6
Montréal, Canada
festivalmondialbiere.qc.ca

Shanghai Int. Wine & Spirit Fair

June 9-11
Shanghai Convention Centre
wineshanghai.com

Bar.10

June 15-16
London, Islington Design Centre
barshow.co.uk

New York Bar Show

June 20-21
NYC, Jacob Javits Center
newyorkbarshow.com

Editor Christian Davis

+44 (0)1293 590047
christian.davis@drinksint.com

Deputy Editor David Longfield

+44 (0)1293 590045
david.longfield@drinksint.com

News & Website Editor Lucy Britner

+44 (0)1293 590046
lucy.britner@drinksint.com

Travel Retail Correspondent

Joe Bates

Production Editor Jaq Bayles

+44 (0)1293 590048
jaq.bayles@drinksint.com

Designer Neal Honney

Advertisement Manager Justin Smith

+44 (0)1293 590041
justin.smith@drinksint.com

Senior Sales Executive

Carmen Poel Francesch
+44 (0)1293 590042 carmen.poel@drinksint.com

Sales Executive Renata Stefanovic

+44 (0)1293 590043
renata.stefanovic@drinksint.com

Events Admin +44 (0)1293 590050

Monica Tapias/Nikayla Langley
firstname.surname@drinksint.com

Event Sales Executive Jo Morley

+44 (0)1293 590044
jo.morley@drinksint.com

Accounts Annette O'Connell

+44 (0)1293 590051
annette.oconnell@agilemedia.co.uk

Publisher

Russell Dodd
+44 (0)1293 590052
russell.dodd@drinksint.com



Drinks International, Gateway Place,
42a East Park, Crawley, West Sussex RH10 6AS
United Kingdom Tel: +44 (0)1293 590040



Asian growth underpinned by Chinese

Leading Asian duty free operators and suppliers have reported strong liquor sales over the first quarter of the year, bucking the downward global trend.

Mainland Chinese travellers are driving much of this growth. According to government figures, 54 million Chinese are forecast to travel overseas this year, a 13% increase on 2009.

“Sales of liquor actually started picking up from the last quarter of 2009,” said Simon Au, merchandising & buying director at Hong Kong airport shop operator Sky Connection. “We were glad to see that the strong trend continued through the first quarter of 2010. We remain quite optimistic about the liquor market in particular throughout the rest of the year.”

“Demand [for liquor] is coming mostly from Chinese mainlanders,” added Antares Cheng, managing director of King Power Group, which runs stores at Shanghai Pudong and Macau International airports. “They look for the best quality liquor, especially red wine and whisky for self consumption and gift-giving. Liquor is always a ‘must’ item for entertainment and dinner.

“The strong sales [among the mainland Chinese] may be due to the robust economy, their improving living standards and the fact they gain confidence in buying genuine products in the airport shops, avoiding any doubts about buying replica products.”

DFS Group retains ‘jewel in the crown’

➔ DFS Group has renewed its concession to operate duty free liquor and tobacco stores at Singapore Changi airport with a three-year deal.

Hong Kong-based retailer DFS has run the liquor and tobacco concession, one of the most prized duty free locations in Asia/Pacific, since the airport first opened in 1981.

The new agreement, which runs until January 2014, covers all the airport’s liquor and tobacco stores in the main terminals and the new Budget Terminal.

Commenting on the award, DFS president, worldwide store operations, Michael Shriver, said: “The securing of this contract at one of DFS’ pivotal retail locations in Asia reinforces our presence as one of the leading travel retail players in the region.

Changi is truly a jewel in the



crown of DFS airport operations worldwide. It has always been a centrepiece for us to introduce new concepts and we intend to continue to introduce exceptional products, undertake innovative promotions and develop our staff to the very highest service levels

over the next three years.”

Recent worldwide exclusive liquor launches at DFS’s Changi stores have included the launch of The John Walker whisky and Louis XIII Rare Cask Cognac in 2009, and Absolut 100 vodka in 2007.

Wine expert for Sydney airport

The Nuance Group has hired a top Australian wine expert to help travellers buy the right wine at the retailer’s new flagship departure shop at Sydney international airport.

Master of wine Phil Reedman, a former senior wine product development manager for Tesco, has written tasting notes for the 100 fine Australian and New Zealand wines stocked in the new store, as well as

information on their grape varietal and provenance.

Examples of some of the higher-priced wines stocked include Leeuwin Estate Art Series Chardonnay (A\$83.99), Pipers Brook Lyre Single Site Pinot Noir (A\$100), Geoff Merrill 1997 Henley Shiraz (A\$189) and Penfolds Great Grandfather port (A\$319).

“There are so many wines to choose from [at the airport] that it can become overwhelming,”

said Reedman. “We want customers to feel comfortable when buying wine, so we’ve given them key pieces of information that will inform their decision. I love the idea of introducing more people to wine and helping those already enjoying wine to find new and exciting wines that they might not otherwise have bought.

“Duty free and travel retail is an exciting area and customers need just as much help making their purchases as in any other retail format.”



In Brief

✈ Singapore’s Customs authorities have made changes to the country’s duty free arrivals allowance. From April 1 2010 arriving passengers can now bring in an additional litre of beer or wine in lieu of one litre of spirits.

✈ Family-owned winery Stables Estate is to open a duty-paid shop in the landside area of Durban’s new King Shaka international airport, which is set to open in May, a month before this year’s FIFA World Cup.

✈ Family-owned cognac house Camus has opened a fine wine and cognac shop at Beijing airport’s Terminal 3. The company already operates Maison Camus outlets in downtown Beijing and Guangzhou airports, selling cognac, fine spirits, wines and Canadian ice apple wine.

✈ Mikkel Olsson has been named new area manager for travel retail & Denmark for Norwegian spirits producer Arcus. He replaces Thomas Christensen, who has left to become Jägermeister market manager at Danish drinks distributor Hans Just.

✈ Cachaça brand Sagatiba has recently introduced a Caipirinha cocktail-making kit at World Duty Free’s UK airport shops. Priced at £12.99, the kit contains a 70cl bottle of Sagatiba Pura, a pouch of Caipirinha pre-mix and a stainless steel spirits measure.

✈ The Nuance Group has opened a new Armagnac concept called Armagnotheque at its new liquor shop at Toulouse airport’s newly opened Terminal D. The in-store area features a selection of top-selling brands and rare vintages dating back to 1897.

Martell boutique for Hong Kong

↘ Martell cognac has launched a standalone boutique in partnership with duty free operator Sky Connection at Hong Kong International airport's Terminal One arrival zone.

Targeted at arriving Chinese mainlanders, the aim of the Martell Experience Boutique is to reinforce the brand's heritage and luxury credentials to a key customer group.

The focal point of the new 130sq m shop is the Martell Discovery Table, where travellers can read tasting notes for each of the key lines in the brand family.

They can also see 33 different blends of eaux-de-vie used in the cognac displayed in separate yellow and gold bottles.

The store, opposite Sky Connection's duty free arrivals store, also stocks several super and

ultra-premium lines from the Martell range, including L'Or de Jean Martell, which retails at HK\$23,800 per bottle.

Visitors can also discover more about each Martell cognac, production methods and the brand's history through in-store videos. Staff are on hand to give further information.

A bottle engraving service for anybody buying a decanter of L'Or de Jean Martell is also available.

The Martell Experience Boutique features a new visual merchandising style, which will subsequently be used in all the brand's global below-the-line communications.

The boutique will remain open at Hong Kong airport for three years. Brand owner Pernod Ricard has plans to roll out the concept to other travel retail locations.



'Treat someone special', urges Baileys promo

Diageo Global Travel and Middle East (GTME) has launched a major spring gifting promotion on Baileys liqueur across the European travel retail market.

The Treat Someone Special campaign has already focused on seasonal gifting occasions such as Mother's Day, St Patrick's Day, Easter and even International Women's Day.

Depending on the location, it involves two on-pack executions: either a box of three Baileys chocolate truffles produced by Irish confectionery supplier Lir, or a simple coloured bow attached to the bottle neck.

The colours of the bow are aligned to the various products in the Baileys family: Original (red), Mint Chocolate (green), Crème Caramel (orange) and Coffee (bronze). Travel retailers such as World Duty Free, Belgian Sky Shops and The Nuance Group are all running the promotion, which started in March and will finish this month.

Commenting on the initiative, Diageo GTME marketing manager for white spirits, liqueurs and rums Caroline Lyons said: "Our insight programme shows that Baileys is a very impulsive brand and more than 200 million global adorers and adopters respond very positively to new activations around it, especially for gifting. This promotion challenges preconceptions of Baileys and subtly persuades shoppers to look again at the world's favourite liqueur."



EU decision gives boost to Malaysia

Malaysia has joined the European Union's safe list of countries with approved security standards relating to the carrying of liquids in passengers' hand luggage.

New rules mean travellers making purchases at Malaysia's Kuala Lumpur international airport, who travel on to Europe and then switch flights, no longer risk having their duty free liquids confiscated by security staff at EU airports.

But items still have to be packaged by the duty free retailer in a sealed, tamper-evident bag with clear proof of purchase and presented to the transit security staff within 36 hours of sale.

"The industry has been expecting the agreement with Malaysia for a long time and I am very happy to see it come into force finally," said European Travel Retail Council (ETRC) president Frank O'Connell.

"Following similar agreements with the US and Canada, this is yet another step that will facilitate travel for passengers transferring at the European airports. I also expect these rules will help boost sales at the Malaysian duty free shops as passengers will no longer fear confiscation of their purchases."

QUAFFER



NAKED RIESLING

BRAND OWNER Snoqualmie

PRICE £10.99-£11.99 US \$9.99 - \$11.99

Euro €10-€12 (except in Ireland and Scandinavia which is higher, €12-€14)

MARKETS Global

CONTACT erin@stratfordwine.co.uk

This Riesling is said to offer "bright aromas of spicy pear and apple, with a hint of mineral carried through on the palate."

The tasting note continues: "The off-dry finish is clean and soft and the pure elegance of the varietal is fully captured in this bottling."

FLAVOUR BURST



SMIRNOFF BLUE 100 DARK ROASTED ESPRESSO/ SPICED ROOT BEER

BRAND OWNER Diageo

PRICE \$16.99 per 75cl

MARKETS US

CONTACT diageo.com

Diageo has released two new flavours of its 100 proof Smirnoff vodka.

Spiced Root Beer and Dark Roasted Espresso, under the Blue Label portfolio, are the first flavoured additions to 100 proof.

Smirnoff Spiced Root Beer and Dark Roasted Espresso are available across the US at local retailers where Blue is sold in 5cl, 37.5cl, 75cl, 1-litre and 1.75-litre sizes.

FRUITY



ASPALL SUFFOLK CYDER

BRAND OWNER Aspell

PRICE £1.79-£2.49,
US\$2.92-US\$4.07, €2.16-€3

MARKETS Global/
Americas/Europe

CONTACT +44 1728
860510

All Aspell cyders are made from a blend of both bitter-sweet and culinary apples and are fermented from 100% apple juice.

To this day, the family still signs off every single batch before it is bottled, to ensure quality remains first and foremost.

The cyders are available in the premium on- and off-trade, targeting discerning consumers, both male and female.

PEELING

CHASE ENGLISH BREAKFAST MARMALADE VODKA

BRAND OWNER Chase Distillery

PRICE €32.95

MARKETS Europe

CONTACT george@williamschase.
co.uk

According to Chase, the difficulty was getting the marmalade flavour into the spirit. It used a combination of good quality marmalade and its own home-made batch and marinated the two in potato vodka before distilling it in a carter head-style gin still. The colour for this limited edition vodka was achieved by further marinating with orange peel.



FRENCH CONNECTION CHAMPAGNE

BRAND OWNER Bottle

Green

PRICE £24.99 (Brut NV),
£29.99 (Premier Crus)

MARKETS UK

CONTACT sarah-
thornton@bottlegreen.
com

This extension to the French Connection range will be positioned between the grande marques and retailer own-brands in the UK off-trade. A Brut NV Rosé is also available.



ALL LEVELS

SMOOTH TOUCH

HINE COGNAC ANTIQUE XO PREMIER CRU



BRAND OWNER CL World Brands
PRICE UK £120 for 70cl
MARKETS Global
CONTACT hinecognac.com

Hine's top-end flagship has been relaunched with new packaging as well as a new blend. Still made up of more than 40 cognacs, Antique XO Premier Cru is now sourced exclusively from the company's vineyards in the Cognac region's Grande Champagne district.

With an average age of 20 years, the oldest eau-de-vie in the blend is from 1944 and the youngest 1997.

While retaining its traditional multi-faceted decanter-style bottle, Antique XO Premier Cru now sports a "polished pewter effect plaque" by way of a label, which is "decorated with silk-screening and embossed branding".

The bottle stopper is rendered in the same material, and the whole bottle is presented in an embossed red and grey gift box, which can double as an "instant display unit".

