

Drinks

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INTERNATIONAL

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MAY 2012

**INSIDE
THIS MONTH**

**WORLD'S
MOST
ADMIRED
WINES**

FREE SUPPLEMENT
WITH THIS ISSUE

**TRADE
SHOWS
PREVIEWS**

TFWA ASIA
PACIFIC, LONDON
INTERNATIONAL WINE
FAIR, VINEXPO



**SPOTLIGHT
ON SPIRITS**

IN-DEPTH FEATURES
ON IRISH WHISKEY,
GIN & ARMAGNAC



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It's showtime

We have three show previews in this month's issue: Vinexpo Asia Pacific, TFWA Asia Pacific and the London International Wine Trade Fair.



It is interesting to note the number of add-ons designed to coax people out of their offices and to the shows. Seminars, conferences, workshops – you name it. Every event organiser wants buyers and specifiers to attend – it's the B2B equivalent of having A-list celebs at a Hollywood party.

So, to drag people away from their desks, or at least get them to look up from their Blackberry or smartphone, you need to offer something that interests and entices. Reading the LIWF preview, organiser Brintex has an impressive line-up of events to get people out to ExCel in east London and you would be hard pushed not to find something of interest.

The Tax Free World Association is a past master at laying on 'sideshows' to get people to Cannes and Singapore. It appreciates possibly more than most the importance of networking. The travel retail/duty free channel is not easy to access, but the TFWA approach is both sophisticated and basic. Sophisticated in instigating research and having well-briefed, sometimes famous speakers to adorn its conferences and workshops. Basic in laying on slick social events where exhibitors and visitors can mingle and network in the most convivial of circumstances. How better to strike up a relationship or make a contact?

There is much pressure to stay in the office and glean everything from the web but there is no substitute for meeting someone in person. A casual conversation can often lead to other things. At the very least when you pick up your smartphone or send that email, the person is so much more likely to respond – and respond positively.

Trade exhibitions are still important. Just setting out your stall and waiting for customers, existing or potential, to turn up isn't good enough any more. We all have to go that extra mile or kilometre these days. But it is worth it.

Christian Davis *Editor*



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Patience Gould holds forth



The Edrington Group has announced the appointment of new distillery managers for its Highland Park and The Macallan brands. Russell Anderson (right), currently at Highland Park, will take over at The Macallan after 15 years in Orkney, while Graham Manson, a former engineering manager at North British Distillery, will take Anderson's vacated position at Highland Park.

CEDC in Russian Standard alliance

Russian Standard Corporation is to invest \$310 million in CEDC and assume 28% of its shares as part of a strategic alliance.

The deal, which has taken the two companies months to complete, will see a \$100 million cash investment and will also address CEDC's short-term financial obligations by Russian Standard buying \$210 million of CEDC bonds.

Russian Standard's share of CEDC currently stands at 9.9% following December's \$25.35 million share purchase, but will rise to 28% next year under the terms of the agreement.

The deal will see Russian Standard buy a combination of newly issued shares of CEDC common stock and exchangeable notes

(exchangeable into common shares of CEDC upon shareholder approval) to be issued by CEDC.

The first stage of the transaction, which is due for completion this month, will see Russian Standard's share of CEDC rise to 16%.

Roustan Tariko, founder and chairman of Russian Standard Corporation, said: "While the global spirits market is at the final stage of its consolidation, the process in Russia is just beginning.

"As a result, customers will be offered an unparalleled choice of quality global alcohol brands and the market should become more transparent with fewer players."

TFWA heads to China for 2013

The Tax Free World Association (TFWA) has announced it is to hold a conference in China in March 2013 in conjunction with the Asia Pacific Travel Retail Association.

Titled China Century – The Fast Pace of Change in China Duty Free & Travel Retail, it will take place at the Beijing hotel, Beijing, from March 5-7, 2013.

When asked whether the sector needs another event with all the costs entailed by participating companies and delegates, TFWA president Erik Juul-Mortensen said a Gateway to China conference had been "hanging around on the TFWA agenda for at least 10 years".

He said the association in a survey of members had received a "strong response" for a conference in China.

The event has been set up to bring together decision makers from China's aviation industry, including airlines and airports, and retailers and suppliers from the international duty free and travel industry.

Brazil wins fight to get US to recognise cachaça

The US is to officially recognise cachaça as a spirit from Brazil. The sugar cane spirit is currently labelled Brazilian rum in the US. In turn, Brazil is to recognise both bourbon and Tennessee whiskey as US distilled spirits.

The Distilled Spirits Council (DISCUS) called the agreement by US trade representative Ron Kirk and Brazilian trade minister Fernando Pimentel "an historic event that is sure to contribute to further acceleration of trade in distilled spirits between the two countries".

The signing ceremony involved an exchange of letters detailing the process by which each country will formally recognise each other's distinctive distilled spirits categories – bourbon and Tennessee whiskey by Brazil and cachaça by the US.

DISCUS president Peter H Cressy said: "This is a historic day for exporters of bourbon and Tennessee whiskey to Brazil, which is a rapidly growing market for American whiskeys." He noted that US whiskey exports to Brazil shot up 519% from 2001 to 2011, growing from \$517,000 to \$3.2 million.

Under the agreement, the US government will begin its process seeking public comments regarding recognising cachaça as a distinctive product of Brazil.

Once a final rule is issued by the Treasury Department's Tax & Trade Bureau formally recognising cachaça, Brazil will work to complete its regulatory process within a set time frame to officially recognise bourbon and Tennessee whiskey as distinctive products of the US.

News In Brief

Industry stories from around the globe

Diageo is to create a £30,000 whisky inspired by Formula One driver Jenson Button. John Walker & Sons Signature Blend Vodafone McLaren Mercedes edition is part of the company's Step Inside the Circuit global campaign.

Beam master distiller Fred Noe has created a 50% abv Knob Creek rye whiskey (\$39.99), due for release in the US this July.

The Chinese wine market of the future will feature more white and sweet red wines, according to a report by Wine Intelligence. The report also said volume growth will come from the so-called Tier Two cities (outside of Beijing, Shanghai and Guangzhou) in the next few years.

Meyer Kahn will retire as chairman of SAB Miller on July 26. Graham Mackay will become executive chairman for a year before becoming non-executive chairman in 2013. Alan Clark will be appointed group CEO and executive director, before taking over as group CEO in 2013.



Beam in £605m brands purchase

Beam is to purchase Pinnacle vodka and Calico Jack rum from White Rock Distilleries for \$605 million.

Matt Shattock, president and chief executive of Beam, said Pinnacle would become one of its largest 'power brands', with 2012 volumes expected to exceed three million nine-litre cases.

A statement from Beam said: "With a sustained track record of very strong double-digit growth, Pinnacle has already become the fourth-largest imported vodka brand in the United States.

"Pinnacle's growth is broad-based across its product line, as its unflavoured and flavoured variants have each achieved the one-million case threshold."

The rrp of the vodka is \$12.99-\$13.99 for a 75cl bottle.

Shattock said: "We're continuing to

invest smartly in great brands and attractive categories, and Pinnacle plays to our strengths.

"With our plans to substantially increase brand investment in Pinnacle, plus our marketing and innovation capabilities and our global distribution assets, we look forward to taking Pinnacle to the next level and establishing Beam as a leader in the sizeable vodka category.

"Since the start of 2011, we'll have built our presence in ready-to-serve cocktails, Irish whiskey and now vodka."

Beam expects to finance the acquisition with either existing credit facilities, new debt, or a combination of both.

The acquisition, which is subject to customary closing conditions and regulatory approvals, is expected to be completed in the second quarter of 2012.

SAB Miller profits up

SAB Miller has announced group revenue grew by 7% and group revenue per hectolitre was up 4% for the year to March 31, 2012.

The South Africa-based global brewer reports organic lager volumes were 3% ahead of the previous year for both the year and the fourth quarter.

Its Latin America lager volumes were up 8%; in Europe volumes declined 1%; Africa's full-year lager volumes grew 13%; while Asia Pacific grew 4% for the year (China up 4%).

In South Africa, lager volumes for the year grew by 2% and were up 6% in the fourth quarter.

Caribbean force

Anheuser-Busch InBev's Brazil-based arm AmBev and E León Jimenes, which owns 83.5% of Cervecería Nacional Dominicana (CND), are to form a strategic alliance in the Caribbean.

The companies plan to create the "leading beverage company in the Caribbean". The combined business will include beer, malt and soft drinks operations in the Dominican Republic, Antigua, Saint Vincent and Dominica, as well as exports to 16 other countries in the Caribbean, the US and Europe.

Upon closing of the transaction, AmBev Brasil and ELJ will be the shareholders of Tenedora CND, a holding company which will own 83.5% of the shares of CND and 100% of AmBev Dominicana.

Global move for spirits

The US-Colombia Trade Promotion Agreement will officially come into force on May 15, 2012, according to an announcement from the US Distilled Spirits Council (DISCUS).

DISCUS president Peter Cressy said: "As a result of this agreement, next month US spirits exporters will enjoy new access to this emerging spirits market.

"This is another positive step for global trade in distilled spirits."

As of May 15, Colombia's currently applied 15% tariff on US-produced brandy,

gin and liqueurs will be eliminated.

The 15% tariff on US whiskey, rum and vodka will be reduced to 14% in 2014, and further reduced by 2 percentage points annually until the duties are completely eliminated.

Other provisions of the agreement include a commitment by Colombia to eliminate excise tax for spirits within four years, which will ensure that US spirits products are on a level playing field with domestically-produced spirits in the Colombian market.

News In Brief

Industry stories from around the globe

Italian screwcap producer Guala Closures has achieved a 'Top' label from the certification body Ecocert Environnement for 500 million of its screwcaps in 2012.

English wine producer Chapel Down has joined Gaucho Restaurants and Wines of Argentina to create the first Argentinian-grown, English-made Malbec. The grapes were flown from Mendoza to the UK.

Emerging markets will continue to drive alcoholic drinks volume and value growth in 2012, according to Euromonitor International. The research agency said there is a continued trend towards premiumisation in emerging markets and that beer will be the key growth category.

Pernod Ricard has launched Absolut Cherrykran in the US. It is described as having a "rich character of sun-ripe cherries, followed by notes of fresh white cranberry and sweet plum" and is available in 5cl, 75cl (\$21) and 1-litre sizes.

Emotional blackmail?

Denormalising alcohol through fear-based warnings violates industry and consumer rights, contend Philip Pfeffer and Michael Bos



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Increasingly governments are considering further developing warnings for alcohol and other products, such as introducing large, fear-based labels and graphic images. Rather than being designed for the purpose of providing factual information about risks, these measures are emotional advocacy tools used to promote governments' agendas by 'denormalising' legal products.

While public health goals are very important, government mandated denormalisation of a legal product through the use of emotional messages and images is not a legitimate objective and raises a variety of legal concerns.

The duty to warn

The duty to warn requires manufacturers to communicate risks inherent in ordinary use of consumer products. The objective of this is to enable consumers to make informed choices about whether, and if so, how, they use such products.

Dissuading consumers from consuming legal products that can be harmful, such as alcohol, tobacco and some foods, has never been part of the general duty to warn. Moreover, the use of non-factual, emotional campaigns runs the risk of actually misleading consumers.

Attempts to denormalise alcohol use

Kenya's Alcoholic Drinks Control Act 2010 requires health warnings to occupy a minimum of 30% of the total surface area of the package, and in April 2011 the Russian Ministry of Economic Development produced draft regulations requiring warnings to occupy at least 20% of the label.

In 2010, Thailand proposed mandating the use of graphic warnings on all domestic and imported wine, beer and liquor bottles with the aim of deterring consumers from drinking alcohol. These proposed labels would cover 30%-50% of the bottles' surface or packaging area, the claimed justification for the warnings being that alcohol "must not be regarded as an ordinary commodity in any circumstances".

In Australia the Preventative Health Taskforce recommended graphic warnings on alcohol products as part of a range of strategies "aimed at changing

behaviour", and in the UK the British Medical Association has also called for graphic warnings on alcohol products.

However, the validity of regulation that is designed to deter consumers from using products, rather than informing consumers of risks in using a product, is questionable.

On February 29, 2012, the US Federal District Court – in *RJ Reynolds Tobacco Co et al v US Food & Drug Administration et al* (subject to appeal) – ruled that the FDA could not require companies to place the specifically proposed graphic health images on cigarette packets in the US. The court rejected the notion that the proposed images were designed to provide information to consumers about the health risks of smoking. The court wrote: "...it is clear that the government's actual purpose is not to inform or educate, but rather to advocate a change in behaviour – specifically to encourage smoking cessation and to discourage potential new smokers from starting."

Evidence also indicates that fear-based warnings and graphic images do not alter consumer behaviour. For example, a study in the US of the effects of an alcohol warning found that there was no significant reduction attributable to the particular warning on alcohol consumption or driving after drinking (*D MacKinnon et al, The Alcohol Warning and Adolescents: 5-Year Effects (2000)*).

A UK Department of Health-commissioned study reviewing the effects of the 2008 implementation of graphic health warnings on cigarette packs concluded there had been no noticeable change in behaviour, such as attempting to stop smoking. The World Health Organization has also recognised that graphic warnings will "... not lead to changes in drinking behaviour..." (*WHO, Global Strategy To Reduce The Harmful Use Of Alcohol (2010)*).

Infringement of industry & consumer rights

By trying to scare, rather than inform consumers, governments are:

- seeking to denormalise legitimate, albeit risky, products;

- confiscating property, in the form of packaging space, to promote their agenda;
- forcing companies to serve as the mouthpiece for government policy without compensation.

In *Reynolds v US FDA* the court felt the graphic warnings proposed were designed to achieve the objective of rebranding cigarette packs and treating them as anti-smoking "mini-billboards".

The court wrote: "Although an interest in informing or educating the public about the dangers of smoking might be compelling, an interest in simply advocating that the public not purchase a legal product is not."

While this decision is based on the free speech rights in the US Constitution, the court's factual observations demonstrate that the actual purpose and intent of regulations such as graphic images is to promote a government agenda to make consumers change their behaviour.

Moreover, rights of free speech and rights to choose what not to say are recognised in many other national laws. A number of international and constitutional rights also provide protection from the state taking private property, unless just compensation is provided.

The use of fear-based warnings and graphic images which are exaggerated also conflict with consumers' freedom of choice and right to self determination, and infringe consumers' rights to accurate information and to not be misled.

