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WINE WORLD MAGAZINE

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AN EXCLUSIVE REPORT ON THE WORLD'S MAIN WINE MARKETS AND A DISCUSSION WITH THE THREE LARGEST PRODUCERS

THE "DEGROWTH" OF REDS. A PRODUCT OR STYLE CRISIS?

The decline in red wine consumption-especially those with a "heavier" taste and excluding premium and fine wines-is evident in almost every market in the world, as seen in France, Italy, Spain, Germany, USA, Japan, Uk, Canada, China, Scandinavia, South Korea. The verdict from our survey is unequivocal, although with sometimes marked differences from country to country. And the big red wine producers are beginning to run for cover. In Bordeaux, between distillation and explants, they are trying to reduce production potential; in Italy, some regions are having a harder time and will have to rethink more "traditional" products, while others are managing the change in consumption. Spain, on the other hand, flaunts a certain calm. And what will be the future of the "reds"?

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WORLD IMPORT

All Things Considered, A Good Year

In a very complicated year, worsened by crazy costs, the aggregate numbers for the main countries monitored showed a decrease of -4%, due to -5% of still wines and +2% of sparkling wines

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AN EXCLUSIVE GLOBAL SURVEY, INCLUDING MARKETS AND PRODUCTION AREAS, ON HOW TRENDS OF DIFFERENT TYPOLOGIES ARE EVOLVING

THE “DEGROWTH” OF REDS: A Product Or Style Crisis?

When it comes to sparkling wines and premium products, wine consumers all over the world continue to rise, while statistics confirm the clear crisis of reds, especially the “heavier” ones, as seen in France, Italy, Spain, Germany, the USA, Japan, the UK, Canada, China, Scandinavia, South Korea. The verdict by market figures and our surveys, which are published in this issue of Wine World Magazine, is unequivocal, even if with some very marked differences. And the major red wine producers are starting to do something about it. A campaign has begun in Bordeaux that, between distillation and explants, should bring quantities back into balance without affecting the value too much. In Italy, the phenomenon shows regions with more problems, focused on rethinking some more “traditional” productions, and others that are instead managing the change in consumption. Spain, for its part, shows a certain tranquility. And now, what will be the future of the “reds”?

By GIULIO SOMMA and FABIO CIARLA

If even China, or South Korea, are fast approaching an important consumption of white wine, especially that of sparkling wine, the change can no longer be confined to an extemporaneous factor. On the other hand, the data of the UIV Wine Observatory, published below, confirm a fall in the “red” typology, in just five years, of no less than 3.5 million hectoliters in world exports. These numbers are even more alarming if we consider that until 10 years ago the category was worth 60% of the export market of the main producing countries, while today it is just

over 40%. Specifically, red wine exports in 2022 were down by 10% compared to the previous year but, even more significantly, by 13% compared to 2019, the last pre-pandemic year. In the same period, whites, on the other hand, performed decidedly positively, and at the same time the best to perform in the still wines segment, although with relatively small volumes, were rosé wines (+4% annually and +19% compared to 2019). Not to mention the (still) successful case of sparkling wines, which gained 6% year-by-year and +20% compared to 2019. The main reason for this inverted trend can be summarized with the change in taste

of the younger generation compared to the more “ageè” ones, with the global warming that encourages people to drink cold drinks more often (in wine therefore, whites or sparkling wines) also rewarded by the improvement in the capacity to pair them with different foods and by health motivations, linked to the lower alcohol content, that are now to be found everywhere. It must be said, however, that the phenomenon concerns almost exclusively medium or low-end range red wines, while for premium or super-premium wines there is no crisis. This shows a varied production with a patchy effect regarding countries and, with-

in these, individual regions or appellations. In this introduction, we have chronicled the different territories, citing two countries that are notoriously - and almost exclusively - oriented towards the consumption of red wine, China and South Korea, whom, by tradition, hardly knew white wine until recent times and, to be precise, are not even used to consuming drinks with carbon dioxide. Yet they are both opening up to wines different from reds, starting of course with the most prestigious ones, Champagne above all. Some large traditional markets - such as the US, the UK, Germany and Canada - while not escaping the

overall trend figure, nevertheless show a certain variability in consumption rankings. The fall is constant especially in the choice of certain red wines, those that are very structured and concentrated, to the advantage of reds with more modern styles, those echoing Pinot Noir to be precise, as well as whites or, indeed, sparkling wines. This latest trend is particularly evident in the shadow of King Charles, where Prosecco and Champagne still sell very well. The same thing is happening in Scandinavia, where the focus on health and sustainability is driving a movement that identifies less alcoholic products as an important fac-

tor of choice, especially for the younger generation. Young people are also behind the change, for now only hinted at in Japan, where the situation is very diversified, with high-end range reds always popular while in the medium-value production whites and sparkling wines are growing slightly better. But what is happening in countries that are not only big markets but also big producers? The decline in red wines is now also transferring to the vineyard. France and Italy share only small worries for the losses on the shelves, with consumption falling in general and only slightly more marked for reds, but both are fighting a



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serious reflection on the quantities produced. In Bordeaux, the compensation campaign for companies that will uproot vineyards has begun (there is talk of 10,000 hectares at least) and access to distillation seems to be an obvious conclusion, while in other areas there is an increasing focus on rediscovering ancient white wine production. Things seem to be going better in Italy, with areas and types of wine that are cooler and easier to drink - as well as premium products - that do not seem to be affected by any crisis. Other territories, on the other hand, often linked to the production of large quantities with vines suited to the production of wines with structure and alcohol, are wondering how to

stop with this downfall. Spain, to conclude the journey among the great producers, shows a certain tranquility. Rioja and Ribera del Duero seem able to hold their positions, thanks to an important diversification of their target markets. If we exclude the premium and super-premium categories, which travel on their own, the central junction of the performances, sometimes very different, of the great wine territories of the main producing countries can, therefore, be identified with one word, which is "style." In the mid-range, red wines struggle especially when they prove to be incapable of reacting to the market changes: the debate on the future of traditional production is open. ■



GLOBAL EXPORT TRENDS AS ANALYSED BY THE
UIV-VINITALY OBSERVATORY

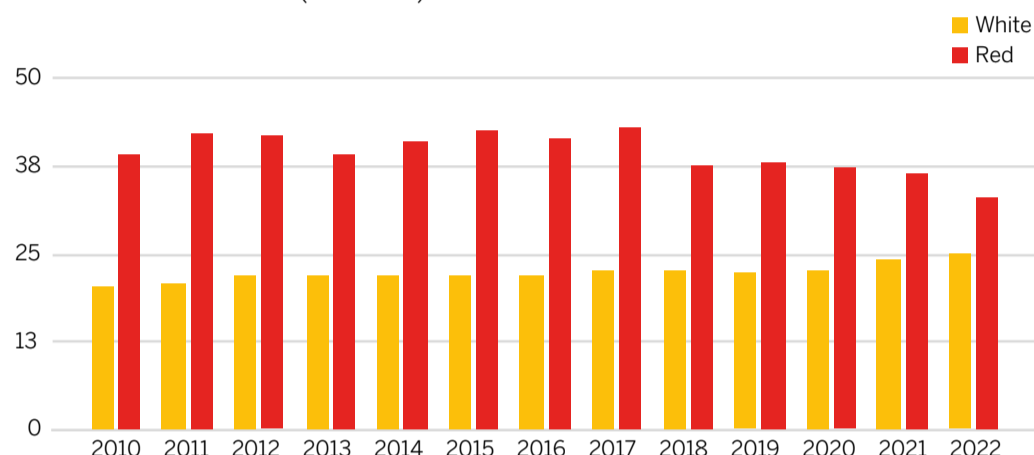
Is The Decline Of RED WINE STRUCTURAL?

In 2022, there will be negative balances for all the main exporting countries, but above all, something like 3.5 million hectoliters lost along the way in five years. It is not just the China-Australia case, there is something deeper that is eroding space for a category that up to 10 years ago was worth 60% of the market and is now just over 40%

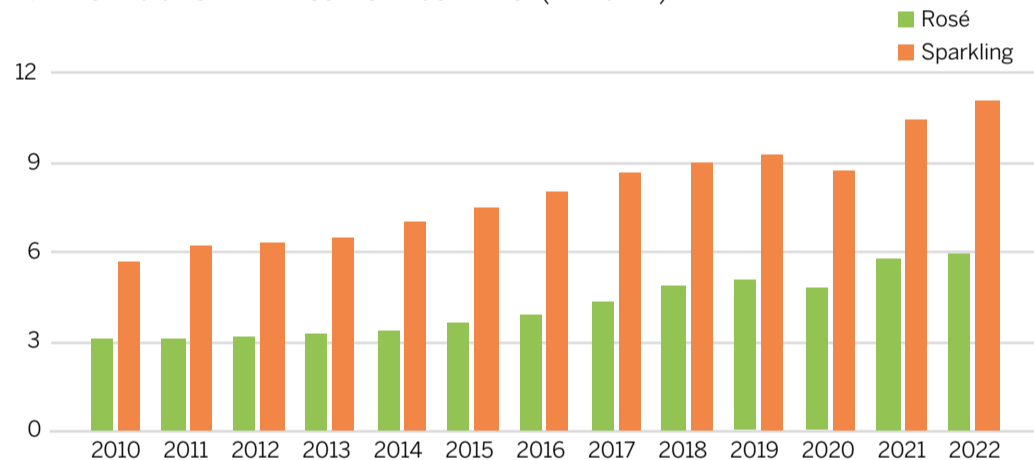
By CARLO FLAMINI - UIV-Vinality Observatory

In 2022, red wine exports from the main countries amounted to 33 million hectoliters, with a decrease of 10% compared to the previous year but - what is more significant - of 13% compared to 2019, the year before the pandemic. In the same period, whites performed decidedly well over the same period, with a 2022/21 balance of +2% and one of +11% compared to pre-Covid period, with a total of just under 25 million hectoliters exported (Chart 1). Although volumes are still relatively small, just under 6 million hectoliters in 2022, rosé wines have the best indicators in the still wines segment: +4% annually and +19% compared to 2019. In total, still wines in 2022 accumulated -4% in volume, at 64 million hectoliters, decreasing by 2% compared to 2019, opposed to the performance of sparkling wines respectively of +6% year after year and +20% compared to 2019 (Graph 2). While the world balance remains negative (-3% adding still and sparkling wines, at 75.1 million hectoliters), excluding rosé and sparkling wines, the indicators fall to -5%. And looking at 2019, without rosé and sparkling the negative balance is -4%, while putting sparkling and rosé back in, world trade marks zero, therefore a return to so-called normality (Graph 3). We can say that the world has a problem with the red component, which when analyzed in physical terms means this: in the first half of the decade 2010/22, therefore until 2016, red wines had an export average of 41 million hectoliters. In the second half, from 2017 to 2022, the average dropped to 37.6, with a loss of more than 3.5 million. The year 2017 was the last one that saw volumes over 40 million hectoliters, while from 2019 onwards the path has been progressively going down: -2% in 2020, the Covid year (against +2% for whites, however), -2% again in 2021 (against +7% for whites), ending with -10% last year (Graph 4). The weight of reds on the total of still wines has been progressively decreasing: they were on average 60% until 2017, and reduced to 52% in 2022, leaving points to whites (currently 39%) and rosés, which reached 9%. If we also include sparkling wine in the account (15% share in 2022), the weight of reds goes up to 44%, compared to 57% at the beginning of the decade (Graph 5).

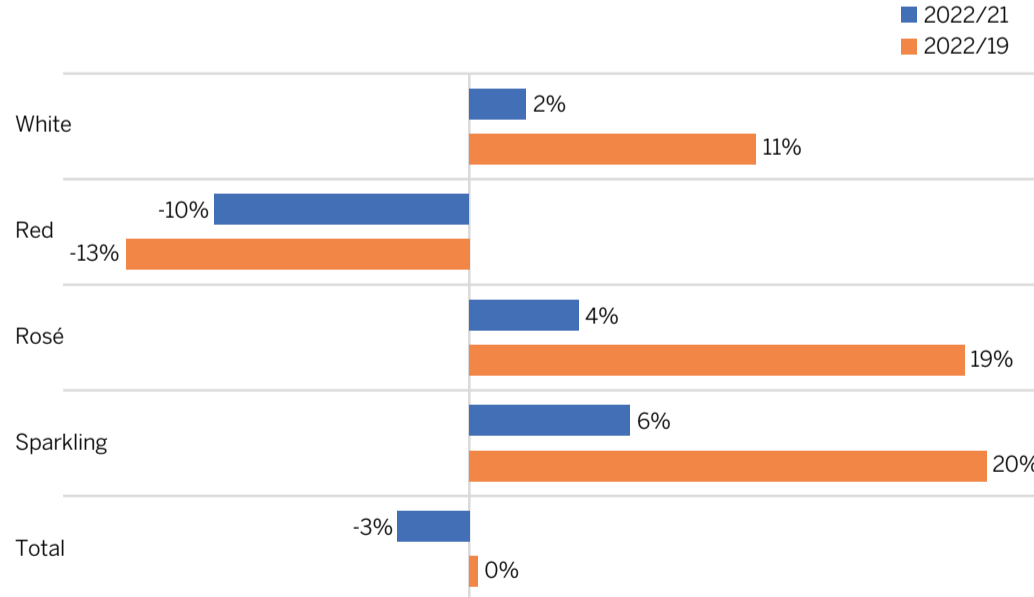
1. EXPORTS BY COLOUR (million hl)



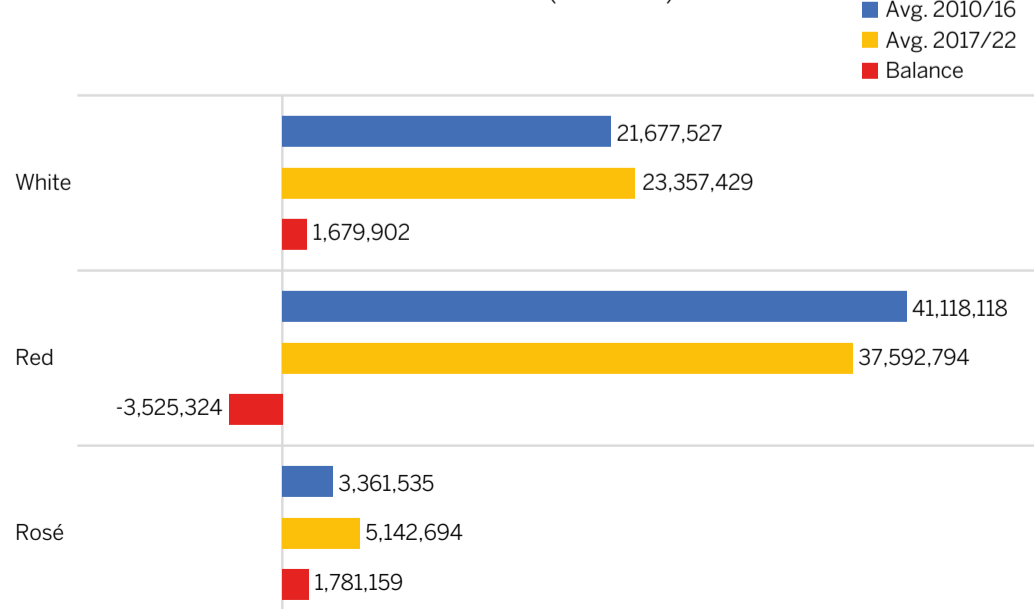
2. EXPORTS OF SPARKLING AND ROSÉ WINE (million hl)



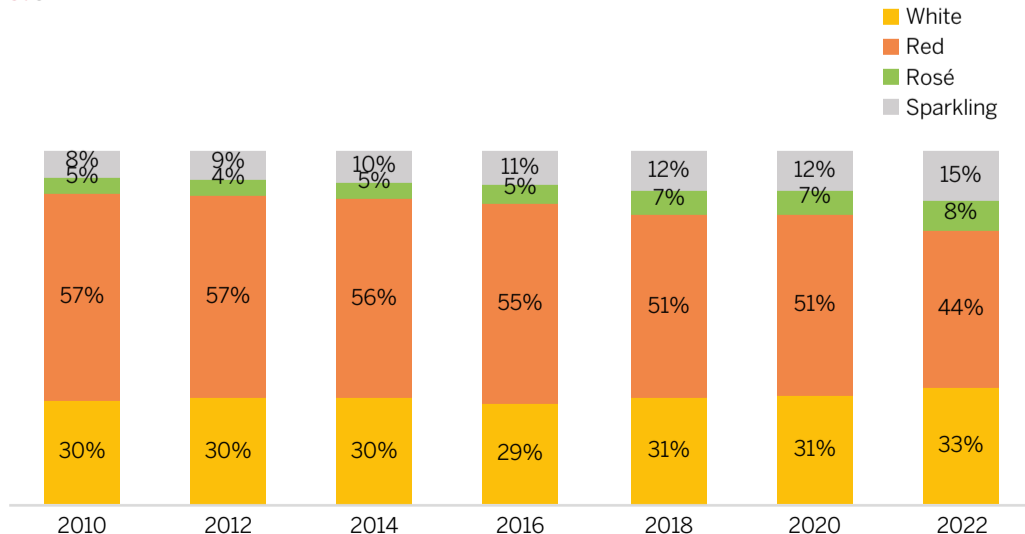
3. EVOLUTION BY TYPE



4. AVERAGE VOLUME AND BALANCE BY TYPE (million hl)



5. SHARE BY TYPE



Differences by Country (Charts 6-7)

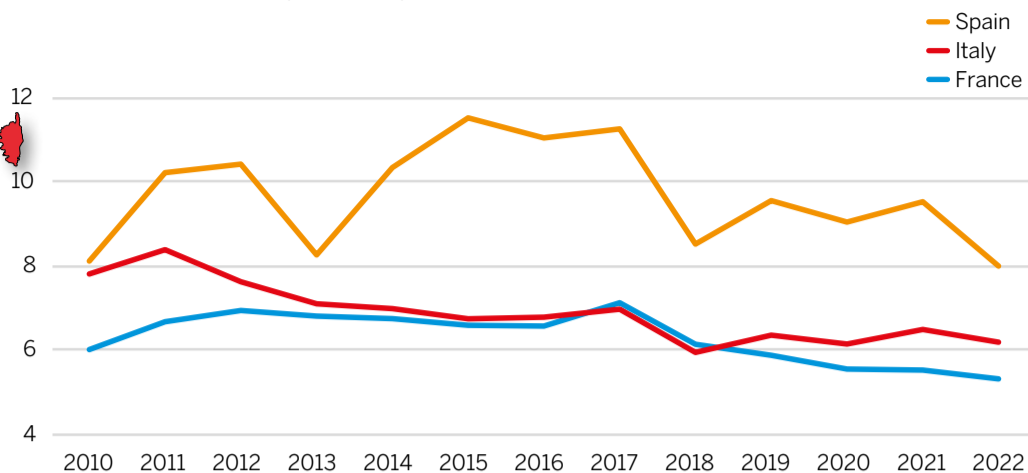
Spain confirms itself as the largest exporter of red wines, with eight million sold in 2022 and an average, between the two periods considered, of over nine million (therefore with a deficit of 671,000 hectoliters). Spain has many and fairly regular bulk customers, mainly France and then Germany, which in the first half of the decade allowed it to grow and then keep its exports stable.

This was mainly to the disadvantage of Italy, which was the country - among the big ones - that lost the most in physical terms: one million hectoliters, stabilizing at around six million, made up mainly of bulk wines that used to be placed on the French and Northern European markets. While this share of wine in storage tanks has been strongly declining, a more recent phenomenon concerns the contraction that is taking place in basic wines, which are subject to strong competition from other competitors, particularly in the English and American markets. The blaze of Apulian wines - Primitivo in Germany - seems to have died down, and structural problems now afflict productions such as Montepulciano from Abruzzo, reds from the Marche and Sicily. The premium productions, in particular from Piedmont, Tuscany and Veneto, which continue to grow regularly, are decided on a different pace.

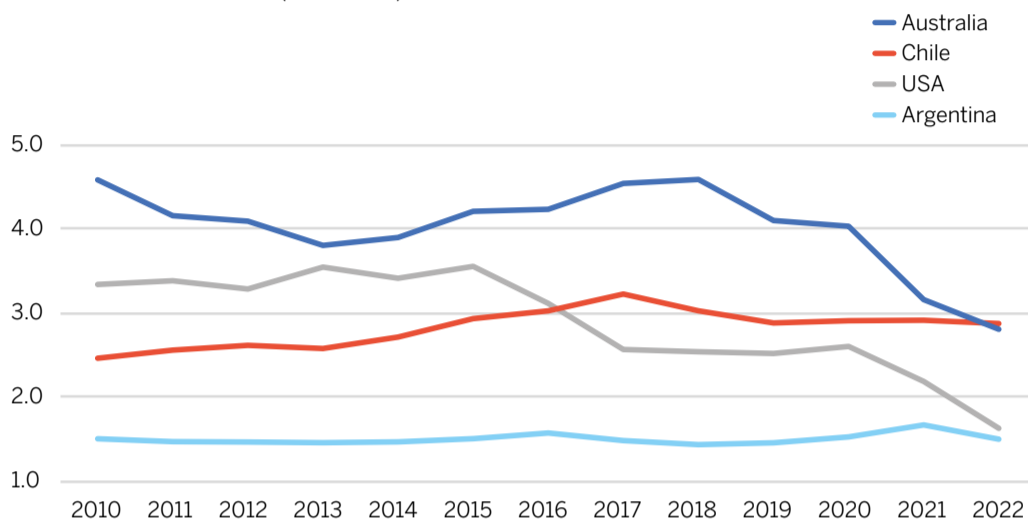
There was also a negative balance for France (-700,000 hectoliters, dropping from an average of 6 to 5 million), with substantial reductions on the Chinese and partly American markets, compensated however on the US market by the growth in rosé wines, which will reach over 1.3 million hectoliters in 2022 out of a total of 9.6 million still wines. As in the case of Italy, the big problem is the medium-low value production, ravaged by post-Covid and the decline of the Chinese market. The request for crisis distillation, made in recent weeks, is a proof of this.



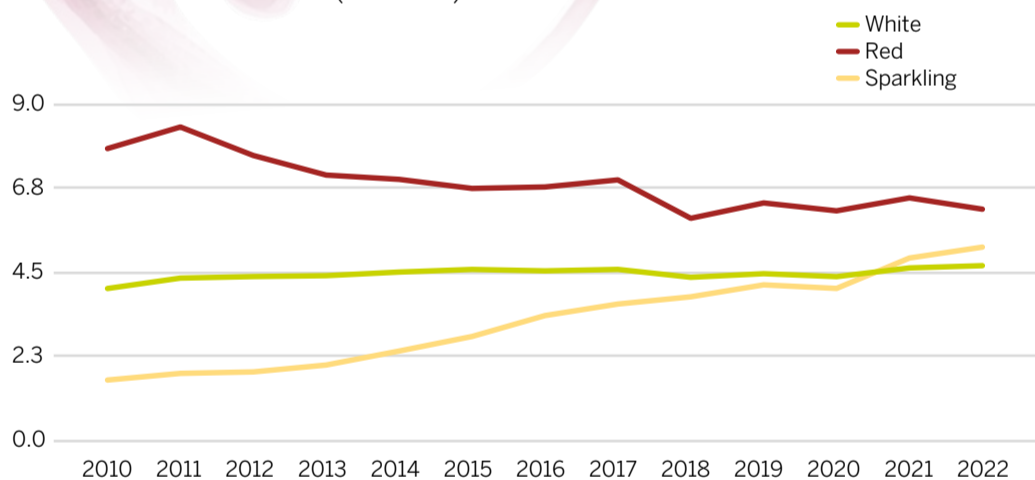
6. RED WINE EXPORTS (million hl)



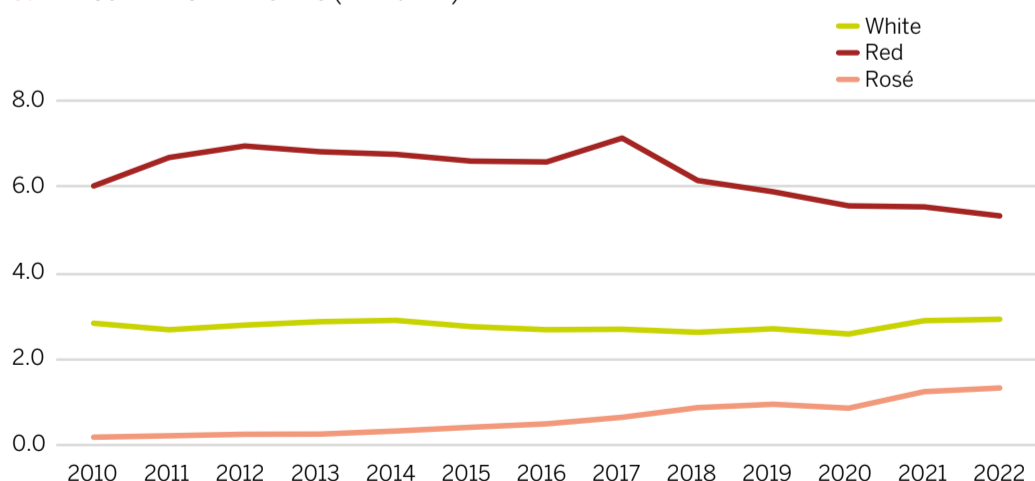
7. RED WINE EXPORTS (million hl)



8. ITALIAN WINE EXPORTS (million hl)



9. FRENCH WINE EXPORTS (million hl)

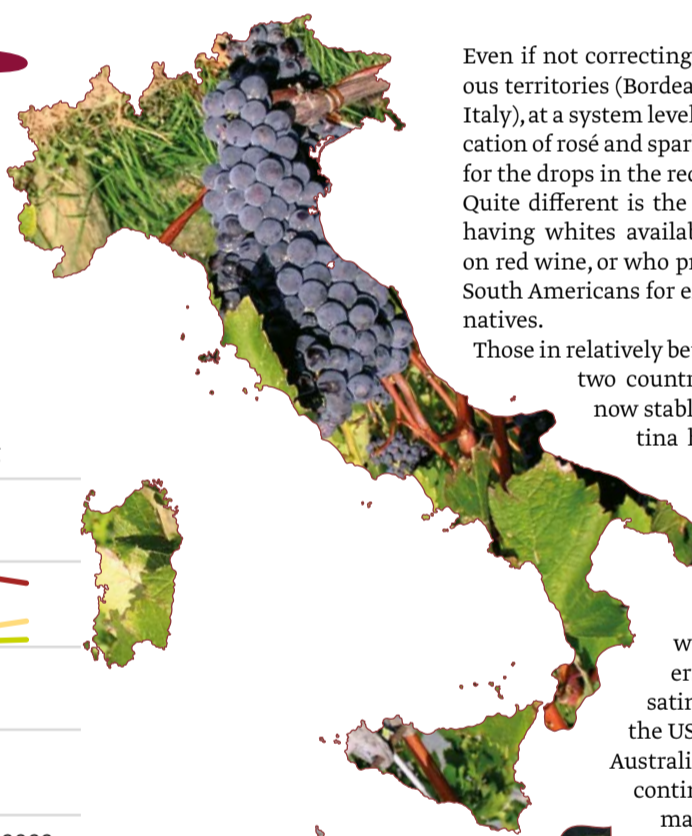


Even if not correcting the specific critical situations of the various territories (Bordeaux and Rhone for France, Centre-South for Italy), at a system level the two countries - thanks to the diversification of rosé and sparkling wines - have managed to compensate for the drops in the red segment (Graphs 8-9).

Quite different is the situation for other suppliers, who despite having whites available (Australia) had bet almost everything on red wine, or who produce red wine as their core business (the South Americans for example), and who therefore have few alternatives.

Those in relatively better shape are Chile and Argentina, the only two countries maintaining stable averages: Chile is now stable at three million hectoliters, while Argentina has stabilized at 1.5 million. The Chileans have seen a reduction of the purchase from USA and China, but are turning towards Japan and neighboring markets, while the Argentinians have recently found a large outlet in the UK (where they export huge quantities of Malbec, which is eroding the quota of other suppliers, particularly the USA), which is compensating for the now structural losses suffered in the USA and Canada.

Australia, on the other hand, is experiencing the contingency of the elimination of the Chinese market, so the 2.8 million hectoliters exported in 2022 (-11% annually and -31% in 2019) are the result of this blackout. The kangaroos are therefore one million hectoliters short compared to the 2010/16 average, which makes about 1/3 of the overall negative balance seen at the beginning (3.5 million).



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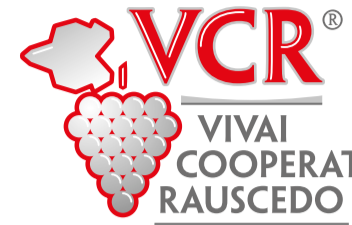
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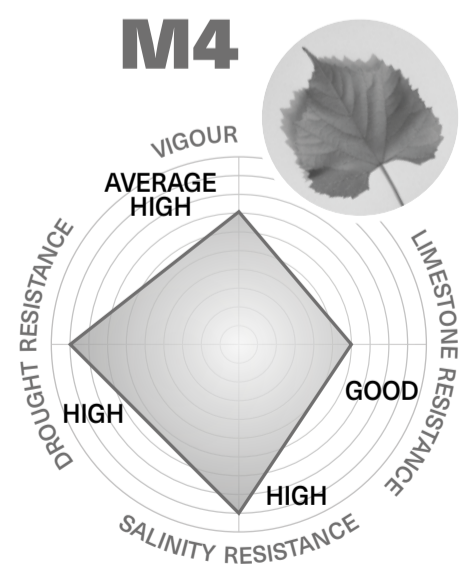
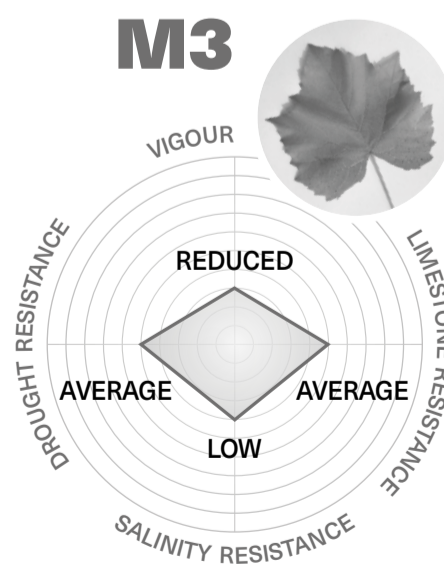
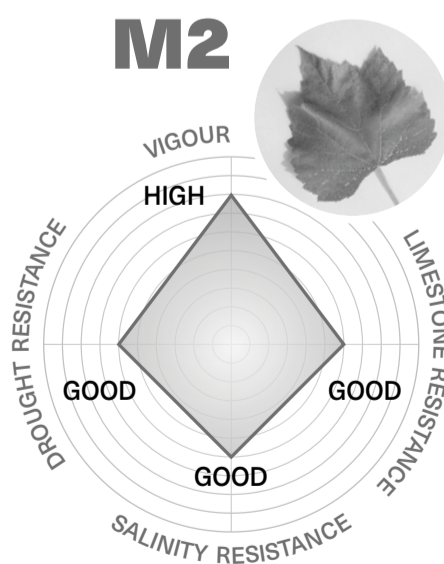
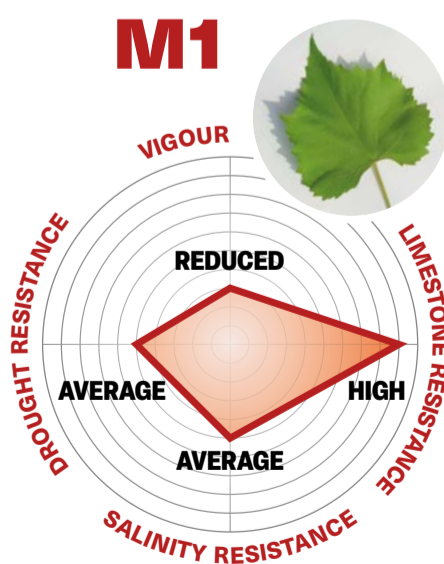
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**US MARKET
IN 2022 AND
A 10-YEAR TREND**

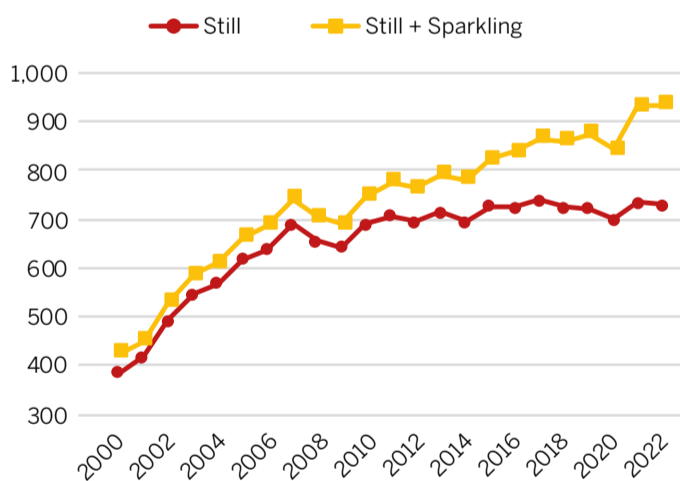
A profound change is underway in the consumption habits of Americans. As was illustrated during the inauguration of Vinality 2022, in the study dedicated to the impact of generations and ethnographic mix on present and future drinking patterns, over the last decade, but much faster from 2017 onwards, the classical mix has undergone and is undergoing important changes.

