

MARCH 1985

VINTAGE AND MARKET REPORT

THE 1984 VINTAGE

BORDEAUX

Quantity

The vintage produced:

- 1.9 million hectolitres Appellation Contrôlée Red
- 0.12 million hectolitres Vin de Table Red
- 0.52 million hectolitres Vin de Table White
- 0.91 million hectolitres Appellation Contrôlée White

The total of 3.48 million hectolitres is the smallest since 1977. 1969 is the only other year in the last 20 which has been smaller. The white crop was only 14% below that of 1983, the red was 40% lower. Over all the quantities were very similar to 1980, which was only marginally larger. The average yield was about 35 hectolitres to the hectare — just under 2 tons per acre.

The weather

A gloomy year which only rarely showed positive qualities and which on two occasions suffered severe depression. Born too beautiful the vegetative cycle burst into life in April under the influence of high temperature which could do little to prepare the infant growth for the rigours ahead. May was waiting in ambush. The wettest and the coldest for at least 25 years the sap went plunging back down for cover, leaving the tender growth badly nourished. The rain continued until the 6th of June. From the 10th the temperature rose sharply providing a second decade with a temperature more than 7° above that of the first and some 3° to 4° above the normal for the whole of a month of June. Immediately the buds burst into their tiny flower. Like an infantry charging whilst the reserves are still in retreat — or at least having not had time to return in support — however perfect the conditions the flowering was doomed to failure. It was difficult to realize it at the time. The glorious spell of weather which lasted almost without interruption to the end of the flowering period left knowing grins on the faces of most when experienced growers claimed that the sap had not had time to regain all its vigour and that there would be severe "coulure". Perfect weather for the flowering. "Another try at getting prices up by causing a scare that it would be a small crop". But then as the tiny fruit should have started swelling instead it fell to the ground. By early July it was clear that the Merlot had been annihilated to a degree seldom if ever experienced. Perhaps 1961 came closest but then as in 1971 all grape varieties were affected. Extraordinary in 1984 was the fact that the Cabernet Sauvignon flowered well, producing about a normal crop. The Cabernet Franc was also badly hit though not to the same degree as the Merlot. Anyway more vulnerable to coulure the phenomenon was probably multiplied in 1984 by the fact that, always a week or so behind the Merlot, by the time the Cabernet Sauvignon flowered the sap had had time to come up in support and the vegetation to reestablish its equilibrium.

The fine, warm month of July rekindled hope and as the dry, if not particularly warm, weather stretched well into the second decade of August hope grew to optimism. Mutterings of 1961. A small crop, predominantly Cabernet produced in a dry but not excessively hot summer. The rain of the last decade followed by the cool, cloudy days of September were not sufficient reason to despair. If there was no disaster at the last minute an old fashioned Cabernet year of quality was in sight. But the last decade of September was cold, wet and almost sunless.

Hortense was the step daughter of Napoleon, mother of Napoleon III. Her life was impassioned, stormy and at times violent. On October the 4th a cyclone named after her — or perhaps after some other Hortense — hit Bordeaux with all the violence of her illustrious step father's army. The rain had started in earnest three days before but the wind on that evening bowled down trees, tore off tiles and blew the pelting rain in a horizontal sheet. 51 millimetres of rain fell that day alone. 105 in the first five days of October. If not the Waterloo of the 1984 vintage it certainly put an end to any reasonable comparison to 1961 !

Picking had generally started just before Hortense had struck. Once all that water was in the soil the only objective could be to get the crop in before the humidity caused the grapes to rot. Generally this was achieved. The 172 mm of rain which fell between 21st September and 5th October diluted the sugar, acidity and character but the cool dry days which followed enabled the tired, abused harvest to be gathered under at least fair conditions. Had there been any Merlot it would almost certainly have rotted. The white grapes had problems but the rugged Cabernet Sauvignon survived remarkably well.

Whilst talking of the weather mention must be made of the third scourge, even if it came after the 1984 vintage. The vicissitudes of the spring having so severely reduced the quantity, the rain of October having diluted the quality unprecedented cold in January of 1985 struck to remind all concerned that it is still Mother Nature who controls the market, not the CIVB.

