

Champagne

Tom Stevenson

BCC became the second-largest group in Champagne on 22 March 2006, when Bruno Paillard finalized the deal to purchase Lanson International, firmly pushing Vranken-Pommery Monopole down into third place.



TOM STEVENSON

The purchase price for Lanson was €122.7 million (\$150.3 million). The fact that BCC inherited €400 million in debts had some commentators shaking their heads, but although this effectively increased the price to €522.7 million (\$646.3 million), it should be realized that Lanson International also includes the entire former Marne et Champagne business, plus Besserat de

Bellefon. On its own, Lanson is potentially

worth half a billion euros, if properly run and financed, but the inclusion of Marne et Champagne, Besserat de Bellefon, and four châteaux in Bordeaux made it the deal of the century, and no one was better qualified to recognize this than BCC's two founders: Bruno Paillard and the new PDG at Lanson, Philippe Baijot. When I first met this dynamic duo in 1980, Baijot was the sales manager for Marne et Champagne, and Paillard was the company's export consultant. They know full well that Lanson is the primary

TOM STEVENSON has specialized in Champagne for more than 25 years. *Champagne* (Sotheby's Publications, 1986) was the first wine book to win four awards, and it quickly established Tom's credentials as a leading expert in this field. In 1998, his *Christie's World Encyclopedia of Champagne & Sparkling Wine* (Absolute Press, revised 2003) made history by being the only wine book ever to warrant a leader in any national newspaper (*The Guardian*), when it published a 17th-century document proving beyond doubt that the English used a second fermentation to convert still champagne into sparkling wine at least six years before Dom Pérignon even set foot in the Abbey of Hautvillers. Tom has judged in France, Germany, Greece, the United States, and Australia, and he is chairman of the champagne panel at the *Decanter* World Wine Awards. His annual Champagne Masterclass for Christie's is always a sellout.

profit-maker, but if any of those initially interested in bidding for Lanson International understood how much of an additional asset Marne et Champagne could be, it had to be Baijot and Paillard. It's odds-on that they will increase Marne et Champagne's market value and annual profitability. Unlike the Mora family, who inherited this low-profile, cash-rich business then sought the limelight of a *grande marque* but purchased it at the very top of an overpriced market, ending up relative paupers in the process.

The €122.7 million (\$150.3 million) was split between the Mora family, which owned 55 per cent of Lanson International, and the French investment bank Caisse d'Épargne, which owned the balance of 45 per cent. The rumour is that the price was shared slightly differently than the percentage ownership would normally dictate, but exactly why and what the precise

split is are uncertain because the only ones who know are not telling. However, the division of the money received cannot be far off the actual percentages of ownership, thus the Moras got around €67.5 million (\$83.15 million), and we know that they immediately paid off a €16-million loan from Crédit Lyonnais, leaving them with barely more than €50 million (\$61.6 million). This not only demonstrates the folly of buying at the top of a market, but also illustrates perfectly how much of uncle Gaston's money they blew away. They had inherited a business widely reported at the time to be worth FF3–4 billion (\$580–711 million); and had they sold up, instead of buying Lanson, and placed the money in a safe-as-houses bank account with an average interest of just 3 per cent per annum, the Mora family would be worth well over €1 billion now, instead of just 50-odd million.

Grapevine

- History ends for Berry Bros** when, after shipping Champagne Binet non-stop since 1887, they switched to Maily Grand Cru for their prestigious own-label. Buyer Simon Field MW obviously has his finger on Champagne's pulse because he could not have picked a better time to move to this cooperative. With exclusively *grand cru* vineyards from one village only, this cooperative has always had the potential to produce something special, and since the harvests of 1995 and 1996, that is exactly what they have been doing.
- Only an idiot** would declare a lousy year like 2001 a vintage, but in setting up a forthcoming vertical of preview vintages, I discovered that Charles Philippinot will be releasing a 2001 Clos des Goisses in the distant future. So, is Charles an idiot? I think not. Clos des Goisses is a special vineyard, especially its steep, so-called "south-south" facing slope, where grapes can burn in hot years and ripen in even the worst years when all around fail to do so. I have very fond memories of Clos des Goisses from another terrible vintage, the 1951, so I will approach the 2001 Clos des Goisses with an open mind. In the meantime, this is how Charles Philippinot explained the decision

