

INTERVIEW WITH ANDREW CAILLARD, JULY 2009

It is no exaggeration to say that there are few people in the world who understand Australian wine better than **Andrew Caillard MW**, the fine wine principal at Langton's, Australia's leading auction house. In a wide-ranging interview with **decanter.com** editor **Adam Lechmere** he sets out his vision for Australian wine, and frankly explains where he feels Australia has gone wrong - but how it should be confidently on course to build a reputation for a producer of some of the most sublime wines in the world.

Can I start by simply asking where you think the Australian industry is at the moment?

Australia is making the most exciting and beautiful fine wine in its entire history.

Over the last fifty years, the last two decades particularly, there has been an astonishing evolution of wine style, individual winemaking philosophy, extraordinary innovative thinking and investment.

'...a compelling 'voice' of place... a sense of poetry...'

Australia is making great wine across several genres; some with outstanding cellaring potential and others with the fragrance and delicacy that demand earlier drinking.

Many have a compelling 'voice' of place or underlying sense of poetry. The history of many Australian fine wines is quite fascinating with interlinked heritage and profoundly important discoveries and developments. Recently I was having lunch with [Penfolds chief winemaker] Peter Gago et al to celebrate senior red winemaker John Bird 's 50 vintages at Penfolds. Ray Beckwith (97 years old), who was Penfolds oenologist during the 1930s until the early 1980s, and who was also at that lunch, was the first man to discover the relationship between pH and wine stability.

This was ground-breaking science. Until this time bacterial spoilage was a major problem in most wineries; many barrels were thrown out and quality was inconsistent. Beckwith's science changed all of that. I am sure someone else would have worked it out eventually, but nonetheless it was Australian science that kick-started the modern world-wide wine industry.

'...the level of spite within the international media is surprising...'

With such profound depth of history, compelling stories and

beautiful wines, I find it bizarre that negative sentiment about Australian wine pervades the international media.

It is true that trade is being knocked about and there are vicissitudes within the Australian wine industry, but I am surprised at the level of spite, exaggeration and disingenuous debate that is currently doing the rounds.

Every other wine industry around the world is struggling at the moment. At Vinexpo [in June 2009] everyone I spoke to, producers from Italy, France, Argentina, South Africa etc, said that trading was difficult. These are definitely soul searching times.

Australia in many respects invented mass-produced commodity type wine and then maintained market dominance through assertive discount campaigns.

Nowadays these wines have become merely international styles with no obvious unique selling points or quality differences to wines from Languedoc Roussillon or Spain.

The media are bored by them, as much as an ennui will become commonplace with European or South American commodity wine.

'...marketing bullshit...'

Australia has badged its commercial wines as Brand Champions or Generation Next. These so called 'personalities' actually have no personality at all. They are generally just boring international styles that compete on price and slug it out with marketing bullshit and stupid critter names.

The Australian Wine Industry is certainly at a tipping point. I predict that in 20 years Australia will be seen as a completely different wine producing country.

The commercial wine industry will have to contract. It is not sustainable. Water resources are far too precious to waste on ordinary wine. On the other hand Australian fine wine has a huge future. Our very best wines have already reached First Growth or Grand Cru stature; yet with a strong voice of country.

Anyone who has tried 1962 Penfolds Bin 60A Cabernet Shiraz and other wines of that ilk, will know that Australia has been making wines of incredible substance and greatness for many decades.

Which regions are producing the most exciting or improved wines, and why?

I am really excited by Margaret River Cabernet Sauvignon and Chardonnay. I have been closely watching progress for 15 years and through my involvement with the Great Wine Estates of WA.

Moss Wood Cabernet Sauvignon and Cullen Diana Madeline Cabernet Merlot have evolved into really beautiful and enduring wines. A sub-regional context has really emerged with strong differences in wine character between Wilyabrup, North and South.

