



2023 Richmond Hill Wines Vintage Report

The Tipping Point

As we near the end of our 25th Bordeaux futures campaign, we are reflecting on what has been one of the most unusual En Primeur seasons since we began this program in the 1990's. In our years of travelling to Bordeaux to visit the estates and assess the barrel samples we always leave with a very good impression of the quality of the vintage, but the dilemma we face is that we rarely have insight into the economics of the vintage. The secret formula that the Chateaux use to set their release price is never a part of our conversations, and we have little to no information as to how the wines will be priced, nor the volume of wine that will be offered. Some might find this strange, but this is the way the system has been set up for decades, and merchants have found a way to make it work. This year, we tasted what is undoubtedly a very strong vintage. However, for the first time in our experience we were also given a glimpse behind the curtain to see a region that is being deeply impacted by economic turmoil and growing disinterest from a younger generation of wine buyers. We encountered a motivated group of Bordeaux estates that were willing to re-engage with their core supporters, as well as discuss new ways to connect with the coming generations.

Leading up to the 2023 En Primeur tastings there was muted buzz among the wine press and disgruntled merchants in Europe that the Bordeaux futures system was in jeopardy of becoming irrelevant. The wine industry in Europe is facing economic distress related to Brexit, inflation and countless other reasons. There is also a growing global concern in the wine industry that the younger generations are not consuming wine (or alcohol in general) at the same pace as their baby boomer and gen-x parents. For those who follow the wine industry somewhat closely, you've likely seen reports that many bulk wine producers in California, Australia, France and other countries have been ripping up vines because they can no longer afford to manage the vineyards and harvest the fruit for the low price they would net. While this isn't a Bordeaux specific problem, it certainly impacts the industry at all levels. Add to this the access that Europeans have to back-vintage Bordeaux wines at market prices through auction houses and brokers, and it's easy to see how there is discomfort.

The elephant in the room is that Bordeaux is currently enjoying their greatest run of quality ever. We seem to have reached a point where the top estates of Bordeaux no longer make bad wines, and from a quality standpoint alone there has never been a better time to purchase the wines of Bordeaux. Last year we reached the apogee of Bordeaux En Primeur pricing, with global inflation climbing to all-time highs, combined with a vintage that ranks among the top of the last 50 years. The increasingly growing investment market for Bordeaux wine has also played a crucial role in the rising En Primeur release prices, given that the Chateaux now have real-time data on what clients are willing to pay for older comparable vintages of their wines in the open market. It's fair for the producers of these wines to feel entitled to the full market value of their wines, *but* the En Primeur system was built on speculation that the wines purchased will increase in value, thus stand as a worthy investment.

This brings us to our initial dilemma that we faced during the En Primeur tastings. There was no denying the quality of the 2023 vintage was exceptional and had this been 10 years ago we would have assumed pricing would rise 5-10% from last year's releases. However, given the dynamic market that we are currently experiencing, we could not help but taste the wines with the context that buyers will need a reason beyond just quality to participate in a 2023 En Primeur program.

The 2023 Pricing

The Bordeaux En Primeur sales campaign typically begins 2-3 weeks after the En Primeur barrel sample tastings are held in April. This leaves merchants and journalists time to assess their notes and provide context for the hundreds of releases to come. This year, it was announced before the week of barrel tastings had begun that Leoville Las Cases and Pontet Canet would release their wine just two business days after the completion of the En Primeur events. When we met with the Sales Director of Leoville Las Cases, he candidly told us they had something "special" planned, and when they released their wine at nearly **40%** below the 2022 price, this sent an early message that we were in for a very special campaign. Chateau Lafite-Rothschild followed suit two days later, offering their wine for the lowest release price since 2014, despite receiving 99-100 point scores from multiple top critics. This trend continued throughout the campaign, save for a select few properties that notably did not reduce their prices significantly. In most cases, prices were equal to or below the pandemic influenced pricing of 2019, and this sent a clear signal to us that we are dealing with a new approach from a region that is trying to re-invigorate their buyers. Overall, the 2023 prices will range from **20-40%** below 2022.

So, what about the actual vintage?

The 2023 vintage can be added to the nearly endless string of high-quality vintages that Bordeaux has produced since the year 2000. We will stop short of saying that 2023 is as good as both 2022 and 2020, but there are easy comparisons that can be drawn to 2019, 2016 and 2000. This was another incredibly hot vintage, but unlike the dry and heat-wave riddled 2022 vintage, 2023 did have ample water in the early part of the season. The resulting red wines are rich, and intense, but with moderate alcohol levels and fresh, lively palates. While the overall consistency of the vintage did not match 2020, with our En Primeur campaign we focus on the top 100-120 estates, and among this group there were very few properties that did not produce a successful wine in 2023. Due to the incredibly high quality of the Cabernet Sauvignon in the Medoc, we will give the slight edge to the left bank in 2023. There are a few very notable exceptions to this claim, with the plateau's in Pomerol and St. Emilion contributing many of the top wines of the vintage.

