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“Taking on New Zealand”

Al Portney on the hopes for Washington and Oregon in the UK

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As producers head to London for next week's Washington and Oregon generic tasting, Al Portney, vice president of international sales for the region's biggest producer, Ste Michelle Wine Estates, tells *Richard Siddle* why these niche wines deserve their place in the UK mainstream

LOOKING TO HIT THE PACIFIC HEIGHTS

It may not be time to redraw the wine map of the United States just yet, but if the PR machines behind Washington and Oregon wines get their way, then any enterprising wine pioneers in the future will head north west to seek their fame and fortune in the American wine world and skip past California on their way.

The wines of Washington and neighbouring Oregon may, for many in the UK, still be on the to-be-discovered list, but nevertheless there is a lot to talk about.

Next week up to 60 producers will be heading to the UK for the second generic Washington and Oregon wine tasting and while they will have to battle with competing generic tastings, they will arrive confident they have wines that match up to the best from anywhere in the world.

At least that is the view of Al Portney, the self-dubbed voice of Washington and Oregon wines, who also fits in his job as vice president of international sales at Ste Michelle Wine Estates, Washington's largest wine producer.

If all the producers heading to London this month had the drive, passion and PR nous of Portney, then Washington and Oregon would be shooting up the wine sales charts in the UK.

There is clearly a level of frustration that the two states, even after 20 years of trying, are still regarded by

many in the trade as being the "next big thing". But Portney is equally aware of the marketing and commercial opportunities while still on the to-be-discovered list.

"People are looking for wines with pedigree, not just flashes in the pan. When they are looking outside the three-for-£10 market, they want something they can come back to," he explains.

The trick is to build momentum and trust around that moment of "discovery" so that people have the confidence to return, he adds.

Portney works closely with Washington and Oregon's UK representative Hilltop Wines, headed up by Mike Coveney, and he is confident the tasting will be a big step to getting the wines into the mainstream UK market.

As by far the biggest Washington producer – accounting for around two-thirds of the region's sales – it makes sense for Portney to speak for the state as a whole. "We recognise the need to work with all producers as we are all in the same boat," he says – and they all stand to benefit from each other's success.

Up to the mid-1980s, Ste Michelle Wine Estates effectively had the Washington wine market to itself. It has only been in the past 20-plus years that other wineries have popped up – albeit some 500 of them.

"The boom in winemaking in the region has been phenomenal," says Portney. "I can't think of any other appellation that has seen such an increase."

STE MICHELLE WINE ESTATES

- Has the oldest winery in Washington state with vines dating back to the end of Prohibition
- The Ste Michelle name was born in 1965 with the first vines planted at Cold Creek Vineyard in 1972
- In 1976 a French-style chateau was built in Woodville, near Seattle, and Château Ste Michelle was created
- In 1986 Ste Michelle Wine Estates was established as the umbrella company for wineries across Washington and California and other winery partners
- The company now has vineyards stretching over 4,200 acres
- Wine brands and vineyards include Domaine Ste Michelle, Col Solare, NorthStar, Eroica Riesling, Cold Creek, Horse Heaven, Ethos, Columbia Crest

Green to the core

The green credentials of wines from Washington State and Oregon are one of the main USPs. Issues such as sustainability and the environment have been at the heart of their winemaking DNA from the outset. Producers have to remind themselves to play on this when working in the UK, where being green is still seen as a competitive edge.

Washington and Oregon are, however, very different appellations, both in climate and wine production. Oregon's colder climate means it is able to produce some of the finest Pinot Noirs in the world and is made up of smaller wineries than in Washington state, which in turn has a wider variety of grapes grown.

Chateau Ste Michelle, for example, claims to be the biggest single producer of Riesling wines in the world – with 13 varieties. →





“We are able to grow New World wines, but in Old World styles, as we have the fruits of the New World but the structure of the Old World,” says Portney.

It is those unique qualities that make the region such a magnet for wine professionals. The Washington State Wine Experience and Oregon Pinot Camp, for example, actively look to bring potential buyers and influencers to the region every year to spread the message around the world, with some 500 visiting in the past five years.

At the right price

Price, as ever, will be a determining factor in how well Washington and Oregon wines will do in the UK. Ironically there are those in the UK who feel the states are actually selling themselves short and offering wines at price points lower than the quality of wines deserves.

Either way, Portney believes it is important for a producer looking to work in the UK to have brands and a range that can compete in all the key price points.

But there is an understandable dilemma for producers anxious to get multiple shelf space over what price point they should come in at. Portney is clear enough: “Our challenge in the UK is to get the message firmly across that we are not a sub-£5 market.”