CULT RELEASE

RUSSIAN CULT

BRAND OWNER Western Blue
PRICE €29.99
MARKETS Russia, Belarus, EU
CONTACT info@western-blue.com

This 40% abv vodka comes in a 70cl bottle and the target consumers are men and women aged 25 and above.



RETRO REVIVAL

CINZANO VERMOUTH

BRAND OWNER Gruppo Campari
PRICE £5.80, €9
MARKETS Global
CONTACT camparigroup.com

Cinzano's consumer profile is currently females aged 45-plus, however, with the launch of new packaging Gruppo Campari hopes to appeal to a younger demographic.

The company has introduced a new, slender bottle shape with a smaller label, edged in "contemporary silver" instead of the former gold colour. Each new element is designed to "capture the brand's originality and colourful character".



ELEGANT

PANNIER EXTRA-BRUT EXACT

BRAND OWNER Champagne Pannier
PRICE €38
MARKETS Europe
CONTACT champagnepannier.com

Extra-Brut Exact is Champagne Pannier's addition to the ranks of virtually bone-dry champagnes.

The blend consists of 40% Côte des Blancs Chardonnay, 30% Montagne de Reims Pinot Noir and 30% Vallée de la Marne Pinot Meunier, and is dosaged to 2g/l residual sugar. In its first year 30,000 bottles were produced.

The blue-grey colour of the label and neck foil is said to "recall marine spray and pureness", and is intended to suggest that it goes well with sashimi, oysters and shellfish; or on its own as an aperitif.



BACARDI TORCHED CHERRY

BRAND OWNER Bacardi
PRICE US\$13.99
MARKETS US
CONTACT bacardi.com

Bacardi has launched its latest flavoured rum in the US. Bacardi Torched Cherry combines the taste of Barbados cherries with the Torch plant aloe, a nectar-rich ingredient indigenous to South Africa.

The liquid is 35% abv and the launch will be supported nationally with print advertising, digital, off-premise POS and public relations.



CHERRY RIPE

INFORMATION

Products launched within the past two months are eligible for inclusion within this section. Please submit your products for consideration to: christian.davis@drinksint.com

IN DEMAND



COGNAC HÉRITAGE DU PRINCE

BRAND OWNER H Mounier/ Prince Hubert de Polignac

PRICE €1990 (via polignac.fr)

MARKETS Domestic and duty free worldwide

CONTACT Carole Frugier: frugier@hmounier.fr

Launched in October last year, H Mounier's ultra-premium extension to its Prince Hubert de Polignac selection is now available worldwide.

The limited-edition 41% abv blend consists of four Grande Champagne eaux-de-vie from the 1904, 1956, 1959 and 1960 vintages. The company reports strong demand from Asia and is finding new distribution within Europe.

Héritage du Prince is described as "powerful and complex", with cedar wood, gingerbread, cocoa and candied fruit flavours. The mature characters of "Russian leather" on the finish are said to have inspired the design of the presentation box.

CONTEMPORARY

NOVAL BLACK

BRAND OWNER Quinta do Noval (AXA Millesimes)
PRICE £14.99, US\$19.99, €18

MARKETS US, UK, Portugal

CONTACT
(UK) spollard@gonzalezbyassuk.com, +44 (0)1707 274 790;
(US) Vintus Wines, Pleasantville New York;
(Portugal) Portuvinus

In its strikingly elegant yet contemporary packaging, Noval Black Ruby Reserve packs a punch of intensely concentrated grapes bursting with juicy red fruit and sweet spice flavours.

Quinta do Noval describes it as: "A premium wine that will appeal to traditional port palates as well as first-time drinkers."

Over the past 15 years, Quinta do Noval has undertaken replanting in its vineyards above the River Douro and concentrated on the noble varieties such as Touriga Nacional, Touriga Franca and Tinto Cão. Now those vines are coming on stream, "with a wealth of superb vibrant fruit every harvest from which to make the selection for the distinctive fresh and smooth Noval Black blend".



CASTILLO DE ALBAI RESERVA 2005

BRAND OWNER Pagos del Rey
PRICE £8.72, €6-€6.50

MARKETS UK, Germany, Mexico, Japan, Netherlands, Russia

CONTACT
freerunwines.com
Tel: +44 (0)1672 540990

The Tempranillo grapes are chosen from old vineyards with small production.

Deep cherry red in colour, on the nose it is said to display aromas of chocolate, jammy fruits and vanilla. The palate is said to be fruity and elegant.



VERSATILE

MODERNITY

SANTA LORETO

BRAND OWNER Bodegas de Aguirre

PRICE £5.99-£6.50, Hong Kong \$48 HKD, Brazil R\$19.80 BRL

MARKETS Brazil, Thailand, Vietnam, Hong Kong, China, UK

CONTACT erin@stratfordwine.co.uk

The new Santa Loreto range from Chile consists of 2009 Sauvignon Blanc/Chardonnay, Sauvignon Blanc, Syrah Rosé, Carmenère/Cabernet Sauvignon and Merlot.

Run by the De Aguirre family and based in the Maule region's Villa Alegre, the company produces modern, affordable wines under a range of brand identities, and exports to 30 countries worldwide.

De Aguirre uses only estate-grown fruit from the 200ha of vineyards surrounding the winery.



Profile

France with a passion

Valérie Pajotin is responsible for taking the new Vin de France classification to the global wine market and helping to make it work. She spoke with Christian Davis

Could this woman be the most important person in the French wine industry? Forget the company director/directrice générales, famous winemakers, flying or grounded. Valérie Pajotin is head (directrice générale) of ANIVIN de France, the new organisation responsible for promoting the new Vin de France category.

This vivacious 44-year-old has one of – if not the – biggest jobs in the French wine industry today. After years of discussion, and seemingly endless revisions, French wine producers have got their Vin de France category.

French producers and brand owners can now blend across different regions to get the best quality and price to produce brands that should be consistent, value-for-money and able to compete with the best from the likes of Australia, Chile, California, South Africa and New Zealand.

Now, one could say: “ANIVIT has become ANIVIN de France and that is with the blessing of AGEV, CFVDP, VIF AND THE CCVF in accordance with the CMO or EU.” Got that? (If not see panel, right.)

But to cut to the chase, Vin de Table will be no more and the Vin de Pays category (formerly under the aegis of Anivit) is being replaced with a new denomination: Indication Géographique Protégée (Protected Geographical Indication).

Could some of the wines on the list (right), which are being featured at the London International Wine Fair (LIWF) this month, rival the likes of Jacob’s Creek, Turning Leaf or Casillero del Diablo? Only time will tell if French producers can break away from their historical ties to regions and terroirs.

Wealth of experience

Pajotin herself has the not inconsiderable task of assisting producers to focus on their Vin de France brand or brands, and trying to ensure the making and blending of the wine results in something accessible as well as easy to drink and understand.

Although brands such as JP Chenet are huge, successful and widely available, France’s track record with mainstream wine brands has been patchy and inglorious, bearing in mind its position at the head of the wine tree.

A cursory glance at Pajotin’s CV (see panel) shows



Anivin trophy wines

Charmaine Grieger/Anivit



that she is an experienced marketer, having worked for Cointreau, then in the food industry followed by a stint at a subsidiary of Groupe Castel, where she worked her way up to be group marketing director. She went into teaching part time after having her second child as she wanted to spend some time with her children.

“I remember being at Vinexpo (the huge biennial wine and spirits exhibition in Bordeaux) when my first son was three months old,” she recalls.

Then, in 2005, she returned to the fray as managing director of Anivit, the interprofessional body representing producers of Vin de Pays and Vin de Table wine, which has now morphed into Anivin.

Professionally, her “passion” is marketing. Personally, they are modern art, wine and Asian culture.

“Marketing, I love it. It’s a passion,” she reiterates. “At Castel, we tasted everything and listened to the consumer so we got an idea of their expectations.”

She is proud of managing marketing teams that were competing with each other. So she was overseeing Baron de Lestac, the leading Bordeaux brand, competing with estate-bottled Blaussac from the Médoc; Vieux Papes non-vintage table wine competed with Cambras table wine, mostly sourced from Languedoc and Provence; and Vin de Pays



CV

- 2009-** Managing director ANIVIN (Association Nationale Interprofessionnelle des Vin de France)
- 05-08** Directrice générale ANIVIT (Association Nationale Interprofessionnelle des Vins de Table et des Vins de Pays)
- 02-04** College tutor, Institut Supérieur de Gestion, Paris
- 97-02** Marketing director, Groupe Castel (1997-2000, marketing manager for Société des Vins de France)

d'Oc brand Roche Mazet was battling with the Languedoc-Roussillon varietal range Les Ormes de Cambras.

A major task

Pajotin was five years with Anivit and therefore oversaw the introduction of Anivin, which came into existence last October. With a proven track record in marketing, internal politics, managing people and their expectations, Pajotin took the helm.

“It was such heavy work. Every two years there were new versions, modifications. I’m incredibly impatient but here I had to be patient – not my first quality.”

It is ironic, to say the least, that Pajotin perceives a major task to be the education of French consumers.

It is one of largest wine producers in the world and the maker of the most famous wines in the world, yet many wine drinkers in France do not know grape varieties. And, more worryingly, younger French consumers do not drink wine.

So there is a significant educational and awareness job to be done telling French consumers about the likes of Chardonnay, Sauvignon Blanc, Pinot Grigio/Gris, Merlot and Shiraz.

“Obvious in England, for example, but not in France. Forget it.”

According to Pajotin, the major task is getting 25 to 30-year-olds into wine and informing and educating women who buy wine in supermarkets.

“Girls have to know whether they are Chardonnay or Pinot Grigio girls – I’m a Chardonnay girl,” says Pajotin brightly. “They just don’t know, not in France. Then the next step is about more subtle tastes and aromas and complexities.”

Excitement of the unknown

As for the new Vin de France wines themselves, there are already some interesting blends – Chardonnay/Gros Manseng, Terret/Sauvignon Blanc and Carignan/Syrah. There is also talk of a Gamay/Shiraz and a Colombard/Chardonnay.

Pajotin is obviously relishing what French winemakers, released from regional shackles, may come up with. After all, the excellence of Bordeaux wines is based on superlative blending skills.

“It is going to be really exciting to see what people make of it [the opportunities to cross-blend regionally]. To see if they come up with answers that meet people’s expectations,” she says.

The key markets for Anivin are: Europe, particularly Germany and the UK; Asia, mainly China and Japan; and the US.

Pajotin is cautious of talking up China as many observers do. Having visited the country she sees a huge market with many regions and tastes, so to generalise is to invite failure. Nevertheless, if any country has a foot in China’s door with its wines, it is France.

Long road ahead

Pajotin begins to say that she feels she is at the foot of the Himalayas but then hastily withdraws the remark, thinking it unduly negative. There seems nothing wrong in relishing a challenge and the new category is not a defensive measure, it is putting entry-level French wine on an equal footing with those of the New World so it can compete by being consistent, innovative and competitive.

And when it is suggested that this is an amazing opportunity for Pajotin herself, the thought of raising her own profile and promoting herself as the representative, the crusading Joan of Arc of mainstream French wine, sends her running for cover.

Her background and achievements indicate that this job is a glove-like fit, whether she herself wishes to raise her head above the parapet or not.

One suspects that if Vin de France falters and ultimately fails in taking on New World brands in the battle for the palates of mainstream wine drinkers, it will not be due to any lack of effort on Pajotin’s part. It is time for the major producers to grasp the opportunity; possibly to take a leaf out of champagne’s operating manual.

When asked about her personal passions, Pajotin says that her office in Paris is near the Louvre. So instead of lunch she runs to the gallery to have a look at some art. Similarly in London, rather than relax over a sandwich, she’d rather leg it to the Tate Modern.

Lunch may be for wimps, according to Gordon Gekko in the classic 1987 film *Wall Street*. But for Pajotin it is art for art’s sake: another passion. **DI**

Vin de France wines to be shown at the London International Wine Fair, May 2010

- ACKERMAN – Rémy Pannier Dames de la Vallée: Merlot; Chenin
- De Neuville: Chenin; Chardonnay
- LES DOMAINES AURIOL – So Light Blanc Terret/ Sauvignon Blanc
- BADET CLEMENTY & CIE – Séraphine Carignan/ Syrah
- BOTTLE GREEN LTD – French Connection Reserve: Shiraz; Chardonnay; Merlot
- CHAMARRE – Chamarré Sélection: Cabernet Sauvignon/ Grenache
- EARL CHAUSSY – La Chaussyne Grenache/ Syrah
- GAEC DES BOUQUETS – Cuvée des Bouquets: Sauvignon Blanc; Pinot Noir; Récolte Tardive Pinot Gris
- GAEC LA CROIX LA VIE – Rosé
- LACHETEAU – Kiwi Cuvée Sauvignon Blanc
- LGI LANGUEDOC WINES – La Campagne Sauvignon Blanc; Montgravel Chardonnay
- FRANÇOIS LURTON – Les Fumées Blanches Sauvignon Blanc; Les Fumées Blanches Rosé; L’Herré Chardonnay/ Gros Manseng; L’Herré Rosé; Terra Sana Rosé
- GUY SAGET – Petite Perrière Pinot Noir
- GROUPE UCCOAR – Brise de France: Merlot; Cabernet Sauvignon; Rosé

Guide to acronyms

- ANIVIN – Association Nationale Interprofessionnelle du Vin de France;
- ANIVIT – Association Nationale Interprofessionnelle des Vins de Table et Vins de Pays;
- AGEV – Association Générale des Entreprises Viticoles (representing wine companies and negociants in France);
- CFVDP – Confédération Française des Vins de Pays (producers of Vins de Pays and Vin de France);
- VIF – Vignerons Indépendants de France (independent growers);
- CCVF – Confédération des Coopératives Viticoles de France
- CMO – Common Market Organisation

The first football World Cup to be staged in Africa is rapidly approaching. Christian Davis looks at what some of the major South African brands are doing to make the most of the event

The beautiful game

Along with a hot summer, if there is one thing that brings people together for a drink it is a major sporting event. And they do not come any bigger than the football World Cup. Even people who do not like the “beautiful game” are happy to don their nation’s football shirt, get the flags out and put on a buffet with drinks. A splendid time is had by all. Until your team loses.

