

# Dan Berger's Vintage Experiences

## The Weekly Wine Commentary

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# Tasting Room Only

A fascinating dynamic in the California wine industry has been developing for the last 20 years and now is a full-fledged trend worth investigating.

It starts with the fact that as most wineries grow, they need wholesalers to represent them in the marketplace, to help sell to retailers and restaurants.

Many wineries have six or eight primary items in their lines every year, including the popular grape varieties. In most cases, wholesalers agree to take all such mainstream wines.

Assume everything is line-priced at \$30 a bottle. The wholesaler buys the wines at a significantly discounted price (about \$15 a bottle). It then is the job of wholesalers to sell the wines at a price that will fetch \$30 at the retail shelf.

The winery obviously keeps some of its wines for its own direct sales, at its tasting room to consumers, through the Internet, and direct to retailers and restaurants. In California, such a tactic is permitted.

Discounting is normally the job of the wholesaler since it knows best how long it will take to sell all of its allotment. Such discounting may also entail the winery's participation. Often a bit of cajoling (arm-twisting?) gets the winery to support such discounts, called programming dollars.

Programming dollars encourage the sale of slower-moving items. And remember, most wines are seen as a 12-month asset. After that, such wines are a liability since the next vintage is coming on line. Oddly enough, this

also includes red wines—which in theory get better with age!

To move product, as the saying goes, a wholesaler charges whatever it wants to for each wine. But in most cases, there is a bit of tension here with the winery often in a tenuous situation.

Wholesalers do not like it when a winery wants to discount a wine at its tasting room, which can undercut retailers who take a full margin. To protect retailers who will charge the full \$30, say wholesalers, wineries should also charge the same.

By keeping its price at \$30, the winery is now selling the product at a price that is a lot more than some discounters!

Savvy wine lovers who visit tasting rooms know this. They know that the \$30 wine can be bought near their homes for \$20 or so, so they don't buy at tasting rooms—where wineries make a full margin. Such consumers buy at discount shops.

This galls winery owners since they sell wines to wholesalers at a deep discount, they are hampered in their efforts to make a full margin at their own tasting rooms.

And it can be very clear that this is the case. I have heard stories from those behind the tasting bars in which a consumer in the tasting room says to others in his or her party, within earshot of the tasting bar pourer, "We can get this at Key City Liquors in Kankakee for 16 bucks."

(See *Tasting Room* on page 2)

## A Day for a Wine

I doubt you know that this Aug. 1 is International Albariño Day. Or that Nov. 12 is International Tempranillo Day.

These "official" days were announced by TAPAS—the Tempranillo Advocates, Producers, and Amigos Society.

As you can surmise, it is a promotional idea intended to sell wine.

As is April 17, which some Argentines suggest is World Malbec Day.

This past April 24 was the sixth annual Sauvignon Blanc Day, started by St. Supery in the Napa Valley. And I could go on.

One of the original wine days was set up by French law about the official release date of Beaujolais Nouveau, now the third Thursday of November. In theory, that's the first date on which the stuff may be sold.

In reality, the stuff is on the way to market days if not weeks ahead of time.

Cabernet Day? I have found a number of different dates when various people will celebrate this grape.

A cynic might just suggest all such days are nothing more than gimmicks to sell wine—as hard as that may be to believe.

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## Tasting Room

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This little tango that wineries and wholesalers do regularly about pricing encourages wineries to make small amounts of wines they sell exclusively in their tasting rooms—and do not let the wholesalers have.

Over the last two decades, this “tasting-room only” wine segment has grown.

You might think that wholesalers would want such wines. In most cases wholesalers have no interest in such wines.

First, they typically represent just a tiny amount, a few hundred cases of each at most. And wholesalers usually aren't at all interested in 300 cases of a Lemberger Rosé or 200 cases of a Tempranillo.

Especially since (a) there's little if any retail or restaurant marketability for such obscure items, and (b) they represent yet another pesky SKU to deal with on an inventory list.

The result is that every winery

## Syrah and its Sites

Bob Lindquist of Qupé surely wasn't the first to point out that Syrah is best grown in a cool place, but it was some two decades ago when he wrote a paper on the subject.

It was his way of saying that if Syrah was to make the impact that all had predicted for it, which in the early 1990s was many, one way to do that was in a cooler climate.

Little did I know when I read that paper that what Bob was saying really

that works with a wholesaler is encouraged, by the profit potential, to develop a line of wines that contains “winery only” items.

More than just an additional profit center, such wines also keep wine makers' interests alive by allowing them to experiment with grape varieties that might do well in a tasting room setting.

Some wineries that make Pinot Noir also make a tiny amount of Pinot Meunier. Some Cabernet wine makers also do a separate Cabernet Franc or Petite Verdot. And rosé is becoming a classic winery-only success story.