Meanwhile, looking at volumes (Graph 1), the still wine line is now stable at around 7 million hectoliters, a level reaching back to 2010. The CAGR, the composition of which we will see later ordered by type, has been zero since that year. To find growth, it is necessary to add sparkling wine to the list, which with an average of +11% brings the curve to above 9 million hectoliters, adjusting the total CAGR at +2%.

Meanwhile, the evidence shows that, without sparkling wines, the American market would have remained as it was ten years ago, with a reshuffling effect among the various competitors (think of the disaffection towards Australian products). Then, within a compound that has always remained the same, something moved upwards, attempting to widen it, and something else pushed in the opposite direction, showing resistance (Graph 2): historical trends say that the push effect was given by rosé wines, French of course, which accumulated a growth of 17%, reaching 8% of the total of still wines in 2022. On the other hand, those which did increase were red wines, which fell by an average of 1%, from 4 million hectoliters in 2010 to 3.4 last year. Whites, on the other hand, were the most sensitive in positive terms as regards the pandemic: a flat line at 3 million hectoliters un-



1. Total wine imports (million litres)



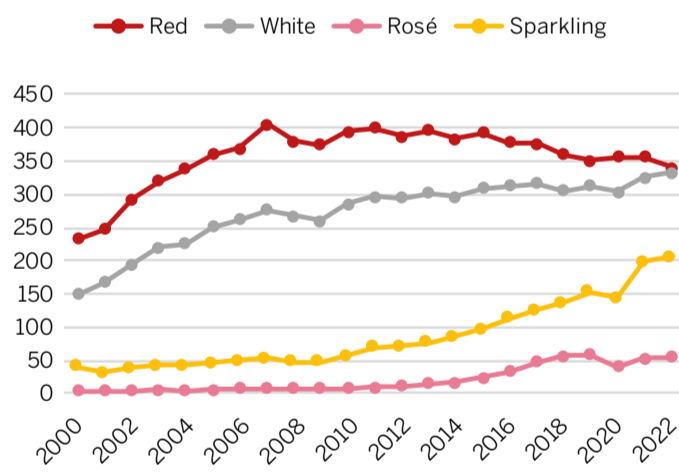
til 2020, then a sudden increase in the following two years to 3.3 million, with a ten-year CAGR of +1% and prospects of catching up or overtaking over the reds as early as this year. If we also include sparkling wines - which, incidentally, in 2021 made an extraordinary recovery after a disastrous 2020, only to consolidate their positions last year (at 2.1 million hectoliters, a record level) - and taking a look at the curves, it

CHROMATIC CHANGE

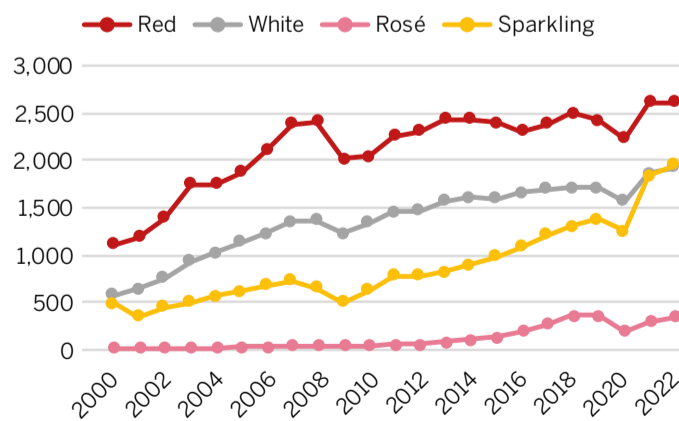
By CARLO FLAMINI - *UIV Wine Observatory*

Wine sales from the main suppliers are changing dramatically: reds are only increasing in value, while when talking of white wines the New Zealand cap effect is dulling Italy's premium ambitions. Italy is now, with bubbles at 34% - for the first time in 2022 above the reds -, increasingly a sparkling country

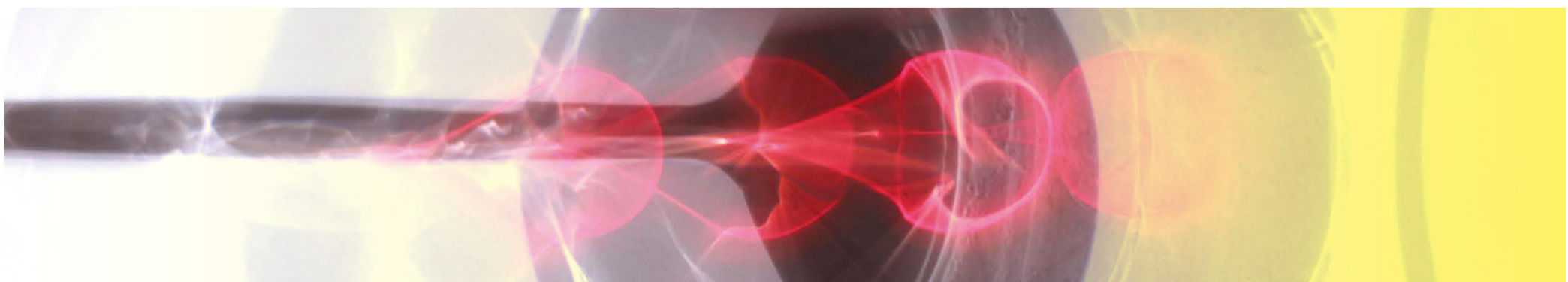
2. Imports volume (million litres)



3. Imports value (million US\$)



Let us see the effects on the values column (Graph 3). The situation seems to show that while volumes are falling, those that remain move on average into higher price ranges. Considering that the dollar has curbed the inflationary effect imported from Europe, since 2021 red wines have been ranging between 7 and 8 dollars per liter, against 6-6.50 in the previous five-year period. But the signs of premiumization were already being felt immediately before Covid, in 2018/19, when it rose to 7 dollars. The CAGR since 2010 of average prices says +3% for reds, against +2% for reds and rosés. The shift towards higher average products is therefore underway, and seems to indicate to the suppliers that in the coming years those who remain will be happy even if selling something less, while the others - many - who fail to upgrade will find themselves competing in a harder contest, taking part in the classic game of the chair.





The Situation of Red Wines by Country

The current situation shows Italy in the lead as a supplier of packaged red wines (Graphs 4 to 7), with a flat trend since 2012 (Cagr 0%), but a progressive accumulation of value (+3%), driven by an average price rising by 3%, to USD 8.40 per litre in 2022, against an average of 7 until 2018. Here too, the post-Covid effect, which has anaesthetized the volumes, is pushing up values. There is a stable trend for the French, who, in addition to Covid, were hit by Trump's sanctions in 2020 (-14% on 2019 in value), which they compensated in volume by raising the average degree above 14% and sending huge bulk quantities:

In the end, the balance sheet reports a recovery in values, with Italy catching up, and a return to 2008 levels, with a Cagr of +7% and an average price of +4%. Among the New World suppliers, the most affected apart from the Australians (9% loss in value, reduced to 1/3 in volume) are the Chileans, who have been losing an average of 5% per year since 2010, both in volume and value. On the other hand, the honeymoon of the Argentines seems to be over, after a peak that lasted about 7 years and that had led them to overtake the French in terms of volume. Flat line for Spanish wines, although a hint of a push on prices is bringing values up by an average of 2%.

In general, therefore, the drop in volume recorded in the red wine market at the beginning is a mix of structural declines for Australia, Chile and Argentina, counterbalanced by stability (equally structural) in France, Italy and Spain. As regards value, premiumization is rewarding Italy and France, and to some extent Spain, while New World wines remain nailed to the indicators of the beginning of the decade.

In terms of values, on the other hand (Graph 12), having said the difficulty of whites in breaking through the 700 million dollar threshold, it is the reds that are showing that they are better able to intercept the push of the consumer towards production with greater add-

The Situation of Whites by Country

As for whites, overcrowding is less (Graphs 8 and 9): until a decade ago, it can be said that Italy's competitors did not exist (with the obvious exception of products made in the USA). In the last five years, however, Italy's dominance has been challenged by the ascent of New Zealand wines, which have been able to produce an average growth of 10% in

value, which has brought them to a gap with Italian Pinot Grigio of 250 million dollars, compared to 470 million dollars in 2011. Compared to these figures, Italy's progress (+3%) not only pales in colour, but the remark made earlier about sparkling wine - the erosion on reds - can be repeated here: how much of the relative volume stability of Italian whites (+1% over a ten-year period) can be attributed to the rise of New Zealanders? How much, in essence, have they acted as a brake on the premium aspirations of Italian wines, ending up relegating them to a position from which it is almost impossible to escape (except for exceptional events such as the post-Covid period)?

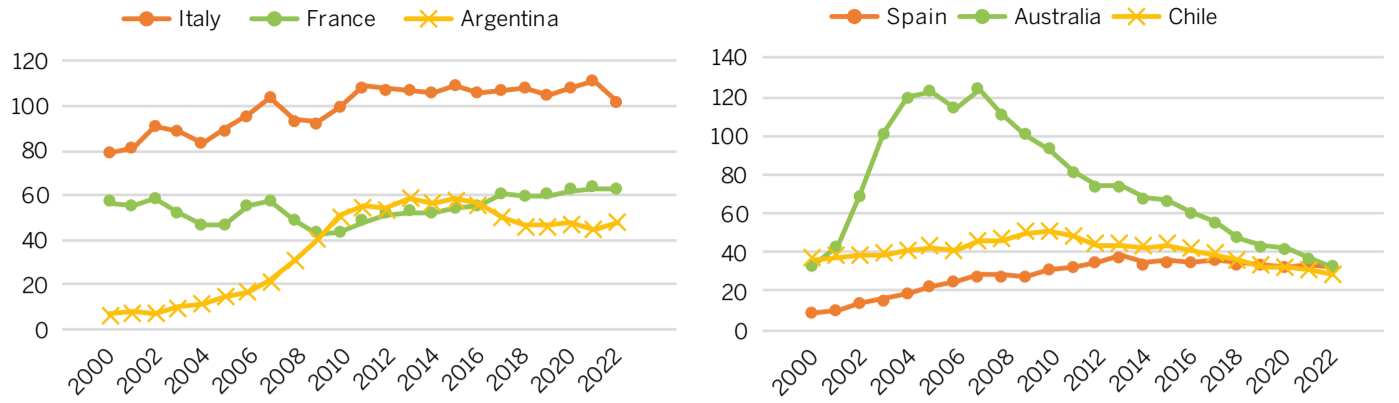
The Italian Reshuffle

The point made for the market in general, i.e. the absence of growth not mentioning the sparkling wine, also applies to Italy, which is the largest supplier of bubbles by volume, with a 61% share. In volume terms from 2010 to 2022 the growth of still wines measured as Cagr is a modest +1%, but when we add sparkling wine this rises to +4% (Graph 10). Sparkling wine, which in the period under consideration produced an increase of 16% (1.3 million hectoliters), becoming - with two consecutive leaps between 2021 (+31%) and 2022 (+10%) - the second most exported category, overtaking red wines for the first time in the history of Italian trade with the USA. Looking at the volume curves (Graph 11), as early as this year, if bubbles maintain constant growth, they will also be overtaking white wines, and therefore Pinot Grigio.

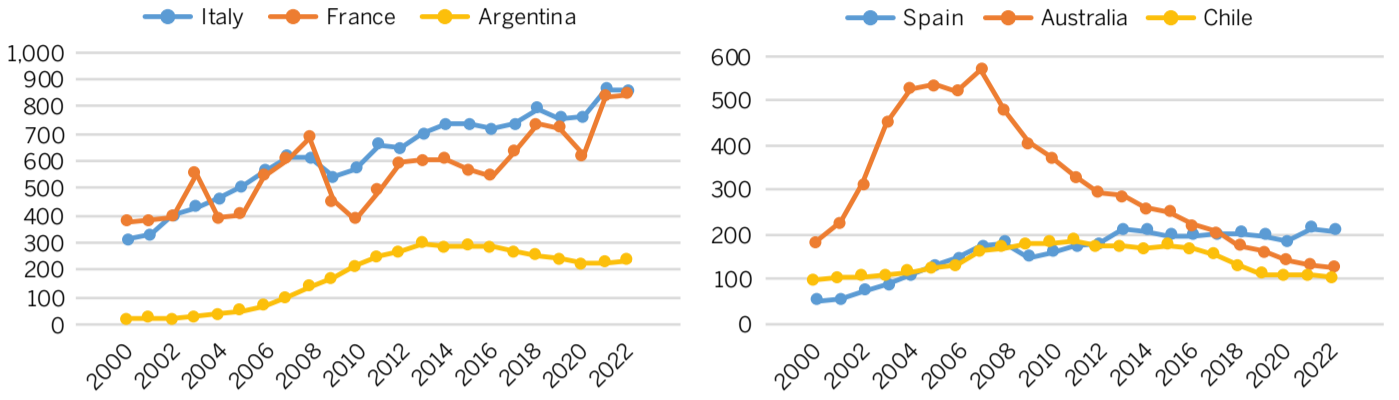
Still looking at the trend of the three lines, one can be tempted to say that the departure of sparkling wine has had a more decisive impact on white wines, already under competition with their New Zealand counterparts: whites that from the record levels reached in 2016 (1.4 million hectoliters) have begun a gradual and steady descent, exceptionally reversed only in 2021, the year of rebound for all. The dynamics of reds tended to be detached from these movements, remaining as we have seen above in a rather stable band of 1.7 million hectoliters on average, with Cagr 2022/10 equal to zero.

As for whites, overcrowding is less (Graphs 8 and 9): until a decade ago, it can be said that Italy's competitors did not exist (with the obvious exception of products made in the USA). In the last five years, however, Italy's dominance has been challenged by the ascent of New Zealand wines, which have been able to produce an average growth of 10% in

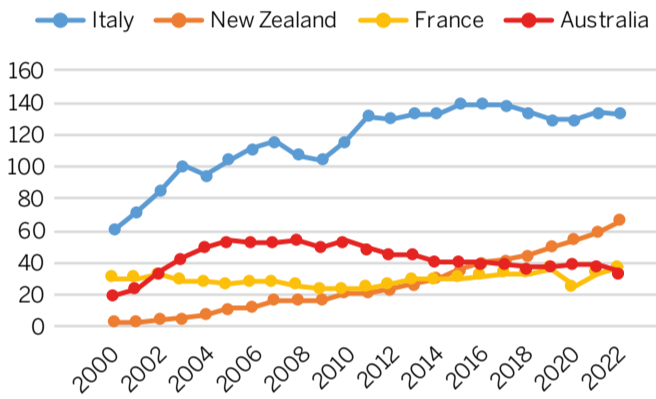
4 - 5. Red wine imports by country (million litres)



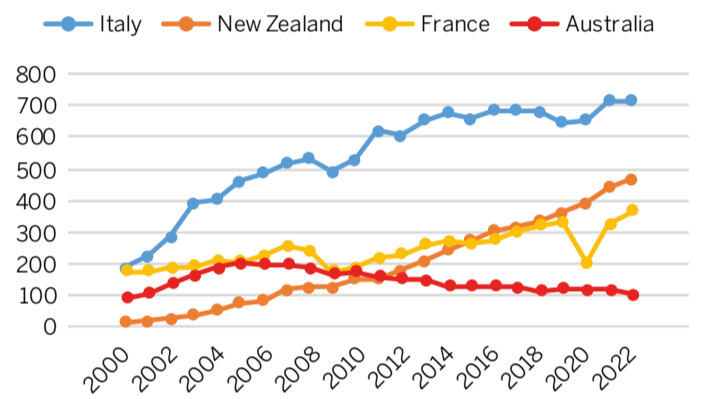
6 - 7. Red wine imports by country (million US\$)



8. White wine imports by country (million litres)



9. White wine imports by country (million US\$)



ed value: since 2017, when the gap between whites and reds had reached a minimum of 30 million dollars in favour of the latter, we are witnessing a widening of the gap, which has reached over 140 million dollars in the last two years. This is mainly thanks to an increase in average prices, which has seen reds increase by 4% per year since 2010, against a slim +1% for whites.

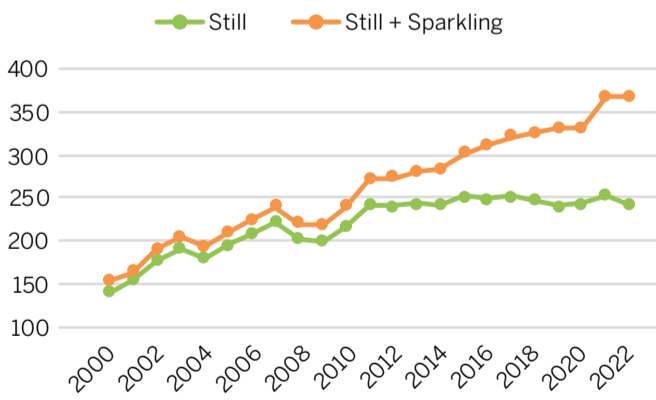
Sparkling Country

The new volume of Italian wine imports (sparkling wines 34%, whites 36%, reds 28%, Graph 13) profoundly changes the image of Italy on the market, especially among the young and very young generations: whereas just over ten years ago spumante was almost irrelevant (9% share), today in an ideal supermarket or liquor store 1 bottle out of

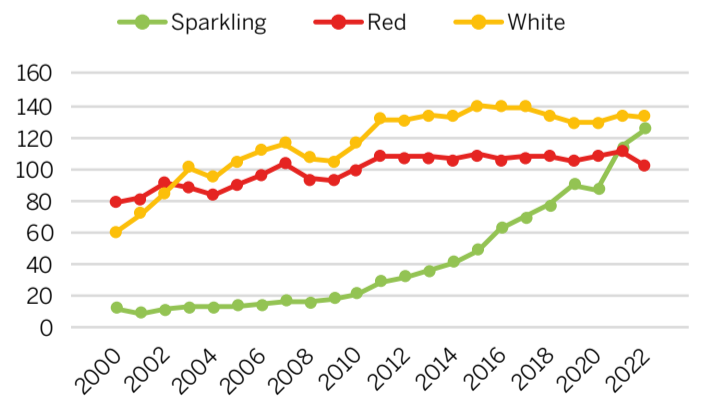
3 of Italian wine is located on the sparkling wine shelf. If the supermarket divided Italian and foreign sparkling wines, 7 out of 10 bottles are Italian brands, while 4 out of 10 are Prosecco. It is not odd to think that a young man who has approached wine consumption through sparkling wine has a very different idea of Italy from that of a boomer used to drinking Pinot Grigio or Chianti.



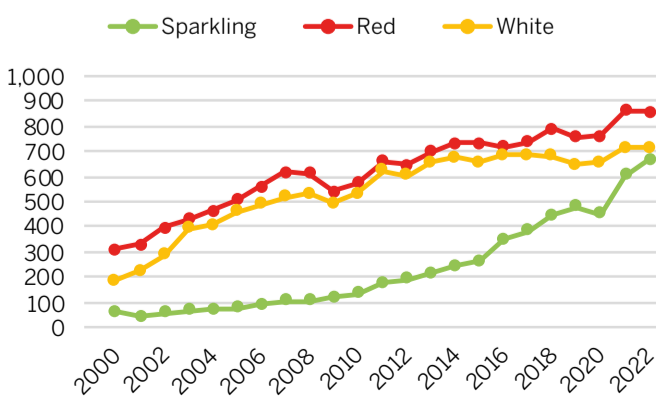
10. US imports of Italian wine (million litres)



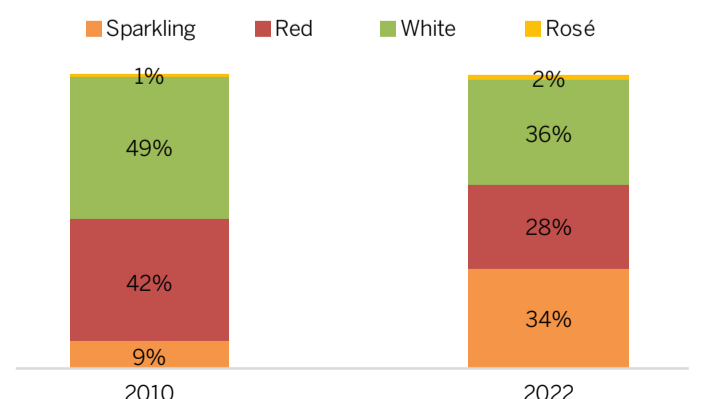
11. US imports of Italian wine (million litres)



12. US imports of Italian wine (million US\$)



13. Italian wine imports in US: share % volume





ALL OPTIONS ON THE TABLE, FROM DISTILLATION TO OFF-ROOTING



The Times Are Changing For RED WINES

Most of the wine producers didn't have to wait for the new and last surveys to understand that the wine market has changed a lot. The decrease in red wine consumption isn't new and the trend isn't going away. Some producers are ready for new challenges

By **CHRISTOPHE ANDRIEU**

Less, but better. Everybody has known such a refrain for a long time. In France, wine consumption is decreasing, like in many other countries, but consumers still want to drink better and more valuable wines. But now, a new trend seems to be impossible to slow down. Red wines are more and more impacted by new consumption patterns and wine producers have to figure out that they have to change their production, whether it is changing colors or uprooting some vines. Because this phenomenon seems to be irreversible. It's time to move on. For the first time in France, less than a bottle out of two is a red one while rosés wines (more than 30%) and white wines (20%) are still growing.

Far from some unsophisticated explanations, the Bordeaux wine producer, **Dominique Guignard** has some very innovative theories.

"In France, I do believe in some correlations," he said. "For the last decades, we have observed a real decrease in the attendance at Christian religious services. At the same time, we noticed an increase of monoparental families, mostly women with their children. I think that the first phenomenon desacralized the red wine. And, without a father at home, there was no introduction to this kind of wine at the table. It used to be the way of discovering wine, and specifically red wine." Naturally, the decrease is probably multifactorial.

"Our societies are less and less collective, and more and more individualistic," he said. "Now, at the table, everybody can choose his own drink, whether it is a wine, a juice or a beer." And it can be truly heartbreaking for only one red wine drinker to open the bottle up. In such a country very often considered as a Gallic one, does beer act as a new contender?

"Of course. And more than ever," he said. "There is a strong correlation in the decrease of wine consumption and the increase of beer, while spirits are not suffering. But, we didn't have to wait for some recent surveys to see the problem. It's been some years now since we've noticed that. It's easy for a producer to see that we are not selling our wine boxes as we did in the past."

Pessimistic Surveys

As **Jean-Philippe Perrouy** (Wine Intelligence) told us in the interview, "there is a strong correlation between the wine consumption and the age distribution of the consumers." Twenty years ago, average consumption was 55 liters per year for a French person; nowadays, it's under 40 liters. It's still a very high total but the 15 liters lost in less than two decades prove that the trend of lower consumption is quite strong. And if we dare to make a reference to the sixties, we have to remember that the average per person was 160 liters per year. Wine, and red wine first, was on every table. Quite everybody was drinking low quality wines even at work and even the children. Old times.

Of course, it's logical that wine consumption had to slow down. Nobody can imagine today a child who drinks some

light wine even with some water. Workers don't drink in their work place either. Health policies had done their good and normal job. Meanwhile, wine used to turn its image as a quality beverage, dedicated to some good times, simple pleasure or celebration times. The tasty part has been developed with the remarkable textures and flavors. Slowly, the mass market moves toward a more mature market. Less quantities but greater products. Less production and more valuable wines.

Of course, now, we have to consider that consumption is still going down and, according to some new surveys, wine producers must fear some inevitable changes.

The last Wine Intelligence survey has shown some very instructive keys. 47% of the wines are drunk by consumers over 55 years-old. The generation between 40 and 54 years-old represents only 25%. It's 21% for the 25-39 years-old and 7% for the 18-24 years-old. Very easy to understand that the younger ones do not drink wine. That might be a simple observation but they also claim that they do not like the taste of wine for 29% and that they do prefer other beverages (42%). Definitely, generation Z isn't the future for the wine market. Another survey, made by Kantar, showed

that wine consumption has dropped by 7% for the 18-35 years old whereas it was only 1% for the oldest. The same survey has highlighted the drop of the red wine consumption by 32% for the last decade! And there is no surprise when the older consumers are pleased by red wines (54%) while the younger ones do not like this color. Or, they could drink some light bodied red wines, more on the fruity side. Naturally these surveys may blow the whistle, but these informations are quite well known and for some years now, or even decades.

Real Decrease

More than the surveys, the market keys are even more important. For the GDO, the wine decrease consumption has been by -5,3% in volume (mostly red wines by -8,2%). The second wine distribution network in France, Cavavin (more than 150 franchised shops), has also noticed these real red wines decrease consumption.

"In 2022, the decrease was -18% in volume, -14% in value," added **Olivier Mermuys**, general director.

"In our shops, consumers are seeking some wine food pairings," he said. "Red wine decrease consumption is mainly correlated to beef decrease consumption." Of course, Bordeaux wines have been very impacted, "but not only, we noticed a decrease for burgundy wines," he said. "Older consumers still want their Bordeaux or Burgundy wines, but younger consumers do not seek for these standard wines, they want more unusual wine-food pairings. That's why red wines from Loire Valley or Languedoc are doing better. Consumers do prefer lighter and more fruited wines. Wines with too much alcohol are seducing younger consumers. They want wines with freshness, fruits with accessible budget. I don't think we face an overproducing crises. The dropping out comes



Dominique Guignard



Jean-Philippe Perrouy



Olivier Mermuys



more from the younger consumers tastes. Producers, specifically in Bordeaux, have to enlarge their range to all individual needs." Something that has already been done in Languedoc.

Ice Please?

Thirty years ago, such movements could have been attributed to some epiphenomenon but nowadays it's clearly a huge trend. **Jacques Gravegeal**, president of IGP Pays d'Oc (more or less 6 millions hectoliters per year, in Languedoc, more than the whole Bordeaux area) completely agreed.

"Long ago, I mean 20 years ago, I have been asked about the decrease of red wine consumption," he said. "Was it a cyclical problem or a structural phenomenon? Almost everybody seemed to be surprised when I answered it was a structural problem and I had some ideas about it. Firstly, the way of consumption changed a lot. I had noticed that almost all of the drinks were more and more drunk in an «ice» way, even the tea with the famous «ice tea». There was only one drink unable to be drunk so cold, it was the red wine. And I think it has been a clear mistake."

As the president of IGP Pays d'Oc explained, the service of the red wine at room temperature was related to typical wines, and most of them were from Bordeaux! "Clearly, it is an emblematic wine, very complex and perfectly aged, made for some kind of food like deer, jugged hare or wild boar," Mr. Gravegeal said. "You cannot refresh your wine with this kind of dish but, if you consider some other varieties, pinot noir for example, it's rather easy to serve this kind of wine as a refreshed one."

An explanation easily strengthened by another survey which claims that consumption of red wines has decreased by 32% in France during the last decade, a number that could be re-

lated to another decrease. Since 2010, beef consumption has really decreased very fast (-12%).

White and Fruity Wines

And this idea leads us directly to the second part of the explanation.

“That’s why, in our IGP Pays d’Oc, we decided to produce varietal wines,” Mr. Gravegeal said. “Now, consumers do prefer the fruity side. In our Languedoc region we are also able to produce Cabernets and Merlots but they are definitely not the same as in Bordeaux. We are not seeking the oak taste. It’s the same for our Pinot Noir. And consumers do like these wines.”

In a way, the problem of red wine decrease is potentially linked to a type of red wine.

“If you take a look at wines from Languedoc, you can see that between 2008 and 2020, the production has been stabilized,” he added. “But, if you look at it more precisely, you will see that AOC wines have lost 600,000 hectoliters, other IGPs have lost approximately the same, meanwhile our IGP Pays d’Oc wines have won 1.2 millions hectoliters.”

If you’re looking at the global Languedoc point of view, nothing has changed. But you can also understand that the balance is due to the contribution of IGP Pays d’Oc varietal wines. “80% of the wines sold in the world are varietal. With Australia, Argentina, Chile and South Africa, IGP Pays d’Oc is the fifth country of varietal wines and we may add California too,” Mr. Gravegeal explained.

“In this global market, France with all its appellation is quite an exception with Italy. If France has been able to put varieties on a pillar and has been able to create the idiomatic expression of terroir, we must say that varietal wines have been created in San Francisco. And we have to admit that the world market is there. The only question we have to ask ourselves is: do we want to play in this game? If not, we will have to suffer the decrease of the red wine consumption.”

For a long time, IGP Pays d’Oc has anticipated this evolution by choosing only varietal wine. “We always try to know where the market will go, what the consumers want,” he said. “When we decided some years ago to plant Pinot Noir, we did it efficiently. Actually, we are producing 150,000 hectoliters of Pinot Noir, it’s enormous.”

Indeed, wine producers from Languedoc are now respected for their ability to produce very intense and fruity red wines. Even with climatic changes, the president of IGP Pays d’Oc isn’t worried about higher degrees in the wines, which is clearly a brake for the consumers.

“It is also a long time since we are trying new varieties,” he said. “Yesterday, we had to wait quite a century to completely change our production. Actually, the renewal cycles are shorter. It’s easier to try and to renew our vines. Of course, top grafting may be more expensive, but it’s often a good solution to act faster.”

But if wine producers from IGP Pays d’Oc currently feel so optimistic and do not worry about the real decrease of red wine



Jacques Gravegeal



Guillaume Chalumeau

consumption, it is also because they are producing more white and rosés wines.

“It’s a real choice made twenty years ago,” he said. “When we understood that the market would turn like this.”

Actually, this huge IGP is producing 45% of red wines where Bordeaux, for example, is producing 80%. With such features, appellations like IGP Pays d’Oc who made alternative choices may have brighter days. And not only this region. Alsace, Provence or Loire Valley (only 19% of red wines) are already oriented to white or rosé.

Elsewhere

Rhône Valley did exactly the same observations, but solutions are a little bit different. “Yes, the red wine market is decreasing,” told us Guillaume Chalumeau, general delegate for Rhône Valley appellations which are producing 2,4 millions hectoliters per year, mostly red wines (78%), rosé wines (15%) and white wines (7%).

“But, it is mostly a matter on the French market,” he said. “On the export markets, we have observed some stabilization. We don’t have to forget that world wine consumption is stable and some places like South Korea or Singapore are very active. So, we’ve acted that our future is not only in France but mostly on the foreign markets.”

And it is probably linked to a structural unbalanced distribution for these wines situated on both sides of the Rhône river between south of Lyon and north of Avignon.

“Indeed, almost half of the Burgundy production is already sold to export markets,” he said. “In Bordeaux, the export is representing 46%. For our Rhône Valley production export is only 36%.”

Mainly, it is this weakness on the export markets that may produce some imbalance. Here also we have some unsold wines, but we are talking about 7-8% of the production.

“We are not on the Bordeaux scale,” he continued. “Our overproduction could be easily solved with a better adaptation to the markets. And it’s quite difficult to talk about the whole Rhône Valley appellations without some distinctions. Some appellations do not

have problems. Even in more problematic appellations a lot of wine producers are doing their job very well. It means that some producers still have to adapt their wine profiles to the markets.”

When we think about some lags between wines produced and consumption, we can easily imagine that red wine is no longer the only future.

“In the Rhône Valley, we also think about rosé wines even if we have to be careful,” he explained. “Nowadays, market demands are more tight than the years before. So many appellations everywhere in the world are making rosés now, there’s a little signal of overproduction. Rosé is an increasingly competitive environment. So, we do prefer to believe that our future will go through the white wine. We have a great card to play there and we have so many varieties that we can be optimistic.”

Recently, a very famous appellation for its red wines in south Rhône Valley (Gigondas) has obtained the AOC for white wines. For a very long time, another neighbour (Cairanne) was already adapted to produce white wines with great success. And what to think about the other even more famous neighbour of Châteauneuf-du-Pape, an appellation that sold almost all its white and red wines. In Rhône Valley, the «2031 plan» is searching for new opportunities, even some new varieties. Nowadays a greek variety (Assyrtiko) may be a new possibility with the evolution of climate change.

THE EXPERT’S VIEW ON RED WINE FALL

A Generational Problem

Jean-Philippe Perrouy is director of a French data society Wine Intelligence (IWSR group). For years, he has overseen lots and lots of survey. Decrease consumption of red wine isn’t a surprise for him. A trend linked to the age distribution of wine consumers



What do you think about the wine consumption in France and specifically about the red wines?

Wine consumption decreases year after year in France. Clearly, the red wine consumption is decreasing faster than the two other colors. Traditionally, wine consumption is correlated to two factors, the frequency and the age of consumers. The more a consumer drinks wine and the more he drinks red wine. Coincidentally, the oldest they are and the more they drink.

