



A Corking Collection

A FINE WINE COLLECTION TAKES TIME, AND PATIENCE, TO BUILD. **DEBRA MEIBURG** OFFERS ADVICE ON HOW TO BUY, STORE AND SAVOUR YOUR BORDEAUX

BUYING AND SELLING WINE at auction, or on other secondary markets, has ballooned into a billion-dollar industry and shows no sign of slowing. Double-digit returns and stratospheric pricing on blue-chip wines have spurred wine lovers to establish collections of investment-grade wine as part of their portfolio of traditional financial assets. And, of course, there's always the pleasure of drinking your investment should the bubble burst.

Actuaries are indicating that the average human will live to be a centenarian. And although we average humans might not be fit, balanced and sober at the age of 100, if we start collecting bottles now, it's likely we'll sip respectable wine while partying with our pensioner pals.

The first step towards creating a collection is to estimate the amount of fine wine you would like to drink per week throughout your life. Fine wine, not everyday drinking wine. A good rule of thumb is one bottle per week. If so, buy at least five cases (60 bottles) of good-quality wine each

January. Then comes the challenge: do not touch your collection for at least five years. After crooning Auld Lang Syne in 2013, you can begin pulling a few corks (slowly, slowly), but you must add to the collection at the same rate: in this case, five cases each year. By following this plan, you will have the pleasure of sipping mature top-quality wines for the rest of your life.

What to look for when shopping for the annual January addition? Stock your collection primarily with red wines as they not only survive the long haul, but most improve with age, thus explaining the excessively high prices for wines such as the Cheval Blanc 1947. Risk-averse collectors should stick with classic wines from top Bordeaux and Burgundy chateaus.

Collectors with higher risk tolerance should accumulate New World collectibles, such as Australia's Henschke, Vasse Felix, Mount Mary and Grange, or stockpile California cult wines alongside Spanish and Italian classics. While speculative punters might prefer to invest based on their own palates, there are many high-quality wine merchants in the UK and in Asia to advise you.

Historically, the wine investment market does

ABOVE Crown Wine Cellars in Hong Kong boasts six underground cellars
BELOW The highly collectible Cheval Blanc 1947





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agement, monthly portfolio updates, including online availability, advice regarding drinkability, discounted access to independent storage facilities, current market valuations and an annual report profiling your cellar's rate of return. No need to present your advisor with a neat and tidy inventory list: just hand them your cardboard boxes of documentation – or give them access to your bottles – and they will create a database for you. Portfolio advisors typically charge an initial consultation fee and then a minor commission fee on all sales and purchases in which they are involved. Most have discounted arrangements with merchants making their commission fee negligible.

When it comes to collecting wines from regions with highly variable climates, such as Bordeaux and Burgundy, vintage is important, so do not hesitate to ask experts for their advice. Another consideration is diet and health in your, ahem, mature years. As Burgundy is generally considered easier on the stomach and is an exceedingly versatile match for many types of food, it might be wise in later years to weight your collection with Burgundy.

Collecting fine wine as an investment requires careful consideration of storage conditions as improper storage will adversely affect wine quality over the long-term and its resale potential. If a professionally designed home wine cellar is not an option, park your collection in a professional wine storage facility. While many merchants offer wine storage services, be cautious as it is not unknown for merchants to have dipped into private collections to make a quick sale of your 1982 Chateau Lafite later replacing it with a bottle of questionable provenance. If you never intend to drink the wines and are collecting as an investment only (but where's the fun in that?), then consider leaving your wine in Europe, sparing your collection the risks of shipping and dubious customs handling. Whatever your investment strategy, be sure to buy from sources with strict quality and provenance controls and stored in an optimum environment.

Concerned that your work-hard, play-hard lifestyle might get in the way of your promised longevity? Create a wine legacy for your children instead. A few cases of wine from their birth years will make treasured gifts for milestone birthdays, graduations and wedding events. Your kids will thank you for it and, if you're lucky, they'll pour a glass for you in the old-people's home. **T**

not show a direct relationship with financial markets. Thus, volatility in the money markets does not impact investment-grade wines. Instead, wine pricing is supported by a global supply-and-demand balance, which shows no sign of waning, given our insatiable demand for luxury labels. That being said, do consider whether you are collecting for yourself or for resale investment as the secondary market for anything other than the Bordeaux first-growths can be quite thin.

If diversifying your financial portfolio is your primary wine investment objective, then you might consider an independent wine advisor. These wine professionals offer consulting services that typically include inventory man-

ABOVE If wine is bought in Europe as an investment, it is recommended it is stored in Europe