The damage done to the vines by the less severe cold of February 1956 was due to the mild January which had preceded it. Again the sap was in the wrong place. Unlike 1984 — when it was down when it should have been up — 1956 it was up when it should have been down! The sap froze, splitting many vines. There seems to be no such damage in 1985 but it is understandable that growers, with little wine in their cellars, would like to see their vines bearing fruit before parting with their limited stock. There are those who remember that following the disaster of 1956 two frosts in April and May of 1957 devastated those vines which had survived.

The quality

Reds

The character of wine resides in the skin of the grape. If the skins are intact there is no reason why wine of character cannot be made. If there is rot the character is destroyed. There is no question of the character having been destroyed in 1984 to the same extent it was in such years as 1963, 1965, 1968 and to a lesser degree in 1969. Some years the grapes are healthy but not ripe, 1977 is an example, 1972 an extreme example. The character is there but aggressive in its early years. In 1984 the grapes were both generally healthy and ripe, but they were diluted by the very heavy rain. The potential was therefore light wines with character, perhaps of particular interest because made almost entirely from Cabernet.

Whether or not the full potential is fulfilled depends on the skill and the discipline of the winemaker and the proprietor. The major problem in recent years has been to be able to effectively cool down the fermentation. In 1984 it was to be able to heat it. The weather during the picking was cool, the grapes wet so that even in normal circumstances the yeasts would have had difficulty to multiply, the fermentation would tend to be slow, temperature to remain low and colour extraction therefore difficult. For those not equipped to heat the vats — and there are many growers who are not — the problem was made worse by the small crop. Many required three or even five days to fill a vat. Cold grapes being dumped into others which should be starting to ferment cool down the vat even more. So there are wines in the cheaper categories particularly which lack colour. This is particularly the case on the right bank where there is anyway little Cabernet Sauvignon and where the Cabernet Franc, which replaces it, tends to lack colour even in “normal” years. But the dominating shortcoming is dilution. The wines are light, often with good definition of character, and sometimes with a lively, vivacious personality which gives them real charm. But often too they are diluted to the point of being no more than pleasant light wines whose character is hardly definable. Certainly 1980 is the most appropriate reference. The weather pattern was very similar. Some 1984's have a stronger definition, being rather firmer because of the high Cabernet content, but this varies from vat to vat and as usual much will depend on the economic decision made by each proprietor.

Not that the producers of the cheaper wines have any real economic choice. If the average yield for red and white was 36 hectos per hectare that of red was under 32. The minimum cost for cultivating a hectare and making wine for immediate delivery in bulk is now calculated to be about F 23,000. If a grower with an average yield for the year sells his whole production at F 6,500 per tonneau, which is the “going rate” today, he should just cover his production cost. If he declassified say 25% of his yield to sell as vin rouge at F 2,250 he would make a loss of about F 3,500 per hectare. What about all the money he made with the large 1983 crop? No. True his yield

was an average of 52 hectos/ha but at last years price of F 4,000 per tonneau his revenue was almost exactly the same. To make money these growers need 1983 yields and 1984 prices and until that situation is achieved they have no economic choice but to try to sell their entire crop at the maximum price. The result is a lot of very ordinary wine on the market.

Further up the scale the equation becomes more complicated but in truth the only producers who feel any compunction about selling their production with the highest possible designation are those who have created a reputation for their individual "chateau" which greatly exceeds the value of their appellation. How much compunction will they feel will vary. Certainly they have made good profits in recent years but that does little to compensate for the deliberate act of writing down the value of a crop that has already cost double to produce per unit than the two previous vintages. Of course any self respecting chateau will declassify those vates which are clearly poor. The test comes with those which are marginal. Those who are ruthless in their selection will produce a very limited quantity of elegant, well balanced wine with sufficient body, good colour and well defined character that are of real interest and quality. They will have to be either idealists or very rich. If the trade and the consumer were willing to pay that much more for those which are that much better there would be more idealists — and more rich!

White

White grapes require less sun than red but they rot more easily, particularly in Bordeaux where the low prices exclude the possibility to most growers of using antibotrytis sprays. Those who started picking early were able to make clean, pleasant wines with some character but most suffer from the same dilution as the reds. Generally they are clean but too often lack any character.