to release another "lousy" vintage exactly 50 years later: "Yes, we dared do it, and no, we are not completely crazy. We harvested before the rain at 10.5 per cent potential alcohol [when the average in the rest of Champagne was 8.5 per cent – TS] and produced only 5,000 bottles out of a potential of 50,000, and the average bottling for Clos des Goisses is 15,000–20,000. We think that with only a small *dosage* it is fine. Even good. You will find out!" Others declaring the best-forgotten 2001 vintage include Duval-Leroy (Authentis Cumières), Moutard (Cuvée 6 Cépages), and Oudinot (Marks & Spencer).

- Be on the lookout** for Mumm's forthcoming new prestige *cuvée*, as yet unnamed. A sneak preview of the inaugural 1998 vintage, due to be launched in 2007, and the follow-up 2002 vintage, revealed a champagne of true class. Plots of mature vines in 12 *lieux-dits* spread over eight *grands crus* have been put aside for this new wine, but only four or five plots will make it to the final blend in any one year. Unlike the non-vintage Mumm Grand Cru, this Champagne exudes finesse and gets my thumbs-up.

- Dominique Demarville left Mumm** in August 2006 to join Veuve Clicquot.

Grapevine

- The dole for one of Champagne's best winemakers!** Hervé Jestin, who has done so much to lift the quality of Duval-Leroy, has had his marching orders "for reasons of difference in opinion" according to Carol Duval. Since Jestin was made to sign a non-disclosure agreement, it remains a bit of a mystery, although both parties agree that nothing untoward went on. The rumour is that Jestin would not share the recipes for his blends! Suffice to say that I think Duval-Leroy has lost more than Jestin, who could, as far as I'm concerned, walk into any *grande marque* house and do the job well. He is succeeded at Duval-Leroy by Sandrine Logette, an oenologist who has worked at this house since 1991. I wish her well, but she has big shoes to fill.

- Two fine additions** to the Champagne library were published in 2005. *Caves de Champagne* by Michel Jolyot (Atelier Jolyot, October 2005) is a pictorial journey through the cellars of Champagne as captured by the photographer who snapped a famous shot of John Lennon in the streets of New York. *Les Clés de Vins de Champagne* (CIVC, 2005) breaks the mould of promotional literature. This is not simply a thick pamphlet,

but a pukka book of substantial size (30 x 22 cm [12 x 8½ in], 295 pages), which is chock-a-block with historical, climatical, geological, and technical facts, figures, tables, and maps – a treasure trove of information for all champagne aficionados, available from the CIVC in person for €15 or €20 if ordered by mail. An English-language edition should be available in the first quarter of 2007, although the title and price were unknown at the time of going to press.

- Champagne has joined up** with port, sherry, Napa Valley, Oregon, and Washington State to launch the Center for Wine Origins. When launching this initiative, Bruno Paillard representing CIVC stated, "Regardless of what side of the Atlantic you come from, we all agree that great wine is made in unique places all over the world and that these unique place names must be protected." But which side of the Atlantic does matter, since the Center for Wine Origins is located in Washington, DC, and is funded by the EU. It's all about educating US consumers and US policy-makers *vis-à-vis* the importance of location and accurate labelling. The associated website can be found at www.wineorigins.com.

TAITTINGER SOLD AGAIN

In September 2005, controlling interest in Groupe Taittinger was sold to Starwood Capital, the American investment and hotel group, for €2.6 billion (\$3.2 bn). Groupe Taittinger was built on the profits of the family's champagne business and comprises Bouvet-Ladubay, Domaine Carneros (jointly with Kobrand), Baccarat crystalware, and, most significantly, Société du Louvre. The latter is the majority shareholder in the Hotel Lutetia and the Hotel de Crillon in Paris, the Hotel Martinez in Cannes, and the 900-strong budget-hotel group Envergure. Although Taittinger was a publicly owned company, the family still controlled 35 per cent of the shares. That was split across a large, diverse family, some 30-odd members of which held positions throughout the group. However, many of them could barely bring themselves to talk to one another. In 2003, the