Conclusion

Governments are becoming increasingly paternalistic. As a result governments are moving towards fear-based warnings that are intended to denormalise legal, albeit risky, products in an effort to get consumers to stop using them. These initiatives are not evidence-based and often amount to an unjustified encumbrance of free speech rights, a confiscation of property without compensation, and an unlawful interference in consumer rights.

Philip Pfeffer and Michael Bos, partners at the legal firm Chadbourne & Parke (London) LLP, information@chadbourne.com.

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Asian duty free is Martell launchpad

Pernod Ricard Travel Retail launched an Extra Martell Cognac exclusively into selected Asian duty free shops last month.

Martell Chanteloup Perspective is named after the Chanteloup estate and chateau in Cognac, which was rebuilt in the grand Normandy style by the Martell family in the 1930s.

Much like Martell's existing XO reference, Martell Chanteloup is presented in an arch-shaped decanter. However, it also features a silver motif, which is inspired by the wrought-iron gates of the estate's cellars.

Martell Chanteloup Perspective is a permanent addition to the range. It went on sale at Hong Kong and Singapore Changi airports in March and April. Distribution will now extend to Malaysian, Taiwanese and Macau airports this month and next, before a wider roll out later in the year.

Pernod Ricard Asia Duty Free senior brand manager for Martell Sandrine Tesniere said: "Martell Chanteloup Perspective allows travellers the chance to feel a part of Martell's heritage."

Campari releases duty free exclusive



Campari is set to introduce a travel retail exclusive bottle label designed by Italian pop artist and film maker Ugo Nespolo in key worldwide airport locations this summer.

The new exclusive follows hot on the heels of a Valentine's Day-inspired collaboration between Campari and Brazilian pop artist Romero Britto. French travel retailer Aelia stocked Britto's interpretation of the classic Campari bottle label exclusively with for a limited period at Paris Charles de Gaulle airport.

In a press statement Campari said

it was committed to introducing more limited-edition labels, cementing the brand's long-standing links with the art and fashion worlds.

The latest Campari label will be supported in travel retail with in-store merchandising. It is a reinterpretation of a classic Campari ad called Spiritello, which was first painted in 1921 by Italian artist Leonetto Cappiello.

In other Campari news, the Italian firm is planning to expand its range of super-premium Glen Grant single malt whiskies in an effort to boost the brand's presence in the Chinese duty free market.



Bombay Sapphire unveils Schiphol art installation

Bacardi Global Travel Retail installed a major Bombay Sapphire art installation at Amsterdam Schiphol airport last month, as well as launching a travel retail-exclusive gift pack.

London-based illustrator Yehrin Tong created the large artwork, which kicks off a new global marketing plan for the gin brand, entitled *Infused With Imagination*.

The brand's vapour infusion production process inspired the dream-like artwork, which features 75,000 crystals. It was suspended from the ceiling of the airport's Terminal 1 building during April. An estimated 1.3 million travellers saw it, according to Bacardi GTR.

In addition to the art installation a Bombay Sapphire gift pack launched in Schiphol Airport Retail's (SAR) stores. The new pack features micro-optic lens technology, which creates a 3D optical illusion of the gin's 10 botanical ingredients floating at various levels.

SAR and Bacardi GTR supported these activities with prominent in-store displays and iPads, which travellers could use to learn more about the brand and the promotion. Travellers visiting Schiphol's Privum Lounge were also offered complimentary Bombay Sapphire cocktails.

Commenting on the initiative, Bacardi GTR senior brand manager Richard Cuthbert said: "We are incredibly pleased that, through our successful partnership with SAR and Schiphol Media, we have seamlessly integrated the *Imagination* installation on the concourse with eye-catching and innovative displays, which will increase footfall and drive sales in the retail environment."

First person

The Patrón Spirits Company vice president for the Americas & Duty Free Joe Arellano



In a couple of sentences what does your job involve?

I am responsible for managing and developing the Patrón Spirits portfolio in Latin America and the Caribbean, both in the duty paid and duty free/travel-retail channels. That includes our US duty free business. I also manage our global US military business.

What achievement in your career are you proudest of?

Our international team is very small, yet we've accomplished so much in a short time. I'm proud that I'm part of this team, and that we've grown our business from being commercialised in three countries a few years ago to now nearly 130 country markets, and close to the same number of airport outlets globally.

What book is on your bedside table?

Boomerang: Travels in the New Third World by Michael Lewis.

What's your favourite airport to fly from and why?

Newark Liberty international airport in the New York/New Jersey area as it is approximately ten minutes from my apartment. Another favourite is London Heathrow for the customer shopping experience it offers.

What are some of the key challenges facing travel retail?

I think one key challenge is being able to consistently provide the customer with a relevant and compelling shopping experience. Another is being able to successfully harness emerging technologies

involving indoor positioning and web analytics, which collect the mobility patterns of potential consumers. If you can collect that movement inside the physical space, you may be able to make better decisions on how to reach your customers and convert their dwell time into purchase time.

What is the most memorable thing you have ever drunk?

The first time I sampled Gran Patrón Burdeos, our limited-production añejo tequila that's aged in Bordeaux [wine] barrels. It's an incredible spirit.

If you could choose, what would you be doing 10 years from now?

Working with underprivileged youth to help them develop their God-given talent and to fulfil their dreams.

A month in travel retail



The industry's attention turns to Singapore this month and the annual Tax Free World Association (TFWA) Asia Pacific Exhibition, which runs from May 13-17. With regional traffic and spend continuing to rise, it certainly promises to be a busy, upbeat show with exhibitor and visitor levels likely to exceed last year's levels, and an additional 350sq m of exhibition space coming on stream.

Over the years there has been industry talk of moving the show to China, which is of course where much of the growth lies at present. Yet the east-meets-west feel of Singapore; its excellent transport links and high-quality accommodation make it a reliable venue. It was perhaps little surprise that earlier this year show organiser TFWA signed a deal with the city's Suntec Centre, which will keep the exhibition there until 2015.

It is a decision which appears to have gone down well. In fact, at least 37 new exhibitors have confirmed they are attending this month's show, including two heavyweights from the drinks sector in the shape of The Edrington Group and Beam. Other newcomers setting up their stall in Singapore this year include Beluga vodka, Guatemalan rum brand Botran, the Underberg group and AB-InBev Asian distributor Lubrigrade Trading.

Launches at the show hail from all spirit sub-categories – a pleasing sign that the regional duty free market may just be starting to pan out from its traditional, brown spirits-focus. Examples include the ultra-premium Tequila Corralejo Añejo 99,000 Horas, which is aged for 18 months in American oak barrels; the beautifully illustrated Winter's Kiss Riesling Icewine from Inniskillin, and the colourful Mount Gay Rum Eclipse G, which pays homage to the brand's nautical leanings.

Singapore was also recently the location for an extraordinary insight into the future direction of the Asian duty free liquor business when DFS Group held its second annual Master of Spirits event (pictured) in the city's Grand Hyatt hotel.

Attended by media from around the region and hundreds of invitation-only VIP guests, the event showcased more than \$1m worth of rare and collectible spirits, wines and champagnes. It included masterclasses and tastings by 27 top brand ambassadors, as well as live entertainment.

The glittering line-up featured 84 products from 50 brands that included Dom Pérignon, Hennessy, Penfolds, The Macallan, Absolut and Johnnie Walker. The most expensive bottle on offer at Master of Spirits II was The Dalmore 1926, which was priced

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correspondent,
Joe Bates**



at \$300,000. It features a hand-blown decanter with a solid silver collar, a platinum stag logo, and a stopper containing a real 1.83-carat diamond.

Other highlights on the night included Diamond Jubilee by John Walker & Sons – a 60-year-old whisky finished in oak casks grown on the Queen's Sandringham Estate in Norfolk, and Hennessy Beauté de Siècle, an ornately decorated cabinet containing a rare Hennessy Cognac boasting eaux-de-vie up to 100 years old.

The entire collection of products was subsequently put on display at Singapore Changi airport's Terminal 3 for the month of April. Let's hope the delivery driver was well insured.

In a night dedicated to luxury and opulence, there was also a welcome charitable element to the proceedings. A \$3,000 bottle of Glenfiddich 1973 Limited Edition Cask No. 9899, which was donated by William Grant & Sons chairman Peter Gordon himself, was sold in aid of DFS' Hand in Hand for Haiti charity, which

has set up a school on the earthquake-devastated island.

The other big news in the duty free liquor world last month came from the less rarefied world of the Canadian border shop business, where cans of Labatt and bottles of Crown Royal are more the order of the day than collectible bottles of vintage Dom Pérignon. After an intensive lobbying campaign the Canadian Customs agreed to raise duty free allowances to the same levels as those enjoyed by shop operators on the US side of the border.

The changes, which come into force on June 1, are welcome for a set of mostly family-run businesses, where liquor is their biggest money-spinner. They have had to combat a host of difficulties in recent years, but never gave up believing that better times lay around the corner. At long last they now have more of a level playing field against their US counterparts.



In Brief

✈ Diageo Global Travel and Middle East (GTME) has released a travel-retail exclusive version of Johnnie Walker Blue Label. Johnnie Walker Blue Label The Casks is bottled at a higher strength of 55.8% abv compared to the existing 40% abv Blue Label, and is made from some of Diageo's rarest casks. The new whisky will be available from selected travel retail outlets from this month at a price of \$300 for a 1-litre bottle.

✈ South African travel retail wine distributor Diverse Flavour's Deetlefs and Stonecross wine ranges have been listed at Bangkok airport by King Power.

✈ SABMiller Travel Retail & Duty Free has appointed Andreas Grassl its new business development manager travel retail duty free. Based in Plzen, in the Czech Republic, Grassl will report to Bart de Smalen, director travel retail duty free.

✈ Patrón Spirits opened a temporary Ice Bar at Birmingham airport last month. The US spirits producer also unveiled a new chocolate and coffee liqueur Patrón XO Café Dar Cocoa at the airport's World Duty Free Group shop.

✈ UK-based inflight publishing and events group Ink has announced it is to stage a China Travel Retail event in Shanghai in July this year. The two-day event will take place at the city's Marriott Centre and will have space for up to 200 delegates. More details about the event can be found at atchinatravelretail.com.

Conference to 'think big'

As organisers, exhibitors and visitors gear up for the annual TFWA Asia Pacific exhibition, **Christian Davis** goes behind the scenes



The TFWA Asia Pacific & Gate One2One exhibition will be held at the Suntec Singapore International Convention & Exhibition Centre from May 14 to 18.

With 2,117 visitors last year, 11% up on the previous year, pre-registrations are “very positive and encouraging” says Tax Free World Association managing director Alain Maingreud.

The association’s senior management were in London recently for a pre-show briefing and to announce a conference in China in March next year (see news story).

Last year’s visitors came from 923 companies overall, a 12% increase on the previous year, and among them were 1,719 key buyers, landlords and agents, up 18%, from 669 companies, representing airports, airlines, ferries, cruise lines, downtown duty free stores, duty free operators and retailers.

Approximately 81% (+9%) of the visitors originated in Asia, with the top 10 countries being Malaysia, Singapore, Hong Kong, Korea, Philippines, Thailand, China, Japan, Taiwan and Sri Lanka, claims the TFWA.

The total number of people who participated in the conference, the four workshops on India, China, Japan and Partnerships in Practice, and the TFWA’s working lunch was 780, up from 663 last year.

This year the exhibition has 236 exhibitors, as of April 20, using 6,928sq m. There are 62 new or returning exhibitors and there is a new mezzanine area on level three in Suntec which will accommodate 17 exhibitors. There is now free wi-fi throughout the centre.

On the downside, the Pan Pacific hotel is closed so a great deal of behind-the-scenes work is being done to find sufficient accommodation. The Suntec complex itself closes for a US\$140 million refurbishment from June until January 2013. The TFWA Asia Pacific show is committed to Suntec until 2015.

The association has been told that next year there will be access from the ground floor to level three and the atrium floors will become full floors. All the building’s technology will be upgraded, including wi-fi.

TFWA Asia Pacific Exhibition One2One Meetings

Monday May 15
08:30 - 18:00
Conference & Workshops

Tuesday May 16
09:30 - 18:00
Exhibition and Gate One2One meetings
SUNTEC, Level 4

Wednesday May 17
09:30 - 18:00
Exhibition and Gate One2One meetings

Thursday May 18
09:30 - 17:00
Exhibition and Gate One2One meetings



Juul-Mortensen to open conference



Last year visitor numbers were up by 11%

Conference line up

The TFWA Asia Pacific & Gate One2One 2012 conference on Monday May 15 will discuss Power and Potential in Asia Pacific.

Eraldo Poletto, CEO of luxury handbags, shoes and accessories firm Furla will discuss the lessons to be learned from his brand’s experience of the Asia Pacific market. He will identify key trends and characteristics in the important Asia Pacific travelling consumer base.

Global Institute For Tomorrow (independent pan-Asian ‘think and do tank’) CEO Chandran Nair will look at the shift in economic power from the west to Asia Pacific. The think-tank leader will present a geo-political survey of both emerging and powerhouse Asia Pacific markets.

In the closing plenary session, Holition (a 3D-augmented reality solutions and software provider) CEO Jonathan Chippindale – former managing director of De Beers Group – is slated to take delegates on a journey visualising the potential of new technologies to enhance the consumer experience of travel retail. With an emphasis on new frontiers in digital marketing, he is down to identify specific areas in which brands and retailers can improve the passenger’s experience.

TFWA president Erik Juul-Mortensen will open the conference by casting the spotlight on the Asia Pacific industry’s recent performance and future prospects. He is expected to urge delegates to “think big” as they face the challenges and opportunities ahead.

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TFWA exhibitor news



French cognac house **Camus** is showing its Cuvée 3,140, the fourth in its Masterpiece Collection.

The Camus Masterpiece Collection by Cyril Camus is the most recent scion of the House of Camus. It is said to be the rarest eaux-de-vie and comes in a Baccarat crystal decanter.

Camus is also showing its Ungava Canadian premium gin, which is said to come from Canada's northern frontier. Six botanicals – Nordic juniper, wild rose hips, cloudberry, crowberry, Arctic blend and Labrador tea, native to the Arctic region – are said to be used. Camus says they are handpicked in the wild during the fleeting summer season, then infused the traditional way.



Macleod introduces 15-year-old Glengoyne

Ian Macleod Distillers is to introduce its latest travel retail exclusive to the Asian market at TFWA Asia Pacific.

Distiller's Gold is a 15-year-old Glengoyne Highland single malt scotch dedicated to the distillery's first manager, Cochran Cartwright.

