Press kit

Joint BIVB/Hospices de Beaune
2010 press conference

BOURGOGNES
Bureau Interprofessionnel des Vins de Bourgogne

BOURGOGNES

Press conference

Salle des Pôvres de l'Hôtel Dieu – Beaune

Sunday 21 November 2010

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2010 Vintage in Burgundy:
well worth the effort

16 November 2010

The 2010 vintage in Burgundy is a success, despite difficult climatic conditions. In Burgundy, 2000 years of history have indeed allowed the vine and man to adapt to all situations. Far from being a question of chance, this longevity is proof that the vine has found its ideal land in this northern vineyard, whilst adapting to the climatic changes.
Here, making wine is an art form which has nothing to do with ease.

The Burgundy winegrowers demonstrate judgement, a great capacity to adapt, and the expertise to get the best out of each vintage.

The latest meteorological forecasting tools, analytical controls and tasting the grapes are all factors for anticipating and rationalising each of the key steps leading up to the harvest.

Tasting the grapes was particularly crucial this year, allowing winegrowers to monitor the change in the aromatic potential of each plot, one of the strengths of this vintage. Here, the level of maturity and the health of the vines were key in choosing the date of the harvest. Although the harvest usually takes place by colour (traditionally red then white), the winegrowers, attentive to the quality, alternated between red and white plots.

The small yields obtained are both a result of the winegrowers' controlled pruning, the *coulure* and *millerandage* caused by the climatic conditions in the spring, and the strict selection performed both on the vine and in the cellar. The winemakers were then able to adjust their technique on the harvested grapes to unveil the fine balance between sugar and acidity, without harming the aromatic expression.

There is no doubt that the 2010 Burgundies hold some nice surprises for wine lovers!

Since the harvest came to an end at the beginning of October, it is still too soon to give a definitive judgement on the wines of this vintage, although there are already some dominant characteristics.

White Wines

From the north to the south of Burgundy, the white wines reveal the whole range of expression of the Burgundy Chardonnay, often copied but never equalled!

These balanced wines are appreciated for their freshness and purity. The minerality, present on the palate, is typical of the Burgundy "Terroir". They reflect the elegance and finesse of Burgundy's great classics.

Red Wines

The olfactory nuances of the red wines can be found in red fruits and fresh fruits. These very perfumed wines also present a nice cherry red colour.

On the palate, they unveil silky tannins and a pleasant harmony between acidity and roundness. The persistent sensation of freshness perfectly translates the expression of the Pinot Noir in Burgundy.

Crémant de Bourgogne

The 2010 vintage is of good quality for the two grape varieties Chardonnay and Pinot Noir. The quality of the grapes allowed for a gentle extraction, resulting in base wines without excessive levels of acidity, an intense aromatic expression and good maturity.

Climatology 2010

a delicate year

After a very good summer 2009, the following winter was one to remember. The temperatures in December 2009 and January/February 2010 were particularly cold, with the average temperature in January only 0°C (compared to a usual 2.8°C). The third week of December saw major frosts with temperatures even flirting with -20°C in the night of 19 December. These temperatures resulted in frost damage, some of which was significant on certain plots. There was also a great deal of rain and snow in February, exceeding seasonal averages. Burgundy experienced a real winter - it was cold, snowy and dark, with the first two months of the year seeing a lack of sunshine.

March and April marked the beginning of spring with a rise in temperatures, greater than seasonal averages. April saw almost summer-like conditions. Precipitations were below the seasonal averages and there was a lot of sunshine. These favourable conditions allowed the ***budding to take place under good conditions, beginning mid-April*** for the earliest plots and soon taking place across the vineyard. The average estimated dates of the half-budding stage (50% green shoots) are close to the average (1994-2009).
In **May**, the situation worsened with temperatures plummeting and a return to cold weather, in particular during the first two weeks of the month. Temperatures then oscillated until the end of the month. On average, rainfall remained below average but there were considerable differences between the various sectors. Hours of sunshine recorded were far below average.
The first ten days of **June** saw mild temperatures, above seasonal averages, allowing growth once more. The atmosphere cooled down once more from 15 June. Mid-June, the ***mid-blossoming stage was reached on the earliest plots*** and a few days later for the other sectors. These dates are similar to those of 2001 and 2008 depending on sectors and grape varieties. The rainfall was heavy and sunshine was average.
July saw similar climatic conditions. The weather was very variable, alternating between hot, sunny periods and cooler, rainy spells. This very changeable weather in the spring and the beginning of the summer resulted in *coulure* and *millerandage* in many parts of the vineyard.

August saw similar conditions in terms of temperatures and rainfall. However, sunshine was below average. None of these conditions facilitate the maturing process, but the return to sunnier weather in **September** offset this to a certain extent.

Before the harvest, the health of the vineyard was fragile, and the winegrowers were extremely cautious with regard to *botrytis.* Some sectors were seriously affected. At the time of the harvest, winegrowers performed strict selection both on the plots and upon arrival in the cellar.
October, although somewhat cooler, saw little rain and good levels of sunshine.

A two-step maturing process

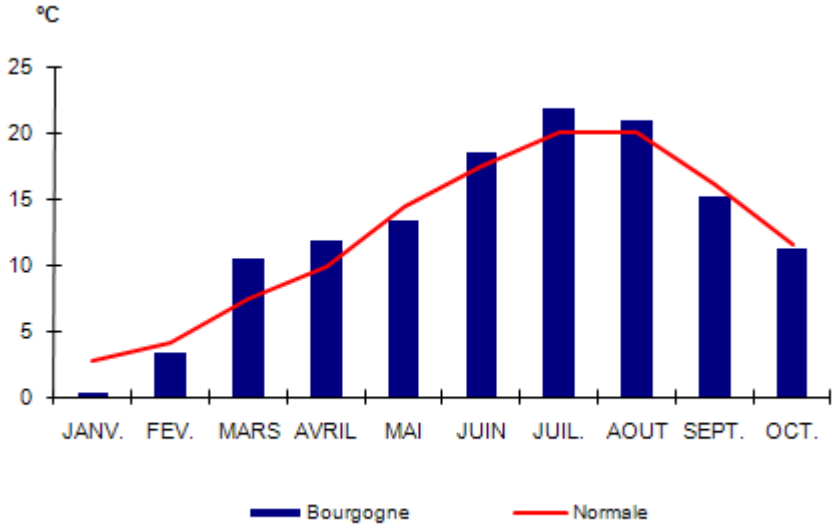
Maturing began at a good pace, in particular in terms of accumulation of sugars and reduction of total acidity, despite the climatic conditions which were by no means ideal. The absence of any real heat in August does not allow the consumption of organic acids, but the good sugar content obtained means that the grapes have good balance.

The first phase of maturing began on 23 August and continued until 6 September. During this period, ***the average daily gains in sugars, across all grape varieties and sectors, were regular and fairly substantial***.

On 6 September the weather was dull with heavy rain, marking a clear slowdown in the concentration of sugars in Chardonnay, Pinot Noir and Gamay. From this date the average daily gains began to fall, but without harming the final content which reached a fairly high level. A concentration effect took place within the grapes, rather than accumulation, notably on the earliest plots.

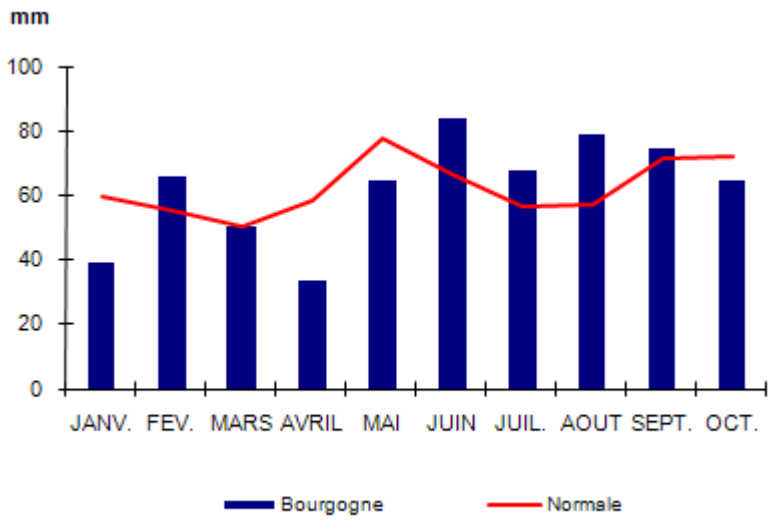
Tasting the grapes allowed the winegrowers to determine the best time to harvest. And the end of September/beginning of October, the grapes developed pleasant fruity aromas and a very interesting balance of sugar/acidity. At the time of the harvests, the vines, which had suffered throughout the year, were somewhat fragile and their health was a key factor in the choice of a harvest date.
The expertise of the professionals helped them find the ideal time, taking into account maturity, health risks and the unstable weather. The 2010 vintage required close attention at all times. It tested all involved but the final result, much to the surprise of external observers, is highly promising!