With approximately 450,000 people estimated to descend on the Rainbow Nation, Singapore Airlines is believed to be bringing in an additional 20 jumbo jets, and 20,000 German police officers with experience from the last World Cup are being drafted in. On top of that there will be millions, if not billions, of people around the globe tuning in to watch the matches.

Needless to say, to be a FIFA sponsor or partner you need to be a multi-national with deep pockets. Along with the likes of McDonalds, Sony, Adidas and Visa, Coca-Cola and Budweiser are the only drinks companies involved.

With A-B InBev (owner of Budweiser) safely ensconced as a long-time World Cup sponsor, South Africa-based brewer SAB Miller had little chance even if it had wanted to be directly involved. Nevertheless, South African Breweries’ (SAB) seven breweries are gearing up to make sure bars do not dry up. SAB is expecting a 4-6% increase in beer demand over the five weeks or so, which seems

conservative. Its Castle beer brand is the sponsor of Bafana Bafana, the South African team.

SAB, which also happens to be one of the largest bottlers of Coca-Cola products in the world, says a series of Castle initiatives will be unveiled in the lead-up to the tournament, aimed at building national pride and bringing to life the spirit of the host country.

Alastair Hewitt, SAB’s marketing manager for 2010, says: “We estimate we will sell an additional 17.6 million pints of beer during the five-week World Cup period. This is over and above the normal consumption during June and July.

“We see ourselves as the unofficial national host to visitors and want them to experience South Africa as South Africans do, by introducing them to our customs, our culture and our beer.”

Under licence

Also directly involved is SA wines and spirits giant Distell. With its Nederburg brand it is licensed to make and market a range of wines for the World Cup. The range, on sale until December, comprises three single varietal wines: a Cabernet Sauvignon, a Sauvignon Blanc and a rosé.

Claiming to be the 10th largest producer and marketer of wine in the world, Distell is intending to capitalise on the association and to build awareness through increased promotions.

Carina Gous, Distell’s head of global wine marketing, tells *Drinks International*: “Although

Nederburg has succeeded in building a profile abroad, notably in Europe, we believe the agreement will strengthen global exposure for the brand and for South African wines in general, including other offerings in our portfolio.

“The international association between wine and South Africa should also bode well for those of our other wine brands with a wide global reach. Among these are Two Oceans, Obikwa, Drostdy-Hof, as well as Durbanville Hills, Fleur du Cap and Zonnebloem.”

Nederburg’s key markets include Germany, Scandinavia, Canada and, increasingly, the African continent, parts of Latin America and Asia.

“Our relationship with FIFA has thus far helped us to raise visibility in these markets but also in the duty free channel where Nederburg has not played before,” says Gous.

“We are essentially employing our existing distribution networks to market Nederburg wines but also securing additional listings in these countries. In Brazil, for example, where we already do have good brand exposure, the trio of wines is selling briskly. The same is happening in Belgium, Hong Kong and Jamaica.

“We hope the wider distribution achieved will create ongoing opportunities on which agents can build over the longer term. In Japan and Korea, trade and consumers are responding enthusiastically to the FIFA wines,” says Gous.



Growing sales

The original, picturesque Nederburg winery is best known as the location of one of the world's most famous wine auctions. Global marketing manager Rudolph du Toit says sales have been growing significantly in countries such as Germany, the Netherlands, Finland, the UK and now Belgium, as well as in Canada, Brazil, Jamaica, Nigeria and Hong Kong. The special collection FIFA wines are also selling well through duty free channels.

He is confident the additional listings gained as a result of the association with the games would be replaced with other wines from the Nederburg range after December.

Amarula, South Africa's best known cream liqueur brand, is also an official FIFA-licensed product. The company has produced a special black bottle with gold as its centrepiece.

Group general manager, Werner Swanepoel says: "The 2010 FIFA World Cup South Africa is an incredible opportunity for Amarula to unite people of all nationalities on African soil – the birthplace of 'Amarula mankind' and to celebrate with passion the greatest sport on earth."

Major South African wine producer Kleine Zalze has been working hard to build global distribution. Sales and marketing director Ross Sleet says: "In Europe we have various promotions with importers and distributors,

from World Cup case deals to on-bottle promotions and direct-to-consumer mailers.

"We have seen a relative surge in interest in South African wine from across the board as many buyers are taking advantage of the interest in SA wines generated by the World Cup," says Sleet.

"In SA our stadiums are ready and the road infrastructure and airports are also pretty much in place and, despite some whining about the high prices of air fares, the hotel on our wine estate is almost full and many others are at capacity. I had a tour of Cape Town stadium in February and was blown away by the stunning architecture and views and I hope that visitors to SA will be just as impressed. It is highly unlikely that Bafana Bafana will win the World Cup, so a second-round showing will be victory in itself!"

Stratford Wine Agencies in the UK is a major supplier of wine to multiple retailers in the UK. It has a number of South African brands, including De Grendel, Lutzville, Makana and Parrotfish and newly introduced Quiver from Stellenbosch.

Commercial director Neville Harris says: "It is a perfect time to show consumers what South Africa has to offer even just slightly above the usual high street brand level. For us this opportunity should not be squandered by deep discounting, but used to showcase the wider South African wine category.

"The aim of these wines is to encourage customers

to trade up by offering good quality South African wine from a renowned wine region but attractively priced," says Harris.

The De Grendel Winifred 2008 was served at the World Cup opening function in Cape Town and will be served on South African Airways in first and business classes during June. De Grendel Koetshuis Sauvignon Blanc 2009 has been launched and Stratford's will be offering World Cup "by the glass" promotions on all its South African brands.

E&J Gallo, the second largest wine producer in the world, announced recently that it has appointed local producer Namaqua Wines to market and distribute its Californian wines in SA. The first brands will be entry-level Gallo Family Vineyards and "hippie" brand Barefoot.

Former Gallo vice president and general manager EMEA George Marsden told *Drinks International* that, as the South Africans are major brandy drinkers, the company is also introducing its E&J Brandy, the bestselling brandy in the US.

Ian Newell, Gallo's European marketing director, said he thought Gallo Family Vineyard rosés would do well and the company has suggested a cocktail, mixing rosé with ginger ale and fresh fruit.

On the basis that the football World Cup is going to bring people together to discuss, socialise and party, it is a cast iron opportunity for all drinks companies, not just South African, to get their brands tasted. To disregard it is potentially to score a massive own goal.

There will be no extra time after the final on Sunday July 11. Just a four-year wait until the next one. **DI**

Global flavour

Rene van Hoven explains how rum has adapted itself to suit the tastes of consumers around the world, and suggests ways in which the category can develop further

The global rum market continues to expand and this is reflected in the growing number of competitions and festivals with rum as their main focus. This factor encourages a cyclical “me too” reaction, with more rum-producing companies in almost every continent wanting to partake in this growth, in turn resulting in the development of yet more new events.

“Tasting competitions and awards are an extremely important format for all spirits brands,” says François Renié, Havana Club International communication director. “In a competitive and often confusing market place, an award... is a way of helping [the consumer] to make a quality-based decision. It may give them the confidence to try something different.”

There are now many major events around the world dedicated to promoting rum as a product with unique selling points: the UK Rum Fest in London, Miami’s Rum Renaissance and the International Rum Festival in Tampa, Florida to name a few. Other spirits events focus more generally on all spirits categories, but even at these we are also seeing a growth in the rum sections. Comparing to rum’s main “growth competitor”, there is no noticeable increase in the number of vodka-related festivals and events.

Great diversity

What’s the explanation for this difference between the two fastest growing spirits in the world? Both are produced all around the world, so diversity among them should be enormous. The main difference can be found in the general unique selling points of rum and vodka: lots of flavour versus lack of flavour.

For most consumers vodka should be clean, crisp and smooth. Consequently you find a product that is, generally speaking, clean, crisp and smooth no matter where it is produced.

Rum, on the other hand, is preferred by people who want lots of flavour in the mouth. Therefore you find a great diversity in the flavours of rums produced around the world.

The fact that rum is produced in every continent (except Antarctica) means that rum can confidently lay claim to being the most prolific and variable of all of the world’s spirits. The tastes of people in India, the US or Australia are different, so this leads to individual styles of rum being produced in different parts of the world.

Some of these taste preferences can be traced back to colonial times. People in areas that were controlled by the Spanish and Portuguese tend to drink sweeter rum these days – a good example is Zacapa from Guatemala. People in the areas ruled by the Dutch and the British prefer to drink a drier rum – examples being the rums of Demerara and Barbados – while the people in areas where the French ruled have a preference for rhum agricole, made from fresh sugar cane juice.

The islands of Martinique and Réunion are the best examples here.

Even though many people think of rum as a product of the Caribbean, it’s worth re-emphasising that it is produced in six continents around the world. The generic body WIRSPA (West Indies Rum & Spirits Producers Association) is doing its best to persuade people that Caribbean rum is the best or most original, but the truth is every area has some very good quality rum. WIRSPA is doing a fine job for the Caribbean area, but the rum industry would benefit hugely from a comparable umbrella organisation to represent the interests of producers globally. With such a system in place, the growth being seen now could potentially have been much bigger. Figures from Euromonitor International show global volume growth in the region of 32.5m litres in 2009 – about 2.4% up on 2008.

Looking at the Americas, there is some very good

rum coming from both north and south. Also in Central America, there is some superb rum coming from Nicaragua: Flor de Caña. This country is also situated next to the Caribbean Sea, but is not represented by WIRSPA. Strangely enough, countries such as Guyana and Suriname (which are not located in the Caribbean area at all) are represented by the body.

But then again, family-owned Flor de Caña didn’t need extra help for its products over the past 120 years, since it has several unique selling points differentiating it from others.

Environmental issues

The company owns one of the largest stock of aged rums in the world. A second and more modern aspect of the company is its strategic commitment to the protection of the environment and to the recycling of manufacturing by-products. This makes it one of the most efficient and eco-friendly drinks companies in the world.

This recycling includes generating 45 megawatts of renewable electrical energy from the processing of sugar cane; capturing 120,000 tons of CO₂, which is purified and used in the manufacture of soft drinks; recycling the residues (vinasses) from its fermentation process through a modern biogas digester for conversion to bio-gas used for heating; use of the remaining by-product as fertilizer for growing sugar cane. Almost all (98%) of the water used in distilling is re-used in other industrial or field activities.

In the modern era, things such as this build a good image for a company and can encourage people to buy its product. In this way people have the feeling they are helping as well, while they enjoy a good drink.

Over in the Caribbean, not far from Nicaragua, is Barbancourt from Haiti – a company that itself could do with some help from consumers,

Rum

having had problems with the earthquake in January 2010. The company sustained some damage and, sadly, some of the staff were killed.

At this point Barbancourt is rebuilding all damaged buildings and continuing to spread the word that it is still in business. It doesn't have the money to match what is happening in Nicaragua, but does its best with the means it has, and may receive some assistance from WIRSPA. It may take Barbancourt some time to conquer the world, but its quality should prevail.

On the other side of the world is a new company in Fiji – Holey Dollar. Owner Stuart Gilbert started this company in 2008 with a historical event in mind: the 1808 Rum Rebellion.

In the late 18th century rum was used as a means of payment in Australia due to the lack of coinage. In those days the New South Wales Corps took control of all rum arriving, leading to its nickname “the Rum Corps”. Governor Bligh (of HMS Bounty fame) tried to halt this, but was arrested and sent back to England. When Governor Lachlan Macquarie arrived in 1813, he took charge of the colony and gave orders to punch 40,000 small Spanish coins, creating the new “Holey Dollar” and the lower value Dump, which together became the colony's official currency.

In 2009 Stuart Gilbert entered his Holey Dollar rums into the International Wine & Spirit Competition in London. Three of them won Gold (best in class) awards, with the Overproof Platinum Coin rum winning the competition's Trophy for Rum.

