

SPECIAL FEATURE



IS THE WINE INDUSTRY READY TO SPARKLE?

With Fratelli Wines, Moët Hennessy and York Winery entering the sparkling wine segment in 2013-14, the Indian wine industry is buzzing with activity and wine drinkers are gladly raising a toast to say, "The more, the merrier". Rojita Tiwari reports.

It was the month of February and the Grover Zampa winery in Nasik was perky with a number of visitors and special guests who had flocked to the wine capital of India to enjoy the company's annual wine festival. The panorama, foot thumping music, scheduled tours of the vineyard, special tastings inside the cellar and some delicious bubbly made the whole experience memorable for the guests. In the midst of all that celebration, the beautiful pale salmon pink bubbly, the Zampa Soiree Brut Rosé, caught the fancy of many and emerged as the star of the day while the Zampa Soiree Brut came close second. As the event took place at the winery, there was no restriction on refilling the glasses even as the bar counters frequently ran out of the sparkling wines.

So, is India finally ready for a sparkling revolution? At least the industry experts say so. Sumedh Singh Mandla, CEO Grover Zampa Vineyards says, "The sparkling wine market in India is small but growing well with many producers entering this segment. Also, several producers either have or are looking at introducing economical priced sparkling/ semi-sparkling wines. Quality, price and packaging would play a critical role in success of the sparkling wine labels."

The notable cousin of sparkling wine - Champagne has many advantages over the former. No other drink speaks celebration like champagne. But when it comes to a market like India, the pricing of champagne brands act as a dampener. Though fairly cheaper sparkling wines from other regions like Italy, Spain, California, and Australia are available in the market, this segment is mostly dominated by the Indian wine producer, Sula Vineyards, but that may be about to change.

The total wine consumption in India is increasing at 15-20% annually, of which sparkling wine constitutes less than 10%. Quoting some trade journals, Mandla says, the sparkling wine volume for 2012-13 was pitched at 47000 cases and imported wines at 42000 cases of nine litres. For fiscal year 2013-14, the YOY growth for the sparkling wine segment is pitched at 25% to 30%.

Speaking about the Zampa Grover sparkling wine range Mandla says, "We are proud of the bubbly in our portfolio. We are probably the only producer in India who offer only "Vintage-Traditional Method (better known as Méthode Champenoise) in Brut and Brut Rose' segment as our offer to consumer. We are working towards achieving at least 20% market share in this segment. Meaning, close to about 100% YOY growth for Sparkling wines, in our

portfolio, during this fiscal year."

Riding on this growth many more wine companies have either entered or planning to enter the sparkling wine segment. And testament to that is the launch of Fratelli's Gran Cuvée Brut and Moët Hennessy India's first Indian sparkling wine Chandon. The market leader Sula, after gauging the competition and also with an intention to settle the earlier dispute with CIVC (Comité Interprofessionel du Vin de Champagne) (the earlier label carried Méthode Champenoise which according to champagne laws is not allowed and can only be called methode traditionnelle) well timed the unveiling of the new packaging for its sparkling wine range. According to industry professionals who attended the event, though the invite sent out earlier was a little confusing, the post event release from the company confirmed that it was the occasion of the launch of the new packaging for Sula Brut, Brut Rosé and Seco.

Sula Brut which is a blend of five classic grape varieties – Viognier, Chenin Blanc, Sultana, Shiraz and Pinot Noir is claimed to be one of the few methode traditionnelle wines in the world to be crafted from five different grapes. Sula Brut Rosé which now has pinot noir added to it is a blend of Pinot Noir, Zinfandel and Chenin Blanc.

Both the Brut and Brut Rosé are crafted in the true methode traditionnelle – bottle fermented and aged in Sula's underground estate cellars, Brut for a minimum of 15 months and Brut Rosé for a minimum of 12 months. Sula Seco is light, crisp and slightly sweet sparkling wine positioned at a nominal price point.

