

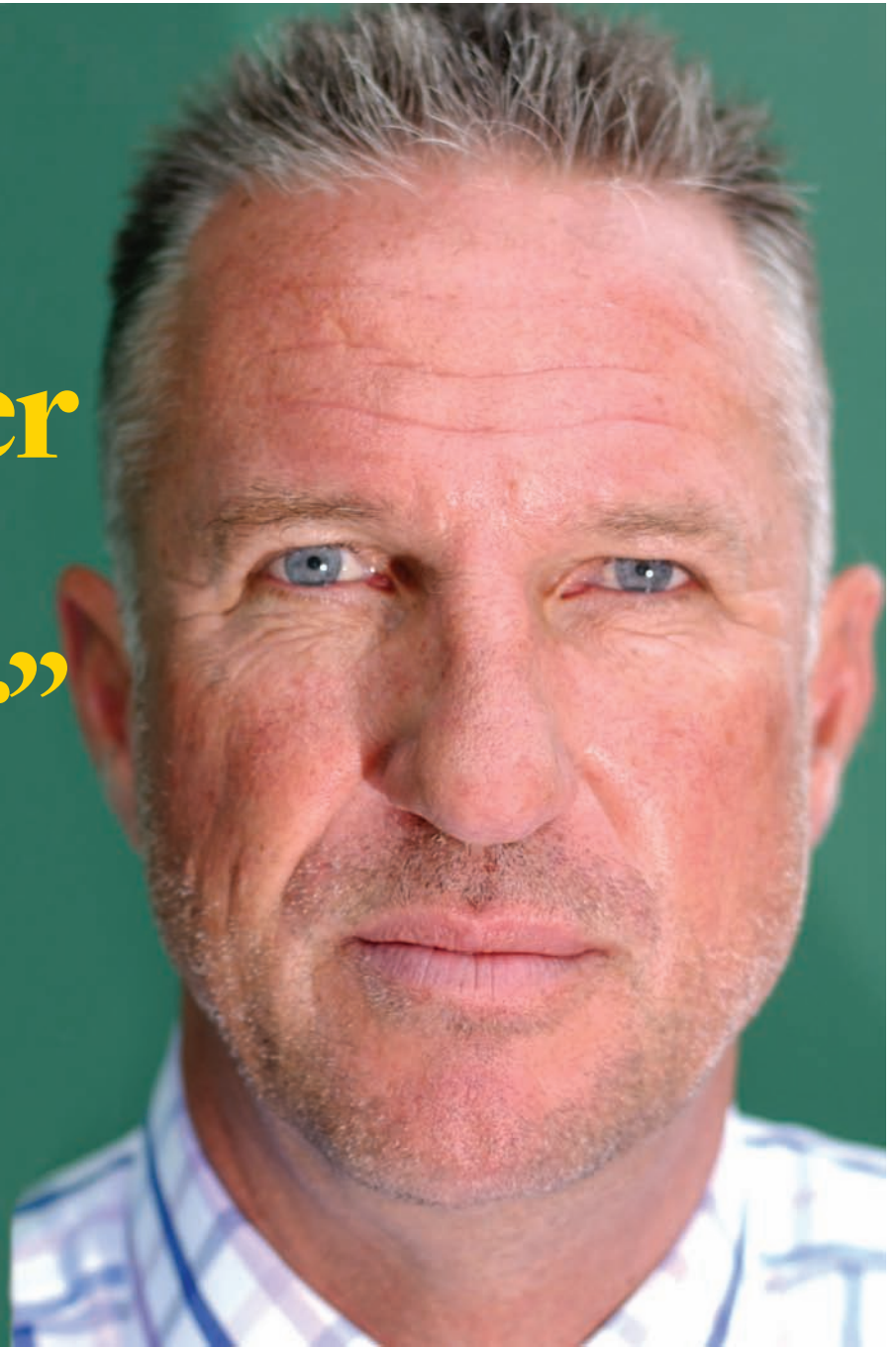
HARPERS

The Other US Oregon, Washington and New York State look to increasing sales in the UK



“I didn’t want to be just another celebrity winemaker”