Many wineries also do other items for their tasting rooms, such as Kendall-Jackson's little-known line of grape seed oils and flours.

Under the name Whole Vine, the K-J oils are some of the most original and distinctive I have ever tasted. In particular, oils derived from Chardonnay and Cabernet are

was that cool-climate Syrah is all about the classic nature of the grape, that warm-climate Syrah is one of the 3 Stooges and that cool-climate Syrah is Fred Astaire.

Qupé makes wines from the central coast of California that make this statement in spades, and it's one reason we liked the Bonny Doon 2011 (see last week's Tasting Notes) as much as we did. It comes from the same viticultural region.

fascinating additions to cooking, notably in soups and stews.

The company's flours, which are derived from both seeds and skins, and differ from one another, can be used as an addition to baked goods.

In K-J's tasting room in Santa Rosa, visitors can also buy crackers and cookies made from the flours.

At the company's web site, [www.wholevine.com](http://www.wholevine.com), consumers can buy any of the oils, flours, crackers, and cookies as well as get recipes using the ingredients.

The winery-only wines are also a clever way of delivering a company's corporate image.

At renovated Buena Vista in Sonoma, owner Jean-Charles Boisset has developed a complete line of wines from historic grape varieties, and all the wines are exceptional.

That Syrah usually doesn't sell very well is due to its general clumsiness. So you may wonder if there are any other cooler-region Syrahs that are worth a look.

We always love the Dutton-Goldfield from the cold Russian River Valley, Ramey's from Petaluma Gap, and Morgan's from Santa Lucia Highlands. All three regions are known for great Pinot Noirs, and the Syrahs from there are equally impressive.

Add to that list the (few) Syrahs from the southern reaches of Oregon, notably the Reustle Prayer Rock of Umpqua Valley.

The newly released 2013 delivers all the distinctive flavors one could want, and the winery makes a number of exceptional Syrahs that all seem better after a day of aeration.

Web site: [reustlevineyards.com](http://reustlevineyards.com).

## Wine of the Week

2013 **Chehalem** Riesling, Ribbon Ridge, Ridgecrest Vineyard, “Sext” (\$24): Dramatic aroma of TDN, honeysuckle/lime/orange blossom fruit and enough effervescence to call it semi-sparkling. Indeed, the nickname is a play on *sekt*, German for sparkling. The wine has nearly just 7% alcohol, 7½% residual sugar, but outrageous acid (9.1 gpl) and low pH (2.97). Thus it's balanced and great for spicy Asian foods. A simply fabulous Riesling from a great Oregon producer.

# Tasting Notes

The wines below were tasted open over the last four days.

## Exceptional

2012 **Tres Sobores** Zinfandel, Rutherford (\$38): This Bordeaux-leaning red wine has all of the spice and personality that great California Zin once displayed—and it's no wonder: it's from old vines on the true Rutherford Bench. Stylish!

2013 **Reustle** Prayer Rock Syrah, Umpqua Valley, Wine-maker's Reserve (\$39): A delicate note of pepper adds pizzazz to this plum/violet-scented red wine with a bit of earth and dried herbs. This terrific dry, well-structured wine was better two days after it was opened and left on a counter with no refrigeration. See note below.

2012 **Raymond** Cabernet Sauvignon, Rutherford, "District" (\$75): Lovely CS characteristics in the nose with tea and red cherry fruit; subtle spices, and excellent structure.

2012 **Chaix** Cabernet Sauvignon, Rutherford (\$60): Stylish fruit-driven Cabernet with a core of fruit and a delicate herbal note. Elegance personified, a superb wine from Sam Baxter, son of ex-Rutherford Hill wine maker Phil Baxter.

2012 **Tres Sobores** Cabernet Sauvignon, Rutherford, 'Perspective' (\$80): Tea, red cherry, and hints of cedar and spice. A lighter-weight wine than many in the tasting, but with charm and nuance.

2009 **Aiken** Cabernet Sauvignon, Rutherford (\$125): Ex-BV wine maker Joel Aiken still has a few cases left of this structured, spiced 2009 CS with a long finish. Web site: [www.aikenwines.com](http://www.aikenwines.com).

2012 **Clos Pegase** Cabernet Sauvignon, Napa Valley (\$50): The aroma is fascinating with ripe red cherry and spice, and with the added note of cool-climate herbs. A

stylish and well-structured wine with a bit of Carneros CabFranc for added fascination. A great wine from Richard Sowalsky.

2012 **Wild Oats** Shiraz, Central Ranges (\$14): Dramatic aroma of earth, dried herbs/spices, and a faint jam note. A simply wonderful, ripe handsomely structured red that shows extraordinary wine making skill. Don't let the low price fool you. Made by Larry Cherubino.

2013 **Whiplash** Zinfandel, Lodi (\$15): Loads of strawberry and blackberry fruit and a juicy entry, but good acidity keeps the wine in shape to work with pizza. Elegant!