He admits this has meant Washington and Oregon wines have not had the listings they could have had if they had been prepared to sign up to the price demands of the multiples. “We could not financially do it on a long-term basis,” he stresses.

Instead, he believes, they should be giving New Zealand and its premium pricing position a run for its money, but he accepts for now its most competitive position is to over-deliver at each price point. “We would like to be around £6-£10 on average,” he says.

New Zealand is very much a benchmark, not only in terms of quality and style of wines, but in its size and the fact producers there have to export to grow.

“We are looking at organic growth and building business from the independent trade up and working more with specialists and the on-trade. We are keen to work with the multiples, but it needs to be win-win for both of us. We just can’t produce low-cost wines.”

“Our challenge in the UK is to get the message firmly across that we are not a sub-£5 market”

It also wants to build its profile around the country with importers that can offer better regional distribution.

Portney’s hope is that Washington and Oregon can start to build its profile as a distinct American wine category.

“We are very different to what is coming out of California, for example,” he says.

There is certainly growing demand from importers and agents in the UK for Washington and Oregon wines. Portney estimates there are now around 20 serious importers of Washington and Oregon wines compared with just a handful five years ago.

Ste Michelle splits its UK distribution through Berkman, Stratfords and the Wine Treasury, each handling different brands, such as Columbia Crest, relevant to their client base and reach.

International growth

Washington and Oregon wines are making as much if not more noise in other parts of the world. Portney says Ste Michelle is active in around 70 countries – making it one of the biggest international wine companies in the world.

Some of its brands are, for example, the wine of choice in business and first class on a number of major airline carriers such as Lufthansa (350,000 cases a year), Emir-



ates and British Airways. “Airline wine buyers have found we have wines at a quality and value that is beyond their expectations,” he says.

It has also found great success in the burgeoning cruise line market – with cruise ships now accounting for a staggering 20% of its export market.

“We are very committed to the UK market, but it is not the only one for us,” Portney stresses and says the needs of clients in Moscow, Delhi or Tokyo are also very much in his thoughts. “We want to be strong in lots of different places. Germany, Denmark, Switzerland, for example, are all good markets for us.”

“But the UK is like the window to the world and it is very important for us to be successful there,” he adds.

It is not surprising, therefore, that Portney is one of the most travelled men in the wine world and says he is on the road three weeks out of four.

“It is my job to know about what is going on in all these different markets. I probably know more about what is happening in London than I do New York.”

But Portney has a long track record in building US wine brands in the UK and around the world, having spent much of his career working for Fetzer and developing its international profile through the mid-1980s to mid-1990s.

Dealing with recession

You won’t find Portney moaning about the current financial woes of the world. In fact, he sees them very much as an opportunity.

“We have been through a few of these now in our time, be it 9/11 or the dotcom bust, but after every downturn in the economy we have grown our business faster than ever before. When times are good, everyone does well and it becomes a crowded market. In times of difficulty it sort of cleans the market out.”

To prove the point, he says Ste Michelle’s business was up 17% in 2007 and was set to finish last year 20% up.

He says UK agents and buyers should be even more discerning than normal over which wines they are working with.

“They need to really understand which wines are making them money and driving their business, and stick with those. We see this as a great opportunity. Yes, people will be trading down, but they are also looking for quality and something that can over-deliver at that price point.”

So if you have yet to discover Washington and Oregon wines, why not take Portney up on his word and check them out at next week’s London tasting.

WASHINGTON AND OREGON TASTING

The annual tasting from the Oregon Wine Board and the Washington Wine Commission takes place on January 22 at the Institute of Contemporary Arts, London SW1, 10.30am-4.30pm. It will be an opportunity to taste a wide range of wines across many price points.

This is the most comprehensive selection of wines from Oregon and Washington ever shown in the UK. More than 300 wines from nearly 60 wineries will be on display in a self-pour format to allow visitors to discover the wines for themselves.

Representatives from Oregon and Washington and selected importers will be on hand and Tasting Buddy is providing access to an online catalogue in advance of the tasting. This identifies brands with current distribution as well as brands seeking UK representation and is available online now at www.tastingbuddy.com.

To start the day, Veronique Drouhin, winemaker for Domaine Drouhin Oregon, will present a comparative tasting of wines from the Domaine Joseph Drouhin and the Domaine Drouhin Oregon portfolios.

Contact Kate Sweet at kate@hilltopwine.co.uk.

Previous page: Al Portney, vice president of international sales, Ste Michelle Wine Estates in Washington state

Above: Washington wines benefit from the cool climate and, in turn, a wide selection of grape varieties are able to prosper