So, is it a matter of generations?

Yes, probably. When we are looking age distribution, it is quite clear that the younger ones are more and more occasional drinkers. Actually, we can observe that the regular wine drinkers are, at least, 55 years-old. These people are drinking wine every day during their meals and, mostly, they are drinking red wines. But these oldest generations have not been replaced. The younger ones are more occasional. And when they are drinking wines, it’s not only red wines, it may be white, rosé or sparkling.

Is it also a problem with the wine consumption during the meal?

At least, it’s easy to notice there are some structural changes. People aged under 55 do not necessarily drink wines during the meal which appeals different kind of wines. When you are sharing an aperitif, you don’t think immediately of a red wine. You want something with more freshness. It can be rosé or white wine but also some other beverages.

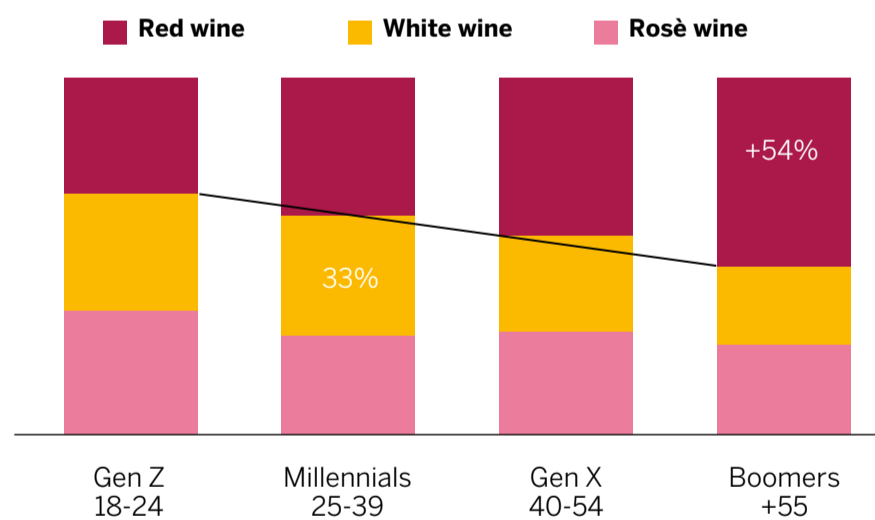
Does the “climate change” influence this wine consumption?

Maybe. When the weather is warmer, everybody seems to be attracted by lighter beverages. That’s why white and rosés wines are less impacted by the global consumption decrease.

Did you notice the same observation for some other countries?

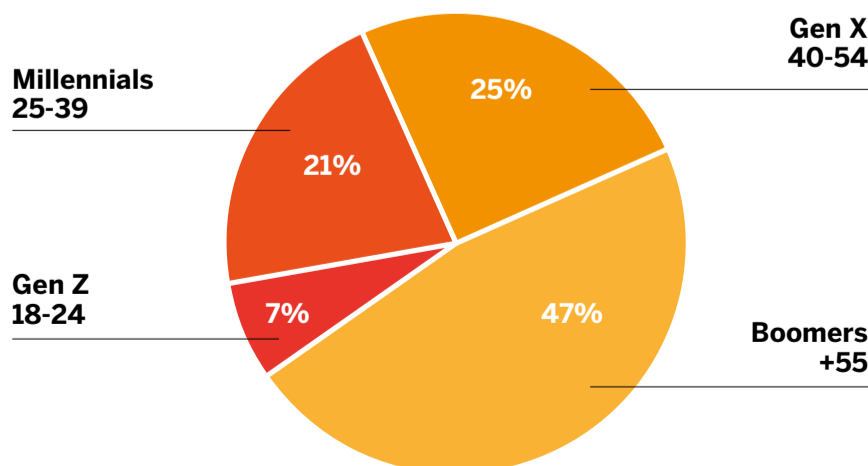
Globally, the trends are the same approximately elsewhere. Wine consumption decrease is global. But, the level of consumptions was not exactly the same. In France, traditionally, the red wine consumption was very high. In the UK, white wines already had a great place. That’s why red wines are even more impacted by this decrease. (C. A.)

WINE CONSUMPTION BROKEN DOWN BY WINE COLOUR AND AGE GROUP



Data by IWSR - Wine Intelligence

FRANCE - WINE CONSUMERS BROKEN BY AGE GROUPS



Data by IWSR - Wine Intelligence



RED WINE CRISIS IN BORDEAUX

Cut Them Off. OR THINK WHITE!



For centuries, wines from Bordeaux have been the powerhouse of the wine market. For many decades, they were the red kings but, since the end of the nineties, markets have been changing with the world's decrease of red wine consumption, specifically in France. And Bordeaux is more and more impacted. Solutions need to be found for the future as well as for now



Twenty years ago, a huge poll was made in the United States of America about wine. Respondents had to say their spontaneous top of mind. Merlot, Cabernet, Chardonnay and Zinfandel were ranked between second and fifth place. All of them were varieties, but the first place was dedicated to a city, Bordeaux. The answer should have been the same approximately everywhere on earth. And when you think about Bordeaux, you immediately have red wines in your mind. According to the latest economic studies, there might be some real bad news for the whole region as the red color looks so poignant there, but too old-fashioned. The question isn't quite new but, actually, wake-up calls have never been so strong. Market surveys after market surveys, polls after polls, or simply key numbers attest to a real erosion of the red color. And, of course, it's time to blow the whistle. "We cannot deny it, all the surveys are showing the decrease of the red wines and it's not only a problem for Bordeaux wines," said **Dominique Guignard**, from Château Roquetaillade La Grange, and president of Graves wine syndicate. "It's a rising trend, a new way of consumption." An observation also shared by **Philippe Cazaux**, general director of Bordeaux Families, one of the biggest French cooperative (5,000 hectares, more than 300 winegrowers, approximately 300,000 hectoliters). "Everybody noticed it," he said. "We can't deny there is a structural problem but it's always related to the evolution of consumption patterns. There's nothing new. More and more people are no longer taking their meal at a table, and it has changed the way of drinking wine, too. I don't believe in the older world. Consumers have changed and we have to adapt our productions, even faster than ever. When the consumption decreases by -10% year after year, it's no more a circumstantial crisis, it's a structural one and you have to adjust your production. And very fast." But, we have to notice that red wine production in Bordeaux is still at 80% of the global production.

Think White, or Sparkling

For a Bordeaux producer like Dominique Guignard this historical situation is quite a paradox. "Indeed, for the last fifty years we have been a great region for red wines," he said. "But we for-

got that it was not the case before. After World War II, Bordeaux was producing mainly white wines."

That is totally true. In 1973, a famous survey anticipated this new way of thinking of the Bordeaux colors. Mr. Roudié, a wine specialist who carried out great surveys between the sixties and eighties, was very surprised to observe the new passion for red wines. Higher prices, bigger productions, he was announcing what will be the next thirty or forty years following his survey. Another "Golden Age" for Bordeaux. And as the white wines looked abandoned by consumers, white grapes have been replaced by Merlot and Cabernets approximately everywhere. But some appellations like Bordeaux, Bordeaux Supérieur, Entre-deux-Mers (only white, until this year), Côtes de Blaye or Graves never gave up with their white production. Of course, red wines became the new kings for the last five decades.

"Producing white wines may be a good solution in the future," said Mr. Guignard. "These wines are easily recognizable. Instantaneously, the consumers find their pleasure. White wines, but also rosés wines, are easier to produce, less sophisticated and less pretentious. Now, when you talk about red wines, you think immediately about great wines, structured ones."

In Bordeaux too, a lot of wine producers didn't wait to run straight in the wall and already changed their roots.

"For the last decades, white wine production in Bordeaux was decreasing," Mr. Guignard said. "In the last few years, this decrease has been stopped and now it's completely stabilized. And I can bet that in the next five or ten years, the white wine production will increase again."

"Last year, we sold white wines six times more than the year before," said **Xavier Leclerc**, director of Château Leroy-Beauval. "When consumers taste them they do not say it's bad because it's a Bordeaux wine. No, they really appreciate it. Bordeaux bashing is mainly a vision of very few people, mainly in our own city."

In the Bordeaux appellations that already produce white wines, it will be an easy path. Sauvignon or Sémillon are already perfectly managed. Better, with climate changes, it's a real opportunity for many white grapes.

Philippe Cazaux from Bordeaux Families con-

fessed that "climate change will be very good for our Sauvignons and it is time to understand that we have to work again our soils with organic fertilizers. We had forgotten some basics for a long time."

And this wine cooperative didn't wait to change its production.

"Six years ago, we were producing 2/3 of red wines," he added. "Now, it's only 40%."

Quite the opposite of a Bordeaux producer but this cave is so big that we have to consider this one as a real pioneer.

"For a long time, our cooperative has been involved in the sparkling wines, and now it's even more than ever," Mr. Cazaux said. "There are real markets for these wines but not only. We also produce more simple wines in cans or made some investment in de-alcoholized wines. Adaptation to the markets is the only key."

And the movement will become even bigger when some "pure" red wine appellations (Médoc, Saint-Emilion...) will be invited to play on the field. Actually, a wine producer from Médoc, Haut-Médoc or Listrac for example cannot sell his white wines with a Medoc AOC. But, they still have the possibility to use the larger banner of Bordeaux white wine. In France, it is usually very long to move on when you decide to change schedule of conditions. But it's not impossible. Recently, it has been the case for AOC Gigondas (south of the Rhone Valley) after a long decade of debating and writing new conditions by adding mostly white Clairette, white Grenache, Marsanne or Roussanne in the vineyards. In the South West of France, the small AOC Fronton is also preparing the introduction of a rare and endemic white variety (Bouysselet) in an appellation only well reputed for the red and rosés wines mainly produced with the endemic variety of négrette.

"Probably structures like Inao will have to move on faster," said Dominique Guignard. "Inertia of these kinds of structures is usually very important. But the world is changing very quickly and it's sometimes discouraging to put so much energy just to change one line in the schedule of conditions. But, be careful. When we are talking about the decrease of red wine consumption, it is mostly on our native market. On the export markets, decreases are more short-term slowdowns. Bordeaux is still a magic name. That's



Philippe Cazaux



Xavier Leclerc

why we have to remain an example. Wines from Bordeaux have a specific Dna. I'm not sure Ferrari would like to make trucks one day. But at the same time we have to find our consumers."

When Climate Change Could Become an Ally

If the possibility to redirect a part of the production to the sparkling, white wines (or rosé wines) seems to be logical - and many other regions proved it is a very good solution - the climate change and the new hopes of consumers with their green wishes could be also some new challenges.

Dominique Guignard confessed that "some mainstream media seem to be delighted when they are talking about Bordeaux' problems. We may talk about some Bordeaux bashing. Sometimes, our appellations are stigmatized even on the green part whereas Bordeaux is the biggest AOC in France which is bio certified. Of course, there's still a lot to do but Bordeaux wine producers have already done a lot of efforts. We often hear about the climate changes and the negative consequences it may have. Yes, it will be a problem for our Merlot grapes even if we have some technical abilities to act better. But for our Cabernet Sauvignons, climate change is absolutely our best ally."

"And not only," added Philippe Cazaux. "Absolutely, climate change will be a chance for our Cabernets but for our Malbec or Petit Verdot too. More and more of these varieties are planted now."

With such an answer, naturally, the question of new varieties is somewhat a non-sense for the next few years or even decades. Well-rounded and fruity wines, more appreciated by the red wines consumers may be a good way out for a lot of wine estates while the super structured wines could remain the privilege of the famous Grands Crus, those wines not really concerned by the red wine consumption crisis. And with

these new weather conditions, we can expect that it will also be easier to have more and more sustainable viticulture in the Bordeaux area. Besides the AOC "doxa," we can see more and more producers who try to find new paths, not only beyond the generic Bordeaux appellation but also through the national denomination "Vin de France."

Dominique Guignard carried on. "Many times, it is about individual experiences," he said. "I didn't say it wasn't the right way but I think that most of these individual efforts are done on a short-term basis. And I do prefer when we are able to share some values, together. I'm very convinced that there is a strong way for our appellations."

"We always talk about our AOC appellations in Bordeaux but for our rosés wines we have an IGP Atlantique which is great," agreed Philippe Cazaux. "Our wines are very appreciated and easily sold."

Distillation and Off-rooting

Despite the efforts made here and there, red wine production is still bigger than what the market was waiting for.

"For the last few years, we produced between five and six millions hectoliters per year," Mr. Guignard said. "While we were able to sell between four and four and a half million hectoliters."

It's very easy to understand. Bordeaux is producing too many red wines and distillation will be the key to regulating this market.

"For a wine grower, distillation is a real heart-break," he said. "But at the same time, it means that we didn't listen to previous signals."

It's not the first time that some Bordeaux wines will have to be distilled and a massive 200 millions euros plan has already been scheduled. Two years ago, during the pandemic, it was already the case. But distillation is only a short-term solution. Three months ago, a big protest was organized in the streets of Bordeaux. Many winegrowers wanted a huge pulling out plan. We were talking about 10,000 hectares, which is approximately ten percent of the surfaces. The inter professional council of Bordeaux wines (Civb) has alerted the French government as early as may 2022. For many months, the Agriculture Ministry did not seem to listen to these quite high demands. But, by the end of last February, things had changed a lot and very fast. Most of the consequent claimed they have found good solutions. At least 30 millions of euros have been put on the table to finance the off-rooting. And, suddenly, this thorny issue has been fortified with new public subsidies. Now, we are talking about 16 millions of euros added to the previous plan (8 millions from the French government, another 8 millions from the CIVB). Ever more, European funds of Feader might also be involved in this tremendous financial package and the big Aquitaine region will also raise some other 10 millions for the next years to accompany at least 300 winegrowers and good surprises can

still be planned as some other public subsidies may be added on a more locally basis. With all this money raised for the off-rooting plan, Bordeaux has the goal to uproot between 9,000 and 10,000 ha with a 6,000 euros per hectare prime for the winegrowers. Whereas this plan is somewhat unexpected, some protesters already think it is a non ambitious plan and still want 10,000 euros per hectare. Some others think that 10,000 hectares off-rooted are not enough. Behind the scenes, some stakeholders are talking about more than 30,000 hectares off-planted to find a good balance in the future. But Philippe Cazaux does not totally agree.

"It's a good solution for winegrowers who will retire and are not able to sell their vines," he said. "For our winegrowers, it won't be a very good solution because we already took the decision to plant more white grapes. And I think, very often, it could be a very good solution to act like this, to focus on the production of rosés, white and sparkling wines. Of course, we have to act very quickly because the markets are changing very fast." If another poll was to have taken place in the next months or years, we can bet easily that Bordeaux would still be a top of the mind answer for most of the wine consumer. But in the next decades, perhaps they will think about this famous brand name for their white, sparkling or very fruity wines. It's quite sure that, actually, Bordeaux wines are at a new important and vital crossroads.





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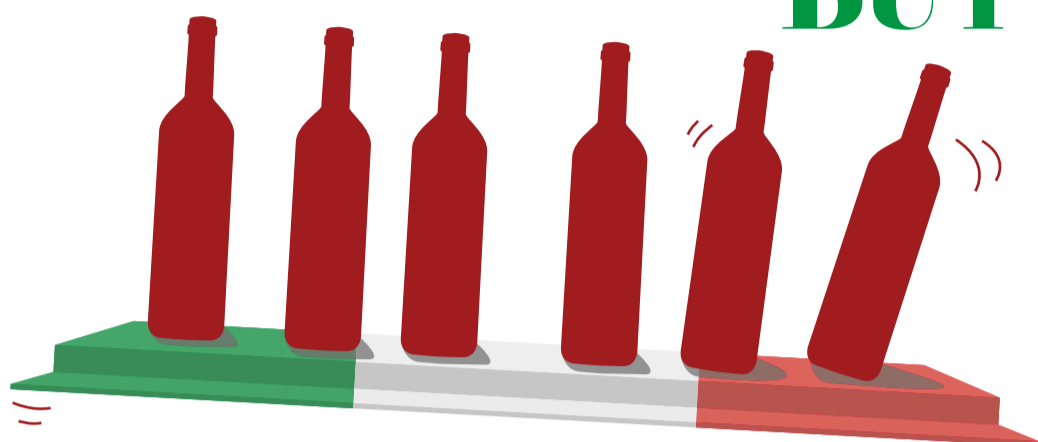
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GLOBAL TRENDS AFFECT ITALY AS MUCH AS OTHER COUNTRIES

Reds Slow Down Also On Italian Shelves

BUT NOT DRASTICALLY



The “premiumization” effect has hit all sales channels, from wine shops to large-scale distribution, with a reshuffling of volumes and values. Meanwhile, the new generations are pushing for fresher, easier wines, showing a social trend that goes towards whites and sparkling wines

By **FRANCESCA CIANCIO**

It was a litmus test the one recently observed in France - with a verified crisis in red wines that is even pushing towards explants and distillations in Bordeaux - and that is valid for most European countries, where demographic, social and economic phenomena are equally connected. As on the tables of our French neighbours, wine continues to be strongly missing from the everyday tables in Italy, too, and more associated with festive occasions and special occasions, also changing consumer choices.

The family environment, on the other hand, is increasingly smaller - and therefore less suited for the consumption of whole bottles - while dietary changes - less red meat, attention to a vegetarian diet, healthier lifestyles - penalise structured wines. Finally, the great heat of these recent years and the pessimistic forecasts on global warming, discourage the choice of demanding labels in terms of alcohol and taste, typical characteristics of most red wines.

Is it a structural crisis or a cyclical trend? Some experts seem to lean more towards the second hypothesis. If, on the other hand, we are talking about social phenomena, it is not certain that such a change will not be followed by a return to previous habits. This is to say that, by listening to the distributors, sellers and sommeliers, there is a drop in the red wine segment, but it does not worry that much, as long as there are several opportunities to balance the loss. Let us see which ones.

Vinarius, the Association of Italian Wine Shops, outlined some trends in its usual end-of-year report, last December. A few months later, we analysed it with **Andrea Terraneo**, wine merchant and president of the category association.

“Wine shops undoubtedly have a privileged point of view of the wine market, and are able to observe and anticipate the behaviour and choices of the final consumer, thanks to a direct dialogue,” Mr. Terraneo said. “Last summer’s abnormal heat caused a drop in sales between 20 and 40%, compared to summer 2021, according to 43% of the members interviewed. A good 30%, on the other hand, brought home an increase in sales between 10 and 30%. The remaining group showed no noticeable change. Arriving at Christmas, there were no major shocks and the pre-covid trends showed even more solidity: therefore a success for white and rosé sparkling wines, an affirmation of still rosés and a consolidation of the iconic red denominations such as Amarone, Barolo and Brunello. If it is true that less red wine is being sold, we can however say that it is selling better, with a growth in value, and this applies to all references, which compensate for the loss in volume. The price range between 15 and 20 euro stayed constant, while the price range from 20 euro upwards suffered less, and the most penalised was the one below 8 euro.”

Considerations of the end-of-year confirmed also by **Corrado Mapelli**, General Manager of the Meregalli Group, who points out that the numbers for January 2023, compared to the same period in 2019, show a drop in the incidence of red wines on the total business of the famous Monza-based distribution company - from 33.5 percent to 31.4 percent. Yet they still end up first in the ranking of sales volumes.

“The best-known denominations and the big names remain solidly in the lead,” Mr. Mapelli



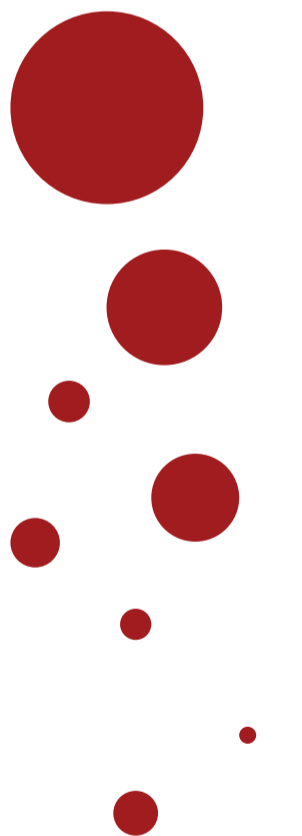
Andrea Terraneo



Corrado Mapelli



Francesco Scarcelli



explained. “On the other hand, the smaller and unknown realities suffer. It is true that a growth in terms of awareness has led consumers to prefer still whites and sparkling wines in all seasons, while reds remain anchored to a winter consumption, but this is a normal fact, so it does not worry us. Therefore it is not a question of replacing some references with others, but rather of adding them, and among these there will certainly be easier to drink reds and with a lower alcohol index.”

The generational issue has its weight. Mr. Mapelli makes an interesting comparison with spirits: Barolo and Brunello for the over-50s stand to Armagnac as Pinot Noir or a vintage Nebbiolo stand to Japanese whisky, both much loved by the younger generation.

This idea is also shared by **Francesco Scarcelli**, brands purchasing manager for wine, beer and spirits of the leading Coop Italia, who explains how Millennials are at ease on the shelves of large-scale distribution with sparkling wines, having Prosecco among their favourites and with an entirely youthful trend to consume less

food and labels with a lower alcohol content.

“Most notably Coop, in terms of volume, has lost seven percentage points in 2022, five on whites and almost nine on reds,” Mr. Scarcelli added. “We are talking of the price range from four to seven euro, where volumes are made, whereas those under four euro are growing, while those used to spend large sums continue to do so.”

According to the Coop manager, we are facing a fairly structural trend, the downward of a curve of which, however, should by now have reached an end. “There is no need to be dramatic about the reds, but a valid solution could be to focus a lot on pairing,” he said. “Because this type of wine lends itself very well to pairing. Our usual assortment maintenance tells us that we are moving more and more towards quality choices, that our consumers are buying bottles that they used to drink only in restaurants, that in the world of sparkling wines there is an increase of zero-dosage and low-priced labels such as charmats. Low-dosage wines, such as organic wines, show a positive trend but are not yet relevant in terms of sales volumes.”

SIGNORVINO: “FOR FOREIGNERS, ITALY IS STILL, ABOVE ALL, A LAND OF RED WINE”

Luca Pizzighella, Signorvino’s general manager, is also calm, and reiterates how reds are the true “signature” wines of the Veronese brand. “We evaluate and pay attention to all market trends, from sparkling wines to rosés, from less alcoholic wines to those with organic certification,” Mr. Pizzighella said. “But when it comes to company sales volumes, reds remain our core business and are the most important category in our assortment, chosen mainly by wine lovers. On the shelf and at the table, foreigners like them so much that they continue to identify - and not wrongly - our country as a producer of excellent red wines. They choose them in combination with food and prefer historical appellations and important brands. Among all the types, Valpolicella, Pinot Noir and Nebbiolo always perform well. Among the outsiders that are giving us great satisfaction we find Cesanese del Piglio from Lazio.”



Luca Pizzighella

DIFFERENCES FROM NORTH TO SOUTH, BUT ALSO WITHIN THE SAME REGION

ITALY, The Land Of Red Wines BUT UNTIL WHEN?

The first wine producer in the world reflects the variability of a diversified and assorted territory. Rather than a generalized crisis, the decline in red wine consumption should be identified with the success of some areas and some types, against the obvious difficulties of others. Tuscany and Valpolicella are doing well, some wines in Piedmont and Abruzzo are being rethought, Puglia is relying on Primitivo while in Sicily it's "red alert"

Texts by PATRIZIA CANTINI, ANTONELLA GENNA, SERENA LEO, FRANCO SANTINI

What happens instead in those mixed realities where bottles are on sale but are also consumed at tables? In the case of Eataly, there are no substantial differences between white, sparkling and red wines drunk in the food areas, while the reduction in red wine consumption appears clearly, with numbers in the hand, in take-away sales, as explained by **Andrea Cantamessa**, global beverage category manager of the company founded by Oscar Farinetti.

"Considering a period of four years from 2019 (the last year not affected by the pandemic) to 2022, between 10 and 15% of sales volume was lost, but on the other hand the level of purchase was raised, which brought the average selling price to +20%. Basically, in our wine shops we observe sales of wines with a higher price, more than in previous years. This is probably due to self-gratification done by several customers during the pandemic periods, which has prompted them to buy more valuable bottles. Today, those choices have made their way and the trend has perhaps consolidated. However, we also notice a reduction in consumption of whites and sparkling wines, here the big difference is the sharp increase in the average price, which is 30% higher than in 2019. As for whites and classic methods there is also a search for labels with more character."

Piedmont at Crossroads

Red wines are "stumbling" on the international markets and Piedmont is likely to be one of the most affected by this trend. The production of red wines represents about 60% of the regional total, but the growth of sparkling wines and some white appellations is nibbling away larger market shares. Is it therefore necessary to produce more and more white wines, following the market, or try to interpret some reds in a modern way, with the exception of Barolo

and Barbaresco, whose sales are growing?

Filippo Mobrìci, President of the Consorzio di Tutela della Barbera, Vini d'Asti e del Monferrato told us that "the drop in consumption of red wines is evident and there are many causes: from climate change to a post-lock-down effect, with a return to consumption away from home, where certain types of wine are more popular. I would not, however, speak of a debacle, but of a slight downturn (with encouraging signs of a recovery in this early 2023), which mainly affects the large-scale distribution segments. But the issue is also macroeconomic and therefore cyclical, with a large part of consumers with a lower spending capacity. The fact is that the most pop-

ular wines are also those that make volume, and a slight drop of percentage is noticeable in terms of overall numbers."

Faced with the need to find a new physiognomy for red wines, Mr. Mobrìci's response was clear.

"Changes in the countryside have a slow pace and we have struggled for decades to learn how to make great wines in the vineyard," he said. "But then came global warming, which pushed up the alcohol content. Then came the attacks of the so-called anti-wine-consumption committees. In the future, there will be more threats, and we are looking for the answer in genetic research, the vineyard positioning and in the correct management of harvest time."



Piero Quadrumolo

Piero Quadrumolo, president of Vite Colte, a company engaged in the production of top-range wines for the Horeca market (with the exception of the Terredavino brand that is making quality wines in large-scale distribution), also speaks of a situation with light and shades.

Filippo Mobrìci



Andrea Cantamessa



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“On the export front, declines in some markets are balanced by growth in others,” he said. “In Italy and Europe in general, the decline in demand for red wines has unfortunately been a well-known phenomenon for years. Whites and bubbles are growing, so what we lose with Barbera or Barolo, we gain with Arneis or Gavi. In some contexts such as Asia, the USA and South America, important wines are still appreciated and it is the reds in the everyday wine segment that suffer, especially the sparkling wines. Then we had to in-

crease prices by 10-15 percentage points. Maybe in the US, with the exchange rate, they don't notice it, but in Italy the impact has been much more evident.” Talking of the acts that are being implemented to react to these new trends, Mr. Quadrumolo was frank. “Many of our members are planting white grapes and in Alta Langa the number of hectares planted with grapes for sparkling wine is growing rapidly,” he said. “In fact, vineyards of historical red wine are being lost. This applies for the minor



Enrico Gobino

denominations, because Barolo and Barbaresco have separate stories. Piedmont has always been a land of reds, but if the market shifts towards white or bubbles, we have to support it.” The last considerations came from **Enrico Gobino**, marketing manager of Argea, a company with nine production sites in five regions of Italy. “In our portfolio, red wines lost 5% of their sales volume last year (from 50% to 45%),” he said. “The greatest contractions were recorded in the products of Southern Italy, Puglia and Sic-

ily first, but also Veneto, while it must be said that Piedmont resisted, and indeed showed encouraging signs of growth. Denominations that have a recognized international prestige, from which great wines for ageing are expected, continue to do well. But I believe that the style of some reds of Piedmont can be very suitable for interpreting market demands: they are wines played on more marked acidity, more freshness and less alcohol like Barbera.” Regarding the actions to be taken to adapt to the new com-

petitive context, Mr. Gobino believes in a correct reading and interpretation of the market. “Red wines also pay for the fact that they are linked to consumption during meals and so we must widen the opportunities for consumption,” he said. “As Argea, we are giving these indications to our producers: interpreting the historical native varieties with winemaking techniques that optimise the end product in terms of more fruit and less opulence, in order to better respond to the needs of a market that has changed.”

Tuscany and Chianti Strong Brands and Synonyms for Quality

The exports of Tuscan wines fell in 2022 by 3% in volume but grew by 7% in value, demonstrating how consumers are drinking less but better. Chianti sales dropped by 14% worldwide, but the president of the Consortium **Giovanni Busi** showed little concern. “The change in taste is something we must study and accept, and towards which we must react by meeting new demands,” Mr. Busi said. “Today we need fresh, lighter wines with less color and we have to adapt by

changing clones, forms of cultivation and cellar techniques.” **Mario Piccini**, at the helm of a company that produces a lot of Chianti, believes that the change in consumption corresponds to a social fact, because red wine is increasingly taking its place at the table, abandoning the typical Anglo-Saxon consumption that often saw it as an after-dinner drink. But Mr. Piccini also adds a consideration linked to economic contingencies and price rises on the shelves, due to those of energy and raw materials. “The price of Chianti on the

shelves has increased and so the problem lies more in finding the right positioning for this wine that continues to have a very strong brand,” he said. “We must concentrate again on communication and work in order to make contemporary a production area that has all the right characteristics. There are also many markets yet to be explored or enhanced, China first and foremost.” The search for new roads to take is therefore necessary for Chianti and Mr. Busi intends to reopen a clear discussion in the Consortium.

“I think we must evaluate all opportunities, without prejudice,” Mr. Busi said. “We must not touch Chianti; if anything, we must support it with new types demanded by the markets.” Also Mr. Piccini agreed, because he remarked how lockdowns and online sales have given consumers the opportunity to space widely, opening up to tastes different than the usual ones. Producers must observe and study the market and meet the demands. In this sense, a type of Chianti rosé is certainly a possibility to be evaluated. Another giant in the region's wine industry is the Igp Toscana, which sold 95,000 million bottles in 2022. Of these, 77% are red wines, 18% white and 5% rosé. The consortium associates 136 companies and is chaired by **Cesare Cecchi**.

“It is true that the low end range of red wines has suffered some contraction,” Mr. Cecchi said. “But the situation is not worrying. The bubbly boom blew everything out of the schemes, and then there was the pandemic, then the rise in raw material prices. In short, there have been real tumultuous movements and producers today have to evaluate many factors: geopolitical, macroeconomic and sociological. We have to analyze markets and trends in perspective and act accordingly.” The Igp Toscana is not suffering on the markets, it's such a strong brand that very pricey wines coexist with labels destined to the shelves of large-scale distribution. In 2020, sales in the global large-scale retail trade increased exponentially thanks to lockdowns and in 2022 they marked a +2-3%. The name Toscana goes strong and is perceived as a symbol of quality. The Igp also gives producers more freedom. “We have to concentrate on lower-end reds, meeting the needs of consumers,” Mr. Cecchi said. “We have so many possibilities within the denomination. I see more concern for some denominations than for the color of wine, and with the price increases on the shelves we will see a necessary

Cesare Cecchi



Sandro Sartor



Giovanni Busi



Mario Piccini

repositioning of many Dop.” **Sandro Sartor**, CEO of Ruffino, added an important element to the discussion. “The mix of consumers is increasingly shifting towards gender equality and in the new generations there is almost no difference between women and men,” he said. “But statistics have always told us that women prefer white wines. On top of this we must consider that all consumption outside meals is now directed towards sparkling, white and rosé wines.” But there is also something more to consider. “Global warming is pushing everywhere towards cool wines and we have always *criminalised* those who dared to chill a red,” Mr. Sartor said. “Perhaps it is time to revise this axiom and be more precise and professional on the question of the correct serving temperature for red wines.”

Valpolicella. Territoriality and Technique

The President of the Valpolicella Consortium, **Christian Marchesini**, started from the numbers. “We closed the average of the last five years with a +7% increase in sales worldwide for the entire Valpolicella system,” he said. “The market is not problematic at the moment. The Valpolicella system has a specific weight of 67 million bottles a year between Valpolicella, Valpolicella Superiore, Ripasso, Amarone and Recioto, for a sales volume of more than 600 million euros, with more than a half referring to

Amarone.” According to the chairman, in 2022 the market for high-quality wines grew constantly on the Horeca Channel, which remains the privileged sales canal for the denomination's wines. And it is precisely in restaurants that Valpolicella Superiore also performs well, because “it is a fresh product,” Mr. Marchesini continued, “that is well suited to the restaurant sector. If anything, we are seeing a slowdown in the consumption of basic red wines. Consumers are turning to more important reds at

the expense of everyday wine. This is why the production of Valpolicella has decreased in recent years, because companies are increasingly moving towards the Ripasso and Superiore types, which are more demanded on the market.” So also in this case, the versatility of the denomination gives producers the ability to adapt to market trends: you sell less but better. And if in one year we have to go back, we are ready to react. And perhaps there will be less withering, also thanks to climate change, but in the end, no major changes of direc-

tion are expected. Marchesini also emphasises that the denomination is subdivided into terroir wines (Valpolicella and Valpolicella Superiore) and technical wines (Amarone and Ripasso), and on a closer inspection this further differentiation appears very interesting because it strikes different palates or perhaps the same palates but on different occasions. This year, the Consortium intends to focus on the Asian markets because they represent a huge catchment area that still has to be conquered.