All of Ian Macleod's travel retail brands will be on display, including the ultra-premium Glengoyne Highland Single Malt 40 Years Old. It will be accompanied by other premium expressions including Glengoyne 12 Years Old Cask Strength, 17 and 21 Year Olds. The recently repackaged King Robert II Scotch Whisky and the Glengoyne Burnfoot will also be on display, alongside Smokehead Extra Rare and Smokehead 18 Year Old Extra Black.

Bottega and Amarone, Diamond and Brunello

Distilleria Bottega will be showing its Amarone Prêt-à-Porter fashion bottle and its Bottega Diamond sparkling wine produced with a selection of Pinot Noir grapes from Oltrepò Pavese, using the Charmat method. It also has Il Vino dei Poeti, Brunello di Montalcino, a high-end wine made from classic Tuscan Sangiovese grapes.

William Grant shows the Balvenie Tun 1401 Batch 4

TFWA Asia Pacific is the official launch to Asia of the Balvenie Tun 1401 Batch 4. It is said to be a single malt married from 10 rare and precious casks from across the ages – and available exclusively in travel retail (stand K21).

William Grant is also showing its Glenfiddich Age of Discovery 11, a 19-year-old whisky celebrating the pioneering nature of American traders who shipped their bourbon whiskeys down the Mississippi river to New Orleans. It is matured for 19 years in American oak casks previously used to mellow bourbon whiskey.

Cointreau celebrates

Cointreau celebrates French elegance with a fashionable limited-edition bottle designed by French haute couture fashion designer Alexis Mabille.

Mount Gay hits the G spot

Mount Gay Rum Eclipse G is the second edition in its nautical signal flag series. The blue Mount Gay Eclipse G limited-edition sleeve is scheduled to be released in the early summer.

Boka from Tequilera Corralejo

Copia de Boka from **Tequilera Corralejo** is a Mexican corn vodka presented in a deep-blue bottle which has a twisted effect. Boka is said to be five-times distilled and filtered through active charcoal.

Chase Marmalade vodka

Chase Marmalade vodka is said to be made using Seville oranges marinated with vodka in the copper still for 24 hours. The vodka is distilled a fourth time with the vapours passing through orange peel to give off the oils and colour.

Bubbly Follador

Prosecco specialist **Follador** will be showing its line of wines, including four DOCGs, in the Torri di Credazzo cuvée, Cartizze, brut and extra-dry

categories. Special gift packaging is exclusively available for travel retail.

Vincor shows Inniskillin

Constellation-owned **Vincor** will be showing its Canadian Winter's Kiss icewine, which was harvested from selected grapes picked at temperatures below -8° C.

Donum Massenez shows Pinot Noir and Flaviata

Donum Massenez is showing its Pinot Noir, said to be made in the finest French style using only traditional winemaking methods. It also has its Flaviata Assemblage cuvée for tasting.

Dupuy XO

Dupuy is showing new packaging for its Tentation 20-year-old XO cognac.

Tequilera Corralejo's Anejo 99,000 Horas

Corralejo says its anejo is 100% blue agave, double-distilled in column and copper stills. It is said to be aged 18 months in American oak barrels no bigger than 200 litres.

Beluga Vodka Goldline

Said to be one of the most luxurious vodkas in the world, **Beluga** is claimed to come from an original Russian recipe, made from the finest ingredients: malt spirit and the purest artesian water from Siberian springs.

Torres and Gran Coronas

Torres will be majoring on its Gran Coronas Reserva from Penedès. **DI**

Rémy Martin VSOP Limited Edition Cannes Film Festival

BRAND OWNER Rémy Cointreau
RRP €55 (1 litre), €200 (1.5ltr magnum), €500 (3ltr jeroboam)
MARKETS Global
CONTACT Matthew.Hodges@remy-cointreau.com

Rémy Martin is official supplier to the Cannes Film Festival and is marking the event with 2012 limited edition bottles of VSOP cognac: Collector's 1 litre classic format; collector's 1.5-litre magnum format (2,000 bottles); Collector's 3-litre jeroboam format (800 bottles). The Rémy Martin VSOP Cannes Classic format is being offered now exclusively in the biggest international airports including Paris CDG, Nice, Oslo, Dubai, Beirut, New Delhi, Moscow, Hong Kong, Singapore, Tokyo, Seoul, Los Angeles, San Francisco and New York JFK. Limited numbers of the jeroboam and magnum formats, all individually numbered, will be available at the most prestigious points of sale in domestic markets and directly from Rémy Martin in Cognac.



Chivas Regal

BRAND OWNER Pernod Ricard/Chivas Bros
RRP 10% more than Chivas Regal 12 Year Old
MARKETS 20 countries, including China, Mexico and Brazil
CONTACT chivas.com/artofhosting

Leading scotch whisky blend Chivas Regal has teamed up with the founders of Le Baron nightclubs to create a limited edition pack for off-trade retailers to capitalise on the growing trend for at-home drinking. The pack features a graffiti design by Le Baron co-founder and artist André Saraiva. Each pack contains a bottle of Chivas Regal 12 Year Old and a membership card that gives consumers access to exclusive content at the new microsite chivas.com/artofhosting, including tips on how to throw the perfect party.

The Black Grouse Alpha Edition

BRAND OWNER Edrington Group
RRP €33, £35, US\$56
MARKETS Global
CONTACT thefamousgrouse.com/online-shop

The Black Grouse Alpha Edition is described as a richer, smokier expression of the Black Grouse and has been created by blending a greater concentration of aged, peaty malt whiskies to achieve a fuller, richer whisky. It is available in the Famous Grouse Experience in Crieff, Scotland, and through thefamousgrouse.com/online-shop



Royal Salute Diamond Jubilee Limited Edition

BRAND OWNER Pernod Ricard/Chivas Brothers
RRP US\$164, €125, £102
MARKETS Global
CONTACT chivas.com

Pernod Ricard has unveiled its testament to the Diamond Jubilee celebrations for the Queen in the UK. The super-premium scotch whisky blend, which is part of the Chivas Regal portfolio has royal connections as it was created by Chivas Brothers as a tribute to the current Queen's coronation in 1953. The name comes from the traditional 21 gun salute. The brand also sponsors the Sentebale Polo Cup which princes William and Harry play in. Sentebale is a charity supporting orphans and vulnerable children in Lesotho, founded by Prince Harry.



Malibu Melon Margarita

BRAND OWNER Pernod Ricard USA
PRICE \$19.99

Pernod Ricard USA will launch Malibu Melon Margarita this month, an addition to its off-trade-focused Malibu Cocktails pre-mixed range. The range was launched in 2010 and comprises Tropical Sea Breeze, Rum Punch, Caribbean Cosmo and Tropical Mojito. The launch will be supported by POS that includes display racks, cooler pusher trays, window clings, case

MARKETS US
CONTACT pernod-ricard-usa.com

cards and shelf talkers. Lisa McCann, brand director of Malibu at Pernod Ricard USA, said: "Malibu Melon Margarita provides retailers with a great opportunity to increase store traffic with their customers. Our innovative and portable 1.75-litre pouch is ideal for outdoor get-togethers such as beach, pool, BBQ, picnic as well as at-home gatherings."

Wave Baja/Wave Lemon Lime

BRAND OWNER Sazerac
PRICE \$8.99 for 75cl
MARKETS US
CONTACT SazeracPR@sazerac.com

Sazerac's two new flavour additions to its Wave vodka brand join the brand's current stable of Original, Whipped Cream, Pink Lemonade, Cherry, Blue Raspberry and Grape variants. Wave Baja and Wave Lemon Lime are available in 5cl, 75cl, 1 litre and 1.75 litre sizes.



Walton Royal Blend whisky

BRAND OWNER Ray Tobacco International
PRICE US\$15-18, €13, £10
MARKETS Global
CONTACT chris@raytobacco.com

The 43% abv whisky is said to be produced in one of the largest whisky distilleries in Scotland. Otherwise, details remain sketchy.



R St Barth

BRAND OWNER Mikael Silvestre (former Manchester United footballer)
PRICE US\$90, £75, €70 (Blanc), €160, £140 (Ambre: not yet released in the US), €700, £700 (Hors d'Age: not yet released in the US)
MARKETS US, Caribbean, France, Sweden (currently investigating China, Russia, India, Germany, Switzerland and Spain)
CONTACT Alison Bartrop, a.bartrop@rhumstbarth.com, +44 7974 644 609

Former Manchester United footballer and French international Mikael Silvestre is behind R St Barth, a rum said to be made in Guadeloupe and then shipped to St Barth and 'hand-finished'. At the moment there are 23,000 bottles of the Blanc (50% abv): Ambre (40%), 5,000 bottles and Hors d'Age (43%) 2,000 bottles, individually numbered and in wooden display boxes.

San Felice Chianti Classico 2009

BRAND OWNER Agricola San Felice
RRP \$10.50, £8, US\$13
MARKETS Global
CONTACT agricolasanfelice.it

Agricola San Felice has added 10% Pugnello, a Tuscan grape that had almost disappeared, to its 2009 Chianti Classico blend.

Recovered by San Felice and the Università di Agraria di Firenze, San Felice now has 12ha of Pugnello. In 2003 the estate introduced a 100% Pugnello wine and in 2008 began adding a percentage of Pugnello to its cuvée of the Chianti Classico Riserva Poggio Rosso cru.



MyCocktail Strawberry Daiqqori and Lime Margarita

BRAND OWNER Manchester Drinks Company
PRICE £9.99 for 4 x 30cl pouches
MARKETS UK
CONTACT +44 161 763 0035

The pouches of Strawberry Daiqqori and Lime Margarita are designed to be frozen for three hours, then left to stand for five minutes before consumption, but can be drunk chilled too.

INFORMATION

Products launched within the past two months are eligible for inclusion within this section. Please submit your products for consideration to: christian.davis@drinksint.com

Beefeater gin master distiller Desmond Payne has secured his legacy in the creation of Beefeater 24. But, he tells Hamish Smith, he is far from ready to call it a day

It was in 2008 that Desmond Payne made his first gin. By then he was well acquainted with his sixties and even more so with his subject. He had spent a cumulative 40 years stewarding and reproducing the recipes of Plymouth and Beefeater when the call came for him to finally craft his own gin – Beefeater 24. He could have been forgiven for feeling it was a little overdue. But, as Payne reflects from his distillery-based office in Kennington, south London – a space that could easily double as a makeshift gin museum – he says, pointedly: “I’m in no hurry”.

Mercifully for a man steeped in the traditions of gin, his task when it came was not to tinker with the established but to create something of his own. “God help me if I had changed his recipe,” he says, glancing up at the photo of Beefeater founder James Burrough that watches over his desk.

“Beefeater is a long-established, quintessential London gin that stands very well on its own, so we wanted to create a different expression – a super-premium to Beefeater. We saw vodkas going into the stratosphere with super, ultra, über-premiums, but it wasn’t really happening with gin. All we saw above premium-level was Hendrick’s and Tanqueray No 10, so we wanted something to be in that category.” Payne’s recipe was 18 months in the making and includes the addition of Sencha tea, green tea and grapefruit peel. The name 24 was not down to the number of botanicals – which is 12 – but the day-long period of botanical steeping the gin undergoes.

Life’s assignment

Gin-making may have become Payne’s life assignment, but it certainly wasn’t a career path paved from the start. “When I left school my father assumed I would join him in the army. I came home from school one term and all the forms were signed. I don’t know why, we never discussed it. I said ‘I’m not going into the army’ and – after some quick thinking – said I would join the wine trade. My father hummed and hawed over this but decided it was an acceptable choice.”

The genesis of the idea came at boarding school in Scarborough. Payne recalls having been caught red-handed with a bottle of Dubonnet (a brand that would one day be owned by his future employer, Pernod Ricard – ever the company man...). “The credit goes to my old headmaster. If it’d been a packet of cigarettes I would have been expelled on the spot, but he just looked at me and said: ‘Don’t drink it all at once, Payne.’”

That was it for him. Not long after his Dubonnet days he took the “classical training” of picking grapes in Bordeaux. “It was the disastrous 1967 vintage – not my fault though,” he recalls. “Then I got a job in the wine cellars of Harrods and learned about bottling wines and tasted a few too.”

His first “proper job” came shortly at Seager Evans & Co, the wine merchant and gin distiller. As a management trainee, Payne was sent to the company’s Plymouth gin distillery in 1969. “My predecessors



Making of
a master

CV

- 1967** Joined Seager Evans & Co, wine merchants and gin distillers
- 1969** Moved to The Plymouth Gin Distillery and worked his way up from assistant distiller to assistant manager and eventually distillery manager
- 1995** Following a short stint in the Scotch whisky industry, joined Beefeater as master distiller
- 2008** Created super-premium Beefeater 24. Has since expanded the portfolio with the introduction of Beefeater Summer Edition, Beefeater Winter Edition and Beefeater London Market Edition

had been sent to Brazil and New Zealand but I got Plymouth, which I thought was the short straw,” says Payne. “I thought: ‘Where is Plymouth?’ I had it confused with Portsmouth. I was living in a flat in the King’s Road [London] at a time when everything was really happening, so being sent to the other side of the country felt as if I’d done something terribly wrong. But it was a long time before I was back in London.”

Twenty five years to be exact. A stint in Scotland to earn his whisky stripes was the only hiatus in a quarter-century with the south coast gin brand. “They were great days at Plymouth,” says Payne.

Those were also the days of ordinary job titles. “Master distiller didn’t exist then. But as distillery manager at Plymouth, my job encompassed everything. I was involved in the whole process, from buying the juniper berries, through to production, bottling and promoting the brand.

When Plymouth changed hands to Allied in 1995 – one of its many switches in ownership – Payne found himself seconded to the firm’s other gin brand, based in London. At Beefeater, he had taken up office at one of the world’s best known gins and, 17 years into the job, Payne has become the virtual figurehead of the brand.

Juniper rules

Ambassadorial duties aside, Payne remains the Beefeater master distiller and noticeably brightens when the topic heads in the direction of production. The subject of juniper is a favourite. “You know juniper berries are all picked by hand and they grow in the wild,” he says. “I look at about 200 samples each year and we cherry-pick the ones we can blend together to get to the Beefeater profile of juniper.”