Average monthly temperatures Burgundy 2010



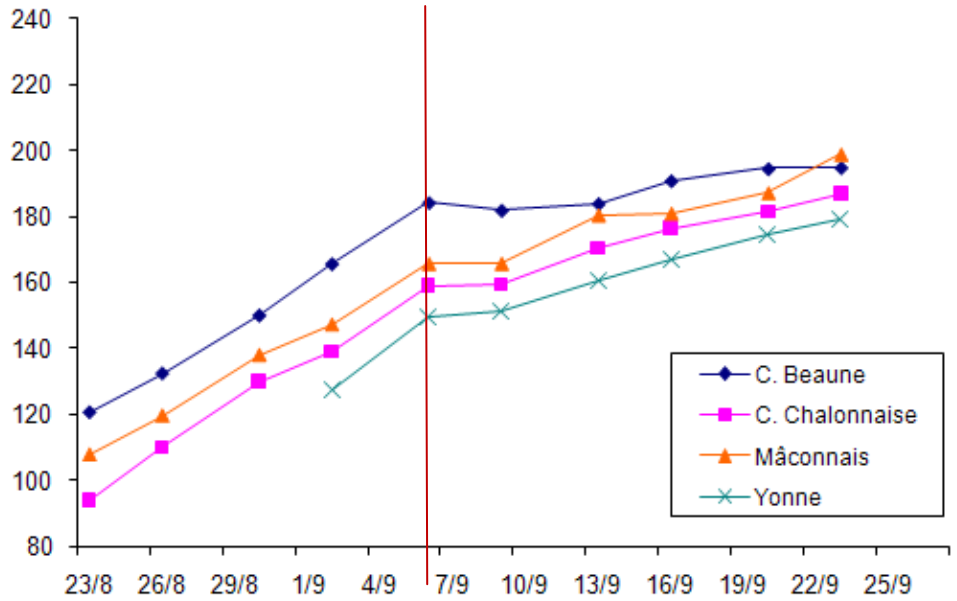
Sources: BIVB/Météo France

Average monthly precipitation Burgundy 2010



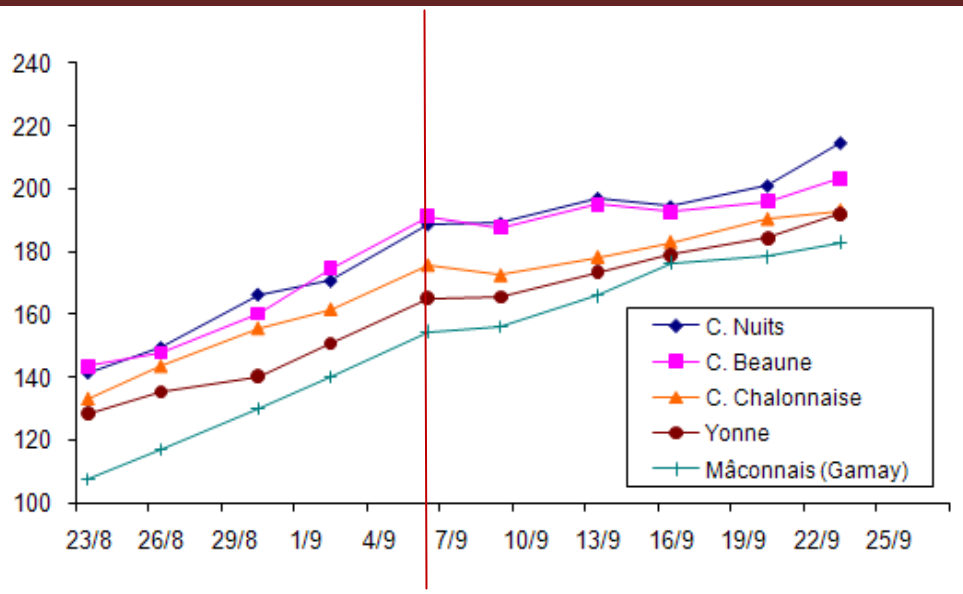
Sources: BIVB/Météo France

Change in sugar content 2010 – Chardonnay – Burgundy 2010



Sources: Observatoire du millésime du BIVB

Change in sugar content 2010 – Pinot Noir and Gamay – Burgundy 2010



Sources: Observatoire du millésime du BIVB

2009 *Vintage*

Magnificent Burgundy!

August 2010

In 2009, the vines enjoyed ideal conditions throughout their cycle, in particular during their maturation phase, when they were able to bask in the sun. Sunshine and high temperatures were very much in evidence right through August and September, providing a raw material of exceptional quality, as confirmed in the course of production.
The authentic character of these wines, already apparent just a few months after vinification, was confirmed as the wines began to be bottled. The 2009 vintage is living up to expectations!

White wines

Chablisien and Auxerrois

Following a rather temperamental blooming period, the harvests extended over almost two weeks, but the excellent climatic conditions assured perfect maturity. Soft and aromatic, these wines have proven to be satisfying and elegant, with good minerality and excellent structure.
For northern Burgundy, 2009 is set to be a year of stunning successes, and will doubtless be a vintage to be remembered.

Mâconnais

With a warm summer and relatively low rainfall, the conditions were perfect for wonderfully mature grapes.
These wines are particularly refined, with impressive aromatic qualities. Well balanced and full-bodied, they are already admirable, and also have superb potential to evolve over the coming years, something which is illustrative of a fine vintage.

Côte Chalonnaise and Côte de Beaune

Like the other vineyards of Burgundy, Côte de Beaune and Côte Chalonnaise experienced highly favourable weather conditions, bringing ideal Chardonnay maturity.
Intensely aromatic, generous and soft, these wines are impressively full-bodied and remarkably well balanced. 2009 should justifiably be considered a very fine vintage, not only pleasant when young but with unquestionable potential for laying down.

Red wines

Côte Chalonnaise and Côte de Beaune

A superb vintage which will rank among the finest. Excellent grape maturity has produced balanced, ample, powerful wines, with exquisite fruitiness and exemplary smoothness. Their wonderfully rounded tannins make them particularly pleasant and refined, and give them excellent ageing potential.

Côte de Nuits

Côte de Nuits has produced magnificent wines in 2009, imbued with aromas of red berries, flowers and black fruit. Enjoying good balance and distinctive substance, they are plump and remarkably persistent on the palate, making them an excellent vintage for laying down.

Crémant de Bourgogne

With an early harvest to maintain sufficient acidity and guarantee freshness, the 2009 vintage of Crémants de Bourgogne offers fine structure in the mouth. It contains intense aromatic expression, typical of Burgundy grape varietals, with notes of citrus and white flowers in the Chardonnays and of red fruit in the Pinots Noirs. They will be available for the end-of-year celebrations.

This press release presents general characteristics per area. As each wine and each winemaker is unique, each wine must be tasted before it can be characterized..

2008 *Vintage*

A lovely turnaround for Burgundy Wines

May 2009

2008 tested the nerves of the wine-growers.

It wasn't until mid-September that the vines were able to take advantage of the return of the fine weather conditions: the sun and the north wind allowed the grapes to reach full maturity before the harvest.

Just like in 2007, the work on the vine and the decision to sacrifice a part of the harvest paid off. The meticulous selection process, and the decision for moderate yields, led to a lower-than-average harvest volume, one of the lowest in the last ten years.

Nine months after the harvest, the wines, although not all bottled, are already asserting a pleasant character. The white wines are powerful, following in the tradition of the great Burgundy classics, while the reds are well structured, with considerable cellar potential.

White wines

Chablis and Grand Auxerrois

The level of maturity at the time of the harvest has resulted in very attractive wines with great balance. The wonderful freshness and minerality underline the great classicism of this vintage which is also characterised by an excellent persistence on the palate.

Mâconnais

The 2008 vintage includes everything that makes the Mâconnais wines so charming and well-appreciated: an unrivalled fruit quality, roundedness and quality texture. Perfectly balance, their pleasant, drinkable nature makes them extremely attractive.

A very nice vintage.

Côte Chalonnaise and Côte de Beaune

2008 can already be considered a great vintage Characterised by notes of mature fruits and citrus, the wines have an unusual aromatic richness. Their mouth, strong and full-bodied, with a pleasant freshness, is a model of its kind.

Red wines

Côte Chalonnaise and Côte de Beaune

The wonderful intensity of the ruby red colour shows the excellent maturity of the grapes of this vintage.

On the nose, they stand out by their sincerity, their elegance and their aromatic complexity: scents of red fruits are combined with a few spicy notes and pale tobacco.

The palate is both full-bodied and delicate, thanks to the supple tannins. These beautiful wines will be full of surprises.

Côte de Nuits

Just like the wines of the neighbouring Côte de Beaune, the red Côte de Nuits wines are superbly balanced with an exceptional aromatic quality.

Their nose, with an exemplary clarity, contains subtle floral odours, accompanied by very pleasant aromas of kernel fruit and dried fruit.

On the mouth, a supple attack and impressive volume, with harmonious, high-quality tannins. Extremely reliable and with an imposing length, this is a sign of a great vintage with a promising future.

Crémant de Bourgogne

The meteorological conditions were ideal for the production of Crémant de Bourgogne, which is harvested earlier than still wines. In fact, a relatively high level of acidity and a moderate concentration of sugars are necessary to obtain the best from these sparkling wines.

There is no doubt about it, 2008 will be a great vintage for Crémant de Bourgogne.

This press release presents general characteristics per area. As each wine and each winemaker is unique, each wine must be tasted before it can be characterized.

Markets and development of Burgundy wines

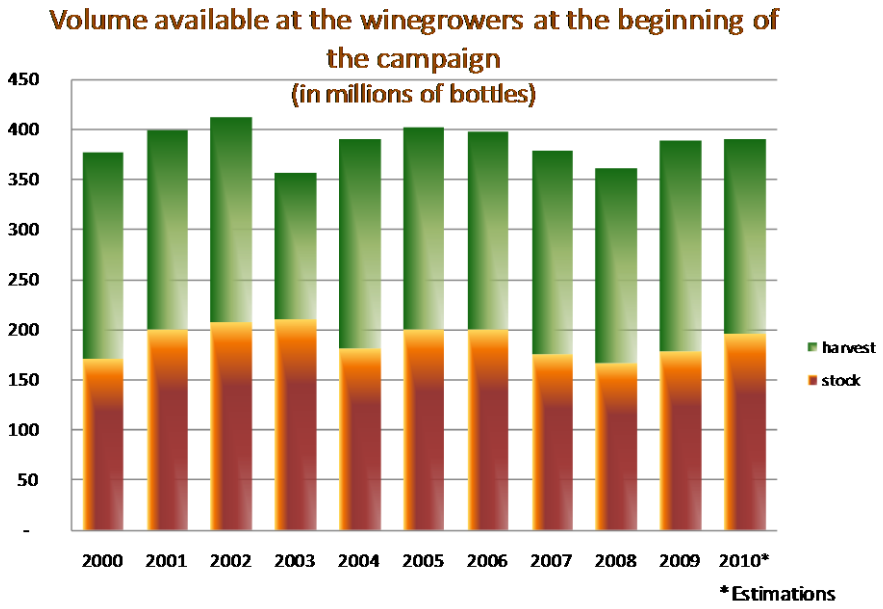
The recovery

The 2009/2010 campaign finally marks the return to growth in sales of Burgundy wines after two difficult years following the international financial crisis. It has seen moderate, but real growth in a gloomy global and national economic environment.
The last Burgundy wine sales campaign came to an end in July with an increase in sales of +2.5%. This rise is primarily due to export figures (+5%) which are still crucial for Burgundy: one out of every two bottles is exported to one of 150 countries. The French market is stable compared to the previous year, in particular thanks to the consistency of sales in the main distribution channel – hypermarkets and supermarkets – and to the recovery of sales in restaurants.

Over the 12 months to end July 2010, **the Burgundy vineyard sold the equivalent of 182.5 million 75cl bottles, i.e. a rise of 2.5% compared to the previous campaign**. Adding the 8.5 million bottles used for different professional activities (tasting, free samples, etc.), the total volume of Burgundy wine leaving the cellars exceeded 191 million bottles.

Winegrowers' wine stocks at the end of the campaign grew by 10% compared to July 2009, reaching the equivalent of 196 million bottles. **This represents just under an average year's harvest in stock**, a normal level in Burgundy, especially if we take into account the considerable volume of the 2009 harvest (1.585 million hl) and the average duration of maturing.

This relatively low level of stocks is still due to the significant decline in stocks recorded between 2005 and 2008, sales having exceeded harvested levels during these three years.
Thanks to its quality, the 2009 vintage, only just put on sale, should soon prove a success and underpin trade in the coming months.
The 2010 harvest will not impact stocks as it is lower than the average volume produced in Burgundy (less than the equivalent of 200 million bottles according to initial estimates).



The bulk market has been quite active during this campaign. After starting off slowly, transactions between winegrowers and wine merchants reached the equivalent of 115 million bottles, up 7% compared to the previous campaign and comparable to the five-year average.
Wine merchants' stocks grew by around 4% year-on-year at end July 2010; the wine merchants are therefore preparing for business to recover.

The economic situation of Burgundy wines therefore remains good despite an international context which is still gloomy. The next few months should sustain the moderate upturn in business. The companies' role is to support export growth over the next five years, alongside the actions of the Burgundy Wine Board (BIVB), against the backdrop of a stagnant national market.