Sir Ian Botham on why he takes his wine range so seriously



News

US draws level with France on volumes to UK

Opinion

Gluck thinks more Aussies will speak out

Tasting Special

There’s a lot riding on this year’s Oz Day



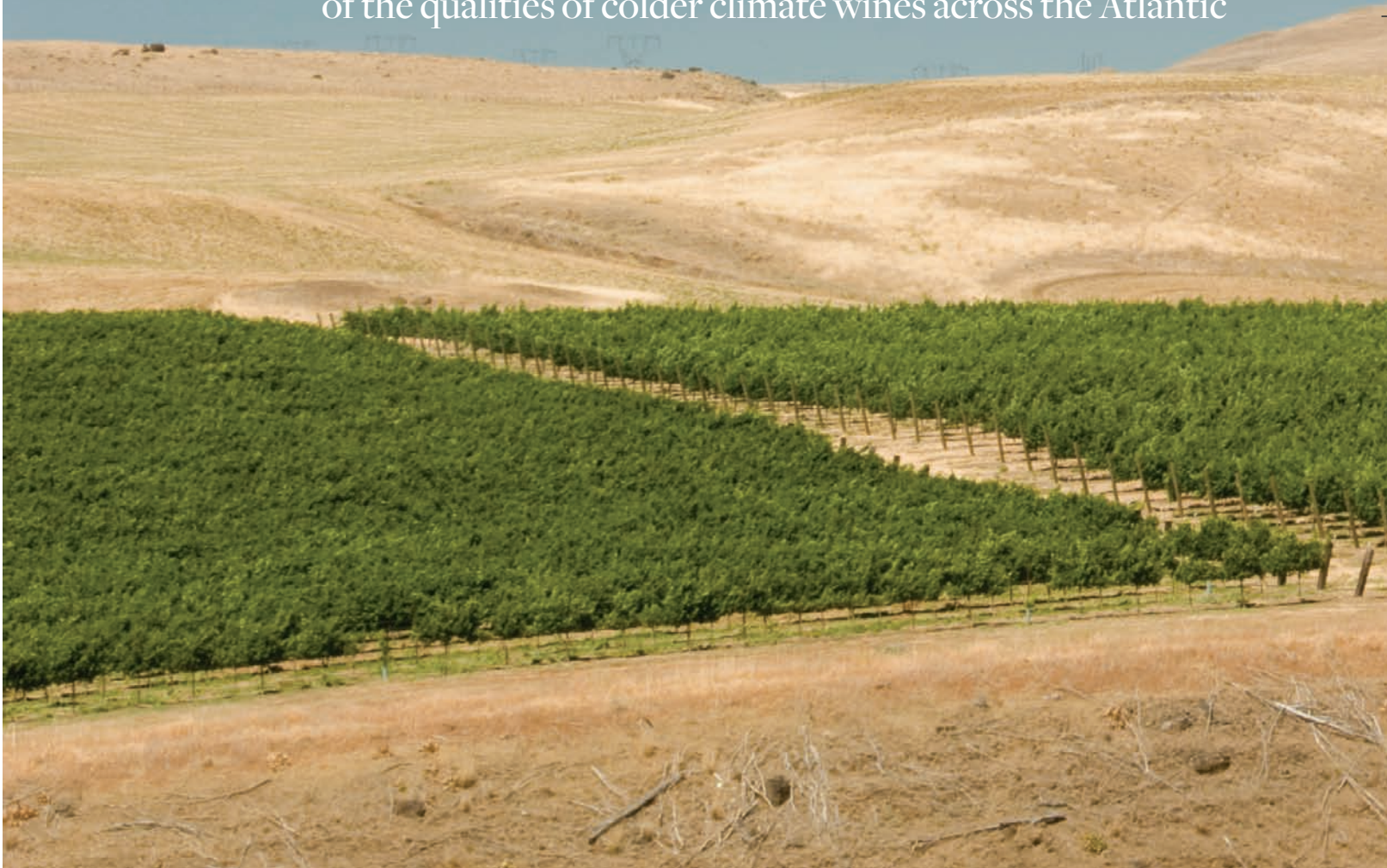
Business

Matthew Clark on Scottish sales

Harpers Choice Alan Yau is back with a new London diner

A LIGHTER SHADE OF PINOT

Producers from Oregon, Washington and New York live in California's shadow. But, as *Tina Caputo* reports, many from these US winemaking states are now looking to the UK for sales. While everyone loves a big, blockbuster red in the home market, they're finding there's a greater appreciation of the qualities of colder climate wines across the Atlantic





When most people outside the United States think of the country's wine, it's California they refer to. Consumers in the UK, for example, know very little about the wines from Washington and Oregon, and even less about those from New York State. But all that may change in 2008, if the regions' promotional efforts are successful. Thanks to increased presence at the London International Wine Fair, regional trade tastings and the efforts of UK importers and retailers, British consumers may soon be seeking out Oregon Pinots, Washington Merlots and New York Rieslings.