The flavour of juniper is a legal requisite of gin, so when Payne half-jokingly describes the berry’s harvest as old ladies in Italy “hitting trees with sticks”, it tends to raise a question or two. What happens if there’s a meagre juniper harvest or a shortage? “If we run out of juniper we quite quickly run out of gin,” he says, warming to his subject. “I once expressed this concern to one of our botanical suppliers. I said: ‘Surely the grandchildren of these people aren’t going to bother to go and hit trees with sticks to gather juniper berries.’ His answer was that people used to ask his own grandfather that same question.”

Reassuringly, Payne reveals that Beefeater operates on a “rolling juniper stock of two years” and that, to date, the company had “never run out”. He even ventures that he himself might make a juniper farmer. “Maybe when I eventually retire I’ll go and cultivate juniper and become filthy rich.”

But even with his 65th birthday looming, Payne shows no sign of retiring to the juniper plantation. “I somehow don’t see myself having this interview on my 90th birthday, but as long as there’s something to do at Beefeater and I’m able to do it, I’m quite happy to carry on,” he says. Ninety is perhaps pushing it, but then, Payne’s not in a hurry.

The Irish whiskey category is on fire,” says Stephen Teeling of Beam – echoing Diageo’s formal, but no less arresting, assessment that it is the “fastest growing spirits category in the world”. To appreciate the significance of what is happening on the Emerald Isle it’s worthwhile looking at where Irish whiskey has come from. In laconic language, it had a 20th century to forget. Geo-political blight and the market stranglehold assumed by scotch took Irish from the world’s most abundant whisk(e)y style in the 1900s to the edge of outright extinction in the 1970s. The category has managed to reignite from barely flickering embers.

By numbers, Irish whiskey remains very small. At 4.9 million cases per year (IWSR) and 1% of the global whisk(e)y market (Diageo estimate), it is behind scotch, bourbon, Canadian, Indian and even Japanese styles – albeit the latter two are almost exclusively domestic. Four distilleries (soon to be five – more on which later) is the sum total in production terms and the brands – a good many of which are produced at the New Midleton Distillery – are owned by four of the world’s behemoth whisk(e)y companies.

Playing nice

One would think that Irish whiskey town ‘ain’t big enough for the four of them’ but Pernod Ricard (Irish Distillers), Diageo, William Grant & Sons and Beam (previously Cooley Distillery) seem to get along just fine – for now. With 2010’s 11.5% volume growth (Impact Databank) repeated in 2011 and a forecast of 7.9 million nine-litre case sales per year expected by 2016 (IWSR), there is plenty of growth potential to share around. It’s fair to say at this stage of a category re-build that an element of cooperation and good feeling is to everyone’s benefit. For those involved, competitors’ successes are the category’s successes and therefore their own.

The last of the independent Irish distilling companies to be sold was Cooley Distillery in January this year. For \$95 million Beam got a 300,000 nine-litre case business made up of two of Ireland’s four whiskey distilleries (Kilbeggan and Cooley Distillery in Riverstown) and four core brands (Kilbeggan the blend, Connemara the peated single malt, Tyrconnell, a single malt, and Greenore a single grain whiskey). Beam not only

The giants’ cause

With Irish whiskey proving a global smash, **Hamish Smith** looks into the growth plans of the big four players

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bought the only remaining stake in the spirits industry’s hottest category, it legitimised its pretensions of being an independent group bent on growth and acquisition. Conjecture over Beam’s raison d’être – be it predator or prey – has kept financial analysts in work of late.

According to Teeling (now in the same role he held at Cooley’s – global marketing manager of Irish whiskeys – in the Beam administration), Beam was the last in a long list of suitors. For Cooley to grow, though, distribution to the US – the largest Irish whiskey market by an estimated six times – had to be resolved. “We couldn’t find a partner in the US and that’s where the opportunity was,” says Teeling. “[The Beam deal] was a massive opportunity and \$95 million was a fair value.” But Stephen Teeling’s father, Cooley’s chairman, John, took some persuading. “My dad would describe himself as an unwilling bride,” jokes Teeling. Cooley’s board certainly didn’t have cold feet – it argued for the sale. “We had a mature shareholder base – in their twilight years,” explains Teeling.

Beam’s motives were understandable. It would have watched enviously as Jameson ploughed an almost lone furrow in the US. The brand has moved enough earth in the market to drive global sales of 3.8 million nine-litre cases in 2011 – a colossal 66% of all Irish whiskey sales. With the blend Kilbeggan, Beam has

Irish Whiskey

picked its horse for the chase, but first it must close the gap on William Grant and Sons’ Tullamore Dew (currently the second Irish whiskey brand with 700,000 cases) and Diageo’s Bushmills (third with 600,000 cases). Teeling is realistic though – he wants to get Beam’s new brands to “a 5%-10% share of the category”. Beam displayed US distribution network and ambition with an order of 15,000 cases of Kilbeggan for St Patrick’s day in March – around 20 times the usual shipment.

Jameson, mind you, still has the momentum, with double-digit year-on-year growth now a matter of routine. Its Select Reserve Black Barrel launched in New York – not Ireland – in October last year, which came as no surprise, such is the market’s relevance to the brand. But Jameson’s US successes have not come overnight. “If you look at the US, people think it’s been all-out success, but it’s been a steady and constant investment with a lot of hard work over many years,” says Brendan Buckley, innovation and category development director at Irish Distillers.

“In the past few years there has been an accelerated trajectory of sales growth and we’ve achieved a critical mass that’s allowed us to invest more in advertising and going on TV. But it goes back to the product. As marketers we’d like to say there’s been marketing magic but if we’re honest it’s the product, the whiskey – it delivers a flavour and smoothness that whiskey drinkers enjoy,” says Buckley.

Taste profile

The smooth, some might say uncomplicated, taste profile of blended Irish whiskey seems to be what young whisk(e)y drinkers are looking for in the US. According to Beam’s Teeling, scotch is the preserve of the 50-plus age bracket in the States, for Irish it’s 25 to 35-year-olds.

So with a young following, 3.8 million cases is probably just the beginning for Jameson. Irish Distillers certainly thinks so. In December last year it confirmed it will spend €100m on the expansion of its Midleton distillery, the site where Jameson and a number of other blends and pot still whiskeys are produced.

The 15-month project will see pot still capacity rise from 10 to 22 million litres and grain from 20 to 40 million litres. Anna Malmhake, chairman and CEO of Irish Distillers, said of the investment: “This expansion project is a reflection of the international success of Jameson and the great future potential for

► p24

Irish Whiskey



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the brand. The brand reached the three million cases milestone in 2010 – one million of which were sold in the US. With this investment we are confirming Midleton, where the tradition of distilling dates back to 1825, as the global centre of Irish whiskey production.”

Positive mood

At camp Diageo the mood is positive, despite it no doubt feeling irked by the continued category dominance of its old foe Pernod Ricard. The London-headquartered group owns the number three brand, the Northern Ireland-based Bushmills, which sold 600,000 cases in 2011 and saw a 17% volume hike in the second half of the year.

“The Irish Whiskey category is showing fast and consistent growth. The fastest growing spirits category globally,” says Samantha Reader, global brand director of Bushmills. “The smooth, easy-going character, approachable taste and heritage of Irish whiskey is attracting more and more consumers to the category, who find it sociable, authentic and an easy transition from American whiskey or vodka. The total Irish category still represents under 1% of whisk(e)y globally so there is considerable room for growth.”

Bushmills’ list of top markets mirrors that of the category. It comprises the US, Ireland, global travel retail and the Middle East, France and Great Britain, but the brand has managed to sniff out sales in other regions too.

“Russia and eastern Europe offer great growth opportunity for the brand,” says Reader. “For Diageo’s financial year ending June 2011, the performance of Bushmills was driven by a 29% net sales increase in Russia and eastern Europe. Bushmills is now the fastest growing Irish whiskey brand in Russia. With such a burgeoning category, there is room for competition and growth from all of the big players.”

For Diageo to talk so inclusively, the garden really must be rosy. The group

Kilbeggan distillery

has also looked to strengthen through diversification, by venturing into the controversial territory of flavoured whiskey. Bushmills Irish Honey went on trial in the US in March and Diageo has signalled that it will roll out to other markets this summer.

Tullamore Dew is the world’s number two whiskey and is not short on news either. William Grant & Sons bought the brand for £300 million in 2010 from the Magners cider owner C&C and in the last days of March this year the group announced plans to take the brand back to the town from which it took its name.

Coming home

“The €35 million distillery in Tullamore is clearly good news for the brand, but it’s also great news from an Irish whiskey perspective,” says Maurice Doyle, group marketing director of William Grant & Sons. The distillery is due to be completed by the end of 2014. “From a marketing point of view it means the brand is coming home. It adds to the integrity and authenticity of Tullamore Dew.”

Indeed, like Bushmills and Beam’s Kilbeggan, Tullamore Dew will benefit from having somewhere it can call home (although not its grain) ▶ p26

Plans for a new Tullamore Dew distillery are due to come to fruition in 2014



Irish Whiskey

whiskey component, which will remain with Midleton). For all of the category's venerability, dependence on Midleton has left many of its brands short on identity – especially when compared to the 100 or so distilleries in Scotland. The sales story of Tullamore Dew will be further strengthened by the new visitor centre in Tullamore, due to open this September.

Like the other members of the quartet, William Grant sees the US as key. “The US has massive potential given the success of Jameson,” says Doyle. “Globally Tullamore Dew has a 14% share of the market, but even to get 14% in the US that would have significant growth implications. Jameson has done a great job in the US of introducing people to the category, but we're very clear that if we're to be successful we'll have to do something very different to Jameson.”

In the past few months the brand has launched its marketing campaign, Irish True, on television screens in its major markets of Germany and the Czech Republic and in digital form in the US. Perhaps more importantly, the brand will introduce new global packaging from June.

“We knew that the packaging held the brand back in new markets such as the US,” says Doyle. “It was a challenging brief because in markets like Czech Republic and Germany the packaging was quite liked, but it was strongly disliked in the markets where it wasn't strong. So we have come up with a packaging design that is true to the brand's roots but is much more contemporary and premium.”

Pot still whiskeys

Exactly a year ago the talk was of Irish Distillers' push for the yet-to-be-EU-ratified single pot still category. In short, single pot still whiskeys are a mash of malted and un-malted barley distilled in pots stills at a single distillery. Of course this is not an innovation, rather a reincarnation – most of the big Irish whiskeys half a century ago, including Jameson, Powers and Paddy were made in the style.

Two single pot still expressions arrived in May last year, Middleton Barry Crockett Legacy and Powers' John's Lane 12 Year Old, joining Irish Distillers'



Midleton distillery warehouse

existing pot still whiskeys Redbreast and Green Spot. The International Spirits Challenge saw fit to award Midleton the Best World Whiskey title and the Powers expression took best Irish Whiskey in Jim Murray's *Whisky Bible 2012* – the best score ever achieved by an Irish whiskey.

Since then we've also seen a Redbreast Cask Strength, which took 12 years to mature and seven days to sell out after its launch at Whiskey Live in Paris.

“Things have gone better than I expected,” says Irish Distillers' Buckley. “Our sales are well ahead of where we forecast, but most gratifying has been the reception of the whiskeys themselves among consumers, critics and the trade. We've committed to produce two new pot still whiskeys every year for the next 10 years.”

So if single pot still whiskey is in Irish whiskey's blood, and represents Ireland's home-grown version of

scotch's single malts, surely the other brands have followed suit and released their own versions? “Right now we're the only company producing single pot still to market,” says Buckley. “We would be delighted to see other producers join us. Like any category, the more players, the more investment, the more talk that is created around it the better.”

“William Grant's decision to build a distillery in which they specifically mention they will be producing pot still whiskey – I can take from that that at some point they will be producing pot



still [Tullamore Dew] whiskey as well,” says Buckley.

William Grant's Doyle certainly doesn't rule it out. “It's going to take time for us to gain the benefit of having the new distillery; it won't be operational until the end of 2014. Then the whiskey takes time to age. We're still a long way off being able to confirm those kind of plans but the new distillery gives us options going forward.”

Perhaps then Beam, with its reputation for whiskey innovation, may have pot still plans. “We can do it but we'll concentrate on single malts,” says Teeling. The company, though, has experimented with the idea in both distilleries and released a small batch of single pot still new-make poitín (a high strength distillation, not a whiskey) but Teeling doesn't see it as a move towards authenticity in the same way as Irish Distillers does.

Economics not craft

For Teeling, the use of unmalted barley in the mash was born out of economics, not craft. “There wasn't any tax on unmalted barley, so it was cheaper,” he says. He also sees an issue with market understanding. “Pernod Ricard will have to do a lot of educational work. Consumers will need to know what single pot still whiskey is – they understand single malt whiskeys.”

Diageo's position is similar. “100% triple-distilled malt whiskey is at the heart of all of our blends and malts and is planned to remain so,” says Reader. “Malt whiskey is also a premium whisk(e)y style/terminology that is easily understood by consumers due to scotch malt whiskey.”

It seems to be a case of wait and see. For this new segment of the category, though, there's no rush. Single pot still whiskeys will be positioned as more high-end than high-street and, as with scotch, volume is to be found in the blended market.

As far as export markets are concerned, Asia and Latin America at this stage are hardly worth mentioning – their consumers have been weaned on scotch blends and will barely take notice. The US is the real engine room of the market – with Europe flanking in support – and has plenty of room for the Irish blends to spread their wings. Here, the converging whisk(e)y giants of Diageo, Pernod Ricard, William Grant & Sons and Beam can happily cross paths without fear of collision. **DI**

A question of taste

Gin is trading on the complexities of its flavour profile to cash in on the cocktail boom. **Patience Gould finds a booming super-premium sector**

Only 10 years ago what is now happening in the global gin market would have been unimaginable. With or without a crystal ball it would have taken a brave analyst to say that, come the end of the noughties adjectives such as ‘dynamic’ and ‘robust’ would be used to describe gin’s state of play – but that is the happy reality. It is a category that is quite literally throbbing with activity.

Largely eclipsed by vodka in the 80s and 90s, it has come back with a vengeance and, more importantly, on a premium and super-premium footing. So what are the reasons for this turnaround? The easy answer is that it’s the growing interest in and resurgence of the cocktail – but that’s by no means all.

In the past five years there has been a spate of activity in the super-premium sector, and this has not only dragged the category up by its bootstraps but

inspired the trade and attracted the consumer, who these days is increasingly sophisticated. The catalyst to this turnaround was William Grant’s launch of Hendrick’s, a small-batch gin boasting the quirky combination of cucumber and rose petals in its botanical mix, and supported by ever quirkier PR and marketing campaigns.