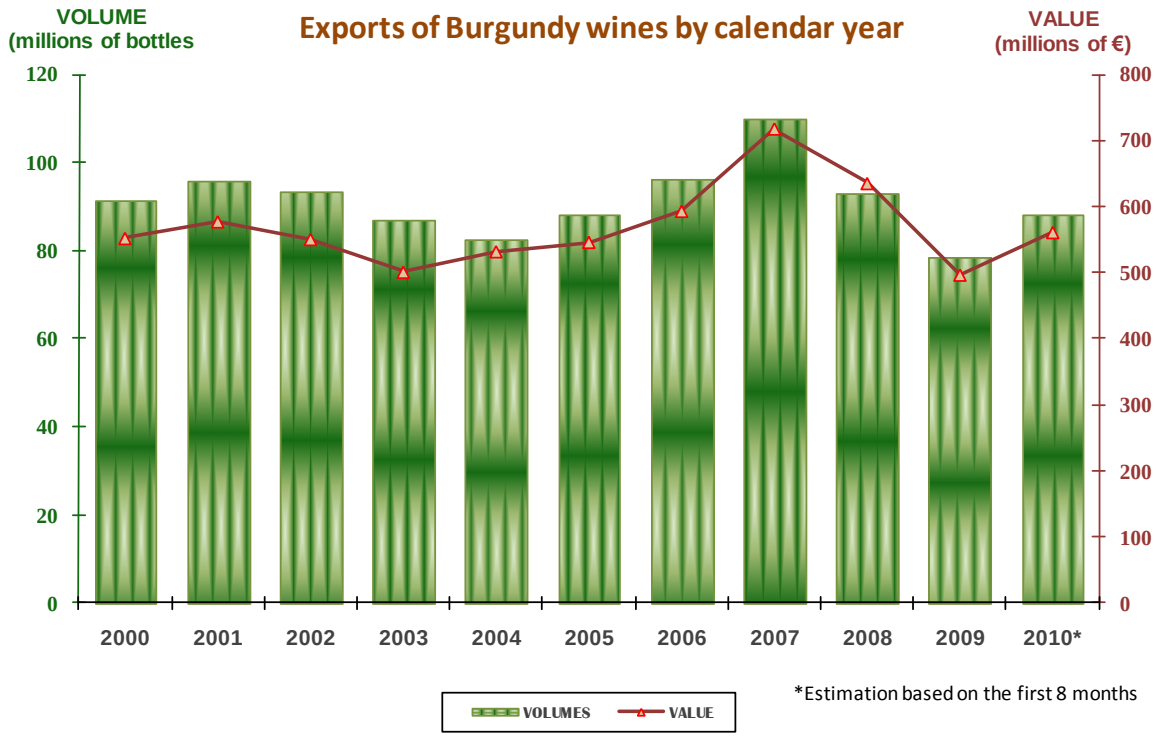
Exports after the crisis: slowly getting going again

2010: a very promising start to the year

Burgundy wines are gradually finding their feet again in the export markets, after two difficult years brought about by the international crisis. The initial results for 2010 confirm this positive trend, after the moderate recovery observed during the last quarter of 2009.

Exports of Burgundy wines outside France rose by 15% by volume and by value during the first eight months of 2010, compared to the same period in 2009 (52.8 million bottles, for a sum of 336.5 million euros).
This rise is primarily due to white wines (particularly Chablis), for which exports have risen by 21%, whilst exports of red wines are up 3%. Both colours have seen similar growth in terms of value, by around 15%.

There is still nonetheless a significant lag compared to the excellent first eight months of 2008 (-13%). The reputation of the 2009 vintage should shore up recovery in the coming months. If this trend continues, calendar year 2010 could mark a return to normality.



This improvement is partly attributable to the gradual emergence from the crisis of many countries. This is reflected in the recovery in consumption. And the rise in purchases in shops has led the distributors to re-build their stocks. Restaurants are still behind the global level however.

Another favourable factor is the positive impact of the exchange rates. The growth in exports is primarily linked to non-Eurozone members. The weakness of the euro during several months allowed buyers from these countries to re-stock at more attractive prices (and transport prices were attractive too). Within the European Union, it is the non-Euro countries which contribute to the growth in Burgundy wine exports, notably the UK, but also the Nordic markets.

The vast majority of countries are moving back into the black, starting with our two main markets, the UK and the USA. In the USA, half of the delay has been offset (up 20% over the period January-August 2010 compared to 2009, but it is still 20% behind compared to the same period 2008).

In parallel, export growth has undergone a notable recovery in developing markets during the first eight months of 2010: +15% to 25% in Scandinavia, +70% to 90% in Asia ex Japan (China, Hong Kong, Taiwan, Singapore, etc.), Brazil and the United Arab Emirates and +7% in Australia.

Table of export figures for Burgundy wines for the 2009/2010 campaign) and over the first eight months of 2010

Exports of Burgundy wines	2009-10 campaign (August 2009 - July 2010)						First 8 months (accumulated) 2010 (January-August)					
	2009-10 camp		% 09-10 / 08-09 camp		Difference 09-10 / 08-09 camp		8 months 2010		% 8 months 2010 / 2009		Difference 8 months 2010 / 2009	
	1000 units	1000 €	Volume	Value	1000 units	1000 €	1000 units	1000 €	Volume	Value	1000 units	1000 €
World	**83 672**	**529 204**	**5,2%**	**-0,1%**	**4 125**	**- 667**	**52 799**	**336 482**	**15%**	**15%**	**6 818**	**43 940**
Eurozone	24 033	113 517	2,6%	-4,0%	599	- 4 790	14 030	64 617	3%	-1%	414	- 482
Outside Eurozone	59 639	415 687	6,3%	1,0%	3 526	4 123	38 769	271 865	20%	20%	6 404	44 422
EU	**53 142**	**257 510**	**7,5%**	**0,0%**	**3 709**	**- 91**	**32 244**	**153 381**	**13%**	**8%**	**3 667**	**11 611**
UK	22 019	111 322	11%	4%	2 103	3 944	13 556	66 793	23%	15%	2 543	8 617
Belgium	9 106	39 400	1%	-2%	100	- 782	5 700	23 320	2%	-3%	126	- 783
Germany	5 414	23 635	3%	-10%	176	- 2 735	3 206	14 022	-6%	-10%	- 196	- 1 529
Netherlands	6 183	26 723	13%	4%	732	1 111	3 100	13 457	9%	2%	261	308
Denmark	3 229	14 724	30%	5%	750	685	2 116	10 135	20%	23%	354	1 895
Sweden	3 106	13 339	8%	4%	242	531	2 089	8 948	15%	14%	277	1 067
Ireland	1 424	6 817	-23%	-29%	- 432	- 2 782	834	3 780	1%	-5%	7	- 208
Italy	539	5 574	4%	1%	21	41	312	3 371	22%	17%	57	480
Luxembourg	420	4 305	-6%	7%	- 29	281	237	2 349	5%	21%	11	406
Latvia	243	1 575	14%	2%	30	32	131	920	22%	28%	24	201
Finland	380	1 767	-1%	-6%	- 5	- 119	286	1 217	25%	17%	57	173
Spain	169	1 905	-9%	4%	- 18	78	115	1 245	32%	35%	28	321
Austria	181	1 735	22%	12%	32	186	106	914	44%	24%	32	178
Non-EU countries	**30 530**	**271 694**	**1,4%**	**-0,2%**	**417**	**- 576**	**20 555**	**183 101**	**18%**	**21%**	**3 151**	**32 329**
USA	10 985	91 641	0%	-6%	- 37	- 5 512	7 279	59 454	20%	18%	1 193	9 192
Japan	7 425	66 211	-7%	-9%	- 524	- 6 710	4 889	45 520	1%	3%	68	1 129
Canada	4 088	25 113	-5%	-5%	- 228	- 1 194	2 966	18 219	7%	16%	197	2 526
Switzerland	1 991	25 132	-5%	1%	- 105	245	1 298	15 475	10%	28%	115	3 383
Hong Kong	531	10 372	54%	+43%	186	3 111	367	6 761	70%	52%	151	2 324
Australia	726	7 501	39%	20%	202	1 269	528	5 339	57%	39%	192	1 500
South Korea	274	3 589	-14%	-5%	- 45	- 196	196	2 395	3%	17%	6	349
Singapore	340	5 583	76%	28%	147	1 215	199	3 929	83%	87%	90	1 832
Brazil	461	3 603	37%	16%	124	496	299	2 348	83%	63%	136	911
United Arab Emirates	385	3 058	29%	3%	87	79	259	2 220	60%	59%	97	824
China	529	3 467	-1%	32%	- 6	837	316	2 404	74%	87%	135	1 118
*Norvège**	*369*	*2 200*	*-18%*	*-12%*	*- 83*	*- 295*	342	1 959	51%	57%	115	715
Taiwan	156	4 443	32%	59%	38	1 642	110	3 000	93%	130%	53	1 694
Russia	334	2 014	59%	18%	124	312	215	1 421	163%	76%	133	612

August 2009/July 2010 campaign: a recovery campaign

Over the 12 months of the campaign (to end July 2010) **Burgundy exports rose overall by 5% by volume but remain stable by value** (83.7 million bottles for 529 million euros).
This difference can be explained logically, by the re-stocking which began with the more affordable wines, which sell more quickly. This benefitted white wines in particular, up 11.5%, whilst red wines are still down 7%, due to a difficult beginning to the campaign.

Compared to the average of the last five campaigns, the overall decline is still -10%. This situation is closely linked to the weight of the UK and USA (together accounting for 1 out of every 2 bottles of Burgundy), both of which felt the full impact of the crisis, and which accounted for nearly three quarters of the decline in exports from Burgundy.

Although these markets are recovering significantly, Burgundy professionals are conscious of the need to continue expanding their export markets, particularly to Asia and Scandinavia. Especially as exports to traditional European markets are picking up slowly, just like the European economy.