Surging interest

As wine critics and members of the trade tire of California's high-octane, ultra-ripe wines, Oregon and Washington wines are being presented as a more reserved alternative. Although this style is not always favoured by US consumers, it's attracting the interest of a growing number of UK buyers.

According to the National Agricultural Statistics Service, 2,052 cases of Oregon wine, mostly Pinot Noir, were exported to the UK in 2006. That's up 144% from 1,419 cases in 2005. Similarly, 22 wineries currently have UK distribution, double the number of just two years ago.

"Interest in Oregon wines has surged dramatically," confirms Ted Farthing, executive director of the Oregon Wine Board. "We are seeing more unsolicited requests from the UK trade and press for information, tours, samples, of Oregon wine."

Farthing notes that while Pinot Noir has only recently taken off in the US, its popularity is well established in the UK. Oregon's sustainable practices also give the state's wines an advantage, he says. "Sustainability is of huge interest to the UK market, and that has always been a core value to the Oregon wine industry. Some 23 per cent of our acreage statewide is certified sustainable, organic or biodynamic."

The Oregon Wine Board plans to focus on higher-end independent shops where wines can be hand-sold to consumers. "We'll never be in the £5 area – our small vineyards are farmed by hand, and these wines are expensive to produce," Farthing says. "That said, the current weakness of the US dollar presents powerful opportunity for our wineries and wine lovers in the UK."

Washington has also seen impressive growth in the UK during the last couple of years. Eric Rosenberg, of Seattle firm Bryant Christie, which helps administer the Washington Wine Commission's export programme, estimates Washington's UK exports for 2006 at a healthy 6,000 cases – slightly up from 2005. "We expect exports to be higher still after 2007 as we are already aware of a number of companies that obtained new sales agreements in the UK this past year," he says.



Since 2006, both the Oregon Wine Board and Washington Wine Commission have been represented in the UK market by Surrey's Hilltop Wines.

The agency has taken a two-pronged approach to the UK market, focusing on both distribution and public relations. Hilltop founder Mike Coveney, a specialist in export and distributor management, acts as a sort of "marriage broker" between Pacific Northwest wineries and interested UK agencies. Since Hilltop's appointment, more than 10 Oregon and 12 Washington brands have agreed to new distribution in the UK.

Kate Sweet, who handles Hilltop's public relations efforts, organises key events each year to raise the profile of Oregon and Washington wines in the trade. She also

Previous page: Eastern Washington vineyard on the banks of the Columbia river. Above: Tractor working Oregon vineyard.

IN NUMBERS

New York

Number of wineries: 243
US ranking by production volume: 3rd
Planted vineyard acres (includes juice grapes): 33,692
Top varieties by acreage: Chardonnay, Riesling, Merlot
Total 2006 production: 158,277 tons
Projected 2007 production: 180,000 tons

SOURCE: NEW YORK WINE AND GRAPE FOUNDATION (2006 FIGURES) AND NATIONAL AGRICULTURAL STATISTICS SERVICE

Oregon

Number of wineries: 350
US ranking for number of wineries: 3rd
Planted winegrape acreage: 15,600
Top varieties by acreage planted: Pinot Noir, Pinot Gris, Chardonnay
Total production: 34,400 tons
Pinot Noir production: 17,476 tons
Total case sales: 1,628,608

SOURCE: NATIONAL AGRICULTURAL STATISTICS SERVICE, 2006 FIGURES (UNLESS OTHERWISE NOTED)

Washington

Number of wineries: 500+
US ranking for production: 2nd
Planted winegrape acreage: 31,000
Top red varieties by acreage: Cabernet Sauvignon, Merlot, Syrah
Top white varieties by acreage: Chardonnay, Riesling, Sauvignon Blanc
Harvest yield in 2007: 127,150 tons
Total case sales: 5,536,000

SOURCE: WASHINGTON WINE COMMISSION AND NATIONAL AGRICULTURAL STATISTICS SERVICE, 2006 FIGURES (UNLESS OTHERWISE NOTED)



plans to reach out to consumers in the coming months. “Central to this has been an increased presence at the annual London International Wine and Spirit Fair,” Sweet says. In 2007, Hilltop replaced Oregon’s modest nine-square-metre stand with an 80-square-metre stand shared by Oregon and Washington wineries. “It was a real statement of the seriousness of our intent to the UK market,” she adds.

Taste the difference

On January 21, the agency will host its second Annual Tasting at the Institute of Contemporary Arts, in London. The trade tasting will showcase 180 of the best wines from Oregon and Washington—up from 130 wines the previous year. More than 200 trade members are expected to attend the event.