Leeuwin Estate Art Series Chardonnay and Pierro Chardonnay are brilliant foils for each other. Voyager Estate and Woodlands are just a few that are really hitting their straps. Oliver Crawford, who completely transformed Penfolds Yattarna, is now the winemaker at Devil's Lair. Can you imagine what is going to happen there?

I am really enjoying watching the Barossa Valley develop. It is in every respects Australia's greatest wine region with a distinctive wine culture, a lovely wine community and a fascinating history. The wines are generous like the people. The Barossa is best known for Shiraz. Over 20 years we have seen the rise in prominence of Henschke Hill of Grace, Henschke Mount Edelstone, Rockford Basket Press, Peter Lehmann Stonewell, Grant Burge Meshach, Yalumba The Octavius, St Hallett Old Block, Penfolds RWT, Kaesler 'The Old Bastard', Langmeil 'The Freedom', Charles Melton, Torbreck The Run Rig etc.

The cult wine scene probably best epitomised by Chris Ringland Shiraz (a wine that I greatly admire) also emerged. Winemaking philosophy has gradually evolved. Many of these wines, derived from some of the oldest genetic material in the world (vines over 160 years old) are now matured in a large proportion of French oak rather than American.

Producers have refined viticulture and viniculture to bring down alcohol levels. Penfolds Grange, Henschke Hill of Grace and Peter Lehmann Stonewell are better than ever before with both power/richness and finesse/ minerality.

'...artisans of the Barossa...'

There is a group of winemakers called the artisans of the Barossa. Teusner, Radford, Massena and Spinifex are making some great stuff. Wines based on Grenache and Mourvedre/Mataro are also very interesting. After writing Penfolds' The Rewards of Patience and researching the history of Penfolds St Henri (originally a cabernet Mataro!) I was moved to make Mataro myself.

The Barossa is also brilliant for profoundly dense and immensely concentrated Cabernet Sauvignon in top years. The Baross boast

the oldest cabernet vineyard in the World. I am also impressed by Yalumba Virgilius Viognier and Peter Lehmann Margaret Semillon.

Wendouree, a 19th century winery and vineyard, located in the Clare Valley is making profound wine. The Shiraz is magnificently individual with a core of fruit sweetness and pronounced muscular sinewy tannins. It's the type of wine show judges get all uppity about because of the tannins, and their own self importance, but this wine absolutely defines the idea of 'scent of place'.

Coonawarra Cabernet Sauvignon is back after significant overhaul of vineyards. The 2004 Wynns John Riddoch and 2004 Balnaves The Tally are great examples of the genre. Bowen Estate, Zema Estate and Majella are all making lovely wines.

Crawford River Riesling from Henty in Victoria is bloody outstanding and a brilliant foil to the incredibly beautiful wines of Grosset in the Clare Valley. The virtually unknown Lethbridge Mietta Pinot Noir, Geelong is so ethereal and seductive, it tells me that Australian Pinot Noir has wonderful potential, especially Melbourne Dress Circle. Bindi Block 5 is an incredibly thoughtful wine based on biodynamic principles. The Tasmanian Stephano Lubiano Sasso is gorgeous

The old gold-mining region of Beechworth in North East Victoria is fascinating. The atmosphere rather than the landscape reminds me of Margaret River in the old days. It has people of real character. Keppel Smith's Savaterra Chardonnay, with its al dente structure and creamy fruit, is highly individual. Giaconda Chardonnay, across the road, is a study in precision viticulture and winemaking genius.

'...Castagna, the romantic nutter...'

The erstwhile filmmaker Julian Castagna, down the road, is a romantic nutter who has fully embraced biodynamic viticulture and Sangiovese.

Mount Mary Quintet, Yarra Valley and Domaine A Cabernet from Tasmania are lovely wines with a real feeling of individuality.

Hunter Valley Semillon is very interesting. In many respects this style has been a curio for many years. Tyrrell's Vat 1 and Mount Pleasant Lovedale have long captured the high ground with their incredible consistency. A younger generation of winemakers have fully embraced the variety and making the wines with more maturation on lees before bottling.

