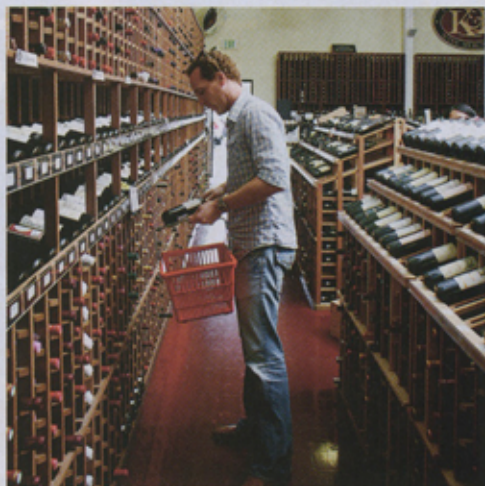


VINTAGE PRICES
FRENCH WINES FOR A
(RELATIVE) SONG AT
SAN FRANCISCO'S K&L



can see all the terrain of the beach," says Victor Schwartz, founder and president of V.O.S. Selections, a fine-wine importer and distributor in New York and New Jersey. "If you look at what's going on in Bordeaux, it's traumatic. It's just stopped dead. With Burgundy, you can name your number. Go in and negotiate with your wine dealer, and you'll pick up some incredible Burgundy! We dropped our prices bigtime."

A GLASS HALF FULL

The increasing number of bargains can be traced back to the restaurant scene. In a good year a vintner like Silver Oak, whose Napa Valley Cabernet Sauvignon goes for about \$100, sells as much as 70% of its

inventory to restaurants. Not lately. Consumers are dining out less frequently, and when they do go out, they order further down the wine list or even (gasp) by the glass. "Restaurants stopped buying when the writing was on the wall last November and December," says Silver Oak president and CEO David Duncan.

The cellars of Michael Mina's 15 restaurants are still clogged. "If I buy a bottle for \$100 from Napa Valley—and believe me, there are hundreds—I'll mark it up to \$225. But no one is buying those," says wine director Rajat Parr at RN74 in San Francisco. As a

result, Parr is saying no to all Napa Cabernets until customers drink what's left.

Desperate for cash flow, wineries and distributors first try to grease wine buyers like Parr with discounts—hence all the "half-price-wine night" specials at restaurants lately. Offering wholesale discounts means taking a revenue hit, but it doesn't undermine brand perception with consumers. Some wineries also turn to clearinghouses like Wines Til Sold Out (winestilsoldout.com), which offer fleeting deals to members—30% to 70% off list.

FIVE UNBEATABLE BARGAINS



2006 LA MONDOTTE, SAINT-ÉMILION
Was: \$259
Now: \$199
With French wine sales down 25%, even the best bottles are on sale, like this 97-point Bordeaux.
klwines.com



2006 CLOS VOUGEOT, GRAND CRU, DOMAINE EUGÉNIE
Was: \$270
Now: \$140
Half off a Grand Cru Burgundy. Some retailers may be willing to negotiate even further.
klwines.com



2006 CAYMUS SPECIAL SELECTION
Was: \$160
Now: \$99
Napa's Caymus makes 80,000 cases a year—which means a lot of great wine to unload.
belmontwine.com



2006 DOMINUS NAPA VALLEY
Was: \$120–\$150
Now: \$96
Robert Parker gave 96 points to this Cabernet blend: Dominus slashed prices to find new fans.
belmontwine.com



2005 BRYANT FAMILY
Was: \$600
Now: \$345
It's surprising to see this low-production cult Cabernet available at all—much less for a \$255 discount.
belmontwine.com

THE GRAND CRU CURSE

The last option is to lower retail prices. As Schwartz notes, deals on high-end Bordeaux and Burgundies are especially prevalent. French wine sales have fallen 25% this year, and distributors are facing backlogs, even of Grand Crus. What's more, high-end chateaus, which produce tens of thousands of cases a year, aren't just competing with one another. They're competing with their own great vintages of yesteryear—'82, '86, '89, many of which are widely available for less than the current release.

Even Napa Valley, with its minuscule volume, isn't immune to the downturn. One of Napa's iconic Cabernets, Caymus Special Selection, typically sells for \$160 or more. This year San Francisco's K&L Wine Merchants, a major U.S. retailer, has it for \$109. Still too pricey? No matter how much you spend, you'll be drinking better than you