Its success attracted others into the fray, crucially the multinationals – a sure sign that there’s money in them gin stills. Diageo had already introduced Tanqueray 10 and Pernod Ricard unveiled Beefeater 24 in late 2008, both super-premiums to their already established premium brands Tanqueray and Beefeater.

“Over the past two years the gin market has changed,” says Chivas Brothers international director of gins Paco Recuero. “There are now three distinct sectors – the standard, which is not evolving, premium and the super-premium, which is showing plenty of

Super-premium Hendrick’s is as talked about for its marketing campaigns as it is for its botanicals (above)



excitement as more and more brands are coming on to the market.”

With its trio – the premium mainstay and world’s number one exported gin Beefeater, according to Pernod Ricard, along with Beefeater 24 and Plymouth – the company boasts major contenders positioned at the most dynamic edge of the market. To really capitalise on the current upswing the company recently relaunched Plymouth – one of the two AOC gins in the world, in that it can only be produced at its distillery in Plymouth.

“This was not simply a repackaging exercise, we also wanted to underline the heritage of the brand,” says Recuero “We are very excited about the new look and it’s been very well received particularly by bartenders around the world, which is good because the brand is also highly regarded.”

Indeed the new look, which not only underlines its heritage but also the fact that Plymouth is an artisanal

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gin, has won universal praise and is currently available in the UK, Spain and is being rolled out in the US – with France and Australia destined to come on stream this year.

Chivas is also taking the opportunity to increase Plymouth's price in line with its more artisanal positioning. In the UK it will move from around £17/£18 to between £20 and £25 and globally it will go up in the region of 40%. There can be little doubt that this was in response to the growing number of artisanal gins coming into the mix – perhaps most notably the likes of Sipsmith from Chiswick, London, and the Scottish gin Caorunn – both-small batch gins and both making the most of their respective botanical mixes.

The fact that within two years of its UK debut Caorunn became the number three super-premium in the market clearly underlines the potency of these brands. “We had successful launches on key gin markets in the US and Spain, where gin experts highly appreciated Caorunn and there was a great reaction to its USP, taste and perfect serve,” says Interbev's brand manager for Caorunn Iby Bakos.

Super-premium assault

Of course, along with the UK, the US and Spain are the traditional gin hubs in the world and in all three markets it is clear that the super-premium sector is on the move.

Latest IWSR figures up to 2010 confirm that in the US back in 2001 it amounted to 69,500 cases and by close of play nine years on it had breached the 189,000 cases mark. Similarly in the UK where super-premiums were later off the mark it was just 6,000 in 2005 (entirely attributed to Hendrick's) but by 2010 the tally was 46,550 cases – almost an eight-fold growth. In Spain, using the same comparison, it was 3,500 (2005) and ended at just over 80,000 cases – an even higher growth.

These figures are, of course, small beer in vodka terms, but these super-premiums are the ‘single malts’ of the gin category and, because there are no ageing constraints, it's an extremely lucrative business. Furthermore, it is extraordinary how quickly the super-premiums have taken hold. In the US they now account for almost 27% of the total gin action and, with the ongoing decline of the standard sector, it has to be said that some of the growth has been at the expense of the premium gins. However, in



Beefeater 24 boasts associations with the orient through the use of botanicals Japanese sencha tea and Chinese green tea



the UK and Spain super-premiums have hit the standard category.

In all three strongholds Hendrick's dominates the scene, indeed the brand has 50% of this highly lucrative gin action and is testament to the rewards of consistent marketing which, coupled with its burlesque-style PR campaigns, has clearly struck a chord with both trade and consumer.

“Our main challenge now is to keep Hendrick's special – it's a small-batch gin and we have to ensure supply meets demand and stay true to our roots, so we will be increasing activity,” says William Grant brand manager for Hendrick's Deirdre Clarke.

A decade or so ago, the UK, US and Spain were really the only markets worth going for on the gin front. But today it's a different story – gin is on the move and Asia, along with other ports of call in Europe and Russia, is now within its scope, as is South America, where Hendrick's is “going from strength to strength” in Colombia. “It's really in the past 18 months that these green

shoots have started to show in markets traditionally associated with vodka,” says Clarke.

With its accents of rare Japanese sencha tea and Chinese green tea Beefeater 24 is the ideal candidate for China and Chivas is spreading the word through upmarket tea salons. “While G&T is most known in Spain and the UK, in emerging markets there's a good opportunity to play with different cocktails and mixers – many times we've tried new things in Spain but we always come back to the G&T,” says Recuero. “The blend of Japanese and Chinese teas in its botanicals is a key USP.”

Education is the fundamental in these newer markets where there are no preconceptions when it comes to gin – and where, in the main as a white spirit, it is up against locally produced drinks – the likes of baiju in China, shochu in Japan and soju in Korea. To further aid and abet consumption the company has also launched a comprehensive cocktail website for its gin trio, ginandtales.com, which interacts between the trade and the consumer.



The big three

On the whole, though, it's the big three markets which remain the prime hunting grounds for the new kids on the block – and Bulldog Gin, along with Berry Brothers & Rudd Spirits' No 3 are cases in point. As the name suggests Bulldog is produced in England – London, to be precise – and made its Stateside debut five years ago, moving into Spain and on to the international stage a year later. “In the US we were up 50% last year and will be up 100% this year all within our existing distribution territory in the northeast,” says owner Anshuman Vohra. “We are now the number three gin in Spain (north of €20 a bottle retail) and that's just in three years. Overall we are considered the fastest-growing super-premium gin in the world.”

Interestingly, Vohra maintains that Spain, which is showing “incredible growth” will continue to “lead the charge with US and UK following along, thanks to the mixology trend, vodka fatigue and the innovative gin offerings” that abound. However, Bulldog is destined to

Another project for Bombay Sapphire 'infused with imagination': an open competition staged on their Facebook site to create a mapping design, inspired by the mapping projection at the Maritime Museum. The winner proposed the idea of mapping a rubik's cube onto a building, then this idea was fleshed out and handed over to Drive Productions to realise.



Gin with attitude

Billed as the world's third fastest-growing premium gin during 2004-2009, Broker's now has the necessary critical mass, and is beginning to attract the interest of top flight distributors. Over that period, average annual growth rate was in excess of 18%, with sales of 14,000 cases in 2009, and the Broker's bandwagon has started to roll.

“Since then our sales have really taken off. They doubled between 2009-2011, and that's an average annual growth rate of 40%,” says co-founder and director Andy Dawson.

This growth the company puts down to better distributors in both the US and Europe, where the brand is now handled by the Underberg group. “This means the Schlumberger companies are distributing Broker's Gin in Germany and Austria,” says Dawson, “and is also helping us with more distant countries in which they have their own people – the first such is China.”

Other new territories for Broker's include Taiwan, Panama, Barbados and Argentina, where importers have wanted to take the brand – and the gin is now available in more than 40 countries. Clearly the strategy to offer a super-premium gin at a premium price is paying dividends, and Broker's continues to do well in top-flight competitions, which underlines its quality status.

go further afield too. “We have received a lot of interest from Latin America and from parts of south east Asia – my sense is that, as other parts of the world continue to develop and populations grow wealthier, they will continue to demand premium offerings that are in vogue from western countries.”

BBR Spirits' No 3 has also taken to the top three strongholds – but, only in its second year, is already available in 20 countries, including Canada through the Liquor Control Board of Ontario, Japan, Australia, Russia, Germany, Portugal and Turkey.

No 3 is a traditional gin, which majors on juniper and was created as the spirit for gin's classic cocktails, notably the Martini and the Negroni. “No 3 continues to grow through our partnership with Maxxium in the Spanish

on-trade with the major bartenders of Barcelona and Madrid adopting it as a staple brand,” says the company's marketing director, Luke Tegner. “The UK is steady and strong and, following its recent launch with Anchor Distilling, the US is beginning to motor.”

Cornerstone of growth

As previously mentioned, cocktails are a cornerstone in gin's growing prominence, as the spirit offers, thanks to its botanical mix, a much broader panoply of taste than its vodka counterpart. Furthermore, with the number of gins on the market bartenders can pick and mix depending on the cocktail. “Bartenders are pushing gin over the bar,” says Hendrick's Clarke. “This is making all the difference and attracting new consumers to the spirit.”

It has to be said too that

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Gin

producers are mounting some serious and on-going marketing efforts. For starters, in the UK Bulldog is fronting its Tales of the Cocktail Bartender Challenge, while InterBev is mounting its first global cocktail competition under the banner Caorunn Storytellers. As Bakos explains: “Bartenders are natural storytellers and we encourage them to create a classic drink with a modern twist and tell us their story behind the drink. Being an up-and-coming brand, an innovative approach is a must to stand out.”

This month the company plans to “shake summer” with a selection of Caorunn G&Ts with variations of the perfect serve which will focus on some classic flavours, such as Angostura and bitter lemon. The aim is “to introduce some really unexpected, cutting edge combinations”.

Clearly it’s all systems go in the heady ferment of the super-premium gin sector – and it’s much the same for the premiums. While Hendrick’s is credited with pioneering the upper echelons of the category – Bombay Sapphire, then in the IDV camp and now owned by Bacardi, started the ball rolling for the premium gins and, much like Hendrick’s, it heads the sector.

“Bombay Sapphire remains the world’s number one premium gin by value for a third consecutive year,” says Joanna Botwood, Bombay Sapphire’s global marketing manager. “The popularity of Bombay continues to grow, nearly tripling in size since it was acquired by family-owned Bacardi.”

In its iconic blue stylish bottle, design has always taken centre stage when it comes to promotional support, but aside from the look of the bottle it was Bombay Sapphire which single handedly drew the world’s attention to the botanical mix, and the difference in taste that the final choice brings to the table.

Juniper challenged

Up until the advent of Bombay the gin scene was dominated by very juniper-noted and tasting gins, the likes of Gordon’s and Tanqueray spring to mind, but here too Bombay was different, majoring as it did – and does – on coriander. This, along with its innovative production method using the Carterhead still, resulted in a much more subtle and fragrant-tasting gin.

Bombay debuted in the US back in 1986 and, more than 20 years on, Bacardi is reasserting the importance of



About Infused with Imagination

As 2012 is the year of Bacardi’s 150th anniversary, the company decided to celebrate by creating a three-dimensional artwork that represented the essence and character of Bombay Sapphire. Inspired by the word ‘infused’ and dreamed up by the top design team, including up-and-coming illustrator Yehrin Tong and renowned photographer Richard Foster, “the Imagination Installation is a dramatic but elegant testimonial to the brand in Tong’s distinctive and illustrative style”. It incorporates 3D elements that represent the story of the brand, and these have been intricately created using more than 75,000 sparkling crystals, which took 500 hours to fashion. In short, “the installation embodies the timeless elegance, luxury and craftsmanship of Bombay Sapphire gin”.

botanicals in gin, not only in its flagship but gin per se, via the launch of the Gin Aroma Kit. Dubbed Your Route to Expertise in Gin, the ‘kit’ comprises 24 aromas, packed in miniature bottles, that are associated with the spirit, including four juniper types, pine note; green note; herbaceous, waxy and woody resinous.

All important stuff and launched late last year, it was a precursor to the Bombay Sapphire Infused With Imagination brand communication campaign, as Bacardi reinforces the brand’s history, from its taste to “innovative production process of Vapour Infusion to the launch its blue bottle”.

“We have an exciting year coming for the brand. Infused With Imagination marks an exciting stage of the brand’s journey and a truly imaginative way of looking at our brand communications,” says Botwood.

To be a gin, of course, juniper is a must – but then, as Bombay demonstrated, the

world is your botanical oyster, and so it has proved. It’s these very botanicals and the different tastes they lend to gin which in turn have given producers a USP that cannot be matched by vodka – it’s all in the taste and that is what is so endlessly fascinating for bartenders and consumers alike, for no two gins taste the same.

For some there may be too many gins coming on to the market – but for others it all adds to the potpourri and overall to the interest of both trade and consumer. For some, too, it’s reminiscent of the explosion of vodka five to 10 years ago – but that said gin with its botanical alchemy has a lot more going for it. **DI**



Armagnac is arguably the closest spirit to wine in terms of provenance, raw materials and the outlook of the growers, producers and brand owners. Christian Davis reports

On the

A-list

Photo: Shutterstock

Armagnac has so much going for it that it's difficult to know where to start. The fact that it begins with the first letter of the alphabet can only help when novices are seeking out the runners and riders of the spirits world.

At more than 700 years, the spirit of Gascony in south west France can claim to be one of the world's oldest. Yet it is overshadowed by the big brown spirits from Scotland and neighbouring Cognac, let alone rum and bourbon. Armagnac has struggled to get its share of voice and throat.

It is so small scale and the producers and their generic body, the Bureau National Interprofessionnel de l'Armagnac, have made its scale a positive.

Amanda Garnham, attachée de presse for the BNIA says: "Armagnac's strength lies in its rarity, its diversity,

its traditional methods of production and the handcrafted family nature of its production with very few big companies."

The UK was traditionally the important market for armagnac. Its rustic nature, vintages and 'small scale-ness' still attract spirits drinkers who wish to show off their discernment.

But there is a new kid on the block now. The Chinese have discovered armagnac and last year alone sales multiplied tenfold, reaching 320,000 bottles. China has gone from 10th to number one and the association has also been targeting Japan and Australia. Armagnac has done well in Japan despite the country's economic doldrums and natural catastrophes, thanks in no small way to French chef Alain Ducasse and his restaurants. Events for the Japanese trade professionals, such as tastings and food matchings, took place in Tokyo and Osaka. As for Australia, Melbourne and Sydney are good places to find armagnac

cocktails, according to the BNIA (see list below). If armagnac has an Achilles or d'Artagnan (Alexandre Dumas' famous musketeer was a Gascon) heel, it is cocktails (see May Matta-Allah in New York, page 38).

James Rackham, head of UK importer Emporia, has probably done more than most to further sales of armagnac in the UK, through the Comte de Lauvia and Marquis de Montesquiou brands, the former through multiple retailer Sainsbury's. He sees it being drunk in the traditional way as a one-shot digestif.

Rackham says: "Cocktails are not really happening. There are so many other things, what with vodka, gin and tequila. Brandy is not really doing it. There is blanche armagnac but I do not really buy into that and I don't think you need to make armagnac 'contemporary'.

"With the history, tradition, the grapes, cepages (varieties) and the diverse appellations, I think there is a ► p36

Armagnac

whole playground for someone interested in distillates,” says Rackham.