The appalling weather at the beginning of October was followed by three weeks of reasonable sunshine and almost no rain. By this time the grapes and soil were saturated but the patient and dedicated were able to produce limited quantities of perfectly acceptable sweet wine — though of course with nothing like the depth of character of the 1983's.

The Market

Red

A year ago Bordeaux was enjoying the luxury of another vintage of both quantity and quality. Prices seemed bound to remain stable for months to come and the only debating point was whether the top growths would open at the same level as 1982's, rather higher or rather lower.

This stable, strong situation enabled the unprecedented boom to continue. Vineyard prices did move up steadily from July but negociants were generally able to supply from their stock sufficient wine to keep prices to the consumer stable throughout the year. The volume of home sales of red Bordeaux increased by nearly 12%, white by just under 10%, and this against a further fall in the total consumption of wine in France. Exports did even better. Reds increased by a huge 27%, whites by nearly 14%.

A total of 3.07 million hectolitres of red Bordeaux left growers cellars during the campaign. It is worth remembering that the average crop during the decade of the 70's was 1.2 million. The average of the last ten years is 2.4 million. The 1984 crop only replaced 63% of what had been consumed during the previous year. Only exceptionally large crops can supply demand at that level.

An analysis of this increased demand provides some surprises. It is well known that one of the main reasons for the European Wine Lake is falling consumption in France and Italy. Yet of the 756,000 hectos of increased consumption of red Bordeaux wines over the last five years France is responsible for 572,000 (75%) and has increased its thirst for red Bordeaux by 44% : 66% of Red Bordeaux sales are in France. On the other hand it is commonly believed that what makes the world go around is the strength of the dollar. It would be reasonable to suppose that in the same five year period, over which the dollar has increased in value by 121%, the volume of exports would have boomed. In fact exports of red Bordeaux to the USA since the 1978/1979 campaign have increased

by a paltry 18,000 hectos or 16%. Surprising too is the fact that of total red Bordeaux sales (home and abroad) the USA is responsible for only 4,6%, which is in fact *down* from the 5,4% of five years ago. In fact the dollar value of Bordeaux exports to the USA is also very considerably *down* on five years ago. In 1983/1984 the USA imported just about the same quantity of red Bordeaux as Holland — whose population is about that of Chicago and whose land mass could fit four times into the state of Illinois. As we will see the United States has an extremely strong sectorial influence on the market but its over all volume is hardly significant, and the strong dollar has been of little help. The only two markets which have increased their market share of Bordeaux reds are Germany who, with an increase of 33,000 hectos (58%) to 90,000 now takes 3,2% of sales and Denmark who has more than doubled their consumption to 86,000 hectos and increased its market share from 1,9% to 3%. The UK has increased by just 10,000 hectos to 134,000 and is now responsible for 4,7% of red Bordeaux consumption (6% five years ago). Canada took 49,000 hectos (36,000 in 1978/1979), its market share remaining stable at 1,7%.

In reality the Bordeaux market reacts from two poles, which are in no way related and which each draw from the large grey area that separates them. The high volume trade is based on the home market, feeding the quest of French people to drink less but to drink better. It has to compete with Côtes du Rhône and the category of VDQS. The high *value* trade is export lead, consists of classed growths and other well known individual wines, is volatile, sensitive to vintages, prices, currency fluctuations and fashion. In the case of the first it can be said that on the home market demand varies according to price. In the case of the second it is price which varies according to demand. A little obtuse though this may be perhaps in the case of the large home market, for basic Bordeaux, prices are “supply lead”, whereas those of top growths are “demand lead”.