Gilbert stated: “By only using the finest natural raw materials, the best fermentation procedures and the best pot stills available in the world, together with our experience, we achieved a unique rum. This is what sets Holey Dollar Rum apart from other rums – nothing artificial and no expense is spared or quality substituted.”

In this growing rum scene we also see premiumisation of the market. Take a quick look on the shelves and you can see lots of high-end products: Havana Club Máximo, Flor de Caña 21, Zacapa XO, Mount Gay 1702, Prichard's Private Stock, Diplomático [Reserva Exclusiva?] – the list could go on. But alas, distribution of rums of this quality level is patchy.



Sugar cane harvest in Barbados

Rum: total global volume sales (000 9-litre cases)

1999	2004	2005	2006	2007	2008	04-08 CAGR	99-08 CAGR
97,514	113,597	115,948	116,053	119,259	125,162	2.45	2.81

Source: IWSR

Low stock prohibits mass sales, and the division of markets into small sub-sections results in only a few target countries getting the best stuff, while the neighbours get nothing. Sometimes an individual market is even divided into cities, whereby only one city gets the top premium rum. If rum wants to conquer the world, all products must be distributed more evenly.

The latest development in premiumisation is in the white rum sector – a good sign that the rum category as a whole is evolving. There is now a “new kid on the block” in white rum, from Banks. Its white rum is a blend sourced from five countries: Jamaica, Barbados, Trinidad, Guyana and, unusually, Java (Indonesia).

The Java rum is made from fresh sugar cane juice, giving a real twist to the whole blend, and bringing a product with a truly unique character to the white rum category. The packaging is stylishly old-fashioned, adding a good mixture of authenticity and modernism. Banks's marketing is just beginning, but the first impressions are very good – this is a “one to watch” rum...

With the emergence of all these fine rum products has come another phenomenon: fan clubs. In the major rum consuming countries in Europe we see rum clubs are on the rise. Italy, Ireland and Germany were the first, but there are more to come.

In the US rum bars are very common, and there are already many in the UK too. A true aficionado can't visit London without calling into bars such as Mahiki, Trailer Happiness or La Floridita. Bartenders from around the world head for such venues to learn more about mixing rum because cocktail consumers are always looking for something new.

To bring things back to where we started, there is another link between rum and vodka, which could provide an opportunity for the development of rum.



Shutterstock

Vodka is mainly drunk by the “not so old”. But as these same youngsters mature, they want more taste in their drinks, so they experiment with other categories.

Even though the taste of rum is completely different, it is often the first choice for this group of consumers – the sweetness of rum makes it a smoother, easier option than most whiskies, cognac or other spirits.

It's an avenue that could be explored to much greater effect by the rum-producing companies' marketing departments. **DI**



Cocktail Challenge

Fight for the finals

We threw the doors wide open for this year's Drinks International Cocktail Challenge so entrants could submit any kind of cocktail – and the judges weren't disappointed

This year, we received almost twice as many entries as in 2009, reflecting the continued cocktail renaissance and the lift out of recession.

Top industry judges tasted their way through the array of cocktails at the Training School in London's

Docklands. The drinks were mixed by Dan Wilks and his team at Create Cocktails, with 29 finalists chosen.

The live final takes place at Distil at the London Wine Trade Fair on May 20.

Judges this year included Julian Shaw from the Gorgeous Group; Neil Lowrey, one of the famous

BarWizards; Tom Sandham, former editor of Class magazine and current editor of DI's World's 50 Best Bars; Andrea Horsfield from the Training School; last year's winner Jim Wrigley; and DI's news and website editor Lucy Britner.

Here are the finalists, in no particular order.



Julian Shaw

Andrea Horsfield

Neil Lowrey

Jim Wrigley

Tom Sandham

Lucy Britner

Long Drinks - Liqueurs & Specialities

1



1 Gyaos Volare, Hi-spirits

2 Boudier's Spring Thyme Crème de Cassis, Gabriel Boudier.

3 Green Line Wodka Zoladkowa Gorzka Traditional, Stock

4 Red Mint Wodka Zoladkowa Gorzka with Mint, Stock

2



3



4



After Dinner - Liqueurs & Specialities

1



1 Monk's Sour

Benedictine, Bacardi Global

2 The Maximilian

Affair Bernard Loiseau peach and hibiscus flower, Gabriel Boudier.

3 Frangelico

Choc Chip Martini Frangelico, C&C International



Long Drinks - Brown Spirits

- 1 Mehkong Lady Boy**
Mehkong, Inver House Distillers
- 2 Summer Wind** Chivas Regal, Chivas Brothers



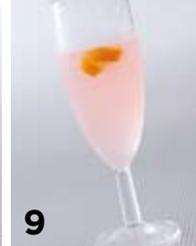
Aperitifs - Brown Spirits

- 1 King Kong** Buffalo Trace, Hi-Spirits



Aperitifs - White Spirits

- 1 French Bison-Tini** Zubrowka, CEDC
- 2 Genever Diva** Bols Genever
- 3 1946** Siwucha, Wyborowa
- 4 The Bimber Cocktail** Siwucha, Wyborowa
- 5 Vicentico** Bacardi Superior Rum, Bacardi Global
- 6 Puerto Bello** Herradura Blanco, Mangrove
- 7 English Breakfast** Beefeater 24, Chivas Bros
- 8 Lapsang Martinez** Beefeater 24, Chivas Bros
- 9 Bajofondo** Bacardi Superior Rum, Bacardi Global
- 10 Good for the Gander** Caorunn, Inver House Distillers



After Dinner - Brown Spirits

- 1 Five Points** The Wild Geese Rare Irish, Protégé International
- 2 Mayanhattan** Herradura Reposado, Mangrove
- 3 Muchas Caracas** Santa Teresa Selecto, Mangrove
- 4 The Lucian Solution** Admiral Rodney rum, St Lucia Distillers



Long Drinks - White Spirits

- 1 Finlandia** Finlandia Blackcurrant Finlandia
- 2 Crepusculo** Pisco Capel Reservado, Capel



Aperitif Liqueurs

- 1 Sage'in Private Peach** Crème de Peche, Gabriel Boudier
- 2 Shogun Assassin** Midori, Suntory
- 3 The Liberal** Amero, Fratelli Averna





Eastern promise

With the region becoming increasingly important in terms of duty free, **Lucy Britner** previews what TFWA Asia Pacific 2010 has to offer

Last year's event featured 181 exhibitors and attracted 1,700 trade visitors, lending weight to recent statistics which highlight the importance of the travel retail industry in the Asia Pacific region.

Statistics for the global aviation sector indicate a surge in traffic worldwide, particularly in the Asia Pacific region, and a return to growth.

In December 2009 Airports Council International (ACI) reported that global airport passenger traffic rose by 5.3% relative to December 2008.

Performance across Asia Pacific showed international traffic grew by 15.7% and domestic traffic by 14%.

Looking ahead, the prediction for the first quarter of 2010 was for traffic growth of 4.6% globally with the highest growth in Asia Pacific at 9.5%.

Among those looking to TFWA to help them capitalise on this surge in activity are: Pernod Ricard, Rémy Cointreau, Bacardi International, Beam Global, William Grant, Campari International, Belvédère, Camus Cognac, Heineken, Ian Macleod, Patrón Spirits International, Tequilera Corralejo and Destilerias Campeny.

The conference

This year's theme is Think Bold, Act Different and the aim is to encourage delegates to "increase penetration and revenues".

TFWA president **Erik Juul-Mortensen** will open the conference with his reflections on the progress in Asia Pacific over the past year.

Sunil Tuli, president, Asia Pacific Travel Retail Association, will look at what the future may hold for duty free and travel retail. He will also touch on some of APTRA's tasks and achievements, underlining the importance of regional associations for the duty free and travel retail industry.

Yuma Hedrick-Wong, economic adviser for Mastercard Worldwide, will argue that the centre of gravity of the global economy is shifting to Asia.

Afternoon workshops include A Tender Success, which will deal with various aspects of the tender and bidding process for retailers and commercial partners in airports.

The objectives of the session will be to define "best practice" when submitting bids to airports for commercial

The show

When **May 9-13**

Where **Singapore Suntec Centre**

Registration/information
tfwa.com

concession tenders, including: what airports are looking for from their commercial partners; to investigate how retailers and suppliers can collaborate better to provide a more innovative proposition to airports; and to establish what retailers are looking for from suppliers to bring value to the retailer's commercial offer.

The session will include a supplier perspective from Patrón Spirits Company chief executive **John McDonnell**.

The thirst for knowledge about Asia Pacific passenger demographics and growth potential will be addressed in Workshop B, Under the Influence, which will look at the impact of external factors, such as economic and consumer trends, on the Asia Pacific travel and tourism industry.

Meetings

TFWA will once again run its pre-arranged ONE2ONE meeting service to enable contacts between exhibitors and stakeholders. In 2009 the service hosted 132 meetings between exhibitors retailers and 16 airports in Asia Pacific.

► p25



and contains Alexander Grappa, obtained from Prosecco grapeskins.

The company has also created a new grappa. Aged for 10 years in small barriques made of Slavonian, Limousin and American oaks, Riserva Privata is a selection of Amarone, Cabernet and Prosecco grappas.

According to Distilleria Bottega, Riserva Privata makes the perfect companion to a cigar. It can also be sipped alongside dark chocolate, candied fruit and aged cheese.

Ian Macleod Distillers (stand N31)

The distiller is to unveil a bespoke stand at the show and, according to the company, the investment in the new, improved exhibition space represents the next phase in its five year travel retail sales and marketing strategy.

This strategy began in 2007 with the appointment of Andy Lane as director of travel retail and the launch of the company's first travel retail exclusives – Smokehead Extra Rare and Glengoyne Burnfoot.

Key brands on display will include the Glengoyne Highland Single Malt 40 Year Old and Chieftain's Springbank 40 Years Old.

The King Robert II Scotch Whisky will be presented in a new 50cl PET bottle and the Glengoyne Burnfoot, redesigned last year, will also be on display in 1-litre and new 50cl PET variants.

What can we expect from the drinks industry at TFWA Asia Pacific 2010?

William Grant & Sons (stand J2)

William Grant is to unveil The Balvenie 40 Year Old – a single malt Scotch whisky that is to be created in batches of 150 bottles, each individually numbered. The first batch will be exclusive to travel retail and will go on sale in July with an RRP of £2,500.

William Grant & Sons global marketing manager Ian Taylor says: "The Balvenie 40 Year Old is truly a rare and especially fine single malt for which David Stewart has selected only exceptional casks that were laid down over forty years ago."

"So to have the first batch exclusively for travel retail is not only a great coup, but a real honour, and demonstrates just how important the channel is for the development and growth of the brand."

The Balvenie 40 Year Old will be officially unveiled in Singapore on May 11 by a "special guest".

Visitors will be able to see the rare Glenfiddich 50 Year Old, along with the new look Glenfiddich 40 Year Old and Glenfiddich 30 Year Old Single Malt Scotch whiskies as well Rich Oak, a new 'Glenfiddich Explorer malt'. Rich Oak is a 14

Year Old malt finished in specially made American and Spanish oak casks.

A single batch of Grant's 25 Year Old will be available in 2010, exclusive to travel retail and on shelf from June at an RRP of £145.

Grant's 12 Year Old has now been introduced to travel retail to extend the depth and quality of the range.

Buyers can see the latest Hendrick's offering – the Teatime gift pack, exclusive to travel retail. The pack features theatrical designs with travel-themed graphics and it contains a bottle of Hendrick's gin and a fine bone-china teacup.

Distilleria Bottega (stand J9)

Distilleria Bottega is to launch three products at TFWA Asia Pacific.

Petalò Bottega Still Moscato is a still white wine made with Moscato grapes grown on the Euganean Hills, an area in the Veneto region (north east of Italy). The wine is 9%abv.

A further product, the Alexander Panda Bottle, is sold onboard Air China, Air Hainan, China Southern and China Northern.

The gift bottle, designed by Sandro Bottega and made from mouthblown glass, features a giant panda



Belvédère (stand C6)

Over the past year, Belvédère Duty Free has broadened distribution and representation for its Danzka vodka throughout Asia, including Thailand, Malaysia and Laos, and continues its expansion to new markets throughout the region.

The company will unveil a new bottle design for the brand at the show.

Belvédère duty free sales director Torben Vedel Andersen said: "The new Danzka bottle is taller and slimmer, and sports a new logo image that reflects this elegant and light design.

"The logo has been created by Danish designer Johannes Torpe, who has also been involved in designing Subu restaurant in Beijing."

Wojtek Wydro, managing director of Belvédère Duty Free, said: "We are thrilled to announce that Danzka vodka is making its mark as a rapidly growing success in markets such as Korea, Malaysia and Vietnam.

"In duty free and travel retail, sales are growing by double digits and distribution is expanding with new listings, which include Dufry in Cambodian airports."