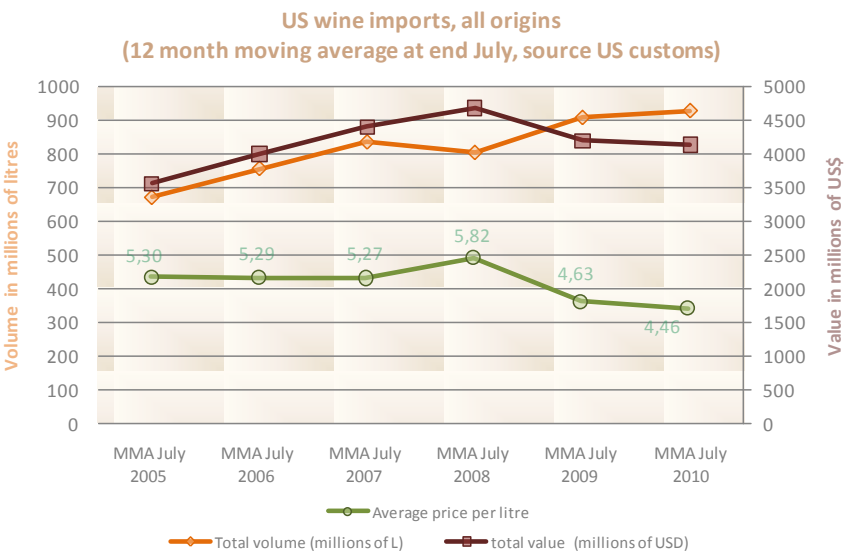
Although Burgundy companies export their wines to at least 150 countries, the Burgundy Wine Board (BIVB) has chosen to concentrate its campaigns on some 15 countries, between the traditional markets (USA, UK, Japan) and the markets of the future (China, Hong Kong, Singapore, Scandinavia, etc.).
In these countries, the BIVB is developing, alongside the tastings, a rich training programme which will expand even further in the coming years, thanks to:

- The "**Official instructors of Burgundy wines**", ambassadors of Burgundy wines who, in accordance with the BIVB, provide training for both the trade and the general public in their country of origin.
- **Its brand new e-learning tool "Discovering Burgundy Wines"** which allows trade from across the world to teach themselves (*see press release p. 31)*

The USA and the UK: the two main markets are finally re-stocking

In the USA: the weak euro has prompted a recovery in exports of Burgundy wines

American wine imports (all origins together) have continued to see slight growth by volume over the 12 months to end-July 2010 (+2.3%), but in terms of prices they have fallen by 3.7% on average.



Although US consumers continue to buy wine, they now pay a lot of attention to the price, which explains why Chilean wines (whose import prices are five times cheaper than French wines, on average) are in favour once again this year.

Nevertheless, sales of top-end American wines are rising significantly, as is the Oregon Pinot Noir, the prices of which are comparable to the Burgundy reds.

This lends hope to Burgundy wines, provided that the exchange rate remains in our favour.

Burgundy wine exports to the USA remained stable over the full campaign, despite a difficult second half of 2009, thanks to the sharp growth observed since the beginning of 2010 (+20% over the first eight months) whilst the euro plummeted against the dollar (1 euro being worth less than 1.2 dollars). Today, the main risk since the summer has been a decline in the dollar. The euro crossed the 1.4 dollar mark in October, its highest for nearly nine months. This is bad news for all imported middle-range and top-end wines.

However, we are justified in thinking that Burgundy will benefit, in the medium term, from the growth recovery in this market, which is still a long way of its peak and which is driven by younger consumers than in France.

Burgundy wines can extend their presence within medium-range and top-end restaurants, particularly thanks to the development of sales of wine by the glass. According to a survey carried out by the BIVB with the company CHD Expert, barely three out of five US restaurants (where the average spent per person exceeds 30 dollars), currently offer Burgundy wines.

Similarly, Burgundy is very present in the majority of the country's wine shops (50% to 90% of points of sale distribute it in the main states – *source*: *IRI Symphony*), but there is still room to develop the diversity of its offering.

© Photo: BIVB

Nevertheless, severely affected by the financial and debt crisis, American consumers are more and more inclined to save in the short term and to eat at home rather than in restaurants.
In addition, consumers' behaviour has changed - they are more cautious in their purchasing decisions and are more liked to be attracted to good-value wines.
There is therefore an opportunity for Burgundy - it can be competitive by pushing its little-known Regional and Village appellations.


© Photo: BIVB

The advice given by the retailer is an essential asset on these channels to convince the clients. Many Burgundy appellations are still ignored on the other side of the Atlantic, whilst they offer real potential, as explained by Michel Briday from the eponymous estate (15 ha of vines between Rully (principally), Mercurey and Bouzeron):
"The US market is new to me, but it accounts for a large part of my exports.
For Côte Chalonnaise wines, unlike our colleagues of the Côte d'Or, there is a lot of work to do as our vineyard is completely unknown to the (US) consumer. Sales can only grow if our importer really believes in our appellations; because unlike with well-known appellations our wines only sell if the customers have real faith in their distributor. I observed this in Michigan where my wines sell well, as I have a strong relationship with my importer.
I think that the US market could be a great opportunity for wines of the Côte Chalonnaise, as we represent some of the best value for money in Burgundy, but we suffer from an unfortunate lack of image and location. That's why we have to be present physically on the market, to support our importers. So I'm going to New York for a week at the beginning of November for tastings, a press dinner, etc."

In the UK, return of Chablis in supermarkets

Like the USA, the UK, which is still Burgundy's first market, has been picking up since the beginning of 2010. With a rise of 23% for Burgundy wine imports by volume since January (ending the full 2009/2010 campaign with a rise of 11%), it is recovering some of the losses made during the economic crisis.

This encouraging result is attributable to the growth in sales of Burgundy wines in British supermarkets (the country's main distribution channel) of 16% by volume and 13% by value over the 12 months to end-July 2010 (*source: IRI Symphony*).

This rise is essentially underpinned by the Chablis appellation, which accounts for 45% of sales of Burgundy wines on this channel and whose sales saw a sharp rise over the campaign (+47%), with over 4 million bottles sold.
Sales of regional Burgundies are also on the increase, by 5% on average, with over 2.1 million bottles. Conversely, the other sales of village appellations are suffering on the whole as retailers stock fewer names, with the aim of reducing the number of medium-range and top-end bottles on their shelves.

The weight of the supermarket channel in the UK is strengthened by the difficulties encountered by the other distribution channels.

Wine shops are significantly impacted by the economy but also by the sharp fall in the number of points of sale since Thresher was declared bankrupt. However, this channel is essential for Burgundy wines. In 2009, 95% of British wine shops had sold Burgundy wine over the year, with around 50 Burgundy wine references on average available for sale.

The hotel and restaurant sector does not have brilliant prospects either. Research has shown that a growing number of British people prefer to buy wine to drink at home rather that to go out (*source: Wine & Spirit Association*).
At home they will not necessarily drink more, but the quality will be better: the number of regular consumers willing to spend over £7 (roughly €8) on a bottle of wine to drink at home has increased by 30% according to the Wine Intelligence agency (13% of regular consumers in 2010 versus 10% in 2009).

Jeremy Beadles, Director of the Wine Spirit Trust Association (WSTA), says: "*The growth that we have observed in the £6-7 and £9-10 segments suggests that, although consumers are tempted to reduce their spending elsewhere, the attraction of a better bottle to enjoy at home encourages them to spend a little bit more than before*." This is a windfall for Burgundy!

Furthermore, the problems specific to the UK remain intact. The market is still saturated, purchasing power is suffering, the exchange rate still has a negative impact on European wines and more importantly the gradual increase in excise duties is set to continue in 2011.
Over the last two years, taxes have risen by 25% in this country.
All these factors lead to the long-term fall in wine consumption, along with the unprecedented austerity measures announced earlier this year to confront the country's huge debt levels.

Finally, a significant volume (an estimated 2 to 3 million bottles) of Burgundy wines exported to the UK is re-exported to other destinations (Ireland, Asia, Russia, etc.) which have also slowed down their wine imports during the crisis. Asia emerged from the crisis much faster than the others and has returned to a sustained pace of imports. These flows mostly concern Burgundy's high-end wines.

Asia sees a sustained upturn

Burgundy's exports to the new Asian markets (excluding Japan) have begun again, in a sustained manner, as we predicted in 2009. The average fall of 20% to 30% observed last year was very quickly offset, with a return to the pre-crisis growth levels, except for South Korea, which seems to be recovering more slowly.

Burgundy has posted growth of 70% to 90% in China, Hong Kong, Singapore and Taiwan over the first eight months of 2010, compared to the same period of 2009.

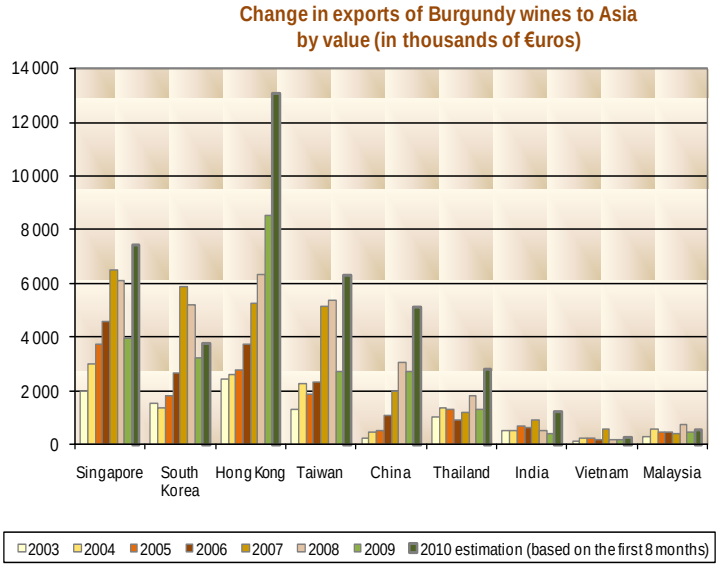
It is also worth mentioning the interest of the other Asian countries, which supply themselves directly from the Asian hubs of Hong Kong and Singapore, essentially for tax reasons. Indonesia, Malaysia and Vietnam are all markets to watch, even though volumes exported directly are low.

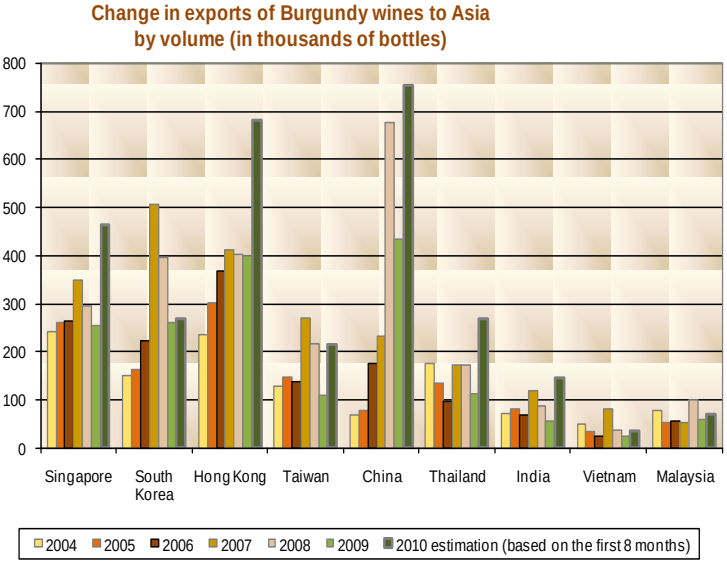
David Tan, of "Denise the Wine Shop" speaks of the dynamism of these "small" markets: **"***Our first shop was opened in 2001. We now have 20 points of sale in Malaysia. We were voted "Largest chain of specialist wine shops" by the Malaysian Book of Records (…) and have won many more prizes.*
We have sold Burgundy wines since practically the beginning of our business. These wines are fantastic but I think there are some problems to be solved: the first is that Burgundy has never been properly "presented" on our market and very few people really know these wines.
The other problem is related to the retailers as many of them focus only on really exceptional wines, which are also the most expensive. For this reason, Burgundy wines have the reputation, in this part of the world, of being excessively expensive.
But what I have observed is that Malaysian consumers' palates are slowly getting used to Burgundy wines. With a little more knowledge, a presentation worthy of its name and the arrival of specialists capable of developing training for the trade and for consumers, I am convinced that these wines will become increasingly popular here."