Whatever the correct economic interpretation it is clear that the 1984/1985 campaign is going to be a very different game to those of recent years. The consumption of basic Bordeaux must be cut. Between stock and crop the campaign started with only 19.5 months supply of “Bordeaux et Côtes”, down from 30 months 2 years ago. A reduction in sales of about 20% would only create a comfortable balance if the 1985 crop is at least of average size. If it is less than average prices will have to rise further to cut demand more drastically. The rise of over 60% on the bulk price of Bordeaux rouge which has taken place over the last six months is probably sufficient to have this effect. Côtes du Rhône has now returned to its traditional position of being cheaper than Bordeaux rouge and as price tags on bottles of Bordeaux start rising on supermarket shelves the economically squeezed French are likely to turn to alternatives. An increase of 60% on bulk cost will probably put up prices to the consumer in the UK by about 20% (disregarding currency fluctuations). Though buyers will scream there is no reason to believe this will have a major effect on consumption, whereas in France where there is not the heavy duty element to flatten out the increase the effect could be considerable. In the United States the increased value of the dollar will just about absorb the extra Franc cost.

At the top end there will presumably no question of opening 1984's at prices 50% above those of 1983 in order to cut the demand! This time last year the question was whether this high profile end of the market would stabilize or continue to rise. It seemed right for top second and thirds to come out at F 60 to F 65, first growths at F 150. The former appeared at F 70 to F 90, the latter at F 170. Nine months later the most sought after have added 40% to their market value but it is also true that others are only asking 20% more. There are a number of signs that a plateau has been reached. Not surprisingly the “primeur” campaign in the UK was somewhat less successful than the previous year. Most wine merchants seem to have sold more than they expected but 20% to 30% less than of 1982's. The same is true in other European countries and the USA has largely disregarded the 1983's altogether. Another indicator is the feeling that there is a significant quantity of first growth 1983 still available. They might not have come out at lower prices, as we had hoped, but they did come out at the same level as 1982's whereas some top seconds and thirds were able to easily fetch 25% more. This could indicate that traditional first growth buyers are getting wary, reaching a little further down the list and drawing up the prices of those top seconds and thirds. Some will remember, with pain, a similar evolution when first growths “topped out” with their 1971's whereas second and thirds ran on, selling their 1972's at higher prices than those of their 1971's. But of course the one dominant and mighty factor in this equation is the dollar. If the USA is not of great significance to the over all Bordeaux situation it can, when it wants to, totally dominate this top end. But if it can dominate an upward trend it can equally easily create a crash. The present situation is characteristic. Whether 1982's are “better” than 1983's will never be anything than a matter of opinion. The opinion in the USA is that 1982's are better — in fact they are considered “the best”. With all the enthusiasm of that exciting market mustered and the

powerful dollar able to make dreams come true, red Bordeaux of 1982 vintage seems destined to end up largely in that country. Those in other countries who bought "en primeur" can make a killing today by reselling them to the United States. The international brokers must be busy and the auctioneers champing. With the image that vintage enjoys in the United States it is difficult to estimate how high prices can go before that market takes a real interest in wines of any other year. For those who run their cellar as an investment portfolio it must make sense today to sell — most of — their stock of 1982 and buy 1983, before they too become dollar desired. But if for the moment the US market provides an exciting source of wealth the backlash seems likely to provide a good deal of pain. Having bid prices up what happens when the dollar weakens and the Franc prices no longer look so reasonable? There must be a risk that having created the monster the US market will then for the first time see it with the eyes of the rest of the world, walk away from it, brand French wine as being "overpriced" and we will be back where we were five years ago. This is nobody's "fault" but the consequence of a currency situation which apparently nobody controls. It certainly does not make life easier either for those American importers who bought 1978's, 1979's, 1981's or even 1982's at the beginning of the campaigns believing they were making a good investment. With the dollar increasing at almost the same rate as prices they have been pedaling hard on money geared at high interest rate and have hardly moved ahead in the dollar value of their investment! What happens if they decide to get out of that form of investment?

But perhaps the greatest danger comes from the temptations to proprietors to base the value of their 1984's on the prices of 1982 or 1983. On one side of the equation are growers who, if they make the severe quality selection discussed above, could easily find themselves with a cost price per bottle two to three times higher than that of 1982/1983 and only half to a third of the quantity to sell. On the other side a market showing signs of fatigue — particularly the important "investor" sector who have often not yet taken delivery of their 1982's, to say nothing of their 1983. It seems likely that 1984's are going to have to be financed with corporate money requiring a return, rather than with the spare cash of private investors. They are destined for restaurant lists rather than collectors cellars and to follow on the now delightful 1980's and remarkable 1977's. As both of these vintages are ready to be put on lists whereas 1984's will have to be financed for 4 to 8 years there is a good argument for suggesting that 1984's should open at the current level of 1980 and 1977, less perhaps 35%. This would put first growths at around F 130, top second and thirds at around F 55. It is perhaps doubtful that growers will be able to swallow such a drop in revenue. They are more likely to be tempted to expect buyers to pay the ransom of a higher price in order to keep their place as privileged buyers.

