How Australia went down under

2 Apr 2009 by Jancis Robinson/FT but this is longer

Something very strange has happened to Australian wine. While more and more truly fine Australian wine is being produced, Australian wine's fortunes and reputation have plummeted. Fashions in wine, just as in everything else, come and go, but the sheer speed with which Australia has moved from being revered to being reviled is quite remarkable.

Throughout the 1990s, Australia's wine reputation continued to build so steadily and remarkably that wine exporters around the world saw Australians as the all-conquering heroes. Australian wine exports increased tenfold in the 1990s alone. It was as recently as 2004 that Australia overtook France as principal supplier of wine to the UK market and, briefly, looked set to push Italy into second place as most important exporter of wine to the US.

But today, interest in Australian wine in both the UK and US seems to have evaporated as rapidly as a puddle in Alice Springs. In the US, where Australian wine is a relatively recent phenomenon, the reasons seem to be twofold. The staggering success of Yellow Tail with its kangaroo label spawned so many imitation 'critter' brands, as they were known for their imitative fauna-featuring labels, that at the bottom end of the market, Australia came to be seen as ubiquitous and vapid.

In the upper reaches of the US wine market, Australia enjoyed a brief period in the sun when America's powerful critic Robert Parker espoused a series of quite different labels cooked up especially for American consumers. In this instance the wines were typically black as pitch, made from extremely late-picked grapes and notably alcoholic. Dan Philips of the import company The Grateful Palate was a prime mover in this transpacific tide of Barossa Shiraz and the like. What was curious about these wines, many of which garnered rave reviews and impressive scores from Parker, was that so many of them were unknown in their homeland, so they had no support among Australian wine lovers, and many Americans who bought them found they did not perform as well as expected.

The result is that Dr Jay Miller, Parker's successor as Australian wine reviewer for his influential newsletter The Wine Advocate introduced his most recent survey of Australian wine thus: 'In January 2009 there is a serious perception that the American market for Australian wine is in serious jeopardy...In not much more than a decade, the market has gone from boom to bust and to an unsettled future'.

In the UK the problem with Australian wine's image is slightly different. Ever since Australia's major export push began back in the 1980s, the UK was the prime focus – and is still the biggest market for Australian wine by far, taking 37% of all exports last year. For years we marvelled at the Australians' efficiency, their frequent visits to Britain (even in the middle of their summer and our winter, for heaven's sake) and their assiduous courting of the powerful supermarket buyers. A steady stream of characterful larrikins invaded our shores, shared beers and gossip with key players, and achieved enviable penetration of the mass market.

Then in the early years of this century there was a general reshuffling of the giant companies that had long dominated the Australian wine scene. resulting in American ownership, via the world's biggest wine company Constellation, of such totemic brands as Hardys, Houghton, Leasingham and Banrock Station. Their big rivals Southcorp (Penfolds, Lindemans, Seppelt, Wynn et al) teetered and were eventually acquired by brewers Fosters, who still give the impression of wondering what to do with them. The big UK supermarkets played the big companies off against each other and it turned into duel by discount. The average British wine drinker became conditioned into buying simply what was on promotion and Australian wine became increasingly synonymous with cheap wine.

Total Australian wine exports fell last year, for the first time in 15 years. In 2008 the value of wine exports to the UK and US shrank by 17.5 and 23% respectively, and now the only growth seems to be in cheap Australian wine exported in bulk – hardly good for Australian wine's image. Australia is producing almost three times as much wine as it was 15 years ago, a total that is approaching three times domestic consumption. But Australians are drinking less Australian wine, while imports, especially whites from New Zealand, have been increasing steadily - threefold between 2004 and 2008.

Meanwhile, up to a quarter of growers in the most industrial inland irrigated regions are reported to be on the brink of bankruptcy. And many of those previously encouraged to invest in what was then the booming Australian wine industry have retreated, licking their wounds. The story of Palandri, a flashy winery constructed in the fine wine region Margaret

River in Western Australia, nicely illustrates what went wrong with the structure of the industry. It was built in Margaret River to attract the tourists that flock to one of the world's most beautiful wine regions, but hardly had a vine there because, thanks to the reputation painstakingly established by local pioneers, vineyard land was so expensive. Fruit was brought in from cheaper areas instead. But wine drinkers are not stupid and the venture in its initial form finally failed. It has been renamed and now belongs to a Chinese businessman.

The Australian wine industry, beset by crippling drought (most years), exceptional frosts (2007) and serious bushfires (2009), is suddenly in what looks like a perilous position. Like so many wine producers outside Europe, it has so far concentrated its efforts on the big retailers in the UK and has therefore failed to build up a really solid distribution network for its better wines, which is an enormous shame since, contrary to the popular myth that Australian winemaking is about as romantic as a car assembly plant, there is a host of great, increasingly subtle, wine made by people every bit as driven as Europe's finest vignerons.

The generic body Wine Australia is doing its best to address this particular problem by holding a series of tastings with key opinion formers in key markets. And this June amid much hullabaloo, a squad of handpicked media, sommeliers and so on are invited to Landmark Australia in the Barossa Valley – there to be spoonfed Australia's finest wines by some of the country's most impressive winemakers. For in academic circles, Australian wine research is still highly regarded, and Landmark participants are expected to fly home some of the world's best-informed wine experts.

My suggestion is that as many wine lovers as possible should try wines from the likes of the producers below, good (but by no means the only) examples of those who make wines that are hugely superior to the current Australian stereotype. And look at all my tasting notes on Australian wines of course.

Bindi
Brokenwood
Clonakilla
Crawford River
Cullen
Curly Flat
Domaine A
Giaconda
Grosset
Henschke
Jasper Hill
Killikanoon
Moss Wood
Noon
Shaw and Smith
Tapanappa
Tarrington