Christian Marchesini



Montepulciano d'Abruzzo Needs Rethinking

Montepulciano d'Abruzzo is one of Italy's great red wines and has the ability to combine quality and quantity, as well as great versatility. And yet, it risks being one of the wines most penalised by the strong decline in red wine consumption, which sees a global crisis for wines with important

structure and challenging intake, especially in the medium-low range. **Alessandro Nicodemi**, president of the Consorzio Regionale di Tutela dei Vini d'Abruzzo stated that, “although an objective slowdown in volume, Montepulciano d'Abruzzo has appreciated by 7 per cent in the past year, because consumption in the premium and super premium range has increased. In some markets, the grape variety suffers from its characteristic of easily becoming a *vinone*, which is still appreciated in the USA. There is also still a demand in East Asia, but at lower prices, because at the same cost the importer chooses denominations that have a brand and greater market strength. In Eu-

rope, on the other hand, the situation is totally different: *vinoni* are struggling more and more.” For the future, Nicodemi points to two directions: “In the medium-low segments, producers must create fresher, leaner and more original interpretations. On the high range, on the other hand, we must translate the generosity of Montepulciano into great selections, played in elegance and evolutionary capacity, capable of competing with the best reds in the world.” In the meantime, we have to deal with a situation that is anything but encouraging, especially in the medium-low range of the market. “The trend in red wines has certainly been declining for several years and has a great-

er impact on the intermediate segments, both in established and emerging markets,” said **Andrea Di Fabio**, General Manager of the Cantina Tollo group. “It is important to try to anticipate trends: as Cantina Tollo we are working more decisively in the mainstream product segments. As far as premium wines are concerned, we are concentrating on complexity

and finesse, and on production and ageing styles that make them increasingly elegant and drinkable, without losing the organoleptic generosity typical of the grape variety.”

For **Rocco Pasetti**, owner of the Contesa winery, the main problem is the lack of quality and identity of many wines. “In recent years, more and more is being invested in communication at the expense of the quality of the product,” he said. “And with rising production costs, some companies have increased yields, banalizing the wine. Covid then distorted everything, leading the consumer to choose wines in large-scale distribution that were often standardised. Now that consumers are free to choose again, they no longer want those labels without identity. Instead, we should lower the yields and raise quality and, if demand remains the same, increase the value.”

Alessandro Nicodemi



Andrea Di Fabio



Rocco Pasetti





Marina Cvetic

➔ **Marina Cvetic**, owner of the Masciarelli company, points the finger at the climate issue. “The declining trend in consumption is something that affects all reds regardless of type and price range,” she said. “With summers that last five

months, it is normal for people to have a greater desire to drink whites and rosés. And the rise in temperatures has meant that countries with no tradition are starting to produce domestic wine that will take away space from historic producers such as France, Italy and Spain who will have to uproot the vineyards. Speaking of Montepulciano d’Abruzzo, ours is a wine with a DNA that you cannot change, but which can

retain its appeal, especially in the medium-high range, due to its rare capacity for evolution, its characteristic aromas, and its versatility and richness of flavour. Therefore, it must not be distorted, managing crops wisely: we must not produce more than the market can absorb, enhancing the most beautiful and suitable areas and allocating the less favoured ones to other productions.” The message launched by **En-**

rico Marramiero, head of the homonymous wine company, was encouraging. “In Abruzzo we are light years behind, from the point of view of product valorization and consequent market positioning,” he said. “But this means that we have very wide margins for improvement. Especially if we manage to overcome the too many parochialisms that we still experience today, moving in a more coherent and cohe-

sive manner. I see less and less room for low and mid-range products, but I also believe that Abruzzo companies can consistently carry with their own production style, the one they are proud of, as long as it authentically tells the story of our land and enhances the value of our grapes. Because I am convinced that the market, when this happens, always finds a space for this type of wine.”



Enrico Marramiero

Puglia Bets on Primitivo, but Bulk is Languishing

In Apulia, the red wine crisis appears above all in the bulk sector, while the bottled wines still fascinate foreign markets. Leading the way abroad is the Primitivo brand, which takes the other reds along with it. The drop in bulk involves above all Capitanata, Terre Federiciane and Salento. In the Foggia area, the decrease in sales towards the United States is for both bulk and bottled wines, which are divided into entry level and premium. According to **Ciro Salvatore Caliendo**, president of the Antica Cantina di San Severo, the problem is not new. “Consumption has not only dropped in the US, but also in other countries,” he said. “Abroad we have lost a lot and we are struggling to regain

contacts with other distributors because in the meantime also others have tried to diversify sales in order to limit economic losses as much as possible.”

The situation is not easy and in fact bulk wine sold in storage tanks is decreasing in value, while bottled wine on the other hand is slowly finding its new place in the United States, but according to Caliendo, the situation is at a standstill. “At the moment nothing is being delivered to the States,” he said. “While something is still being achieved in Germany, Belgium and some eastern countries, but with the sanctions against Russia we have lost again.”

The red crisis in Apulia seems to be rooted and Covid has marked a dividing line. In 2020/2021, a strong crisis hit bulk wines and reds in particular, stopping exports. In 2022, the war, sanctions against Russia and the rise of production costs did the rest. As a result, wine has become too expensive for importers and consumers.

The situation in Salento is different thanks to Primitivo, which is popular but only bottled. According to **Vittorio Moscogiuri**, general manager of the Manduria Producers, the situation must be monitored,



Vittorio Moscogiuri

but with the right amount of anxiety.

“Looking at the Manduria producers, I don’t see any particular problems, and the only sector that worries me are wholesales,” Mr. Moscogiuri said. “In our case it is only a very small part of the income, about 25%, and this is where some problems have arisen since 2021. Just during that year the price of grapes skyrocketed and the bottlers, who make big numbers, preferred to go elsewhere.”

The United States is still responding well to branded bottles, while customers who only work by buying in bulk are experiencing a worse situation. “In the United States, despite the Covid years, we have dou-

bled sales and volume,” Mr. Moscogiuri continued. “Going from 22,000 to 46,000 bottles and from 90,000 euro to 200,000 euro, with a growing trend.”

The Primitivo-mania therefore continues even if abroad everything falls into the “Apulian wine” cauldron in a sort of brand identifiable as Primitivo. On this trail, even the big names in Terra Federiciana are getting organised. The historic Rivera Winery also includes some Primitivo in its offerings.

“We have been bottling Primitivo for a few years now with some success and we try to interpret it in a way that is not too commercial and avoids arriving at an excessively soft wine,” said Rivera’s owner,

Sebastiano De Corato. “Since we do not base our fortunes on Primitivo, we are not bound to please the market, but we are looking for consumers who are attentive to elegance. For the other reds we have not encountered any problems.”

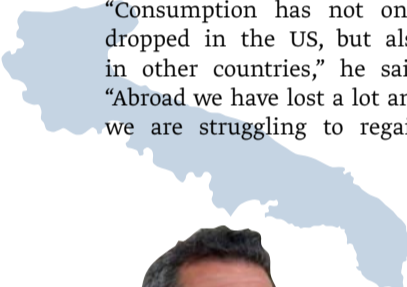
And on the reds crisis, he concluded that “the market is cyclical and over the decades it has moved from whites to reds, now is the time for rosés and a return of whites. The ideal for a producer would be to diversify, if area and production variety allows it, because fashions change and you have to know how to adapt.”

If Primitivo has driven foreign “Puglia lovers” crazy, even from the Veneto region there are those who look at this business with attention, investing. This

is the example of Cantina Tinazzi, which arrived in Salento directly from the Bardolino area to produce Primitivo di Manduria, Negroamaro and Aglianico. The reason?

Giorgio Tinazzi, sales director of the Veneto-based company, explained it.

“Choosing to produce Primitivo and make it known to the world and to our customers has always been a goal of our family,” he said. “Aglianico del Salento is part of that young and easy segment that consumers want to appreciate every day. Returning to Primitivo, rather than a brand linked to the vine, I would say that our customers want to get to know the territory through the products themselves, and Primitivo is one of them.”



Cirò Salvatore Caliendo

Sebastiano de Corato



Giorgio Tinazzi



Red Alert in Sicily, but it is Possible to Diversify Production

Sicilian wineries have been witnessing the drop in red wine consumption for at least five years, and from 2019 to 2022 exports of Dop red wines fell from 21,839 to 19,752 thousand litres (UIV Wine Observatory data for the January-November period), and the domestic market is heading in the same direction.

ing has probably influenced their palate. The boom in rosé wines worldwide also testifies this. These are historical cycles, and while the early 2000s were marked by important reds, today the world of sparkling wines is eroding some of the consumption of reds. It is not a question of quality but of style, people prefer more immediate consumption and we must therefore offer simple and ready-made products for everyday consumption, without forgetting those who are instead fond of more structured reds.”

“The state of the play is given to us by bulk wines, with bottlers buying more white wines than reds,” said **Giuseppe Bursi**, president of Cantine Settesoli. “The problem is generalised as shown by what is happening in Bordeaux.”

According to Mr. Bursi, the new generations are oriented towards fresher, more drinkable wines and to this trend various contingencies must be added, including the restrictions linked to the pandemic.

“For two winter seasons, restaurants have been closed,” he said. “And in the summer, whites are naturally sold more.”

“There is a slight drop in top range wines and a worrying slowdown for lower range reds,” added **Leonardo Taschetta**, president of Cantine Colomba Bianca. And then there is the climatic factor: “It is not easy to drink red if it is hot and if it is served at 30 degrees.”

According to Mr. Taschetta, reds may also have been penalised by an increased focus on alcohol content, and he adds

that the only ones that are less affected by the drop are high-end organic products.

“For the rest, it is a bloodbath that will see many companies forced to reinvent themselves or close their doors due to production costs,” he said.

At Planeta, the drop in demand has not been very significant.

“Over the last five years, we have seen an unstable and slightly negative trend in the performance of red wines,” said **Santi Planeta**, sales manager of the family business. “But not all our wines have been affected in the same way. We do not have precise numbers by price range nor by grape variety; if anything, we have seen that lesser known areas are struggling more than Etna, which is still doing well.” Transversal labels that can accompany an aperitif as well as a complex dish are also doing well. “The trend has in general



Santi Planeta

should do something because prices cannot fall to levels that do not cover production costs. Historically, when world production exceeds 250 million hl, prices drop alarmingly. We need regulatory instruments that can curb speculation.”

Demand, on the other hand, can grow if producers know how to interpret consumer demands.

“It is clear that in the short term it will be difficult to reverse the negative trend,” he added. “And we must learn to make reds with less alcohol and more fragrance.”

“This is not a revolution but a transition that we must follow carefully,” echoed Mr. Bursi. “After all, Sicilian grape varieties such as Frappato, Petit Verdot and Nero d’Avola lend themselves to interpreting the change.”

“Once again, the diversity of Sicily will be our wealth,” said Mr. De la Gatinais. “And there are already wines of great level and very different from each other even among the same grapes. I see companies, small and large, very dynamic and attentive to the market, always with new ideas, capable of re-interpreting themselves.”

touched all latitudes and for us the drop has been most evident in the USA, Germany and the UK,” Mr. Planeta said. “Habits are changing with an unprecedented speed in history, so we will try to read the conjunctural episodes by identifying them as pieces of a structural period.” “Market crises are faced by increasing demand or reducing supply,” Mr. Taschetta explained. “The offer can be regulated by grubbing up vineyards or by resorting to distillation, regulated at European level and with remunerative prices, and we cannot afford the market as the only regulator. Politics

Giuseppe Bursi



Leonardo Taschetta



Laurent Bernard de la Gatinais

“The world of wine has always been subject to fashions and variations in taste,” said **Laurent Bernard de la Gatinais**, president of Assovini Sicilia. “The fact that consumers are appreciating bubbles so much and therefore a lighter drink-

 Spain

THE PREMIUMIZATION OF PRODUCTS PUSHES THE SECTOR

Motivations and choices that are behind a crisis that, for the moment, do not seem to affect the great Iberian red denominations. As Fernando Ezquerro, president of the Consejo Regulador of the Rioja AOC and his counterpart for Ribera del Duero Enrique Pascual, and also the general director of Familia Torres, Miguel Torres Maczassek told us

SOME SILENT GROWTH.

Rioja And Duero

By HANS P. MONTGOMERY

Not a day goes by without a study, a report, a balance sheet that certifies a trend that has been going on for years, and which appears incontrovertible: the global wine consumption is in constant decline, at least in terms of volume, and if there is one category that is resisting this trend, is that of sparkling wines. For still wines, on the other hand, the prospect is not as rosy, even if the trend of premiumization is supporting the reference territories of the main producing countries, and thanks to this factor the sector is still able to sustain and enhance its production. This is true in France, in Italy, as well as in Spain, with the two leading red denominations, Rioja and Duero, which do not seem to be affected by global economic and political dynamics. Despite galloping inflation, the after-effects of the pandemic and the war in Ukraine, in fact, the markets certify a 2022 that, for the premium red wines of Spain, was one of great growth, both in terms of volume and value.

The Domestic Consumption Market

Beyond the data of production, the aspects that interest us most, however, are those relating to the domestic consumption and exports to foreign markets, which can give us an exhaustive picture of the state of health of Spain's red wines. The most up-to-date data, on the domestic consumption front, are those elaborated by the Interprofesional del Vino de España together with the Observatorio Español del Mercado del Vino (for the period November 2021-November 2022), which show a total decrease (adding reds, whites and bubbles, ed.) at a volume of 7.2% (9.64 million hectoliters), caused mainly by inflation (which in November 2022 was +6.8%) and economic uncertainty. The most interesting aspect is that those gaining market share are the wines in a higher price range, instead of the cheaper ones. Dop still wines - mostly reds - showed growth in value of +15.2% and in volume of 5.8% for an evolution of the average price of +8.9% up to EUR 6.10 per litre. In order to get a complete picture of the domestic wine consumption

market in Spain, it is also important to point out that Dop wines account for 56.9% of volume consumption and 73.4% of value sales.

Spanish Wine on the International Markets

On the export front, 2022 led to record sales for Spanish wine: 2.98 billion euros, as a result, however, of trends that are quite different from those that have characterised the domestic market. In volume, on the other hand, with a drop of 9% compared to 2021, shipments stood at 2,090 million litres. Bottled still wines with designation of origin fell by 1% in value and 13.7% in volume, for a total turnover of €1.311 billion (€251 million of which from white wines and €1.06 billion from red and rosé wines) and 283.4 million litres (66.8 million litres from white wines and 214.6 million litres from rosé and red wines), and an average price of €4.63 per litre. A different perspective on the topic of export comes from one of Spain's leading wine companies, Familia Torres.

"As wine producers in Spain, mainly in the areas of Penedès, Priorat, Conca de Barberà, Costers

**LA RIOJA, A POINT OF REFERENCE**

The Iberian country's first qualified Denomination of Origin since 1961, embraced by the river Ebro, is divided into three large areas: Rioja Alta, Alavesa and Oriental, with a total of more than 66,000 hectares, growing steadily since 1980. Of these, 60,247 are destined to red varieties, and 5,970 to white varieties. In commercial terms, 254 million litres of wine produced in the DO Rioja ended up on the market in 2021. Of these, 217.4 million litres were red wines (125.2 million litres on the domestic market and 92.2 million litres on international markets) and 24.4 million litres of white wines (7.6 million litres on the domestic market and 4.5 million litres on international markets). A ratio of one to nine between whites and reds, therefore, but with a recent significant movement within the denomination, which has seen white wine production practically double in a decade: it was at around 5% in 2012 and it reached almost 10% in 2021, with a 50% increase in the area cultivated with white varieties from 2015 to today. One of the many changes, and perhaps it would be better to speak of rebalancing, in Rioja, which has an important "white" history since 1700, and then underwent a very strong push towards reds thanks to Bordeaux winegrowers in search of new territories ready to be cultivated after the destruction of French vineyards when Phylloxera arrived. A phenomenon that had also seen around 25% of Rioja's vineyard area reserved to white grapes until 1980, but that was reduced to almost zero by the end of the millennium, a trend that also occurred in other French and Italian territories. With Fernando Ezquerro, president of the Consejo Regulador of the Rioja DOC, we analysed the denomination 2022, and what are the peculiarities and prospects, on the consumption market, of Rioja wines.

World consumption of red wines is steadily declining. Is that an issue also for Rioja?

The economic situation is complicated, but this is a sector that has faced and gone through challenges practically since its birth, especially in Rioja, Spain's first Denomination of Origin in 1925. However, it is not entirely correct to say that world consumption of red wines is steadily declining. In fact, Rioja's latest trade balance, which covers the financial year 2022, tells us that in many countries - such as Mexico, Belgium, Switzerland, Germany and the United States - the exports of our wines have grown, even though the world context, and particularly in our country, is complex. The data for the second half of 2022 show a significant slowdown in total wine sales in Spain, so the modest growth in domestic Rioja sales (+0.16%) suggest a strengthening of our market position. The latest data demonstrate Rioja's ability to maintain its competitiveness in a market environment marked by uncertainty and, above all, reveals consumer confidence in Rioja wines, even at a difficult time such as the one we are currently experiencing.

Do you think this is a temporary or structural trend?

I believe that the slowdown in the second half of 2022 is a consequence of the complexity of the moment; there are external factors that have a direct impact on many sectors, including wine. Fortunately, the wine industry, in general, can count on a great solidity in order to face the coming challenges and to build a promising future. The key, for our Denomination, has been his restless character, his dynamism, never ceasing to propose new challenges, without resting on

its laurels while achieving excellent results. We must continue to be demanding with ourselves and try to improve every day, to ensure that our results continue to be positive, regardless of global consumption trends.

Which markets show the greatest difficulties?

When it comes to Rioja abroad, export behaviour in the different markets is very uneven. Sales of the Denomination grew in seven out of ten of the countries we consider strategic, with Belgium and Mexico leading export growth with +27.13% and +26.13% respectively. However, in Rioja's preferred export market, the United Kingdom, sales suffered a decline of 11.45%. In the

absence of a detailed analysis of what happened in the UK market, Nielsen data for the cumulative period to September 2022 shows a general decline in sales of imported wine across the Channel, with significant falls from all its main suppliers: Australia, Italy, France, Argentina, Chile and Spain. Although this is a generalised problem, in the British market for all Spanish wines, the UK accounts for almost a third of Rioja exported volumes, and this large exposure of our appellation to the United Kingdom has penalised us greatly in the financial year 2022.

Even though there is an unfavourable global context - with the consumption crisis, the energy cost crisis, the war in Ukraine - that involves also the United Kingdom, some specific aspects of the British situation after Brexit, such as the devaluation of the Pound and the uncertainties arising from the future tariff scenario, have affected the balance of sales in foreign markets. We do not have a crystal ball to know what will happen in the British market, what evolutions it will have, but it is clear that it is a key market for La Rioja, which we will never neglect, especially today.

How do Spanish consumers behave?

Going back to the previous data, despite a significant slowdown in total domestic wine sales in the second half of 2022, Rioja's small growth translates into a total volume marketing of 148.8 million litres. To this, another relevant fact must be added: Rioja grew by two points in relation to the total sales of Denomination of Origin wines, reaching a market share of 27.7% in volume terms, and this represents an increase of more than half a point (0.54%) compared to the previous year, strengthening its position. Similarly, the data by type and colour are also significant: at a national level, sales of Crianza DOCa wines (reds with at least two years of ageing behind them, ed.) have grown by 2.62%, as well as those of whites (5.62%) and rosés (1.7%). The great diversity of Rioja's offer allows it to respond to the demand for greater quality and variety coming from the consumers after the pandemic. These data, however, do not imply that we should stop working, because in fact, although they are positive, considering the context, they are not enough. La Rioja must unleash its full potential and rely on its ability to produce quality and value to embrace sustainable growth.

The future lies in quality and average price: what policies will the Consejo Regulador de la Rioja follow to open up new markets for wine consumption?

Among our many goals and projects, our aim is to arrive in a balanced situation by 2025, with a greater weight on our export budget, which we would like to see account for 44%. To do this, we can count on our roadmap, the 'Plan Estratégico 2021-25', in which we have set ourselves the objective of accelerating our initiatives, giving an answer to the uncertainty of certain markets, which will allow us to implement immediate measures to rebalance the sector, with the certainty of achieving the growth targets we have set ourselves.



Vineyards in Rioja

SPAIN'S WINE IN NUMBERS

The Spanish vineyard ranks first in the world in terms of vines territory, with a dedicated area of 941,087 hectares, well above Italy's 677,549 hectares, but 42.7% less than in 1980, when the Iberian vineyard amounted to 1,642,622 hectares, as the data of the Ministerio de Agricultura, Pesca y Alimentación recounts. A vast area of vines, which however corresponds to an average production of 37.4 million hectolitres in recent vintages, with the 2022 harvest stopping at 33 million hectolitres, according to OIV estimates.



del Segre, Rioja, Ribera del Duero, Rueda and Rias Baixas," Miguel Torres Maczassek, the winery's general manager, said "And with a presence in more than one hundred markets around the world, we have maintained a certain constancy in the sale of red wines in recent years, with a slight increase for premium labels, with prices exceeding 10 euros per bottle on the shelf. We have seen a greater growth in the white wine category, a trend that may respond to new, more relaxed drinking occasions and pleasant temperatures, which are pushing greater demand for white wine. The Verdejos from Rueda or Albariños from Rías Baixas are also growing strongly, as is the demand for indigenous varieties from other areas. In our case, in the Penedès, we are making wines with Xarel·lo or the ancestral Forcada (the result of a project to recover ancestral varieties that we started 40 years ago), which are attracting a lot of interest."

Between Rioja and Duero

The numbers, and the trends, of the two great red denominations that we have analysed - Rioja and Duero - mark a certain discontinuity with what is recorded in the rest of the world.

In the last year growth has been constant, on both the international and domestic markets, and the slowdown in the second half of 2022, linked to an economic situation that does not spare any large scale consumer chain, is considered a temporary decline. Unlike most of the large European denominations (especially Italy and France), the two big reds of Spain have, however, a decidedly more limited export propensity: of the 340 million bottles produced in Rioja, just over 40% ends up abroad (for reds, 42.4%). With a particular focus on Belgium, Mexico, Germany, the United States and, above all, Great Britain, a reference destination, but also a market that, in the last 12 months, has shown the most critical issues. The Duero wines, for their part, are worth more than 16%, in value, of all domestic consumption, which make them Spain's second largest denomination in terms of sales, but abroad the dynamic is largely positive, with only one worry: the impenetrability of the Chinese market. That experienced by the great red wines of Spain is a constant growth, accompanied by an increase in average prices and a market that rewards the highest quality types, but above all by policies that, in the vineyard, have been able to accompany global trends without excesses, which allow one to look to the future with a certain optimism.



Fernando Ezquerro



Enrique Pascual

THE GROWTH OF RIBERA DEL DUERO



Vineyards in Duero

With more than 26,000 hectares of vines (almost exclusively of red grape varieties, which represent more than 98% of the Denomination's production potential) and more than 7,500 winegrowers, Ribera del Duero no longer stands out in the Spanish wine scene as an emerging territory, but as a reference point and a growth model built on a virtuous balance between quality and marginality. And it is on this basis that, also for future challenges, the work of the Denomination led by President Enrique Pascual will restart.

World consumption of red wines is steadily declining: does this also affect wines from the Duero?

Ribera del Duero is experiencing a very positive moment, just as it is celebrating its first forty years of history. The wines and wineries of the Denomination have established themselves as a solid reference point for Spanish quality wine, increasing their sales year after year. In 2022, in fact, our exports grew by 7.6% in volume and 12.4% in value, and in international markets Ribera del Duero is gaining positions with an increasing presence of its wines, especially in European markets, Mexico and the United States. Logically, there is still a lot of work to be done, but the balance is very positive and there is no decline in consumption.

Do you think this is a temporary or structural trend?

I do not think it is possible to generalise, nor I think it is a structural negative trend for wine. In the short term, however, there are aspects such as the Covid-19 pandemic crisis, the war in Ukraine, the rising cost of raw materials, which are affecting consumers, thus affecting wine consumption. There is, on the other hand, more supply, which means more competition, and a more complex scenery, where the consumer is subjected to a large number of inputs, so it is necessary to prove the quality of the wine we bring to the market, and that the investment is "guaranteed". Wine also has to adapt to the new purchasing trends, and look for new contexts and markets in which to present itself, leaving behind the classicism and purism that has distinguished it so far, and connect with young consumers, who are the big target.

Which markets show the greatest difficulties?

Because of its peculiarity and culture, China is a complex market, in which you have to learn to move yourself. And, more generally, all those regions of the world where there is a certain interest in wine, but not a great tradition of consumption. There is a need to adapt to new trends, innovating the language and the way of communicating.

How do Spanish consumers behave?

In Spain there is a growing interest in wine, which is part of the culture and lifestyle. Young consumers are open to the knowledge of quality wine, to learn about new labels, to discover this world. And in this sense Ribera del Duero is a point of reference for new consumers, because years ago we decided to break all barriers and go and discover the places where young people move, creating partnerships with the world of music, cinema and culture. We attend film festivals as well as major music events, demonstrating that in Spain wine is part of our way of life and enjoyment. This courage in seeking out new avenues has rewarded us with the full trust of the consumer, who seeks the quality of our wines and wineries, giving them confidence.

In France, Bordeaux and Rhone have asked the government to support uprooting policies that could involve tens of thousands of hectares: is this a measure that could also affect the Duero?

No, first of all because it is impossible to transfer situations and solutions from other countries to Spain. And then each territory faces different problems. In Ribera del Duero, growth has been slow, very rational, without chasing excessive ambitions. Thus, at the moment, production is balanced with respect to market demands, without large surpluses, which is why it is difficult to compare us with other wine territories.

The future lies in quality and average price: what policies will the Consejo Regulador de la D.O. Ribera del Duero undertake to open up new markets for wine consumption?

Ribera del Duero is one of the great international examples of quality and price, which is why our wines are a safe investment, capable of making their way in the markets. We must continue working to guarantee the same level of quality, with international projects adapted to different societies, always taking into account the different ways of understanding wine, experiencing it and enjoying it. It is important to merge with other cultures, to be part of their lives. Let us proceed in this direction, slowly but surely.

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THE PANDEMIC AND THE WAR HAD AN IMPACT ON MARKET CHOICES

NOT A SINGLE TREND

By JOEL B. PAYNE

Is red wine consumption across the globe really decreasing? In Germany, the trend is not so clear. There are signs of market slowness, but consumers make many different choices. Wine imports from Italy, the first country of origin for volume and value, show success for some products and difficulty for others. Spain and France follow suit, with different outcomes

Less than a generation ago, the Bordeaux region produced more white wine than red wine, mainly for the domestic market, with Merlot dominating cultivations. Yet the growing international demand at the end of the 20th century rapidly changed the picture. Today Bordeaux is an area of financial disaster for many producers. The most pessimistic views believe that a third of the vineyards will have to be removed to re-balance demand and supply. Disparity is clear in the price of land. While the owners of prestigious denominations have gotten richer in the past quarter of a century, many of their neighbours are now significantly poorer. Bordeaux is also bracing for inclement weather, and it is not alone. The drastic fall in sales of Italian wines in large retail distribution outlets in the United States, Great Britain and Germany raised a few eyebrows in Rome as well when the figures from Nielsen were released in early February of this year. As those three destinations alone account for half of all exports, there was cause for concern. Compared to shipments in 2021, volume in those three major markets was down by 9%, value by 5%. For Germany, the report was even slightly more worrying, showing losses on the previous year of 10% in volume and 7% in value.

Part of that downward trend, however, might be merely a question of availability. As Pau Roca, the general director of the OIV, noted last year, 2021 was an "extremely small" worldwide harvest - and it was clearly those wines that drove the market last year. Italian production was down 9% in 2021, making promotional sales in 2022 to clear excess stock far less likely.

However, as **Stefan Nienaber**, who is responsible for international development at Rotkäppchen Mumm, stated, those Nielsen figures are exactly in line with the ones from Information Resource Identifier (IRI) for German supermarkets as a whole.

"Not only did Italy not lose more in sales than any other country in this sector," he said. "But, at least for the multiple retailers, white wine was equally impacted."

The Nielsen figures also dovetail more or less with the state of the market in general, as total wine imports to Germany fell in 2022 to 13.3 million hectolitres, down 6.9% from 14.3 million hectolitres in 2021. Value also decreased, but only by 2%, from €2.75 to €2.7 billion, according to preliminary figures published by the German Winegrowers' Association based on data from the Federal Statistics Office. Almost two thirds of that volume were bulk wine imports, with the average price rising slightly from €1.93 to €2.03 per litre.

While the total decline across all channels mainly affected the red wine category, which was down 12% volume and 9% in value, this is part of a broader trend. Over the past ten years, white wine consumption has again drawn even with red in Germany at about 45% each, with the remaining ten percent being rosé. Two generations ago, however, when most consumption was domestic, the Germans were drinking two thirds white.

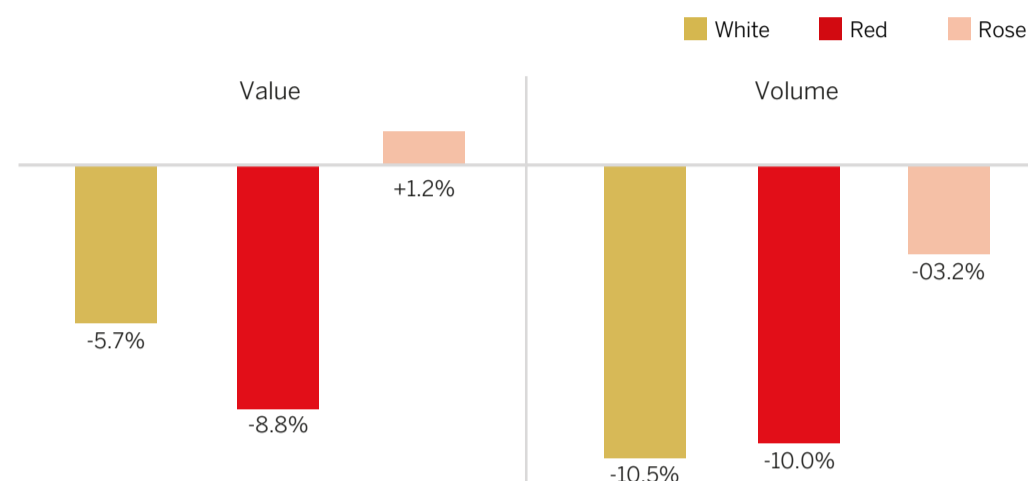
While volume was down by 7%, Italy remained the most important origin of imported wine in Germany, with 36.3% of quantity and 37.7% of value. Despite a loss of 6.4% in volume, Spain followed in terms of quantity with 27.5%, but accounted for only 12.9% of total value. France, on the other hand, suffered with -15.3% a greater drop in volume, but raised its average price in equal measure, accounting for 30.4% of total value, but only 13.3% of volume. This triumvirate alone thus has a predominant market share, with 79.1% of all import volume and 81% of value.

Ideas on the Ground

Reflecting on his read of the market, **Michael Neunhäuserer**, the managing director of Abayan, the Italian division of the powerful Hawesco Group, observed, "that the decline in Italian red wines mainly affected the off-trade, food retail and online commerce sectors. On the other hand, hotels and restaurants made up for much of the slack. This resulted in a slight de-

IRI DATA FOR GERMANY IN 2022 COMPARED TO 2021

(These figures only display the off-trade, which in Germany accounts for roughly 80% of wine sales.)

**GERMANY IS GOING MORE AND MORE WHITE**

As the data from the German Wine Institute show, the "white" tendency in German consumption and production is strong, especially looking long-term. Unfortunately the most recent data are from 2020, the first year of the pandemic, but the comparison with the 10-year data is naturally interesting.

Germans mostly drink red wine (51%), followed by white (38.7%) and finally rosé (10.3%), the research group also found. In 2020, that proportion changed: rosés were 11.1%, reds went down to 44.8% (almost 14% less) and white went up to 44.1% (up by 15%), basically breaking even with red wines. New vineyards in Germany also showed some interesting numbers. 67,074 hectares were for white grapes, and 35,470 for red grapes in 2015, but in 2021, 70,138 were white grapes and 33,283 were reds. Growth is constant in this case over the years, despite the lack of peaks. Red is a colour that is going down in Germany.

cline in volume, but a positive development in value. Fewer wines were sold in the entry level segment, but the strong increase in restaurant sales of medium and higher priced red wines more than made up for it."

"This was not only true for Italy," he added. "In our group, we saw similar developments in France and Spain."

In fact, as the lockdowns ended, and restaurants reopened, it was only normal that supermarket sales, which had skyrocketed during the pandemic, fell back to levels similar to those in 2019. However, not all players were equally affected, and some hardly at all.

As **Wolfgang Mayer**, who sells two million Euros worth of wine each year at Globus, a cash and carry outlet in the Pfalz, illustrated, "We carry mostly entry to medium priced Italian wines and saw no loss in their sales. We had far more difficulties with wines from Spain, in particular Rioja - and those from the New World suffered as well."