Another promising market is India, often presented as a complicated market. The recent law authorising the sale of foreign wines in supermarkets in the state of Delhi is an initial sign that the market is opening. The free trade agreement between the European Union and India, currently under negotiation, would clearly be an important trigger.

The only mature market in Asia – Japan – remains a key destination for Burgundy (third export market by value). Despite an economy which is struggling to pick up due to the strength of the yen and the significant debt levels in the country, the fall of Burgundy wine exports was limited in the 2009-2010 campaign (-7% by volume). Calendar year 2009 was a difficult one, marked by an unprecedented flight to cheaper wines. Since then, sales have stabilised and a gradual recovery is looking more and more likely.

This part of the world will without doubt be a key destination in the years to come. It should account for 7% of export revenues for Burgundy wines in 2010 (19% including Japan), compared to 2% five years ago.





China and Hong Kong: the markets of tomorrow

China is now the world's 9th market in terms of wine consumption with 2.5% of global imports. Less than 10% of wine consumed is imported, but accounts for 40% of revenues.
4.5 million Chinese people belonging to the middle classes now and consuming imported wines at least once a year, drink wines in the same category as Burgundy wines (*Source: Wine Intelligence-Vinitrac, December 2009*). Among them, **25% of consumers of top-of-the-range wines say they have already drunk Burgundy wine, and 18% of them have drunk Chablis**.

China is Burgundy's 14th export market by volume (26th in 2007). This market is undergoing strong growth and should soon become one of Burgundy's top 12 export customers.

Following strong growth between 2005 and 2008, exports of Burgundy wines to China reached 676,000 bottles in 2008, accounting for turnover of more than 3 million euros. Unfortunately, due to the economic crisis and fewer foreign visitors than expected during the Olympic Games, it took longer to sell off this volume, which meant many orders were not renewed in 2009, and this brought a temporary decline in exports.


© Photo: BIVB

The recovery was clear in 2010. **In the first eight months of the year, Burgundy wine exports rose by 74% in volume and by 87% in value.** If the upturn continues at this rate, the volume of exported Burgundy should exceed its 2008 record level as of 2010, with higher revenues in excess of 5 million euros. Thus, not taking into account 2008, a most exceptional year, there has been exponential growth of Burgundy imports to China.

We can add to these strong figures some of the 400,000 bottles of Burgundy wines exported to Hong Kong. This city has become a key hub for high value-added wines entering the Chinese market, since the abolition of excise duties on wines in February 2008.

50% of Burgundy wines are sold in bars, hotels and restaurants (however this sector was particularly affected by the economic crisis), 30% in the supermarket channel (mainly in foreign chains) and the remaining 20% is shared equally between wine shops and direct sales by importers to individuals.

With growth in demand being driven in particular **by the very high-end**, Burgundy wines began to be available in **specialist delicatessen chains** which already offer a very wide range of imported food and drink products.

Yang LU – wine waiter at the Peninsula Shanghai (luxury hotel with 4 restaurants) talks of the growing enthusiasm for Burgundy in the country: "*There's no doubt that in time, Burgundy wines will enjoy huge success in China. When I worked on the wine list for the Peninsula Shanghai (in 2009), all the professionals told me that Burgundy wines would never sell on this market.*
In reality, my experience to date has been completely different. (…) Sales of Burgundy wines are without a doubt lower than sales of Bordeaux, but I have already sold a lot of Burgundy, in particular in the most expensive category of wines (from the famous Premiers Crus to Romanée Conti). I think there are different reasons for which Burgundy wines, and particularly the most expensive ones, will have increasing success here:

- ✓ *Burgundy wines are actually a lot more favourable to the Chinese palate and they are more suited to Chinese cooking as they are less tannic and more delicate.*
- ✓ *The small size of the volumes produced in Burgundy is an asset. In China, the rarer something is, the more we want it. Watch out for the moment that the people who are currently buying Château Lafite discover that the production of Romanée Conti is much smaller whilst being more prestigious due to its rarity: even if half of them want to start drinking Romanée Conti wines the market will go completely crazy!*
- ✓ *Burgundy wines are still new in China. As people show more interest in your vineyards, it will become more trendy to drink your wines. And the more trendy it is, the more interest there will be in it. That's how the Chinese market works…and I have the impression that this virtuous circle is already beginning to work.*

(…) I'm very optimistic for the future of Burgundy wines in China and, I reiterate, particularly for the most expensive wines. Entry-level wines will also develop here as the market is vast. The most difficult thing will be for the middle-of-the-range wines. They will be the most complicated to sell and will depend the most on the economic health of the country. But, given the fact that we are talking about small quantities, the good estates represented by good importers will succeed without any problem"

Scandinavia: the monopolies increase their sales of Burgundy wines, spurred on by Crémant de Bourgogne

The Scandinavian countries with the monopoly system are a real opportunity for niche wines. They are forced to represent the diversity of wines from across the globe, leaving a significant place for Burgundy and its varied offering.

A wise choice as consumers have recorded increased demand: Burgundy wine sales in the shops of Scandinavian state monopolies have grown across calendar year 2009, despite the financial crisis.

In Sweden, sales grew 5.7% by volume and 8.4% by value compared to 2008. 2.23 million bottles of Burgundy were sold, with revenues of 250 million Swedish krona (24.6 millioneuros). They have doubled by value and almost tripled by volume since 2005.

In Norway, sales of Burgundy have passed the 2 million bottle mark for the first time, representing a rise of 8% (almost twice as large as the increase of the overall market), with revenues of 300 million Norwegian krone (i.e. 37 million euros).

The vast majority of the 100 Burgundy AOCs have been marketed over recent years in the three countries (including Finland), even though, in general, just a few names account for the bulk of all sales. The number of different Burgundy names sold is rising significantly (1,048 in 2009 against 650 in 2008 in Sweden for example), but only ten or so are present permanently in a large number of shops (the rest are supplied on order).

White wines account for the majority of the Burgundy offering. But it is worth highlighting the performance of Crémant de Bourgogne.

In both Sweden and Norway, the two leading Crémant de Bourgogne names are among the ten best selling sparkling wines, of any origin. They are also the two leading French sparkling wines in Norway, in front of Champagne.

Sales of Crémant de Bourgogne are up 25% by volume in Sweden (700,000 bottles, or a third of total Burgundy wine sales) and nearly 20% in Norway (13% of the vineyard's sales).

Marcel Combes of Maison Louis Bouillot, a subsidiary of Maison Boisset, confirms the attraction for this appellation which provides excellent value for money: *"Maison Boisset sells over 2 million bottles of Crémant de Bourgogne, under its main brand Louis Bouillot. Our sales strategy is very export-focused with 66% of our sales in 31 countries and we are particularly well established on the Swedish North American and German markets (...).*
In Sweden, the price positioning of our Crémant is 98 krona. This is the perfect psychological threshold (<100 krona) whilst bottom-of-the-range Champagnes cost around 250 krona. The Swedish consumer appreciates this unbeatable value for money"

Added to the results of this trio of countries are those of Denmark, a Scandinavian country which is not subject to a monopoly.
Sales on this market have picked up at a good pace. Imports of Burgundy wines have increased by +30% in the 2009/2010 campaign with over 3.2 million bottles, after a 20% reduction on the 2008/2009 campaign. This volume had not been reached since the end of the 1990s.

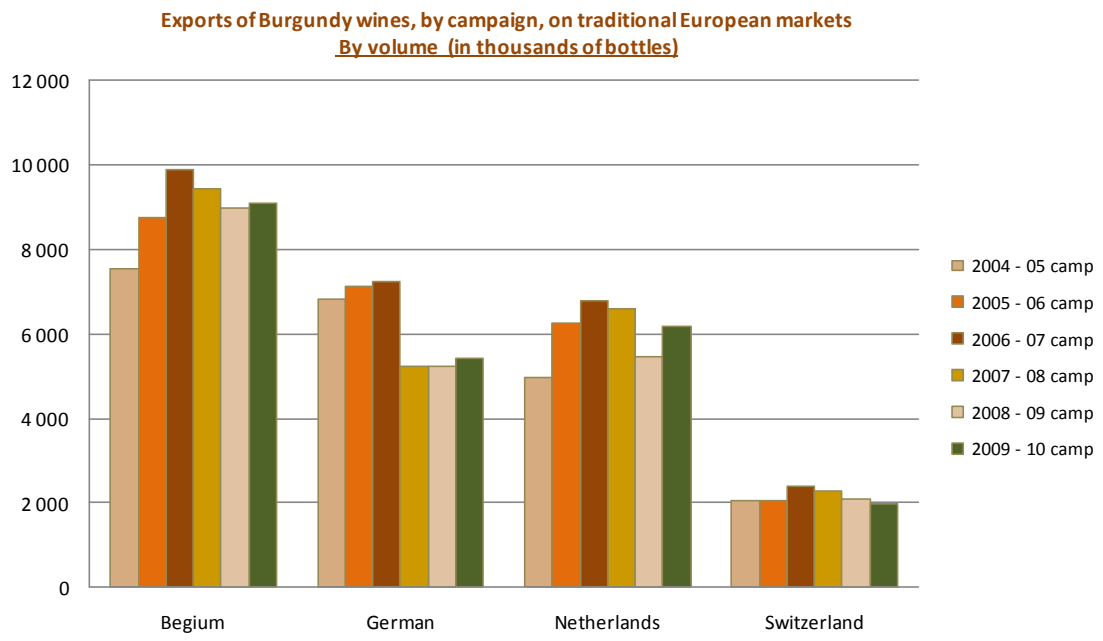
More mixed change on the traditional European markets

Exports of Burgundy wines to the close European markets have more difficulty picking up, just as they have struggled to emerge from the crisis.

But over the last few months, the recovery has started gradually: over the first eight months of 2010, the volume exported has increased on all these markets with the exception of Germany. This country did,

however, maintain its purchases in 2009. Today it is struggling to recover the same level of orders of Burgundy wine as in previous years.
Various arguments allow us to remain optimistic for the German market over the coming months: an economic recovery that is faster than in the rest of Europe, a high proportion of well-off households, a change in the behaviour of German consumers who are now prepared to pay a little more to buy wines which meet environmental, "Terroir" or health criteria, without forgetting the development of gastronomic restaurants (around 2,500 of the 20,000 restaurants). All these factors are favourable to the recovery of Burgundy wines.

In the August 2009/July 2010 campaign, the only fairly significant recovery amongst the traditional European countries is that observed by the Netherlands (+13%). Nevertheless, this market had reduced its Burgundy imports by 20% during the previous campaign.



The volume of wine exported towards Belgium remains in the average of the last campaigns.

It should be noted that Belgian consumers are the largest foreign consumers of French wines. Wine consumption is widespread (3/4 of families buy wine) as wine is associated with a certain well-appreciated lifestyle. Most consumption, in terms of volume (70%) is enjoyed by a group made up of 20% of "regular consumers", or some 2.5 million adults. This ensures Burgundy a solid base of informed consumers who love the wines and a stability in imports of Burgundy wines of around 9 million bottles.