Between the two poles the position appears more complex because it covers such a wide variety of product, but in fact there seems less room for manoeuvre. For basic Médoc and St-Émilion, as well as the slightly smarter appellations which are part of the same firmament, there is no severe shortage of stock, in spite of the small crop. Although the Libourne areas only produced 40% of 1983 and in spite of an increased demand of 19% there was still 33 months requirement at the vineyard at the beginning of the campaign. It is true that a good part of this is sold and awaiting bottling but the likely absence of demand for "petits châteaux" of 1984 will make that much more available for generic business. It seems likely that by increasing prices by some 55% over the same time last year St-Émilion has overreacted to the current situation, that sales will be seriously affected and that if the flowering is at least normal prices will start to ease in June/July. The Médoc is in a similar position. Consumption has been increasing steadily but, unlike St-Émilion, so too has production. Unlike the Libournais, where the 1984 crop only replaced 44% of what had left growers cellars during the previous 12 months, in the Médoc and Red Graves the figure is 80%. The current price level of 40% up on a year ago seems exaggerated. But who can blame growers who, having been through the trauma of last years bad flowering and now the severe January freeze, would rather be able to count their bunches of 1985 before aiming for anything less than the price which would provide the same revenue as last year. Growers of "basic" St-Émilion and Médoc are no better off than those of Bordeaux. Their production costs are higher, their yields lower. The image of prosperity which Bordeaux is enjoying is really only true of the top growths, perhaps representing 5% of the red Bordeaux production.

White

The process continues. Painfully, only with moderate success and dearly bought with large amounts of CIVB funds it can be claimed that white Bordeaux is improving its position. Over the last five years exports to both Holland and Denmark have more than doubled in volume, whereas to the USA and Canada they have increased by 50%. The UK has not managed 15%, and the home

market has increased by less than 10%. These increases have replaced the losses of sales to Germany for blending purposes but are in no way sufficient to bring prices to a viable level. Hence the fact that 36% of the production is still declared as Vin de Table, thus escaping from the yield limitation and other strictures of Appellation Contrôlée. A very relative success which in the context of the white wine boom can only be considered a failure. It is no longer a lack of skill in wine making. It might be that with greater flexibility in the appellation laws it would be possible to introduce grape varieties which would give the wines more appeal, but it seems most likely that the range of wines produced is so wide that they lack clear identity.

There are some signs that Sauternes is coming back into favour, and certainly the 44,000 hectos of Sauternes and Barsac which left growers cellars during the last campaign is the highest score since 1971/1972. Graves also has reason for satisfaction, particularly in the USA and in the home market, to both of which sales are increasing steadily.

Other vintages

1983's will be bottled in the coming months. We think they have kept their promise of complete, full wines which usually have more elegance than the 1982's round and delightful but, which often lack relief. 1981's rather overshadowed by those which followed do not have the body but do have elegance, character and balance. 1980's pleasant, soft, light and drinking well now. Lacking perhaps in definition and body but not in charm. The lively, rather stark 1979's project their character with great vigour but they do not have the great depth of character of the 1978's, which should be kept for at least another five years (speaking of course of top Médoc). 1977's are today's « best buys ». Terrific identity, a little mean but clean, precise statements of their origin, whereas 1976, though fuller and riper, suffer from both too much sun and dilution at the harvest. 1975's are concentrated, tanic, tending to toughness but those which are not lacking in fruit are full of long term promise. But patience will be required and others will tend to dry up. 1974's deserve better than their reputation. Lacking concentration they tend to be a little hollow but they are pleasing and firmer than 1973's which should now be consumed.