For online retailers, the situation was even better, as **Ralf Zimmermann**, the owner of Pinard de Picard in Saarwellingen, explained.

"We continue to use 2019 as our baseline reference," he said. "The boom in 2020 and 2021 was essentially due to circumstances beyond our control. We were just lucky."

When he analyses his sales data, he admits that Italian wines were slightly more affected in 2022 than those from other origins, but that "total sales of Italian wines were nonetheless up by 6% in 2022 on 2019." Moreover, much as the IRI numbers show for supermarkets, his red wine sales were not any more impacted than those of whites last year.

Thomas Boxberger from Extraprima in Mannheim, who built his reputation on French wines, and in particular Bordeaux, was also confused by the statistics.

"Of course, sales of claret are going to be skewed toward the red end of the spectrum," he said. "But when I look at the total buying habits of my clients, in particular the younger ones, I see more of a trend toward red than white."

Pino Sassano from Fischer & Trezza, an Italian

specialist in Stuttgart with a focus on restaurant distribution, was even more elated. When confronted with the Nielsen data, he responded.

"I can't understand these numbers at all," he said. "For us, 2022 was a record year, especially at the high end. However, it is true that cheap red wines are no longer in such demand. Our consumers want better quality."

Like Superiore, Fischer & Trezza is at home in the fine wine segment. Their target group is thus rather resilient to energy prices and general inflation as well as to the political and economic problems of this planet.

Rudolf Knickenberg, the managing director of the large group that includes Schlumberger, Segnitz and Consiglio Vini, was also pleased with the recent fiscal year.

"Not only were our sales up in 2022, we were able to acquire a large number of new clients," he said. "The only segments of our portfolio that truly suffered were, with the exception of Napa, those from the New World."

After experimenting with new origins, many German consumers, especially when going out for dinner, are apparently returning to classical, European appellations.

Cost Hikes Are the Real Issue

As the market returns to normality, one thing, though, does worry many actors in the market: costs. From energy and transport to dry goods, all prices are rising, but most consumers have less money to spend - and the war in the Ukraine weighs heavily on the national mood.

Given the fact that the German wine market has shrunken slightly, down to about 24 litres per capita each year, this presents everyone in the supply chain with a conundrum, much like squaring a circle. Rising prices will almost inevitably lead to a further decrease in sales. As **Christian Zeter** from Die Weinagentur in Neustadt rightly notes, "given our current rate of inflation in Germany at 7.9% in 2022, the slight fall of four percent in the average price of a bottle of wine that we sold last year means that margins are being squeezed at all levels, for producers, importers and retailers, and only a few consumers



Stefan Nienaber



Michael Neunhäuserer



Wolfgang Mayer



Ralf Zimmermann



Thomas Boxberger



Pino Sassano



Rudolf Knickenberg

have more money to spend.”

In such an environment, it is clear that discounters and inexpensive supermarkets will feel the pressure first. As fully a third of the some sixty million bottles of Primitivo that are sold in Germany are moved through such outlets, this alone might well explain the -8% that the Nielsen figure shows for this Puglian variety.

As most consumers in Germany who shop at Aldi, Lidl and Tengelmann are faithful only to a price point, there is no easy way forward, but a few strategies could potentially help to increase sales. A first option is to increase brand awareness, whether of a proprietary label, a region or the taste of red wines in general, whether through social media, influencer marketing or hosting wine tasting events. It is all about educating a new generation of consumers who may not have the same affinity for red wines as their parents. Merlot, Cabernet Sauvignon and

Pinot Noir remain, with the German Dornfelder, the most widely sold varieties. In the end, and to make an impact on the market, it is all about visibility, accessibility and a broader net of distribution channels.

While the initial date on total wine imports in 2022 released by the German government in early March is not year definitive, it is clear that, while cause for concern remains, the optimistic comments of many of the major actors in Germany more realistically reflect the state of the market. It is also evident that the slight tilt towards white wine consumption is part of a larger trend that is not completely evident at all levels of distribution. Moreover, Italian imports were not much more affected in 2022 than either France or Spain. Moreover, the total losses were not nearly as severe as those announced by Nielsen in early February - and far more un-

AFTER THE POST-PANDEMIC RESTART, GERMANS ARE CAREFUL WITH MONEY

CHRISTIAN ZETER - ZETER: DIE WEINAGENTUR

While his brother, Oliver, operates the family's winery in Haardt, Christian Zeter manages the agency that was founded in 1988 by their father. With an office in Neustadt and a warehouse in Mönchen-Gladbach, they represent some fifty producers, including several from Apulia, with whom they have been working successfully for more than fifteen years.

Nielsen's figures indicate that Primitivo is losing ground in Germany. What is your read?

Our business in 2022, even with

wines from southern Italy, was steady. There was a slight decline in the premium segment, but this was compensated for in volume by the uptake of less expensive wines. Our total sales were almost exactly the same as in 2021, but the average price per bottle fell by about 4%. Viewed globally, we are sort of back to where we were in 2019.

Were you surprised by this development?

In spite of Corona, we had record sales in the two previous years. This was, at least in part, because our customers include

large internet retailers who were able to benefit from the closure of the restaurants during the pandemic. During that time, consumers were spending more money on finer wines to drink at home, but the war in the Ukraine has slightly dampened that spirit.

Was Italy more affected than other origins?

No, not really. The scenario that I painted above is evenly distributed across all countries of origin. What surprised me, though, was that the organic wine segment also declined

somewhat. Instead of buying less wine, consumers apparently prefer to do without such additional benefits, so they are essentially downgrading.

What are your predictions for 2023?

Due to inflation, wages are not increasing as fast as the value of the Euro is falling, so disposable income is down and normal earners notice that quickly. We will therefore focus on wines in the entry level range this year. In that light, I am pleased that San Marzano has not raised its prices.



THE FINE WINES SECTOR HAD NO CRISIS IN 2022

HEINER LOBENBERG - GUTE WEINE

Heiner Lobenberg from Gute Weine in Bremen sells more fine wine online than anyone else in the country. Few companies glided through the pandemic in more clement waters - and his business continued to grow in 2022.

As the pandemic subsided, how did your business fare in 2022?

Heiner Lobenberg: I think most retailers like ourselves experienced more or less severe slumps as Covid waned because consumers began to dine out again, reducing their consumption at home. My guess is that the broader supermarket outlets were nonetheless more affected than we were as fine wine retailers due to their extremely high logistic costs and sometimes massive price increases. Not surprisingly, our sales to restaurants increased in 2022.

Was it then a difficult year?

Yes and no. Yes, we experienced a decline in sales from existing clients, but were able to make up for that with new customers, many of whom we acquired through nimble work online. As the total market is not growing, we were certainly displacing volume from our competitors.

How then did Italians fare?

Italy was not really much more affected than any other country. Yes, there were slumps, in particular in Piedmont, due to the weaker 2017 and 2018 vintages. In Tuscany, our decline was more due to low supply volumes of the 2019 vintage from all of the better producers. Fortunately, we were able to over-compensate for this decline with wines from Spain and other new upscale estates that we added to our portfolio.

Was that then typical for the market as a whole?

As a premium retailer, I don't think we're typical of the market as a whole. There was a decline in sales of Italian, but for the special reasons that I mentioned above. What can I deduce from this? My advice to producers is to always make large quantities in the best vintages! But that's nature's prerogative, not mine. There is little that we can do.

Will we see changes this year?

As Covid disappears, I expect that higher logistics costs and significant price increases may have an effect on the broader distribution, but I can't say much about the supermarkets, where volumes are moved at entry level price points. We will certainly be less affected as our clients tend to have more disposable income and are so resilient to change.

A QUESTION OF GEOGRAPHY, AND EMOTIONS

MELANIE WAGNER

Named "Sommelier of the Year" by Gault Millau in 2010, Melanie Wagner has worked since 2003 at the Schwarzer Adler in Vogtsburg, one of the most celebrated restaurants on the Kaiserstuhl in southwestern Germany, just across the Rhine from Alsace. Known for their stunning selection of mature claret and Burgundy, they also have numerous Italian wines on their list.

Have you noticed any change in consumption patterns since the lockdowns ended and your restaurant opened again.

No, not really, other than the fact that our guests were pleased to dine out again and more willing to splurge on special bottles.

Are these mostly local clients?

In part, we also have lots of guests from Alsace, Switzerland and Luxembourg as well.

What place do Italian wines have in your list?

We have a nice selection, and continue to enlarge it, but Piedmont, which we love, is our focus. That said, few guests order Italian wines without my advice. Spain, though, moves even slower. Given our location, Bordeaux and Burgundy sell the best.

Is that the case for much of Germany?

No, in Munich things are much different. Their Italian wines sell much better. It is always a question of geography...and emotion.





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United Kingdom

VERSATILITY OF PRODUCTIONS TRIES TO MEET CHANGING TASTES

The Market For Reds Is Solid, But Needs To Break The Pattern



By ANDREA GUOLO

The point of view of two importers, Mmd-Maisons Marques et Domaines and Flint Wines. The restaurant industry is focusing on old vintages that express better the elegance and balance of great wines, while bubbles are driving consumption. And in the meantime, young people are drawing a furrow with previous generations

Even in Great Britain, it is bubbles that are driving consumption, in a market that is showing general signs of growth in value, but is losing in quantity. According to Statista, still wines represented the largest business in 2022 with 12.73 billion pounds but it is estimated that this figure could increase to 17 billion pounds in 2025. In the meantime, Prosecco Doc continues to grow, even if in small steps (+3.5% in the last year), and has the UK as its second largest foreign destination market after the US, with 130 million bottles. And Champagne also, after a series of complicated years, which had already led to the US overtaking the UK as the first foreign destination of French bubbles before Covid, appears to be recovering with almost 30 million bottles sold in 2021, three million more than in 2019, while we are still waiting for this year's figure. In general, according to Globaldata, the British wine market was worth the equivalent of \$22.5 billion in consumption in 2021, or around £18.5 billion at today's exchange rate, and is expected to grow at an annual average of 4% until 2026, driven by sparkling wines.

Drop in Consumption, Starting with (Some) Reds

According to **Will Heslop**, buyer of Flint Wines, a London-based importer specialized in Burgundy wines, we need to start from the general decline in alcohol consumption per capita in the UK, a trend that is now quite evident.

"Last year, in the wine category, sales of red wine (in value) decreased more than white," Mr. Heslop said.

He clarified the change of pace of younger people, who "on average, they drink less than the previous generation and some are abstaining from alcohol altogether. On the other hand, there is an unprecedented interest in low-intervention wines, including natural ones. Younger drinkers also tend to experience new horizons and are less tied to classic wine regions. So there are opportunities to increase the sales of certain wines by following the tastes of the new generations. Among the red wine types that are performing best in the UK we find Bordeaux, Rioja and Australia."

At the high end of the market, there is unprecedented demand for Burgundy, although volumes sold are relatively small. We are lucky, in the UK, to have easy access to wines from around the world and certainly, in the off-trade in London, we are seeing increased sales of wines from different regions as California, Beaujolais and Sicily. As for Italy, Barolo is a strong brand in both restaurants and retail, and we expect demand to increase in the coming years. At Flint Wines, a strong consumer attraction towards organic wines regardless of price is observed, while in the high-end range the long barrel-aged wines that were in vogue in the 1990s are no more popular: balance and respect for terroir now prevail.

"In the UK market there is room for every style," Mr. Heslop explained. "But we notice that some of our Piedmont or Tuscany suppliers have a more delicate approach to the use of wood, which is often accompanied by organic conversion in the vineyard and whole-bunch fermentation. The resulting wines often taste fresher, are more expressive and are ready to be consumed sooner, but at the same time appear more aged. And this trend corresponds to changing tastes in the UK." If we look ahead, according to Mr. Heslop, the trend towards more moderate and conscious consumption will continue.



"Consumers will continue to drink less but better," he said. "And will increasingly be attracted to quality wines from less publicized regions, also to find value for money."

Changes in Taste, Desire for Lightness

Valeria Maffeis - brand manager of the importing company Mmd-Maisons Marques et Domaines, founded in 1986 by Louis Roederer to export his Champagnes and then to grow and become an importer of Italian brands as well, confirmed that there is a change in preferences that sees, on one hand, a growing demand for high-end products and, on the other, a particular favor of the British customer for fresher and lighter wines.

"Right now there is a lot of enthusiasm around the launch of the 2019 vintage of Barolo," Ms. Maffeis said. "With collectors increasingly interested in buying and investing in wines from the Langhe. In high-end restaurants, consumers are willing to spend more to drink quality wines, and this rewards the regions focused on premium wine production. With regard to Italy, an important country for Mmd, we can speak of the growth of the two regions known for the great Italian reds, Tuscany and Piedmont. Veneto is also doing well, while interest in Apulian wines is certainly on the rise. However, changes in the style of cuisine, with the increasing orientation of the catering industry - which in Great Britain is the absolute reference channel for sales of fine wines - towards fish dishes or ethnic recipes, tend to disadvantage strongly structured wines with higher alcohol degrees, in favor of lighter, fruitier red wines."

Alternatively, she said, "the choice may fall on wines that are softer due to greater ageing. In high-end restaurants, with which we mainly work, there is an increasing demand for older vintages. Thanks to the time spent in the bottle, these wines are consumed at the moment when they show all the elegance and balance they are capable of."

As far as younger consumers are concerned, Ms. Maffeis notes that they are particularly attentive to the origin of the wines, their history and sustainability.

"In addition to this," she said. "There is certainly more attention to health by these generations, who tend to drink less but better, and sometimes look for drinks with a lower alcohol content."

As for the promotional actions to be implemented in the UK to support the big reds, Ms. Maffeis believes that it would be crucial to be able to tell the regional differences, in consumption occasions more suited to the style and sensory profile of the wines in question.

"It is important to work with the catering industry to show the versatility of certain wines in international cuisines, outside the more classic pairings," she said. "There are reds with structure but at the same time great elegance that can be paired with fish dishes and fusion cuisine for example. Or red wines with soft tannins that can be served at lower temperatures and appreciated in the summer season. And within the same appellation, style or variety, one can range from wines of great structure and power to very subtle and refined wines. Understanding the products for the final consumer is by no means intuitive; for this reason, sommeliers and chefs are the most important ambassadors."



Will Heslop




Valeria Maffeis




 Sweden & Norway

Cold Is Not Enough



Systembolaget for Sweden and Vinmonopolet for Norway tell how the tastes of wine lovers of the two small, but interesting markets of Northern Europe are evolving. The decline of reds is confirmed, as is the replacement with whites and sparkling wines, especially by the new generations. The most important driver of Scandinavian drinkers' choices, however, remains sustainability

THE TWO MOST IMPORTANT MONOPOLIES IN THE REGION CONFIRM THE INTERNATIONAL TREND

By HANS P. MONTGOMERY

The global trend, which tells of a steady decline in red wine consumption, also applies in Sweden and Norway, markets with small numbers but large margins, where the younger generations are increasingly looking towards light and elegant wines. "Internal" competition is growing, the one with white wines and sparkling wines, and if certain types and certain territories lose ground, others, closer to the palate of Scandinavian consumers, are ready to make their way. Paying attention to sustainability, which guides the choices of the two monopolies - Sweden's Systembolaget and Norway's Vinmonopolet - and involved by the "World

Wine Magazine" in its survey on red wine consumption trends in the world.

Sweden and Norway. So Similar and yet so Different

Sweden and Norway, reunited several times under the same crown between 1319 and 1905, are today two independent countries, divided longitudinally by the Scandinavian Mountains, the natural border between two monarchies that, in recent times, have taken different paths. Stockholm joined the European Union in 1995, while Oslo limited itself to joining the European Economic Area. They have in common the system that regulates and manages the import and marketing of wine, which - like any oth-

er alcoholic beverage - must necessarily pass through the national monopoly: in Sweden there is the Systembolaget, in Norway the Vinmonopolet. Which, in addition to managing the flows, and therefore deciding what to import, obviously based on the demands of the respective markets, but also on the needs identified by the two countries, directly manages the monopoly's network of sales points. Two similar systems, but which nevertheless leave room for a significant difference: in Sweden, despite a lively debate on the subject, direct sale to the consumer is not permitted; in Norway, on the other hand, the purchase of wine outside the national territory for personal consumption is permitted.

Two Fundamental Markets for Wine

Both countries, despite their small number of inhabitants - just over 5 million in Norway and just over 10 million in Sweden - have become a vital destination for the large wine producers - Italy, France and Spain above all - thanks to their purchasing power that has not equal and consumption that, in recent years, has done nothing but grow, both in volume and, above all, in value. Norway, in 2022, imported 430 million euro worth of wine from all over the world, practically the same as a year ago, but with a significant drop in volumes (-14.3%), down to 93.5 million liters, for an average price that, on the other hand, jumped to 4.6 euros per liter (+16.8%). As

MARIE HULTIN

THE DECLINE IN CONSUMPTION OF RED WINE ACCORDING TO THE SWEDISH MONOPOLY

The framework outlined by the testimonies collected by "World Wine Magazine," which in its long investigation into the now structural and global decline of red wine consumption involved the management of Systembolaget and Vinmonopolet, is a complex one. As Marie Hultin, Kategorichef of the Swedish Systembolaget, explains, red wine consumption has been declining steadily since 2013, with a parenthesis against this trend during the pandemic. Among young people, meanwhile, demand for sustainable products is growing, and prejudices against using different packaging from glass bottles are collapsing. Wines from France, Italy, Spain and Portugal dominate the market, and to dominate, among red wines, is still today a style linked to fruit, soft tannins and notes of vanilla, but the future trend looks in all other directions. And this means that certain types risk ending up in the corner, overtaken by the tastes of younger people, who prefer lighter, more elegant wines. As if that was not enough, competition with all other alcoholic beverages, from beer to cider, via mixology, is growing.

Red wine consumption, globally, has been declining for many years: what is the trend in Sweden?

We see the same in Sweden, a steady decline since 2013 with an exception for an increase during the pandemic, which basically probably isn't an increase in consumption but an increase in our sales, due to closed borders and limited sales through the on-trade.

Young people are embracing consumption patterns that look at healthiness and lower gradations, preferring whites and sparkling. Is this a key that also applies in Sweden?

We do see the same trends in Sweden. The younger generation are consuming less than previous generations. Many are also very aware of and looking for more sustainable products, they are also more open to new packaging like wine in cans or PET.

What types of red wine - by variety or DO - are doing best in the Sweden market?

Assuming that it's volumes we look at, the biggest volumes are sold in 3-liter bag-in-boxes, mostly generic wines (blends) from Italy, South Africa (Western Cape), southern France (Cotes du Rhone) and Portugal (Lisboa). Other big sellers are a varietal Merlot 1-liter bottle PET from Pays d'Oc, and a couple of classic 750 ml from Rioja (Spain), Marche (Italy), and a Pinot Noir from France. So in general terms, Italy, Spain, France, South Africa and Portugal are big on the red wine side of the market, as is the format 3-liter bag-in-box and 1-liter bottles or tetras.

What characteristics must a red wine have to capture consumers in Sweden?

Generous fruit, smooth tannins, sense of sweetness (or even actual RS at times), and notes of oak/vanilla, is the style that dominates. Trending though are lighter wines with a more red berry character and higher acidity,



unoaked, such as pinot noirs, grenaches and cinsaults.

Is this current change of approach to the wine consumption - between health and premiumisation - in your opinion, temporary or irreversible in the Sweden market?

It looks like it's here to stay. And even though we have a recession people continue to buy more exclusive wines to treat themselves at home. Beer and cider, lower in alcohol and non alcoholic alternatives. Also every fourth liter of wine sold is still organic. Sustainability will also from a broader perspective be important and our "Sustainable choice", our guidance to the more sustainable alternatives taking both the environment, packaging and working conditions into consideration (launched March last year), are taking market share and now include 20% of all wine sold. The convenient and most climate efficient packaging like box are still strong in 3-litres. Not only entry level quality. Also the more expensive 1,5 and 2 liters are increasing their market share as well as wine in PET and cans.

Is red wine paying for competition with different drinks, or just competition from other types?

Among the younger generations, competition is definitely with other drinks. The more mature consumer groups are most probably choosing between wines, not drinks.

far as the Swedish market, the most up-to-date data is on the first 9 months of 2022, and it shows a decidedly positive performance: in value terms, global imports reached 546 million euro (+10%), in volume 158 million liters (+1.3%).

Important numbers, that show the signs of a market, that of Scandinavia, in constant change. Consumers in Sweden and Norway, supported by the strategies and rules imposed on tenders by their respective monopolies, are particularly demanding, but also rational. And imported wines are asked not only to be good, but also to be sustainable, from an environmental and social point of view. This aspect brings precise choices, especially in terms of packaging: in no other country the weight of bag-in-box and other lightweight formats, such as PET bottles, is so significant. At the same time, the content changes, because the search for an increasingly healthy lifestyle based on the quality of what you eat and drink is now a consolidated reality in the Scandinavian countries.

How Consumers Changed

However, the palate of the wine consumer of Sweden and Norway is also changing. Just as we are seeing everywhere else in the world, here also it is young people who are driving what has now taken the dimensions of a real consumer revolution. Which increasingly reduces the space for red wines, especially the more structured and alcoholic ones, destined to make room for productions that push instead on the lever of freshness and acidity.



TROND ERLING PETERSEN

NUMBERS AND TRENDS IN THE NORWEGIAN MARKET ACCORDING TO VINMONOPOLET

For the Norwegian Vinmonopolet, our magazine collected the point of view of Trond Erling Petersen, Category Manager of the Monopoly of Oslo. He basically confirms the Swedish picture, while still defining Norway as an essentially red wine country in which, however, rosés, whites and sparkling wines are constantly eroding market share. The "credit" for this trend can be attributed to younger consumers, who are looking for wines and other drinks with a lower alcohol content, better suited to a constantly evolving, increasingly global and social way of eating. Small as it may be, however, the Norwegian market is one that can encompass enormous diversity within it, which means that there is still room for a huge variety of types and denominations. The trend, however, is clear, and goes in the direction of lighter and more elegant wines, thus looking at different varieties, but also at traditional wines and artisanal production styles.

Red wine consumption, globally, has been declining for many years. What is the trend in Norway?

We are seeing the same trend in Norway. People select white wine, sparkling wine and rosé wine more often than before, and this causes the sales of red wine to decrease slightly. But Norway is still a red wine drinking country, and approximately 54% of wine sales by volume in Vinmonopolet is red wine (2022). 29% is white wine, 8,7% sparkling, 5,3% rosé.

If we go back to 2017, the red wine market share was 60%. In 2012 it was 66%.

The 3-litre bag-in-box format is very popular in Norway, and has a 55-60 % market share within the categories of red wine, white wine and rosé.

Young people are embracing consumption patterns that look at

healthiness and lower gradations, preferring whites and sparkling. Is this a key that also applies in Norway?

Yes, we are seeing that younger consumers are looking for wines and other drinks that are lower in alcohol, more suited to a social and «world wide» way of eating, and this leads to increased sales of white and «orange» or «amber» wines (skin contact white wines), sparkling and pet-nat, rosé, craft cider and more. That a wine is light, fresh and young is seen as a positive trait, where the earlier generation might choose a wine more suited for ageing and classical cuisine. We are also seeing increased sales in no-alcohol and low-alcohol segments. Health and well-being is contributing to driving this trend, no doubt.

What types of red wine - by variety or DO - are doing best in the Norwegian market?

That will vary between regions and customer groups. The consumer patterns differ between the larger towns and cities near the coast in the south of Norway, and the more rural areas inland and further north. As a monopoly we have all kinds of customers, from the price focused to the dedicated customers who are willing to pay a premium for what they consider to be top quality. Cotes du Rhone, Burgundy, Bordeaux, Rioja, Piemonte (mostly Langhe), Toscana, Veneto, California, Western Cape (South Africa), Pinot Noir, Barbera, Garnacha, Tempranillo, Sangiovese, Nebbiolo, Syrah/Shiraz, Cabernet Sauvignon, Touriga Nacional, Ruby Cabernet, Zinfandel, Nero d'Avola are among the most popular wines or grape varieties.

What characteristics must a red wine have to capture consumers in Norway?

As a whole, in tune with the development towards more «light and bright» wines (sparkling, white, rosé) - the red wines that people buy are increasingly the lighter and more dry, classical red wines. Some years



ago, sweeter and richer red wines like ripasso/appassimento style wines, Amarone, Negroamaro from Puglia and so on were the most popular red wines. But now we are seeing an increase for wines that are lighter in colour and more dry, fresh and food friendly - like Barbera, Pinot Noir, Garnacha, Nebbiolo and Sangiovese, for instance.

Is this current change of approach to the wine consumption - between health and premiumisation - in your opinion, temporary or irreversible in the Norwegian market?

I think this will continue to develop in the same direction for the coming 10-15 years. But it is always hard - and dangerous - to try and predict the future!

Is red wine paying for competition with different drinks, or just competition from other types?

Mostly from other styles of wine, like sparkling, petillant, white and rosé wine. Hand crafted cider and fruit based sparkling wines are also growing. The sale of spirits is declining. Beer is quite stable. Ready-to-drink cocktails may gain some market share from wine or beer in the future.

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USA
THE CURRENT OUTLOOK IS MIXED AND INFLUENCED BY A NUMBER OF FACTORS

LIGHT AND SHADOW For Red Wine

Some statistics show a widespread drop for specific types, especially those with high alcohol content and a full body, while other wines are keeping their market shares and premium wines are growing. New generations' choices have the potential to change the trend.

By LIZA B. ZIMMERMAN

While other markets, such as Europe, have recently seen a slight decline in red wine consumption—for a number of economic and health-centric reasons—sales of red wine in the U.S. have remained fairly strong, according to industry experts. The last decade has seen a slight decrease in red wine imports (see the story on page **TK**), but it may have more to do with shifting consumption trends, an aging consumer base and the aftermath of the high-point of the pandemic: all of which is affecting the off-trade arena the most.

While wines like Sauvignon Blanc have seen increases, red wine as a whole is standing relatively strong with a shift to lower-alcohol and more elegant wines, according to some importers. “If there is a trend away from red wines it is probably actually a trend away from high-alcohol wines,” said **Bart Broadbent**, a national importer based in Richmond, Virginia that imports 42 brands, as well as having a number of private labels, as well as distributing in New York State and California.

“Yes, we see a big decline in high-alcohol reds but not away from reds in general,” he said. “Lighter and lower-alcohol reds are probably growing.” However, some retailers think a decline in red wine sales could be on the horizon.

“In Texas, where beef is king, a decline in red wine consumption may [arrive] later in this market than others,” **Jasper Russo**, the director of education at the 110-location Twin Liquors retailer based in Austin, Texas, said. “I think we can expect a shift from tannic Cabernet Sauvignon to red blends and Pinot Noirs that are lighter in body and alcohol, but still full of flavor.”

The Data

According to SipSource, which collects distributor depletions from more than a dozen major wholesalers, Cabernet Sauvignon was down by 4.7 percent, while red blends were down by 11.2 percent – according to data from September 2022 – which is based on a 12-month rolling percentage change versus the previous year. Depletions of Malbec, Zinfandel and Syrah were also down at a loss of 8.5 percent for Malbec, 12.2 percent for Merlot and 16.2 percent for Syrah. Those are all red grapes that tend to produce wines high in alcohol, as they are often made in corpulent styles in hot climates.

Over at NielsenIQ, the wine analyst **Jon Berg**, vice president of beverage alcohol thought leadership based in Southern California, shared his concerns about red wine sales losses in the off-trade arena. He added that red wine sales have declined by four % in the past year.

When asked how red sales have fared over the last decade, he adds that, “Our data only goes back a few years,” he said. “But from what we can see, the data has been relatively consistent.” Digging into the varietal breakup, Mr. Berg noted that the king of red grapes – Cabernet Sauvignon – is “still managing to hold ground and perform slightly better than the category as a whole, which is important for reds as it represents the leader in the segment. Out of the top ten red varietals, the ones with the most negative impact have been red blends (at -6%), Merlot (-7%), Malbec (-7%), Zinfandel (-9%) [and] Shiraz (-11%).” He added that, “red wine is very likely to contin-

ue to see value and volume erosion in the foreseeable future. There is some evidence that premium products can show some limited growth with consumers currently involved with red wine. Overall, that will not be enough to grow the red wine category going forward.”

Some industry sources think the decline in red wine sales may come from a taste-profile shift. Mr. Broadbent said he thinks that the current decline in, “in high-alcohol reds is probably a result of a decade-long campaign against high-alcohol wines, by sommeliers, wine writers and influencers, which is finally grabbing hold at the consumer level”.

According to recent data from WineSearcher.com, one of the top circulation publications in the wine industry, spanning from January 2021 to 2022, for the bulk of red wine varietals – including Cabernet Sauvignon, Merlot, Pinot Noir, Syrah and Zinfandel – searches were down between one and 10 percent. In the same time frame, all the major white grapes saw search increases between approximately 5 and 30%.



From Above: Bart Broadbent, Jasper Russo, Jon Berg
@ Broadbent Selections, The Press Democrat
North Coast Wine Challenge, Jon Berg

The Experts' Views and Analyses

The analyst at Nielsen is not alone in expressing concern for future sales of red wine in the U.S. **Christian Miller**, the proprietor of Berkely, California-based Full Glass Research, a wine analyst, said that in terms of, “a major multi-year trend we have not seen a switch away from reds towards white wine, but it is possible we are seeing the beginning of that now. I would wait until halfway through 2023 before calling it a trend.” He added that it is, “doubtful that the decline is being offset by DtC [direct-to-consumer] channels, on-premise or the long tail of smaller and independent wine stores.”

Mr. Miller added that, via Nielsen and IRI scan data, he has seen a decline in red wine sales off-premise with “roughly about half the off-premise sales in the U.S. [In addition] red wine sales are down more than white over the course of 2022 here.”

The Trends At Play in Red Wine Consumption

A number of trends have taken hold of the U.S. wine scene, during the tumultuous years of the pandemic, that are still having an effect on the market. These include, according to Mr. Miller, an accelerated decline in sales of wines under \$10; robust but waning, growth for wines over \$15; minor wine consumers decreasing their consumption while major ones increase it; and a quarter of wine consumers cutting back overall on wine consumption as they try to reduce their alcohol consumption.

“These trends cut across red and white wines alike,” Mr. Miller said. “To the extent they differ, red wines have benefited because they are a larger proportion of \$15-plus sales.”

Nielsen’s Mr. Berg also noted that several factors are currently affecting red wine consumption in the States. They include the growth of the ready-to-drink (RtD) sector; wine drinkers skewing older; competition with beer and spirits; the popularity of organic and natural wines, that are not always red; and new demographics – such as Generation Z consumers, who were born between 1997 to 2012 – lack of extensive wine knowledge.

The Age Game

Part of the shift in wine consumption in the States is clearly due to an aging Boomer population drinking less and new, younger demographics coming to the fore who are less than enthusiastic about their alcoholic-beverage options. This younger generation has less money than their parents, tends to love cocktails and can also be skeptical about the benefits of alcohol consumption given this age range’s focus on health. Twin’s Mr. Russo noted that, “as the baby boomer generation ages and drinks less wine there will certainly be a decline as younger generations with less disposable income become a bigger part of the marketplace. This is counterbalanced to some extent by consumers spending more dollars per bottle as a result of premiumization. The number of bottles will probably decline before we see that reflected in the dollars spent.”

On the Bright Side

A number of data crunchers – and major retailers – don’t see any issue with the current sales viability of red wines. “The market has been responsive in the past in



Christian Miller



Andrew Adams

terms of producing wine to the consumer’s preference,” Mr. Russo said. “And I think that will continue, producing red wines that consumers are demanding. It is also important to remember that as consumers age their tastes tend to become more sophisticated and that will lead to more red wine consumption, especially at higher price and quality levels.”

Some other sources of data confirm this picture. **Andrew Adams**, the editor of the Sonoma, California-based Wine Analytics Report, explained it. “Based on our data as well as that of our research partners, I have not seen anything to suggest that red wine consumption and sales are declining dramatically in the U.S. market this year or over the past decade,” he said.

“Zinfandel, Syrah and Merlot continue to see weaker demand compared to Cabernet Sauvignon, Pinot Noir and other reds,” Mr. Adams added. “But the lack of consumer interest in the three former varietals doesn’t appear to indicate any weakening in overall consumer demand for red wines.”

He concluded that, “the declines in red wine sales are more of a result of the ongoing normalization from Covid trends as the declines among reds are similar, if not less, than seen in white wines. The bigger concern for U.S. wine producers is the flat to weakening demand for wine overall, especially relative to spirits.”

The U.S. wine market constantly beats to its own drum as one of the latest to the party of wine-consuming, and producing, countries in the world. The States doesn’t have a centuries-old history of wine consumption at meals, as in Europe; and has been less affected by the economic bubble that burst some economies in Asian countries and elsewhere. The status factor of what one drinks changes constantly from state to state and Americans are constantly in the habit of reinventing themselves and their country. So, stay tuned for what might be next on the wine horizon.