Belgian billionaire Baron Albert Frère increased his holding from 16 to 25 per cent, exacerbating the rift in the family, into which Starwood stepped in 2005. Starwood's sights were firmly fixed on the Société du Louvre, and its strategy had always been to sell on Champagne Taittinger. Of the eight bids in all, perhaps the strongest opposition the family faced was from the Indian-owned United Breweries. Luckily for them, this bid was opposed by the CIVC, which expressed concern about Indian ownership because India does not recognize the Champagne appellation. Where this moral high ground was when an American firm purchased Taittinger the year before is anybody's guess! In June 2006, it was announced that the winning bid of €660 million (\$850 m) came from Claude and Pierre-Emmanuel Taittinger backed by the Crédit Agricole du Nord-Est. The sale includes all three wine domaines, but the level of indebtedness is believed to be very high.

Grapevine

- **Jean-Claude Rouzaud** has stepped down in favour of his son, Frédéric, who is now responsible for the entire Louis Roederer group, including Deutz (although it remains under the day-to-day control of Fabrice Rosset), Château de Pez, and Château Haut-Beauséjour in Bordeaux, Domaines Ott in Provence, Roederer Estate and Scharffenberger in California, and the port house of Ramos-Pinto. Some observers cannot believe that Jean-Claude Rouzaud won't be able to resist poking his nose in, but that is precisely why he has moved to Paris. He wants to be far enough away to avoid the temptation to keep popping in, but near enough to be on hand if Frédéric seeks his advice.

Besides which, those observers have obviously not noticed how much he is enjoying life with his second wife!

- **Young Benoît Marguet-Bonnerave** reports that his mother suddenly stopped production of Champagne Marguet-Bonnerave exactly 100 years after two Bonnerave brothers made the family's first champagne. He claims she sold off the entire 2005 crop as grapes without telling him. Forced to strike out on his own, Benoît has purchased Taittinger's old cellars in Ambonnay, where he now makes champagne under his own brand, Champagne Marguet, with grapes from his wife's vineyard on the Côte des Blancs, and Pinot Noir purchased from a friend in the Montagne de Reims.

Opinion:

Champagne's suicidally high yields

With the right climatic conditions, the Champagne region can ripen a bumper crop of grapes and produce truly beautiful wines: 1982 is a perfect example. Sparkling wines can tolerate higher yields than still white wines, which in turn can tolerate higher yields than red wines, so it does not surprise me that I tasted many excellent *vins clairs* from 2004, despite that year averaging 23,000 kg/ha. Indeed, the quality of 2004 is generally superior to 2005, even though the yield that year was less ('only' 18,000 kg/ha). Furthermore, given Champagne's marginal climate, in which spring frosts can be devastating, it is expedient for growers to prune for higher rather than lower yields. However, everything is relative. History demonstrates that it is likely to rain in Champagne during the harvest. It did in 2005. Just a bit. Less than normal in fact, but temperatures were higher than average, and grey rot on the Pinots Noir and Meunier reduced the quality. In 2001, when the grapes were so massive, they were close to bursting before it rained; and when it rained, it bucketed down. So the *Champenois* are caught between a rock (frost)

Grapevine

- **Chanoine has purchased** the Champagne F Bonnet brand from Rémy Cointreau. Philippe Baijot, PDG at Chanoine at the time (see lead story on Lanson), told me: "It makes sense to bring the two Bonnets together. When we advertised Alexandre Bonnet, we were never sure how much benefit Rémy Cointreau received, since one Bonnet is the same as another to many consumers. No doubt they had similar worries. But now we have both, it doesn't matter."

- **A new 'top-tier' range** called Diamant has been launched under the Vranken brand. The first four *cuvées* are a Brut NV, two vintage champagnes (starting with a Brut 1999 and a Rosé 1998), and a prestige *cuvée*. Whether this will upgrade the Vranken name is open to question, but the decision to spin off a clear

glass version of Heidsieck & Co Monopole's old Diamant Bleu bottle will further dilute the reputation of a former *grande marque* that has been demoted to a 'fighting brand' under the Belgian's regime. In May 2006, Vranken-Pommery bought 21 ha of vineyards for €20 million. The purchase of vineyards by houses is rare, since SAFER usually steps in at the last moment to award the sale to one or more growers.