Belvédère will also be focusing on its Sobieski vodka brand at the event. **DI**



Champagne

It's been a rough ride for champagne in the wake of last year's recession, but major producers are finding some reasons to be optimistic. **Giles Fallowfield** reports

Taking stocks

Erik Spaans, CIVC Collection

New spring growth on vines in Hautvillers, near Epernay

T

o the great surprise and relief of nearly everyone in Champagne, 2009 didn't turn out to be the *annus horribilis* that was widely expected. Champagne has shown its resilience even in times of recession and, thanks to a strong performance in November and December (see boxed quotes), particularly on the French domestic market, overall shipments ended the year just 9.1% down at 293.3m bottles. This was quite a turnaround, given that the Comité Interprofessionnel du Vin de Champagne (CIVC) estimate – made just last September – that shipments would reach around the 265m bottle mark was viewed as optimistic at the time.

French shipments ended the year only

fractionally down (-0.2%) at around 181m bottles, even though some value was lost as this market grew ever more competitive. The négociants' share of the market was the lowest it has been since 2001 at 65.99%, or some 194m bottles, but this is only down on 66.46% in 2008 when they accounted for 214m bottles.

In fact, while the shipment figure for 2009 is just about 293.3m bottles, actual consumption of Champagne in 2009 is put at something over 300m bottles as there were massive stocks estimated at 60m bottles in the trade at the start of 2009 as a result of the poor last quarter in 2008.

The major négociant houses will be more worried about the poor

performance of most export markets, particularly those outside Europe – principally, in terms of volume, the US and Japan, where shipments dropped respectively by 27% and 38.4%.

The current wave of industrial action by workers across the Champagne region is another headache they could do without.

Tough at the top

The dispute at P&C Heidsieck, where Rémy Cointreau is trying to trim its workforce, is still unresolved, and the ongoing battle at LVMH as the company tries to cut its costs has become increasingly bitter. There was an eight-day strike at Moët & Chandon,



Pierre-Emmanuel Taittinger



Harvest time in Champagne Pannier's vineyards

CERTAINLY 2009 WAS NOT ANOTHER RECORD YEAR, BUT AFTER SOME NECESSARY DE-STOCKING AT THE START OF THE YEAR, SALES IMPROVED PROGRESSIVELY AND NOVEMBER AND DECEMBER HAVE BEEN BRILLIANT MONTHS. WE HAVE PASSED THE STORM – 2010 WILL BE A YEAR OF RECOVERY

PIERRE-EMMANUEL
TAITTINGER
PRESIDENT, TAITTINGER

Ruinart and Mercier in March involving 500 employees, according to French newspaper *l'Union*, and workers at Veuve Clicquot have been involved in a longer dispute still not resolved at the start of April as the LVMH group tries to make employment conditions the same across all the houses in the company following the creation of Moët Hennessy Champagne Services (MHCS) last Spring.

MHCS is based in Epernay and now handles the administration, sales and marketing and buying services for all LVMH houses – Moët, Veuve Clicquot, Krug, Mercier and Ruinart – under one roof, including vital grape purchases.

Conditions of service are known to

(Below) One of Laurent-Perrier's Chardonnay vineyards, 'Les Plaisances'



Shipments of champagne by producer type 2000-2009

	Negotiants' share in bottles & %	Growers' share in bottles & %	Co-ops' share in bottles & %	Total in bottles
2000	168.06m, 66.36%	65.99m, 26.06%	19.19m, 7.58%	253.24m
2001	172.21m, 65.56%	67.23m, 25.59%	23.25m, 8.85%	262.69m
2002	195.07m, 67.80%	67.95m, 23.62%	24.70m, 8.58%	287.72m
2003	197.78m, 67.38%	68.58m, 23.37%	27.14m, 9.25%	293.50m
2004	202.44m, 67.16%	71.06m, 23.57%	27.92m, 9.26%	301.42m
2005	207.29m, 67.38%	72.63m, 23.61%	27.74m, 9.02%	307.66m
2006	217.67m, 67.65%	74.65m, 23.20%	29.46m, 9.16%	321.78m
2007	229.63m, 67.78%	77.49m, 22.87%	31.67m, 9.35%	338.79m
2008	214.29m, 66.42%	78.46m, 24.32%	29.88m, 9.26%	322.63m
2009	193.55m, 65.99%	74.81m, 25.51%	24.95m, 8.51%	293.31m

Compiled by Giles Fallowfield using CIVC statistics

have been different at Clicquot and Moët, while the houses based in Reims – Clicquot and Ruinart, the latter in particular – fear jobs will go as a result of the setting up of MHCS. Other potential problems that lie further ahead involve contracts for grape supply, which is said will all come from MHCS and be in the same format so growers that have for years had a contract supplying a particular brand, perhaps Clicquot or Krug, may get something in future from Moët Hennessy.

Why is this important? As seasoned Champagne watchers will know, this may disturb some loyal growers enough that when their contracts come up for renewal

they may consider going elsewhere.

But the head of one distinguished house told *Drinks International*: "It will all calm down soon, especially if profits are on the upside again."

Delicate negotiations

Pascal Férat, president of the main growers' union, the Syndicat Général des Vignerons (SGV), was also in the news last month (April). Newly elected on January 27 after a long-running battle for power in the union following the removal of previous president Patrick Le Brun from his post last November, Férat was calling for a minimum yield at the next harvest of 10,400kg per hectare. In 2009 the maximum yield for growers was set at 9,700kg/ha. The major houses will be relieved to hear that Férat also called for grape prices to stay at the same level [as in 2009].

However, grape prices remain very steep – several sources confirmed premier cru and grand cru prices in 2009 were, in some cases, at the same high level as in 2008, that is between €5.50 and €5.85 per kg. Given the still-difficult

Champagne

state of the market, some of the négoce may want to see them fall further. Average prices only fell slightly in 2009, even though there was widespread doom and gloom at the time of the harvest when they were agreed. Clearly preserving the delicate balance of power between the growers and the négoce is going to be a good deal more difficult this year, especially if there is little sign of the market picking up by mid-summer.

One thing which will make the annual negotiations on the maximum permitted yield for the 2010 harvest much more challenging is the fact that the growers are already sitting on close to the maximum they are permitted to hold in their réserves individuelles. These reserves are set at a level of 8,000kg/ha in an agreement that runs until the 2011 harvest, a level equivalent to just over half a harvest – around 230m bottles.

When the deal on the 2009 harvest yield was agreed between the négoce and the growers, the then growers president Patrick le Brun found it easier to persuade his members to accept a basic yield of 9,700kg/ha [and thus lower income] because they were also permitted to put away up to a maximum of 4,300kg/ha into their réserves individuelles.

It was a useful bartering tool, helping to take the heat out of negotiations. But later this year, when the two joint presidents of the CIVC – Ghislain de Montgolfier representing the houses (president of the UMC) and SGV's Férat, now representing the growers – sit down to negotiate a new deal, they won't have this safety valve to help secure agreement.

Although the actual average yield achieved across the appellation in 2009 was slightly lower than predicted at 12,258kg/ha, growers were able to add a further 2,561kg/ha (on average) to their stocks and the level of growers' réserves individuelles across the appellation now stands at 7,340kg/ha. This is an average figure and many growers already have their maximum, so the maximum which could be put into growers' personal reserves is now just 660kg/ha (the maximum 8,000 minus the current average level of 7,340).

To make things slightly worse, in addition to whatever they make from the 2010 harvest the houses will also have 35m extra bottles immediately post-harvest, thanks to last year's agreement, in which the maximum they were allowed to bottle was 8,000kg/ha having bought in 9,700kg/ha from the growers.

Of course, if the market continues to pick up following its impressive rebound in November and December of last year, the desire of the négoce to set a low yield for the approaching 2010 harvest (in order to keep supply and demand in line, thus propping up selling prices) won't be so strong. But the question is will it?

Year of ups and downs

Things are clearly still tough, as revealed by the recently announced year-end figures for Boizel Chanoine Champagne (BCC) group, the second



A Champagne Taittinger vineyard

largest in Champagne. In what it describes as a "difficult economic environment" in 2009, the group saw its net income fall by 21.7% from €20.53m to €16.08m. Group turnover fell by 8.2% from €300.65 to €276.04m.

Nevertheless BCC, which has a presence in all sectors of the Champagne market, managed to achieve a slight increase in its volumes, with the number of bottles sold across all its brands, including Lanson and Maison Burtin, rising from 19.8m in 2008 to 20.97m bottles in 2009. Despite the overstocking seen among distributors at the start of 2009, which particularly undermined shipments for the first half of the year, BCC has further strengthened its position in France (61% of volumes) and limited the drop in its export sales volumes to 8.2%.

The group's consolidated revenues came to €264.05m, down 7.6% at constant exchange rates. These figures reflect a satisfactory performance compared with the champagne industry as a whole, which saw its revenues fall by 17% on average, according to CIVC figures.

The performances achieved by the BCC's different houses have varied considerably depending on their customer base, price positioning and export exposure. Prestige lines such as Clos des Goisses (Champagne Philipponnat), Cuvée Louis XV (Champagne de Venoge) and Cuvée des Moines (Champagne Besserat de Bellefon) have sold less well than entry-level wines produced at Maison Burtin. Traditional sales to restaurants and wine stores have been hit harder than mass retail sales from

Chanoine and Maison Burtin. Lanson's sales have been less dynamic on export markets than in France, while Champagne Boizel's direct mail-order sales to consumers have performed well. Lower revenue came, then, mainly as a result of selling a poorer price mix of products, entry-level wines selling better than vintage and prestige lines.

Since Bruno Paillard and Philippe Baijot took over Lanson and Maison Burtin in 2006 they have brought in quite a few changes. As Baijot, chief executive of Lanson International, explains: "Our two main objectives were to identify and implement economies in order to improve the profitability of these houses and to increase the value and image of the brands. With regard to the latter, since 2006 we

Total Champagne shipments % change over previous year

Year	No. of bottles	% change over previous year
1999	327,097,151	+11.86%
2000	253,245,418	-22.58%
2001	262,698,304	+3.73%
2002	287,722,049	+9.53%
2003	293,509,624	+2.01%
2004	301,418,695	+2.69%
2005	307,665,132	+2.07%
2006	321,789,798	+4.59%
2007	338,796,703	+5.29%
2008	322,637,259	-4.77%
2009	293,314,717	-9.09%

Compiled by Giles Fallowfield using CIVC statistics

Champagne

What they say

Fabrice Rosset, president Champagne Deutz

"Since October 1 we have seen an increase of 35% in the French market without any decrease in the average price. Frankly I am a little surprised it is that good – it was unforeseen. I am not saying that the crisis is behind us, just that the end of the year was good. We had to work hard and step up production to meet demand in the run-up to Christmas."

Jérôme Philipon, managing director Bollinger

"We had an excellent November which nearly surpassed November 2007. The last months of 2009 were very complicated with UK supermarket Morrisons selling our champagne (Special Cuvée) at below cost at £17, but we have had quite a surprise and the effect has been beneficial, helping us regain our place in markets such as the UK and Australia, so good has come out of it."



Philippe Bajot, chief executive Lanson International

"Despite very pessimistic forecasts, the 2009 total shipments were nearly reached 295 million bottles, which was an honourable result. This was thanks to French domestic sales, which suffered less than those in export markets. If Champagne shipped 295m bottles in 2009, this means that the demand worldwide was much higher [because there were large stocks in the supply chain at the start of 2009]. Prices will go up again, maybe not in 2010 but in 2011."



CIVC joint presidents Ghislain de Montgolfier and Pascal Férat

have clarified and strengthened the positioning of Lanson, both by increasing and then maintaining our prices, by having a coherent price positioning, by improving our communication and by changing the labelling. But such a work is never finished.

"The most important decision I have made for Lanson, Tsarine (Chanoine) and Besserat de Bellefont, our most important brands, was to maintain and consolidate our prices and thus to accept we would lose volumes. It was a difficult but necessary decision. We need strong brands. We have one with Lanson, but we still have a lot to do with the others."

Lanson/BCC's nearest competitor in terms of volumes is the Vranken-Pommery Monopole group, where group turnover was down 5.6%, falling from

€285.8m to €269.8m. Operating income was also down 18.1% to €42.3m, but net income group share was up by 7.8%, rising from €16.9m in 2008 to €18.2m in 2009. Vranken was also hit in terms of income by a poorer sales mix with the Charles Lafitte and Heidsieck Monopole brands benefiting from interest in more competitively priced champagne. Both had what the company describes as "significant growth in France and Europe".

While overall champagne shipments were down 9.1%, the group succeeded in broadly maintaining sales (down 0.1%), so just below 2008's 19.9m bottles, but the unfavourable sales mix saw value fall 5%. Paul-François Vranken is on record as saying in future he intends to concentrate export resources behind the Pommery brand, the strongest and only internationally recognised marque in his Champagne portfolio.