## Ordering Note

The Reustle Syrah above isn't yet released; it should be out in the fall. However, pre-release orders for it will be taken for our subscribers only at 541-459-6060.

## A Non-Second Label?

We've already spoken of second labels that many wineries produce with extra wines they can't sell under their primary labels.

And we know of the literally thousands of "brands" that were created for some of the nation's largest wine merchants.

Leading the pack are some top "private label" wines under the brand called Kirkland at Costco, as well as many wines under the Trader Joe's label (and occasionally the "Trader Giotto" name, which is used for Italian grapes).

These are just some of the many hundreds of "captive" brands that are exclusive to certain chains.

But one brand I discovered recently is actually two separate entities. And

both are called Callaway.

Callaway, the winery, was solely owned by the family of Ely Callaway until it sold to Allied Domecq in the 1990s. In 2005, Allied Domecq sold Callaway, located in the South Coast appellation, to a Del Mar investment company.

At the time, the winery was renamed Callaway Temecula. However, as part of the sale, Allied Domecq also sold the *separate* brand name "Temecula Coastal" to a large import company, Shaw-Ross International.

What's interesting is that both the Callaway Temecula wines, which use a Temecula appellation, and Callaway Coastal wines—carrying a California appellation!—use virtually the identical label.

The latter wine is made for Shaw-Ross by contract using fruit from Lodi, Monterey and other coastal areas. It is widely sold to retailers, especially those who can case-stack the wines.

Even though the labels look like a clone of one another, the entities are not otherwise related.

## Bargain of the Week

2014 **Calcu** Sauvignon Blanc, Colchagua Valley (\$14): Chill and then decant this dramatic SB and it displays an herbal/citrus charm with excellent varietal definition and a dry entry. Not austere, it is still dry enough to go with many foods or sip on a patio.

# A Vintage Assessment (?)

The Rutherford Dust Society was founded in 1994 to promote the wines of one of Napa's finest sub-regions. Yesterday it staged another of its annual tastings to display the quality of its Cabernets, the 2012s.

I attend as many of these events as I can and did so yesterday. As with all such events, I can't ascribe any specific meaning to the 2012 wines.

For one thing, all the wines were released far too early to make any meaningful judgment. Decades ago we all waited four years for Cabs to be released; today it's barely over 2½.

Moreover, the event itself is more about the trade than it is about the consumer. As such any specifics about the wines have less meaning than they had two decades ago.

The event was coordinated by Fred Dame, a longtime Master Sommelier (MS) and a skilled taster. He used many other MSs to rank all the candidates for Wednesday's tasting. The MSs passed on wines they thought didn't make the grade.

But no one stated what specific attributes the wines had to display to

qualify for the tasting—or what deficiencies the also-rans had that denied their admission to the event.

As a result, a “Sommelier Palate” dictated which wines were blessed enough to be thought of as the best in Rutherford. And what is this undefined Sommelier Palate?

Well, for one thing, it is a generally younger-taster profile. Most of the MS folk in the room yesterday were between 35 and 50, and all got their impressions of what a great Cab was in a post-Phylloxera Parker-dominant era when weight and softness were viewed as king—and when food-friendliness, aging, and varietal character were less important.

The result can only be a self-fulfilling prophecy: all the anointed wines were pretty much the same weight and density, with little in the way of distinctiveness allowed.

I have long suspected that Napa Valley producers and the societies formed to promote them do not like the word “distinctiveness” to be used when referring to their wines—not even when it's regional character.

What are the *real* differences between Cabs whose appellations are Rutherford, St. Helena, Oakville and Spring Mountain? Are there any differences now that high alcohol, low acid, and hang time are all the rage?

Some of the best wines I tasted yesterday were Cabs served at the larger, walk-around portion of the tasting. Some of these wines were submitted to the MS group and were not picked.

Yet to me a number were exemplary of a great vintage of Napa Valley Cab, even though they were not dense and succulent.

Dame summed up the tasting when he said the wines “taste good” (is this a requirement for a Cabernet to be great?). And he added, “In terms of the hospitality industry, these are great wines.”

The comment gave me the distinct impression he was talking of sales: they would sell. But the dependent clause that starts the quote says nothing about consumers.

Funny. I thought that's who the tasting was really staged for. ©2015

## Dan Berger's Vintage Experiences

P.O. Box 5857  
Santa Rosa, CA 95402

Phone 707-571-1200  
Fax 707-595-5333

E-mail: [Info@VintageExperiences.com](mailto:Info@VintageExperiences.com)  
Website: [www.VintageExperiences.com](http://www.VintageExperiences.com)

Dan Berger, Commentator  
Juliann Savage, Editor & Publisher

Delivered weekly via e-mail.

Subscription details and other wine related information:  
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