

Why China's "too big to fail" as a quality award winning wine producing country

By Richard Siddle



No matter how much China rises up the global wine charts there still remains a feeling, spoken or not, that it is still a long way behind the rest of the established wine producing world in terms of producing quality wine.

It might now be in the top five wine producing countries in the world but how much of it is turning heads or even being entered in to the respected international wine competitions? The sort of events the rest of the wine trade takes so

seriously as a yardstick as to how well a particular country is performing and improving on the global stage.

But when it comes to wine China operates in a very different world to the rest of the global wine industry. It has different market forces at play and a distribution system the rest of the wine trade still has little comprehension of. Ask the average wine producer operating in China where their wine is being sold and few will have any idea.

A wine market that is being driven far more by online and commerce than anywhere else in the world.

It might by comparison to other mature wine drinking countries have a tiny fraction of its population regularly even drinking wine. But those that do are spending a lot per head giving China one of the highest average bottle price sales in the world. The average Australian wine, for example, sells for close to \$8 per litre.

It used to be said (and still is in some quarters) that if you can make it in the UK then you can make it anywhere in the world. Well, it seems wine producers serious about global exports will need to find a way in to China to really be an international success in the future.

Taking the lead

There are plenty of big name, world famous wine producers who have been quietly doing business, building up contacts and distribution networks in China over the last 10 to 15 years. For them China is no overnight success story. They have had to fight for every bottle sold year in year out.

But pick out any famous international wine producer and chances are they have long standing roots in China. From Moët Hennessy to Pernod Ricard, the Rothschilds, the Antinoris, Miguel Torres, Concha y Toro, Penfolds and Treasury Wine Estates, the list goes on.

Take acclaimed Austrian winemaker Lenz Moser. He has been working in China for over 13 years

He says to succeed in China takes patience - and a lot of it. It is not only such a complex and fast changing market to understand, but you also have to work hard at building trust amongst your Chinese wine partners and distributors. They have to recognise you are there for the right reasons.

Moser has built such a strong relationship with Changyu, arguably's China's biggest wine producer, that he has not only been able to produce his own range of wines with them under the Moser name, but has seen its €70m chateau in the region of Ningxia named after him too - Château Changyu-Moser XV.

A project they worked on together with Moser instrumental in them taking the risk of investing in a region that was then largely neglected as a potential quality wine region. "No-one was talking about Ningxia eight years ago," he told VINEX at last week's London Wine Fair.

He says to understand the Chinese wine industry you have to make the effort to get to know its people, its culture and its language.

"A lot of winemakers will go to China with their own recipe to make wines. That's not the right approach. You have to be there and work properly in the vineyards to know where you can make good quality wine. If I was to put my name to these wines then I had to be in control of the quality and the whole project."

The result is a six-strong range that, like everything else in China, has serious ambitions to become a global brand in its own right with wines aimed at all the main commercial price points through to fine wines in the on-trade.

Quality is there



Moser is not only excited about the potential of his own Chinese wine range, but stresses he would not have invested so much time in developing it unless he was 100% convinced about the quality of wine that could be made.

He believes it is only a matter of time before China is recognised as both a mass producer of wine, but also a country with world leading vineyards and great potential.

“It’s simply too big to fail,” he added.

“They are currently asking people like me to help them, but it’s just a matter of experience and knowledge.”

It is, of course, still very early days in China's modern wine history and many of its wine regions will take many years before fulfilling their real potential.

But for Moser there are already sites and regions that can give the rest of the world more than a run for its money. “You can also make anything in China,” pointing to the white Cabernet

that he has in his own range.

Its potential is certainly enough to entice Moser away from a quiet retirement. In fact he sees his career reaching even greater heights thanks to the possibilities in China, even on top of the enormous success he has already had with his world renown Austrian wines.

If you build it...

Great winemakers by nature want to make great wines and will travel the world to do so.

The fact so many experienced names and producers have invested so much time working in the more remote and difficult areas of China should be a clear sign that the big commercial world of wine will soon be following in their wake. If they have not done so already.

They are after all only doing what they have already done in developing other key wine producing countries around the world.