- **Perrier Jouët has released** a new glass alongside its 1998 vintage of Belle Epoque. Designed by Serena Sutcliffe MW, with the Belle Epoque flowers discreetly etched on the upper surface of the base of the glass, it makes previous enamelled glasses look kitsch by comparison. Furthermore, unlike those enamelled glasses, this is high-quality stemware that drinks beautifully.

and a hard place (rain). It is not simply a matter of aiming for high yields to offset any reduction from frost damage, but also a question of not allowing the crop to become so large that typical harvest conditions will at best lower the quality, while at worst fairly common downpours will result in disasters like 2001. This can be achieved by pruning generously to hedge against frost, but pruning long and rubbing off buds to spread out the load and increase ventilation; then, when necessary, fine-tuning by green pruning. Recent average yields, however, illustrate that the majority of growers are not just hedging against the prospect of frost but are aiming for dangerously high yields. Not just dangerous from a quality perspective, but also dangerous in terms of attracting a rebuke from the EU, which will view an average of 146.5 hl/ha (as in 2004) for a fine wine with the sort of reputation champagne has in a much less accommodating light than either INAO or the French Ministry of Agriculture has done so far. Will Champagne get its own house in order first? The CIVC hopes to raise the maximum permitted yield including PLC to 15,000 kg/ha (95.5 hl/ha), which in itself is fine, but if the *Champenois* can average 23,000 kg/ha when the maximum permitted yield is 13,000 kg/ha, one must wonder what on earth they will average when that is bumped up to 15,000 kg/ha?

Grapevine

- **If trade observers were curious why**, after more than a decade of brilliantly raising standards at Deutz, Odilon de Varenne should suddenly up sticks and move to Henriot, then his decision to leave Henriot after barely two years must be even more of a conundrum, especially since Gosset already has a *chef de cave*. Were there plans afoot to edge out Jean-Pierre Mareignier after 25 years of service? Rumours have been rife, so here's the truth. Mareignier is staying, and that comes directly from Béatrice Cointreau, who told me that he had actually requested help. This makes sense when you take into account that since Cointreau took over Gosset 13 years ago, production has increased from a static 500,000 to rising 1.2 million bottles. The *chef de cave's* job had literally doubled, and with exports having tripled over the same

period, Cointreau needed someone who would relish the idea of travelling, and Mareignier did not. Odilon de Varenne was a good choice for many reasons, not least because he and Mareignier are old school chums. Varenne has three specific primary duties at Gosset: (1) he takes over the entire production after the wines are disgorged; (2) he is responsible for raising levels of traceability; and (3) he will assist the sales team at tastings around the world.

- **Veuve Clicquot's** first-ever non-vintage *rosé* has been launched. It is a Pinot Noir-dominated *cuvée* with 12 per cent red wine, and reserve wines of up to nine years of age comprise one-third of the blend. Veuve Clicquot produced the first-ever vintage champagne *rosé* in 1777.

Vintage Report

Advance report on the latest harvest

2005

A perfect flowering in June, with dry, sunny weather, followed by a hot and wet July – conditions that allowed the vines to access Champagne's high levels of organic matter in the soil (often higher than 3 per cent, and sometimes more than 4 per cent), causing exceptional cellular growth of the berries prior to *véraison*. A fresh August, followed by a warm and humid September, resulted in about 14 per cent grey rot in the black varieties, particularly Meunier. This variability mitigated against 2005 being a true vintage. Definitely not in the class of 2002; probably on par or just below 2004, although some producers may make better 2005s. This is a winemaker's year. Jean-Baptiste Lecaillon, the *chef de cave* at Roederer, told me: "If you are a good blender, one plus one can often equal three, but in 2005 one plus one equals four!" From tasting the *vins clairs*, I found Chardonnay overwhelmingly the best variety, with Le Mesnil-sur-Oger its most successful *cru*. Pinot Noir has the edge over Meunier, with Verzy and Verzenay standing out.