The launch of Moët-Hennessy's Chandon brand, surely poses some threat to Sula. The brand which is the first offering from Moët-Hennessy Estates & Wines portfolio in India presents great potential and could challenge the existing biggies. After careful consideration for years and under the watchful eyes of the international experts finally the champagne major has taken the plunge to replicate the models of other Chandon estates. The first Chandon estate was created in 1959 in Argentina followed by California (1973), Brazil (1973) and Australia (1986).





Old Packaging

New Packaging

Chandon which was launched with much fanfare and excitement in Mumbai recently is retailing at ₹1200 for Chandon Brut and ₹1400 for Chandon Brut Rosé. The sparkling wines are available at select wine retailers, hotels, restaurants and bars in the city. Following the launch in Mumbai, the wines will be introduced in New Delhi in November 2013 and all other major cities across India through 2014.

Mark F. Bedingham, Managing Director, Moët Hennessy Asia Pacific, who was present at the second launch event that took place at a five star hotel on 19th October, said, “Moët Hennessy has traditionally been a pioneer in developing sparkling wines in new locations around the world and India is the latest example. A recent addition to the “new world”, Nashik is certainly the wine-making heartland of India and offers grape growing conditions

that are conducive to creating world-class sparkling wines. With the launch of Chandon, we aim to bring wine-making and the wine culture in India to new heights. Wine excellence is a priority for Moët Hennessy Estates & Wines and Chandon will allow us to share our passion for quality and commitment to our French legacy with the Indian market.”

Moët Hennessy has also invested in a state-of-the-art green field winery in Dindori, a sub-region of the Nashik district known for growing high-quality grapes. Officials have confirmed that the winery will be operational by mid 2014. Chandon has been created by Moët Hennessy’s team of international and local winemakers and viticulturists, closely working with grape growers from the Nashik region. The wines have been crafted combining the finest local grapes with the centuries-old “method traditionnelle” to ensure the signature Chandon style. Chandon Brut is made from Chenin Blanc (mainly) with some addition of Chardonnay and Pinot Noir grapes. Chandon Brut Rosé is made from Shiraz and Pinot Noir.

Commenting on the growing sparkling wine segment in India Mandla says, “The demand for sparkling wine in India is growing in HORECA segment as well as retail especially Modern Off trade segment. Some segments/trends that are leading to this growth include presence and push in social and corporate



events, presence in more and more hotels and restaurants as part of the weekend brunches/ Wine by Glass segment and corporate and festive gifting. Women segment, younger segment, international travellers and expats living in India are also strong contributors.”

The first sparkling wine in India Marquis de Pompadour Brut (exported as Omar Khayyam) was launched by Indage Vintners in 1990s and it enjoyed monopoly for a very long time until the company filed for bankruptcy and Sula who entered the wine market in 2000 took over the segment some 10 years back with the launch of its first sparkling wine. The wine market by and large in India has evolved ever since. Though there is a substantial volume gap, Sula’s close competitors Four Seasons wines and Grover Zampa are inching towards the number one position.

Nitin Desai, MD, Vinsura Vineyards maintains that their sparkling wine range Vinsura Sparkling Brut and Platine Rose Brut are among the largest selling sparkling wines in India. The company which introduced these wines in the year 2008 had succeeded in taking some market share from the sparkling wine segment. Desai confirms that Vinsura Brut, 100% Chenin Blanc is the only sparkling wine in India which declares the grape variety on label. The Vinsura sparkling wines are available all over India except UP, Tamil Nadu, AP and Haryana.

With the launch of Gran Cuvée Brut the Indo-Italian JV wine company Fratelli Wines too entered the sparkling wine segment which is constantly widening its portfolio with new launches. The winery situated in Akhuj has been experimenting with some fine grape varieties. It recently introduced Asia’s first Sangiovese Bianco wine, a pale white wine made of the famous Italian red grape variety Sangiovese. Fratelli’s bubbly, a methode traditionnelle sparkling wine with 100% Chenin Blanc. After the primary fermentation the blend is bottled with yeast and



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a small quantity of sugar for a second fermentation. During the secondary fermentation, the bottles are stored horizontally, temperature maintained at 10 degrees C. The bottles then go through ‘riddling’ post which they are placed downward on racks at 45 degree angle. After this they follow the same process as champagne to remove the lees called disgorging. In the end they add a mixture of the base wine and sucrose called liqueur d’expédition to the blend. This is only to balance the high acidity of the blend.