 Canada

Sparkling And Red Wines

BREAK EVEN

By GABRIEL RIEL-SALVATORE

Canada is often referred to as a mature wine market open to innovation and reflecting worldwide trends. Although red wine remains most popular in the country, recent consumption habits are showing a gradual shift in favour of other wine typologies. Ready-to-drink alcoholic beverages have also become increasingly popular in Canada in recent years, with a major impact on beer and wine sales, revealing the struggle to attract and retain new young wine drinkers. In a rapidly changing global wine environment, the Canadian wine market remains somewhat of a puzzle. Composed of 13 autonomous provincial monopolies, it does not constitute a single national entity. Wine sales in Canada are regulated at the provincial level, resulting in very different market rules and restrictions among the provinces. The four most important provinces for wine sales are Quebec, Ontario, British Columbia and Alberta. Quebec and Ontario operate within a government monopoly system, with the Société des alcools du Québec (SAQ) and the Liquor Control Board of Ontario (LCBO) acting as the sole retailer and wholesaler of alcoholic beverages. Sales to final consumers can be made through a variety of retail channels, including government, grocery stores, convenience stores and on-premise channels. British Columbia is a mixed-model system, with a government-run retail channel and a network of private shops. Alberta is the only province with a completely open and private alcohol market, which allows the many private shops to collaborate with importers and distributors or to source imported products themselves.



Nick Hamilton



Isabelle Gaudet



Josée Dumas

Wine Consumption in Canada

A recent study published by Statistics Canada revealed that volumes of wine sales in Canada experienced a 4% drop in 2021-2022, reaching 516 million litres, equating roughly 2.4 glasses of wine per week for every Canadian of drinking age. This is the largest diminution in wine consumption ever recorded since Statistics Canada started recording alcohol sales in 1949. Balancing this historic low in terms of growth, wine sales expressed in dollars however increased 2.1% reaching \$8.1 billion in 2021-2022, a similar rate growth than the previous year, suggesting a steady move towards drinking more premium wines. Still wine sales in volume have not grown in the past five years and are expected to remain static in the next five. The Statistics Canada report showed that red wine was preferred by just over half of Canadians who purchased wine (52.3%) in 2021-2022, a drop of close to 2% over the previous year (53.2%). White wine consumption followed with (33.0%), remaining stable compared to the year before (33.2%), while the share of sparkling wine soared (7.6%), up 16.9% as just one year earlier (6.5%). Rosé, fortified and other wines occupied the remaining share (7.1% in 2022, 7.0% in 2021).

Spotlight on the Quebec Market

Quebec, one of the largest markets for wine in Canada, traditionally used to prefer red wine, reveals **Nick Hamilton**, a wine consultant, teacher and entertainer for Les conseillers du vin, involved in the wine business in the province since 1980.

"Up until the 1990s, red wine used to hold the lion's share with about 70% of the total consumption," he said. "Today, this number is closer to 50%. People also used to drink a lot of fortified wines such as Xeres, Madeira, Port or Vermouth as an aperitif. Now people tend to prefer drinking sparkling wines as a starter". This category has been gaining in popularity in the past 10-15 years if not 20 years, according to Hamilton.

"There's still a big buzz for bubbles at the moment. Some people are even drinking sparkling wines throughout whole meals," he said. Red wine seems to have reached a certain maturity in Quebec, corroborates SAQ's Marketing Analyst **Isabelle Gaudet**.

"If we compare to 2017, the SAQ registered a drop of 700,000 standard 9L cases, resulting in a 9% decrease in volume in the red wine category in the past five years," she said. "Over the last year only, the decrease in volume was 6%. Volume is decreasing compared to the last 4 years and we do not anticipate significant volume gains in the future, except in a few categories such as large formats, Spain, Tuscany, Rhône, Bordeaux as well as with some organic products."

Red wine sales have been declining in Quebec since 2005, and the trend is global, revealed Josée

Dumas, Director of Supply Management and Marketing at the SAQ in a recent interview to a local newspaper. Red wine continues its decline, from 55.4% of wine bottles sold in 2021 to 53.4% in 2022. Interestingly, white wine continues to gain in popularity in the French speaking province. Four out of ten bottles of wine sold at the SAQ are white, while Sparkling wines' growth in volume was average, mainly due to an important slowdown at the beginning of the pandemic.

More and More White Wine

White wine sales in volume increased by 25% in the past five years at the SAQ thanks to the growing popularity of larger formats and a craze for emerging regions such as Austria, Loire, Spain and orange wine, which is not officially a wine category, but which sales are counted with whites as it is made from white grapes, explained Isabelle Gaudet.

Consumption of rosé is increasing, especially among regular wine drinkers in Quebec.

"While rosé used to be a seasonal drink, now enthusiasts enjoy it all year round, not just in summer," said Mr. Hamilton.

There seems to be a similar willingness to branch out from 'established' grape varieties in the rest of Canada too, according to Wine Intelligence's report, Canada's Wine Market Paradox. For red wine, for example, Merlot, Pinot Noir and Shiraz saw a dip, while Garnacha seems to be undergoing something of a renaissance, Mr. Hamilton continued.

"Organic, biodynamic, orange and natural wines are really picking up steam in general," he added. "Thanks to the internet, the new generations of wine drinkers are on a constant lookout for novelties and healthier products. These categories are part of an underlying trend which, I wouldn't be surprised, could well win 20% of the market in the next few years," he asserts, confirming consumers are moving into a discovery phase."

The number of people who have bought alternative wine types such as organic or natural wines is indeed growing strongly in Canada according to Wine Intelligence, specially in the Generation Z, where almost a quarter of those who belong to that age class have bought an organic or natural wine in 2021.

On the same note, even non-alcoholic products have become increasingly popular. The SAQ now offers 60 non-alcoholic products, which has led to a 40% increase in sales in one year.

"The non-alcoholic category is an emerging category at the SAQ and we want to develop it further," **Josée Dumas** confirmed. "This is important for us. It's part of responsible consumption."

The Threat of Ready-to-drink Products

In the mass-market of alcohol beverages, the most obvious success story of the last five years

A FRAGMENTED MARKET, YET SHOWING CLEAR TRENDS

The analysis of consumption data in Canada shows a generalised drop in volumes, but an increase in total value. The takeaway is overall positive, with some exceptions. Young drinkers are not so interested in wine, especially reds, while sales of white wines remain stable and bubbles are growing in double digits. Ready-to-drink beverages are on the rise



WINE CONSUMPTION BY TYPOLOGY 2022 VS 2021

	2022	2021	Chg.
Red wine	52.30%	53.20%	-1.7%
White wine	33%	33.20%	-0.6%
Sparkling wine	7.60%	6.50%	16.9%
Rosé, fortified wine etc.	7.10%	7.00%	1.4%

A Corriere Vinicolo elaboration based on data from the Statistics Canada

has been the continued rise of the ready-to-drink category which rose 23%. Confirming the national trend, this category almost tripled its volume in the past 5 years at the SAQ, experiencing a 30% growth over 2017 thanks to several new products including carbonated water-based drinks, confides Isabelle Gaudet. The Ready-to-drink category's explosive growth rate of the last five years across the country is expected to slow down as the category matures, but should still benefit from an expected 7% increase to 2026, predicts Wine Intelligence.

Ready-to-drink beverages are hence posing a direct threat to wine sales in Canada as the industry struggles to attract and retain Millennial and Gen Z consumers. Paradoxically, these younger generations, more than any other group, perceive wine as something fashionable and sophisticated. On the other hand, they find it both expensive and hard to grasp and buy it significantly less often than any other age cohort. Moreover, the share of wine drinkers aged 19 to 24 has been decreasing dramatically in the past five years in Canada moving from 9% in 2017 to just 5%, revealed Wine Intelligence. This firm trend downwards seems particularly severe in Quebec where the proportion tumbled from 10% to just 3% of total wine drinkers.

The past few years have exposed the wine category's struggle to recruit younger wine drinkers and revealed how still wine sales have been on a standstill, but it is not all bad news according to Wine Intelligence. Prices are rising, and consumers seem to be sticking with them. Premium segment wines of over \$14 now account for 25% of all sales and this steady move up the price points is expected to continue rising even if this means Canadians might start buying slightly less often and looking for bargains more frequently.

For the time being, consumers have not reduced the price of their bottles of wine, despite inflation, according to SAQ analyses.

"We noticed a craze for products in higher price brackets during the pandemic (\$15-20, \$20-30 and over \$30). As a result, entry-level products are more affected by the drop in sales (in litres) over the last 5 years. While the core sales were between \$12 and \$14.95 until last year, this year it is more like \$15 to \$17.45," Ms. Gaudet argued.

In fact, Josée Dumas explains that it is not inflation that has affected buying habits, but COVID-19.

"Consumers wanted to treat themselves," she said. "When you go to a restaurant, you pay a little more for a bottle of wine. At that time, there was no meal to pay for at the restaurant, so we saw consumers move towards more prestigious appellations, and we saw this in the average price, which increased."

This trend has not been affected by inflation at the moment.



Japan

RED WINES' SUCCESS IS CONNECTED TO POLYPHENOLS AND THEIR PRESUMED HEALTH BENEFITS

Red Wines, Especially If Premium, Rank First. With Some Exceptions

By MARI YASUDA

Wine consumption in Japan has expanded after several wine booms, like in 1987 for the Beaujolais Nouveau boom. Japan is still the largest importer of Beaujolais Nouveau. Then, in 1997, a red wine boom began when research results showed that polyphenols, which are abundant in red wines, are good for health. In this way, red wines have contributed to the expansion of the Japanese wine market.

What is happening now in the red wine sales in Japan? There are no official statistics on the ratio between red and white wines in the Japanese wine market. Furthermore, many importers and retailers do not break down sales results by reds and whites. In this situation, Mercian, one of the major importers, gives a data of reds and whites as shown in the Wine World Magazine's second issue of 2022. This data shows that red wines are dominant in the Japanese market. Mercian's sales volume for the on-premise wines are composed of roughly 55% reds and 44% whites (This is a composition ratio of imported still wines which excludes Beaujolais Nouveau).

Akihiko Yamaguchi, Director & Chief Marketing Officer of Mercian, commented that "This ratio has not changed much over the years. On the contrary, a change can be seen in the ratio of red and white wine sales volume for off-premise sales before and after Covid-19. The ratio of reds and whites for off-premise sales in 2018 was 68% red and 31% white wines; however the ratio in 2021 was 66% reds and 33% whites. This means two points' increase of white wines' share. As the Japanese market is conservative, even two points can be seen as a change. However, it's not that white wine sales have grown overall. Rather, people who used to drink white wines at restaurants, could not drink them there due to the restriction on alcohol sales under the Covid-19 situation, so they've shifted to purchasing white wines for home use. It is not that demand for white wines has increased."

Mercian's volume of reds and whites for off-premise sales in 2022 was 65% reds and 34% whites. "This does not mean the sales volume of red wines are decreasing and that of whites are increasing," Mr. Yamaguchi explained. "The sales volume of both reds and whites is decreasing from that of 2019, before Covid-19. However, the decrease in sales of white wines has been more limited than that of red wines, so the composition rate has changed."

The strength of Red Wines

It seems that red wines are still selling well, although there has been a slight change as shown above. All interviewees this time said they had a feeling at the site that the sales of red wine were not declining. Why are the red wine sales so strong?

First of all, rare and expensive red wines are potent. **Atsushi Shinozaki**, a staffer at the wine division of Tatsumi which wholesales liquors and wines to more than 10,000 restaurants mainly in central Tokyo, observed that "The sales of wines are very good in upscale restaurants or Michelin-starred restaurants. Rare and expensive wines such as Opus One tend to be in demand. However, some items, especially Bourgogne or Super Tus-

The younger generations are driving a certain change in favor of natural and orange wines. Premium red wines are still selling well, but the preference for lighter wines is growing, while mass market labels are going for white and sparkling wines



Akihiko Yamaguchi



Atsushi Shinozaki



Satsuki Kusakabe



Mitsuaki Sato



Masataka Onuma

can like Luce and Sassicaia, face a supply shortage. Importers cannot get the sufficient volume because importers reduced the purchase volume when Covid-19 started, so allocation was transferred to other countries and cannot be recaptured. The decrease in production volume, among others, also contributed to the supply shortage. Under this situation, French restaurants try to find other French reds which have a similar style and wine bars offer other red wines which are worth the price to their customers."

Red wine sales are strong even in the high price range over 35 euro in retail. One reason is the demand for gifts. "Wines from all over the world, Wine shop Budouya", which started as an online shop in 2008 and now has two physical stores in the suburbs of Tokyo, handles wines from over 40 countries around the world.

"Bordeaux, Burgundy, and Californian reds in the price range of 35 euro to 70 euro are popular as gifts," said **Satsuki Kusakabe**, a buyer of Budouya. Even in the supermarket, red wines are dominant in the price range over 35 euro. Olympic Cellar is the specialized liquor section of the supermarket chain Olympic.

Mitsuaki Sato, shop manager of Olympic Cellar in Higashi Totsuka, a suburb of Tokyo, noted that "Red wines are dominant for gifts and celebration. As a gift, sales of white wines drop sharply when the price exceeds 20 euro."

In Japan, the combination of red and white colors is considered auspicious, so a pair of red and white wines is often selected as a gift.

"Sometimes we get a request to replace a white wine with a sparkling wine, but a red wine is always selected to pair with it," he said.

It seems that polyphenol is still one of the appealing points of red wines.

"Older people especially tend to prefer red wines because of their high polyphenol content," Ms. Kusakabe pointed out. "It seems that older customers of our company tend to prefer full-bodied reds." Some customers tend to stick to the specified wine region.

"There are many people who say that the wine must be from California, including Napa," Ms. Kusakabe explained. "On the other hand, I feel that the number of people who say it must be a Bordeaux is decreasing. A Bordeaux wine may have a gold medal and a reasonable price, but the quality may be unsatisfying, or maybe a famous Bordeaux is too expensive."

Does the demand for reds fall in the hot summer? "People who drink red wines want to drink reds even when it's hot," Mr. Sato replied. "It's true that sales drop during the hot season, but I have no impression that the sales of white wines increase instead. They tend to also decrease."

Change in Consumer Preferences for Reds

There is an indication of a change in consumer preferences. **Masataka Onuma**, owner and sommelier of Wine Bar Haut-Numa located in Sendai, the political and economic center of Japan's northeast region, pointed out that in the past year or so, customers seem to prefer lighter-bodied red wines. Mr. Onuma is a veteran sommelier with a career of over 20 years.

"In the past, a full-bodied wine, such as Cabernet Sauvignon, was requested from the start," he said. "But these days, more and more people want a wine with a good balance. One reason for this change may be the rise in health consciousness. The trend for natural wines may be another reason. People who often drink natural wines prefer the *umami*. The other day, a customer who always drinks only natural wines came to the bar and asked, 'Do you have a wine with *umami*?' This customer said that he found full-bodied reds too heavy to drink."

The threats to Red Wines

Is the demand for red wines so solid? Actually, there are some risks which may jeopardize the sales of red wines.

Mr. Sato of Olympic cellar commented that "In the price range around 7 euro, there is no impression that red is overwhelmingly strong. When

one brand has both red and white wines at this price point, whites tend to sell better. For example, in our shop, we prepare three reds and two whites of Errazuriz, but Sauvignon Blanc is the best seller. Drágora of Bodegas Mureda of Spain offers one red and one white, but it's the white that sells well. Not all brands which offer both reds and whites show the same tendency, but whites tend to sell better. Furthermore, I feel that a white wine, which does not have a red to pair with, does not move well. I do not know why."

Ms. Kusakabe of Budouya pointed out the change in the preference of the younger generation.

"In the past, young first-time drinkers tended to prefer powerful wines with soft tannins and pronounced fruit flavors such as Chilean Cabernet Sauvignon, Montepulciano or Primitivo," she said. "However, due to the current trend for natural wines, the entrance to wine drinking for the younger generation is natural wines, and the preference for powerful wines seems to be fading. Many natural whites are easier to approach than reds, so many first-time drinkers of natural wines buy whites."

Japanese food seems to be a test for red wines. Ms. Kusakabe explained that "Orange wines are very popular in our shop, including those from Georgia. They go well with Japanese food, and the *umami* seems to suit the tastes of Japanese people."

Mr. Shinozaki of Tatsumi offered a comment from a completely different point of view, saying "Most Japanese restaurants serve sparkling wines or white wines," he said. "As for the red wines, when they receive a request from a regular customer, they consult us about red wines. High-end Japanese restaurants often have a counter made from Japanese cypress. Therefore, to tell the truth, they don't want to offer red wines because they are afraid of staining the counter, but they will prepare a red wine when a customer wants to drink it."

In this way, although there are some threats to the strength of red wines here and there, it can be said that there is still a strong demand for red wines in the Japanese market as a whole.

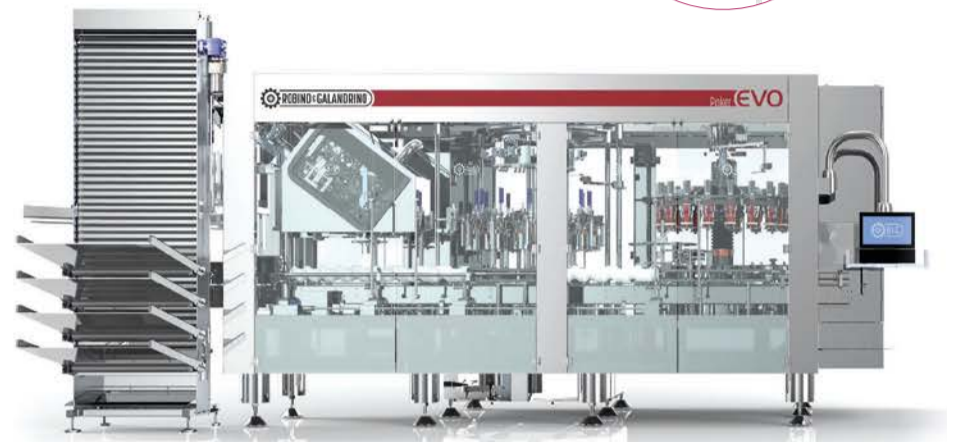


Zenith EVO



Feeding, dispensing and application of sparkling wines capsules with double centring system: orientation of the bottle (embossed logo on glass, screen print, sleeve and glass mould seaming) and capsule, both with cameras managed by SNIPER vision system.

Poker EVO



Feeding, dispensing and application of tin and poly laminate capsules (spinning heads) and PVC/PET ones (thermo-shrinking heads).



Record EVO PLUS



Feeding, dispensing and application of wirehoods.



Wirehooder featuring bottle orientation (embossed logo on glass or glass mould seaming) prior the application of wirehoods achieving the desired position of the opening eyelet (via SNIPER vision system).

EVO Series

- AISI 304 stainless steel frame with operation panels in transparent polycarbonate and internal lightning managed by door opening.
- Roof design frame with sloped working surface and controlled drainages (wirehooders).
- Bottle and capsule vision and centring via SNIPER platform.
- Vision peripheral devices: cameras, photocells (colour and UV spots), optical fibres and lasers.
- Electronical axes - brushless motorization.
- 2 high-performance HMI touch screen control panels on movable support.
- Automated, tool-free changeovers with stored settings accessible via the memorized working recipes.
- AISI 304 stainless steel guarding with mirror polished surface and full-height tempered glass doors.



Based on the most advanced electronical and digital componentry, the **SNIPER** platform developed by **R&G** gathers the vision systems performing the detections and recognitions essential to implement orientation, alignment and centring. The system features a dedicated easy and flexible interface to create and maintain the working recipes, being designed to manage all the available peripheral devices necessary to achieve the targeted functions.



China

Chinese wine lovers are becoming more and more skilled and moving from a market that was entirely dedicated to powerful and soft red wines, to a market open to new denominations. Even cuisine on the coasts is pushing for new pairings, while the market in Taiwan is choosing bubbles and autochthonous grapes, rather than just “label drinking”



Christopher Chen



Olivier Six

CHANGE IS ON ITS WAY

The (Fine) Wine Market Is No Longer For Red Wines Only

By IAN D'AGATA

China has always been considered as a red wine market first and foremost. The generalised preference for red wines amongst the wine drinking population is believed to be the result of various converging factors. Red has a specific place and is highly valued in Chinese culture (red is associated with luck, joy and life/health); Chinese wine drinkers have historically opted for bigger, rich, powerful wines (red wines are more so than white wines) that often carry a little residual sweetness (hence wines made from air-dried grapes); until recently at least, for much of the Chinese wine-buying public wines constitute more often than not an element of prestige at the dinner table and a status symbol explaining why famous wines like Bordeaux's First Growths have always ruled the roost. Last but not least, wine drinking in China is associated with good health, an important wine-related fact especially for the Chinese female wine buying public (red wines, given their antioxidant load, have always been viewed as the healthiest of drinking choices) but also for men looking to switch from Baijiu (a high alcohol, fermented spirit) for similar health-related issues.

However, things are not so cut and dried: for example, not all red wines fare equally well with China's wine-drinking public. The “Chinese palate” shies away from too much tannin (especially) and too much acidity is also a no-no; Pinot Noir wines are more popular than those made with Sangiovese. More

importantly, the Chinese wine lovers learning curve is rising sharply (China boasts the largest number of students signed up for WSET courses and Chinese wine professionals are eager participants in courses hosted by wine councils such as Wines of Spain and Wines of Chile or in more in-depth courses such as those on Italian and Burgundy wines given by the TerroirSense Wine Academy and other private wine schools). It follows that sales of “new” wines made with low tannin grapes such as Grenache are rising; at the same time, a better understanding of the merits of wine and food pairing have led an increasing number of Chinese wine professionals to embrace white wines over reds. The latter is just a very gentle trend, but with greater knowledge will come a further shift in wine drinking preferences.

Red Wine Sunset. Or Not?

But just how much of a step, if any, have red wines lost in China? According to **Christopher Chen**, general manager of Lelane Imports, one of China's premier wine



importers, there is some merit to that statement.

“Wine consumption in China over the last ten years has risen,” he said. “But white wines and bubbles haven't increased at the same rate as red wines. At the same time, one cannot ignore a significant growth of white wine especially in first tier cities such as Beijing, Shanghai, Guangzhou and Shenzhen, or in coastal cities such as Xiamen, Shantou and Qingdao. The growth seen in coastal cities is due to their cuisine based on seafood, and the Chinese are beginning to realize that you cannot drink Cabernet Sauvignon with everything. I find that bubble wine sales haven't progressed as much, though I know some find otherwise; but interestingly, I notice that in general it is Westerners who order sparkling water in restaurants while Chinese guests prefer still water.”

Olivier Six, Chief Executive Officer of East Meets West (EMW), another of China's three or four or so leading fine wine im-

porters, has a slightly different take on the matter. He also believes that in the last ten years there has been a clear change in the repartition of red, white, and bubble wine sales, but his breakdown of the trend diverges slightly from that of Tran (perhaps reflecting a different customer base?).

“Speaking of our experience at EMW, and based on our sales figures, we see clearly that in the last five years there has been a sharp increase of sales in bubble wines,” he said. “Champagne and Prosecco in our portfolio do especially well. The increase has been in double digits, so much so that we have had to increase the amount of SKUs (Stock Keeping Unit) to satisfy our clients. White wine as well has seen a big increase, but at least in our case, slightly less than bubbles. But you always need to compare such data by sub-region and sub-market. China is not a united market and what is happening in Shanghai is not true of North China or South China. North China is still dominated by red wine, while the biggest proportion of sales of bubbles and white wines take place in

East China and South China. Interestingly, South China is also the number one region for Cognac sales.”

According to **Zihong Zhang**, deputy editor of the TerroirSense Wine Review, a leading Chinese wine publication available in both English and Chinese languages “Based on some EMW data analysis excluding the last three Covid-related years, red wine and sparkling wine sales have grown slightly over the last ten years,” he said. “But white wines have gained more in popularity, especially in the 26-45 years old age group and among those with an at least intermediate level of wine knowledge. At the same time, Champagne seems to be increasingly popular with higher earners and younger consumers, which may seem like a contradiction in terms. But sparkling wines do appear to have a big future here.”

Matteo Cecchetto, senior brand manager of Fine Wines at Summergate, another of China's best and biggest fine wine importers, points out that any present-day consideration of Chinese wine drinking trends are affected by the last three

Covid-19 plagued years. According to his data, wine sales in both volume and value have understandably taken a big hit, going from a high of volume sales in 2017 (7.8 million hectolitres) and value in 2018 (3.4 billion Dollars) to the 2022 numbers of 3.1 million hectolitres and 1.31 billion dollars, respectively. What this means is that all types of wines have seen a drop in sales in China, but it's interesting to note that it's red wines that have dropped the most in Compound Annual Growth Rate (CAGR). Importantly, this fall was evident even before Covid arrived on the scene: from 2015-2020, the CAGR for red, white, rosé and sparkling wines is -12.1%, -11.5%, -4.9% and -4.7%, respectively.

Mr. Cecchetto argued that “as the market matures, sales of white, sparkling and rosé wines are expected to grow more. For example, while the CAGR for the 2021-2026 period is estimated to be only +2% each for red and white wines, it is an impressive +11.4% for Champagne and +4.8% for sparkling wine in general.” Such observations can be extrapolated to observed shifts in wine style preferences.

“No doubt, the most popular wine in China is still red wine,” Mr. Tran said. “Bordeaux remains top of the list though it has lost some of its glow relative to Burgundy, sales of which have seriously stepped up these last two years. But price and effective communication cannot be underestimated; for example, Italian wine sales are dominated by Barolo, Amarone and Chianti, while those of Barbaresco and Brunello di Montalcino are more confidential. Structured, well balanced and oaky (but not too oaky) Bordeaux blends rule, but roundness and lusciousness are important, and so fruity and rich Australian-styled wines match more





Zihong Zhang



Matteo Cecchetto

easily to Chinese palates.”
“Amarone maintains a strong position, and the Rhône valley has also been gaining ground fast in the last three years,” Mr. Tran agreed. “But the generalised impression that big red wines are starting to fall in sales is not mistaken. The demand for Burgundy, New Zealand Sauvignon Blanc, and German Riesling is really strong. In addition, there is a growing and important crowd of women drinkers that tend to prefer wines that are not that bold, so white wines and of course, bubbles are coming on strong.”
“While Cabernet Sauvignon, Pinot Noir and Chardonnay are the best-known wine grapes, German Riesling and New Zealand Sauvignon Blanc are

getting more popular thanks to very fine work done by the German and New Zealand Wine Councils,” Mr. Tran said. “Something that is not true of other country’s official wine bodies whose promotional efforts have not been as helpful.”
“In the near future, there will be increasing room in China for wines of less established regions, styles and origins,” Mr. Cecchetto said. “Chinese consumers are starting to expand their wine choices. For example, previously well-selling brands from Chile are being replaced by South African wines, a country that has been very active in its promotional and educational efforts over the years.”
Mr. Cecchetto also points out

that there has been a big increase in interest and sales of domestic wines, and some of China’s best wines are white. For example, Chinese Petit Manseng wines are garnering increasing attention, and while plantings and production volumes remain very low, they are on the rise. Clearly, “label drinking” in China is still alive and well, and reds have an edge, given that it is red wines that are usually the most famous and expensive. Mr. Tran mentions that “Chinese consumers are still ‘label drinking,’ because to an extent, a wine’s name and fame still translates as a mark of social status and a sign of wealth in China, but it is becoming less so.”

“Overall I would say the label, in all its factors, is still important, and that includes the back label too,” Mr. Six agreed. “As in any goods you choose to buy, the design, and the overall look represent a big part of the final choice made, especially for the non-regular drinker that has limited knowledge. But we are seeing a growing interest in specific wine categories, such as native grapes, natural wines, as well as organic and biodynamic ones, so just a name on a label is no longer so important because Chinese people are becoming very educated on wines. Overall, it’s still a niche segment of the market, but our clients are increasingly quite knowledgeable, and we are betting on them.”

WHAT ABOUT TAIWAN?



Over in Taiwan, an altogether different market from mainland China’s, things are not quite the same. Speaking of numbers, **Emily Huang**, president of Kenson Fine Wines, one of Taiwan’s most respected and largest fine wine importers, states that “I have statistics showing the importing volume for both world red and white wine decreased in Taiwan -4.72% (2022 June data) compared to 2021. By contrast, bubble wine volumes increased +11.99% from 2021 to June 2022. And this is true with the wines of all European countries: for example, relative to Italian red and white wine specifically, the importing volume increased +36.12% from 2001 to December 2022. And while Champagne sales are skyrocketing, other bubble wines are more than holding their own, with the importing volume increasing by +39.29% from 2001 to 2022”.
As far as trends in preferred wine styles in Taiwan, Ms. Huang believes it all depends on the level of drinking experience.
“Consumer age and expertise, but also vintage, wine texture and depth all count,” she said. “Generally speaking, novices appreciate more or less sweet, intense styles of wines made with air-dried grapes (not necessarily Amarone), while the more experienced wine lovers prefer richer, tannic, but increasingly elegant wines with long finishes. Pinot noir does well, but interestingly so do the wines of Spain and Etna Rosso, the wines of two wine regions nobody ever talked about just a few years ago. By contrast, light (as in colour and/or taste) red wines (especially those with high acidity) require much more effort to sell presently.”
Last but not least, she believes the question of “label drinking” needs to be analyzed carefully.
“Ours is still a ‘label drinkers’ market, but this question is more complex than commonly thought,” she said. “First, with famous wines like Bordeaux, Hermitage, and Barolo/Barbaresco, the famous label is appreciated most, while lesser known but rising star-anointed names represent a good second choice. In this case, territory is also a factor when choosing wine, such as Burgundy’s crus, the Bordeaux classification of growths, and even Barolo/Barbaresco’s new cru system. These all help focus buyer preferences. Second, for less well-known wine production areas such as Provence, Baden, the Marche, and Abruzzo, grape variety becomes the focus. We see that people in Taiwan are curious about, and willing to try, wines made with native grape varieties. Importantly, food and wine pairing in restaurants is becoming a trend, and fresher, lighter-bodied but fruity wines are selling better, which means that white and bubble wines are on the rise.” (I.D.A.)

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South Korea

Great Strides For Sparkling Wines And Pairings, AS REDS ARE GOING DOWN

A MOMENTOUS CHANGE IN A COUNTRY HISTORICALLY INTO RED WINES

After the double-digit growth in 2021, the Korean market went down in 2022, an adaptation that, in terms of volumes, will show a serious drop for red wines, a small decline for white wines and a double-digit growth for bubbles. Tastes and consumers are changing, and so are budgets, as well as the ability to pair wine with local cuisine

By MI YEUN HONG

According to recent data released by the Korea Customs Service, the total amount of wine imports (category designated by HS CODE 2204) in 2022 totaled 655,459 hectoliters, a decrease of 7.73% compared to 710,385 hectoliters in 2021. Compared to the previous year that had an exponential growth of 42.81%, there was a different situation in the market, the global recession has also affected the Korean economy, and the consumption of wine, which is recognized as a high-end alcohol beverage, has decreased. However, looking at each category, there is surprising data to underline: red wine consumption decreased by 13.21% to 410,153 hectoliters compared to last year, whilst white wine decreased by only 3.97% to 142,841 hectoliters. But at the same time, sparkling wine imports increased by 21.53% to 84,778 hectoliters, despite a decrease in total imports. This increase prevented a decline in the overall market. It seems that a big change is taking place in the Korean market, which traditionally recognized wine as red.

"The red wines' share was 72% in 2013, and went down to 56% last January," said **Hwi Woong Jeong**, a columnist of wine21.com, the largest specialized website created in 1998, founder of the internet-based wine community café.naver.com/wine, gathering 32,500 members, as well as an author for the yearly report called Korea wine market analysis. "First, wine consumers who started out with red wine are increasingly looking for white wine to change, and second, female consumers in their 20s and 30s, represented by the MZ generation, who start drinking wine, prefer white wine over red wine. Third, in the case of middle-aged people, they prefer white wine over red wine, which has a relatively high alcohol content, due to health concerns. In addition, the price of white wine is relatively cheaper than red wine, and I think one more reason why people choose white wine over red wine is due to the economic recession and economic difficulties."

Korean Food and Wine Matching. A Victory of White and Sparkling Wine

"I think it is important to focus on sparkling wine in order to target the Korean market. It's because it goes well with Korean food," said The Segye Times' journalist **Hyeon-Tae Choi**, who has 31 years of experience. The Segye Times is one of the top 10 general daily newspapers in Korea, and its website boasts an average of 1,100,000 views per day. He is a veteran of wine, food, travel, and golf for this daily newspaper. "First of all, Korean food has a lot of plain food rather than greasy food. When people eat at home, they usually eat a lot of vegetables, and kimchi," he said. "Kimchi, a traditional authentic Korean food, is like the soul food of Koreans, it is made by fermenting cabbages. Ingredients such as red pepper powder, salted fish, or even oysters are added and fermented together, so it conflicts with the tannins of red wine."

"Common people's food like Bibimbap is also eaten comfortably in Korea, leftover ingredients in the refrigerator are put with cooked rice, chili pepper paste, and sesame oil," he explained. "The spicy taste and white wine match well for example, and the acidity of white wine softens the spicy taste. The bubbles in the sparkling wine go really well together."