Updates on the previous five vintages

2004

Vintage rating: 85–88

The *vins clairs* are classic, with the best acids I have tasted in years (thanks to the diurnal difference). When I stated last year that this is a vintage on steroids, I meant that it was huge and boosted by an injection of exceptional sunshine. The quality is good to very good, with excellent acids and purity.

2003

Vintage rating: 50–90

The *vins clairs* of Jacquesson best reflected 2003's sumptuous richness, while Krug and Roederer displayed exceptional acidity for the year. (One of those rarely mentioned facts is that acidification has always been permissible in Champagne, while it remains illegal further south, except for this sweltering hot year when a unique dispensation was given.) Considering the small size of the crop and proportionately greater scarcity

of Chardonnay, a number of houses might not release a standard vintage, but any producer who has not done his or her best to make a small volume of pure 2003, even if only for in-house use, will live to regret it as global warming continues and they have no library bottles to learn from.

2002

Vintage rating: 85–90

This is without doubt a vintage year, and a very special one, too, marked by the *passerillage* that reduced the crop in some vineyards by up to 40 per cent and endowed the wines with the highest natural alcohol level since 1990 (which itself was the highest since 1959). It is definitely a Pinot Noir year, with Ay-Champagne the most successful village. There are some fine Chardonnays, but in general they are less impressively structured and lack acidity. Not that the Pinot Noirs are overblessed with acidity. Low acidity is a key feature of this vintage, with *vins clairs* tasting much softer than their analyses would have us believe.

2001

Vintage rating: 35

Dilute, insipid, and unripe. Anyone who declares this needs their head testing.

2000

Vintage rating: 80

Virtually vintage-quality ripeness, but more of a good non-vintage year, although there are a lot of *Champenois* who believe that 2000 is a magical number, so we can expect more declarations from this year than it really deserves. However, good, even great, champagne can be made in almost any year if the selection is strict enough, and with so many 2000s likely to be marketed, there should be plenty of good bottles to pick from. Generally soft, forward, and easy-drinking in style, while some really special wines – such as Philipponnat's Clos des Goisses, Jacquesson Dzy 1er Cru Corne Bautray, and Pierre Gimonnet's Fleuron *en magnum* – will be great.

Grapevine

● **Laurent Fresnet takes over** from Odillon de Varenne at Henriot. He comes from the Coopérative Vigneronne at Vertus, which he has managed since 2001. Before that,

he was in charge of production at Champagne Cazals. An oenologist, Fresnet has winemaking experience in New Zealand, South Africa, Portugal, and Provence.

GREATEST WINE PRODUCERS

- 1 Krug
- 2 Pol Roger
- 3 Billecart-Salmon
- 4 Louis Roederer
- 5 Bollinger
- 6 Deutz
- 7 Jacquesson
- 8 Gosset
- 9 Pierre Gimonnet
- 10 Vilmart

FASTEST-IMPROVING PRODUCERS

- 1 Vilmart
- 2 Mumm
- 3 Pommery
- 4 Mailly Grand Cru
- 5 Bruno Paillard
- 6 Philipponnat
- 7 Duval-Leroy
- 8 Pannier
- 9 Moët & Chandon
- 10 Vve Devaux

NEW UP-AND-COMING PRODUCERS

- 1 Serge Mathieu
- 2 Henri Mandois
- 3 Fluteau
- 4 Bruno Paillard
- 5 Chanoine's Tsarine range
- 6 Henri Giraud
- 7 Audoin de Dampierre

BEST-VALUE PRODUCERS

- 1 Charles Heidsieck
- 2 Serge Mathieu
- 3 Henri Mandois
- 4 Duval-Leroy
- 5 Alfred Gratien
- 6 Bruno Paillard
- 7 Lanson
- 8 Louis Roederer

- 9 Drappier
- 10 Piper-Heidsieck

GREATEST-QUALITY WINES

- 1 = **Vintage 1995** Krug (€209)
- 1 = **Dom Pérignon 1998** Moët & Chandon (€99)
- 3 **Cuvée Sir Winston Churchill 1996** Pol Roger (€115)
- 4 **Grande Cuvée NV** Krug (€120)
- 5 **Cuvée William Deutz 1998** Deutz (€90)
- 6 **Brut Millésimé 1999** Louis Roederer (€40)
- 7 **Amour de Deutz 1999** Deutz (€102)
- 8 **Grand Millésime 1999** Gosset (€41)
- 9 **Belle Epoque Rosé 1999** Perrier Jouët (€120)
- 10 **Cuvée Royale Brut 1998** Joseph Perrier (€32)