BURGUNDY

Weather conditions were similar in Burgundy to Bordeaux, though neither the Gamay or Pinot were affected to any great extent by the weather of the spring. The crop was virtually normal in size throughout the area. On the other hand a combination of even worse weather in September and the sensitivity of Burgundy grapes to rot resulted in mediocre conditions for the vintage. There was a good deal of rot and the must was heavily diluted by the rain. Fortunately fine weather in October enabled those who had survived without too much damage to pick their grapes under good conditions. This did much to save a situation which looked disastrous at the end of September.

Beaujolais

After the excellent 1983's the 1984's were almost bound to be a bit of a let down. The wines are light, rather high in acidity and certainly more suited to the home market than to export. There are signs that the Beaujolais Nouveau phenomena is flagging. The need for all to commit themselves before the quality can be judged is uncomfortable and must inevitably lead to disappointments. In view of the total absence of stock the restraint in keeping prices stable is impressive. The cash flow of the Beaujolais trade, selling so much of their production before having to pay for it, is the envy of the wine world but there must be question of what to do next and a danger that too narrow a profile could turn against them.

Mâconnais

Mâcon inevitably had a good year but does not seem to get its share of the spoils in the search for Pinot Chardonnay. Of course it sold its crop with no problem but most of it at a price which was remarkably stable compared to that of Pouilly Fuissé or Chablis. The 1984's are already virtually sold out. Prices have now moved up by 50% compared to two years ago, which is certainly a good level for wines which tend to be "washed out" and to lack character, but still seem reasonable when compared to Pouilly Fuissé, which is gorging itself on the dollar.

Two years ago the bulk price of Pouilly Fuissé was F 4,200. 1983's opened at F 6,000 and were quickly at F 8,000. Those rather feeble 1984's opened at F 10,000, quickly reached F 13,000 and are now reported at F 15,000! Goodbye Pouilly Fuissé from all rational wine lists. Who can blame the growers for drawing all the profit they can from the addiction of the USA to their wines and as far as that market is concerned the strength of the dollar puts the F 10,000 level at just about the same dollar price as the F 4,200 of two years ago. The situation is crazy, the awakening will be rude, there are plenty of good wines for others to buy instead, but for the meantime the Pouilly Fuissé crop belongs to the USA.

Côte-d'Or

The quality of the 1983 vintage, the high demand for white Burgundy and the strength of the dollar combined to give the Côte-d'Or its best year ever. In fact the 22% increase in exports of red was even greater than that of white but this probably because supplies of white ran out before they could reach anything like their full potential.

After all the criticism that has been heaped on red Burgundy in recent years it is good to see interest rekindling. A revolution has been taking place over the last twelve years or so, regional Burgundy blends have almost disappeared from the scene and single vineyard wines have taken their place. The need for this to happen was apparent fifteen years ago and more, which is both depressing and encouraging. Depressing because such an obvious evolution takes so long, encouraging because there is hope that all those other changes which should be happening, but which seem so slow, will no doubt take place also in time. More Burgundy growers are now aware of their responsibility to make wine that is worthy of their prices and the general high quality of 1983 will do much to tempt consumers back to fine Burgundy. A strange anomaly of the French wine world has been for years that though the basic price level of Burgundy is so much higher than that of Bordeaux the price of really fine red Burgundy, when you can find it, is reasonable, or even low in relation to the top Bordeaux. This is still so. It is a good time to shop for fine red Burgundy. 1983's are being bought up quickly, as are the rather less successful 1982's but prices are not unreasonable. The light 1984's certainly seem overpriced by comparison to the greatly superior previous vintages.

Whites of course are gold. It has been virtually impossible to find even 1984's since November/December. It would be arrogant to claim they are not expensive but if faced with a choice of a fine Chassagne, Puligny or Meursault at the same price as a Pouilly Fuissé all becomes relative. The quality of 1984's is no more than adequate but that has deterred nobody.

