

COLLECTING

THE JOY OF AGING

To buy, hold and drink wine is one of life's visceral joys, says CHARLES CURTIS. Just be sure you are attuned to the finest details.



The notion of squirreling away cases of wine to gather dust seems at odds with the hedonistic enjoyment it can provide – particularly when you consider how bothersome and costly storing wine can be. Wine requires particular conditions to survive – which are not always easily met – and with the range and quality offered by many merchants today, most wine lovers feel no compulsion to lay down stocks of their own. And yet, there are many valid reasons to collect.

One is that a wine changes over time, deepening and becoming more complex. Although some are made to be enjoyed young, others reveal their interest only after a certain period in the cellar – and it's not always easy to find a perfectly mature wine on the way home from work.

Indeed, much of the pleasure of collecting wine is determining the best point at which to drink it, and this appreciation is the essence of a connoisseurship that dates back at least to Roman

times. Today, wine lovers buy and trade wine throughout the world, and an entire industry has sprung up to meet their needs.

There is another reason, though, for the vigor of this market and it lies in the obvious fact that as elite wines are drunk, the remaining ones appreciate in value, providing a financial incentive to collect. Even modest wines can appreciate considerably: if you bought a case of Pavillon Rouge 2003 from Château Margaux at auction the first year it appeared (2006) and sold it this year, you would have almost tripled your initial outlay of US\$528, with an average annual appreciation of 12.3 percent. Wine collecting would therefore appear to combine an appreciation of gastronomy and history with a hint of avarice and acquisitiveness.

Whatever the motivation, once you've made the decision to collect, the bigger question is what bears collecting? The first answer is that a proper cellar should be diverse and balanced,

containing youthful, fresh wines for day-to-day drinking; newly released vintages that are being laid down for future consumption or possible sale, and some wines that are at their peak of maturity and ready to drink.

The proportions, of course, are a question of personal taste. Yet it is still possible to offer a few guidelines. One of these is to look at the secondary market. Even if you plan to drink every bottle, your heirs might appreciate a focus on the auction market. Here, red Bordeaux provides the bulk of the volume, red and white Burgundy often attain the highest prices, and there is a certain amount of activity in vintage Champagne and wines from the Rhône Valley, along with a select group of Barolos, Brunellos and 'Super Tuscan' wines, plus a few New World stars to round out the mix. While vintage Port and Sauternes are often thought of as collectable (and do age extremely well), they do not hold their value as well as these other wines.

Your initial outlay need not be extraordinarily large – often one will see a sharper appreciation from lesser wines than from their grander counterparts. If you had bought a case of the grand vin from Château Margaux at the same time as that Pavillon Rouge, it would have appreciated from an average price of US\$5,712 per case (10 times that of the château's second wine) to just US\$6,708 – an annual gain of only 1.8 percent.

Picking Burgundy to buy can be more difficult than Bordeaux, not least because the top wines are currently trading at historic highs. One strategy is to track previous auction sales to find wines from top producers that lag slightly behind their counterparts. A good example is Domaine Armand Rousseau's Clos de la Roche. The 2005 vintage has been selling for US\$370 per bottle, some way below last year's average of US\$430. Sometimes, however, it's simply a case of waiting for the right moment: the most recent sale of 2008 Raveneau Montée de Tonnerre Chablis Premier Cru saw it sell for US\$200 a bottle; at the previous sale the price was US\$280.

The importance of understanding pricing cannot be overstated. The average price this year for 1996 vintage Krug has been US\$355 per bottle. Two cases of 12 were recently sold at Christie's Hong Kong for a bottle price of US\$290, while late last year another sale, also at Christie's Hong Kong, achieved US\$340 per bottle, a 17.2 percent swing. The best collectors have an intuitive sense of these swings and are ready to lift their paddle at a moment's notice.

Finally, don't underestimate provenance and condition along with other, more tangible, factors. Wines retain their value best in unbroken, original wooden cases of 12 or six bottles. And remember to save your receipts, store your wine properly, and buy from someone you trust. Then you'll be well on your way to building a collection.

PHOTO: DOUGLAS FRIEDMAN/TRUNK ARCHIVE. WHISKEY BOTTLES: QING CLUB AND HUNG YUEN PROVISIONS



A WINNING HAND

Japanese whiskey distillery Hanyu was founded by the Akuto family, producers of sake from Saitama prefecture. Dedicated to perfection, Hanyu proved too sophisticated for the market and closed its doors in 2004. Casks of old whiskey were retained by family heir Ichiro Akuto, though, and re-released to great acclaim in a series with labels featuring playing cards. The last two cards (the White Joker and the Colour Joker, pictured left) went on the market last year, and the remaining bottles now trade at auction for more than US\$15,000. At this price the whiskey is more expensive than most single-malt Scotch (although significantly cheaper than the top of the market). The reason? Rarity – these are among the most limited drams on the planet.



SIZE MATTERS

The smart money is on the prolonged slump in Bordeaux prices spurring a buying opportunity for savvy collectors. Perhaps most interesting is the lack of a premium being attained for magnums and larger bottles. Much rarer than the standard size, these larger formats have historically sold for a premium, in terms of volume, compared to the standard bottle size. Consider the case of double magnums (three liters) of Pétrus 2000. In 2008, this size sold for a 26-percent premium: 750ml bottles averaging US\$3,787, while the four-times larger double magnums averaged US\$19,100. Last year, however, double magnums sold for a 19 percent discount by volume against standard bottles, with the latter averaging US\$4,034, while double magnums averaged US\$13,086.



Under the radar: Burgundy

The lack of renown for the work of Thibault Liger-Belair (pictured left) is nothing less than shocking. One of the new generation of this venerable Burgundian family, Thibault is the cousin of Louis-Michel Liger-Belair, who heads the more well-known Domaine du Comte Liger-Belair, sole proprietor of the La Romanée grand cru. Thibault is an extraordinarily adept winemaker in his own right, however, with an elegant, classical style that is perhaps more muscular and structured than the lovely, approachable wines of his cousin's estate. His Richebourg and Clos de Vougeot would be at home in anyone's cellar, but the real steal is his Nuits-Saint-Georges Les Saints-Georges. This premier-cru vineyard is officially being considered for promotion to grand-cru status; if this transpires, expect prices to skyrocket.

FORECAST: ITALIAN WINE

The wine-auction market is nothing if not capricious, and it is difficult to extrapolate buzz to infer future results. It does seem, however, that there is a big noise around Italian wines, with many observers predicting that these will be the next big collectibles. The quality coming out of Italy has never been higher and the diversity of the offer is astonishing. Despite this,

many producers have failed to attain the cachet they perhaps deserve, including innovators such as Angelo Gaja and staunch classicists such as Brunello producer Biondi Santi. True blue-chip collectibles in Italian wine have been more or less limited to Giacomo Conterno's Barolo Monfortino Riserva, which is truly the Romanée-Conti of Italy in terms of collectability;

Masseto, the 100-percent Merlot that can be a dead ringer for Pétrus in some vintages (think 1997 and 2004), and to a lesser extent the marvelous (and now very rare) Brunello Riserva Case Basse from Soldera. Smart collectors are likely to hew closely to these favorites for appreciation while drinking and enjoying the delights of all of Italy's wine regions.