Andrew Thomas Braemore Semillon has completely redefined the idiom. I want Hunter Valley Shiraz to be great. There are so many

examples over the years including the 1965 Lindemans Bin 3100 Hunter River Hermitage (sic) but it has been rare to find anything since the great 1986 Brokenwood Graveyard Shiraz. On the other hand the rise and rise of Clonakilla Shiraz Viognier at Murrumbateman, near Canberra, is simply astonishing. These are exquisite wines with an incredible stamp of origin.

At the top end, where should real wine lovers be looking in Australia?

The cult wine scene – which was really driven by Robert Parker and his ilk – did much to skew the impression of Australian wine.

Australians are really not into overly powerful, high alcohol wines, yet the strength of Parker's opinions opened up export markets. As predicted by many observers on the local scene these wines have lost cachet in the American because many just haven't aged very well.

The big joke is that the American critics who lionised these overly concentrated wine solids are now the same people putting the boot in.

The current Langton's Classification of Australian Wine pretty well tells a story about the mindset of collectors. There is plenty of diversity and interest in the Australian fine wine market. Penfolds Grange and Henschke Hill of Grace are the doyens of the secondary wine market. Barossa Shiraz, Margaret River Cabernet/Chardonnay, Clare Valley/Eden Valley Riesling, McLaren Vale Shiraz, Coonawarra Cabernet Sauvignon, Heathcote Shiraz. Melbourne Dress Circle Pinot Noir, Heathcote Shiraz, Beechworth Shiraz/ Chardonnay, Yarra Valley Pinot Noir, and Hunter Valley Semillon etc. I often find that wines, like dogs, can reflect the character of their owners.

Bronco is just getting into Australia with a 'Two Buck Chuck' – what do you think that will do for the industry?

Well, it's a free market. I don't think it does anything for the industry. It's really opportunistic and short term in thinking. Our industry has traditionally promoted moderation. There is nothing moderate about cheap wine. I had thought we had already reached the lowest common denominator. Three Buck Koala is unsustainable in the long term and will do nothing to enhance the reputation of Australia. All critter brands – regardless of origin - are caricatures. As a new world producer these trashy wines undermine and obscure the efforts of fine wine producers more profoundly than low-end wines from traditional European wine countries.

Strategy 2025 was a runaway success. Directions 2025 is obviously more difficult to quantify, but would you say it is successful, or on course to be a success?

Strategy 2025 was a serendipitous success. It never predicted the Australian juggernaut.

Directions 2025 was an extraordinary project that attempted to anticipate the market, influence the consumer and build sustainable success.

Market conditions rapidly changed during the evolution of this project. It was well-conceived and led admirably by Kevin McLintock. It articulated major issues within the industry and solutions. It required an unprecedented level of co-operation across the entire industry. Using the analogy of a sea chart, Directions 2025 pointed the industry in the right direction. Prevailing conditions have worsened. We are beating up against heavy winds in a mountainous sea, but in many respects probably not too far off course.

I think it is extraordinary that a whole industry can work together like this, but increasingly I think the imperatives of commercial wine and fine wine are different. The Landmark/ Regional Heroes strategy is currently underway but this is ultimately a project that needs years of commitment.

We definitely need to look at ourselves and the way we present Australia to the world. This will no doubt mean a refinement of ideas down the track. I wonder whether, in our attempt to make a meaningful difference against our competitors, we have taken a shine off our Australianness?

In the old days it was a tasting in the winery and then a beer down at the pub. Now it's a full degustation. However I think Australians don't want to be boxed in as laconic and easy going.

Do you think that regionality - ie teaching the consumer, and the retailer/sommelier about sub regions such as Coonawarra - is the right way for Australia to develop its wine industry?

