Bordeaux 2008 - setting the right price

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

See our tasting notes and scores on nearly 600 bordeaux 2008s on purple pages. See also What would make you buy 2008 bordeaux? on our members' forum.

The trouble with the 2008 vintage that I tasted last week, along with thousands of other wine professionals from Britain and Asia though not that many from America, is that it looks really rather good - certainly very much better than the wildly overpriced 2007s, even though the summer was scarcely more propitious.

In at least one important way, it would have been much more convenient for many interested parties, and especially the top Bordeaux château owners, if 2008 had been even less successful than the 2007. That way, in recognition of these extremely straitened times, they could have dramatically reduced the opening prices traditionally announced at this time of year, or even abandoned altogether the relatively recent tradition of the primeurs campaign whereby proprietors manage to sell the new vintage two years ahead of delivery. There would be no loss of face and no knock-on effects on the prices of other recent vintages.

Proprietors of the very few dozen most sought after wine names in Bordeaux are still flush with the proceeds of their sales of the last few vintages.The 2005s were a soaraway success and the wines are now sitting in temperature-controlled storage around the globe, losing value after an extraordinary peak in prices last year. The ambitiously priced 2006s were much less successful and sold much less well. As for the rather scrawny 2007s, partly because they were offered this time last year while prices of the 2005s were still sky high, and partly because of the 'tradition' that Bordeaux's principal middle men, the négociants, keep their allocations only by continuing to buy, the château owners managed to sell their 2007s and move them notionally as far as the merchants' warehouses around Bordeaux (they are yet to be bottled). But a vast proportion of these 2007s are still sitting on the merchants' books, unloved, unwanted and threatening the very existence of several négociants if Bordeaux gossip is to be believed. More than ever in Bordeaux wine, everything, but everything, is for sale.

The global economy is such that it is difficult to see these 2007s finding a ready market in the near future - especially at the inflated prices at which they were offered, higher than many a fine mature vintage. The only ready markets for the 2007s seem to have been emerging wine-consuming countries such as South Korea, whose big companies' leap into the fine wine market most unfortunately coincided with a vintage - just like 1997 - that more experienced buyers could see was overpriced. As I reported three weeks ago, the British fine wine trade, usually the most active buyers of Bordeaux en primeur, insisted that there will be no primeur campaign at all unless 2008s are priced considerably lower than the 2007s. Despite this, Bordeaux château owners were trying to convince us tasters last week that they could not reduce the price of their 2008s because that would be a market-upsetting insult to those who had bought the 2006s and 2007s.

But on Monday, Hubert de Boüard of St-Émilion (pictured), whose empire has been expanding rapidly of late (see Hubert de Boüard - a very busy man*), took everyone by surprise by announcing an opening price for his Ch Angélus, at 40% less than his 2007 was offered, making it along with the 2004 the cheapest vintage available (though still more than £700 a dozen for those paying in sterling), as requested by the Brits. Since then there has been stasis while the Bordeaux gossip machine ground at full tilt in an effort to fully digest the implications of this dramatic gesture - and the even more significant news that even at this price, Angélus 2008 has not been easy to sell.

There is an argument that 2008 will be the year in which one of the most ancient Bordeaux wine professions, one of the layers in this many-layered market, will come into its own.The job of the brokers, charmingly called *courtiers* in French, is to reconcile the aspirations of the château owners with the commercial realities of the marketplace, as expressed by the négociants.

Last week Jean-Guillaume Prats of Cos d'Estournel, one of the most ambitious second growths, had carefully told the large group of British wine writers with whom I tend to tour the tasting rooms of the Médoc, that he was inclined to sit out the 2008 campaign (as you see at Prats on pricing - video). 'People can buy it if they want', but if the négociants choose not to buy the 2008s, they will not prejudice their allocations of the 2009s and 2010s, which will be based on how much 2007 they were good enough to take off his hands. After all, the château owners need to finance the 2008s at only the cost of production, which is a very modest fraction of any likely selling price. As for what price the 2008s might be, according to Prats it was all down to the first growths, who shoulder an enormous responsibility. In fact, this is probably the only time you will ever hear him say that he is happy not to have first growth status.

The first growths could certainly well afford to sit out a 2008 primeur campaign altogether, but there will be huge pressure on them from below to announce opening prices for some wine, however small a portion of this relatively small crop, just to get the market going for everyone else. Part of the problem for the first growths is that where they decide to pitch the prices of the 2008s will affect not just the négociants - who will find it extremely difficult to borrow money to buy this new vintage - but particularly those properties further down the feeding chain whose wines have not increased in price anything like as dramatically as those of the top layer. These are the Bordelais who, along with the négociants, are really under pressure at the moment, caught in a vicious circle whereby in many cases their wines sell at too low a price for them to be able to justify the immensely detailed upgrades in technology, personnel and rigorous selection that the most glamorous châteaux have been able to afford.

This makes it all the more remarkable that some of the most exciting wines among the hundreds I tasted last week carried relatively modest appellations. I shall be reporting on the wines themselves (bit players, alas, in the Bordeaux market) in more detail next week, and trying to unravel just why such a miserable summer produced such cheer in the thousands of tasting glasses emptied last week.

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Hubert de Bouard will be presiding over a special Angelus dinner in The Capital Hotel's Michelin-starred resturant in London this Thursday 16 Apr. Tickets are £250 each and may be booked via caprest@capitalhotel.co.uk, or call 020 7591 1202.

* ***Update 14 Apr 2009:*** Hubert de Boüard's empire has continued to expand since that article was written in May 2008. He is now also constultant at the following additional properties: Ch Adaugusta, St-Émilion; Néos et L'Apogée de Néos, Lussac- St-Émilion; Ch Tour de Sarrail, Bordeaux; Ch Lamothe Bergeron, Haut-Médoc; and Ch Serilhan, St-Estèphe. Plus Ch Daugay, St-Émilion, should be added to the list of family properties.