He keeps explaining about Korean food culture, saying that "Koreans usually intake meat a time a week making the barbecue but Korean beef is about 45 USD for 200g in supermarkets. That's why Koreans tend to enjoy the pork belly's barbecue, which has always been affordable. However, instead of just eating pork belly, in Korean bbq culture, we wrap the meat with vegetables with other sauce made from red pepper paste and soybean paste and garlic and green onion and eat it all together. That results in a very complex flavor and I believe white or sparkling wine goes well with Korean barbecue culture. There is certainly a difference from Western steak culture in that we match mostly red wines."

"Lastly, in Korea, raw fish is very much appreciated," he said. "This doesn't match with red wines nor with white wines like oak-aged Chardonnay. I think white wines with good acidity, such as Pinot Grigio, Riesling, or Soave, work well. That's why those white wines are so popular in Korea these days."

"However, red wine is still the most imported and sold category," said **Sang Gon Kim**, senior manager of the Lotte Chilsung Wine Brand Management Team. Lotte Group is the 5th largest conglomerate in Korea with 121.6 trillion won (around 93,538 million USD) and has more than 60 subsidiaries in the food, distribution, chemical, construction, manufacturing, tourism, service, and finance sectors.

"The characteristics of Lotte's Wine Distribution Marketing are that the group has a strong distribution network that covers all consump-



Hwi Woong Jeong

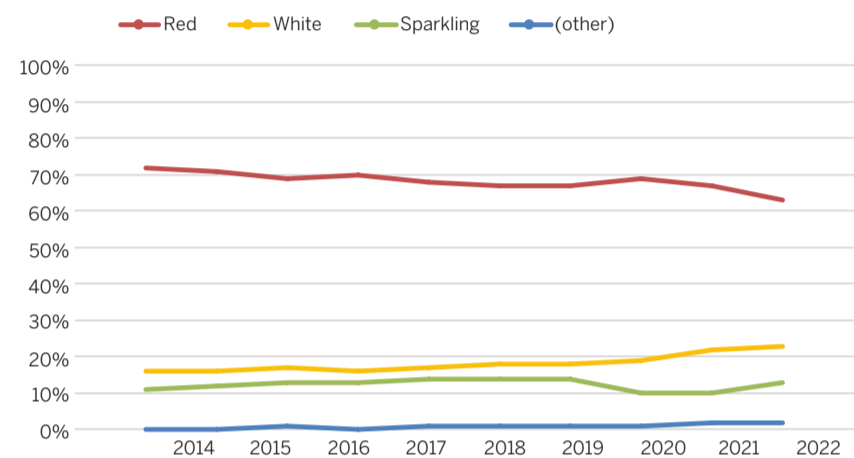


Hyeon-Tae Choi



Sang Gon Kim

2013-2022 PERCENTAGE OF RED-WHITE-SPARKLING AND OTHER (FORTIFIED ETC.) IN THE KOREAN MARKET



Source : Korean Customs Service, Korean wine market analysis v11.0, Hwi woong Jeong, <https://woongsvc.com/winestat>

KOREAN IMPORTS

Imported Volume

Hectoliters : 655,459.3hL
In terms of Bottles : 87,394,572 Bottles
Cases : 7,282,881 Cases
Growth rate 42.81% compared to last year (2021)

Imported Value

USD 547,049,620
KRW 738,697 Millions of Korean WON

Growth(HI)	2022	2021	2020
TOTAL	666459	710385	497436
	-7.73%	-42.81%	(N/A)
RED	410153	472568	345327
	-13.21%	36.85%	(N/A)
WHITE	142841	154993	96334
	-3.97%	60.89%	(N/A)
SPARKLING	84778	69762	50830
	21.53%	37.24%	(N/A)
OTHERS	11687	13062	4945
	-10.53%	164.16%	(N/A)

Source : Korean Wine Market Analysis, Annual Report V.11 Hwi-Woong Jeong

SPARKLING WINE'S EXPLOSION IN LUXURY LOUNGES AND RESTAURANTS

There are two neighborhoods in Seoul where real estate is the most expensive, Cheongdam-dong and Hannam-dong. Cheong Dam Golden Space runs four different concept's lounges and restaurants in those districts. The first opened restaurant is Maison Hannam, which was renovated from a house that was used as the residence of the Italian Embassy in the UN Village in Hannam-dong. A client can enjoy a meal on an Hermes plates and wine in the spacious garden while looking at the panoramic view of the Han River in Seoul. "Here, customers mostly prefer table wine that matches with meals. In hot or warm weather, cool sparkling/champagne orders are high, and in cool or cold winter, full-bodied style red wine is enjoyed with meals, making wine pairing a breeze, and the ratio of red wine to sparkling/champagne is 6:4," says **In-ho Jeong**, chief sommelier at Cheongdam Gold Space. While Maison Hannam shows the wine order rate that varies according to the season, D-Cheongdam, located in Cheongdam-dong, Gangnam-gu, Seoul, shows a different aspect. "Wine sold is mainly champagne, and the percentage of high-priced wines, including cult wines, is higher than other stores," **Hyun-Woo Chang**, the CEO of the group, said. "The ratio of red wine to sparkling/champagne is 3:7. And wines over 500,000 won (around 385 USD) are sold the most, and Champagne over 2 million won (around 1,540 USD), such as Armand de Brignac, is also sold a lot, and magnum sizes are highly demanded."



Hyun-Woo Chang

tion channels and has the capability to carry out individual marketing tailored to each consumption channel," he said. "First of all, Lotte Group has subsidiaries that respond to various sales channels, so it can be said that it covers all contact points where consumers purchase wine. This is the biggest difference and strength from other wine importers, except for Lotte and Shinsegae, which have individual distribution affiliates".

In fact, Lotte Department Store, which is in charge of the premium channel, has 60 stores, and has the biggest number of department stores in Korea. Lotte Mart has 112 and Lotte Super has 385 stores only in Korea, and those are huge numbers which covers all the territory. Korea Seven, which is part of the convenience store of the group, also has 12,300 stores nationwide. And Recently Convenience stores have become the latest important point of sales. Through this, Lotte Wine covers all the premium channels and retail channels. In addition, Lotte launched Bottle Bunker, the largest mega-size wine shop in Korea in December 2021. Bottle Bunker covers an area of 1,320 square meters, space like a usual supermarket, all dedicated to wines.

"We offer a wide range of wines, from entry-level wines to ultra-premium wines, to maximize customer satisfaction," he said. "And not only wine, but also whiskey and traditional liquor, covering all alcoholic beverages around the world. The Bottle Bunker is creating a wind of innovation in the wine industry, and has established itself as a must-visit place for foreign winemakers visiting Korea."

Mr. Kim talked about the latest trend in wine consumption, explaining that "Based on overall import statistics, red wine is on the decline, but red wine is still the most imported and sold category, accounting for 63.7% of total wine imports. In addition, given that the Korean wine market has grown significantly between 2020 and 2022, it is still too early to judge that red wine consumption has begun to decline. In terms of price, consumption of low-priced red wines is stagnant or declining in terms of growth rate, but demand for high-priced red wines is increasing. So far, rather than reducing consumption of red wine, it would be more accurate to say that white sparkling wine showed a relatively large growth rate as the market diversified and advanced."

THE CHALLENGING BALANCE

Between Alcohol And Health

By **ROBERT M. TOBIASSEN**
President of NABI

The President of the National Association of Beverage Importers explains the history of norms in the U.S. that focus on health and alcohol, starting with prohibition policies, and analyzes the more recent law on labels for alcoholic beverages, and their possible consequences



Europe has, in recent decades, been the focal and center point of debate over the health benefits and harms arising from the consumption of wine, distilled spirits, and beer. (Hereinafter, this article will only refer to “wine” or “beverage alcohol product” as inclusive of all products). In many European countries, there is a tradition, culture, or “national heritage” that literally integrates alcohol consumption in daily life. This history only makes the debate over health warnings on wine labels more ferocious. European industry funded groups like “Wine in Moderation” try to balance the multiple and conflicting voices. The presence of the World Health Organization (WHO) in Europe and the Organization for Economic Cooperation and Development (OECD) are both headquartered in Europe and have been forums or venues posting health and societal concerns about alcohol consumption. The WHO has a program to Reduce Harmful Alcohol Consumption and the OECD has reports on the harms arising from such consumption. The recent decision by the Republic of Ireland to require warning labels on all beverage alcohol products, and more specifically a cancer warning statement, has put this debate in front of all government health officials.

Will the practice set forth by the Republic of Ireland portend similar rules in other European countries and, ultimately, cross over “the pond” to influence public health policy in the United States? For decades in the United States, the consumption of beverage alcohol products has been listed by the National Toxicology Program (Ntp), U.S. Department of Health and Human Services. The NTP list provides: “Known To Be Human Carcinogens” and “Alcoholic Beverage Consumption.” This clear government statement, however, has not moved the public, in general, to demand cancer warning labels on wine. However, some public advocacy groups or civil society groups, including the Center for Science in the Public Interest (CSPI), are pushing for a cancer warning label on beverage alcohol.

There are two legal ways by which the cancer warning label could become a requirement in the United States: a revision of the current Government Warning Statement under the Alcoholic Beverage Labeling Act of 1988, or in the next revision of the Dietary Guidelines for Americans scheduled for 2025. In my view, the Dietary Guidelines for Americans will be the battle ground.

But first, a little background on the history of alcohol consumption in the United States.

The United States Experience from Independence to Today

Few questions have created more fervent debate in the United States than the health impacts - good or bad - of consuming wine, beer, distilled spirits, cider, or mead. From a social movement commencing in the 1870s that led to National Prohibition (1920-33) to the public health advocacy groups and the wine industry debate resulted from the “French Paradox” episode on CBS’ 60 Minutes in 1991, few topics mirror the complexity of the relationship between beverage alcohol consumption and personal health and safety. Let’s figure out why.

AN ANALYSIS ON THE IRISH DECISION TO PUT HEALTH WARNINGS ON LABELS AND ITS GLOBAL RELEVANCE FOR WINE CONSUMERS



Robert M. TobiasSEN

Beer, cider, and rye whiskey consumption was very common at the time of the birth of the United States. Imported wine was available but was not a common practice of consumption. Dr. Benjamin Rush, a signer of the Declaration of Independence, was concerned about the large quantities of alcohol being consumed. From the Revolution Days to 1830, alcohol consumption rose to 7.1 gallons of pure ethanol per person, in part, caused by unsanitary water. In 2013, consumption was 2.34 gallons of pure ethanol. Of course, a contributing factor was the options of other beverages that were safe to drink. Dr. Rush published a booklet in 1784, linking consumption, particularly of gin, brandy, and rum, with ailments of the mind and body. This was also an era of many alcohol-based products being offered as tonics and elixirs to cure all sorts of illnesses and infirmities. This led to the Temperance Movement that led to National Prohibition from 1920 to 1933.

The post-National Prohibition consensus view was beverage alcohol was a common beverage by sanitary necessity in history but never an acceptable medical tonic or a medicine in any respect. Moreover, modern consumers have moved to social consumption in a world with many options other than beverage alcohol. Misleading health claims or health benefits were banned by the Federal Government on beverage alcohol. However, in the early 1990s, the health benefit debate reappeared with the broadcast and book on the “French Paradox” asking why the French have lower heart disease rates while drinking higher rates of red wine.

Alcoholic Beverage Labeling Act of 1988

After many years of congressional debate, in November 1988, Congress enacted the law requiring the Government Warning Statement (Gws) on label that states:

“GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems”.

Congress made a strong statement on the need for the Gws (Title 27, United States Code, Section 213): The Congress finds that the American public should be informed about the health hazards that may result from the consumption or abuse of alcoholic beverages, and has determined that it would be beneficial to provide a clear, non confusing reminder of such hazards, and that there is a need for national uniformity in such reminders in order to avoid the promulgation of incorrect or misleading information and to minimize burdens on interstate commerce. The Congress finds that requiring such reminders on all containers of alcoholic beverages is appropriate and necessary in view of the substantial role of the Federal Government in promoting the

health and safety of the Nation’s population.

Earlier versions of the bill had rotating warning statements but the final text had the single statement. The law also prohibited the State Governments from imposing their own warning statements on labels. Significantly, the law requires the Secretary of the Treasury to coordinate and consult with the Surgeon General on making recommendations to Congress for any textual revisions to the Gws.

While the Gws could be revised to provide a cancer risk warning, it is very unlikely that the Executive Branch offices, Congress, and the White House could agree politically on any such revision. The public advocacy group, Csps has asked the Surgeon General to initiate such a revision but no action is pending and remains unlikely.

Dietary Guidelines for Americans

The first Dietary Guidelines were published in 1980 and are revised every five years after public comment, including scientific and research reports. The Departments of Agriculture and Health and Human Services jointly manage the Dietary Guidelines through an Advisory Committee.

Since its inception in 1980, the Dietary Guidelines has always referred to 1 or 2 standard drinks daily or similar reiteration as the benchmark that over time consumers have come to know as 1 drink for women and 2 drinks for men. However, in the proposed 2020 revision, the text recommended 1 drink for men. The proposal was rejected after many commenters asserted that the proposal was a late addition to the text and not supported by the scientific reports.

On January 19, 2023, the 20 members of the 2025 Advisory Committee were announced. The public comment period is now open and 104 comments have been received. Five comments refer to alcohol or alcoholic beverages but none mention cancer. However, the public comment period only recently opened and over 38,000 comments were received on the 2020 proposal.

The Dietary Guidelines process is more clearcut, streamlined, and efficient than is legislation to amend the Gws to cover cancer risks. Comments must be closely monitored because it is extremely unlikely that the cancer warning will not be addressed. Moreover, any readers of this article who have personal or professional views on the viability or importance of a cancer warning are encouraged to submit comments even if you are not a U.S. citizen or resident.

What’s Next

The public comments received leading up to the 2025 edition of the Dietary Guidelines for Americans will mention the cancer risks of alcohol consumption. Revision of the Government Warning Statement is very unlikely because it involves several Executive Branch offices, Congress, and the White House in a time when Washington, DC, remains in political conflict.

Public health policies of governments and personal practices of many consumers likely differ and a reconciliation of the two cannot be forced by the government. Instead, only educational advocacy and “buy-in” by consumers will have any chance of success. “Managing risks” are daily decisions that consumers of food and beverages make many times each day and for longer periods of time. Alcohol consumption is no different. The U.S. list of carcinogens has included alcohol consumption for decades but this is information that consumers use to manage risks and is not a prohibitive list. Education of the consumer of the health risks, including cancer, is essential for their management of risks. Whether this should be accomplished by a label statement, advertisement statement, or social media, among others, is the more challenging and difficult decision.

HERE IS WHERE TO KNOW MORE

<https://www.wineinmoderation.eu/>
https://www.who.int/health-topics/alcohol#tab=tab_1
<https://www.oecd.org/health/preventing-harmful-alcohol-use-6e4b4ffb-en.htm>
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https://www.cspinet.org/sites/default/files/media/documents/resource/CSPI_Letter_to_Surgeon_General_designate_re_alcohol_labeling_12.22.20.pdf
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MARKETS, BUT ALSO VINEYARDS, IN THE UK

A WIDE-RANGING INTERVIEW WITH JAMIE GOODE, A WINE WRITER AND INTERNATIONAL EXPERT

The wine market in the UK is changing rapidly, also because of climate change. Besides being a large consumer of fine wines and French premium wines, in the past decade the country has not only produced fine sparkling wines, but also still wines that today make a third of total production. Certifications have also moved forward. Last June, Sussex received the first Protected Designation of Origin (PDO), to acknowledge the quality of bubbles produced in the county located south of London. Moreover, scientists and climatologists in the UK agree that some areas of the country, despite depending on the weather variations, have become ideal to cultivate Riesling, Sauvignon and Pinot noir grapes for red wines, not only for sparkling wines and Chardonnay. Chardonnay, which is already the first grape in terms of cultivation- 1,180 hectares of vineyards over a total of 3,500. According to recent research carried out by Reading University, viticulture will further expand in the UK by 2050 because of climate change, and between 20 and 25 percent of vineyards will have ideal conditions to produce Chardonnay to make fine, still wines- and not only for sparkling wines like it is nowadays. We discussed these issues and much more with an exceptional connoisseur and watcher of British wine, **Jamie Goode**, a wine writer holding a PhD in plant biology.

Jamie, let us start with the hottest and most newsy topic. How is the organoleptic profile of the world's wines changing, as a consequence of climate change?

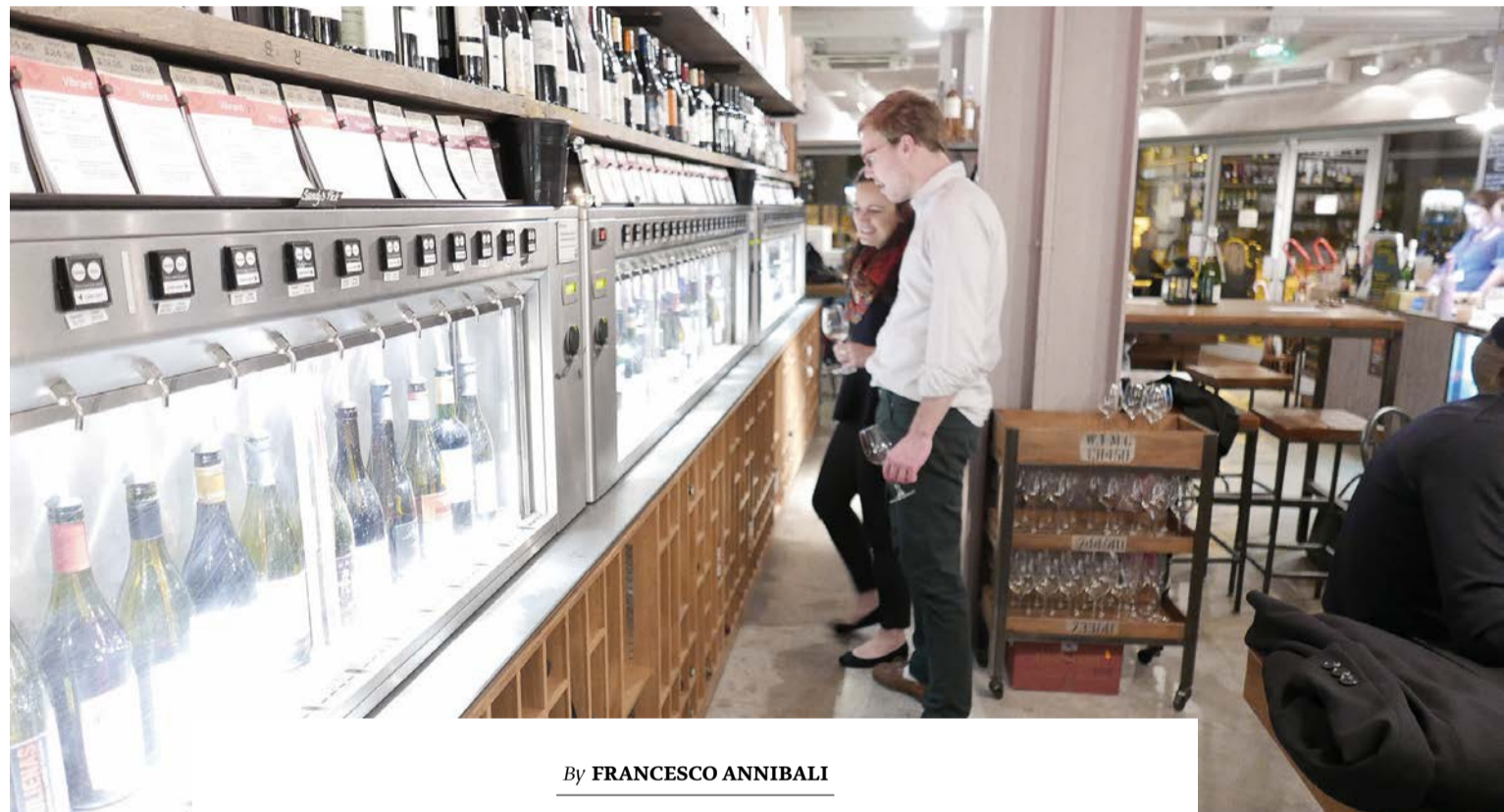
Climate is one factor in wine style, but there are choices in the vineyard and winery that can mitigate any climate change, up to a degree. It seems that through the 1990s and early 2000s, many famous red wines began to taste riper, and more sweetly fruited. But is this climate change in action, or is it also because of deliberate style changes because critics were rewarding bigger, riper wines with higher scores? It's hard to tease the two apart. But overall, it seems that many classic wines have a riper character to their fruit these days, although because of the pendulum swing back to more balanced wines winegrowers are often picking earlier and using less new oak.

From your point of view, what are the main actions that the leading wineries across the globe are undertaking to manage this change?

There's been a lot of thought about ways to work in the vineyard that mitigate any effects of a warming climate. In more extreme areas, the use of kaolin and shade cloth has been trialled, and there has been quite a bit of work on fruit zone leaf removal, in terms of timing, and also how much to leave. There have also been moves to trial grape varieties better adapted to warmer climates, with longer cycles.

What are, in your opinion, famous wine producing regions that will be hit first and more heavily by climate change?

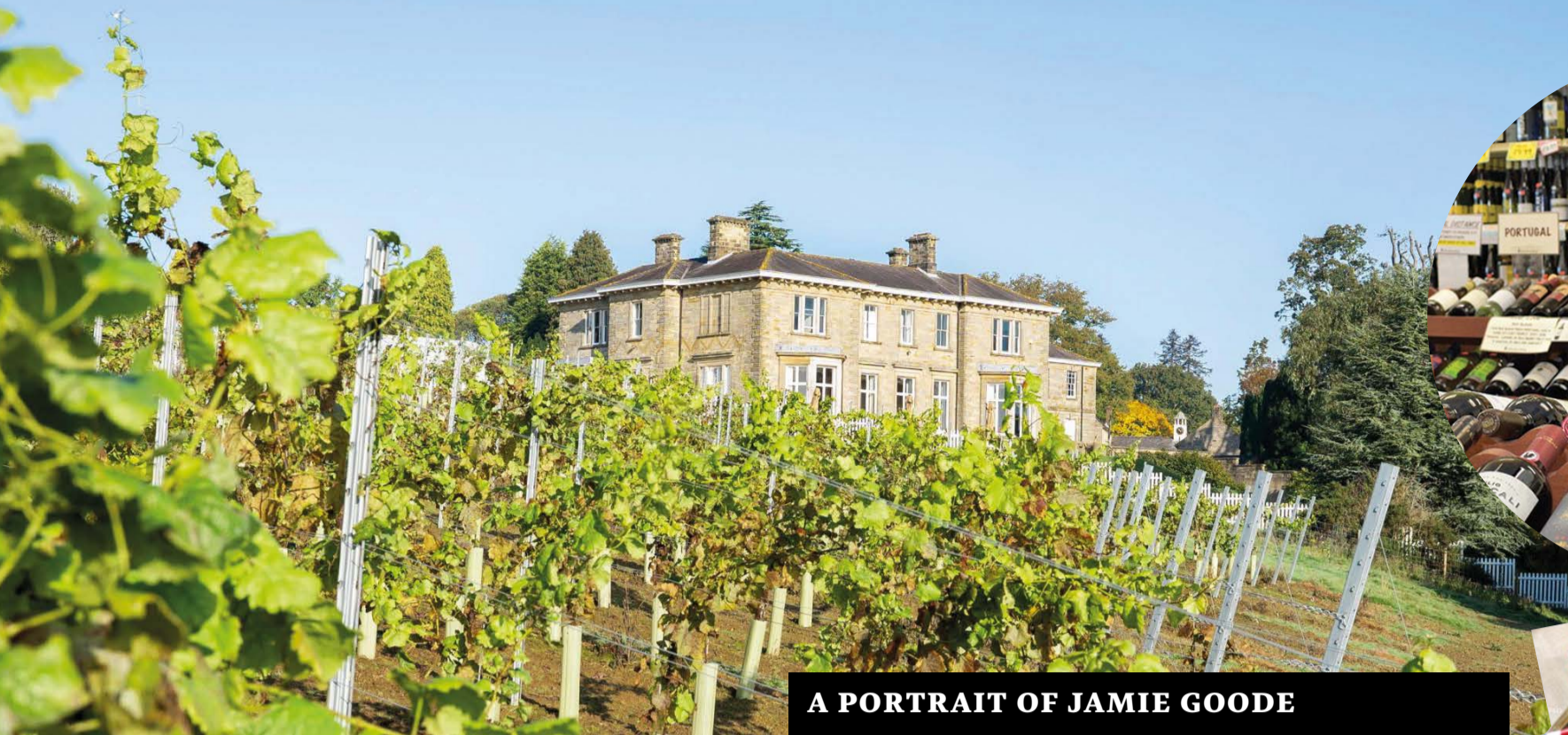
The one region where there is most concern is Burgundy. It's a lot warmer there than it used to be and Pinot Noir, in particular, is a sensitive variety and doesn't like too much heat. The concern is that Burgundy's top vineyards will end up making fruity, varietally



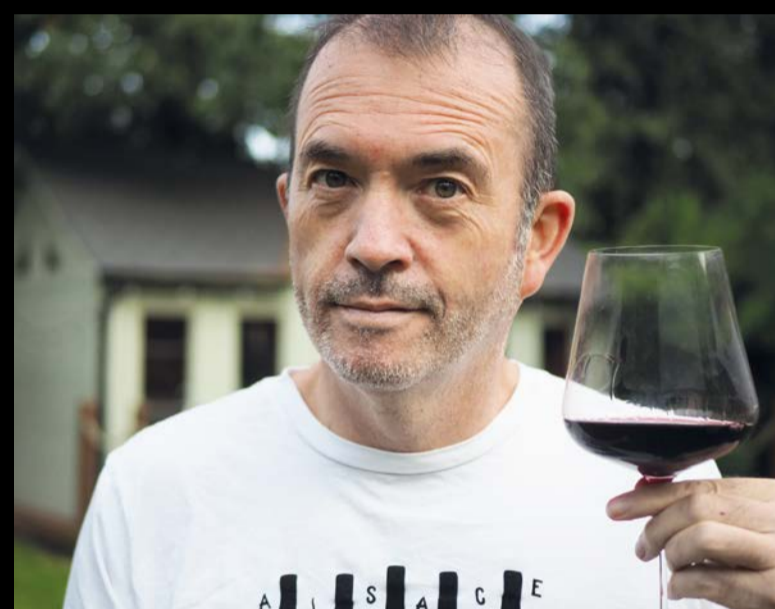
By FRANCESCO ANNIBALI

We will look at how climate change will modify the style of making wine, making it more sustainable, organic and natural- as well as the different meanings of such terms- as well as at the measures that wine farms are implementing to manage global warming. Finally, we will explore the young British viticulture and the fine wine market in the UK.





A PORTRAIT OF JAMIE GOODE



Jamie Goode is a wine columnist with the British daily, "The Sunday Express." Mr. Goode has been writing regularly for some of the most prestigious wine outlets in English, such as "Harpers," "The World of Fine Wine," "Decanter," "GrapesTalk," "Sommelier Journal" and "Wine and Spirits" in the US, as well as for "Wine Business International," "Drinks International," "Wines and Vines" and "Vine Pair." His open-access website, "Wine Anorak" is a goldmine of information and some of his books are regularly part of the bibliography for Master of Wine students. He was awarded the Glenfiddich Wine Writer of the year in 2007 and his first book, "Wine Science," received the Glenfiddich Award for Drinks Book in 2006 (its second edition was published in 2014). Mr. Goode has held several lectures and conferences, led many tastings and is a judge in various international wine contests— he is the co-president of the International Wine Challenge. He was one of the organizers of the International Sparkling Wine Symposium (held in March 2009, November 2011 and 2013). "I Taste Red", published in 2016, was awarded the Roederer Award in 2017. Mr. Goode started writing about wine after doing a PhD in plant biology and working for several years as a book editor. His website, wineanorak.com, is now one of the leading websites discussing wine.

true wines, but not compelling fine wines. The other issue is that unlike Bordeaux or Champagne or many other fine wine regions, Burgundy is very well known for two varieties and it will be very hard to introduce new varieties that might be better suited to the climate of the future.

Speaking of climate change also means speaking of sustainability. In the short-term future, will it be more or less difficult to produce sustainable wines?

I think the big problem is climate chaos: it's not just a warming trend that can be adapted to, but a breakdown of typical weather patterns. This will necessitate more intervention in the vineyard, which is less sustainable. But what we really have to do is to build resilience into vineyards, and regenerative viticulture is one way of doing this. This is more sustainable.

A certain euphoria for sustainability has much increased greenwashing. How widespread is it in the wine sector?

It will always be here. Everyone wants to tick the boxes, but not everyone has the same dedication to farming in a truly sustainable way.

The word "sustainable" is often paired with "organic." How do you see the two terms?

The problem with sustainability is that it isn't a meaningful term. No one really knows what it involves. The standards are all over the place. But it is a good starting point, and gets growers to keep records and think about ways they could improve. Organics is great, and everyone knows what it means, and internationally the standards are pretty uniform. But it may not be the most sustainable way of running vineyards.

Everything appears green today, from organic to sustainable and vegan, and so on, a galaxy of words that generate confusion. How do you think we can clarify?

This is where I think regenerative viticulture could be really helpful, because it is scientifically rational, and can neatly be explained, and everyone can play. It's still a challenge communicating to consumers, but here's a term that has arrived without baggage, and a way of farming that could be truly sustainable.

The market accepts green wines, but doesn't seem willing to pay more for such products. How can we solve this problem?

Only by convincing people that farming matters, and the products that are farmed well are better, and that there's an ethical dimension to how we shop. Our choices make a difference to the planet.

Another part of this lexicon are the so-called "natural" wines, which the European wine farming sector is fighting, as the term is misleading for consumers. Do you see it as a really growing phenomenon? How can you explain such a success, when rules are completely lacking?

I think that natural wine has been a really positive direction, and in part its success is because there aren't any rules. It's an unofficial alignment of like-minded wine growers who want to make a product that is more authentic. The people who seem to want the rules are the big companies who want a slice of the action: if there are rules saying what exactly a natural wine is, then they can make natural wines and this could open up a new market to them. But they don't get that there's a sort of 'spirit' of natural wine, and anyone trying to do this doesn't fit with the movement. The natural wine fairs are alive and well, and many producers are achieving success, and their customers are happy. So why are rules needed? Hardly any of them describe themselves as natural winemakers, and they don't put 'natural' on their bottles. As far as they are concerned they are just making wines with as little intervention as possible that reflect their place. And they show them at fairs with their friends.

Is that of "natural" wines a market that satisfies a request for transparency regarding production practices, a request that today the world of "institutional" wine is unable to satisfy?

I think the appeal is that there is an honesty and transparency to this movement, and it's peer to peer regulation rather than a top down regulation. At a certain level of consumption, we are shying away from mass production, from the over-reliance on technology, and undisclosed additions.

The Young British Viticulture

Let's move to the United Kingdom. The nascent English viticulture has an advantage, already being one of the essential hubs of the world wine trade. How are the various areas moving?

There has been consistent planting and the UK is now up to about 4,700 hectares of vines. Most are in the south east and south centre - Essex, Kent, Sussex and Hampshire, but there are vines in well-protected sites across the country. Most are for sparkling and now Chardonnay, Pinot Noir and Pinot Meunier are the most widely planted varieties. But still wines have started to become more interesting in warm vintages from warmer sites. The Crouch Valley in Essex is producing excellent grapes for still wines.

Sussex has recently been established as a wine PDO. Are other areas also requesting some recognition?

Some people are pushing for it, but it's a bit too early in my view. The problem is that early efforts to establish PDOs have used county boundaries. The leading example is Sussex, which now has a wine PDO. But this is a political line on a map: Sussex has some great terroirs and some terrible ones. Sites on chalk in Hampshire share identical soils with those chalk sites in Sussex, but then there are sites in Sussex with very different terroirs.

British wines means, at least for now, mainly sparkling wines. How do British bubbles rank compared to Champagne or Prosecco, respectively the leader of premium sparkling wines and the leader of the remaining market?

English Sparkling wines sell at the same price as Champagne here, and are more expensive than Prosecco and Cava. There are few icon-level English sparkling wines yet, although there are a couple of producers who have special cuvées in their range that they charge a lot more for.

The Future of Wine in the World

Lastly, I'd like to talk about global wine production. In particular, will the European model, based on independent-even small- wineries, have a future, or will there be an increasingly strong push towards larger groups?

This all depends on the segment of the market we are talking about. There's often a disparity in terms of production size and the size of the market, with too many small producers who don't fit larger retailers' scales. The wine ecosystem needs large producers as well as small ones, and a country whose large producers make really good wine is very lucky indeed. I think the middle ground has been squeezed for a long time - there seem to be some scales that work in terms of wineries, and then some scales that don't. The European model has been under a lot of pressure, but it will survive, because wine isn't very scalable and often smaller family-owned wineries make much better wine than larger ones. For that reason, I think they'll always have a place - but only if they focus on quality.