Added to this volume are the substantial purchases of Belgian households made directly from producers in Burgundy (these direct sales do not impact export statistics). 80% of Burgundy estates quote Belgium as one of the two main locations of foreign tourists in their cellars.

Burgundy now has to innovate, recapture presence on this market to attract new consumers, particularly younger ones, who are more affected by the promotion of new world wines. Switzerland and Luxembourg follow roughly the same pattern as Belgium.

France: sales of Burgundy wines remain stable

Rise in unemployment, stagnation in salaries, social deductions: the fundamentals of national consumption are badly-oriented. All products together, despite the good figures of the third quarter 2010, household consumption remains fragile.
However, there is good news: households are no longer systematically looking for the cheapest brand and are treating themselves more often, even though the own brands and discount brands have retained a high market share, historically speaking.

The percentage of French households that purchase wine (79.3%) has seen a slight increase over the last 12 months to end-July (*source*: *Kantar, ex-Secodip*). The number of bottles purchased and the level of expenditure by purchasing household however, fell by 6%. The annual budget devoted to wine has fallen below the symbolic 100 euro threshold (97.8 euros). **The share of households purchasing Burgundy wines remains stable at 20%.**

The 2010 survey by FranceAgriMer, conducted every five years, confirms the fall in wine consumption in France. This decline is attributable not to the increase in non-consumers (38%, as in 2005), but to the fact that the French now tend to consume wine occasionally (45%) and not regularly, that is every day or nearly every day (17% today, that is three times less than in 1980).

The pleasure of drinking wine now tends to be associated more with conviviality: wine is more present when there are guests to dinner than during ordinary meals (63% of respondents against 17%). This change is favourable for Burgundy which is still positioned as a reference in terms of festive wines, destined to mark key occasions or offered as a gift. It also explains why Burgundy is unique in remaining stable on the French market.

Indeed, **sales of Burgundy wines have remained unchanged on the French market** compared to the previous campaign, with nearly 99 million bottles sold. France accounts for 54% of worldwide sales.

Present on the French market to support the work of the many Burgundy companies, the Burgundy Wine Board (BIVB) works on the different networks. Each time the objectives are clear: to discover and explain the diversity of the Burgundy offering to boost sales.

- For several years, it has undertaken the reorganisation of the Burgundy wine shelves in supermarkets and hypermarkets, which has helped sustain sales. The BIVB will be stepping up a gear in autumn 2010, maximising the “Rencontres avec les Bourgognes” campaign in supermarkets, through the creation of a hundred-strong network of representatives. Present in stores at key events, they offer customers what they most require: first-hand information and advice.
- In restaurants, the BIVB is particularly continuing its training programme within its Burgundy Wine School for restaurateurs and wine waiters. To prepare for the future, the hotel-restaurant schools with wine waiter courses will also be targeted. At the beginning of 2011, the BIVB will propose a very high-quality wine list which will be given to restaurateurs.
- The BIVB is retaining a close link with wine shops, favouring training for the sellers whilst encouraging events in the shops, thanks to the “Rencontres avec les Bourgognes” campaign.
- In partnership with all those involved in the region, the BIVB is particularly encouraging initiatives in the field of wine-tourism (see attached press release), whilst developing communication tools (map of the Burgundy wine road, events guide, dedicated website, etc.).

© Photo: BIVB

Mass distribution: stability of Burgundy wine sales

Sales of Burgundy wines in hypermarkets and supermarkets were still stable during this campaign (+0.1% by volume) at 33.7 million bottles *(source IRI).* Even better, they have seen an increase in value (+0.6% with 208.4 million in revenues), but in a smaller proportion than in the previous campaign (+2.4 %).

Overall, if we include mini-markets and hard discount shops, sales of Burgundy wines in "modern distribution" represent some 44.2 million bottles, a fairly stable volume (-0.3%) compared to the previous campaign (some 45% of the French market).

© Photo: BIVB

© Photo: BIVB

The positive situation in supermarkets and hypermarkets can be attributed to the **good performance of Crémant de Bourgogne**, which is pursuing its growth at a sustained pace (+4 % by volume and by value). It is also due to the **growth in sales of white wines** (+4%) under the impetus of the Chablis appellation (+27%) and the regional white AOCs (Bourgogne blanc and Mâcon Villages, up an average of +1%).
Burgundy red wines are losing steam however (-6.5%), penalised by the fall in the Bourgogne, Bourgogne Passe-Tout-Grains and Bourgogne Grand Ordinaire AOCs whilst the Village and Bourgogne Hautes-Côtes AOCs resisted well.

The overall result is substantial in the current difficult context as the distributors have begun to drastically reduce the number of names they stock to the detriment of certain middle-of-the-range appellations, including many village AOCs. This simplification of the offering on products which are in demand is inadequate. A study conducted by the BIVB on consumers in shops, during wine promotions, showed that scarcely 8% of them are looking for cheaper wines, 20% hope to discover new wines and 36% buy more top-end wines that are not available during the rest of the year.

Restaurants: Burgundy sales are recovering after a black year for the sector

Business seemed to gradually pick up in 2010 for the restaurant sector, the main distribution network affected by the economic crisis. A considerable number of establishments were in fact registered during the crisis; the reduction in VAT (excluding wine) was not sufficient to keep restaurant consumption alive during the heart of the crisis.

The survey carried out by Bourgogne Tourisme paints a fairly encouraging picture of the summer season 2010 for restaurants in Burgundy. The majority (52%) describe it as a "good year" against 37% who consider it "average" and only 11% call it "bad". 40% of restaurateurs mention an increase in seasonal business and 39% observed the return of foreign clientele.

This note of optimism is strengthened by the initial results of the 2010 national survey, conducted amongst French restaurateurs. It shows that Burgundy sold **19.5 million bottles** on this network (source CHD), representing an increase of some 18% year-on-year, which does not, however, offset the 13% loss recorded in 2009.

Burgundy wines can luckily not be avoided as they were present amongst 88% of so-called "gastronomic" restaurants and 60% of "traditional" restaurants in 2009. They are certainly benefiting from the development of wines being served by the glass, which is prompting a recovery in wine consumption in restaurants.

Furthermore, there is the question of 50cl bottles. For the time being these are under-developed and therefore are still expensive to produce (as much as the 75cl bottle), but could eventually allow restaurateurs to offer higher-quality wines at more accessible prices, and such bottles are more in keeping with what a couple, for example, is looking for.

Wine shops: significant decline in sales

Over the last 12 months, wine shops' stocks have seen a slight increase in France (+1.4%), after stabilising in 2008. 5,500 shops have been surveyed to date (*source: Equonoxe*).

The last sales year (2009) did, however, confirm the difficulties encountered by the sector with the economic crisis. Business, which was still rising in 2008, fell in 2009. There was, in particular, a fall in the average basket of 25% per customer, proof of consumers' caution in their spending. The crisis also impacted the gift segment, which wine shops benefit from, particularly from companies' works committees.

Burgundy was not spared. 7.2 million bottles were sold on this channel in 2009, a volume which has registered a decline of over 20% over one year. The regional Burgundies, which are confronted with a very competitive market, tended to be more affected than the higher-end appellations.
In France, 92% of wine shops sell Burgundy wines: on average they stock 38.7 Burgundy names over the year.

© Photo: BIVB

Burgundy companies are confident in this sales channel, as demonstrated by Francine Picard, Managing Director of Maison et Domaines Michel Picard:

"The Maison Michel Picard, established in the Château de Chassagne-Montrachet, is above all a large family estate with 135 hectares of vines, 100 in the Côte Chalonnaise and 35 in the Côte de Beaune. Our wines have been sold for many years on the traditional French distribution channels, including in wine shops, and notably with the independent network of wine cellars of the Val d'Or, established in the east of France. The popular saying that we consume less but we consume better, is true every day and even in times of crisis. The wine shops are focusing on quality products, such as nice village wines, they are looking for good value for money and they buy their stocks drop by drop, as and when required. We have noticed that the cellars who have been able to question their processes, change with their customers, proposing alternative, but good-quality, choices, have done better than the others. For us, the producers, we have to make suggestions and be reactive for them."

Direct sales: the companies are keeping busy

On this channel, sales of Burgundy wines are comparable to volumes of the previous campaign, around 28 million bottles, that is a 2% drop. They account for around 15% of overall sales.

Although in 2009 there seemed to be fewer customers and they seemed less inclined to come to the cellar for their wine, due to the crisis, it seems that the situation is slowly improving.
Despite the still gloomy economic environment there are customers, that's a fact. The Bourgogne Tourisme survey shows that 63% of tourism providers (all activities together) deem the 2010 tourist season to be "rather good" or even "very good" and 41% even saw an increase in business (*source : EUREMA*). Some 80% of wine cellars questioned believe that this season is one of the better seasons (and 12% even say it was the best of the last five years). Although opinions are still mixed in terms of foreign customers (32% believe it is increasing, against 28% who see a decrease), they are more definite and positive in terms of French customers ("increasing" say 40%, against 60% who say "stable, at worst").

The BIVB has updated its study on direct sales this year. Over 300 firms responded. The results of the survey confirm those revealed in 2006, carried out by FranceAgrimer, but with considerable expansion.

For sales in cellars, while a similarly large number still open their doors to customers (96%), their services in this regard have improved in two ways:

- fewer of them now receive visitors by appointment only (30% in the summer season, compared to 36% in 2006, for example)
- and more of them now open for between 3 and 6 days per week (25% compared to 18% in 2006), with 45% remaining open every day

This service is helped by the greater presence of paid employees, now found in 18 % of estates (12% in 2006).

The customer base has also become less local: the proportion of foreign tourists has risen from 19% to 23%. And 54.5% of the region's wine companies now provide tours of their estates (48% in 2006).

60% of respondents mentioned the importance of the Paris region, the main region of French tourists to the wine cellars, and 80% mentioned Belgium as one of the two main homes of foreign tourists.

Besides sales from the cellar, 61% of those companies which responded also carry out mail order sales (just under 50% in 2006).
8% carry out online selling through their own website, compared to 5% four years ago.

© Photo: BIVB

There is also a greater presence of Burgundy producers at trade fairs and exhibitions (60% of respondents compared to 54%), particularly at French fairs (35% compared to 30%) but also at international events (11% compared to 8%).
Following the financial crisis, they are also now much keener to win customers by attending fairs: 31% in 2010 compared to just 7% in 2006.

And direct selling looks set to grow further still, as 73% would like to boost their turnover in this sector and 42% wishing to increase their online sales. Supporting the development of wine-tourism is essential today, as consumers are looking for local products and "Terroir".

© Photo: JP Janin

Château de Pierreclos, an exceptional place of cultural wine heritage, sets the example, as Anne-Françoise Pidault describes: *"This site, which is emblematic of South Burgundy, a masterpiece of medieval architecture, is a private historical monument situated between Cluny and La Roche de Solutré. The estate covers 10 hectares of vines across Pouilly-Fuissé, Saint-Véran, Mâcon Pierreclos, Bourgogne Chardonnay, Bourgogne Pinot Noir and Crémant de Bourgogne appellations.*
The new organisation of this wine château means that it can provide a real wine-tourism offering.
The enjoyable, cultural visit, which is suitable for all ages, allows visitors to freely discover the château. Then, in the recently refurbished shop, visitors can discover Burgundy wine, Burgundy products and taste the wines of the estate. This concept will respond to the strong demand from tourists wishing to discover Burgundy culture as a family.
This new organisation has resulted in 20% in sales from the estate. The aim is to double direct sales from the château by 2015. Very soon, the renovated rooms will allow visitors to stay overnight at the château.