While the premium range of the sparkling wine segment is bustling with new players, a small producer Good Drop Wine Cellars is silently contributing to the expansion of the market in the lower segment. Ashwin Rodrigues, the wine maker and owner of Good Drop Wine Cellars started this company five years back with the only aim to offer sparkling wines which are cool, fun and party wines that can be enjoyed by all at very affordable rates. His wines are no fuss wines and a great way to introduce wines to the non-wine drinkers. The wines have soft bubbles; they are off-dry or sweet and are high in alcohol. The flagship brand Rio Fizzy wine, a semi-sparkling one that sells at ₹110 for a 375 ml bottle with 12% abv can give beer a run for its money. Rio wines are available in Pune, Nashik, Goa, Ahmednagar and Kolahpur and very soon it is going to enter Mumbai. Last year, Ashwin sold 8000 cases of Rio fizzy wines. The Italian collection (now launched as Carnival collection) is a frizzante style sparkling wine priced at ₹200, inspired by Italian sparkling wines like Asti Spumante, Prosecco and Lambrusco. This is a comparatively low (9% abv) alcohol wine which is light and easy to drink. All these wines are made of blended wine grape varieties grown around Nasik district. It has got a semi-dry and crisp finish. The latest offering from Good drop is Rio Strong. A wine that has followed first carbonation and has alcohol content as high as 16% is made of table grapes and priced at ₹100. Commenting on the launch of Chandon and other sparkling wines, Rodrigues says, “It will be a big shot in the arm of the country as the industry needs more players. While these companies are dwelling in the premium range I am focussing on the affordable range.” Besides the plan to launch a range of RTDs soon, Rodrigues also intends to enter the premium range with a new sparkling white wine which will be produced using the Italian method, Charmat which differs from the classic method, as the fermentation takes place in an autoclave, a large pressurised container, instead of in the bottle. This wine will be positioned at around ₹750. Good Drop Wine Cellars sold total 11000 cases of wines last year and Rodrigues expects to cross 30,000 cases this year.

INDIAN SPARKLING WINES

COMPANY	BRANDS	GRAPE	PRICE (In Mumbai)
Sula Vineyards	a) Sula Brut	Viognier, Chenin Blanc, Sultana, Shiraz and Pinot Noir	₹800
	b) Sula Brut Rose	Pinot Noir, Zinfandel and Chenin Blanc	₹1000
	c) Sula Seco Sparkling	Mix of classic and Indian varieties	₹425
Grover Zampa Vineyards	a) Zampa Soiree Brut Rose	Shiraz	₹1090
	b) Zampa Soiree Brut	Chenin Blanc	₹790
Moët-Hennessy Estates & Wines	a) Chandon Brut	Chenin Blanc, Chardonnay and Pinot Noir	₹1200
	b) Chandon Brut Rose	Shiraz and Pinot Noir	₹1400
Fratelli Vineyards	Gran Cuvée Brut	Chenin Blanc	₹995
Vinsura wines	a) Vinsura Brut	Chenin Blanc	₹850
	b) Platine Rose Brut	Chenin Blanc and Cab Sau	₹1100
York Wines (To be launched in 2014)	Sparkling Brut	Chenin Blanc	₹800 above
Good Drop Wine Cellars	Rio Fizzy Wine	wine grapes	₹110 (375 ml)
	Italian/ Carnival Collection	wine grapes	₹200 (375 ml)
	Rio Strong	Table grapes	₹100 (375 ml)



The company will also have its own winery in the Vinchur Wine Park, Nashik next year which will be operational with the capacity of 3 lakh litres (almost 3000 cases a month).