Rackham positioned Comte de Lauvia XO 12 Year Old at the same price point as The Glenlivet single malt scotch whisky, whereas he sees Marquis de Montesquiou as more “über-premium” and positions that more alongside the Hennessy cognacs.

Neil Mathieson of Eaux de Vie and chairman of judges at the International Spirits Challenge, concurs with Rackham about cocktails. “I do not see it with mixologists,” he says. “Armagnac has a lot of extract and I do not think it is ‘clean’ enough to mix with tropical flavours, even though orange is a traditional partner to brown spirits.”

Vintage approach

Mathieson sees armagnac as akin to a Burgundy domain rather than a cognac house. He is critical of the cognac houses which he feels do not do enough to promote the overall brandy sector, certainly in emerging markets.

“They carry on as if armagnac does not exist and take their own route,” says Mathieson. He doesn’t sell to China or Hong Kong and is concerned that, as Armagnac is populated with nothing but relatively small-scale producers, prices will rise if demand from the far east starts to ramp up. Cognac and scotch are primarily about blending on a massive scale, particularly with the major international brands, but armagnac is small and majors on vintages so the aged stock isn’t there for a large scale uplift.

Mike Sweetman, vice-chairman of the United Kingdom Bartenders’ Guild London tells *DI*: “I do agree to a certain point with James (Rackham) about it being a digestive to be enjoyed after a meal with a nice cigar.

“I am currently organising an armagnac cocktail competition for the members of the UKBG who went on the trip to



Amanda Garnham

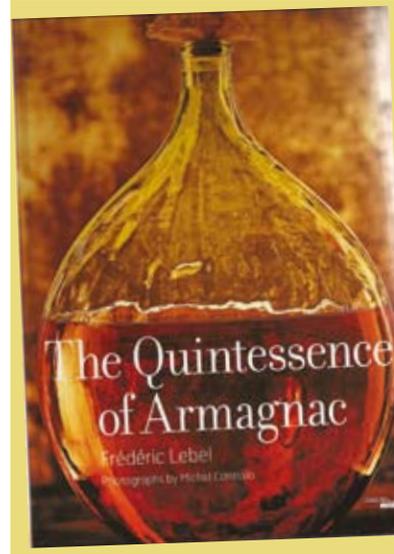
Armagnac last year. We have come up with some interesting libations, using armagnacs from the houses that we visited.

“With regard to its presence on the back bar, there are a good many top hotels with a nice selection of armagnacs. Unfortunately, there are also a lot of bars which don’t carry any at all, which I think is really disappointing. I think I have a better selection on my private back bar at home than some bars that I visit.

“In my travels around bars, even some 3/4 star hotels, they neither carry it nor do their staff know what you are asking for. This I am sure is due to lack of education,” says Sweetman.

“The trip last year was both educational and inspiring. Getting first-hand knowledge on production, seeing how the grapes are grown, harvested and crushed. The best part: the tasting. This was so important, learning the history and understanding about how it is all made matured and bottled,” says Sweetman.

Chris Hiatt, the spirits buyer at Slope Cellars liquor store in Brooklyn New



The Quintessence of Armagnac, by wine and spirits professional Frédéric Lebel, is now available in English on amazon.fr for €32.30. A glossy, hardback coffee table-style book containing 160 pages of information on the area’s history, vines, grape varieties, soils and production process, from the wine to the distillation and ageing, along with notes on how to taste armagnac. Forty producers are featured with tasting notes on a selection of armagnacs from each house and suggestions for matching with food and cigars.

York, says: “I’m starting to want only to recommend armagnac to anyone who’s looking for a ‘brown’ spirit, simply because it’s really tasty stuff, and it’s amazing more people aren’t hip to it. It’s got a cool and unique regional style at a variety of price points and it usually wears its age well.

“I prefer to drink the stuff neat, but I suppose a more affordable version would be good in a Sidecar. I think Blanche de Armagnac is the spot to watch for the region’s increased participation in the cocktail craze,” says Hiatt.

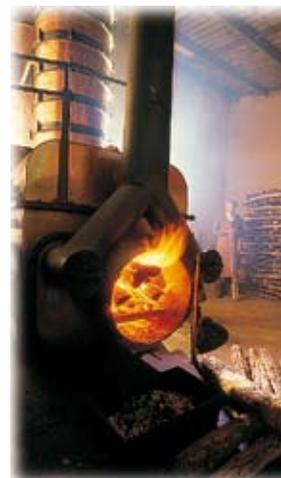
“New York City is a pretty darn good place to get inside of some armagnac. It’s a drinky town in general, with a real pipeline to the Old World. Therefore, there’s crazy things like armagnac and cognac around. Chances would be slimmer that I would’ve even run into this stuff had I not moved to NYC.”

Markets

Aurélié Desombre of Ryst-Dupeyron Armagnac says: “In our opinion there are two markets. One is to consider armagnac as a ‘sub-cognac’ – cheaper and of low quality. This is not our market. Another market is a niche market for people who consider armagnac better than cognac, as an alternative. It is a super-premium product, not very expensive and an undiscovered treasure.

This second market may become very big in Asia. We work to be in this market.”

“Sales of armagnac in Asia are increasing. There might not be enough cognac and some big cognac company are now investing hard in Asia for armagnac. There is a real market based



The alambic still at Château du Tariquet

Some of the best places to drink armagnac

The Ritz Hotel, the Harris Bar, Paris
Lavanaia, Paris
Caves Auge, Paris
La Braisiere, Paris
Carre des Feuillants, Paris
Hotel Meurice, Paris
Brasserie Bordelaise, Bordeaux
The Brandy Library, New York
Orsay, New York

The Connaught Hotel, London
Boisdale in Canary Wharf, London
Barbecoa, London
The Ritz Hotel in London
Ikeda Bar, Tokyo
The Black Pearl in Melbourne
The Melbourne Supper Club
Fyret restaurant, Oslo
St. Lars, Oslo

Armagnac



Alambic still in Armagnac

on the authentic story of the armagnac and the vintages,” she says.

“The biggest problem is to have product better known by the customers. The big companies are now investing in TV and newspaper advertising and that will help all the brands,” says Desombre.

Philippe Gelas of Gelas Armagnac says: “The spirits market represent more or less 15 billion bottles a year and armagnac is 0.3%. So, ‘no comment’ in term of quantity but in terms of high quality, niche armagnac should remain at the top level. The problem is most of people do not know about armagnac.

“It is getting better and better, above all in Asia where spirits are more often used as a gift and premium products such as armagnacs have a real opportunity,” says Gelas.

Last year Gelas introduced a single-cask armagnac, aged in Jurançon and Pacherenc oak barrels. He tells *DI* that he is also looking at a VS premium in a decanter to propose an inexpensive and attractive product for cocktails. Also four more single casks with Emilo Lustau oloroso (sherry), Porto Barros (port), Bordeaux Cadillac Château Fayau and Austrian sweet auslese. ▶ p40

New York: the armagnac ambassador says

May Matta-Allah is a New-York based wine educator and president of In the Grape, an organisation dedicated to making wine and spirits education accessible. She is also a consultant and has been working with the BNIA since 2009 in New York as its ambassador.

She tells *DI* that, outside of high-end restaurants, especially French restaurants, armagnac has little representation.

“I have focused on the more entry-level to mid-level accounts, on retail and the cocktail market where armagnac has zero representation,” she says.

“Armagnac is a hand-sell product, no doubt about it. If you get the retail staff excited then maybe/hopefully that will translate into a sale.

“As far as

armagnac in cocktails is concerned it is a bit of a harder sell but not for lack of love from the bartenders - they do like the story, the authenticity the provenance.

“Most of them enjoy the product and would like to use it in a cocktail. However, the lack of a ‘classic’ armagnac cocktail means that either it is viewed as a cognac replacement or else new cocktails have to be invented to feature it. In that sense the Blanche has some success ridding the White Dog coat-tails.

“Some of the larger challenges that the category faces include pricing - the lower-end brands that would be more appropriate for mixing are not capturing the imagination of the mixology crowd and the better quality ones become more prohibitive in terms of pricing. Also most of them are 40% abv and are not holding up in a mixed drink.

“Then there’s distribution. Most armagnac is either distributed by wine distributors, which means that a bar would have to open a new account which they do not want to do. Or else they are distributed by the big spirits guys who have little interest in pushing it when they could be selling other brands by the case load. Armagnac gets lost in the book.

“It takes a special kind of bartender to seek it out, make the effort to create a cocktail for it then hand-sell it to their customers.

“In New York you are looking at places such as PDT or The Beagle, The Raines Law Room... places where they can charge a lot for a drink and people are coming for special experience.”

May Matta-Allah

Wine Educator/Armagnac Ambassador

may@inthegrape.com



Armagnac



Château de Laubade claims to be the premier estate in Armagnac (the biggest vineyard dedicated to armagnac only). Denis Lesgourgues says: “Also, we can count on the most significant inventory of super and ultra-premium eaux-de-vie, both blends and vintages. The fact that we are able to be a key player in almost all the segments of the category is a major strength.

“Our priority is to strengthen our position of the worldwide armagnac leader in value, not in volume, by being able to continue to offer the best quality through our quest of excellence,” says Lesgourgues.

Lesgourgues adds that the chateau has been looking at improving quality and has moved its youngest Bas Armagnac up from 12 to 15 year old (XO minimum is eight year old). Older eaux de vies in the XO have also moved up five years to 25 year old.

Janneau is the giant in Armagnac and the company’s Fabio Giovanetti claims: “Armagnac is the next hot category in aged spirits. With a 20% increase in export in 2011, it is set to grow, albeit on a quality level, stock permitting, just like the single malts. Quality, aged stocks: priority is a careful drive towards further premiumisation.”

Asked why bartenders and retailers should stock armagnac, Giovanetti says: “Its intense flavour, unique to a small territory; it’s hand crafted, it’s rare; armagnac can declare a minimum age.”

Qualitative distribution

Janneau colleague Corinne Bucchioni tells *Drinks International*: “As the volumes of production in the region are fairly small for the requirements of certain markets like China, we need to select a qualitative distribution to keep armagnac as a premium spirit. The overall premiumisation of the category is an important issue.

“Brazil could become an interesting market for armagnac. However, eastern Europe and Russia, as well as duty free, still offer good opportunities for growth.”

Joe Bates, *Drinks International*’s travel retail correspondent says: “Armagnac has a hard time coming out of cognac’s shadow. The likes of Chabot and Janneau do pretty well in Asia though at the top end of the price spectrum.”

Speaking of which, Chabot is offering a “one of a kind” collection of three age statements: 100 years old, 80 years old and 60 years old.



Cocktail Perfect d’Olivier Pillon L’art Maniac.

Statistics

Total general sales for 2011 (all countries) +14% value and +22% volume

China: has multiplied by seven. In 2010 Armagnac sold the Chinese 44,000 bottles and in 2011 it rose to 320,000 bottles

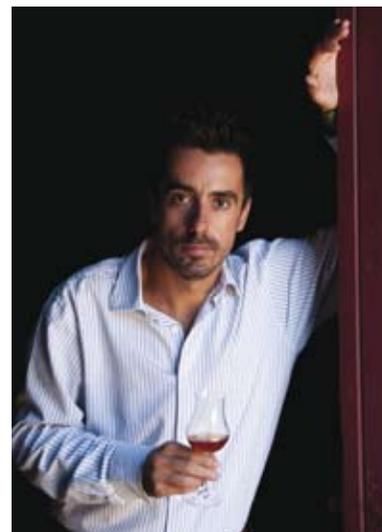
Australia: + 42% in volume and +40% in value

US: +13% in volume and +34% in terms of value. The BNIA has an ‘ambassador’ in NYC and has just appointed two more in Chicago and San Francisco.

Hong Kong: +73% in volume and 74% in value In 2010 it sold 104,000 bottles and in 2011 it rose to 180,000 bottles

UK: down 12.67% in volume and -7.68% in value

Source: Bureau National Interprofessionnel de l’Armagnac (BNIA)



Denis Lesgourgues

To produce this trilogy, Chabot says a selection of its oldest and most exceptional vintage armagnacs from its Paradise cellar were chosen and blended.

Benoît Hillion of Armagnac Dartigalongue sums it up: “Armagnac is still not very known, so we can do more by communicating. The market is open considering our size. The priority



Philippe Gelas

is developing sales with a good strategy, produce better products (less wood – more fruits and elegance), and work on nice packaging, with a real message on.”

Asked what the definitive armagnac cocktail is: “Very simple: 1/3 VSOP, 2/3 premium orange juice, ice. simple but successful.”

Cheers.



A fine romance

Shutterstock/Byheaven

Despite reports of champagne's struggle to keep cases sales up, **Lucy Britner** finds that the world has far from fallen out of love with France's famous export

There's romance in champagne – the expensive label, the popping cork, the sense of occasion. Over the past few years, though, headlines on the subject might've led you to believe it was about as romantic as a cold cup of tea resting on a tax return. Then there are the subjects of the early harvest, US domestically produced 'champagne' and the revision of the appellation's borders. That's a lot to deal with. But nothing, it seems, champagne can't handle.

Recently we have been hearing about champagne 'losing fizz', 'bubbles bursting' and sales 'going flat'. Not without reason – worldwide shipments of champagne tumbled from 338.8 million bottles in 2007 to 293.3 million

bottles in 2009 according to the Comité Interprofessionnel du vin de Champagne.

But 2010 saw a jump back to 319.5 million bottles and by the end of 2011 that figure was 323 million.

During the same period the real GDP (gross domestic profit) growth rate for champagne's top export markets wasn't exactly bubbling over. In the UK it was -4.4% in 2009, up 2.1% in 2010 and 0.7% in 2011. In the US, it was -3.5%, up 3% and then 1.7% during the same periods (Eurostat). Hardly numbers worth popping corks over. But carry on reading and you'll see that we definitely popped a few. Is this a major lesson to draw from these austere times – that quality, or perceived quality, is still worth the investment?

And while there are austere times in some countries, others are celebrating emerging middle classes and a new presence on the world stage. Now that's got to be worth a glass of champagne or two.

The latest CIVC figures for 2011 show global value growth of 7% to US\$5.9bn. Emerging markets bolstered volume growth with China up 19%, Russia 25% and India 58%. More mature champagne markets, such as the UK, showed a much slower rate of growth, although it does remain the largest export market and in 2011, 34.5 million bottles made their way to the UK. The next largest market is the US with 19.3 million bottles (CIVC).