Yes – absolutely. It has been a part of Australian fine wine culture since the very beginning. The early colonial books on wine making and viticulture, the 19th century reports on our successes at the Bordeaux Exhibition of 1888 etc give compelling insights into how our forefathers envisaged our future industry. Many of Australia's first important wine regions were proximate to colonial capital cities; The Hunter Valley – Sydney, Yarra Valley – Melbourne,

Adelaide Environs, Swan Valley - Perth etc The advent of a burgeoning economy and better communications and infrastructure during the late 19th century allowed other wine regions to develop including the Barossa Valley, Coonawarra, Great Western (Grampians) etc.

Australia has a wonderful diversity of landscape and micro climates. Coonawarra struggled to achieve success in the early days. 1949 Woodleys Claret, 1955 Wynns Michael, 1962 Penfolds Bin 60A (part Coonawarra), 1963 Mildara Peppermint Patty Cabernet Sauvignon, 1967 Penfolds Bin 7, 1976 Lindemans Limestone Ridge, 1980 Lindemans St George, 1982 Wynns John Riddoch are all incredibly famous wines. Without a context of place, people and history, fine wine cannot resonate. Australia has several great wine regions. The number of legal Geographical Indications, however, blur the message. Personally, I think we need to focus on the classic regions and styles.

Do you think problems with Directions stem from the concept, or the execution?

I think Directions 2025 was extremely ambitious. It has been compromised to some degree by a lack of funding, financial will from stakeholders and genuine support from various factions within the industry. Kevin McLintock showed incredible leadership, but as an observer the industry is not as cohesive as it used to be; the investments and risks are much higher for everyone.

The imperatives of publicly listed wine companies are completely different to family owned companies, yet their size and structure gives them an ugly dominance over wine industry strategy. Directions to some degree accommodated these interests. On the other hand it did give smaller entities a voice. The Landmark strategy and to some extent Regional Heroes, is a major step forward for the fine wine industry. These projects are currently unfolding, but need to be relentless.

Lisa McGovern [head of Wine Australia, London] said that the key was to 'explain why a consumer should choose Wrattobully succinctly and without bafflement' - do you think Directions achieves that aim?

You old cynic! I think the sentiment is correct but the example is a touch obscure and shows to some degree how politics and accommodation of agendas can really frustrate a perfectly reasonable message.

In Australia you will find that collectors and consumers will buy and cellar a range of wines. Collectors and fine wine enthusiasts will

generally concentrate on classics. Hunter Valley Semillon /Shiraz (especially Sydney), Barossa Shiraz, Coonawarra Cabernet Sauvignon, Melbourne 'Dress Circle' (Mornington Peninsula, Yarra Valley, Geelong) Pinot Noir, Adelaide Hills Chardonnay, Margaret River Chardonnay/ Cabernet Sauvignon/ Penfolds bin wines (house style). Obviously there is work to be done here to convey that message.

You were part of the decision-making process for Directions 2025. What would you do, or suggest, differently in hindsight?

I would have predicted the Global Financial Crisis, the meltdown of the US market, the collapse of Marlborough Sauvignon Blanc prices, the asset sales of Fosters, the bankruptcies of American wine agencies and the increase in taxation on wine in the UK.

I think Directions 2025 was a good effort and should be looked at within the context of the time. Strategy 2025 was seen as successful, but much of it was propelled by unpredicted good luck.

Can you imagine the French or Italians putting together such a document? Perhaps the great failing of Directions 2025 was that it was made into a media circus.

The success of Australia is based on simplicity - 'Sunshine in a bottle' - do you think complicating the message is dangerous?

I think complicating any message creates confusion. However I think it is a mistake to continue any use of 'the sunshine in a bottle' analogy.

This worked well when South of France, Argentina, Chile and South Africa were making below average commercial wines.

However many competitors are making similar type wines using the same grape varieties; Sauvignon Blanc, Chardonnay, Cabernet Sauvignon and Shiraz. I can't see how Australia, with its severe water shortages and capital costs can compete in the long term.

The sunshine in a bottle analogy was evocative for the commercial wines of the time, but it does not really hold true with fine wine. The images of Australia with its beaches, huge skies and vast expanses of red earth belie the reality of the fine wine landscape.