BOURGOGNES

Key figures for Burgundy *(Sources: French customs / IRI/ BIVB/DRAF)*

October 2010

Average production

1.51 million hectolitres

of which
- **60% white wine**
- **32% red wine (and rosé)**
- **8% Crémant de Bourgogne**

and
- **1.5% of Grand Cru wines**
- **47.5% Village appellations and Premiers Crus**
- **51.0% Regional appellations**

in other words
- **6.6% of the production of French VQPRD**
- **3.3% of the production of wine in France**
- **0.5% of the world's wine production**

27,700 hectares in production (3% of the French wine-growing region)

2 main grape varieties:
- Chardonnay (*46% of the grape variety*): is used in the production of nearly all white wines
- Pinot Noir (*36% of the grape variety*): is used in the production of nearly all red wines

Other varieties: Aligoté (white, 6%), Gamay (red, for Bourgogne Passe-tout-grains and Mâcon, 11%), Sauvignon and César (1%)

100 different appellations

of which
- **33 Grand Crus**
- **44 Village appellations and Premiers Crus**
- **23 Regional appellations**

Companies

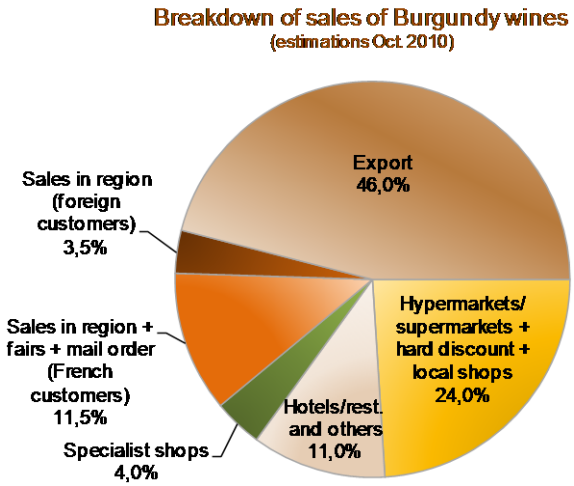
3 800 Wine-growing estates (of which 1,300 bottle and sell over 10,000 units)
250 Wine merchants
23 Cooperative cellars

Market

182.5 bottles marketed
- **46%** are exported

1 billion euros in revenues (estimated)

Burgundy represents:
- **2.8%** of worldwide wine exchanges, by value
- **17.5%** of revenues of French still VQPRD exported in 2008 (for 6.5% of the production)



Sources: BIVB/French customs/IRI/CHD/Equonoxe

Regional weight

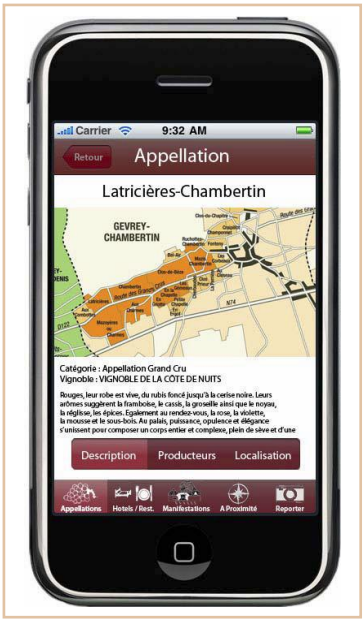
2% of the agricultural land exploited in Burgundy
3% of Burgundy's GDP
20,000 direct jobs
100,000 indirect jobs: glass-making, barrel-making etc.

Wine tourism:
Burgundy is bubbling over!

Launch of an application for smart phones, award of the "Vignobles et Découvertes" label for three sites in Côte de Beaune and Côte de Nuits, appearance of the Burgundy wine road map and the Burgundy celebrations guide 2011...wine tourism in Burgundy is having a very active end to 2010!

"Proxima Mobile Bourgogne": to discover the vineyard with your mobile phone

The "Vins et Tourisme en Bourgogne" "Proxima Mobile Bourgogne" application is aimed at smart phones (iPhone, Android, etc.) and works using geo-positioning technology. It allows tourists to obtain all the necessary information on the appellations they are crossing (maps, figures, descriptions, etc.) when they are discovering the vineyard. They will also find information on the producers (contact details, opening hours, wines sold, etc.), hotels and restaurants nearby and any wine celebrations taking place.
This free application can be downloaded from the Apple store for iPhones under the name "Vins et Tourisme en Bourgogne". For Androids, it can be accessed from the site **www.vins-tourisme-bourgogne.com**. It will also be available in English during 2011.



© Photo: BIVB

Created with the support of the French Secretary of State for the Future and Development of the Digital Economy and the regional council of Burgundy, the creation of this application is the result of a public and private partnership which brings together: the Regional chamber of commerce and industry of Burgundy (CRCI) and its agency NTIC, the Burgundy Wine Board (BIVB), the Regional council of Burgundy and Réseau Concept, a regional computer services company - the leader in e-tourism for 15 years. The main participants of the wine-tourism sector in Burgundy (winegrowers, cooperatives, wine merchants, hotels, restaurants, etc.) are also involved.

Tested in September 2010, this free application will be launched officially on 2 December during the "Rencontres de l'Oenotourisme" wine-tourism event in Beaune.

"Vignobles et Découvertes" label: full marks for Burgundy

The new national label "Vignobles et découvertes" was awarded to three Burgundy projects in October "Côte et Haute-Côte de Beaune: around the Montrachet hill"; "Côte et Haute-Côte de Beaune: around the Corton hill" and "Dijon-Côte de Nuits". This faultless performance demonstrates the dynamism and involvement of all participants in both the wine and tourism sectors in Burgundy.

This label, created at the beginning of the year by the French Secretary of State for Tourism has two aims:

- to increase the efficiency in terms of tourism of wine-based destinations to make better use of their great wealth through networking the various participants
- to develop the image, reputation and sales for all participants of the wine-tourism sector

The projects presented should unite a selection of qualitative and complementary services including: accommodation, restaurants, cellars open to the public, activities for discovering heritage sites (cultural, natural or relative to the discovery of know-how), one or more tourist information offices and one or more structures which can offer wine-discovery days or short breaks.

© Photo: BIVB

The first two projects ("Around the Montrachet hill" and "Around the Corton hill") were led by the Chamber of Commerce and Industry in Beaune, and supported by the main participants in this sector: Côte-d'Or Tourisme, the Burgundy Wine Board (BIVB), Bourgogne Tourisme and Clos Mosaïc. The third project put forward ("Dijon-Côte de Nuits") is supported by the tourist information office in Dijon along with the BIVB and the tourist information offices in Nuits-Saint-Georges, Gevrey-Chambertin and Marsannay-la-Côte.

The three Burgundy territories selected bring together 250 labelled products and services!

From this year, the labelled service providers will be identified on the Burgundy wine road map. They can also be identified from the plaque which is given to them to display. It will include the logo:

In the second stage, they might be brought together on paper or digital documents providing tourists with greater visibility.

In future, other Burgundy territories might also put forward applications: these might well include Chablis, the Vézelay hill or the Solutré rock.

"De Vignes en Caves" visitors' charter: sharp growth in number of members for 2011

© Photo: BIVB

311 estates and wine merchants (compared to 273 in 2010) now adhere to the "De Vignes en Caves" visitors' charter, created 20 years ago by the Burgundy Wine Board (BIVB). Under this charter, the signatories undertake to provide a warm welcome to members of the public. They are all included in a practical document which you can take with you wherever you go: the "Burgundy wine road map". As well as giving details of these producers, the map also offers information on interesting sites, itineraries, etc.

For the first time, the offers labelled "Vignobles et Découvertes" present in this document will be identified by a logo.

At the same time, and in a complementary fashion, the BIVB is publishing “Bourgognes en Fête 2011”. The “bible” of wine events in Burgundy (of which there are around one hundred) lists next year’s not-to-be-missed events, and is available in French and English.

These two documents will be available in December from the BIVB as well as from tourist information offices, regional and departmental tourist committees, hotels and campsites.

They are also available (to download or in the form of a database) on **www.burgundy-wines.fr**.

© Photo: BIVB

Discovering Burgundy

Launch of the first e-learning module dedicated to Burgundy wines

- ***The Burgundy Wine Board (BIVB) is launching the first e-learning module developed by a French wine board***
- ***An interactive and innovative format developed to match the needs and expectations of professionals and key influencers in terms of training and of educational requirements on Burgundy wines***
- ***Available in five languages, Discovering Burgundy Wines offers a direct contribution to the international influence and outreach of Burgundy wines***

The Burgundy Wine Board (BIVB) is today announcing its new e-learning module, ***« Discovering Burgundy Wines ».***

« Discovering Burgundy Wines » *combines an interactive format (videos/testimonies, 360° photos, films on the vineyard, quizzes) with content that is rich in information, so that all wine professionals (importers, wine shop owners or sommeliers), can further improve their knowledge.*

To develop this e-learning module, the BIVB capitalised on the expertise and skills of the Burgundy winegrowers and the Burgundy Wine School. This training provides in-depth information on the key notions of Burgundy: «terroir», «Climats», appellations, vinification, maturing, etc.

© Photo: BIVB

« The e-learning module was a clear strategic choice for the BIVB, the first French wine board to offer this format. This initiative follows our region's tradition to constantly seek excellence, by offering a real innovation in the way we train professionals of the wine sector. For several years now, Burgundy has chosen to invest significantly in the support and training provided to key influencers: importers, sommeliers, *wine shop owners, restaurant owners... Our programme aims to help them discover all the different facets and the richness of our vineyard and also to help them better meet the expectations of the end customers, by guiding them in their learning about Burgundy wines »* explains Michel Baldassini, President of the BIVB.

Since 2008, the BIVB has thus entirely revamped its training programme to meet the exact requirements of key influencers across all of Burgundy wines' export markets. Burgundy asserts itself as one of the most dynamic regions in this field with 31 seminars organised in 13 countries and some 2,000 professionals trained over the last two years. The Burgundy training programme covers all levels: from the Fundamentals of Burgundy, lasting two hours, to the week-long seminar in Burgundy for the real experts, resulting in the privilege of receiving the title of "Burgundy Wines Official Educator".

4 main topics

The e-learning module *Discovering Burgundy Wines* covers four main topics:

- **Learning more about Burgundy Wines** to refresh or consolidate one's knowledge on the «terroir» and appellations of Burgundy
- **365 days in Burgundy** to discover everyday Burgundy
- **Tasting Burgundy wines**
- **Advising and supporting your customers**, to help wine professionals guide their customers through the rich offering of Burgundy wines

The training module ***Discovering Burgundy Wines***, which will eventually be available in five languages - French, English, Chinese, Japanese and Korean, can be downloaded from the BIVB website **www.vins-bourgogne.fr** and is available on CD-ROM on simple request to the BIVB at (export@bivb.com)[1].

