

Is the US turning its back on Bordeaux?



With en primeur sales down, and top Bordeaux becoming harder to find on restaurant and merchant lists in the US, James Suckling asks why Americans seem to be looking elsewhere for their fine wines

BORDEAUX CHATEAU OWNERS and wine merchants were delighted to be greeting a large number of Americans for their spring 2011 *en primeur* tastings of the 2010 vintage, which attracted close to 6,000 visitors from all over the world. It's been a few years since Americans came in large numbers to the region.

'I had appointments with many Americans this year,' says Pierre Lawton from Alias Bordeaux, a well-known négociant specialising in high-end château-bottled wines. 'Whether they eventually buy 2010 Bordeaux is another thing.'

Lawton says American interest in Bordeaux has diminished greatly over the last four years due to deep economic recession and a dramatic change in the distribution system in the States. The last vintage Americans bought in numbers was 2005, so he expected they would be restocking with 2010.

'Idon't think they will be buying lots of first growths, but they will certainly buy the superseconds and other top wines,' he says. 'Americans need to start buying Bordeaux again.'

But do Americans really *need* to start buying Bordeaux again, or have they simply fallen out of love with France's premier wine region?

The market perception certainly suggests that America's love for Bordeaux is waning. Just visit a restaurant in any major metropolitan area in the US and try to find a bottle of Bordeaux. 'Our wines are virtually non-existent on most wine lists

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Château Cos d'Estournel

in America,' admits Jean-Guillaume Prats, director of super-second Château Cos d'Estournel.

I remember dining at Craft Steakhouse (the top New York restaurant now renamed Colicchio & Sons) a couple of years ago and the hefty wine list didn't have a single bottle of claret on offer. The sommelier informed me that his customers didn't want to drink Bordeaux any more.

'They all think it is too expensive,' he says. 'And if I put a label on the list with an attractive price they think it isn't any good. It's a Catch-22 for Bordeaux.'

Searching for value

High prices have certainly been a passion killer for Americans. I have debated with consumers and wine trade members in the States until I'm blue in the face that Bordeaux has some of the best values in the world. I even wrote major stories in *Wine Spectator* about the vast selection of excellent values in Bordeaux – \$30, \$40 and \$50 reds that other areas such as California cannot equal in quality for the money – but people didn't want to hear it.

'It's been hard selling Bordeaux in the States for the last couple of years,' says Andy Lench, the owner of Bordeaux Wine Locators, based in both Europe and the US. 'Many people just think that Bordeaux is too bloody expensive.'

This combination of new vintages of top wines selling for astronomical prices and the headlines of record sales in Hong Kong of super-rare Bordeaux

have certainly fatigued many wine lovers in the States. Many Americans are selling more Bordeaux than they are buying at the moment, thanks to the unbridled demand for the top names in recent vintages in Hong Kong auction rooms.

'The wines we sell in Hong Kong are mostly from Europe, but most of our other auctions are filled with wines from the US,' says David Elswood of Christie's, London.

Bordeaux boom

The supply of top Bordeaux in US cellars began in the early 1980s. In fact, Americans were clearly the biggest buyers of Bordeaux in the 1980s and 1990s. I was just starting then, and I covered the huge US demand for the best of Bordeaux. Some might say that, along with Robert Parker, I helped build up American Bordeaux cellars, as we recommended the best of Bordeaux to North American buyers.

The late Ab Simon – at one time the most important buyer in the world for top Bordeaux through Diageo Château & Estate Wines – told me that he bought more than 4,000 cases of each of the first growths in the 1980s, as well as almost half the production of Pétrus. He bought up to 10,000 cases of other popular Bordeaux labels such as Gloria during the same period.

Chateau & Estates Wines' decision, in 2009, to abandon Bordeaux certainly changed the Bordeaux market in the US forever. The company, which drinks giant Seagram originally owned, used to essentially finance each vintage of young Bordeaux for the US wine trade. Retailers and distributors ordered and sold futures at will, but they didn't have to pay until the wines were physically present in the United States. It was free money for key retailers.

'Now the US wine trade has to buy the wines themselves,' says Prats. 'The market has completely changed in the States. You now have about two dozen retailers who take care of the entire market. And they buy direct from Bordeaux.'

Those retailers, such as Wally's Wine & Spirits in Los Angeles, Sokolin in the Hamptons, NY, or Zachys in Scarsdale, NY, certainly haven't given up on Bordeaux. You look at their online offers, shop shelves and warehouses, and they are full of Bordeaux. And they are selling the wines.

'Bordeaux is alive and well in Los Angeles,' says Steve Wallace, the owner of Wally's. 'The consumer perception is good for Bordeaux. There are some good vintages and good values in the market now.' Jeff Zacharia, whose family owns Zachys, is relatively upbeat: 'US consumers have not given up on Bordeaux. We still continue to sell them. In fact we sold the 2009s very well. However, while the dollar sales of Bordeaux are still strong, the bottle volume is down.'

Retailers concede that while Bordeaux still sells, most of their new consumers and young wine lovers do not immediately turn to the region.

'I see a lot of people following Bordeaux, but fewer new people coming into Bordeaux. Some still do, but most others look at Italian or California wines,' adds Zacharia.

Wine merchant David Sokolin has quite a different take on the fine Bordeaux market in the States. 'I'm not so sure about the lower-end consumer but the high-end ones have not given up on Bordeaux. However, their tastes are shifting with their wallets,' he says. 'Buyers who were comfortable buying and drinking \$300 and \$400 first growths were at first reluctant to shift to lower-end wines. Now the Asia story is out, and Americans understand that they've been outbid on first growths, they are okay with switching to the level below, buying wines such as Lynch-Bages, Léovilles Barton and Poyferré, Ducru-Beaucaillou, Cos, Montrose, Pichons Longueville and Baron. The super-seconds might be American firsts nowadays from a price perspective.'

Market shortage

Growing global demand is probably the biggest reason Americans seem to be buying less Bordeaux. There is less great Bordeaux available to them. Wine lovers don't only buy in New York, Boston, Chicago and Los Angeles. They are also buying in Hong Kong, Singapore, Shanghai, Kuala Lumpur and Seoul. 'We have a true global market for our wines, and America is just one of many customers,' says Frédéric Engérer of Château Latour.

Nonetheless, despite Americans appearing to lose interest in the great wines of Bordeaux, and particularly in the first growths, all the châteaux were delighted to welcome them again this year and to pour barrel samples of their 2010s.

'We are very overbooked this year for visits,' says Severine Luke, head of public relations for Châteaux Haut-Brion and La Mission Haut-Brion. 'We have had to turn people away. But we made room for any Americans. It's important that they come and taste our wines.'