I agree, however, that we need to make our message uncomplicated and attractive. However our fine wines, particularly the ultra-fine/landmark wines are far from simple. One of the failings of the times was that commercial interests never really allowed the fine wine message to get any traction. At Langton's we have been

preaching regional definition and fine wine diversity for decades. Obviously we have been reaching a limited audience, but I find it astonishing that the ultra-fine wine market has largely been ignored until recently.

Australia is definitely moving on. I sense a degree of nostalgia among many seasoned Australian wine observers. Some feel that Australia has lost its way. However I think Wine Australia's current brand segmentation strategy is steeped in sound thinking. The overall transparency and calculating ideas probably seem to outsiders like a loss of innocence. Nonetheless, the industry is definitely divided into commercial wine and fine wine. The latter is far more compelling and interesting yet commercial wine remains critically important. We need to articulate our message in a straightforward, easy to understand language and leave the philosophical debate to ultra fine and Landmark wine.

You've said Australian fine wine is 'on the cusp of recognition'. Has the fine wine category been exploited properly by Wine Australia?

Not in the past, but I think it is now moving the right direction. There have been many initiatives to bring Australian fine wine into focus. The recent Wine Australia Tutorial in the Barossa Valley was very meaningful. There have been many high quality tutored tastings in recent years in Asia particularly. Wine Australia has used Langton's long-standing Classification of Australia Wine as a theme for some international markets.

There is only a certain amount Wine Australia can do. The rest is up to wine producers themselves. I actually believe that we one of the keys to achieving recognition is the development of an international secondary wine market for fine Australian wine. As soon as wines are valued as assets, they immediately achieve a cachet.

Which countries represent the greatest threat to the Aussie industry - at the supermarket level and at fine wine level?

I have just been travelling around France and Italy. I am impressed by the commercial quality and calibre of wines in the Languedoc Rousillon, Tuscany and Montepulciano d'Abruzzo.

At Vinexpo [in June 2009] I saw wines from Argentina, Chile, South Africa, Spain, France and Italy.

Australia has huge competition at the commercial level. There is increasing pressure to maintain price points at a time when taxation and costs are on the rise. This market is very very tough. At the fine wine level, I feel we can differentiate ourselves in a

meaningful and confident way.

The buying behaviour is also different. Most fine wine drinkers like to drink different wines. The fine wine experience is all about contrast, light and shade. I think Australia is making an extraordinary diversity of beautiful and evocative wines.

'...every bit as meaningful as Grand Cru Classe Bordeaux...'

Top Margaret River and Coonawarra Cabernet Sauvignon are every bit as meaningful as Grand Cru Classe Bordeaux or top Napa Valley Cabernet. Hunter Valley Semillon, typified by Mount Pleasant Lovedale or Tyrrell's Vat 1, can haunt Haut Brion Blanc. Wendouree Shiraz has an energy and substance that powerfully seduces the senses like Chateau Latour.

Leeuwin Estate Art Series Chardonnay with its gorgeous fruit, creaminess and indelible acid cut is utterly Australian, yet would sit comfortably aside Bonneau du Martray Corton Charlemagne. Grosset Polish Hill Riesling, with its pure fruit and strong linear acidity completely redefines the great Riesling idiom.

'...Yalumba can be as profound as Domaine de la Romanee Conti...'

Yalumba's Virgilius Viognier and Clonakilla Shiraz Viognier bombard the senses profoundly in the same way as Domaine de la Romanee Conti or Tenuta dell'Ornellaia's Masseto. Penfolds Grange, with its strong Australian pedigree, is a hugely impressive wine that has become an important reference point.

These analogies are not meant to suggest the wines are necessarily better, but to illustrate that the fine wine market is populated by complementary rather than competing wines; another difference between the commercial and fine wine market

Do you really think the wine buying public is ready for Australian regional wines?

Why Not? The Australian wine consumer has embraced it – why can't the English? Obviously we need to make sure that we can capture the imagination of the wine buying public.