To find out more about the BIVB's training programme

The BIVB's training programme aims to support wine professionals as they further discover and learn about Burgundy wines; it is structured around several courses:

The **training seminars,** organised in the form of in-room sessions which combine tasting and theory and cover topics in direct correlation with the specifics of the market and target audience:

- The Fundamentals of Burgundy Wines
- Discovery of a selection of Village appellations from Burgundy
- Discovery of lesser-known Village appellations from Burgundy
- Burgundy's «Climats»

To further enhance the interactivity, the BIVB integrated electronic voting devices in its training programmes which, alongside with the fun and interactive dimension, allow the participants to better memorise information and key figures on the Burgundy vineyard.

The ***"Burgundy Wines Official Educator" programme*** aims to identify and train ambassadors of Burgundy wines across the globe. The training courses consists in an intensive week of theoretical classes, tastings and visits in Burgundy, ending in a written and oral exam and the privilege of receiving the title of Burgundy Wines Official Educator. The Official Educators represent Burgundy in their own markets, train both professionals as well as informed consumers.

Finally, the BIVB has designed and developed the "**Burgundy Wines Training programme"**, which all winegrowers can use in their presentations and information sessions on their company.

A specific, tailor-made version of "**the Burgundy Wines Training programme"** has also been developed for key influencers (importers, agents, wine shop owners) to animate their sessions to the attention of current customers and potential new customers.

[1] *The French module is now available. English version and other languages will be available by the end of 2010.*

Burgundy's "Climats"

at the heart of the BIVB's communication

"In Burgundy, when you talk about "Climats", you don't lift your eyes to the sky, you lower them to the ground." Bernard Pivot

November 2010

In 2011, the Burgundy Wine Board (BIVB) decided to focus its communication on the "Climats" and "lieux-dits" of its vineyards.
Burgundy is the only wine-growing region in the world to be able to legitimately claim the notions of "Climats" and "lieux-dits", which are inseparable from its "Terroir", a founding element of the reputation of its wines. "Climats" and "lieux-dits" are the very expression of the construction of the Burgundy vineyard and its appellations. They are the basis of its history, its landscapes, its economy and its expertise. It was time to return them to the key position that they deserve!

This subject can be discovered all year long

An exceptional photo exhibition and an exhibitor's choice table dedicated to wines, each carrying the name of a "Climat" or a "lieu-dit" will be at the centre of the "***Terroirs & Signatures de Bourgogne" tastings organised by the BIVB abroad***, throughout the year. These events, destined for the trade (importers, wholesalers, wine shops, wine waiters, instructors, press, etc.) bring together the companies who travel from Burgundy to present their wines.

The first meetings in 2011:

- London (UK): 20 January
- Stockholm (Sweden): 16 February
- New York (USA): 16 March
- Chicago (USA): 17 March
- Toronto (Canada): 22 March
- Montreal (Canada): 24 March
- Tokyo (Japan): 23 May

The "Climats" and "lieux-dits" of Burgundy will again be **honoured at the Burgundy pavilion during the 2011 edition of Vinexpo**. The BIVB will be present in Bordeaux, with many Burgundy companies, from 19 to 24 June 2011 and this subject will act as the central theme for the presentation of the Burgundy area and for the ***Burgundy tasting on 20 June***.

The BIVB will also provide specific documents on the "Climats" and "lieux-dits" of Burgundy from January 2011, available to all. The first, printed on paper, will be an introduction to the notion of "Terroir" and "Climats". The second document, more comprehensive and aimed at well-informed wine lovers, will broach these notions in more depth, covering the history, geology and climatic aspects. It will be available only on the Internet.

The BIVB and the Burgundy Wine School are also working on the creation of a specific training programme to help wine enthusiasts and the trade understand the notions of "Climats" and "lieux-dits".

The “Climats” of the Burgundy vineyard apply for the UNESCO World Heritage list

Associated with the towns of Dijon and Beaune, historical seats of political, economic and cultural power, the “Climats” of the Burgundy vineyard are applying to UNESCO for recognition of their exceptional universal value. The application, officially made in 2007, could reach the next stage with the final presentation to the French state by the end of 2011.

The association which made the application invites all those (officials and general public) who wish to support it , to the “Walk for the Climats” which will take place between Chambolle-Musigny and the Château du Clos de Vougeot next April. On arrival at Clos de Vougeot, the officials of the region will sign the “Charte Territoriale des Climats de Bourgogne” charter, in which all those involved in the region will undertake to promote the UNESCO initiative in their management.

To support the Burgundy “Climats” application, see www.climats-bourgogne.com

What is a “Climat”?

The term “Climats” is typically Bourguignon, and refers to an ancestral custom. It constitutes the Burgundy definition of “Terroir”. The "Climats" are plots of land with precisely defined limits, benefiting from specific geological and climatic conditions which, when combined with human action and "translated" by the two great grape varieties, Pinot Noir for red wines and Chardonnay for white wines, brought about an exceptional mosaic of hierarchically organised and world renowned wines. There are thus thousands of “Climats” in Burgundy.

In a “Climat” there is geography, the history of France, archeology, grapes, traditions, geology, expertise, landscapes, towns, geneology, reason, passion, ancestral acts, grape varieties, customs, meteorology, oenology, culture, viticulture, toponomy, biodiversity, etc.

As early as the 7th century some famous “crus" were recognised and quoted, such as the “Clos de Bèze” in Gevrey. For several centuries, the reputation of Burgundy wines spread thanks to the monks of Cîteaux and the Dukes of Burgundy. Some wines, designated by the name of the original “Climat”, acquired a reputation which transcended borders (Clos de Vougeot, Montrachet, etc.).
From 1935, the INAO (Institut National des Appellations d'Origine) officialised the use of the term “Climat” and used it in its regulatory texts for all Burgundy appellations, whatever their hierarchical level.

What about the “lieux-dits”?

Since the creation of the land registry in France, the “lieu-dit” has designated a small piece of land whose name refers to a topographical or historical peculiarity. However, the terms “Climats” and “lieux-dits” have long since become confused in Burgundy. In reality, there are several differences. And you can find several “lieux-dits” within one “Climat” or you can have a “Climat” which covers only part of a “lieu-dit”.

Origin of the names of "Climats"

Although Burgundy includes **684 Climats of Premiers Crus**, there are **over 1,200 Climats** across Burgundy covering all levels of appellation. All these plots of land have names of various origins.

The names are sometimes related to specific characteristics:

- to the geographical conditions
  - *e.g. Les Cras, Les Caillerets (stoney slopes), Les Epenots (relative to the thorny vegetation), Le Montrachet (bald mountain)*
- to man's creations
  - *e.g. Champs des Charmes, Aux Charmes (the word "Charme" in Burgundy designates former common fields which were cultivated and then set aside), aux Fourneaux, Derrière le Four (presence of ancient coal ovens)*
- to the life of men
  - *e.g. La Romanée (due to the proximity of a supposedly Roman ancient road), Entre Deux Velles (« Velle » designates the Gallo-Roman villas now become villages), Les Meix (« Meix » is a little village clos)*

Some names are difficult to identify or remain non-identified:

- *e.g. Les Ecusseaux (possibly due to the plot being shaped like a shield or écu), Les Corbins (plot belonging to someone of the name of Corbin or possibly invaded by crows (corbeaux)*

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The Groupe des Jeunes Professionnels de la Vigne (Association of the young wine-makers) rewarded **6** young wine-growers for the quality of their wines in the **2008 vintage**.
The six prize-winners were selected by two juries of professionals, through a blind tasting. The sponsors of this event are Jancis ROBINSON, a professional wine taster and journalist, and Jacques DUPONT, from the French magazine Le Point.

The Prize-winners :

Beaujolais — **Domaine Cédric VINCENT**
Chemin de Marduy
69400 POUILLY LE MONIAL

Wine presented for tasting: Beaujolais nouveau, Beaujolais Vieilles Vignes blanc et rouge

Côte Chalonnaise — **Domaine Paul et Marie JACQUESON**
5 rue de Chèvremont
71150 RULLY

Wine presented for tasting: Bourgogne rouge, Rully « Les Chaponnières » et Rully 1er Cru « La Pucelle »

Mâconnais — **Domaine Eric FOREST**
Le Martelet
71960 VERGISSON

Wine presented for tasting: Mâcon « Vergisson », Pouilly-Fuissé et Pouilly-Fuissé « Les Crays »

Côte de Beaune — **EARL Jean LATOUR LABILLE**
21190 MEURSAULT

Wine presented for tasting: Bourgogne blanc, Meursault « Clos des Meix Chavaux », Meursault 1er Cru « Perrières »

Côte de Nuits — **Domaine Armelle et Bernard RION**
8 Route nationale
21700 VOSNE ROMANEE

Wine presented for tasting: Bourgogne rouge, Vosne-Romanée « Cuvée Dame Juliette » et Vosne-Romanée 1er Cru « Les Chaumes »

Chablisien — **Emilie SEGUINOT et Laurence LESPRIT**
GAEC Daniel SEGUINOT
89800 MALIGNY

Wine presented for tasting: Petit Chablis, Chablis, Chablis 1er Cru « Fourchaume »

Press release

150th Hospices de Beaune Wine Auction

Burgundy/Bourgogne* vineyard "Climats": a heritage without borders

*Burgundy is the English translation of the French word Bourgogne

The Association for Inclusion of Burgundy Vineyard "Climats" as a UNESCO World Heritage Site is a partner of the 150th Hospices de Beaune Wine Auction. Its intention is to support places around the world affected by natural disasters.

The ageold tradition of the Hospices de Beaune Wine Auction has certainly contributed to spreading the reputation of these wines well beyond the limits of their "Climats". "For almost all the planet's inhabitants, the climate depends on the sky. In Burgundy, when we talk about a "Climat", we don't raise our eyes to the sky, we lower them to the ground" explains Bernard Pivot, President of the Support Committee for inclusion of Burgundy vineyard "Climats" as a UNESCO World Heritage Site. "Climats" are the Burgundian expression of "Terroir", which have given rise to this exceptional mosaic of worldfamous wines.

Running entirely contrary to uniformity, the construction of "Climats" is a perfect example of mankind's historical dedication to the land, creating diversity which is planned, maintained and continued, and whose exceptional qualities deserve to be passed on to future generations.

"What makes the concept of world heritage exceptional is its universal application. World heritage sites belong to all the people of the world, regardless of the territory on which they are located", declares Aubert de Villaine, President of the Association for Inclusion of Burgundy Vineyard "Climats" as a UNESCO World Heritage Site.

"This is why our association has decided to donate its proceeds from the auction to organisations working for the reconstruction of cultural, and therefore human, heritage in places affected by natural disasters".

The Association's guest of honour will be Chinese film star Liu Ye, known in particular for his role in "Blood Brothers" (2007). He will be in Beaune for the Wine Auction on 21 November.

Contact

Association pour l'inscription des climats du vignoble de Bourgogne au Patrimoine mondial de l'Unesco [Association for Inclusion of Burgundy Vineyard "Climats" as a UNESCO World Heritage Site]
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