So let's start by looking at the UK market and Lanson

► p46

Champagne

International's *Champagne Category Report 2012*. The headline overview says: "With overall 4.3% value growth it [champagne] has seen stable sales in the off-trade as well as significant value growth in the on-trade."

This 'significant value growth' is 8% year on year in the on-trade. The report suggests stable figures in the off-trade were maintained against a backdrop of a 10% increase in the number of price promotions in the grocery sector.

"A number of tactical opportunities have helped deliver this," the report says. "The Royal Wedding, for instance, drove volume sales in the on-trade by +17.5%."

Champagne wasn't the only drink to benefit from events such as royal nuptials. In fact, sparkling wine matched champagne value growth in the on-trade during 2011. Are sparklers taking drinkers away from the category, then?

Michel Letter, deputy managing director of Champagne GH Mumm & Perrier-Jouët, says: "Champagne shipments increased to 323 million bottles in 2011 (CIVC report), meaning that this year has been the second largest year for champagne for the past 12 years. So champagne sales around the world have never been so good – we haven't lost our consumers, on the contrary. Champagne holds its rightful position on the premium category of the sparkling wine market."

Paul Beavis, Lanson International's managing director for the UK and US, says new consumers are coming to the category and it's important to look at what they want.

"Looking back over the past five years, the last four have been the hardest but what's encouraging is that new consumers are coming in.

"The industry is well positioned to give consumers what they want. Sec and demi-sec styles for example. Also, glass sales are making the barrier to entry lower."

Beavis's *Lanson Category Report 2012* also looked at consumer buying habits and revealed that price isn't everything.

Just ignore work for a second. Imagine you're going to a party for a close friend and you're shopping for something fizzy to take along. What's your first instinct? I'd be tempted to suggest that it depends

on how good a friend they are and what they know about wine. You can't really take a supermarket own-label champagne and neither prosecco nor cava seem to cut it. So you look for a trusty brand that's on offer, perhaps. Well, you're not alone.

According to Lanson's report "few shoppers buy solely on price", but of the 2,000 shoppers surveyed, 69% do buy on brand and price deals.

Of course, we're all too aware of the difficulties – with mature markets, getting UK consumers to part with their hard earned cash is a real skill. Beavis says education could be the key.

Lanson commissioned independent MW Nicola Arcedeckne-Butler to create a flavour map of the key Grands Marques non-vintages. It ranges between fresh fruit, baked fruit, zesty and mellow and it is designed to help shoppers choose the right style of champagne.

Education goes further than taste, though, and some houses are introducing disgorgement dates and QR-type coding to allow consumers to understand more about what's in the bottle.

For example, Krug has introduced an ID code to each bottle of Krug Grand Cuvée which, when entered online at krug.com, provides information about the conditions of the harvest of the year from which the majority of that blend is created.

Meanwhile, Champagne Drappier has taken the decision to introduce disgorgement dates.

Drappier's Michel Drappier says: "It is a demand from the consumer who now understands the process of maturation post-disgorgement. Only educated consumers appreciate it but they are more and more able to make the difference."

Looking east

Though you can't argue with its thirst for champagne, the UK market doesn't offer the same kind of double-digit excitement you can expect from further afield. This isn't really anything new, though. Imagine it's 1805. At 27 years old, the widow (Veuve in French) Clicquot has decided to take control of the champagne house and her eye is on the Russian market. That year, 110,000 bottles were shipped from Champagne – 25,000 of them to Russia.

Skip forward 207 years to 2012



Lanson International's Paul Beavis

and eyeing new export markets is as important now as it was during Napoleon's time. I imagine the widow Clicquot would smile a knowing smile to see Russia was up 25% in terms of volume for 2011.

But brands are also looking a little further east than Russia. 2011 shipment figures from the CIVC suggest Japan received almost 8 million bottles, Singapore took 1.45 million, Hong Kong slightly fewer on 1.4 million and China received 1.3 million bottles.

Indeed, Champagne Jacquart, which exports 55% of its champagne (9% of this to the UK), is looking further afield. Managing director Laurent Reinteu says the UK, Germany, Belgium, Switzerland and Italy are important markets for the brand and the bright lights of Asia and Russia – more specifically Moscow – beckon. "We are present in nearly 40 markets and in the past five years we have been developing Asia Pacific, including Shanghai, Singapore and Hong Kong."

Pernod Ricard brands GH Mumm and Perrier-Jouët are beginning to reap the rewards of eastern promise. International sales director for Martell Mumm-Perrier-Jouët Frantz Hotton says: "Asia is an important region for both our champagne brands; Japan is now the number two market for Perrier-Jouët with our prestige cuvée Belle Epoque and China has now become the fourth largest market for the brand. There is a very positive trend towards champagnes at present.

"GH Mumm is also performing really well thanks to some local activation programmes, such as the pop-up GH Mumm champagne bar which opened its doors temporarily at the renowned Fashion Hall Emporium in Thailand from March 20-27 this year." ▶ p49

The harvest

2011 saw the second earliest harvest in Champagne since 1822 (CIVC). It began as early as August 19 for some growers and a shorter August holiday could become a reality in the region.

Champagne Jacquart's managing director, Laurent Reinteu, says that, while it is a consideration, it shouldn't be a worry. He says: "Yes, it's a concern it gets earlier. It used to be in October, now August is not rare. The climate has had an influence on the cycle of the vines. Between 2002 and 2006 we were worried about a lack of acidity over maturity. Since 2006, we cannot complain about acidity. 2011 has great acidity so I can't say that [an early harvest] is a problem."

GH Mumm & Perrier Jouet deputy managing director Michel Letter said that, while quality was not affected, the early harvest did require 'different organisation'. He said:

"This did not affect the quality of the grapes. It required, however, a different organisation - a need to be even more demanding when selecting the grapes with the perfect maturity. We had for instance to stop the picking in some areas for two to three days to ensure the maturity had reached the perfect level."

The team at LVMH's Krug says the assemblage is the key. A spokesperson for the brand says: "An early harvest is not a bad characteristic. The most important thing is to take it into account when we choose the wines and do the assemblage. The reserve wines Krug owns will always enable the winemaking team to recreate the finesse and richness of Krug Grande Cuvée year after year."



Protection

As 'brand champagne' makes its way around the world, its reputation travels with it. But in some markets, the term champagne isn't protected. Take the US for example.

At the CIVC's annual briefing, Bruno Paillard, chairman commission communication & appellation champagne - Comité Champagne, expressed his frustration at a few large companies, including Constellation and Gallo in the US, using the term 'champagne' to describe their US-made sparkling wine. Paillard says that an informal agreement and letter of recognition has been signed by some companies, including Napa Valley Vintners, Washington State and Oregon Wine. Meanwhile, the CIVC has carried out advertising campaigns called Unmask the Truth.

Michel Letter, deputy managing director champagne GH Mumm & Perrier-Jouët, says it is wrong to mislead consumers. He adds: "Champagne is an internationally recognised appellation and defends the idea that champagne can only be made in Champagne - so each time that a product produced outside the champagne appellation wishes to apply a label mentioning 'produced in Champagne', it clearly misleads the consumer and we can only be against these requests."

Jacquart's Reineau agrees that this is a problem but one that could bring people to the category. He says: "US 'champagne' - it is an issue but it's also good that there are local sparkling wines. Consumers get in the habit of drinking bubbles."

And there's certainly big business in bubbles. **DI**

Appellation update

There is a lot of speculation about the the proposed alterations to the boundaries of Champagne. The facts are: It is a growers' initiative conducted by the INAO (L'Institut National de L'origine et de la Qualité). At present, an audit of both planted and unplanted plots is taking place.

According to CIVC spokesperson Françoise Peretti, no one knows at this stage whether areas will be delimited. "Any assumption at this stage is premature," she adds. Peretti says there are unlikely to be any decisions until 2017-2019. And then any area with an objection can raise it. This could take another five or six years to iron out.

"We don't expect any final revision until the mid 2020s." Champagne Jacquart, which is owned by an alliance of 1,800 growers, says the proposed changes are likely to have a very limited effect.



London calling

The annual London International Wine Fair, with its spirits arm DISTIL, takes place this month. **Hamish Smith** rounds up the best of its offerings

As the exhibition director of the London International Wine Fair and DISTIL candidly remarked ahead of this year's May 22-24 Excel-based event: "We can't control consumption, taxation and currency exchange." Indeed the blights described by Brintex's James Murray are the unavoidable truths of the UK wine market.

But while the perception of the UK as a saturated, stunted market have contributed to the absentee star-names of this year's LIWF – most notably Pernod Ricard, Percy Fox (Diageo) and PLB – Brintex has unveiled a number of reasons why the show must go on and why this year could be better than last.

For 2012 the show is more aligned to the needs of the UK market and has a "focus on independent retailers". So, in lieu of playing the numbers game – as is normally the case in the run-up to international wine shows, Brintex has lined up a schedule of events and seminars to support its renewed 'independent retailer focus'. "We wanted content that would add value to independents' businesses," says Murray.

Among the new developments is the Small Independents Pavilion, situated by entrance S3, and the *Off Licence News* Independent Business Lounge – an invitation-only area aimed exclusively at specialist retailers (F20).

The fortnightly magazine has also teamed up with LIWF to offer a bursary scheme that will see the first 150 independent retailers to register via offlicencenews.co.uk receiving a £50 travel contribution.

The UK Sommelier of the Year competition will also be hosted by LIWF for the first time, taking place in the on-trade theatre on Wednesday May 23. The competition, which is expected to attract some 180 sommeliers, has been organised by the Academy of Food & Wine Service since its inception in 1988.

Briefings

The educational programme will be spearheaded by the Global Future Trends conference (May 22, 10.00-16.30) on the Monday before the show opens.

The day's talks will be held by an international panel of speakers including: *Financial Times* editor John Authers, who will raise the prospect of life without the euro; well-known wine writer Jancis Robinson MW talking about future trends; Paul Mackenzie, CEO of independent research agency The Source, who will look into consumer trends and buying habits; and Paul Schaafsma, of Australian Vintage, who will talk about brand growth.

The conference will also include a panel discussion about the independent retailer sector, a presentation about emerging markets by Euromonitor International, a session about luxury brands in the US market and a discussion about the Brazilian wine market.

On Tuesday there's the Union Of The Oenologists & Winemakers Of Russia briefing in Q75 from 12.15-13.15, a briefing from Wines of Portugal (14.00-15.00) and a session entitled Marketing Wine Brands, presented by Nomacorc and moderated by Jamie Goode (16.00-17.30).

On Wednesday, Euromonitor kicks off proceedings with a talk from 10.00-11.00. Wine Intelligence's The Science of Choice in the Wine Category is in South Gallery Room 7 from 11.00-12.00.

Amorim's Wine Faults Workshop will focus on the issue of reduction (South Gallery Room 13, 10.30-12.00 and 14.30-16.00).

Harpers Wine & Spirit magazine will host a debate in Q75 on engaging with consumers (11.30-12.45pm). Between 14.30 and 15.30 it's Wine Intelligence's Building Brand Loyalty in Wine in South Gallery Room 7. From 16.15-17.30 website justdrinks.com will present the results of its State of the Nation survey in Q75.

Wine Intelligence is back at 17.00 in South Gallery Room 7 for The Future of Wine in 60 Minutes.

But the last word of the show will come from wine website Ukvine, which hosts What's the Future for English Wine? (10.30 –11.30am).

Photo: Shutterstock/Matt Gibson

Tastings

The undoubted tasting highlight of this year's show is the International Wine Challenge Discovery Tasting, which takes place across all three days on stand V50 and will feature more than 1,000 IWC entries that are without UK representation. According to Brintex, IWC competition results will again be announced at the LIWF, giving visitors the first opportunity to access medal winners not yet available on the domestic market.

Brintex's Murray says: "It will also provide a fast-track route to some great discoveries for the trade. "By segmenting the tasting, we are able to offer a really targeted approach to appeal to the independents, multiples and on-trade buyers coming to the show. Not to mention the interest that this will generate among agents and importers."

Wines at the tasting will be split into three sections: on-trade, off-trade high street & supermarket and off-trade independent merchants. Wines from all the key producing regions will be featured, as well as up-and-coming countries such as Brazil, Georgia, Israel, India, Montenegro, Russia and South Korea.

The Union des Grands Crus de Bordeaux will also be making a return with a showing of grands crus wines from the 2008 vintage on Tuesday May

22 from 11.00-16.00. Billed as featuring "some of the most prestigious names in Margaux, St Julien, Pauillac, St Estèphe, Listrac, Moulis, the Médoc, Haut-Médoc, Graves, Pessac-Léognan, Saint-Emilion, Pomerol, Sauternes and Barsac" the event is aimed at pan-European sommeliers, importers, multiple specialists, multiple grocers, independent retailers and the press.

Wine masterclasses, which will all be held in the east end of the hall, kick off on Tuesday with the Niepoort Seminar, which will see ports from 2009 to 1912 presented (Y10, 10.00-11.30). The WSET has its Blind Quality Tasting (white) at stand P75 from 12.00-12.30 on Tuesday and Wednesday. Wines of Turkey are showing between 12.15 and 13.00 (Y10). Yara Valley's Chardonnay Evolution or Revolution takes place from 13.45-14.30pm (Y10). The WSET's Blind Quality Tasting (red) is back at 14.00 at stand P75 on Tuesday, Wednesday and Thursday.

The IWSC's Un-chill Filtered Single Malts is on stand G25 between 14.00 and 14.30. The WSET has its Blind Sparkling Tasting on P75 between 15.00-15.30 on Tuesday and Thursday (and 5-5.30pm Wednesday). Boutinot Rhône's presentation of non-classic wines from the southern Rhône is from 15.15-16.00 (Y10). WSET has its Blind Spirits Tasting from 16.00-16.30 at stand G25. Wines of Hungary will be from 16.45-17.30 at Y10 and the day is rounded off with a WSET Blind Fortified Tasting from 17.00-

17.30 on Tuesday and 16.00-16.30 Thursday (P75).

Wednesday May 23 will see Treasury Wine Estates' tasting of its Penfolds brand from 10.30-11.15 (Y10). The Sichuan Info Center of International Commerce will also run in Y210, from 12.00-12.45, as will a Languedoc presentation by Matthew Stubbs MW (13.30-14.15). From 14.00-14.30 it's Germany – Young and Wild with the IWSC at stand G25. The New Food and Wine Pairing Workshop run by the WSET will take place from 3-3.45pm at Y10. At 4-4.30pm there will be a tasting of Royal Tokaji with the WSET at stand P75. The day ends with a Wines of Hungary tasting from 4.30-5.15pm.