“We really believe there is a place for Oregon and Washington wines in the UK market,” Sweet says, “showing that the US is more than California.”

Ste. Michelle Wine Estates, Washington’s dominant producer, has also been instrumental in promoting the state’s wines in the UK market. After a dozen years of working to increase distribution, Al Portney, the company’s vice president of international sales, predicts that this will be the company’s “breakout year.”

While many say the pricing of US wines can be a hindrance in the UK market, Portney believes Washington wines offer great value compared to those from the Napa Valley. “Napa has the image, but it also comes with a price,” he says. “From a US perspective, we’re able to

offer Napa-level wines at much lower price-points. We can produce a wine for £10 that, from any other quality region, like Napa, would cost two to three times that price,” he claims.

The style of Washington wines also gives it an edge over California, Portney says. “We have New World fruit with Old World structure. We have the warm days like California, but we have cool nights that give our wines natural acidity and European structure. Washington truly exemplifies the best of both worlds.”

Outside the mainstream

UK importers and retailers have also mounted efforts to spread the word about wines from Oregon and Washington. Mark Savage MW of Savage Selections, who began importing and selling Oregon wines in the UK in the 1980s, appreciates the reserved nature of Pacific Northwest wines.

“What probably attracts me to Oregon wine is its natural propensity for understatement rather than excess,” he says. “This may differentiate Oregon from the majority of other New World regions. Its wines are polite, complementary to cuisine, rather than dominating, reliant more on finesse than power.”

As for their potential in the UK, Savage believes that Oregon wines must remain in the specialist arena, due to their small production volumes and relatively high prices. “The wines are stylistically well suited to the wine bar and restaurant trade,” he says. “Just as good sommeliers have made much of the running for Austrian wines in recent years, so too some will realise that the same can be done for Oregon. The problem will be in finding enough wines that really deserve attention.”

Expanding the market

Once known for producing cheap jug wines, New York is now earning recognition for its high-quality Riesling wines. Since 1976, the number of wineries in the state has increased from 17 to more than 240. In fact, New York ranks third, behind Washington, in terms of U.S. wine production.

At this stage, however, promoting the wines overseas is not a major focus for the New York wine industry. “There are few New York wines available in the UK, but I would say that interest is growing,” says Susan Spence of the New York Wine & Grape Foundation. “We’ve attended the London International Wine & Spirit Fair for the last few years and each time we see more people. Many of them have heard of New York wines and are eager to sample them – and pleased when they do.”

Kosher wines, such as those from Royal Kedem, account for much of the state’s UK exports, Spence says, “but small wineries are beginning to work in the market a bit.”

One example is Long Island’s Wolffer Estate, which sent its first wines to the UK in September. “We are very excited about the potential on the other side of the Atlantic,” says national sales manager Peggy Lauber. “The climate is, of course, favorable due to the US dollar and euro situation, but beyond that, there is a refreshing open-mindedness toward New York wines which is sometimes missing in our own country.”

“The British understand the concept of regional wines,” she continues, “and they certainly appreciate the style resulting from our cool climate region, which produces wines with higher acidity, moderate alcohol levels and minerality—food-friendly, and with great aging potential.”

Tina Caputo is a senior correspondent for Wines & Vines magazine and a freelance wine journalist

A SAVVY UK RETAILER

One independent merchant who has given Washington wines a serious go is London’s Philglas & Swiggott.

Mike Rogers, who runs the business with his wife Karen, says: “We have been stocking Washington State wines for a couple of years now, because they represent a fresh angle on US wines. We found that the reds that we tasted were a bit drier, more muscular, and slightly earthier than their Californian cousins. They were generally less ‘polished’ and a bit more quirky, in an acceptably interesting way.”

However, Rogers found that many of the wines were not competitively priced for the London market, so he selected a short list that he felt could stand up to international competition. He promoted them with a six-week radio advertising campaign offering listeners an introductory discount, and also commissioned a poster for store display, highlighting the state’s wine regions and producers on a map.

The result? “We found very little interest in the wines per se, but when we recommended them to customers they were ready to try them,” Rogers says. “Feedback was positive, but not overwhelming, and repeat sales have been modest.”

Rogers attributes the response to the relative obscurity of Washington wines, together with high prices and lack of a solid USP.

Even so, he says he will continue to stock Washington wines. “We like to offer something a bit different to our customers,” Rogers explains. “We don’t expect to sell massive quantities, but we don’t sell massive quantities of Californian wines either.”

