



COLLECTING EXPENSIVE WINES

It has been said that life is too short to be drinking bad wine. **Suneeta Sodhi Kanga** agrees and gives you a taste of the world's best wines

THE mystery of wines never ceases to amaze and fascinate people. Since the beginning of time, man has been attracted to things that are hard to find. Rare wines are as coveted as any other treasure. Collecting expensive wines can yield great pleasures whether you long to hold in your hands a piece of wine history, make a few thousand dollars by auctioning a great buy, or simply enjoy one of the world's most beloved elixirs with like-minded connoisseurs.

Just as no one factor makes up the taste of wine, it is a highly personal combination of internal and external forces that determines price also. In a way, it is those very factors that make the wine market as dynamic and exciting as it is today.

Sometimes wines of the same vintage and varietal can vary significantly in price. This leads even collectors to ask: what determines a wine's price? What is the difference between a ₹2,000 Pinot Noir from California and a ₹1,40,000 plus Pinot Noir from Burgundy? What makes a wine special enough to be worth ₹7 to 8 lakhs?

To understand these dynamics, I consulted with two very knowledgeable people: a private collector based in Mumbai who chooses to remain anonymous and Balu Pandiyan, a wine sommelier based in France who now runs a company called Blanc et Rouge. Balu is a Diploma holder in Tasting Techniques from Ecole de Vin du Bordeaux, France. He has undergone various practical trainings with Chateau Petrus, Chateau Haut-Brion, Chateau Montrose, Chateau Beychevelle, Marchesi di Barolo in Italy, Nuits Saint Georges in Burgundy and Hennessy in Cognac to name a few.

Here are their pearls of wine wisdom:

Which are the factors that influence the price of wines the most? Location, Location, Location! The best *terroirs* play a vital role. The highest quality wines tend to come from regions that offer the best conditions for growing the right grapes for each type of wine in small production.

Less yields and high demands: To make great wines, one must grow great grapes. Wine makers have discovered that vines which yield a smaller

amount of fruit make better wines because there is a greater concentration of flavour in the grapes. Sometimes these come from small parcels of land that are in high demand like Burgundy for example. It is the smallest wine region in the world but commands very high prices.

The History of the Chateau: Chateaux that have a reputation of consistently producing wines of top notch standard even in weaker vintages command higher prices. Popularity of the wine maker and family reputation also matter. For example, Rothschild in Bordeaux and Famille Perrin in the Rhone Valley.

Wine making techniques: Wine making techniques like ageing of the wine, harvest by hand, ageing in a new barrel etc. also directly affect prices. There are many wine making techniques which, as in other industrial or artisan sectors, can be geared towards quality as well as yield. Using quality-oriented techniques invariably leads to higher costs than yield-oriented techniques, because these products would be available on the market in scant quantities.

Age and Maturation: After wine has spent some time maturing, some wineries release it right away, while others allow it to age for years. Ageing reduces tannins and acidity in red wines, allowing them to achieve a rounder, smoother flavour. Age is perhaps the most commonly recognised factors in wine values demonstrated by the widely held assumption that old wine is expensive wine. A bottle's future aging potential is also taken into account.

Expert ratings: In the world of fine wine investments, expert ratings are the essence, and the world's most renowned experts usually develop a consistent approach to wine that can help collectors navigate the waters of new and old gems, based not only on their tasting experiences, but also on their expertise and knowledge of wine makers, *terroirs*, wine making processes, vintages, and more.

Expert ratings majorly affect the price of wines more to the old world region rather than the new world. Similarly, expert ratings also have a

negative effect on price when they give low ratings. The 100 point scale for rating wine, invented by Robert M. Parker Jr., is extremely influential. People are influenced by wine critics, marketing and fear of not understanding the rules of the wine game. Nowadays some restaurants design wine lists with experts ratings mentioned.

Vintage: Some years are simply more expensive than others. Period. Comet vintages, when astronomical events occur at harvest time, are famously exclusive, and vintages with favourable harvest conditions, almost always attract higher prices than others.

When influential wine critics declare a 'vintage of the century', wines from that year increase in value. This happened when Robert Parker correctly predicted the high quality of 1982 Bordeaux red wines, propelling that vintage to stardom. Three decades later, 1982 Bordeaux reds still overshadow their 1983 counterparts in terms of price, even though the latter typically perform better in blind tastings. Ultimately, the fame and reputation of a given vintage will influence the price of its wines more than the actual quality of the wine inside.