On Thursday May 24 there will be Wines of Somontano (sponsored by Viñas del Vero) at Stand G25 between 11:00 and 11:30, and WSET The New Food & Wine Pairing will be at Stand P75 from 12.00-12.30. Asti Group's masterclass will be in Y10 from 12:00-12:45. The IWSC's Food & Wine Matching will be on Stand G25 from 14:00-14:30. From 16.00 the IWSC has its Open Tasting of Gold Medal Winning Wines at stand G25.

For the most recent information visit: londonwinefair.com

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ExCeL London
Royal Victoria Dock
London
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Opening Times: May 22-23: 9.30-18.00
May 24: 9.30 to 17.00

Wines to watch at LIWF



Treasury Wine Estates will be unveiling what it describes as “hidden gems from its portfolio” at stand L42. Visitors to the show will be treated to launches from Treasury’s leading global brands. Winemaker Peter Gago will hold a masterclass on May 25 (10.30) to celebrate the launch of the 2012 Penfolds Luxury & Icon wines. A new range of Beringer will launch alongside new packaging. There’ll be a new look for Rosemount at the stand along with the launch of Rosemount Blends. Low-alcohol Wolf Blass Moscato will also be unveiled, in partnership with new packaging for the range.

Napa Valley Vintners will have more than 60 wines from 20 wineries available for tasting on the generic California Wine Institute stand (P15) at this year’s LIWF. Each winery will show a Cabernet Sauvignon from the 2001 vintage alongside its current Cabernet Sauvignon and other current releases.

Grupo Codorníu is launching six wines at this year’s London International Wine Fair – the cavas Codorníu Brut and Codorníu Brut Rosado, Raimat



Vallcorba 2009, Raimat Brut Nature from DO Costers del Segre, Septima Tardío 2010, and Invivo’s Eight Point.

The Fladgate Partnership, owner of port houses, Taylor’s, Croft and Fonseca, comes to LIWF (O72) armed with a new-look Croft Pink, new vintages for its Late Bottled Vintage range and an impressive selection of mature Single Quinta Ports dating back to 1996.

Kleine Zalze, the family-owned South African wine estate, will be showing new vintages from its Zalze, Foot of Africa and Kleine Zalze wine ranges at the Wines of South Africa stand I40.

Wines of Lebanon (N11) will be returning to the LIWF for a second year with wineries looking to gain a foothold in the UK market. The line-up comprises: Batroun Mountains, Château Ka, Châteaueu Kefraya, Château Ksara, Château St Thomas, Coteaux de Botrys, Domaine des Tourelles, IXSIR and Karam Winery.



Sogrape Vinhos at stand P25 will be exhibiting many of its top-selling wines, including Sandeman Port, Quinta de Azevedo Vinho Verde, the modern-classic Callabriga and the ever-green rosé, Mateus.

Bibendum has doubled its presence at LIWF and on stands L30 and L21 it will feature the Taste Test producers: Bodegas Catena Zapata (Argentina); Valdivieso (Chile); Castello Banfi (Italy); de Castellane (Champagne); Andre Lurton (Bordeaux); Château d’Esclans (Provence); Dinastia

Vivanco (Spain); Criadores de Rioja (Spain); Cherubino (Spain); Bodegas San Valero (Spain); Stellenrust (South Africa); Wither Hills (New Zealand); St Hallett (Australia); Petaluma (Australia); Howard Park (Australia); and d’Arenberg (Australia).

Val d’Orbieu, the French co-operative, is launching a grapefruit-flavoured beverage made from rosé wines: Cap Soleil Rosé Pamplemousse (K40).

Les Vignobles Foncalieu, the southern French co-operative will launch a number of wines aimed at the on-trade: Domaine Laure B, a range of organic IGP Languedoc wines; two wines from the up-and-coming appellation Côtes-du-Rhône Villages – Saint Gervais, called Domaine La Ricoune and Les Rouvières; and a new range of premium IGP Pays d’Oc wines entitled Gourmandises.



Cono Sur’s varietals range has been repackaged and the new look will be unveiled for the first time at LIWF (054). Cono Sur’s head winemaker Adolfo Hurtado will show off the latest vintages and wines which are completely new to the range.

DISTIL

ABK6 will present its Ice Cognac for the first time at LIWF (stand W12). The spirit, which launched in France last year, has been developed especially to be served over ice.

Angus Dundee Distillers is showing its recently launched Hamiltons Regional Malt Scotch Whisky range (V30). The range comprises an expression typical of each of Speyside, Highland, Islay and Lowland scotch regions.

Eaux de Vie will be showing the Mezan range of single cask rums for the first time at the LIWF (O50). Bottled in August 2011, the Mezan vintage rums are unblended rums from individual islands and countries in the West Indies and South and central America.





From our own correspondent



Continuing our tour of providers of WSET qualifications who were short-listed for the Riedel Trophy for the WSET International Educator of the Year in 2011, Ian Harris (CEO of WSET) visited Olivier Thiénot, who runs Ecole du Vin de France, based in the 12th arrondissement of Paris

Olivier Thiénot explained many French people believe that they have a ‘natural’ knowledge of wine, because of their nationality. “Unfortunately (or maybe fortunately for a wine school) this is rarely the case. For many people wine is a familiar topic, but not one which is well-known or well-covered educationally.”

As with many countries, consumption of wine is falling, but Olivier is clear about the trends: “If consumers are drinking less wine, they are certainly drinking better and becoming more demanding. Also the consumers’ ‘universe’ or repertoire of different wines is evolving; as well as new emerging wine regions, health factors (such as organics, sulfites etc) come into play when consumers are choosing a wine”.

Clearly people who should have good wine knowledge (hotels, restaurants, distributors and also people working in wine production) have historically been recruited in relation to their general level of education, with a passing knowledge of wine – but the basic knowledge of wine theory is very thin.

So, what is the potential market for short courses on wine in Paris? In answer to that question, Thiénot responds by explaining that his turnover for WSET courses has tripled in the past three years. “The market for people who might be potentially interested in a formal wine education is sizeable in numbers, but difficult to reach because the people are so widespread. In France there are around 175,000 businesses in the HORECA sector (which encompasses cafés, hotels and restaurants) in a market which (with the notable exception of the fast-food sector) is declining.”

If you add the grocery sector (20,000 businesses) and wine producers (80,000 businesses) this gives a huge potential for wine education, but the biggest potential comes from the law which states that anyone who accumulates two years’ service within a company is entitled to around €500 worth of training. This would include the lower levels of WSET programmes.

Thiénot continued: “For the first time, the focus of wine education is no longer on production (viticulture and oenology) but is moving towards the need to know about the global world of wine. The challenge from the beginning was to find out where and how such education could be acquired using a systematic approach – this was where WSET came in. Against this backdrop, the business of wine education has become a real success with customers (including the end consumer) having access to more and more information via the internet, and travelling more extensively, and this has created a greater and greater thirst for knowledge. They appreciate the rigour of both the WSET style of education and even the examination process.”

Clearly in France, the job market in wine is no longer national, but international. Many French nationals travel more extensively than ever before, and their businesses are dependent on more and more international clients, and the ‘stamp of authority’ from a world-wide provider of education with a globally recognised qualification ticks the boxes.

L’Ecole du Vin is a success – attracting not only French nationals but also a wide range of students from around the world, who find Paris a pleasant place in which to study, and it is for this reason that Thiénot runs the WSET Level 2 (Intermediate) programme in an intensive format.

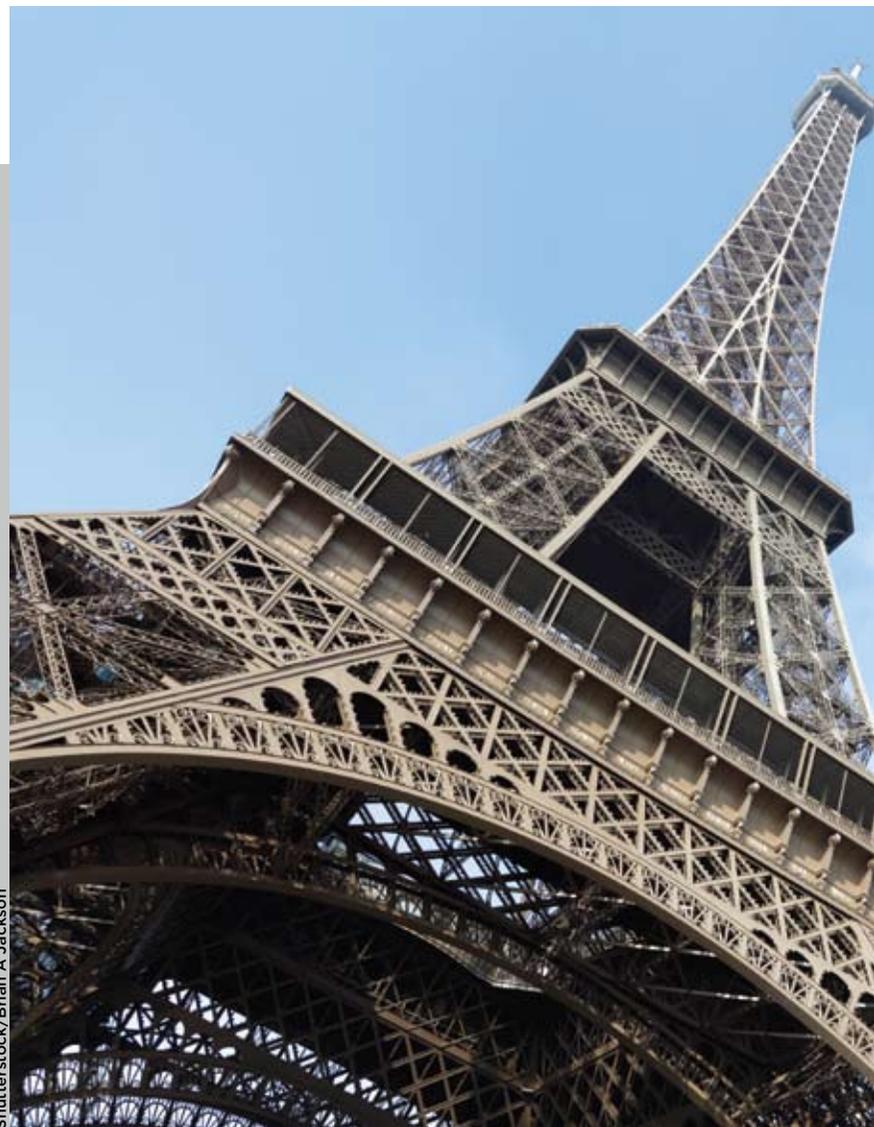
France is now the sixth largest market for WSET qualifications – just behind the ‘big five’ of UK, Hong Kong, US, Canada and mainland China. France was also one of the WSET’s earliest forays into international markets, with the Lycées Viticoles network (more than 20 schools dedicated to teaching wine production) embracing WSET programmes in the early 1990s.

Interestingly, 20 years ago these Lycées Viticoles taught the WSET programmes in English (rather than French as now) as a way to introduce their students to the global language of wine.

And who said the English can’t teach the French anything about wine?

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PURE GOULD

Former Drinks International editor Patience Gould asks whether there are 'too many cooks' when it comes to gin



The current record for the gin with the most botanicals stands with a 'brew' called Black Gin which, I'm reliably informed, boasts no fewer than 74 in its mix. This does seem a tad excessive and rather takes the proverbial out of the natural USP botanicals afford gin producers.

Other gins in the super-botanical league include Blue Gin with 26, The Botanist with 31, and Monkey 47 – well you can guess how many botanicals there are in that one. This arguably is too much for the consumer to take seriously and, at the end of the day, is totally unnecessary. The phrase "too many cooks spoil the broth" springs to mind – and the fact is that more botanicals do not make for a better gin. The importance is finding the right mix so each botanical brings something to the overall taste – imagine 74 tastes all fighting for a share of the action.

It was refreshing then when Berry Brothers & Rudd Spirits launched its No 3 super-premium gin contender that the company went for just six botanicals – three fruits (juniper, Spanish orange and grapefruit peels) and three spices (angelica root, Moroccan coriander and cardamom). The result, which weighs in at 46% abv, is certain proof that more is not necessarily better.

"I look with amusement at the proliferation of botanicals that distillers are using, both in terms of type of fruit, flowers, weeds, seeds, nuts – you name it – and the quantity," says Broker's gin's Andy Dawson. And well he might. Interestingly, Broker's, which boasts 10 botanicals in its makeup, has won every top award going since it was launched back in the 1990s and, although it's hard to imagine, in those days there would be a gin launched every year. Now it's more like one a week.

In America there are around 200 new microdistilleries – following on from the microbrewery craze – and it is thought that at least 50 of these are making gin. And that's just for starters.

Furthermore, gin is now produced all over the UK, in France, Spain, Holland and Germany – and even as far afield as Australia and New Zealand. So, while this activity highlights the growing interest in gin, it also makes for a very competitive marketplace.

Of course it was Bombay Sapphire which first highlighted the botanical mix, and the brand continues to do so with the launch of its Gin Aroma Kit. Put together by aroma scientist Dr George Dodd, it comprises 24 aromas most associated with gin, including four different juniper types. Juniper, of course, has to be present for a gin to be a gin. But it just goes to show that the likes of Black Gin, Botanist and Monkey 47 must be going some to find all the botanicals to put in their gins.

The botanical is a USP that has been gratefully accepted by producers the world over and, in the majority of cases, with responsibility and marketing acumen. It is the one thing that gin has over vodka and as such it should be carefully treated.

Gin has come a long way since the pre-Bombay Sapphire days in terms of its makeup and taste. Then, juniper was the dominant force and for younger consumers that generated a Marmite syndrome – they either liked it or hated it. Bombay Sapphire changed all that and with its finesse opened up the market.

It's a boon for bartenders too who, having survived the dizzying vodka tidal wave, have grabbed the gin baton with relief. Furthermore, with the differing tastes of gins around now, they can mix and match a cocktail with a particular gin and, unlike vodka, gin lays claim to some great classics.

Think the Martini, the Aviation and, my favourite, the Negroni (pictured). This, with its equal measures of Campari, sweet vermouth and gin is definitely not for the faint-hearted. As a suggestion, try No 3 for the Martini, Bombay Sapphire for the Aviation and Beefeater for the Negroni – but not on the same day.



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