BEST BARGAINS

- 1 **Club de Viticulteur Brut 1999** Henri Goutorbe (€18)
- 2 **Brut Rosé Millésimé 2000** Deutz (€34.90)
- 3 **Brut Millésimé 1999** Louis Roederer (€40)
- 4 **Brut Cuvée Victor Mandois 2000** Henri Mandois (€30)
- 5 **Brut Millésimé 1998** Mumm (€35)
- 6 **Nostalgie 1998** Beaumont des Crayères (€23.65)
- 7 **Cuvée Royale Brut 1998** Joseph Perrier (€32)
- 8 **Cuvée Royale Blanc de Blancs NV** Joseph Perrier (€28)
- 9 **Réserve Brut Blanc de Noirs NV** Michel Lorient (€13.90)
- 10 **Chouilly Grand Cru Cuvée des Crayères Brut 1999** Smart-Moreau (€13.55)

MOST EXCITING OR UNUSUAL FINDS

- 1 **Le Clos 2000** Henri Mandois (€45)
This brand-new, single-vineyard, pure Meunier demonstrates that Champagne's supposedly inferior grape variety can be a class act.
- 2 **Mumm de Cramant NV** Mumm (€45) *Now reminiscent of the best cuvées of Crémant de Mumm in the old days.*
- 3 **Les Aventures Grand Cru Blanc de Blancs NV** AR Lenoble (€49)
A single-vineyard champagne from Les Aventures, a lieu-dit at the foot of Château de Saran, blended from three truly exceptional vintages (1990, 1995, and 1996). Just 940 cases produced.
- 4 **Brut Millésimé 1998** Mumm (€35) *The best Mumm vintage of the 1990s. Excellent. Has finesse and complexity. Will age beautifully.*
- 5 **Coeur de Cuvée 1993** Vilmart (€72 per magnum) *If I'm going to have oak in my champagne, with fruit closer to burgundy, then this recently released magnum is my choice.*
- 6 **Cuvée Royale Blanc de Blancs NV** Joseph Perrier (€28) *Lovely biscuity fruit and excellent acidity are the key to this cuvée's*

consistent quality and impressive potential longevity. One of Champagne's best-kept secrets.

- 7 **Clos du Moulin Premier Cru NV** Cattier (€50) *This fresh, elegant single-vineyard blend of 1995, 1996, and 1998 will achieve great complexity.*
- 8 **Egérie Brut 1998** Pannier (€42)
You might be confused by the "Brut" on the label, yet "Extra Brut" on the neck booklet (see Grapevine below), but there is no doubting the intense, knife-edge fruit, which is clearly capable of slow and graceful maturation as layers of complexity unfold.
- 9 **Cumières Rouge Coteaux Champenois 1999** René Geoffroy (€22.22) *The first vin tranquil to make any Top 10 in my Champagne report, this is the best Coteaux Champenois Rouge I have tasted in years. Lovely Pinot Noir fruit, with nicely developed bottle aromas. Although approaching its peak, it shows no sign of decline.*
- 10 **"O.R. 1735" 1997** J De Telmont (€35) *The cork and cap on this creamy-complex champagne are secured by a string ficelle, as in the 18th century.*

Grapevine

- **Confused by the samples** of Pannier's Egérie 1998 submitted to my annual champagne tasting at Château de Boursault, my tasting coordinator wondered if it should be logged on to the computer as a Brut, as per the label, or an Extra Brut, which is how it is described in the booklet hanging from the bottle's neck. We checked with Terry Kenny, Pannier's export manager, who had been fearing this moment. "When we ordered the label, we thought that it

would be a Brut," he said, "but at our in-house tastings it was decided that 3.5 g of residual sugar would make the ideal dosage, so we put Extra Brut on the neck label." Technically an Extra Brut (0–6 g) is also a Brut (0–15 g), so there was nothing illegal, but it would be helpful for the consumer to know if the champagne has a very low dosage.