Chablis

The triumph is complete. The brave policies to which we have often referred in past reports have paid off and with the current demand for white Burgundy there seems no reason to be anything but optimistic for the immediate future. No less than 152,000 hectos left growers cellars during the last campaign. Where it went we are not quite sure because we have no figures which separate them from white Burgundy in general. However, it does seem that the UK is a major market, perhaps larger than the USA. It might explain the high exports of white Burgundy to the UK. Chablis has a better image there than in the USA, where it is blurred by the wines sold from California under the same designation. Probably the UK consumer is willing to pay as much for a Chablis as for a Pouilly Fuissé, which is certainly not true of the American consumer. Even at the current level Chablis is less than half the price of Pouilly, or of any white wine from the Côte-d'Or, so it seems likely that as big dollars buy up Pouilly and the whites of the Côte-d'Or other buyers are turning increasingly to Chablis.

At present there is a severe supply problem. The crop was nearly 20% down on 1983 and demand 38% up, creating a position which found the year beginning with almost exactly 12 months requirement. To make matters worse the cold weather of January seems to have done real damage in this northern vineyard. Growers are reporting split wood and blackened, dead buds. It will be impossible to judge the extent of the damage until April but growers will be reluctant to part with any of their previous crop until the hazards of spring frosts and bad flowering are also out of the way.

As elsewhere the wines of 1984 are far from the quality of 1983. Diluted by the rain they are light and lack character. Pleasant wines, hardly worth the price but those who must have white Burgundy will have to pay it.

THE RHÔNE

The Grenache suffered from the poor flowering but very much less so than the Merlot in Bordeaux. It had some effect on the crop in the northern Rhône, where its proportion is much higher, but overall the crop of the Rhône valley was not far from normal. Poor summer weather made it difficult for the grapes to attain full ripeness so that chaptalisation was permitted for the first time since 1963. Picking started two weeks later than normal but, as elsewhere, what looked towards the end of September like it could have been a complete disaster turned out to be a perfectly useful, pleasant vintage saved by good weather in October. The wines are of course on the light side but the best show good character, some good fruit and easy drinking. They are certainly amongst the most successful red wines in a difficult vintage.

The crop of Côtes-du-Rhône did not quite replace the quantity which had left growers' cellars in the previous 12 months but the area has found an excellent balance at a price level which has permitted sales to increase steadily in harmony with availability. Prices have been stable for four years. The bulk price of Côtes-du-Rhône is now 30% below that of Bordeaux rouge and the quality of 1984's is generally higher. We expect the home market particularly to switch their attention from Bordeaux to the Côtes-du-Rhône. This could increase sales by 300,000 to 400,000 hectolitres during the current campaign and at that level the area would be selling rather more than it produces even in a large vintage. Stocks are not large and it would be surprising if prices do not soon start to move up.

In Châteauneuf du Pape it has already happened. After six years of reasonable stability bulk prices for Châteauneuf have suddenly increased by 50%. The crop was slightly larger than 1983 but 20% below the 100,000 hectos required to keep stocks at a comfortable level. At the same time demand increased by 10 percent. Gradually over the last four years stocks have been falling. Four years ago the campaign began with 34 months requirements. This has fallen to 23 months. Certainly reason enough for prices to move upwards and even if the increase seems rather severe it will pass unnoticed in the USA, a major market for Châteauneuf. Others will do well to look around in Gigondas and St-Joseph, where the wines can be excellent, where stocks are accumulating and where prices are reasonable.

CONCLUSION

An excellent year for the sales of French wine, less good for production. Poor weather affected both the quality and the size of the 1985 vintage and though good modern vinification enabled plenty of useful wine to be made there is certainly not as much of it about as there was twelve months ago. If the 1985 crop is not satisfactory in both quantity and quality the trade will be facing its biggest problems since the small crops of 1971 and 1972 created the crisis of just a decade ago.

Another element which will eventually create difficulties is the current strength of the dollar. Specifically in two areas — top clarets (1982's particularly) and white Burgundy. As the ever strengthening dollar bids prices for these ever higher other countries would do well to look for the excellent value available elsewhere, and growers in those areas to fasten their belts for a very bumpy ride when reentry does take place.

Fundamentally the French wine scene is as full of challenge and opportunity as ever. More people are drinking wine than ever before, more people are selling wine than ever before and there is more good wine being made than ever before. Those who get trapped into limiting their activity to well known names and to looking for either the cheapest or the most expensive are missing a lot of fun.

Peter Allan SICHEL
Bordeaux, March 1985