Entering the segment in 2014

According to an earlier report Four Seasons wine is planning to launch India's first vintage sparkling wine under the label Ritu. The company will possibly introduce a blend of Chardonnay and Chenin Blanc and a sparkling Rose with a blend of Shiraz and Zinfandel. But not divulging any details on the same Abhay Kewadkar, Chief Wine maker and Director at Four Seasons wines - UB group said, "We will launch our sparkling wines sometime in next 12 months and we can only share any further details closer to the launch."

The Gurnani brothers from York winery are also jumping into the band wagon next year. Kailash Gurnani, the winemaker at York confirmed that they will be launching a sparkling brut before *Diwali* next year. "The wine may be a blend of two batches but of single grape, chenin blanc. We also plan to introduce some other sparkling wine varieties with a second variety of white wine in future." York will be rolling out around 400 to 500 cases in the first year. The brand which will be a sparkling brut will carry the York label and the same bottle design as Chandon. Rest of the details is being worked out at present, says Kailash. The York sparkling wine will be positioned in the premium price range ₹800 or above.

When asked to comment on this sparkling wine movement in India and if it would have any impact on the sales of Champagne, Rajiv Singhal, Director of the Office of Champagne in India as representative of CIVC (Comité Interprofessionnel du Vin de Champagne) replied, "New sparkling wines from India will allow the customer more choices. The ensuing competition will assure more consistency. It is very healthy for the market to have more than a few players - the reach of the product will grow in such a large country. Champagne will remain unaffected by the new launches, because those who drink Champagne don't drink sparkling wine unless they trade down. It is imported sparkling wines that many people think of as the cheaper alternatives



to Champagne that will be crowded out. And as the consumption of sparkling wine grows, the potential trade up to Champagne augurs well."

The excitement and buzz in the market say that sparkling wine as a category

holds great potential but with time it will be proven if this is just a passing phase or the movement is here to stay. We can only hope that in due course it gives a boost to the overall consumption of Indian wines. 🍷

WHY YOU ARE NOT ALLOWED TO CALL YOUR SPARKLING WINE CHAMPAGNE!

- 1) Champagne is a Geographical Indication that is enforced worldwide. Champagne can only be called so if the sparkling wine originates from the Champagne region in France. Similarly in Spain the term for sparkling wine is Cava, in Italy its Spumante, and in South Africa it is termed as Cap Classique.
- 2) Champagne follows the method called Méthode Champenoise, which means after primary fermentation of the permitted grape varieties, blending (assemblage in Champagne) and bottling, a second alcoholic fermentation occurs in the bottle. If this method is followed by a sparkling wine producer, it can only be called "traditional method" (méthode traditionnelle) and not Méthode Champenoise.
- 3) Champagne has to age on lees for a minimum of 15 months, but some can be aged for decades.
- 4) Champagne is a completely natural product, and no additives (such as juices, flavours, bubbles) are allowed by the appellation. The fine bubbles are a result of the natural process of secondary fermentation in the bottle. Even a Champagne brand that introduced gold flakes into the bottle after the process of champagne making was not permitted to use the appellation Champagne.
- 5) The grapes used in Champagne, the plantings, the harvest (including timing), the yield, the maturation, the closures, the bottling, the labelling, the packaging, all strictly follow the norms set by the CIVC and the appellation. These are very strict laws that are laid down to ensure the commitment of quality to the esteemed patrons of Champagne. Sparkling wines are not obliged to, and do not, follow these laws.

CIVC have objected to and succeeded in getting withdrawn Champagne used on non champagne beverages and non beverage items. Methode Champenoise has been replaced by methode traditionnelle in non champagne beverages. Phonetics, such as Shampagne, Zampagne etc have been taken off. CIVC aims to protect the reputation of Champagne, and wants the customer to get the quality he expects from the stringent quality control in Champagne. Recently the organisation also succeeded in getting withdrawn the product Korbel Californian Champagne, and the new label is Korbel California Sparkling Wine."