China - Don Jr released from detention

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After several weeks in detention as a result of a China Customs investigation into under-payment of China's ad valorem wine duty, the head of China's largest wine importer, American Don St Pierre Jr, is back at his desk.

Much to the relief of his father, ASC founder Don St Pierre Sr and ASC's staff in mainland China and Macau, officials have released Managing Partner Don Jr and Carrie Xuan, its VP of Logistics, Purchasing and Private Client business.

In a statement just issued, ASC declare the case closed and that they will continue to open more offices in mainland China and Hong Kong (where wine duty was recently abolished). They claim that their plans to invest in the Sino-French Winery which produces some of China's most admired Chinese wine reported here will not be affected.

The ASC Customs case had been watched with interest by the global wine trade. Having imported wine from about 100 top wine producers around the world for many years and selling more fine wine in China than any other wine importer, ASC occupies a position in the Chinese wine scene similar to that of the Gallos in the US. Detaining Don Jr for so long has shocked the Chinese wine trade as much as detaining a Gallo would surprise the California wine business.

This is a sure sign, as Simon Tam pointed out here, that the authorities have decided that the Chinese wine scene must grow up.