

Chinese Rollercoaster Taste in Wine

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The winemakers and marketers of Bordeaux have found that the Chinese are willing to pay much higher prices and, within only a few years, prices have spiralled. As a result, the traditional claret drinkers of Britain and the USA have pulled out of the market as the prices now do not reflect the quality of the wine! Interest in top-of-the-range wine is new in the Chinese marketplace, although grape wine and spirits have been produced [even before the Han Dynasty \(206BC\)](#). Until they began serving New Zealand wines, the PRC Consulate and Embassy in New Zealand had served Chinese grape wines for many years at their receptions along with [Mao Tai](#) and beer.

In May 2014, both the NZCFS North East China Tour and Hamilton branch's Shandong Tour visited the Changyu Wine Culture Museum in Yantai (including its three ancient wooden barrels each storing 15 tonnes of wine). The Changyu Pioneer Wine Company was established in 1892 by Zhang Bishi (see image) and is now the tenth largest wine company in the world, producing 9,000,000 tonnes of wine per year. Premium vineyards covering 3000 hectares were established prior to the death of the Company's first General Manager in 1914. The Grand Cellar was first built in 1894 and is still in use today.



Zhang Bishi, Qing dynasty diplomat and founder of Changyu vineyard



Chateau Changyu in the vineyard



The three 15 tonne capacity barrels of Changyu wine



Changyu wine



In 2008, **Domaines Barons de Rothschild (Lafite)** joined forces with the national Chinese group **CITIC** with a view to creating a vineyard in China. Of all the Chinese regions that were studied, the Shandong peninsula proved to be the most promising for the production of fine wines both from the point of view of climate and geology. This region already has a long wine-producing tradition, and a vineyard was planted on high quality sloping ground. The vineyard is in the heart of a protected area of 377 hectares, and is located 40km north of [Yantai](#) - the centre of Chinese wine industry. After <http://www.lafite.com/en/the-lafite-spirit/history/>

It is only in the last decade, however, that wine has begun to be imported into the country. Now the Chinese are starting to cultivate more vineyards, with the help of the likes of Domaines Baron Rothschild (Lafite) who in [2008](#), started to plant in the hopes that they will create a new 'Chinese' claret. Chinese buyers tend to rely on their wine advisors or the top wine critics of the world, such as [Robert Parker](#), to tell them which of the wine 'brands' they should buy. These are based on points on a 100-point scale – the higher the rating, the higher the price and interest, especially in the Chinese market.

The Chinese are slower in showing interest in other old-world wines, however, such as the hefty red wines of Barolo, Barbaresco, Amarone della Valpolicella or Chianti. They prefer to concentrate on the top First Growths (Latour, Margaux, Haut Brion, Lafite-Rothschild and Mouton-Rothschild).

The wines of Burgundy: [Pinot Noir](#) and [Chardonnay](#), are made in much smaller quantities and are thus much rarer, raising the value exponentially. To-date, the legendary years of vintage, such as 2005, 2009 and 2010 in Bordeaux have not continued. This has led many Chinese aficionados to make their own high-grade specialist wines, buying up their own chateaux and wineries in Bordeaux as well as Burgundy and even producing more of their own wineries in China. It is also interesting to note that they are investing here, buying up a few wineries and vineyards in NZ, primarily in Hawkes Bay. There is also a joint-venture vineyard, *Changyu Kely*, in Kerikeri, Northland, New Zealand. Interesting to

note also, according to our adviser, the Chinese have only bought from vineyards in France and New Zealand, and just a few in California.

A documentary, **Red Obsession**, by David Roach and Warwick Ross, that describes the wines from Bordeaux is available on [DVD](#).

"Narrated by Oscar-winner Russell Crowe, this stunningly shot and wildly entertaining documentary chronicles the history and changing nature of the French wine industry. For centuries Bordeaux has commanded a mythical status in the world of fine wines as a symbol of wealth, power and influence. Prices for its prestigious red wines have been breaking records with the emergence of an ever-growing Chinese market that is changing the nature of wine in the 21st century. Featuring interviews with collectors, connoisseurs, and winemakers, the film presents an eye-opening exploration of the complexities and unpredictability of the global market and the economic effects and influence of the voracious wine-obsessed collectors of China. For better or worse, Bordeaux is hitching itself to this new, infinitely wealthy client."

A FilmBuff Presentation.

However, in January 2014, China's president, Xi Jinping, clamped down on lavish gift-giving as part of the country's campaign to discourage corruption. [This has reduced demand and sales of fine wine](#). Auctioneers of Bordeaux fine wines have reported that China and Hong Kong's appetite for such wine has sharply fallen over the last year. Despite the drop, Hong Kong is still the largest global centre for wine auctions after claiming \$100m worth of sales across five fine-wine houses in one year. However, domestic China reports say that, whilst fine wine demand is waning, medium and low-end sales are growing.

I wish to acknowledge Connal Finlay, who provided most of the information for this article. He is a graduate of the [Wine and Spirit Education Trust \(WSET\)](#) holding distinction for the Advanced course and is currently studying the WSET Diploma of Wine. He is based in Auckland, New Zealand, working as the trade sales manager for [Wine Circle](#), a Fine Wine store and importer.

Teri France (Hibiscus Coast branch, New Zealand China Friendship Soc.)

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