Cautious optimism

Partly because it is particularly strong on the French domestic market, Pernod-Ricard's two Champagne brands, Mumm and Perrier-Jouët, fared pretty well in 2009, particularly the former. This is thanks in no small way to the dedicated Pernod and Ricard sales teams which handle each brand there. PJ did suffer a little in the US, its largest export market, and in Japan, its third largest export market after the UK, but PR's strong distribution systems in the

Far East and the US should help a quick recovery as these markets improve. And the evidence from the latest CIVC export figures suggests there is some

increase in shipments to markets outside Europe in the first two months of 2010 as they rose by 31.4% compared with the admittedly grim January-February 2009 period. Better still, the trend appears to be accelerating and rose by 56% in February alone.



Stéphane Tsassis expects a better first quarter for Laurent-Perrier

Laurent-Perrier chief executive Stéphane Tsassis is cautiously optimistic about the recovery after the company posted its first profitable quarter for some time in Oct-Dec 2009. And he says the first quarter of 2010 will be better still for the brand. "We have seen an improvement in January and February 2010, better than last year, but not yet as good as the same period in 2007," says Tsassis. "But

to get a really good idea of how well the market has recovered we will have to wait until the summer when the orders come in for Christmas 2010. Only when we get to July will we know how confident retailers are by what they order and, because 40% of sales are made in the Christmas period, that will be crucial."

Of course that is also when the difficult decisions need to be made about the next harvest and levels of production, so perhaps we can expect another summer of frayed nerves – only this time round if it all goes wrong, that really will spell trouble for the Champenois. **DI**

Shipments to top 10 export markets and France in 2009

Country	No. of bottles	Change over 2008
France	180,954,333	-0.24%
UK	30,523,359	-15.21%
USA	12,552,070	-27%
Germany	10,947,967	-5.41%
Belgium	8,168,385	-17.58%
Italy	6,803,419	-27.92%
Japan	5,133,802	-38.39%
Switzerland	4,846,500	-10.89%
Spain	2,979,997	-27.15%
Australia	2,931,941	-19.63%
Holland	2,735,858	-22.10%
Export	112,360,384	-20.45%
Total	293,314,717	-9.09%

Compiled by Giles Fallowfield using CIVC statistics



MÉXICO

The London International Wine Trade Fair and Distil takes place at the ExCel exhibition centre in London's Docklands this month. **Christian Davis** previews

All the fun of the fair

James Murray, exhibition director of the London International Wine Trade Fair and Distil, is phlegmatic about the loss of the world's two largest wine companies from the LIWF. That is not to say he is happy about it or resigned to their permanent loss. But times are tough – extraordinarily tough. You win some, you lose some.

So, no Constellation or E&J Gallo – the two largest wine producers in the world. The former has been mulling over a now-aborted merger with Australian Vintage and the latter has undergone some severe cost cutting to be “fit for purpose” in the current economic climate.

That means no huge, tiered corporate stand with lots of winemakers and sales and marketing personnel in their

trademark matching Oxford shirts with button-down collars.

Murray claims the show will be about the same size as last year – approximately 30,000sq m. He says Pernod Ricard was more than happy to take half of one of the vacated blocks. Marie Brizard is coming in to show its wines and the international pavilions of Argentina, Austria, Brazil, Chile, Croatia, Georgia, Germany, Hungary and Italy are also all bigger.

“I'm disappointed that companies do not consider downsizing rather than completely withdrawing,” says Murray. “The risk is that people focus on ‘Who is not there’.”

Distil as a standalone show on the other side of the ExCel concourse did not take off. With the benefit of hindsight,

**I AM
DISAPPOINTED
THAT
COMPANIES
DO NOT
CONSIDER
DOWNSIZING
RATHER THAN
COMPLETELY
WITHDRAWING**

JAMES MURRAY
EXHIBITION
DIRECTOR

the timing of the launch was not ideal. Pernod Ricard was never tempted and Diageo found it convenient to use it as a platform for its Perfect Serve initiative. Otherwise it has gone back into its corporate shell.

Distil now sits at the end of the wine show in a clearly designated section, right by the main entrance.

The London International Wine Fair is one of the best business-to-business wine and spirits exhibitions in the world. If you want to find out what is going on, this is as good as it gets. All under one roof with seminars, tastings and masterclasses.

The *Drinks International* Cocktail Challenge finals will be staged on the Thursday in the Distil section.

We hope to see you there.

THE LONDON INTERNATIONAL
WINE FAIR
18-20 MAY AT ExCeL LONDON



the business of spirits
18 - 20 May 2010 ExCeL London

Distil exhibitor news

Sacred Spirits launches a vodka

Sacred Spirits is unveiling a vodka, produced at Ian Hart's microdistillery in north London. The Sacred Vodka is flavoured with cubeb, nutmeg and frankincense. Hart will be on stand at Distil, where he will also introduce mixologists to his new range of botanical distillates, which includes pure juniper, angelica and orris, allowing them to create bespoke gins. *Stand C31*

Hayman unveils a sloe gin

Hayman Distillers will launch its Hayman's Sloe Gin. Made using wild English sloe berries, steeped in the spirit for several months before blending with natural sugar, the sloe gin is meant to be enjoyed in a number of ways, including as a digestif, over ice, or in a long drink, says Hayman. The company will also showcase other gins in its portfolio, including Hayman's London Dry Gin, Hayman's Old Tom Gin, and Hayman's 1820 Gin Liqueur. *Stand A32*

Zorokovich 1917 comes to town

The subject of an upcoming documentary film, *How to Re-Establish a Vodka Empire*, Zorokovich 1917 Vodka was recently revived by the great-grandson of the original distiller, nearly 100 years after the north-eastern Ukrainian property was seized by the Bolsheviks. Optimistic Productions will pay tribute to this heritage on its stand, which will be decorated in manuscript pages reflecting the journey of discovery that led Dan Edelstyn to his great-grandfather's distillery.



Visitors can sample the vodka while watching reenactments of the Bolshevik revolution. *Stand A20*

Bourbon showcases POS

Bourbon Communication will show a range of POS materials aimed at the on- and off-trades and encompassing bottle coolers, ice buckets, menu holders, stirrers, pitchers and more – all of which can be branded to meet the client's specification. A new addition to the collection is a flower bottle cooler, incorporating holders for a bottle and stemmed glasses. *Stand C72*

Global has new super-premium gin

Global Premium Brands will showcase super-premium Gin Mare, with a botanical mix inspired by the Mediterranean. It incorporates sun-drenched citrus fruits, arbequina olives, thyme, basil, and rosemary (see What's New, p12). *Stand C70*

Traditional Italian liqueurs

Asti-based producer Perlino Optima will present a range of traditional Italian liqueurs, including: a Sambuca flavoured with star anise distillate; Vermouth Classico, made from a Moscato base and flavoured with herbs and spices; and Limoncello O'Sole, produced according to a traditional recipe, flavoured with Mediterranean lemon peels, which are rich in essential oils. *Stand C30*

Tequila Corralejo shows its range

Tequila Corralejo will share its unique heritage with the trade at Distil 2010. Products include 100% Agave Tequilas Grand Corralejo, Reposado, Añejo, and Blanco Corralejo. *Stand B20*

Two faces of Cognac

Nicholas Faith, author of the definitive book on cognac, will offer visitors to Distil two opportunities to learn more about the spirit.

In his first session at 16.15 on Wednesday May 19, Faith will lead on the history and background of Cognac. A top mixologist will finish the session with a brief demonstration of how cognac flavours can be stimulated by good mixing.

On Thursday May 20 at 14.30 Faith will go through a tasting which will demonstrate the ageing process of cognac and the aromas which develop during this time.

There will also be a tasting of cognac (VSOP and XO generic cognac) in different glasses to explain why the tulip glass is best for both tasting and serving. ▶ p34



LIWF exhibitor news

Kleine Zalze shows new ranges

South African wine producer Kleine Zalze is unveiling new formats and the 2010 vintage for the on-trade and latest Zalze and Foot of Africa for the off-trade.

Two wines in 37.5cl bottles are a response to the number of hotel chains and bars that see an opportunity for the serving size as a result of the growing number of single business travellers, particularly women, who prefer to drink wine rather than other alcoholic drinks. The wines are Cellar Selection Chenin Blanc and Vineyard Selection Shiraz/Mourvèdre/Viognier.

Since its launch in February 2009, Zalze says it has developed a strong multiple retailer presence and consumer following. At the show the 2009 range will be presented. Kleine Zalze will also be showing its Foot of Africa range, newly under screwcap and aimed at independent retailers. *South Africa pavilion, stand 140*



Sichel Wines – and spirits

Bordeaux-based producer and shipper Maison Sichel is presenting new Bordeaux wines and showcasing boutique cognacs and armagnacs. *Stand G5.*

Mont Tauch

Fitou cooperative Mont Tauch is showing its Winery Selection, Cellar Reserve and Single Vineyard ranges, featuring a total of nine Fitous.

The Winery Selection comprises three fruit-driven, aromatic and easy drinking wines.

The Cellar Reserve range offers wines from two terroirs – maritime and an inland higher altitude site – while the Single Vineyard Selection is a premium range sourced from three different terroirs and designed for extended ageing.

Mont Tauch Sweet is a range of fortified wines from Roussillon. *Stand J50*

20 Barrels from Concha y Toro

Head winemaker Adolfo Hurtado will launch the first vintage of Cono Sur 20 Barrels Limited Edition Syrah 2008, made from fruit sourced from the Los Almendros Estate.

Among the other launches is a sparkling wine from on-trade range Los Gansos – a blend of Chardonnay, Riesling and Pinot Noir, sourced from the Bío Bío Valley. Cono Sur will also use the LIWF to highlight its environmental initiatives, which include organic wine production, lightweight bottles, and Carbon Neutral Delivery. *Stand O50*

Dedicated to the show

French specialist Dedicated Wines will introduce the latest wines under Languedoc brand La Différence.

It will unveil three new brands from the south of France and show Louis Moreau from Chablis for the first time. It will also have available to taste the latest wines from new-wave Bordeaux négociant Grandissime, and show the 2009 vintage from Rhône producer Cellier des Dauphins. *Stand O22*

Connoisseur has visiting winemakers

Connoisseur Estates and three of its visiting winemakers will present new French, Spanish, Chilean and South African wines, all aimed at the independent, wholesale and on-trade sectors.

Eric Fabre, owner and winemaker of Château d'Anglès from La Clape, will launch a new look for his wines. The entire Château d'Anglès range has been repackaged and the two levels of winemaking have been renamed Classique (formerly Coteaux du Languedoc) and Grand Vin (formerly Terroir de la Clape). *Stand F6*

Viña La Rosa fizzes

The Chilean winery is showing new releases at its booth on the Chilean pavilion, including a sparkling Chardonnay brut and sparkling rosé, which the company claims boasts modern and cool packaging and an inspiring and improved taste. *Chilean Pavilion P65, booth 14*

Jacob's Creek new Regional Reserve

Pernod Ricard is using the LIWF to unveil a Regional Reserve range for its global Australian wine brand, Jacob's Creek. There will be an Adelaide Hills Chardonnay, Coonawarra Cabernet Sauvignon and a Barossa Shiraz.

The multinational is also showing Montana Arneis, Viognier and a new release Sauvignon Gris. There is also a new Campo Viejo, a "progressive Riojan interpretation of Tempranillo" with the blend containing 7% Grenache. *Stand K52*

Who's who of wine brands

The list of companies on Hatch Mansfield's stand reads like a who's who of leading wine producers and brands. They include Champagne Taittinger, Louis Jadot, Viña Errazuriz, Caliterra, Esk Valley and Lourensford. *Stand P35*

Fladgate and Mentzendorff

Visitors to the Mentzendorff stand will be able to taste the first bottlings



of the recently declared 2007 vintage from Taylor's, Croft and Fonseca, as well as brands across the portfolio including Quinta de Vargellas 2001, Taylor's 10 and 20 Year Old Tawnies, Taylor's LBV 2004, and Croft Pink. *Stand O72*

New range from Finca Las Moras

Finca Las Moras will be launching a range of wines targeted at the on-trade and independent retail sectors under the Alma Mora brand. The wines are sourced from the San Juan region and varieties include Pinot Grigio, Viognier, Shiraz, Cabernet Sauvignon and Malbec. *Wines of Argentina pavilion, Stand R20/S20*

Torrontés and fizz from Zuccardi

Familia Zuccardi will be showing two new wines aimed at the on-trade – Zuccardi Serie A Torrontés, from Cafayate in Salta, and the premium traditional method sparkling wine Zuccardi Blanc de Blancs, 2004 Cuvée Especial, produced from 100% Chardonnay grapes, grown in the high altitude Tupungato district of Mendoza. Familia Zuccardi will also be showing the new off-trade-focused Santa Julia Magna Malbec 2008. *Wines of Argentina pavilion, Stand R20/S20*

D'Aquino's Starfish

Australia's D'Aquino Wines will launch the Starfish range, created by chief winemaker John Horndern to offer a "food-friendly complement to a variety of cuisines". The range comprises a 2008 Chardonnay, 2006 Cabernet Sauvignon, 2006 Shiraz, and 2005 Merlot. *Stand G15*

Shortlisted by McGuigan

A highlight from McGuigan will be its recently released Shortlist range. The company will also be launching at the fair its search for a commercial level Semillon. Chief winemaker Neil McGuigan says: "Semillon presents a real opportunity for the Australian industry." *Stand N10*



California Wine

Napa Valley, California's best-known wine region, is trying to redefine itself in the face of falling sales and land prices, the result of the economic downturn. In the past the high prices of its wines, caused by strong domestic demand, coupled with the negative image created by super-expensive "cult" wines, has made Napa a difficult sell in export markets.