Scarcity and the allure of rare wines: As with all luxury items, supply and demand is a significant factor in determining wine prices. Scarcity is a highly effective catalyst for a wine's market value. Once word spreads that the wine is hard to come by, the market drives prices even higher. In 2012, when an employee sabotaged caskets of ageing Brunello at Gianfranco Soldera's estate in Tuscany, much of a great vintage was lost. This instantly drove prices through the roof. Paradoxically, the saboteur may have helped Soldera, because even though an estimated \$6 million worth of wine was lost, the incident brought so much attention to the winery that

the remaining bottles have been sold at a great premium. Salient examples also include Domaine de la Romanee-Conti's eponymous Romanee-Conti and La Tache Grand Cru wines, 'microchateau' Merlot Le Pin from Pomerol, and Napa Valley's Screaming Eagle. In 2012, when the first vintage of Screaming Eagle Sauvignon Blanc was released, just 600 bottles were released to an exclusive mailing list. The release price was \$250 per bottle, making it the most expensive Sauvignon Blanc on earth.

Packaging: Another element of wine making that's just as important as the others is the packaging—the bottle, the cork and the label. The record for the world's most expensive wine has been broken by an Australian winery. Penfolds debuted its 2004 Block 42, the special edition of Cabernet Sauvignon, priced at Aus \$168,000 (₹84 lakhs) per bottle. It comes completely encased in a futurist-looking, glass ampoule with no cork or screw cap. Hand-blown by a renowned glass artist it is suspended within a wooden cabinet.

How is it that France always has the most expensive wines in the world? France is not only the world's most famous and expensive wine growing country; it also takes credit for being one of the world's oldest wine regions as well. History added value to their wines and their marketing. According to my anonymous friend, "Classifications guaranteed and controlled quality. France has always been the numero uno when it comes to wines of top quality with its iconic and historic Chateaux and Domaines. It has perfect weather conditions, great vineyards, great *terroir*, perfect vinification and barrel ageing processes and old vines, some probably going as far back as early 1900s. Some of their vineyards have low yields which, in turn, give fantastic quality of grapes.





There is no question of provenance in Chateau wines since the wine has been made by them and has been resting in their underground cellars for years

Balu says, "France has the strictest classification in making wines. A wide range of expensive products are made easily available due to the demand from the world wine market. There is the Champagne region, the elegant Cuvée de Prestige, Romanée Conti and Montrachet from Burgundy, further down south, the Cote Rotie from Rhone valley and obviously the great Bordeaux has few villages that produce outstanding expensive wines."

What are Classifications and AOC's? My Mumbai wine collector enlightens us, "While Bordeaux is the most heavily classified, wine producing region in France, it is not the only appellation to classify their wines. Burgundy is the second-most wine producing classified region in France. Fortunately for Burgundy wine lovers, the classification is reasonably simple to understand. The main ideal that differentiates the classifications of Burgundy from that of Bordeaux is that in Bordeaux, with the exception of St. Emillion, it is the chateau or producer that is classified. In Burgundy they classify the *terroir*.

Grand Cru is the top classified status in Burgundy. Not many vineyards are eligible for Grand Cru status. Only about 2% of the Burgundy regions vineyards are classified as Grand Cru. On the label, only the vineyard and classified status is listed. Grand Cru wines are produced from the lowest yields of all classified Burgundy wines.

Premier Cru is the next highest level of classified status for Burgundy wines. Close to 12% of all Burgundy vineyards are classified with Premier Cru status.

They provide the name of the village first, and then the vineyard on the label. If the wine

is produced from multiple vineyards from the same village, only the vineyard name will appear .

Wines which come from the Bordeaux region are blended. Major grapes which are blended in making a red Bordeaux wine are Cabernet Sauvignon, Merlot, Cabernet Franc and Petit Verdot.

This style of blend is generally seen on the Left Bank of the Gironde River and on the right bank it is generally Merlot and Cabernet Franc and a small percentage of Cabernet Sauvignon with the exception in the Pomerol region where wines are



made from 100% Merlot.

Wines from Bordeaux are made to age for decades and hence command a high price in the open market. Some wines from France can outlive a human being!

In Burgundy they harvest only two grape varieties: Pinot Noir for red wines and Chardonnay for whites. There is no blending of grapes in Burgundy. Reds are

entirely made from Pinot Noir grape and whites from 100% Chardonnay grapes. Some of the most expensive wines come from Burgundy as they produce wines in very limited quantity with sublime and pure expression of the fruit and *terrior* of the region as compared to Bordeaux. Wines of Burgundy are very elegant and feminine in style wherein Bordeaux wines are more masculine.”