In 2023 Bordeaux experienced a slightly later-than-usual bud break, which helped mitigate damage from spring frosts. Flowering was rapid and homogeneous, unfolding under favorable conditions, thus promising generous potential yields. However, the spring season brought alternating high temperatures and rainfall, fostering the development of mildew. The impact of mildew varied, with Merlot plots on the left bank being particularly affected, contributing to significant differences in harvest yields.

The lack of water stress during fruit set supported the vegetative growth of the berries. July, despite being hot and dry, suffered from a lack of sunshine. A drastic weather change in mid-August, following early-month

storms, led to a heatwave towards the end of the month, initiating ripening under extremely hot and dry conditions.

September proved to be particularly favorable for producing ripe, healthy, and abundant grapes. In general, the Merlot harvest began in early September, while the Cabernet harvest started shortly after. In the end, most of the top terroirs enjoyed an incredibly high yielding harvest under ideal conditions.

Saint Estephe

In 2023, Saint-Estèphe experienced drier conditions in late spring and summer than other Médoc regions, with most estates reporting minimal mildew pressure. Heatwaves in August and September affected Merlot maturity, resulting in blends with a higher Cabernet Sauvignon content. The overall quality of St. Estephe was very high. This region was home to some of the standout wines of 2023, including 2nd Growth Chateau Montrose, which produced what many critics highlighted as the top left bank wine of the vintage. Sadly, our limited allocation of Montrose sold out within a few hours of us releasing our direct offer last week. Fans of St. Estephe can now look to other top estates like Calon Segur, Cos d'Estournel and Lafon Rochet who all performed admirably in 2023. Perhaps the most intriguing buy in St. Estephe is the incredibly well priced Chateau Tronquoy, which is produced by the team at Montrose. This 200+ year old estate only began selling their wine as futures last year, and they have quickly become one of the top values for Bordeaux En Primeur purchasing.

Pauillac

Just south of St. Estephe, Pauillac is home to three of the five 1st Growths, and many of the other top names in Bordeaux. Like their neighbours in St. Estephe, Pauillac experienced lower rainfall than most parts of the Medoc. The best producers in Pauillac were able to carefully navigate the heatwaves of August and September, and many of the overperforming properties in 2023 hailed from Pauillac. The most notable success from our first 6 weeks of sales is Chateau Pontet Canet, who produced a magical wine and absolutely nailed their pricing (\$136 per bottle, down from \$186 in 2022). Chateau Pichon Longueville Comtesse de Lalande was also among those most aggressively priced in Pauillac, despite producing a wine that we felt offered serious competition to both Mouton Rothschild and Chateau Lafite. If you are searching for value, it is easy to find in the Pauillac 5th Growths estate of Chateau Pedesclaux. This perennial overperformer again notched a top quality wine, while also pricing at just \$58 per bottle. Another standout was Duhart-Milon, which falls under the same ownership as Chateau Lafite-Rothschild. Duhart-Milon had the appearance of a Lafite imposter in 2023, and will undoubtedly turn into a standout wine with 10+ years of cellaring.

Saint Julien

Carrying south through the Medoc, St. Julien is where we begin to find more exotic and elegant wines compared to the powerful expressions of Cabernet and Merlot in Pauillac and St. Estephe. In 2023 St. Julien saw more varied results, with some of our favourite wines of the vintage tasted right next to some of the glaring disappointments. This is the appellation that we felt offered a lot in terms of value, with Talbot, Branaire-Ducru, Gloria, St. Pierre, and Langoa Barton all producing serious quality wines at well under \$100 per bottle. The usual suspects of Leoville Poyferre, Ducru-Beaucaillou, Leoville Las Cases and Leoville Barton all produced above average wines that warrant serious consideration, with Leoville Poyferre topping our list among this elite group.

Margaux

Margaux is the southernmost appellation in the Medoc, and also the region that was most greatly impacted by the high volume of rain in 2023. Given the large size of the Margaux appellation, we typically always see

inconsistent results. This was again true in 2023, but the top terroirs within the appellation were unaffected by the excess rain and were able to exceed even the highest expectations. We felt Chateau Margaux produced the top 1st Growth wine of the vintage, and trailing only slightly behind them in Margaux are the overperforming trio of Palmer, Rauzan-Segla and Brane Cantenac. There is still an opportunity for value in Margaux, with a very strong wine produced at Malescot St. Exupery being offered at just \$74, as well as one of the sleeper wines of the vintage from Chateau Giscours at \$91 per bottle.

Pessac-Leognan

Pessac-Leognan is an expansive region that covers the area south of Bordeaux city, inland from Garonne River. This region is home to hundreds of estates that produce competent, but not futures worthy wines, as well as 5 or 6 of the most important estates in Bordeaux. The Bordeaux city suburb of Pessac is where you'll find one of Bordeaux's top performing estates over the last decade with Chateau les Carmes Haut Brion. Les Carmes Haut Brion has always had some of the most unique terroir in Bordeaux, and under new ownership and the brilliant winemaking guidance of Guillaume Paultier, they are now performing at a level that is only matched by a few other properties in Bordeaux. This Cabernet Franc dominated blend is again one of the wines of the vintage, and thanks to the incredibly generous yields of the 2023 vintage, we are able to include a few cases in our public offer for clients that did not get a chance to participate in the pre-offer earlier this month. Pessac-Leognan was home to another sleeper of the vintage, with Chateau Fieuzal topping our list of sub \$100 wines and coming in at \$51 per bottle. We will also highlight some key white wines further down the report.