Now the region is seeking to build a more sustainable future by emphasising its qualities as a special place for growing wine grapes, with some superb terroirs and a benign Mediterranean climate. The continued success of Napa is important for the entire California wine offering, because of the international visibility of this region.

It's always a slightly strange experience to visit a famous wine region for the first time, having already read lots about it, seen photographs of it and tasted many of its wines. You build up a picture in your head about what the region might be like, but often the reality is somewhat different. It was like this on my first (long overdue) visit to Napa, back in November last year.

What was I expecting? My previous trip to California had led me to Sonoma and the central coast region of the Santa Ynez Valley, but I'd avoided Napa because I'd been told that (a) it was very touristy – a sort of vinous Disneyland – and (b) other regions in California might actually be making better wines.

The impression given was that Napa's fame stemmed largely from its history, and also the promotional efforts of people such as Robert Mondavi. So I wasn't expecting all that much when, on a glorious late autumn afternoon, I drove up from San Francisco, through the town of Napa and into the region itself.

An image problem

Napa's international image has indeed taken a bit of a beating over recent years. One of the problems has been the perceived over-inflated prices of the wines. There's no doubt that the strong domestic demand for Napa Cabernet (indeed, at the high end, this is almost a monovarietal wine region) on the part of affluent, somewhat patriotic consumers, has meant that even middling wines have been – until recently, at least – able to command high prices.

This has been fuelled even further by the emergence of the cult Cabernets –



Land of gold

Napa Valley is reinventing itself as a green and special place, taking the emphasis off its reputation for excess. Jamie Goode reports

extremely expensive, small production wines scored highly by the critics, and normally sold by mailing lists then traded on the secondary market.

Add in the lifestylers (Napa is conveniently close to San Francisco and Silicon Valley) and the ostentatious annual Napa Valley auction, and it's easy to understand how the region has come to symbolise Californian excess, with the wine an incidental player – rather than the story of Napa being about a special place for growing top-quality winegrapes.

It's an oft-cited statistic that Napa represents just 4% of California wine production by volume, but accounts for 20% of value. But the importance of Napa internationally is that it represents the face of California wine to the world. California is somewhat problematic for export markets because there's a disconnect between the two ends of the California wine industry.

At one pole there's the business end of the market: large brands from the hot Central Valley. At the other end, the rarefied fine wine market consists of boutique and cult wines from Napa, Sonoma and the various appellations of the central coast.

NAPA VALLEY CABERNET IS STEREOTYPED AS VERY OAKY, VERY RIPE AND HIGH IN ALCOHOL

CHRIS HOWELL
CAIN

While there are plenty of buyers for the inexpensive branded wines, Californian fine wines – and, in particular, most Napa wines – have struggled to find a niche abroad, largely because of their perceived poor value for money.

And while the current image of Napa may appeal domestically, it fails to resonate abroad among the sorts of consumers who otherwise would be prepared to pay the high price these wines command.

Napa's reinvention

This wasn't too much of a problem for Napa when domestic demand continued to be strong. But the financial crisis has woken the region up a bit, and many now realise that a change in direction may be needed.

According to a recent *Bloomberg* report, the Silicon Valley Bank suspects that in 2010/11, 10 wineries (out of just under 400 in Napa) will change hands in distressed sales or repossessions, which is up from zero in 2008. And land values in Napa have fallen by 15% since the 2007 peak.

The US domestic market is proving difficult. Retail wine sales dipped by



Jason Tinacci/Napa Valley Vintners



Jason Tinacci/Napa Valley Vintners

3.3% in value to \$29 billion in 2009, after having risen every year previously since 1991, although volume increased 1.9%, with consumers switching to cheaper wines.

Sales of wines pitched at more than \$30 are estimated to have fallen by 15%, which has hit premium regions hard. The export markets have also proven problematic (see table, p54), with a 9.5% dip in export values of US wines, of which 90% are from California.

It is perhaps for this reason that Napa Valley Vintners (NVV) has recently launched a counter-offensive, taking winemakers and wines on the road with a presentation titled Napa Valley Rocks.

The focus is on returning the emphasis of the region to what made Napa special in the first place: it is naturally suited to fine wine production, through means of its geology and climate.

The NVV has realised that this sort of message is a much more convincing story for wine drinkers abroad than the image of cult Cabernets, conspicuous consumption and general excess with which Napa has become associated in recent decades.

No, this is a special patch of ground

for winegrowers, and the stewards of the valley are farming people with dirty hands.

Visiting the valley

Was this the impression I got on my visit? Largely, yes. As a wine region, Napa is quite a well-defined area and it is easy to get your head around. It's a valley, with the Mayacamas Mountains on the west and the Vaca Range to the east.

Most of the vines are on the valley floor, which reaches five miles wide at its maximum and stretches for some 30 miles north from the town of Napa. The main road through the valley is Highway 29; running parallel, to the east, is the Silverado Trail.

While Highway 29 is a bit touristy – you might even have to stop at a level crossing for the Wine Train – it's not nearly as much of a theme park as I'd been led to expect. And the valley's towns, such as the charming St Helena, are relatively unspoiled, working communities. Should you venture off 29 on to the Silverado Trail, suddenly you're in the middle of a rural landscape of some beauty.

Napa's geology is complex, with soils of volcanic, maritime and alluvial origin.

Napa Valley Cabernet Sauvignon grapes

The valley itself was formed by tectonic plate movement and volcanic activity, and also by alluvial water flows and the flooding of the San Pablo Bay.

The valley floor, which has the majority of the vineyards, can be quite fertile in some spots and thus less suited to high quality viticulture, but where there are alluvial fans these create superb, well drained, low vigour terroirs.

The hillsides have shallower, more rocky soils which are also ideal for fine wine production. With the recent addition of Calistoga, there are now 15 American Viticultural Areas within the valley: Atlas Peak, Calistoga, Chiles Valley District, Diamond Mountain District, Howell Mountain, Los Carneros, Mount Veeder, Oakville, Rutherford, St Helena, Spring Mountain, Stags Leap District, Yountville, Wild Horse Valley and Oak Knoll District of Napa Valley.

Chris Howell, at Cain, high up in the Spring Mountain district, is an example of a winegrower taking a more terroir-focused approach. "I think Napa Valley Cabernet is stereotyped as very oaky, very ripe and high in alcohol," he says.

He aims to make wines from grapes picked a little less ripe and

Chris Howell at Cain is taking a terroir-focused approach



▶ p38

California Wine

US wine exports in 2009 compared with 2008

Country	Sales by value '09	Change from '08	Sales by volume '09 ('000 litres)	Change from '08
EU Total	\$380,225	-21.7%	224,270	-21.3%
Canada	\$241,571	-7.2%	82,860	-10.9%
Japan	\$78,525	+28.4%	28,119	+9.0%
Hong Kong	\$46,926	+83.5%	15,547	+54.0%
China	\$35,619	+64.1%	11,634	+14.0%
Switzerland	\$18,402	+0.8%	8,665	+21.9%
Mexico	\$11,919	-48.4%	6,221	-48.7%
South Korea	\$9,750	-23.9%	4,674	-4.9%
Singapore	\$8,334	-24.5%	2,639	-33.2%
Russia	\$7,448	+3.4%	1,683	-11.4%

90% of US wine exports are from California. California exports around 20% of its production, with around 40% of the exported US production going to the EU. Total exports in 2009 were \$911.8 million, down 9.5%. (Source: Wine Institute of California)

carries out gentler extractions: the result is wines with more of a sense of place, but with no less personality.

Cathy Corison is another winegrower who makes wines in a more restrained style, which age brilliantly, as a vertical of her Cabernets back to 1998 showed.

Another terroir-driven operation is Lagier Meredith, a small property on Mount Veeder owned by ex-researcher Carole Meredith and her husband Steve Lagier, first planted in 1994. Their four-acre hillside vineyard is planted to Syrah, and their wines are beautifully fresh, aromatic and balanced, with the ability to age very well. These are just a few of the producers breaking the stereotype that Napa is a region of excess and winemakers' wines.



Appealing to the Millennials

The shift in Napa's image is also important if the region's wines are to appeal to the new generation of wine drinkers, alternatively dubbed Generation Y or the Millennials.

The conspicuous consumption of the boomer generation, who have sought reassurance from critical point scores, is not the way the Millennials work.

They're much more interested in authenticity (more naturally made, terroir-driven wines tell a story that resonates well with them), and also have a keen interest in environmental concerns.

Fortunately, on this count, Napa is well on the way to "greening" itself. A recent initiative is the Napa Green programme, which has two arms. The first is Napa Green Certified Land, which focuses on vineyards, with special emphasis on their impacts on the Napa River watershed. There are 33,150 acres enrolled in the programme and more than 16,900 acres are currently certified.

The second is Napa Green Certified Winery, which complements the land

element of the programme and adds on winery-associated environmental impact. Napa Green is a third-party certification programme.

Solar power is also being widely employed in the region. The most recent data available (from August 2008) reported 83 wineries in California employing solar power, generating 11,112 solar kilowatts. In Napa itself, 43 out of 391 bonded wineries were using solar power at this stage, a figure which no doubt has since risen.

I visited David Graves at Carneros producer Saintsbury, where an 85kw solar panel has been installed. Last year it provided 10% more than the necessary power for the winery. "I obsess about sustainability as it relates to climate change," says Graves. The Saintsbury solar array cost \$991,000 all in, with subsidies from state and federal tax. It's financed on a lease-back arrangement, with lease payments working out just a little more than electricity bills, but after eight years Saintsbury will own it.

Apparently, solar panel theft can be a problem. It is suspected that many of the thefts are by Mendocino "growing operations" trying to hide their extra

(Above right) Sunlight not only helps grapes grow, but helps turn it into wine, as more and more Napa Valley wineries go off the grid partially or completely with solar power

(Above left) The view from Corison winery

Below: Saintsbury's David Graves "obsesses" about sustainability



Jason Tinacci/Napa Valley Vintners

power usage – one of the ways authorities spot people growing marijuana.

The future

The long-term, more sustainable future for Napa seems to be one of rediscovering what it is that made people grow vines here in the first place: the fact that the soils and climate are well suited to producing complex, ageworthy reds.

It's encouraging to see a shift in emphasis away from the excesses of the past to more naturally made, terroir-driven wines, with an eye cast out for environmental impact.

While these fine wines will never be cheap, the hope is that Napa will be able to offer export markets wines with a genuinely compelling story to tell, based on a sense of place and justifying their price tags when benchmarked against fine wines from elsewhere in the world.

The success of Napa is important for the entire California wine industry because it is the most visible and well known of all the Californian regions.

Encouragingly, the upside of the economic difficulties of the past couple of years is that it has helped Napa to do just this as a region, with a return to its roots. **DI**



KIWI WINES' UK SURGE

Sales of New Zealand wine in the UK off-trade have now overtaken Germany when expressed as a “country of origin” percentage share.

According to the latest Nielsen data (MAT March 2010) New Zealand has a 3.3% share of the UK off-trade market, putting it ahead of Germany for the first time.

The value share of New Zealand continues to grow. The latest figures registered 4.6% country of origin share – growth of more than one percentage point since December 2009.

In addition, New Zealand is now the fastest growing country of origin, showing volume gains of +57%. This has

been accomplished while having the highest average retail price at £6.05 per bottle.

David Cox, New Zealand Winegrowers European director said these figures demonstrated the vibrant nature of the opportunities for Kiwi wineries exporting to the UK.

“While I am aware that some discount price activity has influenced some aspects of this fantastic performance, our continued value growth and our high average retail price – which has actually grown for red wines – confirm the fact that UK consumers are continuing their affection and loyalty to the incredibly interesting wines that are being made from New Zealand,” Cox said.

Italy partners Hong Kong wine & spirits fair

VeronaFiere, organiser of Vinitaly, has announced that Italy is to be the official partner of the 2011 Hong Kong International Wines & Spirits Fair.

The company has signed a deal with the Hong Kong Trade Development Council to promote Italian wines to the world's fastest growing consumption regions, Hong Kong and China.

According to industry statistics, 2008, Italian wine exports to Hong Kong totalled €7.77million – up 33% compared with the previous year.

Over the next two years, sales of Italian red

wine to Hong Kong are expected to grow by 36% and white wine by 38% by the end of 2012.

Sales of rosé wine are projected to

increase 20% for this period. “Since the Hong Kong government abolished taxes and duties on wines and spirits in early 2008, Hong Kong has rapidly gained a global reputation as the wine capital of Asia,” said Benjamin Chau, deputy executive director of HKTDC.