It is more immediate to communicate cocktails and ready-to-drink, no-low alcohol beverages, canned drinks and new packaging. Do you think that the wine sector should change the way it talks to new generations in a time when health warnings are going up?

Wine will always be fragmented, distributed, complicated. It's just the way wine is. But wine has a lot of fans. Go to a natural wine fair and people in their 20s are enjoying wine. Yes, wine does need to consider its social licence, and the place that wine plays in society is changing in countries that have typically drunk enormous amounts, treating it as a food as much as a drink. But in other countries, wine continues to win new fans, and I think it needn't worry too much about cocktails and RTDs - all the different drink categories can exist together.



Chapel Down



Simpsons



Gusbourne



Gusbourne



Let's put a mark on the beginning. After wine production, a new economical asset for this country has emerged, wine tourism. But how is "British wine-tourism" organised and which elements of peculiarity can it offer to a now global proposal full of best practices of all kinds?

GENESIS OF AN ORIGINAL TERRITORIAL PROJECT IN THE UK

THE WINE GARDEN OF ENGLAND

When Wine Tourism Is A Friend To Local Communities

By PATRIZIA CANTINI

A specific aspect of hospitality implemented by the English Kent wineries united in the Wine Garden of England, is that it reinforces the relationship between wineries and local inhabitants, with a view to socially sustainable wine tourism that does not undermine the identities of places. Jo Smith, the brand manager, told us about their experience.

From being a large and historical wine consumer market, in recent years the UK has entered the world of wine production thanks to climate-induced changes that have allowed the planting of vineyards, especially in its southern part, deployed mainly to sparkling wine production, and creating, for the first time in the country, the conditions for the birth of a real wine economy (see also the interview with Jamie Goode in the previous pages). This was a new economic asset for the Country "of the King," which immediately became a driving force for the development of other activities - following models tested by other countries - among which, first and foremost, is wine tourism.

But how is "British wine-tourism" organised and what elements of originality can it offer to a now global offer, full of best practices of all kinds? To find out, we went to investigate an association of wine tourism entrepreneurs, the Wine Garden of England, which was awarded the Iter Vitis 2022 prize as the best wine tourism experience. The prize set up the program of European Cultural Routes in 1987 at the behest of the European Council, also joined by other non-EU countries.

But let's start from the beginning. What is the Wine Garden of England? We discovered it thanks to brand manager Jo Smith, who told us the story. "Wine Garden of England is an association that brings together eight major Kent wineries, born in 2019," Jo Smith said. "Its genesis is quite curious and is due to producer Charles Simpson, who owns a winery in France, in Languedoc-Roussillon, to be precise. In 2012, Simpson decided to start planting vines in Kent and contacted a fellow winemaker, Charlie Holland, owner of the Gusbourne winery, to ask him when the Kent producer group was meeting. He then learned that there was no such group and no meetings were held. Another three years passed until, in 2015, the Taittinger group arrived in Kent and, together with Patrick Chilham, they began to plant vineyards. It was at this point that the three (Simpson, Holland and Chilham) decided to meet with the other most significant producers in the region to see how they could implement a partnership that would

be useful for the growing of Kent's enological reputation. From their meetings it was clear that the best way to work together, without creating conflicts of interest, was to focus on tourism. The first step was to open a partnership with Visit Kent and thus give life to the Wine Garden of England. Then they called me."

Ms. Smith had experience as an event organiser, but also hosted a radio column on the BBC focusing on Kent wines. She was therefore the most suitable person to become the brand manager for a wine tourism adventure that, in just a few years, has led to important results.

Teamwork to create "experiences"

There are eight wineries participating in the Wine Garden of England: Balfour, Biddenden, Chapel Down, Evremond, Gusbourne, Simpsons, Squerryes and Westwell. These wineries account for 80 per cent of Kent's entire wine production, while the remaining 20 per cent is produced by 150 small and very small winemakers. The board of the association consists of all eight members and a chairman is elected every two years. The current president is Henry Warde, owner of Squerryes. The entry criteria are quite selective, starting from the annual membership fee (we were told the fee is several thousand pounds). Companies, of course, have to have an adequate structure for hospitality and reception facilities, they must have available staff and, above all, they have to be able to work as a team.

This teamwork is working and it is easy to see this from the variety of tours that are on offer. It is enough to go to the website (winegardenofengland.co.uk) to see that there are many offers - or rather "experiences" - to choose from, ranging from a simple visit with wine-tasting to five-day, four-night tours to discover the wineries and the area, with overnight stays in luxury hotels and lunches and dinners in the best restaurants in the territory.

We asked Ms. Smith about the most popular experiences for tourists and where these tourists come from. "At the moment 90 percent of our tourists are British and the most popular experience is the 30 pound experience," she said. "Which includes a guided tour of the winery and a wine tasting session. Most of the tourists stay only one day in Kent,

but we are working to increase the permanence in the region. Women account for 65 per cent of the winery visits and the age group of tourists is mainly between 35 and 65. However, we are seeing an interesting increase in young couples, under 35, who often come from London for a day trip. It is almost always women who make the bookings and many small groups are made of female friends who treat themselves to a visit and a wine tasting. As for multi-day tours we work with agencies that take care of the whole organisation. The fact that some of the wineries in the group own restaurants and hotels naturally helps."

But how do tourists arrive?

"Mainly by car," Ms. Smith said. "Because most of the wineries are in small villages that can only be reached by car. We are working to create a public transport network to take tourists from Ashford railway station directly to the wineries, but I admit that we are still taking our first steps."

In fact, Ashford station is located only 80 kilometres south of London and can be reached in about 38 minutes by train, and this could also facilitate the arrival of foreign tourists, who currently represent only 10 percent of all visitors received by the eight wineries. There is a lot of focus on the US market, while for now the foreigners are mainly French who easily arrive across the Channel. Of course, the fact that the Lonely Planet guide named the Kent coast as the fourth must-visit place in the world to visit in 2022 has undoubtedly helped the wineries.

The most recent data of the presence of tourists - relating to the first nine months of 2022 - speaks of around 83,000 winery visits. This is far from the numbers of many Italian and French wine areas, but Kent is a "young" wine region and has many opportunities for growth. The professional set-up that the Wine Garden of England has given itself since the beginning, mixed with the economic effort made by the member wineries, demonstrates the willingness of producers to make wine tourism an important part of their business, as well as a formidable driving force for the growth of notoriety not only in the UK and across the Channel, but also overseas.

Reinforcing the Relationship between Producers and Inhabitants

With no doubt, the examples of the organisation of wine tourism in many wine-growing areas of the world (from France to Italy and California) were the starting point for the creation of the experiences proposed by the Wine Garden of England, but there is also a very specific aspect of the hospitality of these English wineries that could



Jo Smith

WINE TOURISM



Gusbourne



Biddenden



Chapel Down



Balfour



Women account for 65 percent of winery visits and the age of tourists is mainly between 35 and 65. Growing numbers for young couples, under 35, who often come from London for a day trip.

in some way be inspiring. This is a very British aspect and has to do with the good-neighbourly relations that wineries have with the locals. Today, there is a lot of talk of sustainable wine tourism that does not disrupt the traditional habits and aspects of a place, and attempts are being made to help those places for which wine tourism represented in the beginning a great opportunity, but which have then paid this same opportunity at a great cost. We refer to the loss of identity, the depopulation of villages in favour of creation of apartments and houses for tourists, the closure of traditional neighbourhood shops to make room for souvenir shops, and so on. So what are the English in Kent doing to increase wine tourism without paying the price of loss of local identity? Simple: they are working to reinforce the relationship between producers and inhabitants.

“We have always been aware that the relationship with local communities was extremely important,” said Ms. Smith. “And so our wineries decided to create spaces where local residents could perhaps walk their dogs or sit down for a coffee. The pandemic in some ways helped this process, because it encouraged many people to visit the areas closest to their houses. Not being able to go abroad or discover other parts of the UK, they have focused on their surroundings and discovered how much beauty these places can hold. Among these are also the wineries, and so the British realised that it is not always necessary to take a plane or a ferry to go and taste good wine. At the same time, this willingness shown by winemakers towards their neighbours has raised the awareness among the inhabitants that they live in an important wine region.” The theme of social sustainability of wine tourism

is therefore also well present in England, and the WineGB (the national association of English and Welsh wine producers) is in the process of dictating the rules, while those to be followed in the vineyard to safeguard biodiversity and the landscape are already a reality. The Wine Garden of England promotes itself through social channels, during fairs and events (some of which are organised directly by the association) and of course through the traditional media. There is still a long way to go, but it seems clear that English winemakers have been able to move not only with professionalism, but also with a modern vision of wine tourism. Now the next step is to obtain the Protected Designation of Origin (PDO) because strangely enough Kent still does not have it and only Sussex can currently boast it, while Wales has the equivalent of our Igp.

WOMEN OF WINE

Daniela Mastroberardino Is The New Chairwoman Of The Italian Association LE DONNE DEL VINO

Daniela Mastroberardino is the new chairwoman of Associazione Nazionale Le Donne del Vino. A producer from the Campania region, CEO and export manager of the Terredora winery in Montefusco (Avellino), she was appointed today by the new Board of Directors. The departing chairwoman, Donatella Cinelli Colombini, who led the Association for seven years, bringing the number of members to over a thousand, handed her the symbolic bell. “It is time to look to the future,” Ms. Mastroberardino said, “without forgetting the almost 35 years of heritage that are being handed down to us and which are the fruit of the work of all of us women of wine, but, in particular, of the chairwomen who have preceded me and who have done so much, each of them with their own distinctive trait. My gratitude goes to all of them, represented by the three I know best: Pia Donata Berlucchi, the first chairwoman I worked with, Elena Martusciello, also from Campania, with whom I shared so much in my early days as a member of the association, and Donatella Cinelli Colombini, from whom I am receiving the baton after seven extraordinary years.” “The road traced has become familiar to so many of us,” she continued. “To all those members who have dedicated time and energy over the years to making Le Donne del Vino this splendid association that it is and which, from today, I will have the honour or, perhaps it would be better to say, the responsibility of leading. The future will be characterised by continuity, proposing the point of view of women in the ‘magical’ world of wine that we work in: culture and promotion, training, presence on issues affecting the sector, internationalisation. I am confident that we will also have

She replaced Donatella Cinelli Colombini, and will be heading the association with 1,058 current members for the 2023-2025, three-year term. “Training and internationalisation”

the ability to innovate: there can be no continuity without a hint of discontinuity.” She will be assisted by the honorary deputy chairwoman Francesca Poggio (Piedmont), and deputy chairwomen Marianna Cardone (Apulia) and Paola Longo (Lombardy). The Board of Directors that will remain in office for the 2023-2025 three-year term is completed by: Marilisa Allegrini (Veneto), Pia Donata Berlucchi (Lombardy), Antonella Cantarutti (Friuli Venezia Giulia), Cristiana Cirielli (Friuli Venezia Giulia), Carolin Martino (Basilicata), Dominique Marzotto (Sicily), Antonietta Mazzeo (Emilia Romagna), Jenny Vian Gomez (Abruzzo). The board of arbitrators consists of Michela Guadagno (Campania), Elena Tessari (Veneto), Romina Togn (Trentino Alto Adige).

WHO IS THE NEW CHAIRWOMAN



Daniela Mastroberardino was born in 1968 and began her career in 1992 at Mastroberardino. In 1994, when the Mastroberardino family took different paths, she participated with her father, Walter, and her brothers, Paolo and Lucio, in the transformation and development of the family’s agricultural estate, Terredora Di Paolo. The winery now occupies 180 hectares of vineyards, where some of the labels that contribute to spreading Irpinia and Campania all over the world are born. Daniela is now CEO and export manager of Terredora. She has been a member of Le Donne del Vino since the late 1990s, when the Campania delegation consisted of just four producers. Having been a national councillor several times under chairwomen Berlucchi, Martusciello and Cinelli Colombini, she has been deputy chairwoman since 2016. She has also held positions in other trade associations. She was chairwoman of the Campania Wine Tourism Movement before becoming national chairwoman of the Wine Tourism Movement, a role she held from 2012 to 2015. In 2016, she was awarded the Standout Woman Award and the Out of Home Excellence Award by Fipe - Federazione Italiana Pubblici Esercizi.

WHO ARE LE DONNE DEL VINO?

Le Donne del Vino is the world’s largest association of women in wine. Established in 1988, it now has 1.018 members including winemakers, restaurateurs, wine shop owners, sommeliers and journalists. Le Donne del Vino are represented in every Italian region, coordinated into delegations. The association is non-profit and promotes wine culture and the role of women in the wine production chain. In 2019, they formed an international network with ten similar associations in other parts of the world. During the 2nd World Convention of Women in Wine hosted at Simei Milan last November, they signed an international cooperation pact with representatives of Amuva - Argentina, The Fabulous Ladies’ Wine Society-Australia, 11 Frauen und ihre Weine - Austria, Chile, Wow- Croatia, Femmes de Vin - France, Baia’s Wine - Georgia, Vinissima - Germany, Women in Wine - New Zealand, Las Damas del Pisco - Peru. The Italian Donne del Vino has promoted surveys on the gender gap in wineries and the use of light glass. Collaboration with universities and training facilities has led to a significant increase in teaching activities for members, especially in the fields of marketing and communication. As of the 2021-2022 academic year, the experimentation of the D-Vino project organised directly by the Donne del Vino was launched to introduce the teaching of wine in tourism and hospitality schools. The members are currently compiling the first Italian recipe book that draws on native grapes or wines to describe traditional local dishes. Actions in favour of preserving local identity and the historical heritage of Italian vineyards also include tastings of wines from “reliquary grapes” and “ancient vineyards.” Le Donne del Vino has promoted wine tourism en plein air with the Camper Friendly project. They also fight violence against women with fundraising campaigns, conferences and awareness-raising actions such as #tuonseiola and the more recent sharing corner of the website to help those looking for jobs. More news can be found on the website and blog www.ledonnedelvino.com as well as in the monthly supplement to Il Corriere Vinicolo, D-News.





In a very complicated year, worsened by crazy costs, the aggregate numbers for the main countries monitored showed a decrease of -4%, due to -5% of still wines and +2% of sparkling wines. The prolonged involution of the Chinese market (-24%) weighed heavily, to which the minus signs in the UK and Germany must be added. Prices in the USA remained stable

In these pages are some of the data for the main sparkling wine import countries, analysed and commented by the Wine Observatory of the Unione Italiana Vini

The full data, including all the details on the wine types, are available on www.wine-observatory.com

All Things Considered, A Good Year

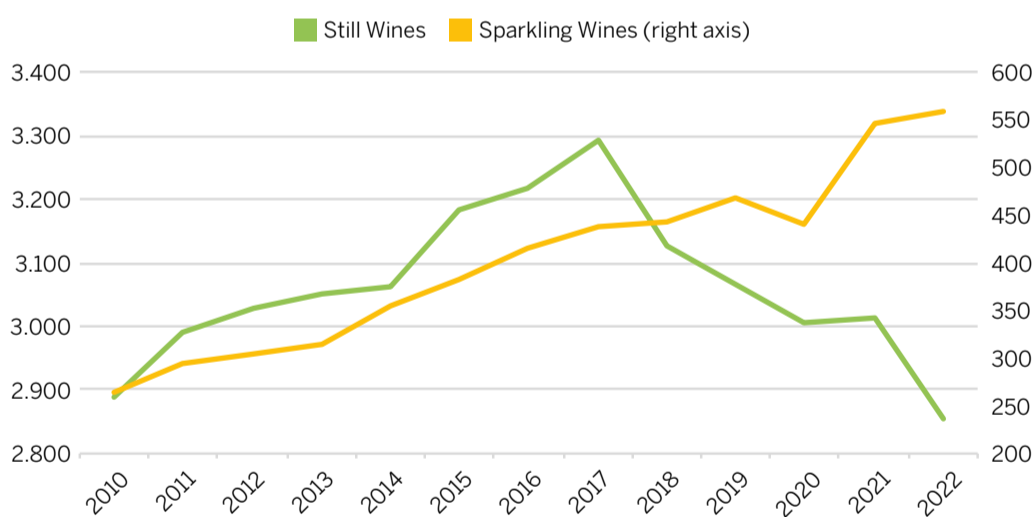
By CARLO FLAMINI - UIV-Vitality Wine Observatory

The world wine trade suffered a small setback in 2022, showing a decrease in volume by -4% compared to 2021 (34.1 million hectoliters), while remaining below the pre-Covid data (35.4 million, -1% Cagr). The negative trend is for packaged still wines, which ended the year at -5% (28.6 million hectolitres), -2% on 2019, while sparkling wine remains uptick, with an annual balance of +2% (5.6 million hectoliters, compared to 2021 that

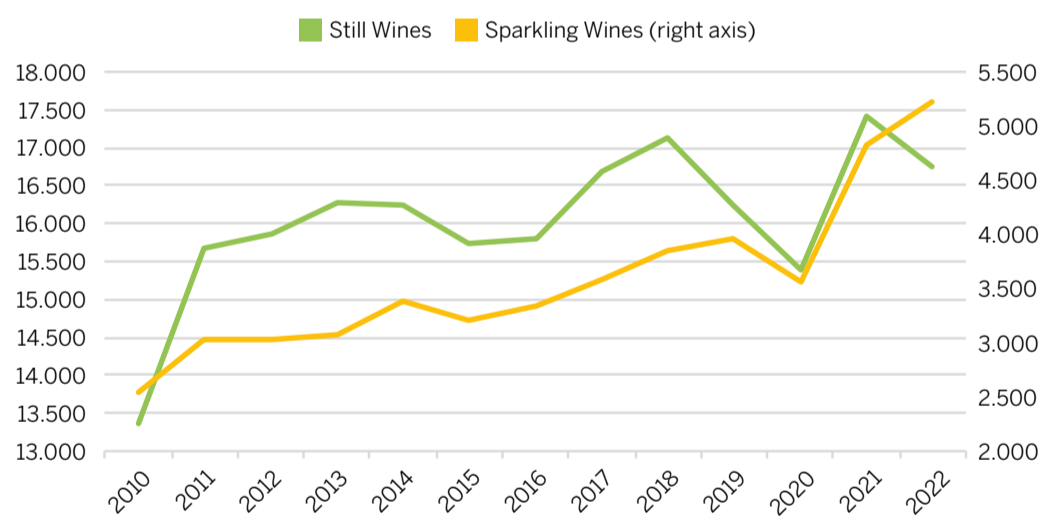
showed +24% and 6% above the pre-Covid data (Graph 1). In terms of value (Graph 2), considering the appreciation trend of the US dollar, the annual wine + sparkling wine data closed at -1% (22 billion dollars), but shows an increase at 3% compared to 2019, with sparkling wines making +8% in 2021 (5.2 billion dollars) and +10% in 2019, while still wines remain positive over the long term (+1%, at 16.7 billion dollars), closing at -4% on 2022/21. Among the main countries monitored (accounting for about

65% of the world, and considering the absence of data from Russia since February 2022), we find markets that despite registering stable or declining annual figures in 2022 nevertheless remain positive compared to the pre-pandemic period, while Japan, despite ending a positive 2021, remains at -2% compared to 2019. The United Kingdom ended the year at -4%, almost returning to the volumes of 2019, while China and Hong Kong registered annual and multi-year losses.

1. WORLD'S WINE IMPORTS (million of litres)



2. WORLD'S WINE IMPORTS (million of US\$)



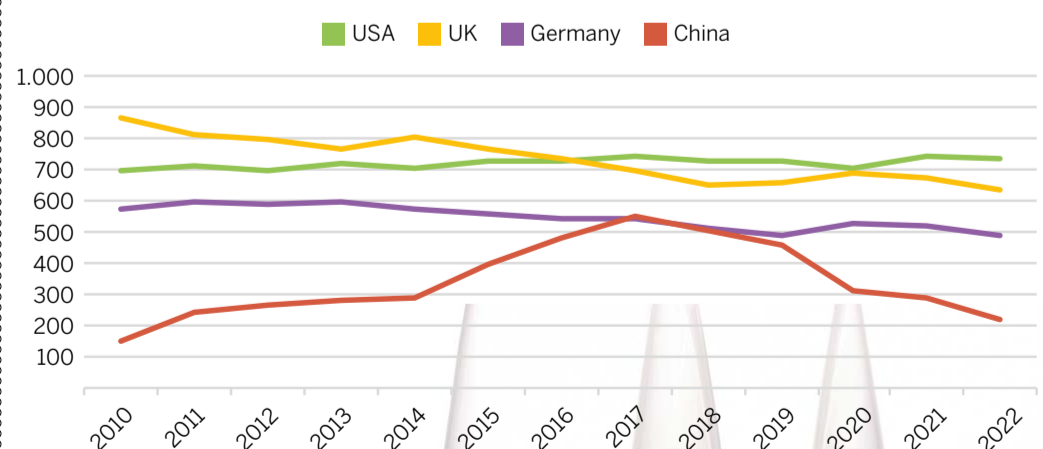
Still Wine

Looking at single markets (Graph 3), if still wines are considered, the USA with -1% per year is almost back to the levels of 2019. In terms of volume, Italy at -4%, is outclassed by both France (+6% volume, but also +8% value against Italy's -1%) and New Zealand, the market's best performer with +12%. The Argentines recovered, while their Chilean cousins continued the descent that began more than five-years ago, with an annual balance of -5%. The worst performance among the big names is Australia, at -12%, plus a loss of 8% in value. The UK shows a decrease of -1% compared to 2019, due to 2022 closed at -5%. The decline of the three main suppliers (Italy and France over -9%, Spain -25%) should be analyzed considering the Belgian data, which re-exported over 600,000 hectoliters of wine, becoming the fourth largest supplier to the

UK market both in volume and value. All New World suppliers fell, with the exception of New Zealand, which closed at +4%. A trend similar to that of the UK was recorded by Germany, which, with -6% every year, returned to the 5 million hectoliters level of 2019. Negative annual performances for Italy, France, Austria and Portugal, while in contrast with the trend of the top five only Spain shows an increase of +3%. Average values down 7%, with average prices rising 4%, with exceptions of Italy (-3%) and Spain (-9%). Canada has recovered the volumes lost in 2021 (+2%) and is back in line with the pre-pandemic average: the USA are stable, France is shrinking (-5%), losing value to the disadvantage of Italy, which with +7% moves closer to second place. On the market, New World countries are performing well,

with Australia and New Zealand the best performers (+15% and +24% respectively). Recovery continues in the Japanese market, which after the setback recorded in 2021, closes the annual accounts at +6%, reducing the negative balance over the medium term to -2%. Values grew strongly, driven by the devaluation of the yen, with an annual balance at +30%. French are the leaders at -3% volume, followed by Italy (+20%) and Chile (+6%). The best performer is the USA, which, with volumes five times lower than France, generates a turnover of almost 20 billion yen (+70%), and California is thus in third place in the value rankings, with average prices three times those of the Italians (150 euros per litre). The involution of the Chinese market continues, remaining down by more than 20%, with volumes falling to 2.2 million

3. STILL WINES-- USA, UK, GERMANY, CHINA (million of litres)



hectoliters in 2022, compared to an average of five in 2017/18. Widespread declines for all the main suppliers, with negative peaks for France (-26%), Italy (-20%) and Spain (-40%). The Australians have disappeared from the market, with supplies of 3,000 hectoliters, down by 90% as compared to 2021.



IN THE VINEYARD AND IN THE CELLAR

A selection of machinery, equipment, services and products available on the market, curated by the manufacturers

CELLI

Combined Solutions For Interrow Cover Cropping

The wide range of soil preparation machines offered that Celli develops, manufactures and distributes all over the world is increasingly expanding towards combined machines. Being able to carry out different operations in a single step, these products guarantee savings to the users in time and resources, as well as fuel and emissions, with an eye to a more sustainable way of working

the land. Some of these multifunctional solutions, such as the Minigo (a fixed power harrow combined with a pneumatic seeder) are ideal for vineyards to have soil preparation and seeding in a single pass. Minigo is a small sized machine (the maximum width is 1.80 meters) so representing an easy-to-handle solution that meets the market current need for interrow soil refining. It can be operated by low

power tractors (between 30 and 80 HP) working the soil at 26 cm of depth and then levelling it thanks to the rear roller, adjustable with pins. The power harrow - seeder combination represents today one of the main development paths of the Celli range, as demonstrated during the latest edition of Eima show where the company presented the new Maxi + Storm, a combi solution for bigger size and power.



CMP

Vinplast By CMP: The Revolutionary System For Bottled Wine Storage



At CMP we had the intuition to make plastic pallets at the end of the 1990s. There was talk of HACCP, hygiene, recycling of materials and there were all the conditions for developing packaging in a new material. Therefore we strongly believed in the potential of plastic pallets: they were more hygienic, washable, lasted longer, had a constant tare, could be stored outside and avoided deforestation. But above all we focused on research, because plastics are not all the same, with very different results in terms of quality and safety. It is thanks to research that innovative products were born, such as Vinplast, a revolutionary system of preformed plastic interlayers designed for the management of the bottled wine storage, which allows to replace

the bulky and heavy metal cages or wooden racks. Vinplast is very light, safe and particularly suitable for the stacked bottles ageing. That's why it is also used by some of the major Italian and European sparkling wine houses: it is actually able to optimize the delicate stage of maturation "sur lie" of the classic method bottles, which can last for many years. Here in summary why Vinplast is revolutionary: it is very light, but safe and resistant; it is stackable and optimizes your cellar space; protects from dust, light, friction; it can be fully integrated into bottling lines; it is available in different formats and sizes; it is also green because it is made of 100% recycled and recyclable PET.

ENOMECCANICA BOSIO

Crossflow Membrane Filters - Green Solution. Less Waste For Disposal, More Respect For The Environment

Enomeccanica Bosio Srl has been operating in the winemaking field for more than 40 years, growing in parallel with new applied technologies and the needs of individual clients. Our goal is to create machines which are conceptually simple, yet guarantee excellent performance, ease of use and a high standard of reliability. Our crossflow filter has been specially designed for operating on wine, and in particular on very fine wines. Particular attention has been paid to the choice of components and how the machine interacts with the product being treated. Our filter elements require no particular preliminary treatments, and - as requested by end users - considerably reduce the need for maintenance and after-sales service. The ceramic membranes we use have a very low capacity for adsorbing most of the noble components in wine.



Furthermore, they have no difficulty withstanding temperatures of up to 100°C and pressures of over 20 bar, and guarantee an operating life which is more than five times longer than that of organic fibre. With our patented "Back-Pulse" products, a turbidity of 0.00 NTU can be obtained in a single step starting from unfilterable values. Thanks to latest generation PLCs, our filters comply with Industry 4.0 parameters.
Info: www.enomeccanicabosio.it
Tel. 0039 0173 290922

ERO

VITIpulse Combi: Two Defoliation Systems In One Machine Ensure Gentle Defoliation With Optimal Results

The Ero-VITIpulse Combi combines two highly effective defoliation systems, the plucking roller system and compressed air defoliation, in one machine. The highlight is that both systems can be used simultaneously or alone. Likewise, both systems and also both working sides can be controlled separately from each other so that the defoliation intensity can be optimally adjusted as required (sunny/shady side). Since the outer leaves are removed by the plucking rollers, a low pressure is sufficient to reach

the inside of the canopy with the pulsating air blasts. Optimal working results are achieved with minimal plant stress. If the VITIpulse Combi is used after flowering, the flower hoods are detached from the inflorescences, reducing the use of pesticides and increasing quality at the same time. Due to its gentle mode of operation, the VITIpulse Combi can be used until shortly before the grape harvest.
Info: Luca Peretto (Northern Italy), mobile: 348 - 310 89 71, luca.peretto@ero.eu - Giancarlo Maggi (Southern Italy), mobile: 339 - 609 60 14, giancarlo.maggi@ero.eu



IDEAL Ideal Solutions For Your Vineyards

For almost one century, Ideal company has been designing and producing sprayers of all kind to find the best care for crops, focusing on both product customization and innovation and keeping high its commitment in improving its offer, to meet both laws and markets requirements. Models for vineyard protection are many and with different features. The most technological and environment-friendly remains Drop Save, allowing an automatic low volume spray per hectare as well as

a 50% recovery on average thanks to its special computer and anti-drift panels. Other solutions for vineyard are Ideal low volume sprayers with multi-row boom like Supra or Diva, permitting to spray up to 3 rows contemporarily on vineyards with a very low liquid supply per hectare, for focused treatments. Also, Bora model deserves to be mentioned: its special configuration with fan group hanging on tractor and tank trailed by a tracker drawbar makes it perfect to work on more rows of espaliers

vineyards on hilly grounds. In addition to low volume models, Ideal provides anyway various sprayers with axial fan, for those farms having smaller extensions or special grounds. Among all, we would remind Loire and Alsazia Top sprayer, both with tower and reverse suction but differently configured to allow proper treatments according to vineyards features. These are only a few solutions among the wide range of products offered by Ideal for vineyard protection.
Info: www.idealitalia.it



NORTAN New Syncrocap Capsule Distributor



Thanks to an innovative mechatronic project (Feds Technology), the new Syncrocap distributor can automatically adapt to the different capsules to be processed, thus reducing the format change times up to 80% and the imperfections due to human intervention. Compared to standard capsule distributors, the new Syncrocap represents a significant step forward for the whole sector. Each component has been completely rethought and redesigned around the following objectives: *processing optimization, increase in reliability, reduction and simplification of maintenance, minimization of the format change times for operators.* The main heart of the innovation is the fully electronic separation and distribution group, where a new proprietary

mechatronic technology (Patent Pending) called F.e.d.s. Technology (Fully electronic distribution system) has been implemented. This leads to a reduction in setting and format change times by the operator of about 80% and to the complete elimination of errors and problems that may arise due to rough adjustments. Furthermore, thanks to a series of algorithms that encompass all Nortan experience, all mechanical devices have been eliminated and the concept of "Electronic Cam" has been introduced, which allows to automatically adapt the timing and parameters of the various components based on the type of capsule in work. The 40% reduction in details and the optimization of production processes has led to a significant increase in reliability.

VCR – VIVAI COOPERATIVI RAUSCEDO New VCR Selections To Export Quality Viticulture

Openness to the needs of the foreign markets is an indispensable prerogative in a global sector such as the viticulture one; hence the initiative to register new clonal selections of important Spanish and Portuguese varieties in the National Register of Vine Varieties, so as to offer more qualified propagation material from genetic and phytosanitary point of view. The VCR selection was focused on clones, distinguished by good production capacity and high enological quality, of Iberian varieties included in various Denominations of Origin (D.O.). There are two white varieties widespread in Spain: Godello (VCR 416) and Macabeo (VCR 15, VCR 187); the first is suitable for the production of wines with good aging potential and included in the D.O. Valdeorras, Bierzo, Monterrei, Ribera Sacra as well as in the production of Porto, the latter stands out for its multiple uses and for being included in D.O. Cava. The whites Arinto (VCR 185) and Loureiro (VCR 490), of Portuguese origin, are ideal for sparkling wine production and are included in various D.O. for Vinho verde production; Ferno Pires (VCR 186) and Viosinho (VCR 171), are characterized by good

aromatic potential and alcohol degree, each being included in the D.O. Tejo, and used for Porto production. Among the red varieties Alfrocheiro (VCR 263) and Bastardo (VCR 157), are suitable for the production of wines with good aging potential, the first is included in the D.O. Dao and Alentejo, the latter is used for the red Porto production along with Castalao (VCR 486, VCR 488) and Touriga nacional (VCR 164, VCR 166, VCR 193) varieties, which stand out for their excellent enological potential. Vivai Cooperativi Rauscedo are the main reference point in guaranteeing and spreading globally clones selected for high genetic and phytosanitary standards.



The new VCR clones selections:
Alfrocheiro VCR 263;
Viosinho VCR 171;
Macabeo VCR 15;
Touriga nacional VCR 193

Save the date: 10-13 October in Épernay VITEFF 2023 SHOWCASES THE FUTURE OF SPARKLING WINE TECHNOLOGY

The VITEff, international trade fair for sparkling wine technology, will take place from October 10th to 13th, 2023 in Épernay, at the heart of the renowned Champagne method expertise. More than 345 exhibitors representing all stages of production are expected, including viticulture equipment, oenology, vinification and more. Every two years, during four days, the VITEff becomes the global hub of effervescence where buyers, institutional representatives and researchers come to learn about the latest innovations in the sparkling wine sector. Against the backdrop of a growing global market for sparkling wines, the VITEff provides an opportunity to develop new international interactions and catalyze innovation efforts for

the current challenges facing the sector, which is undergoing a profound transformation. To this end, the VITEff will once again feature the Sparkling Lab, a 675 m² area dedicated to demonstrations on employment, exports and innovation, and gathering thirty startups presenting the viticultural and vinicultural technologies of tomorrow. For this 17th edition, the organizer EFFEVENT (which also set up the *Sparkling Wine Forum* on June 20th, 2023 in Reims) hopes to exceed the 23,000 visitors of 2021. Almost 200 exhibitors are already registered.

Foreign companies are still welcomed to join the international area of the fair by registering online until May 31st 2023 on www.viteff.com.



*Molte volte le idee nascono dai sogni,
e a volte i sogni diventano realtà.*

Noi ci siamo riusciti.

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