



The cult of Californian Cabernet

Wine writer and former California resident Gerrie Lim says Asian sommeliers should reconsider Napa Valley through the resonance of its new red wines

While the wine trade in Asia can appear divided on the topic of American fine wine, some producers have been excelling in the inexact art of separating the good stuff from the merely mundane, thus exploding the old cliché that these wines are one-dimensional, overpriced fruit bombs.

The market leader by region is unquestionably California and the numbers speak for themselves – American wine exports grew in 2012 for the third consecutive year, setting a record of US\$1.43 billion in revenue, according to a February 2013 report from the San Francisco-based Wine Institute, which noted that 90% of these exports hailed from California.

Volume shipments reached 424.6 million litres (112.2 million cases of wine) while traction at retail in Asia saw significant growth – in China, sales reached US\$74 million in 2012, up 18% from the previous year, and two emerging markets also saw

notable improvements, with South Korea up 26% at US\$16 million and Vietnam up 22% at US\$27 million.

Most of the glamour goes to one particular area – Napa Valley, located a two-hour drive north of San Francisco. The vineyards produce only 4% of all California wine from a total acreage one-eighth the size of Bordeaux yet the wine industry there accounts for one-third of all wine sold in the US (currently the fourth-biggest wine producing nation after France, Italy and Spain) and exerts an economic impact of US\$13 billion annually.

Napa is most famous for some iconic names – the hyper-expensive Screaming Eagle (starting at US\$750 a bottle) and Harlan Estate (US\$500 a bottle) yet there are better-known, marginally more affordable names such as Joseph Phelps Vineyards, with its flagship wine Insignia, of which 15% of its total production is exported (a third of this to Asia, with Hong Kong being the fourth-largest market).



St Helena in Napa Valley



Importer Wine Culture says exports to China of quality Californian wines, such as its Waterstone label, has grown by 42%

Joseph Phelps Vineyards exports 15% of its flagship wine Insignia, with a third of this going to Asia

The best areas of production can produce wines with as much finesse and elegance as other high quality production areas. In a cool vintage, telling a good Napa Cabernet from a ripe year, left-bank Medoc Cru Classé can actually be difficult
Fongyee Walker, Dragon Phoenix Wine Consulting

The Napa Valley company hit the jackpot in 2005 when its 2002 vintage of Insignia was declared 'Wine of the Year' by Wine Spectator magazine, and the current 2009 release scored 95 points with Robert Parker's The Wine Advocate.

Image overhaul

Wines such as Insignia have helped jettison the relatively poor image Californian wine once had. This is even more so the case now, given the newer vintages of the so-called 'Cult Cabernets', handcrafted in small quantities. One example is a new wine called Gallica, from St Helena in Napa Valley, whose first vintage was 2007. The current release is a 2009 Cabernet Sauvignon, of which only 407 cases were made.

"I am indeed thought of as making wines that are balanced and restrained," noted its winemaker, Rosemary Cakebread, after reviews praised the wine's aromatic freshness and deft finesse. "2009 was a cool year so it's typical of what I strive to

make. It's layered with cardamom, dried cranberry and black tea, and a pleasure to drink early because of its fruit intensity but also designed to age gracefully."

New wines such as Gallica are emblematic of where things are going, since this 2009 vintage retails in Hong Kong at HK\$1,128 a bottle (US\$145).

"This is a boutique wine, made in small volumes and we have a limited allocation," noted Matthew Aylmer, marketing director at its importer Kerry Wines in Hong Kong.

"There was a perception a few years ago that California wines were overpriced but now, looking at a wine like Gallica and the general consensus on its quality, I think the pricing is very good. Our target customers are people on-trade and our private customers buying off our website, and we're also looking at small independent retail stores. We even consider it to be markedly better than Beringer Private Reserve."

Competing in that same price bracket

and arguably the collector's benchmark wine, Beringer Private Reserve has been the flagship wine of Napa Valley's Beringer Vineyards for the past 30 years and is a complex wine blended from grapes from seven separate blocks and produced only in years of acceptable harvest.

More please

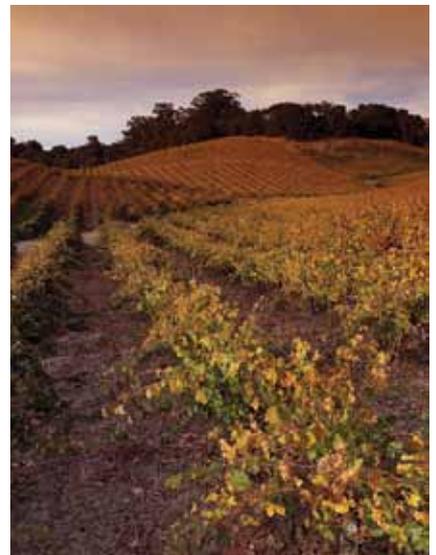
"Due to high demand and low production, we can never get enough supply," notes Cressida Barnes, the wine's brand ambassador for Hong Kong and Macau. "Our focus has always been to build the top end of our wines including the Private Reserve which truly exemplifies the high quality of Napa Valley. Our marketing focus is on letting customers know about their success, particularly with Robert Parker having scored every Beringer Private Reserve Cabernet 90-plus points for the last 15 vintages.

"Due to the small size of Napa Valley, the price points on shelf for the better

New wines such as Gallica are leading the way for quality Californian 'Cult Cabernets'



Rosemary Cakebread, Gallica owner and winemaker



quality wines are extremely good value for money," she adds. "We are pleased that our fastest-growing range of Beringer wines comes from the Napa Valley and the Knights Valley in Sonoma, where they are starting to enjoy a cult following at both retail and on-premise."

There is, in other words, an unequivocal consensus in terms of their value proposition, because enjoyment is often commensurate with price. The same has been said for other such Napa Valley producers (Stag's Leap, Colgin Cellars, and Clos du Val for example) and this recognition has gradually moved north of the border.

"The interest in Californian wines is certainly on the increase here," observed Cliff See, managing director in China of wine importer Wine Culture, whose Shanghai office is the exclusive distributor

of two respected California brands, Bogle and Waterstone. "Given time, I think some of the cult status brands will no doubt gain recognition."

He spoke in light of the recent softening of the Bordeaux market in China and the fresh respect paid since one year ago, when it was reported that American wine exports to China had grown by 42% from the previous year.

In February 2012, an Associated Press report said that lower quality California appellation wines have sold well to middle class consumers in recent years, but the increasing demand for top quality vintages is evidence of China's growing upper class.

This has also quashed the old argument about overpriced wines.

"Mid-priced wines are troublesome price-wise for all countries and not just the

US, and California is actually better off than the Australians, who are now suffering from bad exchange rates," said Beijing-based wine educator Fongyee Walker from Dragon Phoenix Wine Consulting, after a recent trip to Napa Valley.

"Most people's perception of fine California wine is far too simplistic. The best areas of production can produce wines with as much finesse and elegance as other high quality production areas. In a cool vintage, telling a good Napa Cabernet from a ripe year, left-bank Medoc Cru Classé can actually be difficult."

Tell that to the fat cats who persist in paying the requisite renminbi for their Chateaux Lafite and Latour, hoping to impress their business associates. For those appreciative of fine wines with real staying power, all roads now lead to California. **AHCT**