Wine imports into China are estimated to be growing at around 30% a year and are expected to account for 58% of Asia's imported wine market (excluding Japan) by 2017.

By the end of 2009 – less than two years after wine taxes were removed – wine imports into Hong Kong had risen 80% and totalled US\$412.5m.



Moët's in the festival spirit

Moët & Chandon champagne is to sponsor the Edinburgh International Film Festival.

According to Moët's statement, this is the first time that a champagne brand has been a key sponsor with a high profile national film event in the UK.

A Nebuchadnezzar (15-litre bottle) of Moët & Chandon will be on display throughout the festival for the patrons and VIP guests to sign – this will be auctioned off for film-related charity FilmAid after the festival.



Congratulations! Cliff's first sparkler

UK distributor Chalié Richards has launched the first sparkling wine from Sir Cliff Richard's Adega do Cantor winery in the Algarve, Portugal.

The Espumante, which has been released to celebrate Sir Cliff's 70th birthday later this year, is a sparkling rosé made using the traditional method.

The wine is part of the Vida Nova range and is made from 100 per cent Syrah grapes picked in 2008.

Wine website removes fear

Three wine lovers have launched a wine website to help UK consumers find the perfect tittle.

Mike Howes, John Critchley and Martin Jeffery have launched findwine.co.uk, which features only 54 wines at any one time and is designed to make wine buying less intimidating and more interesting.

Central to the approach is an interactive wine selection matrix listing the range by colour, style and price point, which is then cross-referenced by selecting a food style, country of origin or pre-selected mixed case option.

KINGS OF THE WORLD

From more than 2,000 bartenders who entered around the world, the Team US trio of Mark Stoddard, Todd Thrasher and Sean Hoard emerged as winners in the sixth 42Below Cocktail World Cup.

The grand final was held in Wellington, New Zealand. After 24 bartenders from seven countries battled it out in a series of challenges over five days, team US were crowned the best bartenders in the world, with their wordy cocktail titled 'I have too much thyme on my hands right now at this point in my life', made using 42Below Pure, apple bitters, lime thyme syrup and an artichoke aperitif.

The team were backed on stage by Run DMC before shedding their black tracksuits and donning cocktail aprons to make a truly classy drink.

Team US won the 21st Century Punch challenge early in the competition and were strong contenders throughout, according to 42Below. "The drink was sorted from day one but the presentation came together in the last minute on the plane. It was phenomenal," said Todd Thrasher.

US bartender of the year and judge Jim Meehan said the level of performance and presentation was amazing.

Coming a close second was Team France with Le Rendez-Vous, which they served alongside a dessert also created on stage. Third-placed Team New Zealand created 42 Cuba St with a new technique called 'flazing' – "using dry ice to aerate the drink instead of flames".

Their cocktail contained 42Below, Manuka honey,



Top trio: Mark Stoddard, Todd Thrasher and Sean Hoard

chocolate and decanter bitters and a spray of gunpowder and over-proof rums.

The winners were chosen in a live grand final themed Love, Drinks & Rock n Roll, Baby, at Wellington's old museum building. The sold-out event featured the eight teams of France, Italy, US, Australia, UK, Ireland, London and New Zealand.

Here is the 42Below Cocktail World Cup 2010 winner:

- I HAVE TOO MUCH THYME ON MY HANDS RIGHT NOW AT THIS POINT IN MY LIFE**
- 30 ml (1 oz) 42Below vodka
- 15 ml (1/2 oz) artichoke aperitif
- 45 ml (1 1/2 oz) lime thyme syrup
- Liberal dash of apple bitters
- Compressed apple thyme balls to garnish



US HOLDING A TORCH FOR RUM

New from Bacardi in the US is a rum called Bacardi Torched Cherry, which combines the taste of Barbados cherries with the Torch plant aloe – a nectar-rich ingredient indigenous to South Africa.

Gordon Chisholm, brand director, Bacardi flavoured rums, said: "Our goal is to meet consumers' needs for popular flavours that deliver an exotic twist at an accessible price."

"Building on the enormous success of last year's Bacardi Dragon Berry, Torched Cherry is a fresh, dynamic spirit that can be enjoyed alone or in a variety of cocktails."

Serves include: Torched Pom Berry – paired with pomegranate syrup and garnished with a sugar rim; Cherry Storm – which combines pineapple and cranberry juice; and Burnt Berry – pomegranate juice and Sprite, garnished with a maraschino cherry.

For additional recipes, check Bacardi's iPhone app or, in the US, text TORCH to 65579 to receive a new recipe every month for 12 months.



BRITNER'S BEERS

DI's Lucy Britner shares her passion for a pint

Another brewery has had a crack at lady-beer – a cask ale called Mississippi from the UK's Wadworth brewery. It's a golden ale with the addition of "raspberry and strawberry infusions". Essences, then. It has an asparagus nose with a little bit of fruit. It does come through a little on the palate but if I wanted a fruit beer, I'd probably punt for a lambic. I'm afraid, Wadworth, there are hundreds of beers I'd like to drink before Mississippi.

The beer was revealed at the launch of a group to get women into beer.

Called Dea Latis (the Celtic goddess of beer and water), the group was launched on FemAle Day – part of the Campaign for Real Ale's Cask Ale Week.

Thankfully there were no ghastly pink decorations in sight and, credit where it's due, Wadworth had actually made a beer rather than some passion fruit-flavoured fizz in an alcopop bottle.

But when push came to shove, many of the women in the room preferred a beer that

was the complete opposite of Mississippi – Fuller's London Porter. It's bold, black and has rich aromas of coffee and toast with a creamy texture on the palate. Delicious.

You could say it's a case of preaching to the converted – most of the women there were in the trade – and that's why bigger beer flavours appealed. Time will tell.

The campaign launch was backed by new statistics from the Campaign for Real Ale that suggest twice as many women now drink cask ale as did two years ago.

At the launch, British Beer & Pub Association chief executive Brigid Simmonds said: "Beer's immediate attractions as a comparatively low-alcohol and low-calorie, zero-fat drink, with a rich variety of styles and flavours are considerable and should make it a more natural drink choice for women."

"But there is still work to be done if we want to attract greater numbers of women beer drinkers, as seen in the US and most of Europe."

Simmonds said, personally, she enjoyed a lager shandy.

BEER SHOULD BE A NATURAL CHOICE FOR WOMEN

BRIGID SIMMONDS, BRITISH BEER & PUB ASSOCIATION





SOUTHERN COMFORT AND THE BIG EASY

Brown-Forman has repackaged its Southern Comfort whiskey, fruit and spice liqueur. The new bottles will hit the shelves from May.

The aim of the redesign is said to be to capture the New Orleans spirit.

The main label in the centre of the bottle features a Fleur de Lis, the symbol of New Orleans and reference to the city's French heritage. Filigree motifs reminiscent of the wrought-iron balconies found in the French Quarter of New Orleans appear within the Southern Comfort logo.

A smaller label towards the bottom of the bottle carries the quote: "None Genuine But Mine," which was originally written on all Southern Comfort labels.

Jamie Butler, brand manager, said: "We are immensely proud of our product and the brand's one-of-a-kind birthplace, so we wanted to bring this to life on our bottles as effectively as possible."

Southern Comfort serving suggestions include:

- Mississippi Mule* – Southern Comfort, ginger beer, Angostura Bitters and a squeeze of fresh lime.
- Bayou Fruit Cup Punch* – Southern Comfort, ginger ale, Martini Rosso and seasonal fruits
- Louisiana Jam* – Southern Comfort, lemon juice, apple juice, apricot jam, sugar syrup and mint leaves



LUXARDO SLAMS SAMBUCA SHOTS

Luxardo sambuca has launched a UK bartender competition in an attempt to further move the drink away from shots.

The Luxardo Challenge is a 20-city campaign, running until November, with a £20,000 prize fund.

According to UK distributor Cellar Trends, the quest will identify and reward outlet winners that "show progress in creating dynamic and exciting environments – moving with the times as stricter responsible drinking standards take effect."

Bartenders with less than three years experience at a high level of cocktail making are eligible. Entrants will present locally to the public and a roadshow of judges, as the competition tours the UK. Winners will be awarded regional and national titles of Luxardo Challenge Pub of the Year and Luxardo Challenge Bar of the Year.

Winning outlets will win a trophy and individual bartenders in each sector will be awarded the title of Luxardo Challenge Bartender Winner, before the grand final mix-off.

The brand has outlined core objectives to ensure responsible drinking. These include not attracting customers with price only, but with premium serves and memorable occasions.

A statement from Cellar Trends said: "The Cellar Trends and Luxardo investment in the initiative is timely. In replacing ubiquitous shots typical of the '90s tequila scene, the new generation of Luxardo drinks has transformed sambuca into a mainstream choice."

Catherine Rigby, marketing manager for Luxardo at



Cellar Trends, said: "Low-price drinks, often featuring lower-quality products, can affect consumer drinking patterns adversely, especially on busy nights.

"The Luxardo Challenge campaigns for outlets to review their serving strategies, and rewards those which succeed in getting their big night right."

For more information, email: luxardo@cellartrends.co.uk

YOU'RE FIRED!

A London bar has launched a cocktail training programme based on the style of the hit UK and US TV programme *The Apprentice*.

The Peacock bar and club in Battersea, devised the two-hour sessions to create an element of competition and a bit of theatre around bartending.

Two teams will undertake challenges set by a

head trainer – a sort of Alan Sugar/Donald Trump figure – who will do the hiring and firing.

Delegates can make five cocktails each, for a cost of £30 a head. The Peacock team will teach them a few flair tricks and winners will receive champagne or cava.

For more information see: bookings@the-peacock-bar.co.uk



Liner racks up Bussell pointes

Prima ballerina Darcey Bussell christened the new £380 million P&O Cruise Ship Azura with the customary smashing of a bottle of Taittinger Champagne across the bows.

As part of the traditional naming ceremony, held in Southampton docks, 1,200 guests looked on as Bussell showcased the new dance floors on the cruise liner. They later sat down to a five-course dinner, followed by a fireworks display.

Azura can carry up to 3,100 passengers and is the seventh cruise liner operated by P&O Cruises. It has now set sail on its maiden voyage around the Mediterranean.

SEARCH IS ON FOR THE SU-BO OF WHISKIES

Those clever chaps at Glengoyne have managed to successfully combine popular culture and whisky with the launch of Cask Idol.

Cask Idol - the search for the perfect dram - is a "once in a lifetime opportunity" to become part of the Glengoyne selection panel and help choose the first ever Glengoyne distillery exclusive single cask whisky, to be bottled in 2011.

For £70 visitors are able to join the hunt on a tour of the distillery and warehouse No.8, as well as a tasting of Glengoyne's previous three single cask releases.

Visitors then judge three mature samples drawn from the cask and are asked to write their own tasting notes for each. The most popular cask will be announced in April 2011 and released with one lucky fan's name and tasting notes displayed on the label.

To book your place visit glengoyne.com

Paradise found at Heathrow T5

Maxxium Travel Retail is to bring a touch of the Caribbean to Heathrow Terminal 5.

If you fancy a hula in departures, join Caribbean dancers, a live band, a tasting presented by a mixologist and a video screening to show the Brugal Rum experience in World Duty Free.

Customers who purchase a bottle will also be given a free Brugal guide to the Dominican Republic - handy if that's

where you're off to. You could always just change your flight? Remember though, that Heathrow does not keep Caribbean time, so don't enjoy yourself too much.

Brugal Extra Viejo Reserva has a recommended retail price of £29.99 while Brugal Añejo Reserva has a recommended retail price of £22.99. Both have an abv of 38%.



Nice ice, baby

Want to impress your mates with something flashy? Can't afford that Aston Martin? How about an ice bucket with an LED base? Supplier of bar products John Artis is bringing UK bars a touch of Italian style with the Grand Pagoda - a world first. To get your hands on one, visit johnartis.co.uk

READER SERVICES/SUBSCRIPTIONS PLEASE CONTACT: Drinks International, Subscriptions Department Tel: +44 (0)20 8606 7533 E-mail: mandy.scott@optimabiz.co.uk

SUBSCRIPTION RATES

UK PRICE 1 year £107.00 **2 year** £214.00 **3 year** £321.00
EUROPE PRICE 1 year €129.00 **2 year** €258.00 **3 year** €384.00
ROW PRICE 1 year \$299.00 **2 year** \$599.00 **3 year** \$899.00

© Agile Media Ltd 2008 All rights reserved.

William Reed
BUSINESS MEDIA



Agile
Media Ltd

Drinks International (ISSN 0012-625X) is published monthly by Agile Media Ltd and distributed in the USA by SPP 75 Aberdeen road, Emigsville, PA 17318 - 0437. Periodicals postage paid at Emigsville PA. Postmaster: send address changes to Drinks International PO Box 437 Emigsville PA 17318 - 0437. Published under licence from William Reed Business Media, Broadfield Park, Crawley, West Sussex RH11 9RT 01293 613400