



Worrying about Bordeaux

by Charles M. Bear Dalton



I was going to write about something else today. I had several topics in mind. Like some fun new wines y'all should know about. I considered writing about some minerally summer wines or some new lower-priced French (called "My Fun Wines")

wines we sell in one-liter plastic screw-cap bottles. I considered a winery profile on Copain wines (including one of the best Rosés I've ever tasted.) And I will eventually get to all of those.

But something happened this morning that got to me. For the last several mornings, I have been getting up in time to be seated at my computer by 6am checking the overnight email from France. That's because the major Bordeaux chateaux are slowly releasing their opening prices for their still-in-the-barrel 2010s. Due to a number of factors including an excellent vintage, high scores from the wine press, and a strong perceived demand from east Asia, these opening prices are mostly up from 2009. In some cases, the prices are up a percent or two. In others, there are shocking increases. A very few of these increases can be justified; most cannot.

Ch. Pontet Canet 2010 opened last week at 100 euros per bottle. Last year, the 2009 opened at 72 euros. Neither price surprised me. Since 1994, Pontet Canet has been getting better and better each year under owner Alfred Tesseron. He has had a steady program of improvements both in the vineyard and in the winery (including a new vat room). Now he has taken the vineyard biodynamic and he has switched over to all horses rather than tractors in the vineyard. What does all that mean? Biodynamic is organic wine making with a bit of pseudo new-age hoo-doo (phases of the moon, planet alignments, a sense of ritual as much as rhythm, etc.) thrown in. It would be easy to make fun of and even dismiss biodynamy outright if the resulting wines were not so often compelling. And the horses... Alfred Tesseron has switched over to horse drawn plows and sprayers and other agricultural equipment pulled by horses and powered by a ground actuated power take off. (Yes, in addition to being a wine geek, I also am a bit of an Ag-geek and I love horses.) Tractors can compact the soil and often leave behind polluted air with diesel fumes. The horses do not compact the soil and when they leave something behind in the vineyard, it is natural and even beneficial. They also can plow closer to the vines and are less likely to damage the vines. The result of all this dedication and extra work is an amazing wine that is one of the top very few wines of the 2010 vintage, easily besting Ch. Mouton Rothschild (its next door neighbor) as well as a host of pretenders and a few contenders. I write this with confidence because right after I tasted at Mouton, we crossed the street and tasted at Pontet Canet. The consensus was and is that in 2010, Pontet Canet made a better wine than Mouton (which likely will open at well in excess of 600 euros per bottle - 750 euros or more would not surprise me).

How does Ch. Pontet Canet's 100 euro opening number as a release price translate to the shelf? Buy the time we get it here we've paid shipping, insurance, and taxes (about \$1.50). We've also paid about \$1.48 per euro. So in this case, our cost in the wine is about \$149.50. We'll initially offer it as a future by the case at about \$164.50. Add in the cost of the money we have had tied up in this product and it will finally make it on to the shelf a full 2-plus years after the harvest at a price closely approaching \$200 per bottle. Nevertheless, it is a great wine with a high demand and I think we'll sell though our allocations - so the price was not a shock.

(These opening prices are a matter of record on numerous generally available web-sites, blogs, and bulletin boards and our mark ups are quite low so I don't have any problems sharing these numbers.)

So, back to this morning. Sitting at my trusty computer at 5am, I checked my overnight emails from France and saw that Lynch Bages and Montrose had opened. A bit later, I saw that Pichon Baron had opened. As I prepared to place my orders, my stomach knotted up. Ch. Lynch Bages had opened this morning at 100 euros per bottle - so the same math applies as in the Pontet Canet example above. While I quite liked Ch. Lynch Bages 2010 and am big fan of Lynch Bages (affectionately known as "Lunch Bags") in general, I think this price is way too high. The 2009 opened at 72 euros (also a big increase over the previous year) and I actually liked it more than this 2010. We've never sold a bottle a Lynch Bages for more than \$130.00 and there is nothing exceptional about this wine to make me think people are going to pay that much for it. So we have decided not to buy it. The same applies to Ch. Montrose and Ch. Pichon Baron (which opened at 132 euros) and Ch. Pichon Lalande (which opened at 138 euros). These wines, due to whatever combination of reasons (and I think there is some ego and a bit of good old fashioned greed involved) have taken large price increases on their 2010s immediately after having taken large price increases on their 2009s.

As a company, Spec's has decided to dig in our heels so we are not buying some of these wines. We acknowledge that there are some extenuating circumstances where an argument can be made (as in the case of Pontet Canet) for higher prices but we think it would be irresponsible to blindly follow this market. We also worry that we may damage some old friendships. The Rydman family (owners of Spec's) and the Cazes family (owners of Lynch Bages) have been friends for many years. Jean Michel Cazes is a graduate of the university of Texas (Petroleum Engineering). Hermen Key (son-in-law of the Rydmans) has run with Jean Charles Cazes (son of Jean Michel) on the Lynch Bages team in the Bordeaux marathon for the last two years. Nevertheless, we still feel like we need to take a bit of stand here. Because of the way the system works, there is no negotiating with the chateaux on the price. The only way to voice disapproval is to not buy the wine. The Spec's wine team will be at VinExpo in Bordeaux this week and we'll talk with these folks where we can but we don't expect any changes in this year's pricing.

Since Spec's has long been the source for Bordeaux for much of Texas and a great number of customers elsewhere in the US, I felt it is important to let you know that we are going to pass on 2010 Lynch Bages, Montrose, and Pichon Baron. As I finish writing this, Pichon Lalande has come out at 138 euros and we are passing on that as well. And there will be others. All these wines got high scores from either Robert Parker or Neal Martin of the Wine Advocate, The Wine Spectator, Jancis Robinson, and/or others. Heck, they all got high scores from me as well.

In the 2009 vintage, we passed on Ch. Ducru Beaucaillou and Ch. Palmer for the same reasons. The prices were just too high for the wine to have a realistic chance of selling through in the Texas Market. We should have passed on 2009 Cos d'Estournel. I disliked the wine but the Parker review - "one of the best young red wines I have ever tasted" - and his score swayed us. The wine did not sell and don't need to make the same mistake again this year.

All of this may just be whistling into a hurricane ... but we thought you should know.