Is it true that some ancient wines that command huge prices may not even be drinkable as they have crossed their prime? My collector friend says, “Wines from the 1800s and older are considered ancient. Some of them still have some fruit left in them if they are stored well. Most of these ancient vintages are generally in the Chateau cellars hence they have aged beautifully untouched and undisturbed.

The Chateaux don't sell them and they very rarely open these ancient vintages. It is only on a big occasion like the 200th anniversary of the chateau or for a high profile tasting that a bottle is opened. While tasting these wines it is all the territory notes that you get. These wines are very fragile, lean, thin and do not have much weight in them. The window I think upon opening would be approximately 30-60 minutes and from then on it will fade very rapidly.”

Balu says, “I once had a personal experience of opening a Cuvée de Prestige 1938 Champagne. It was the birth year of the guest and the bottle was worth \$11,000. But unfortunately the Champagne did not have any of its bubbles left, leave apart the taste.”

Does the price change the perception of people? According to Balu, “People who are unaware of the wines may believe that only the expensive wines are the best quality. Certain people who look for value for their money would go for their best choice of inexpensive wines too.”

So we know that more expensive wines don't necessarily taste better. But does this perception change in blind tastings? Balu says, “Yes it is up to the person who tastes the wine blindly. Their palate is the judge. Even a very expensive wine may not be their liking. For example – some people may prefer masculine wines like Cabernet Sauvignon to more soft and silky tannic Merlot wines.” Our wine connoisseur believes, “When you know the bottle, your psyche certainly changes. In blind tasting one doesn't have that luxury. Many times I have got it wrong and was later surprised when the

many great wines at lower price brackets although sometimes the bidding can go over the top as well. Plus when one buys from auctions generally it is from a private collector's cellar so you are not very sure of the provenance and the storage history of the wine you are bidding for. But if you know negociants they can get you wines with impeccable provenance and storage and directly from the Chateau but at a higher price than the auctions.

Good retailers or a good wine merchant are also options provided they store their wines perfectly. The advantage of buying from a retailer is that you get to see a variety of wines and the actual bottle condition before making your purchase.

Lastly one can buy wines directly from the Chateaux if you have good relations with them. Chateau wines are best stored, there is no question of provenance since the wine was made by them and has been resting in their underground cellars but here you will have to pay a premium price.”

A personal memorable wine tasting that you would like to share? The collector says, “A couple of years ago I had an invitation for a comprehensive



bottle was revealed. So yes, for me it does change the perception in blind tastings. It's a lot of fun though.”

Which is the best place to purchase wines—auctions, negociants, retail, directly from the wineries? According to Balu, “If you are a collector of wines, auctions are the best place to get ancient vintage wines. If you are an investor, you can buy from the negociants or directly from the winery. If you are a regular buyer, you can buy from retail shops. And if you are unaware of market conditions you can always go to a reputed wine consultant who will advise you on the right ways to select, buy, consume and as well as store or preserve them properly.”

My wine aficionado adds, “Auction houses abroad do conduct wine auctions from Sotheby's and Christie's etc. Here one would come across

Bordeaux 1982 vintage tasting that included all the top wines from the left and right bank. 1982 is a legendary vintage in Bordeaux. So when one gets such an invite you leave everything and run for the tasting!”

One of the most memorable wine experiences that Balu shared was a 1945 Victory horizontal magnum tasting that he had organised in Monte Carlo. According to Balu, “It was an absolute lifetime experience of arranging the wines from some of the world's best wine auctions and the bottles travelled all the way in private jets from Hong Kong and New York. It was

such a privilege to get to open them, taste them before and after decanting. It was one of the best historical moments of my sommelier life.”

The wines tasted during the Monte Carlo tasting were: Petrus 1945, Chateau Mouton Rothschild 1945, Chateau Haut-Brion 1945, Chateau La Mission Haut Brion, 1945 and Chateau Cheval Blanc 1945

What are the most sought after collector's wines in India? According to my anonymous wine expert, “It is difficult to get collector's wines in India as they will be seriously expensive to buy here. The best bet would be when you travel abroad and get your 2 litre allowance.”

He mentioned just a few famous wines as the list is pretty large: Chateau Latour, Chateau Lafite, Petrus, Le Pin, Chateau Margaux, Chateau Haut Brion and Chateau Mouton Rothschild. ☐