St. Emilion

Like Margaux, St. Emilion is an incredibly large region with hundreds of estates of varying quality ranges. It's very typical to have overperformers and underperformers, and this vintage is no different. Unlike the left bank where Merlot struggled due to excess water, the Merlot of the right bank thrived thanks to the deep clay soils of this appellation. Where we found the most success was the limestone rich plateau that surrounds the historic village of St. Emilion. The plateau is home to some of our standout wines of 2023, including what looks like one of the best overall buys of the vintage with Beau Sejour Becot. Other top wines include Canon, Pavie Macquin, Larcis Ducasse and another sleeper of the vintage with Chateau Laroque, which is being offered at only \$49 per bottle despite receiving critic scores more comparable to \$100+ wines in St. Emilion.

We should have a separate appellation category for Chateau Figeac, as it sits on terroir that is completely unique to their estate, and does not fit a general St. Emilion overview. The clay/gravel/limestone combo of Figeac's soil allows them to produce a traditional St. Emilion blend of Merlot and Cabernet Franc, while also including 30%+ of Cabernet Sauvignon from their gravel sites. When we taste at Figeac we are always reminded that "Figeac is Figeac", and it is a truly special wine that holds no comparison on the right bank. They have again produced an out-of-this world wine in 2023, and we were very pleased to see the wine offered at 40% below their aggressively priced (albeit phenomenal) 2022 release.

Pomerol

The tiny right bank appellation of Pomerol is home to some of the smallest and most demanded estates in Bordeaux. Here, the cult wines of Petrus and Le Pin fetch \$5000+ per bottle. Not all of us have a Petrus budget, but there are other wines that are worthy of strong consideration. We were very impressed by the quality of La Pointe and Rouget, which are both available for under \$100 dollars (a rare feat in Pomerol). If you are looking to experience the quality of Petrus at a fraction of the price, their neighbours at Vieux Chateau Certan were again among the top of the appellation. Vieux Chateau Certan is managed by Guillaume and Alexandre Thienpont, who also oversee the vineyards of Le Pin. We'd spend more time on La Conseillante, which we felt produced one of the top overall wines of the vintage, but sadly our extremely limited allocation sold out within only a few hours of being released to allocation holders. If you missed out on La Conseillante, a

worthy consolation addition to your reservation is Chateau Clinet, where you'll find the purity and richness of Merlot blended with fruit from one of Pomerol's only Cabernet Sauvignon vineyards.

White Wines and Sauternes

Thanks to the slightly more moderate temperatures in 2023, Bordeaux was able to enjoy a very successful white wine harvest that highlights the fresh acidity and balanced profile that we look for in a great white wine vintage. There are countless wines that made the cut for us, but please note that we are no longer including a large percentage of white wines in our futures offer, and we will now featuring these wines in the form of an in-stock release in early 2025. Also worth noting is that white wine and Sauternes make up an incredibly small percentage of the total production in Bordeaux, and the En Primeur pricing of white and Sauternes wines does not follow the same trends as the red wines. While most producers did reduce release prices slightly from 2022, in general they remained similar.

As is the case in many recent vintages, the standout white wine of the year for us was Chateau Smith Haut Lafitte Blanc. This estate in Pessac-Leognan produces one of the world's great Sauvignon Blanc based wines, and to nobody's surprise they have again crafted a rich, textured and strikingly complex white wine that will cellar for 10+ years. Smith Haut Lafitte Red and White will also have a special notation on their label this year, commemorating the visit of King Charles and Queen Camilla in the fall of 2023. Not far behind Smith Haut Lafitte Blanc in quality was Domaine de Chevalier Blanc, which features a more prominent percentage of Semillon in the final blend, adding tension and structure.

As good as the white wines were, the Sauternes were perhaps even stronger. This is a magnificent vintage for sweet wines, with some of the highest sugar levels and acidity we have seen in over a decade. There were very few Sauternes that did not impress, but what stood out for us was Lafaurie-Peyraguay, Suduiraut, Guiraud and Coutet which are all featured in our offer in 750ml and 375ml formats.

Final Thoughts

The 2023 En Primeur campaign appears to have signaled a step change in the pricing approach that Bordeaux properties will need to employ going forward. The reality is that many of these estates are very large, and they produce a serious volume of wine that ultimately needs to find its way to an end consumer. We appear to be entering a period where the top Chateaux are actively courting new customers, and this sales campaign clearly indicated they are trying to find prices that will work for consumers. We have no doubt that the top estates of Bordeaux will continue to make exceptional wines year in and year out, so the only question that remains is how they will be offered. Like in 2019, this vintage appears to present a very strong buying opportunity given the combination of quality and pricing.

If you would like to schedule a call to discuss Bordeaux En Primeur buying with our team, please reach out to Devan or Jack at bordeaux@rhwines.ca.

